



WRI INDIA

15th May 2020

To,

The Secretary

Central Electricity Regulatory Commission

3rd & 4th Floor, Chanderlok Building, 36, Janpath, New Delhi

Sub: Comments from World Resources Institute India (WRI India) on draft Central Electricity Regulatory Commission (Terms and Conditions of Tariff) (First Amendment) Regulations, 2020

Dear Shri Jha

WRI India is a research organization that turns big ideas into action at the nexus of environment, economic opportunity and human well-being. WRI India's energy team's goal is to develop and conduct research that seeks to inform and guide India's energy transition.

In this context, we are pleased to see that the Honourable Commission has issued the draft Central Electricity Regulatory Commission (Terms and Conditions of Tariff) (First Amendment) Regulations, 2020. The norms provided herein will hopefully provide clarity to the sector stakeholders in moving forward to reduce emissions and create a health environment to the people.

Please find our comments below in Annexure A. Please feel free to reach out to me for any clarifications.

Thanking You,

Yours Sincerely

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Annexure A: Responses to Central Electricity Regulatory Commission (Terms and Conditions of Tariff) (First Amendment) Regulations, 2020

Page No, Para No/Heading	Clause	Comments/Objection	Suggestion
Page No 2, Para 2.2, Date of Operation	“(15a) „Date of Operation’ or ‘ODe’ in respect of an emission control system means the date of putting the emission control system into use after meeting all applicable technical and environmental standards, certified through The Management Certificate duly signed by an authorised person, not below the level of Director of the generating company;”	The concept of a Management Certificate and the signatory being an employee of the generation company itself, can potentially lead to conflict of interest.	The ODe certification may be done based on a 3 rd party independent verification
Page No 3, Para 4.1 - New proviso	Provided also that the generating company shall file an application for determination of supplementary tariff for the emission control system installed in the coal or lignite based thermal generating station in accordance with these regulations not later than 60 days from the date of operation of such emission control system	The Honourable Commission has mentioned that the regulations except for Regulation 21 will come into force from 1 st June 2020. However, even before these amendments were issued, some plants may have made investments in emission control based on the MOP guidelines ¹ which provide for change in law benefits and directing the appropriate Commissions to develop the appropriate mechanisms to address the impact on tariff. The current regulations are not clear on whether such plants are also included.	The Honourable Commission may please clarify if such plants also come under the ambit of these regulations
Page 8, Para 16.2 “and considering the norms of specific water consumption notified by the Ministry of Environment, Forest and Climate Change”...	Like emission control systems from the air pollution perspective; water is also going to be a critical issue for thermal power plants as described in the WRI report Parched Power ² . How does the Honourable Commission propose treating any capex for this purpose?	

¹ https://powermin.nic.in/sites/default/files/webform/notices/Letter_dated_30th_May_2018_on_New_Environmental_Norms.pdf

² <https://www.wri.org/publication/parched-power>