



No. 23/22/2018-R&R
Government of India
Ministry of Power

4/9
Shram Shakti Bhawan, Rafi Marg,
New Delhi, 30th July, 2019

To
The Chairperson,
Central Electricity Regulatory Commission,
Chanderlok Building,
Janpath, New Delhi-110001

Subject: Amendments to the Direction issued under Section 107 of the Electricity Act, 2003 to CERC regarding Mechanism for Implementation of New Environmental Norms for Thermal Power Plants (TPP) supplying power to distribution licensees under concluded long term and medium term Power Purchase Agreement (PPA).

(In continuation)

Sir,

I am directed to refer to this Ministry's letter of even number dated 7th December, 2018 wherein additional direction to CERC was issued in continuation to the letter dated 30th May, 2018 vide which direction has been issued under section 107 of the Electricity Act, 2003 to Central Electricity Regulatory Commission for allowing pass-through of the additional cost due to installation or up-gradation of various emission control systems and its operational cost to meet the new environment norms.

2. As per the additional direction issued by Ministry of Power on 07.12.2018, it was clarified that the impact of operating costs incurred in the implementation of new Environmental Norms shall not be considered for Merit Order Despatch of Coal Based Thermal Power Stations till 31.03.2022.

3. The phasing of the implementation of the new environmental norms has been reviewed. Accordingly, it is directed that the impact of operating costs incurred in the implementation of new Environmental Norms shall not be considered for Merit Order Despatch of Coal Based Thermal Power Stations till 31.12.2022. For this purpose, CERC shall devise a methodology of supplementary tariff determination separately from normal tariff so that installation of FGD/ other ECS has no bearing on the merit order dispatch till 31.12.2022.)

4. This issues with the approval of Minister of State (IC) for Power and NRE.

Yours faithfully,

DR

(Debranjana Chattopadhyay)

Under Secretary to the Government of India

Tel: 23730265

Copy to:

- i) Secretary, M/o Environment, Forest and Climate Change, Government of India, New Delhi.
- ii) Chairperson, Central Electricity Authority, New Delhi.
- iii) Chief Secretaries of all State Governments and Union Territory Administrations.
State Governments may consider issuance of such Directions to respective State Electricity Regulatory Commissions under Section 108 of the Electricity Act to facilitate the smooth implementation of revised emission standards of the Environment (Protection) Amendment Rules, 2015 dated 5th December, 2015 in the larger public interest.
- iv) The Principal Secretary/ Secretary (in charge of Energy Department) of all State Governments and UT Administrations.

Copy for information to: PS to Hon'ble Minister, PPS to Secretary (Power), PPS to AS(R&R), PS to Chief Engineer(R&R), PS to Director (R&R.),