


फ़ैक्स/स्पीड पोस्ट /FAX/SPEEDPOST

भारत सरकार केन्द्रीय विद्युत प्राधिकरण दक्षिण क्षेत्रीय विद्युत समिति बेंगलूरु - 560 009	 सत्यमेव जयते	Government of India Central Electricity Authority Southern Regional Power Committee Bengaluru - 560 009	
Web site: www.srpc.kar.nic.in	e-mail: mssrpc-ka@nic.in	Ph: 080-22287205	Fax: 080-22259343
सं/No. SRPC/SE-II/2018/		दिनांक / Date	06.02.2018

To

As per list enclosed

Sir,

Sub: Meeting to discuss incentive to Thermal Power Plants (TPPs) for early installation of Pollution Control Equipment - Reg

Please find herein enclosed the Minutes of the meeting held on 23.01.2018 under the Chairmanship of Member (Thermal), CEA to discuss incentive to Thermal Power Plants (TPPs) for early installation of Pollution Control Equipment. The following points had emerged after the discussion:

1. Priority in Scheduling of environmentally compliant TPPs. The following three options were discussed:
 - a) For the purpose of MOD, two categories in TPPs may be created, one which are environmental norms compliant and the other TPPs which are non compliant to environmental norms. Priority in scheduling may be given to the TPPs which are environmentally compliant irrespective of their variable cost.
 - b) The increased variable cost due to installation of FGD and other pollution control equipment may be subtracted from the tariff for MOD in respect of the plants installing pollution control equipment. The existing framework of scheduling priority, which is based on merit order, should continue. This is in order to ensure incentive to plants compliance with environmental norms.
 - c) EPO (Environment Power Obligation) may be introduced in line with RPO (Renewable Purchase Obligation) and it should be mandatory for DISCOM to purchase atleast say 10% power from plants which are norms compliant. The finalized dispensation from above may be continued till December 2022 only.
2. Excise & Custom duty / GST may be exempted for pollution control equipment like FGD etc.

3. Present limit of 30% equity to be met by plants to be relaxed to 10%, this will enable plants to raise the fund comfortably and encourage for early installation of pollution control equipment.
4. NCEF collected through coal cess may be utilized for funding the utilities for installation of pollution control equipment.
5. The amount of coal cess may be reduced for TPPs complying with new environmental norms.

It is proposed to convene a meeting on the above issues at **10:30 hrs of 23-02-2018 (Friday) at SRPC, Bengaluru.**

It is kindly requested to make it convenient (or nominate the concerned officers) to attend the meeting. Representatives from the DISCOMs/Power Procurement Wings also may be kindly ensured.

धन्यवाद /Thanking you,

भवदीय / Yours faithfully

संलग्न : यथोपरि / Encl: As above



(असित सिंह / Asit Singh)

अधीक्षक अभियंता / Superintending Engineer

Copy to: Chief Engineer, TPE & CC Division, CEA, New Delhi

Mailing list for the Meeting

1. Chief Engineer (GO), APTRANSCO, Vijayawada
2. Chief Engineer (GO), TSTRANSCO, Hyderabad
3. Chief Engineer (Elec.), Load Despatch Centre, KPTCL, Bengaluru
4. Additional Director, PCKL, Bengaluru
5. Chief Engineer (System Operation), KSEBL, Kalamassery
6. Chief Engineer (Operation), TANTRANSCO, Chennai
7. Chief Engineer (Gen), APGENCO, Hyderabad
8. Chief Engineer (ED), KPCL, Bengaluru
9. Chief Engineer (Project & ED), KSEBL, Thiruvananthapuram
10. Chief Engineer (Mech. Thermal), TANGEDCO, Chennai
11. Chief Engineer (Gen.), TSGENCO, Hyderabad
12. GM, SRHQ, NTPC, Hyderabad
13. GM, NTECL, Vallur
14. CGM (Thermal), NLC, Neyveli
15. GM, NTPL, Tuticorin
16. Senior Vice President, JSWEL, Toranagallu
17. Head Operation, UPCL, Padubidri, Udupi
18. General Manager, SEL, Nellore
19. General Manager, MEL, Nellore
20. Head Operations, SEMBCORP, TPCIL, Hyderabad
21. GM, SGPL, Nellore
22. O&M Head, IL & FS, Nagipatnam
23. Advisor, Coastal Energen, Tuticorin
24. VP, O&M, HNPCL, Vishakapatnam
25. GM, SRLDC, Bengaluru



भारतसरकार/Government of India
विद्युतमंत्रालय/Ministry of Power
केन्द्रीयविद्युतप्राधिकरण/Central Electricity Authority/
तापीयनिष्पादनमूल्यांकनएवंजलवायुपरिवर्तनप्रभाग
Thermal Performance Evaluation & Climate Change Division

Subject: Minutes of meeting held on 23.1.2018 regarding Incentive to Thermal Power Plants for early installation of pollution control Equipment.

Minutes of the meeting held on 23.1.2018 under the Chairmanship of Member (Thermal), CEA to discuss Incentive to Thermal Power Plants for early installation of pollution control Equipment are attached herewith for your information and necessary action please.

Narender Singh
21/2/2018
(Narender Singh)
Chief Engineer

Member Secretary (ERPC/WRPC/SRPC/NRPC)

No. CEA/Th/TPE&CC/ENV/50/2018/ 124

Date: 1.2.2018
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Copy to:

Member (Thermal): For kind information please.

Chief Engineer (F&CA/ NRC/TPRM), CEA.

सेवाभवन, आर.के. पुरम, नईदिल्ली-110066, टेलिफेक्स: 011-26105075 ईमेल: directorcore@yahoo.com वेबसाइट: www.cea.nic.in
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Minutes of the meeting held on 23.1.2018 under the Chairmanship of Member (Thermal), CEA to discuss Incentive to Thermal Power Plants (TPPs) for early installation of pollution control Equipment.

The list of participants is enclosed at Annexure.

Sh. P. D. Siwal, Member (Thermal), Central Electricity Authority welcomed all the participants. He informed that pollution control equipment needs to be installed in the existing TPPs as well as in the thermal plants, which are under construction. Various power generators have been raising their concern that the TPPs which install the pollution control equipment at earlier dates will be in a disadvantageous position as their ranking in Merit Order Despatch (MOD) will deteriorate due to increase in Variable Charges. They have been time and again requesting to incentivize the TPPs who install pollution control equipment early. As per the phasing plan submitted by CEA, ESP upgradation/ FGD installation has been planned from the year 2018 to 2022. It is felt that incentivizing early installation of pollution control equipment will motivate the power generators to complete the requisite installation in time or ahead of schedule. In order to avoid disadvantage to power plants in MOD due to installation there is a need to balance their interest/ incentivize them. This will also result in reduction in environmental pollution. This will be a temporary phenomenon till December 2022 by the time when all the TPPs would have installed pollution control equipment as per the phasing plan/ directives of CPCB.

Discussions regarding system to incentivize TPPs for early installation of pollution control equipment were held with representatives of Regional Power Committees, TPE&CC, TPRM, TPPD, F&CA Division of CEA, etc. The following points emerged after the discussion:

1. Priority in Scheduling of environmentally compliant TPPs. The following three options were discussed:
 - a. For the purpose of MOD, two categories in TPPs may be created, one which are environmental norms compliant and the other TPPs which are non compliant to environmental norms. Priority in scheduling may be given to the TPPs which are environmentally compliant irrespective of their variable cost.
 - b. The increased variable cost due to installation of FGD and other pollution control equipment may be subtracted from the tariff for MOD in respect of the plants installing pollution control equipment. The existing framework of scheduling priority, which is based on merit order, should continue. This is in order to ensure incentive to plants compliance with new environmental norms.
 - c. EPO (Environment Power Obligation) may be introduced in line with RPO (Renewable Power Obligation) and it should be made mandatory for DISCOM to purchase at least say 10% power from plants which are norms compliant.

The finalized dispensation from above may be continued till December, 2022 only.

2. Excise & Custom duty/ GST may be exempted for pollution control equipment like FGD etc.
3. Present limit of 30% equity to be met by plants to be relaxed to 10%, this will enable plants to raise the fund comfortably and encourage for early installation of pollution control equipment.
4. NCEF collected through coal cess may be utilized for funding the utilities for installation of pollution control equipment.
5. The amount of coal cess may be reduced for TPPs complying with new environmental norms.

Member (Thermal) desired that RPCs should call meeting with DISCOM/ Generators in respect of their region to discuss the system to incentivize TPPs and submit the report by Feb'2018 end.

The meeting ended with vote of thanks.

List of Participants:

CEA:

1. Sh. Pradeep Jindal, Chief Engineer (NPC)
2. Sh. Narender Singh, Chief Engineer(TPE&CC)
3. Sh. Ajay Talegaonkar, Chief Enigneer(F&CA)
4. Sh. B.R. Alwani, Director (TPE&CC)
5. Sh. Rajeev Kumar, Director (TPRM)
6. Sh. Sanjay Jain, Director (TPE&CC)
7. Sh. B.S. Rajput, AGM (TPE&CC)
8. Sh. K.P. Madhu, Deputy Director
9. Sh. Rajesh Kumar, Deputy Director (TPE&CC)
10. Ms. Pooja Jain, Assistant Director-I (TPE&CC)
11. Ms. Rita Nagdeve, Assistant Director-II (TPE&CC)

Regional Power Committees:

1. Sh. M.A.K.P. Singh, Member Secretary (NRPC)
2. Sh. J. Bandyopadhyay, Member Secretary (ERPC)
3. Sh. Upendra Kumar, SE (NRPC)
4. Sh. H.K. Pandey, SE (NRPC)
5. Sh. Asit Singh, SE (SRPC)
6. Sh. J.K. Rathod, SE (WRPC)
7. Sh. L.K.S. Rathore, Deputy Director (WRPC)