



West Bengal Electricity Regulatory Commission

FD-415A, Poura Bhawan, 3<sup>rd</sup> Floor, Sector-III

Bidhannagar, Kolkata – 700 106

Tel: (033) 2359 3397, 2189

Fax: (033) 2359 3397

email: wberc99@gmail.com

Website: www.wberc.net

Ref No. WBERC/PPA-75/14-15/1213

Dated, Kolkata, the 27<sup>th</sup> March, 2015

From:

K. P. Bhar, I.A.S. (Retd.)  
Secretary

To

The Chairman and Managing Director,  
West Bengal State Electricity Distribution Company Limited  
Vidyut Bhawan, Block-DJ  
Sector-II, Salt Lake City,  
Kolkata – 700 091

Sub: Application for approval of draft Power Purchase Agreement to be executed by and between WBSEDCL & NTPC Ltd. for purchase of power from the proposed Rammam HEP, Stage – III.

Ref: i) Letter No. PTR/SERC/NTPC/Rammam HEP-III/21 dated 28.01.2015 of the Chief Engineer (PTR), WBSEDCL.  
ii) Ref. No. WBERC/PPA-75/14-15/0776 dated 05.11.2014

Sir,

In reference to above, I am directed to communicate you as follows:

a) Construction of transmission line for evacuation of power from Rammam HEP – III:

It is submitted by WBSEDCL that the evacuation of power from the project will be done by West Bengal State Transmission Company Limited (WBSETCL) on request from WBSEDCL and in that case it will not involve any CTU charges and losses. In this context it is mentioned that in case of construction of evacuation system by WBSETCL there will be an involvement of STU charges and losses. You are required to clarify the points accordingly.

b) Incorporation of a clause regarding effectiveness of the PPA:

In this context it is mentioned that the points as raised in our letter dated 05.11.2014 under Sl. No. 6(i) are not properly dealt with in the reply.

c) The points raised under Sl. no. 6(ii) of our said letter are also not properly addressed in the reply.



d) In paragraph 9 of your letter dated 28.01.2015 it is submitted that the points raised under clauses (a) to (f) under sl. no. 6(ii) of our letter are not agreed by NTPC Ltd. for incorporation in the PPA. The views of WBSEDCL regarding incorporation of such clauses in the PPA are not given in the reply.

In this context the Commission's views are that: (i) In case of abnormal hike in project cost how can this be avoided? Otherwise the provision of exit clause is to be made in the PPA. (ii) If the project costs are not related to CERC and no approval from CERC is required then what is the role of WBERC and who will approve the project cost? (iii) What is the view of the State Government regarding such purchase of power from NTPC? (iv) What are the views of WBSEDCL on NTPC's observations?

You are requested to send your clarification on the above.

Further, the contracted capacity in the PPA shall be incorporated in MW instead of percentage (%) as communicated in our letter no. WBERC/PPA-75/14-15/0599 dated 09.09.2014.

The Commission be kept informed of the contracted capacity in MW along with the clarifications as stated above.

Yours faithfully

(K. P. Bhar)  
Secretary

Ref No. WBERC/PPA-75/14-15/1213(j)

Dated, Kolkata, the 27<sup>th</sup> March, 2015

Copy forward to : The Addl. Chief Secretary to the Govt. of West Bengal, Dept. of Power & NES, New Secretary Buildings, 1, K. S. Roy Road, Kolkata – 700001 along with a copy of the letter no. WBERC/PPA-75/14-15/0776 dated 05.11.2004 with the request to send views of the State Government on the point raised under sl. no. 6 of our letter dated 05.11.2014.

Encl: Copy of the letter dated 05.11.2014.

(K. P. Bhar)  
Secretary

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