CENTRAL ELECTRICITY REGULATORY COMMISSION NEW DELHI

Petition No. 223/MP/2022

Subject: Petition seeking approval for lignite input price for the period

1.4.2019 to 31.3.2024 in respect of Pooled Neyveli Mines as per CERC (Terms and Conditions of Tariff) Second Amendment,

Regulations 2021.

Petitioner : NLC India Limited

Respondents: TANGEDCO and 15 Ors.

Date of Hearing : 22.9.2023

Coram : Shri Jishnu Barua, Chairperson

Shri I.S Jha, Member Shri Arun Goyal, Member

Shri Pravas Kumar Singh, Member

Parties Present: Shri Kulamani Biswal, Advocate, NLCIL

Shri Rakesh Pandey, Advocate, NLCIL

Shri A. Srinivasan, NLCIL Shri Mukesh Agrawal, NLCIL Ms. Akansha Wadhwa, NLCIL

Shri S. Vallinayagam, Advocate, TANGEDCO

Shri R Kathiravan, TANGEDCO

Record of Proceedings

During the hearing, the learned counsel for the Petitioner mainly submitted the following:

- (a) There is a delay of 30 days in filing the Petition since the process of preparation and filing the petition for lignite price determination could only be started after the issuance of the corrigendum order dated 26.4.2022 in Petition No. 452/MP/2019. The delay may, therefore, be condoned.
- (b) Relaxation of 15% in the Annual Target Quantity (ATQ) may be considered from the approved mine capacity in addition to the deviation approved by the Coal Controller Organization i.e. extended relaxation in production schedule on account of the Covid outbreak as 6 days for 2019-20 and 3 months each for 2020-21 and 2021-22 respectively,
- (c) Other than the deviation in depreciation claim towards the amortization of land cost, used for mining purposes, all the other parameters have been followed as per the Regulations, notified by this Commission.
- 2. The learned counsel for the Respondent TANGEDCO, circulated a note of arguments and pointed out that if the delay in filing the petition by the Petitioner, is condoned, the beneficiaries may not be burdened with the liability to pay interest on

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tariff, from the date of COD till the date of filing of the petition. He also made detailed oral submissions on various issues viz., Norms adopted for the calculation of lignite price, Depreciation, capital cost, additional capital expenditure and amortization of land etc. As regards claims for additional capitalization and amortization of land cost, the learned counsel pointed out that the Petitioner has not furnished any documents and prayed that the Petitioner may be directed to furnish the same. The learned counsel also submitted that it may be permitted to upload the note of arguments circulated during the hearing, which was accepted by the Commission.

- 3. In response, the learned counsel for the Petitioner submitted that all relevant documents have been furnished by the Petitioner and if required, further documents will be filed, as directed by the Commission.
- 4. Considering the submissions of the parties, the Commission directed the learned counsel for the Respondent TANGEDCO to furnish the list of documents required from the Petitioner, by **18.10.2023** and the same shall be furnished by the Petitioner, if not done earlier, by **10.11.2023**. Objections, if any, on merits, may be filed by the parties through written submissions, after serving a copy to the other, on or before **24.11.2023**.
- 5. Subject to the above, the order in this petition was reserved.

By order of the Commission

Sd/-(B. Sreekumar)
Joint Chief (Law)

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