

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram:

1. Shri A.K.Basu, Chairperson
2. Shri Bhanu Bhushan, Member
3. Shri A.H. Jung, Member

Petition No.19/2006

In the matter of

Linking of incentive payment to availability instead of scheduled Plant Load Factor

And in the matter of

Neyveli Lignite Corporation Ltd, Chennai

..Petitioner

Vs

1. Tamil Nadu Electricity Board, Chennai
2. SPPCC, Bangalore
3. Kerala State Electricity Board, Thiruvananthapuram
4. Pondicherry Electricity Department, Pondicherry
5. Transmission Corporation of Andhra Pradesh, Hyderabad ..**Respondents**

The following were present:

1. Shri R. Suresh, NLC
2. Ms. Ratna Chowdhary, NLC

ORDER
(DATE OF HEARING: 6.6.2006)

The petitioner has filed this petition praying that incentive payment be based on declared capacity and target availability instead of the existing scheme of allowing incentive based on scheduled generation and Plant Load Factor. The petitioner has referred to para 144 and 145 of our order dated 29.3.2004 in Petition

no. 67/2003 (Suo Motu) where the Commission had indicated its willingness to revisit the issue of incentive linked to PLF for a more informed debate.

2. It is seen that the matter raised in this petition has wider applicability involving all the utilities in Central and State sectors. We feel that in the interest of justice, all concerned need be given opportunity to express their views in the matter.

3. The representative of the petitioner undertook to circulate a comprehensive paper on the subject to all the utilities concerned, Central generating companies, RLDCs and RPCs within one month, with a view to elicit their views. The utilities and others concerned may file their views before the Commission latest by 31.7.2006.

4. Ten copies of the paper along with the details of the utilities and others to whom the paper has been forwarded shall be filed by the petitioner before the Commission latest by 5.7.2006.

5. The present petition shall in the meantime be kept pending.

Sd/-

Sd/-

Sd/-

**(A.H. JUNG)
MEMBER**

**(BHANU BHUSHAN)
MEMBER**

**(ASHOK BASU)
CHAIRPERSON**

New Delhi dated the 6th June, 2006