

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No.30/MP/2017

Coram:

**Shri Gireesh B. Pradhan, Chairperson
Shri A.K. Singhal, Member
Shri A.S. Bakshi, Member
Dr. M.K. Iyer, Member**

Date of Order: 5th of May, 2017

In the matter of

Petition under Section 62(a) and 79(1)(a) of the Electricity Act, 2003 read with Regulation 8(3)(ii) and 8 (7) of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 read with Regulation 111 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 for Considering the use of Treated Sewage Water in Thermal Power Plants consequent to promulgation/introduction of Clause 6.2 (5) in the Tariff Policy, 2016 dated 28.1.2016 as Change in Law event.

And

Allow recovery of Additional Expenditure to be incurred due to use of treated sewage water in Thermal Power Plants under Regulation 14 and 29(2) of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014.

And

In the matter of

NTPC Limited
NTPC Bhawan, Core-7, Scope Complex,
7 Institutional Area, Lodhi Road,
New Delhi-110003

.....Petitioner

Vs.

1. Uttar Pradesh Power Corporation Ltd.
Shakti Bhawan, 14, Ashok Marg,
Lucknow, UP-226001
2. Rajasthan Urja Vikas Nigam Limited
Shed No 5/5, Vidyut Bhawan,
Janpath, Jyoti Nagar,
Jaipur-302005
3. Tata Power Delhi Distribution Limited,

NDPL House, Hudson Lines
Kingsway Camp
Delhi-110 009

4. BSES Rajdhani Power Limited,
BSES Bhawan, 2nd Floor, B-Block,
Behind Nehru Place Bus Terminal,
Nehru Place, New Delhi – 110019
5. BSES Yamuna Power Limited,
2nd Floor, B Block, Shakti Kiran Building,
Near Karkardooma Court,
New Delhi – 110092
6. Haryana Power Purchase Centre,
Shakti Bhawan, Energy Exchange,
Sector-6,
Panchkula, Haryana- 134 109
7. Punjab State Power Corporation Limited,
The Mall, Patiala-147001
8. Himachal Pradesh State Electricity Board,
Vidyut Bhawan,
Kumar House Complex Building II,
Shimla – 171004
9. Development Commissioner (Power)
Power Development Department (PDD)
Govt. of J&K, Civil Secretariat
Jammu.
10. Electricity Department (Union Territory of Chandigarh),
Sector 9-D, UT,
Chandigarh-160019
11. Uttarakhand Power Corporation Limited,
Urja Bhawan, Kanwali Road,
Near Balli Wala Chowk, Dehradun -248001
12. Madhya Pradesh Power Management Company Limited (MPPMCL)
Block No-11, Ground floor,
Shakti Bhawan, Vidhyut Nagar, Rampur,
Jabalpur-482008
Madhya Pradesh
13. Maharashtra State Electricity Distribution Company Limited (MSEDCL)
Prakashgad, 4th Floor, Bandra (East),
Mumbai – 400051

14. Gujarat Urja Vikas Nigam limited (GUVNL)
Vidhyut Bhawan, Race Course,
Vadodara – 390 007
15. Chhattisgarh State Power Distribution Company Limited (CSPDCL)
P.O. Sunder Nagar, Dangania,
Raipur–492013,
Chhattisgarh
16. Goa Electricity Department (ED), Govt. of Goa
Aquem Alto, Margao, Goa – 403601
17. Electricity Department,
Administration of Daman and Diu
Plot No. 35, OI DC Complex,
Near Fire Station, Somnath,
Daman – 396210
18. Electricity Department Dadar and Nagar Haveli
66kV, Amlı Ind. Estate,
Silvassa – 396230,
Dadar Nagar Haveli.
19. West Bengal State Electricity Distribution Company Ltd,
Vidyut Bhawan, Bidhan Hagar,
Block DJ, Sector-II,
Salt Lake City, Kolkata-700 091
20. North Bihar Power Distribution Company Ltd. (NBPDC),
Vidyut Bhawan, Bailey Road,
Patna-800001
21. South Bihar Power Distribution Company Ltd. (SBPDCL),
Vidyut Bhawan, Bailey Road,
Patna-800001
22. Jharkhand Power Distribution Company Ltd.
In front of Main Secretariat, Doranda,
Ranchi-834002
23. Gridco Ltd.
Janpath,
Bhubaneswar-751 022
24. Power Department, Govt. of Sikkim,
Through its Secretary,
Kaji Road, Gangtok-737101
25. APEPDCL (AP Eastern Power Distribution Company Ltd.)

P&T Colony, Seethammadhara,
Visakhapatnam – 530 013 - (AP)

26. APSPDCL (AP Southern Power Distribution Company Ltd.)
Back Side Srinivasa Kalyana Mandapam
Tiruchhanur Road, Kesavayana Gunta,
Tirupathi – 517 503 (AP)
27. TSNPDCL (Telangana Northern Power Distribution Company Ltd.)
H.No. 2-5-31/2, Vidyut Bhavan,
Nakkalagutta, Hanamkonda
Warangal – 506 001
28. TSSPDCL (Telangana Southern Power Distribution Company Ltd)
Mint Compound
Hyderabad – 500 063
29. Bangalore Electricity Supply Company Ltd (BESCOM)
Krishna Rajendra Circle
Bangalore – 560 001
30. Mangalore Electricity Supply Company Ltd (MESCOM)
MESCOM Bhavana,
Corporate Office,
Bejai, Kavour Cross Road, Mangaluru,
575004, Karnataka
31. CESC Mysore (Chamundeshwari Electricity Supply Corp. Ltd.)
Corporate Office, No. 29,
Vijayanagar, 2nd stage, Hinkal,
Mysore – 570 009.
32. GESCOM (Gulbarga Electricity Supply Company Ltd.)
Main road, Gulbarga,
Gulbarga – 585 102
Karnataka.
33. HESCOM (Hubli Electricity Supply Company Ltd.)
Corporate office
P.B.Road, Navanagar
Hubli – 580 025.
34. Electricity Department
Govt. of Puducherry
137, NSC Bose Salai
Puducherry – 605 001
35. KSEB Ltd.
Vaidyuthi Bhavanam, Pattom Palace
P.O, Trivandrum 695004

36. The Chairman, TANGEDCO,
144, Ana 5alai, Chennai, Tamil Nadu
PIN- 600002
37. Assam State Electricity Board
Bijulee Bhawan, Paltan Bazar,
Guwahati- 781 001
38. Meghalaya Energy Corporation Ltd
Short Round Road,
Shillong – 793 001
39. Department of Power
Government of Arunachal Pradesh
Itanagar
40. Power and Electricity Department
Govt. of Mizoram
Aizawal 796001
41. Manipur State Power Distribution Company Ltd.
Khwai Bazar, Keishampat
Imphal 795001
42. Department of Power
Govt. of Nagaland,
Kohima.
43. Tripura State Electricity Corporation Limited
Bidyut Bhawan, North Banamalipur,
Agartala- 700001

....Respondents

Parties present:

Shri Sanjay Sen, Senior Advocate, NTPC
Shri Venkatesh, Advocate, NTPC
Shri Pratyush Singh, Advocate, NTPC
Ms. Suchitra, NTPC
Shri Sachin Jain, NTPC
Ms. Swapna Seshadri, Advocate, GUVNL
Ms. Saloni Sacheti, Advocate, GUVNL
Shri R.B. Sharma, Advocate, BRPL
Shri Rishabh D.Singh, Advocate, MPPMCL

ORDER

The Petitioner, NTPC Limited, has filed the present petition under Section 62 (1) and 79 (1) (a) of the Electricity Act, 2003 read with Regulation 8 (3) (ii) and 8 (7) of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 inter-alia seeking recovery of the additional expenditure to be incurred by the Petitioner for usage of treated sewage water in various thermal power plants consequent to promulgation/ introduction of Clause 6.2(5) in the Tariff Policy, 2016 dated 28.1.2016 as Change in Law events. The Petitioner has made the following prayers:

“(a) To take on record clause 6.2 (5) of the Ministry of Power, Government of India, revised Tariff Policy dated 28.1.2016 and declare that the same is “Change in Law” event as stipulated under Regulation 8 of the Tariff Policy, 2014.

(b) Allow the Petitioner Company to recover the additional expenditure to be incurred towards:

(i) The construction of Tertiary Treatment Plant and Associated pipe-line Transmission system and the cost for procuring treated sewage water from the sewage treatment plants of the Municipal Bodes or local bodies from the beneficiaries, as a pass through in tariff;

(ii) The cost for procuring treated sewage water from tertiary treatment plant of Municipal bodies or local bodies from the beneficiaries, as a pass through in tariff.

(c) The cost payable by the Petitioner towards the existing water agreements continued to be allowed as a pass through in tariff in terms of clause 6.5 of the revised Tariff Policy.

(d) Permit additional expenditure to be billed and recovered additionally from the beneficiaries along with monthly bills in the manner so decided by the Commission;

(e) Condone any inadvertent errors omissions/errors/shortcomings and permit the Petitioner to add/change/modify/alter these filings and make further submissions as may be required at a future date.

(f) Pass such other order/orders, as may be deemed fit and proper the in the facts and circumstances of the case.”

2. During the course of hearing, learned senior counsel for the Petitioner submitted that clause 6.2 (5) in the Tariff Policy, 2016 dated 28.1.2016 provides that the thermal power

plants including the existing plants located within 50 kms radius of sewage treatment plant of municipality/local bodies/similar organization shall in order of their closeness to the sewage treatment plants, mandatorily use treated sewage water produced by these bodies and the associated cost on this account be allowed as pass through in the tariff. Therefore, the Commission has to facilitate the implementation of the requirement of Tariff Policy.

3. Learned counsel appearing on behalf of Gujarat Urja Vikas Nigam Limited (GUVNL) has submitted that the petition is not maintainable in the present form and has been filed in a vague manner without giving any clarity as to which generating stations would be affected, what is the cost to be incurred in respect of each generating station and how the sewage treatment will be done in each of the generating stations. Moreover, the Petitioner has not conveyed as to whether the Municipal Corporations are in a position to supply treated sewage water to the Petitioner's Power Plants as envisaged under the Tariff Policy when they might have already committed the treated water to other bodies for alternate usage. Learned counsel for GUVNL submitted that the Petitioner has annexed only one Water Agreement entered into with Vidharbha Irrigation Development Corporation for Mauda STPS to illustrate that it is required to pay fixed cost pertaining to procurement of water to such enterprises, which is not even relevant to support the contention of the Petitioner that additional expenditure incurred on account of sewage treatment plants be allowed to them as such enterprises are admittedly having the back-up sources of water. Learned counsel for GUVNL submitted that the present petition needs to be dismissed with a direction to the Petitioner to file proper truing up petitions giving details of the amount sought to be claimed as a Change in Law in respect of each of the generating station to the Commission and in this way, the beneficiaries will also get a fair opportunity to respond to such an important issue.

4. The Petitioner is presently seeking in-principle approval for use of treated sewage water in some of its power plants. Learned senior counsel for the Petitioner agreed that there is no provision in the 2014 Tariff Regulations for in-principle approval of capital cost. However, learned senior counsel submitted that the Petitioner shall make out cases for each of its generating station where treated sewage water is proposed to be used and approach the Commission with cost and other relevant details and sought permission to withdraw the present petition. Noting the submission of the learned senior counsel for the Petitioner, the Petition is permitted to be withdrawn with liberty to the Petitioner to seek appropriate relief through separate petitions in accordance with law.

5. The Petition No. 30/MP/2017 is disposed of as above.

Sd/-
(Dr. M.K. Iyer)
Member

sd/-
(A.S. Bakshi)
Member

sd/-
(A.K. Singhal)
Member

sd/-
(Gireesh B. Pradhan)
Chairperson