

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

**Petition No. 39/RP/2017
in Petition No. 146/GT/2015**

Coram:

Shri P.K. Pujari, Chairperson

Shri A.K. Singhal, Member

Shri A.S. Bakshi, Member

Dr. M.K. Iyer, Member

Date of Order: 12th June, 2018

In the matter of

Review of the Commission's order dated 24.7.2017 in Petition No. 146/GT/2015 for approval of tariff of Circulating Fluidized Bed Combustion Technology based NLC Thermal Power Station-II Expansion Units I & II (2 x 250 MW) for the period from their actual date of commercial operation till 31.3.2019

And in the matter of

Neyveli Lignite Corporation Limited
Neyveli House, 135, EVR Periyar Road,
Kilpauk, Chennai - 600010

....Petitioner

Vs

1. Tamil Nadu Generation and Distribution Company Ltd
800, Anna Salai
Chennai - 600002

2. Power Company of Karnataka Ltd.
KPTCL Building, Kaveri Bhavan, K.G.Road,
Bangalore - 560009

3. Bangalore Electricity Supply Company Ltd.
KR Circle, Bangalore - 560001

4. Mangalore Electricity Supply Company Ltd.
Paradigm Plaza, AB Shetty Circle,
Mangalore-575001

5. Gulbarga Electricity Supply Company Ltd.
Station Main Road, Gulbarga-585102

6. Hubli Electricity Supply Company Ltd.
Corporate Office, Navanagar,
PB Road, Hubli-580025



7. Chamundeshwari Electricity Supply Corporation Ltd.
Corporate Office, No.927, LJ Avenue, New Kantaraja Urs Road,
Saraswathipuram, Mysore-570009

8. Kerala State Electricity Board Ltd.
Vaidyuthi Bavanam, Pattom,
Thiruvananthapuram-695004

9. Puducherry Electricity Department
137, NSC Bose Salai,
Puducherry - 605001

.....Respondents

Parties present:

Shri M.G. Ramachandran, Advocate, NLC
Shri Pulkit Aggarwal, Advocate, NLC
Shri S. Vallinayagam, Advocate, TANGEDCO

Interim Order

The petitioner, Neyveli Lignite Corporation Limited (NLC) has filed this petition seeking review of Commission's order dated 24.7.2017 in Petition No. 146/GT/2015 for approval of tariff of Circulating Fluidized Bed Combustion Technology based NLC Thermal Power Station-II Expansion Units I & II (2 x 250 MW) (hereinafter referred to as "generating station") for the period from their actual date of commercial operation till 31.3.2019 in terms of the provisions of the Central Electricity Regulatory Commission (Terms & Conditions of Tariff) Regulations, 2014.

2. During the hearing, the learned counsel for the petitioner submitted that there are errors apparent on the face of the Commission's order dated 24.7.2017 and sought review on the following issues:

(i) Non- consideration of time-overrun;

(ii) Disallowance of an amount of ₹540.04 crore in the capital cost for the year 2016-17;



(iii) Disallowance of Interest during Construction (IDC), Incidental Expenses during Construction and non-allowance of the total normative IDC;

(iv) Claim of Station Heat Rate of 2863.11 kCal/kwhas not allowed;

(v) Non-consideration of landed cost of lignite (inclusive of taxes and duties i.e. Clean Energy Cess, Excise Duty and Service Tax on Royalty) and only the base price and Royalty alone has been considered for calculating the interest on working capital;

(vi) While calculating the interest on working capital, the lime stock only for 45 days was considered as against 60 days which should be considered for non-pit head station instead of considering as pit head station;

(vii) While computing interest on loan in determination of Interest on working capital, the net loan closing figures of the previous year have not been carried forward to the net loan opening figures for the next year;

(viii) Auxiliary consumption has been computed at 10% as against the claim of 15.02%.

3. The learned counsel for respondent, TANGEDCO submitted that the review petition is in the nature of 'appeal' in disguise and hence not maintainable. He however, prayed for time to file reply in the matter.

4. The petitioner is directed to serve the copy of the review petition along with this order on the respondents by 18.6.2018. The respondents shall file their replies by 25.6.2018, with advance copy to the petitioner, who shall file its rejoinder, if any, by 29.6.2018. The parties shall ensure the completion of the pleadings prior to the next date of hearing.

5. The Review Petition shall be listed for hearing on 'maintainability' on 3.7.2018.

-Sd/-
(Dr. M.K.Iyer)
Member

-Sd/-
(A. S. Bakshi)
Member

-Sd/-
(A. K. Singhal)
Member

-Sd/-
(P.K. Pujari)
Chairperson

