

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 56/MP/2021**

**Coram:**

**Shri Jishnu Barua, Chairperson  
Shri I. S. Jha, Member  
Shri Arun Goyal, Member  
Shri P. K. Singh, Member**

**Date of Order: 17.07.2023**

**In the matter of:**

Petition under Section 79 of the Electricity Act, 2003 read with Regulation 29 of the Central Electricity Regulatory Commission (Terms and Condition of Tariff) Regulations, 2019 for approval of additional expenditure on account of installation of various Emission Control Systems at Muzaffarpur Thermal Power Station, Stage-II (2X195 MW) in compliance with the Ministry of Environment and Forests and Climate Change, Government of India notification dated 07.12.2015.

**And in the matter of:**

Kanti Bijlee Utpadan Nigam Limited,  
NTPC Bhawan, Core-7, Scope Complex,  
7, Institutional Area, Lodhi Road,  
New Delhi-110003.

**.....Petitioner**

**Vs.**

1. Bihar State Power Holding Company,  
Vidyut Bhawan, Bailey Road,  
Patna-800001.
2. South Bihar Power Distribution Company Limited,  
1st Floor, Vidyut Bhawan,  
Bailey Road, Patna-800001.
3. North Bihar Power Distribution Company Limited,  
1st Floor, Vidyut Bhawan,  
Bailey Road, Patna-800001.



4. Jharkhand Bijlee Vitaran Nigam Limited,  
Engineering Building, HEC Township,  
Dhurwa, Ranchi-834004.
5. GRIDCO Limited,  
Janpath, Bhubaneshwar-751022.
6. West Bengal State Electricity Distribution Company Limited,  
Vidyut Bhawan, Bidhannagar, Block DJ,  
Sector-II, Salt Lake City,  
Kolkata-700091.
7. Power Department,  
Government of Sikkim, Kazi Road,  
Gangtok, Sikkim-737101.
8. Damodar Valley Corporation (DVC),  
DVC Towers, VIP Road,  
Kolkata, West Bengal -700054.

.....Respondent(s)

**For Petitioner** : Shri Venkatesh, Advocate, KBUNL/NTPC  
Shri Anant Singh Ubeja, Advocate, KBUNL/NTPC  
Shri Jatin Ghulliani, Advocate, KBUNL/NTPC  
Shri Prashant Chaturvedi, NTPC  
Shri Vijendra Singh, NTPC

**For Respondents** : None

### **ORDER**

Kanti Bijlee Utpadan Nigam Limited has filed the present petition under Section 79 of the Electricity Act, 2003 (hereinafter referred to as “the Act”) read with Regulation 29 of the Central Electricity Regulatory Commission (Terms and Condition of Tariff) Regulations, 2019 (hereinafter referred to as “the 2019 Tariff Regulations”) for approval of Additional Capital Expenditure (ACE) on account of installation of various Emission Control Systems (ECS) at Muzaffarpur Thermal Power Station, Stage-II (2X195 MW) in compliance with the Ministry of Environment and Forests and Climate Change



(hereinafter referred to as "the MoEFCC"), Government of India notification dated 7.12.2015.

2. The Petitioner has made the following prayers in the instant petition:

- "1. Grant approval for under taking implementation of various schemes mentioned above in order to meet Revised Emission Standards.*
- 2. Grant liberty to approach Hon'ble Commission for approval of implementation of Revised Emission Schemes on account of mercury, specific water consumption, Particulate Matter, if required.*
- 3. Allow Gross Station Heat rate, additional water consumption, , Cost of Reagents etc as per Regulation-76 i.e. "Power to relax" of the Tariff Regulations 2019.*
- 4. Allow deemed availability of the station/unit on account of shutdown for the implementation of ECS as per Regulation-76 i.e. "Power to relax" of the Tariff Regulations 2019.*
- 5. Pass such orders as deemed fit and necessary in the facts and circumstances of the present case."*

3. Learned counsel for the Petitioner submitted on 12.7.2023 that CM has been installed and has been made operational from 21.3.2023 in MTPS Stage-II. He submitted that the implementation of SCR has been put on hold as the matter for revision of NOx emission norms for the stations/ units commissioned on or after 1.1.2017 is sub-judice before the Hon'ble Supreme Court, and installation of the same will depend upon the outcome of the final order by The Hon'ble Supreme Court. He submitted that the cost of ₹93.27 lakh/MW of the WFGD system, discovered through bidding, is much higher than the CEA recommended indicative cost of ₹45.00 lakh/MW. Therefore, the tender has been cancelled, and the Petitioner is in the process of issuing a fresh tender with respect to the installation of the WFGD system.

4. During the hearing on 12.7.2023, the Commission observed whether the Petitioner



would be able to install the WFGD system within the time specified. In response, learned counsel for the Petitioner submitted that the dead line for the installation of ECS has been extended up to 2026 and that the Petitioner would be able to install the ECS within the specified timeline.

5. Learned counsel for the Petitioner submitted that the process of retendering for installation of WFGD would take some time and therefore requested to dispose of the instant petition with a liberty to the Petitioner to claim the cost of ₹10.65 crore in installation of CM at the time of truing up of the tariff of the 2019-24 tariff period and to file a fresh petition for approval of the cost of installation of WFGD after the completion of the tendering process and discovery of the price. He also prayed for an adjustment of the filing fee paid in respect of the instant petition towards the fee to be paid in the case of the fresh petition to be filed by the Petitioner.

6. We have considered the submissions of the Petitioner. As submitted by the Petitioner, no purpose would be served by keeping the instant petition on hold as the Petitioner is yet to start the process of retendering for the installation of WFGD. Accordingly, we dispose of the petition with a liberty to the Petitioner to claim the cost of installation of CM at the time of truing up the tariff of 2019-24 of the generating station and to file a fresh petition for approval of the cost of the installation of WFGD after completion of the tendering process.

7. The Petitioner is directed to share the proposal for installation of ECS containing the details of the proposed technology, scope of work, the cost, indicative impact on the tariff and all other relevant information with the beneficiaries as required under



Regulations 29(1) and Regulation 29(2) of the 2019 Tariff Regulations.

8. The filing fee paid by the Petitioner in the instant petition shall be adjusted towards the fee to be paid by the Petitioner in case of any petition in future.

9. This order disposes of Petition No. 56/MP/2021 in terms of the above discussions and findings.

**sd/-**  
**(P. K. Singh)**  
**Member**

**sd/-**  
**(Arun Goyal)**  
**Member**

**sd/-**  
**(I. S. Jha)**  
**Member**

**sd/-**  
**(Jishnu Barua)**  
**Chairperson**

