



THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION
LUCKNOW

Petition No. 2144, 2145, 2146, 2147 and 2148 of 2024

QUORUM

Hon'ble Shri Arvind Kumar, Chairman

Hon'ble Shri Sanjay Kumar Singh, Member

Hon'ble Shri Griesh Kumar Vaish, Member (Law)

IN THE MATTER OF

Petition under Section 62, 86(1)(a) & 86 (1)(b) of the Electricity Act, 2003 read with Regulation 16 of UPERC (Terms and Condition of Tariff) Regulations, 2019 for Truing Up for the period from 01.04.2019 to 31.03.2024 in respect of 2 x 45 MW Khambarkhera Thermal Power Plant of Bajaj Energy Limited.

AND

IN THE MATTER OF

Petition under Section 62, 86(1)(a) & 86 (1)(b) of the Electricity Act, 2003 read with Regulation 16 of UPERC (Terms and Condition of Tariff) Regulations, 2019 for Truing Up for the period from 01.04.2019 to 31.03.2024 in respect of 2 x 45 MW Utraula Thermal Plant of Bajaj Energy Limited.

AND

IN THE MATTER OF

Petition under Section 62, 86(1)(a) & 86 (1)(b) of the Electricity Act, 2003 read with Regulation 16 of UPERC (Terms and Condition of Tariff) Regulations, 2019 for Truing Up for the period from 01.04.2019 to 31.03.2024 in respect of 2 x 45 MW Kundarkhi Thermal Power Plant of Bajaj Energy Limited.

AND

IN THE MATTER OF

Petition under Section 62, 86(1)(a) & 86 (1)(b) of the Electricity Act, 2003 read with Regulation 16 of UPERC (Terms and Condition of Tariff) Regulations, 2019 for Truing Up for the period from 01.04.2019 to 31.03.2024 in respect of 2 x 45 MW Maqsoodapur Thermal Power Plant of Bajaj Energy Limited.





AND

IN THE MATTER OF

Petition under Section 62, 86(1)(a) & 86 (1)(b) of the Electricity Act, 2003 read with Regulation 16 of UPERC (Terms and Condition of Tariff) Regulations, 2019 for Truing Up for the period from 01.04.2019 to 31.03.2024 in respect of 2 x 45 MW Barkhera Thermal Power Plant of Bajaj Energy Limited.

AND

IN THE MATTER OF

Bajaj Energy Limited (BEL),

TC - 13, Vibhuti Khand, Gomti Nagar, Lucknow, Uttar Pradesh

..... Petitioner

VERSUS

U.P. Power Corporation Ltd. (UPPCL)

Shakti Bhawan, 14-Ashok Marg, Lucknow-226001

..... Respondent

FOLLOWING WERE PRESENT

1. Shri Hemant Sahai, Advocate, UPPCL
2. Shri Nitish Gupta, Advocate, UPPCL
3. Shri Nipun Sharma, Advocate, UPPCL
4. Ms Varnika Tyagi, Advocate, UPPCL
5. Shri Ketan Patil, Vice President, BEPL
6. Shri Amit Kapur, Advocate, BEPL
7. Shri Akshat Jain, Advocate, BEPL
8. Shri Avdesm Mandloi, Advocate, BEPL
9. Shri Shikhar Verma, Advocate, BEPL
10. Shri Amit Mittal, Executive Director, BEPL
11. Shri Shailabh Gupta, Sr. Manager, BEPL
12. Shri Amit Pandey, Sr. Manager, BEPL
13. Shri Sanjeev Kr. Singh, Advocate, BEPL
14. Shri Kashi Nath Yadav, EE(PPA), UPPCL
15. Shri Dharm Ratna, AE(PPA), UPPCL
16. Shri Manish Dwivedi, CE(PPA), UPPCL

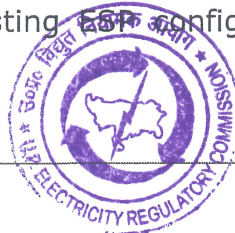




ORDER

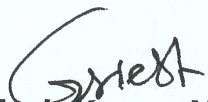
(DATE OF HEARING: 27.08.2026)

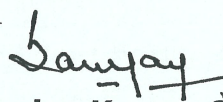
1. The Commission heard the matter today. Shri Amit Kapur, the learned counsel of BEL submitted that the Commission had directed BEPL to provide the following information:
 - a) Clarification on whether, STP and ESP were new facilities or were an upgrade of the existing facilities? Details on the decapitalisation of the old STP and ESP, if new facilities were installed.
 - b) BEPL's letter mentioned in UPPCB's consent order dated 23.03.2018 and
 - c) Details regarding decapitalisation of the existing cyber security system.
2. Shri Kapur, the learned counsel, submitted that BEPL established a new 100 KLD capacity STP based on Moving Bed Biofilm Reactor (MBBR) technology in BEPL's plants during FY 2019-24 In compliance of UPPCB's direction vide order dated 23.02.2028. He further added that STP has not been installed as a replacement of any existing infrastructure and is a new asset created for compliance with UPPCB's directions. Regarding ETP, the counsel of BEPL submitted that ETP is a separate facility located within the core plant area and is used exclusively for treatment of industrial effluent.
3. Shri Amit Kapur, further submitted that installation of STP and ESP are Change in Law event in terms of Article 13 of the PPA. However, in the present petition, the claim for these expenditures have been made under Regulation 20(2)(i) of the Generation Tariff Regulations 2019, which provides expenditure incurred after the cut-off date on account of compliance with the directions of the statutory authority. He further added that the Generation Tariff Regulations 2019 overrides the PPA and is not subservient to PPA.
4. Further to this, counsel of BEPL submitted that ESP upgradation was mandated in accordance with the MoEFCC notifications. BEPL was required to upgrade the existing conventional ESP controllers/systems, and BEPL deployed a cost-effective solution. Since this was an upgradation of the existing ESP configuration, there was no decapitalisation of assets involved.





5. The learned counsel of UPPCL, Shri Hemant Sahay argued that if the STP is a newly installed facility during FY 2019-24, BEPL operated in violation of original Environment Clearance, which required an operation STP for the industrial waste since inception.
6. With regards to the decapitalisation of the existing cyber security system, counsel of BEPL submitted that upgradation of the Digital Control System (DCS) and Filed Control System (FCS) was conducted in terms of Regulations 20(2)(iv) of the Gen. Tariff Regulations 2019 to comply with the mandatory CEA (Cyber Security in Power Sector) Guidelines 2021 to ensure safe, secure and continuous plant operations. The counsel of UPPCL contended that BEPL has not produced any asset wise record, fixed asset register, capitalisation schedule to demonstrate that the assets already in place continue to remain capitalised without replacement or retirement.
7. The Commission heard both the parties and reserved the matter for final orders. The Commission directed the Petitioner to file a written submission along with relevant supporting documents for prudence check as detailed below in 4 weeks, UPPCL may file its written submission, if any, within one week thereafter:
 - a) Compliance status of the STP prior to FY 2019 w.r.t. baseline prescribed by MOE&FCC and its current status. The decapitalisation value of existing infrastructure for adjustment post installation of new STP.
 - b) The decapitalisation value of existing ESP for adjustment post upgradation.
 - c) OEM's recommendations along with the bid document and technical specifications related to the upgradation of ESP vis-a-vis BEL's compliance.
 - d) Depreciation status of the Digital Control System (DCS), Filed Control System (FCS) and other IT infrastructure as per regulatory norms and relevant entry in the FAR (fixed Asset Register) pertaining to these.


(Griesh Kumar Vaish)
Member (Law)


(Sanjay Kumar Singh)
Member


(Arvind Kumar)
Chairman

Place: Lucknow
Dated: 03.09.2026

