



Approval of capital investment by West Bengal State Electricity Distribution Company Limited for Strengthening and Extending Electricity Distribution Network (SEEDN) in terms of regulation 2.8.2.3 of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011, as amended.



- c) Conversion of single-phase LT line into three-phase with LT AB cable to improve voltage, reliability of power supply at LT level and to avoid accident arising out of bare conductor snapping and to check pilferage of power for AT&C loss reduction;
- d) GIS mapping of HT and LT assets and automated outage management system to reduce downtime and monitoring of O&M activity for asset management towards cost reduction;
- 2.2 WBSEDCL also stated that the benefits of the SEEDN scheme are improvement of power quality and reliability, reduction of technical as well as commercial loss, better utilization of network assets and automated outage management & monitoring of O&M activity. Beside these SEEDN scheme will increase the rural electrification rate, provide renewed thrust for improvement of industrial and agricultural growth of the state and will accommodate prospective load in the supply area of WBSEDCL.
- 2.3 WBSEDCL estimated the total project cost of Rs. 1137 Crores. The project has been scheduled to be completed in four phases by 31.03.2020. WBSEDCL submitted the following year-wise requirement of estimated fund for each phase.

Particulars	Financial Year	Investment Plan (Rs. in Crores)
Phase I	2016-17	319
Phase II	2017-18	300
Phase III	2018-19	300
Phase IV	2019-20	218

- 2.4 WBSEDCL further submitted that the Department of Power & NES, GoWB after careful consideration and due concurrence of Finance Department, GoWB vide UO No. 3589-Gr. N dated 10.03.2017 and UO No. 0288-Gr. R dated 14.03.2017 has accorded approval of Rs. 319.00 Crore for SEEDN Phase - I vide Memo No. 45-PO/P/C-II/1B-29/2016 dated 15.03.2017.
- 2.5 In view of above, WBSEDCL has prayed before the Commission to –

Approve total investment of Rs. 1137.10 Crores (Rupees one thousand one hundred thirty-seven Crores and ten Lakh) for all four phases under SEEDN scheme for target consumers





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of around 1.2 Lakh at 19 districts of West Bengal in terms of Regulation 2.8.2.3 of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011 as amended.

3.0 The Commission after carefully analyzing the application requested WBSEDCL to submit additional information/ clarifications/ documents on the following observations:

- a) In the DPR, it has been mentioned that 'To effect new connections in the BRGF districts, approximately 16.93 lakhs connections have already been effected in the BRGF districts by WBSEDCL with its own resources during the current fiscal. Part of that expenditure to the tune of Rs. 62.10 Crore has been considered in the DPR'. However, while giving component wise break up in the project cost, WBSEDCL has claimed an amount of Rs 215 Crores against already effected new connections in the BRGF districts in addition to Rs. 62.10 Crore for spill over service connection beyond the scope of BRGF and RGGVY.
- b) In the cost data for replacement of existing LTOH line (Bare Conductor) of 1 Km by LT AB Cable (in Plain Area), no details of Cost of Material have been given.
- c) In the component wise breakup of estimate of GIS survey of existing HT and LT line in Annexure VIII, the CKM of the existing 33 kV line, 11 kV line and L&MV line is not in line with the network assets as specified by WBSEDCL in the DPR.
- d) It has been mentioned in the project report that net assistance required from GoWB is Rs. 1137 Crore. However, from the Order No. 45-PO/P/C-II/1B-29/2016 dated 15.03.2017 of Government of West Bengal, it has been observed that administrative approval for execution of Phase – I of the new scheme titled 'Strengthening & Extending Electricity Distribution Network (SEEDN) at an estimated cost of Rs. 319 Crore has been accorded. However, no specific approval from State Government from future phases of the project is found.

4.0 WBSEDCL in their letter dated 26.02.2019 and supplementary petition dated 30.05.2019 inter-alia submitted the followings:





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- a) Rs. 215.00 Crore was to effect 8.6 Lakh consumers in 11 backward districts who were already connected upto 2016-17 utilizing own fund of WBSEDCL due to urgency which was subsequently included under SEEDN Phase – I.

An amount of Rs. 62.10 Crore is required to provide 1.2 Lakh spill over new connections beyond the scope of BRGF and RGGVY scheme in 19 districts under SEEDN Phase – I.

Thus, the investment plan of SEEDN Phase I of Rs. 319.00 Crore for 2016-17 is inclusive of already made expenditure of Rs. 215.00 Crore and additional requirement of Rs. 104.00 Crore which includes service connection cost of Rs 62.10 Crore.

- b) WBSEDCL submitted the schedule for cost of material for replacement of existing LTOH line (Bare conductor) of 1 Km by LT AB Cable (in Plain Area).
- c) Regarding quantitative gap in CKM between the DPR figures vis-à-vis physical quantity considered during cost estimation, WBSEDCL requested to consider the latter one. WBSEDCL submitted that frequent variation in HV as well as L&MV network lines are very much evident owing to continuous expansion of distribution network to accommodate increasing consumer base and also to ensure quality power supply.
- d) WBSEDCL also submitted approval and sanction copy of SEEDN Phase – II vide PO/P/C-II/1B-29/2016 dated 09.06.2017 amounting Rs. 300.00 Crore and SEEDN Phase – III vide PO/O/C-VI/5S-07/2018 dated 19.03.2018 amounting to Rs. 400.00 Crore.

5.0 The Commission vide letter dated 25.09.2019 inter-alia directed WBSEDCL to

- (i) make a submission in the form of affidavit that, WBSEDCL have not claimed the cost of financing of Rs. 215 Crores spent by them for recovery through tariff at any time and also certify that WBSEDCL shall not claim the same in future.
- (ii) The total sanction accorded by Govt. of West Bengal so far for the project is Rs. 1019 Crores whereas the total project cost is Rs. 1137.10 Crores. Therefore, WBSEDCL shall clarify how the balance amount of Rs. 118.10 Crores will be funded alongwith related cost of funding.

