

The

Kolkata Gazette
समयमेव जयते

Extraordinary
Published by Authority

PAUSA 10]

MONDAY, DECEMBER 31, 2007

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WEST BENGAL ELECTRICITY REGULATORY COMMISSION

NOTIFICATION

No. 38/ WBERC

Dated 31.12.2007

In exercise of the powers conferred by sub-sections (1) and (2) of section 181 read with section 61 of the Electricity Act, 2003 (36 of 2003) and all powers enabling it in this behalf, the West Bengal Electricity Regulatory Commission hereby makes the following regulations to amend the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2007: —

1. Short Title and Commencement :

(i) These regulations may be called the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff)(Amendment) Regulations, 2007.

(ii) They shall come into force on the date of their publication in the Official Gazette.

2. In regulation 1.2.1 of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2007 (hereinafter referred to as the principal Regulations), -

(i) after clause (x), the following clauses shall be inserted :-

“(xa) “Annexure” or “Annex” means the annexure to these regulations;

(xb) “Annual Performance Review” or “annual performance review” or “APR” means the annual performance review as specified in regulation 2.6 of these regulations;”;

(ii) after clause (xxvi), the following clause shall be inserted :-

“(xxvia) “Commercial Plantation” to denote a class of consumers means supply of electricity to such consumer for watering or dewatering of plantations of a tea garden or horticulture or tissue culture or floriculture or herbal/ medicinal/ bio-diesel farming;”

- (iii) after clause (xxxix), the following clause shall be inserted:-
 - “(xxxixa) “Distribution Loss” means the difference between the energy inputs in the distribution system and the sum of energy sold, energy consumed by the licensee for its own purposes in its own premises within its area of supply and the energy delivered after wheeling by the licensee including normative technical loss of energy due to wheeling;”
- (iv) after clause (xl) , the following clause shall be inserted :-
 - “(xla) “DPR” means the detailed project report;”
- (v) after clause (lvii), the following clause shall be inserted :-
 - “(lviia) “Irrigation” to denote a class of consumers means supply of electricity to such consumers for watering or dewatering for the purpose of farming of agricultural produces in his own premises excluding those produces covered by Commercial Plantation; ”
- (vi) after clause (lxii), the following clause shall be inserted:-
 - “(lxiiia) “MYT” means multi-year tariff;”
- (vii) in sub-clause (d) of clause (lxiv), for the sign “(.)” the sign “(;)” shall be substituted;
- (viii) after sub-clause (d) of clause (lxiv), the following sub-clause shall be inserted :-
 - “ e) income from Unscheduled Interchanges;”
- (ix) for clause (lxix), the following clause shall be substituted :-
 - “(lxix) “Operation and Maintenance Expenses” or “O&M expenses” means the expenses as per regulation 4.7 of these regulations;” ;
- (x) after clause (lxxii), the following clause shall be inserted:-
 - “(lxxiia) “Power Purchase Agreement” or “PPA” means the commercial agreement between a generating company or a licensee with another generating company or licensee, as the case may be, containing the terms and conditions for purchase of electricity by a generating company or a licensee from another generating company or licensee, as the case may be.”
- (xi) after clause (lxxxi), the following clause shall be inserted :-
 - “(lxxxia) “Schedule” means the schedule to these regulations;” ;
- (xii) after clause (lxxxv), the following clauses shall be inserted:-
 - “(lxxxva) “Short Term Supply” means supply for festivals and domestic events including marriage ceremony, etc. for a period not exceeding 35 days at a stretch ;
 - (lxxxvb) “Short Term Supply for Commercial Plantation” means supply of electricity for watering or dewatering of plantations of a tea garden or horticulture or tissue culture or floriculture or herbal/ medicinal/ bio-diesel farming for a period not exceeding 180 days at a stretch;
 - (lxxxvc) “Short Term Irrigation Supply” means supply of electricity for watering or dewatering for the purpose of farming of agricultural produces excluding those produces covered by Commercial Plantation for a period not exceeding 125 days at a stretch;”
- (xiii) for clause (xci), the following clause shall be substituted :-
 - “(xci) “STU” means WBSETCL or any other Government Company as notified by the Government of West Bengal under sub-section (1) of section 39 of the Act ;”;

(xiv) after clause (xcvi), the following clause shall be inserted:-

“(xcvia) “Transmission Loss” means the difference between the energy inputs in the transmission system for transmission of electricity and energy delivered by the transmission system at delivery points including auxiliary and own consumptions of the transmission licensee.”;

(xv) for clause (c), the following clause shall be substituted :-

“(c) “Useful Heat Value” or “UHV” in relation to fuel means the established heat value of fuel based on which payments are made to the suppliers of fuel. In case of coal, where payments are made in other units, in such cases the corresponding conversion will be done as per the following formula:

$$\text{UHV} = 8900 - 138 \times (A + M),$$
 where UHV is in Kcal/Kg and A and M stand for ash and moisture content of coal respectively in percentage of coal composition; “;

(xvi) after clause (cii) the following clauses shall be inserted:-

“(ciiia) “WBSEDCL” means the West Bengal State Electricity Distribution Company Limited formed as successor distribution licensee of WBSEB under section 131 of the Act along with its generating stations;

“(ciiib) “WBSETCL” means the West Bengal State Electricity Transmission Company Limited formed as successor transmission licensee of WBSEB under section 131 of the Act;”

3. For the regulation 1.2.2 of the principal Regulations, the following regulation shall be substituted:—

“1.2.2 Words and expressions used in these regulations and not defined shall have the meanings respectively assigned to them in the Act or the Regulations made thereunder by the Commission.”

4. After regulation 2.1.7 of the principal Regulations, the following regulation shall be inserted:—

“2.1.8 Any losses incurred by a generating company or a licensee and arising out of sale of electricity for which tariff is not determined under these regulations shall not be allowed to be compensated while determining the tariff or while annual performance review is undertaken under these regulations.”

5. In regulation 2.5.1 of the principal Regulations, -

i) for sub-clause (d) of clause (iii), the following sub-clause shall be substituted,-

“(d) Combined technical and non-technical losses of licensees in terms of transmission loss for transmission licensee and distribution loss for distribution licensee.”;

ii) for clause (iv), the following clause shall be substituted:-

“(iv) ARR shall be based on the same normative operational parameters as laid down in Schedule 9A in these regulations and as mentioned in clause (iii), subject to sharing of gains for improved performance as provided for in these regulations under Schedule-9B, if any, with the consumers or any other person for whom tariff is determined under these regulations; such gains having accrued through the mechanism of Annual Performance Review:

Provided that such sharing of gains shall be computed for each normative parameter separately and shall be considered for sharing and shall be independent of actual performance of other operational parameters for which there are norms subject to conditions and limitations as specified in regulation 2.8.6 and in Schedule-9B. ”;

iii) for clause (ix), the following clause shall be substituted:-

“(ix) Any generating station of any generating company, commissioned in intermediate period of an ensuing year of a control period, will be considered for tariff determination for the remaining period of that ensuing year and determination of ARR for the remaining period of that control period on submission of application for tariff determination 130 days before the proposed date of synchronization of the generating station and the Commission may give its effect immediately or subsequently, as may be decided by the Commission.

Provided that such generating station shall go for synchronisation with all load bearing equipments available and all systems on the date of the synchronisation and accordingly the status of all equipments of such generating station is to be provided with the application for tariff determination. On the basis of the status of the equipments and other requirements as per regulations, the Commission, at its discretion, will take its decision for admitting such application for tariff determination or otherwise."

6. After the first proviso to regulation 2.5.2 of the principal Regulations, the following provisos shall be inserted:—

"Provided further that the licensee, part of whose electricity business is regulated by the Commission, shall file the application for determination of tariff according to these regulations for that part only.

Provided also that for the second control period the filing may be made thirty days before the commencement of the control period."

7. In regulation 2.5.5.3 of the principal Regulations, the following proviso shall be inserted: -

"Provided that the peak demand forecast in the perspective plan by any generating company or licensee shall take into account the diversity factor among the entities to whom the supply shall be made and such peak demand shall be considered on growth of the highest co-incident demand among all the entities to whom supply is made and on the basis of input taken from those entities to whom such supply is made."

8. For regulation 2.5.6 of the principal Regulations, the following regulation shall be substituted:-

"2.5.6 Determination of ARR and tariff under Multi-year tariff frame-work.

- (i) On the basis of an application for determination of ARR and tariff for each of the ensuing years within a control period under multi-year tariff framework, ARR shall be determined for each ensuing year of the control period on the basis of projections made and the tariff shall be determined for the first ensuing year of the control period. In determining the revenue recoverable through tariff in the first ensuing year of the control period, the variation of expenditure towards fixed costs, admissible incentives and effects of gain sharing, arising out of the annual performance review in terms of regulation 2.6 (iv), shall be adjusted with the ARR determined for the first ensuing year of a control period.
- (ii) Any variation in expenditure on account of FPPCA for a base year or an ensuing year, determined under regulation 2.8.7.1, may further be adjusted, at the discretion of the Commission, with the ARR of any ensuing year of a control period, determined under clause (i), for the purpose of determination of the total revenue recoverable through tariff in any ensuing year of a control period.
- (iii) For the second ensuing year of a control period and onwards, the Commission shall, for each ensuing year of the remaining period of that control period, determine the revenue recoverable through tariff after adjusting the variation, if any, in expenditure towards fixed costs, admissible incentives and effects of gain sharing, arising out of APR in terms of regulation 2.6 (iv), with the ARR determined for that ensuing year under clause (i) and also after adjusting the variation, if any, in expenditure on account of FPPCA of any base year or ensuing year (if the Commission so decides) with the ARR for that ensuing year determined under clause (i) and shall also determine the tariff for that ensuing year."

9. For regulation 2.5.6.3 of the principal Regulations, the following regulation shall be substituted :-

"2.5.6.3 Controllable and Uncontrollable Factors

For determination of tariff or APR or FPPCA in respect of a generating company or a licensee the expenditure on each head of account shall be considered as either controllable or uncontrollable as shown in TABLE 2.5-1 :

TABLE 2.5-1
ARR Item Characteristics of Business of Electricity of a Generating Company or a Licensee

ARR Item	“Controllable”/ “Uncontrollable” Factor
Fuel Cost subject to efficiency norms as per Schedule 9A of these regulations	Uncontrollable
Power Purchase Costs subject to efficiency norms of distribution loss and/or transmission loss as per Schedule 9A of these regulations.	Uncontrollable
Employee Cost subject to Man/ MW ratio adopted by the Commission	Uncontrollable
Interest rate & Finance Charges rate.	Uncontrollable
Depreciation	Controllable
Taxes on Income, Duties, Levies, cess, etc.	Uncontrollable
Non-tariff income	Controllable
Sale of electricity to unregulated market and to those whose purchase of electricity is not regulated by WBERC	Uncontrollable
Incentive	Uncontrollable
Foreign Exchange Rate Variation	Uncontrollable
Energy Sales Volume	Uncontrollable
Unscheduled Interchange	Uncontrollable
Rate of interest on Working Capital as per regulation 4.6.5	Uncontrollable
Insurance premium payable	Uncontrollable
Equity Base subject to ceiling as specified in regulation 4.4.2	Uncontrollable
Effect of rebate / surcharge	Uncontrollable
Income from other business	Uncontrollable
Man/ MW ratio of generating station as adopted by the Commission in pursuance to Schedule 9A	Controllable
O&M expenses as per Schedule 9A of these regulations.	Controllable
Any other item not included in above rows	As may be decided by the Commission from time to time

10. For regulation 2.6 of the principal Regulations, the following regulation shall be substituted :-

“ 2.6 Annual Performance Review

- i) A generating company or a licensee shall be subjected to an annual performance review covering annual fixed charges, incentives as per Schedule-10 and effects of gain sharing as per Schedule-9B during a control period for any ensuing year or base year. The generating company / licensee shall make an application seeking an annual performance review for annual fixed charges, incentives as per Schedule-10 and effects of gain sharing as per Schedule – 9B for an ensuing year or the base year with statutory audited data and a copy of the audited Annual Accounts for that year by November of the immediate next ensuing year of each such ensuing year or base year, as the case may be. The generating company or licensee shall provide such related information for APR as per the format for tariff application limited to the year under review for the purpose of assessing the reasons and extent of any variation in the performance from the approved projection:
 Provided that the application for APR for the base year of the first control period shall be filed at least thirty days before the commencement of the second control period.
- ii) A generating company or a licensee shall mention in the application for annual performance review, the settlement of disputed amount of energy, in case there has been a dispute, and its final implications, in detail, pertaining to the previous year(s), if any, if such settlement has taken place in the ensuing year or base year under APR. For each previous year, a separate statement shall be given. In case there is no such

settlement, the fact that there is an outstanding dispute, along with the quantum of energy in dispute shall also be mentioned specifically. Where a settlement has taken place, that fact along with the settled quantum of energy shall be taken into account to compute the incentive afresh, provided an incentive has already been allowed on the basis of the disputed energy. If the incentive already allowed is higher than the freshly computed incentive on the basis of information in the application for APR, such excess amount of incentive allowed shall be adjusted in such manner as may be decided by the Commission.

- iii) The Commission may adjust any arrear related to a year before the first control period during APR.
 - iv) The difference between the projected and actual expenditure relating to fixed costs during the year under APR, the admissible incentives as per Schedule -10 and extent of gain sharing as per Schedule – 9B shall be adjusted with the ARR of the ensuing year for which tariff order is going to be issued :
 - v) Provided that the Commission may, at its sole discretion, allow a part of amount admissible under APR and adjust the same with the ARR while making the adjustments and adjust the remaining part with the ARR of subsequent ensuing year(s).
 - vi) If a generating company or a licensee does not file an application for annual performance review for a base year or an ensuing year within the specified date, the Commission may undertake APR for that base year or ensuing year, as the case may be, suo-moto, on the basis of available records. If the Commission, undertakes APR for any base year or ensuing year suo-moto, no subsequent claim from the generating company or licensee regarding APR for that base year or ensuing year shall be entertained in future. “
11. For the proviso in regulation 2.7.1 of the principal Regulations, the following proviso shall be substituted:-
- “Provided that for the first control period and second control period, the filing may be made at least seven days and thirty days before the commencement of the control period respectively.”
12. After regulation 2.7.15 of the principal Regulations, the following regulation shall be inserted:—
- “2.7.16 For different data and information including those pertaining to generating stations, generating companies and licensees, the Commission may, at its discretion, rely on and make use of any of the documents published or issued or supplied by Government of India, Central Electricity Authority, Government of West Bengal, different State Governments and different statutory bodies formed under the Electricity Act 2003 or any other statute of the country after giving the generating company or the licensee an opportunity to express its views on the matter as to which is to be relied on. In case of any discrepancies, or contradiction or inconsistencies in data and information contained in different documents as mentioned above including the information / data submitted by the licensees or the generating companies, the Commission, at its discretion, shall accept those data that will be found by the Commission to be rational or/and reasonable.”
13. For regulation 2.8.1.4 of the principal Regulations, the following regulation shall be substituted as follows :-
- “2.8.1.4 *Investment Approval*
- 2.8.1.4.1 The approval of the Commission for investment for new generating station, commissioned after the date of publication of these regulations, is mandatory, if electricity is received directly from such generating station by any distribution licensee and who is under the purview of the Commission. Such approval shall be taken before any investment is made in order to minimize investment risk. Any subsequent revision of such investment must also be required to be got approved by the Commission before filing application for determination of tariff.

2.8.1.4.2 Such approval shall be sought in two stages. In the first stage, before procurement or placement of order for such project, the concerned generating company or the licensee shall seek 'in principle' clearance from the Commission through an application alongwith the following documents , -

- i. Detailed Project Report (DPR) of the project with :-
 - a) estimated project cost including all relevant details such as estimated cost of different packages/systems, equipments and number of such equipments in each package/system, cost of infrastructure including that of railways and others, civil works, estimated interest during project construction(IDC), land cost, projected fuel quality of fuel inclusive of average grade of coal and UHV of fuel, documents of fuel linkage, the charges for installation, commissioning, testing, erection / construction, consultancy, freight, insurance, transportation, handling, taxes and duties, mandatory initial spares, overheads, contingencies (not above 3% of total costs excluding land cost) etc;
 - b) targeted values of such operating parameters which have been mentioned in Schedule 9A and to be asked under performance guarantee from the bidders after considering the conditions of design value of those operating parameters under different operating conditions under normative PLF for a new generating stations ;
 - c) financial viability analysis of such project alongwith estimated cost/tariff of generation for the first five years after commercial operation as per these regulations;
- ii. comfort letter or Power Purchase Agreement (PPA) from the concerned person, in case of supply of power from that generating station to a person other than the owner of the generating station;
- iii. all statutory clearances except those which cannot be submitted for sufficient reasons. Such exceptions, however, shall not apply for the terms of reference for the project issued by the Ministry of Environment and Forests (MOEF) of Government of India, chimney height clearance, 'in principle' clearance of connectivity for power evacuation from appropriate authority, and concurrence of Authority where applicable;
- iv. clearances from State Planning Board and Finance Department of the State Government, in case equity is provided by the Government of West Bengal;
- v. technical specifications for the bid;
- vi. a gist of the application;

On receiving an application alongwith the required documents, the Commission shall intimate the applicant, within a fortnight from the date of submission of the application, whether the application is admitted or not admitted. In case of non admission of such investment proposal, the Commission shall intimate the applicant, in writing, the reasons for not admitting such application. If the application is admitted, the applicant shall publish the gist of the application, as may be approved by the Commission, in such manner, as may be directed by the Commission, inviting objections, suggestions and comments from the public. After considering all objections, suggestions and comments from the public, the Commission shall give its decision about 'in principle' clearance to the investment proposal for the proposed generating station preferably within 90 days from the date of admitting the application along with specific directions to the applicant, if any, that are to be followed for getting final approval of the investment proposal in the second stage.

2.8.1.4.3 In the second stage, the final approval of investment proposal shall be sought for by the concerned owner of the generating station through an application prior to placement of order(s) after conducting due competitive bidding mentioning the project cost on the basis of the agreed price with the supplier(s) and contractor(s) and mentioning the final details of all the parameter as submitted in the first stage for 'in principle' clearance of investment as mentioned in regulation 2.8.1.4.2 of these regulations. Submission of all the statutory clearances and other clearances as per clause (iii) and (iv) of regulation 2.8.1.4.2 is mandatory for obtaining final approval for investment in the second stage. The bidding documents and qualifying criteria of such competitive bidding as mentioned above for each package shall be such that at least two vendors / suppliers/ contractors qualify upto the final stage of bidding. Results of this competitive bidding will not be taken cognizance of by the Commission as one of the grounds for project cost determination unless at least two bidders are in competition upto the final stage.

Provided that in case of two part bidding consisting of evaluation of techno-commercial part as pre-condition prior to opening and evaluation of price bid, if there are only two bidders and one does not submit any supplementary price bid besides the originally submitted price bid as impact of withdrawal of deviation sought at techno-commercial stage or any modification at the evaluation of techno-commercial stage for any valid reasons, the condition of two bidders to be in competition shall be considered to be satisfied. This stipulation is project specific.

2.8.1.4.4 In the second stage, application for final approval of investment for a new generating station of the concerned generating company or the licensee shall also provide following materials with supporting papers :-

- i) the documents of clearance of fuel linkage with detail thereof or allotment of captive coal mine along with the fuel quality including of grade and UHV of such fuel;
- ii) the performance guarantee on value of different operating parameters as mentioned in Schedule 9A along with margin of deviation of such values under different operating conditions, based on fuel quality according to documents mentioned in clause (i). For a thermal generating station such guaranteed value for different operating parameters also shall include the net base turbine cycle heat rate measurable at the generator terminal after taking the impact of the generator efficiency and at preferable loading of 60%, 70%, 80%, 85%, and 90% with 3% make up on the heat value of fuel and fuel quality. The corresponding boiler efficiency is also to be submitted. For hydro generating station the design performance parameters shall also include transformation losses and cycle efficiency of pumped storage generating stations. All such information on guaranteed operational parameters shall also include the impact of aging on them during the life period of the plant;
- iii) the expected deviation of guaranteed operating parameters due to variation in fuel quality along with supporting documents and calculations are to be submitted.

2.8.1.4.5 There shall be no 'in principle' clearance or final approval, if any proposed guaranteed operating parameter of the generating station as mentioned in regulation 2.8.1.4.4 of these regulations is inferior to that of any of the equivalent existing coal fired thermal generating stations in the country unless the Commission is duly convinced through proper justifications.

2.8.1.4.6 The second stage application to the Commission for final approval of investment proposal of any generating company must be submitted along with the required power purchase agreement(s) with the licensee(s) under the purview of the Commission. Without such power purchase agreement(s) the application for final approval of investment shall not be admitted by the Commission.

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- 2.8.1.4.7 On receipt of such second stage application alongwith the required documents the Commission shall intimate the applicant within a fortnight from the date of submission of the application whether the application is admitted or not admitted. In case of non admission of such investment proposal, the Commission shall intimate the applicant, in writing, the reasons for not admitting such application alongwith necessary directions. On admitting the application, the Commission shall intimate its decision about final approval to the investment proposal, along with 'in principle' clearance to the proposed design value and guaranteed performance value of the operational parameters for the proposed generating station preferably within 30 days from the date of admitting the application along with specific directions to the applicant, if any.
- 2.8.1.4.8 On completion of the contract agreement with the bidders, the licensee or the generating company shall submit the certified copies of the contract agreement(s) related to the project of the generating station for which investment approval has been sought. Along with this contract agreement separate related documents, if any, that stipulate the performance guarantee on the operating parameters mentioned under Schedule 9A and as detailed under regulation 2.8.1.4.4 shall also be submitted. Alongwith such a submission a certified copy of approval of the Board of Directors (Board) of the generating company or licensee and the agenda papers related to such Board's approval shall also be submitted. All such documents shall be submitted within fifteen days from the date of contract agreement or the approval of the Board whichever is earlier.
- 2.8.1.4.9 Before one year of synchronisation of the said generating station the generating company or the licensee, as the case may be, shall submit all the important applicable design performance parameters such as for thermal generating station auxiliary energy consumption rate, gross station turbine heat rate at generator terminal, turbine heat rate of each unit at generator terminal, boiler efficiency of each unit, generator efficiency of each unit, along with corresponding operational parameters of design coal grade, mainsteam pressure, mainsteam temperature, condenser vacuum pressure, condenser inlet temperature, induced and forced draft level and also the different design margin for those operational parameters considered during engineering process that will have impact on the operational performance parameters for different operating conditions of 60% loading , 80% loading and 100% loading for the generating stations with 3% make up on the basis of heat value of fuel and fuel quality. In addition to this, the range of deviation of guaranteed operating parameters due to variation in fuel quality along with supporting documents and calculations are also to be submitted. For hydro generating station the design performance parameters will be for transformation losses and cycle efficiency of pumped storage generating stations. The frequency of planned maintenance of generating station and period required for such planned maintenance as recommended by the manufacturer shall also be submitted. The recommended life periods of major equipments of the generating stations are also to be provided. The generating company or the licensee shall also provide the data/ information on technical standards as specified by Authority. On the basis of such information/data, the Commission shall decide the norms of operating parameters of that generating stations for determination of tariff under these regulations for its first year of operation. Late submission of such data will lead to provisional tariff or generation cost determination on the basis of data submitted at second stage of investment approval with some reduction as a conservative measure in favour of the consumers or purchasers of electricity till all the information are submitted as sought for in this instant regulation. Such withheld amount will not be entitled for any interest in future.
- 2.8.1.4.10 The performance guarantee test is to be completed within four months from the date of synchronisation. On completion of the performance guarantee test for the generating station, the detailed results alongwith all related documents of such test shall be submitted with the application for next tariff determination or next APR, whichever is earlier, succeeding to completion of such test. Such test result shall clearly mention all the operating parameters that are under performance guarantee along with the prevailing operating conditions of such operating parameters. For non-submission of performance test guarantee result, 10% of the ARR will be kept withheld in the tariff from the year following the above said four months till such report is submitted.

- 2.8.1.4.11 The above two stage investment approval shall apply to those generating stations/units for which tenders for supply of plants and equipments have been or are to be invited after 15.10.2007.
 - 2.8.1.4.12 Where no prior investment approval has been obtained in terms of these regulations, the applicant shall also submit all the information and documents as sought for under regulation 2.8.1.4 for project cost approval with the application for tariff determination for a new generating station and the Commission shall, on the basis of submitted information approve the project cost to such extent as is found to be reasonable on the basis of information based on regulation 2.7.16 and details worked out by the Commission in respect of equivalent power stations of same vintage in the country.
 - 2.8.1.4.13 Within three years of COD of last unit of a generating station the generating company or the licensee shall submit a detailed report showing whether the provisions of different penalty(ies) or incentive(s) of contractual conditions are applied or not. The fact of waiver or non-application of penalty or incentive shall be specifically mentioned. Such analysis shall be given against each such provision specifically as stipulated in the contract. Only on submission of such reports, the final project cost of the generating station will be determined. Till submission of such report, the submitted project cost as mentioned in any tariff application will be reduced by at least 5% as per the discretion of the Commission. On submission of such report, the Commission will finally decide the project cost to be approved for capitalization for the purpose of the tariff determination.
 - 2.8.1.4.14 The norms of construction period of generating stations are included in Schedule-9C in order to control the capitalization of interest during construction as well as to provide incentive (s). “
14. In regulation 2.8.2.3 of the principal Regulations, after the last sentence, the following sentences shall be added:-
- “Each investment proposal of any distribution licensee shall also take into consideration the duty to be discharged for supplying electricity to any person who has submitted application requesting for such supply in accordance with sub-section (1) of section 43 of the Act. This aspect is to be duly reflected in the investment proposal and in case of any absence of such aspect due justification is to be provided. “
15. After regulation 2.8.2.3 of the principal Regulations, the following regulations shall be included:-
- “2.8.2.4 Any distribution licensees having its electricity business in the State only shall, before committing to bear any type of fixed cost for creation of any new asset relating to any inter-state or intra-state transmission system of any other person, obtain approval of the Commission by giving full techno-economic-commercial justification of such commitment to the satisfaction of the Commission.
 - 2.8.2.5 Notwithstanding anything to the contrary contained anywhere in these regulations, if a distribution licensee proposes purchase / supply of power from a new generating station, then the impact of such generation cost or generation tariff, as the case may be, on the aggregate revenue requirement of the distribution licensee shall be limited to the extent of such supply / purchase required to meet the demand in the area of supply of the distribution licensee concerned and without taking into consideration of the extent of gain sharing under regulation 4.15.2 at tariff determination stage of the concerned generating station for its first year of operation. However, during APR of the concerned year the extent of gain sharing under regulation 4.15.2 for the said period shall be considered for determination of recoverable revenue through tariff and the tariff shall be determined accordingly.”
16. After regulation 2.8.4.1 of the principal Regulations, the following regulations shall be included:-
- “2.8.4.2 Investment approval is also mandatory for Renovation and Modernization Programme or Life Extension Programme or Replacement Programme inclusive of retrofitting nature of any generating station, if the expenditure exceeds the ceiling as mentioned in regulation 2.8.4.1. Such approval shall be taken before any investment is made in order to minimize investment risk. Any subsequent revision of such investment must also be required to be got approved by the Commission before filing application for determination of tariff.

- 2.8.4.3 Such approval shall be sought in two stages. In the first stage, before procurement or placement of order for such project, the concerned generating company or the licensee shall seek 'in principle' clearance from the Commission through an application alongwith the Detailed Project Report specifically mentioning the following items,-
- (a) estimated project cost;
 - (b) detailed quantification of targets to be achieved through such programme with techno-economic analysis as well as cost benefit analysis of the project ;
 - (c) targeted improvement in the project, if any, in performance norms with respect to the operational parameters as specified in Schedule-9A;
 - (d) estimated time of completion of such project;
 - (e) gist of the application;

On receiving an application alongwith the required documents, the Commission shall intimate the applicant, within a fortnight from the date of submission of the application, whether the application is admitted or not admitted. In case of non admission of such investment proposal, the Commission shall intimate the applicant, in writing, the reasons for not admitting such application. If the application is admitted, the applicant shall publish the gist of the application, as may be approved by the Commission, in such manner, as may be directed by the Commission, inviting objections, suggestions and comments from the public. After considering all objections, suggestions and comments from the public the Commission shall give its decision about provisional 'in principle' clearance to the investment proposal preferably within 60 days from the date of admitting the application along with specific directions to the applicant, if any, that are to be followed for getting final approval of the investment proposal in the second stage.

- 2.8.4.4 In the second stage, the final approval of investment proposal shall be sought for by the concerned owner of the generating station through an application prior to placement of order(s) after conducting due competitive bidding mentioning the project cost on the basis of the agreed price with the supplier(s) and contractor(s) and mentioning the final details of all the parameter as submitted in the first stage for 'in principle' clearance of investment as mentioned in regulation 2.8.4.3 of these regulations. The bidding documents and qualifying criteria of such competitive bidding as mentioned above for each package shall be such that at least two vendors / suppliers/ contractors qualify upto the final stage of bidding. Results of this competitive bidding will not be taken cognizance of by the Commission as one of the grounds for project cost determination unless at least two bidders are in competition upto the final stage;

Provided that in case of two part bidding consisting of evaluation of techno-commercial part as pre-condition prior to opening and evaluation of price bid, if there are only two bidders and one does not submit any supplementary price bid besides the originally submitted price bid as impact of withdrawal of deviation sought at techno-commercial stage or any modification at the evaluation of techno-commercial stage for any valid reasons, the condition of two bidders to be in competition shall be considered to be satisfied.

- 2.8.4.5 On receipt of such second stage application along with the required documents the Commission shall intimate the applicant within a fortnight from the date of submission of the application whether the application is admitted or not admitted. In case of non admission of such investment proposal, the Commission shall intimate the applicant, in writing, the reasons for not admitting such application alongwith necessary directions. On admitting the application the Commission shall intimate its decision about final approval to the investment proposal along with 'in principle' clearance to the proposed design value and guaranteed performance value of the operational parameters for proposed generating station preferably within 30 days from the date of admitting the application along with specific directions to the applicant, if any.

- 2.8.4.6 On completion of the contract agreement with the bidders, the licensee or the generating company shall submit the certified copies of the contract agreement(s) related to the project for the generating station for which investment approval has been sought. Along with this contract agreement separate related documents, if any, that stipulate the performance guarantee on the operating parameters mentioned under Schedule 9A and as detailed under regulation 2.8.4.4 shall also be submitted. Alongwith such submission the certified copy of the approval of the Board of Directors (Board) of the generating company or the licensee and the agenda papers related to such Board's approval shall also to be submitted. All such documents shall be submitted within fifteen days from the date of contract agreement or the approval of the Board whichever is earlier. On the basis of such documents the Commission shall issue the norms of operating parameter of that generating stations for determination of tariff under these regulations for the future first year.

17. For regulation 2.8.6 of the principal Regulations, the following regulation shall be substituted:-

“2.8.6 Operating Norms and Standard of Operating Performance

- 2.8.6.1 The operating norms of different operational parameters pertaining to any year on the basis of which the annual revenue requirement of any generating station or licensee will be determined have been laid down in Schedule-9A of these regulations.
- 2.8.6.2 If the actual performance of a generating station of a generating company or a licensee in a particular year in respect of any parameter, the operating norm of which has been laid down in Schedule 9A of these regulations, is better than the norm applicable to that parameter in that year, then such gain shall be shared in the manner and with the person as specified in Schedule 9B of these regulations.
- 2.8.6.3 If the actual performance of the licensee other than for its embedded generating station(s) in a particular year in respect of any parameter, the operating norm of which has been laid down in Schedule-9A, is better than the norm applicable to that parameter in that year, then the gain, if any, originating from such better performance shall be shared in the manner and with the persons as specified in Schedule-9B of these regulations. Such gain sharing shall be applicable for the portion of the energy which is allowed to be transacted by the licensee in terms of the relevant tariff order of the Commission.
- 2.8.6.4 In addition to the gains originating from better performance which are to be shared as per regulations 2.8.6.2 and 2.8.6.3, the licensee or the generating company shall also be entitled to incentives for improved performance, if the generating company or the licensee attains or exceeds various standards of operating performance related to different parameters for a year according to principles as specified in Schedule-10 of these regulations. Such incentives for the parameters mentioned in Schedule-10 shall be independently measured for each parameter separately and will not be subject to adjustment or disallowance on any score. However, this incentive will only be allowed on claim with supporting information from the licensee or generating company concerned.
- 2.8.6.5 The sharing of gain and/or entitlement of incentive on each operating parameter as specified in regulations 2.8.6.2 to 2.8.6.4 by and/or to any generating company or licensee against each generating station shall be assessed independently for each operating parameter separately.
- 2.8.6.6 The sharing of gains and incentives as specified in regulations 2.8.6.2 to 2.8.6.4 shall be computed annually on the basis of audited accounts of the licensee or generating company submitted with the application for Annual Performance Review of the year for which incentives and gain sharing are sought for and after Annual Performance Review that amount will be adjusted with the ARR of the ensuring year for which tariff is going to be determined.

- 2.8.6.7 For any generating company or licensee, availability of installed capacity for any plant may be adjusted downward against enhanced performance of any other plant of the same generating company or the same licensee which may register capacity availability above the target availability of installed capacity, as the case may be, for the purpose of recovery of capacity charge. The plant, the enhanced performance of which will meet the short fall in availability of any other plant of the same generating company or the same licensee, shall be paid energy charge at the rate applicable to it as per relevant tariff order. If the enhanced amount of availability factor of the plant (Plant-1) which will meet the short fall in availability of any other plant (Plant-2) be EAV1 % then the corresponding amount of availability factor EAV2 % considered to compensate the shortfall of the Plant-2 will be as follows:

$$\text{EAV2 in \%} = \frac{\text{EAV1 of the concerned period} \times \text{Installed Capacity of Plant-1}}{\text{Installed Capacity of Plant-2}}$$

Provided that for any generating company or licensee where fixed charge recovery is based on normative PLF, PLF for any plant may be adjusted downward against enhanced performance of any other plant of the same generating company or the same licensee which may register generation above the target PLF, as the case may be, for the purpose of recovery of capacity charge. The plant, the enhanced performance of which will meet the short fall of PLF of any other plant of the same generating company or the same licensee, shall be paid energy charge at the rate applicable to it as per relevant tariff order. If the enhanced amount of PLF of the plant (Plant-1) which will meet the short fall in generation of any other plant (Plant-2) be PLF1 % then the corresponding amount of generation (COMP_GEN) in Million Unit considered to compensate the shortfall of the Plant-2 will be as follows:

$$\text{COMP_GEN} = \frac{\text{PLF1 of the concerned period} \times \text{Installed Capacity of Plant-1}}{\text{in MW} \times \text{Hours of the concerned period} \times 0.001}$$

Provided also that such adjustment shall be done on quarterly basis where for each year the first quarter is from April to June, the second quarter is from July to September, the third quarter is from October to December, the fourth quarter is from January to March. Performance of one quarter of any generating station cannot be used to compensate the performance of any generating stations in any other quarter.

- 2.8.6.8 All the norms as per Schedule 9A and gain sharing as per Schedule 9B shall be applicable from 01.04.2008 and all new units for which norms are not provided in Schedule-9A shall be subjected to norms after setting of such norms as has been explained in Schedule 9A.
- 2.8.6.9 In case of any Renovation and Modernisation or Life Extension Programme of any existing generating station, the said norms under Schedule 9A will be modified on the basis of submitted document at the stage of investment approval under regulation 2.8.4 of these regulations. Similarly in case of closing down of any unit of any generating station permanently the norms of the stations will be modified and for this purpose it is the responsibility of the generating station to intimate the Commission of such closing down at least three months prior to such closing down.
- 2.8.6.10 For the generating stations of any licensee, incentives as per Schedule-10 shall be applicable from the year 2008-09 subject to the capacity charge recovery and fulfilling of conditions as specified under regulation 5.4.2 of these regulations.

- 2.8.6.11 For the generating stations of any generating company the incentives as per Schedule-10 shall be applicable from the year 2008-09. For the first control period and its base year, incentives for the thermal generating stations of a generating company shall be payable at a flat rate of 25.0 paise / kwh for ex-bus scheduled energy for an ABT compliant generating stations and for a non-ABT compliant generating station actual energy generated in excess of ex-bus energy corresponding to target Plant Load Factor after excluding the power sold to person other than distribution licensee under purview of WBERC or own consumption, which is to be computed at ex-bus after considering auxiliary consumption and T&D loss, if any, on such sold energy on the basis of actual or normative whichever is higher.”
18. For regulation 2.8.7.1 of the principal Regulations, the following regulation shall be substituted:-
- “2.8.7.1 The FPPCA in respect of a generating company or a licensee shall be worked out as per the relevant formula specified in Schedule – 7. Any variation in expenditure on account of FPPCA arising out of variation of price for fuel or heat value of fuel or power purchase cost etc or an FPPCA against old power purchase liabilities, arising from earlier period's purchase of power shall be either adjusted with the ARR of the next earliest available ensuing year during the stage of tariff determination for recovery / refund through tariff or allowed to be recovered from or refunded to the consumers through a separate order of the Commission, as the Commission may decide. “
19. For regulation 2.8.7.2 of the principal Regulations, the following regulation shall be substituted:-
- “2.8.7.2 A generating company or a licensee shall submit its FPPCA claim for any year within forty five days of the completion of its accounts for that year with necessary statutory audited data and a copy of the statutorily audited Annual Accounts for that year. If a generating company or a licensee does not submit its FPPCA claim for any year within the specified date, the Commission may suo-moto undertake FPPCA for the generating company or licensee for that year on the basis of available records. If the Commission, undertakes FPPCA for any base year or ensuing year suo-moto, no subsequent claim from the generating company or licensee regarding FPPCA for that base year or ensuing year shall be entertained in future.”
20. After regulation 2.8.7.2 of the principal Regulations, the following regulations shall be inserted:-
- “2.8.7.3 The Commission may, at any time, at its discretion, allow an ad hoc fuel cost or power purchase cost provisionally in any year to a generating company or a licensee suo-moto or on the basis of an application filed by the generating company or licensee subject to adjustment of the same in the FPPCA for that year.
- 2.8.7.4 The FPPCA or an ad hoc fuel cost or power purchase cost shall be subject to efficiency norms for the year concerned.
- 2.8.7.5 If FPPCA of any earlier year is included in the ARR of any generating company or licensee for a base year or an ensuing year and there is excess or less recovery of that fuel and/or power purchase cost during that base year or ensuing year, such excess or less recovery of cost will be adjusted with the amount arrived at in FPPCA of any years, as may be decided by the Commission.”
21. For the proviso to the regulation 2.8.8.1 of the principal Regulations, the following provisos shall be substituted:-
- “Provided that the owner of the generating station shall apply to the Commission for adoption of such tariff on provisional basis showing the capacity charge and energy charge separately for different years along with all documents starting from tender/bid inviting process to final evaluation stage:
- Provided further that the bidding documents and qualifying criteria of such competitive bidding as mentioned above shall be such that at least two bidders qualify upto the final stage of bidding failing which the results of this competitive bidding will not be taken cognizance of by the Commission:

Provided further that the applicant shall provide such information as the Commission may require to satisfy itself that the guidelines issued by the Central Government have been duly followed subject to principles laid down in regulation 2.1.4:

Provided further that the special purpose vehicle formed for conducting such competitive bidding as per guidelines of the Central Government shall not have any equity in the business of the participating bidders:

Provided also that the owner of the generating station shall submit the Performance Guarantee on operational parameters and subsequent Performance Guarantee Test result to the Commission for final adoption of the tariff. “

22. After regulation 2.8.8.1 of the principal Regulations, the following regulation shall be inserted:-

“2.8.8.2 The generating station whose tariff has been adopted as a result of competitive bidding in pursuance to regulation 2.8.8.1 of these regulations, shall not be subjected to any APR or any gain sharing as per Schedule -9B or incentive as per Schedule-10 of these regulations. ”

23. For the first proviso to regulation 2.9.1 of the principal Regulations, the following proviso shall be substituted:-

“Provided that for the first control period and second control period, the filing may be made at least seven days and thirty days before the commencement of the control period respectively. ”

24. After regulation 2.10.7 of the principal Regulations, the following regulation shall be inserted:—

“2.10.8 If in any tariff order there is no express provision, or express direction in respect of any matter that has been covered by an express provision or direction in an earlier tariff order or as per condition of supply of licensee prior to coming into force of the Act or as per any order of Appropriate Government prior to coming into force of the Act, the latter shall be deemed to have a continuing effect, until such provision or direction is altered, modified or discontinued by fresh directions in a subsequent tariff order. However, such change shall be applicable prospectively from a date to be fixed by the Commission.

2.10.9 If in any tariff order there is no express provision, or express direction in respect of any matter that has been covered by an express provision of these regulations, then the provision of such regulation will be considered as part of the tariff order.”

25. For regulation 3.1.1 of the principal Regulations, the following regulation shall be substituted:-

“3.1.1 To promote demand side management, tariff for consumer may be differentiated by the Commission on the basis of time at which supply is required subject to the condition that the average price of electricity drawn under any such TOD tariff scheme by a consumer in a day shall be lesser than the non TOD tariff scheme applicable for him, if such drawal is at same level throughout the day. “

26. After regulation 3.2.3 of the principal Regulations, the following regulation shall be inserted :-

“3.2.4 The said differentiation of tariff according to regulations 3.2.1 and 3.2.2 shall be based on differentiation of capacity charge for a generating station and annual fixed charge per unit of supply by a licensee. ”

27. For regulation 3.8 of the principal Regulations, the following regulations shall be substituted, -

“3.8 Treatment of Power Factor

3.8.1 The Commission may direct certain class of consumers to maintain power factor at a stipulated level, as may be decided by the Commission, and allow incentive or impose penalty through rebate or surcharge for maintaining power factor above or below the stipulated level, as the case may be.

3.8.2 The power factor rebate or surcharge shall be on energy charge only.”

28. For regulation 3.9 of the principal Regulations, the following regulation shall be substituted: —

“3.9 Treatment of Load Factor

- 3.9.1 The Commission may direct certain class of consumers to maintain load factor at a stipulated level, as may be decided by the Commission, and allow incentive or impose penalty through rebate or surcharge for maintaining load factor above or below the stipulated level, as the case may be.
- 3.9.2 For the purpose of billing, the load factor of a consumer for a billing month shall be determined according to the following formula:

$$\text{Load Factor (\%)} = \frac{\text{Energy consumed in Kwh for the billing month} \times 100}{\text{No. of days in the billing month} \times 24 \text{ hrs} \times \text{maximum demand in the billing month}}$$

Where

- i) Maximum demand in the billing month is the recorded maximum demand in the billing month or contract demand whichever is higher.
- ii) If the Maximum Demand is in KVA, it shall be converted into KW by using the formula : $KW = KVA \times PF$, where PF is the power factor. For such computation PF shall be considered as average power factor of the month when contract demand is the maximum demand. However, when maximum demand represents actual recorded demand or when actual recorded demand is equal to contract demand, PF will be the actual average power factor of the time block corresponding to the period of recording the maximum demand.

29. For regulation 3.13 of the principal Regulations, the following regulation shall be substituted:-

“3.13 Generally, the following time strata are to be considered as normal, peak and off-peak periods:

- (i) Time between 06-00 hours and 17-00 hours of the same day shall be treated as the normal period;
- (ii) Time between 17-00 hours and 23-00 hours of the same day shall be treated as the peak period;
- (iii) Time between 23-00 hours of the same day and 06-00 hours of the following day shall be treated as the off-peak period.

Provided that the Commission may, on consideration of the system peculiarities of any specific licensee or any other relevant factor, determine a different set of time strata for any specific licensee or any specific generating station for the purpose of effecting generation or supply to any particular class of consumers or to all consumers or licensees or any other persons”

30. After Chapter-3 of the principal Regulations, the following chapter shall be inserted :—

“CHAPTER -3A

TARIFF COMPONENTS AND OTHER ELEMENTS RELATED TO CONSUMER

3A.1 Components of Tariff

- 3A.1.1 The charges for the electricity supplied by a distribution licensee to a consumer shall generally consist of anyone or more of the following:

- (a) fixed charges;
- (b) demand charges;
- (c) minimum charges;
- (d) energy charges for electricity supplied.

Such charges for electricity may be determined either in the form of a single part tariff or a two part tariff.

- 3A.1.2 Rent for meter or any other equipment(s) provided by the licensee at the premises of a consumer and other charges are non-tariff charges that shall be determined by the Commission. While submitting an application for tariff determination or APR, the licensees shall provide existing meter charges in the Form 2.8 of these regulations for all classes of consumers inclusive of those mentioned in the Annexure C1 of these regulations and a separate list covering other charges.
- 3A.2.1 Fixed charges, which will be applicable for LV and MV consumers having contract load below 30 KVA and quantified in terms of per KVA/month, shall be based on contract demand.
- 3A.2.2 The ceiling of the fixed charge against each KVA of contract demand of a consumer of a licensee for a month shall be FC_UL where

$$FC_UL = \frac{\text{Annual Fixed Charge in rupees for the licensee for the ensuing year}}{(\text{Projected peak demand of the licensee in KVA for the ensuing year based on projected sale of its electricity to its consumers in that year}) \times 12}$$

Where projected peak demand of the licensee in KVA based on sale of electricity to the consumer in the ensuing year as mentioned in denominator is computed by reducing the projected maximum system peak demand, projected on the basis of past trend, by the amount proportionate to normative average distribution loss of that ensuing year and using power factor as 0.85.

- 3A.2.3 While determining the tariff the Commission may change the Fixed Charges for an ensuing year at a rate not more than 100% of the said charges of the base year or the preceding ensuing year of the control period in the cases where such charges exist. However, for a class of consumers for whom no such fixed charges exist, the Commission can introduce such charges at a rate not higher than that of the highest rate applicable for any other class of consumers.
- 3A.2.4 For fixed charge computation of any consumer, contract demand below 1 KVA shall be treated as 1 KVA.
- 3A.3.1 Demand Charges will be applicable to all HV and EHV consumers and also to those LV and MV consumers who have contract load of 30 KVA or above.
- 3A.3.2 The ceiling of monthly Demand charge against each KVA of contract demand of a consumer of a licensee for a month will be DC_UL where

$$DC_UL = \frac{\text{Demand /Capacity Charges in rupees to be paid annually as per agreement by licensee with other licensee or generating company irrespective of power drawn or not from them.}}{(\text{Projected peak demand of the licensee in KVA for the ensuing year based on projected sale of its electricity to its consumers in that year}) \times 12} + FC_UL$$

and FC_UL is as defined in regulation 3A.2.2. The denominator of the first term in the above formula is computed in the same method as specified in the regulation 3A.2.2.

- 3A.3.3 The demand charge shall be based on the data available from the recording in consumer's meter of average supply in terms of demand for every 15 minutes time block as is applicable under ABT mechanism. In order to meet the need of technological upgradation of the meter the existing system of half hourly recording may continue upto 31st March 2009.
- 3A.3.4 While determining the retail tariff applicable to the consumers, the Commission may change the demand charge for an ensuing year at a rate not exceeding 20% of the said charge of the base year or the preceding ensuing year of the control period in the cases where demand charges exist. However, for a class of consumers for whom no such demand charges exist, the Commission can introduce such charges at a rate not higher than the highest rate applicable for any other class of consumers.

- 3A.3.5 Demand Charge shall be levied on the basis of maximum demand, recorded during the month or 85% of the contract demand whichever is higher.
- 3A.3.6 No Demand Charge shall be payable by any consumer for that period when load of the consumer is totally shed / interrupted because of any fault of the licensee or its system. If the supply of a consumer is disconnected by a distribution licensee at the request of the consumer or where the disconnection of supply has been effected by the distribution licensee for no fault of the consumer, no fixed charge or demand charge, as the case may be, shall be payable by such consumer for such period for which the supply remains disconnected. However, such exemption from demand charge shall not be available if the interruption is caused by grid failure or automatic under-frequency relay tripping or any force majeure event not related to licensee, or due to disconnection of supply for any fault on the part of the consumer. If the supply is disconnected by the distribution licensee at the request of the consumer, the agreement of supply with the consumer shall stand terminated from the date of disconnection. This is, however, without any prejudice to any other compensation if the consumer is entitled to such compensation because of applicability of any other law for the time being in force or the Electricity Act 2003 or the Regulations made thereunder.
- 3A.3.7 If a consumer, having a captive generating plant, takes supply of energy from a distribution licensee in respect of the premises where electricity is drawn from its captive generating plant and also sells surplus energy from that captive generating plant to the distribution licensee, the demand charge of such consumer shall not be more than 50% of the applicable rate of demand charge for such category of consumers subject to the following conditions:-
- i) there shall be firm allocation of surplus capacity of the captive generating plant for sale of energy to the distribution licensee and that shall not be less than 5MW;
 - ii) total surplus generation from that captive generating plant is sold to the distribution licensees within the state.
 - i) tariff of such surplus energy from that captive generating plant to be sold to the distribution licensee shall be determined by the Commission on normative parameters as specified or will be specified in Schedule-9A or stipulated in relevant tariff order;
 - ii) a PPA shall be executed by such consumer for sale of such energy from his captive generating plant to the distribution licensee for a period not less than ten years.
 - iii) the owner of the captive generating plant shall submit the relevant documents to the said distribution licensee every year to whom the reduced demand charges are payable for proving the status of captive generation as per provision of the Act and rules or regulations framed thereunder and consequently found to be maintaining status of Captive Generating Plant as per the statute.
- 3A.7 If a consumer consumes power in excess of his contract demand, he shall be liable to pay extra charges as stipulated below.
- 3A.7.1 If the highest demand of any non-TOD HV/EHV consumer recorded in a month exceeds his contract demand, he shall be liable to pay demand charge at the applicable rate for that non-TOD HV/EHV consumer in question. In addition, he will be also liable to pay an additional demand charge at the rate of 60% of the demand charge for the additional demand being the difference between the recorded highest demand and his contract demand. Excess energy drawal corresponding to the aforesaid excess demand shall be billed at the rate of energy charge applicable for such consumer.
- 3A.7.2 In case the highest demand of any HV/EHV consumer under TOD tariff exceeds the contract demand in any month, the demand charge as mentioned in the tariff schedule of the tariff order for any year shall apply on highest demand for that month. In addition, the demand of power in excess of sanctioned contract demand in any period of time shall attract the additional demand charge for the said excess demand for such consumer, and the same shall be calculated according to the following formulae:

- i) In case the highest demand during normal period exceeds the contract demand

$$ADC_{ED} = 0.2 \times (D_{act} - D_{cont}) \times DC$$
- ii) In case the highest demand during peak period exceeds the contract demand

$$ADC_{ED} = 0.5 \times (D_{act} - D_{cont}) \times DC$$
- iii) In case the highest demand during off-peak period exceeds the contract demand
- When $D_{act} > D_{cont}$ and $D_{act} \leq 1.3 \times D_{cont}$

$$ADC_{ED} = 0.01 \times (D_{act} - D_{cont}) \times DC$$
 - When $D_{act} > 1.3 \times D_{cont}$ and $D_{act} \leq 1.5 \times D_{cont}$

$$ADC_{ED} = [0.01 \times 0.3 \times D_{cont} + 0.1 \times (D_{act} - 1.3 \times D_{cont})] \times DC$$
 - When $D_{act} > 1.5 \times D_{cont}$

$$ADC_{ED} = [0.01 \times 0.3 \times D_{cont} + 0.1 \times 0.2 \times D_{cont} + 0.2 \times (D_{act} - 1.5 \times D_{cont})] \times DC$$
- iv) In the formulae (i), (ii) and (iii) mentioned above, the abbreviations have the meanings as given below:
- ADC_{ED} = Additional Demand Charge for demand of power in excess of sanctioned contract demand during the billing period.
- D_{act} = Actual highest demand of power in respective time period.
- D_{cont} = Sanctioned Contract Demand of the consumer.
- DC = Rate of Demand Charge as per the tariff order for the relevant category of consumer.
- v) In case demand of power exceeds sanctioned contract demand in more than one time period, computation of Additional Demand Charge (ADC_{ED}) shall be done for each such time period and the highest among such computed additional demand charge for different time periods shall be chargeable.
- vi) Excess energy drawal corresponding to any excess demand shall be billed at the applicable energy charge for such consumer.

3A.7.3 In case the highest demand of power of any consumer belonging to HV or EHV category, who pays only energy charges but no demand charges, exceeds the sanctioned contract demand in any month, the additional charge payable on excess energy consumed which shall be in addition to the energy charges for respective category of consumers, shall be as follows.

3A.7.3.1 For HV/EHV consumers under non-TOD tariff scheme, drawal of power in excess of sanctioned contract demand shall attract additional energy charge which shall be in addition to the energy charge payable for the actual energy drawn during the billing period. The additional energy charge shall be 50% of the energy charge that has been made applicable to the respective category of consumers by the relevant tariff order and shall be levied on the quantum of energy by which the recorded consumption of energy exceeds the energy calculated on the basis of sanctioned contract demand, average load factor of the billing period, average power factor (where contract demand is expressed in KVA) of the billing period and the applicable hours during the billing period.

3A.7.3.2 For HV/EHV consumers under TOD tariff, drawal of power in excess of sanctioned or contract demand shall attract additional energy charge for the said excess drawal and the same shall be calculated in accordance with the following formulae:

i) During Normal Period

$$AEC_{nor} = 0.2 \times (E_{nor} - D_{cont} \times LF \times PF \times H_{nor}) \times EC_{nor}$$

$$\text{If } AEC_{nor} < 0, \text{ then } AEC_{nor} = 0$$

ii) During Peak Period

$$AEC_{peak} = 0.5 \times (E_{peak} - D_{cont} \times LF \times PF \times H_{peak}) \times EC_{peak}$$

$$\text{If } AEC_{peak} < 0, \text{ then } AEC_{peak} = 0$$

iii) During Off-Peak Period

$$\text{When } E_{offpeak} > D_{cont} \times PF \times H_{offpeak} \text{ and } E_{offpeak} \leq 1.3 \times D_{cont} \times PF \times H_{offpeak}$$

$$AEC_{offpeak} = 0.01 \times (E_{offpeak} - D_{cont} \times PF \times LF \times H_{offpeak}) \times EC_{offpeak}$$

$$\text{When } E_{offpeak} > 1.3 \times D_{cont} \times PF \times H_{offpeak}$$

$$AEC_{offpeak} = \{0.1 \times (E_{offpeak} - 1.3 \times D_{cont} \times PF \times LF \times H_{offpeak}) + 0.1 \times 0.3 \times D_{cont} \times PF \times LF \times H_{offpeak}\} \times EC_{offpeak}$$

$$\text{If } AEC_{offpeak} < 0, \text{ then } AEC_{offpeak} = 0$$

iv) During the billing period, additional energy charge shall be

$$AEC_{ED} = AEC_{nor} + AEC_{peak} + AEC_{offpeak}$$

v) In the above formulae in (i), (ii), (iii) & (iv), the abbreviations stand for the meanings as given below:

AEC_{ED} = Additional energy charge for drawal of power in excess of the sanctioned contract demand during the billing period

AEC_{nor} = Additional energy charge for drawal of power in excess of the sanctioned contract demand during the normal period in the billing period

AEC_{peak} = Additional energy charge for drawal of power in excess of the sanctioned contract demand during the peak period in the billing period

$AEC_{offpeak}$ = Additional energy charge for drawal of power in excess of the sanctioned contract demand during the off-peak period in the billing period

E_{nor} = Actual energy drawn during the normal period in the billing period

E_{peak} = Actual energy drawn during the peak period in the billing period

$E_{offpeak}$ = Actual energy drawn during the off-peak period in the billing period

H_{nor} = Number of hours in the normal period during the billing period

H_{peak} = Number of hours in the peak period during the billing period

$H_{offpeak}$ = Number of hours in the off-peak period during the billing period

D_{cont} = Sanctioned Contract Demand of the consumer.

EC_{nor} = Applicable Rate of Energy charge as per the relevant tariff order for the respective category of consumers during normal period

EC_{peak} = Applicable Rate of Energy charge as per the relevant tariff order for the respective category of consumers during peak period

$EC_{offpeak}$ = Applicable Rate of Energy charge as per the relevant tariff order for the respective category of consumers during off-peak period

LF = Average Load Factor of the consumer during the billing period

PF = Average monthly power factor during the billing period and applicable where contract demand is expressed in KVA .

3A.7.3.3 The aforesaid additional energy charge shall be payable in addition to the amount which will be payable as energy charge for consumption of energy actually drawn during the billing period.

3A.8 In absence of non availability of demand in KVA the said demand shall be converted from KW by considering average power factor of the concerned period or a power factor of 0.85 if the average power factor cannot be calculated because of non-availability of data.

3A.9 No consumer shall be made to pay both demand charge and fixed charge simultaneously.

3A.10 Notwithstanding anything to the contrary contained anywhere in these regulations, in cases where no consumption of energy has taken place for any reasons whatsoever including disconnection of supply due to fault on the part of the consumer but excluding instances of interruption in supply due to failure on the part of the licensee, the fixed charge or demand charge of a consumer, as the case may be, shall be calculated on the basis of the contract demand.

3A.11 When a licensee bills a consumer for consumption of electricity covering only a part of a month caused by discontinuance of consumership before the expiry of a full month, the computation of fixed charge or demand charge shall be made for the entire month.

3A.12 Tariffs for consumers having optional TOD-Tariff scheme in LV& MV category with different tariff for different slab of consumption, shall be computed on the basis of the following formula:

Total Energy charge for a billing period = $R_{TOD} \times \text{Energy Consumed during the billing period}$.
Where

$$R_{TOD} = R \times (C_{\text{normal}} + C_{\text{peak}} \times 1.35 + C_{\text{off-peak}} \times 0.70)$$

$$C_{\text{normal}} = \frac{\text{Energy consumption during normal period in the billing period}}{\text{Total energy consumption during the billing period}}$$

$$C_{\text{peak}} = \frac{\text{Energy consumption during peak period in the billing period}}{\text{Total energy consumption during the billing period}}$$

$$C_{\text{off-peak}} = \frac{\text{Energy consumption during off-peak period in the billing period}}{\text{Total energy consumption during the billing period}}$$

Total energy charge computed on the basis of normal non- TOD

$$R = \frac{\text{tariff rate in the billing period}}{\text{Total Energy consumed in the billing period}}$$

Normal period, peak period and off peak period shall be such as defined in regulation 3.13.

3A.13 For any class of the consumers for whom minimum charge is stipulated in the tariff order, such minimum charge shall be applicable when the sum of the energy charge and fixed charge including rebate/surcharge (except rebate for timely payment) is less than the minimum charge for that billing period.

3A.14 The rates of the applicable delayed payment surcharge arising from non-payment of electricity charges as also other charges by a consumer shall be 1.25% per month of delay or pro-rated for part thereof upto 3 months of delay, at 1.5% 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% 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. This delayed payment surcharge is without prejudice to the provisions of disconnection under the Act and the Regulations made thereunder.

- 3A.15 For the purpose of these regulations, the Contract Demand shall mean any of the following words that has been provided in the agreement between the consumers and the licensee such as connected aggregated installed capacity or installed load or sanctioned load or connected load based on recorded energy and average load factor of such category of consumers or any other expression to that effect."
31. In regulation 4.1 of the principal Regulations, -
- (i) for the sub-clause (a) of clause (iii), the following sub-clause shall be substituted:
- "(a) The capital expenditure incurred by a licensee or a generating company in any financial year, being a part of a capital building project spanning a number of financial years, shall be, subject to prudent check by the Commission, considered in terms of the instant regulations:
- Provided that the aforesaid stipulations shall apply to such capital building projects that have been initiated on, or after these regulations have come into force:
- Provided also that only such capital expenditures that have resulted in both building and full operationalisation of one or more capital asset(s) which is/are components of the total capital building project referred to above shall qualify to be considered for this purpose.";
- (ii) in clause (iii), except sub-clause (a), for the word "licensee" wherever they appear, the words "licensee or generating company" shall be substituted.
32. For clause (ii) of regulation 4.2.7 of the principal Regulations, the following clause shall be substituted:—
- "(ii) Any expenditure incurred on replacement of old assets shall be capitalized subject to satisfaction of the condition in sub-clause (a) of clause (iii) of regulation 4.1 and such capitalization shall be considered after writing off the gross value of the original assets from the original capital cost."
33. After regulation 4.2.7 of the principal Regulations the following regulation shall be inserted :-
- "4.2.8 The licensee shall submit the list of capital assets that are to be capitalized in terms of sub-clause(a) of clause (iii) of regulation 4.1 of these regulations showing the capital value of the capitalized assets alongwith the operational status of full commissioning or quantifiable partial commissioning of those assets clearly. "
34. For regulation 4.6 of the principal Regulations, the following regulation shall be substituted,-
- " 4.6 Calculation of some elements of Fixed charges"**
35. For regulation 4.6.1.2 of the principal Regulations, the following regulation shall be substituted:-
- "4.6.1.2 Return on equity for a distribution licensee shall be computed on the equity capital determined in accordance with these regulations and applicable rate will be one percent higher than the rate which is applicable as per relevant Regulations of CERC for a generating station of a generating company:
- Provided that such additional one percent return on equity as specified above for distribution licensee shall be applicable for the equity contribution related to distribution assets only."
36. After regulation 4.6.1.3 of the principal Regulations, the following regulations shall be inserted:-
- " 4.6.1.4 Any of the hydro-generating stations, excluding pumped storage hydro generating station, with allocated installed capacity of 100 MW or above under the purview of the Commission shall be entitled to additional return on equity of 4% more than what has been provided for in this behalf by the CERC for hydro-generating stations for supply of electricity to distribution licensees:

Provided that if such hydro-generating station is not owned by the concerned distribution licensee who is taking the supply, then for entitlement to such additional return on equity there shall be a long term agreement of supply including a PPA covering a period of supply not less than 20 years:

Provided also that for such hydro-generating stations regulation 4.6.1.3 shall not be applicable.

4.6.1.5 While computing return on equity for a generating company or a licensee, those equity capital against the tangible assets only shall be considered if such assets are duly recorded in the asset register and have been fully commissioned and are under operation. The equity for any intangible asset will be considered for computation of return on equity if such asset is duly recorded in the asset register and is in use. The equity for receiving any services will be considered for computation of return on equity if such services are actually received and intangible asset concerned for such services is duly recorded in the asset register.

4.6.1.6 In case, any asset of a licensee or a generating company remains inoperative for more than three months at a stretch, resulting in discontinuance of flow of electricity through or from such asset during that period, then the return on equity proportionate to such asset will be fifty percent for the period it remains inoperative and the share will be adjusted with the ARR during determination of ARR or after APR, as the case may be. Similarly, if any asset remains inoperative for a period exceeding six months at a stretch, then the return on equity proportionate to such asset will be nil for the period it remains inoperative and it will be adjusted with the ARR during determination of ARR or after APR, as the case may be."

37. In regulation 4.6.2 of the principal Regulations, after clause (vii), the following clause shall be inserted:—

"(viii) In case of any asset remains inoperative for more than three months continuously in a financial year, the depreciation related to such an asset shall be reduced on proportionate basis for the period it remains inoperative and such reduction shall be adjusted in due course and it will be adjusted with the ARR during determination of ARR or after APR, as the case may be."

38. After regulation 4.6.3.2 of the principal Regulations, the following regulation shall be inserted :-

"4.6.3.3 In case, any asset remains inoperative for more than three months continuously in a financial year, the advance against depreciation related to such asset shall be reduced on proportionate basis for the period it remains inoperative and such reduction shall be adjusted in due course and it will be adjusted with the ARR during determination of ARR or after APR, as the case may be, and in consequence, any interest or penalty or any other item payable by the owner of the asset for any default in loan repayment shall not be allowed in future. "

39. After clause (v) of regulation 4.6.4.2 of the principal Regulations, the following clause shall be inserted :-

"(vi) No interest during construction for any unit of a generating station shall be allowed to be capitalized for the period beyond the schedule date of commercial operation (COD) as set out in the contract agreement of boiler and/or turbine-generator or the COD as per norms under Schedule-9C, whichever is earlier. For common assets covering more than one unit of the generating station, it will be considered on the basis of proportional allocation to the installed capacity of the unit concerned with reference to the total installed capacity of the project under consideration. Such interest during construction, which has been disallowed to be capitalized, shall also not be allowed to be recovered subsequently through tariff in any form:

Provided that if the Commission is satisfied that the time over run of any project was due to force majeure event including natural calamities or geological surprise in case of hydro generating stations or any reasons beyond the control of the licensee or generating company, the Commission, at its discretion, may allow full or part of such interest to be capitalized."

40. For regulation 4.6.5.1 of the principal Regulations , the following regulation shall be substituted:—
- “4.6.5.1 The working capital requirement shall be assessed on normative basis @ 18% on summation of annual fixed charge, fuel cost and power purchase cost reduced by the amount of depreciation, deferred revenue expenditure, return on equity and other non cash expenditures such as, the provision for bad-debt, reserve for unforeseen exigencies, special appropriation against any withheld amount of previous year, arrear on account of adjustment due to Annual Performance Review , FPPCA, etc of a generating company or a licensee, as the case may be.”
41. After regulation 4.6.5 of the principal Regulations the following regulation shall be inserted:—
- “4.6.6 For any licensee or a generating company where rental or lease rental charge has been allowed on any of its assets, such asset shall be entitled to depreciation or advance against depreciation to an extent it is reduced by the amount of rental or lease rental charge from the computed depreciation or advance against depreciation in pursuance of these regulations, since the lease and rental charge will be considered separately under these regulations. In case the lease or rental charges is higher than the depreciation or advance against depreciation, such depreciation charge, shall be nil for the asset which is under lease or rental for the period as per the existing agreement of lease or rental. ”
42. For the clause (i) of the regulation 4.7.2 of the principal Regulations, the following shall be substituted:-
- “(i) Rent and lease charges”
43. After regulation 4.8.1 of the principal Regulations, the following regulation shall be inserted:—
- “4.8.2 In case of any increase in price of fuel or railway freight at any time after issue of a tariff order for a year and at least three months before the filing of an application for FPPCA for that year, as the case may be , the Commission may, in order to reduce future tariff rise , allow provisionally an *ad hoc* fuel cost and/or power purchase cost either suo moto or on the basis of an application filed by a generating company or a licensee subject to final determination of such charges on receiving application for determination of FPPCA for the year. “
44. In clause (iv) of regulation 4.15.2 of the principal Regulations, for the words , figures and sign “financial year 2011-12” the words “fourth control” period shall be substituted.
45. After clause (vi) of regulation 4.15.2 of the principal Regulations, the following clauses shall be inserted :-
- “(vii) In respect of the period prior to coming into force of these regulations , the sharing of any gain out of such income as mentioned in clauses (i) to (vi) during such period shall not be recovered, if such gain is invested by the licensee or the generating company for its business.
- (viii) Notwithstanding anything to the contrary contained in clauses (i) to (vi), the Commission may in order to avoid future irregular variation in tariff, at its discretion, direct a generating company or a licensee to create a fund to be known as Power Purchaser Fund and credit any or full share of the consumers/power purchaser arising out any provision contained in clause (i) to (vi) or part thereof to that Power Purchaser Fund. The amount in the Power Purchaser Fund shall be considered as regulatory liability and may be used to control hike in tariff in future. The generating company or licensee shall maintain separate accounts of the Power Purchaser Fund, get such accounts audited by a certified Auditor, and submit such audited report to the Commission every year. ”
46. For the regulation 4.16.1 of the principal Regulations, following regulation shall be substituted :-
- “ 4.16.1 The amount of generation of a thermal generating station used to offset the lower performance of any other generating station as per regulation 2.8.6.7 of these regulations shall not be entitled for consideration of the incentive as per paragraph 1 of Schedule-10.”

47. For the regulation 4.17 of the principal Regulations, following regulation shall be substituted:-

“4.17 Income from Unscheduled Interchange(UI) Charges:

- 4.17.1 For a generating station of a generating company or a distribution licensee UI charges receivables on actual basis for any previous year or base year or ensuing year shall be considered as income after adjusting payable UI charges with receivables UI charges for the period of the previous year or the base year or the ensuing year concerned.
- 4.17.2 A generating company shall be allowed to retain the net receivable UI charges for a base year or an ensuing year.
- 4.17.3 For a distribution licensee the net receivable UI charges for a previous year or base year or an ensuing year, as the case may be, shall be shared equally between the consumers and the distribution licensee from the fourth control period. In the intervening period the extent of such sharing shall be as may be decided by the Commission.”

48. After regulation 4.17 of the principal Regulations, the following regulations shall be inserted:—

“4.18 Annual Fixed Charges

- 4.18.1 The Annual fixed charges consist of Return on equity, Depreciation, Advance Against Depreciation, Financing Cost, Interest on Working Capital, Operation and Maintenance Expenses, metering charges, Employee Cost, Bad and Doubtful Debt, Reserve for Unforeseen Exigencies, Foreign Exchange Rate Variation, Income Tax, other taxes, water cess, duties, amortization of intangible assets and insurances.

4.19 Development Fund

- 4.19.1 The Commission, at its discretion, may allow a generating company or a licensee to make a provision in its annual revenue requirement, not exceeding 5% of its annual fixed charge, for development of its infrastructure directly related to equipment for generating stations or for transmission network or for distribution network for supply of electricity to the licensees or consumers, as the case may be, and to recover the same through tariff.
- 4.19.2 The amount so allowed for recovery through tariff under regulation 4.19.1 shall be kept in a fund to be known as Development Fund to be created by the generating company or licensees, as the case may be, and utilised exclusively for the purposes mentioned in regulation 4.19.1 of these regulations.
- 4.19.3 The assets created from the Development Fund shall be maintained under a separate asset register with proper book value under prudent accounting practice along with unique codification of each asset separately.
- 4.19.4 Accounts of the Development Fund shall be maintained separately, audited by certified Auditor and the Audit Report shall be submitted to the Commission every year.
- 4.19.5 For the assets created through such “development fund” no return on equity shall be allowed but interest at a rate 2% less than the rate of interest allowed on working capital shall be allowed and the same shall be deposited in the development fund for reinvestment.
- 4.19.6 The depreciation on such assets created through such Development Fund shall be deposited in the Development Fund for reinvestment.”

49. For regulation 5.1.1 of the principal regulations, the following regulation shall be substituted :-

- “5.1.1 The generating stations of a generating company, will be presently under availability based tariff and also under UI mechanism as shown in Annexure-B. Capacity charge recovery for these generating stations of WBPDCCL at present will be based on 100% allocation of the capacity to WBSEDCL till any other decision is taken by the State Government. Thus capacity charge recovery by WBPDCCL shall be at present from WBSEDCL only.

From the second control period the recovery of capacity charges based on availability shall also be applicable for thermal generating stations of those licensees who satisfy the conditions specified in the regulation 5.4.2 of these regulations and will be guided by regulation 5.4.2. From the second control period the recovery of capacity charges based on availability will also be applicable for hydro generating stations of licensees for station size above 25 MW that includes Rammam HEP, Teesta canal fall HEP, Purulia Pumped Storage Project and Jaldhaka HEP subject to the conditions laid down in regulation 5.4.2 of these regulations. Capacity charge recovery for the generating stations of any distribution license will be based on 100% allocation of the capacity to the distribution licensee itself which owns the generating stations. The requirement of capacity charge recovery for those generating stations by the distribution licensee shall be considered as integral part of the aggregate revenue requirement of the distribution licensee, the lone beneficiary of those generating stations, on the basis of the normative availability factor of those generating stations as specified in Schedule 9A. “

50. In regulation 5.3.2 of the principal Regulations, for the figure “5.3.1” the word and figures “regulation 5.3.1” shall be substituted.
51. In regulation 5.3.3 of the principal Regulations, for the word and figures “item 5.3.1” the word and figures “regulation 5.3.1” shall be substituted.
52. After regulation 5.3.5 of the principal Regulations, the following regulations shall be inserted :-
 - “5.3.6 The PPA between /among the entities, as provided in regulation 5.3.1 of these regulations, in relation to supply of electricity, shall be submitted to the Commission within a fortnight of completion of such document.
 - 5.3.7 New generating station of any generating company shall not be allowed to supply electricity to any licensee under the purview of the Commission in line with regulation 5.3.1 of these regulations unless the Commission gives express clearance for supply of electricity on submission of PPA to the Commission.
 - 5.3.8 Notwithstanding anything to the contrary contained in any provisions anywhere else in these regulations, the tariff for supply of electricity from any licensee to any other licensee after 31st October of 2007 shall not be determined by the Commission unless any power purchase agreement exists between the licensees for the projected period of supply within the concerned control period and has been approved by the Commission.
 - 5.3.9 Notwithstanding anything to the contrary contained in any other provision anywhere else in these regulations, the tariff for supply of electricity from any generating station of a generating company to any licensee shall not be determined by the Commission unless a power purchase agreement exists between the generating company and the licensee for the projected period of supply within the concerned control period and the same has been approved by the Commission.”
53. After regulation 5.4.1 of the principal Regulations, the following regulation shall be inserted :
 - “5.4.2 From the second control period, the recovery of capacity charges for all the generating stations of the licensees and generating companies shall be against the normative availability for which the schedule of availability for all the 15 minutes time block shall be provided to the SLDC directly by each generating station of a generating company or by the ALDC in respect of a licensee’s generating stations for recording and subsequent demonstration of their declared capacity as mentioned in regulation 5.7 of these regulations and for this purpose the licensees/ generating companies shall also provide on-line monitoring display arrangement of generation/sent-out of the generating stations along with dedicated voice communication at SLDC to meet the need of regulation 5.7 of these regulations and also paragraph 2 and 5 of Schedule-10 of these regulations for incentives. While submitting the availability schedule by the ALDC of any licensee for the generating stations of the licensee to the SLDC, ALDC shall also provide the schedule of injection by those generating stations. For subsequent revision in availability schedule and/or injection schedule for such generating stations of the licensee, the ALDC of the licensee shall follow the methodology as applicable for generating stations of generating companies to submit such revised schedule to the SLDC.

Provided that capacity charge recovery of the generating stations, that have not yet been covered by on-line monitoring display arrangement at SLDC along with dedicated audio communication, shall be done on the basis of normative PLF meant for incentive purpose in paragraph B of Schedule-10 of these regulations and such generating stations shall not be entitled to any incentive under paragraph 2 and 5 of Schedule-10 of these regulations. However, capacity charge recovery of such generating station on the basis of PLF will be limited to the year 2008-2009 by which SLDC shall arrange to install the required on-line display and dedicated audio communication according to the requirements in co-ordination with and at a cost to be borne by the owner of the generating stations concerned. ”

54. In regulation 5.5.2 of the principal regulations,-

- (i) In clause (i), for the words “schedule injection” the words “declared capacity” shall be substituted;
- (ii) In clause (i), for the words “injection schedule” the words “declared capacity” shall be substituted;
- (iii) After clause (iii), the following clauses shall be inserted :-
 - “(iv) Any injection in state grid above the declared injection by any licensee in any time block of 15 minutes as a consequence of generation by the embedded generating stations of the licensee upto 105% of the declared capacity and averaging upto 101% of the declared capacity of the generating station respectively over a day shall not be construed as gaming and such licensee shall be subjected to UI charge for such excess injection above the scheduled injection.
 - (v) Any under drawal at frequency below 50 HZ by any licensee upto 95% of the drawal schedule in any time block of 15 minutes and averaging upto 99% of the drawal schedule over a day shall not be construed as gaming. For any drawal by the licensee below the above stipulated level, SLDC may investigate so as to ensure that there is no gaming, and if gaming is found by the SLDC, the corresponding UI charges due to the licensee on account of less drawal shall be reduced to zero and the amount shall be distributed in proportion to UI recoverable by other entities within the state in those 15 minutes time block.
 - (vi) Any over drawal at frequency above 50 HZ by any licensee upto 105% of the drawal schedule in any time block of 15 minutes and averaging upto 101% of the drawal schedule over a day shall not be construed as gaming. For any drawal by the licensee above the said stipulated level, SLDC may investigate so as to ensure that there is no gaming, and if gaming is found by the SLDC, the corresponding UI charges due to the licensee on account of excess drawal shall be reduced to zero and the amount shall be distributed in proportion to UI recoverable by other entities within the state in those 15 minutes time block.
 - (vii) Notwithstanding anything to the contrary contained anywhere in these regulations, in case of less injection by a generating station or a licensee in any 15 minutes time block than its scheduled injection to another licensee the second licensee can generate from its embedded generating stations to any extent over its declared capacity (i.e. declared availability) subject to the restrictions of injection by the second licensee in the state grid as specified in clause(iv) of regulation 5.5.2 and regulation 5.5.13 of these regulations. In such case the excess energy injected by the licensee will be entitled for UI charge only.”

55. After regulation 5.5.9 of the principal Regulations, the following regulations shall be inserted,-

- “5.5.10 While scheduling the injection schedule on the basis of availability of the generating stations of a licensee by ALDC as provided in regulation 5.4.2, ALDC shall also consider the firm allocation of capacity or power provided by the other suppliers (henceforth called as firm supplier) to the licensee with same weightage along with the generating stations of the licensee following the principle of merit order dispatch/supply based on summated amount of energy charge and social cost charge, if available, against each unit of injection for preparation of the injection schedule for the generating stations of the licensee and drawal schedule from its firm suppliers. In absence of separate energy charges the single part tariff will itself be considered as energy charge till two part tariff is introduced.

- 5.5.11 On submission of such injection schedule of generating station of the licensee and drawal schedule of the licensee prepared as per regulation 5.5.10 of these regulations by ALDC to SLDC, the SLDC shall check those schedules to ensure that there is no deviation from the principles of merit order dispatch/supply as specified in the regulations 5.5.10 of these regulations and in case of any deviation, shall make appropriate modifications before releasing of injection and drawal schedule in pursuance to State Grid Code.
- 5.5.12 The generating stations of the licensees shall not be under Unscheduled Interchange charges though UI charges is applicable on the licensee as a whole entity integrated with embedded generating stations along with provision of payments through UI mechanism that may arise out of gaming by such generating stations as provided in last proviso to this regulation:
 Provided that the clause (i) of regulation 5.5.2 of these regulations shall be applicable on such generating stations:
 Provided further that in case of sudden rise in demand of licensee, subject to conditions as provided in regulation 5.5.13 of these regulations, the licensee shall be allowed to generate over the ceiling specified in clause (i) of regulation 5.5.2 of these regulations to the extent the demand has increased and only after ensuring that its scheduled drawal from all its firm suppliers is maintained:
- 5.5.13 In case of situations mentioned in clause (vii) of regulation 5.5.2 or second proviso of regulation 5.5.12, the extra supply required to reduce the shortfall between demand and supply shall be allowed to meet up by the generating stations of the licensee and the firm suppliers to the licensee through revising the injection schedule of the generating stations of the licensee and drawal schedule of the licensee for the concerned periods by SLDC in the same principles as laid down in regulation 5.5.10 and regulation 5.5.11 of these regulations:
- 5.5.14 Notwithstanding anything to the contrary contained anywhere in these regulations in case of violation of clause (vii) of regulation 5.5.2 or second provisos of regulation 5.5.12 of these regulations, such extra energy supplied by the generating stations of the licensee shall be construed as gaming and the corresponding fixed charges of extra sent out energy will be payable by the distribution licensee to the concerned suppliers under the purview of this Commission and who are being deprived due to such gaming either at a rate of fixed charge of such supply by such suppliers where such supply is done against two part tariff or at a rate as provided for single part tariff and such payment would be done in SLDC-UI FUND-WBSETCL for onward payment to the suppliers who have been deprived but such payment shall not be recoverable from the consumers on any account. A separate account in the SLDC- UI FUND –WBSETCL shall be maintained for recovery of such fixed charges.”
56. In regulation 5.7.2 of the principal Regulations, after the words and sign “in the geometrical progression.”, the following sentences shall be inserted :-
 “In case of mis-declaration(s) ,the correction of declared availability to determine the actual achieved availability of the generating station shall be as specified in Balancing and Settlement Code. In case of no mis-declaration in a day, the declared availability for each 15 minutes time block of the day shall be treated as achieved availability for those time blocks of the day. The penalty arising out of mis-declaration shall be recorded by SLDC as specified in the Balancing and Settlement Code and its cumulative amount shall be adjusted with the recoverable revenue through tariff after adjusting the ARR with the amount determined in APR. Moreover, in case of failure to generate according to schedule of generation, the availability achieved will be reduced to the actual generation at that instant.”
57. After regulation 5.11.5 of the principal Regulations, the following regulations shall be inserted :-
 “5.11.6 The capacity charge recovery of the generating stations of the licensees under availability based tariff will not be on monthly payment basis in pursuance of regulations 5.11.1, 5.11.4 and/or 5.11.5, as such capacity charge recovery is inbuilt in the recovery of aggregate revenue requirement of the licensee concerned and thus in pursuance of these regulations any adjustment required for variation between normative and actual availability of such generating stations shall be taken due care in Annual Performance Review of the concerned year.

The monthly fixed charge recovery of the licensee as supplier supplying electricity to another licensee against firm allocation of power supply by the supplier licensee to the receiving licensee in two part tariff of fixed/demand charge and energy charge shall be based on the following formulae :

1st month recovery of annual fixed charge = $(1 \times \text{ACC1})/12$

2nd month recovery of annual fixed charge = $(2 \times \text{ACC2} - 1 \times \text{ACC1})/12$

3rd month recovery of annual fixed charge = $(3 \times \text{ACC3} - 2 \times \text{ACC2})/12$

4th month recovery of annual fixed charge = $(4 \times \text{ACC4} - 3 \times \text{ACC3})/12$

5th month recovery of annual fixed charge = $(5 \times \text{ACC5} - 4 \times \text{ACC4})/12$

6th month recovery of annual fixed charge = $(6 \times \text{ACC6} - 5 \times \text{ACC5})/12$

7th month recovery of annual fixed charge = $(7 \times \text{ACC7} - 6 \times \text{ACC6})/12$

8th month recovery of annual fixed charge = $(8 \times \text{ACC8} - 7 \times \text{ACC7})/12$

9th month recovery of annual fixed charge = $(9 \times \text{ACC9} - 8 \times \text{ACC8})/12$

10th month recovery of annual fixed charge = $(10 \times \text{ACC10} - 9 \times \text{ACC9})/12$

11th month recovery of annual fixed charge = $(11 \times \text{ACC11} - 10 \times \text{ACC10})/12$

12th month recovery of annual fixed charge = $(12 \times \text{ACC12} - 11 \times \text{ACC11})/12$

Where,

ACC1, ACC2, ACC3, ACC4, ACC5, ACC6, ACC7, ACC8, ACC9, ACC10, ACC11 and ACC12 are the amounts of Annual Demand Charge corresponding to 'Availability' for the cumulative period up to the end of 1st, 2nd, 3rd, 4th, 5th, 6th, 7th, 8th, 9th, 10th, 11th and 12th months respectively."

58. In regulation 5.12.1 of the principal Regulations, for the words and figures "7.0 and 8.0 of Schedule-I", the words and figures "paragraph 7.0 and paragraph 8.0 of Schedule-1 shall be substituted".
59. In the regulation 5.14.1 of the principal Regulations, for the words and figures "paragraph 10.0 of Schedule-1", the word and figure "Schedule-10" shall be substituted.
60. After regulation 5.14.4 of the principal Regulations, the following regulations shall be inserted :-
 - "5.14.5 All the operating parameters meant for capacity charge recovery and/or incentives in respect of a generating station shall be determined against the specific asset of the generating station for which tariff is determined.
 - 5.14.6 In case of failure to attain scheduled injection by any generating station and in consequences any losses arising out of payment of UI charges shall not be allowed to be recovered through tariff.
 - 5.14.7 In case of any extra charge or penalty for inability to maintain a certain stipulated ratio of peak and off-peak injection or drawal, such extra charge or penalty shall be applicable on the basis of ratio as per scheduled injection or scheduled drawal independent of UI charges."
61. For regulation 6.6 of the principal Regulations, the following regulation shall be substituted,-

"6.6 Period of Operating Norms and Criteria for Incentive

 - 6.6.1 All the operating norms and criteria for the purpose of incentives and the basis of measurement of such related performance once determined and all the mode of operationalization of incentives mentioned in these regulations or specified subsequently shall continue to be operative for second and third control period."
 - 6.6.2 Any generating company or licensee, which achieves any of the operating norms or criteria for incentive in any year of the second or third control period mentioned in regulation 6.6.1, will get incentives for improved performance for that year only."
62. Regulations 6.6.3 of the principal Regulations shall be deleted.

63. In Schedule-1 of the principal Regulations,-
- (i) after the clause (e) of paragraph 2.3 , the following clause shall be inserted:—
“(ea) water cess , taxes and duties;”
 - (ii) after the clause (k) of paragraph 2.3, the following clause shall be inserted:—
“(ka) The contribution to the Development Fund, if any by the licensees and the depreciation and the interest on the assets created from the Development Fund, where the same exists.”.
 - (iii) paragraph 10 shall be deleted ;
64. In Schedule-3 of the principal Regulations,-
- (i) After clause (e) of paragraph 3.1, the following clause shall be inserted:-
“(ea) taxes and duties;” ;
 - (ii) after clause (l) of paragraph 3.1, the following clause shall be inserted:—
“(m) The contribution to the Development Fund, if any, by the consumers and depreciation and interest on the assets created from the Development Fund. “;
 - (iii) paragraph 10 shall be deleted;
65. In Schedule-4 of the principal Regulations,—
- (i) After clause (e) of paragraph 2.1, the following clause shall be inserted:-
“(ea) water cess, taxes and duties;” ;
 - (ii) after clause (l) of paragraph 2.1 the following clause shall be inserted:—
“(m) The contribution to the Development Fund, if any ,by the consumers and the depreciation and interest on the assets created from the Development Fund.”
66. In the Schedule-5 of the principal Regulations,—
- (i) After clause (e) of paragraph 2.1, the following clause shall be inserted:-
“(ea) water-cess, taxes and duties”
 - (ii) after clause (p) of paragraph 2.1, the following clause shall be inserted:-
“(pa) The contribution to the Development Fund, if any by the consumers and the depreciation and the interest on the assets created from the Development Fund.”
 - (iii) paragraph 12 shall be deleted;
67. The last sentence of paragraph 9.2 of Schedule-5 of the principal Regulations, shall be deleted.
68. In Schedule 6 of the principal Regulations,-
- (i) for the paragraph 1.4 the following paragraph shall be substituted :—
“1.4 On receiving such subsidy the licensee shall intimate such information of receiving subsidy in detail to the Commission and only after getting approval of the Commission the licensee shall pass on the benefit of subsidy to the eligible consumer/class of consumers in proportion to the extent to which the total realizable revenue in terms of tariff order is paid by the State Government.”;
 - (ii) after paragraph 1.5 the following paragraph shall be inserted :—
“1.6 If on Annual Performance Review it is found that subsidy received as per paragraph 1.3 and 1.4 was higher than what was actually required the licensee shall take up the matter with the State Government who has provided the subsidy for proper disposal and intimate the Commission about the decision. On the other hand if it is found that the subsidy received was less than what was actually required, the State Government shall make available the balance within one month from the date of order of the Annual Performance Review. Over dues on this score will attract interest on such overdue amount at the rate decided by the Commission and provision of subsidy will be allowed for future only after clearance of such over dues.”
69. After Schedule 8 of principal Regulations, the following schedules shall be inserted :-

"Schedule – 9A

OPERATING NORMS

(See regulations 2.5.1(iv), 2.5.6.3, 2.8.1.4.2, 2.8.1.4.4, 2.8.4.6, 2.8.6.1, 2.8.6.2, 2.8.6.3, 2.8.6.8, 3A.3.7 (iii), 5.1.1, paragraph A3 of Schedule-9B and paragraph 6 of Schedule-10)

A. Recommended Annual Norms of Gross Station Heat Rate For Coal Fired Thermal Generating Stations Under Operation and Under Construction.

Gen. Station / Unit	Recommended Gross Station Heat Rate Kcal / Kwh							
	2008-09	2009-10	2010-11	2011-12	2012- 13	2013-14	2014-15	2015-16
CESC:								
Budge Budge TPS 2/ 3x 250 MW	2590	2560	2530	2500	2480	2460	2450	2440
Southern Generating Station 2 x 67.5 MW	2925	2920	2915	2910	2905	2900	2900	2900
Titagarh TPS 4 x 60MW	2940	2930	2925	2920	2915	2910	2905	2900
New Cossipore Generating Station 100 MW	5125	5125	5125	5125	Scheduled for closing by 2011-12			
WBPCL								
Bakreshwar TPS 3 /5 x 210 MW	2590	2560	2530	2500	2490	2480	2470	2460
Kolaghat TPS 6 x 210 MW	2750	2725	2700	2675	2650	2640	2630	2620
Bandel TPS 4 x 60 + 1x 210 MW	3005	2955	2900	2850	2820	2815	2810	2800
4X60 MW	3150	3100	3050	3000	2980	2970	2960	2950
1x 210MW	2850	2800	2750	2700	2650	2640	2630	2620
Santaldihi TPS 4 x 120 + 1 x 250 MW	2745	2735	2725	2715	2710	2705	2695	2690
4 x 120 MW	3200	3150	3100	3050	3000	2975	2960	2950
1 x 250 MW	2350	2350	2350	2350	2350	2350	2350	2350
Sagardighi TPS 2 x 300 MW	2275	2275	2275	2275	2275	2275	2275	2275
DPL								
Durgapur Projects Power Station 2x 30 MW	3300	3275	3250	3225	3200	3185	3175	3165
3x 77 MW + 1x110 MW	3200	3150	3100	3050	3000	2975	2950	2950
1x300 MW	2275	2275	2275	2275	2275	2275	2275	2275
2x30MW+ 3x75MW + 1x110MW	3215	3160	3110	3060	3010	2985	2970	2960
2x30MW+ 3x75MW + 1x110MW + 1x 300 MW	2755	2725	2700	2675	2650	2645	2640	2635
DPSCCL								
Disergarh TPS 12.2 MW	5391	5391	5391	5391	5391	Scheduled for closing by 2012-13		
Chinakuri TPS 3 x 10 MW	3783	3770	3760	3750	3746	3746	3746	3746

Note :-

- Where the sizes of different units of the same generating station vary, the respective contribution by such units to the gross station heat rate have been shown separately with a view to facilitate modification of norms by the Commission under unusual circumstances like outage of any unit for a period of three months or more at a stretch, or time over-run of new units under construction.
- The gross station heat rates of those coal fired thermal generating stations that have units of different sizes, such as DPL, Bandel TPS and Santaldihi TPS, are the weighted averages of the proportionate contribution to the gross station heat rate of each unit based on weightage of normative generation for incentive of each unit subject to rounding off to the nearest higher numbers of multiples of five.
- For the purpose of norms of the gross station heat rates, the said norms for Budge Budge Unit 3 and Bakreshwar Units 4 & 5 have been considered to be of the same values as that of the old units of these stations respectively.
- The gross station heat rate of any coal fired thermal generating station, whether existing or to be established in future, shall always be computed on the basis of generating station as a whole without any special consideration being given to the possible impact of any individual unit on the plant except when there is an outage of any unit over three months or more at a stretch, or there is a time overrun of a new proposed unit.

- v) During stabilisation period of new units, additional gross station heat rate on the basis of actual generation will be applicable, subject to a ceiling of 50 Kcal/ Kwh.
- vi) The normative gross station heat rate of a new coal fired thermal generating station as a whole or part of it or of an already existing coal fired thermal generating station due to addition of any new unit, not covered by the above table, shall be determined by the Commission based on the design value, performance guarantee and result of performance guarantee test on gross station heat rate of that generating station or of that unit, as may be applicable subject to other conditions under these regulations. The ceiling in such cases will be the gross station heat rate obtaining in equivalent class/type of coal fired thermal generating stations in any state of India.

B. Recommended Annual Norms of Plant Load Factor(PLF) of Coal Fired Thermal Generating Stations Under Operation and Under Construction for incentive.

Generating Station		PLF NORM IN %							
		2008-09	2009-10	2010-11	2011- 12	2012-13	2013-14	2014-15	2015-16
WBPDC									
Bakreswar TPS	3/5 x 210 MW	80	80	80	80	80	80	80	80
Kolaghat TPS	6x210 MW	71	72	73	74	75	75	75	75
Bandel	4 x 60 MW	55	57	59	62	65	70	75	75
	1 x 210 MW	60	65	70	71	72	73	74	75
	4 x 60 MW + 1x 210 MW	57	61	64	66	68	71	75	75
Santalidih TPS	4x120 MW	36	38	40	45	50	55	55	55
	1 x 250 MW	80	80	80	80	80	80	80	80
	4 x 120MW + 1 x 250 MW	51	52	54	57	60	64	64	64
Sagardighi TPS	:2x300 MW	80	80	80	80	80	80	80	80
CESC									
Budge Budge TPS	2/3 x 250 MW	80	80	80	80	80	80	80	80
Southern Generating Station	2x 67.5 MW	80	80	80	80	80	80	80	80
Titagarh Generating Station	4X 60 MW	80	80	80	80	80	80	80	80
New Cossipore	100 MW	50	50	50	50	Scheduled for closing by 2011-12			
DPL	2 X 30 MW	45	35	25	20	20	20	20	20
	3X 77 MW	70	71	72	73	74	75	76	77
	1X 110 MW	60	62	64	66	68	70	72	74
	1X 300MW	80	80	80	80	80	80	80	80
	2x30MW + 3x77MW + 1x110 MW	64	63	63	63	64	65	67	68
	2x30MW+3x77MW+1x110MW+1x300MW	71	70	70	70	71	72	72	73
DPSC									
Chinakuri TPS	3X10 MW	80	80	80	80	80	80	80	80
Dishergarh TPS	12.2 MW	48	48	48	48	48	Scheduled for closing by 2012-13		
For BTPS , PLF is to be considered on the basis of derated units									

Note:-

- i) For the purpose of determination of the norms of PLF of the concerned generating station, the norms of unit load factor has been taken to be of 80% for the new units of the existing generating stations, such as Budge Budge Unit 3 and Bakreswar Unit 4 and 5.
- ii) The norms of PLF of those coal fired thermal generating stations that have units of different sizes, such as DPL, Bandel TPS and Santaldih TPS, are the weighted averages of the unit load factors based on the weightage of installed capacity of individual units, subject to the rounding off to the nearest whole number.
- iii) The generation from DPL Unit #1 and Unit#2 have been considered to get reduced gradually in view of a near certitude of the closure of these units in the future.

- iv) If there is a time over run in commissioning of a new unit of an existing coal fired thermal generating station, then the normative PLF of the generating station as a whole shall be freshly determined in the tariff order or APR of the concerned year on the weighted pro-rata basis of the unit load factor of each unit based on weightage of installed capacities considered for the units under considerations and COD of the new units.
- v) The normative PLF of a new coal fired thermal generating stations as a whole or part of it or of an already existing coal fired thermal generating stations due to addition of any new unit, not covered by the above table, shall be as may be determined by the Commission subject to the condition that the minimum PLF to be considered for determination of eligibility of incentives, shall be 85% and subject to other conditions under these regulations.
- vi) DPL shall run Unit 1 & Unit 2 only to meet evening peak shortages, or during any other high shortage scenario or in order to meet any emergency. Any losses incurred under any head caused by generation in contravention of the above stipulations shall disqualify to be a pass through in tariff or FPPCA. However these stipulations shall not apply if specific and prior approval of the Commission is obtained for running these two units during any extra-ordinary but non peak, or non shortage or non emergency periods.
- vii) The generation of Unit 1 and Unit 2 of DPL will not be considered for incentive under paragraph-1 of schedule-10.
- viii) The PLF of any coal fired thermal generating station, whether existing or to be established in future, shall always be computed on the basis of generating station as a whole without any special consideration being given to the possible impact of any individual unit on the plant.

C. Recommended Annual Norms of Target Plant Availability Factor for Coal Fired Thermal Generating Stations Under Operation and Under Construction.

Generating stations	Recommended Target Availability in %							
	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
CESC								
Budge Budge Gen. Station 2/3x 250 MW	85	85	85	85	85	85	85	85
Southern Generating Station 2 x 67.5 MW	85	85	85	85	85	85	85	85
Titagarh Generating Station 4 x 60 MW	85	85	85	85	85	85	85	85
New Cossipore Gen. Station 100 MW	55	55	55	55	Scheduled for closing by 2011-12			
WBPDC								
Kolaghat TPS 6 x 210 MW	76	77	78	79	80	80	80	80
Bakreswar TPS 3/5 x 210 MW	85	85	85	85	85	85	85	85
Santalidhi TPS 4x120 MW	36	38	40	50	55	60	60	60
1 x 250 MW	85	85	85	85	85	85	85	85
4 x 120MW + 1 x 250 MW	53	54	55	62	65	69	69	69
Bandel TPS 4 x 60 MW	60	62	64	67	70	75	80	80
1 x 210 MW	65	70	75	76	77	78	79	80
4 x 60 MW + 1x 210 MW	62	66	69	71	73	76	80	80
Sagardighi TPS 2 x 300 MW	85	85	85	85	85	85	85	85
DPL								
2 X 30 MW	50	40	30	25	25	25	25	25
3X 77 MW	75	76	77	78	79	80	81	82
1X 110 MW	65	67	69	71	73	75	77	79
1X 300MW	85	85	85	85	85	85	85	85
3x77MW + 1x110 MW	72	73	74	76	77	78	80	81
2x30MW + 3x77MW + 1x110 MW	69	68	68	68	69	70	72	73
3x77MW+1x110MW+1x300MW	78	79	79	80	81	81	82	83
2x30MW+3x77MW+1x110MW+1x300MW	76	75	75	75	76	77	77	78
DPSC								
Chinakuri TPS 3 x 10 MW	82	82	82	82	82	82	82	82
Dishergarh TPS 12.2 MW	48	48	48	48	48	Scheduled for closing by 2012-13		

Note:-

- i) For the purpose of determination of the norms of overall plant availability factor of the concerned generating station, the norms of availability factor of each unit has been taken to be of 85% for the new units of the existing generating stations such as Budge Budge Unit 3 and Bakreswar Unit 4 and 5.
- ii) The norms of plant availability factor of those coal fired generating stations that have units of different sizes, such as DPL, Bandel TPS and Santaldihi TPS, are the weighted averages of the availability factor of the units, based on the weightage of installed capacities of each unit subject to the rounding off to the nearest whole number.
- iii) If there is a time over run in commissioning of a new unit of an existing coal fired thermal generating station, then the normative plant availability factor of the generating station as a whole shall be freshly determined in the tariff order or APR of the concerned year on the weighted pro-rata of the availability factor of each unit based on weightage of installed capacities considered for the units under considerations and COD of the new units.
- iv) The normative plant availability factor of a new coal fired thermal generating stations as a whole or part of it or of an already existing coal fired thermal generating stations due to addition of any new unit, not covered by the above table, shall be as may be determined by the Commission, subject to the condition that the availability factor to be considered for recovery of capacity charges, shall not be less than 85% and subject to other conditions under these regulations.
- v) The availability of any coal fired thermal generating station, whether existing or to be established in future, shall always be computed on the basis of generating station as a whole without any special consideration being given to the possible impact of any individual unit on the plant.

D. Recommended Annual Norms of Auxiliary Energy Consumption (AEC) on generation basis for Coal Fired Thermal Generating Stations Under Operation and Under Construction.

Station / Unit	Recommended AEC in %							
	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
CESC								
Budge Budge TPS 2/3 x 250 MW	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0
Southern Gen. Station 2 x 67.5 MW	9.10	9.05	9.00	9.00	9.00	9.00	9.00	9.00
Titagarh Gen. Station 4 x 60 MW	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00
New Cossipore 100 MW	9.75	9.70	9.65	9.60	Scheduled for closing by 2011-12			
WBPCL								
Bakreswar TPS 3/5 x 210 MW	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0
Kolaghat TPS 6 x 210 MW	10.10	10.00	9.90	9.80	9.70	9.60	9.55	9.50
Bandel TPS 4 x 60MW	10.90	10.80	10.70	10.60	10.50	10.40	10.30	10.20
1 x 210 MW	10.30	10.10	9.90	9.70	9.50	9.40	9.30	9.25
4 x 60MW + 1 x 210 MW	10.65	10.45	10.30	10.15	10.05	9.95	9.85	9.80
Santaldihi TPS 4 x 120 MW	11.30	11.10	10.90	10.70	10.50	10.30	10.10	10.00
1 x 250 MW	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00
4 x 120 MW + 1 x 250 MW	10.10	10.00	9.95	9.90	9.85	9.75	9.65	9.60
Sagardighi TPS 2 x 300 MW	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00
DPL								
2 X 30 MW	10.4	10.3	10.2	10.1	10.0	10.0	10.0	10.0
3X 77 MW	9.45	9.40	9.40	9.30	9.30	9.25	9.25	9.20
1X 110 MW	9.50	9.50	9.50	9.50	9.50	9.50	9.50	9.50
1X 300MW	8.50	8.50	8.50	8.50	8.50	8.50	8.50	8.50
2x30MW + 3x77MW + 1x110 MW	9.50	9.45	9.45	9.40	9.40	9.35	9.35	9.30
2x30MW+3x77MW+1x110MW+1x300MW	9.00	9.00	9.00	8.95	8.95	8.95	8.95	8.95
DPSC								
Chinakuri TPS 3 X 10 MW	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0
Disergarh TPS 12.2 MW	11.00	10.95	10.90	10.85	10.80	Scheduled for closing by 2012-13		

Note :-

- i) The norms of auxiliary energy consumption rate of those coal fired generating stations that have units of different sizes, such as DPL, Bandel TPS and Santaldihi TPS, are the weighted averages of the norms of auxiliary energy consumption rates of different units, based on the weightage of normative generation for incentive of each individual units, subject to the rounding off to two decimal places in multiples of 0.05 on higher side.
- ii) If there is a time over run in commissioning of a new unit of an existing coal fired thermal generating station, then the normative auxiliary consumption of that generating station as a whole shall be freshly determined in the tariff order or APR of the concerned year on the weighted pro-rata of auxiliary energy consumption rate of each unit based on the weightage of normative generations of the units under considerations and COD of the new units.
- iii) The normative auxiliary energy consumption rate of a new coal fired thermal generating stations as a whole or part of it or of an already existing coal fired thermal generating stations due to addition of any new unit, not covered by the above table, shall be as may be determined by the Commission, subject to other conditions under these regulations and also subject to the condition that such norms of auxiliary energy consumption rate shall not exceed ceilings stipulated as below.

MAXIMUM CEILING OF NORMS OF ALL FUTURE COAL FIRED THERMAL GENERATING STATION			
Sl No.	Unit Size Range	Specific Conditions	AEC in %
1	200 MW to 800 MW	With turbine Driven Boiler Feed Pump and without cooling tower or having Natural Cooling Tower.	7.0
		With turbine Driven Boiler Feed Pump and cooling tower.	7.5
		With motor driven Boiler Feed Pump and without cooling tower or having Natural Cooling Tower.	8.5
		With motor Driven Boiler Feed Pump and cooling tower.	9.0
2	Less than 200 MW	All type	10

E. Recommended Annual Norms of Oil Consumption on generation basis for Pulverized Coal Fired Thermal Generating Stations Under Operation and Under Construction.

Generating Stations		Recommended oil consumption (ml / Kwh)							
		2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
WBPDCL									
Kolaghat TPS	6 x 210 MW	2.15	2.10	2.05	2.00	2.00	2.00	2.00	2.00
Bandel TPS	4 x 60 MW	4.25	4.00	3.75	3.50	3.00	2.50	2.25	2.00
	1 x 210 MW	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
	4 x 60 + 1 x 210 MW	3.15	3.00	2.85	2.75	2.50	2.25	2.15	2.00
Santaldihi TPS	4 x 120 MW	4.00	3.75	3.50	3.25	3.00	2.75	2.50	2.50
	1 x 250 MW	2.00	1.50	1.00	1.00	1.00	1.00	1.00	1.00
	4 x 120 + 1 x 250 MW	3.00	2.60	2.25	2.20	2.10	2.00	1.85	1.85
Bakreswar TPS	3 / 5 x 210 MW	1.70	1.50	1.30	1.30	1.30	1.30	1.30	1.30
Sagardighi TPS	2 x 300 MW	2.00	1.50	1.00	1.00	1.00	1.00	1.00	1.00
CESC									
Budge Budge TPS	2/3 x 250 MW	1.50	1.50	1.50	1.30	1.30	1.30	1.30	1.30
Southern Generating Station	2x67.5 MW	2.50	2.40	2.30	2.20	2.15	2.10	2.05	2.00
Titagarh TPS	4 x 60 MW	2.50	2.40	2.30	2.20	2.15	2.10	2.05	2.00
DPL	Unit # 3 to 5 : 3 x 77 MW	3.00	2.80	2.60	2.40	2.30	2.20	2.10	2.00
	Unit # 1 & 2 : 2x30 MW	6.00	5.75	5.50	5.00	4.75	4.50	4.25	4.00
	Unit #6 : 110 MW	4.00	3.75	3.50	3.25	3.00	2.75	2.5	2.25
	Unit # 7 : 300 MW	2.00	1.50	1.00	1.00	1.00	1.00	1.00	1.00
	2 x 30 + 3 x 75 + 1 x 110 MW	3.60	3.30	3.05	2.80	2.65	2.50	2.35	2.25
	2 x 30 + 3 x 75 + 1 x 110 + 1 x 300 MW	2.85	2.45	2.05	1.95	1.85	1.80	1.75	1.70

Note :-

- i) The norms of oil consumption rate of those coal fired thermal generating stations that have units of different sizes, such as DPL, Bandel TPS and Santaldihi TPS, are the weighted averages of the norms of oil consumption rates of different units based on the weightage of normative generation of the individual units for incentive, subject to the rounding off to nearest two decimal as multiples of 0.05 preferably on higher sides except few cases for smoothening of trajectory.
- ii) If there is a time over run in commissioning of a new unit of an existing coal fired thermal generating station, then the normative oil consumption rate of that generating station as a whole shall be freshly determined in the tariff order or APR of the concerned year on the weighted pro-rata of oil consumption rate of each unit based on normative generations of the units under considerations and COD of the new units.
- iii) The normative oil energy consumption rate of a new coal fired thermal generating stations as a whole or part of it or of an already existing coal fired thermal generating stations due to addition of any new unit, which are not covered in the above table, the normative oil consumption rate shall be determined by the Commission subject to maximum ceiling of 1.0 Kcal/ Kwhr subject to other conditions under these regulations.
- iv) During the stabilisation period of new units, additional oil consumption on the basis of actual generation but subject to a ceiling rate of 3.5 Kcal/ Kwhr will be allowable.

F. Recommended Annual Norms of transit and handling losses of coal for Coal Fired Thermal Generating Stations Under Operation and Under Construction.

Coal Fired Generating Stations	Recommended Transit & Handling Loss %							
	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Generating Stations of CESC	1.5	1.25	1.0	0.75	0.75	0.75	0.75	0.75
WBPDCL								
Bakreswar	1.25	1.00	0.75	0.50	0.50	0.50	0.50	0.50
Kolaghat	1.50	1.25	1.00	0.75	0.75	0.75	0.75	0.75
Bandel	1.50	1.25	1.00	0.75	0.75	0.75	0.75	0.75
Santaldihi	1.50	1.25	1.00	0.75	0.75	0.75	0.75	0.75
Sagardighi	1.50	1.25	1.00	0.75	0.75	0.75	0.75	0.75
DPL	1.25	1.00	0.75	0.50	0.50	0.50	0.50	0.50
Generating Stations of DPSC	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3

Note:- The normative transit and handling losses of a new coal fired thermal generating stations not covered in the above table, shall be determined by the Commission subject to a ceiling of 0.75% for non pithead generating stations and 0.50 % for pit head generating stations.

G. Recommended Annual Norms of Operation and maintenance (O&M) expenses for a Coal Fired Thermal Generating Stations Under Operation and Under Construction.

Generating Station	Computed O & M Expenses in Rs. LAKH / MW							
	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Budge Budge TPS : 2/3 X250MW	9.79	9.89	10.09	10.39	10.70	11.02	11.35	11.69
Bakreswar TPS: 3/5 x 210 MW	7.21	7.57	7.95	8.43	8.85	9.29	9.75	10.24
Kolaghat TPS : 6x 210 MW	9.49	9.87	10.26	10.67	11.10	11.54	12.00	12.36
Bandel TPS: 4x60 MW+210 MW	9.91	10.41	10.93	11.48	12.05	12.65	13.28	13.94
Santaldih TPS : 4x120 MW	9.91	10.41	10.93	11.48	12.05	12.65	13.28	13.94
Santaldih TPS : 1x250 MW	6.13	6.43	6.75	7.09	7.44	7.81	8.20	8.61
DPL: 2x30MW+3x77MW+110 MW	14.05	14.33	14.62	14.77	15.07	15.22	15.52	15.68
DPL : 1x 300 MW	5.21	5.47	5.74	6.03	6.33	6.65	6.98	7.33
Sagardighi TPS : 2x 300 MW	5.21	5.47	5.74	6.03	6.33	6.65	6.98	7.33
Southern Generating Station : 2x67.5 MW	11.58	11.70	11.93	12.29	12.66	13.04	13.43	13.83
Titagarh TPS : 4x 60 MW	11.39	11.50	11.73	12.08	12.44	12.81	13.19	13.59
New Cossipore TPS : 100 MW	13.75	14.44	15.16	15.60	Scheduled for closing by 2011-12			
Chinakuri TPS : 3x10 MW	10.11	10.62	11.15	11.70	12.29	12.90	13.55	14.23
Disergarh TPS : 12.2 MW	13.75	14.16	14.58	15.31	16.08	Scheduled for closing by 2012-13.		

- Note :-**
- The above O&M expenses is against the provisions of regulation 4.7;
 - The normative O&M expenses of a new coal fired thermal generating stations as a whole or part of it or of an already existing coal fired thermal generating stations due to addition of any new unit, which is/are not covered in the above table, the normative O&M expenses shall be as may be determined by the Commission, on consideration of facts and figures submitted to it, subject to a ceiling that may be provided for Sagardighi Thermal Power Station for that relevant year and also subject to other conditions under these regulations.
 - The above O&M expenditure are exclusive of lease rental charges which have been covered separately by regulation 4.6.6 of the instant regulations.

H. Recommended Annual Man/ MW ratio for determination of employee cost for Coal Fired Thermal Generating Stations Under Operation and Under Construction.

Generating Station	Recommended MAN / MW Ratio							
	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Budge Budge TPS: 2 x 250 MW	1.68	1.65	1.60	1.58	1.58	1.58	1.58	1.58
Budge Budge TPS : Third Unit			1.57	1.55	1.55	1.55	1.55	1.55
Bakreswar TPS: 3 x 210 MW	2.30	1.80	1.65	1.58	1.55	1.55	1.55	1.55
Bakreswar TPS: 4 th and 5 th Unit	2.00	1.68	1.60	1.58	1.55	1.55	1.55	1.55
Kolaghat TPS : 6x 210 MW	2.80	2.40	2.20	2.00	2.00	2.00	2.00	2.00
Bandel TPS: 4x60 MW+210MW	4.00	3.80	3.60	3.50	3.50	3.50	3.50	3.50
Santalalih TPS : 4x120 MW	3.60	3.20	3.10	3.00	3.00	3.00	3.00	3.00
Santalalih TPS : 5 th unit	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40
Santalalih TPS : Combined	2.85	2.60	2.50	2.45	2.45	2.45	2.45	2.45
DPL: 2x30MW+3x77MW+110 MW	3.80	3.70	3.60	3.50	3.50	3.50	3.50	3.50
DPL : 7 th Unit	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20
DPL : Combined	2.70	2.62	2.54	2.47	2.47	2.47	2.47	2.47
Sagardighi TPS : 2x 300 MW	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35
Southern Generating Station : 2x67.5 MW	4.22	4.10	3.57	3.50	3.50	3.50	3.50	3.50
Titagarh TPS : 4x 60 MW	4.00	3.90	3.80	3.72	3.65	3.65	3.65	3.65
New Cossipore TPS : 100 MW	7.80	7.50	7.40	7.40	Scheduled for closing by 2011-12			
Chinakuri TPS : 3x10 MW	6.53	6.53	6.43	6.43	6.33	6.23	6.13	6.00
Disergarh TPS : 12.2 MW	17.79	17.21	16.48	16.00	15.50	Scheduled for closing by 2012-13		

Note : -

- The above Man/ MW ratio for different plants has considered all regular employees of own establishment as also all contracted manpower in the regular establishment, irrespective of whether the latter has been contracted directly or indirectly.
- This Man/MW ratio in the above table is only a preferred ratio for the purpose of determination of the cost of employees and is subject to any reasonable deviation at the sole discretion of the Commission;
- The normative Man/MW ratio of a new coal fired thermal generating stations as a whole or part of it or of an already existing coal fired thermal generating stations due to addition of any new unit, which is/are covered in the above table, the normative Man / MW ratio shall be determined by the Commission on consideration of facts and figures submitted to it subject to a ceiling of 1.3 for units with a installed capacity of 200 MW or above subject to other conditions under these regulations.
- The tariff application of a licensee having its own generation activity shall, show its manpower engaged in generating station(s) and manpower engaged in business other than generation separately.
- In case of operation of any of the activities of a licensee through a contract, the cost allowed for the contract shall be subject to a ceiling arrived at on the basis of said manpower and the average cost per employee in the licensees regular establishment for the same category of employees.

I. Stabilisation Period

In relation to a unit, stabilization period shall be reckoned commencing from the date of commercial operation of that unit as follows :

- (a) Coal based and lignite-fired generating stations- 180 days
- (b) Gas Turbine/ Combined cycle generating stations – 90 days

J. Norms Of Distribution Losses For Different Distribution Licensees

NORMS OF DISTRIBUTION LOSS IN PERCENTAGE OF DISTRIBUTION LICENSEES								
DISTRIBUTION LICENSEE	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
WBSEDCL	18.75	18.25	17.75	17.50	17.25	17.00	16.75	16.50
CESC	15.11	14.90	14.75	14.60	14.45	14.30	14.15	14.00
DPL	6.1	5.9	5.7	5.5	5.3	5.2	5.1	5.0
DPSCCL	5.54	5.40	5.25	5.10	4.95	4.80	4.65	4.50
DVC	2.78	2.6	2.5	2.4	2.3	2.2	2.1	2.0

NOTE : -(1) If there is in future any major change in the consumer mix of DPL, DPSCCL and DVC due to application of section 43 of the Act, the Commission may, at its discretion, alter the norms of distribution loss from the third control period.

- (2) If any licensee owns and runs any generating station located outside its area of supply and transmits any energy generated by such a generating station to its area of supply through a dedicated transmission line, the transmission loss associated with such transmission shall be determined by the Commission separately and the same shall not governed by the distribution loss shown in the above table.

K. Norms For Transmission Loss For Transmission Licensees

NORMS OF TRANSMISSION LOSS IN PERCENTAGE OF TRANSMISSION LICENSEES								
TRANSMISSION LICENSEE	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
WBSETCL	3.90	3.80	3.70	3.60	3.50	3.40	3.30	3.20

NOTE : - The norms of transmission loss in the intra-state transmission system of DVC will be laid down by the Commission in due course on conclusion of different legal proceedings.

L. Norms For Availability Of Transmission System

NORMS OF AVAILABILITY OF TRANSMISSION SYSTEM IN PERCENTAGE FOR WBSETCL								
PART OF TRANSMISSION SYSTEM	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Transmission Line	98.50	98.75	99.00	99.00	99.00	99.00	99.00	99.00
Sub-Station	97.00	97.00	97.00	97.00	97.00	97.00	97.00	97.00

M. Norms Of Capacity Index Of Hydro Generating Station For Incentive Purpose

NORMS OF CAPACITY INDEX		
Sl. No.	Type of Hydro Generating Station	Norms of Capacity Index
i)	Purely run of the river	90 %
ii)	Pondage/storage type run of the river	85 %
iii)	Pumped Storage Type	95 %
iv)	Jaldhaka HEP	85 %

Note : For WBSEDCL Rammam HEP Stage-II, Jaldhaka HEP and Teesta canal fall HEP are to be considered as purely run of the river scheme.

L. Norms For Transformation Loss For Hydro Generating Stations

- a) For all hydro generating stations except Teesta Canal Fall HEP normative transformation loss will be considered as 0.5% for all the years upto 2015-16.
- b) For Teesta Canal Fall HEP the normative transformation loss will be as follows:

TRANSFORMATION LOSS OF TEESTA CANAL FALL HEP IN PERCENTAGE OF GENERATED ENERGY							
2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
0.70	0.66	0.62	0.58	0.54	0.50	0.50	0.50

- c) For Purulia Pumped Storage Project the normative transformation loss will be 0.5% for all the years upto 2015-16.

O. Norms Of Auxiliary Energy Consumption Of Hydro Generating Stations

NORMS OF AUXILIARY CONSUMPTION IN PERCENTAGE FOR EXISTING HYDRO GENERATING STATIONS								
HYDRO GENERATING STATION	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
RAMMAM STAGE-II	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
JALDHAKA	0.62	0.58	0.54	0.5	0.5	0.5	0.5	0.5
TEESTA CANAL FALL	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
PURULIA PUMPED STORAGE PROJECT	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Small Hydro Generating Stations	1	0.9	0.8	0.7	0.6	0.5	0.5	0.5

Note : -

- i) Small hydro generating stations mean all existing and future hydro generating stations having capacities of 25 MW or less and under the purview of the Commission, but are not specifically covered by the above table.
- ii) The normative auxiliary energy consumption rate of a new hydro generating station as a whole or part of it or of an already existing hydro generating station due to addition of any new unit, which is/ are not covered in the above table, the normative auxiliary energy consumption shall as may be determined by the Commission on due consideration of facts and figures submitted to it, subject to other conditions under these regulations. and subject to ceilings stipulated in the following Table :

MAXIMUM CEILING OF NORMS OF ALL FUTURE HYDRO GENERATING STATION	
Type of hydro generating stations	Norms of auxiliary consumption in % of energy generated
Surface generating station with rotating exciters mounted on the generator shaft	0.2
Surface generating station with static excitation system	0.5
Underground generating station with rotating exciters mounted on the generator shaft	0.4
Underground generating station with static excitation system	0.7

P. Norms Of Pumping Energy For Pumped Storage Hydro Generating Stations

The norms of pumping energy is as per cycling efficiency in % defined as ratio of generation energy to pumping energy where such generation is done due to such quantum of water that has been pumped by the said pumping energy. The norms for such cycle efficiency will be treated as 74%.

Q. Norms of O&M Expenses Of Hydro Generating Stations**NORMATIVE O&M COST FOR HYDRO GENERATING STATIONS IN RUPEES LAKH/ MW ONLY**

Name of Plant	YEARS							
	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Teesta Canal Falls HEP	3.37	3.50	3.64	3.79	3.94	4.10	4.26	4.43
Jaldhaka HEP	7.80	8.11	8.43	8.77	9.12	9.48	9.86	10.25
Rammam HEP	3.70	3.85	4.00	4.16	4.33	4.50	4.68	4.87
Small Hydros	2.48	2.61	2.74	2.87	3.02	3.17	3.33	3.49
Purulia Pumped Storage Project	3.50	3.64	3.79	3.94	4.09	4.26	4.43	4.61

R. Recommended Annual Man/ MW ratio for determination of employee cost for Hydro Generating Stations Under Operation and Under Construction.**NORMATIVE MAN-POWER FOR HYDRO GENERATING STATIONS IN NUMBER OF PERSONS PER MW OF INSTALLED GENERATION CAPACITY**

Name of Plant	YEARS							
	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Teesta Canal Falls HEP	5.27	5.15	5.00	4.80	4.60	4.40	4.20	4.00
Jaldhaka HEP	7.91	7.70	7.50	7.30	7.10	6.90	6.70	6.50
Rammam HEP	5.75	5.55	5.35	5.15	4.95	4.75	4.55	4.35
Small Hydros	10.50	10.35	10.20	10.05	9.90	9.75	9.60	9.45
Purulia Pumped Storage Project	0.225	0.225	0.225	0.225	0.225	0.225	0.225	0.225

Note : -

- i) The above Man / MW ratio for different generating stations has considered all regular employees of own establishment as also all contracted manpower in the regular establishment, irrespective of whether the latter have been contracted directly or indirectly.
- ii) This Man/MW ratio in the above table is only a preferred ratio for the purpose of determination of the cost of employees and is subject to any reasonable deviation at the sole discretion of the Commission;
- iii) The normative auxiliary energy consumption rate of a new hydro generating station as a whole or part of it or of an already existing hydro generating station due to addition of any new unit, which is/ are not covered in the above table, the normative Man/MW ratio shall be determined by the Commission on consideration of facts and figures submitted to it subject to other conditions under these regulations.
- iv) The tariff application of a licensee having its own hydro generation activity shall, show its manpower engaged in hydro generating station(s) and manpower engaged in business other than generation separately.
- v) In case of operation of any of the activities of a licensee through a contract, the cost allowed for the contract shall be subject to a ceiling arrived at on the basis of said manpower and the average cost per employee in the licensees regular establishment for the same category of employees.

Schedule – 9B

GAIN SHARING

(See regulations 2.5.1(iv), 2.6(i), 2.6(iv), 2.8.6.2, 2.8.6.3 and 2.8.6.8)

PRINCIPLE OF GAIN SHARING BETWEEN ELECTRICITY SUPPLIER AND PURCHASER FOR PERFORMANCE BETTER THAN OPERATING NORMS**A. GAIN SHARING FOR COAL FIRED THERMAL POWER STATIONS**

Any gain of a licensee or a generating company operating coal fired thermal generating station(s), that arises from performance of the generating station which is better than the operating norms for that generating station, shall be computed by the difference between the actual performance on the one hand, and the relevant normative values on the other, expressed in monetary terms, and such gains shall be shared between the supplier of electricity and the purchaser of the same.

A1. Gain Sharing For Better Oil Consumption Rate : When gains in a pulverized coal fired thermal generating station accrue from actual performance in respect of oil consumption in a year being better than the norms in this behalf, the gains shall be shared between that generating station on the one hand, and the distribution licensee on the other, the latter being the purchaser of electricity from that generating station. Where the distribution licensee itself is the owner of the generating station, the performance of which in respect of oil consumption betters the norms, the resultant gains shall be shared between the distribution licensee on the one hand and the purchaser(s) of the electricity from that distribution licensee on the other, *i.e.*, consumers or other licensees as the case may be, The gains shall be shared in the manner shown in the following table.

Sl. No.	CRITERIA	SHARING OF GAIN (G) BETWEEN GENERATING STATION AND PURCHASER OF ELECTRICITY FOR FOLLOWING CATEGORY OF GENERATING STATION		
		CATEGORY A	CATEGORY B	CATEGORY C
1	$(OIL_n - 0.25 \text{ ml/Kwhr}) \leq OIL < OIL_n$	60 % : 40%	55 % : 45 %	50% : 50%
2	$(OIL_n - 0.50 \text{ ml/Kwhr}) \leq OIL < (OIL_n - 0.25 \text{ ml/Kwhr})$	65% : 35 %	60 % : 40 %	55% : 45%
3	$(OIL_n - 0.75 \text{ ml/Kwhr}) \leq OIL < (OIL_n - 0.50 \text{ ml/Kwhr})$	70% : 30 %	65 % : 35 %	60% : 40 %
4	$(OIL_n - 1.0 \text{ ml/Kwhr}) \leq OIL < (OIL_n - 0.75 \text{ ml/Kwhr})$	74% : 26 %	70 % : 30 %	65% : 35%
5	$(OIL_n - 1.25 \text{ ml/Kwhr}) \leq OIL < (OIL_n - 1.0 \text{ ml/Kwhr})$	Not Applicable	74 % : 26 %	70% : 30 %
6	$(OIL_n - 1.50 \text{ ml/Kwhr}) \leq OIL < (OIL_n - 1.25 \text{ ml/Kwhr})$	Not Applicable	77 % : 23 %	74% : 26 %
7	$OIL < (OIL_n - 1.5 \text{ ml/Kwhr})$	Not Applicable	80 % : 20 %	77% : 23 %

Where OIL_n = Norms for oil consumption rate in ml/Kwhr for the year under consideration;

OIL = The actual oil consumption in ml/ Kwhr for the year under consideration; and

G = Total generation in million unit x $(OIL_n - OIL)$ in ml/Kwhr x price of oil in Rs/KL when $OIL_n > OIL$; or

G = 0 when $OIL_n \leq OIL$

CATEGORY A = The generating station whose $OIL_n \leq 1$

CATEGORY B = The generating station whose $OIL_n > 1$ and $OIL_n \leq 2$

CATEGORY C = The generating station whose $OIL_n > 2$

NOTE : If the gain accruing to a generating station belonging to any criteria group (indicated by a serial number against each criteria group) is found to be less than the gain accruing at lower criteria group (indicated by a lesser serial number against that criteria group), then it is the latter gain that shall be considered for the generating station. This shall hold good irrespective of the categories to which the generating stations in question may belong to. Also, if the gain accruing to any generating station belonging to category A is found to be less than the gains accruing at same criteria group in category B or Category C, then it is the latter gain that shall be considered for former generating station. This shall hold good irrespective of the criteria groups (indicated by the serial number against each criteria group) to which the generating stations in question may belong to. The same principle shall apply mutatis mutandis for a generating stations belonging to categories B and C categories respectively.

A2. Gain Sharing For Better Auxiliary Consumption : When gains in a coal fire thermal generating station accrue from actual performance in respect of auxiliary energy consumption in a year being better than the norms in this behalf, the gains shall be shared between the generating station on the one hand and the distribution licensee on the other, the latter being the purchaser of electricity from the generating station. Where the distribution licensee itself is the owner of the generating station, the performance of which in respect of auxiliary consumption betters the norms, the resultant gains shall be shared between the distribution licensee on the one hand and the purchased(s) of electricity from that distribution licensee on the other, i.e., consumers or other licensee(s) as the case may be. The gains shall be shared in the manner shown in the following table.

**AUXILIARY ENERGY CONSUMPTION FOR COAL FIRED THERMAL GENERATING STATION
WITH COOLING TOWER AND ELECTRICALLY DRIVEN PUMPS**

Sl. No.	CRITERIA	SHARING OF GAIN (G) BETWEEN GENERATING STATION AND PURCHASER OF ELECTRICITY		
		CATEGORY A	CATEGORY B	CATEGORY C
1	$(Aux_n - 0.5\%) \leq Aux < Aux_n$	70% : 30%	60 % : 40 %	50 % : 50%
2	$(Aux_n - 0.75\%) \leq Aux < (Aux_n - 0.5\%)$	75% : 25%	70 % : 30%	60% : 40 %
3	$(Aux_n - 1.0\%) \leq Aux < (Aux_n - 0.75\%)$	80% : 20 %	75 % : 25%	70% : 30 %
4	$(Aux_n - 1.5\%) \leq Aux < (Aux_n - 1.0\%)$	85% : 15%	80 % : 20%	75% : 25 %
5	$Aux < (Aux_n - 1.5\%)$	88% : 12%	85% : 15%	80% : 20 %

CATEGORY A = The generating station whose $Aux_n < 9\%$

CATEGORY B = The generating station whose $Aux_n \geq 9\%$ and. $Aux_n \leq 10\%$

CATEGORY C = The generating station whose $Aux_n > 10\%$

Note: This table will be applicable for unit below 200MW set and also for generating set of 200MW and above with cooling tower and electrically driven boiler feed pump.

**AUXILIARY ENERGY CONSUMPTION FOR COAL FIRED THERMAL GENERATING STATION OF
CAPACITY OF 200MW AND ABOVE WITH ELECTRICALLY DRIVEN PUMPS BUT WITHOUT COOLING TOWER**

Sl. No.	CRITERIA	SHARING OF GAIN (G) BETWEEN GENERATING STATION AND PURCHASER OF ELECTRICITY		
		CATEGORY A	CATEGORY B	CATEGORY C
1	$(Aux_n - 0.5\%) \leq Aux < Aux_n$	70% : 30%	60 % : 40 %	50 % : 50%
2	$(Aux_n - 0.75\%) \leq Aux < (Aux_n - 0.5\%)$	75% : 25%	70 % : 30%	60% : 40 %
3	$(Aux_n - 1.0\%) \leq Aux < (Aux_n - 0.75\%)$	80% : 20 %	75 % : 25%	70% : 30 %
4	$(Aux_n - 1.5\%) \leq Aux < (Aux_n - 1.0\%)$	85% : 15%	80 % : 20%	75% : 25 %
5	$Aux < (Aux_n - 1.5\%)$	88% : 12%	85% : 15%	80% : 20 %

CATEGORY A = The generating station whose $Aux_n < 8.5\%$

CATEGORY B = The generating station whose $Aux_n \geq 8.5\%$ and. $Aux_n \leq 9.5\%$

CATEGORY C = The generating station whose $Aux_n > 9.5\%$

**AUXILIARY ENERGY CONSUMPTION FOR COAL FIRED THERMAL GENERATING STATION OF CAPACITY
OF 200MW AND ABOVE WITH TURBINE DRIVEN PUMPS BUT WITHOUT COOLING TOWER**

Sl. No.	CRITERIA	SHARING OF GAIN (G) BETWEEN GENERATING STATION AND PURCHASER OF ELECTRICITY
1	$(Aux_n - 0.5\%) \leq Aux < Aux_n$	70% : 30%
2	$(Aux_n - 0.75\%) \leq Aux < (Aux_n - 0.5\%)$	75% : 25%
3	$(Aux_n - 1.0\%) \leq Aux < (Aux_n - 0.75\%)$	80% : 20 %
4	$(Aux_n - 1.5\%) \leq Aux < (Aux_n - 1.0\%)$	85% : 15%
5	$Aux < (Aux_n - 1.5\%)$	88% : 12%

Where Aux_n (in %) = norms for auxiliary consumptions for a generating stations for the year under considerations;

Aux (in %) = actual auxiliary consumption by the generating station for the year under consideration; and

G = Excess Units sent out from generating station due to improved performance over the norms \times (Energy Cost per unit in rupees of the generating station + annual capacity charge per unit in rupees of the generating station when generation is achieved as per norms or above)

NOTE : i) If the gain accruing to a generating station belonging to any criteria group (indicated by a serial number against each criteria group) is found to be less than the gain accruing at lower criteria group (indicated by a lesser serial number against that criteria group), then it is the latter gain that shall be considered for the generating station. This shall hold good irrespective of the categories to which the generating stations in question may belong to. Also, if the gain accruing to any generating station belonging to category A is found to be less than the gains accruing at same criteria group in category B or Category C, then it is the latter gain that shall be considered for former generating station. This shall hold good irrespective of the criteria groups (indicated by the serial number against each criteria group) to which the generating stations in question may belong to. The same principle shall apply mutatis mutandis for a generating stations belonging to categories B and C categories respectively.

ii) When auxiliary energy consumption rate is higher than the applicable norms then $G=0$.

A3. **Gain Sharing For Better Gross Station Heat Rate** : When the gains in a coal fired thermal generating station accrue from actual performance in respect of gross station heat rate in a year being better than the norms in this behalf, the gains shall be shared between the generating station on one hand and the distribution licensee on the other hand, the latter being the purchaser of electricity from that generating station. Where the distribution licensee itself is the owner of the generating station, the performance of which in respect of gross station heat rate betters the norms, the resultant gains shall be shared between the distribution licensee on the one hand and the purchaser(s) of electricity from that distribution licensee on the other, i.e., consumers or other licensee(s) as the case may be. The gains shall be shared in the manner shown in the following table.

Sl. No.	CRITERIA	SHARING OF GAIN (G) BETWEEN GENERATING STATION AND PURCHASER OF ELECTRICITY FOR FOLLOWING CATEGORY OF GENERATING STATIONS		
		CATEGORY A	CATEGORY B	CATEGORY C
1	$SHR_n \times 0.99 \leq SHR < SHR_n$	70% : 30%	60% : 40%	50% : 50%
2	$SHR_n \times 0.98 \leq SHR < SHR_n \times 0.99$	75% : 25%	70% : 30%	60% : 40%
3	$SHR_n \times 0.97 \leq SHR < SHR_n \times 0.98$	80% : 20%	75% : 25%	70% : 30%
4	$SHR_n \times 0.96 \leq SHR < SHR_n \times 0.97$	85% : 15%	81% : 19%	76% : 24 %
5	$SHR < SHR_n \times 0.96$	88% : 12 %	86% : 14%	80% : 20%

Where

CATEGORY A = The generating station whose $SHR_n \leq 1.05 \times D$

CATEGORY B = The generating station whose $SHR_n \leq 1.10 \times D$ and $SHR_n > 1.05 \times D$

CATEGORY C = The generating station whose $SHR_n > 1.10 \times D$

D = Design Gross Station Heat Rate ;

SHR_n = Gross Station Heat Rate in Kcal/Kwhr as per norms for the year under consideration;

SHR = Actual Gross Station Heat Rate in Kcal/Kwhr in the year under consideration; and

G = Fuel cost saving in Rs. for overall actual generation when such generation is equal to or better than the norms.

NOTE :-

- i. If the gain accruing to any generating station belonging to any criteria group (indicated by the serial number against each criteria group) is found to be less than the gain accruing at a lower criteria group (indicated by a lesser serial number against that criteria group), then it is the latter gain that shall be considered for the aforesaid first generating station. This shall hold good irrespective of the categories to which the generating stations in question may belong to.
- ii. In case of non-availability of design heat rates of all the units of a coal fired thermal generating station or in case of availability of design heat rates of only some of the units of such a generating station or in case of non-acceptance by the Commission of the design heat rate(s) submitted by the owner of such generating station, the generating station in question shall be considered as category C thermal generating stations.
- iii. The design station heat rate of any coal fired thermal generating stations under construction as on 15.10.2007 and not considered specifically in the Schedule-9A or the same for any similar coal fired thermal generating stations to be constructed thereafter, shall not be considered at a value higher than the station heat rate to be found in an equivalent coal fired thermal generating station existing and functioning at that time.
- iv. For the purpose of these regulations the design gross station heat rate (D) for different units of thermal generating stations are as follows:

Gen. Station / Unit	Design Gross station Heat Rate in Kcal / KWhr
CESC:	
Budge Budge TPS Unit 1 & 2	2261
Budge Budge TPS Unit 3	2220.1
Southern Generating Station Unit 1 & 2	2707
Titagarh Generating Station Unit 1 to 4	2659
New Cossipore Generating Station 100 MW	2920
WBPDC	
Bakreswar Thermal Power Station Unit 1 to Unit 3	2257.6
Bakreswar Thermal Power Station Unit 4 to Unit 5	2257.6
Kolaghat Thermal Power Station Unit 1 to Unit 6	2386.57
Bandel Thermal Power Station Unit 1 to 4	2603.14
Bandel Thermal Power Station Unit 5	2386.57
Santalidhi Thermal Power Station Unit 1 to 4	2298
Santalidhi Thermal Power Station Unit 5	2220.1
Sagardighi Thermal Power Station Unit 1&2	2160
DURGAPUR PROJECT LIMITED	
DPL UNIT 1 TO 6	NOT AVAILABLE
DPL UNIT 7	2160
DPSC	
Disergarh TPS 12.2 MW	NOT AVAILABLE
Chinakuri Unit 1 to 3	NOT AVAILABLE

Above design value of gross station heat rate is at the generator terminal end. Where the design gross station heat rate of thermal power station has different design heat rate for different units or cluster of units then the value of design gross station heat rate (D) of that thermal generating stations will be computed on the basis of weighted average of the normative generation

B. GAIN SHARING FOR HYDRO GENERATING STATIONS

The gains accruing to a hydro generating station due to its performance being better than the norms in any year, may be retained by that station.

C. GAIN SHARING FOR TRANSMISSION LICENSEE

In case of transmission loss lower than the norms for the year for the transmission licensee, the gain (G) done by the persons availing open access through such transmission system for transmission of its electricity shall provide 25% of such gain as a provision of incentive to the transmission licensee who has undertaken such transmissions. For computation

$G = (\text{Excess energy available at delivery point or energy saved at injection point due to better performance than the normative transmission loss}) \times (\text{Price of energy delivered at delivery point in rupees after taking into account the transmission loss where applicable or price of energy at injection point in rupees}).$

D. GAIN SHARING FOR DISTRIBUTION LICENSEE

The gains accruing to a distribution licensee due to its performance in distribution loss being better than the norms of distribution loss in any year, may be retained by that distribution licensee.

E. SOME RESTRICTIONS ON GAIN SHARING

In case of availability of a generating station of either a generating company or a licensee falls below the availability norm, then the total gains meant to be passed on to consumers, which shall represent the sum of the sharable gains under paragraph A to paragraph D, shall be used first to compensate the deficit in fixed charge recovery of the concerned generating station by the generating company or the licensee as the case may be, and only thereafter the balance if any shall be passed on to consumers. In such an event, the computation shall be generating station specific.

Schedule – 9C

(See regulation 2.8.1.4.14)

NORMS FOR CONSTRUCTION PERIOD**1. COAL FIRED THERMAL POWER STATIONS**

SI No.	Type of Coal fired Generating Stations	Norms of Duration of Construction in months.
1	Below 500 MW	42
2	Above or more than 500 MW	54
3	Project whose order is placed before 1.1.2007	45

The above norms of duration of construction are applicable only to the first units of any coal fired thermal generating stations. For subsequent units the norms of COD period shall be considered at a gap of six months for each additional unit.

Illustration :- If there is project of coal fired thermal generating station consisting of three units of 250 MW set, the norms of COD from the zero date for the first unit shall be 42 months, the same for the second unit shall be 48 months and the same for the third unit shall be 54 months.

2. HYDRO POWER STATIONS

As per contract agreement.

3. DURATION OF CONSTRUCTION

Duration of construction of a generating station shall be the period between zero date of the project and COD where zero date is the date of placement of order of boiler or turbine whichever is earlier.

Schedule – 10

INCENTIVES FOR IMPROVED PERFORMANCE

(See regulations 2.6(i), 2.6(iv), 2.8.6.4, 2.8.6.10, 2.8.8.2, 4.16.1, 5.4.2 and 5.14.1)

1. INCENTIVE FOR GENERATION HIGHER THAN ANNUAL NORMS

For generation by thermal generating stations in a year higher than annual norms of PLF as provided in paragraph B of Schedule 9A of these regulations the incentive will be given for ex-bus scheduled energy corresponding to implemented scheduled generation in excess of ex-bus energy corresponding to annual norms of generation (PLF) and auxiliary consumptions at the following rate:

PLF Achieved Range	Incentive rate in excess of Ex-bus energy corresponding to PLF achieved (in paisa / kWh)			
	Category A	Category B	Category C	Category D
$X \% < \text{PLF Achieved} \leq (X + 1) \%$	10	20	25	30
$(X+1)\% < \text{PLF Achieved} \leq (X + 2)\%$	11	21	26	31
$(X + 2)\% < \text{PLF Achieved} \leq (X + 3)\%$	12	22	27	32
$(X + 3)\% < \text{PLF Achieved} \leq (X + 4)\%$	13	23	28	33
$(X + 4)\% < \text{PLF Achieved} \leq (X + 5)\%$	14	24	29	34
$(X+5)\% < \text{PLF Achieved} \leq (X+ 6)\%$	15	25	30	35
$(X+6)\% < \text{PLF Achieved} \leq (X + 7)\%$	16	26	31	36
$(X + 7)\% < \text{PLF Achieved} \leq (X + 8) \%$	17	27	32	37
$(X + 8)\% < \text{PLF Achieved} \leq (X + 9)\%$	18	28	33	38
$(X + 9)\% < \text{PLF Achieved} \leq (X + 10)\%$	19	29	34	39
$\text{PLF Achieved} > X + 10\%$	20	30	35	40
Where, X= Value of target PLF of the generating station in %. Category A= Operating Age of Generating Station \leq 10 Years Category B= Operating Age of Generating Station \leq 20 Years and $>$ 10 Years Category C= Operating Age of Generating Station \leq 25 Years and $>$ 20 Years Category D= Operating Age of Generating Station $>$ 25 Years				

Note -

- i) The above incentive shall not apply for Disergarh Thermal Power Station of DPSC Ltd, and New Cossipore Thermal Power Station of CESC Ltd. Further, generation from Unit 1 and Unit 2 of DPL shall not be considered for the above incentive. .
- ii) The old units of Bandel TPS, the capacities of which have been derated, shall be treated as Category C generating stations .
- iii) Notwithstanding any other method of computing PLF anywhere in the instant regulations, computation of actual PLF achieved for the purpose of PLF related incentives, shall be done on the basis of generation achieved in % with respect to generation at MCR, i.e, by adding actual implemented ex bus scheduled injection with normative auxiliary consumption.

2. INCENTIVE ON RELIABILITY OF GENERATION SCHEDULE

Incentive on annual basis for actual achievement by any generating station with respect to initial schedule of injection as provided by SLDC on day a head shall be provided on the basis of following principle.

Sl. No.	CRITERIA	Incentive on ex-bus generation
1	RI_GENSCHD=100%	3.0 paisa/ Kwhr
2	99%≤RI_GENSCHD<100%	1.5 paisa/ Kwhr
3	98%≤RI_GENSCHD<99%	0.7 paisa/ Kwhr
4	97%≤RI_GENSCHD<98%	0.3 paisa/ Kwhr
5	96%≤RI_GENSCHD<97%	0.1 paisa/ Kwhr
6	RI_GENSCHD<96%	0.0 paisa/ Kwhr

In the above table RI_GENSCHD is Reliability Index of Generation Injection Schedule and defined by the following formula :

$$RI_GENSCHD = \frac{\text{No of blocks where actual injection achieved at least scheduled injection}}{\text{No of block in the year}} \times 100$$

However, if actual injection is less than the scheduled injection in order to assist the grid due to frequency at 50 HZ or above or as per specific instruction of SLDC then such actual injection is to be considered of achieving scheduled injection.

3. INCENTIVE FOR LESS OIL CONSUMPTION THAN THE NORMS

Incentive with respect to oil consumption by pulverized coal fired thermal generating stations shall be available when the actual annual oil consumption is less than the normative value, and the same would be determined on application of the criteria given below.

Criteria for Incentive	Incentive in Paisa / Unit of Generation
0.5 ml/ Kwhr <X ≤ 0.75 ml/ Kwhr	0.25 Paisa
0.75 ml/ Kwhr <X ≤ 1.0 ml/ Kwhr	0.30 Paisa
1.0 ml/ Kwhr <X ≤ 1.50 ml/ Kwhr	0.40 Paisa
1.5 ml/ Kwhr <X ≤ 2.0 ml/ Kwhr	0.45 Paisa
2.0 ml/ Kwhr <X ≤ 2.5 ml/ Kwhr	0.60 Paisa
X > 2.5 ml/Kwhr	0.75 Paisa
Where X = Norms of oil consumption rate in ml/Kwhr – Actual oil consumption rate in ml/ Kwhr	

4. INCENTIVE FOR BETTER GROSS STATION HEAT RATE THAN THE NORMS

Incentive with respect to gross station heat rate (SHR) of a coal fired thermal generating stations shall be available when the actual gross station heat rate for a year achieved by the generating station shall be within the criteria as provided in the table below:

Operating age of the Generating Station	Criteria for Incentive	Incentive in paisa / kWh Generation (Gross)
Up to 10Yrs.	SHR ≤ (DSHR × 1.02)	0.25 Paisa / kWh
>10 Yrs but ≤ 20 Yrs	SHR ≤ (DSHR × 1.02) (DSHR × 1.02) < SHR ≤ (DSHR×1.03)	0.50 Paisa / kWh 0.25 Paisa / kWh
>20 Yrs. but ≤ 25 Yrs.	SHR ≤ (DSHR × 1.03) (DSHR × 1.03) < SHR ≤ (DSHR×1.04)	0.75 Paisa / kWh 0.50 Paisa / kWh
>25 Yrs.	SHR ≤ (DSHR×1.04)	1.00 Paisa / kWh
DSHR = Design Station Heat Rate		

However where the generating stations as a whole or any part of it having undergone Life Extension Programme(s) through renovation and modernization programme, the operating age shall be considered separately. Unit no. 1 to 5 of DPL having undergone such Life Extension Programme(s), shall be put in the age group of 10 to 20 years individually and shall be considered as of 12 years age on 2008-09. Further Unit 6 and Unit 7 of DPL shall be treated individually for the purpose of availability of incentive on gross station heat rate as the COD of these two units are temporarily widely spaced from each other.

5. INCENTIVE FOR SUSTAINABLE EVENING GENERATION

Incentive for actual achievement with respect to annual Average Evening Generation (AEG) during the evening hours of one year shall be provided on the basis of the following criteria.

Operating age of the generating station	Eligibility Criteria	Incentive Amount
First 5 yrs.	$AEG \geq 98\%$ of MCR	1 paisa per unit of extra generation over the eligibility criteria from 5 pm to 8pm
6 th to 10 th yrs	$AEG \geq 97\%$ of MCR	1.5 paisa per unit of extra generation over the eligibility criteria from 5 pm to 8pm
11 th to 15 th yrs	$AEG \geq 96\%$ of MCR	3.0 paisa per unit of extra generation over the eligibility criteria from 5 pm to 8pm
16 th to 20 th yrs	$AEG \geq 95\%$ of MCR	5.0 paisa per unit of extra generation over the eligibility criteria from 5 pm to 8pm
20 th to 25 th yrs	$AEG \geq 94\%$ of MCR	7.0 paisa per unit of extra generation over the eligibility criteria from 5 pm to 8pm
Above 25yrs	$AEG \geq 92\%$ of MCR	10.0 paisa per unit of extra generation over the eligibility criteria from 5 pm to 8pm

Note :

- For the purpose of calculation of AEG, the number of days in the concerned year shall be reduced by the number of days required for planned maintenance, if any, which however shall be subject to ceiling of 30 days.
- The claim of average peak generation is to be authenticated by the SLDC. The maximum generation for which the incentive is applicable should be limited to the MCR capacity.
- Similarly the generating stations or part of it having undergone life extension programme (LEP) through renovation and modernization programme such as DPL shall also be considered in the age of 12 years in 2008-09 for the corresponding part which has undergone such renovation and modernization. The eligibility criteria for incentive on sustainable evening generation by the generating station which has undergone LEP as mentioned will be determined by the weighted average of the eligibility criteria of the part as mentioned and the balance part of the generating station on the basis of the MCR of those parts after taking the age of the balance part as a separate generating station in accordance with paragraph 9 of this instant Schedule. The said determined eligibility criteria will be applied on such type of generating stations as a whole for determination of their incentive on the sustainable evening generation.
- However the said incentive for AEG shall not be applicable for Disergarh Thermal Power Station of DPSC and New Cossipore Thermal Power Station of CESC.
- Notwithstanding, anything to the contrary contained anywhere in these regulations for the purpose of computation of annual Average Evening Generation for this incentive calculation shall be based on implemented scheduled generation determined by adding actual implemented ex bus scheduled injection with normative auxiliary consumption for the applicable total hours of evening as defined in the table above for the year concerned subject to conditions as laid down in paragraphs (i), to (iv) above.

6. INCENTIVE FOR GENERATION BY HYDRO-GENERATING STATION

- a) Incentive shall be payable in case of all the hydro-generating stations, including in case of new generating stations in the first year of operation and any pumped storage hydro generating station, when the capacity index (CI) exceeds the norms as provided in Schedule 9A and incentive shall accrue up to a maximum capacity index of 100%.
- b) Incentive shall be payable to the generating company or licensee in accordance with the following formula:

$$\text{Incentive} = 0.65 \times \text{Annual Capacity Charge} \times (\text{CIA} - \text{CIN})/100$$

(If incentive is negative, it shall be set to zero.)

Where, CIA is the Capacity Index achieved and CIN is the normative capacity index as provided in Schedule -9A.

- c) The incentives on account of capacity index and payment for secondary energy shall be payable on yearly basis along with APR.
- d) Total incentive payment calculated on annual basis as provided in paragraphs a), b) and c) above shall be shared by the beneficiaries who are purchasing power from that stations based on the saleable allocated capacity.

7. INCENTIVE FOR EARLY COMMISSIONING OF HYDRO-GENERATING STATION

- a) In case of commissioning of a hydro-generating station or part thereof ahead of schedule, as set out in the final approval in pursuance to regulation 2.8.1.4.7 or as mentioned in the Schedule-9C or as mentioned in techno-economic clearance of the Authority if any, whichever is earlier, the generating station shall become eligible for incentive for an amount equal to *pro rata* reduction in interest during construction, achieved on commissioning ahead of the schedule. The incentive shall be recovered through tariff in twelve equal monthly installments during the first year of operation of the generating station provided in case of ownership of such generating station by any generating company there shall be power purchase agreement for supplying power from this generating station to Distribution Licensee for at least 15 year.
- b) Total incentive payment calculated on annual basis as above paragraph (a) shall be shared by the beneficiaries who are purchasing power from that stations based on the saleable allocated capacity.

8. INCENTIVE FOR TRANSMISSION LICENSEE

$$\text{Incentive} = \text{Annual Transmission Charges} \times (\text{Annual Availability achieved} - \text{Target Availability}) / \text{Target Availability}$$

Where, Annual transmission charges shall correspond to intra-state assets or for a particular inter-state asset, as the case may be.

Provided that no incentive shall be payable below the availability of 99.75% for AC transmission line and substation system and 98.5% for HVDC system.

9. OPERATING AGE DETERMINATION OF GENERATING STATIONS

For incentive computation from paragraph 1 to 5 wherever operating age determination of the generating station is required, the operating age of the generating station will be the weighted average of the age of all units from their COD based on weightage of normative annual generation of each unit. The operating age of the unit will be calculated as on 1st October of the year for which incentive will be given.

10. INCENTIVE FOR EARLY COD WITH FULL LOAD OPERATION BY COAL FIRED THERMAL GENERATING STATION

If the actual COD with full load operation and all load bearing equipments is achieved earlier than both the COD as stipulated in the agreement and in Schedule-9C, 50% of the saved interest during construction shall be allowed as incentive in such number of monthly installments over first two year of operation of the generating station as may be stipulated by the Commission in the tariff order."

70. In the table with the heading "Different classes of consumers" in Annexure-C1 of the principal Regulations, -
- (i) for the words "Short Term for Commercial Plantation" in item (viii) under the column with the heading "Class of Consumers" in the category "A. LV & MV Consumers" the words "Short Term supply for Commercial Plantation" shall be substituted;
 - (ii) for the words "Community Irrigation" in item (iii) under the column with the heading "Class of Consumers" in the category "B. HV & EHV Consumer" the word "Irrigation" shall be substituted;
 - (iii) for the words "Commercial Plantation (like Tea Garden, Horticulture, Tissue Culture, Floriculture, Herbal-Medicine / Bio-diesel Plant Farming, etc)" in item (iv) under the column with the heading "Class of Consumers" in the category "B. HV & EHV Consumer" the words "Commercial Plantation" shall be substituted;
 - (iv) for the words "Cold Storage for perishable item" in item (xi) under the column with the heading "Class of Consumers" in the category "B. HV & EHV Consumer" the words "Cold Storage or dairy with chilling plant" shall be substituted;
 - (v) the words "Cold Storage for non-perishable item" in item (xii) under the column with the heading "Class of Consumers" in the category "B. HV & EHV Consumer" and all words in that row shall be deleted.
71. In the Note to Annexure C-1 of the principal Regulations, after item (ix), the following items shall be inserted:—
- "(x) Domestic consumer having monthly consumption of 25 units and contract demand not more than 0.3 KW shall be treated as Life Line Domestic Consumer."
72. In the table with the heading "Different classes of consumers" in Annexure-C2 of the principal Regulations,-
- (i) for the words "Short Term for Commercial Plantation" in item (viii) under the column with the heading "Class of Consumers" in the category "A. LV & MV CONSUMERS" the words "Short Term supply for Commercial Plantation" shall be substituted;
 - (ii) for the words "Community Irrigation" in item (iii) under the column with the heading "Class of Consumers" in the category "B. HV & EHV CONSUMER" the word "Irrigation" shall be substituted;
 - (iii) for the words "Commercial Plantation (like Tea Garden, Horticulture, Tissue Culture, Floriculture, Herbal-Medicine / Bio-diesel Plant Farming, etc)" in item (iv) under the column with the heading "Class of Consumers" in the category "B. HV & EHV CONSUMER" the words "Commercial Plantation" shall be substituted;
 - (iv) for the words "Cold Storage for perishable item" in item (xi) under the column with the heading "Class of Consumers" in the category "B. HV & EHV CONSUMER" the words "Cold Storage or dairy with chilling plant" shall be substituted;
 - (v) the words "Cold Storage for non-perishable item" in item (xii) under the column with the heading "Class of Consumers" in the category "B. HV & EHV CONSUMER" and all words in that row shall be deleted.
73. In the Note below the table in Annexure C-2 of the principal Regulations, after item (vi) and before the table for TOD scheme, the following items shall be inserted:—

- “(vii) Pre-paid meter in applicable tariff scheme will be based on pre-denominated pre-paid facility only where vending machine infrastructure is not available.
- (viii) Optional tariff scheme for pre-paid meter will be available only in those areas where the vending machine for such pre-paid meter is available. However, where vending machine is not available pre-denominated pre-paid facility shall be made available to the consumer.
- (ix) In case of pre-denominated pre-paid facility, if there is any balance on pre-denominated facility arising out of any validity condition of such facility or because of discontinuance of consumership, such amount shall be refunded to the consumer.
- (x) Notwithstanding anything to the contrary contained in any other regulation of the Commission, in case of non availability of pre-paid meter, the consumer applying under applicable tariff scheme or under optional tariff scheme shall be provided with the non pre-paid meter but for such consumer the tariff shall be at the rate of pre-paid tariff scheme on the basis of post consumption payment basis as applicable for that class of consumers. This arrangement may be continued upto two years from the date of application for such pre-paid meter by the said consumer so that by that time the consumer shall have to be provided with the pre-paid meter. On completion of the specified two years if such pre-paid meter is not installed at the premises of the consumer then the distribution licensee will not be able to raise any bill in respect of the consumer till such time the pre-paid meter is installed and any losses incurred by the distribution licensee after the said two years on this account shall not be allowed to be recovered through tariff.
- (xi) Optional tariff scheme is meant for existing consumers only. Once option for optional tariff scheme is exercised the subsequent reversion to applicable tariff scheme is not permissible.
- (xii) All new connections to the consumers under HV & EHV category, for whom optional TOD scheme exists, shall be under TOD scheme compulsorily except the class of consumers namely Domestic or Commercial or Sports Complex or Traction or Bulk Supply at single point to Co-operative Group Housing Society for providing power to its members or person for providing power to its employees in a single premises, for whom the TOD scheme shall remain optional.
- (xiii) For commissioning of any generating station, except own generating station of a distribution licensee, the tariff for commissioning power shall be equal to the tariff of industrial class of consumer at the applicable voltage. However such supply shall not have load factor rebate, power factor rebate and high voltage supply rebate.
- (xiv) The TOD Scheme as mentioned in the table is defined as follows:—”

74. At the end of the item-3 of the note to the form 1.12 of the Annex-1, the following sentence shall be inserted:-

“The corresponding number of manpower to the said cost for both own and contracted manpower in regular establishments are to be shown separately in two separate rows”

75. In Form 1.27 of the Annex 1 of the principal Regulation with the heading Wheeling charge the reference numbers “24” and “25” having particulars “Less: Interest credited on Depreciation” and “Less: Net receivable UI charges for the previous year “ respectively shall be deleted;

76. For Annex 7 of the principal Regulations, the following Annexure shall be substituted:-

“Annexure-7**[See clause (xi) of proviso to regulation 2.7.2]**

..... (Name of applicant)

..... (Registered Office Address)

Gist of Tariff Application

1. (Name of applicant) has made an application before the West Bengal Electricity Regulatory Commission (Commission) for determination of Tariff, Aggregate Revenue Requirement and Expected Revenue from Charges of all the ensuing years of the control period consisting of years from (year) to(year) and application has been admitted by the Commission on (date).

2. The gist of the tariff application is as follows:

(i) Tariff proposed to be made effective from the billing month of April of every ensuing year.

(ii) Details of proposed tariff (only applicable portion to be filled up).

A) For Generating Company: (p/kWh)

(separate figures to be given for each generating station)

Name of the Generating Station	Tariff for the Base Year	Tariff for the control period (year) to (year)				
		1 st year	2 nd year	3 rd year	4 th year	5 th year
		Year to be indicated	Year to be indicated	Year to be indicated	Year to be indicated	Year to be indicated

B) For Transmission Licensee:

	Tariff for the Base Year	Tariff for the control period (year) to (year)				
		1 st year	2 nd year	3 rd year	4 th year	5 th year
		Year to be indicated	Year to be indicated	Year to be indicated	Year to be indicated	Year to be indicated
Rate for Long Term Customer (Rs/MW/month)						
Rate for Short Term Customer (Rs/MW/day)						
Rate payable by Short Term Customer in case of uncongested transmission network (in % for short term customer)						

(a) upto 6 hours in a day in one block						
(b) More than 6 hours and upto 12 hours in a day in one block						
(b) More than 12 hours and upto 24 hours in a day in one block						

C) For Distribution Licensee: (p/kWh)

	Tariff for the Base Year	Tariff for the control period (year) to (year)				
		1 st year	2 nd year	3 rd year	4 th year	5 th year
		Year to be indicated	Year to be indicated	Year to be indicated	Year to be indicated	Year to be indicated
Average cost of Supply						

- (iii) Projected Revenue at current tariff, Projected Aggregate Revenue Requirement and Expected Revenue from Charges at proposed tariff for the ensuing years of the control period are as follows:

In Rs. Lakh

	Revenue for the control period ...(year) to (year)				
	1 st year	2 nd year	3 rd year	4 th year	5 th year
	Year to be indicated	Year to be indicated	Year to be indicated	Year to be indicated	Year to be indicated
Projected Revenue at Current Tariff					
Projected Aggregate Revenue Requirement					
Expected Revenue from Charges at Proposed Tariff					
Range of percentage of increase / decrease sought in the application for each of the ensuing year compared to the base year					

- (iv) Major reasons for increase / decrease in Tariff proposed.
- (v) Major factors not considered in the above increase/ decrease sought, if any.
- (vi) Details of major changes proposed regarding applicable terms and conditions.
- (vii) Any other important issue.

3. Application submitted by (name of applicant) may be inspected at the office of the Commission and (other addresses, if any) by (date) and certified copies of the application or part thereof may be obtained from the office of the Commission by(date).
4. The application made for determination of Tariff has been posted on the website of the applicant at (name of the web site).
5. The suggestions, objections and comments, if any, on the proposals contained in the application may be submitted at the office of the Commission at by (date).

Note: Dates will be filled up by the Commission.

Place:

Name and designation of the signatory
submitting the proposal"

Date:

Place: Kolkata

By order of the Commission,

Date: 31.12.2007

K. L. BISWAS,
Secretary of the Commission.