

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Coram:**

**Shri Jishnu Barua, Chairperson  
Shri Ramesh Babu V., Member  
Shri Harish Dudani, Member  
Shri Ravinder Singh Dhillon, Member**

**Date of Order: 17<sup>th</sup> March, 2025**

**In the matter of:**

**Petition No. 167/MP/2025**

Petition under Section 79(1)(a) of the Electricity Act, 2003 read with Chapter V, Regulation 96 and 102 of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024 for extension of the date 30.11.2024, which has been prescribed for filing the true up petition for the period 2019-24, in respect of Bokaro 'B' Thermal Power Station, Unit-III.

**And**

**In the matter of:**

**Petition No. 172/MP/2025**

Petition under Section 79(1)(a) of the Electricity Act, 2003 read with Chapter V, Regulation 96 and 102 of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024 for extension of the date 30.11.2024, which has been prescribed for filing the true up petition for the period 2019-24, in respect of Durgapur Thermal Power Station, Unit-IV (210 MW).

**And**

**In the matter of:**

Damodar Valley Corporation  
DVC Towers, VIP Road, Kolkata-54

**...Petitioner**

**Vs**

1. West Bengal State Electricity Distribution Company Limited  
Block 'DJ' Sector-11, Salt Lake City  
Kolkata – 700 091.

2. Jharkhand Bijli Vitran Nigam Limited  
Engineering Building, HEC, Dhurwa,  
Ranchi-834004

**...Respondents**



**Parties Present:**

Ms. Swapna Seshadri, Advocate, NHPC

Ms. Ritu Apurva, NHPC

**ORDER**

Petition No. 167/MP/2025 and Petition No. 172/MP/2025 have been filed by the Petitioner, DVC, under Section 79(1)(a) of the Electricity Act, 2003, seeking the following reliefs:

**Petition No.167/MP/2025**

*(a) Extend the date of 30.11.2024, which has been prescribed for filing the truing up petition for the period 2019-24 in respect of Bokaro 'B' Thermal Power Station, Unit III till 30.08.2025.*

*(b) Give liberty to DVC to file the true up petition once all details are available to enable this Hon'ble Commission to make an informed decision.*

**Petition No.172/MP/2025**

*(a) Extend the date of 30.11.2024, which has been prescribed for filing the truing up petition for the period 2019-24 in respect of Durgapur Thermal Power Station, Unit IV till 30.08.2025.*

*(b) Give liberty to DVC to file the true up petition once all details are available to enable this Hon'ble Commission to make an informed decision.*

2. Bokaro 'B' TPS ('the generating station') of the Petitioner is a non-pit head station with an installed capacity of 630 MW, comprising three units of 210 MW each. While Unit-I achieved COD during March 1986, Unit-II and Unit-III achieved COD during November 1990 and August 1993, respectively. Units-I and II have already retired with effect from 30.7.2017. However, Unit-III retired on 1.4.2021. Similarly, the Durgapur Thermal Power Station (DTPS) of the Petitioner is a non-pit head station with an installed capacity of 350 MW, comprising Unit-III (140 MW) and Unit-IV (210 MW). While Unit-III achieved COD on 1.12.1966, Unit-IV achieved COD on 1.9.1982.

**Background**

3. The Petitioner has submitted that older coal-fired plants are more likely to be smaller-capacity units and need more coal to generate power when compared with the newer units/ stations of 500/600 MW, which is mainly because of different efficiency



levels and technologies being used in both the kind of stations. Consequently, under merit order dispatch, the 210 MW units were often either scaled back or shut down entirely at various times. It has stated that the newer stations of higher efficiency require less coal for producing electricity compared to older stations and further, there are several advancements which are provided in the said stations, due to the latest technologies, such as improved turbine designs being used which in turn helps in reducing the tariff. All these benefits, in turn, protect the consumer interests and also help in conserving valuable natural resources like coal. The Petitioner has stated that in addition to the above, in the case of very old stations, it is not possible to comply with the stringent pollution norms since the huge additional capital expenditure would have been required, and most of the time there were space constraints. Moreover, the stations/units become techno-commercially unviable due to the added cost.

#### **Submissions of the Petitioner**

4. In the above background, the Petitioner has submitted the following:

(a) Unit- III of the Bokaro 'B' TPS was commissioned long back, and there was no provision of sufficient space for the upgradation of ESP and for installation of FGD in order to be compliant with the new environmental norms. The unit was also very low in the merit order due to inefficient operation by the vintage system and sub-system, which needs huge financial investment through R&M, which might not be viable.

(b) Unit-IV of DTPS was not meeting the environmental norms, and installation of FGD, ESP, etc., was not economically viable. The reliability of the said Unit decreased due to old age, and critical components like the boiler, turbine, etc., were in poor condition. Moreover, Unit-IV was capable of running at only 56% of the rated capacity, leading to a high O&M cost. There was also a possibility of setting up one new 800 MW thermal-based Ultra super-critical unit at DTPS, Durgapur.

(c) Accordingly, DVC decided to decommission its older units at Bokaro 'B' TPS. Also, Unit-IV of DTPS was decommissioned, considering the safe and efficient operations of the new unit and the proper restoration of the socio-economic condition of the surrounding areas.

(d) Instead of spending money to maintain the systems, which were very old and resulted in very high tariffs for the consumers, it was decided to retire Unit-III of Bokaro 'B' TPS and Unit-IV of DTPS, owing to the abovementioned techno-economic reasons. In the Board meeting held on 15.5.2021, the Board considered



the matter and accorded approval for the retirement of Unit-III of Bokaro 'B' TPS with effect from 1.4.2021. The extracts from the minutes of the 648<sup>th</sup> meeting of the DVC conveying the above decision are attached hereto and marked as Annexure A. Similarly, the proposal to retire DTPS, Unit-IV was considered and approved by the DVC Board vide Resolution No. 9214 dated 29.8.2022.

(e) By a communication dated 25.5.2021 and 31.8.2022, DVC communicated the retirement of Unit-III (Bokaro 'B' TPS) and Unit-IV (DTPS), respectively, to CEA. By a communication dated 21.6.2021 and 19.12.2022, CEA, while noting the minutes of the aforesaid Board meeting/Board resolution, deleted the capacity of the Unit-III (Bokaro B TPS from 1.4.2021) and Unit-IV DTPS (29.8.2022) from the data base of all-India installed capacity.

(f) While filing the tariff petition for the period 2019-24, the Units (Unit-III of BTPS B and Unit-IV DTPS) were still in operation, and the tariff was also determined by this Commission vide order dated 10.7.2023 in Petition No.569/GT/2020 and 19.5.2023 in Petition No.567/GT/2020 respectively. However, as mentioned above, even prior to the above, Units-I and II of the Bokaro 'B' TPS had retired with effect from 30.07.2017, and Unit-III of DTPS had retired with effect from 21.10.2016.

(g) The identification, valuation & auction process is undergoing for Store materials /inventory along with left-out parts of plants, which require at least 9 months to complete. In view of the above developments, Unit-III of Bokaro 'B' TPS and Unit-IV of DTPS retired in the middle of the tariff period 2019-24. DVC is unable to finalize the true-up petition since the decommissioning activities at the site are still ongoing, and several costs arising in conducting the de-commissioning activities, are not available at this stage.

5. According to the Petitioner, it is entitled to all the expenses incurred by it in operating the said Units (Units III of BTPS 'B' and Unit-IV of DTPS) till the date of retirement /de-commissioning from the beneficiaries. Based on this, the Petitioner has submitted that the Commission has the power under Regulation 102 of the 2024 Tariff Regulations and requested to grant an extension of time for filing the true-up petitions for Unit-III of Bokaro 'B' TPS and Unit-IV of DTPS, up to a period of 9 months (from 30.11.2024) i.e., till 30.8.2025.



### **Hearing dated 25.2.2025**

6. During the hearing of the Petitions on 25.2.2025, the learned counsel for the Petitioner made detailed oral submissions in support of the prayer in para 1 above. Accordingly, the Commission reserved its order in the matters.

### **Decision**

7. We have examined the matter. Regulations 9(2) and Regulation 102 of the 2024 Tariff Regulations, which provide as under:

*“9. Application for determination of tariff*

*(1) xxx*

*(2) In case of an existing generating station or unit thereof, or transmission system or element thereof, the application shall be made by the generating company or the transmission licensee, as the case may be, by 30.11.2024, based on admitted capital cost including additional capital expenditure already admitted and incurred up to 31.3.2024 (either based on actual or projected additional capital expenditure) and estimated additional capital expenditure for the respective years of the tariff period 2024-29 along with the true up petition for the period 2019-24 in accordance with the CERC (Terms and Conditions of Tariff) Regulations, 2019.”*

*“102. Power to Relax: The Commission, for reasons to be recorded in writing, may relax any of the provisions of these regulations on its own motion or on an application made before it by an interested person.”*

8. It is evident that Regulation 9(2) of the 2024 Tariff Regulations provides that the tariff Petitions for the existing generating stations must be filed by 30.11.2024. It is pertinent to mention that the Commission, vide its order dated 28.11.2024 in Petition No. 443/MP/2024 (PGCIL v UPPCL & ors), had extended the time period for filing true-up petitions in respect of the existing generating stations for the period 2019-24 (along with tariff Petition for the period 2024-29), till 28.2.2025, where final orders have been issued till 31.3.2024. We note that the tariff in respect of the existing generating stations (Bokaro B TPS and DTPS) of the Petitioner for the period 2019-24 was determined by the Commission vide order dated 10.7.2023 (in Petition No. 56/GT/2020) and order dated 19.6.2023 (in Petition No.567/GT/2020), respectively.

9. The Petitioner has indicated that it is unable to finalize the true-up petitions in respect of the aforesaid Projects since the decommissioning activities on the site are



still ongoing and several costs arising due to the decommissioning activities, to which it is fully entitled, are yet to be finalized. Accordingly, the Petitioner has sought the extension of time by 9 months (from 30.11.2024) for filing the true-up petitions in respect of both the units (Unit-III BTPS 'B' and Unit-IV DTPS) for the period 2019-24. Regulation 102 of the 2024 Tariff Regulations empowers the Commission to relax the provisions on its own motion or on an application made by an interested person. In view of the difficulties faced by the Petitioner, as brought out in the submissions above, we, in the exercise of power under Regulation 102 of the 2019 Tariff Regulations, relax the provisions of Regulation 9(2) of the 2024 Tariff Regulations and extend the time period for filing the true-up petitions for the period 2019-24 in respect of the aforesaid units of the generating stations, till 30.8.2025. We direct accordingly. However, the issues regarding the Petitioner's entitlement to the expenses incurred by it in operating the said units till the date of its de-commissioning and the applicability of the carrying cost for the delayed period of filing the true-up petitions shall be considered in accordance with law, in the petitions to be filed by the Petitioner in terms of the above.

10. Petition Nos.167/MP/2025 and 172/MP/2025 are disposed of at the admission stage, in terms of the above.

**Sd/-**  
**(Ravinder Singh Dhillon)**  
**Member**

**Sd/-**  
**(Harish Dudani)**  
**Member**

**Sd/-**  
**(Ramesh Babu V)**  
**Member**

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

