

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No.532/MP/2020

- Subject : Petition under Section 79(1)(a) and Section 79(1)(f) of the Electricity Act, 2003 and Regulation 36 of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 seeking intervention on the lignite transfer price fixed by Neyveli Lignite Corporation of Limited for the period 2019-24.
- Date of Hearing : 24.4.2023
- Coram : Shri Jishnu Barua, Chairperson
Shri I. S. Jha, Member
Shri Arun Goyal, Member
Shri P. K. Singh, Member
- Petitioner : Kerala State Electricity Board Limited (KSEBL)
- Respondents : NLC India Limited (NLCIL) and 14 Ors.
- Parties Present : Shri Prabhas Bajaj, Advocate, KSEBL
Shri Ankit Roy, Advocate, KSEBL
Ms. Anushree Bardhan, Advocate, NLCIL
Ms. Srishti Khindaria, Advocate, NLCIL
Shri A Srinivasan, NLCIL
Ms. Akansha, NLCIL

Record of Proceedings

Learned counsel for the Petitioner submitted that present Petition has been filed, *inter-alia*, challenging the validity of the guidelines framed by the Respondent No.1, NLCIL for determination of the Lignite Transfer Price. Learned counsel further circulated a brief note of submissions and mainly submitted as under:

- (a) Vide Record of Proceedings for the hearing dated 27.8.2020, the Commission, *inter-alia*, directed that the guidelines issued by NLCIL shall be kept in abeyance and till the Regulations for computation of Lignite Transfer Price are notified by the Commission, NLCIL shall follow the guidelines of MoC.
- (b) Subsequently, on 19.2.2021, the Commission issued the Second Amendment to the Tariff Regulations, 2019 - amending the Regulation 36 thereof and inserting the Regulations 36A to 36P - for determination of the Lignite Transfer Price for the period 2019-24. Further, in terms of the said amended Regulations, NLCIL was required to file a Petition for approval of the Lignite Transfer Price.
- (c) NLCIL, thereafter, filed Petition No. 223/MP/2022 for approval of its Lignite Transfer Price for the period 2019-24 and subsequently also filed Petition No. 104/MP/2023 for determination of provisional tariff on fixation of Lignite Transfer Price for the period 2019-24. In terms of the direction of the



Commission dated 13.4.2023, the later petition is to be treated as IA in the former and both of them are listed for hearing on 27.4.2023.

(d) In view of the above developments, the present Petition may be disposed of by the Commission by, *inter-alia*, directing that (i) the guidelines dated 19.9.2019 framed by NLCIL, being entirely without any jurisdiction, would deserve to be set aside, and (ii) the interim arrangement as directed by the Commission in its order dated 27.8.2020 would deserve to be continued till the determination of provisional tariff by this Commission in Petition No. 223/MP/2022.

2. Learned counsel for the NLC India Limited submitted that NLCIL will act as per the provisional order to be issued by the Commission.

3. Considering the submissions made by the learned counsel for the Petitioner, the Commission reserved the matter for order.

By order of the Commission

**Sd/-
(T.D. Pant)
Joint Chief (Law)**