

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No.** : 200/MP/2020

**Subject** : Petition under Section 79 of the Electricity Act, 2003 read with Regulation 29 of the Central Electricity Regulatory Commission (Terms and Condition of Tariff) Regulations, 2019 for approval of additional expenditure on account of installation of implementation of Flu Gas De-Sulphurization (FGD) Plant.

**Date of Hearing** : 16.11.2021

**Coram** : Shri P. K. Pujari, Chairperson  
Shri I. S. Jha, Member  
Shri Arun Goyal, Member  
Shri P.K. Singh, Member

**Petitioner** : NLC Tamil Nadu Power Ltd. (NTPL)

**Respondents** : Tamil Nadu Generation and Distribution Corporation Ltd. (TANGEDCO) and Ors.

**Parties present** : Ms. Anushree Bardhan, Advocate, NTPL  
Ms. Srishti Khindaria, Advocate, NTPL  
Shri S. Vallinayagam, Advocate, TANGEDCO  
Shri J. Subbiah, NTPL  
Shri M. Angayar Kanni, NTPL  
Shri G. Nambirajan, NTPL  
Dr. R. Kathiravan, TANGEDCO  
Ms. R. Ramalakshmi, TANGEDCO  
Shri R. Srinivasan, TANGEDCO

**Record of Proceedings**

The matter was called out for virtual hearing.

2. The learned counsel for the Petitioner submitted that the Petitioner has proposed one New RCC Chimney with Bi-Flue Can with Borosilicate Lining and additional 8.5 MLD De-salination Plant for the FGD system to comply with the revised emission standards in its generating station. He submitted that the Letter of Award (LoA) was issued on 1.6.2021 and the pile tests were completed on 3.8.2021. As regards additional de-salination plant, the Petitioner is in the process of re-tendering and the same is expected to be completed by December 2021. The LoA for one New RCC Chimney is being issued to BHEL and the process of awarding the contract is expected to be completed in November 2021. She submitted that as per the direction of the Commission, all the documents/ information have been shared with the beneficiaries and pleadings are complete in the matter. The cost of wet limestone



based FGD (WFGD) system has been reduced from ₹630.50 crore to ₹621.00 crore, and requested the Commission to allow the Petitioner to place on record a letter by way of affidavit pertaining to the reduction in hard cost. She submitted that the cost for De-salination Plant and New RCC Chimney is yet to be finalized and the same will also be placed before the Commission once it is finalized.

3. In response to the query of the Commission regarding the per MW cost of WFGD system, the learned counsel for the Petitioner submitted that it works out to ₹0.54 crore/ MW.

4. Learned counsel appearing on behalf of TANGEDCO submitted that the Petitioner has not explained the need for a new de-salination plant when there are already three de-salination plants. The Petitioner should submit the capacity of the present desalination plant, the requirement of service water per day for the proposed FGD system and the need for an additional plant of 8.5 MLD capacity.

5. The Commission directed the Petitioner to submit on affidavit (i) the necessity for additional de-salination plant, (ii) the revision of capacity from 5 MLD to 8.5 MLD, and (iii) the cost for De-salination Plant and New RCC Chimney as soon as the cost of the same is approved by its Board and also to clarify the issues raised by TANGEDCO.

6. The matter shall be listed for hearing in due course of time for which a separate notice will be issued.

**By order of the Commission**

sd/-  
(V. Sreenivas)  
Deputy Chief (Law)

