



Approval of a Power Purchase Agreement (PPA) executed on 29.11.2023 between West Bengal Power Development Corporation Limited (WBPDC) and the West Bengal Electricity Distribution Company Limited (WBSEDCL) for purchase of entire exportable solar power by WBSEDCL from the Solar Power Plant of WBPDC at Sagardighi TPP with a contract period of 25 years at regulated price to be determined by WBERC, in terms of regulations 7.4.1 of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011, as amended.



- (iii) Evacuation system: WBPDC, Sagardighi shall have to setup and maintain the evacuation system from the power station to the delivery point at its own cost. Loss between power station to the delivery point at WBSEDCL Monigram substation 33 kV will be charged on the head of Sagardighi Power Station.
- (iv) Tariff: Tariff for sale of power at delivery point to be determined by the Commission from time to time under section 62 of the Electricity Act 2003.
- (v) Tenure of PPA: 25 years from the date of execution of the PPA.

3.0 In view of above, WBSEDCL has prayed before the Commission for approval of the above-mentioned Power Purchase Agreement (PPA) executed on 29.11.2023 between WBPDC and WBSEDCL. WBSEDCL also submitted that, this solar power shall be used for meeting its RPO requirement and being a distributed generation, it will help the power system.

Observations of the Commissions

- 4.0 Clause (b) of sub-section (1) of section 86 of the Electricity Act 2003 (hereinafter referred as "the Act") inter-alia specifies that, while discharging its function the State Commission shall regulate electricity purchase and procurement process of distribution licensees including the price at which electricity shall be procured from the generating companies or licensees or from other sources through agreements for purchase of power for distribution and supply within the State. Further, in terms of Regulation 7.4.1 of the Tariff Regulations, prior approval of the commission is required for every agreement or arrangement for power procurement by a licensee entered into after 09.02.2007, except for short term procurement.
- 5.0 In terms of proviso to the regulation 3.6 of the West Bengal Electricity Regulatory Commission (Modalities of Tariff Determination) Regulations, 2023 (in short "Modalities of Tariff Determination"), tariff of a RE projects funded fully or partly by the State Government shall be determined under section 62 of the Electricity Act 2003, unless specific conditions have been laid down by the State Government while granting such fund.
- 6.0 The Commission also notes that, the entire project cost of the abovementioned 15 MW solar PV project is funded by the State Government as grant, thus in terms of regulation 3.6 of the



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Modalities of Tariff Determination, tariff of this power can be determined under section 62 of the Act. Further being 100% grant funded project, the cost of power will be much less, comprising primarily the expenses towards operation & maintenance activities. This will be beneficial to the end consumers as well as help WBSEDCL to meet its RPO obligation.

Order

- 7.0 The Commission after considering the above facts in order to promote procurement of renewable energy by WBSEDCL to fulfil their obligation and further keeping in mind clause (e) of sub-section (1) of section 86 of the Act, approves the Power Purchase Agreement dated 29.11.2023 executed by and between WBPDC and WBSEDCL for purchase of entire exportable solar power by WBSEDCL from the Solar Power Plant of WBPDC at Sagardighi TPP with a contract period of 25 (twenty-five years).
- 8.0 The Commission also directs WBPDC to submit a petition for determination of tariff of 15 MW solar PV plant immediately after issuance of this order.
- 9.0 A copy of the order shall be posted in the website of the Commission.
- 10.0 WBSEDCL and WBPDC shall download the copy of the order from the website of the Commission and act on it. Certified copy of the order, if applied for, be given to the parties on completion of formalities laid down in the West Bengal Electricity Regulatory Commission (Conduct of Business) Regulations, 2013, as amended and on submission of necessary fees.

Sd/-
(PULAK KUMAR TEWARI)
MEMBER

Sd/-
(MALLELA VENKATESWARA RAO)
CHAIRPERSON

Dated: 04.04.2024

Sd/-
SECRETARY