WEST BENGAL ELECTRICITY REGULATORY COMMISSION

Ref No. WBERC/Regulation-56/19-20/4516 Dated, Kolkata, the 14th August, 2019

NOTICE INVITING OBJECTONS/SUGGESTIONS/COMMENTS ON WEST BENGAL ELECTRICITY REGULATORY COMMISSION (TERMS AND CONDITIONS OF TARIFF) (THIRD AMENDMENT) REGULATIONS, 2019

West Bengal Electricity Regulatory Commission draws the attention of all concerned seeking objections/suggestions/comments if any on Electricity Regulatory Commission (Terms and Conditions of Tariff) (Third Amendment) Regulations, 2019. Interested persons/stakeholders may visit the website of the Commission at www.wberc.gov.in for further details. Last date of receipt of objections/suggestions comments is **12.09.2019 by 5 P.M**.

By Order of the Commission
Sd/- x x
Secretary

Place : Kolkata
Dated : 14th August, 2019

Paper notice

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WEST BENGAL ELECTRICITY REGULATORY COMMISSION

NOTIFICATION

No. xx/WBERC **Dated, the xx.xx.2019**

In exercise of the powers conferred by sub-section (1) and (2) of section 181 read with section 61 of the Electricity Act, 2003 (36 of 2003) and all powers enabling it on that behalf, the West Bengal Electricity Regulatory Commission (WBERC) hereby makes the following regulations to amend the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011 along with subsequent amendments vide Notification no 49/WBERC dated 27.08.2012 (hereinafter referred to as "First Amendment") and Notification no 54/WBERC dated 30.07.2013 (hereinafter referred to as "Second Amendment"), collectively termed as principal regulations.

1. **Short Title and Commencement:**

(i) These Regulations may be called the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) (Third Amendment) Regulations, 2019.

(ii) They shall come into force after their publication in the Official Gazette.

(iii) These amendments shall be applicable from 01.10.2019 onwards

(iv) Any Aggregate Revenue Requirement (APR), Annual Performance Review (APR), Fuel Cost Adjustments (FCA), Fuel and Power Purchase Cost Adjustment (FPPCA) for the period prior to 01.10.2019 shall be as per the regulations existing prior to the Amendment.

2. After clause (lx) of regulation 1.2.1 of the Principal Regulations, the following clause shall be inserted:

(lxa) "GCV as received" means the GCV of coal as measured at the unloading point of the thermal generating station through collection, preparation and testing of samples from the loaded wagons, trucks, ropeways, Merry-Go-Round (MGR), belt conveyors and ships in accordance with the IS 436 (Part-1/ Section 1)- 1964 and clause 6.2 of IS 1350 (Part-II)-1970:

Provided that the measurement of coal shall be carried out through sampling by third party to be appointed by the generating companies from the list maintained by Ministry of Coal / Coal India Limited:

Provided further that samples of coal shall be collected either manually or through hydraulic augur or through any other method considered suitable keeping in view the safety of personnel and equipment:

Provided also that the generating companies may adopt any advance technology for collection, preparation and testing of samples for measurement of GCV in a fair and transparent manner.

3. **For regulation 4.14 of the Principal regulations, the following regulation shall be substituted**:

"4.14.1 The rates of the applicable delayed payment surcharge arising from non-payment of electricity charges as also other charges by a consumer, except the L&MV agriculture consumers, shall be 1.00% per month of delay or pro-rated for part thereof upto 3 months of delay, at 1.50% per month of delay or pro-rated for part thereof for any period beyond 3 months of delay but upto the next 3 months and at 2.00% per month of delay or pro-rated for part thereof beyond first 6 months of delay. Delay in payment shall be counted from the due date for payment.

4.14.2 The rates of the applicable delayed payment surcharge arising from non-payment of electricity charges as also other charges for the L&MV agriculture consumers shall be as follows:

Sl. No.	**Period of non-payment**	**LPSC Rate**
1	Up to 3 months	Nil
2	From 91 days to 180 days	1% per month or prorated for part thereof
3	From 181 days to 365 days	1.25% per month or prorated for part thereof
4	From 365 days onwards	1.5% per month or prorated for part thereof

4.14.3 These delayed payment surcharges are without prejudice to the provisions of disconnection under the Act and the Regulations made there under. However, if necessary, Commission through any tariff order or any other order may, from time to time, change the applicable rate in percentage for determination of delayed payment surcharge."

4. **For regulations 5.8.1 to 5.8.7 of the Principal Regulations, following regulation shall be substituted:**

"5.8.1 Determination of the Energy charges for thermal generating stations shall be done on the basis of the landed fuel cost (LFC) of a generating station and shall consist of the following cost:

(a) Landed Fuel Cost of primary fuel;

(b) Cost of secondary fuel oil consumption; and

(c) Cost of limestone or any other reagent, as applicable:

Provided that any refund of taxes and duties along with any amount received on account of penalties from fuel supplier shall be adjusted in fuel cost:

Provided further that the supplementary energy charges, if any, on account of meeting the revised emission standards in case of a thermal generating station shall be determined separately by the Commission.

5.8.2 **Landed fuel cost of primary fuel**: The landed fuel cost of primary fuel for any month shall consist of base price or input price of fuel corresponding to the grade and quality of fuel and shall be inclusive of statutory charges as applicable, washery charges, transportation cost by rail or road or any other means and loading, unloading and handling charges:

Provided that procurement of fuel at a price other than Government notified prices may be considered, if it is based on competitive bidding through transparent process;

Provided that landed fuel cost of primary fuel shall be worked out based on the actual bill paid by the generating company including any adjustment on account of quantity and quality;

Provided that, for new generating stations or extension of existing generating stations commissioned after 25.04.2011 no demurrage charge of railways rake shall be allowed unless free time by railways is reduced by more than 20% from the existing value.

Provided also that in case of coal-fired or lignite based thermal generating station, the Gross Calorific Value shall be measured by third party sampling and the expenses towards the third-party sampling facility shall be reimbursed by the beneficiaries.

5.8.3 **Transit and Handling Losses**: For coal the transit and handling losses shall be as per the norms specified in Schedule-9A and 9D of these Regulations.

5.8.4 **Gross Calorific Value (GCV) of primary fuel**:

(1) The gross calorific value for computation of energy charges as per paragraph 8.1(ii) of Schedule-1 of these regulations shall be done considering weighted average 'GCV of coal as received', in kCal / kg for coal-based stations less 120 kCal/Kg on account of variation during storage at generating station.

(2) The generating company shall provide to the beneficiaries of the generating station the details in respect of GCV and price of fuel i.e. domestic coal, imported coal, e-auction coal, lignite, natural gas, RLNG, liquid fuel etc. as per the Form D at Annexure-I to these regulations:

Provided that the additional details of the weighted average GCV of the fuel on as received basis used for generation during the period, blending ratio of the imported coal with domestic coal, proportion of e-auction coal shall be provided, along with the bills of the respective month;

Provided further that copies of the bills and details of parameters of GCV and price of fuel such as domestic coal, imported coal, e-auction coal, lignite, natural gas, RLNG, liquid fuel, details of blending ratio of the imported coal with domestic coal, proportion of e-auction coal shall also be displayed on the website of the generating company.

5.8.5 **Landed cost of Reagent**:

(1) Where specific reagents such as Limestone, Sodium Bi-Carbonate, Urea or Anhydrous Ammonia are used during operation of emission control system for meeting revised emission standards, the landed cost of such reagents shall be determined based on

normative consumption and purchase price of the reagent through competitive bidding, applicable statutory charges and transportation cost.

(2) The normative consumption of specific reagent for the various technologies installed for meeting revised emission standards shall be notified separately.

5.8.6 **Input price of coal and lignite from integrated mines**:

(1) Where the generating company has the arrangement for supply of coal or lignite from the integrated mine(s) allocated to it, for use in one or more of its generating stations as end use, the energy charge component of tariff of the generating station shall be determined based on the input price of coal or lignite, as the case may be, from such integrated mines computed in accordance with the regulations to be notified separately by the Commission.

(2) Till the regulation for computation of input price of coal is notified, the generating company shall continue to adopt the notified price of Coal India Limited commensurate with the grade of the coal from the integrated mine:

Provided that after notification of the regulation for input price of coal, the same shall be applicable from the date of notification or the date of commercial operation of the integrated mine, whichever is later, and the difference between the input price of coal so decided and the input price of coal for quantity billed shall be adjusted in accordance with the regulations to be notified.

(3) Till the regulations for computation of input price of lignite is notified, the input price of lignite shall continue to be determined as per the guidelines specified by Ministry of Coal, Government of India.

(4) In case of auction coal mines the Commission shall determine the input price on case to case basis.

5.8.7 The Commission through specific tariff orders to be issued for each generating station shall approve the energy charge rate at the start of the control period. During tariff determination fuel mix of different type of fuel or among different quality of same

type of fuel shall be considered as per mixing proportion of last one year, subject to specific provision in the PPA, if any, or any proposed deviation by the licensee or generating company with proper supporting document and also subject to prudence check. The price of each type of fuel for the first ensuing year shall be as per the latest declared price of such fuel received from the tariff applicant or from the declared price list of the coal company. The energy charge rate for subsequent years shall be computed considering the escalation rates notified by the CERC for payment purposes from time to time under competitive bidding guidelines

Provided that, during FPPCA/ FCA calculations the actual price of fuel shall be considered. However, in case where applicant cannot provide actual data of different fuel, fuel mix of different type of fuel or among different quality of same type of fuel, it shall be considered as per mixing proportion of the fuel received in the year for which FPPCA is under calculation.

5.8.7 A In case of part or full use of alternative source of fuel supply by coal based thermal generating stations other than as agreed by the generating company and beneficiaries in their power purchase agreement for supply of contracted power or the fuel mix considered in the Tariff order on account of shortage of fuel or optimization of economical operation through blending, the use of alternative source of fuel supply shall be permitted to generating station:

Provided that in such case, prior permission from beneficiaries shall not be a precondition, unless otherwise agreed specifically in the power purchase agreement:

Provided also that where the energy charge rate based on weighted average price of fuel upon use of alternative source of fuel supply exceeds 10% of base energy charge rate as approved by the Commission for that year, in that event, prior consultation with beneficiary shall be made at least three days in advance.

5. Regulation 5.8.15 of the Principal Regulations shall be deleted.

6. For clause (a) of regulations 2.8.1.4.2(i) and regulation 2.8.1.4.4(i) of the Principal Regulations the word "UHV" shall be substituted with the words "GCV".

7. **For regulation 8.5.4 of the Principal Regulations, the following regulation shall be substituted:**

"8.5.4 Notwithstanding anything contained in these Regulations and in supersession of any regulation pertaining to this subject mentioned in any other Regulations of the Commission, for any payment made within due date, an additional rebate of 1% of the amount of energy bill excluding meter rent, taxes, duties, levies and arrears (not being arrears due to revision of tariff) will be applicable subject to a maximum limit of Rs 10,000.00 (Rupees Ten Thousand) per bill, if such payment is made through e-payment gateway using (i) debit card or (ii) credit card or (iii) internet banking or (iv) NEFT/ RTGS or (v) National Automated Clearing House (NACH) or (vi) electronic clearing system or (vii) any other mode viz. valued card wallet system or USSD or Instapay of banks or (viii) online payment through mobile software application which is an optional payment scheme to the consumer for payment of energy bill to any licensee other than payment mode through own cash counter of the licensee. The applicable e-payment gateway service charge, if any, to the service provider is to be provided by the Licensee. Licensee shall maintain proper accounting of such charges which shall be adjusted during APR after prudence check.

Provided that such additional 1% rebate is not applicable for payment through Letter of Credit (LC) mechanism maintained with any bank by the consumer:

Provided also that any additional charges claimed by banks or service provider like LC charges, charge for NEFT/ RTGS, etc. are to be paid by the consumers themselves.

Illustration: Any payment to the licensee through LC mechanism shall not be qualified for additional rebate of 1% as revenue collection through LC mechanism is not always free from manual intervention from the licensee's end even when payment is made through the modes (i) to (viii) mentioned in this regulation and depends upon the agreement / arrangement between the LC issuing bank and the consumer, leaving a possibility of non-payment of full amount of the bill when it exceeds the LC amount."

8. **The parameter CVPF under sl. no (ii) in paragraph 8.1 of Schedule -1 of the Principal Regulations, shall be substituted as below**:

"CVPF = (a) Weighted Average Gross calorific value of coal as received, in kCal per kg for coal-based stations less 120 Kcal/Kg on account of variation during storage at generating station;

(b) Weighted Average Gross calorific value of primary fuel as received, in kCal per kg, per litre or per standard cubic meter, as applicable for lignite, gas and liquid fuel based stations;

(c) In case of blending of fuel from different sources, the weighted average Gross calorific value of primary fuel shall be arrived in proportion to blending ratio:"

9. **After sl. No (iv) of paragraph 8.1 of Schedule -1 of the Principal Regulations, the following paragraph shall be added:**

" (v) Where biomass fuel is used for blending with coal, the landed cost of biomass fuel shall be worked out based on the delivered cost of biomass at the unloading point of the generating station, inclusive of taxes and duties as applicable. The energy charge rate of the blended fuel shall be worked out considering consumption of biomass based on blending ratio as specified by Authority or actual consumption of biomass, whichever is lower."

10. The first sentence of parameter 'FC' under sl no (iii) in paragraph A and sl no (ii) of paragraph B of Schedule -7A of the Principal Regulations the words "UHV range" shall be deleted.

11. The parameter $Coal_{UHV}$ under Clause (b) of paragraph-B of Schedule-7B of the Principal Regulations shall be substituted as below:

"$Coal_{GCV}$ = Average Gross Calorific Value (GCV) of coal as received (Kcal/Kg)"

12. In clause (d) of paragraph-B of Schedule-7B of the Principal Regulations the word "$Coal_{UHV}$" shall be substituted with the word "$Coal_{GCV}$".

13 **Amendment in Annexure-C1 of the Principal Regulations:**

13.1 For the Table in Annexure – C1 of the principal Regulations, the following shall be added at the under "HV & EHV Consumers":

Sl No	Class of consumers	WBSEDCL	CESC LTD	IPCL	DPL	DVC

(xix)	Metro rail/ Airport under RCS-UDDAN	Applicable	Applicable	Applicable	Applicable	Applicable
(xx)	Military Engineering services (MES)	Applicable	Applicable	Applicable	Applicable	Applicable
(xxi)	EV charging station	Applicable	Applicable	Applicable	Applicable	Applicable

14 **Amendment in Annexure-1 of the Principal Regulations:**

14.1 The following Form D shall be inserted after Form B of Annexure-1 and Form no D1, D2 and D3 shall be deleted.

"Form - D: Details of Source wise Fuel for Computation of Energy Charges

Name of the Petitioner:
Name of the Generating Station:

SL. No.	Month	Unit	For preceding Year			
			<YEAR>			
			Domestic Source (1)	Domestic Source (2)	Imported	.....
A)	OPENING QUANTITY					
1	Opening Quantity of Coal/Lignite	(MMT)				
2	Value of Stock					
B)	**QUANTITY**					
3	Quantity of Coal/Lignite supplied by Coal/Lignite Company	(MMT)				
4	Adjustment (+/-) in quantity supplied made by Coal/Lignite Company	(MMT)				
5	Coal supplied by Coal/Lignite Company (3+4)	(MMT)				
6	Normative Transit & Handling Losses (For coal/Lignite based Projects)	(MMT)				
7	Net coal / Lignite Supplied (3-4)	(MMT)				
C)	**PRICE**					
8	Amount charged by the Coal/Lignite Company	(Rs.)				
9	Adjustment (+/-) in amount charged made by Coal/Lignite Company	(Rs.)				
10	Handling, Sampling and such other similar charges					
11	Total amount Charged (8+9+10)	(Rs.)				
D)	**TRANSPORATION**					
12	Transportation charges by rail/ship/road transport	(Rs.)				
	By Rail					
	By Road					
	By Ship					
	.....					
13	Adjustment (+/-) in amount charged made by railways/Transport Company	(Rs.)				

14	Demurrage Charges, if any	(Rs.)				
15	Cost of diesel in transporting coal through MGR system, if applicable	(Rs.)				
16	Total Transportation Charges (12+13+14+15)	(Rs.)				
17	Total amount Charged for coal/lignite supplied including Transportation (11+16)	(Rs.)				
E)	**TOTAL COST**					
18	Landed cost of coal/ Lignite (2+17)/(1+7)	Rs./MT				
19	Blending Ratio (Domestic/Imported)					
20	Weighted average cost of coal/ Lignite for preceding three months	Rs./MT				
F)	**QUALITY**					
21	GCV of Domestic Coal of the opening coal stock as per bill of Coal Company	(kCal/Kg)				
22	GCV of Domestic Coal supplied as per bill of Coal Company	(kCal/Kg)				
23	GCV of Imported Coal of the opening stock as per bill Coal Company	(kCal/Kg)				
24	GCV of Imported Coal supplied as per bill Coal Company	(kCal/Kg)				
25	Weighted average GCV of coal/ Lignite as Billed	(kCal/Kg)				
26	GCV of Domestic Coal of the opening stock as received at Station	(kCal/Kg)				
27	GCV of Domestic Coal supplied as received at Station	(kCal/Kg)				
28	GCV of Imported Coal of opening stock as received at Station	(kCal/Kg)				
29	GCV of Imported Coal of opening stock as received at Station	(kCal/Kg)				
30	Weighted average GCV of coal/ Lignite as Received	(kCal/Kg)				

Note:

1. Similar details to be furnished for natural gas/liquid fuel for CCGT station and secondary fuel oil for coal/lignite based thermal plants with appropriate units.
2. As billed and as received GCV, quantity of coal, and price should be submitted as certified by statutory auditor.
3. Details to be provided for each source separately. In case of more than one source, add additional column.
4. Break up of the amount charged by the Coal Company is to be provided separately.

Applicant"

By Order of the Commission

Place: Kolkata

Date: xx.xx.2019

Secretary of the Commission