



**Comments of TANGEDCO
on the Draft CERC
(Terms and conditions of
Tariff) Regulations
(First Amendment), 2020.**

Regulation wise Comments

Regulation 3, Clause 15(a)

- Date of Operation or 'ODe' in respect of an ECS – Certification by CPCB/ SPCB/ MOEFCC Authorised agency

Regulation 18, Clause 6

- Debt: Equity Ratio – 100% Debt Funding may be adopted

Regulation wise Comments

Regulation 21, Clause 6 & Regulation 29, Clause 5

- Timeline for Installation – Based on timeline, IDC, IEDC and Add Cap (for a period of upto one year) to be allowed.

Newly added Proviso (iii) of Regulation 23

- Initial spares – 4% - To be restricted to actuals upon production of documentary evidence as no data base / bench mark norms available.

Regulation wise Comments

Newly added Clause(7) of Regulation 35

- O&M expenses – 2% high, instead may be fixed as a percentage of O&M norms available for thermal stations.
 - As per Regulation 35 (1) of Tariff Regulation 2019, for a 500 MW thermal generating station , the annual O & M charges is in the range of Rs. 22.5 lakhs/ MW. Considering a cost of Rs. 6 Cr/ MW for a new thermal station, the O & M charges works out to 3.75% for Thermal Stations. The ECS involved shared facilities and hence 2% is high.

Prayer Before Hon'ble Commission

- TERI Report : Norms to be revised from 300 to 450 mg/Nm³ – Hon'ble Commission to issue suitable advisory to MoEFCC
- Stations using washed coal need not install FGD and a Regulation to this effect may be made.
- The ECS shall be designed based on life period served, the plant outage, PLF achieved during the previous 5 years, the emission level and the expenditure required - Not on **installed capacity**

THANK YOU

