

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 371/MP/2022

Subject : Petition for approval of additional expenditure on Renovation and Modernization of ESP at Mejia Thermal Power Station Unit-1,2 & 3 having an installed capacity of 630 MW in compliance of Ministry of Environment and Forest and Climate Change, Government of India Notification dated 7.12.2015.

Petitioner : Damodar Valley Corporation

Respondents : WBSEDCL and 2 others

Date of Hearing: **18.3.2024**

Coram : Shri Jishnu Barua, Chairperson
Shri Arun Goyal, Member
Shri Pravas Kumar Singh, Member

Parties Present: Shri Venkatesh, Advocate, DVC
Shri Ashutosh Srivastava, Advocate, DVC
Shri Kartiay Trivedii, Advocate, DVC
Shri Manoj Kumar Sharma, Advocate, DVPCA

Record of Proceedings

Since the order in the Petition (which was reserved on 14.7.2023) could not be issued prior to one Member of this Commission, who formed part of the Coram, demitting office, the matter has been re-listed for hearing.

2. At the outset, the learned counsel for the Petitioner submitted that since the pleadings and arguments have been completed, the Commission may reserve its order in the Petition. He, however, submitted that in case any other clarification/additional information is required, the Petitioner will furnish the same. The learned counsel for DVPCA, while stating that orders may be reserved in the matter, prayed that time might be granted to file replies in case any clarification/additional information is filed by the Petitioner.

3. The Commission, after hearing the parties, directed the Petitioner to submit the following additional information after serving a copy to the Respondents/DVPCA on or before **20.4.2024**:

(a) *The reasons for a statement made vide affidavit dated 06.07.2023 that 'Due to inadvertent error, in the paper book of the present petition, the augmentation of the existing ESP has been wrongly termed as an R & M expenditure. It is humbly submitted that the augmentation of the existing ESP is an additional capital expenditure being undertaken by petitioner, and not an R & M expenditure....', in contrast to Letter of Award for consultancy, Technical specifications of bidding documents and Notification of Award of contract for material and services, which clearly mention the works as R & M of ESP.*



- (b) Considering the information furnished in the petition, it is noted that the claimed works include installation of additional ESP, refurbishment of existing ESP, ash handling system and associated works, etc, the petitioner shall furnish the break-up of the total cost of Rs. 33168.17 lakh, along with supporting documents, as follows:

S. No.	Works	Cost (Rs. lakh)
1	Installation of additional ESP fields	
2	Refurbishment of existing ESP	
3	Ash handling system and associated works	
4	Total	

- (c) The reasons for considering Augmentation / R & M works for SPM of 50 mg / Nm³ instead of the norm of 100 mg / Nm³ specified by MoEF&CC and 75 – 80 mg / Nm³ recommended by CEA (to meet norm under outage of one field).
- (d) As on date, units 1 and 2 have completed 25 years of service and unit 3 is about to be completed in August, 2024, the balance life of each unit as on 01.01.2025, along with supporting documents.
- (e) The copy of the complete DPR submitted to CEA regarding the augmentation / R & M of ESP for units 1 – 4 of MTPS along with the letter dated 10.09.2019.
- (f) The actions taken on the recommendation of CEA that 'In consultation with lead procurer and considering the "Techno-economic life cycle cost analysis" may approach the Commission' along with a copy of subject 'Techno-economic life cycle cost analysis' report.
- (g) The copy of the Minutes of the Meeting of the board held on 18.11.2021.
- (h) The communication exchanged with CEA after 18.11.2021, along copy of communication regarding vetting of cost by CEA.
- (i) The works carried out during the period from 09.02.2023 (i.e. date of Notice of Award) to 29.02.2024 w.r.t. each of the units.
- (j) The copy of the Minutes of the Meeting of the board, if any, held w.r.t. R & M of ESP for units 1 to 3.
- (k) The reasons for claiming timelines to PM target as 31.12.2024, in spite of the timelines as 31.12.2025.

The present status of implementation of ESP –Date of issue of LOA, Date of placing final order, payments made to the contractor till date, the likely date of completion of work.

4. The Respondents/DVPCA may file their replies/response to the above by **30.4.2024** after serving a copy to the Petitioner, who may file its rejoinder, if any, by **9.5.2024**. No extension of time shall be granted for any reason.

5. Subject to the above, the order in the petition was reserved.

By order of the Commission

**Sd/-
(B. Sreekumar)
Joint Chief (Law)**

