CENTRAL ELECTRICITY REGULATORY COMMISSION NEW DELHI

Petition No. 17/MP/2016

Subject: Dispute on the payment of tariff with interest in regard to power

station of Neyveli Lignite Corporation Limited, namely NLC TPS I (600 MW), NLC TPS-II Stage-I (3X210MW), NLC TPS-II Stage-II (4X210MW) and NLC TPS I Expn (2X210MW) due to the increase in operation and maintenance expenses incurred by NLC's mines on account of wage revision to employees for the period from 1.1.2007 and pay revision to CISF personnel posted in NLC Mines

for the period from 1.1.2006.

Date of hearing: 31.3.2016

Coram : Shri Gireesh B. Pradhan, Chairperson

Shri A.K. Singhal, Member Shri A.S. Bakshi, Member Dr. M.K. Iyer, Member

Petitioner : Neyveli Lignite Corporation Limited

Respondents: TANGEDCO and others

Parties present: Shri M.G. Ramachandran, Advocate, NLC Ltd.

Ms. Poorva Saigal, Advocate, NLC Ltd.

Shri S. Vallinayagam, Advocate, TANGEDCO

Shri Jayaprakash, TANGEDCO Shri E. Shyamala, TANGEDCO

Record of Proceedings

Learned counsel for the petitioner submitted that the present petition has been filed seeking directions to the respondents to pay the interest on increase in O&M expenses incurred by NLC Mines on account of wage revision and to pay tariff with interest with effect from 9.9.2010 and to adjust the payments made by the beneficiaries towards such interest in terms of the provisions of the Power Purchase Agreement entered into between the petitioner and the beneficiaries. Learned counsel for the petitioner further submitted as under:

(a) The Commission vide order dated 12.5.2015 in Petition No. 65/MP/2013 increased Operational and Maintenance expenses incurred by NLCs Mines on account of wage revision with effect from 1.1.2007 to 31.3.2009 to NLCs Power Station, namely NLC TPS I (600 MW), NLC TPS-II Stage-I (3X210 MW), NLC

TPS-II Stage-II (4X210 MW) and NLC TPS I Expansion (2X210 MW) and revised pay of CISF personnel posted in NLC mines with effect from 1.1.2006 to 31.3.2009.

- (b) The Commission vide order dated 11.12.2012 in Petition No. 201/MP/2011 dealing with the increase in the Operational and Maintenance Expenses on account of wage revision, had allowed NTPC to recover the wage revision amount directly from the beneficiaries without factoring in the variable charge. Therefore, the petitioner is entitled to claim and adjust the interest from the payments made by the beneficiaries to it.
- (c) The State of Karnataka has paid the interest while other beneficiaries are not paying the interest on the tariff determined by the Commission vide order dated 12.5.2015 in Petition No. 65/MP/2013.
- 2. Learned counsel for TANGEDCO submitted that the present petition is not maintainable and the petitioner should have challenged the Commission's order dated 12.5.2015 in Petition No. 65/MP/2013 before ATE. The petitioner cannot seek relief by way of filing Miscellaneous petition. Learned counsel requested for time to file reply to the petition on maintainability.
- 3. After hearing the learned counsel for the parties, the Commission directed to issue notice to the respondents on the maintainability of the petition.
- 4. The Commission directed the petitioner to serve copy of the petition on the respondents immediately. The respondents were directed to file their replies 26.4.2016 with an advance copy to the respondents who may file its rejoinder, if any by 6.5.2016. The Commission directed that due date of filing the replies and rejoinders should be strictly complied with. No extension shall be granted on that account.
- 5. The petition shall be listed for hearing on maintainability on 12.5.2016.

By order of the Commission

Sd/-(T. Rout) Chief (Law)