



ORDER

OF THE

**WEST BENGAL ELECTRICITY REGULATORY
COMMISSION**

IN CASE NO.: APR – 39 / 13 – 14

**IN RE THE APPLICATION OF THE
WEST BENGAL POWER DEVELOPMENT
CORPORATION LIMITED FOR
ANNUAL PERFORMANCE REVIEW
OF THE FINANCIAL
YEAR 2012 – 2013**

DATE: 21.07.2014



CHAPTER – 1 INTRODUCTION

- 1.1 In terms of the provisions contained in regulation 2.6 of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011 (hereinafter referred to as the 'Tariff Regulations'), the generating companies or the licensees, as the case may be, are subject to an Annual Performance Review (in short 'APR'). The West Bengal Electricity Regulatory Commission (hereinafter referred to as the 'Commission') introduced Multi Year Tariff (in short 'MYT') procedure and as such, APR aims at carrying out adjustments arising out of difference between the actual performances and projected performances under different factors/heads of accounts. Such adjustments are to be done in the manner as specified in the Tariff Regulations. Accordingly, the West Bengal Power Development Corporation Limited (hereinafter referred to as the 'WBPDCCL') submitted its application for the same on 29 November, 2013 for the financial year 2012 – 2013. The application was numbered as APR-39/13-14. It provided the related information as required for APR along with the copy of its audited annual accounts for the concerned year. It also submitted separate generating station-wise audited data in respect of Kolaghat, Bakreswar, Bandel, Santaldih and Sagardighi Thermal Power Stations for the year 2012 – 2013.
- 1.2 The APR application of WBPDCCL for the year 2012 – 2013 is its second application for the APR of the third control period under Multi Year Tariff (MYT) approach covering the years 2011 – 2012, 2012 – 2013 and 2013 – 2014. The adjustments, as were found necessary on review of the performances of earlier years were effected while determining the amounts recoverable through tariff in respect of its different generating stations during the years following the years of such review. Similarly, the adjustments as may arise out of the review of the instant application for 2012 – 2013 will be considered for giving effect while determining the amount of revenue recoverable through tariff of concerned



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- generating stations during the year 2014 – 2015 or any subsequent year or through a separate order as specified in regulation 2.6.6 of the Tariff Regulations.
- 1.3 WBPDCCL have submitted their application for Annual Performance Review for 2012 – 2013 in terms of the provision contained in the Tariff Regulations and the instant application needs to be dealt with as per provisions of the Tariff Regulations.
- 1.4 APR is to cover the annual fixed costs and fixed charges that is to be allowed to the generating company along with incentive and gain sharing as allowable. For fixed cost determination under APR, the normative parameters, method of calculations and principles of calculation as had been followed in tariff order for the relevant year are considered.
- 1.5 The APR for the year 2012 – 2013 is, therefore, the review of the different factors, such as elements of fixed charges, categorized as controllable and uncontrollable allowed to WBPDCCL through the ARR for the year 2012 – 2013, vis-à-vis the actuals as per the audited accounts. The instant application of WBPDCCL for the year 2012 – 2013 is being viewed in the subsequent parts of this order.
- 1.6 The application of APR for 2012 – 2013 of WBPDCCL submitted by WBPDCCL on 29.11.2013 was admitted by the Commission in case no. APR-39/13-14. After admission of the said APR application of WBPDCCL, in terms of regulations 2.6.1 and 2.7.2 of the Tariff Regulations, certain clarifications in regard to employee costs were sought for from WBPDCCL vide Commission's letter No. WBERC/APR-39/13-14 dated 20th January, 2014. WBPDCCL has submitted the required clarifications vide their letter no. WBPDCCL/WBERC-19/14/1723 dated 14th February, 2014. The Commission also approved the gist of the APR application submitted by WBPDCCL. After admission of the application WBPDCCL



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was directed to publish the approved gist of the application in newspapers and also in their website in terms of regulation 2.6.12 of the Tariff Regulations. Accordingly, the gist of the application was published simultaneously in 'Ananda Bazar Patrika', 'Aaj Kaal', 'The Times of India' and 'The Telegraph' on 1st March, 2014 inviting suggestions and objections on the APR application from all interested parties and members of the public. The gist was also posted in the website of WBPDCCL. A copy of the petition as mentioned above for the year 2012 – 2013 was also posted in the website of WBPDCCL.

- 1.7 The last date for submission of objections and suggestions by the interested parties at the office of the Commission was 21st March, 2014.
- 1.8 No suggestion or objection on the application of WBPDCCL for APR in respect of the year 2012 – 2013 was received by the office of the Commission within the stipulated time i.e. 21st March, 2014
- 1.9 In its instant application for APR in respect of the financial year 2012 – 2013, WBPDCCL brought out the following issues for the consideration of the Commission.
 - 1.9.1 During the year under review, there had been substantial under-recovery of capacity charges due to non-attainment of target availability by almost all the generating stations of WBPDCCL (Bakreswar Thermal Power Station is the only exception). The major reasons for such non-availability were ageing of the plants (Kolaghat TPS and Bandel TPS), forced outages due to tube-leakage / earth fault, low system demand and back down, inferior quality of coal supplied by BCCL and MCL, which were beyond the control of WBPDCCL. WBPDCCL has requested the Commission to consider for allowing the capacity charge as incurred in order to avoid severe fund flow crisis, which is directly related to debt-servicing of borrowings made for new projects.



- 1.9.2 WBPDCCL highlighted that the increase in employees' costs compared to previous year for different generating stations in operation is due to normal increase in dearness allowances, increments and other allowances as per Revision of Pay and Allowances, 2009 and staff welfare expenses from time to time. Employee cost being an uncontrollable factor, WBPDCCL requested to allow the expenditure shown in the Profit and Loss Accounts for the year 2012 – 2013. WBPDCCL further stated that like earlier years, they adopted the mandatory requirement of the Accounting Standard – 15 (revised) (in short "AS-15") issued by the Institute of Chartered Accountant of India with effect from 1st April, 2008 on 'Employee Benefits' and charged in their Profit and Loss Account for the year 2012 – 2013.
- 1.9.3 WBPDCCL also highlighted that there is no disproportionate increase in the cost of coal and ash handling and other fuel related costs keeping in view the improvement in generation achieved compared to previous year. It is mentioned by WBPDCCL that the detention charges included in the cost under the head increased during the year due to increased volume of coal supply during the year (comprising increased supply from BCCL having substantial quantity of stone, boulders, etc.). WBPDCCL has also pointed out several reasons viz. space constraints for improvement in unloading facility at Kolaghat, very old wagon trippers at Bandel, non sequential supply of coal from different locations, increase in supply of inferior quality of coal, etc. However, they are taking all out efforts to reduce the detention charges by augmenting the unloading facility within their reach. WBPDCCL has prayed to consider favourably the claim of detention charges submitted in their application and to allow the expenditure under the head coal and ash handling charges claimed by them as pass through element in tariff which is categorized as uncontrollable element in the Tariff Regulations. The Commission feels that the detention charges as mentioned by WBPDCCL is basically the demurrage charge of railway rake, being commercial terms and conditions of freight and to be included in the fuel related cost in terms of regulation 5.8.1(vi) of the Tariff Regulations.



- 1.9.4 The payments of water cess and water charges to the respective statutory authorities for all the generating stations at actuals based on the applicable rates had also been highlighted with the request for consideration of recovery through tariff since the same is categorized as an uncontrollable element in the Tariff Regulations.
- 1.9.5 WBPDCCL also clarified the reasons of deviations of actual expenditure under all other different heads of accounts with the provisions considered in the tariff order for the concerned year, i.e., 2012 – 2013.
- 1.10 WBPDCCL provided the clarifications in regard to the compliance of different directives.
- 1.11 The Commission has taken careful note of the above representations made by WBPDCCL and the relevant issues will be addressed to and the views will be taken accordingly while examining the admissibility of expenses under different heads of accounts. It is, however, to clarify, at the outset, that the APR aims at examining the admissibility of fixed charges on different heads of account and ascertaining the amounts of appropriate adjustments in terms of the Commission's Tariff Regulations.
- 1.12 The APR is to cover the annual fixed charges allowed to the generating company, incentives and the effect of gain sharing as per Schedule – 10 and Schedule – 9B to the Tariff Regulations. Element of gain sharing on account of achieving better operational norms, however, was not considered for WBPDCCL while determining its Aggregate Revenue Requirement (in short 'ARR') for its different generating stations for the year 2012 – 2013. Moreover, the incentives and the sharing of gains in terms of the referred schedules to the Tariff Regulations are made allowable for the year 2008 – 2009 onwards.



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- 1.13 The APR for the year 2012 – 2013 is, therefore, the review of the different factor elements of fixed charges, categorized as controllable and uncontrollable, allowed to WBPDCCL for its operating units of Kolaghat, Bakreswar (Units I to V), Bandel, Santaldih (Unit V and VI) and Sagardighi generating stations through the ARR for the year 2012 – 2013, vis-à-vis the actuals as per the audited annual accounts. The instant application of WBPDCCL for the year 2012 – 2013 is being viewed in the subsequent parts of this order.
- 1.14 The Commission has already ascertained the total amount of variable cost that could be allowed to WBPDCCL in the year 2012 – 2013 vide Commission's order dated 06.06.2014 in Case no. FPPCA – 67 / 13 – 14. The instant order is, therefore, exclusively for ascertaining the allowable total amount of fixed charges for the year 2012 – 2013. The matter is being taken up in the next chapters.



CHAPTER – 2 FIXED CHARGES

- 2.1. The uncontrollable elements of fixed charges are those elements where variations of actual expenditure with the expenditure allowed by the Commission in the tariff order for the concerned year are caused by the factors beyond the control of the generating company or the licensee. The amounts of actual expenses / charges under such different heads of accounts are, therefore, to be considered on prudent check for carrying out positive or negative adjustments, as the case may be. On the contrary, in case of controllable head of expenses, the applicant is supposed to contain the expenditure within the total amount so allowed and in case of any savings located under controllable head it will go to their account. The review of each of such controllable and uncontrollable heads of fixed charges with reference to the amounts allowed through tariff and the actuals based on audited accounts of WBPDCCL is being taken up hereunder one by one.
- 2.2. **Employee Cost:**
- 2.2.1 The employees' cost is an element of uncontrollable fixed charges subject to the norms of Man/MW ratio specified by the Commission in paragraph – H of Schedule – 9A of the Tariff Regulations. As per information provided by WBPDCCL in Form 1.17(h) of Annexure – I and in the unit wise audited accounts for 2012 - 2013, the total number of employees in each operating generating station including employees on contract in regular establishment under review is found in order as per the specified norms of Man/MW ratio.
- 2.2.1.1. Employee benefit expenses cost include mainly salary and wages, contribution to funds, expenditure on account of terminal benefits to the employees and welfare expenses viz. medical expenses and centrally maintained employee cost apportioned to the generating stations. In the tariff order for 2011 – 2012 and 2012 – 2013, the Commission admitted the employee cost for 2012 – 2013



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considering 6% increase over the employee cost allowed for the year 2011 – 2012. The total employee cost considered in the tariff order for 2011 – 2012 and 2012 – 2013 for each of the generating stations for the year 2012 – 2013 and the same as per the audited accounts for 2012 – 2013 with reason thereof based upon the data submitted by WBPDCCL are found as under:

Sl. No.	Generating Station	Amount in Rs. Lakh		
		Actual 2011 – 2012	As per Tariff Order 2012 – 2013	Actual 2012 – 2013
1	Kolaghat	10408.07	10699.15	13155.01
2	Bakreswar	6550.96	6917.60	9262.90
3	Bandel	5203.64	5460.38	5950.21
4	Santaldih	4925.75	4510.86	6171.31
5	Sagardighi	3952.72	4662.20	5309.17
	Total	31041.14	32250.19	39848.60

2.2.2 As per Form 1.17(h) of annexure – I, employee cost of Rs. 39848.60 lakh for the year 2012 – 2013 includes the total amount of Rs. 1276.21 lakh towards cost of 677 nos. of employees engaged on contractual basis in the regular establishment during the year 2012 – 2013, which was not projected in the relevant MYT petition. Beside this, the above employee cost also includes the amount of employees' terminal benefits cost of Rs. 13617.76 lakh consisting of gratuity, pension and leave encashment as recognized in line with the mandatory requirement under provision of AS – 15. The amount of such cost in the year 2011 – 2012 was Rs. 8276.93 lakh. Thus, there is an increase of Rs. 5340.83 lakh (Rs. 13617.76 lakh – Rs. 8276.93 lakh) in employees' terminal benefits cost during the year 2012 – 2013. Such increase in employees' terminal benefits cost is mainly due to enhancement of contribution to pension scheme by an amount of Rs. 5540.95 lakh during the year 2012 – 2013. The contribution to pension scheme was Rs. 11266.20 lakh in 2012 – 2013 whereas the same was Rs. 5725.25 lakh in 2011 - 2012.



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2.2.3 From the above analysis, it is observed that excluding the impact of increased cost of mandatory requirement under AS – 15 and the employee cost of contracted manpower in regular establishment increased in 2012 – 2013, the employee cost comes to Rs. 33031.44 lakh (Rs. 39848.60 lakh – Rs. 1276.21 lakh – Rs. 5540.95 lakh) against Rs. 32250.19 lakh allowed in tariff order for 2012 – 2013. The amount of 33031.44 lakh is, however, 6.41% above the amount admitted for the year 2011 – 2012. Considering the increase in dearness allowance (2 instalments) and normal increment as stated by WBPDCCL, such increase of 6.41% is reasonable. Since the employee cost is uncontrollable in nature, the Commission decides to admit the actual expenditure of employee cost of Rs. 39848.60 lakh in APR 2012 – 2013. The admitted employee cost, however, includes Rs. 13617.76 lakh as mandatory requirement under AS – 15 on account of terminal benefit and Rs. 1276.21 lakh on account of employee cost for the employees engaged on contractual basis in regular establishment.

2.2.4 The station wise allocation of the employee cost is as below:

Rs. in Lakh

Sl. No.	Generating Station	Employ cost admitted in APR for 2012 – 2013			
		Own employee	Contracted employee in regular establishment	Terminal Benefits	Total
1	Kolaghat	8142.92	540.68	4471.41	13155.01
2	Bakreswar	6360.48	323.46	2578.96	9262.90
3	Bandel	3389.85	93.79	2466.57	5950.21
4	Santaldih	3540.73	227.80	2402.78	6171.31
5	Sagardighi	3520.65	90.48	1698.04	5309.17
	Total	24954.63	1276.21	13617.76	39848.60

2.2.5 WBPDCCL is directed that the amount of Rs. 13617.76 lakh admitted towards 'employees' terminal benefits' under the requirement of AS – 15 is to be invested in creating planned asset to take care of the above and is to be disclosed in the



annual accounts. It is also directed to create separate fund for this purpose. Any income from such fund shall be reinvested in the same fund. Any amount allowed by the Commission on account of terminal benefit in future shall be invested in the said fund only. WBPDCCL shall, henceforth, submit a certificate from the statutory auditors in the APR applications that the amount has been invested in the said fund. Whatsoever, any deviation in this regard will not be allowed by the Commission. WBPDCCL is also directed to clearly mention the specific head of expenditure under the head 'others' in form 1.17 (h) of Annexure – I in subsequent APR for 2013 – 2014 and onwards.

2.3 Water Charges:

- 2.3.1 The actual amount of total expenditure incurred by WBPDCCL under this uncontrollable head of accounts was found Rs. 1340.26 lakh as per audited accounts as against Rs. 332.93 lakh allowed in the tariff for the concerned year.
- 2.3.2 WBPDCCL in their APR application for 2012 – 2013 has submitted that the payment of water cess and water charges had been made to the respective statutory authorities for all the generating stations at actual based on the rate applicable. As the expenditures under this head has been categorized as uncontrollable in the Tariff Regulations, WBPDCCL has prayed to allow the actual amount in APR. WBPDCCL has, however, not mentioned in their submission regarding any changes in the rate of water cess during the year.
- 2.3.3 The water charges are categorized as uncontrollable in the Tariff Regulations. The Commission observed that during 2012 – 2013, the actual generation fell short of target generation in respect of all other generating stations, excepting Bakreswar. The Commission decides to view the amount claimed with reference to the targets set for generation and actual generation as highlighted hereunder:



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Rs. in Lakh

Generating Station	Target Generation (MU)	Exp. as per tariff order	Actual Generation (MU)	Expenses Proportionate to Actual Generation	Actual Expenses	Expenses admitted in APR for 2012 – 2013
Kolaghat	8057.448	27.04	7350.159	24.66	31.41	24.66
Bakreswar	7358.400	27.81	8004.145	30.25	18.58	18.58
Bandel	2680.560	158.44	1859.579	109.91	205.63	109.91
Santaldih	3504.000	104.69	2410.483	72.02	1078.44	72.02
Sagardighi	4204.800	14.95	3896.394	13.85	6.20	6.20
Total	25805.208	332.93	23520.760	250.69	1340.26	231.37

2.3.4 The Commission decides to admit the actual expenses incurred in respect of Bakreswar and Sagardighi generating stations and the expenses proportionate to actual generation in respect of Kolaghat, Bandel and Santaldih generating stations, since their actual expenses are even much higher than the proportionate expenditure with reference to the actual generation. The aggregate amount of Rs. 231.37 lakh is thus admitted by the Commission towards water charges in APR for 2012 – 2013.

2.4 **Coal, Ash Handling and Fuel Related Cost:**

2.4.1 WBPDC has asked for adjustments, on coal and ash handling and other fuel related cost viz. railway staff cost posted at generating stations and detention charges paid, siding and shunting charges, etc. through the instant application of APR. The amounts of such costs for different generating stations, as claimed by WBPDC, are as under:

Sl. No.	Generating Station	Amount in Rs. Lakh
1	Kolaghat	2660.76
2	Bakreswar	822.11
3	Bandel	893.49
4	Santaldih	302.60
5	Sagardighi	235.40
	Total	4914.36



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2.4.2 The considerable increase in the actual expenditures in respect of all the generating stations are stated to be due to improved generation achieved compared to previous year, increase in coal escorting charges and detention charges included in the cost under this head due to increased volume of coal supply during the year, payment towards high evacuation cost because of deterioration of coal quality. WBPDCCL has also pointed out several reasons viz. space constraints for improvement in unloading facility at Kolaghat, very old wagon trippers at Bandel, non sequential supply of coal from different locations, increase in supply of inferior quality of coal, etc.

2.4.3 After careful analysis of these aspects, the Commission considers the actual generation with respect to target generation and decides to view the amount claimed with reference to the target set for generation and actual generation. The quantum of actual generation achieved during 2012 – 2013 at the stated generating stations of WBPDCCL is compared with the target generation based on normative PLF specified in the Tariff Regulations to arrive at proportionate expenses allowable.

Rs. in Lakh

Generating Station	Target Generation (MU)	Exp. as per tariff order	Actual Generation (MU)	Expenses Proportionate to Actual Generation	Actual Expenses	Expenses admitted in APR for 2012 – 2013
Kolaghat	8057.448	2255.50	7350.159	2057.51	2660.76	2057.51
Bakreswar	7358.400	479.98	8004.145	522.13	822.11	522.13
Bandel	2680.560	806.70	1859.579	559.54	893.49	559.54
Santaldih	3504.000	152.56	2410.483	104.95	302.60	104.95
Sagardighi	4204.800	165.76	3896.394	153.59	235.40	153.59
Total	25805.208	3860.50	23520.760	3397.72	4914.36	3397.72

2.4.4 As observed from above table, the actual quantum of generation considerably fell short of the target generation set for all the generating stations, except Bakreswar generating station, whereas, actual expenses under the head in all the generating stations exceeded the amounts as allowed in the tariff order.



WBPDCCL tried to justify in their petition such excess expenditure towards exorbitant amounts paid as ash evacuation cost due to poor quality of coal with high ash content received from the supplier as well as railway staff cost posted at generating stations and other railway movement related charges, etc. Similar justifications were given by WBPDCCL in their APR petition for 2011 – 2012. The Commission gave its decision on those issues in the APR order for 2011 – 2012. Now the Commission decides to restrict the expenditures made under the head of expenses to the amounts proportionate to the actual generation irrespective of the amount of actual expenses.

2.4.5 WBPDCCL was, however, directed in the APR order for 2011 – 2012 to include the expenditure on account of detention / demurrage in fuel related cost in terms of regulation 5.8.1(vi) of the Tariff Regulations in future years. WBPDCCL is again directed to include the expenditure on account of detention / demurrage in fuel related cost as per provision of the Tariff Regulations failing which no cost in this regard will be considered in the APR for 2013 -2014 and onwards.

2.5 **Operation & Maintenance Expenses:**

2.5.1 The operation and maintenance (O&M) expenses, viz. repairs and maintenance including cost of consumables, legal and professional charges, audit fees, administrative and general expenses are categorized as controllable items in terms of the Tariff Regulations.

2.5.2 In view of above, the amounts of the total provisions of operation and maintenance expenses allowed in the tariff as per norms are admitted in APR 2012 – 2013 irrespective of actual expenditure on this score in terms of the Tariff Regulations. The station wise admitted amounts of (O&M) expenses are as follows:



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Rs. in Lakh

Generating station	Amount admitted in APR for 2012 – 2013
Kolaghat	13986.00
Bakreswar	9292.50
Bandel	5422.50
Santaldih	3720.00
Sagardighi	3798.00
Total	36219.00

2.6 Interest on Borrowed Capital:

2.6.1 The amount of interest on borrowed capital for Bakreswar, Santaldih and Sagardighi generating stations during the year 2012 – 2013, as claimed by WBPDCCL, are as under:

Rs. in Lakh

Generating Station	Amount at actual
Bakreswar	15935.08
Santaldih	17013.30
Sagardighi	13701.48
Total	46649.86

2.6.2 There was no capital borrowing for Kolaghat and Bandel generating stations. WBPDCCL submitted the computations in prescribed proforma for the amounts of interest actually paid for Bakreswar, Santaldih and Sagardighi generating stations.

2.6.3 As per Note 27 to the audited annual accounts 2012 – 2013, a total amount of Rs. 62528.73 lakh has been charged in P&L account towards interest expenses on term loans and interest on working capital loans. This includes Rs. 46649.80 lakh as claimed by WBPDCCL in Form C of Annexure I towards interest on borrowed capital. The balance amount of Rs. 15878.87 lakh (Rs. 62528.73 lakh – Rs. 46649.86 lakh) represents interest on short term loans paid and claimed by



WBPDCCL towards interest expense of working capital loans. The interest on working capital loan is being separately dealt subsequently.

- 2.6.4 The amount of interest on borrowed capital for Bakreswar (Units I to V), i.e., Rs. 15935.08 lakh, is inclusive of an amount of Rs. 909.15 lakh pertaining to the construction of associated transmission system. As the transmission system is being operated by West Bengal State Electricity Transmission Company Limited (in short "WBSETCL"), the said amounts are required to be recovered from WBSETCL by WBPDCCL. The Commission will deal with the recovery of charges from WBSETCL in subsequent paragraph.
- 2.6.5 Regarding Sagardighi transmission system, WBPDCCL has stated in their application that the Sagardighi – Gokarna 220 kV Double Circuit transmission line asset, a part of the transmission systems, has already been handed over to WBSETCL on 02.06.2009. The other two parts i.e., Farakka – Subhasgram 400 kV Single Circuit line LILO at Sagardighi and Sagardighi – Parulia 400 kV Double Circuit line are however retained by WBPDCCL as WBSETCL has communicated their inability to maintain that 400 kV system. WBPDCCL has entered into an agreement with PGCIL on 18.02.2013 for operation and maintenance of those lines and associated bays at Parulia (Durgapur) for the period from 28.04.2011 to 31.03.2014. WBPDCCL has not claimed any amount on this score in their application and has stated that the amount to be paid to PGCIL as per agreement dated 18.02.2013 will be claimed separately in future after obtaining approval from the Commission. This will be considered when WBPDCCL will come up with their claim of service charges actually paid to PGCIL as per the agreement executed on 18.02.2013 for operation and maintenance of the 400 kV lines and bays at Parulia for the period from 28.04.2011 to 31.03.2014 with audited documents in their APR for 2013 – 2014.



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- 2.6.6 WBPDC has not shown the interest component pertaining to the transmission system related to evacuation of power from Units V and VI of Santaldih generating station. WBPDC is directed to submit the interest component related to transmission systems for Units V and VI of Santaldih generating station henceforth in their APR application for 2013 – 2014 and onwards. WBPDC shall also submit the same for the earlier years upto 2012 – 2013 along with their APR application for 2013 – 2014.
- 2.6.7 The Commission, thus, decides to allow the actual interest towards borrowed capital for the respective generating stations in the APR for 2012 – 2013 as claimed and detailed in paragraph no. 2.6.1:

Rs. in Lakh		
Sl. No.	Generating Station	Amount admitted in APR for 2012 – 13
1	Bakreswar	15935.08
2	Santaldih	17013.30
3	Sagardighi	13701.48
	Total	46649.86

- 2.6.8 WBPDC has claimed interest on normative loan for the year 2012 – 2013 in respect of Bakreswar and Sagardighi generating stations for Rs. 190.79 lakh and Rs. 181.96 lakh respectively. In their submission, WBPDC has stated that the equity considered for those generating stations is less than the equity contributed. WBPDC has also stated that in the APR for 2010 – 2011 and 2011 – 2012 the Commission had also not considered the interest on normative debt though the same was admitted in the tariff order. In this regard it is stated that the equity contribution is considered in the APR for any year is based on the actual addition to original cost of fixed asset as per provision of the Tariff Regulations. The Commission considers admissible equity for return as per provisions of the Tariff Regulations and the same is found less than the actual equity contributed. The Commission considers not to allow interest on normative loan as claimed by



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WBPDCCL in APR for 2012 – 2013. WBPDCCL may come up in future if such excess equity is utilized for addition to original cost of fixed assets.

2.7 Interest on Working Capital:

2.7.1 The Commission allowed in its tariff order for the year 2012 – 2013 the amounts towards interest on working capital for the generating stations of WBPDCCL as per regulation 5.6.5.1 and 5.6.5.2 of the Tariff Regulations. In actual, WBPDCCL needed to take working capital loans from the nationalized banks on payment of interest. The weighted average rate of actual interest on working capital is less than that of the normative rate based on PLR of SBI as on 1st April, 2011. During the year 2012 – 2013, the rate of interest was varied from 10.5% to 13.25% for meeting the working capital requirement. The Prime Lending Rate (PLR) of the State Bank of India was 13% as on 1 April, 2011. Now, in terms of regulation 5.6.5.1 of the Tariff Regulations, the Commission proceeds to determine the normative amount of interest on working capital as under:

Particulars	Rs. in Lakh				
	Kolaghat	Bakreswar	Bandel	Santaldih	Sagardighi
Annual Fixed Charges for 2012-13 (excluding working capital)	46161.71	68173.41	11685.73	49566.61	44780.08
Fuel Cost for 2012 - 2013	187959.38	181111.53	51321.44	55821.61	94438.86
Total	234121.09	249284.94	63007.17	105388.22	139218.94
Less:					
Depreciation	756.02	18666.49	134.05	10618.25	11106.95
Advance against Depreciation	0.00	0.00	0.00	4484.26	366.92
Deferred Rev. Expenditure	0.00	0.00	0.00	0.00	0.00
Return on Equity	16917.42	18529.18	0.00	8593.27	10924.22
Bad Debt	0.00	0.00	0.00	0.00	0.00
Reserve for Unforeseen Expenses	0.00	0.00	0.00	0.00	0.00
Special appropriation against withheld amount	0.00	0.00	0.00	0.00	0.00
Total	17673.44	37195.67	134.05	23695.78	22398.09
Allowable fixed charges for working capital	216447.65	212089.27	62873.12	81692.44	116820.85
Allowable Working Capital (10% of above)	21644.77	21208.93	6287.31	8169.24	11682.09
Interest on Working Capital @ 13%	2813.82	2757.16	817.35	1062.00	1518.67
Actual interest paid	4964.32	5453.85	1240.38	1607.67	2612.64
Interest on Working Capital admitted	2813.82	2757.16	817.35	1062.00	1518.67



2.7.2 It is seen from the above that the actual interest on working capital paid by WBPDCCL during the year is more than the normative interest on working capital and the Commission admits the normative interest.

2.7.3 WBPDCCL in their submission have stated that the total amount of interest outgo on account of working capital exceeded the normative interest because of the reasons that they had to resort to borrowing from nationalized bank to meet working capital mainly due to steep hike in procurement cost of coal as well as due to delayed recoveries of arrear tariff as admitted by the Commission. In this context it is mentioned that WBPDCCL can recover the excess fuel cost due to steep hike in procurement cost of fuel through Monthly Fuel Cost Adjustment (MFCA) as per provision of the Tariff Regulations. Regarding delayed recovery of arrear, WBPDCCL can claim temporary accommodation as per provision of the Tariff Regulations in future.

2.8 Other Finance Charges:

2.8.1 As per the audited annual accounts of WBPDCCL for the year 2012 – 2013, an amount of Rs. 170.70 lakh was booked in the accounts under 'other borrowing cost' towards bank charges, loan processing charges, LC commission charges, etc.

2.8.2 In the tariff order for the year 2012 – 2013, other finance charges were not allowed for any generating stations of WBPDCCL as there was no claim under that head by WBPDCCL. In their APR application for 2012 – 2013 WBPDCCL has claimed a total amount of Rs. 170.70 lakh on account of other finance charges for all the generating stations. As per their submission other finance charges include bank charge, loan processing charges, LC commission charges, etc. Since the expenditure under this head is categorized as uncontrollable in the Tariff Regulations, WBPDCCL has prayed to allow the amount through tariff. The Commission decides to admit the total amount of Rs. 170.70 lakh towards other



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finance charges as found in the annual accounts for 2012 – 2013 and appropriated to all the generating stations as proposed by WBPDCCL. The admitted amount of other finance charges are as under:

Rs. in Lakh	
Generating Station	Amount admitted in APR for 2012 – 2013
Kolaghat	53.37
Bakreswar	58.63
Bandel	13.33
Santaldih	17.28
Sagardighi	28.09
Total	170.70

2.9 Depreciation:

2.9.1 The amounts of depreciation for the different generating stations as claimed by WBPDCCL are as under:

Rs. in Lakh	
Generating Station	Actual amount charged unit wise P&L A/c
Kolaghat	756.02
Bakreswar	18839.03
Bandel	134.05
Santaldih	10618.25
Sagardighi	11106.95
Total	41454.30

2.9.2 The Commission decides to go by the amounts of depreciation as charged in the books of accounts of WBPDCCL in respect of all the generating stations for the year 2012 – 2013 as shown in the unit wise audited accounts for 2012 - 2013. This does not, however, include the amount of depreciation charged in respect of decommissioned units (I to IV) of Santaldih generating station.

2.9.3 The amount of depreciation so claimed for the Bakreswar generating station includes an amount of Rs. 1725.42 lakh pertaining to the transmission system associated to that station. As that system is being operated by WBSETCL, the amount of depreciation was ordered to be recovered from that company. In the order dated 05.09.2013 on APR for the year 2011 – 2012, WBPDCCL was



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directed to submit the details of calculation etc. for depreciation in regard to the different transmission assets along with APR application for 2012 – 2013 failing which 10% of the chargeable amount of depreciation of Bakreswar transmission systems will be deducted from the total amount of depreciation. It is seen from Form – B as submitted that depreciation of transmission assets of Bakreswar transmission system has been charged @ 3.60% on Rs. 17232.37 lakh and @ 6% on Rs. 18417.57 lakh aggregating to Rs. 1725.42 lakh. Although it has been disclosed under Note 12.2 of the audited financial statements for the year ending March, 2013 that the rates of depreciation for assets pertaining to transmission system has been charged following the Tariff Regulations pursuant to latest direction from the Commission, WBPDCCL has not submitted the details of calculation of depreciation with regard to different transmission assets as directed excepting on lump sum transmission assets categorized in two kinds. The Commission, therefore, decides to deduct 10% of the chargeable amount of depreciation of the transmission assets from the total amount of depreciation allowable to WBPDCCL. The depreciation for an amount of Rs. 18666.49 lakh after deducting an amount of Rs. 172.54 lakh being 10% of the depreciation of transmission assets of Bakreswar transmission system (Rs. 18839.03 lakh – 172.54 lakh) is admitted for Bakreswar generating station in the APR for 2012 – 2013. The above amount of depreciation, however, includes the depreciation of the transmission assets of Bakreswar transmission system for an amount of Rs. 1725.42 lakh which is recoverable from WBSETCL.

2.9.4 The depreciation claimed for Santaldih generating station includes an amount of Rs. 966.60 lakh pertaining to transmission system related to Santaldih generating station (Units V & VI) which is also recoverable from WBSETCL. The Commission will deal with the recovery of charges from WBSETCL in subsequent paragraph.



Order on APR of WBPDCCL for the year 2012-13

2.9.5 The depreciation admitted for Sagardighi generating station includes an amount of Rs. 1704.56 lakh pertaining to transmission system related to Sagardighi generating station. A part of the transmission system has been handed over to WBSETCL and the remaining part is lying with WBPDCCL as WBSETCL has declined to maintain that portion. Paragraph 2.6.5 of the order dated 05.09.2013 on APR for 2011 – 2012 in case no. APR-31/12-13 may be referred to in this context. In the order dated 05.09.2013 on APR for the year 2011 – 2012, WBPDCCL was directed to furnish all relevant information in regard to the depreciation of Sagardighi – Gokarna 220 kV transmission systems since handed over to WBSETCL. It is observed from Form – B that such relevant information has not been submitted by WBPDCCL in the absence of which the proportionate amount of depreciation of the above transmission systems recoverable from WBSETCL out of total chargeable amount of depreciation for Rs. 1704.56 lakh could not be considered and the entire depreciation amount as charged in unit wise books of accounts for Sagardighi generating station is considered. The station wise depreciation as allowed by the Commission are as follows:

Rs. in Lakh

Sl. No.	Generating Station	Amount of Depreciation admitted in APR for 2012 – 2013
1	Kolaghat	756.02
2	Bakreswar	18666.49
3	Bandel	134.05
4	Santaldih	10618.25
5	Sagardighi	11106.95
	Total	41281.76

2.10 Advance against Depreciation:

2.10.1 The Commission did not allow any amount towards advance against depreciation for the year 2012 – 2013 though WBPDCCL projected the requirement of advance against depreciation in respect of Santaldih and Sagardighi generating stations in



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their tariff petition. WBDCL was advised to come up with their proposal for advance against depreciation as per provision of the Tariff Regulations along with the statement of repayment of loan during the year and depreciation allowed for the year in their APR application for the year 2012 – 2013.

2.10.2 WBDCL in their submission of APR for 2012 – 2013 has claimed Rs. 4484.27 lakh and Rs. 366.92 lakh towards Advance Against Depreciation (in short “AAD”), in respect of Santaldih and Sagardighi generating stations.

2.10.3 The Tariff Regulations provide for advance against depreciation to a generating company or a licensee when the amount of repayment on borrowed capital exceeds the amount of depreciation allowable during the year. Further, regulation provides that such advance against depreciation shall be restricted to 1/10th of the principal amount of original approved loans minus the amount of depreciation allowable under these regulations with the proviso that once the repayment of entire loan amount is completed, the original cost of fixed asset shall be reduced by the aggregate of accumulated depreciation and advance against depreciation availed by the generating company or the licensee and resulting depreciable value shall be spread over the balance useful life of the fixed asset.

2.10.4 In the table below the Commission now proceeds to determine the allowable amount of advance against depreciation in respect of Santaldih and Sagardighi generating stations of WBDCL during the year 2012 – 2013:

Rs. in Lakh

Sl. No.	Generating Station	Principal amount of original capital borrowing at the beginning of the year	Amount of Loan Repayment during 2012 – 2013	Admitted amount of depreciation for 2012 – 2013	Amount of Loan repayment in excess of Depreciation	1/10 th of original capital borrowing	Admitted amount of Advance against Depreciation during 2012 – 2013
1	Santaldih	151121.48	15102.51	10618.25	4484.26	15112.15	4484.26
2	Sagardighi	183813.48	11473.87	11106.95	366.92	18381.35	366.92
	Total	334934.96	26576.38	21725.20	4851.18	33493.50	4851.18



2.10.5 The Commission admits the amount of Rs. 4851.18 lakh towards advance against depreciation against the aforesaid generating stations of WBPDCCL in the APR 2012 – 2013.

2.11 Reserve for Unforeseen Exigencies:

2.11.1 In terms of regulation 5.11.1 of the Tariff Regulations, an appropriation towards Reserve for Unforeseen Exigencies is allowable @ 0.25% of the gross value of fixed assets at the beginning of the year annually for dealing with unforeseen exigencies subject to an overall ceiling of 5% of such gross value of fixed assets. The Commission has already allowed a sum of Rs. 2905.84 lakh towards reserve for unforeseen exigencies upto the year 2010 – 2011 and nothing has been allowed during the year 2012 – 2013 in this respect. WBPDCCL has not claimed any amount towards reserve for unforeseen exigencies in APR for 2012 – 2013.

2.11.2 According to sl. No. 3 of notes to financial statements of annual report for 2012 – 2013, balance of reserve for unforeseen exigencies as on 1st April, 2012 was Rs. 9077.82 lakh while balance of reserve for interest earned on investment of fund relating to unforeseen exigencies as on 31st March, 2013 was Rs. 1775.93 lakh including interest of Rs. 667.02 lakh earned during the year 2012 – 2013. On the other hand, WBPDCCL has separately confirmed that balance of investment in fixed deposits relating to reserve for unforeseen exigencies as on 30th November, 2012 was Rs. 9187.00 lakh while interest on investment earned and reinvested for this purpose was Rs. 1108.91 lakh.

2.11.3 The Commission did not allow any amount on account of reserve for unforeseen exigencies in the tariff order for the year 2012 – 2013 to avoid future hike in tariff which will ultimately affect the end users of electricity. Thus no amount on account of reserve for unforeseen exigencies has been allowed in the APR for 2012 – 2013 also. WBPDCCL is, however, directed to disclose the actual status of



investment in fixed deposits relating to reserve for unforeseen exigencies separately in the annual report.

2.12 Rebate on sale of power:

2.12.1 In their application WBPDCCL has stated that for prompt payment against monthly energy bills for the year 2012 – 2013 of different generating stations, a total rebate amounting to Rs. 1042.44 lakh was deducted by WBSEDCL. WBPDCCL have claimed the amount of Rs. 1042.44 lakh under sub-head special allocation as per provisions of the Tariff Regulations. It is seen from note 28 to the annual report and accounts 2012 – 2013 that a total amount of Rs. 1042.44 lakh has been provided in the annual accounts. The Commission, thus, admits the amount of Rs. 1042.44 lakh under the sub-head rebate on sale of power in the APR for 2012 – 2013 for different generating stations of WBPDCCL as follows:

Generating station	Amount admitted in APR 2012 – 2013 (Rs. in lakh)
Kolaghat	325.69
Bakreswar	321.65
Bandel	125.75
Santaldih	124.55
Sagardighi	144.80
Total	1042.44

2.13 Return on Equity Base:

2.13.1 The returns on Equity for different operating generating stations of WBPDCCL, as were considered in the tariff order for the year 2012 – 2013 and as now being claimed by them are as under:



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Rs. in Lakh

Sl. No.	Generating Station	As per Tariff Order	As claimed
1	Kolaghat	23546.46	17824.20
2	Bakreswar	25262.30	21322.26
3	Bandel	1745.52	1150.53
4	Santaldih	13482.48	10567.06
5	Sagardighi	14357.09	12425.94
	Total	78393.85	63289.99

2.13.2 Paid-up Equity Shares:

2.13.2.1 The paid-up equity shares in respect of different generating stations at the beginning of 2012 – 2013 as per unit wise audited accounts are stated below:

Sl No	Generating Station	Amount in Rs. in lakh at the beginning of the year 2012 – 2013
		Actual Equity Share
1	Kolaghat	87329.40
2	Bakreswar	139910.14
3	Bandel	5665.00
4	Santaldih (Unit V & Unit VI)	72900.01
5	Sagardighi	82500.00
	Total	396132.55

2.13.2.2 The equity share of Santaldih generating station is Rs. 72900.01 lakh consists of equity share of unit V for Rs. 42900.01 lakh and that of unit VI for Rs. 30000.00 lakh. The equity shares in respect of Sagardighi generating station is Rs. 82500.00 lakh.

2.13.3 Following the methodology specified in Form 1.20 (a) of Annexure – I of the Tariff Regulations, the admitted return on equity for the year 2012 – 2013 is arrived and depicted below:



Order on APR of WBPDCCL for the year 2012-13

SI No	Particulars	Generating Station					Total
		Kolaghat	Bakreswar	Bandel	Santaldih	Sagardighi	
	Actual Equity Base (Opening)						
1	(a) Share Capital	87329.40	139910.14	5665.00	72900.01	82500.00	388304.54
	(b) Free Reserve	105163.18	57509.84	0.00	0.00	0.00	162673.02
	(c) Actual equity base at the beginning of the year [(a)+(b)]	192492.58	197419.98	5665.00	72900.01	82500.00	550977.56
2	Admissible equity base at the beginning of the year [Admissible equity base at the end of the year 2011 – 2012 determined in the APR order for 2011 – 2012]	109046.01	119452.41	0.00	55440.44	70161.22	354100.08
3	(a) Actual addition to equity base during the year (share capital)	0.00	0.00	0.00	0.00	15200.00	15200.00
	(b) Actual addition to equity base during the year (Free Reserve)	5349.71	18434.71	0.00	0.00	0.00	23784.42
	Total [(a) + (b)]	5349.71	18434.71	0.00	0.00	15200.00	38984.42
	Actual Equity Base (Closing) (1+3)						
4	(a) Share Capital	87329.40	139910.14	5665.00	72900.01	97700.00	403504.54
	(b) Free Reserve	110512.89	75944.55	0.00	0.00	0.00	186457.44
	Actual equity base at the end of the year [(a)+(b)]	197842.29	215854.69	5665.00	72900.01	97700.00	589961.98
5	Net Addition to the original cost of fixed assets during the year	657.68	604.74	97.21	1179.95	2117.57	4657.15
6	Normative addition to equity base (30% of 5)	197.30	181.42	29.16	353.99	635.27	1397.14
7	Addition to equity base considered for the year (lower of 3 and 6)	197.30	181.42	0.00	0.00	635.27	1013.99
8	Admissible Equity Base at the end of the year [(2) + (7)]	109243.31	119633.83	0.00	55440.44	70796.44	355114.07
9	Average equity base for allowing returns $\frac{[(2)+(8)]}{2}$	109144.66	119543.12	0.00	55440.44	70478.86	354607.08
10	Return on Equity in %	15.50%	15.50%	-	15.50%	15.50%	-
11	Return on Equity admitted in APR for 2012 – 2013	16917.42	18529.18	0.00	8593.27	10924.22	54964.09

2.13.4 The return on equity, thus admitted by the Commission for the different generating stations of WBPDCCL in the APR for 2012 – 2013, are as follows:

Rs. in Lakh

Sl. No.	Generating Station	Admitted amount (Rs. in lakh)
1	Kolaghat	16917.42
2	Bakreswar	18529.18
3	Bandel	0.00
4	Santaldih (Unit V)	8593.27
5	Sagardighi	10924.22
	Total	54964.09



2.13.5 The amount of return for Bakreswar and Santaldih generating stations, as computed above includes Rs. 928.65 lakh and Rs. 673.92 lakh respectively for each year pertaining to Transmission system. This amount will not form part of the fixed charges for Bakreswar and Santaldih Power Stations and will separately be recoverable from WBSETCL. The Commission will deal with the recovery of transmission charges from WBSETCL in subsequent paragraph.

2.13.6 WBPDCCL in their application has made submission on the treatment of free reserve for computation of equity base. It appears from the submission of WBPDCCL that in any circumstances, adjustment of positive / negative balance of profit or loss amongst the generating stations for the purpose of computation of equity base cannot reduce the paid-up equity. WBPDCCL has also submitted a computation of total equity base of WBPDCCL for the financial year 2009 – 2010, 2010 – 2011 and 2011 – 2012 for the purpose of return on equity. WBPDCCL was directed to come up with their computation for station wise equity base along with the APR for 2012 – 2013 for the Commission to decide on the issue on receipt of the computations for station wise equity base. However, the issue of computation of equity base for the years 2008 2009, 2009 – 2010 and 2010 – 2011 for the purpose of return on equity is sub-judice in the Appellate Tribunal for Electricity (APTEL) and hence the same cannot be decided by the Commission. After issue of order by the Hon'ble APTEL, the Commission will deliver on the issue in future.

2.14 **Taxes payable under Income Tax Act:**

2.14.1 It is evident from the audited accounts that the incidence of income tax of WBPDCCL for the year 2012 – 2013 was for Rs. 3293.19 lakh.

2.14.2 WBPDCCL incurred losses in the books of accounts of Bandel and Sagardighi generating stations and as such, taxes payable towards profits and incomes



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were arrived at after considering the amounts of losses in the aforesaid generating stations. The station-wise break-ups of the amount of Rs. 3293.19 lakh in this regard are as under:

Rs. in Lakh

Generating Station	Incidence of Tax for 2012-2013
Kolaghat	589.47
Bakreswar	2013.28
Bandel	0.00
Santaldih	690.44
Sagardighi	0.00
Total	3293.19

2.14.3 WBPDCCL was allowed the income tax for the financial years 2010 – 2011 and 2011 – 2012 on the basis of amount of income tax provided in the respective annual accounts but WBPDCCL has not furnished income tax assessment order for the assessment years 2011 – 2012 and 2012 – 2013 to the Commission. WBPDCCL is, however, directed to produce the relevant assessment orders to the Commission for its admissibility.

2.14.4 However, the Commission admits an amount of Rs. 3293.19 lakh in APR for 2012 – 2013 towards income tax on profit for the financial year 2012 – 2013 with generating station wise allocation as follows:

Generating Station	Total Income Tax admitted in APR for 2012-13
Kolaghat	589.47
Bakreswar	2013.28
Bandel	0.00
Santaldih	690.44
Sagardighi	0.00
Total	3293.19



2.14.5 WBPDCCL is, however, directed to submit copy of assessment order for the year 2012 – 2013 and copies of the challans for deposit of income tax by them for the year in APR petition for the year 2013 – 2014.

2.15 Performance Incentives:

2.15.1 No amount was allowed as performance incentive in the tariff order for 2012 – 2013. WBPDCCL achieved generation higher than annual norms in respect of Bakreswar generating station during the year 2012 – 2013. WBPDCCL has not claimed any amount as performance incentive on account of additional generation in Bakreswar generating station in their APR application for 2012 – 2013. In schedule – 10 to the Tariff Regulations, it is specifically mentioned that from the third control period, performance incentive for generation higher than the annual norms will not be applicable for any ABT compliant generating station of any generation company. Thus, the Commission does not consider any performance incentive in the APR for 2012 – 2013.

2.16 Interest Credit:

2.16.1 In terms of regulation 5.5.3 of the Tariff Regulations, the actual amount of loan repayment during 2012 – 2013 being less than the amount allowed as depreciation, an interest credit at the rate of weighted average cost of debt is provided on such excess depreciation charged in respect of Bakreswar generating station. An amount of Rs. 1101.13 lakh, as computed hereunder, in respect of Bakreswar generating station of WBPDCCL is deductible from the gross amount of fixed charges:

Sl. No.	Particulars	Amount (Rs. in Lakh)
		As admitted in APR 2012-13
1	Amount of Depreciation	18666.49
2	Loan repayment	906.32
3	Excess of depreciation over loan repayment (1 – 2)	17760.17
4	Weighted average rate of interest	6.20%
5	Interest credit	1101.13



2.17 Income from Other Sources / Non-Tariff Income:

2.17.1 As per Schedule – 10 of the unit wise audited accounts, income generated by WBPDCCL from the sources other than sale of electricity during the year 2012 – 2013 were as under:

Particulars	Generating Station					Total
	Kolaghat	Bakreswar	Bandel	Santaldih	Sagardighi	
Sale of scrap	547.37	389.82	346.89	8.79	144.89	1437.76
Interest on Deposits	1707.85	1694.23	441.28	548.77	880.15	5272.28
Other General Receipts	1165.54	1495.02	317.38	456.52	732.21	4166.67
Total	3420.76	3579.07	1105.55	1014.08	1757.25	10876.71

2.17.2 The amount of Rs. 10876.71 lakh is, however, excludes the interest amount Rs. 667.02 lakh accrued towards interest income of fixed deposits relating to reserve for unforeseen exigencies which is required to be invested in the fund itself. WBPDCCL in the Form 1.26 to Annexure I in their APR application for 2012 – 2013 for each generating station has excluded interest on bond. In their submission under the head 'other income', WBPDCCL has stated that the amount of Rs. 5272.28 lakh towards interest income on term deposits and long term bonds made out of investment required for compliance of Accounting Standard AS-15 on 'employees benefit'. It is observed from the audited annual report and accounts 2012 – 2013 that interest income from term deposits and dividend from bonds is Rs. 5272.28 lakh, which is related to the investment in compliance of AS-15 of employees benefit and thus not to be considered as a pass through item under income from investment. The Commission, thus, does not consider the interest on deposits of Rs. 5272.28 lakh as mentioned above in income from other sources / non-tariff income.

2.17.3 It is observed from Notes on Accounts of the unit wise audited annual accounts for 2012 – 2013 of WBPDCCL that the miscellaneous income includes rent on



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BOBR wagon leased to Eastern Railway amounting to Rs. 29.60 lakh. In this context, vide paragraph 5.17 of the Commission's order dated 01.12.2012 in case no TP-54/12-13, it was directed to show the income derived from leasing of wagons and simulation package as well as from hydrogen gas plants separately, since the carrying cost of those elements have been allowed in the fixed charge of Bakreswar Unit. Such direction is yet to be complied with in APR 2012 - 2013. WBPDC is further directed to comply with the above direction and submit the report within 3 months from this order failing which necessary deduction / withheld of amount, as may be decided by the Commission, will be made in the APR for 2013 – 2014.

2.17.4 Thus, the Commission admits the amount of Rs. 5604.43 lakh, as shown in the following table, as income from other sources / non-tariff income which is required to be adjusted from the allowable gross amount of fixed charges in the APR for 2012 – 2013.

Particulars	Generating Station					Total
	Kolaghat	Bakreswar	Bandel	Santaldih	Sagardighi	
Sale of scrap	547.37	389.82	346.89	8.79	144.89	1437.76
Other General Receipts	1165.54	1495.02	317.38	456.52	732.21	4166.67
Total	1712.91	1884.84	664.27	465.31	877.10	5604.43

2.18 Insurance Premium:

2.18.1 The expenditures towards taking appropriate insurance coverage have been categorized as uncontrollable. The actual expenditures on this account as per note 28 to the annual reports of WBPDC for the year 2012 – 2013 totaling to Rs. 266.88 lakh has been admitted by the Commission. The generating station wise allocation of the admitted amount is given below:



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Rs. in Lakh

Generating station	Amount as admitted for 2012 – 2013
Kolaghat	6.48
Bakreswar	90.47
Bandel	1.54
Santaldih	62.81
Sagardighi	105.58
Total	266.88

2.19 Rent, Rates and Taxes:

2.19.1 In terms of Tariff Regulations, rates and taxes are recognized as separate items and categorized the same as uncontrollable. It is seen from the note 28 to the annual report for the year 2012 – 2013 that the actual expenditure under the head was Rs. 60.05 lakh. Thus, the Commission admits the total amount of Rs. 60.05 lakh under this head in the APR for 2012 – 2013. Allocation of the expenditure for different generating stations as per unit wise accounts are as under:

Rs. in Lakh

Generating station	Amount admitted in APR for 2012 – 2013
Kolaghat	2.99
Bakreswar	11.71
Bandel	33.17
Santaldih	0.00
Sagardighi	12.18
Total	60.05

2.20 Release of Regulatory Asset:

2.20.1 No amount has been kept as regulatory asset in respect of WBPDC in the earlier tariff orders or APR orders.



2.21 Cost of Capital recoverable from West Bengal State Electricity Transmission Company Limited (WBSETCL):

2.21.1 The transmission systems constructed by WBPDCCL for Bakreswar and Santaldih is an integral part of the transmission system being operated by WBSETCL. The annual carrying charges of the assets are found as under:

Sl. No.	Particulars	Amount in Rs. in Lakh	
		Bakreswar	Santaldih
(i)	Interest on loan from Govt. of West Bengal (refer paragraph 2.6.4)	909.15	-
(ii)	Depreciation (refer paragraphs 2.9.3 & 2.9.4)	1725.42	966.60
(ii)	Return on equity (refer paragraph 2.12.6)	928.65	673.92
	Total:	3563.22	1640.52

2.21.2 Rs. 3563.22 lakh and Rs. 1640.52 lakh comprising interest, depreciation and return on equity relating to Bakreswar transmission system and Santaldih transmission system, considered under the respective cost heads of Bakreswar and Santaldih generating stations respectively are deducted from the ARR of Bakreswar and Santaldih generating stations as the same amount stands recoverable from WBSETCL.

2.21.3 In the tariff order for 2012 – 2013 WBPDCCL was allowed to recover the cost of Bakreswar transmission system from WBSETCL. Any difference in realization of cost of Bakreswar transmission system and the amount admitted in this APR order for 2012 – 2013 shall be recoverable from WBSETCL by WBPDCCL. The amount of Rs. 3563.22 lakh is now admitted for recovery from WBSETCL being the charges for Bakreswar transmission system.

2.21.4 WBPDCCL in their supplementary application has submitted the documentary evidence in support of handing over of two line bays at Bishnupur end of



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- Santaldih Thermal Power Station – Bishnupur 220 kV Double Circuit line to WBSETCL on 11.10.2010 and has also stated that the remaining portion of the transmission system will be handed over to WBSETCL as soon as the same will be ready. It is also stated that the power generated by units V & VI at Santaldih generating station are being evacuated through the existing system of units I to IV. Since the transmission system of Santaldih generating station related to Units V and VI is yet to come into operation, WBPDCCL shall not claim the amount of Rs. 1640.52 lakh related to Santaldih transmission system to be recovered from WBSETCL. The fixed cost relating to Santaldih transmission system shall be recoverable by WBPDCCL only after completion of the work to bring the asset in operation for evacuation of power from Santaldih generating stations (Units V & VI).
- 2.21.5 In the tariff order dated 1.12.2012 for 2011 – 2012 and 2012 – 2013 in respect of WBSETCL in case no. TP-50/11-12, amounts of Rs. 6442.81 lakh and Rs. 6342.84 lakh were reimbursable by WBSETCL to WBPDCCL on account of Bakreswar transmission system for the year 2011 – 2012 and 2012 – 2013 respectively including the additional recovery of Rs. 1769.15 lakh each year in terms of order dated 16.01.2009 in case no. OA-48/08-09. An amount of Rs. 5015.59 lakh was found booked against charges payable to WBPDCCL during the year in the annual accounts of WBSETCL for the year 2011 – 2012. The Commission considered the said amount of Rs. 5015.59 lakh for the year 2011 – 2012 and balance amount of Rs. 1427.22 lakh (Rs. 6442.81 lakh – Rs. 5015.59 lakh) considered to be payable in 2012 – 2013. Accordingly, the payable amount of WBSETCL to WBPDCCL during the year 2012 – 2013 on account of Bakreswar transmission system was considered at Rs. 7770.06 lakh (Rs. 6342.84 lakh + Rs. 1427.22 lakh) in the tariff order dated 01.12.2012 in respect of WBSETCL. Paragraph 3.11 of the tariff order dated 01.12.2012 may be referred to in this regard.



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- 2.21.6 It is seen from the annual accounts of WBPDCCL for the year 2012 – 2013 that WBPDCCL received Rs. 3246.44 lakh and Rs. 6000.91 lakh during the years 2011 – 2012 and 2012 – 2013 respectively from WBSETCL on account of Bakreswar transmission system excluding recoverable arrear amount of Rs. 1769.15 lakh each year in instalments. It is also seen from the annual accounts of WBSETCL for the year 2012 – 2013 that WBSETCL paid WBPDCCL Rs. 5015.59 lakh and Rs. 7770.06 lakh during the years 2011 – 2012 and 2012 – 2013 respectively on account of Bakreswar transmission system which includes the arrear amount of Rs. 1769.15 lakh payable each year in instalments.
- 2.21.7 The amount of Rs. 3563.22 lakh comprising interest, depreciation and return on equity of Bakreswar transmission assets during the year 2012 – 2013 admitted in paragraph 2.21.3 above is recoverable by WBPDCCL from WBSETCL during the year 2012 – 2013. No amount on accounts of Santaldih transmission assets is recoverable from WBSETCL for the year 2012 – 2013. WBPDCCL recovered Rs. 6000.91 lakh (Rs. 7770.06 lakh – Rs. 1769.15 lakh) on account of transmission assets from WBSETCL for the year 2012 – 2013. Thus, an amount of Rs. 2437.69 lakh (Rs. 6000.91 lakh – Rs. 3563.22 lakh) was recovered in excess during the year 2012 – 2013. Necessary adjustment in this regard will be made in the tariff order for 2014 – 2015.
- 2.22 In the order dated 05.09.2013 on APR of WBPDCCL for the year 2011 – 2012 in case no. APR-31/12-13, the Commission admitted the amount recoverable from WBSETCL to the tune of Rs. 3804.47 lakh and Rs. 1019.41 lakh comprising interest, depreciation and return on equity relating to Bakreswar and Santaldih transmission systems respectively. Any difference between the amount recovered from WBSETCL during the year 2011 – 2012 as per the tariff order for 2011 – 2012 for Bakreswar transmission system and the admitted amount in APR for 2011 – 2012 would be recovered / refunded from/to WBSETCL. As already mentioned in the paragraph 2.21.6 above WBPDCCL recovered Rs. 3246.44 lakh on this score. Thus, an amount of Rs. 558.03 (Rs. 3804.47 lakh –



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Rs. 3246.44 lakh) is further recoverable by WBPDCCL from WBSETCL for the year 2011 – 2012. No amount is recoverable by WBPDCCL for Santaldih transmission system for the year 2011 – 2012 as already explained in paragraph 2.21.4 above. In the APR order dated 05.09.2013 it was mentioned that necessary direction on account of differential recoverable amount from WBSETCL for the Bakreswar and Santaldih transmission systems for the year 2011 – 2012 would be given in the tariff order for 2013 – 2014. No such direction was given in the tariff order for 2013 – 2014 in respect of WBPDCCL. The Commission, now decides to adjust the further recoverable amount of Rs. 558.03 lakh for the year 2011 – 2012 as stated above in the tariff order for 2014 – 2015.

- 2.23 Based on the foregoing analyses, the amounts of fixed charges allowable under different heads in respect of the concerned generating stations have been shown in Annexure “2A” to “2E”. As shown in the referred annexure, the total amounts of fixed charges for the concerned generating stations come as under:

Rs. in Lakh	
Generating Station	As admitted in APR for 2012 – 2013
Kolaghat	48975.53
Bakreswar	70930.57
Bandel	12503.08
Santaldih	50628.61
Sagardighi	46298.75
Total	229336.54

- 2.24 The amounts of total fixed charge in APR for 2012 – 2013 for different generating stations as mentioned in para 2.23 above require to be adjusted with the amounts determined on APR in regard to fixed charges for the year 2010 – 2011 for arriving at the amounts of capacity charges recoverable through tariff. Such adjustable amounts, vide paragraph 4.1 of Commission’s order dated 21 November, 2012 in Case No. APR-27/11-12, are as under:



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	Rs. in Lakh
Kolaghat	5301.51
Bakreswar	11464.64
Bandel	(-) 764.82
Santaldih	3028.45
Sagardighi	(-) 3459.64
Total	15570.14

2.25 The amount of re-determined fixed charges for different generating stations in APR for the year 2012 – 2013, after carrying out the adjustments in regard to fixed charges for 2010 – 2011 come as under:

Admitted in APR for the year	Rs. in Lakh				
	Generating Station				
	Kolaghat	Bakreswar	Bandel	Santaldih	Sagardighi
Fixed cost of 2012 – 2013 allowed to recover through capacity charges	48975.53	70930.57	12503.08	50628.61	46298.75
Adjustment of fixed charges relating to 2010 – 2011	5301.51	11464.64	(-) 764.82	3028.45	(-) 3459.64
Re-determined capacity charges	54277.04	82395.21	11738.26	53657.06	42839.11

The above capacity charge is, however, recoverable at the level of Plant Availability Factor (PAF) achieved by the respective generating stations.

2.26 As it comes out from the submission of WBPDCCL and also from the statement received from SLDC, the actual PAF achieved during 2012 – 2013 at different generating stations were below in comparison to norms set for the year, except for the Bakreswar generating station, as shown below, resulting in under recovery of capacity charges.



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Sl. No.	Generating Station	Normative PAF (%)	PAF achieved (%)
1	Kolaghat	78	72.53
2	Bakreswar Stage – I (Units I to III)	85	88.77
3	Bakreswar Stage – II (Units IV & V)	85	94.58
4	Bandel	73	53.31
5	Santaldih	85	58.81
6	Sagardighi	85	77.54

2.27 The re-determined capacity charges of each generating station are now required to be adjusted as per PAF achieved during the year 2012 – 2013 following the provisions of the Tariff Regulations. The computations in this regard are given below:

Sl. No.	Particulars	Generating Stations					
		Kolaghat (10 years or more)	Bakreswar		Bandel (10 years or more)	Santaldih (less than 10 years)	Sagardighi (less than 10 years)
			Stage – I (Units I to III) (10 years or more)	Stage – II (Units IV & V) (less than 10 years)			
1	Target PAF (%)	78	85	85	73	85	85
2	PAF achieved (%)	72.53	88.77	94.58	53.31	58.81	77.54
3	Re-determined capacity charge (Rs. lakh)	54277.04	49437.13	32958.08	11738.26	53657.06	42839.11
4	Coal and Ash Handling charges (Rs. lakh)	2057.51	313.28	208.85	559.54	104.95	153.59
5	Water Charges (Rs. lakh)	24.66	11.15	7.43	109.91	72.02	6.20
6	Capacity charge to be considered for disallowance (6 = 3- 4-5) (Rs. lakh)	52194.87	49112.70	32741.80	11068.81	53480.09	42679.32
7	Proportionate capacity charge excluding 4 & 5 (Rs. lakh)	48534.54	51290.99	34586.90	8083.26	40966.42	40806.45
8	Capacity charge allowable on the basis of PAF achieved (Rs. lakh) (8 = 7 + 4 + 5)	50616.71	51615.42	34803.18	8752.71	41143.39	40966.24

2.28.1 It is seen from the submission of WBPDCCL that the unit VI of Santaldih generating station was out of operation at a stretch for more than 3 months (from 31.05.2012 to 18.12.2012). It is also seen that the unit VI, come into commercial operation on 30.09.2011, was out of service after tripping on 31.05.2012 through turbine over speed. It is also seen that the defective HP turbine and LP turbine were taken back by M/s BHEL when the HP turbine was repaired and the LP



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turbine was replaced with new one and the unit was ultimately resynchronized on 18.12.2012. In terms of regulation 5.25 of the Tariff Regulations, the employee cost, interest on capital loan, depreciation and advance against depreciation corresponding to such inoperative assets will be allowed in determining the ARR of the generating station to the extent the Commission find it necessary. The employee cost and depreciation for the units V and VI are not available separately. Since both the units are of same capacity (250 MW each) and commercially operated from 01.04.2009 and 30.02.2011, the proportionate cost for employee cost and depreciation for the units V and VI are considered as 50:50 ratio. Thus, the employee cost and depreciation for unit VI are considered as Rs. 3085.66 lakh and Rs. 5309.12 lakh respectively. The interest on capital loan as given in Form – C to Annexure I and admitted by the Commission is Rs. 9593.61 lakh. Repayment on loan for unit VI during the year was Rs. 7972.97 lakh. Thus, the advance against depreciation is considered as Rs. 2663.85 lakh (Rs. 7972.97 lakh – 5309.12 lakh).

2.28.2 A portion of capacity charge disallowed on the basis of PAF in respect of Santaldih generating station are payable to WBPDCCL during the period of inoperation for unit VI for more than 3 months in terms of regulation 5.25 of the Tariff Regulations, as mentioned above. Such payable amounts are as follows:

Rs. in lakh

Particulars	Cost admitted for Unit VI (refer paragraph 2.28.1)	Amount allowed in proportion to PAF	Disallowed amount to be allowed further in terms of regulation 5.25 of the Tariff Regulations
Employee cost	3085.66	2363.65	722.01
Depreciation	5309.12	4066.85	1242.27
Interest on capital borrowing	9593.61	7348.83	2244.78
Advance against depreciation	2663.85	2040.54	623.31
Total	20652.24	15819.87	4832.37



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2.29 The allowable capacity charges for each generating station are to be adjusted against the capacity charges recovered for that generating station by WBPDCCL for the year 2012 – 2013. The computations of recovered capacity charges are to be based on the tariff order for 2012 – 2013 issued by the Commission on 01.12.2012. Hence, for the purpose of capacity charges recovered by WBPDCCL, the Commission computed the same based on the availability achieved by different generating stations during the year 2012 – 2013 as per the statement of SLDC and the capacity charges allowed in the tariff order dated 01.12.2012 following the provisions of the Tariff Regulations as follows:

Sl. No.	Particulars	Generating Stations					
		Kolaghat (10 years or more)	Bakreswar		Bandel (10 years or more)	Santalidih (less than 10 years)	Sagardighi (less than 10 years)
			Stage – I (Units I to III) (10 years or more)	Stage – II (Units IV & V) (less than 10 years)			
1	Capacity charges already recovered through monthly energy bill during 2012 – 2013	47810.59	42357.66	34773.92	10679.59	43797.80	45781.55
2	Capacity charges recoverable through arrear for 2012 – 2013	5771.95	11671.00	1659.57	-555.20	-1595.20	-4913.00
3	Proportionate capacity charges recovered during the year 2012 – 2013 including arrear for 2012 - 2013	53582.54	54028.66	36433.49	10124.39	42202.60	40868.55

2.30 Summing up the analyses and findings as stated in the preceding paragraphs, the Commission now takes up to ascertain the amount adjustable on APR separately for each of the concerned generating stations of WBPDCCL for the year 2012 – 2013. Such adjustable amounts work out as under:



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Rs. in Lakh

Sl. No.	Particulars	Generating Stations					
		Kolaghat (10 years or more)	Bakreswar		Bandel (10 years or more)	Santaldih (less than 10 years)	Sagardighi (less than 10 years)
			Stage - I (Units I to III) (10 years or more)	Stage - II (Units IV & V) (less than 10 years)			
1	Admitted capacity charges in APR for 2012 – 2013 (vide paragraph 2.27)	50616.71	51615.42	34803.18	8752.71	41143.39	40966.24
2	Additional capacity charges to be allowed for Unit VI of STPS (refer paragraphs 2.28.2)	0.00	0.00	0.00	0.00	4832.37	0.00
3	Actual capacity charge recovered during 2012 - 2013 (vide paragraph 2.29)	53582.54	54028.66	36433.49	10124.39	42202.60	40868.55
	Adjustment of capacity charge for 2012 – 2013 [(1) + (2) – (3)]	-2965.83	-2413.24	-1630.31	-1371.68	3773.16	97.69

2.31 The admitted capacity charges in APR for 2012 – 2013 and the actual capacity charges recovered by WBPDCCL during the year 2012 – 2013 as shown in the above table is computed on yearly weighted average PAF of each generating station. There may be a difference between values computed here on yearly PAF basis and the actual total capacity charges claimed on monthly PAF basis during the year. If there is any discrepancy, WBPDCCL shall come up with detailed computations on monthly basis duly audited with supporting documents along with their APR application for 2013 – 2014.

**ANNEXURE - 2A****KOLAGHAT THERMAL POWER STATION**

		Rs. in Lakh
SI. NO.	PARTICULARS	ADMITTED FOR APR 2012 - 2013
1	Employee Cost	13155.01
2	Water Charges	24.66
3	Coal and Ash Handling charge	2057.51
4	Cost of Outsourcing	0.00
5	Performance Incentive	0.00
6	Operation and Maintenance Expenses	13986.00
7	Insurances Premium	6.48
8	Financing Charges	53.37
9	Interest on borrowed capital	0.00
10	Interest on Working Capital	2813.82
11	Depreciation	756.02
12	Advance against Depreciation	0.00
13	Special allocation	
	a) Reserve for Unforeseen Exigencies	0.00
	b) Rebate on sale of power	325.69
14	Income Tax	589.47
15	Return on Equity	16917.42
16	Rent, Rates and Taxes	2.99
17	Gross Aggregate Revenue Requirement (1 to 16)	50688.44
18	Less Misc. other income	1712.91
19	Aggregate Revenue Requirement (Annual) (19 = 17 - 18)	48975.53



ANNEXURE - 2B

BAKRESWAR THERMAL POWER STATION

		Rs. in Lakh
SI. NO.	PARTICULARS	ADMITTED FOR APR 2012 - 2013
1	Employee Cost	9262.90
2	Water Charges	18.58
3	Coal and Ash Handling charge	522.13
4	Cost of Outsourcing	0.00
5	Performance Incentive	0.00
6	Operation and Maintenance Expenses	9292.50
7	Insurances Premium	90.47
8	Financing Charges	58.63
9	Interest on borrowed capital	15935.08
10	Interest on Working Capital	2757.16
11	Depreciation	18666.49
12	Advance against Depreciation	0.00
13	Special allocation	
	a) Reserve for Unforeseen Exigencies	0.00
	b) Rebate on sale of power	321.65
14	Income Tax	2013.28
15	Rent, Rates and Taxes	11.71
16	Return on Equity	18529.18
17	Gross Aggregate Revenue Requirement (1 to 16)	77479.76
18	Less: Misc. other income	1884.84
19	Less: Interest Credit	1101.13
20	Less: Capital cost recoverable from WBSETCL	3563.22
21	Aggregate Revenue Requirement (Annual) [(21 = 17 - (18 - 19 - 20)]	70930.57

**ANNEXURE – 2C****BANDEL THERMAL POWER STATION**

SI. NO.	PARTICULARS	Rs. in Lakh
		ADMITTED FOR APR 2012 - 2013
1	Employee Cost	5950.21
2	Water Charges	109.91
3	Coal and Ash Handling Charge	559.54
4	Cost of Outsourcing	0.00
5	Performance Incentive	0.00
6	Operation and Maintenance Expenses	5422.50
7	Insurances Premium	1.54
8	Financing Charges	13.33
9	Interest on borrowed capital	0.00
10	Interest on Working Capital	817.35
11	Depreciation	134.05
12	Advance against Depreciation	0.00
13	Special allocation	
	a) Reserve for Unforeseen Exigencies	0.00
	b) Rebate on sale of power	125.75
14	Income Tax	0.00
15	Rent, Rates and Taxes	33.17
16	Return on Equity	0.00
17	Gross Aggregate Revenue Requirement (1 to 16)	13167.35
18	Less Misc. other income	664.27
19	Aggregate Revenue Requirement (Annual) (19 = 17 - 18)	12503.08

**ANNEXURE – 2D****SANTALDIH THERMAL POWER STATION**

SI. NO.	PARTICULARS	Rs. in Lakh
		ADMITTED FOR APR 2012 - 2013
1	Employee Cost	6171.31
2	Water Charges	72.02
3	Coal and Ash Handling Charge	104.95
4	Cost of Outsourcing	0.00
5	Performance Incentive	0.00
6	Operation and Maintenance Expenses	3720.00
7	Insurances Premium	62.81
8	Financing Charges	17.28
9	Interest on borrowed capital	17013.30
10	Interest on Working Capital	1062.00
11	Depreciation	10618.25
12	Advance against Depreciation	4484.26
13	Special allocation	
	a) Reserve for Unforeseen Exigencies	0.00
	b) Rebate on sale of power	124.55
14	Income Tax	690.44
15	Return on Equity	8593.27
16	Rent, Rates and Taxes	0.00
17	Gross Aggregate Revenue Requirement (1 to 16)	52734.44
18	Less Misc. other income	465.31
19	Less: Capital cost recoverable from WBSETCL	1640.52
20	Aggregate Revenue Requirement (Annual) (20 = 17 - 18 - 19)	50628.61

**ANNEXURE – 2E****SAGARDIGHI THERMAL POWER STATION**

SI. NO.	PARTICULARS	ADMITTED FOR APR 2012 - 2013
1	Employee Cost	5309.17
2	Water Charges	6.20
3	Coal and Ash Handling Charge	153.59
4	Cost of Outsourcing	0.00
5	Performance Incentive	0.00
6	Operation and Maintenance Expenses	3798.00
7	Insurances Premium	105.58
8	Financing Charges	28.09
9	Interest on borrowed capital	13701.48
10	Interest on Working Capital	1518.67
11	Depreciation	11106.95
12	Advance against Depreciation	366.92
	Special allocation	
13	a) Reserve for Unforeseen Exigencies	0.00
	b) Rebate on sale of power	144.80
14	Income Tax	0.00
15	Return on Equity	10924.22
16	Rent, Rates and Taxes	12.18
17	Gross Aggregate Revenue Requirement (1 to 16)	47175.85
18	Less Misc. other income	877.10
19	Aggregate Revenue Requirement (Annual) (19 = 17 - 18)	46298.75



CHAPTER – 3 AMOUNT ADJUSTABLE ON ANNUAL PERFORMANCE REVIEW

- 4.1 Based on the foregoing analyses and admissions thereof, the positive adjustments of capacity charges in respect of the concerned generating stations of WBPDCCL for the year 2012 – 2013 as shown in paragraph 2.30 of the preceding chapter, are as below:

Generating Station	Amount (Rs. in Lakh)
Kolaghat	(-) 2965.83
Bakreswar Stage I (Units I to III)	(-) 2413.24
Bakreswar Stage II (Units IV & V)	(-) 1630.31
Bandel	(-) 1371.68
Santaldih	3773.16
Sagardighi	97.69
Total	(-) 4510.21

- 4.2 In terms of the Tariff Regulations, the entire amount of such negative adjustment or part thereof in respect of any of the generating stations of WBPDCCL may be adjusted with the Aggregate Revenue Requirement of that generating station of WBPDCCL for the year 2014 – 2015 or that of any other ensuing year, as may be decided upon by the Commission. The decision of the Commission in this regard will be given in the tariff order of WBPDCCL for the year 2014 – 2015.
- 4.3 WBPDCCL is to take a note of this order.

Sd/-
(SUJIT DASGUPTA)
MEMBER

DATE: 21.07.2014