

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:4745
ANSWERED ON:18.12.2009
COST BENEFIT ANALYSIS OF POWER GENERATION
Thakur Shri Anurag Singh

Will the Minister of POWER be pleased to state:

- (a) whether the Government is aware of the report of the National Environment Engineering Research Institute (NEERI) published in 2006 on the cost- benefit analysis of power generation in India which highlighted high external environmental costs of coal- based power plants;
- (b) if so, the details of the mechanism that the Government has established to compensate the affected people, especially the poor;
- (c) if not, whether the Government proposes to establish any mechanism in partnership with the affected population; and
- (d) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER(SHRI BHARATSINH SOLANKI)

(a): Yes Madam, the National Environment Engineering Research Institute (NEERI) has prepared a Report entitled `Study of Post Clearance Environmental Impact and Cost Benefit Analysis of Power Generation in India`. The report brings out comparison of coal based thermal power plants with that of gas based plant and also hydroelectric projects. In the report, the total external cost of power project has been found to be Rs.0.1067 per Kwh for coal based power plants. The high external cost of coal based generation is mostly because of health impacts and global warming caused by the flue gases from such plants.

(b) to (d): As regards to existing power stations, the State Pollution Control Boards regularly monitor the various emissions and their impact on local population. Govt. of India has formulated `National Rehabilitation & Resettlement policy in 2007` to compensate the people affected by various infrastructure projects. Ministry of Environment & Forests while, clearing the new thermal power projects have started stipulating specific expenditure to be incurred by the power plant developer under Corporate Social Responsibility (CSR) plan covering development of various infrastructure facilities in the surrounding villages including creation/ augmentation of facilities regarding health, educational, drinking water etc.