

**CENTRAL ELECTRICITY REGULATORY COMMISSION**  
**New Delhi**

**Review Petition No. 21/RP/2020 in Petition No. 446/MP/2019**

- Subject** : Review Petition No. 21/RP/2020 seeking review of order dated 23.4.2020 in Petition No. 446/MP/2019
- Date of Hearing** : 20.7.2021
- Coram** : Shri P. K. Pujari, Chairperson  
Shri I. S. Jha, Member
- Review Petitioner** : Sasan Power Limited (SPL)
- Respondents** : MP Power Management Company Ltd. and others
- Parties Present** : Shri Vishrov Mukerjee, Advocate, SPL  
Shri Janmali Manikala, Advocate, SPL  
Shri Girik Bhalla, Advocate, SPL  
Shri Mansoor Ali Shoket, Advocate, TPDDL  
Shri Kunal Singh, Advocate, TPDDL  
Ms. Shefali Solti, TPDDL

**Record of Proceedings**

The matter was heard through video conference.

2. Learned counsel for the Review Petitioner submitted that the instant review petition has been filed for seeking review of the order dated 23.4.2020 in Petition No. 446/MP/2019 with respect to Operation and Maintenance Expenses (“O&M Expenses”). He submitted that the Commission has limited O&M expenses to 2% of the capital cost of the FGD system based on the its findings passed in the order dated 28.3.2018 in Petition No. 104/MP/2017 (Adani Power Limited vs. Uttar Haryana Bijli Vitran Nigam Ltd. & Anr.) He submitted that the Adani Power Ltd. has installed FGD system which is based on sea-water technology and cannot be equated to Review Petitioner’s FGD system which is based on Wet Limestone technology. He further submitted that the FGD systems using Wet Limestone technology are different from FGD systems operating on the basis of seawater technology and accordingly have different operating costs. The Review Petitioner would incur costs in procuring raw material such as limestone required to operate the FGD systems as well as disposal of by-product gypsum, which is not required to operate FGD Systems using seawater technology. Learned counsel for the Review Petitioner submitted that the Commission has wrongly relied on its findings in the order dated 28.3.2018 in Petition No. 104/MP/2017 and approved the O&M Expenses provisionally @ 2% of the capital cost of the FGD system without any basis.



3. The Commission observed that Petition No.446/MP/2019 was only for provisional approval of the additional capital expenditure and O&M Expenses on account of installation of revised emission control systems to comply with the MoEFCC notification dated 7.12.2015. Accordingly, the O&M Expenses approved in the order dated 23.4.2020 is on provisional basis. The Commission has already issued a staff paper on compensation mechanism which would be dealing with the issue.

4. The Commission reserved the order in the matter.

**By order of the Commission**

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

