

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 168/MP/2019

Subject : Petition under Section 79 of the Electricity Act, 2003 read with Article 13 of the Power Purchase Agreement dated 22.4.2007 and Clause 4.7 of the Competitive Bidding Guidelines and this Commission's order dated 17.9.2018 in Petition No. 77/MP/2016.

Petitioner : Coastal Gujarat Power Limited

Respondents : Gujarat Urja Vikas Nigam Limited and others

Date of Hearing : 29.8.2019

Coram : Shri P. K. Pujari, Chairperson
Dr. M. K. Iyer, Member
Shri I. S. Jha, Member

Parties Present : Shri Amit Kapur, Advocate, CGPL
Shri Tushar Nagar, Advocate, CGPL
Shri Samikrith Rao, Advocate, CGPL
Shri Shubham Arya, Advocate, PSPCL
Ms. Poorva Saigal, Advocate, Haryana Discoms
Ms. Tanya Sareen, Advocate, GUVNL

Record of Proceedings

Learned counsel for the Petitioner submitted that the Petitioner, Coastal Gujarat Power Limited, has filed the present Petition seeking, *inter alia*, approval of capital expenditure of Rs. 2175 crore to be incurred by Petitioner due to installation of Flue Gas Desulphurisation (FGD) System pursuant to the liberty granted by the Commission in order dated 17.9.2018 in Petition No. 77/MP/2016. Learned counsel submitted that Central Electricity Authority (CEA) vide its Report dated 21.2.2019 has given indicative capital expenditure of Rs. 30 lakh/MW (i.e. total capital expenditure of Rs.1,245 crore) for installation of FGD to comply with the revised norms relating to Sulphur Dioxide. However, CEA in its said Report did not consider various associated elements/costs, namely gas to gas heater, sea water intake system, Restoration of existing roads and re-routing of utilities, piping for FGD return water and recurring operational expenditure, etc. Learned counsel submitted that the amount discovered after the bidding process for installation of FGD System is Rs.39 lakh/MW and the same is higher than the price suggested by CEA. Learned counsel requested the Commission to issue notice to the Respondents.

2. Learned counsels for the Respondents, namely, PSPCL, Haryana Discoms and GUVNL accepted the notice and requested for time to file reply to the Petition.



3. After hearing the learned counsels for the parties, the Commission admitted the Petition and directed to issue notice to the Respondents.

4. The Commission directed the Petitioner to approach the CEA to firm-up the technology to be used, by 7.9.2019. The Commission requested CEA to examine the proposal of the Petitioner in this regard and submit its recommendation on the appropriate technology to be employed within four weeks thereafter.

5. The Commission directed the Petitioner to serve copy of the Petition on the Respondents, if not served already. The Respondents were directed to file their reply, by 21.10.2019 with an advance copy to the Petitioner, who may file its rejoinder, if any, by 5.11.2019. The Commission directed that due date of filing the reply and/or rejoinder should be strictly complied with. No extension shall be granted on that account.

6. The Petition shall be listed for hearing in due course for which separate notice will be issued.

By order of the Commission

sd/-

(T.D. Pant)

Deputy Chief (Law)

