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ORDER

OF THE

WEST BENGAL ELECTRICITY REGULATORY COMMISSION

IN CASE NO. OA- 471/ 23 - 24

IN RE APPLICATION SUBMITTED BY CESC LIMITED FOR
WAIVER OF INTRA STATE TRANSMISSION CHARGES FOR
150 MW WIND SOLAR HYBRID RENEWABLE ENERGY AS
PER PROVISION OF ELECTRICITY ACT 2003 AND
REGULATIONS MADE THEREUNDER

PRESENT:

**DR. MALLELA VENKATESWARA RAO, CHAIRPERSON
SRI PULAK KUMAR TEWARI, MEMBER**

DATE: 28.05.2024



Order of the West Bengal Electricity Regulatory Commission on the application submitted by the CESC Limited for waiver of Intra State transmission charges for 150 MW Wind Solar Hybrid Renewable Energy as per provision of Electricity Act, 2003 and Regulations made thereunder



CASE IN BRIEF

- 1.0 The petition is filed by CESC Limited for waiver of intra-state transmission charges for procurement of 150 MW Wind Solar Hybrid Renewable Energy as per provision of Electricity Act, 2003 and Regulations made thereunder.
- 2.0 The petition has been admitted by the Commission in Case No. OA-471/ 23-24. In the instant petition, CESC has submitted that they have made a Power Purchase agreement for procurement of 150 MW Wind Solar Hybrid (WSH) Renewable Power through competitive bidding route to meet their load demand as well as RPO target.
- 3.0 CESC has further submitted that as per Guideline for Tariff Based Competitive Bidding process for procurement of power from grid connected Wind Solar Hybrid Project issued by the Ministry of New and Renewable Energy (MNRE), annual Capacity Utilization Factor ("CUF") shall not be less than 30% for procurement power from the Wind Solar Hybrid Project.
- 4.0 CESC has further submitted that the CUF of the WSH power they are going to procure is 37.9% which is higher than the regulatory requirement of 30%.
- 5.0 CESC has further submitted that there is no technology distinction between such sources and the policy prescription of 2018 policy is to accord some incentive to hybrid project as are being given to wind and solar plant. Hence the concessional intra state transmission charges may also be made applicable for WSH sources.
- 6.0 CESC has also submitted that in terms of the order dated 23.03.2023 passed by the Commission in Case No. OA-440/ 22-23 in the matter of IPCL, concessional transmission charges in the intra-state system is also applicable for WSH power provided the combined CUF is within 30% though there was no mention about CUF in the principal Regulations on Open Access.
- 7.0 It is also submitted by CESC that the Commission vide order dated 23.03.2023 in Case OA-440/22-23 has in fact already granted concessional transmission charges for WSH sources.



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- 8.0 CESC has prayed to allow concessional intra state transmission charges for procurement of 150 MW WSH power through competitive bidding route relaxing the condition of maintaining combined CUF of 30%.

OBSERVATION

- 9.0 As per clause (h) of regulation 18.2.1 of the West Bengal Electricity Regulatory Commission (Open Access) Regulations, 2022 (in short 'Open Access Regulation'), transmission charges for pure wind and pure solar sources shall be $\frac{1}{4}$ of normal long term and medium terms Open Access charges. Commission based on the petition filed by IPCL vide order dated 23.03.2023 in Case No. OA-440/ 22-23 extended the waiver of transmission charges for WSH power procured by IPCL whose combined annual CUF stated to be within 30% subject to the condition that normal STU charges shall be applicable in case the combined annual CUF exceeds 30 %. In the order dated 23.03.2023 the rationale for extending such benefit for the WSH power whose annual CUF varies from 17% to 30% has been explained.
- 10.0 WSH Hybrid power to be procured by CESC is a mix of solar and wind power and the combined CUF is around 37.9% which is more than 30%. Thus the concessional STU charges as prayed for shall not be applicable for WSH power to be procured by CESC. The concessional transmission charges shall only be applicable for this hybrid power, if combined annual CUF is not more than 30%.

ORDER

- 11.0 In view of above, Commission passes the order as follows:
- 11.1 The petition of CESC for extending concessional intra-state transmission charges at $\frac{1}{4}$ th of the long-term and mid-term open access charges for procurement of 150 MW Wind Solar Hybrid



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Renewable Energy having combined CUF of 37.9% has no substance in view of discussion above and accordingly decided in the negative. Concessional tariff for procurement of WSH power shall only be available, if the combined CUF in a year is within 30%.

- 12.0 The petition is disposed of in terms of the above.
- 13.0 A copy of the order shall be posted in the website of the Commission. A copy of the order be served upon CESC Limited.

Sd/-

(PULAK KUMAR TEWARI)

MEMBER

Sd/-

(MALLELA VENKATESWARA RAO)

CHAIRPERSON

Dated : 28.05.2024

Sd/-

(SECRETARY)