

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 452/MP/2019

&

Petition No.173/MP/2020

Coram:

Shri P.K Pujari, Chairperson

Shri I.S Jha, Member

Shri Arun Goyal, Member

Shri Pravas Kumar Singh, Member

Date of Order: 13th November, 2021

In the matter of

Petition No.452/MP/2019

Petition seeking approval of revision of lignite transfer price of Neyveli mines for the period from 1.4.2014 to 31.3.2019, on account of truing up on additional capitalization for 2014-19, O&M expenses, overburden removal and consequent depreciation and return on equity as per Ministry of Coal guidelines dated 2.1.2015 on fixation of transfer price of lignite.

And

In the matter of

NLC India Limited,
First floor, No.8, Mayor Sathyamurthy Road,
FSD, Egmore Complex of FCI, Chetpet,
Chennai-600 031.

.... Petitioner

Vs

1. Tamil Nadu Generation and Distribution Corporation Limited,
NPKRR Maaligai, 144, Anna Salai,
Chennai – 600 002

2. Transmission Corporation of Andhra Pradesh,
Vidyut Soudha, Khairatabad,
Hyderabad-500 082

3. Southern Power Distribution Company of Andhra Pradesh Limited,
D.No:19-13-65/A, Srinivasapuram,
Tiruchanoor Road Tirupathi,
Andhra Pradesh - 517501.



4. Eastern Power Distribution Company of Andhra Pradesh Limited,
P&T Colony, Seetammadhara, Vishakapatnam,
Andhra Pradesh - 503013

5. Transmission Corporation of Telangana,
Vidyut Soudha, Khairatabad,
Hyderabad-500 082

6. Northern Power Distribution Company of Telangana Limited,
H.No. 1-1-504, Opposite NIT petrol pump,
Chaityanayapuri colony, Hanmkonda,
Warangal (Telangana) - 506 004

7. Southern Power Distribution Company of Telangana Limited,
2nd Floor, H.No.6-1-50, Mint Compound,
Hyderabad – 500 063

8. Power Company of Karnataka Limited,
KPTCL Complex, Kaveri Bhavan,
Bangalore – 560 009

9. Bangalore Electricity Supply Company Limited,
Krishna Rajendra Circle,
Bangalore - 560 001

10. Mangalore Electricity Supply Company Limited,
Corporate Office, MESCOM Bhavana,
Bejai, Kavour Cross Road,
Mangalore 575 004

11. Chamundeshwari Electricity Supply Company Limited
Corporate office No.CA 29, Vijayanagar, 2nd Stage, Hinakal,
Mysore -570017

12. Gulbarga Electricity Supply Company Limited,
Station main road, Gulbarga -585 102,
Karnataka

13. Hubli Electricity Supply Company Limited,
P.B.Road, Navanagar,
Hubli - 580 025

14. Kerala State Electricity Board Limited
Vaidyuthi Bhavanam, Pattom,
Thiruvananthapuram – 695 004

15. Puducherry Electricity Department,
137, NSC Bose Salai,
Puducherry - 605 001

....Respondents



And

In the matter of

Petition No.173/MP/2020

Petition for approval for revision of lignite transfer price of Barsingsar mines for the period from 1.4.2014 to 31.3.2019 on account of truing up on additional capitalization for 2014-19, O&M expenses, over burden removal and consequent depreciation and return on equity as per Ministry of Coal Guidelines dated 2.1.2015 on fixation of transfer price of lignite.

And

In the matter of

NLC India Limited,
First floor, No.8, Mayor Sathyamurthy Road,
FSD, Egmore Complex of FCI, Chetpet,
Chennai-600 031.

.... Petitioner

Vs

1. Jodhpur Vidyut Vitran Nigam Limited,
New Power House, Heavy Industrial area,
Jodhpur, Rajasthan- 342003

2. Jaipur Vidyut Vitran Nigam Limited,
Vidyut Bhawan, Janpath,
Jaipur, Rajasthan – 302 005

3. Ajmer Vidyut Vitran Nigam Limited,
Old Power House Hathi Bhata,
Jaipur Road, Ajmer – 305 001

4. Rajasthan Urja Vikas Nigam Limited,
Shed No. 5/5, Vidyut Bhawan
Janpath, Jaipur 302 005

....Respondents

ORDER

Proviso to clause (4) of Regulation 9, as inserted vide the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) (Second Amendment) Regulations, 2021 (in short, the ‘Second Amendment Regulations’) is as under:

“Provided that a generating company with integrated mine(s) shall file a petition for determination of input price of coal or lignite from the integrated mine(s) not later than 60 days from the date of commercial operation of the integrated mine(s) or from the date of



notification of these regulations, whichever is later and may also seek determination or revision of tariff of the concerned generating station(s) in accordance with these regulations”.

2. In terms of the above proviso, a generating company with integrated mines is required to file a petition for determination of input price of coal or lignite from integrated mines within 60 days from COD of the integrated mines or from the date of notification of the said regulations, whichever is later.

3. The Second Amendment Regulations were notified in the official gazette on 13.9.2021.

4. NLC India Limited (in short 'NLCIL') vide letter dated 27.10.2021 has submitted that it has filed Petition No.452/MP/2019 and Petition No.173/MP/2020 before the Commission, for truing-up of lignite transfer price for Neyveli Mines and Barsingsar Mines respectively, for the period 2014-19, and the same are pending adjudication before the Commission. NLCIL has further submitted that the approved lignite price for the year 2018-19 in the aforesaid petitions will form the base price of lignite for the year 2019-20 which, in turn, is required for the computation of lignite input price for the period 2019-24 in respect of those mines. Unless orders in Petition No.452/MP/2019 and Petition No.173/MP/2020 are issued, the Petitioner will not be able to file petitions for determination of input price in respect of the said mines for 2019-24 period. Also, the Petitioner will be required to obtain auditor certificate with the petitions that would require additional time. Accordingly, NLCIL has prayed that it may be granted extension of time to file the petition for determination of input price of lignite for 2019-24 period in respect of the said mines in terms of the Second Amendment Regulations, by two months, from the date of issuance of orders in both the petitions.



5. As per the Second Amendment Regulations, notified on 13.9.2021, NLCIL is required to file the petition for determination of input price of lignite from integrated mines for the period 2019-24, by 12.11.2021. Petition No.452/MP/2019 for truing-up of lignite transfer price in respect of Neyveli Mines for 2014-19 has been reserved for orders and Petition No.173/MP/2020 for truing-up of lignite transfer price in respect of Barsingsar Mines for 2014-19 is pending for final hearing after completion of pleadings. In this background and in consideration of the submissions of NLCIL, we, in exercise of the power under Regulation 76 of the 2019 tariff Regulations, relax the proviso to Regulation 9(4) of the 2019 Tariff Regulations, as amended on 13.9.2021, and permit NLCIL to file the petition for determination of input price of lignite in respect of Neyveli Mines and Barsingsar Mines, for the period 2019-24, within a period of two months from the date of final disposal of the respective petitions filed by NLCIL viz., Petition No.452/MP/2019 and Petition No.173/MP/2020.

Sd/-
(Pravas Kumar Singh)
Member

Sd/-
(I.S. Jha)
Member

Sd/-
(Arun Goyal)
Member

Sd/-
(P.K.Pujari)
Chairperson

