

**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** : 1.6.2021

**Coram** : Shri P. K. Pujari, Chairperson  
Shri I. S. Jha, Member  
Shri Pravas Kumar 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  
Mr. Anil Kumar Sahni, NTPL  
Mr. K. Nambiraja, NTPL  
Mr. S. Ravi, NTPL  
Mr. A. Srinivasan, NTPL  
Mr. B. Vinodh Kanna Advocate, TANGEDCO  
Ms. Ms. R. Ramalakshmi, TANGEDCO  
Ms. Er. R. Alamelu, TANGEDCO

**Record of Proceedings**

The matter was called out for virtual hearing.

2. Learned counsel for the Petitioner submitted that the instant petition has been filed for approval of additional capital expenditure for implementation of Wet Limestone-based FGD system in NLC Tamil Nadu Power Limited (NTPL), which is a Joint Venture of TANGEDCO and NLC India Limited and is a coal based power generating company with an installed capacity of 1000 MW (2x500 MW). The Petitioner has proposed one New RCC Chimney with Bi-Flue Can with Borosilicated Lining and additional 8.5 MLD De-salination Plant for the FGD process to comply with the revised emission standards in its generating station. Learned counsel submitted that the NTPL Board on 11.9.2018 approved the proposal for installation of FGD; the notice inviting tender was floated on 2.3.2019; bids were opened on 24.6.2019; and letter of award was issued to BHEL on 18.4.2020. She submitted that installation work is expected to be completed within 34 months from the date of LOA



i.e. by December, 2022. She further submitted that along with FGD system, there is a requirement of additional desalination plant and for that purpose, reverse auction took place on 25.2.2021 and currently meetings with the L1-bidder are taking place on price justification. She further submitted that there is also a requirement of additional chimney and the sub-committee of the Board of Directors, on 6.5.2021, had accorded approval for obtaining the price from the two bidders and the bid is scheduled to be opened on 2.6.2021.

3. The learned counsel for the Petitioner submitted that rejoinder to the reply of TANGEDCO has been filed, wherein the issues raised by TANGEDCO has been clarified.

4. The Commission directed the Petitioner to file the result of reverse auction and the final cost discovered and also the following information on affidavit, by 21.6.2021, with a copy to the Respondents and the Respondents to file their reply by 12.7.2021 and the Petitioner to file its rejoinder, if any, by 23.7.2021.

- (i) Unit wise break-up of the capital cost claimed for FGD as per the following table:

Unit No.	Capacity (MW)	CEA's indicative hard cost (₹ lakh per MW)	Hard cost claimed (₹ lakh per MW)	*Total IDC claimed (₹ lakh)	*Total IEDC claimed (₹ lakh)	#Total FERV claimed (₹ lakh)	*Total taxes & duties claimed (₹ lakh)	Total other costs claimed (₹ lakh)	**Total costs claimed (₹ lakh)
1									
2									
3									
4									
5									
6									

- (ii) Reasons for deviation from CEA's indicative hard cost, if any.  
 (iii) So<sub>x</sub> and No<sub>x</sub> emission levels during the past three years as submitted to the Pollution Control Board.  
 (iv) Present status of implementation of FGD, additional desalination plant and additional chimney.

5. The Petition shall be listed for final hearing in due course for which separate notice will be issued.

**By order of the Commission**

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

