

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 414/MP/2020

Subject : Petition under Section 79 of the Electricity Act, 2003 read with Regulation 29 of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 for approval of additional capital expenditure on installation of various Emission Control Systems at National Capital Thermal Power Station Dadri-Stage-I (840 MW) in compliance of Ministry of Environment, Forest and Climate Change, Government of India Notification dated 7.12.2015.

Petitioner : NTPC Limited (NTPC)

Respondents : Uttar Pradesh Power Corporation Limited (UPPCL) and Ors.

Date of Hearing : 21.7.2020

Coram : Shri I. S. Jha, Member
Shri Arun Goyal, Member

Parties present : Shri Evani Prabhakar Rao, NTPC
Shri Rohit Ladha, NTPC
Shri Arijit Mitra, Advocate, BRPL
Shri Sanjay Srivastav, BRPL
Shri Gurmeet Singh, BRPL
Shri Shobit Dhar, BRPL
Ms. Megha Bajpeyi, BRPL
Shri Manish Garg, UPPCL
Shri B. K. Saxena, UPPCL
Shri Anand Shrivastava, Advocate, TPDDL
Ms. Anandini Sood, Advocate, TPDDL
Shri Anurag Bansal, TPDDL
Ms. Shefali Sobti, TPDDL

Record of Proceedings

The matter was heard through video conferencing.

2. The representative of the Petitioner submitted that the instant Petition has been filed under Section 79 of the Electricity Act, 2003 read with Regulation 29 of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 (in short '2019 Tariff Regulations'), *inter-alia*, for approval of additional capital expenditure on the installation of various emission control systems at its National Thermal Power Station, Dadri Stage-I in compliance of Ministry of Environment, Forest and Climate Change, Government of India (MoEF&CC) Notification dated 7.12.2015. He further submitted that the Petitioner has selected



Dry Sorbent Injection technology (DSI) for control of SO₂ and the Petitioner has indicated the estimated cost for implementation of the above System and the details of supplementary tariff impact on account thereof. The Representative of the Petitioner submitted that NTPC has already awarded the contract for implementation of the above emission control systems through competitive bidding process.

3. Learned counsel for the Respondent, BSES Rajdhani Power Limited (BRPL) objected to the maintainability of the Petition and submitted that in terms of Regulation 29 of the 2019 Tariff Regulations, generating company required to incur additional capital expenditure for compliance to revised emission standards is required to share its proposal with the beneficiaries/procurers. However, the Petitioner has not complied with the said Regulations. Learned counsel submitted that since the generating station has already completed its useful life, it is required to be examined whether the Petitioner undertook any cost-benefit analysis in respect of implementation of Emission Control Systems. Learned counsel submitted that the Petitioner may be directed to provide certain documents namely, environmental clearance, technical recommendations received from CEA, Cost Benefits Analysis and Investment Approval for implementation of Emission Control Systems and, only thereafter, the maintainability of the Petition may be decided. Learned counsel sought liberty to file its reply on the maintainability of the Petition.

4. Learned counsel for the Respondent, Tata Power Distribution Company Limited also objected to the maintainability of the Petition and sought time to file reply on maintainability of the Petition.

5. The representative of the Respondent, Uttar Pradesh Power Corporation Limited (UPPCL), submitted that it has already filed its reply in the matter and the submissions made in Petition No. 267/MP/2020 and Ors. may also be considered in the present case.

6. In rebuttal, the representative of the Petitioner submitted that the instant petition has been filed in terms of Regulation 29 of 2019 Tariff Regulations and has been shared with the beneficiaries. He added that NTPC has factored in the balance useful life and lower PLF of the generating station and accordingly, has opted for Dry Sorbent Injection (DSI) technology for control of SO₂. The representative of the Petitioner submitted that the generating station is located in the NCT Region, and was required to comply with the revised emission norms by December 2019 and that the Petitioner has also received notice from Central Pollution Control Board seeking compensation from the Petitioner for non-compliance with the revised emission norms. As regards the cost benefit analysis, the representative of the Petitioner submitted that additional capital expenditure to be incurred by the Petitioner towards installation of various Emission Control Systems is in pursuance of revision in the emission norms vide MoEF&CC Notification dated 7.12.2015, which is a Change in Law event.

7. After hearing the representative of the Petitioner and the learned counsels and representative of the Respondents, the Commission directed BRPL and TPDDL to file their reply on maintainability of the Petition, by 7.8.2020 with advance copy to the Petitioner, who may file its rejoinder, if any, by 17.8.2020.



8. The due date of filing of reply, rejoinder and information/details should be strictly complied with.

9. The Petition shall be listed for hearing in due course for which notice will be issued separately.

By order of the Commission

**Sd/-
(T.D. Pant)
Deputy Chief (Law)**

