No.J-1601 1/26/2001 – IA-III Government of India Ministry of Environment and Forests (IA-III Division)

Paryavaran Bhavan, CGO Complex, Lodhi Road, New Delhi – 110003.

Dated the 13th March, 2006

Sub: Environmental Clearance - Construction of LNG Import Terminal at Puthuvypeen Island, Kochi, Kerala- regarding.

Reference is invited to the letter No. 4215/B1/2000/STED, dated 9.2.2001 and letter No.1143/A2/2005/STED, dated 14.10.2005 from Science, Technology and Environment (B) Department, Government of Kerala regarding the subject mentioned above. The information/clarifications submitted by M/s Petronet LNG Limited vide their letter dated 27.5.2005, 18.10.2005 and letter No.ND/LNG/K-9(ii)/2005, dated 6.12.2005 have been considered. The Ministry has earlier accorded environmental clearance to the above project vide their letter of even number dated 2nd June, 2003 for construction of a LNG Import Terminal.

The present project proposal pertains to increasing the LNG storage capacity from 2 X 1,10,000 m cu to 2 X 1,55000 m cu which will be transported through LNG carrier ships of capacity 1,65,000 m cu. The above proposed project is to be located at the existing LNG Import Terminal site at Puthuvypeen Islands, Cochin.

All facilities for the above project including the regasification facility of 2.5 MMTPA, the canal depth, breakwater etc., remains unchanged.

The cost of the project is Rs.1,600 crores. No eco sensitive areas are involved for the project.

The proposal has been examined in the Ministry of Environment & Forests and Environmental Clearance to this project is hereby accorded subject to effective implementation of the following conditions:

A. SPECIFIC CONDITIONS:

- (i) All conditions stipulated in the clearance letter of even number dated 2nd June, 2003 should be strictly implemented. Also, all conditions stipulated by the State Coastal Zone Management Authority vide their letter No.1143/A2/2005/STED, dated 14th October, 2005 should be complied.
- (ii) No Objection Certificate/consent should be obtained from the Kerala State Pollution Control Board for the enhanced LNG capacity at the terminal, before initiating the project.
- (iii) The project proponent should ensure that all necessary precautions including installation of Fullcontainment - Type LNG tank with concrete roof as indicated in the risk analysis report should be implemented.
- (iv) The project proponent should ensure that no additional dredging/expansion or regasification plant will be undertaken for the above project.
- (v) The budget allocated for environment safeguard measures should not be diverted for any other purpose.

- (vi) The comprehensive Environmental Impact Assessment report which is under preparation should be completed early and the final report submitted to this Ministry within one year.
- (vii) Based on the risk analysis, Disaster Management Plan should be prepared and submitted to this Ministry within 6 months.

B. GENERAL CONDITIONS:

- (i) Construction of the proposed structure should be undertaken meticulously conforming to the existing Central/local rules and regulations including Coastal Regulation Zone Notification, 1991 and its amendments. All the construction designs/drawings relating to the proposed construction activities must have approvals of the concerned State Government Departments/Agencies.
- (ii) The proponent shall ensure that as a result of the proposed constructions, ingress of the saline water into the groundwater does not take place. Piezometers shall be installed for regular monitoring for this purpose at appropriate locations on the project site.
- (iii) Handling, manufacturing, storage and transportation of all hazardous chemicals should be carried out in accordance with MSIHC Rules, 1989 and subsequent amendments. All approvals from State and Central nodal agencies including OISD, Chief Controller of Explosives, Chief Inspectorate of Factories must be obtained. A comprehensive contingency plan in collaboration with the concerned authorities must be formulated before commissioning of the project to meet any eventuality in case of an accident.
- (iv) A well-equipped laboratory with suitable instruments to monitor the quality of air and water shall be set up as to ensure that the quality of ambient air and water conforms to the prescribed standards. The laboratory will also be equipped with qualified manpower including a marine biologist so that the marine water quality is regularly monitored in order to ensure that the marine life is not adversely affected as a result of implementation of the said project. The quality of ambient air and water shall be monitored periodically in all the seasons and the results should be properly maintained for inspection of the concerned pollution control agencies. The periodic monitoring reports at least once in 6 months must be sent to this Ministry (Regional Office at Bangalore) and State Pollution Control Board.
- (v) Adequate provisions for infrastructure facilities such as water supply, fuel for cooking, sanitation etc. must be provided for the laborers during the construction period in order to avoid damage to the environment. Colonies for the laborers should not be located in the Coastal Regulation Zone area. It should also be fuel wood purpose.
- (vi) To prevent discharge of sewage and other liquid wastes into the water bodies, adequate system for collection and treatment of the wastes must be provided. No sewage and other liquid wastes without treatment should be allowed to enter into the water bodies.
- (vii) Appropriate facility should be created for the collection of solid and liquid wastes generated by the barges/vessels and their safe treatment and disposal should be ensured to avoid possible contamination of the water bodies.
- (viii) Necessary navigational aids such as channel markers should be provided to prevent accidents. Internationally recognized safety standards shall be applied in case of barge/vessel movements.
- (ix) The project authorities should take appropriate community development and welfare measures for villagers in the vicinity of the project site, including drinking water facilities. A separate fund should be allocated for this purpose.

- (x) The quarrying material required for the construction purpose shall be obtained only from the approved quarries/borrow areas. Adequate safeguard measures shall be taken to ensure that the overburden and rocks at the quarry site do not find their way into water bodies.
- (xi) The dredging operations to be undertaken with the prior approval of this Ministry, shall be executed with appropriate safeguard measures to prevent turbidity conditions in consultation with the expert agencies such CWPRS/NIO.
- (xii) For employing unskilled, semi-skilled and skilled workers for the project, preference shall be given to local people.
- (xiii) The recommendations made in the Environment Management Plan and Disaster Management Plan, as contained in the Environmental Impact Assessment and Risk Analysis Reports of the project shall be effectively implemented.
- (xiv) A separate Environment Management Cell with suitably qualified staff to carry out various environment should be set up under the charge of a Senior Executive who will report directly to the Chief Executive of the Company.
- (xv) The project affected people, if any should be properly compensated and rehabilitated.
- (xvi) The funds earmarked for environment protection measures should be maintained in a separate account and there should be no diversion of these funds for any other purpose. A year-wise expenditure on environmental safeguards should be reported to this Ministry.
- (xvii) Full support should be extended to the officers of this Ministry's Regional Office at Bangalore and the officers of the Central and State Pollution Control Boards by the project proponents during their inspection for monitoring purposes, by furnishing full details and action plans including the action taken reports in respect if mitigative measures and other environmental protection activities.
- (xviii) In case of deviation or alteration in the project including the implementing agency, a fresh reference should be made to this Ministry for modification in the clearance conditions or imposition of new ones for ensuring environmental protection. The project proponents should be responsible for implementing the suggested safeguard measures.
- (xix) This Ministry reserve the right to revoke this clearance, if any of the conditions stipulated are not complied with to the satisfaction of this Ministry.
- (xx) This Ministry or any other competent authority may stipulate any additional conditions subsequently, if deemed necessary for environmental protection, which shall be complied with.
- (xxi) The project proponent should advertise at least in two local newspapers widely circulated in the region around the project, one of which shall be in the vernacular language of the locality concerned informing that the project has been accorded environmental clearance and copies of clearance letters are available with the State Pollution Control Committee and may also be seen at Website of the Ministry of Environment & Forests at http://www.envfornic.in. The advertisement should be made within 7 days from the date of issue of the clearance letter and a copy of the same should be forwarded to the Regional Office of this Ministry at Bangalore.
- (xxii) The Project proponents should inform the Regional Office as well as the Ministry the date of financial closure and final approval of the project by the concerned authorities and the date of start of Land Development Work.

The above mentioned stipulations will be enforced among others under the Water(Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981, the Environment (protection) Act, 1986, the Hazardous Chemicals (Manufacture, Storage and Import) Rules, 1989, the Coastal Regulation Zone Notification, 1991 and its subsequent amendments and the Public Liability Insurance Act,1991 and the Rules made thereunder from time to time. The project proponents should also ensure that the proposal complies with the provisions of the approved Coastal Zone Management Plan of Andaman & Nicobar Islands and the Supreme Court's order dated 18th April, 1996 in the Writ Petition No.664 of 1993 to the extent the same are applicable to this proposal.

(A. Senthil Vel) Additional Director

To

General Manger (LNG),
Petronet LNG Limited,
World Trade Centre, First Road, Babar Road,
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Copy to:

- 1. The Chief Town Planner, Town and Country Planning Department, Government of Kerala, Thiruvananthapuram.
- The C.C.F.,Regional Office (SZ), Ministry of Environment & Forests, Kendriya Sadan, IV Floor, Environment & Forests, Wings, Office (SZ), 7th Main Road, II Block, Koramangala, Bangalore -560 034.
- 3. The Chairman, CPCB, Parivesh Bhawan, CBD-cum-Office Complex, East Arjun Nagar, Delhi 32.
- 4. The Chairman, Kerala State Pollution Control Board, Pattom P.O., Thiruvananthapuram 695004, Kerala.
- 5. DIG (SU), Regional Office Cell, Ministry of Environment and Forests, New Delhi
- 6. Guard File.
- Monitoring Cell.
- 8. Sr. Adviser (H), Ministry of Environment & Forests, New Delhi.

(A. Senthil Vel) Additional Director