



ORDER

OF THE

**WEST BENGAL ELECTRICITY REGULATORY
COMMISSION**

IN CASES NO.

APR – 142/ 25 – 26

& FPPCA – 135/ 25 – 26

**FUEL AND POWER PURCHASE COST ADJUSTMENT (FPPCA) AND
ANNUAL PERFORMANCE REVIEW (APR) OF WEST BENGAL
STATE ELECTRICITY DISTRIBUTION COMPANY LIMITED**

FOR FY 2024 – 25

DATE: 20.07.2026



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 2024 – 25 on 28.11.2025 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 2024 – 25 on 14.10.2025 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 04.11.2025 and 03.12.2025 in Case No. FPPCA – 135 / 25 – 26 and Case No. APR – 142/ 25 – 26 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 2024 – 25, 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 MYT Order for Eighth Control Period dated 30.03.2023 read with Tariff Order for 2024 – 25 dated 06.03.2024 in Case No. TP – 98 / 22 – 23 (together termed as the 'tariff order').
- 1.3 On admission of the FPPCA and APR applications for the year 2024 – 25, 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 2024 – 25, as approved by the Commission. The gist was published in four newspapers inviting suggestions / objections, if any, from the public as per following table:

Table 1

Sl. No.	Date of Publication	Newspapers	Last date for submission of suggestions / objections as per notification
1	27.05.2026	Anandabazar Patrika	21 days from date of publication (inclusive of date of publication)



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Sl. No.	Date of Publication	Newspapers	Last date for submission of suggestions / objections as per notification
2		The Statesman	[i.e., 16.06.2026]
3		Echo of India	
4		Sanmarg	

The approved gist along with the APR and FPPCA petitions for 2024 – 25 were also published on the website of WBSEDCL. WBSEDCL had also made available the applications of APR and FPPCA for 2024 – 25 and copy of its Audited Financial Statements for 2024 – 25 on its website. Opportunity was provided to all to inspect the applications and take copies thereof.

- 1.4 No suggestions, 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 2024 – 25.
- 2.2 The Fuel and Power Purchase Cost (FPPC) during the referred adjustment period, i.e., financial year 2024 – 25, 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 2024 – 25:**
- 2.3.1 Norm of distribution loss for WBSEDCL for the year 2024 – 25 was 15.50% 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 594.085 MU \$) (refer Annexure- 2A of the Order)	58,682.242
2	Energy sent out from own generating stations \$	2,075.457
3	STU Grid loss \$	1,627.106
4	Net UI Energy drawn (In: 121.634 MU – Out: 544.294 MU) \$	(-) 422.660
5	Net Energy Available with WBSEDCL from own generating stations and from purchase of power [(1) + (2) – (3) + (4)]	58,707.933
6	Energy sold to persons other than own consumer and licensee including transmission loss @ 2.70% (2093.561 MU + 58.095 MU) \$	2,151.656
7	Pumping energy for Purulia Pumped Storage Project (PPSP) including transmission loss @ 2.70% (1844.321 MU + 51.178 MU) \$	1,895.499
8	Energy available at distribution input for sale to consumer and licensee [(5) - (6) - (7)]	54,660.778
9	Energy sold to licensee at EHV & sale to Sikkim	37.626
10	Transmission loss on energy sold to licensee & Sikkim considering normative transmission loss @ 2.70%	1.044
11	Energy Swap Out including transmission loss @ 2.70%	0.000
12	Energy received for wheeling at 33kV	122.741
13	Net Energy Available with WBSEDCL for sale to own consumers [(8) – {(9) + (10) + (11)} + (12)]	54,744.849
14	Energy Wheeled	121.124
15	Additional Unit allowed for wheeling	1.616



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Sl. No.	Particulars	Energy in MU
16	Energy sold to own consumers and sale to licensee at HV level [§]	46,156.321
17	Own consumption (See Reference below)	76.000
18	Distribution loss [(13) – {(14) + (15) + (16) + (17)}]	8,389.788
19	Distribution loss in % [(18)/ (13) x 100]	15.33%
§: Statement of Technical Particulars in Annual Report and Accounts of WBSEDCL for 2024 – 25		

2.3.2 The actual distribution loss is 15.33%. It is less than the normative distribution loss of 15.50% 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 46,156.321 MU. The energy consumed as own consumption is admitted as 76 MU. Thus, the allowable quantum of distribution loss as per norms @ 15.50% on actual quanta of sales to consumers and licensees as well as the energy consumed at own premises works out at 8,480.485 MU and actual quanta of distribution loss against that sale and own consumption is admitted as 8,389.788 MU. The savings in this regard thus comes to 90.697 MU (8,480.485 MU – 8,389.788 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	46,156.321
2	Admitted energy for own consumption	MU	76.000
3	Normative distribution loss	%	15.50
4	Allowable Quantum of Distribution Loss	MU	8,480.485
5	Actual Distribution Loss (As per Sl No. 18 of Table 2)	MU	8,389.788
6	Quanta of energy saved for better distribution loss	MU	90.697
7	Average Cost of Power Purchase (Sl No. 57 of Annexure 2A)	Rs. / kWh	4.431
8	Cost of energy saved for better distribution loss	Rs. in Lakh	4,018.78
9	Gain to be retained by WBSEDCL (2/3 rd)	Rs. in Lakh	2,679.19



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Sl. No.	Particulars	Unit	Value
10	Gain to be passed on to consumers (1/3 rd)	Rs. in Lakh	1,339.59

2.4.3 In terms of regulations 2.5.5.4 of the Tariff Regulations, gain due to better performance of distribution loss shall be shared between the distribution licensee and the consumers in 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. 2,679 Lakh is to be retained by the licensee and the balance benefit of Rs. 1,340 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. 26,31,558 Lakh. WBSEDCL also submitted that they have received a rebate of Rs. 3,605 Lakh for timely payment of Power Purchase bills and refund of Rs. 1,146 Lakh on account of Security Constraint Economic Dispatch (SCED) during the year 2024 – 25 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 2024 – 25 as Rs. 26,31,558 Lakh (excluding DSM and arrear). Thus, the total power purchase cost after adjusting the rebate and refund comes to Rs. 26,26,807 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 2024 – 25 as per submission of WBSEDCL and Audited Financial Statements 2024 – 25 have been enumerated in Annexure – 2A. As may be



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seen therein, the quantum of power purchased during the year works out to be 59,276.327 MU. The cost incurred for total power purchase is Rs. 26,26,807 Lakh.

2.5.2.3 WBSEDCL submitted that it had sold surplus energy of 2,151.656 MU in the year 2024 – 25 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. 2.524 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. 2.524 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	7,463.914	1,81,477.68	2.431
DVC	501.741	21,157.54	4.217
DPL	3,470.309	84,448.98	2.433
WBPDC	30,315.918	7,43,206.84	2.452
PTC – ADHUNIK	596.957	18,045.10	3.023
TPTCL – MAITHON POWER LIMITED	1,984.476	56,732.59	2.859
HIRANMAYEE ENERGY LIMITED	1,740.557	58,017.28	3.333
OVERALL	46,073.872	11,63,086	2.524

Table 5

Sl No	Particulars	Unit	Values
1	Surplus Energy sale to person other than consumer and licensee as per Table 2	MU	2,151.656
2	Pooled average variable cost of thermal plants under Long / Medium Term PPAs [As per Table 4]	Rs. per kWh	2.524
3	Marginal Energy cost of surplus energy [(1) x (2) x 10]	Rs. Lakh	54,308

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.



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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)	59,276.327	26,26,807
Less: Proportionate energy charge for surplus power sold to persons other than its own consumers & licensees (Table 5)	2,151.656	54,308
Quantum for effecting distribution to consumers and licensees	57,124.671	25,72,499

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 121.634 MU under Deviation Settlement Mechanism (DSM) during the year 2024 – 25. It is also seen from Sl. No. 16 of the statement of technical particulars of the Audited Financial Statements that, WBSEDCL has injected 544.294 MU during the year 2024 – 25 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. 10,060 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	57,124.671
2	CTU Loss	594.085
3	STU Grid Loss	1,627.106
4	Net DSM Energy	(-) 422.660
5	Net energy available with WBSEDCL from purchase [(1) – (2) – (3) + (4)]	54,480.820
6	Pumping energy for Purulia Pumped Storage Project (PPSP) including normative transmission loss	1,895.499
7	Net purchased energy available with WBSEDCL for distribution to own consumers and licensees. [(5) – (6)]	52,585.321

2.6.2 The Commission notes that, actual auxiliary consumption as submitted by

WBSEDCL is within 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	201.453	2.015	1.00%	1.00%	0.00%
Jaldhaka-1	170.369	1.704	1.00%	1.00%	0.00%
Mini micro-Hydel	136.804	1.367	1.00%	1.00%	0.00%
PPSP	1,364.798	23.202	1.70%	1.70%	0.00%
Solar	230.321	0	0.00%	0.00%	0.00%

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 (46,069.442 MU + 86.879 MU)	MU	46,156.321
2	E_o	Admitted energy for own consumption	MU	76.000
3	d	Normative distribution loss	%	15.50%
4	-	$(E_{sc} + E_o) / (1 - d)$	MU	54,712.806
5	E_{sl}	Energy sold to other licensees at EHV & sale to Sikkim	MU	37.626
6	t	Normative T & D loss for E_{sl} (5)	%	2.70%
7	-	$E_{sl} / (1 - (t \times 0.01))$	MU	38.670
8	E	Aux. consumption in excess of norms (Table 8)	MU	0.000
9	E_g	Energy sent out from own generating station	MU	2,075.457
10	E_{adm}	Purchase of energy admitted $[(4) + (7) - (8) - (9)]$	MU	52,676.019
11	E_p	Total energy purchased for distribution and supply to own consumers and licensees (Table 7)	MU	52,585.321
12	E_e	Excess energy purchased $[(11) - (10)]$	MU	Nil
13	EP_{Avg}	Average purchase cost	Rs. / kWh	4.431
14		Cost of excess power purchase $[(12) \times (13) \times 10]$	Rs. Lakh	0.00
15	C_d	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 2024 – 25, no cost has been disallowed during 2024 – 25.

2.7 PRIOR PERIOD ADJUSTMENTS:



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2.7.1 WBSEDCL submitted that a net amount of Rs. 69,715 Lakh was payable by WBSEDCL to agencies for the period prior to 2024 – 25 for power purchase cost. The details regarding payable amount as submitted by WBSEDCL has been mentioned below:

Table 10

Sl. No	Generating Station	Amount (Rs. Lakh)
1	DVC	(-) 58.00
2	NTPC	5,668.00
3	PTC	10,969.00
4	TPTCL	176.00
5	DPL	42,566.00
6	HMEL	1,565.00
7	WBPDCCL	9,461.00
8	BEL	(-) 291.00
9	RASHMI CEMENT	(-) 14.00
10	NHPC LTD	(-) 360.00
11	CESC LTD	39.00
12	JHARKHAND	(-) 7.00
13	ABIPIL	1.00
TOTAL		69,715.00

2.7.2 WBSEDCL in paragraph 18 (vi) of its FPPCA petition has submitted that the amount of Rs. 42,566 Lakh pertains to prior period adjustment of bills for tariff order of the year 2022 – 23, APR and FPPCA of the year 2018 – 19 and 2019 – 20 and restoration of MFCA liability for the year 2022 – 23 in respect of DPL. Further, in paragraph 18 (xiii), WBSEDCL submitted that the amount of Rs. 9,461 Lakh pertains to prior period adjustment of APR and FCA order dated 12.03.2025 for the year 2018 – 19 in respect of WBPDCCL.

2.7.3 The Commission, in its order dated 01.10.2024 in Case No. B – 118 directed DPL to recover an adjustable amount of Rs. 26,116.63 Lakh pertaining to the year 2018 – 19 and 2019 – 20 from WBSEDCL in ten (10) equal monthly instalments of Rs. 2,611.66 Lakh from 01.11.2024. Accordingly, the Commission decides to consider Rs. 13,058.30 Lakh to be allowed in this order for the period from 01.11.2024 to 31.03.2025. The balance amount shall be considered during FY 2025 – 26.

2.7.4 Further, the Commission, in its order dated 12.03.2025 in Case Nos. APR – 91 / 21



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– 22 and FPPCA – 97 / 19 – 20, directed WBPDCCL to recover an adjustable amount of Rs. 9,467.11 Lakh from WBSEDCL in twelve (12) equal monthly instalments of Rs. 788.93 Lakh from April, 2025. Accordingly, the Commission decides to consider the amount during FY 2025 – 26.

2.7.5 In view of the above, the Commission decides to adjust Rs. 22,525.44 Lakh from the claim of prior period adjustment of WBSEDCL and admits Rs. 47,189.56 Lakh (Rs. 69,715 Lakh – Rs. 22,525.44 Lakh) towards prior period adjustment during the year 2024 – 25.

2.8 ALLOWABLE FUEL AND POWER PURCHASE COST:

2.8.1 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 2024 – 25 works out as under:

Table 11

Sl. No.	Particulars / Factors	Admitted (Rs. Lakh)
1	FC: Fuel Cost	0.00
2	PPC: Power Purchase Cost for Consumer & licensee (Table 6)	25,72,499.00
3	CD: Cost Disallowable (Table 9)	0.00
4	A: Prior Period's Adjustment (Para 2.7.5)	47,189.56
5	Total Fuel and Power Purchase Cost [FC + (PPC – CD) ± A]	26,19,688.56

2.9 RENEWABLE PURCHASE OBLIGATION:

2.9.1 WBSEDCL has submitted that they have achieved 1.30% of Solar RPO as against the Solar RPO target of 6% and 0.89% 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.

2.9.2 The Commission noted the submission of WBSEDCL. The Commission directs WBSEDCL to explore the following measures to improve their RE Portfolio:

- (i) Explore Green Market for procurement of RE power;
- (ii) Explore firming up of long-term PPA from RE Sources;



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- (iii) Explore possibilities of providing roof top Solar PV connections in terms of extant Rules and Regulations.



ANNEXURE – 2A

ACTUAL POWER PURCHASE FOR 2024 – 25

Sl No.	Particulars	Energy Purchased	Power Purchase Cost	Average Power Purchase Cost
		(MU)	(Rs. Lakh)	Rs. / kWh
1	NTPC Limited (FSTPS)	3318.124	164101	4.946
2	NTPC Limited (TSTPS)	694.228	18544	2.671
3	NTPC Limited (Kahalgaoon-Stage I&II)	438.772	17301	3.943
4	NTPC Limited (Darlipalli-Stage1)	1921.255	56965	2.965
5	NTPC-BARH (STPS-1 & STPS-2)	181.253	9406	5.189
6	NTPC Ltd. Muzaffarpur TPS (Kanti Bijli)	249.66	13334	5.341
7	NTPC-Nabinagar STPS-1	74.741	4821	6.450
8	NTPC North Karanpura TPS-I	585.881	20788	3.548
9	PTC (India) Limited (Chukha)	294.699	8980	3.047
10	PTC (India) Limited (Kurichhu)		66	
11	PTC (India) Limited (Tala)	309.457	7024	2.270
12	Damodar Valley Corporation - Grid (Mejia V)	159.29	9637	6.050
13	Damodar Valley Corporation -Radial	342.451	15341	4.480
14	Durgapur Projects Limited	3470.309	134357	3.872
15	NHPC Limited (Rangit)	74.906	3125	4.172
16	NHPC Limited (TLDP III)	138.69	7715	5.563
17	NHPC Limited (TLDP IV)	595.744	25427	4.268
18	West Bengal Power Development Corporation Limited	30315.918	1186468	3.914
19	CESC Limited	11.431	748	6.544
20	Electro Steel Casting Limited	21.053	533	2.532
21	Neora Hydro Limited	8.026	289	3.601
22	Nippon Power Limited	0.318	11	3.459
23	Himadri Chemicals & Industries Ltd	82.955	2392	2.883
24	Shree Renuka Sugars Ltd.	1.082	30	2.773
25	Rashmi Ispat	9.377	208	2.218
26	Rashmi Cements Ltd	17.791	363	2.040
27	Bengal Energy Limited	2.846	81	2.846
28	Alakananda Baimukund	2.746	55	2.003
29	NVVN Bundle Power (Solar)	70.922	11837	16.690
30	NVVN Bundle Power (Thermal)	297.829	7583	2.546
31	TPTCL (Maithon Right Bank)	1984.476	88310	4.450
32	TPTCL (Dagachhu)	427.708	17162	4.013
33	PTC (India) Limited (Adhunik)	596.957	24706	4.139
34	PTC (India) Limited (Mangdechhu)	727.832	32897	4.520
35	SECI - Wind	10.248	315	3.074
36	SECI - RTC	403.924	11915	2.950
37	Jharkhand Bijli Vitran Nigam Ltd	0.38	42	11.053
38	North Bihar Power Distribution Company Ltd.	0.618	56	9.061
39	Assam Power Distribution Company Ltd.	1.23	132	10.732
40	Solitaire	6.439	742	11.524
41	Hiranmayee Energy Ltd.	1740.557	93697	5.383



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Sl No.	Particulars	Energy Purchased	Power Purchase Cost	Average Power Purchase Cost
		(MU)	(Rs. Lakh)	Rs. / kWh
42	Ramsarup Industries Ltd	36.037	721	2.001
43	PCCL Short term Power	3.763	75	1.993
44	Adani Enterprises Limited	1631.871	120846	7.405
45	Tata Power Trading Co. Ltd. (Short term)	1975.423	144403	7.310
46	Power Exchange India Limited	334.873	28373	8.473
47	Indian Energy Exchange Limited	3344.562	157642	4.713
48	Hindustan Power Exchange	39.635	3859	9.736
49	Arunachal Pradesh Power Corporation Pvt Ltd (APPCPL)	31.5	2101	6.670
50	GMR	23	1474	6.409
51	NTPC Vidyut Vyapar Nigam Ltd. (NVVN) - Short term	1019.177	72022	7.067
52	Power Trading Corporation of India Limited (PTC)-short term	700.569	60642	8.656
53	Manikaran Power Ltd.-short term	248.781	19254	7.739
54	Jindal Power Ltd.	294.145	22609	7.686
55	Solar (Net Billing)	0.868	33	3.802
56	SUB Total	59,276.327	26,31,558.00	
	A Rebate for Timely Payment		3,605.00	
	B Refund from SLDC i.r.o SCED		1,146.00	
57	Total	59,276.327	26,26,807.00	4.431

CHAPTER – 3

GROSS FIXED ASSET DURING 2024 – 25

3.1 WBSEDCL in addition to its distribution network also has 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 2024 – 25:

3.2.1 WBSEDCL has claimed Rs. 40,06,065 Lakh as opening GFA for the year 2024 – 25 including intangible asset, as reflected in Note 1.7 of its Audited Financial Statement. The Commission in the APR Order for 2023 – 24 has approved Rs. 39,91,332.24 Lakh as closing GFA for the year.

Table 12

Sl No.	Particulars	Figures in Rs. Lakh	
		Claimed Opening GFA For 2024 – 25	Admissible Opening GFA for 2024 – 25
1	Generating Asset	3,47,057.00	3,45,005.50
2	Distribution Asset	33,78,446.00	
3	Metering Asset	1,87,423.00	36,46,326.74
4	Other Asset	93,139.00	
Total		40,06,065.00	39,91,332.24

3.3 ADDITION OF FIXED ASSET IN FY 2024 – 25:

3.3.1 WBSEDCL has claimed Rs. 4,48,569 Lakh as Asset Addition during the year 2024 – 25. However, WBSEDCL did not submit the detailed break up of their claim. WBSEDCL was directed vide letter dated 02.06.2026 to submit the details of planned asset additions during the year. WBSEDCL vide its reply dated 17.06.2026 submitted the detailed break-up of the planned schemes capitalized during 2024 – 25.

3.3.2 CAPITALIZATION UNDER PLANNED SCHEME:



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3.3.2.1 The Commission observes that WBSEDCL has proposed to capitalize Rs. 304.35 Lakh against Turga PSP. The Commission noted that the Turga PSP is yet to be commissioned. Further, it is found that Rs. 101.23 Lakh has been proposed to be capitalized for Indus Park in the year 2024 – 25 whereas, Rs. 159.08 Lakh is still in progress. The Commission finds that the project cost shall be capitalized after COD of the project hence, the proposed capitalization has not been considered for 2024 – 25.

It is also noted that WBSEDCL has claimed Rs. 10.73 Lakh, Rs. 116.02 Lakh and Rs. 0.11 Lakh against works for PPSP and MHPS projects, purchasing of office furniture, storage system and allied infrastructure for different Hydel Projects and renovation and modernization of Jaldhaka project. The capital works and renovation and modernization works are not supported with detailed justification and prima-facie appear to be O&M in nature. Further, in respect of distribution asset addition, it is observed that procurement of office furniture, IT equipment, tools and tackles come under minor items in terms of regulation 5.2.3 of the Tariff Regulations and thus an amount of Rs. 1,129.84 Lakh is considered as O&M expense.

The Commission in APR 2023 – 24 had not considered, capitalization of Rs. 105.03 Lakh relating to Smart Meter Project Management Service stating that the service without capitalization of the main smart meter project could not be admitted. Now, from the details of capitalization for 2024 – 25, it is observed that WBSEDCL has capitalized Rs. 3,522.52 Lakh and Rs. 833.10 Lakh for Smart Meter project and Advanced Metering Infrastructure. Accordingly, Rs. 105.03 Lakh has been allowed for capitalization during 2024 – 25.

3.3.2.2 In view of the above, the Commission decides to admit Rs. 4,47,011.75 Lakh as Asset Addition during the year 2024 – 25 under planned scheme and considers Rs. 126.86 Lakh and Rs. 1,129.84 Lakh under O&M Expenses for Generation and Distribution respectively as shown below:

Table 13

Figures in Rs. Lakh

Sl No.	Particulars	Claimed Asset Addition	Admissible Asset Addition	Admitted under O&M		Not considered for Capitalization
				Generation	Distribution	



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Figures in Rs. Lakh						
SI	Particulars	Claimed	Admissible	Admitted under O&M		Not considered
1	Planned Asset Addition	4,48,569.00	4,48,569.00			
2	Less: RECL Loan-FF & OE CS. Branch		(-) 177.59		177.59	
3	Less: Upgradation of IT Equipment (RECL)		(-) 829.69		829.69	
4	Less: Video Conference PC Laptop - PFCL		(-) 61.27		61.27	
5	Less: Spl. Asst Cap Inv – Indus Park		(-) 101.23			101.23
6	Less: Turga PSP		(-) 304.35			304.35
7	Less: Cap Wrks PPSP & MHPS – RECL		(-) 10.73	10.73		
8	Less: Different Hydel – RECL		(-) 116.02	116.02		
9	Less: Office Equipment		(-) 26.54		26.54	
10	Less: Office and IT Equipment – Unfunded		(-) 33.31		33.31	
11	Less: Reno & Modern of HPS – JHP		(-) 0.11	0.11		
12	Less: Other Capex – Own Fund		(-) 1.44		1.44	
13	Total	4,48,569.00	4,46,906.72	126.86	1,129.84	405.58
14	Add: Smart Meter Project Service withheld during APR 2023 – 24		105.03			
15	Asset Capitalized during the year	4,48,569.00	4,47,011.75			

3.4 CLOSING VALUE OF GROSS FIXED ASSET (GFA) FOR THE FY 2024 – 25:

3.4.1 In view of the above analysis the admissible Net Closing GFA of WBSEDCL for the financial year 2024 – 25 becomes Rs. 44,20,937.99 Lakh as shown below:

Table 14

Figures in Rs. Lakh					
SI No.	Particulars	Admitted Closing GFA for 2024 – 25			
		Generation	Distribution	Total	
1	Opening GFA Admitted	3,45,005.50	36,46,326.74	39,91,332.24	
2	Asset Addition admitted for the year	68,888.82	3,78,122.93	4,47,011.75	
3	Deductions / (Adjustment)	18,237.00	(35,643.00)	(17,406.00)	
4	Closing GFA Admitted	4,32,131.32	39,88,806.67	44,20,937.99	
Note: Asset Addition for Generation and Distribution function has been computed in terms of Note 1.7 of the Audited Financial Statement read with asset addition admitted in Table 13 above					



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- 3.5 From the submission, made in Asset Register under Annexure 10 it is observed that total value of asset put to use out of Government grant and consumer contribution as on 31.03.2025 amounts to Rs. 28,54,598 Lakh. 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. 14,22,519 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 2024 – 25

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 2.4.2 of the APR application, WBSEDCL seeks Rs. 1,02,220 Lakh incurred as current year transmission charge to PGCIL and Rs. 4,458 Lakh incurred towards settling arrear dues of PGCIL. Further, WBSEDCL has claimed Rs. 941 Lakh having paid to NVVNL as reimbursement for inter-state transfer of solar power and arrear of Rs. 7 Lakh, Transmission Charges of Rs. 154 Lakh has been paid to DVC for utilizing their deemed Inter-State Transmission System (ISTS). Also, WBSEDCL has received an amount of Rs. 52 Lakh from ERLDC and rebate availed for timely payment of CTU charges amounting to Rs. 5 Lakh. From paragraph 2.4.3 of the APR application, a sum of Rs. 61,630 Lakh as short-term open access charge is claimed. Thus, the claimed amount of Rs. 1,69,353 Lakh (Rs. 1,02,220 Lakh + Rs. 4,458 Lakh + Rs. 941 Lakh + Rs. 7 Lakh + Rs. 154 Lakh + Rs. 61,630 Lakh – Rs. 52 Lakh – Rs. 5 Lakh) corresponds to the amounts appearing at notes 34 (D), 34.4 and 34.5 of the Audited Financial Statements for 2024 – 25 of WBSEDCL. The Commission, as such, admits the sum of Rs. 1,69,353 Lakh as Inter – State
Trans

mission Charges (CTU charges) claimed by WBSEDCL.

4.2.2 INTRA – STATE TRANSMISSION CHARGES (STU CHARGE):

In the MYT Order for WBSEDCL for the year 2024 – 25, 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. 1,74,310 Lakh and an arrear amount of Rs. 23,676 Lakh have been accounted for in Note-34 (D) of the Audited Financial Statements of 2024 – 25. It is further observed that claim of WBSEDCL in the APR application for the year 2024 – 25 at paragraph 2.4.8 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. 1,97,986 Lakh as STU charges claimed by WBSEDCL.

4.2.3 SLDC CHARGES:

WBSEDCL has claimed Rs. 2,357 Lakh in the APR application appearing at paragraph 2.4.19 of the APR application. The Auditor's Certificate at Annexure II of Volume I of the petition brings out that WBSEDCL accounted for Rs. 2,396 Lakh as SLDC charge for the year 2024 – 25 and an adjustment of arrear amount (-) Rs. 39 Lakh against the admitted amount of Rs. 2,718 Lakh in the respective tariff order. The amount as claimed in the application and the amount certified by the Auditor are observed to be in parity. The Commission, as such, admits amount of Rs. 2,357 Lakh as SLDC charges in the APR for 2024 – 25 as claimed by WBSEDCL.

4.2.4 POSOCO CHARGES:

On account of system operation charges to Power System Operation Corporation (POSOCO), WBSEDCL has not claimed any amount for the year 2024 – 25 (paragraph 2.4.14 of the APR application) against the admitted amount of Rs. 545 Lakh in the Tariff Order of 2024 – 25. Accordingly, no amount is admitted.

4.2.5 ERPC CHARGES:

WBSEDCL has not claimed any amount on the head Eastern Regional Power



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Committee (in short “ERPC”) charges against the admitted amount of Rs. 16 Lakh in the Tariff Order of 2024 – 25. Accordingly, no amount is admitted.

4.2.6 VARH CHARGES:

In paragraph 2.4.23 of their application, WBSEDCL has claimed an amount of Rs. 110 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 2024 – 25. 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 a 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. In 2024 – 25, VARH charge has been reduced further by around 8% compared to 2023 – 24. In view of the above, the Commission decides to admit the amount Rs. 110 Lakh claimed by WBSEDCL under this head.

4.2.7 The total Transmission Charges and associated costs as admitted by the
Comm

ission is summarized below:

Table 15

Figures in Rs. Lakh

SI No.	Particulars	Claimed	Admitted
1	Inter-State Transmission Charge	1,69,353.00	1,69,353.00
2	Intra-State Transmission Charge	1,97,986.00	1,97,986.00
3	SLDC Charge	2,357.00	2,357.00
4	POSOCO Charge	0.00	0.00
5	ERPC Charge	0.00	0.00
6	VARH Charges	110.00	110.00
7	Total transmission and associated Cost (1 to 6)	3,69,806.00	3,69,806.00

4.3 EMPLOYEE COST:

4.3.1 At paragraph 2.5 of APR application for 2024 – 25, WBSEDCL has claimed Rs. 2,03,211 Lakh towards expenditures on employee cost, as against the amount of Rs. 1,65,563 Lakh admitted in the Tariff Order for the said year. Note 35 of the Audited Financial Statements states that a sum of Rs. 1,94,430 Lakh has been recognized as employee benefit expenses after capitalization of Rs. 7,240 Lakh. This includes Director's sitting fee of Rs. 18 Lakh. A negative adjustment of Rs. 8,781 Lakh on account of remeasurement of post-employment benefit obligation has been considered under note 41 as other comprehensive expense. Adding Rs. 8,781 Lakh to 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 works out to Rs. 2,03,211 Lakh. Accordingly, the Commission admits Rs. 2,03,211 Lakh towards Employee cost in the APR for 2024 – 25 as shown below:

Table 16

Figures in Rs. Lakh

Particulars	As per Tariff Order	As claimed in Petition	Admitted
Employees Cost	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh
Employee Cost (as per Note 35 of Audited Financial Statements) before Employee Cost Capitalization)	1,72,212.00	2,01,652.00	2,01,652.00
Less: Employee Cost Capitalized	(-) 6,663.00	(-) 7,240.00	(-) 7,240.00
A. Salary & wages (including other staff welfare benefits, compensation and contribution to provident and other funds) ---A	1,65,549.00	1,94,412.00	1,94,412.00
B. Add: Directors' sitting Fees & Expenses	14.00	18.00	18.00



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C. Add: Remeasurement of post-employment benefit obligation (Other Comprehensive Income as Note 41 of Financial Statement)	-	8,781.00	8,781.00
Total Employee Cost (A + B + C)	1,65,563.00	2,03,211.00	2,03,211.00

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

Table 17

Figures in Rs. Lakh

Expenditure Head	Employee Cost for 2024 – 25			
	Claimed in APR	Admitted under Generation	Admitted under Distribution	Total Admitted
Employee Cost	2,03,211.00	6,814.00	1,96,397.00	2,03,211.00

- 4.3.3 WBSEDCL in Annexure 14 under Compliance Report of Volume II of its petition submitted that the Commission had admitted cumulative amount of Rs. 10,40,888 Lakh as payment towards terminal benefit fund till 2024 – 25. However, the Commission in its APR Order upto 2017 – 18 has withheld an amount of Rs. 2,55,660 Lakh due to non-payment towards terminal benefit fund. Subsequently, on the submission of WBSEDCL, the Commission released Rs. 1,29,358 Lakh vide order dated 23.11.2022 after considering the cumulative payment towards terminal benefit fund. Further, an amount of Rs. 63,671 Lakh had been released in APR Order for 2023 – 24. Thus, an amount of Rs. 62,631 Lakh was still withheld by the Commission as reflected in paragraph 5.4 of APR Order for 2023 - 24. Further, the Commission in APR Order for 2022 – 23 had also withheld an amount of Rs. 51,435.00 Lakh, since the amount was made as a provision but not transferred to the Terminal Benefit Fund. Thus, the cumulative withheld amount stands at Rs. 1,14,066 Lakh upto 2023 – 24. WBSEDCL in its APR petition has prayed for release of Rs. 1,77,737 Lakh. However, WBSEDCL vide letter dated 17.07.2026 has submitted that an amount of Rs. 84,894 Lakh has been actually paid to the fund. The claim of WBSEDCL in this context is supported with a certificate of the Auditor confirming the payment. Thus, the Commission decides to release Rs. 84,894 Lakh as shown in Table 36 in Chapter 5.

- 4.3.4 It is noted that, WBSEDCL actually disbursed a cumulative amount of Rs. 10,54,333 Lakh on account of Terminal Benefit fund during the period from 2007 – 08 to 2024

– 25. Accordingly, the balance amount remains at Rs. 29,173 Lakh (Rs. 1,14,066 Lakh – Rs. 84,893 Lakh) and is continued to be withheld by the Commission. WBSEDCL is directed to deposit the balance amount of Rs. 29,173 Lakh and submit a certificate by Auditor confirming payment of the same for release of the balance withheld amount.

4.4 OPERATION AND MAINTENANCE (O&M) EXPENSES:

WBSEDCL has claimed an amount of Rs. 2,03,680 Lakh as Normative O&M expense for its generation and distribution function as against actual expense Rs. 1,69,245 Lakh as reflected in Note 38 of the Audited Financial Statements. WBSEDCL in paragraph 2.30.4 of its petition has also proposed to share the gain arising in this regard to its consumers in terms of regulation 2.5.5.4 of the Tariff Regulations. WBSEDCL has submitted a certificate of Chartered Accountant verifying the break-up of O&M expenses into generation and distribution function as shown below:

Table 18

Figures in Rs. Lakh

Note 38 – Recon	Generation			Distribution			Total
	Gen.	Corp	Total	Dist.	Corp	Total	Gen + Dist.
Operation & Maintenance Expense	3,112.00	0.00	3,112.00	0.00	0.00	0.00	3,112.00
Repair & Maintenance Expense	1,475.00	227.00	1,702.00	56,367.00	7,442.00	63,809.00	65,511.00
Administrative & General Expense	1,817.00	1,471.00	3,288.00	89,707.00	7,627.00	97,334.00	1,00,622.00
Total	6,404.00	1,698.00	8,102.00	1,46,074.00	15,069.00	1,61,143.00	1,69,245.00

Further, in addition to the above, WBSEDCL also claimed Rs. 549 Lakh for O&M expenses for RDSS in view of right to use of assets.

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

4.4.1.1 The Commission had admitted Rs. 8,669 Lakh in the MYT Order for 2024 – 25 as normative O&M expense. From the APR petition, it is observed that the normative O&M expense also comes to Rs. 8,669 Lakh. WBSEDCL in its petition has claimed an additional amount of Rs. 432 Lakh of O&M expense against solar plants where



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there is a gap between Government grant received and LOA awarded including restoration expenditure incurred in respect of few solar projects. WBSEDCL in paragraph 2.8.1 of its petition has claimed actual O&M expense for generation as Rs. 8,102 Lakh. Further, the Commission in paragraph 3.3.2.2 above has observed that expenses of Rs. 10.73 Lakh, Rs. 116.02 Lakh and Rs. 0.11 Lakh against works for PPSP and MHPS projects, purchasing of office furniture, storage system and allied infrastructure for different Hydel Projects and renovation and modernization of Jaldhaka project aggregating to Rs. 126.86 Lakh are O&M Expenses. Thus, the actual O&M expense for generation comes to Rs. 8,228.86 Lakh. Considering the above, the normative admissible expenses are found to be Rs. 8,669 Lakh as shown in table below. WBSEDCL vide letter dated 17.07.2026 has submitted that the additional claimed amount of Rs. 432 Lakh includes Rs. 424.66 Lakh expenses incurred in respect of shortfall of solar grant received from the Government of West Bengal. The Commission in its order dated 19.06.2026 in Case No. OA – 479 / 24 – 25 had directed WBSEDCL to submit its claim of expenditure incurred to the extent of shortfall of Government Grant in the truing up petition from 2024 – 25 onwards. Now, the Commission observes that the actual expenses incurred are well below the admissible expense as per norms. Hence, no separate admission is called for in respect of the additional solar O&M of Rs. 432 Lakh considering the actual expense being within the normative admissible amount.

Table 19

Figures in Rs. Lakh

Particulars	Installed Capacity in MW	Normative O&M cost in Rs. Lakh/ MW	Normative O&M Claimed	Actual-Derived	Admissible as per Norms in APR
Rammam Stage I	51	16.61	847.00	8,102.00	847.00
Jaldhaka	36	23.05	830.00		830.00
Small Hydro	88.1	23.06	2,032.00		2,032.00
PPSP	900	5.19	4,671.00		4,671.00
Solar	70	5.69	289.00#		289.00#
Additional expense for Solar Projects			432.00		0.00
Add: Expenses for Works for PPSP and MHPS as in paragraph 3.3.2.2				10.73	
Add: Expenses for Different Hydel Projects as in paragraph 3.3.2.2				116.02	



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Figures in Rs. Lakh

Particulars	Installed Capacity in MW	Normative O&M cost in Rs. Lakh/ MW	Normative O&M Claimed	Actual-Derived	Admissible as per Norms in APR
Add: Expenses for renovation and modernization of Jaldhaka as in paragraph 3.3.2.2				0.11	
Total			9,101.00	8,228.86	8,669.00
# Normative O&M for Solar computed on the basis of Actual COD					

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

The Commission in the MYT Order for 2024 – 25 approved an amount of Rs. 1,87,674 Lakh as Operation and Maintenance (O&M) Expenses comprising Rs. 1,21,295 Lakh as Repair and Maintenance (R&M) Expenses, Rs. 52,352 Lakh as Administrative and General (A&G) Expenses and Rs. 14,027 Lakh as O&M for RDSS Scheme.

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

4.4.3.1 WBSEDCL has claimed normative R&M expense of Rs. 1,39,443 Lakh against Rs. 1,21,295 Lakh admitted in the MYT Order. WBSEDCL submitted the actual R&M expense for distribution as Rs. 63,809 Lakh. Further, the Commission in paragraph 3.3.2.2 of Chapter 3 has observed that expenses of Rs. 1,129.84 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. 64,938.84 Lakh.

4.4.3.2 From the petition, it is observed that WBSEDCL has claimed opening GFA as Rs. 36,59,008 Lakh for its distribution business. The amount is reflected in Note 1.7 of its Audited Financial Statements. In the APR Order for 2023 – 24, the Commission had considered Rs. 36,46,326.74 Lakh as closing balance for 2023 – 24. Thus, the opening GFA for 2024 – 25 in respect of distribution business is considered as Rs. 36,46,326.74 Lakh. The Commission in paragraph 3.4.1 has admitted Rs. 3,78,122.93 Lakh of asset addition during 2024 – 25 towards Distribution, Metering and Other Assets against the claim of Rs. 3,79,354 Lakh. Further, Rs. 35,643 Lakh has been considered adjusted during the year. Thus, the closing admissible GFA becomes Rs. 39,88,806.67 Lakh as also depicted in paragraph 3.4.1 above.



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Accordingly, the normative R&M expense based on the admitted GFA comes to Rs. 1,38,959 Lakh as shown below.

Table 20

Figures in Rs. Lakh

Distribution, Metering and Other Assets	Tariff Order for 2024 – 25	Claimed for 2024 – 25	Actual-Derived	Admitted for 2024 – 25
Opening GFA	32,71,004.00	36,59,008.00	63,809.00	36,46,326.74
Add: Asset Addition	1,29,730.00	3,79,354.00		3,78,122.93
Less: Adjustment	(-) 7,189.00	(-) 35,643.00		(-) 35,643.00
Closing GFA	33,93,545.00	40,02,719.00		39,88,806.67
Average GFA	33,32,275.00	38,30,864.00		38,17,567.00
R&M Norm for 2024 - 25	3.64%	3.64%		3.64%
Add: Expenditure related to O&M as in paragraph 3.3.2.2			1,129.84	
Normative R&M	1,21,295.00	1,39,443.00	64,938.84	1,38,959.00

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

4.4.4.1 WBSEDCL in its petition has claimed Rs. 55,136 Lakh as normative A&G expense for its distribution business against Rs. 52,352 Lakh admitted in the MYT Order. WBSEDCL submitted that actual A&G expense incurred in 2024 – 25 is Rs. 97,334 Lakh. In addition to this, the Commission in paragraph 4.14 of this order has considered Rs. 1,304.20 Lakh as Bank Charges under this head. Thus, the total A&G expense is considered as Rs. 98,638.20 Lakh.

4.4.4.2 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 based on the trued-up value of the last 5 years. Accordingly, the redetermined normative A&G for 2024 – 25 comes to Rs. 55,005.30 Lakh as shown in table below:

Table 21

Figures in Rs. Lakh

Particulars	Derivations	2019-20	2020-21	2021-22	2022-23	2023-24	Normative for 2024 – 25
A&G Expenses		As admitted in APR Order					
Hybrid Index (in %)	A	4.00%	2.79%	9.82%	8.08%	1.66%	2.74%
A&G	B	14,023.00	13,393.00	14,715.00	13,799.00	50,633.00	55,005.30
Insurance	C	107.90	58.96	254.00	179.00		
Rates & taxes	D	17,521.82	17,828.23	18,907.78	18,031.70		
Lease rental	E	730.00	766.00	1,871.00	614.00		
Complaint management	F	318.00	341.98	298.00	267.00		
Outsourced (A&G)	G	20,928.43	22,962.36	23,260.00	25,562.00		
Total A&G	H= sum(B:G)	53,629.15	55,350.53	59,305.78	58,452.70		



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Figures in Rs. Lakh							Normative
Particulars	Derivations	2019-20	2020-21	2021-22	2022-23	2023-24	
Less: Rates & Tax on R&M considered in R&M norm	I	10,971.62	11,071.77	12,096.88	12,808.59		
Net A&G for respective FY	J= H – I	42,657.53	44,278.76	47,208.90	45,644.11		
A&G inflation impact	K	55,024.59	54,919.07	56,964.04	50,151.07		
Average A&G for last 5 years		53,538.35					

4.4.4.3 Thus, the admissible normative A&G expense for distribution becomes Rs. 55,005.30 Lakh against the actual expense of Rs. 98,638.20 Lakh.

4.4.5 Further, WBSEDCL has claimed Rs. 549 Lakh as Operational expenditure for RDSS. WBSEDCL submitted that they have been undertaking large-scale installation of Smart Meters under the RDSS. Under the prevailing arrangement, the AMISPs entrusted with installation and related services are being paid monthly charges, which vary depending upon the category of meters and contractual terms. WBSEDCL in paragraph 2.7.3.5 of the APR Petition has submitted that such arrangement has been accounted for recognising Right-of-Use of assets as per provisions of Ind AS 116 and reflected in Note 36 of the Audited Financial Statements. Considering the above, the Commission admits the amount of Rs. 549 Lakh as an operational expenditure for RDSS.

4.4.6 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-Derived	Normative Admitted
O&M for Generation	8,669.00	8,669.00	8,228.86	8,669.00
Additional O&M for Solar		432.00		
Sub-total Generation (A)	8,669.00	9,101.00	8,228.86	8,669.00
R&M Distribution	1,21,295.00	1,39,443.00	64,938.84	1,38,959.00
A&G for Distribution	52,352.00	55,136.00	98,638.20	55,005.30
O&M for RDSS	14,027.00	549.00	549.00	549.00
Sub-total Distribution (B)	1,87,674.00	1,95,128.00	1,64,126.04	1,94,513.30
Total O&M Expense (A + B)	1,96,343.00	2,04,229.00	1,72,354.90	2,03,182.30

4.4.7 In view of the admissible normative O&M expense of Rs. 2,03,182.30 Lakh,



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WBSEDCL's actual O&M expense is found to be Rs. 1,72,354.90 Lakh. Thus, there is a net gain of Rs. 30,827.40 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.

4.5 STATUTORY CHARGES:

WBSEDCL has claimed Rs. 338 Lakh as Statutory Charges against Rs. 276 Lakh admitted in the MYT Order for 2024 – 25 for payment of License/ Filing fees to Statutory Authority. WBSEDCL also submitted Note 38 of the Audited Financial Statement for 2024 – 25 with break-up of amount pertaining to Generation and Distribution duly certified by the auditor in support of their claim. The Commission admits Rs. 338 Lakh as Statutory Charges for 2024 – 25 as shown below:

Table 23

Figures in Rs. Lakh

Particulars	Admitted in Tariff Order for 2024 – 25	Claimed			Admitted		
		Gen.	Dist.	Total	Gen.	Dist.	Total
Statutory Charges	276.00	41.00	297.00	338.00	41.00	297.00	338.00

4.6 DEPRECIATION:

4.6.1 WBSEDCL has claimed Rs. 59,669 Lakh as Depreciation of its generation and distribution assets against Rs. 47,355 Lakh admitted in the MYT Order for 2024 – 25. WBSEDCL submitted that actual depreciation as per the Audited Financial Statements in 2024 – 25 is Rs. 2,24,081 Lakh, as reflected in Note 37. WBSEDCL has adjusted Rs. 1,19,449 Lakh towards Amortization of Government Grant and Rs. 44,963 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 2024 – 25	Claimed	Notes
Depreciation	47,355.00	2,24,081.00	37
Less: Amortisation of Government Grant		1,19,449.00	17.1
Less: Amortization on account of Consumer's Contribution towards Cost of Capital Assets		44,963.00	17.1



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Particulars	Admitted in Tariff Order for 2024 – 25	Figures in Rs. Lakh	
		Claimed	Notes
Net Depreciation		59,669.00	

- 4.6.2 WBSEDCL has submitted the detailed 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. From the submission in Form B, it is observed that WBSEDCL has considered Rs. 5 Lakh and Rs. 58 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. 6,626 Lakh for depreciation of retired assets. WBSEDCL has also considered the amortization of Intangible Asset within its computation of Depreciation submitted in Form B.
- 4.6.3 The Commission in Chapter – 3 of this order has admitted Rs. 39,91,332.24 Lakh as Opening GFA and Rs. 4,47,011.75 Lakh as Addition of Fixed Assets during the year 2024 – 25. Now, considering the admitted Gross Fixed Assets and the observations mentioned above, the Commission determines the admissible Depreciation as Rs. 52,003 Lakh as shown below:

Table 25

SI No.	Particulars	Figures in Rs. Lakh			
		Form B		Admitted	
		Fixed Asset	Depreciation	Fixed Asset	Depreciation
A	Opening GFA				
	Generation Asset	3,47,057.00		3,45,005.50	
	Distribution Asset	36,59,008.00		36,46,326.74	
	Overall	40,06,065.00		39,91,332.24	7,23,339.76
B	Addition				
	Generation Asset	69,215.00		68,888.82	
	Distribution Asset	3,79,354.00		3,78,122.93	
	Overall	4,48,569.00		4,47,011.75	
C	Asset fully Depreciated				
	Generation Asset	0.00	0.00	0.00	0.00
	Distribution Asset	6,53,881.00	0.00	6,53,881.00	0.00
	Overall	6,53,881.00	0.00	6,53,881.00	0.00
D	Land/ Lease Hold Land				



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Sl No.	Particulars	Form B		Admitted	
		Fixed Asset	Depreciation	Fixed Asset	Depreciation
	Generation Asset	1,384.00	5.00	1,384.00	0.00
	Distribution Asset	17,263.00	58.00	17,263.00	0.00
	Overall	18,647.00	63.00	18,647.00	0.00
E	Asset to be Depreciated				
	Generation Asset	4,14,888.00		4,12,510.32	
	Distribution Asset	33,67,218.00		33,53,305.67	
	Overall	37,82,106.00		37,65,815.99	
F	Asset Depreciated upto 70%				
	Generation Asset	8,125.00	128.00	8,125.00	128.00
	Distribution Asset	68,713.00	3,363.00	68,713.00	3,363.00
	Overall	76,838.00	3,491.00	76,838.00	3,491.00
G	Asset Depreciated less than 70%				
	Generation Asset	4,06,763.00	23,236.00	4,04,385.32	23,100.00
	Distribution Asset	32,98,505.00	1,99,046.00	32,84,592.67	1,98,206.00
	Overall	37,05,268.00	2,22,282.00	36,88,977.99	2,21,306.00
H	Asset retired during the year				
	Generation Asset	(-) 18,237.00	58.00	(-) 18,237.00	58.00
	Distribution Asset	35,643.00	6,568.00	35,643.00	6,568.00
	Overall	17,406.00	6,626.00	17,406.00	6,626.00
I	Closing GFA				
	Generation Asset	4,34,509.00		4,32,131.32	
	Distribution Asset	40,02,719.00		39,88,806.67	
	Overall	44,37,228.00		44,20,937.99	
J	Total Depreciation during the year				
	Generation Asset		23,311.00		23,170.00
	Distribution Asset		1,95,899.00		1,95,001.00
	Overall		2,19,210.00		2,18,171.00
K	Adjustment of Depreciation done in past		(-) 1,756.00		(-) 1,756.00
L	Overall Depreciation during the year		2,17,454.00		2,16,415.00
M	Less: Amortisation of Government Grant				1,19,449.00
N	Less: Amortization on account of Consumer's Contribution towards Cost of Capital Assets				44,963.00
O	Net Depreciation for the year				52,003.00

4.6.4 From the submission made in Annexure 10 of the petition, it is observed that out of

total GFA of Rs. 44,37,228 Lakh, final project cost approval under regulation 2.8.5 is pending for Rs. 14,22,519 Lakh. Thus, final project cost approval is pending for about 32% 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 the absence of a detailed break-up, the Commission decides to adjust the corresponding amount of Rs. 832.05 Lakh (Rs. 52,003.00 Lakh x 32% x 5%) from the admissible depreciation. Thus, Rs. 51,170.95 Lakh is admitted for the year 2024 – 25. 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	9,510.08	42,492.92	52,003.00
Less: Adjustment for assets pending final project cost approval under regulation 2.8.5		832.05	832.05
Net Depreciation	9,510.08	41,660.87	51,170.95

4.7 RETURN ON EQUITY:

4.7.1 WBSEDCL has claimed Rs. 62,492 Lakh as Return on Equity for generation and distribution function of WBSEDCL for the year 2024 – 25 against Rs. 40,489 Lakh admitted in the MYT Order for 2024 – 25. WBSEDCL in Form 1.20 (a) has submitted the actual addition of Rs. 1,16,616 Lakh to the Equity Base for the year which is also reflected in Note 15 (ii) and 16 of the Audited Financial Statements. 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.

4.7.2 It is observed that WBSEDCL, in Form 1.20 (a) has considered equity addition of Rs. 5,409 Lakh against generation project. From Annexure 26, it is revealed that equity addition of Rs. 5,409 Lakh is against 112.5 MW Solar PV Project at Goaltore. The Commission observed that the project has been commissioned in 2024 – 25 and thus the equity addition has been considered for computation.

4.7.3 The Commission considers the Admissible Opening Equity Base as per the Closing



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Equity Base admitted in APR Order of 2023 – 24. Amount of Rs. 1,50,706 Lakh and Rs. 74,747 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. 51,200.07 Lakh for the year 2024 – 25.

Table 27

Figures in Rs. Lakh

Sl No.	Particulars	Derivation	Generation	Distribution	Total
1	Gross Fixed Asset as on 01.04.2024	A	3,45,005.50	36,46,326.74	39,91,332.24
2	Admissible Equity Base as on 01.04.2024	B	0.00	2,91,571.77	2,91,571.77
3	Asset Addition in FY 2024 – 25	C	68,888.82	3,78,122.93	4,47,011.75
4	Retirement of Asset in FY 2024 – 25	D	(-) 18,237.00	35,643.00	17,406.00
5	Grant Funded assets during FY 2024 – 25	E	6,583.00	1,44,123.00	1,50,706.00
6	Consumer contribution in FY 2024 – 25	F	0.00	74,747.00	74,747.00
7	Net Asset addition in FY 2024 – 25	G=C-D-E-F	80,542.82	1,23,609.93	2,04,152.75
8	Equity addition in FY 2024 – 25	H	5,409.00	1,11,207.00	1,16,616.00
9	Admissible equity addition FY 2024 – 25	I = MIN (G x 30%, H)	5,409.00	37,082.98	42,491.98
10	Admissible closing Equity Base 31.03.2025	J=B+I	5,409.00	3,28,654.75	3,34,063.75
11	Average Equity Base for FY 2024 – 25	K=(B+J)/2	2,704.50	3,10,113.26	3,12,817.76
12	Average Equity prior to 01.04.2024	L=B	0.00	2,91,571.77	
13	Average Equity after 01.04.2024	M=K-B	2,704.50	18,541.49	
14	Rate of ROE for assets prior to 01.04.2024	N	15.50%	16.50%	
15	Rate of ROE for assets after 01.04.2024	O	14.00%	15.50%	
16	ROE for assets prior to 01.04.2024	P=L*N	0.00	48,109.34	
17	ROE for assets after 01.04.2024	Q=M*O	216.80#	2,873.93	
18	Total Return on Equity in FY 2024 – 25	R=P+Q	216.80#	50,983.27	51,200.07

Note: Return on Equity is allowed from the date of commercial operation of 112.5 MW Solar PV Project (Rs. 378.63 Lakh x 209 / 365)

4.7.4 In the APR Order for 2023 – 24, the Commission has considered a return of 15.50% against the applicable return of 16.50% on the average equity base of 2023 – 24, thereby resulting in shortfall of ROE to the tune of 1%. Accordingly, an adjustment of Rs. 2,787.84 Lakh (Rs. 2,78,784.39 Lakh x 1%) is allowed in this order which will be adjusted with the recoverable amount of 2023 – 24 along with carrying cost.



4.8 INTEREST ON GROSS NORMATIVE LOAN ON CAPITAL ASSETS:

- 4.8.1 WBSEDCL has claimed Rs. 77,476.03 Lakh as interest on capital borrowings against Rs. 38,635 Lakh admitted in the MYT Order for 2024 – 25 as per the provision of regulation 5.6.4.2 of the Tariff Regulations. The actual interest as per Form C submitted by WBSEDCL is Rs. 63,696 Lakh.
- 4.8.2 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. In case of any retirement, 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.
- 4.8.3 The Commission in APR Order of 2023 – 24 has stated the cumulative Depreciation and AAD upto 2022 – 23 was Rs. 6,71,286.76 Lakh, which is deemed to have been repaid as on 31.03.2023. Further, the admitted depreciation of Rs. 52,053.00 Lakh had been considered as repaid during 2023 – 24. Thus, cumulative Depreciation and AAD upto 2023 – 24 comes to Rs. 7,23,339.76 Lakh and is considered as deemed repayment as on 31.03.2024.
- 4.8.4 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, Commercial Banks and HUDCO, State Government and Capital Bonds during 2024 – 25. The weighted average rate of interest on such capital loan comes to 9.48%. The detailed



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computation is shown in Annexure – 4A.

4.8.5 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 (Sl No.1 of Table 14)		39,91,332.24
2	Asset created from Grant, Contribution (As per APR 2023 – 24)		23,00,804.00
3	Net Opening GFA (3 = 1 - 2)	18,64,444.00	16,90,528.24
4	Opening Equity (Sl No. 2 of Table 27)	3,38,587.00	2,91,571.77
5	Opening Gross Normative Loan (5 = 3 – 4)	15,25,857.00	13,98,956.47
6	Cumulative Depreciation and AAD, if any, upto previous year	8,25,731.00	7,23,339.76
7	Opening Balance of Normative Loan (7 = 5 – 6)	7,00,126.00	6,75,616.71
8	Addition to Fixed Asset during the year (Sl No.2 of Table 14)		4,47,011.75
9	Retirement during the year (Sl No. 3 of Table 14)		17,406.00
10	Net Addition of Fixed Asset (10 = 8 – 9)		4,29,605.75
11	Asset created from Grant, Contribution (Sl No. 5 & 6 of Table 27)		2,25,453.00
12	Net Asset Addition out of own fund (12 = 10 – 11)	2,85,280.00	2,04,152.75
13	Admissible Equity Addition during the year (Sl No. 9 of Table 27)	85,584.00	42,491.98
14	Normative Addition of Loan (14 = 12 – 13)	1,99,696.00	1,61,660.77
15	Depreciation during the year (Deemed Repayment) (Table 25)	59,669.00	52,003.00
16	Closing Balance of Gross Normative Loan (16 = 7 + 14 – 15)	8,40,153.00	7,85,274.48
17	Average Net Normative Loan (17 = (7 + 16) / 2)	7,70,139.50	7,30,445.60
18	Weighted Average Rate of Interest on Loan	10.06%	9.48%
19	Interest on Normative Loan (19 = 17 x 18)	77,476.03	69,246.24

4.8.6 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	557.39	68,688.85	69,246.24

4.9 INTEREST ON CONSUMERS' SECURITY DEPOSIT:

WBSEDCL in its petition has claimed Rs. 36,109 Lakh as interest on consumers'

security deposit for 2024 – 25 against Rs. 24,619 Lakh admitted in the MYT Order for 2024 – 25. 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. 6,93,266 Lakh is lying as balance against security deposit from consumers. Thus, the Commission admits Rs. 36,109 Lakh on account of interest on consumers' security deposit during the year 2024 – 25.

4.10 REPAYMENT OF PENSION FUND TRUSTEE BOND:

WBSEDCL in paragraph 2.26 of its APR Petition has stated that repayment to the extent of Rs. 30,600 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. 30,600 Lakh to the extent of redemption carried out by WBSEDCL.

4.11 INTEREST ON BOND FOR PENSION FUND:

WBSEDCL in paragraph 2.16 of its APR Petition 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 2024 – 25.

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

4.12.1 WBSEDCL has claimed Rs. 8,103 Lakh interest on account of COVID loan and Rs. 919 Lakh on account of AMPHAN loan for the year 2024 – 25. 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. 14,200 Lakh availed loan of Rs. 10,000 Lakh 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



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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	44,143.00	43,680.00	8,835.00
Repayment	5,186.00	6,720.00	526.00
Closing Balance	38,957.00	36,960.00	8,309.00
Interest Paid	8,103.00		919.00

4.12.2 The Commission admits Rs. 8,103 Lakh as interest on COVID Loan during the year 2024 – 25.

4.12.3 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. 24,000 Lakh as mentioned in DPR, the Government of West Bengal has released Rs. 14,200 Lakh in two separate tranches, while claim for balance grant amount of Rs. 9,800 Lakh stands submitted to the Government. In order to meet the fund for urgent restoration work, WBSEDCL availed loan from WBIDFC Limited amounting to Rs. 10,000 Lakh. In view of the above, the Commission admits the interest paid of Rs. 919 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.

4.13 INTEREST ON WORKING CAPITAL:

4.13.1 WBSEDCL in its petition has submitted that the normative working capital requirement as per the formula specified in the Tariff Regulations comes to Rs. 4,44,021 Lakh. WBSEDCL also submitted that it had a cash security deposit of Rs. 6,93,266 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.

4.13.2 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



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SI No	Particulars	Admitted
A	Distribution	
1	O&M expense for 1 month	16,209.44
2	Employee cost for 1 month	16,366.42
3	Maintenance spare 15% of O&M expense	29,177.00
4	Receivables equivalent to 45 days	4,38,924.24
	Sub-total (1 to 4)	5,00,677.10
5	Less: Cash security deposit	6,93,266.00
6	Working Capital Requirement	0.00
7	Balance Cash Security deposit (5 - (Sum 1 to 4))	1,92,588.90
B	Own Generation	
8	O&M expense for 1 month	722.42
9	Employee cost for 1 month	567.83
10	Maintenance spare 15% of O&M expense	1,300.35
	sub-total (8 to 10)	2,590.60
11	Less: Cash security deposit held after meeting working capital of distribution function (7)	1,92,588.90
12	Working Capital Requirement	0.00
13	Interest on Working Capital	0.00
14	Balance cash security deposit (11 - (Sum 8 to 10))	1,89,998.30

4.13.3 The Commission observes that an amount of Rs. 1,210 Lakh has been admitted at Table 32 on account of Interest from Bank on Fixed Deposits and other deposits as reflected in Note 33.6 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.

4.14 OTHER FINANCE CHARGES:

WBSEDCL has claimed Rs. 4,081 Lakh as cost pertaining to Other Finance Charges. From Note 36B of the Audited Financial Statement, it is observed that a sum of Rs. 1,403 Lakh has been recognised as Bank Charges whereas a sum of Rs. 2,678 Lakh pertains to Other Finance Charges for Working Capital Loan. Since no working capital loan is admitted under paragraph 4.13 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 from Financial Institutions. WBSEDCL in

Annexure 25 of Volume II of its petition has claimed that out of the total claim under Bank Charges, Rs. 98.80 Lakh pertains to charges related to capital investment. In view of the above, the Commission decides to consider the amount of Rs. 98.80 Lakh as Other Finance Charges and the balance amount of Rs. 1,304.20 Lakh (Rs. 1,403 Lakh – Rs. 98.80 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, and the Commission allows the same. Accordingly, the Commission admits Rs. 115.80 Lakh as Other Finance Charges for 2024 – 25.

4.15 INCOME TAX:

WBSEDCL has submitted, ROE is claimed on post-tax basis, and hence Income Tax is claimed separately by WBSEDCL in this APR Application. The Commission after having referred to the copy of Assessment Order for assessment year 2025 – 26 observes that the liability towards income tax has been Rs. 870.80 Lakh. Accordingly, the same is admitted by the Commission as Income Tax met during the year.

4.16 BAD DEBT:

No amount has been admitted under this head in Tariff Order of 2024 – 25. WBSEDCL has claimed Rs. 16,170 Lakh as Bad Debts written off. The Commission observed that Note 38C of the Audited Financial Statements reflects a sum of Rs. 16,170 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. Such amount comes to Rs. 17,208.48 Lakh considering the gross revenue from sale of power of Rs. 34,41,697 Lakh at the end of financial year 2024 – 25 as per note 31 of the Audited Financial Statement. Thus, the Commission admits Rs. 16,170 Lakh as Bad Debts written off for the year 2024 – 25.



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4.17 NON – TARIFF INCOME:

4.17.1 WBSEDCL has claimed Rs. 2,39,963 Lakh as Income from Non- Tariff sources for the year 2024 – 25 against Rs. 1,19,703 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 adjustment of Rs. 20 Lakh for interest from bank on Fixed Deposit on Power Purchase Fund whereas Note 11.3 mentions that the said amount is accrued and not due. Thus, the Commission does not consider the claimed amount of Rs. 20 Lakh under non – tariff income. Further, WBSEDCL has claimed adjustment for loss on obsolescence of inventory amounting to Rs. 465 Lakh which is found to be not admissible under Non – Tariff Income. WBSEDCL submitted that out of total grant of Rs. 3,70,000 Lakh Revenue Grant received from the Government of West Bengal, an amount of Rs. 2,20,000 Lakh has been considered to be adjusted with the Fuel and Power Purchase Cost Adjustment and balance amount of Rs. 1,50,000 Lakh has been considered 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 2024 – 25 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		32,668.00	32,668.00	32	32,668.00
2	Disconnection & Reconnection Charge		3,966.00	3,966.00	32	3,966.00
3	Delayed Payment Charge		35,728.00	35,728.00	32	35,728.00
4	Miscellaneous Charge for services to consumers Premises		88.00	88.00	32	88.00
5	Income from Wheeling Charges		382.00	382.00	32	382.00
6	Interest on Staff Loan		8.00	8.00	33	8.00
7	Interest from Bank on Fixed Deposits and Other Deposits		1,210.00	1,210.00	33	1,210.00
8	Interest from Bank on Fixed Deposits on Power Purchase Fund		(-) 20.00	(-) 20.00	11.3	
9	Interest earned through Licensee, Suppliers, Contractors		2,604.00	2,604.00	33	2,604.00



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Figures in Rs. Lakh

SL No.	Particulars	Admitted in Tariff Order	Claimed	As per Audited Financial Statements	Notes	Admitted
10	Income from sale of scrap		5,834.00	5,834.00	33	5,834.00
11	Consulting Income		51.00	51.00	33	51.00
12	Recovery of Cost of Collection-Electricity Duty		2,056.00	2,056.00	33	2,056.00
13	Dividend Income		60.00	60.00	33	60.00
14	Tender Paper		64.00	64.00	33	64.00
15	Rental from Staff Quarters		444.00	444.00	33	444.00
16	Rental from Contactors		9.00	9.00	33	9.00
17	Rental from Others		735.00	735.00	33	735.00
18	Penalty deducted from Contractor/Supplier		1,492.00	1,492.00	33	1,492.00
19	Other Miscellaneous Income		541.00	541.00	33	541.00
20	Insurance Claim Settlement		187.00	187.00	33	187.00
21	Interest Subsidy under NEF Scheme		972.00	972.00	33	972.00
22	Profit on sale of investment		1,349.00	1,349.00	33	1,349.00
23	Less: Loss on Obsolescence of Inventory		(-) 465.00	(-) 465.00	38	
	Total (Sum 1 to 23)	1,19,703.00	89,963.00	89,963.00		90,448.00

Note: Revenue grant of Rs. 1,50,000 Lakh is considered to be adjusted with the ARR

4.18 EXPENSES ON DEVIATION SETTLEMENT MECHANISM:

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 121.634 MU of energy has been drawn from the grid and 544.294 MU of energy has been injected into the grid as deviation during the year 2024 – 25. Thus, the DSM charge payable during the year was Rs. 1,453 Lakh and DSM charge receivable was Rs. 11,513 Lakh. There was a net DSM receivable of Rs. 10,060 Lakh during 2024 – 25. WBSEDCL has claimed for adjustment of Rs. 10,060 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.

4.19 OTHER EXPENSE:

4.19.1 WBSEDCL has claimed Rs. 147 Lakh as the expenditure for other items in its APR application on account of solatium on death/damages to outsiders during the year.

4.19.2 The Commission observes that WBSEDCL has not submitted any justification

regarding incurring expenses on account of solatium on death/ damages to outsiders. The Commission accordingly considers the amount paid by WBSEDCL on this account to be in the nature of a penalty 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. 147 Lakh on account of solatium paid by WBSEDCL to outsiders.

4.20 RESERVE FOR UNFORESEEN EXIGENCIES:

4.20.1 In the Tariff Order for 2024 – 25, 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 2024 – 25. Accordingly, the Commission does not consider any amount under this head in APR for 2024 – 25.

4.20.2 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.

4.20.3 WBSEDCL in its compliance report under Annexure 17 submitted that they are maintaining the fund 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 caused by accumulation of regulatory assets, they had to resort to 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. 49,532 Lakh against maintainable fund of Rs. 15,769 Lakh. WBSEDCL submitted that an amount of Rs. 15,769 Lakh is being disclosed in Note 16(a) of the Audited Financial Statements, however the same is not backed by Investments in fixed deposit with Bank. WBSEDCL submitted that the amount admitted during different years by the



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Commission along with the interest which has been discharged under head 'Reserves for Unforeseen Exigencies' in the Audited Financial Statements of Rs. 15,769 Lakh be passed on to the consumers as per provisions of regulation 5.24 of the Tariff Regulations. Accordingly, WBSEDCL prayed to release the balance withheld amount of Rs. 33,763 Lakh.

4.20.4 The Commission observes that the sum of Rs. 15,769 Lakh has not been backed by any Investment in fixed deposit with Bank as stated by WBSEDCL which is a primary requirement for maintaining the reserves as per the provisions of regulation 5.24 of the Tariff Regulations. In view of the 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.

4.21 FIXED COST:

In view of above, the Commission admits Rs. 9,40,534.16 Lakh as Fixed Cost for 2024 – 25 against the claim of Rs. 9,74,174.03 Lakh by WBSEDCL as shown in Annexure 4B.

4.22 BENEFITS PASSED ON TO THE CONSUMERS:

4.22.1 WBSEDCL in its petition in paragraph 2.24 submitted that by sale of surplus power, WBSEDCL has made a net gain of Rs. 37,904 Lakh in the year 2024 – 25. WBSEDCL in terms of regulation 5.15.2(iv) of the Tariff Regulations has proposed to share 50% of such gain amounting to Rs. 18,952 Lakh to its consumers by adjustment with the ARR.

4.22.2 From Note 31 of the Audited Financial Statements of WBSEDCL an income of Rs. 98,460 Lakh from sale of surplus power in the year 2024 – 25 is evident. It is also observed that charges for sale to traders amounted to Rs. 6,293 Lakh. The Commission in Table 5 of Chapter 2 has admitted Rs. 54,308 Lakh as cost of incidental surplus power. Thus, there was a gain of Rs. 37,859 Lakh (Rs. 98,460 Lakh – Rs. 6,293 Lakh – Rs. 54,308 Lakh). In terms of clause (iv) of regulation 5.15.2 of Tariff Regulations, such gain shall be shared equally between the



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licensees and the consumers, as shown below:

Table 33

Figures in Rs. Lakh

Particulars	Claimed	Admitted
Revenue from sale of surplus power Note 31	98,460.00	98,460.00
Less: Charges for such sale	6,293.00	6,293.00
Net Revenue (A)	92,167.00	92,167.00
Cost of surplus power (B)	54,263.00	54,308.00
Gain / (Loss) [(C) = (A) – (B)]	37,904.00	37,859.00
Benefit passed on to the consumers [D = (C) / 2]	18,952.00	18,930.00

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

4.23.1 In terms of regulation 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 $\frac{1}{3} : \frac{2}{3}$.

4.23.2 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. 4,018.78 Lakh and decided that the shareable gain for WBSEDCL is Rs. 2,679.19 Lakh and the balance shareable gain for consumers is Rs. 1,339.59 Lakh. The Commission has admitted Rs. 26,19,688.56 Lakh as power purchase cost based on actual expenses and parameters. Now, Rs. 2,679.19 Lakh is additionally allowed as share of gain in distribution loss.

4.23.3 GAIN OR LOSS ON OPERATION AND MAINTENANCE EXPENSES:

The Commission in paragraph 4.4.7 above has determined the gain on Operation and Maintenance Expenses as Rs. 30,827.40 Lakh. In terms of regulation 2.5.5.4, the shareable gain for WBSEDCL comes to Rs. 20,551.60 Lakh and the balance shareable gain for consumers is Rs. 10,275.80 Lakh. The Commission has admitted

the



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normative O&M of Rs. 2,02,633.30 Lakh in the ARR. Thus, an amount of Rs. 10,275.80 Lakh is to be adjusted as gain passed on to the consumer.

4.23.4 The overall approved gain / loss is shown below. Accordingly, an amount of (-) Rs. 7,596.61 Lakh is to be adjusted 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	4,018.78	2,679.19	1,339.59	2,679.19
Operation and Maintenance Expenses	30,827.40	20,551.60	10,275.80	(-) 10,275.80
Overall	34,846.18	23,230.79	11,615.39	(-) 7,596.61

4.24 GAIN OR LOSS ON ACCOUNT OF SALE IN MULTIPLE LICENSEE AREA:

4.24.1 WBSEDCL in Annexure 7 of the compliance report under Volume II of its petition submitted that WBSEDCL has supplied electricity in multiple licensee area at a tariff lower than the ceiling tariff notified by the Commission. WBSEDCL also submitted the impact of sale to consumers in multiple licensee area at a lower tariff duly certified by the Auditor. From the submission, it is observed that 5,130.130 MU has been supplied against which an amount of Rs. 2,49,509 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.

4.24.2 The Commission observes that WBSEDCL in 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 licensee area. Thus, the per unit cost of supply as per the admitted cost in this order comes to Rs. 6.35 per unit (energy charge of Rs. 4.43 / kWh + fixed charge of Rs. 1.92 / 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 at 33 KV	MU	3,794.59
	Sale at 132 KV	MU	1,335.54
	Sub-Total (A)	MU	5,130.13



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Sl. No.	Particulars		Unit	Value
B	T & D Loss	Loss in Distribution system @ 4.00%	MU	158.11
		Loss in STU system @ 2.70%	MU	146.74
		Sub-Total (B)	MU	304.85
C	Power Purchase Requirement	(C= A + B)	MU	5,434.98
D1	Power Purchase Cost @ Rs. 4.43 / kWh (Annexure 2A)		in Rs. Lakh	2,40,823.96
D2	Fixed Cost @ Rs. 1.92 / kWh (Annexure 4C)		in Rs. Lakh	1,04,351.62
E	Total Cost of Supply	(E= D1 + D2)	in Rs. Lakh	3,45,175.58
F	Total Revenue Recovery		in Rs. Lakh	2,49,509.00
G	Gain/ (Loss) on account of sale of power to consumers in multiple licensee area	(G = F – E)	in Rs. Lakh	(-) 95,666.58

4.24.3 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. 95,666.58 Lakh shall be borne by WBSEDCL.

4.25 REGULATORY ASSETS FOR RAILWAYS:

WBSEDCL submitted that an amount of Rs. 36,874 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).

4.26 CARRYING COST OF PREVIOUS REGULATORY ASSETS:

WBSEDCL has claimed carrying cost of Rs. 1,51,458 Lakh on regulatory assets relating to the period prior to the Fourth Amendment of the Tariff Regulations, in respect of the regulatory assets created under the APR Orders for 2020 – 21, 2021 – 22 and 2022 – 23 the amount pertaining to TAISACOP, and the regulatory assets of Railways for 2020 – 21 and 2021 – 22.

The Commission observes that carrying cost is allowable on the amount of regulatory asset released, and only from the date of issuance of the Fourth Amendment of the Tariff Regulations. Accordingly, in the MYT Order for the Eighth Control Period, the Commission has allowed carrying cost on the amount of regulatory asset released for APR 2020 – 21 during 2023 – 24 and 2024 – 25, and on the amounts of regulatory asset released for APR 2021 – 22 and APR 2022 – 23 during 2025 – 26. For the period preceding the Fourth Amendment, the regulations then in force provided for allowing interest on any temporary accommodation or loan availed by the licensee on account of short recovery or unrealised arrears, and such interest is recoverable only in accordance with that provision.

The carrying cost admissible on the regulatory assets in question having thus already been allowed in the respective years of release, the Commission holds that no additional carrying cost is admissible at this stage.



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	49,982	50,000	49,991.00	10,087	10.10%	18 and 36
10.85% Non-Convertible Redeemable Bond 2026	49,850	49,850	49,850.00			
West Bengal State Cooperative Bank for RDSS	9,235	17,494	13,364.50	2,066	15.46%	
West Bengal State Cooperative Bank	260	285	272.50	49	17.98%	
PFC Limited	74,925	78,887	76,906.00	6,935	9.02%	
REC Limited	4,04,022	4,13,655	4,08,838.50	39,226	9.59%	
Bank of Baroda	42,015	31,511	36,763.00	3,063	8.33%	
Commercial Banks & Hudco	0	36,207	18,103.50	1,128	6.23%	
State Government	7,923	8,602	8,262.50	223	2.70%	
Weighted Average Rate of Interest			6,62,351.50	62,777	9.48%	



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ANNEXURE – 4B

SUMMARY OF FIXED COST FOR 2024 – 25

Figures in Rs. Lakh

SI No	ITEM	CLAIMED			ADMITTED		
		Generation	Distribution	Total	Generation	Distribution	Total
1	Transmission Charge						
	Inter-state transmission charges		1,69,353.00	1,69,353.00		1,69,353.00	1,69,353.00
	Intra-state transmission charges		1,97,986.00	1,97,986.00		1,97,986.00	1,97,986.00
2	Power System Charge						
	SLDC Charge		2,357.00	2,357.00		2,357.00	2,357.00
	POSOCO Charge		0.00	0.00		0.00	0.00
	ERPC Charge		0.00	0.00		0.00	0.00
	VARH Charge		110.00	110.00		110.00	110.00
3	Employees cost	6,814.00	1,96,397.00	2,03,211.00	6,814.00	1,96,397.00	2,03,211.00
4	Repair and Maintenance incl. Consumables	9,101.00	1,39,443.00	2,03,680.00	8,669.00	1,38,959.00	2,02,633.30
5	Administrative & General Expenses		55,136.00			55,005.30	
6	Operational Expenses for RDSS		549.00	549.00		549.00	549.00
7	Statutory Charges	41.00	297.00	338.00	41.00	297.00	338.00
8	Finance Cost						
	a) Interest on Capital Loan	623.64	76,852.39	77,476.03	557.39	68,688.85	69,246.24
	b) Interest on Working Capital	0.00	0.00	0.00	0.00	0.00	0.00
	c) Other Financing Charges		4,081.00	4,081.00		115.80	115.80
	d) Interest on Consumer Security Deposits		36,109.00	36,109.00		36,109.00	36,109.00
	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		9,022.00	9,022.00		9,022.00	9,022.00
9	Depreciation	10,912.00	48,757.00	59,669.00	9,510.08	41,660.87	51,170.95
10	Repayment of Bonds for Pension Fund		30,600.00	30,600.00		30,600.00	30,600.00
11	Income Tax		847.00	847.00		870.80	870.80
12	Return on Equity	83.00	62,409.00	62,492.00	216.80	50,983.27	51,200.07
13	Bad Debts		16,170.00	16,170.00		16,170.00	16,170.00
14	Others		147.00	147.00		0.00	0.00
15	Gross Fixed Cost (sum 1 to 14)	27,574.64	10,46,622.39	10,74,197.03	25,808.27	10,15,233.89	10,41,042.16
16	Less: Income from non-tariff sources		89,963.00	89,963.00		90,448.00	90,448.00
17	Less: DSM Charge receivables		10,060.00	10,060.00		10,060.00	10,060.00
18	Total Fixed Cost (18 = 15 - 16 - 17)	27,574.64	9,46,599.39	9,74,174.03	25,808.27	9,14,725.89	9,40,534.16



ANNEXURE – 4C
PER UNIT FIXED COST

SI No.	Particulars	Unit	Value
1	Total Fixed Cost (SI No. 18 of Annexure 4B)	Rs. Lakh	9,40,534.16
2	Less: Return on Equity (SI No. 12 of Annexure 4B)	Rs. Lakh	51,200.07
3	Less: Incentive	Rs. Lakh	0.00
4	Net Fixed Cost (4 = 1 – 2 – 3)	Rs. Lakh	8,89,334.09
5	Overall sale to consumers	MU	46,069.44
6	Sale to licensees in State	MU	124.51
7	Energy wheeled	MU	122.74
8	Total energy (8 = 5 + 6 + 7)	MU	46,316.69
9	Per unit Fixed Cost (9 = 4 *10 / 8)	Rs. / kWh	1.92

CHAPTER – 5

AGGREGATE REVENUE REQUIREMENT AND BALANCE ADJUSTABLE AMOUNT

- 5.1 The amount of total allowable variable costs for the year 2024 – 25 as determined in this order for Fuel and Power Purchase Cost Adjustment (FPPCA) at paragraph 2.8 is **Rs. 26,19,688.56 Lakh.**
- 5.2 The amount of admissible fixed cost for the year 2024 – 25 as determined in this order at paragraph 4.21 above is **Rs. 9,40,534.16 Lakh.**
- 5.3 In the MYT Order for 2024 – 25, the Commission had considered Rs. 2,05,370 Lakh for release of part regulatory asset pertaining to 2020 – 21 along with Rs. 8,397 Lakh as carrying cost for release of regulatory asset. Thus, the net adjustable amount comes to **Rs. 2,13,767 Lakh.**
- 5.4 The Commission, in paragraph 4.3.4 above, decided to release Rs. 84,893 Lakh out of the withheld amount of Rs. 1,14,066 Lakh in respect of the terminal benefit fund. Thus, a sum of Rs. 29,173 Lakh is continued to be withheld by the Commission.
- 5.5 WBSEDCL in paragraph 2.23.2 of its APR petition has submitted that the Government of West Bengal has sanctioned a revenue grant of Rs. 82,500 Lakh towards loss taken over for FY 2023 – 24, Rs. 67,500 Lakh towards under recovery of cost of supply of power and Rs. 2,20,000 Lakh as operational assistance to meet the deficit arising due to under recovery of cost in tariff, aggregating to an amount of Rs. 3,70,000 Lakh for the FY 2024 – 25. The same is reflected in Note 33.5 of the Audited Financial Statements. WBSEDCL, in its petition, has adjusted the amount of Rs. 2,20,000 Lakh with the Fuel and Power Purchase Cost and balance amount of Rs. 1,50,000 Lakh as Non-Tariff Income. Now, as decided in paragraph 4.17.1 of this order, the Commission decides to adjust the revenue grant sanctioned by the Government with the revenue recoverable of WBSEDCL.
- 5.6 The net aggregate revenue requirement of WBSEDCL for 2024 – 25 considering the net gain or loss to be retained by WBSEDCL is given below:

Table 36

Figures in Rs. Lakh

SI No	Particulars	Amount
1	Fuel and Power Purchase Cost (Paragraph 2.8)	26,19,688.56
2	Fixed Cost (Paragraph 4.21)	9,40,534.16
3	Less: Benefits passed on to consumers (Paragraph 4.22)	(-) 18,930.00
4	Add: Adjustment for controllable factors (Paragraph 4.23)	(-) 7,596.61
5	Add: Adjustment for Regulatory assets with carrying cost (Paragraph 5.3)	2,13,767.00
6	Add: Release of Terminal Benefit fund (Paragraph 5.4)	84,893.00
7	Less: Revenue Grant from Government of West Bengal (Paragraph 5.5)	(-) 3,70,000.00
8	Total Revenue Recoverable for FY 2024 – 25 [Sum 1 to 7]	34,62,356.11

5.7 From Note 31 of the Audited Financial Statement of WBSEDCL for FY 2024 – 25, it is observed that Gross Revenue from sale was Rs. 34,41,697 Lakh, which includes revenue from sale to traders of Rs. 98,460 Lakh. WBSEDCL also allowed a rebate of Rs. 1,15,468 Lakh to its consumers. The Commission in paragraph 4.22 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. 32,27,769 Lakh (Rs. 34,41,697 Lakh – Rs. 98,460 Lakh – Rs. 1,15,468 Lakh). In paragraph 4.24, the Commission observed that there was a loss of revenue of Rs. 95,666.58 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. 33,23,435.58 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 2024 – 25 works out as shown in Table 37 hereunder.

Table 37

Figures in Rs. Lakh

SI No	Particulars	Amount
1	Net Aggregate Revenue Recoverable (Paragraph 5.6)	34,62,356.11
2	Less: Revenue realized during the year (Paragraph 5.7)	33,23,435.58
3	Net Amount Adjustable [(3) = (1) - (2)]	1,38,920.53

5.9 In terms of regulation 2.6.6 of the Tariff Regulations, the balance recoverable amount of **Rs. 1,38,920.53 Lakh** or a part thereof shall be adjusted with the Aggregate Revenue Requirement of one or more ensuing year(s) tariff order or



Order for FPPCA and APR of WBSEDCL for the year 2024 – 25

through a separate order, as may be decided by the Commission. Along with the above, WBSEDCL is also entitled to recover an additional amount of Rs. 2,787.84 Lakh which will be adjusted with the recoverable amount determined for 2023 – 24 as decided in paragraph 4.7.4 of this order.

- 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.
- 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

Sd/-

DEPUTY DIRECTOR, WBERC

Dated: 20.07.2026