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Title: Regarding need to allow the Government of Orissa to levy duty on generation of power.

SHRI B. MAHTAB (CUTTACK): Orissa has vast coal deposits. Orissa is a power surplus State and it exports power to other states. Since, electricity duty can be charged on consumption only, the importing state benefits while the exporting state has to bear the negative externality such as environmental degradation due to mining. Mining of coal and consumption of coal for generation of electricity has adverse effect on environment not only on account of ash produced but also on account of increase of ambient temperature in the region where thermal generation plants are located. The problem of handling huge quantities of ash has not been satisfactorily handled so far for instance, the utilization of fly ash in the 3000 MW NTPC Super Thermal Plant at Kaniha, Talcher is almost next to nothing.

The loss of forest cover and the pollution of water bodies in the coal bearing areas in the Brahmani basin has reached alarming proportion.

Under present dispensation, Orissa neither receives any income from generation of power nor it gets a share from the electricity duty which is levied by the States on purchase by retail consumers. If 1000 MW power is generated in Orissa and evacuated, the importing state gets electricity duty to the extent of Rs 100 crores. Orissa gets nothing. This situation has to be altered either by allowing the state to levy duty on generation or a percentage of power generated should be given free of cost to the State by the Central Public Sector generating companies as is the case in Hydro Power Generation.