

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 373/MP/2022

- Subject : Petition under Section 79 of the Electricity Act, 2003 read with Regulations 11 and 29 of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 seeking approval of additional expenditure on account of installation of Emission Control System to comply with the Notification dated 7.12.2015 issued by Ministry of Environment and Forest and Climate Change (MoEF&CC).
- Petitioner : Udupi Power Corporation Limited (UPCL)
- Respondents : Power Company of Karnataka Limited (PCKL) & 6 Ors.
- Date of Hearing : **10.10.2024**
- Coram : Shri Jishnu Barua, Chairperson
Shri Ramesh Babu V., Member
Shri Harish Dudani, Member
- Parties Present : Shri Akshat Jain, Advocate, UPCL
Shri Shubhranshu Padhi, Advocate, PCKL
Shri Jay Nirupam, Advocate, PCKL
Shri D. Girish Kumar, Advocate, PCKL

Record of Proceedings

At the outset, learned counsel for the Petitioner submitted that the matter had already been argued at length by the parties and was previously reserved for order on 6.3.2024. However, due to the change in Coram, the matter was re-listed on 17.9.2024, and during the said hearing, the Commission had permitted the learned counsel for the Respondents to seek necessary instruction as to the need for re-hearing. Learned counsel further submitted that in this regard, the Respondents, *vide* their letter dated 7.10.2024, have indicated that they do not wish to present any further arguments, and accordingly, the Commission may reserve the matter for order. Learned counsel sought to point out that insofar as the per MW cost of wet lime-based FGD system is concerned, the Ministry of Power's OM dated 3.5.2022 records the relevant submission of CEA that the project cost of wet lime-based FGD technology had reached nearly Rs. 1.14 crore per MW, whereas the per MW cost of the Petitioner's FGD system is Rs.0.78 crore/ MW.

2. Learned counsel for the Respondents, Karnataka Discoms, submitted that the Commission may reserve the matter for order.

3. Considering the submissions made by the learned counsel for the parties, the Commission directed the Petitioner to submit the following details/information, on affidavit, within two weeks:



- (a) Details as per the requirement of clauses (2) and (3) of Regulation 29 of 2019 Tariff Regulations, such as the scope of work, phasing of expenditure, schedule of completion, reasonableness of the cost estimates, financing plan, schedule of completion, and cost-benefit analysis, etc.
 - (b) Status of implementation of the FGD system.
 - (c) Detailed breakup of existing FGD-related assets such as chimney & other major assets that are being dismantled being replaced by new assets along with the reason for the same.
 - (d) The information provided to the beneficiaries with regard to the availability of the plant or schedule of shutdowns during the erection period of the FGD system
4. Subject to the above, the Commission reserved the matter for order.

By order of the Commission
Sd/-
(T.D. Pant)
Joint Chief (Law)