



ORDER

OF THE

WEST BENGAL ELECTRICITY REGULATORY COMMISSION

**IN CASES NO.
APR – 131/ 24 – 25
& FPPCA – 126/ 24 – 25**

**APPROVAL OF FUEL AND POWER PURCHASE COST
ADJUSTMENT (FPPCA) AND ANNUAL PERFORMANCE REVIEW
(APR) OF WEST BENGAL STATE ELECTRICITY DISTRIBUTION
COMPANY LIMITED FOR FY 2023 – 24**

DATE: 29.12.2025



CHAPTER – 1

PREAMBLE

- 1.1 West Bengal State Electricity Distribution Company Limited (hereinafter referred to as 'WBSEDCL') has submitted an application for Annual Performance Review (in short 'APR') for 2023 – 24 on 29.11.2024 in terms of regulation 2.6 of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011, as amended from time to time (in short 'Tariff Regulations'). WBSEDCL has also submitted Fuel and Power Purchase Cost Adjustment (FPPCA) application for 2023 – 24 on 20.09.2024 for ascertaining the Fuel and Power Purchase Cost Adjustments (in short "FPPCA") separately. The FPPCA application and APR application have been admitted by the Commission on 10.12.2024 and 31.12.2024 in Case No. FPPCA – 126 / 24 – 25 and Case No. APR – 131/ 24 – 25 respectively.
- 1.2 The APR covers the areas of permissible annual fixed charges, permissible incentives and sharing of gain as per the provisions of the Tariff Regulations. In the APR for the year 2023 – 24, therefore, the review of the different elements of fixed charges, categorized as controllable and uncontrollable has been done to find out the admissible amounts against each head of element vis-à-vis the amount allowed under tariff order for 2023 – 24 in Case No. TP – 98 / 22 – 23 dated 30.03.2023. The FPPCA covers the permissible amount of Fuel and Power Purchase cost as per the relevant formula specified in Schedule – 7A of the Tariff Regulations along with impact of gain sharing related to parameters of fuel cost, power purchase cost and distribution loss, if any.
- 1.3 On admission of the FPPCA and APR applications for the year 2023 – 24, the Commission decided to process both the applications in a combined manner. Accordingly, WBSEDCL was directed to publish the combined gist of the APR and FPPCA application for 2023 – 24, as approved by the Commission. The gist was published in four newspapers inviting suggestions / objections, if any, from the public as per following table:



Order for FPPCA and APR of WBSEDCL for the year 2023 – 24

Table 1

Sl. No.	Date of Publication	Newspapers	Last date for submission of suggestions / objections as per notification
1	22.04.2025	The Aajkal	21 days from date of publication (inclusive of date of publication) [i.e., 12.05.2025]
2		Bartaman	
3		Times of India	
4		The Statesman	

The approved gist along with the APR and FPPCA petitions for 2023 – 24 were also published on the website of WBSEDCL. WBSEDCL had also made available the applications of APR and FPPCA for 2023 – 24 and copy of its Audited Financial Statements for 2023 – 24 on its website. Opportunity was provided to all to inspect the applications and take copies thereof.

- 1.4 No suggestion, objections or comments have been received by the Commission within the stipulated date and time.



CHAPTER – 2

FUEL AND POWER PURCHASE COST

- 2.1 In this part of the order, the Commission takes up for determination of fuel and power purchase cost allowable to WBSEDCL on the quantum of power sold by it to the consumers and other licensees during the financial year 2023 – 24.
- 2.2 The Fuel and Power Purchase Cost (FPPC) during the referred adjustment period, i.e., financial year 2023 – 24, is to be admitted in terms of the formula as specified in schedule 7A to the Tariff Regulations.
- 2.3 **ENERGY BALANCE AND ADMITTED DISTRIBUTION LOSS FOR 2023 – 24:**
- 2.3.1 Norm of distribution loss for WBSEDCL for the year 2023 – 24 was 16.50% in terms of the Tariff Regulations. As it comes out from the data provided by WBSEDCL in its application, the actual rate of distribution loss of WBSEDCL on the quantum of sales to consumers works out as under:

Table 2

Sl. No.	Particulars	Energy in MU
1	Total Energy purchased (Net of CTU loss of 730.061 MU \$) (refer Annexure- 2A of the Order)	53,680.091
2	Energy sent out from own generating stations \$	1,969.146
3	STU Grid loss \$	1,488.087
4	Net UI Energy drawn (137.15 MU – 569.638 MU) \$	(-) 432.488
5	Net Energy Available with WBSEDCL from own generating stations and from purchase of power [(1) + (2) – (3) + (4)]	53,729.211
6	Energy sold to persons other than own consumer and licensee including transmission loss @ 2.70% (1622.989 MU + 45.037) \$	1,668.026
7	Pumping energy for Purulia Pumped Storage Project (PPSP) including transmission loss @ 2.70% (1847.211 MU + 51.259 MU) \$	1,898.470
8	Energy available at distribution input for sale to consumer and licensee [(5) - (6) - (7)]	50,162.715
9	Energy sold to licensee at EHV & sale to Sikkim	36.034
10	Transmission loss on energy sold to licensee & Sikkim considering normative transmission loss @ 2.70%	1.00
11	Energy Swap Out including transmission loss @ 2.70% (423.465 MU + 11.751 MU)	435.216
12	Energy received for wheeling at 33kV	149.820
13	Net Energy Available with WBSEDCL for sale to own consumers [(8) – {(9) + (10) + (11)} + (12)]	49,840.285



Order for FPPCA and APR of WBSEDCL for the year 2023 – 24

Sl. No.	Particulars	Energy in MU
14	Energy Wheeled	148.037
15	Additional Unit allowed for wheeling	1.783
16	Energy sold to own consumers and sale to licensee at HV level \$	41,553.474
17	Own consumption (See Reference below)	75.000
18	Distribution loss [(13) – {(14) + (15) + (16) + (17)}]	8,061.991
19	Distribution loss in % [(18)/ (13) x 100]	16.18%
\$: Statement of Technical Particulars in Annual Report and Accounts of WBSEDCL for 2023 – 24.		

2.3.2 The actual distribution loss is 16.18%. It is less than the normative distribution loss of 16.50% considered by the Commission in Tariff Order. Thus, the gain accrued by WBSEDCL due to lesser distribution loss than the normative shall be shared by WBSEDCL with its consumers in terms of 2.5.5.4 of the Tariff Regulations as shown in the subsequent paragraph.

2.4 BENEFITS FOR SAVINGS IN DISTRIBUTION LOSS:

2.4.1 The actual sale to consumers and licensees is admitted as 41,553.474 MU. The energy consumed as own consumption is admitted as 75 MU. Thus, the allowable quantum of distribution loss as per norms @ 16.50% on actual quanta of sales to consumers and licensees as well as the energy consumed at own premises works out at 8,225.986 MU and actual quanta of distribution loss against that sale and own consumption is admitted as 8,061.991 MU. The savings in this regard thus comes to 163.995 MU (8,225.986 MU – 8,061.991 MU). As per the provisions of the Tariff Regulations, the entitled gain of 1/3rd in this regard shall be shared with the consumers.

2.4.2 The computations in monetary terms are worked out in Table 3 below:

Table 3			
Sl. No.	Particulars	Unit	Value
1	Quanta of energy sold to consumers	MU	41,553.474
2	Admitted energy for own consumption	MU	75.000
3	Normative distribution loss	%	16.50
4	Allowable Quantum of Distribution Loss	MU	8,225.986
5	Actual Distribution Loss (As per Sl No. 18 of Table 2)	MU	8,061.991
6	Quanta of energy saved for better distribution loss	MU	163.995
7	Average Cost of Power Purchase (Sl No. 50 of Annexure 2A)	Rs. / kWh	4.314
8	Cost of energy saved for better distribution loss	Rs. in Lakh	7,075



Order for FPPCA and APR of WBSEDCL for the year 2023 – 24

Sl. No.	Particulars	Unit	Value
9	Gain to be retained by WBSEDCL (2/3 rd)	Rs. in Lakh	4,716.67
10	Gain to be passed on to consumers (1/3 rd)	Rs. in Lakh	2,358.33

2.4.3 In terms of 2.5.5.4 of Tariff Regulations, gain due to better performance of distribution loss shall be shared between the distribution licensee and the consumers at the ratio of $\frac{2}{3} : \frac{1}{3}$. Thus, in addition to the actual power purchase cost, 2/3rd of the gain i.e., Rs. 4,716.67 Lakh is to be retained by the licensee and the balance benefit of Rs. 2,358.33 Lakh has been passed on to the consumers by way of considering actual power purchase cost. The overall gain and loss of WBSEDCL for controllable parameters will be computed in the subsequent chapter.

2.5 The values of different factors in the FPPCA formula are computed and admitted by the Commission as under:

2.5.1 FC (FUEL COST):

No coal fired thermal generating station is owned and operated by WBSEDCL. WBSEDCL has also not claimed any amount for the year under this head.

2.5.2 PPC (POWER PURCHASE COST):

2.5.2.1 WBSEDCL in its FPPCA petition has claimed total power purchase cost of Rs. 23,50,685 Lakh (including Swap In power cost of Rs. 17,030 Lakh). WBSEDCL also submitted that they have received a rebate of Rs. 2,589 Lakh for timely payment of Power Purchase bills and refund of Rs. 559 Lakh on account of Security Constraint Economic Dispatch (SCED) during the year 2023 – 24 which has not been included in the aforesaid cost. WBSEDCL has also submitted detailed break up of Note 34 of their Audited Financial Statements under Annexure – A duly certified by the auditor which shows that the total power purchase cost for 2023 – 24 as Rs. 23,33,655 Lakh (excluding DSM and arrear). Further, note 34A shows that the total Swap in power cost of Rs. 17,030 Lakh. Thus, the total power purchase cost including rebate and refund comes to Rs. 23,47,537 Lakh as shown in Annexure – 2A.

2.5.2.2 The quanta of power purchased by WBSEDCL from different sources and cost incurred thereon during 2023 – 24 as per submission of WBSEDCL and Audited

Financial Statements 2023 – 24 have been enumerated in Annexure – 2A. As may be seen therein, the quantum of power purchased during the year works out to be 54,410.701 MU. The cost incurred for total power purchase is Rs. 23,47,537 Lakh.

2.5.2.3 WBSEDCL submitted that it had sold surplus energy of 1,668.026 MU in the year 2023 – 24 to persons other than consumers and licensee. WBSEDCL in its petition has considered the cost of such surplus power at weighted average energy charge rate of all long-term thermal power stations at Rs. 2.595 per kWh. WBSEDCL has submitted the details of the energy charge rate of all long-term thermal power stations at Annexure A of their petition.

2.5.2.4 Accordingly, the Commission decides to adjust the cost of such surplus power sold to persons other than consumers and licensees at marginal cost equivalent to weighted average energy charge rate of long term thermal power stations at Rs. 2.597 per kWh as shown in Table 4 and 5 below:

Table 4

Long Term Thermal Source	Purchased energy (MU)	Energy Charge & MFCA Charge Rs. In Lakh	Energy Charge Rate Rs. per kWh
NTPC	7,938.876	2,04,884.00	2.581
DVC	748.070	31,875.00	4.261
DPL	2,102.816	49,544.00	2.356
WBPDC	27,912.567	6,92,422.00	2.481
PTC – ADHUNIK	479.081	21,080.00	4.400
TPTCL – MAITHON POWER LIMITED	2,290.115	64,170.00	2.802
HIRANMAYE ENERGY MITED	1,679.517	56,748.00	3.379
OVERALL	43,151.042	11,20,723.00	2.597

Table 5

SI No	Particulars	Unit	Values
1	Surplus Energy sale to person other than consumer and licensee as per Table 2	MU	1,668.026
2	Pooled average variable cost of thermal plants under Long / Medium Term PPAs [As per Table 4]	Rs. per kWh	2.597
3	Marginal Energy cost of surplus energy [(1) x (2) /10]	Rs. Lakh	43,319

Gain if any, on account of revenue earned shall be shared as discussed in the subsequent chapter(s) in terms of clause (iv) of regulation 5.15.2 of the Tariff Regulations.



Order for FPPCA and APR of WBSEDCL for the year 2023 – 24

2.5.2.5 The Commission now works out the average cost of power purchase as below:

Table 6

Particulars	Purchase (MU)	Cost (Rs. Lakh)
Total Power Purchase and Cost including rebate and refund (Annexure 2A)	54,410.701	23,47,537.00
Less: Energy Swap Out (Note 34A)	435.216	17,030.00
Less: Proportionate energy charge for surplus power sold to persons other than its own consumers & licensees (Table 5)	1,668.026	43,319.00
Quantum for effecting distribution to consumers and licensees	52,307.459	22,87,188.00

2.5.2.6 It is seen from Sl. No. 9.0 of the statement of technical particulars of Audited Financial Statements that WBSEDCL has drawn 137.150 MU under Deviation Settlement Mechanism (DSM) during the year 2023 – 24. It is also seen from Sl. No. 16 of the statement of technical particulars of the Audited Financial Statements that, WBSEDCL has injected 569.638 MU during the year 2023 – 24 under DSM. As per note no. – 32 and 34(C) of the Audited Financial Statements, the net amount receivable from DSM pool account is Rs. 13,315 Lakh. The net receivable amount is adjusted with the ARR in subsequent chapter.

2.6 C_D: COST DISALLOWABLE:

2.6.1 The actual amount of energy available with WBSEDCL for distribution to the consumers and licensees of WBSEDCL is computed as below:

Table 7

Sl. No.	Description	Quantity (MU)
1	Total energy purchased for effecting distribution to consumers and licensee as in Table 6 above	52,307.459
2	CTU Loss	730.061
3	STU Grid Loss	1,488.087
4	Net DSM Energy	(-) 432.488
5	Net energy available with WBSEDCL from purchase [(1) – (2) – (3) + (4)]	49,656.823
6	Pumping energy for Purulia Pumped Storage Project (PPSP) including normative transmission loss	1,898.470
7	Net purchased energy available with WBSEDCL for distribution to own consumers and licensees. [(5) – (6)]	47,758.353

2.6.2 The Commission notes that, actual auxiliary consumption as submitted by WBSEDCL in line with the normative auxiliary consumption of the plants as specified in the Schedule 9A (H) of the Tariff Regulation. The details of the auxiliary consumption as admitted by the Commission as shown in the Table 8 below:

Table 8

Own Generating Station	Generation in MU	Aux in MU	Actual Aux in %	Normative Aux as per Schedule 9A	Excess if any
Rammam	167.735	1.677	1.00%	1.00%	0
Jaldhaka-1	140.182	1.402	1.00%	1.00%	0
Mini micro-Hydel	174.841	1.748	1.00%	1.00%	0
PPSP	1366.936	23.238	1.70%	1.70%	0
Solar	147.517	0.00	0.00%	0.00%	0
Total in MU	1997.212				

2.6.3 The Commission has worked out the amount of excess power purchase cost as under:

Table 9

Sl. No.	Factor Notation	Nomenclature	Unit	Value
1	E _{sc}	Quanta of energy sold to consumers and licensee at HV level (41,467.509 MU + 85.965 MU)	MU	41,553.474
2	E _o	Admitted energy for own consumption	MU	75
3	D	Normative distribution loss	%	16.50%
4	-	$(E_{sc} + E_o) / (1 - (d \times 0.01))$	MU	49,854.460
5	E _{SL}	Energy sold to other licensees at EHV & sale to Sikkim	MU	36.034
6	T	Normative T & D loss for E _{SL} (5)	%	2.70%
7	-	$E_{SL} / (1 - (t \times 0.01))$	MU	37.034
8	E	Aux. consumption in excess of norms (Table 8)	MU	0.000
9	E _g	Energy sent out from own generating station	MU	1,969.146
10	E _{Adm}	Purchase of energy admitted $[(4) + (7) - (8) - (9)]$	MU	47,922.348
11	E _P	Total energy purchased for distribution and supply to own consumers and licensees (Table 7)	MU	47,758.353
12	E _E	Excess energy purchased $[(11) - (10)]$	MU	0.00
13	EP _{Avg}	Average purchase cost	Rs. / kWh	4.33
14		Cost of excess power purchase $[(12) \times (13) / 10]$	Rs. Lakh	0.00
15	Cd	Cost disallowed (within the limits specified in regulation 2.8.6.1 of the Tariff Regulation)	Rs. Lakh	0.00

2.6.4 Since, there is no excess energy purchased during 2023 – 24, no cost has been disallowed during 2023 – 24.



2.7 PRIOR PERIOD ADJUSTMENTS:

2.7.1 WBSEDCL submitted that a net amount of Rs. 30,094 Lakh was payable by WBSEDCL to agencies for the period prior to 2023 – 24 for power purchase cost. The details regarding payable amount of Rs. 30,094 Lakh has been mentioned below:

Table 10

Sl. No	Generating Station	Amount (Rs. Lakh)
1	DVC	(-) 151.00
2	NTPC	19,137.00
3	NHPC	20,285.00
4	PTC	6,964.00
5	TPTCL	3,501.00
6	DPL	(-) 19,703.00
7	HMEL	61.00
	Total	30,094.00

2.7.2 The Commission admits Rs. 30,094 Lakh towards prior period adjustment during the year 2023 – 24.

2.8 PAYMENT TO NHPC LIMITED THROUGH BILL DISCOUNTING:

2.8.1 WBSEDCL submitted that they have availed bill discounting amounting to Rs. 33,351 Lakh in respect of the energy bills of NHPC limited for the month from August, 2022 to October, 2022. The Commission vide order dated 09.11.2023 in Case No. OA-454 / 23 – 24 had directed WBSEDCL to approach the Commission with details and proper justification for availing bill discounting to pay the monthly invoices of NHPC at the truing up stage.

2.8.2 Accordingly, WBSEDCL in their FPPCA petition submitted that they have paid a total of Rs. 18,131.22 Lakh through instalments during FY 2023 – 24 and prayed to allow the same along with their FPPCA.

2.8.3 It is observed that, the Commission in paragraph 3.10.7 of the order dated 09.12.2024 in Case No. FPPCA – 120 / 23 – 24 and APR – 117 / 23 - 24 has already allowed the entire cost of Rs. 33,351 Lakh as power purchase cost of 2022 – 23. Hence, no additional cost on account of bill discounting is found to be admissible in 2023 – 24.

2.9 ALLOWABLE FUEL AND POWER PURCHASE COST:

- 2.9.1 Putting the value of factors, as discussed and admitted in the foregoing paragraphs, the amount of allowable fuel and power purchase cost to WBSEDCL for the year 2023 – 24 works out as under:

Table 11

Sl. No.	Particulars / Factors	Admitted (Rs. Lakh)
1	FC: Fuel Cost	
2	PPC: Power Purchase Cost for Consumer & licensee (Table 6)	22,87,188.00
3	C _D : Cost Disallowable (Table 9)	0.00
4	A: Prior Period's Adjustment (Table 10)	30,094.00
5	FC + (PPC – C_D) + (+A)	23,17,282.00
6	Total Fuel and Power Purchase Cost	23,17,282.00

2.10 RENEWABLE PURCHASE OBLIGATION:

- 2.10.1 WBSEDCL has submitted that they have achieved 0.62% of Solar RPO as against the Solar RPO target of 6% and 0.59% of Non-Solar RPO as against the Non-Solar RPO target of 11%. WBSEDCL in this regard has submitted that they have taken initiative by floating tenders for procurement of RTC RE power. However, the outcome of those tenders has been either cancelled or no response in terms of submission of bids.
- 2.10.2 The Commission noted the submission of WBSEDCL. The Commission directs WBSEDCL to explore the following measures to improve their RE Portfolio:
- Explore Green Market for procurement of RE power.
 - Explore firming up of long-term PPA from RE Sources
 - Explore possibilities of providing roof top Solar PV connections in terms of extant Rules and Regulations.



ANNEXURE – 2A
ACTUAL POWER PURCHASE FOR 2023 – 24

Sl No.	Particulars	Energy Purchased	Power Purchase Cost	Average Power Purchase Cost
		(MU)	(Rs. Lakh)	Rs. / kWh
1	NTPC Limited (FSTPS)	4,143.25	2,10,560.00	5.082
2	NTPC Limited (TSTPS)	711.083	20,361.00	2.863
3	NTPC Limited (Kahelgaon-Stage I&II)	408.714	17,327.00	4.239
4	NTPC Limited (Darlipalli-Stage1)	1,917.52	57,541.00	3.001
5	NTPC-BARH (STPS-1 & STPS-2)	142.309	8,070.00	5.671
6	NTPC Ltd. Muzaffarpur TPS (Kanti Bijli)	219.459	11,536.00	5.257
7	NTPC-Nabinagar STPS-1	78.885	3,758.00	4.764
8	NTPC North Karanpura TPS-I	317.652	11,914.00	3.751
9	PTC (India) Limited (Chukha)	274.755	8,353.00	3.040
10	PTC (India) Limited (Kurichhu)	11.062	316.00	2.857
11	PTC (India) Limited (Tala)	472.549	10,727.00	2.270
12	Damodar Valley Corporation - Grid (Mejia V)	263.522	13,793.00	5.234
13	Damodar Valley Corporation - Radial	484.548	22,057.00	4.552
14	Durgapur Projects Limited	2,102.82	83,077.00	3.951
15	NHPC Limited (Rangit)	68.594	2,865.00	4.177
16	NHPC Limited (Teesta V)	471.409	9,883.00	2.096
17	NHPC Limited (TLDP III)	406.106	22,996.00	5.663
18	NHPC Limited (TLDP IV)	627.134	26,660.00	4.251
19	Govt. of Sikkim	0.12	7.00	5.833
20	West Bengal Power Development Corporation Limited	27,912.57	10,97,888.00	3.933
21	CESC Limited	9.35	612.00	6.545
22	Electro Steel Casting Limited	18.032	456.00	2.529
23	Neora Hydro Limited	7.496	270.00	3.602
24	Nippon Power Limited	11.615	418.00	3.599
25	Himadri Chemicals & Industries Ltd	80.523	2,410.00	2.993
26	Shree Renuka Sugars Ltd.	29.675	816.00	2.750
27	Reshmi Ispat	8.561	190.00	2.219
28	Reshmi Cements Ltd	29.261	597.00	2.040
29	Bengal Energy Limited	69.708	1,980.00	2.840
30	Alakananda Balmukund	2.451	49.00	1.999
31	NVVN Bundle Power (Solar & Thermal)	372.606	20,543.00	5.513
32	TPTCL (Mithon Right Bank)	2,290.12	97,565.00	4.260
33	TPTCL (Dagachhu)	409.52	16,355.00	3.994
34	PTC (India) Limited (Adhunik)	479.081	21,101.00	4.404
35	PTC (India) Limited (Mangdechhu)	688.663	28,855.00	4.190
36	SECI-RTC	32.323	954.00	2.951
37	Jharkhand Bijli Vitran Nigam Ltd	0.212	54.00	25.472
38	North Bihar Power Distribution Company Ltd.	0.116	10.00	8.621
39	Assam Power Distribution Company Ltd.	0.984	105.00	10.671
40	Solitaire	6.549	754.00	11.513
41	Hiranmayee Energy Ltd.	1,679.52	91,170.00	5.428



Order for FPPCA and APR of WBSEDCL for the year 2023 – 24

Sl No.	Particulars	Energy Purchased	Power Purchase Cost	Average Power Purchase Cost
		(MU)	(Rs. Lakh)	Rs. / kWh
42	Adani Enterprises Limited	139.264	11,879.00	8.530
43	Tata Power Trading Co. Ltd. (Short term)	34.095	2,944.00	8.635
44	Power Exchange India Limited	1,078.75	82,775.00	7.673
45	Indian Energy Exchange Limited	4,948.86	2,69,365.00	5.443
46	Hindustan Power Exchange	546.013	41,739.00	7.644
47	Swap In	403.300	17,030.00	4.223
48	Gross Quanta and Cost of Power Purchase for 2023 - 24	54,410.701	23,50,685.00	
49	Less:			
a	Rebate for Timely Payment		2,589.00	
b	Refund from SLDC on account of SCED during 2023 - 24		559.00	
50	Net Quanta and Cost of Power Purchase for 2023 - 24	54,410.701	23,47,537.00	4.314

CHAPTER – 3

GROSS FIXED ASSET DURING 2023 – 24

3.1 WBSEDCL in addition to its distribution network also have small/ mini hydro generating stations, pumped storage plant and solar photovoltaic plants. In this chapter the Commission decides to analyse the admissible Gross Fixed Assets (GFA) related to distribution infrastructure, pumped storage plant and embedded hydro and solar generating stations of WBSEDCL. This admitted GFA will be considered for determination of applicable fixed cost in the subsequent chapter.

3.2 OPENING VALUE OF GROSS FIXED ASSET (GFA) FOR THE FY 2023 – 24:

3.2.1 WBSEDCL has claimed Rs. 37,31,866 Lakh as opening GFA for the year 2023 – 24 including intangible asset, as reflected in Note 1. of its Audited Financial Statement. The Commission in the APR Order for 2022 – 23 has not considered Rs. 6,314 Lakh against its Distribution Asset Addition and Rs. 818 Lakh against its Generation Asset Addition during the year 2022 – 23. Thus, the opening admissible GFA for the year 2023 – 24 becomes Rs. 37,24,734 Lakh.

Table 12

Sl No.	Particulars	Figures in Rs. Lakh		
		Claimed Opening GFA for 2023 – 24	Disallowed in APR 2022 – 23	Admissible Opening GFA for 2023 – 24
1	Generating Asset	3,38,900.00	818.00	3,38,082.00
2	Distribution Asset	31,29,979.00	5,278.00	31,24,701.00
3	Metering Asset	1,73,487.00	1,036.00	1,72,451.00
4	Other Asset	89,500.00		89,500.00
Total		37,31,866.00	7,132.00	37,24,734.00

3.3 ADDITION OF FIXED ASSET IN FY 2023 – 24:

3.3.1 WBSEDCL has claimed Rs. 2,75,544 Lakh as Asset Addition during the year 2023 – 24. However, WBSEDCL did not submit the detailed break up of their claim. WBSEDCL was asked vide letter dated 24.11.2025 to submit the details of planned and non-planned asset additions during the year. WBSEDCL vide its reply dated 19.12.2025 submitted that asset capitalized in 2023 – 24 under planned scheme was Rs. 2,14,657 Lakh and assets capitalized under non-planned scheme was Rs. 60,887 Lakh.

3.3.2 CAPITALIZATION UNDER PLANNED SCHEME:

3.3.2.1 The Commission observes that WBSEDCL has proposed to capitalize Rs. 105.77 Lakh against Turga PSP. The Commission noted that the Turga PSP is yet to be commissioned. WBSEDCL has proposed to capitalize Rs. 105.03 Lakh relating to Smart Meter Project Management Service only, whereas the project itself is yet to be commissioned. The Commission is of the view that Smart Meter Project Management Service shall not be brought under the consideration on standalone basis without capitalizing the actual project. From the submission, it is found that Rs. 337.20 Lakh has been proposed to be capitalized for Indus Park in the year 2023 – 24 whereas, Rs. 84.72 Lakh is still in progress. The Commission finds that the project cost shall be capitalized after COD of the project. It is also noted that WBSEDCL has claimed Rs. 576.62 Lakh against Works for PPSP and MHPS projects. However, the nature of work executed has not been specified. The Commission also observes that, WBSEDCL has capitalized Rs. 0.80 Lakh under Unfunded Civil Work, Rs. 89.65 Lakh under Purulia Pumped Storage Project and Rs. 461.46 Lakh under TG Unit at Jaldhaka, Rammam and TCF which are not supported with detailed justification and prima-facie appears to be O&M in nature. The Commission decides to consider such expenditure under O&M head.

3.3.2.2 In view of the above, the Commission decides to admit Rs. 212980.47 Lakh as Asset Addition during the year 2023 – 24 under planned scheme and considers Rs. 551.91 Lakh under O&M Expenses as shown below:

Table 13

Figures in Rs. Lakh

Sl No.	Particulars	Claimed Asset Addition	Admissible Asset Addition	Admitted under O&M
1	Planned Asset Addition	2,14,657.00	2,14,657.00	
2	Less: Turga PSP		(-) 105.77	
3	Less: Smart Meter Project Management Service		(-) 105.03	
4	Less: Indus Park		(-) 337.20	
5	Less: Works for PPSP and MHPS		(-) 576.62	576.62
6	Less: Unfunded Civil Work		(-) 0.80	0.80
7	Less: Purulia Pumped Storage Project		(-) 89.65	89.65
8	Less: TG Unit at Jaldhaka, Rammam and TCF		(-) 461.46	461.46
9	Total Planned Capital Asset Addition	2,14,657.00	2,12,980.47	1,128.53



3.3.3 CAPITALIZATION UNDER NON – PLANNED SCHEME:

3.3.3.1 WBSEDCL has proposed non planned Asset Addition of Rs. 60,887 Lakh during the year 2023 – 24. Out of this new asset creation was Rs. 41,277 Lakh, asset created to replace old or damaged asset is Rs. 18,978 Lakh and capitalization of Rs. 632.61 Lakh claimed against furniture/ tools/ office equipment etc. fall under regulation 5.2.3 of the Tariff Regulations. The Commission observes that any expenditure on minor items/ asset falls under regulation 5.2.3 after the cut-off date are generally not considered as additional capitalization. WBSEDCL also not submitted any specific reason for capitalizing such expenditures except for submitting a detailed item wise list. Thus, the Commission decides to consider these expenditures under Operation and Maintenance Expenses. The Commission in its letter dated 24.11.2025 directed WBSEDCL to submit the details of non-planned assets mentioning the necessity of the job/ work. WBSEDCL in its reply left the column blank. From the submission, it is also noted that WBSEDCL has claimed different augmentation related expenses under replaced asset even for few hundred rupees. WBSEDCL also claimed expenses related to inventory and O&M amounting to Rs. 4,228.95 Lakh which is to be considered under O&M expenses. Besides, the Commission decides to consider claims of Rs. 1,063.28 Lakh where involvement is less than one Lakh under O&M expense. Regarding the new asset addition, the Commission decides to admit the entire amount of Rs. 41,277 Lakh. Thus, the total admissible non-planned asset addition comes to Rs. 54,962.77 Lakh.

Table 14

Figures in Rs. Lakh

Sl No.	Particulars	Claimed Asset Addition	Admissible Non-Planned Asset Addition	Admitted under O&M
	Non-Planned Asset Addition			
1	New Asset Addition	41,277.00	41,277.00	
2	Furniture/ Tools/ Office Equipment under regulation 5.2.3	633.00		633.00
3	Asset created to replace old or damaged asset	18,978.00	18,978.00	
	Less: Inventory and O&M related		(-) 4,228.95	4,228.95
	Less: Expenditure less than one lakh		(-) 1,063.28	1,063.28
	Sub-total (3)		13,685.77	
4	Total Non-Planned Capital Asset Addition (1 + 2 + 3)	60,887.00	54,962.77	5,925.23



Order for FPPCA and APR of WBSEDCL for the year 2023 – 24

3.3.3.2 Thus, the total admissible asset addition during 2023 – 24 comes to Rs. 2,67,943.24 Lakh.

3.4 CLOSING VALUE OF GROSS FIXED ASSET (GFA) FOR THE FY 2023 – 24:

3.4.1 In view of the above analysis the admissible Net Closing GFA of WBSEDCL for the financial year 2023 – 24 becomes Rs. 39,91,332.24 Lakh as shown below:

Table 15

Figures in Rs. Lakh

Sl No.	Particulars	Admitted Closing GFA for 2023 – 24		
		Generation	Distribution	Total
1	Opening GFA Admitted	3,38,082.00	33,86,652.00	37,24,734.00
2	Asset Addition admitted for the year	6,923.50	2,61,019.74	2,67,943.24
3	Retired Asset	0.00	(-) 1,345.00	(-) 1,345.00
4	Closing GFA Admitted	3,45,005.50	36,46,326.74	39,91,332.24

3.5 From the submission, made in paragraph (iv) of letter dated 19.12.2025 it is observed that total value of asset put to use out of Government grant and consumer contribution as on 31.03.2024 amounts to Rs. 23,28,364 Lakh. The same has been shown under the summary of Asset Register under Annexure 10. WBSEDCL under the summary statement of Annexure 10 submitted that the Gross Value of Fixed Asset which are partly commissioned or for which final project cost approval under regulation 2.8.5 is pending amounts to Rs. 11,52,167 Lakh. The Commission notes that, in terms of the Tariff Regulations, no depreciation, interest on loan and return on equity is admissible for assets created through grant fund or consumer contribution. Further, for the assets where capitalization of part or full assets has been done but the final approval of the project under regulation 2.8.5 is yet to be done, 95% of the capitalized value to be considered limited to ceiling of the investment approval.

CHAPTER – 4

FIXED COST DETERMINATION UNDER APR OF 2023 – 24

4.1 BACKGROUND:

- 4.1.1 The Tariff Regulations specifies the classification of different fixed charge elements under controllable and uncontrollable heads and also the treatment of variation between projected expenditure and actual expenditure of such fixed charge elements during redetermination of ARR in APR. Any gain or loss on account of uncontrollable elements shall be passed through in terms of regulation 2.5.5.3 of the Tariff Regulations. Any gain or loss on account of controllable factors shall be shared with the consumers in terms of regulation 2.5.5.4 of the Tariff Regulations.
- 4.1.2 The element wise fixed cost and admissible gain or loss are discussed in the subsequent paragraphs.

4.2 TRANSMISSION CHARGE AND ASSOCIATED COSTS:

4.2.1 INTER – STATE TRANSMISSION CHARGES (CTU CHARGE):

At paragraph 2.2.1 of the APR application, WBSEDCL seeks Rs. 1,04,641 Lakh incurred as current year transmission charge to PGCIL and Rs. 8,460 Lakh incurred towards settling arrear dues of PGCIL. At paragraph 2.2.3 of the APR application, WBSEDCL has claimed Rs. 970 Lakh having paid to NVVNL as reimbursement for inter-state transfer of solar power and arrear of Rs. 169 Lakh. Besides, a sum of Rs. 19,603 Lakh as short-term open access charge is claimed appearing at paragraph 2.2.4 of the application. Paragraph 2.2.3 of the APR application also discloses on rebate availed for timely payment of CTU charges amounting to Rs. 9 Lakh. The claimed amount of Rs. 1,33,834 Lakh (Rs. 104641 Lakh + Rs. 8460 Lakh + Rs. 970 Lakh + Rs. 169 Lakh + Rs. 19603 Lakh – Rs. 9 Lakh) corresponds to the amounts appearing at notes 34 (D), 34.4 and 34.5 of the Audited Financial Statements for 2023 - 24 of WBSEDCL. The Commission, as such, admits the sum of Rs. 1,33,834 as Inter – State Transmission Charges (CTU charges) claimed by WBSEDCL.



4.2.2 INTRA – STATE TRANSMISSION CHARGES (STU CHARGE):

In the MYT of WBSEDCL for the year 2023 – 24, the Commission admitted the transmission charges payable to WBSETCL at Rs. 1,55,076 Lakh which was payable by WBSEDCL as user of the state transmission system. Against such admitted amount, actual STU charges of Rs. 1,66,543 Lakh have been accounted for in Note-34 (D) of the Audited Financial Statements of 2023 - 24. It is further observed that claim of WBSEDCL in the APR application for the year 2023 - 24 at paragraph 2.3 under the head STU charges is in parity with amount appearing in the Audited Financial Statements. The Commission, as such, admits the sum of Rs. 1,66,543 Lakh as STU charges claimed under by WBSEDCL.

4.2.3 SLDC CHARGES:

WBSEDCL has claimed Rs. 3,367 Lakh in the APR application appearing at paragraph 2.6 of the APR application. The note 34 (F) of Audited Financial Statements brings out that WBSEDCL accounted for Rs. 3,370 Lakh as SLDC charge for the year 2023 - 24 and an adjustment of arrear amount (-) Rs. 3 Lakh against the admitted amount of Rs. 2,586 Lakh in the respective tariff order. The amount as claimed in the application and accounted for in the Audited Financial Statements are observed to be in parity. The Commission, as such, admits amount of Rs. 3,367 Lakh as SLDC charges in the APR for 2023 - 24 as claimed by WBSEDCL.

4.2.4 POSOCO CHARGES:

On account of system operation charges to Power System Operation Corporation (POSOCO), WBSEDCL claimed Rs. 4 Lakh for the year 2023 - 24 (paragraph 2.4 of the APR application) against the admitted amount of Rs. 528 Lakh in the Tariff Order of 2023 – 24. In note 34 (D) of the Audited Financial Statements, Rs. 4 Lakh appear as arrear dues. The Commission, as such, admits amount of Rs. 4 Lakh as RLDC charges in the APR for 2023 - 24 as claimed by WBSEDCL.



4.2.5 ERPC CHARGES:

An amount of Rs. 16 Lakh were accounted for in note 34 (E) of Audited Financial Statements and also claimed by WBSEDCL at paragraph 2.5 of the APR application of the application as Eastern Regional Power Committee (in short “ERPC”) charges. The entire amount of Rs. 16 Lakh is admitted in the APR for the year 2023 – 24.

4.2.6 VARH CHARGES:

In paragraph 2.7 of their application, WBSEDCL has claimed an amount of Rs. 120 Lakh towards payment of Reactive Energy (VARH) charge. Such charge has been shown in note 34 (G) of the Audited Financial Statements of WBSEDCL for 2023 – 24. The Commission vide its MYT Order, had observed that, VARH charge is a kind of penalty due to reactive power drawal from the grid during low voltage condition and reactive power injection to the grid during high voltage, which is not healthy for the grid and can be avoided to the great extent by implementing proper planning and operational measures. Accordingly, the Commission had not admitted any amount in MYT Order under this head. Further, the Commission has directed WBSEDCL to submit the detailed justification and measures taken to reduce the payable VARH charge along with their APR Petition.

Accordingly, the Commission notes that, WBSEDCL in this Petition has submitted that, ERLDC claims VARH charges from WBSLDC as per VARH drawal at various ISTS interconnection points at high and low voltage as per IEGC Regulations 2010. WBSEDCL submitted that it has introduced underground cable network scheme in different urban towns which has helped them to restrict VARH drawal. It has also installed 33/11 kV substations in different districts with HV and LV cable distribution network under infrastructure development schemes to control VARH drawal. Besides, they have installed 11 kV capacitor banks against selective 11 kV feeders. WBSEDCL is planning for further VARH compensation through ensuing RDSS scheme. It is submitted that WBSEDCL was able to reduce the VARH charge around 6% in 2022 – 23 compared to 2021 – 22 and another 77% in 2023 – 24 compared to 2022 – 23. WBSEDCL highlighted that the total VARH charge in 2023 – 24 is Rs. 120 Lakh

against Rs. 521 Lakh in 2022 – 23. In view of the above, the Commission decides to admit the amount Rs. 120 Lakh claimed by WBSEDCL under this head.

- 4.2.7 The total Transmission Charges and associated costs as admitted by the Commission is summarized below:

Table 16

SI No.	Particulars	Figures in Rs. Lakh	
		Claimed	Admitted
1	Inter-State Transmission Charge	1,33,834.00	1,33,834.00
2	Intra-State Transmission Charge	1,66,543.00	1,66,543.00
3	SLDC Charge	3,367.00	3,367.00
4	POSOCO Charge	4.00	4.00
5	ERPC Charge	16.00	16.00
6	VARH Charges	120.00	120.00
7	Total transmission and associated Cost (1 to 6)	3,03,884.00	3,03,884.00

4.3 ENERGY SAVING CERTIFICATE:

In paragraph 2.8 of their application, WBSEDCL submitted that they are classified as Designated Consumers under the Perform Achieve and Trade (PAT) Scheme and are required to achieve specific energy saving targets. Non-compliance with PAT targets could attract penalties under Energy Conservation Act, 2001. To avoid such financial or legal repercussions, WBSEDCL has purchased Energy Savings Certificates (ESCerts) worth Rs. 278 Lakh in 2023 – 24 to meet its obligations for the year 2018 – 19. WBSEDCL proposed to consider the cost of such ESCerts in the APR for 2023 – 24. The Commission admits the same.

4.4 EMPLOYEE COST:

- 4.4.1 At paragraph 2.9 of APR application for 2023 - 24, WBSEDCL has claimed Rs 1,79,951 Lakh towards expenditures on employee cost, as against the amount of Rs. 1,55,937 Lakh admitted in the Tariff Order for the said year. Note 35 of the Audited Financial Statements states that a sum of Rs. 1,79,951 Lakh been recognized as employee benefit expenses after capitalization of Rs. 7,296 Lakh. This includes Director's sitting fee of Rs. 14 Lakh. A negative adjustment of Rs. 5,269 Lakh on account of remeasurement of post-employment benefit obligation has been considered under note 41 as other comprehensive expense. Adding of Rs. 5,269

Lakh from the amount pertaining to the employee benefit expense and Director's sitting fee under note 35 of the Audited Financial Statements, the net amount of employee benefit expense arrives to Rs. 1,85,220 Lakh. Accordingly, the Commission admits Rs. 1,85,220 Lakh towards Employee cost in the APR for 2023 – 24 as shown below:

Table 17

Figures in Rs. Lakh

Particulars	As per Tariff Order	As claimed in Petition	Admitted
	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh
Employees Cost			
Employee Cost (as per Note 35 of Audited Financial Statements) before Employee Cost Capitalization)	1,62,172.00	1,87,233.00	1,87,233.00
Less: Employee Cost Capitalized	(-) 6,247.00	(-) 7,296.00	(-) 7,296.00
A. Salary & wages (including other staff welfare benefits, compensation and contribution to provident and other funds) ---A	1,55,925.00	1,79,937.00	1,79,937.00
B. Add: Directors' sitting Fees & Expenses	12.00	14.00	14.00
C. Add: Other Comprehensive Income (Note 41 of Financial Statement)	-	5,269.00	5,269.00
Total Employee Cost (A + B + C)	1,55,937.00	1,85,220.00	1,85,220.00

4.4.2 The Commission allocates the admitted cost to generation and distribution activities as proposed by WBSEDCL in the petition as below:

Table 18

Figures in Rs. Lakh

Expenditure Head	2023 – 24			
	Claimed in APR	Admitted under Generation	Admitted under Distribution	Total Admitted
Employee Cost	1,85,220.00	5,880.00	1,79,340.00	1,85,220.00

4.4.3 WBSEDCL in Annexure 14 under Compliance Report of Volume II of its petition submitted that the Commission had admitted cumulative amount of Rs. 9,976.83 Crore as payment towards terminal benefit fund till 2023 – 24. However, the Commission in its APR Order upto 2017 – 18 has withheld an amount of Rs. 2,556.60 Crore due to non-payment towards terminal benefit fund. Subsequently, on the submission of WBSEDCL, the Commission released Rs. 1,293.58 Crore vide order dated 23.11.2022 after considering the cumulative payment towards terminal benefit fund. Thus, an amount of Rs. 1,263.02 Crore was still withheld by the Commission. WBSEDCL prayed to release of Rs. 636.71 Crore out of the withheld amount of Rs.

1263.02 Crore confirming that the said amount has been paid in its compliance report. The claim of WBSEDCL in this context is supported with a certificate of the Auditor confirming the payment of Rs. 636.71 Crore. Thus, the Commission decides to release Rs. 636.71 Crore as shown in Table 36 in Chapter 5.

4.4.4 It is also noted that, WBSEDCL actually disbursed a cumulative amount of Rs. 9350.52 Crore on account of Terminal Benefit fund during the period from 2007 – 08 to 2023 – 24. Accordingly, the balance amount remains at Rs. 626.31 Crore (Rs. 9,976.83 Crore – Rs. 9,350.52 Crore) and is continued to be withheld by the Commission. WBSEDCL is directed to deposit the balance amount of Rs. 626.31 Crore and submit a certificate by Auditor confirming payment of the same for release of the balance withheld amount.

4.5 OPERATION AND MAINTENANCE (O&M) EXPENSES:

4.5.1 OPERATION AND MAINTENANCE (O&M) EXPENSES FOR GENERATION:

4.5.1.1 The Commission had admitted Rs. 8,215 Lakh in the MYT Order for 2023 – 24 as normative O&M expense. From the APR petition, it is observed that the normative O&M comes to Rs. 8,172 Lakh. WBSEDCL in its petition has claimed an additional amount of Rs. 607 Lakh of O&M expense against solar plants where there is a gap between Government grant received and LOA awarded including restoration expenditure incurred in respect of few solar projects. WBSEDCL in paragraph 2.13.1 of its petition has claimed actual O&M expense for generation as Rs. 7,595 Lakh. Further, the Commission in paragraph 3.3.2.1 above has observed that expenses under Works for PPSP and MHPS amounting to Rs. 576.62 Lakh, under Purulia Pumped Storage Project amounting to Rs. 89.65 Lakh and under TG Unit at Jaldhaka, Rammam and TCF amounting to Rs. 461.46 Lakh are O&M expenses. Thus, the actual O&M expense for generation comes to Rs. 8,722.73 Lakh. Considering the above, the normative admissible expenses is found to be Rs. 8,172 Lakh as shown in Table 19 below. The Commission observes that the admissible expenses is well above the actual expense incurred. Hence, no additional cost for solar O&M is found admissible.

Table 19

Figures in Rs. Lakh

Particulars	Installed Capacity in MW	Normative O&M cost in Rs. Lakh/ MW	Normative O&M Claimed	Actual	Admissible in APR
Rammam Stage I	51	16	816	7,595.00	816
Jaldhaka	36	22.21	800		800
Small Hydro	88.1	22.22	1,958		1,958
PPSP	900	5	4,500		4,500
Solar	40	5.48	98		98
Additional expense for Solar Projects			607		0
Add: Expenses for Works for PPSP and MHPS as in paragraph 3.3.2.1				576.62	
Add: Expenses for Purulia Pumped Storage as in paragraph 3.3.2.1				89.65	
Add: Expenses for TG Unit at Jaldhaka, Rammam and TCF as in paragraph 3.3.2.1				461.46	
Total			8,779	8,722.73	8,172.00

4.5.1.2 In terms of 4th proviso of regulation 5.7.1 of the Tariff Regulations, WBSEDCL has also claimed Rs. 93 Lakh as special O&M expense against the preliminary expenditure on Rammam Intermediate Stage Hydel Project (RISHP) which was dropped as non-potential generating project. The same is found admissible.

4.5.2 OPERATION AND MAINTENANCE (O&M) EXPENSES FOR DISTRIBUTION:

The Commission in the MYT Order for 2023 – 24 approved an amount of Rs. 1,75,777 Lakh as Operation and Maintenance (O&M) Expenses constituting of Rs. 1,12,721 Lakh as Repair and Maintenance (R&M) Expenses, Rs. 50,440 Lakh as Administrative and General (A&G) Expenses and Rs. 12,616 Lakh as O&M for RDSS Scheme.

4.5.2.1 REPAIR AND MAINTENANCE (R&M) FOR DISTRIBUTION:

4.5.2.1.1 WBSEDCL has claimed normative R&M expense of Rs. 1,23,410 Lakh against Rs. 1,12,721 Lakh admitted in the MYT Order. WBSEDCL submitted the actual R&M expense for distribution as Rs. 66,921 Lakh. Further, the Commission in paragraph 3.3.2.1 and 3.3.3.1 of Chapter 3 has observed that expenses under Unfunded Civil Work amounting to Rs. 0.80 Lakh, Furniture, Tools and Office Equipment amounting to Rs. 633 Lakh, Inventory and O&M amounting to Rs. 4,228.95 Lakh and



Order for FPPCA and APR of WBSEDCL for the year 2023 – 24

expenditures of less than Rs. One Lakh amounting to Rs. 1,063.28 Lakh in total are O&M in nature and thus considered under R&M Expenses. In view of the above, the actual R&M expense is considered as Rs. 72,847.03 Lakh.

4.5.2.1.2 From the petition, it is observed that WBSEDCL has claimed opening GFA as Rs. 33,92,966 Lakh for its distribution business. The amount is reflected in Note 1.7 of its Audited Financial Statements. In the APR Order for 2022 – 23, the Commission had disallowed an amount of Rs. 6,314 Lakh against proposed asset addition of distribution function. Thus, the admissible opening Gross Fixed Asset (GFA) for 2023 – 24 against distribution function becomes Rs. 33,86,652 Lakh (Rs. 33,929,66 Lakh – Rs. 6,314 Lakh). The Commission in paragraph 3.4.1 has admitted Rs. 2,61,019.74 Lakh of asset addition during 2023 – 24 towards Distribution, Metering and Other Assets against the claim of Rs. 2,67,387 Lakh. Further, Rs. 1,345 Lakh retired during the year. Thus, the closing admissible GFA becomes Rs. 36,46,328.74 Lakh as also depicted in paragraph 3.4.1 above. Accordingly, the normative R&M expense based on the admitted GFA comes to Rs. 1,23,077 Lakh as shown below.

Table 20

Figures in Rs. Lakh

Distribution, Metering and Other Assets	Tariff Order for 2023 – 24	Claimed for 2023 – 24	Actual	Admitted for 2023 – 24
Opening GFA	31,70,221.00	33,92,966.00		33,86,652.00
Add: Asset Addition	1,07,972.00	2,67,387.00		2,61,019.74
Less: Retired	(-) 7,189.00	(-) 1,345.00		(-) 1,345.00
Closing GFA	32,71,004.00	36,59,008.00	66,921.00	36,46,326.74
Average GFA	32,20,613.00	35,25,987.00		35,16,489.00
R&M Norm for 2023 - 24	3.50%	3.50%		3.50%
Add: Expenditure for Furniture/ Tools/ Office Equipment etc. under regulation 5.2.3			633.00	
Add: Inventory and O&M related expenses as in paragraph 3.3.3.1			4,228.95	
Add: Expenditure less than Rs. One lakh as in paragraph 3.3.3.1			1,063.28	
Add: Unfunded Civil Work as in paragraph 3.3.2.1			0.80	
Normative R&M	1,12,721.00	1,23,410.00	72,847.03	1,23,077.00

4.5.2.2 ADMINISTRATIVE AND GENERAL (A&G) EXPENSES FOR DISTRIBUTION:

4.5.2.2.1 WBSEDCL in its petition has claimed Rs. 45,198 Lakh as normative A&G expense for its distribution business against Rs. 50,440 Lakh admitted in the MYT Order.

WBSEDCL submitted that actual A&G expense incurred in 2023 – 24 is Rs. 85,095 Lakh. In addition to this, the Commission in paragraph 4.15 of this order has considered Rs. 1,796 Lakh as Bank Charges under this head. Thus, the total A&G expense is considered as Rs. 86,891 Lakh.

4.5.2.2.2 In terms of clause (ii) of regulation 5.7.4.1 of the Tariff Regulations, during APR the base year A&G value (A&G_b) is to be recomputed considering based on the trued-up value of last 5 years. Accordingly, the redetermined normative A&G for 2023 – 24 comes to Rs. 50,633 Lakh as shown in table below:

Table 21

Figures in Rs. Lakh

Particulars	Derivations	2018-19	2019-20	2020-21	2021-22	2022-23	Normative for 2023 - 24
A&G Expenses		As admitted in APR Order					
Hybrid Index	A	4.72%	4.00%	2.79%	9.82%	8.08%	1.65%
A&G	B	13,779.00	14,023.00	13,393.00	14,715.00	13,799.00	50,633.00
Insurance	C	64.00	107.9.00	58.96	254.00	179.00	
Rates & taxes	D	16,135.74	17,521.82	17,828.23	18,907.78	18,031.70	
Lease rental	E	1,905.00	730.00	766.00	1,871.00	614.00	
Complaint management	F	307.98	318.00	341.98	298.00	267.00	
Out sourced (A&G)	G	19,659.40	20,928.43	22,962.36	23,260.00	25,562.00	
Total A&G	h= sum(b:g)	51,851.12	53,629.15	55,350.53	59,305.78	58,452.70	
Less: Rates & Tax on R&M considered in R&M norm	I	9,958.10	10,971.62	11,071.77	12,096.88	12,808.59	
Net A&G for respective FY	j= h - i	41,893.02	42,657.53	44,278.76	47,208.90	45,644.11	
A&G inflation impact	K	51,503.52	50,079.66	49,983.63	51,844.81	45,644.11	
Average A&G for last 5 years		49,811.15					

4.5.2.2.3 Thus, the admissible normative A&G expense for distribution becomes Rs. 50,633 Lakh against the actual expense of Rs. 86,891 Lakh.

4.5.2.3 From the petition, it is observed that no O&M expense has been incurred against RDSS.

4.5.3 The overall O&M expense incurred by WBSEDCL vis-à-vis the admissible normative expense is shown below:

Table 22

Figures in Rs. Lakh

Particulars	Admitted in Tariff	Normative Claimed	Actual	Normative Admitted
O&M for Generation	8,215.00	8,171.00	8,722.73	8,172.00
Additional O&M for Solar		607.00		
Special O&M against dropped non-potential generation projects		93.00	93.00	93.00
Sub-total Generation (A)	8,215.00	8,871.00	8,815.73	8,265.00
R&M Distribution	1,12,721.00	1,23,410.00	72,847.03	1,23,077.00
A&G for Distribution	50,440.00	45,198.00	86,891.00	50,633.00
O&M for RDSS	12,616.00	0.00	0.00	0.00
Sub-total Distribution (B)	17,577.00	1,68,608.00	1,59,738.03	1,73,710.00
Total O&M Expense (A + B)	1,83,992.00	1,77,479.00	1,68,553.76	1,81,975.00

4.5.4 In view of the admissible normative O&M expense of Rs. 1,81,975.00 Lakh, WBSEDCL's actual O&M expense is found to be Rs. 1,68,553.76 Lakh. Thus, there is a net gain of Rs. 13,421.24 Lakh. The gain is to be shared between the licensee and the consumers as per the provisions of regulation 2.5.5.4 of the Tariff Regulations in the subsequent paragraph.

4.6 STATUTORY CHARGES:

4.6.1 WBSEDCL has claimed Rs. 268 Lakh as Statutory Charges against Rs. 276 Lakh admitted in the MYT Order for 2023 – 24 for payment of License/ Filing fees to Statutory Authority. WBSEDCL also submitted Note 38 of the Audited Financial Statement for 2023 – 24 with break-up of amount pertaining to Generation and Distribution duly certified by the auditor in support of their claim. The Commission admits Rs. 268 Lakh as Statutory Charges for 2023 – 24.

Table 23

Figures in Rs. Lakh

Particulars	Admitted in Tariff Order for 2023 – 24	Claimed			Admitted		
		Gen.	Dist.	Total	Gen.	Dist.	Total
Statutory Charges	276.00	18.00	250.00	268.00	18.00	250.00	268.00

4.7 DEPRECIATION:

4.7.1 WBSEDCL has claimed Rs. 53,522 Lakh as Depreciation of its generation and distribution assets against Rs. 42,717 Lakh admitted in the MYT Order for 2023 – 24.

WBSEDCL submitted that actual depreciation as per the Audited Financial Statements in 2023 – 24 is Rs. 2,12,703 Lakh, as reflected in Note 37. WBSEDCL has adjusted Rs. 1,17,705 Lakh towards Amortization of Government Grant and Rs. 41,476 Lakh on account of Amortization of Consumer's Contribution towards cost of capital assets as below:

Table 24

Figures in Rs. Lakh

Particulars	Admitted in Tariff Order for 2023 – 24	Claimed	Notes
Depreciation		2,12,703.00	37
Less: Amortisation of Government Grant		1,17,705.00	17.1
Less: Amortization on account of Consumer's Contribution towards Cost of Capital Assets	42,717.00	41,476.00	17.1
Net Depreciation		53,522.00	

4.7.2 WBSEDCL has submitted the detail computation of Depreciation in Form B of the petition. WBSEDCL also submitted the summary of Asset Register in Annexure – 10 segregating the type of assets. In its letter dated 19.12.2025, WBSEDCL submitted that the land value of Rs. 9350 Lakh was not mentioned in Annexure – 10. From the submission in Form B, it is observed that WBSEDCL has considered Rs. 5 Lakh and Rs. 54 Lakh as Depreciation for Lease Hold Land of generating and distribution assets respectively. The Commission is of the considered opinion that Depreciation for such Lease Hold Land shall not be applicable. It is also noted that during computation of total depreciation value, WBSEDCL has not adjusted Rs. 459 Lakh for depreciation of retired assets. WBSEDCL has also considered the amortization of Intangible Asset within its computation of Depreciation submitted in Form B.

4.7.3 The Commission in Chapter – 3 of this order has admitted Rs. 37,24,734 Lakh as Opening GFA and Rs. 2,67,943.24 Lakh as Addition of Fixed Assets during the year 2023 – 24. Now, considering the admitted Gross Fixed Assets and the observations mentioned above, the Commission determines the admissible Depreciation as Rs. 52,053 Lakh shown below:



Order for FPPCA and APR of WBSEDCL for the year 2023 – 24

Table 25

Figures in Rs. Lakh

Sl No.	Particulars	Form B		Admitted	
		Fixed Asset	Depreciation	Fixed Asset	Depreciation
A	Opening GFA				
	Generation Asset	3,38,900.00		3,38,082.00	
	Distribution Asset	33,92,966.00		33,86,652.00	
	Overall	37,31,867.00		37,24,734.00	
B	Addition				
	Generation Asset	8,157.00		6,923.50	
	Distribution Asset	2,67,387.00		2,61,019.74	
	Overall	2,75,544.00		2,67,943.24	
C	Asset fully Depreciated				
	Generation Asset	0.00	0.00	0.00	0.00
	Distribution Asset	6,37,566.00	0.00	6,37,566.00	0.00
	Overall	6,37,566.00	0.00	6,37,566.00	0.00
D	Land/ Lease Hold Land				
	Generation Asset	1,384.00	5.00	1,384.00	0.00
	Distribution Asset	13,878.00	54.00	13,878.00	0.00
	Overall	15,262.00	59.00	15,262.00	0.00
E	Asset to be Depreciated				
	Generation Asset	3,45,673.00		3,43,621.50	
	Distribution Asset	30,08,910.00		29,96,227.74	
	Overall	33,54,583.00		33,39,849.24	
F	Asset Depreciated upto 70%				
	Generation Asset	7,928.00	122.00	7,928.00	122.00
	Distribution Asset	79,484.00	1,218.00	79,484.00	1,218.00
	Overall	87,412.00	1,340.00	87,412.00	1,340.00
G	Asset Depreciated less than 70%				
	Generation Asset	3,37,745.00	20,465.00	3,35,693.50	20,341.00
	Distribution Asset	29,29,426.00	1,91,005.00	29,16,743.74	1,90,178.00
	Overall	32,67,171.00	2,11,470.00	32,52,437.24	2,10,519.00
H	Asset retired during the year				
	Generation Asset	0.00	0.00	0.00	0.00
	Distribution Asset	1,345.00	459.00	1,345.00	459.00
	Overall	1,345.00	459.00	1,345.00	459.00
I	Closing GFA				
	Generation Asset	3,47,057.00		3,45,005.50	
	Distribution Asset	36,59,008.00		36,46,326.74	



Order for FPPCA and APR of WBSEDCL for the year 2023 – 24

Figures in Rs. Lakh

Sl No.	Particulars	Form B		Admitted	
		Fixed Asset	Depreciation	Fixed Asset	Depreciation
	Overall	40,06,065.00		39,91,332.24	
J	Total Depreciation during the year				
	Generation Asset		20,592.00		20,463.00
	Distribution Asset		1,91,818.00		1,90,937.00
	Overall		2,12,410.00		2,11,400.00
	Adjustment of Depreciation done in past		-166.00		-166.00
	Overall Depreciation during the year		2,12,244.00		2,11,234.00
	Less: Amortisation of Government Grant				1,17,705.00
	Less: Amortization on account of Consumer's Contribution towards Cost of Capital Assets				41,476.00
	Net Depreciation for the year				52,053.00

4.7.4 From the submission made in Annexure 10 of the petition, it is observed that out of total GFA of Rs. 40,06,065 Lakh, final project cost approval under regulation 2.8.5 is pending for Rs. 11,52,167 Lakh. Thus, about final project cost is pending for 29% of the GFA value. In terms of clause (i) of regulation 5.6.2 of the Tariff Regulations, depreciation will be allowed upto 95% of the capitalized value for such projects. In absence of detailed break-up, the Commission decides to adjust the corresponding amount of Rs. 748.50 Lakh (Rs. 52,053.00 Lakh x 29% x 5%) from the admissible depreciation. Thus, Rs. 51,304.50 Lakh is admitted for the year 2023 – 24. The admissible depreciation is shared between generation and distribution in the same ratio as per the claim of WBSEDCL.

Table 26

Figures in Rs. Lakh

Particulars	Generation	Distribution	Total
Admissible Depreciation for the year	8,944.00	43,109.00	52,053.00
Less: Adjustment for assets pending final project cost approval under regulation 2.8.5	0.00	748.50	748.50
Net Depreciation	8,944.00	42,360.50	51,304.50

4.8 RETURN ON EQUITY:

4.8.1 WBSEDCL has claimed Rs. 49,896 Lakh as Return on Equity for generation and distribution function of WBSEDCL for the year 2023 – 24 against Rs. 39,439 Lakh



Order for FPPCA and APR of WBSEDCL for the year 2023 – 24

admitted in the MYT Order for 2023 – 24. WBSEDCL in Form 1.20 (a) has submitted actual addition of Rs. 72,387 Lakh to the Equity Base for the year. No adjustment on account of decommissioning of assets stands submitted. WBSEDCL has proposed adjustment of Rs. 443 Lakh in the Opening Balance of generation segment due to inadvertent consideration of share pending allotment as equity during 2017 – 18.

4.8.2 It is observed that WBSEDCL, in Form 1.20 (a) has considered equity addition of Rs. 37 Lakh against generation project. From Annexure 26, it is revealed that equity addition of Rs. 37 lakh is against the Turga Pumped Storage Project (TPSP). As TPSP is yet to be completed, the Commission does not consider the same for computation of return on equity.

4.8.3 The Commission considers the Admissible Opening Equity Base as per the Closing Equity Base admitted in APR Order of 2022 – 23. Amount of Rs. 1,06,422 Lakh and Rs. 74,914 Lakh against Government Grant and Consumer Contribution as appearing in Note 17.1 of Audited Financial Statement are adjusted. Accordingly, the admissible Return on Equity comes to Rs. 43,211.58 Lakh for the year 2023 – 24.

Table 27

Figures in Rs. Lakh

Sl No	Particulars	Admitted		
		Generation	Distribution	Total
1	Admissible Equity Base (Opening) – from APR Order 2022 – 23	0.00	2,65,997.00	2,65,997.00
2	Addition to Fixed Asset during the year	6,923.50	2,61,019.74	2,67,943.24
3	Less: Asset retired during the year	0.00	1,345.00	1,345.00
4	Less: Grant funded asset as per Note 17.1	6,910.50	99,511.50	1,06,422.00
5	Less: Consumer contribution as per Note 17.1		74,914.00	74,914.00
6	Net addition to GFA for ROE computation (6 = 2 - 3 - 4 - 5)	13.00	85,249.24	85,262.24
7	Actual Equity Addition	0.00	72,341.00	72,341.00
8	Admissible Equity Addition limited to 30% of net asset addition in (6)	0.00	25,574.77	25,574.77
9	Admissible equity base (Closing)	0.00	2,91,571.77	2,91,571.77
10	Average Equity Base $[(1) + (9)]/2$	0.00	2,78,784.39	2,78,784.39
11	ROE @ 15.50 % (Generation) and 16.50% (Distribution) of 10	0.00	43,211.58	43,211.58



4.9 INTEREST ON GROSS NORMATIVE LOAN ON CAPITAL ASSETS:

- 4.9.1 WBSEDCL has claimed Rs. 61,274 Lakh as interest on capital borrowings against Rs. 38,768 Lakh admitted in the MYT Order for 2023 – 24. WBSEDCL submitted that based as per the provision of regulation 5.6.4.2 of the Tariff Regulations, the normative interest on loan comes to Rs. 64,596 Lakh. WBSEDCL further mentioned that they have included the interest of Rs. 551 Lakh against the REAPS project.
- 4.9.2 In terms of regulation 5.6.4.2 of the Tariff Regulations, the actual loan and/ or normative loan for the assets put to use shall be considered as gross normative loan for calculation of interest on loan and the regulations. In case, any retirement or replacement or decapitalization of assets, the loan capital approved as above shall be reduced to the extent of outstanding loan component of original cost of such assets based on the documentary evidences. The normative loan outstanding as on 1st April of any Financial Year shall be worked out by deducting the cumulative repayment as admitted upto 31st March of the Previous Year and for this purpose, the repayment shall be deemed to be equal to the Depreciation and/ or AAD approved by the Commission. Normative repayment of loan shall be considered from the 1st year of the commercial operation of the asset. The rate of interest shall be the weighted average rate of interest computed on the basis of actual capital loan portfolio during the concerned year. Capital cost funded by consumer contribution, deposit works, grant or subsidy shall not be considered for computation of interest on loan.
- 4.9.3 The Commission in APR Order for the year 2018 – 19 had recognised Rs. 4,82,233.76 Lakh admitted as Depreciation and Advance Against Depreciation upto 2017 – 18. The Commission had admitted Rs. 43,681 Lakh, Rs. 46,220 Lakh, Rs. 37,247 Lakh, Rs. 36,255 Lakh and Rs. 25,650 Lakh for the years 2018 – 19, 2019 – 20, 2020 – 21, 2021 – 22 and 2022 – 23 respectively. The cumulative depreciation of Rs. 6,71,286.76 Lakh is considered as deemed repayment as on 31.03.2023.
- 4.9.4 From the submission and the disclosure made in Audited Financial Statement, it is observed that WBSEDCL has serviced capital loan from West Bengal State Cooperative Bank, PFC Limited, REC Limited, Bank of Baroda, WBIDFCL, State Government and Capital Bonds during 2023 – 24. The weighted average rate of

interest on such capital loan comes to 9.23%. The detail computation is shown in Annexure – 4A.

- 4.9.5 Now, the Commission determines the admissible interest on normative capital loan considering the asset addition admitted in Chapter – 3 of this order following the provisions of the Tariff Regulations as below.

Table 28

Figures in Rs. Lakh

Sl No.	Particulars	Claimed	Admitted
1	Approved GFA at the beginning of the year	37,31,866.00	37,24,734.00
2	Asset created from Grant, Contribution	21,19,468.00	21,19,468.00
3	Net Opening GFA (3 = 1 - 2)	16,12,398.00	16,05,266.00
4	Opening Equity (Sl No. 1 of Table 27)	2,66,242.00	2,65,997.00
5	Opening Gross Normative Loan (5 = 3 – 4)	13,46,156.00	13,39,269.00
6	Cumulative Depreciation and AAD, if any, upto previous year	7,72,668.00	6,71,286.76
7	Opening Balance of Normative Loan (7 = 5 – 6)	5,73,488.00	6,67,982.24
8	Addition to Fixed Asset during the year (Sl No.2 of Table 15)		2,67,943.24
9	Retirement during the year (Sl No. 3 of Table 15)		1,345.00
10	Net Addition of Fixed Asset (10 = 8 – 9)		2,66,598.24
11	Asset created from Grant, Contribution (Sl No. 4 & 5 of Table 27)		1,81,336.00
12	Net Asset Addition out of own fund (12 = 10 – 11)		85,262.24
13	Admissible Equity Addition during the year (Sl No. 8 of Table 27)		25,574.77
14	Normative Addition of Loan (14 = 12 – 13)	2,03,199.00	59,687.47
15	Depreciation during the year (Deemed Repayment) (Table 25)	53,063.00	52,053.00
16	Closing Balance of Gross Normative Loan (16 = 7 + 14 – 15)	7,23,624.00	6,75,616.71
17	Average Net Normative Loan (17 = (7 + 16) / 2)	6,48,556.00	6,71,799.48
18	Weighted Average Rate of Interest on Loan	9.96%	9.23%
19	Interest on Normative Loan (19 = 17 x 18)	64,596.18	61,986.09

- 4.9.6 The admissible interest on normative loan is shared between generation and distribution in the same ratio as per the claim of WBSEDCL.

Table 29

Figures in Rs. Lakh

Particulars	Generation	Distribution	Total
Interest on Normative Loan	792.10	61,193.99	61,986.09

4.10 INTEREST ON CONSUMERS SECURITY DEPOSIT:

- 4.10.1 WBSEDCL in its petition has claimed Rs. 32,169 Lakh as interest on consumers security deposit for 2023 – 24 against Rs. 23,955 Lakh admitted in the MYT Order for 2023 – 24. The Commission observes that the claimed amount is reflected in Note



36 (IV) of the Audited Financial Statement. From Notes 20 and 26 of the Audited Financial Statement, it is evident that a sum of Rs. 6,16,465 Lakh is lying as balance against security deposit from consumers. Thus, the Commission admits Rs. 32,169 Lakh on account of interest on consumers security deposit during the year 2023 – 24.

4.11 REPAYMENT OF PENSION FUND:

WBSEDCL in paragraph 2.31.2 of the its APR Petition has stated that repayment to the extent of Rs. 39,366 Lakh stands made in respect of Pension Trustee Bond and the same is reflected at Note 18 (A) (iii) of Audited Financial Statements. Therefore, the Commission admits the amount of Rs. 39,366 Lakh to the extent of redemption carried out by WBSEDCL.

4.12 INTEREST ON BOND FOR CREATION OF PENSION FUND:

WBSEDCL has not claimed any amount under Interest on Pension Trustee Bonds as the said bond was due for redemption in the year 2021 – 22. Accordingly, the Commission does not admit any amount under this head for 2023 – 24.

4.13 INTEREST ON COVID LOAN AND LOAN FOR AMPHAN RESTORATION WORK:

4.13.1 WBSEDCL has claimed Rs. 8,904 Lakh interest on account of COVID loan and Rs. 918 Lakh on account of AMPHAN loan for year 2023 – 24. WBSEDCL has submitted that, during AMPHAN, distribution infrastructure spread over wide area of West Bengal has been seriously damaged. To overcome the situation and restoration of power supply, WBSEDCL in addition to Government grant of Rs. 142 Crore availed loan of Rs. 100 Crore from WBIDFC Limited. WBSEDCL also availed loan from PFC Limited and REC Limited during COVID 19 period to match its revenue gap. The amounts are reflected in Note 18 and 36.2 of Audited Financial Statements. WBSEDCL also submitted a break up of its loan in Form C.

Table 30

Figures in Rs. Lakh

Particulars	COVID LOAN		AMPHAN Loan
	PFC Limited	REC Limited	WBIDFC Limited
Opening Balance	46,959.00	47,040.00	9,361.00
Repayment	2,816.00	3,360.00	526.00



Order for FPPCA and APR of WBSEDCL for the year 2023 – 24

Closing Balance	44,143.00	43,680.00	8,835.00
Interest Paid	8,904.00		918.00

4.13.2 The Commission admits Rs. 8,904 Lakh as interest on COVID Loan during the year 2023 – 24.

4.13.3 The Commission in its order dated 09.08.2023 in Case No. OA – 394/ 21 – 22 observed that out of AMPHAN restoration work of Rs. 240 Crore as mentioned in DPR, the Government of West Bengal has released Rs. 142 Crore in two separate tranches, while claim for balance grant amount of Rs. 98 Crore stands submitted to the Government. In order to meet the fund for urgent restoration work, WBSEDCL availed loan from WBIDFC Limited amounting to Rs. 100 Crore. In view of the above, the Commission admits the interest paid of Rs. 918 Lakh on account of AMPHAN Loan and directs WBSEDCL to submit a report within 3 months on latest status of receipt of balance grant from the Government.

4.14 INTEREST ON WORKING CAPITAL:

4.14.1 WBSEDCL in its petition has submitted that the normative working capital requirement as per the formula specified in the Tariff Regulations comes to Rs. 4,37,747 Lakh for its Distribution function and Rs. 1,371 Lakh for its Generation Function. WBSEDCL also submitted that it had a cash security deposit of Rs. 6,16,465 Lakh. Thus, in terms of first proviso of regulation 5.6.5.3 of the Tariff Regulations, the cash security deposit shall be used to meet the working capital requirement.

4.14.2 In terms of third proviso of regulation 5.6.5.3 of the Tariff Regulations, the requirement of Working Capital based on the admitted values are redetermined below:

Table 31

Figures in Rs. Lakh

SI No	Particulars	Admitted
A	Distribution	
1	O&M expense for 1 month	14,476.00
2	Employee cost for 1 month	14,945.00
3	Maintenance spare 15% of O&M expense	26,057.00
4	Receivables equivalent to 45 days	3,87,057.00
	Sub-total (1 to 4)	4,42,535.00

Figures in Rs. Lakh		
Sl No	Particulars	Admitted
5	Less: Cash security deposit	6,16,465.00
6	Working Capital Requirement	0.00
7	Balance Cash Security deposit (5 - (Sum 1 to 4))	1,73,930.00
B	Own Generation	
8	O&M expense for 1 month	689.00
9	Employee cost for 1 month	490.00
10	Maintenance spare 15% of O&M expense	1,240.00
	sub-total (8 to 10)	2,419.00
11	Less: Cash security deposit held after meeting working capital of distribution function (7)	1,73,930.00
12	Working Capital Requirement	0.00
13	Interest on Working Capital	0.00
14	Balance cash security deposit (11 - (Sum 8 to 10))	1,71,511.00

4.14.3 The Commission observes that an amount of Rs. 1031 lakh has been admitted at Table 32 on account of Interest from Bank on Fixed Deposits and other deposits as reflected in Note 32 of the Audited Financial Statement. No separate description is found in the said Financial Statement in respect of treatment on the balance cash security deposit. Hence, the Commission finds it prudent not to consider further amount on account of interest on balance cash security deposit separately in terms of second proviso of regulation 5.6.5.3 of the Tariff Regulations.

4.15 OTHER FINANCE CHARGES:

WBSEDCL has claimed Rs. 4,274 Lakh as cost pertaining to Other Finance Charges. From Note 36B of the Audited Financial Statement, it is observed that a sum of Rs. 1,796 Lakh has been recognised as Bank Charges whereas a sum of Rs. 2,478 Lakh pertains to Other Finance Charges for Working Capital Loan. Since, no working capital loan is admitted under paragraph 4.14 above, no finance charge against Working Capital Loan is found admissible. The Commission also notes that in terms of clause (vii) of regulation 5.6.4.2 of the Tariff Regulations, Finance charges are primarily for Capital Loans for Financial Institutions. In absence of clear identification of the Bank Charges as claimed under Finance Charges, the Commission decides to consider the claimed amount of Rs. 1,796 Lakh under Administrative and General Expenses. From Note 36 of Audited Financial Statements, it is observed that an

amount of Rs. 17 Lakh appears as Transaction Cost on Capital Bonds. The Commission allows the same under Other Finance Charges for 2023 – 24.

4.16 INCOME TAX:

WBSEDCL has submitted, ROE is claimed on pre-tax basis, and hence MAT is claimed separately by WBSEDCL in this APR Application amounting to Rs. 1,561 Lakh. The Commission after having referred the copy of filed returns submitted at Annexure – 16A observes that the liability towards income tax has been Rs. 1,528.97 Lakh and same is admitted by the Commission as Income Tax met during the year.

4.17 BAD DEBT:

No amount has been admitted under this head in Tariff Order of 2023 - 24. WBSEDCL has claimed Rs. 16,911 Lakh as Bad Debts written off. The same amount is reflected in Form 1.15. The Commission observes from the Note 38C of the Audited Financial Statements that a sum of Rs. 20,900 Lakh has been written off as bad debts. As per regulation 5.10.1, the Commission may allow such amount of bad debt to a ceiling of 0.5% of the annual gross sale value of power at the end of current year. Hence, the Commission admits Rs. 15,425.78 Lakh which equates to 0.5% of the gross revenue from sale of power of Rs. 30,85,155 Lakh at the end of financial year 2023 - 24 as per note 31 of the Audited Financial Statement.

In view of the admissible normative amount of Rs. 15,425.78 Lakh, WBSEDCL's actual Bad Debt written off is Rs. 16,911 Lakh. Thus, there is a net loss of Rs. 1,485.22 Lakh. The loss is to be shared between the licensee and the consumers as per the provisions of regulation 2.5.5.4 of the Tariff Regulations in the subsequent paragraph.

4.18 NON – TARIFF INCOME:

- 4.18.1 WBSEDCL has claimed Rs. 1,82,275 Lakh as Income from Non- Tariff sources for the year 2023 – 24 against Rs. 1,09,103 Lakh admitted in the MYT Order. After analysing the submission made in the petition vis-à-vis the notes of Audited Financial Statements of the petitioner, it is observed that WBSEDCL has claimed a negative



Order for FPPCA and APR of WBSEDCL for the year 2023 – 24

adjustment of Rs. 24 Lakh for interest from bank on Fixed Deposit on Power Purchase Fund whereas Note 11.4 mentions that the said amount is accrued and not due. Thus, the Commission does not consider the claimed amount of Rs. 24 Lakh under non – tariff income. Further, WBSEDCL has claimed adjustment for loss on obsolescence of inventory which is found to be not admissible under Non – Tariff Income. WBSEDCL also considered Rs. 1,00,000 Lakh of Revenue Grant received from the Government of West Bengal under its claim of Non – Tariff Income. The Commission is of the considered opinion that the revenue grant received from the Government should not be considered as non-tariff income rather it should be adjusted with the overall ARR. Accordingly, the Commission admits the amount as Non – Tariff Income for 2023 – 24 as shown below:

Table 32

Figures in Rs. Lakh

SL No.	Particulars	Admitted in Tariff Order	Claimed	As per Audited Financial Statements	Notes	Admitted
1	Meter & Transformer Rent		32,255.00	32,255.00	32	32,255.00
2	Disconnection & Reconnection Charge		3,238.00	3,238.00	32	3,238.00
3	Delayed Payment Charge		34,320.00	34,320.00	32	34,320.00
4	Miscellaneous Charge for services to consumers Premises		57.00	57.00	32	57.00
5	Income from Wheeling Charges		500.00	500.00	32	500.00
6	Interest on Staff Loan		15.00	15.00	33	15.00
7	Interest from Bank on Fixed Deposits and Other Deposits		1,031.00	1,031.00	33	1,031.00
8	Interest from Bank on Fixed Deposits on Power Purchase Fund		(-) 24.00	(-) 24.00	11.4	
9	Income from sale of scrap		4,824.00	4,824.00	33	4,824.00
10	Consulting Income		77.00	77.00	33	77.00
11	Recovery of Cost of Collection-Electricity Duty		1,924.00	1,924.00	33	1,924.00
12	Tender Paper		15.00	15.00	33	15.00
13	Rental from Staff Quarters		423.00	423.00	33	423.00
14	Rental from Contactors		14.00	14.00	33	14.00
15	Rental from Others		294.00	294.00	33	294.00
16	Penalty deducted from Contractor/Supplier		585.00	585.00	33	585.00
17	Other Miscellaneous Income		817.00	817.00	33	817.00
18	Insurance Claim Settlement		79.00	79.00	33	79.00
19	Interest Subsidy under NEF Scheme		1,891.00	1,891.00	33	1,891.00
20	Less: Loss on Obsolescence of Inventory		(-) 60.00	(-) 60.00	38	
	Total (Sum 1 to 20)	1,09,103.00	82,275.00	82,275.00		82,359.00

4.19 EXPENSES ON DEVIATION SETTLEMENT MECHANISM:

4.19.1 WBSEDCL in its petition submitted that in order to bridge the demand supply gap during real time operation and in order to ensure uninterrupted supply of electricity to its consumer, a total of 137.150 MU of energy has been drawn from the grid and 569.638 MU of energy has injected into the grid as deviation during the year 2023 – 24. Thus, the DSM charge payable during the year was Rs. 1,893 Lakh and DSM charge receivable was Rs. 15,208 Lakh. There was a net DSM receivable of Rs. 13,315 Lakh during 2023 – 24. WBSEDCL has claimed for adjustment of Rs. 13,315 Lakh in its ARR as DSM charge receivables. The same is reflected in Note 32 and 34 (C) of the Audited Financial Statements. The Commission admits the same.

4.20 OTHER EXPENSE:

- 4.20.1 WBSEDCL has claimed Rs. 350 Lakh as the expenditure for other items in its APR application on account of solatium on death/damages to outsiders and Rs. 56 Lakh against unrealized insurance claim amount written off during the year.
- 4.20.2 The Commission observes that WBSEDCL has not submitted any justification regarding incurring expenses on account of solatium on death/ damages to outsiders. The Commission thereby considers the amount paid on this account by WBSEDCL as penal measures imposed by the Competent Authority. Accordingly, in terms of regulation 2.2.7 of the Tariff Regulations, the Commission does not admit the claim of WBSEDCL of Rs. 350 Lakh on account of solatium paid by WBSEDCL to outsiders. Besides the Commission does not find any reason to allow Rs. 56 Lakh against unrealized insurance claim amount written off.

4.21 RESERVE FOR UNFORESEEN EXIGENCIES:

- 4.21.1 In the Tariff Order for 2023 – 24, no amount was allowed under this head in the ARR. WBSEDCL has also not claimed any amount under this head in its APR application for 2023 – 24. Accordingly, the Commission does not consider any amount under this head in APR for 2023 – 24.



- 4.21.2 In earlier orders, the Commission had directed WBSEDCL to follow regulations 5.24.3, 5.24.4 and 5.24.10 of the Tariff Regulations and submit the audited amount of the interest income from investment of each type of reserve funds covered under regulation of 5.24 of the Tariff Regulations with APR of each year starting from the year 2012 – 13. The Commission had also directed that the interest accrued from investment of power purchase fund, development fund and reserve for unforeseen exigencies fund shall be deposited in the respective fund as per provision of the Tariff Regulations.
- 4.21.3 WBSEDCL in its compliance report under Annexure 17 submitted that they are maintaining the fund relating in its books of accounts but the same is not backed by investments in Fixed Deposit with Bank. WBSEDCL submitted that to meet up revenue deficit cause by accumulation of regulatory assets, they had to resource substantial borrowing from Banks and Financial Institutions and was compelled to explore all available options to arrange finance. WBSEDCL submitted that the Commission has already withheld a total sum of Rs. 495.32 Crore against maintainable fund of Rs. 157.69 Crore. WBSEDCL submitted that they are willing to re-instate the investment against the reserve for unforeseen exigencies upon having adequate liquidity.
- 4.21.4 In view of above, the Commission directs WBSEDCL to reinstate the required investment against Reserve for Unforeseen Exigencies Fund at the earliest and decides to continue with the amount already withheld in the APR order of 2014 – 15.

4.22 FIXED COST:

In view of above, the Commission admits Rs. 8,30,781.92 Lakh as Fixed Cost for 2023 – 24 against the claim of Rs. 8,40,740.00 Lakh by WBSEDCL as shown in Annexure 4B.

4.23 BENEFITS PASSED ON TO THE CONSUMERS:

- 4.23.1 WBSEDCL in its petition in paragraph 2.29 submitted that by sale of surplus power, WBSEDCL has made a net gain of Rs. 36,372 Lakh in the year 2023 – 24. WBSEDCL in terms of regulation 5.15.2(iv) of the Tariff Regulations has proposed to share 50%

of such gain amounting to Rs. 18,186 Lakh to its consumers by adjustment with the ARR.

- 4.23.2 From Note 31 of the Audited Financial Statements of WBSEDCL an income of Rs. 83,900 Lakh from sale of surplus power in the year 2023 – 24 is evident. It is also observed that charges for sale to traders amounted Rs. 4,228 Lakh. The Commission in Table 5 of Chapter 2 has admitted Rs. 43,319 Lakh as cost of incidental surplus power. Thus, there was a gain of Rs. 36,353 Lakh (Rs. 83,900 Lakh – Rs. 4,228 Lakh – Rs. 43,319 Lakh). In terms of clause (iv) of regulation 5.15.2 of Tariff Regulations, such gain shall be shared equally between the licensees and consumers, as shown below:

Table 33

Figures in Rs. Lakh

Particulars	Claimed	Admitted
Revenue from sale of surplus power Note 31	83,900.00	83,900.00
Less: Charges for such sale	4,228.00	4,228.00
Net Revenue (A)	79,672.00	79,672.00
Cost of surplus power (B)	43,300.00	43,319.00
Gain / (Loss) [(C) = (A) – (B)]	36,372.00	36,353.00
Benefit passed on to the consumers [(D = (C)/2]	18,186.00	18,176.50

4.24 SHARING OF GAIN / LOSS FOR CONTROLLABLE FACTORS IN TERMS OF TARIFF REGULATIONS:

- 4.24.1 In terms of 2.5.5.4 of Tariff Regulations, approved gain on account of controllable factors shall be shared between the distribution licensee and the consumers in the ratio of $\frac{2}{3} : \frac{1}{3}$. Any approved loss to the distribution licensee on account of controllable factors shall be passed on to the consumer and the licensee in the ratio of $\frac{1}{3} : \frac{2}{3}$.

4.24.2 GAIN OR LOSS ON DISTRIBUTION LOSS:

The Commission in Table 3 of Chapter 2 of this order has determined the gain due to better performance of distribution loss as Rs. 7,075 Lakh and decided that the shareable gain for WBSEDCL is Rs. 4,716.67 Lakh and the balance shareable gain for consumers is Rs. 2,358.33 Lakh. The Commission has admitted Rs. 23,17,282.00



Lakh as power purchase cost based on actual expenses. Now, Rs. 4,716.67 lakh is additionally allowed as share of gain in distribution loss.

4.24.3 GAIN OR LOSS ON OPERATION AND MAINTENANCE EXPENSES:

The Commission in paragraph 4.5.4 above has determined the gain on Operation and Maintenance Expenses as Rs. 13,421.24 Lakh. In terms of regulation 2.5.5.4, the shareable gain for WBSEDCL comes to Rs. 8,947.49 Lakh and the balance shareable gain for consumers is Rs. 4,473.75 Lakh. The Commission has admitted the normative O&M of Rs. 1,81,975.00 Lakh in the ARR. Thus, an amount of Rs. 4,473.75 lakh to be adjusted as gain passed on to the consumer.

4.24.4 GAIN OR LOSS ON BAD DEBT:

The Commission in paragraph 4.17 above has determined the loss on Bad Debt as Rs. 1,485.22 Lakh. In terms of regulation 2.5.5.4, the shareable loss for WBSEDCL comes to Rs. 990.15 Lakh and the balance shareable loss for consumers is Rs. 495.07 Lakh. The Commission has admitted normative amount of Rs. 15,425.78 Lakh in the ARR. Thus, an additional amount of Rs. 495.07 Lakh of such loss is required to be considered as pass on.

4.24.5 The overall approved gain / loss is shown below. Accordingly, an amount of Rs. 737.99 Lakh to be added with the already determined ARR:

Table 34

Figures in Rs. Lakh

Particulars	Gain or (Loss)	Share of Distribution Licensee	Share of Consumers	Amount to be adjusted with ARR
Distribution Loss	7,075.00	4,716.67	2,358.33	4,716.67
Operation and Maintenance Expenses	13,421.24	8,947.49	4,473.75	(-) 4,473.75
Bad debt	(-) 1,485.22	(-) 990.00	(-) 495.22	495.22
Overall	19,011.02	12,674.01	6,337.01	737.99

4.25 GAIN OR LOSS ON ACCOUNT OF SALE IN MULTIPLE LICENSE AREA:

4.25.1 WBSEDCL in Annexure 7 of the compliance report under Volume II of its petition submitted that WBSEDCL has supplied electricity multiple licensed area at a tariff lower than the ceiling tariff notified by the Commission. WBSEDCL also submitted the



impact of sale to consumers in multiple licensed area at a lower tariff duly certified by the Auditor. From the submission, it is observed that 4,076.540 MU has been supplied against which an amount of Rs. 1,96,904 Lakh has been recovered. WBSEDCL submits that supply of electricity at competitive price covers the cost of supply with an additional recovery towards fixed cost.

- 4.25.2 The Commission observes that during the Tariff Petition for the 8th Control Period proposed the consumer tariff considering the sale of power to consumers of its licensed area including the sale of power in the multiple licensed area. Thus, the per unit cost of supply as per the admitted cost in this order comes to 620.09 paise per unit (energy charge of 431.40 paise/ kWh + fixed charge of 188.69 paise/kWh). This shows an under recovery in terms of per unit average cost of supply as shown below:

Table 35

Sl. No.	Particulars		Unit	Value
A	Sale in multiple licensee area	Sale at 33 KV	MU	3,122.150
		Sale at 132 KV	MU	954.390
		Sub-Total (A)	MU	4,076.540
B	T & D Loss	Loss in Distribution system @ 4.00%	MU	130.09
		Loss in STU system @ 2.70%	MU	116.73
		Sub-Total (B)	MU	246.82
C	Power Purchase Requirement	(C= A + B)	MU	4,323.36
D1	Power Purchase Cost @ 431.40 paise per unit (Annexure 2A)		in Rs. Lakh	1,86,509.75
D2	Fixed Cost @ 188.69 paise per unit (Annexure 4C)		in Rs. Lakh	81,577.48
E	Total Cost of Supply	(E= D1 + D2)	in Rs. Lakh	2,68,087.23
F	Total Revenue Recovery		in Rs. Lakh	1,96,904.00
G	Gain/ (Loss) on account of sale of power to consumers in multiple licensee area	(G = F – E)	in Rs. Lakh	(-) 71,183.23

- 4.25.3 In terms of third proviso of regulation 2.2.2 of the Tariff Regulations, tariffs of any licensee determined under these regulations for different categories of consumers are the maximum ceilings for supply of electricity at any agreed price to the consumers, only for those areas of supply of the licensee where multiple licensees exist subject to the condition that if for effecting of supply of electricity to any consumer at such lesser price than the above mentioned upper ceiling the licensee incurs any loss, such loss shall not be allowed to be passed on to any other



consumers or any other licensee of the Commission. Thus, the entire amount of Rs. 71,183.23 Lakh to be borne by WBSEDCL.

4.26 REGULATORY ASSETS FOR RAILWAYS:

WBSEDCL submitted that an amount of Rs. 31,442 Lakh was considered by the Commission for recovery of regulatory asset from the Railways which was operating as a deemed licensee. Subsequent to the Judgement dated 12.02.2024 of the Hon'ble Appellate Tribunal for Electricity, Indian Railways converted to its earlier status of consumer. Accordingly, all the energy bills in the month of March 2024 with refund/ adjustment of all proportionate regulatory asset were adjusted. WBSEDCL thus prayed to consider the unrealized portion of the regulatory asset relating to Indian Railways and allow in future tariff order(s). The Commission decides to consider this in future tariff order(s).

4.27 CARRYING COST OF PREVIOUS REGULATORY ASSETS:

WBSEDCL has claimed carrying cost of Regulatory Asset for the period prior to fourth amendment of the Tariff Regulations amounting to Rs. 1,32,538 Lakh. The Commission in the MYT Order provided that the carrying cost shall be applicable from the date of issuance of the fourth amendment of the tariff regulations. For any earlier period, the regulation in force shall be applicable. It is pertinent to mention that in regulations prior to the fourth amendment, there was a provision for allowing interest of any temporary accommodation/ loan availed by the licensee due to any short recovery/ unrealized arear. For the period 01.04.2023 onwards, the Commission had already admitted the carrying cost on the balance regulatory asset as per the provisions of amended regulations in the MYT order.



ANNEXURE – 4A
SUMMARY OF CAPITAL LOAN

Figures in Rs. Lakh

Loans	Opening Balance	Closing Balance	Average	Interest on Loan	Rate of Interest	Note of Audited Financial Statement
9.34% Non-Convertible Redeemable Bond 2025	49,978.00	49,982.00	49,980.00	10,117.00	10.13%	18 and 36
10.85% Non-Convertible Redeemable Bond 2026	49,837.00	49,850.00	49,843.50			
West Bengal State Cooperative Bank for RDSS	0.00	9,235.00	4,617.50	150.00	3.25%	
West Bengal State Cooperative Bank	13,333.00	260.00	6,796.50	15.00	0.22%	
PFC Limited	58,037.00	74,925.00	66,481.00	6,157.00	9.26%	
REC Limited	4,45,685.00	4,04,022.00	4,24,854.00	40,333.00	9.49%	
Bank of Baroda	52,519.00	42,015.00	47,267.00	3,775.00	7.99%	
State Government	8,446.00	7,923.00	8,184.50	168.00	2.05%	
Weighted Average Rate of Interest			6,58,024.00	60,715.00	9.23%	



ANNEXURE – 4B

SUMMARY OF FIXED COST FOR 2023 – 24

Figures in Rs. Lakh

SI No	ITEM	CLAIMED			ADMITTED		
		Gen.	Dist.	Total	Gen.	Dist.	Total
1	Transmission Charge						
	Inter-state transmission charges		1,33,834.00	1,33,834.00		1,33,834.00	1,33,834.00
	Intra-state transmission charges		1,66,543.00	1,66,543.00		1,66,543.00	1,66,543.00
2	Power System Charge						
	SLDC Charge		3,367.00	3,367.00		3,367.00	3,367.00
	POSOCO Charge		4.00	4.00		4.00	4.00
	ERPC Charge		16.00	16.00		16.00	16.00
	VARH Charge		120.00	120.00		120.00	120.00
3	Energy Saving Certificate		278.00	278.00		278.00	278.00
4	Employees cost	5,880.00	1,79,340.00	1,85,220.00	5,880.00	1,79,340.00	1,85,220.00
5	Repair and Maintenance incl. Consumables	8,871.00	1,23,410.00	1,77,479.00	8,265.00	1,23,077.00	1,81,975.00
6	Administrative & General Expenses		45,198.00			50,633.00	
7	Statutory Charges	18.00	250.00	268.00	18.00	250.00	268.00
8	Finance Cost						
	a) Interest on Capital Loan	783.00	60,491.00	61,274.00	792.10	61,193.99	61,986.09
	b) Interest on Working Capital	0.00	0.00	0.00	0.00	0.00	0.00
	c) Other Financing Charges		4,274.00	4,274.00		17.00	17.00
	d) Interest on Consumer Security Deposits		32,169.00	32,169.00		32,169.00	32,169.00
	e) Interest on Bond for creation of Pension Fund		0.00	0.00		0.00	0.00
	f) Interest on COVID Loan and Loan for Amphan restoration work		9,822.00	9,822.00		9,822.00	9,822.00
9	Depreciation	9,196.00	44,326.00	53,522.00	8,944.00	42,360.50	51,304.50
10	Repayment of Bonds for Pension Fund		39,366.00	39,366.00		39,366.00	39,366.00
11	Income Tax		1,561.00	1,561.00		1,528.97	1,528.97
12	Return on Equity	38.00	49,858.00	49,896.00	0.00	43,211.58	43,211.58
13	Bad Debts		16,911.00	16,911.00		15,425.78	15,425.78
14	Others	56.00	350.00	406.00	0.00	0.00	0.00
15	Gross Fixed Cost (sum 1 to 14)	24,842.00	9,11,488.00	9,36,330.00	23,899.10	9,02,556.82	9,26,455.92
16	Less: Income from non-tariff sources		82,275.00	82,275.00		82,359.00	82,359.00
17	Less: DSM Charge receivables		13,315.00	13,315.00		13,315.00	13,315.00
18	Net Fixed Cost (18 = 15 - 16 - 17)	24842.00	815898.00	840740.00	23899.10	806882.82	830781.92



ANNEXURE – 4C
PER UNIT FIXED COST

Sl No.	Particulars	Unit	Value
1	Total Fixed Cost (Annexure 4B)	Rs. Lakh	8,30,781.92
2	Less: Return on Equity	MU	43,211.58
3	Less: Incentive	Rs. Lakh	0
4	Net Fixed Cost (4 = 1 – 2 – 3)	Rs. Lakh	7,87,570.34
5	Overall sale to consumers	MU	41,467.509
6	Sale to licensees in State	MU	121.999
7	Energy wheeled	MU	149.820
8	Total energy (8 = 5 + 6 + 7)	MU	41,739.328
9	Per unit Fixed Cost (9 = 4 *10 / 8)	Paisa/ kwh	188.69

CHAPTER – 5

AGGREGATE REVENUE REQUIREMENT AND BALANCE ADJUSTABLE AMOUNT

- 5.1 The amount of total allowable variable costs for the year 2023 – 24 as determined in this order for Fuel and Power Purchase Cost Adjustment (FPPCA) at paragraph 2.9 is **Rs. 23,17,282 Lakh.**
- 5.2 The amount of admissible fixed cost for the year 2023 – 24 as determined in this order at paragraph 4.22 above is **Rs. 8,30,781.92 Lakh.**
- 5.3 In the MYT Order for 2023 – 24, the Commission had considered Rs. 1,29,358 Lakh for release of withheld amount in respect of terminal benefit fund, Rs. 6,065.63 Lakh for accumulated loss on taking over the distribution business of Singur Haripal Rural Electric Co-operative Society Ltd. following the direction under Section 108 of the Electricity Act, 2003,

In terms of Clause (iv) of Regulation 2.6.6 of Tariff Regulations, Rs. 10,759.34 Lakh and Rs. 11,019 Lakh are admitted for release of balance regulatory asset pertaining to 2019 – 20 and 2020 – 21 respectively and carrying cost on such APR adjustment amount was admitted in the MYT order for 2023-24. Further carrying cost is also admitted on Rs 63671 Lakh for release of withheld amount on payment towards terminal benefit fund as admitted in paragraph 4.4.3.

Sl No	Particulars	Value
1	Total Regulatory Asset adjusted in MYT order for 2023-24 on which carrying cost allowed (Rs. Lakh) (A1)	10759.34
2	Regulatory Asset adjusted for 2020-21 in MYT order for 2023-24 (Rs. Lakh) (A2)	11019.00
3	Release of withheld amount on payment towards terminal benefit fund admitted in paragraph 4.4.3 in 2023-24 (Rs. Lakh) (A3)	63671.00
4	Regulatory Asset adjusted for 2020-21 in MYT order for 2023-24 (Rs. Lakh) (A=A1+A2+A3)	85449.34
5	Duration of carrying cost from 01.04.2023 (B)	1.00
6	Carrying cost rate SBI MCLR as on 01 st April 2023 (8.5%)+250 bp (C)	11.00%
8	Carrying Cost (Rs. Lakh) [(A x B/2 x (C))]	4699.71

Thus, the net adjustable amount comes to **Rs. 1,61,901.68 Lakh.**



Order for FPPCA and APR of WBSEDCL for the year 2023 – 24

Sl No	Particulars	Amount in Rs. Lakh
1	Adjustment against withheld amount in respect of terminal benefit fund in MYT order for 2023-24	129358.00
2	Adjustment against accumulated loss on taking over the distribution business of Singur Haripal Rural Electric Co-operative Society Ltd in MYT order for 2023-24	6065.63
3	Total Regulatory Asset adjusted in MYT order for 2023-24 on which carrying cost allowed	10759.34
4	Regulatory Asset adjusted against 2020-21 in MYT order for 2023-24 (Rs. Lakh)	11019.00
6	Total Regulatory Asset adjusted against 2020-21 in MYT order for 2023-24 (Rs. Lakh)	157201.97
7	Carrying Cost	4699.71
8	Net adjustable amount on account of Regulatory Asset released including carrying cost	161901.68

- 5.4 The Commission, in paragraph 4.4.3 above, decides to release Rs. 63,671 Lakh out of the withheld amount of Rs. 1,26,302 Lakh in respect of the terminal benefit fund. Thus, a sum of Rs. 62,631 Lakh is continued to be withheld by the Commission.
- 5.5 From Note 33 of the Audited Financial Statements, the Commission notes that WBSEDCL has received an amount of Rs. 1,00,000 Lakh as revenue grant from the Government. Accordingly, the same is to be adjusted with the revenue recoverable of WBSEDCL.
- 5.6 The net aggregated revenue requirement by WBSEDCL for 2023 – 24 considering the net gain or loss to be retained by WBSEDCL is given below:

Table 36

Sl No	Particulars	Amount (In Rs. Lakh)
1	Fuel and Power Purchase Cost (Paragraph 2.9)	23,17,282.00
2	Net Fixed Cost (Paragraph 4.22)	8,30,781.92
3	Less: Benefits passed on to consumers (Paragraph 4.23)	(-) 18,176.50
4	Add: Adjustment for controllable factors (Paragraph 4.24)	737.99
5	Add: Adjustment for Regulatory assets with carrying cost (Paragraph 5.3)	1,61,901.68
6	Add: Release of Terminal Benefit fund (Paragraph 5.4)	63,671.00
7	Less: Revenue Grant received from Government of West Bengal (Paragraph 5.5)	(-) 100,000.00
8	Total Revenue Recoverable for FY 2023-24 [Sum 1 to 7]	32,56,198.09

- 5.7 From Note 31 of the Audited Financial Statement of WBSEDCL for FY 2023-24, it is observed that Gross Revenue from sale was Rs. 30,85,155 Lakh, which includes



Order for FPPCA and APR of WBSEDCL for the year 2023 – 24

revenue from sale to trader of Rs. 83,900 Lakh. WBSEDCL also allowed a rebate of Rs. 1,10,403 Lakh to its consumers. The Commission in paragraph 4.23 has considered the revenue earned from sale of surplus energy separately along with the cost of such sale. Thus, the Net Revenue from sale to consumers and licensee comes to Rs. 28,90,852 Lakh (Rs. 30,85,155 Lakh – Rs. 83,900 Lakh – Rs. 1,10,403 Lakh). In paragraph 4.25, the Commission observed that there was a loss of revenue of Rs. 71,183.23 Lakh due to sale in multiple licensee area, which is to be considered as deemed revenue for determination of APR adjustment. Accordingly, the admissible revenue becomes Rs. 29,62,035.23 Lakh.

- 5.8 Based on the analyses as done in the foregoing paragraphs, the amount recoverable on the instant case of APR for the year 2023 – 24 works out as shown in Table 37 hereunder.

Table 37

Sl No	Particulars	Amount
		(In Rs. Lakh)
1	Net Aggregate Revenue Recoverable (Paragraph 5.6)	32,56,198.09
2	Less: Revenue realized during the year (Paragraph 5.7)	29,62,035.23
3	Net Amount Adjustable [(3) = (1) - (2)]	2,94,162.86

- 5.9 In terms of regulation 2.6.6 of the Tariff Regulations, the balance recoverable amount of **Rs. 2,94,162.86 Lakh** or a part thereof shall be adjusted with the Aggregate Revenue Requirement of one or more ensuing year(s) tariff order or through a separate order, as may be decided by the Commission.

- 5.10 WBSEDCL is to take a note of this order.

- 5.11 A copy of this Order shall be posted on the official website of the Commission.



Order for FPPCA and APR of WBSEDCL for the year 2023 – 24

- 5.12 WBSEDCL is directed to download the copy of this Order from the Commission's website and act accordingly. Certified copies of this Order, upon application and fulfilment of the requisite formalities as per the West Bengal Electricity Regulatory Commission (Conduct of Business) Regulations, 2013, as amended, and upon submission of necessary fees, shall be provided to the parties.

Sd/-

(DR. MALLELA VENKATESWARA RAO)
CHAIRPERSON

Dated: 29.12.2025

Sd/-

DEPUTY DIRECTOR, WBERC