

Government of Himachal Pradesh
Department of Environment, Science & Technology

No. STE-F(1)-1/2019

Dated: Shimla-2,

18.04.2022

NOTIFICATION

In compliance to the order passed by the Hon'ble Supreme Court in the matter of *M.C. Mehta Versus Union of India & Ors in Writ Petition (s) (Civil) No. 13029/1985* and the order passed by Hon'ble National Green Tribunal, Principal Bench at Delhi on 28.03.2019 in the matter of Original Application No. 67/2019, the Governor, Himachal Pradesh is pleased to formulate the Fuel Policy for Industries in the State of Himachal Pradesh as per enclosed **Annexure-A** with immediate effect.

By order

Prabodh Saxena, IAS
Addl. Chief Secretary (Env. Sci., & Tech.) to the
Government of Himachal Pradesh

Endsts. No. STE-F(1)-1/2019

Dated: Shimla-2

18.04.2022.

Copy forwarded to for information and necessary action to:-

1. All the Administrative Secretaries to the Govt. of Himachal Pradesh.
2. All the Heads of the Departments of H.P.
3. All the Divisional Commissioners in H.P.
4. All the Deputy Commissioners in H.P.
5. The Director, Deptt. of Env. Science & Technology, Shimla-1
6. The Member Secretary, H P State Pollution Control Board, Shimla-09.
7. The Member Secretary, Central Pollution Control Board, Parivesh Bhawan, East Arjun Nagar, Delhi-110032.
8. Guard file.


(Satpal Dhiman)

Additional Secretary (Env., Sci. & Tech.) to the
Government of Himachal Pradesh

18-4-2022

Fuel Policy for Industries in Himachal Pradesh

Introduction

Himachal Pradesh is one of the State of the Country which is characterized by an extreme landscape featuring several peaks and extensive river systems. Around 90% of the state's population lives in rural areas. Agriculture, Horticulture, Hydropower and Tourism are important constituents of the State's economy. The scope of industrialization in Himachal Pradesh is vast. Presently the industrialization in the State is confined within the major designated industrial areas viz. Baddi, Parwanoo, Kala Amb, Una, Kangra etc. One of the major concerns of the industrialization is air pollution which is being contributed in the atmosphere by usage of fuel in Furnaces/Boilers/D.G. Sets of the Industries which needs regulation. Section 19 (3) of the Air (Prevention and Control of Pollution) Act, 1981 empowers the State Government to prohibit the use of fuel which is likely to cause air pollution.

The Hon'ble Supreme Court in the matter titled as *M.C. Mehta Versus Union of India & Ors.* in Writ Petition (s) (Civil) No. 13029/1985 vide its order dated 17.11.2017, imposed ban on the use of pet-coke and furnace oil in industries in Northern Capital Region and requested all the State Governments and Union territories to consider similar measures. Subsequently, the Hon'ble Supreme Court passed various orders dated 13.12.2017, 05.02.2018, 26.07.2018 and 9-10-2018, and took on record the report of Central Pollution Control Board regarding use of Pet Coke to be allowed as Feed stock in calcined Petroleum Coke units.

Further, the Hon'ble National Green Tribunal in OA No. 67/2019 titled as *Sumit Kumar Versus State of HP & Ors.* with *Amarjeet Kumar Versus Union of India & Ors.*, dated 28-03-2019 has accepted the report of the CPCB and directed CPCB to issue appropriate directions to the concerned States indicating corrective measures. Subsequently directions from CPCB under Section-5 of EP Act, 1986 were received to formulate State Fuel Policy w.r.t. the use of Pet Coke and Furnace oil.

Purpose of the Policy

- Prohibition or regulation of fuel and its use needs consideration on 'Precautionary' and 'Sustainable Development' principle, requirement of industrial units to switch over to alternatives and cleaner fuels. Therefore the industries shall have to switch over to alternatives and cleaner fuels.
- Cleaner Fuel in form of Biomass and combustible matter available in the State in abundance may be utilized to achieve the mandate of Air Act, 1981 and EP Act, 1986 for the prevention, control and abatement of pollution.

Industrial areas in HP

There are about 44 notified Industrial Areas/Estates in the State of Himachal Pradesh with 9991 industries operational as per the data base (2017 report submitted in OA No.1038/2018 for comprehensive environment pollution index). Three areas in the State viz. Baddi, Parwanoo and Kala Amb fall under the classification of Severely Polluted Areas and seven towns of the State fall under the list of *Non-Attainment Cities/towns, where particulate matter concentrations continuously exceeded from 2011-15 as per NAAQS, 2009* which include namely **Baddi, Nalagarh, Parwanoo, Kala Amb, Paonta Sahib, Sunder Nagar and Damtal.**

The major concern of Pet Coke and Furnace Oil to be used as fuel in industry is high sulphur content, which leads to emission of SO₂ (Sulphur Dioxide) and NO₂ (Nitrogen Dioxide) in the atmosphere. The Average 5 years ambient air quality data for the parameters of SO₂ (Sulphur Dioxide) and NO₂ (Nitrogen Dioxide), indicate that these levels are well below the limits of National Ambient Air Quality Standards, 2009 prescribed by the Central Pollution Control Board. However, the Particulate Matter (PM₁₀) concentration has increased beyond permissible limits in some of the areas.

POLICY ON THE USE OF FUEL

PET COKE

The Pet Coke is a final carbon-rich solid material, which is derived from oil refining, and is one type of the group of fuels referred to as cokes. This coke can either be fuel grade (high in sulfur and metals) or anode grade (low in sulfur and metals). Pet-Coke is over 80% Carbon and emits 5% to 10% more Carbon Dioxide (CO₂) than Coal on a per unit-of-energy basis when, it is burnt.

USAGE OF PET COKE

- **Cement industries:** Shall be allowed to use pet coke as a feedstock if they meet at-least 1% of the their total annual fuel consumption from Biomass and other combustible matter in view of State Government decision taken on 2-08-2019. All the Cement industries using pet coke as feed stock shall share the monthly record of use of pet coke with 100 % Sulphur absorption in the process, with the State Board on Monthly basis.
- **Lime kilns, Calcium Carbide and Gasification Plants:** shall be allowed to use Pet coke as feedstock with a condition that all the record of the use of pet coke with 100 % Sulphur absorption in the process shall be shared with the H.P. State Pollution control Board on Monthly basis.
- Industries with **boiler up to 20 Tons per Hour Capacity or less**, shall be allowed to use pet coke as fuel with condition that the unit shall install system for 90 % reduction of SO₂ (Sulphur Dioxide) emissions.
- Industries with **boiler of more than 20 Tons per Hour Capacity**, shall be allowed to use pet coke as fuel with condition that the unit shall install system for 90 % reduction of SO₂ emissions along with continuous online emission monitoring system.

- For those **units having furnaces** including Brick Kilns based upon Pet-Coke as a fuel may be allowed with a condition that Unit(s) shall install the system for 90% reduction of SO₂ emission and shall install the continuous online emission monitoring system. Industries using pet coke as fuel in thermic fluid heater shall install the system for 90% reduction of SO₂ emission.

For all other Industrial operations which shall not be able to comply with the points as mentioned above shall have to shift from pet coke to alternate fuel/cleaner fuel as per the following timelines in **Table-1** below:

Table-1

Category		Timeline w.e.f. date of Notification
Unit(s) irrespective of category falling in Critical Polluted Area (CPAs)/ Severely Polluted Areas (SPAs) based on the Comprehensive Environmental Pollution Index (CEPI) developed by CPCB.		One year
Rest of Areas in H.P.	Red Category	Two Years
	Orange Category	Three Years
	Green Category	

FURNACE OIL (FO)

Furnace oil is a fuel oil which is dark and viscous. It is a residual fuel oil which is obtained by blending residual products from various refining processes with suitable diluent usually middle distillates to obtain the required fuel oil grades. For direct burning, furnace oil is viscous as well as not suitable for complete combustion. FO is a complex mixture of hydrocarbons.

PROHIBITION ON THE USE OF FURNACE OIL

Use of furnace oil **shall be prohibited** after the time line as given in Table-I. The units which are using FO as fuel **shall shift to HSD** or any other cleaner fuel. The generator sets are allowed to use FO as fuel with the condition that they shall produce EPA compliance certificate with respect to specified emissions standards of D.G. sets.

PROHIBITION ON THE USE OF TYRE PYROLYSIS OIL AND LDO

The Tyre Pyrolysis Oil, LSHS and LDO shall not be used as fuel in the State of H.P. for any activity/process manufacturing activity.

OPTIONAL CLEANER FUEL



In replacement of Pet Coke, Furnace oil, Tyre Pyrolysis Oil and LDO as industrial fuels, the following fuels will be allowed for industries/Restaurants/Dhabas/Hotels/Canteens, subject to the conditions as imposed from time to time:

- i. Liquefied Petroleum Gas (LPG)
- ii. Liquefied Natural Gas (LNG)
- iii. Piped Natural Gas (PNG) or CNG
- iv. High Speed Diesel (HSD)
- v. Bio Gas
- vi. Bio-fuel (Bio-Ethanol etc.)
- vii. Refuse Derived Fuel (RDF)
- viii. Biomass
- ix. Any other cleaner fuel with prior approval from the State Board.

The following terms and conditions shall be followed:

- (i) Cement Industries in the State of H.P. using Pet Coke as feed stock shall comply with State Government's decision of dated 2nd August, 2019 regarding Mandatory replacement of 1% total annual conventional fuel by Biomass (Pine needles, Lantana etc.) and other combustible matter (RDF). These Cement units shall mandatorily, share the data of their usage of pet coke along with the replaced fuel with the State Board at the end of every month through OCMMS portal.
- (i) In no case Furnace Oil as fuel shall be allowed as per timeline mentioned at **Table No-1** w.e.f. date of notification, which implies that all existing units shall only use the fuels as per the timeline mentioned at **Table No-I** and **either change the fuel** or else shall close down the production, further Under construction/up-coming units shall have to follow this draft fuel policy.
- (ii) Tyre/pyrolysis oil and LDO/LSHS shall not be used as a fuel in the state of HP for any activity/process/manufacturing/Industries.
- (iii) In case of any non-compliance, the Competent Authority shall have the discretion to close down the industry without any further notice.
- (iv) Industrial units using Pet-Coke as fuel may also have option to switch over to cleaner fuels by altering their plant & machinery as per requirement along with necessary modification in pollution control devices to comply with the standard as prescribed in EPA, Rules 1986.
- (v) This Fuel Policy shall be subject to any direction/notification/modification/ guidelines



issued/to be issued by the Supreme Court/ National Green Tribunal/ any Court of Law/ Central Govt./ State Govt./ CPCB/ SPCB at any subsequent stage.

- (vi) In case of any non-compliance, the Competent Authority shall have the discretion to close down the industry without any further notice.
- (vii) The time period for the transition to an approved replacement fuel shall start from the date of the publication of the Policy.
- (viii) The State Government will review the implementation status of fuel policy every year.


