

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram:

1. **Shri Ashok Basu, Chairman**
2. **Shri K.N. Sinha, Member**
3. **Shri Bhanu Bhushan, Member**
4. **Shri A.H. Jung, Member**

Petition No. 5/2002

In the matter of

Revised Tariff for Thermal Power Station II of NLC for the period from 2001-2002 to 2005-2006.

And in the matter of

Neyveli Lignite Corporation Ltd.

....Petitioner

Vs

1. Tamil Nadu Electricity Board, Chennai
2. Karnataka Power Transmission Corporation Ltd., Bangalore
3. Transmission Corporation of Andhra Pradesh, Hyderabad
4. Kerala State Electricity Board, Thiruvananthapuram
5. Pondicherry Electricity Deptt., Pondicherry

.. Respondents

The following were present

1. Shri K. Sekar, GM, NLC Ltd.
2. Shri R. Suresh, Dy. Gen. Manager (Comml), NLC Ltd.
3. Ms Ratna Chowdhury, DCE, NLC Ltd.
4. Shri A. Ganesan, ACM, NLC Ltd.
5. Shri S. Sowmyanarayanan, TNEB
6. Shri V.G. Pandit, Controller, KPTCL
7. Shri K. Ramakrishnan, SE, AP Transco

**ORDER
(DATE OF HEARING : 3.3.2005)**

Heard Shri K. Sekar, GM and Shri R. Suresh, DGM for the petitioner; Shri S. Sowmyanarayanan for TNEB; Shri V.G. Pandit, Controller for KPTCL and Shri K. Ramakrishnan, SE for AP Transco.

2. One of the disputes raised in the present petition is regarding pricing of lignite used for generation of electricity at NLC TPS-II. Shri S. Sowmyanarayanan has submitted that the dispute can be referred for arbitration in view of the provisions made in the Bulk Power Supply Agreement signed between the petitioner and the respondents. The representative of other states had no objection to the proposal made by Shri Sowmyanarayanan. Shri K Sekar has submitted that after consulting the Board of Directors, an affidavit on the subject will be filed on behalf of the petitioner, to place on record the petitioner's view on the question of arbitration of the dispute raised in regard to lignite pricing.

3. Let the affidavit be filed within 10 days with a copy to the respondents.

4. A view on the further course of action to be adopted for resolving the dispute will be taken on consideration of views of the petitioner in the affidavit to be filed on its behalf.

**Sd/-
(A.H. JUNG)
MEMBER**

**Sd/-
(BHANU BHUSHAN)
MEMBER**

**Sd/-
(K.N. SINHA)
MEMBER**

**Sd/-
(ASHOK BASU)
CHAIRMAN**

New Delhi dated the 3rd March, 2005