



**ORDER
OF THE
WEST BENGAL ELECTRICITY REGULATORY COMMISSION
FOR THE YEAR
2023 – 24 to 2024 – 25**

**IN
CASE NO: TP – 103 / 22 – 23**

**IN REGARD TO THE MULTI YEAR TARIFF
APPLICATION UNDER EIGHTH CONTROL PERIOD OF
THE WEST BENGAL POWER DEVELOPMENT
CORPORATION LIMITED FOR THE YEARS 2023 – 24, 2024
– 25 AND 2025 - 26 UNDER SECTION 64(3)(a) READ WITH
SECTION 62(1) OF THE ELECTRICITY ACT, 2003**

DATE:10.01.2024



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CHAPTER - 1 INTRODUCTION

- 1.1 The West Bengal Electricity Regulatory Commission (hereinafter referred to as the "Commission"), a statutory body under the first proviso to section 82(1) of the Electricity Act, 2003 (hereinafter referred to as the "Act"), has been authorized in terms of the section 86 and section 62(1) of the Act to determine the tariff for a) supply of electricity by a generating company to a distribution licensee, b) transmission of electricity, c) wheeling of electricity and d) retail sale of electricity, as the case may be, within the State of West Bengal.
- 1.2 The West Bengal Power Development Corporation Limited (hereinafter referred to as WBPDCCL), constituted in 1985 and registered under the Companies Act, 1956, is a generating company in terms of section 2(28) of the Electricity Act, 2003 fully owned state utility under Government of West Bengal and is engaged in the business of generation of electricity within the State of West Bengal and the generation tariff of WBPDCCL shall be determined by the Commission.
- 1.3 In terms of definition contained in regulation 1.2.1 (xxx) of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011, as amended from time to time (hereinafter referred to as the 'Tariff Regulations'), each control period after third control period shall be normally for a period of five ensuing years or such other period of number of ensuing years as may be decided by the Commission from time to time. The Commission vide its order dated 31.08.2022 in case no. SM-31/22-23 decided that the eighth control period shall be for three years consisting of 2023 - 24, 2024 - 25 and 2025 - 26. In terms of regulation 2.7.1 of the Tariff Regulations, application for determination of tariff under Multiyear Tariff framework has to be submitted 120 days in advance from the effective date of the start of the control period.
- 1.4 WBPDCCL has submitted MYT Petition for determination of Tariff, ARR & Expected Revenue for the eighth control period consisting of the years 2023-24, 2024-25 and 2025-26 of WBPDCCL Power Stations on 06.02.2023. The petition was admitted by the Commission on 03.03.2023 in Case No. TP- 103/ 22-23. Subsequently, the Commission notified fourth Amendment of the Tariff Regulations on 13.03.2023 and allowed the utilities to submit supplementary petition if required. In view of fourth



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MYT 8th Control Period and Tariff Order of WBPDCCL for the years 2023 – 24 and 2024-25

amendment to the Tariff Regulations WBPDCCL submitted their supplementary petition on 15.05.2023. The supplementary petition was admitted on 17.05.2023. The MYT petition dated 06.02.2023 along with the supplementary petition dated 15.05.2023 are hereinafter referred as Tariff application of WBPDCCL.

- 1.5 WBPDCCL submitted gist of their tariff application on 24.05.2023, which was admitted by the Commission on 26.05.2023 with the direction to publish the gist of their Tariff Application, as approved by the Commission, in the newspapers and also in their website as per provisions of the Tariff Regulations. The gist was, accordingly, published simultaneously on 08.06.2023 in the newspapers - (i) 'The Times of India' (English), (ii) 'Ei Samay' (Bengali), (iii) 'Sangbad Pratidin' (Bengali) and (iv) 'Sanmarg' (Hindi). The gist along with the tariff application was also posted in the website of WBPDCCL. The publication invited the attention of all interested parties, stakeholders and the members of the public to the application for determination of tariff of WBPDCCL for the eighth control period and requested for submission of suggestions, objections and comments, if any, on the tariff application to the Commission latest by 28.06.2023.
- 1.6 No objection/suggestion/comment has been received from the stakeholders within the stipulated due date i.e., 28.06.2023.
- 1.7 The Commission now determines the tariff in accordance with the Electricity Act, 2003 and the Tariff Regulations framed thereunder. Any estimate made by the Commission in this order for 2022 – 23 (base year of the eighth control period), in order to arrive at the projected expenditure during the ensuing years of eighth control period (i.e., 2023 – 24, 2024 – 25 and 2025 – 26), shall not be construed as allowable expenditure for 2022-23.



CHAPTER – 2

THE CASE OF WBPDCCL

- 2.1 WBPDCCL has submitted the plant wise tariff for the five existing generating stations at Kolaghat, Bakreswar, Bandel, Santaldih, and Sagardighi for the years 2023-24, 2024-25 and 2025-26 under the eighth control period.
- 2.2 WBPDCCL has submitted that the information furnished in the prescribed formats, along with Accounting Statements, Audited Financial Performance for the period from 2017-18 to 2020-21 along with Cost Accounting Records for FY 2020-21. The projection for the financial years 2023-24, 2024-25 and 2025-26 (ensuing years) are based on the reasonable estimation/ projection where the operating norms are not applicable.
- 2.3 WBPDCCL has five thermal power generating stations with a total capacity of 4265 MW consisting of Kolaghat TPS: 840 MW, Bakreswar TPS: 1050 MW, Bandel TPS: 275 MW, Santaldih TPS: 500 MW, Sagardighi TPP, Phase-I: 600 MW and Sagardighi TPP, Phase-II: 1000 MW. WBPDCCL has decommissioned Unit-1 & Unit-2 of KTPS from 22.02.2022 and Unit-1 of BTPS from 26.02.2022, as per the directives of DOP, Govt. of West Bengal.
- 2.4 In supplementary petition Clause 1.3, WBPDCCL has highlighted that the operating parameters set forth in Regulations are not commensurate with the past performance for old units of WBPDCCL (Kolaghat Unit-3 to 6 and BTPS Unit-2) and therefore, to such extent the parameters are unachievable for these generating stations. However, in its tariff application for eighth control period WBPDCCL has made all projections based on the norms specified in the regulations.
- 2.5 WBPDCCL has projected gross generation from different existing power plants, based on the normative PLF for the financial 2023-24, 2024-25 and 2025-26 as below:

Table 1: Station-wise Gross Generation (MU)

Generating station	2023-24	2024-25	2025-26
Kolaghat	5,164.99	5,150.88	5,150.88
Bakreswar	7378.56	7358.40	7358.40
Bandel – I	342.58	341.64	341.64