

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 21/MP/2023

**Coram:
Shri Jishnu Barua, Chairperson
Shri Arun Goyal, Member
Shri Pravas Kumar Singh, Member**

Date of Order: 19th May, 2024

In the matter of:

Corrigendum to order dated 18.3.2024 in Petition No. 21/MP/2023.

And

In the matter of:

Petition seeking approval for determination of Lignite Input Price for the period 2019-24, in respect of Barsingsar Mines, as per Central Electricity Regulatory Commission (Terms and conditions of Tariff) Second Amendment Regulations, 2021.

And

In the matter of:

NLC India Limited, (Formerly Neyveli Lignite Corporation Limited),
First Floor, No.8, Mayor Sathyamurthy Road, FSD,
Egmore Complex of Food Corporation of India,
Chetpet, Chennai-600031

.....Petitioner

Vs

1. Jodhpur Vidyut Vitaran Nigam Limited
New Power House, Heavy Industrial Area,
Jodhpur, Rajasthan-342003

2. Jaipur Vidyut Vitaran Nigam Limited,
Vidyut Bhavan, 1st Floor, Janpath,
Jaipur, Rajasthan-302005

3. Ajmer Vidyut Vitaran Nigam Limited,
Old Power House Hathi Bhata,
Jaipur Road, Ajmer, Rajasthan-305001

4. Rajasthan Urja Vikas Nigam Limited
Shed No. 5/5, Vidyut Bhawan,
Janpath, Jaipur- 302005

.....Respondents

CORRIGENDUM ORDER

The Commission in the order dated 18.3.2024 in Petition No. 21/MP/2023 with regard to the O&M expenses of Barsingsar mines for the period 2019-24, had considered the normative O&M expenses of Rs. 7859.23 lakh for the year 2018-19 as allowed vide order dated 10.6.2022 in Petition No. 173/MP/2020 and subsequently vide order dated 28.9.2023 in Review Petition No. 30/RP/2022, after truing up of tariff for the period 2014-19 and had escalated the same @3.5% for the period 2019-24 and directed that the O&M expenses allowed are subject to truing up. However, it is noticed that regulation 36(I)(1)(b) provides that the Operation and Maintenance expenses for the tariff period ending on 31st March 2024 in respect of the integrated mine(s) of lignite commissioned on or before 31st March 2019, shall be worked out based on the Operation and Maintenance expenses as admitted by the Commission during 2018-19 and escalated at the rate of 3.5% per annum. The Commercial operation date of the Barsingsar Mine is 27.11.2008 and Units I and II of Barsingsar Thermal Power Station were commissioned on 20.1.2012 and 29.12.2011 respectively.

2. Accordingly, the para 110 of the order dated 18.3.2024 in Petition No. 21/MP/2023, which is reproduced under

“ 110. Regulation 36I of the 2021 Second Amendment Regulations provides that the O&M expenses for the period 2019-24 shall be worked out based on the O&M expenses as admitted by the Commission in 2018-19 and escalated at the rate of 3.5% per annum. The Petitioner has considered the normative O&M expenses of Rs. 7859.23 lakh for the year 2018-19 as allowed by order dated 10.6.2022 in Petition No. 173/MP/2020 and subsequently vide order dated 28.9.2023 in Review Petition No. 30/RP/2022, after truing up of tariff for the period 2014-19 and had escalated the same @3.5% for the period 2019-24. Accordingly, we allow the O&M expenses claimed by the Petitioner for determination of the input price for lignite from Barsingsar mines for the period 2019-24. However, the O&M expenses allowed as above are subject

to truing up, based on the actual expenses for the period 2019- 24. The Petitioner, at the time of truing up of tariff, shall furnish all the details corresponding to the O&M expenses and ensure that the mining charge of such Mine Developer and Operator are not included in the O&M expenses if the development and operation of the integrated mine(s) are undertaken by the Generating company by engaging Mine Developer and Operator.

is modified as

“ 110. Regulation 36I of the 2021 Second Amendment Regulations provides that the O&M expenses for the period 2019-24 shall be worked out based on the O&M expenses as admitted by the Commission in 2018-19 and escalated at the rate of 3.5% per annum. The Petitioner has considered the normative O&M expenses of Rs. 7859.23 lakh for the year 2018-19 as allowed by order dated 10.6.2022 in Petition No. 173/MP/2020 and subsequently vide order dated 28.9.2023 in Review Petition No. 30/RP/2022, after truing up of tariff for the period 2014-19 and had escalated the same @3.5% for the period 2019-24. Accordingly, we allow the O&M expenses claimed by the Petitioner for determination of the input price for lignite from Barsingsar mines for the period 2019-24.

3. Except for the above, all other terms contained in the order dated 18.3.2024 in Petition No. 21/MP/2023, shall remain unaltered.

**Sd/-
(Pravas Kumar Singh)
Member**

**Sd/-
(Arun Goyal)
Member**

**Sd/-
(Jishnu Barua)
Chairperson**