

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
New Delhi**

**Petition No. 361/MP/2023**

**Subject** : Petition under Sections 62 and 79(1)(a) of the Electricity Act, 2003, read with Regulation 29 of the Central Electricity Regulatory Commission (Terms and Condition of Tariff) Regulations, 2019, for determination of tariff on the installation of various Emission Control Systems in Bokaro-A Thermal Power Station (1x500 MW) of Damodar Valley Corporation (DVC) in compliance of the Revised Emission Standards.

**Date of Hearing** : 13.3.2024

**Coram** : Shri Jishnu Barua, Chairperson  
Shri P. K. Singh, Member

**Petitioner** : Damodar Valley Corporation (DVC)

**Respondent** : Punjab State Power Corporation Limited (PSPCL)

**Parties present** : Shri Kazi Md. Hanif, DVC

**Record of Proceedings**

The instant petition is filed by Damodar Valley Corporation (DVC) under Sections 62 and 79(1)(a) of the Electricity Act, 2003, read with Regulation 29 of the Central Electricity Regulatory Commission (Terms and Condition of Tariff) Regulations, 2019 for determination of tariff on the installation of various Emission Control Systems in Bokaro-A Thermal Power Station (1x500 MW) of DVC in compliance with the Revised Emission Standards by the Ministry of Environment, Forest and Climate Change (MoEFCC) vide notification dated 7.12.2015.

2. The representative for the Petitioner submitted that the Commission, vide order dated 20.9.2021 in Petition No. 459/MP/2019, has already granted in-principle approval for Additional Capital Expenditure (ACE) under Regulation 11 of the 2019 Tariff Regulations and approved the hard cost towards installation of WFGD systems to control SO<sub>2</sub> emissions and installation of Combustion Modification System to control NO<sub>x</sub> emission. It was further submitted that the installation work of the Emission Control System (ECS) and FGD is almost complete; trial operation of the plant will commence on 15.3.2024 and is expected to be put into commercial operation.

3. The representative of the Petitioner submitted that tariff forms along with relevant information as per the 2019 Tariff Regulations have been filed and requested to grant interim tariff on a provisional basis for recovery of supplementary fixed charge from the



date of operationalization of emission control system till disposal of the petition. He further submitted that any variation between the interim tariff and the final tariff approved would be adjusted as per the 2019 Tariff Regulations.

4. After hearing the representative of the Petitioner, the Commission directed as follows:

- a) Admit the instant petition.
- b) Petitioner to implead all the beneficiaries of DVC, including West Bengal State Electricity Distribution Company Limited (WBSEDCL) and Jharkhand Bijli Vitran Nigam Limited (JVVNL), as parties to the present petition and serve upon them a copy of the petition as well as file amended memo of parties by 31.3.2024.
- c) Issue notice to the Respondents, including WBSEDCL and JBVNL.

5. The Commission further directed the Petitioner to submit the following information on an affidavit by 31.3.2024, with advance copies to the Respondents, including WBSEDCL and JBVNL:

- a) Completion status of works for each of the major heads, along with percentage and expenditure incurred thereon, associated with WFGD as on 14.10.2021, 30.11.2023 and 29.02.2024.
- b) In view of the revised timelines for implementation of ECS, revision, if any, in the proposed 'Date of Operationalization' of these ECS systems. Further, the actions proposed to be taken to minimize the impact of these ECS systems on consumers during the period from 'Date of Operation' to the above timelines, particularly regarding utilization/service of these ECS systems.
- c) The original cost approved by the board, along with supporting documents, for WFGD with respect to the instant station out of the Rs. 2410.0 crore approved in February, 2019 for various stations of DVC. Furnish a detailed break up of the original cost estimate in terms of Form B of 2019 Tariff Regulations and reasons for variation in actual cost with respect to the original estimated cost.
- d) The original cost approved by the Board, along with supporting documents, for CMS with respect to the instant station out of Rs.124.55 crore approved in February, 2019 for various stations of DVC.
- e) The approval of the Board from the original cost estimation made for WFGD in February, 2019, the Revised Cost Estimate of Rs.405.93 crore made in June, 2021 and the Revised Cost Estimate of Rs.468.69 crore made in May, 2023 along with reasons and supporting documents thereof.
- f) Clear and legible copy of L1 schedule agreed between the Petitioner and Contractor in September, 2019 i.e. Annexure-III to the report on delay in execution of WFGD.
- g) The actual timelines (from date and to date) achieved, along with the PERT chart, for each of the activity listed in the L1 schedule for WFGD along with



the delay attributable to Petitioner, Contractor and both with respect to each such activity.

- h) The penalty levied on the Contractor on account of delay in execution of works in terms of award of contract and money recovered therefrom with respect to WFGD and CMS.
- i) The detailed break up of IEDC in terms of 'Form P' of the 2019 Tariff Regulations as on installation of CMS as well as WFGD, along with reasons for claiming IEDC over and above the normative O&M allowed to the generating station under relevant regulations.

6. The Commission further directed the Respondents to file their replies on an affidavit, by 24.4.2024, with an advance copy to the Petitioner, and the Petitioner, to file its rejoinder, if any, on an affidavit by 13.5.2024. The Commission directed the parties to strictly comply with the above timelines and observed that no extension of time would be entertained.

7. The matter will be listed for further hearing on 6.6.2024.

**By order of the Commission**

sd/-  
(V. Sreenivas)  
Joint Chief (Law)

