

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 19/MP/2021**

- 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 various Emission Control Systems at Vallur Thermal Power Station (3x500 MW) in compliance with the Ministry of Environment, Forests and Climate Change (MOEF&CC), Government of India Notification dated 7.12.2015.
- Date of Hearing** : 10.5.2023
- Coram** : Shri Jishnu Barua, Chairperson  
Shri I. S. Jha, Member  
Shri Arun Goyal, Member  
Shri P. K. Singh, Member
- Petitioner** : NTPC Tamil Nadu Energy Company Limited (NTECL)
- Respondents** : AP Eastern Power Distribution Company Limited (APEPDCL)  
& 11 Others
- Parties present** : Shri Venkatesh, Advocate, NTECL  
Shri Anant Singh Uleeja, Advocate, NTECL  
Shri Abhishek Nangia, Advocate, NTECL  
Shri S. Vallinayagam, Advocate, TANGEDCO

**Record of Proceedings**

Learned counsel for the Petitioner submitted that the instant petition is filed for approval of additional expenditure on account of installation of various Emission Control Systems at Vallur Thermal Power Station (3x500 MW) in compliance with the Ministry of Environment, Forests and Climate Change (MOEF&CC), Government of India Notification dated 7.12.2015. He submitted that the present SO<sub>2</sub> emission level of VTPS is in the range 849 mg/NM<sup>3</sup> to 994 mg/NM<sup>3</sup> and therefore, ECS system is required to be installed to meet the Revised Emission Norms of 200 Mg/Nm<sup>3</sup>. Further, MoEF&CC vide its notification dated 19.10.2020 has revised the norms of NO<sub>x</sub> emission for the stations falling under Category (ii) from 300 mg/Nm<sup>3</sup> to 450 mg/Nm<sup>3</sup>. The Petitioner would be able to comply with NO<sub>x</sub> norms with installation of primary control i.e., combustion modification.

2. Learned counsel for the Petitioner submitted that CEA in its recommendations vide letter dated 20.2.2019 on 'Operation Norms for Thermal Generating Stations for the Tariff Period 2019-24', has specified four technologies to comply with revised SO<sub>2</sub> emission norms, and of the four, CEA found WFGD Technology to be most versatile. Accordingly,



the Petitioner adopted the Wet Limestone based FGD in order to comply with the MoEF&CC Notification. As directed by the Commission during the hearing on 1.6.2021, the Petitioner has also conducted cost benefit analysis amongst the technologies available in terms of CEA letter dated 20.2.2019, i.e. Dry Sorbent Injection based FGD (DSIFGD), Ammonia based FGD (AFGD), Limestone Based FGD (WFGD), See Water Based FGD (SWFGD) and found WFGD to be beneficial option. He submitted that there were four bidders and the project has been awarded to TATA Projects Limited.

3. Learned counsel for TANGEDCO submitted that there is delay in installation of the ECS which led to increase in the cost. The Petitioner has only submitted the monthly average emission levels and has not submitted the actual emission levels on different days. The Petitioner should submit the actual emission levels during the past five years. The expenditure proposed to be incurred is being recovered from the beneficiaries and therefore, the Petitioner should submit all the information. He submitted that treating the shutdown period as deemed availability will result in unjust enrichment of the generator at the cost of beneficiaries.

4. The Commission directed the Petitioner to submit the monthly minimum and maximum SOx and NOx emission levels of its three units during the last five years on affidavit, by 31.5.2023 and reasons for delaying the installation of ECS with a copy to the Respondents.

5. Subject to the above, the Commission reserved the order in the matter.

**By order of the Commission**

sd/-

(V. Sreenivas)  
Joint Chief (Law)

