

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 373/MP/2022

- Subject** : Petition under Section 79 of the Electricity Act, 2003 read with Regulations 11 and Regulations 29 of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 seeking approval of additional expenditure on account of installation of Emission Control System to comply with the Notification dated 7.12.2015 issued by Ministry of Environment and Forest and Climate Change (MoEF).
- Date of Hearing** : 25.5.2023
- Coram** : Shri Jishnu Barua, Chairperson
Shri I. S. Jha, Member
Shri Arun Goyal, Member
Shri P. K. Singh, Member
- Petitioner** : Udupi Power Corporation Limited (UPCL)
- Respondents** : Power Company of Karnataka Limited (PCKL) & 6 Others
- Parties present** : Shri Shubharanshu Padhi, Advocate, PCKL
Shri Jay Nirupam, Advocate, PCKL

Record of Proceedings

The instant petition has been filed by Udupi Power Corporation Limited for in-principle approval of additional expenditure on account of installation of Emission Control System in compliance of to MoEF&CC Notification dated 7.12.2015.

2. Learned proxy counsel for the Petitioner sought a short adjournment. The Commission acceded to the request of the Petitioner and adjourned the matter.

3. In the meanwhile, the Commission directed the Petitioner to furnish the following information on affidavit by 21.6.2023, with an advance copy to the Respondents:

- i. Certificate from the competent authority to the effect that the ECS technology selected is as per the recommendations made by CEA and is the best suited cost-effective technology in terms of CEA's advisory dated 7.2.2020, that would meet the ECS norms as specified in the MoEF&CC Notification.
- ii. Copy of the decision by UPCL with resolution and date to issue NIT to procure FGD installation.
- iii. Copy of NIT along with bid opening/closing dates.
- iv. Copy of the recommendations of the Bid Evaluation Committee, if any and approval of the competent authority to award the work.
- v. Certificate from the competent authority that bidding and award of the work has



- been carried out in a fair and transparent manner as per the applicable guidelines.
- vi. A note on the process of bidding for award of different packages of ECS, with names of the bidders who participated in the bid and name of the successful bidder, with a copy of the Letter of Award/Letter of Intent issued to the successful bidder.
 - vii. Station-wise/unit-wise break-up of the capital cost claimed for FGD as per the following table:

Unit No.	Capacity (MW)	CEA's indicative hard cost (Rs. lakh per MW)	Hard cost claimed (Rs. lakh per MW)	Total IDC claimed (Rs. lakh)	Total IEDC claimed (Rs. lakh)	Total FERV claimed (Rs. lakh)	Total taxes & duties claimed (Rs. lakh)	Total of Other costs claimed (Rs. lakh)	Total cost claimed (Rs. lakh)
1									
2									
3									
4									
5									
6									

- viii. Reasons for deviation from CEA's indicative hard cost, if applicable.
- ix. If any contract for NOx reduction at the generating station has also been awarded, the cost of the same is to be segregated and the capital cost for FGD is to be provided separately and distinctly.
- x. Present status of implementation of FGD. The actual cost of the already installed FGD and clarification whether the FGD installed now is in addition to the already installed FGD? If so, what is the cost of decapitalization of already installed FGD?
- xi. What is the treatment being done for the infrastructure and FGD already installed in the generating station?

4. The Commission directed the Respondents to file reply by 17.7.2023 and directed the Petitioner to file rejoinder by 4.8.2023. The Commission also directed the parties to comply with the directions within the specified timeline and observed that no further extension of time will be allowed.

5. The petition will be listed for further hearing on 18.8.2023.

By order of the Commission

sd/-

(V. Sreenivas)
Joint Chief (Law)

