



**ORDER**

**OF THE**

**WEST BENGAL ELECTRICITY REGULATORY**  
**COMMISSION**

**FOR THE YEAR 2023 -24**

**CASE NO: APR – 128 / 24 - 25**

ANNUAL PERFORMANCE REVIEW FOR THE FINANCIAL YEAR 2023 - 24 IN RESPECT OF DISTRIBUTION AND RETAIL SUPPLY OF ELECTRICITY BY DAMODAR VALLEY CORPORATION FOR THE PART OF THE DAMODAR VALLEY AREA FALLING WITHIN THE TERRITORY OF THE STATE OF WEST BENGAL.

**DATE: 21.01.2026**



## **CHAPTER-1**

### **Introduction**

- 1.1 The West Bengal Electricity Regulatory Commission (hereinafter referred to as the "Commission") conducts the Annual Performance Review (in short APR) under Regulation 2.6 of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations 2011, as amended from time to time (hereinafter termed as "Tariff Regulations"). The Commission introduced Multi-Year-Tariff (MYT) and through the APR process, the Commission evaluates the differences between actual performance and projections approved in the Aggregate Revenue Requirement (ARR) of generating companies or licensees. This ensures that revenue requirements are adjusted based on actual performance and compliance with regulatory standards under different factors / heads of accounts. Further, the adjustments for deviations in controllable and uncontrollable factors are comprehensively reviewed, and any necessary revenue adjustments are being made in the manner as specified in the Tariff Regulations.
- 1.2 Damodar Valley Corporation (in short 'DVC' or the "Petitioner") submitted their APR application (for 8<sup>th</sup> control period) on 14<sup>th</sup> November 2024 for the year 2023-2024. DVC also submitted additional information / data as was asked for, by this Commission from time to time. DVC along with their APR application provided the requisite data / information in the prescribed proforma, the copies of the annual reports and audited annual accounts for the concerned year and the adjustments in generation and power purchase cost for the year 2023-2024. The APR application submitted by DVC was admitted by this Commission on 26.11.2024 for processing and the same was numbered as APR-128/24-25 for the year 2023-2024.





## Order on APR of DVC for the year 2023-24

---

- 1.3 APR for the financial year 2023-2024 encompasses the review of the different elements of fixed charges, categorized as controllable and uncontrollable, as allowed to DVC. The ARR for the year 2023-2024 is conducted in accordance with vide Tariff order dated 13.03.2024 issued in Case No. TP-104/22-23 vis-à-vis the actuals as per the audited accounts.
- 1.4 The instant APR application of DVC pertains to the year 2023-2024 under the eighth control period. Adjustments, arising from this review of annual performance for the year 2023-2024 will be incorporated either in tariff determination for subsequent financial years or through separate order as specified in regulation 2.6.6 of the Tariff Regulations.
- 1.5 This Commission has taken careful note of the representations made by DVC. The relevant issues have been addressed appropriately, while examining the admissibility of expenses under different heads of accounts. The APR is to cover the annual fixed charges allowed to the licensee, the effect of gain sharing and incentives as per Schedule – 9B and Schedule – 10 of the Tariff Regulations. The instant application of DVC for the year 2023-2024 is being viewed in the subsequent parts of this order.
- 1.6 In terms of regulation 2.6.12 of the Tariff Regulations, after initial scrutiny of the petition filed by the petitioner and to ensure transparency and different stakeholders' participation, the Commission directed the petitioner, DVC to publish the gist of the application of APR of DVC for the year 2023-2024 inviting comments / suggestions and or objections, if any, from all the interested parties and stakeholders. Such public notice was subsequently published by DVC in various newspapers simultaneously as follows: -
-



## Order on APR of DVC for the year 2023-24

Sl. No.	Newspaper	Version	Date of Publication
1	The Telegraph	English	2 <sup>nd</sup> January, 2025
2	Business Standard	English	2 <sup>nd</sup> January, 2025
3	Aajkaal	Bengali	2 <sup>nd</sup> January, 2025
4	Ekdin	Bengali	2 <sup>nd</sup> January, 2025

The application of APR for the year 2023-2024 was also uploaded in the website of DVC. The last date of submission of suggestions and objections on such publication was 22<sup>nd</sup> January 2025 (i.e., 21 days from the date of publication of the gist of application). Opportunities were also given to all to inspect the application and take copies thereof.

- 1.7 Upon publication of the gist of APR application of DVC, no comment, suggestion, objection whatsoever on the aforesaid APR application for the year 2023-24 of DVC was received by the Commission during the stipulated period. However, only “Damodar Valley Power Consumers Association” (DVCPA) had submitted their objections against the APR application which was received by this Commission on 30<sup>th</sup> January, 2025. Since the objection was received after the stipulated period, hence the same is not considered by the Commission while review of the APR petition of DVC for FY 2023-24.
- 1.8 It is worth to mention that the Hon’ble Supreme Court of India had issued an order on 15.05.2023 in Civil Appeal nos. 3164-3171 of 2022, wherein the Commission has been directed to consider the issue relating to truing up charges pending before it without being influenced by any of the proceedings pending before the Appellate Tribunal for Electricity (in short ‘APTEL’) or any other Forum or order(s) passed by the Hon’ble APTEL or any other Forum.





## Order on APR of DVC for the year 2023-24

### **CHAPTER-2** **Brief Submission of DVC**

- 2.1 Damodar Valley Corporation (DVC), as a deemed distribution licensee, has filed this APR application for FY-2023-24 seeking a review of its performance in distribution and retail supply of electricity within the State of West Bengal in accordance with the provisions of Tariff Regulations. The Commission determined the Annual Revenue Requirement and Tariff of DVC for supply of electricity to the consumers and licensees located in the part of DVC in the State of West Bengal for the period from FY 2023-24 vide tariff order dated 13.03.2024 issued in Case No. TP-104/22-23.
- 2.2 DVC as a deemed distribution licensee undertakes the retail sale and supply of electricity to the consumers in the Damodar Valley area and the same is covered by Section 62(1)(d) of the Electricity Act, 2003. DVC also supplies electricity to the licensees located in the state of West Bengal viz. West Bengal State Electricity Distribution Company Limited (WBSEDCL) at nine (9) different off take points in radial mode and to the India Power Corporation Limited (IPCL) at four (4) different off-take points in consumer mode utilising its own T & D network. Each such point of supply has a specific contract demand as per the respective PPAs.
- 2.3 DVC in the instant APR application, has considered the following cost components as part of the claimed ARR in connection to distribution and retail supply of electricity in the State of West Bengal: -
- a. Cost of own generating stations for T&D system of DVC based on the tariff orders issued by CERC for the period 2019-24;
  - b. Power purchase cost, which was actually incurred by DVC for the period during FY 2023-24;



### Order on APR of DVC for the year 2023-24

- 
- c. Cost of generation / purchase from Renewable Energy (RE) sources and REC to meet the RPO of DVC during FY 2023-24
  - d. Transmission charges of Power Grid Corporation (i.e. the POC charges) from whom DVC avails transmission services based on the tariff determined by CERC, and other incidental charges viz. POSOCO Charges, ERPC Charges etc. related to purchase of power in West Bengal command area;
  - e. O&M expenses on ULDC scheme;
  - f. Interest on working capital;
  - g. Own Transmission and Distribution cost
  - h. Regulatory fees paid/payable to the Commission along with the Publication expenses;
  - i. Regulatory fees paid / payable to CERC and the Publication expenses to the extent of energy utilized for distribution activity;
  - j. Interest paid to the consumers on Security Deposits;
  - k. Cess charges towards Generation incurred;
  - l. Cost of financing delayed payment of bills preferred to the consumers;
  - m. Timely Rebate Payment on sale of power.
  - n. Legal charges related to distribution activities;
  - o. Non-Tariff Income for distribution business.

2.4 DVC submits that a major portion of the power required for distribution activity from its own generating station i.e. BTPS, CTPS, DTPS, MTPS, DSTPS, KTPS, RTPS, MHS, PHS and THS to ensure supply to its consumers receiving electricity in radial mode. To provide supply at the off-take points of each and every firm consumer, DVC uses its unified inter-state Transmission and Distribution network. The tariff in respect of DVC's own generating stations and unified inter-state Transmission and Distribution Network, is

---





## Order on APR of DVC for the year 2023-24

---

determined by CERC. It is important to mention that DVC has tied up capacity with other beneficiaries from its own generating plants out of the surplus power remaining after meeting the demand for distribution business. The tariff as determined by CERC becomes an input cost for determination of Aggregate Revenue Requirement in respect of distribution activity of DVC which later gets apportioned between the two states i.e., between West Bengal and Jharkhand based on sales ratio.

- 2.5- CERC vide orders dated 02.03.2022 in case no. 713/TT/2020, dated 10.06.2022 in case no. 482/TT/2020 (Corrigendum Order issued on 23.07.2022) and dated 19.05.2024 in case no 12/TT/2023 has determined the Tariff in respect of the unified Transmission and Distribution (herein after termed as 'T&D' network') for the period 2019-24. In the said orders CERC has determined the annual fixed charge (AFC) of the New elements and Existing elements of the T&D Network for 2019-24 period which needs to be recovered through the ARR of the distribution activity of DVC. DVC also has submitted the Transmission tariff petitions to CERC for addition of further new elements in its Transmission network namely: 250/TT/2024 and 320/TT/2023. The order of which is yet to be issued by CERC. However, DVC is claiming the input cost resulting from the annual fixed cost (based on the petitions submitted) from these two elements during the period of commercial operation and up to FY 2023-24 on account of distribution supply in West Bengal command area.
- 2.6 It may be noted that the CERC has recently issued tariff order for new sets of additional T&D elements commissioned during the control period of FY 2019-24, vide its order dated 19.05.2024, which could not be considered in the MYT order dated 13<sup>th</sup> March 2024. As such, the same is now being claimed as detailed below.
-



## Order on APR of DVC for the year 2023-24

- 2.7 The following Table summarizes the AFC of the T&D network which has been claimed in the ARR of Distribution Activity of DVC as per CERC's Order: -

**Table-2.1: AFC of T&D Network for FY 2023-24**

Particulars	Order Reference and date	AFC allowed Rs. Lakh
AFC of existing elements	482/TT/2020, Dated 23.07.2022	48583.30
AFC of Combined New Assets 1	713/TT/2020 Dated 02.03.2022	2082.15
AFC of Combined New Assets 2	12/TT/2023 Dated 19.05.2024	1190.63

- 2.8 CERC has issued the Tariff Orders for the period 2019-24 in respect of all the Generating Stations of DVC. Accordingly, DVC has considered all the latest Tariff Orders for the concerned period as the input cost of its Generating Stations in the present APR.
- 2.9 DVC craves leave before this Commission to revise the AFC in respect of its Generating Station and T&D network after issuance of the True-Up orders by CERC for the period 2019-24. Moreover, there are different appeals pending before Hon'ble APTEL having relevance in the process of tariff determination by CERC and WBERC. DVC, therefore, also craves leave before this Commission to revise the relevant considerations in the instant petition based on the final decision on the said appeals.
- 2.10 DVC has claimed the Annual Fixed Charge (AFC) based on actual availability factor achieved in respect of Generating Stations and unified T&D network. As per the direction of the Commission, station wise actual availability factor for peak and off-peak hours of high demand season and low demand season based on CERC (Term & Conditions of tariff) regulations, 2019, duly certified by SLDC, DVC, has been submitted.





## Order on APR of DVC for the year 2023-24

- 2.11 DVC claims that CERC while issuing tariff orders for generating stations and Transmission & Distribution (T&D) systems for the periods 2014-19 and 2019-24, did not grant DVC's claims concerning contributions to the Pension & Gratuity fund (P&G fund), additional Operations and Maintenance (O&M) expenses, etc. Aggrieved with the decision of CERC, DVC has filed appeals before the Hon'ble APTEL challenging the tariff orders issued by the CERC for the periods 2009-14 and 2014-19. Furthermore, with the Hon'ble APTEL's permission, DVC has also submitted a petition (bearing number 197/MP/2016) before the CERC, seeking consideration of the unique nature of DVC's P&G Fund issue compared to other Central Generating Stations. The present APR application for FY 2023-24 is without prejudice to the final decision of the Hon'ble APTEL in the pending appeals.
- 2.12 It is submitted that in the Tariff Order dated 13.03.2024, the Commission declined to permit the full recovery of the sinking fund contribution, instead associating it with the plant availability factor (PAF) and transmission availability factor (TAF), contrary to the submissions made by DVC for full recovery without considering the availability of the Generating stations and T&D network. On a similar matter, DVC has already filed appeals before Hon'ble APTEL, bearing number 109 of 2019, against the order dated 25.05.2015. In the current APR petition, DVC has asserted its right to the sinking fund contribution without tethering it to the availability factor. DVC craves leave to revise the computation of the recovery of the annual fixed charge in respect of its generating stations and T&D network based on the final outcome of the appeal pending before Hon'ble APTEL.
- 2.13 DVC submits that, some of its own thermal generating plants has achieved Plant Load Factor (PLF) more than 85% in FY 2023-24. Therefore, it is eligible for incentive in terms of Regulation 42(6) CERC 'Terms and Conditions of Tariff' Regulations, 2019. Hence, DVC is claiming those incentives in the Distribution ARR in the APR of FY 2023-24 on pro-rata basis to the extent of energy generated from the generating





## **Order on APR of DVC for the year 2023-24**

---

plants, utilized for distribution activity of DVC in West Bengal Command Area. DVC has submitted a complete list of the thermal generating plants which maintained a higher PLF in the year FY 23-24, during peak and off-peak period. as per CERC Regulations, 2019.

2.14 DVC also submits that FGD system as a part of Environment Control System (ECS) for MTPS # 7 & 8 is in regular operation from January-2024 (MTPS U#7 from January 2024 and MTPS U#8 from March 2024). DVC submitted petition before CERC for determination of tariff for the ECS commissioned successfully and in commercial operation. Accordingly, DVC in the instant petition has also claimed the AFC for the FGD system in operation on pro-rata basis for the number of days in operation during FY 2023-24 as per the AFC claimed before the CERC. Therefore, it is prayed before this Commission to allow the same in the instant petition provisionally subject to revision of AFC issuance of tariff order by CERC.

2.15 Regarding the energy charge of the thermal generating stations, DVC has computed the Energy Charge Rate (ECR) for FY 2023-24, in accordance with the CERC tariff regulations, 2019 and claimed the actual energy charge based on actual data. DVC further claims that FGD system has been commissioned in MTPS U#7 from January 2024 and MTPS U#8 from March 2024. Hence supplementary ECR becomes applicable for those units for the said period of FY 2023-24 in terms of amendment Regulation-43 of CERC (Terms and Conditions of Tariff) Regulations, 2019 (first amendment). Therefore, ECR on account of Emission Control System (ECS) has been claimed in their petition for truing-up of FY 2023-24. Accordingly, the Supplementary Energy Charge Rate (ECR) is calculated as 6.13 paise/kWh for MTPS 7 & 8 in the truing-up of FY 23-24 after COD of the ECS as per the relevant regulations of CERC. DVC submits the details of ECR for each thermal generating station in their APR application, as certified by the auditor.

2.16 In addition to its own generation capacity, DVC procures power from Central Sector

---





## Order on APR of DVC for the year 2023-24

---

Generating Stations like NTPC and NHPC, as well as hydropower from Bhutan

through PTC and thermal power from Maithon Power Limited (MPL) (through long term power purchase agreement) to supply power to consumers. In exigency, DVC resorted to power purchase from energy exchanges to meet the real time demand of consumer.

2.17 DVC submits in the instant petition that Rs 21 Cr. on account of power purchase from KBUNL was booked in the annual accounts for FY 2022-23 on provisional basis. Since no actual payment was made during FY 2023-24, the said provision has been reversed in the Annual Accounts for FY 2023-24. Actual payable amount for the past period has been billed by KBUNL as per the CERC Order dated 18.05.2024 in FY 2024-25. DVC stated that they will claim the payment actually made for the past period in the true-up petition for FY 2024-25. Hence, DVC has claimed the cost of actual power purchased during 2023-24 in the instant petition. Accordingly, DVC prays before the Commission to allow the actual power purchase cost of KBUNL for FY 2023-24 as claimed by DVC.

2.18 DVC relies on Power Grid Corporation for electricity transmission from generating to receiving points at the DVC Grid. Consequently, both the Power Purchase Cost and associated Transmission costs are integral input factors in determining the Aggregate Revenue Requirement (ARR) for DVC's retail sale activities. Tariffs for power procurement sources of DVC are subject to tariff determination by the CERC and are not controllable by DVC.

2.19 Apart from the conventional power purchase, DVC also procures 40 MW solar power from NTPC and NTPC Vidyut Vyaper Nigam Limited (NVVNL) on long term agreement for fulfilling its Renewable Purchase Obligation (RPO) as per directive of Ministry of Power, GoI under Jawahar Lal Nehru National Solar Mission (JNNSM) program. DVC has fulfilled a part of its Solar RPO through these Long-Term arrangements during FY 2023-24. DVC is constantly trying to arrange the required

---





## Order on APR of DVC for the year 2023-24

quantum of Renewable power to meet the RPO obligation. Further, DVC has utilized the solar power from their own Solar power generating sources which have been installed in KTPS and MTPS and Ground Mounted solar power plant in KTPS which started its generation recently. DVC has now its total own solar generating power plant capacity of 10.05 MWp. DVC procured green energy from GDAM through the Energy Exchange platforms and entered into an agreement with some RE generators e.g. SECI, GVREL and NTPC REL in order to partly fulfil the RPO target. Further, to fulfil the balance RPO, DVC purchased REC from exchange platforms in FY 2023-24. Accordingly, DVC prays before this Commission to allow the cost of purchase of Solar power and Solar and Non- Solar RECs actually incurred by DVC for the year 2023-24. The cost of renewable power and REC is segregated between the two states i.e., West Bengal and Jharkhand based on the respective RE power purchase obligation.

2.20 DVC submitted that its daily variation of consumer load is more than 10% which is to the tune of 350 to 450 MW on an average and DVC tries to manage this variation with internal generation and purchase from exchange. To manage the above variation of load, DVC has incurred expenditure to draw UI power from the grid in order to avoid any shedding to the consumers to maintain uninterrupted power supply. Accordingly, the cost of UI import is claimed in the instant APR petition as per annual accounts of DVC. Therefore, DVC prayed before this Commission to allow the expenses actually incurred by DVC for net UI drawal during the period 2023-24 as claimed in the instant APR application.

2.21 DVC submits that ULDC assets do not belong to DVC and instead PGCIL has invested for such installations. Hence it cannot be decided by CERC in the T&D Tariff of DVC. Payment for these ULDC assets is made to PGCIL by DVC as per the CERC orders (Case no. 232/TT/2016 dated 14th December 2017, Case no. 181/TT/2018 dated 30th September 2019). Tariff to be claimed by PGCIL as approved by CERC does not include the O&M expenses. Individual utilities are required to operate and maintain the ULDC assets. DVC submits that DVC incurs regular expenditure on the





## Order on APR of DVC for the year 2023-24

---

AMC contract of O&M activities, and this is essential to maintain proper operation of the scheme. Hence DVC has claimed such expenses.

2.22 DVC submits that in terms of the Tariff Regulation, 2023 (Fourth Amendment), this Commission has set the normative composite T&D loss of 2.75% for DVC. The actual T&D loss of DVC for FY 23-24 is at 2.81% which is slightly higher than the normative level. In this regard it is also submitted that, in terms of Regulation 2.5.5.4 (ii) read with Regulation 2.5.5.2 of the Tariff Regulations, 2023 (Fourth Amendment), the loss on account of controllable parameter to be shared between the licensee and the consumers in 2:1 ratio.

2.23 This Commission, in the Tariff order dated 13.03.2024 for the FY 2023-24 to 2025-26 has allowed the cost of different cess paid to state authorities. On this backdrop, DVC prays before this Commission to allow the water and pollution cess already paid to different state authorities in proportion to the energy utilized in the distribution activity.

2.24 DVC submits that the delayed payment surcharge has been claimed by DVC from the consumers only when there is default in payment by a consumer within the due date. Due to non-payment of bills by the consumers within the due date, DVC had to arrange the required cash flow through short term loan. DVC has mentioned that there are short term borrowings which DVC has taken to meet the unrealized consumer arrears. DVC submits to allow the Temporary Financial Accommodation on notional basis commensurate with the Delayed payment surcharge (DPS) income of the West Bengal part only, which is adjusted in the ARR as Non-Tariff Income (NTI).

2.25 Commission has approved the Delay Payment Surcharge (DPS) amount as the Non-Tariff Income (NTI) in the order dated 13.03.2024 for tariff of FY 2023-24 to FY 2025-26 and directed DVC to submit clarification against each element of the other income of Power Business in the APR application. Accordingly, DVC has submitted the necessary clarification for excluding any element of "other income" (except DPS in

---



## Order on APR of DVC for the year 2023-24

relation to electricity business) as a part of Non-tariff income as considered in the APR of Audited Annual Account for FY 2023-24, which are excluded from Non-tariff income considered in the ARR. The following element of other income (which were not considered under NTI) as mentioned in the tariff petition under various major heads are given hereunder:

### **1. Interest from Employees Loan and Advances: (Rs. 0.06 Cr.)**

This income is related to the interest received from the loan and advance provided to the employees of DVC as an employee welfare measure. It is well acknowledged fact that the entire capital asset base of DVC is allocated to the business of Generation and Transmission whose tariff is determined by CERC. The tariff determined by CERC is inclusive of the O&M component which caters to the Employee Cost of DVC on a normative basis. For determination of distribution and retail supply tariff, the SERC's do not allow any additional expenditures related to the employees of DVC pertaining to any of its business including distribution business. The SERCs only allow the pass through of the allowed costs through the distribution and retail supply tariff. Further, there is no return on equity allowed separately for distribution business enabling creation of any reserves for DVC.

Therefore, this income, which is related to the employees of DVC, is not linked to determination of distribution tariff and no manpower cost is allowed additionally in the distribution tariff of DVC for the relevant period. Therefore, income under this head of other income does not qualify as non-tariff income for distribution business.

### **2. Interest from Non-Current Investment: (Rs. 1.05 Cr.)**

DVC extended interest bearing revolving advances to M/s RITES for mobilization of assets for works related to Railway Infrastructure at the Generating Station BTPS #A of DVC as per the contract agreement. Interest earned on the advance given to M/s RITES is booked under this head. This income, therefore, is related to the BTPS-A





## Order on APR of DVC for the year 2023-24

---

generating station. As such, it is not related to distribution business of DVC and hence does not qualify as non-tariff income for distribution business.

### **3. Interest on IT Refund: (Rs. 0.83 Cr.)**

This non-tariff income pertains to the interest accrued on the advance income tax paid to the Income Tax authority over and above the actual taxes incurred. As mentioned earlier, DVC does not claim any return on equity/profit nor any tax on the profit as part of the distribution tariff and the same is not under the jurisdiction of the SERCs. Entire Income Tax of DVC is considered by CERC in the generation and transmission tariff while allowing the Return on Equity (RoE) by CERC in the generation and transmission tariff. Therefore, the interest income on account of advance tax paid does not qualify as non-tariff income for distribution business.

### **4. Interest on Short Term Deposit: (Rs. 1.81 Cr.)**

There are certain court cases, wherein DVC has been directed to provide BG to the claimant. Against such BG, DVC has opened fixed deposit with the respective banks as its guarantee and the Interest earned on such Fixed Deposit is booked under this head. It is submitted that these deposits pertain to different vendors supplying different capital items. Since no asset is part of the Distribution Activity of DVC nor there is any claim of return on equity for distribution business, this income is not related to distribution business of DVC. Therefore, such income does not qualify as non-tariff income for distribution business.

### **5. Interest on CLTD (Rs. 0.15 Cr.)**

The Interest income under this head is due to the opening of 'Corporate Liquid Term Deposit' (CLTD) Account opened by DVC at some field formations to defray the regular operational expenses. Such insignificant earnings occur due to existence of small amount of surplus cash maintained in these accounts for the obvious reason as explained.



## Order on APR of DVC for the year 2023-24

Therefore, this income, which is related to operational expenses, is not linked to determination of distribution tariff as the same is not allowed separately in the distribution tariff of DVC. Therefore, income under this head of other income does not qualify as non-tariff income for distribution business.

### **6. Dividend – Non-Current Investment: (Rs. 100.71 Cr.)**

DVC formed Joint Venture companies with Tata Power, SAIL. DVC has also equity participation in PTC. Such equity has been provided out of a separate fund from DVC which is not linked to the distribution and retail supply function. The dividend earned from such JV Companies and PTC are booked under this head. Accordingly, any dividend received on this account has no bearing on any tariff determination process.

### **7. Delay Payment Surcharge: (DPS – Rs. 20.53 Cr.)**

The total Delayed Payment Surcharge (DPS) shown in the Annual report of DVC for FY 2023-24 is related to DPS of Jharkhand Consumers, DPS of West Bengal Consumers and DPS of bilateral Consumers. Detail break-up of the DPS amount booked in Audited Annual Accounts for FY 2023-24 duly certified by the Auditor is Attached in the petition. Out of the total DPS amount booked in the Audited Annual Accounts, DPS amount on account of firm consumers of West Bengal is considered as Non-Tariff Income in the instant petition. However, in the Annual Accounts report the total DPS booked is showing Rs. 20.56 Cr. Out of which Rs. 20.53 Cr. qualifies as the DPS amount related to the power head. The remaining Rs.0.03 Cr. is related to the reversal payment of Nagar panchayat, Chirkunda in terms of the Holding Tax Demand which was adjusted in the energy bill for the period of FY 2022-23 and the same is not related to the Power head.

As explained earlier, the delay payment surcharge for the consumers of DVC located in the state of West Bengal only qualifies to be considered as non-tariff income of DVC for its distribution business in West Bengal and the same has been accordingly





## Order on APR of DVC for the year 2023-24

---

claimed in this petition.

### **8. Income from Service Charges: (Rs. 6.82 Cr.)**

DVC sometimes provide consultancy and supervision service for construction of infrastructures by other agencies utilizing its own manpower. DVC claims service charges for such activities. The services rendered involves the professional expertise of its manpower. Since, the entire employee cost is catered by CERC in generation and transmission tariff and the state commissions do not allow any manpower cost separately. Therefore, this income falls under the Generation and Transmission business of DVC and does not qualify to be considered as non-tariff income of DVC for its distribution business.

### **9. Profit on Disposal of Fixed Assets: (Rs. 264.73 Cr.)**

Entire fixed assets of DVC fall under the ambit of CERC. This Commission does not determine tariff for any Fixed Assets of DVC for its distribution and retail supply business. Accordingly, any profit on account of disposal of fixed assets comes under the purview of CERC and should be treated as per Tariff Regulation of CERC for 2019-24 period. Accordingly, this income also does not qualify as non-tariff income of distribution business.

### **10. Provision for Written Back Employees Benefits: (Rs. 6.27 Cr.)**

Entire employee cost of DVC is covered by CERC Tariff. Therefore, any income derived from the employee benefits also falls under the Jurisdiction of CERC. On this matter, it is clear that this income does not qualify as non-tariff income of distribution business.

### **11. Provision written back- Fixed Assets: (Rs 11.27 Cr.)**

---



## Order on APR of DVC for the year 2023-24

Entire fixed assets base of DVC is covered by CERC Tariff, any income derived from such assets also falls under the Jurisdiction of CERC. Provision on account of fixed assets was not allowed by CERC since tariff is determined based on cash expenditure. Therefore, when such provision is written back now, it cannot be construed as real income of DVC and rather should be treated as book adjustment (merely accounting entries) against earlier expenditure provision.

### **12. Other Miscellaneous Income: (Rs 115.91 Cr.)**

Miscellaneous incomes are related to sale of tender paper, LD recoveries, miscellaneous recovery from employees, income from sale of newspapers at different field formations, Recovery of House Rent, Income from Holiday Homes, Hospital Charges, Income from School Fees, Sale of Tender form etc. None of the said income heads are due to income from any business. On the other hand, such minor incomes are incidental to generation or transmission activity and subsidiary activity of DVC.

Moreover, against such small incomes, DVC has a significant amount of expenditure which is booked in the expenditure side of the accounts. Accordingly, the entire income should not be treated as Non-Tariff Income unless the associated total expenditure is allowed to be recovered through Tariff.

It is also submitted that DVC incurs substantial revenue expenditures against some small income from subsidiary activity of DVC, which is evident from the expenditure schedules of the Audited Accounts. Therefore, income under the head 'Subsidiary Activities' should not be treated in isolation excluding the expenditure side.

It is also pertinent to mention here that DVC only claims the cost of Power Purchase, Water Cess, Publication and Tariff Filling Fees both for CERC and WBERC, Interest on Security Deposit etc. as a part of Revenue Expenditure in its distribution activity in addition to the cost of own generation and transmission activities as determined by CERC. It is submitted that there is no element in tariff which is allowed by Commission





## Order on APR of DVC for the year 2023-24

separately from where other income can be generated. It may therefore be concluded that all the other incomes except the Delay Payment Surcharge for distribution activity do not fall under the category of Non-Tariff Income so far as the distribution tariff is concerned.

2.26 DVC has incurred substantial legal expenses in relation to the various court cases pertaining to its distribution activity in the states of Jharkhand and West Bengal. In terms of Regulation 5.7 of WBERC (Terms and Conditions of Tariff) (Fourth Amendment) Regulations, 2023, legal expense is a part of the Administrative and General Expenditure. Such legal expenses pertaining to distribution activity only have been claimed with Auditor's certificate in the present APR petition.

2.27 In addition to the above, DVC has also claimed some State Specific expenditure elements in the instant APR petition i.e. Interest on Security Deposit, Tariff Filling/Licensee Fees, Payment Rebate on Sale of power and Interest on Working Capital etc. DVC has given rebate to consumers on payment of bills in due time and also on payment made through online mode in accordance with the directive given in the tariff orders. In the instant petition, the timely payment rebate booked in the Annual Accounts for the consumers of DVC in the state of West Bengal is claimed in the ARR of the respective year.

2.28 DVC is in possession of cash from a very few consumers as a payment security mechanism. On such security amount, DVC has to pay interest to consumers @6% simple interest per annum in terms of relevant Regulation. Accordingly, such expenditure on account of interest on security deposit is claimed in the APR petition at actuals as per Regulation 5.6.5.3 of Tariff Regulation, 2023.

2.29 In the instant APR petition, DVC has claimed the Interest on working capital (IWC) in accordance with the Regulation 5.6.5.3 of Tariff Regulation, 2023. as amended. Accordingly, DVC prays before this Commission to allow the Interest on Working Capital (IWC) claimed in the petition on actual basis.



### Order on APR of DVC for the year 2023-24

- 2.30 In the Tariff order dated 13.03.2024 for FY 2023-24, this Commission has allowed the cost on account of Tariff Filling Fees, Licensee fees and Publication expenses with regard to MYT Petitions submitted before CERC. In line with the above, DVC now submits the actual expenditure incurred on this head duly apportioned for the distribution activity of DVC. The Commission also directed DVC to submit the actual expenses with Auditor's certificate incurred related to CERC. DVC furnished the detailed break up of all the expenditures incurred on this head for the year 2023-24 and claims the actual cost.
- 2.31 CERC vide their Order No.87/MP/2021 dated 07.08.2023 had directed DVC to adjust the amount received from open access charges in the distribution tariff claimed both from WBERC and JSERC. Accordingly, DVC in the instant petition has adjusted the open access charges in the ARR of the FY 2023-24 which was received during the year 2023-24 as per the order of the CERC as mentioned above.
- 2.32 DVC has, however, mentioned that the revenue billed to consumers other than licensees are subject to change based on outcome of the appeals pending before the Hon'ble APTEL and Hon'ble High Court at Calcutta as recovery of the arrear amount for the concerned financial year is stayed.
- 2.33 DVC has submitted before this Commission to assess the revenue realized amount from IPCL and WBSEDCL instead of the billed amount to these licensees for determining the revenue gap/surplus while conducting Annual Performance Review (APR) for FY 2023-24.
- 2.34 The Commission directed DVC to submit the expenses incurred towards 11 kV distribution assets in West Bengal for FY 2023-24. DVC explains that although most contracts for material supply and erection work have been awarded, but significant delays prevented expenditure in FY 2023-24. The delays occurred mainly due to two main reasons which are processing of RDSS Grant and EPC Tendering. As per DVC, the combined 11 kV infrastructure and automation works are expected to be partially completed in FY 2025-26.





### **Order on APR of DVC for the year 2023-24**

---

Since no actual expenditure was incurred in FY 2023-24 due to these procedural and approval-related delays, DVC has not claimed any cost toward 11 kV infrastructure while preparing the APR.

2.35 DVC has raised the following appeals before this Commission:

- a) Admit the present submission and determine the trued up ARR based on submissions made herewith in respect of Annual Performance Review for the years FY 2023-24 and allow DVC to adjust the under/over recovery as deemed proper.
- b) Provide the opportunity to DVC to submit additional information, if required.
- c) Settle other commercial issues based on the present submission and submissions made earlier by DVC for the relevant periods;
- d) Pass such other order(s) as this Commission may deem fit and proper keeping in view the facts of the case.



## CHAPTER – 3

### **OWN GENERATION, T&D COST AND POWER PURCHASE COST**

3.1. The tariff orders of own generating stations and T&D network of DVC passed by CERC for the period 2019 – 24 are considered for arriving at the cost of DVC's own generating stations and T&D network for this period for determining the input cost at the retail end of the distribution segment in West Bengal command area of DVC.

3.2. **Energy sales by DVC and energy balance:**

DVC is a distribution licensee having own generating stations. A substantial part of its energy requirement is met out of its own generation and the balance is met by purchase from other agencies.

3.3. **Energy sales**

3.3.1 The following table depicts comparative energy sales figure (in MU) as per the submission of the petitioner and admitted energy sales by this Commission as per Audited Annual Accounts of DVC for the year 2023-24 for the command area of DVC in West Bengal vis-à-vis total energy sale in DVC command area. This Commission approves the actual energy sales as per Audited Annual Accounts of DVC for the year 2023-24.

**Table – 3.1: Sales for the year 2023-24 in the command area of DVC in West Bengal vis-à-vis, total sale in DVC command area**

Sl. No.	Particulars	Claimed	Admitted
1	Sale to consumers in WB other than Licensee (in MU)	9380.39	9380.39
2	Sale to Licensee - IPCL in radial mode (in MU)	232.47	232.47
3	Sale to Licensee - WBSEDCL in radial mode (in MU)	484.55	484.55
4	Total Annual Sale in WB area (in MU) [4 = 1+2+3]	10097.41	10097.41
5	Energy sales by DVC in Jharkhand area (in MU)	9765.78	9765.78





## Order on APR of DVC for the year 2023-24

Sl. No.	Particulars	Claimed	Admitted
6	Total annual sale of DVC in their command area in the State of West Bengal and Jharkhand [4+5] (in MU)	19863.19	19863.19
7	Share of sale in West Bengal against the total consumer sale of DVC in their command area (%) [7 = 4 / 6]	50.835	50.835

### 3.4. Sources of energy

3.4.1 The petitioner has submitted that the total supply of energy of the petitioner to their command areas in West Bengal and Jharkhand and to other distribution licensees are met from the resources of power from its own generating stations including both Thermal and Hydel Power Stations along with purchase of power from central sector generating stations (CSGS) i.e. NTPC, NHPC, Hydel power from PTC and Maithon Power Limited (MPL) through Inter State Transmission. DVC also generates as well as procures power from Renewable Energy (RE) Sources and from power exchanges during exigencies.

### 3.5 Generation of Power from own power stations

3.5.1. DVC in their petition has submitted the quantum of ex-bus energy in MU during FY 23-24 which has been considered by this Commission. The generation of Solar PV and Non-Solar are considered for the consumers of West Bengal and Jharkhand as per their respective usage of the generation shown by DVC to meet their Renewable Purchase Obligation (RPO) target.

3.5.2. The net sent out energy in MU available for supply to the consumers in command area in West Bengal in 2023-24 has been considered by this Commission as follows: -





Order on APR of DVC for the year 2023-24

**Table-3.2: Admitted share of net generation from own generating station for supply in command area of West Bengal for FY 2023-24**

Sl. No	Name of the generating Station	Ex- bus Energy	Share of Energy for sale to consumers of DVC	Percentage share of generation for own consumers	Share for sale to consumers in West Bengal	Share of Energy for sale to consumers in West Bengal
		(MU)	(MU)	(%)	(%)	(MU)
	[1]	[2]	[3]	[4]=[3/2X100]	[5]	[6 =3x5/100]
1	MTPS U#1 to 3	3439.25	3439.25	100.00%	50.835	1748.34
2	MTPS U# 4	1072.69	1072.69	100.00%	50.835	545.30
3	MHS	75.91	75.91	100.00%	50.835	38.59
4	PHS	98.77	98.77	100.00%	50.835	50.21
5	THS	3.97	3.97	100.00%	50.835	2.02
6	MTPS U# 5 & 6	3185.56	2116.34	66.44%	50.835	1075.84
7	MTPS U# 7 & 8	6629.87	2561.22	38.63%	50.835	1302.00
8	CTPS U# 7 & 8	3390.86	159.18	4.69%	50.835	80.92
9	DSTPS U # 1 & 2	6711.82	4399.28	65.55%	50.835	2236.37
10	KTPS U# 1 & 2	6695.06	45.61	0.68%	50.835	23.19
11	BTPS 'A'	3389.08	2032.87	59.98%	50.835	1033.41
12	RTPS U # 1&2	6546.13	2431.06	37.14%	50.835	1235.83
13	MTPS Solar PV	0.015	0.015	100.00%	100.000	0.015
14	KTPS Solar PV	0.022	0.022	100.00%	0.000	0.00
15	Ground Mounted Solar PV - KTPS	4.54	4.54	100.00%	50.835	2.31
16	TOTAL (with RE Generation)	41243.55	18440.73	44.71%	50.835	9374.34
17	Total without RE Generation	41235.00	18432.18	44.70%	50.835	9370.00

After prudence check, the generation of MTPS Solar PV is admitted entirely for West Bengal, since the usage of generation of MTPS Solar PV is shown in RPO sheet by DVC against West Bengal to meet its Renewable Purchase Obligation (RPO) target. Similarly, the generation of KTPS Solar PV is entirely considered for the state of Jharkhand to meet its Renewable Purchase Obligation (RPO) target. The generation of ground mounted Solar PV-KTPS and THS both are considered for the State of West Bengal and Jharkhand based on their sales ratio, since their usages have been shown to meet Renewable Purchase Obligation (RPO) target for both West Bengal and Jharkhand State as per submission of DVC.





## Order on APR of DVC for the year 2023-24

### 3.6 Power Purchase from CSGS and other sources including renewable energy

3.6.1 After meeting the energy requirement as shown above from own generating stations of DVC for supply to consumers in the West Bengal command area, the balance energy is catered through the power purchase from the CSGS and other sources including renewable energy (RE) in 2023-24.

3.6.2 The purchase quantum of energy for sale in DVC command area as considered by this Commission during the period is tabulated below:

**Table–3.3: The purchase quantum of energy as admitted**

Sl. No.	Agency	Admitted		
		Purchased Energy	CTU Grid Loss	Net Purchase
		MU	MU	MU
	<b>NHPC</b>			
1	Rangit	28.47	0.98	27.49
2	Teesta	163.35	5.57	157.78
	<b>NTPC</b>			
3	TSTPS-1	14.30	0.51	13.79
4	KBUNL	60.90	2.12	58.78
5	NTPC (Talcher / Unchahar) Solar	25.09	0.00	25.09
6	NVVNL Solar (Rajasthan)	25.98	1.00	24.98
	PTC power from Bhutan			
7	Chukha (PTC)	100.28	3.36	96.92
8	Kurichu (PTC)	13.05	0.44	12.61
9	Tala (PTC)	68.44	2.31	66.13
10	MPL	1161.22	41.20	1120.02
11	Power Exchange (IEX, PXIL)	304.73	10.37	294.36
12	Power Exchange (REC)			
13	GDAM/GTAM - Solar	34.21	1.23	32.98
14	GDAM/GTAM - Non-Solar	110.19	3.80	106.39
15	DVC Roof Top Solar	4.58	0.00	4.58
16	<b>Total</b>	<b>2114.79</b>	<b>72.89</b>	<b>2041.90</b>
17	<b>Total excluding RE</b>	1914.74	66.86	1847.88
18	Percentage of share for sale in West Bengal			50.835%
19	Share for sale in West Bengal (excluding RE & UI) in MU			939.37





### Order on APR of DVC for the year 2023-24

Sl. No.	Agency	Admitted		
		Purchased Energy	CTU Grid Loss	Net Purchase
		MU	MU	MU
20	RE (MU) for WB arrived from the submission of DVC regarding usage of RE power to meet RPO in WB (refer Annexure-2)			78.84
21	<b>Share for sale in West Bengal including RE (but excluding UI) in MU</b>			1018.21

### 3.7 Distribution Loss

3.7.1 DVC submits that the actual composite T&D loss for FY 2023-24 is at 2.81%. In this context, it is worth to be mentioned that the Commission in its letter dated 25.11.2024 and 11.12.2024 directed to submit the system loss of DVC Transmission network corresponding to the bilateral sale, for sale to Bangladesh and power exchange. In response, DVC has made submission vide its letter dated 02.12.2024 and 20.12.2024 that actual bilateral sale at ex-bus of the generators is deducted from actual ex-bus generation to arrive at net energy supply to the consumers. From the chart attached with letter dated 20.12.2024, it is observed that except for MTPS U#5&6 and CTPS U#7&8, all other generating stations supplying to other licensees are directly connected to CTU system. For MTPS U#5&6 it is shown as "CTU Connected (at Kalyanshwari)" and for CTPS U# 7&8, it is shown as "CTU Connected (at Dhanbad)" respectively. Accordingly, it is clear that ex-bus generation of MTPS U#5&6 and CTPS U#7&8, sold to other licensees also uses the Composite T&D system of DVC network before getting connected with CTU system at Kalyaneswari and Dhanbad respectively

3.7.2 Further, from the submission of DVC in the Review petition of APR Order for 2020-21 & 2021-22 before this Commission, it is observed that MTPS- Kalyaneswari lines (134.2 km.) used to connect the Generation bus of MTPS Unit 5 & 6 with CTU at Kalyaneswari Substation of DVC and CTPS-Dhanbad lines (45.6 km.) used to connect the Generation bus of CTPS Unit 7 & 8 with CTU at Dhanbad Substation of DVC. These two lines are 3.76% of Composite T&D network.





### Order on APR of DVC for the year 2023-24

- 3.7.3 As DVC in their above letters could not furnish the actual loss related to energy usage (4300.90 MU as shown in table-3.4A) through the above lines, hence proportionate line loss is considered for such energy usage during computation of Distribution loss.
- 3.7.4 Further, in response to Letter dated 08.12.2025 of the Commission, DVC, vide letter dated 15.12.2025, has provided the break-up of the consumption of 91.71 MU shown under the head "Unit utilized in own premises including construction power" in APR petitions for 2022-23. In above additional information of DVC, it is mentioned that the consumption of 91.71 MU under the head "Unit utilized in own premises including construction power" was made in the colonies of different generating stations of DVC since CERC Tariff Regulations regarding "Auxiliary Energy Consumption" of the generating stations stated that "auxiliary energy consumption shall not include energy consumed for supply of power to housing colony and other facilities at the generating stations and the power consumed for construction works at the generating stations and integrated Coal mine." From the above submission of DVC, it is clear that the consumption of 91.71 MU under the head "Unit utilized in own premises including construction power" is not related to Distribution business. Thus, such consumption of each generating station is excluded from computation of T&D loss & energy balance as per submission of DVC for the consumers of Jharkhand & West Bengal which is as follows: -

**Table-3.4: Computation of Distribution Loss as admitted**

Particulars	Unit	Derivation	Admitted
Ex-bus Generation	MU	A	41243.55
Energy Purchased	MU	B	2041.90
Energy received for wheeling	MU	C	1047.37
Net UI import (+ve) / export (-ve)	MU	D	26.50
Total Energy available	MU	E=Sum(A:D)	44359.32
Less: Unit Sold to other Licensees evacuated directly from ex-bus of the Gen. Station to CTU system	MU	F	18501.92
Gross energy injected in Composite T&D system	MU	G = E-F	25857.40
Ex-bus energy of MTPC # 5& 6 & CTPS U#7 & 8 injected at interface point with CTU system after Line loss of composite T&D system against Unit Sold to other Licensees outside DVC command area	MU	H=4300.90 x (1-Loss%)	4161.55





## Order on APR of DVC for the year 2023-24

Particulars	Unit	Derivation	Admitted
Line loss of composite T&D system against Unit Sold to other Licensees outside DVC command area for ex-bus energy of MTPC # 5& 6 & CTPS U#7 & 8	MU	$I=4300.90 - H$	139.35
Net energy injected into Composite T&D system for usage by the consumers of Jharkhand & West Bengal	MU	$J=G-H-I$	21556.50
Units sold to consumers	MU	K	19863.19
Units wheeled Out	MU	L	994.97
Units utilised in own premises including construction power	MU	M	0.00
Overall Utilisation	MU	$N=\text{Sum}(K:M)$	20858.16
Unutilised Units	MU	$L = J - N$	698.34
System Loss %	%	$O = L / J \times 100$	3.24%

**Table- 3.4A**

Generating Station	Ex-bus gen in MU	Sale to consumer in MU	Sale to other in MU
MTPS U#5 & 6	3185.56	2116.34	1069.22
CTPS U#7 & 8	3390.86	159.18	3231.68
Total	6576.42	2275.52	4300.90

3.7.5 This Commission considers composite normative T&D loss at 2.75% for 2023-24 in place of 3.24%, as derived in the instant order as per Tariff Regulations.

3.7.6 In this regard in terms of Regulation 2.5.5.4 (ii) read with Regulation 2.5.5.2 of the Tariff Regulations, the loss on account of controllable parameter has been shared between the licensee and the consumers in 2:1 ratio.

### 3.8 Energy balance

3.8.1 On the basis of the analysis done in the foregoing paragraphs, the Commission admits the energy balance for supplying energy to their command area, in West Bengal for the year 2023-2024 in the table below. It has been observed in the table that the proportionate own generation and the proportionate purchase are more than energy requirement for distribution business in West Bengal. Hence, there is export of 9.57 MU energy through Unscheduled Interchanges (UI), which is determined by deducting proportionate own generation and proportionate purchase from Energy requirement for distribution business in West Bengal





## Order on APR of DVC for the year 2023-24

as given below:

**Table-3.5: Energy Balance**

Sl. No.	Particulars	Unit	Admitted
A	Sales within West Bengal	MU	10097.41
B	Sales within Jharkhand	MU	9765.78
C	Total Sales within DVC Area ( C=A+B)	MU	19863.19
D	Units utilized in own premises including Construction Power	MU	0.00
E	Overall Utilization (C+D)	%	19863.19
F	Percentage of share for sale in West Bengal (%)	MU	50.835
G	Proportionate utilization in West Bengal (E x F /100)	%	10097.45
H	T & D Loss (%) for West Bengal	MU	2.75
I	T & D Loss (MU) for West Bengal $[(G/(1-H\%))-G]$	MU	285.53
J	Energy Requirement for DVC for distribution business in West Bengal ( J = G + I)	MU	10382.98
K	Proportionate Generation available for sale within West Bengal	MU	9374.34
L	Additional Requirement beyond generation ( L = J-K)	MU	1008.64
M	Proportionate Purchase for sale in West Bengal	MU	1018.21
N	Balance Net UI Export (N = M - L)	MU	9.57

3.8.2 Considering the proportionate utilization of energy by DVC in the command area of West Bengal, the quantum of excess distribution loss of units, over and above the composite distribution normative T&D loss has been computed at 2.75% as per Tariff Regulations in the following table: -

**Table-3.6: Composite T&D Loss units in West Bengal area**

Particulars	Unit	T&D Loss (MU) at actual (A)	T&D Loss (MU) at normative (B)	Difference (MU) (C = A - B)
Proportionate utilisation in West Bengal part (as per Energy Balance Table-3.5) (A)	MU	10097.45	10097.45	
T&D Loss (%) in West Bengal (B)	%	3.24%	2.75%	
T&D Loss (units) in West Bengal {C = A/(1-B) - A}	MU	338.11	285.53	52.58





## Order on APR of DVC for the year 2023-24

3.8.3 Sharing of cost arising due to excess T&D loss (i.e., cost of 52.58 MU) between licensee and consumers has been computed in terms of Tariff Regulations subsequently in paragraph 3.25 of this order.

### 3.9 Cost arising from own generation

3.9.1 The Tariff of DVC in respect of generation and transmission functions falls squarely in the jurisdiction of the Central Commission. Tariff so determined by the CERC shall form the basis for determining the tariff at the retail end of the distribution segment. In regard to retail sale and supply of electricity, however, DVC is governed by the provisions of Section 62 in conjunction with Section 86(1) of the Electricity Act, 2003.

3.9.2 Accordingly, the generation and transmission tariff of DVC, as determined by the Central Commission, is taken as an input cost based on which the annual performance review (APR) has been considered.

3.9.3 This Commission finds it prudent to consider the input cost as per the Tariff orders for the period 2019 – 24 issued by CERC for finalization of APR for the year 2023-24. Therefore, this Commission considers Tariff Orders for the year 2023 – 24 in respect of all generating stations in determining proportionate fixed cost and Ash disposal expense of the respective generating stations towards allocation to consumers and licensees in radial mode in West Bengal part. Tariff orders issued by CERC for the period 2019 – 24 in respect of integrated T&D network system of DVC have been considered for determination of fixed cost of T&D system.

3.9.4 However, after issuance of True up order by CERC in respect of own generating stations and T&D network, DVC shall compute the adjustment amount, if any, based on respective true up orders and submit the same along with the subsequent APR petition.

3.9.5 This Commission has observed that CERC in the Tariff orders for thermal generating stations of DVC for the period 2020-21 to 2023–24, has allowed the Ash Disposal Expenses to be recovered from beneficiaries based on the MOEF&CC notification as a separate item not making a part of the O&M expenses and the consequent annual fixed charges being determined in the said Tariff orders under the 2019 Tariff Regulations. Accordingly, apart





## Order on APR of DVC for the year 2023-24

from AFC, this Commission considers Ash Disposal Expenses approved by CERC beyond O&M expenses and AFC to be separately recoverable by DVC as per the respective Tariff orders of the Central Commission in respect of thermal generating stations of DVC.

3.9.6 DVC has submitted that FGD system as a part of Environment Control System (ECS) for MTPS # 7 & 8 is in regular operation from January-2024 (MTPS U#7 from January 2024 and MTPS U#8 from March 2024). DVC submitted petition before CERC for determination of tariff for the ECS commissioned successfully and in commercial operation. However, the Commission does not consider the claim of the AFC for the FGD system for FY 2023-24 on pro-rata basis in this Order since CERC has not determined the AFC on the application of DVC till 30<sup>th</sup> Nov' 2025.

3.9.7 Applicable fixed cost and Ash disposal expense of the given stations in the present APR petition have been considered by DVC in proportion to the installed capacity of the units still under commercial operation. The AFC approved by CERC in its Tariff orders after considering Date of commercial operation (COD) of new units as well as retirement of old units during the period has been considered by this Commission as tabulated below:

**Table-3.7: Annual Fixed Cost (AFC) of Different Generating Stations and T&D System**

STATION	Admitted AFC (Rs. Lakh)	Admitted Ash Disposal Expenses (Rs. Lakh)	Petition No of DVC and Order date of CERC
MTPS U#1 to 3	45095.37	1290.90	577/GT/2020 (dtd: 17.02.2023)
MTPS U#4	14668.40	419.88	205/GT/2020 (dtd: 30.11.2022)
MHS	4278.36	0.00	578/GT/2020 (dtd: 16.02.2023)
PHS	3970.52	0.00	566/GT/2020 (dtd: 28.02.2023)
THS	1269.06	0.00	572/GT/2020 (dtd: 16.03.2023)
MTPS U#5 & 6	38764.15	1317.55	571/GT/2020 (dtd: 14.03.2023)
MTPS U# 7,8	102779.60	2514.16	568/GT/2020 (dtd: 27.04.2023)
CTPS U# 7&8	54931.62	1652.56	570/GT/2020 (dtd: 16.06.2023)
DSTPS U # 1 & 2	105691.72	137.28	573/GT/2020 (dtd: 03.07.2023)
KTPS U # 1 & 2	113403.80	1197.32	564/GT/2020 (dtd: 20.07.2023)
BTPS - A	72427.46	405.03	574/GT/2020 (dtd: 26.10.2023)
RTPS U # 1 & 2	133948.32	0.00	575/GT/2020 (dtd: 29.04.2023)





## Order on APR of DVC for the year 2023-24

STATION	Admitted AFC (Rs. Lakh)	Admitted Ash Disposal Expenses (Rs. Lakh)	Petition No of DVC and Order date of CERC
T&D System	69186.42	—	482/TT/2020 (dtd: 23.07.2022); 713/TT/2020 (dtd: 02.03.2022); 12/TT/2023 (dtd: 19.05.2024); (250/TT/2024 & 320/TT/2023 - both the petitions are submitted before CERC and final orders awaited)

3.9.8 The fixed cost claimed to be recovered for the own generating stations of DVC are guided by formula laid down in regulation 42 of CERC tariff regulations, 2019 and aforesaid tariff orders passed by CERC for the period 2019–24 with Plant Availability Factor achieved during the year (PAFY) and Normative Annual Plant Availability Factor (NAPF).

3.9.9 DVC has claimed contribution to Pension & Gratuity (P&G) fund and Sinking Fund in full in the petition irrespective of PAFY referring Section 40 of the DVC Act and para 23 to 26 of judgment dated 23.11.2007 of Hon'ble APTEL.

DVC has also prayed to revise the APR based on decision of the Hon'ble APTEL in the appeals filed by DVC against the tariff orders of CERC for different generating stations and T&D system for the period 2014-19 where the claim of DVC in respect of contribution to Pension & Gratuity fund (P&G fund), additional O&M expenditure etc. for the period FY 2014-19 has been disallowed.

3.9.10 This Commission has noted that CERC has determined the Annual Fixed Charge (AFC) in the respective True up orders for the years 2014–15 to 2018–19 and Tariff orders for the years 2019-20 to 2023–24 for all the generating stations of DVC and T&D network. CERC in the said tariff orders has allowed Sinking Fund as part of AFC, but disallowed the claim of DVC on the share of Pension & Gratuity (P&G) fund stating that these expenses may be met through the normative O&M expenses allowed to the generating station.

3.9.11 This Commission has further observed that Hon'ble APTEL vide its judgement dated 23.3.2016 in Appeal No. 255 of 2014 has upheld the decision of the State Commission of Jharkhand that the contribution to Pension and Gratuity and Sinking fund has since been





## Order on APR of DVC for the year 2023-24

considered by CERC in the Annual Fixed Charges of the DVC's generating stations and as per Section 21 of the CERC Regulations, the fixed costs of the generating stations shall be computed on annual basis based on actual plant availability factor as well as normative plant availability factor.

3.9.12 This Commission in the Tariff Order dated 13.03.2024 for the year 2023-24, did not allow DVC to recover the entire contribution to sinking fund, where it was linked with the Plant Availability Factor achieved during the year (PAFY) against claim of recovery in full without factoring the availability of the Generating stations.

3.9.13 This Commission has noted that the CERC in its True-up orders for the period 2014 – 15 to 2018 – 19 and tariff orders for the period 2019-20 to 2023 – 24 has maintained its approach in allowing contribution to sinking fund as part of AFC and disallowing the expenses claimed by DVC pertaining to Pension & Gratuity (P&G), over and above, the normative O&M expenses allowable to the generating station. As per regulation 42 of CERC tariff regulations, 2019, the fixed costs of the generating stations shall be computed on annual basis based on actual plant availability factor as well as the normative plant availability factor. Hence, the claim of DVC to recover for contribution to Sinking Fund as allowed by CERC in AFC in full without factoring the availability of the Generating stations is not admitted in the instant order.

3.9.14 This Commission in the instant order has considered the AFC as determined by CERC for the respective generating stations as input cost. Accordingly, this Commission allows the recovery of fixed cost against each generating station based on the actual yearly Plant Availability Factor (PAFY) of each generating station certified by SLDC of DVC against normative PAF (NAPF) as per regulation 42, 49 and 50 of CERC tariff regulations, 2019 and Tariff orders. The admitted fixed charge of own generation for the year 2023-24 for sale to firm consumers and other licensee in radial mode in West Bengal and Jharkhand command area of DVC is as follows:

**Table–3.8: Fixed charges of own generating stations of DVC for sale to consumers including other licensees**





### Order on APR of DVC for the year 2023-24

Name of the generating Station	Normative PAF	Actual PAFY as per SLDC Certificate submitted vide DVC letter dated 19.07.2024				AFC approved by CERC	Annual Fixed Cost of Emission Control System	Recoverable Fixed Charge as per CERC formula	Ash Disposal Expense	Share of Firm Consumer	Recoverable AFC and Ash expense for consumers of DVC
	(%)	(%)	(%)	(%)	(%)	(Rs Lakh)	(Rs Lakh)	(Rs Lakh)	(Rs Lakh)	(%)	(Rs Lakh)
	A	B				C	D	E	F	G	H=(E+F) x G
		HD-p	HD-op	LD-p	LD-op						
MTPS U#1 to 3	85.00%	90.71%	90.00%	87.64%	87.39%	45095.37		45095.37	1290.90	100.00%	46386.27
MTPS U# 4	85.00%	61.78%	62.92%	90.70%	90.87%	14668.40		12806.71	419.88	100.00%	13226.59
MTPS U# 5 & 6	85.00%	96.07%	96.28%	92.26%	92.49%	38764.15		38764.15	1317.55	66.44%	26628.44
MTPS U# 7 & 8	85.00%	97.18%	97.07%	87.32%	87.24%	102779.60	0.00	102779.60	2514.16	38.63%	40676.59
CTPS U# 7 & 8	85.00%	99.11%	99.74%	89.99%	89.83%	54931.62		54931.62	1652.56	4.69%	2656.28
DSTPS U # 1 & 2	85.00%	98.01%	97.88%	89.98%	89.41%	105691.72		105691.72	137.28	65.55%	69365.90
KTPS U# 1 & 2	85.00%	100.07%	100.55%	87.56%	88.08%	113403.80		113403.80	1197.32	0.68%	780.72
BTPS 'A'	85.00%	75.38%	74.98%	95.00%	95.13%	72427.46		68254.49	405.03	59.98%	41184.00
RTPS U # 1&2	85.00%	89.02%	91.04%	77.98%	77.95%	133948.32		117815.20	0.00	37.14%	43753.46
MHS	80.00%	80.00%				4278.36		4278.36	0.00	100.00%	4278.36
PHS	80.00%	80.00%				3970.52		3970.52	0.00	100.00%	3970.52
THS	80.00%	80.00%				1269.06		1269.06	0.00	100.00%	1269.06
TOTAL GENERATION COST						691228.38		669060.60	8934.68		294176.19
TOTAL THERMAL + HYDRO GENERATION (Except THS)						689959.32		667791.54	8934.68		292907.13

3.9.15 DVC has submitted the station wise monthly energy charge rate (ECR) for the FY 2023-24 for their generating stations based on the actual fuel cost including the primary fuel (coal) and secondary fuel (oil) and the formula prescribed in the Regulation 43(1) and 43(2) of the Tariff Regulations, 2019 of CERC and the normative parameters set out in the regulation. In this respect, a statement showing the station wise monthly ECR duly certified by a chartered accountant firm has been submitted with the petition. DVC has further submitted Annual weighted average Energy Charge Rate (ECR) for each thermal generating stations duly certified by an Auditor.





## Order on APR of DVC for the year 2023-24

3.9.16 DVC submitted petition before CERC for determination of tariff for the Environment Control System (ECS) for MTPS # 7 & 8. CERC has not passed any order on the above petition of DVC. Hence, in the instant petition, ECR claimed by DVC is not considered for the Environment Control System (ECS) for MTPS # 7 & 8.

3.9.17 This Commission admits the ECR and cost thereof for firm power from generating stations of DVC for the year 2023-24. The admitted energy charge of own generation for sale to firm consumers and other licensee in radial mode in West Bengal and Jharkhand command area of DVC is as follows:

**Table–3.9: Energy charges of own generating stations of DVC for sale to consumers including other licensees as admitted**

Name of the generating Station	Share of Energy for sale to consumers of DVC	Rate of Energy Charge	Total Energy Charge for DVC consumers and licensees
	(MU)	Paise / kwh	Rs Lakh
	A	B	C = AXB/10
MTPS U#1 to 3	3439.25	391.87	134773.89
MTPS U# 4	1072.69	395.13	42385.20
MHS	75.91	0.00	0.00
PHS	98.77	0.00	0.00
THS	3.97	0.00	0.00
MTPS U# 5 & 6	2116.34	374.46	79248.47
MTPS U# 7 & 8	2561.22	346.65	88784.69
CTPS U# 7 & 8	159.18	322.87	5139.44
DSTPS U # 1 & 2	4399.28	344.64	151616.79
KTPS U# 1 & 2	45.61	302.37	1379.11
BTPS 'A'	2032.87	267.87	54454.49
RTPS U # 1&2	2431.06	343.08	83404.81
MTPS Solar PV	0.015	323.00	0.48
KTPS Solar PV	0.022	416.00	0.92
Ground Mounted KTPS	4.54	468.00	212.47
<b>Total Generation</b>	<b>18440.73</b>		<b>641400.76</b>
<b>Total Generation (except Solar + THS)</b>	<b>18432.18</b>		<b>641186.88</b>

**# Energy rate computed from Audit Certificate enclosed as Annexure 29 (Pg 295)**

Generation cost pertaining to Solar PV (MTPS, KTPS and ground mounted at KTPS)





## Order on APR of DVC for the year 2023-24

and THS have been considered separately under RPO head for West Bengal and Jharkhand area respectively, as per submission of DVC.

3.9.18 DVC submitted that they meet up a part of RPO through their own solar generating plant i.e., MTPS and KTPS PV solar units with generation of 0.015 MU and 0.022 MU respectively for FY 2023-24. Further they also submitted that generation from their Ground Mounted Solar at KTPS and THS are also meeting up their RPO requirements. For FY 2023-24, the details of RE generation for both the states, West Bengal and Jharkhand, and their state wise cost of RE generation have been computed in the table below:

**Table–3.10: RE Generation**

Head	RE Generation (WB)	RE Generation (JH)	RE Generation (WB + JH)
Solar Generation in MU	2.33	2.25	4.58
Non- Solar Generation in MU	2.02	1.95	3.97
Cost of Solar Generation (in Rs. Lakh) (A)	108.49	105.38	213.87
Cost of Non-Solar Generation (in Rs. Lakh) (B)	645.39	623.67	1269.06
Cost of RE Generation (in Rs. Lakh) (C= A + B)	753.88	729.05	1482.93

3.9.19 Considering the station wise fixed charge, energy charge of different power stations of DVC for FY 2023-24 on the basis of availability and percentage utilization by the consumers and other licensee in radial mode in command area of West Bengal, the cost of generation has been computed on the basis of sales ratio in West Bengal to the total sales of DVC in their command area in West Bengal and Jharkhand. The total generation cost has been summarized below:

**Table–3.11: Cost of generation admitted for share to consumers in West Bengal**

Particulars	Energy Charge for sale to consumers of DVC (Rs. Lakh)	AFC for sale to consumers of DVC (Rs. Lakh)	Total Cost (Rs. Lakh.)	Share of Energy for sale to consumers in West Bengal (%)	Cost of generation for share to consumers in West Bengal (Rs. Lakh)
	[1]	[2]	[3] = [1] + [2]	[4]	[5] = [3] x [4]
Generation excluding RE	641186.88	292907.13	934094.01	50.835%	474846.69





## Order on APR of DVC for the year 2023-24

Particulars	Energy Charge for sale to consumers of DVC (Rs. Lakh)	AFC for sale to consumers of DVC (Rs. Lakh)	Total Cost (Rs. Lakh.)	Share of Energy for sale to consumers in West Bengal (%)	Cost of generation for share to consumers in West Bengal (Rs. Lakh)
RE Generation for WB	753.88		753.88	100.00%	753.88
Total Generation					475600.57

Admissible cost for RE energy is considered corresponding to usage of RE to meet the RPO target in West Bengal area.

### 3.10 Incentive from CTPS U#7&8 and KTPS U#1&2

3.10.1 DVC has also claimed yearly incentives for plants BTPS-A, CTPS U#7&8, DSTPS U#1&2 , MTPS U#5&6 , MTPS U#7&8 and KTPS U#1&2 for the certain periods during peak and non-peak hours of the day along with respective high and low demand season for the FY-2023-24 wherever they had achieved Annual Plant Load Factor (PLAF) more than normative. The computation of incentives for both the aforesaid plants were based on as per provision in Regulation 42(6) of Terms and Regulation of Tariff, 2019 issued by CERC. In response to the query of the Commission regarding monthly PLF achieved for the plants for which incentives were claimed, DVC submitted their additional submission on 16.05.2025, duly authenticated by DVC, SLDC in respect of the above generating units for FY- 2023-24.

3.10.2 Based on DVC's submission, the computation of incentives in respect of plants BTPS-A, CTPS U#7&8 , DSTPS U#1&2 , MTPS U#5&6 , MTPS U#7&8 and KTPS U#1&2 as admitted by the Commission are given in the following tables:

**Table – 3.12(a): Incentive computation for BTPS A**

BTPS A		1 X 500MW	
Season	Description	Peak	Off-peak
PLF achieved in %(HD Season) - peak & Off-peak	A	71.28%	67.68%
PLF achieved in %(LD Season) - peak & Off-Peak	B	91.61%	86.29%
Energy above Normative PLF of 85%(HD Season)(kWh)	$C = (A - 85\%) \times \{500 \times (1 - 5.75\%) \times \text{No. of days (HD season)} \times \text{No. of hours in a day (peak or off-peak period)} \times 1000\}$	0	0





## Order on APR of DVC for the year 2023-24

Energy above Normative PLF of 85% in LD season(kWh)	$D = (B-85\%) \times \{500X(1-5.75\%) \times \text{No. of days (LD season)} \times \text{No. of hours in a day (peak or off-peak period)} \times 1000\}$	34139989	33313605
Rate of Incentive(P/kWh)	E	65	50
Applicable incentive (HD Season) in Rs. Lakh	$F = C \times E / 100 / 100000$	0.00	0.00
Applicable incentive (LD Season) in Rs. Lakh	$G = D \times E / 100 / 100000$	221.91	166.57
Considering for HD Season :92 days & LD Season: 274 days for BTPS-A. The Peak & Off-peak hours are considered as 4 & 20 hrs respectively.			

**Table – 3.12(b): Incentive computation for CTPS U#7&8**

CTPS U#7&8		2 X 250MW	
Season	Description	Peak	Off-peak
PLF achieved in %(HD Season) - peak & Off-peak	A	94.47%	92.19%
PLF achieved in %(LD Season) - peak & Off-peak	B	86.87%	81.83%
Energy above Normative PLF of 85%(HD Season)(kWh)	$C = (A-85\%) \times \{500X(1-9.8\%) \times \text{No. of days (HD season)} \times \text{No. of hours in a day (peak or off-peak period)} \times 1000\}$	15717170	59665496
Energy above Normative PLF of 85% in LD season(kWh)	$D = (B-85\%) \times \{500X(1-9.8\%) \times \text{No. of days (LD season)} \times \text{No. of hours in a day (peak or off-peak period)} \times 1000\}$	9243335.20	0.00
Rate of Incentive(P/kWh)	E	65	50
Applicable incentive (HD Season) in Rs. Lakh	$F = C \times E / 100 / 100000$	102.16	298.33
Applicable incentive (LD Season) in Rs. Lakh	$G = D \times E / 100 / 100000$	60.08	0.00
Considering for HD Season : 92 days & for LD Season : 274 days for CTPSU#7&8. The Peak & Off-peak hours are considered as 4 & 20 hrs respectively.			

**Table – 3.12(c): Incentive computation for DSTPS U#1&2**

DSTPS U#1&2		2 X 500MW	
Season	Description	Peak	Off-peak
PLF achieved in %(HD Season) - peak & Off-peak	A	91.71%	83.98%
PLF achieved in %(LD Season) - peak & Off-peak	B	84.25%	77.36%
Energy above Normative PLF of 85%(HD Season)(kWh)	$C = (A-85\%) \times \{1000X(1-5.75\%) \times \text{No. of days (HD Season)} \times \text{No. of hours in a day (peak or off-peak period)} \times 1000\}$	23272964	0





## Order on APR of DVC for the year 2023-24

Energy above Normative PLF of 85% in LD season(kWh)	$D = (A-85\%) \times \{1000 \times (1-0.0575) \times \text{No. of days (HD Season)} \times \text{No. of hours in a day (peak or off-peak period)} \times 1000\}$	0	0
Rate of Incentive(P/kWh)	E	65	50
Applicable incentive (HD Season) in Rs. Lakh	$F = C \times E / 100 / 100000$	151.27	0.00
Applicable incentive (LD Season) in Rs. Lakh	$G = D \times E / 100 / 100000$	0.00	0.00
Considering for HD Season: 92 days & for LD Season : 274 days for DSTPS U#1&2. The Peak & Off-peak hours are considered as 4 & 20 hrs respectively.			

**Table – 3.12(d): Incentive computation for MTPS U#5&6**

MTPS U#5&6		2 X 250MW	
Season	Description	Peak	Off-peak
PLF achieved in %(HD Season) - peak & Off-peak	A	91.37%	86.56%
PLF achieved in %(LD Season) - peak & Off-Peak	B	87.33%	81.78%
Energy above Normative PLF of 85%(HD Season)(kWh)	$C = (A-85\%) \times \{500 \times (1-9.8\%) \times \text{No. of days (HD season)} \times \text{No. of hours in a day (peak or off-peak period)} \times 1000\}$	10572162	12945504
Energy above Normative PLF of 85% in LD season(kWh)	$D = (B-85\%) \times \{500 \times (1-9.8\%) \times \text{No. of days (LD season)} \times \text{No. of hours in a day (peak or off-peak period)} \times 1000\}$	11517097	0.00
Rate of Incentive(P/kWh)	E	65.00	50.00
Applicable incentive (HD Season) in Rs. Lakh	$F = C \times E / 100 / 100000$	68.72	64.73
Applicable incentive (LD Season) in Rs. Lakh	$G = D \times E / 100 / 100000$	74.86	0.00
Considering for HD Season: 92 days & for LD Season : 274 days for MTPS U#5&6. The Peak & Off-peak hours are considered as 4 & 20 hrs respectively.			

**Table – 3.12(e): Incentive computation for MTPS U#7&8**

MTPS U#7&8		2 X 500MW	
Season	Description	Peak	Off-peak
PLF achieved in %(HD) - peak & Off-peak	A	91.56%	84.65%
PLF achieved in %(LD) - peak & Off-Peak	B	82.54%	77.57%
Energy above Normative PLF of 85%(HD Season)(kWh)	$C = (A-85\%) \times \{1000 \times (1-0.0575) \times \text{No. of days (HD Season)} \times \text{No. of hours in a day (peak or off-peak period)} \times 1000\}$	22258080	0





## Order on APR of DVC for the year 2023-24

MTPS U#7&8		2 X 500MW	
Season	Description	Peak	Off-peak
Energy above Normative PLF of 85% in LD season(kWh)	$D = (B-85\%) \times \{500 \times (1-0.0575) \times \text{No. of days (LD season)} \times \text{No. of hours in a day (peak or off-peak period)} \times 1000\}$	0	0
Rate of Incentive(P/kWh)	E	65	50
Applicable incentive in Rs.(HD Season)	$F = C \times E / 100 / 100000$	144.68	0.00
Applicable incentive in Rs.(LD Season)	$G = D \times E / 100 / 100000$	0.00	0.00
Considering for HD Season : 90 days & for LD Season : 276 days for MTPS U#7&8. The Peak & Off-peak hours are considered as 4 & 20 hrs.			

**Table – 3.12(f): Incentive computation for KTPS U#1&2**

KTPS U#1&2		2 X 500MW	
Season	Description	Peak	Off-peak
PLF achieved in %(HD) - peak & Off-peak	A	93.59%	88.15%
PLF achieved in %(LD) - peak & Off-peak	B	83.65%	76.51%
Energy above Normative PLF of 85%(HD Season)(kWh)	$C = (A-85\%) \times \{1000 \times (1-5.75\%) \times \text{No. of days (HD Season)} \times \text{No. of hours in a day (peak or off-peak period)} \times 1000\}$	29469713	54033525
Energy above Normative PLF of 85% in LD season(kWh)	$D = (B-85\%) \times \{1000 \times (1-5.75\%) \times \text{No. of days (LD season)} \times \text{No. of hours in a day (peak or off-peak period)} \times 1000\}$	0	0
Rate of Incentive(P/kWh)	E	65	50
Applicable incentive in Rs.(HD Season)	$F = C \times E / 100$	191.55	270.17
Applicable incentive in Rs.(LD Season)	G	0.00	0.00
Considering for HD Season : 91 days & for LD Season : 275 days KTPS U#1&2. The Peak & Off-peak hours are considered as 4 & 20 hrs respectively.			





## Order on APR of DVC for the year 2023-24

**Table – 3.12 Total Incentive as admitted for West Bengal part**

PLANTS	HD season Peak in Rs. Lakh (A)	HD season off- peak in Rs. Lakh (B)	LD season peak in Rs. Lakh (C)	LD season Off-peak in Rs. Lakh (D)	Total incentive in Rs. Lakh (E=A+B+C+D)	Distribution ratio in percent (F)	Applicable incentive (in Rs. Lakhs) G = E X F	Applicable incentive for WB part (in Rs. Lakhs) in sales ratio: H=G X 50.835%
BTPS A	0.00	0.00	221.91	166.57	388.48	59.98%	233.02	118.46
CTPS U#7&8	102.16	298.33	60.08	0.00	460.57	4.69%	21.62	10.99
DSTPS U#1&2	151.27	0.00	0.00	0.00	151.27	65.55%	99.15	50.40
MTPS U#5&6	68.72	64.73	74.86	0.00	208.31	66.44%	138.39	70.35
MTPS U#7&8	144.68	0.00	0.00	0.00	144.68	38.63%	55.89	28.41
KTPS U#1&2	191.55	270.17	0.00	0.00	461.72	0.68%	3.15	1.60
							551.22	280.21

### 3.11 Purchase cost from CSGS and other sources including Renewable Energy for sale to consumers in the command area in West Bengal

3.11.1 This Commission has considered the power purchase costs from CSGS, PTC, MPL, Power Exchange, Renewable Energy (RE) Sources etc. as well as transmission POSOCO charge and other incidental charges related to power purchase & other incidental charge, excepting ULDC charge (PGCIL) & ERPC charge for the year 2023-24 for DVC command area in West Bengal and Jharkhand as per submission of the petitioner.

3.11.2 In response to letter dated 29.05.2025, DVC vide letter dated 09.06.2025 has submitted the break-up of Transmission charge claimed with power purchase. Transmission charge and POSOCO charge are considered in Power Purchase cost, as stated above whereas following charges are not considered under power purchase for reasons stated hereunder:

- i) DVC has submitted the claim of AMC charge for ULDC asset that in terms of the tariff approved by CERC in Order dated 14.12.2017, vide case no. 232/TT/2016 and 181/TT/2018 dated 30th September 2019), the ULDC





## Order on APR of DVC for the year 2023-24

charges billed by Power Grid Corporation of India Limited (PGCIL), since this asset belongs to PGCIL. This cost is booked under ULDC charges in Annual Report of DVC. This amount excludes O&M charges related to the communication assets established by PGCIL under ULDC scheme for Load Despatch Centre of DVC which is responsible for overall operation of DVC's entire power system. Hence proportionate cost of such expense is shared for the consumers of Jharkhand & West Bengal after deduction of proportionate share for sale to other licensees beyond DVC command area.

- ii) ERPC charge is payable by DVC as a member of Eastern Region Power Committee (ERPC), which is functional for co-ordination among all the power utilities of Eastern Region for smooth operation of the grid, dispute resolution & adopt future measures for the power system of this region. DVC as a power utility participate in this Committee for smooth operation of its power system & growth of their overall business which includes generation, Transmission & Distribution business, in co-ordination with other power utilities of this region as well as other region.

3.11.3 In response to letter dated 08.12.2025, DVC vide letter dated 15.12.2025 has submitted the break-up of other incidental charge of power purchase. Other incidental charges including provisions of power purchase are allowed along-with power purchase cost as per submission of DVC, since such provision of power purchase is made against some pending bill of different agencies at year end which is paid & adjusted in succeeding financial year.

3.11.4 The breakup of source wise power purchase costs viz fixed charge, energy charge, transmission, POSOCO charge, Reactive Energy charge & other incidental charges related to power purchase for FY 2023-24 etc. as admitted by this Commission for sale to consumers of DVC in the command area in West Bengal and Jharkhand have been depicted in the table in Annexure-1.

3.11.5 DVC in their petition has submitted the break- up of Unscheduled Interchange (UI) of energy exported and imported along with the UI receivable and payable amount for the concerned year for 2023-24 with auditor's certificate dated 08.11.2024. The detail of UI Import / Export





## Order on APR of DVC for the year 2023-24

has been shown in the table below:

**Table-3.13A: Break-up of UI import and export**

Sl. No	Particulars	MU	Amount (Rs. lakh)
1	UI Import	150.22	11015.00
2	UI Export to Central Grid	123.72	3033.00
3	Net UI Import [ (3) = (1) – (2)]	26.50	7982.00

3.11.6 From the 'Energy Balance' table (Table-3.5), it transpires that there is an excess of energy 9.57 MU for West Bengal part, which is exported through grid. Accordingly, the Commission has considered 9.57 MU as the UI export. Considering UI export rate @2.45 Rs./kwh, as shown in table 3.13B, in terms of Regulation 5.17.3 of Tariff Regulations, vide Notification No. 49/WBERC dated 27th. August, 2012, UI charge receivables are shared equally between consumers and distribution licensee. Accordingly, the Commission has admitted the receivable amount in ARR in respect of APR for FY 2023-24 as shown in the following table-3.13B.

**Table-3.13B: Admitted cost of UI Import**

Sl. No.	Particulars	Derivation	MU	Rs. Lakh	Rate (Rs./ kwh)
1	UI Import and amount Payable for purchase (Rs lakh) (+)	A	150.22	11015.00	7.33
2	UI Export and amount Receivable for sale (Rs lakh) (-)	B	-123.72	-3033.00	2.45
3	Net UI (Import) (+)	C = A-B	26.50	7982.00	
4	UI export and amount receivable (Rs lakh) @Rs.2.45/ kwh (refer to 'Energy Balance' Table for excess power exported to the grid)	D	9.57	234.35	
5	Since UI charge is receivable, thus the UI charge as arrived shall be shared between consumers and licensee equally in terms of Clause 5.17.3 of WBERC's Tariff Regulation-49, 2012	E = 50% of D		117.18	

3.11.7 DVC has stated that the RE power and Renewable Energy Certificates (RECs) are procured for supply of power in both the states; accordingly, the cost of renewable power purchase is





## Order on APR of DVC for the year 2023-24

segregated between the two states based on the respective renewable purchase obligation (RPO). DVC has submitted the additional information on 24.12.2024 by an Affidavit with a claim of Rs. 14764.77 lakh for the cost of purchase for renewable energy including REC for West Bengal command area of DVC. The Commission upon necessary computation has admitted Rs. 14433.52 lakh as RE power purchase cost including REC for West Bengal command area as shown in the following table: -

**Table-3.14: Power Purchase Cost of DVC for fulfillment of Renewable Purchase Obligation of DVC for the FY 23-24**

Particulars	Agencies	Amount Admitted (Rs. Lakh)
Cost of Solar Power	NTPC & NVVNL & JEM	5573.22
Cost of GDAM Solar	Energy Exchange	1927.08
Cost of GDAM Non-Solar	Energy Exchange	6742.52
REC Solar (JH)	Energy Exchange	8789.34
REC Non-Solar (JH)	Energy Exchange	9086.58
REC Solar (WB)	Energy Exchange	3363.90
REC Non-Solar (WB)	Energy Exchange	5613.85
RPO Cost of JH		26662.97
RPO Cost of WB		14433.52

3.11.8 The power purchase cost from CSGS, MPL, PTC, power exchanges and Renewable Sources, as admitted by this Commission for sale to consumers of DVC in the command area in West Bengal are shown in Annexure-1. The admitted power purchase cost by this Commission for sale to consumers in West Bengal command area is summarized below:

**Table-3.15: Power purchase cost as admitted for sale to consumers in West Bengal command area**

Items		Amount admitted (Rs. Lakh)
Power Purchase Cost excluding cost of RE for Share of sale in West Bengal	A	51498.28
RE Cost for West Bengal part of DVC	B	14433.52





## Order on APR of DVC for the year 2023-24

Items		Amount admitted (Rs. Lakh)
Total Power Purchase Cost including cost of RE for Share of sale in West Bengal	C= A+B	65931.80

### 3.12. Interest on Working Capital

3.12.1 DVC has claimed interest on working capital requirement on power purchase and other cost at Rs. 6018.12 lakh for the year 2023-24.

3.12.2 As per Audit Certificate of the petition, the security deposit held by DVC is Rs. 23720.02 lakh as on 01.04.2023. Further, Rs 7197.61 lakh has been added during 2023-24 and Rs 12291.20 lakh has been refunded during 2023-24. The, security deposit held by DVC as on 31.03.2024 is Rs 19837.49 lakh. Thus, the average security deposit held by DVC for the financial year arrives at Rs.21899.23 lakh.

However, the requirement of Working Capital and the interest thereon in West Bengal part for FY 2023-24 are computed in terms of first proviso of regulation 5.6.5.3 of Tariff Regulations which is as follows: -

**Table-3.16: Interest on Working Capital (IWC) in WB area**

Sl. No	Particular	Derivative	Claimed in Rs. Lakh	Admitted in Rs. Lakh
1	O&M Expense for 1 month (considering admitted Legal chares of Rs. 201.09 lakh for FY 2023-24)	A	—	16.76
2	Employee Cost for 1 month	B	—	—
3	Maintenance spare 15% of O&M expense	C	—	—
4	Receivables equivalent to 45 days {#}	D	74668.13	8988.39
5	Sub-total	E = SUM(A:D)	74668.13	9005.15
6	Less: Average Cash Security Deposit	F	19957.96	21899.23
7	Working Capital requirement	G = E - F	54710.17	0.00
8	Rate of Working Capital Requirement (%)(SBI MCLR as on 01.04.2023+250 basis point) Rate: 8.50+2.50 = 11%	H	11.00%	11.00%
9	Interest on Working Capital Requirement for West Bengal command area [9 = 7 x 8]	I = G X H	6018.12	0.00
10	Excess Cash Security Deposit over total value of Working Capital	J = F - E		12894.08

Note: # Net ARR including IWC on Distribution Head X 45 / 366





## Order on APR of DVC for the year 2023-24

3.12.3 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. Thus, no interest on Working Capital is admitted by the Commission for FY 2023-24 in the command area of West Bengal.

3.12.4 The Commission observes that an amount of Rs. 99 lakh has been admitted at Table 3.25A on account of Interest of Short Term from Bank and CLTD as reflected in Note 24 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.

### **3.13 Interest on Security Deposit to the consumers of West Bengal**

3.13.1 The Petitioner has claimed interest on the Security Deposit for the consumers of West Bengal at Rs 1342.56 lakh for the year 2023-24 along with auditor's certificate and this Commission allows the above claim of the petitioner.

### **3.14 Different fees to CERC, WBERC and their related publication expenses**

3.14.1 The petitioner has claimed towards payment of different Regulatory expenses such as Tariff Filing and APR Filing fees along with their Publication Expenses both for WBERC and CERC which are Rs.197.07 lakh and 394.40 lakh respectively.

3.14.2 This Commission considers the fees and the publication expenses related to WBERC, as submitted by DVC, through auditor's certificate to the tune of Rs.197.07 lakh for the FY 2023-24. This Commission allowed such claim of the Petitioner. The details of the same is given in the following table: -

**Table-3.17: Admitted Regulatory fees and Publication Expenses for West Bengal command area**

Sl. No.	Particular	Claim (Rs. Lakh)	Admitted (Rs. Lakh)
1	Tariff filing fees related to WBERC	119.58	119.58
2	Licensee Fees	54.99	54.99





### Order on APR of DVC for the year 2023-24

Sl. No.	Particular	Claim (Rs. Lakh)	Admitted (Rs. Lakh)
3	APR filing fees	4.31	4.31
4	Publication Expenses related to WBERC	18.19	18.19
5	Total fees paid to WBERC and publication expense related to WBERC	197.07	197.07

3.14.3 Further, this Commission from the Audited certificate finds that net tariff filing fees and annual license fees paid by DVC to CERC along with the related publication expenses for the year 2023-24 is Rs. 550.23 lakh. However, as per regulation 70 of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019, such fees and charges shall be reimbursed directly by the beneficiaries in proportion of their allocation in the generating stations or by the long-term customers in proportion to their share in the inter-state transmission systems. Therefore, the Commission finds it prudent to consider the proportionate share of entire tariff filing fees paid to CERC along with the related publication expenses for the consumers of West Bengal and Jharkhand after deduction of such proportionate cost for bilateral consumers and the sale to Bangladesh and power exchange which is as follows:

**Table –3.18: Admitted regulatory fees and publication expenses related to CERC**

Sl. No.	Item	Admitted
1	Tariff filing fees and publication expenses paid to CERC in Rs. Lakh (A)	550.23
2	Tariff filing fees recovered from Beneficiaries in Rs. Lakh (B)	0.00
3	Net Tariff filing fees in Distribution in Rs. Lakh (C = A - B)	550.23
5	Ex Bus Own generation (MU) (D)	41243.55
6	Ex Bus Own generation for DVC consumers (MU) (E)	18440.73
7	Total Expenses for DVC consumers in Rs. Lakh (F = C X E/D)	246.02
8	Share of sale in West Bengal against the total consumer sale of DVC in their command area (%) (G)	50.835
9	Share for above in West Bengal Area (H = F X G/100)	125.06





## Order on APR of DVC for the year 2023-24

3.14.4 In forthcoming APR petitions, DVC is directed to submit the details of station wise fees paid to CERC, related publication expenses and recovery of such fees, charges and expenses from beneficiaries outside DVC command area and other details, if any.

### 3.15 Transmission and Distribution expenses

3.15.1 CERC has determined the tariff for integrated transmission and distribution activities of DVC for FY 2019-20 to FY 2023-24 vide their Tariff orders dated 02.03.2022, 10.06.2022 (corrigendum dated 23.07.2022) and 19.05.2024 for New and Existing Transmission and Distribution (T&D) System network respectively as shown in table-3.19. DVC has claimed fixed cost for T&D network in their APR petition based on the Tariff orders of CERC and availability of the T&D network and then proportionate cost for West Bengal consumers. The detail cost as approved by CERC is shown in the table-3.19 below. Accordingly, the net fixed cost for T&D network in West Bengal command area as admitted by the Commission for FY 2023-24, has been computed in table-3.20A

**Table-3.19: Admitted T&D Cost as approved by CERC**

Particulars	Amount (Admitted by CERC ) Rs. Lakh
AFC approved in T&D Order dated 23.07.2022 for Existing elements (482/TT/2020)	48583.30
AFC approved in T&D Order dated 02.03.2022 for Combined New Assets -1 (713/TT/2020)	2082.15
AFC approved in T&D Order dated 19.05.2024 for Combined New Assets -2 (12/TT/2023)	1190.63
<b>Total</b>	<b>51856.08</b>

3.15.2 This Commission considers that to arrive at the admissible amount for sale to consumers in West Bengal area based on admitted utilization of energy during the respective year. This Commission has considered applicable formula as per regulation 46(2) of CERC Tariff Regulations, 2019 on the total approved AFC (including Sinking fund for T&D assets) for integrated T&D system of DVC based on Normative Annual Transmission System Availability Factor (NATAF) in regulation 51 of CERC Tariff Regulations, 2019 and actual availability for the years.





## Order on APR of DVC for the year 2023-24

- 3.15.3 As stated earlier, it is observed from the letters dated 02.12.2024 and 20.12.2024 of DVC that except for MTPS U#5&6 and CTPS U#7&8, all other generating stations are directly connected to CTU system while supplying power to other licensees situated outside DVC command area. For MTPS U#5&6, it is shown as "CTU Connected (at Kalyanshwari)" and for CTPS U# 7&8, it is shown as "CTU Connected (at Dhanbad)" respectively. Accordingly, it is clear that ex-bus generation of MTPS U# 5&6 and CTPS U#7&8, sold to other licensee situated outside DVC command area, also uses the Composite T&D system of DVC network before getting connected with CTU system at Kalyaneswari and Dhanbad respectively.
- 3.15.4 Further, from the submission of DVC in the Review petition of APR Order for 2020-21 & 2021-22 before this Commission, it is observed that MTPS- Kalyaneswari lines (134.2 km.) used to connect the Generation bus of MTPS Unit 5 & 6 with CTU at Kalyaneswari Substation of DVC and CTPS-Dhanbad lines (45.6 km.) used to connect the Generation bus of CTPS Unit 7 & 8 with CTU at Dhanbad Substation of DVC. These two lines are 3.76% of Composite T&D network and sufficient capacity is available in those two lines for evacuating the generated power from MTPS #5&6 and CTPS #7&8 units. DVC also submitted that Line specific transmission & distribution expense (i.e. Average Revenue Requirement (ARR)) is not determined for DVC by CERC.
- 3.15.5 Since asset-wise segregation of expense of Composite transmission & distribution network (T&D) of DVC is not presently available where such expense will depend on various factors, such as voltage grade, type of asset and age, capital investment and its financing cost etc. hence T&D expense of APR Order is admitted based on the existing methodology (i.e. proportionate energy usage through composite T&D network by the beneficiaries located outside DVC command area and the consumers of DVC in Jharkhand & West Bengal) till the final outcome of legal proceedings comes out regarding the methodology of sharing of Composite transmission & distribution network (T&D) of DVC for the consumers of West Bengal part of DVC and subsequent determination / availability of segregated expense of Composite transmission & distribution network (T&D) of DVC in the manner required to comply the Order of legal proceeding. Accordingly, the proportionate cost of Unified T&D Network of DVC for the consumers of West Bengal by this Commission for FY 2023-24, as per existing methodology (i.e.





## Order on APR of DVC for the year 2023-24

proportionate energy usage through composite T&D network) becomes as follows –

**Table-3.20A: Admitted T&D Cost in West Bengal Command area of DVC**

I. No.	Particulars	Unit	Derivation	Admitted
1	Normative Annual Transmission System Availability Factor (NATAF)	%	A	98.50%
2	Actual Yearly Availability (TAFY)	%	B	99.13%
3	Total Annual Transmission charge (ATC) as per CERC Tariff Orders mentioned	Rs. Lakh	C	51856.08
4	Recoverable fixed charge as per CERC formula: $AFC \times (TAFY / NATAF)$	Rs. Lakh	$D = C \times (B / 98.50\%)$	52187.75
5	Unit Sold to other Licensees through composite T&D system before connected with CTU system as per Table:20B	MU	E	4300.90
6	Total annual sale of DVC in their command area in the State of West Bengal	MU	F	10097.41
7	Total annual sale of DVC in their command area in the State of Jharkhand	MU	G	9765.78
8	Total energy through composite T&D system	MU	$H = E + F + G$	24164.09
9	Share of Sale in WB Command area of DVC (%)	%	$I = F / H \times 100$	41.787
10	T&D Cost in WB Command area of DVC	Rs. Lakh	$J = DXI / 100$	21807.61

**Table–3.20B: Units Sold to other Licensee through composite T&D System  
before connected to CTU system**

Generating Station	Ex-bus gen In MU	Sale to consumer In MU	Sale to other In MU
MTPS U#5 & 6	3185.56	2116.34	1069.22
CTPS U#7 & 8	3390.86	159.18	3231.68
Total	6576.42	2275.52	4300.90

3.15.4 DVC claimed that they have submitted the Transmission Tariff petitions to CERC for additional new elements in its Transmission network (vide 250/TT/2024 and 320/TT/2023), the order of which has not yet been issued by CERC. Therefore, the Commission is not considering such claim for FY 2023-24.





## Order on APR of DVC for the year 2023-24

### **3.16 Rebate on sale of power**

3.16.1 DVC has claimed rebate given to consumers on payment of bills in due time and the payment made through online mode in accordance with the directive given in the tariff orders. The petitioner has stated that such payment of rebate is booked in the Annual Accounts of the respective year as an expenditure item and is not included in the Revenue side. Accordingly, in the instant petition the timely payment rebate booked in the Annual Accounts of each year for the consumers of DVC in the state of West Bengal has been claimed with Auditor's Certificate.

3.16.2 This Commission admits such claim of Rebate and discount on sale of power allowed to the consumers for West Bengal area, amounting to Rs.11182.85 lakh for the financial year FY-2023-24.

### **3.17 Legal charges**

3.17.1 DVC has claimed Legal charges amounting to Rs 419.01 lakh for the year 2023-24 related to distribution activities in the State of West Bengal in accordance with the Regulation 5.7.2 (ii) of Tariff Regulations. It is submitted by DVC that they have incurred substantial legal expenses in relation to the various court cases pertaining to its distribution activity in the states of Jharkhand and West Bengal. In this regard an Auditor's certificate is submitted with the petition. This Commission had admitted Rs. 201.09 lakh for West Bengal part of DVC command area in tariff order against the claim of Rs. 419.01 lakh. Since the justification submitted by DVC in the present petition for such increase in legal charges is not admissible considering this expense a controllable item as per Tariff Regulation. Thus, the legal charge of Rs 201.09 lakh, which is admitted in Tariff Order, is allowed for the consumers of West Bengal command area of DVC as per Regulation 5.7.2 (ii) of Tariff Regulations.

3.17.2 Sharing of excess loss of legal charges as per Tariff Regulation (4<sup>th</sup> amendment), 2023 between DVC and consumers has been computed subsequently in paragraph 3.26 of this order.

### **3.18 Interest on temporary financial accommodation**

3.18.1 DVC has stated that in the tariff orders for DVC for distribution and retail supply in Jharkhand,





## Order on APR of DVC for the year 2023-24

DVC has been allowed interest on temporary financial accommodation to cover shortfall in revenue due to accumulation of arrears. DVC has submitted total of Rs. 37721.27 lakh as Interest on Temporary Financial Accommodation as per Form 1.17(a) in their APR petition for FY 2023-24.

3.18.2 MYT Order for FY 2023-24 to 2025-26 dated 13.03.2024 has been passed following the Tariff Regulations of WBERC (Terms and Condition of Tariff) (4th Amendment) Regulations, 2023 wherein there is no such provision of 'Interest on Temporary Financial Accommodation' for 2023-24 onwards. Therefore, the claim is not admissible.

### **3.19 O&M Expenses (AMC) on ULDC communication system**

3.19.1 The petitioner has submitted that in terms of the tariff approved by CERC in Order dated 14.12.2017 in petition No. 232/TT/2016 filed by Power Grid Corporation of India Limited (PGCIL), the ULDC charges billed by PGCIL excluded O&M charges related to the communication assets established by PGCIL under ULDC scheme. In continuation of the aforesaid order, the latest order of CERC in Case No. 181/TT/2018 dated 30.09.2019, PGCIL raised the bills which include all elements excluding O&M cost. Since operation & maintenance of the ULDC hardware connected with the system of the utility is the responsibility of the respective utilities as per the aforesaid order, DVC entered into a contract with PGCIL for maintenance of the entire ULDC scheme established by PGCIL for system of DVC. Accordingly, PGCIL prefers separate bills to DVC for O&M charges related to the ULDC scheme, which was paid from Area Load Despatch Centre (ALDC) of DVC at Maithon as booked in Annual Report under O&M expenditure head. Further, the ULDC tariff claimed by PGCIL from its beneficiaries as approved by CERC, does not include the O&M expenses. Individual utilities are required to operate and maintain the ULDC assets. DVC submits that they incur regular expenditure on the AMC contract of O&M activities, and this is essential to maintain proper operation of the scheme. Hence, DVC has submitted their claim against such expenses, which is uncontrollable in nature.

3.19.2 In this context, DVC has submitted the auditor's certificate along with their petition for a total claim of Rs 21.01 Lakh for the year 2023-24. The relevant portion of the CERC order dated 14.12.2017 in the matter of approval of transmission tariff for Main SCADA EMS System-5 assets under project – "Expansion/upgradation of SCADA/EMS System of SLDCs of Eastern





## Order on APR of DVC for the year 2023-24

Region” filed by PGCIL, is reproduced below:

*“The petitioner (PGCIL) has submitted that Annual Maintenance Contract (AMC) of SCADA/EMS systems established under ULDC Scheme for all the constituents is the responsibility of the respective SLDCs in line with the ER- ULDC project and therefore not claimed O&M charges for the same. Therefore, no O&M Expenses are allowed for the instant assets.”*

3.19.3 Since O&M expenses of SCADA/ EMS system of ULDC, is separately claimed by DVC in the instant petition & such O&M expense is not considered by CERC during determination of the ULDC charges for PGCIL, hence this Commission admits Rs. 4.77 Lakh for the retail Distribution Business under West Bengal part of DVC and the same is computed as follows:

**Table –3.21: O&M Expenses of AMC under ULDC scheme**

Head	Amount (Claimed)	Amount (Admitted)
AMC charges paid for ULDC Communication scheme (Rs. Lakh)	21.01	21.01
Ex Bus Own generation (MU)		41243.55
Ex Bus Own generation for DVC consumers (MU)		18440.73
ULDC Charge for consumers of DVC based on proportionate generation (Rs Lakh)		9.39
Share of sale in West Bengal against the total consumer sale of DVC in their command area (%)	50.835	50.835
AMC charges for ULDC for consumers of WB part of DVC based on sale ratio (Rs Lakh)	10.68	4.77

### **3.20 ULDC charges of PGCIL & ERPC Charge:**

3.20.1 DVC has claimed ULDC charges paid to PGCIL as per CERC Order and ERPC Charge with power purchase cost for 2023-24. It has already been explained in earlier paragraph related to power purchase that those costs shall be shared between the consumers of DVC of Jharkhand and West Bengal part and other sale of DVC beyond its command area.

3.20.2 Accordingly, the Commission admits ULDC charges paid to PGCIL & ERPC Charge for the





## Order on APR of DVC for the year 2023-24

retail Distribution Business under West Bengal part only which is as follows: -

**Table –3.22: ULDC Charge of PGCIL & ERPC Charges as admitted for WB command area**

SI No	Head	Admitted amount in Rs. Lakh
1	ULDC Charge paid to PGCIL as per CERC order (Rs Lakh)	997.07
2	ERPC Charge (Rs Lakh)	16.00
3	Total ERPC charge & ULDC charge of PGCIL 3=1+2	1013.07
4	Ex Bus Own generation (MU)	41243.55
5	Ex Bus Own generation for consumers of DVC (MU)	18440.73
6	ERPC Charge & ULDC charge of PGCIL for consumers of DVC based on proportionate generation (Rs Lakh)	452.96
7	Share of sale in West Bengal against the total consumer sale of DVC in their command area (%)	50.835
8	Other charges including ULDC charge of PGCIL for consumers of WB part of DVC based on sale ratio (Rs Lakh)	<b>230.26</b>

### 3.21 Environmental Protection Cess

3.21.1 DVC has claimed the Environmental Cess of Rs. 35.00 Lakh paid to different state authorities in proportion to the energy utilized in the distribution activity. In this regard an Auditor's certificate is submitted with the petition as per directive given in the Tariff order. Environmental Cess for the consumers under the DVC command area in West Bengal part of DVC comes to Rs.7.96 lakh, which is admitted by the Commission as follows:

**Table–3.23: Environmental Protection Cess charges**

Sl. No.	Particulars	Derivation	Unit	Admitted
1	Environmental Cess for own generation of DVC	A	Lakh	35.00
2	Ex-Bus Own Generation of DVC	B	MU	41243.55
3	Ex-Bus Own Generation of DVC for Consumers	C	MU	18440.73
4	Cess for consumers of DVC	$D=A \times (C / B)$	MU	15.65





## Order on APR of DVC for the year 2023-24

Sl. No.	Particulars	Derivation	Unit	Admitted
5	Share of sale in West Bengal against the total consumer sale of DVC in their command area (%)	E	%	50.835
6	Cess for consumers of DVC in WB part	$F = D \times E / 100$	Lakh	7.96

### 3.22 Open Access Income

3.22.1 DVC submitted that they adjusted the Open Access Charge Rs. 8790.20 lakh received during FY 2023-24 in their petition. As per direction of the CERC at para 17 of the order dated 07.08.2023 in petition no 87/MP/2021, the Commission admitted Rs. 4468.50 lakh in sale ratio of Jharkhand and WB, for FY 2023-24, which is shown in the following table.

**Table-3.24: Open Access Charges received for transmission system**

Sl No.	Items	Admitted amount (Rs. Lakh)
1	Revenue received from open access	8790.20
2	%Sales Ratio for WB part	50.835
3	Revenue received for WB part {3 = 1 X 2%}	4468.50

### 3.23 Addition of cost of 11KV Distribution Assets incurred towards distribution business in West Bengal

3.23.1 The Commission directed DVC to submit the expenses incurred towards 11 kV distribution assets in West Bengal for FY 2023-24. DVC explains that although most contracts for material supply and erection work have been awarded, but significant delays prevented expenditure in FY 2023-24. As per DVC, the combined 11 kV infrastructure and automation works are expected to be partially completed in FY 2025-26. Since no actual expenditure was incurred for FY 2023-24 due to these procedural and approval-related delays, DVC has not claimed any cost toward 11 kV infrastructure while preparing the APR.

Accordingly, the Commission has not considered the same in APR Order for the year 2023-24.



### 3.24 Non-Tariff Income

3.24.1 DVC has claimed the Delayed Payment Surcharge (DPS) amount on account of firm consumers of DVC in West Bengal area of Rs 2852.33 lakh as Non-Tariff Income (NTI) in their petition. However, detailed break-up of the DPS amount segregated between Jharkhand, West Bengal and Bilateral consumers were duly certified by the Auditor vide certificate dated 31.10.2024 submitted with the petition as follows:

**Table-3.25: Break-up of DPS of DVC for FY-2023-24**

Sl. No.	Particulars	Rs in Cr.
1	DPS of Firm Consumer in Jharkhand	0.56
2	DPS of Firm Consumer in West Bengal	28.52
3	DPS of Bilateral consumer	-8.55
4	TOTAL {1+2+3}	20.53

3.24.2 As there is no capital investment and no asset attributed to the distribution activity and there is no profit margin in the distribution tariff of DVC, only the delayed payment surcharge related to distribution activity is considered as Non-Tariff Income by the petitioner. The commission therefore, admitted Rs.2852 lakh as DPS for West Bengal part.

3.24.3 DVC has further submitted that there are no other elements in tariff, which are allowed by this Commission, from where other income can be generated. The elements under 'Other Income', which are not considered by DVC as non-tariff income, are as follows:

- Interest on Employee Loan and Advances
- Interest on Non-Current Investment
- Interest on IT refund
- Interest on Short Term deposit
- Interest on CLTD
- Dividend – Non-Current Investment
- Income from Service Charges
- Profit on Disposal of Fixed Assets
- Provisional for Written Back Employees Benefits





## Order on APR of DVC for the year 2023-24

- Provision written back – Fixed Assets
- Other Miscellaneous Income

3.24.4 In the Tariff Order dated 13.03.2024 in Case No. TP-104/22-23, DVC was directed to submit clarification against each element of other income of power business as per Audited Annual Accounts for 2023-24, which are excluded by them from Non-Tariff Income in the APR petition.

3.24.5 Accordingly, element wise justifications of other income of Annual Accounts, excepting Inter head transfer, Common Service & Capitalized, for non-qualification as non-tariff income is furnished by DVC in the petition.

3.24.6 DVC in their submission in the petition stated that determination of both generation tariff and transmission tariff of DVC falls under the jurisdiction of CERC. This Commission only adopts the generation and transmission tariff of DVC as determined by CERC while arriving at the Aggregate Revenue Requirement (ARR) for its distribution activity in the state of West Bengal for the respective years.

So far as generation and transmission tariff of DVC is concerned, applicable CERC Tariff Regulations for 2014-19 period do not envisage any concept of considering Non-Tariff Income. However, in the Tariff Regulation of 2019 there are provisions for consideration of Non-Tariff income. In accordance to the said regulation, if any income qualifies as Non-Tariff income, it will be considered in the AFC of the Generating Stations and T&D network by CERC in the true-up order of 2019-24 period. Subsequently, AFC so determined by CERC, will be the input cost of the Distribution Activity.

3.24.7 As per submission of DVC regarding element-wise income, it transpires that following elements fall under CERC, not under the distribution business directly in view of justification given by DVC. However, upon admittance of those incomes by CERC, the share of such income should have to be passed on to the consumers of West Bengal served by DVC under Distribution business.





## Order on APR of DVC for the year 2023-24

- i. Interest from Employees Loan and Advances: (Rs. 0.06 Cr.):
- ii. Interest from Non-Current Investment: (Rs. 1.05 Cr.)
- iii. Interest on IT Refund: (Rs. 0.83 Cr.)
- iv. Income from Service Charges: (Rs. 6.82Cr.)
- v. Profit on Disposal of Fixed Assets: (Rs. 264.73 Cr.)
- vi. Provision for Written Back Employees Benefit: (Rs.6.27Cr.)
- vii. Provision written back- Fixed Assets: (Rs.11.27Cr.)
- viii. Other Miscellaneous Income: (Rs. 115.91Cr.)

DVC also submitted that following elements of income which do not fall under tariff determination process as DVC has made investment out of own fund.

- i. Interest on Short Term Deposit (Rs. 1.81 Cr.)
- ii. Interest on CLTD (Rs. 0.15 Cr.)
- iii. Dividend – Non-Current Investment: (Rs.100.71 Cr.)

3.24.8 This Commission has reviewed the submissions made by DVC and considers only Late Payment Surcharge (LPS) or Delayed Payment Surcharge (DPS) as Non-Tariff Income for retail supply in West Bengal part of DVC in the instant APR order. However, admission of LPS or DPS should not be correlated by DVC with interest on temporary accommodation as contended by them in respective para.

3.24.9 This Commission admits Non-Tariff Income for West Bengal part of DVC in the instant APR order at Rs 2951.64 lakh. As per paragraph 3.12.4 of this order, Rs 1.81 Cr & Rs 0.15 Cr received as interest income against Short term loan & CLTD respectively are also considered as Non-Tariff income in terms of second proviso of regulation 5.6.5.3 of the Tariff Regulations, as shown in the following table:-





## Order on APR of DVC for the year 2023-24

**Table-3.25A: Non-Tariff income**

Particulars	Derivation	Unit	Admitted
Interest against Short Term Deposit & CLTD for consumers of DVC	A	Lakh	196.00
Share of sale in West Bengal against the total consumer sale of DVC in their command area (%)	B	%	50.835
Interest against Short Term Deposit & CLTD for consumers of DVC in WB part	C	Rs.Lakh	99.64
DPS for West Bengal	D	Rs. Lakh	2852.00
Total Non-Tariff Income	E = C + D	Rs. Lakh	2951.64

3.24.10 In case of admission of any NTI by CERC, DVC shall pass on such income to the consumers of West Bengal part of DVC. A declaration shall also be provided in APR order whether any NTI is admitted by CERC with detail statement.

### **3.25 Sharing of excess T&D loss between licensee and consumers**

3.25.1 DVC submits that the actual composite T&D loss for FY 2023-24 is at 2.81%. However, the actual T&D loss is arrived at 3.24% (as computed in table-3.4), which is higher than the composite normative T&D loss of 2.75%. In this regard it is also submitted that, in terms of Regulation 2.5.5.4 (ii) read with Regulation 2.5.5.2 of the Tariff Regulations, 2023 (Fourth Amendment), the loss on account of controllable parameter to be shared between the licensee and the consumers in 2:1 ratio.

3.25.2 The computation of T&D loss units and rate per unit along with the cost of such units are computed in the following tables: -

**Table-3.26: Sharing on excess loss of units above the normative T&D loss**

Particulars	Derivative	Units in MU
Loss of units on proportionate utilisation in WB part considering actual loss 3.24% as per Table-3.6	A	338.11
Loss of units on proportionate utilisation in WB part considering Normative loss 2.75% as per Table-3.6	B	285.53
Difference in loss of units in WB part	C = A-B	52.58





## Order on APR of DVC for the year 2023-24

**Table-3.26A: Cost of Excess loss of units**

Particulars	Units in MU	Cost in Rs. Lakh	Average cost per unit cost in Rs./ Kwh	Excess Loss of energy in WB area in MU	Cost of excess loss of energy in Rs. Lakh	The cost of excess loss of energy to be shared with consumers of WB, as per Tariff Regulation. 2023 in Rs. Lakh
	A	B	$C = B / A / 10$	D	$E = C \times D \times 10$	$F = E / 3$
Power Purchase cost (Fixed +Energy charges) in DVC area (excluding short term, RE & UI) as per Annexure-1	1553.52	60471.57	3.89	52.58	2046.71	682.24

3.25.3 Accordingly, Rs. 682.24 lakh is admitted for West Bengal command area by the Commission which shall be shared with the consumers and the amount has been considered in computation of ARR in respect of the APR for FY 2023-24.

### **3.26 Sharing of excess loss of legal expenses between licensee and consumers**

As per Regulation 2.5.5.4 of Tariff Regulation, 2023, one third of excess loss of legal charges attributed due to difference in legal charges claimed and admitted has been shared with consumers of DVC in terms of Tariff Regulation (Terms and Condition of Tariff), 2023. Referring to the paragraph 3.17, the loss sharing is computed as follows:

**Table- 3.26: Sharing of Loss of Legal expenses by the consumers of WB**

Claimed amount in Rs. Lakh (A)	Admitted amount in Rs. Lakh (B)	Loss amount incurred in Rs. Lakh (C = A – B)	Legal expenses to be shared with consumers, as per Tariff Regulation. 2023 in Lakh (D = C/3)
419.01	201.09	217.92	72.64

3.26.1 Accordingly, Rs. 72.64 lakh is admitted for West Bengal command area by the Commission which shall be shared with the consumers. The amount has been considered in computation of ARR in respect of the APR for FY 2023-24.





## CHAPTER - 4

### AMOUNT ADJUSTABLE ON ANNUAL PERFORMANCE REVIEW

4.1 As shown in the previous chapter, the different allowable charges for the year 2023-24 of the generating stations of DVC as well as for its distribution functions, the net ARR for sale to consumers and licensees in radial mode in West Bengal has been given below: -

**Table-4.1: Net ARR for sale to Consumers and Licensee in Radial Mode in West Bengal**

Particulars	Derivation	Claim (Rs. Lakh)	Admitted (Rs. Lakh)
Power Purchase Cost (excluding RE power)	A	52013.06	51498.28
Generation cost (without RE cost)	B		474846.69
Incentive amount for BTPS-A, CTPS#7&8, DSTPS U#1&2, MTPS U#5&6, MTPS U#7&8, KTPS U#1&2,	C	480783.65	280.21
RE Generation cost	D		753.88
Cost of solar power purchase & Solar , Non-solar REC Purchased to meet the the solar RPO in the state of West Bengal	E	14764.77	14433.52
Transmission and distribution cost	F	35396.84	21807.61
Expenses against UI Charges	G	4057.81	0.00
Interest on Temporary Accommodation	H	—	0.00
Interest on Working capital	I	6018.12	0.00
Different petition filing charges to CERC and its publication fees in West Bengal part	L	200.49	125.06
Tariff Filing Fees, Licensee Fees, APR filing fees & Publication Expenses in West Bengal	M	197.07	197.07
Legal Charges for West Bengal part	N	419.01	201.09
Environmental Protection and Other Cess	O	17.79	7.96
Interest on security deposit payable to West Bengal consumers	P	1342.56	1342.56
O&M Expenses of communication system under ULDC Scheme	Q1	10.68	4.77
ULDC Charge paid to PGCIL & Other Charges	Q2	—	230.26





## Order on APR of DVC for the year 2023-24

Particulars	Derivation	Claim (Rs. Lakh)	Admitted (Rs. Lakh)
Rebate on sale of Power in West Bengal part	R	11182.15	11182.15
Claim of AFC for WB part against the petition submitted before CERC for the FY 2020-21 to 2022-23	S	7302.94	0.00
Add: Share of loss amount due to %T&D loss above Normative as per Tariff Regulation, 2023 (Fourth amendment)	T	—	682.24
Add: Share of excess loss on Legal charges due to difference in actual and admitted amount as per Tariff Regulations, 2023 (4th amendment)	U	—	72.64
Gross Total	V=SUM(A:U)	613706.94	577666.00
Less: Open Access Charge	W	4468.48	4468.50
Less: Non-tariff income		1937.67	2951.64
Less: Income from UI export		0	117.18
Net ARR for sale to consumers and Licensees in radial mode in West Bengal	X	607300.79	570128.69

### 4.2 Revenue from other licensee in radial mode in West Bengal

- 4.2.1 DVC has submitted the following in relation to revenue from other licensees in radial mode in West Bengal:
- 4.2.2 The radial supply to WBSEDCL and IPCL was considered in retail consumer mode till the orders dated 01.03.2019 of this Commission passed in the tariff proceedings of WBSEDCL and IPCL (Case No. OA-272/18-19 & Case No. OA-273/18-19), wherein the supply of power by DVC to them was not considered under retail supply mode. DVC has filed appeals before Hon'ble APTEL vide appeal no. 216 of 2019 and 190 of 2019 in view of non-recovery of the entire Revenue billed to WBSEDCL and IPCL on account of the above orders.
- 4.2.3 In the tariff order dated 05.05.2022 for 2017 – 18, order dated 17.06.2022 for the FY 2018 – 19 and 2019-20 and Tariff Order dated 07.03.2024 for the year 2020-21 to 2022-23, and further Tariff Order dated 13.03.2024 for the year 2023-24 to 2025-26, this Commission has deducted the revenue requirement of DVC from WBSEDCL and IPCL from the approved ARR to arrive at the average cost of supply from which the Tariff was





## Order on APR of DVC for the year 2023-24

designed for the consumers other than WBSEDCL and IPCL. This has resolved the mismatch in consideration of revenue requirements effective from 01.04.2017.

- 4.2.4 DVC has prayed before this Commission to consider the revenue realized amount from IPCL and WBSEDCL instead of the billed amount to the said licensees for the purpose of determination of revenue gap / surplus with auditor's certificate as below.

**Table-4.2: Revenue recovered from other licensees in radial mode in West Bengal command area of DVC**

Particulars	Amount (Rs. Lakh)
Revenue recovered from IPCL in radial mode in WB command area of DVC	11077.89
Revenue recovered from WBSEDCL in radial mode in WB command area of DVC	21899.81
Total	32977.70

- 4.2.5 This Commission maintains that DVC's sale of power to other licensees by name WBSEDCL and IPCL on radial mode cannot be treated as sale of power by a generating company to a consumer and both the parties are at liberty to settle the issues as per the provisions of law now in force, as decided in the Order dated 01.03.2019 in Case No. OA-272/ 18 – 19 and Order dated 01.03.2019 in Case No. OA-273/ 18 – 19. This Commission has also noted that the appeals of DVC to Hon'ble APTEL against the above-mentioned orders being Appeal Nos. 190 of 2019 and 216 of 2019 are under scrutiny of Hon'ble APTEL. In absence of any bilateral settlement between DVC and WBSEDCL as well as DVC and IPCL, the revenue realized from the respective licensees for radial sale have been considered by this Commission as claimed by DVC.

- 4.3 As per paragraph 5.9 of the 8<sup>th</sup> MYT order, the Commission out of Rs. 203537.15 Lakh of regulatory assets has adjusted an amount of Rs. 37884.25 Lakh in the year 2023-24 along with carrying cost. In terms of clause (iv) of regulation 2.6.6 of the Tariff Regulations, carrying cost of Rs 3599 Lakh was allowed for 2023-24 considering simple interest rate of 9.50% (= SBI MCLR rate as on 01.04.2022 + 250 basis point). Such carrying cost considering simple interest rate of 11.0% (= SBI MCLR rate as on 01.04.2023 + 250 basis point) on the RA released in Tariff Order for 2023-24 is computed





## Order on APR of DVC for the year 2023-24

below:

**Table 4.3: Computation of Carrying Cost**

SI No	Particulars	2023-24
1	Regulatory Asset adjusted (Rs. Lakh) (A)	37884.25
2	Interest computed upto	31-03-2024
3	Duration of carrying cost from 01.04.2023 (year) (C )	1
4	SBI MCLR as on 01 <sup>st</sup> April'23 + 250 basis point (D)	11.00%
5	No of year ( E)	1
6	Carrying Cost (Rs. Lakh) (F = A x C x D)	4167.27

In view of the above, Net ARR with Regulatory asset & carrying cost for the consumers of West Bengal becomes as follows:

**Table 4.4: Net ARR with APR adjustment & Carrying cost**

SI No	Particulars	Derivation	Amount in Rs Lakh
1	Net ARR for sale to consumers and Licensees in radial mode in West Bengal	X	570128.69
2	APR adjustment of FY 2009-10 to FY 2019-2020 as allowed to be recovered in the Tariff Order of FY 2023-26 dated 13.03.2024	X1	37884.25
3	Carrying Cost @SBI MCLR rate on 01.04.2023 +250 basis points on the revenue gap as per WBERC Tariff order of FY 2023-26 dated 13.03.2024 (in Rs Crs.)	X2	4167.27
4	Net ARR with Regulatory asset & carrying cost	Y=X+X1+X2	612180.21

**4.4** Accordingly, revenue gaps for the consumers of DVC in the state of West Bengal area are shown as follows:

**Table-4.5: Revenue gap for the consumers in WB command area of DVC**

Sl. No.	Particulars	Amount (Rs. Lakh)
1	Total revenue to be recovered through tariff in WB command area of DVC including APR adjustment & carrying cost	612180.21
2	Revenue realized from IPCL in radial mode	11077.89
3	Revenue realized from WBSEDCL in radial mode	21899.81





## Order on APR of DVC for the year 2023-24

Sl. No.	Particulars	Amount (Rs. Lakh)
4	Net ARR for Sale to consumers excluding Licensees in radial mode in West Bengal [1 – (2+3)]	579202.51
5	Revenue billed to Consumers of West Bengal excluding Licensees (in radial mode) after implementation of Tariff Order dated 13.03.2024	539448.54
6	Revenue Gap (+)/Surplus (-) [4 – 5]	39753.97

### **ORDER**

- 5.1. In terms of regulation 2.6.6 of the Tariff Regulations, the entire recoverable amount or a part thereof shall be adjusted with the amount of Aggregate Revenue Requirement for any subsequent year or through a separate order as may be decided by this Commission.
- 5.2. After issuance of all True-up order by CERC, DVC shall compute the adjustment amount, if any, based on respective truing up order and submit the same along with the subsequent APR.
- 5.3. Let a copy of this order be served upon DVC.
- 5.4. A copy of this order shall be hosted in the website of this Commission. Certified copies of this Order, upon application and fulfilment of the requisite formalities as per the West Bengal Electricity Regulatory Commission (Conduct of Business) Regulations, 2013, as amended, and upon submission of necessary fees, shall be provided to the parties.

Sd/-

(DR. MALLELA VENKATESWARA RAO)  
CHAIRPERSON

Dated: 21.01.2026

Sd/-

DEPUTY DIRECTOR, WBERC





Order on APR of DVC for the year 2023-24

ANNEXURE – 1

**Power Purchase Cost for the FY 2023-24**

Agency	Gross Purchased Energy	Net Purchased Energy	Fixed Charge	Energy Charge	Tr. charge	POSOCO Charge	Reactive energy charge	Others Charges	Total Purchase Cost (excluding ULDC & ERPC Charge)	Fixed Charge + Energy Charge
	MU	MU	(Rs Lakh)	(Rs Lakh)	(Rs Lakh)	(Rs Lakh)	(Rs Lakh)	(Rs Lakh)	(Rs Lakh)	(Rs Lakh)
<b>NHPC</b>	[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]	[K = C+D]
Rangit	28.47	27.49	611.33	569.91	238.39	2.6	0.33	32.80	1455.36	1181.24
Teesta	163.35	157.78	1551.44	1898.48	1367.52	14.91	1.89	-761.02	4073.22	3449.92
<b>NTPC</b>										
TSTPS-1 (NTPC)	14.30	13.79	132.66	255.18	119.70	1.31	0.17	12.45	521.47	387.84
FSTPS I, II & III								995.71	995.71	
NTPC (Talcher, Unchhar) Solar	25.09	25.09		2346.21				2.35	2348.56	2346.21
NTPC - VVNL Solar	25.98	24.98		2782.70				-159.40	2623.30	2782.70
NTPC Solar Power (Tr. Charges)				458.54					458.54	458.54
<b>PTC power from Bhutan</b>										0.00
Chukha (PTC)	100.28	96.92		2408.33	839.53	9.15	1.16	2935.66	6193.83	2408.33
Kurichu (PTC)	13.05	12.61		294.74	109.27	1.19	0.15		405.35	294.74
Tala (PTC)	68.44	66.13		1553.64	572.99	6.25	0.79	1.68	2135.35	1553.64
PTC (Transmission Charges)				110.33					110.33	110.33
<b>MPL</b>	1161.22	1120.02	15346.57	32535.35	9721.48	106.00	13.46	2787.55	60510.41	47881.92
KBUNL	60.90	58.78	1474.25	1729.36	509.86	5.56	0.71	-68.60	3651.14	3203.61
JEM Solar Power	4.58	4.58	0.00	151.64				-8.82	142.82	151.64
<b>Power Exchange (IEX, PXIL)</b>	304.73	294.36	0.00	21252.99				-0.39	21252.60	21252.99
GDAM Purchase - Solar	34.21	32.98	0.00	1927.08					1927.08	1927.08





## Order on APR of DVC for the year 2023-24

Agency	Gross Purchased Energy	Net Purchased Energy	Fixed Charge	Energy Charge	Tr. charge	POSOCO Charge	Reactive energy charge	Others Charges	Total Purchase Cost (excluding ULDC & ERPC Charge)	Fixed Charge + Energy Charge
	MU	MU	(Rs Lakh)	(Rs Lakh)	(Rs Lakh)	(Rs Lakh)	(Rs Lakh)	(Rs Lakh)	(Rs Lakh)	(Rs Lakh)
GDAM Purchase - Non-Solar	110.19	106.39	0.00	6742.52					6742.52	6742.52
Total Power Purchase in DVC area (including RE and excluding UI) [A]	2114.79	2041.90	19116.25	77017.00	13478.74	146.97	18.66	5769.97	115547.59	96133.25
TOTAL Power Purchase in DVC area (excluding RE & UI) [B]	1914.74	1847.88	19116.25	62608.31					101304.77	81724.56
TOTAL Power Purchase in DVC area (excluding short term, RE & UI) [B1]	1610.01	1553.52	19116.25	41355.32						60471.57
% share for sale in West Bengal [C]									50.835%	
Power Purchase Cost excluding cost of RE & UI for Share of sale in West Bengal (Rs Lakh) [D = BXC]									51498.28	
RE Cost for West Bengal part of DVC (Rs lakh) as per RPO sheet annexed [E]									14433.52	
Power Purchase Cost including cost of RE (excluding UI) for Share of sale in West Bengal (Rs Lakh) [F]									65931.80	





Order on APR of DVC for the year 2023-24

ANNEXURE – 2

**Renewable Purchase Obligation (RPO) of DVC for FY 2023-24**

DETAILS OF RENEWABLE POWER OBLIGATION	Derivation	Admitted		
		Jharkhand	West Bengal	Total
Firm sale to DVC Consumers(MU)	A	9765.78	10097.41	19863.19
Firm sale to licensees included above in firm mode (MU)	B	0.00	717.02	717.02
Hydro Power Consumption from Own station (based on sales ratio in JH &WB)	B1	85.88	88.80	174.68
Hydro Power Consumption from external sources (based on sales ratio in JH &WB)	B2	183.68	189.91	373.59
Firm sale considered for RPO(MU)	C = A - B-B1-B2	9496.22	9101.68	18597.90
Total firm sale of DVC (MU)	D = TOTAL OF 'A'	19146.17		
Sales ratio for Jharkhand & West Bengal part of DVC	E = A/D (%)	51.06%	48.94%	100.00%
Quantum of T&D loss of entire DVC (MU)	F	561.68		
T&D loss apportioned to Jharkhand & West Bengal part (MU)	G = E x F	276.15	285.53	561.68
Total energy for firm sale (MU)	H = C + G	9772.38	9387.21	19159.58
Applicable percentage for solar RPO as per the applicable Regulation	I	12.50%	6.00%	----
Applicable percentage for non-solar RPO as per the applicable Regulation	J	12.50%	11.00%	----





## Order on APR of DVC for the year 2023-24

DETAILS OF RENEWABLE POWER OBLIGATION	Derivation	Admitted		
		Jharkhand	West Bengal	Total
Quantum of Solar RPO (MU)	$K = I \times H$	1221.55	563.23	1784.78
Total solar energy purchased + own generation to meet solar RPO(MU) [NTPC+NTPC VVNL+GDAM+JEM]	L			89.86
Solar RPO met for Jharkhand & West Bengal part (MU)	$M = L \times (\text{RPO of JH or WB}) / (\text{Total RPO of DVC})$	61.50	28.36	89.86
Solar RPO met through Net Metering (CLW) (MU)	N	0.00	6.89	6.89
Solar REC (Nos.) purchased in 2023-24	N1	1375377	526391	1901768
Solar RPO met through Rooftop Solar Plant at KTPS and MTPS & ground mounted solar at KTPS(MU)	N2	2.25	2.32	4.58
Equivalent solar RPO met for 2023-24 (MU)	N3	1375.38	526.39	1901.77
Shortfall for Solar RPO (MU) in FY-2023-24	$O = K - M - N2$	-217.58	-0.73	-213.74
Quantum of Non-Solar RPO (MU)	$P = J \times H$	1221.55	1032.59	2254.14
Total Non-Solar energy purchased to meet Non-Solar RPO (MU) (GDAM)	Q			110.19
Non-Solar RPO to be met for Jharkhand & West Bengal part (MU)	$R = Q \times (\text{RPO of JH or WB}) / (\text{Total RPO of DVC})$	59.71	50.48	110.19
Non-Solar REC (Nos.) purchased in 2023-24	S1	1421889	878469	2300358
Equivalent Non-solar RPO met for 2023-24 (MU)	S2	1421.89	878.47	2300.36
Non solar RPO met through Tilaiya Hydro Generation (MU)	S3	1.95	2.02	3.97
Shortfall for Non Solar RPO (MU) in FY 2022-23	$S = P - R - S2 - S3$	-262.01	101.63	-160.38





**Order on APR of DVC for the year 2023-24**

**Power Purchase Cost of DVC for fulfillment of Renewable  
Purchase Obligation of DVC for the FY 23-24**

Particulars	Agencies	Amount Admitted (Rs. Lakh)
Cost of Solar Power	NTPC & NVVNL & JEM	5573.22
Cost of GDAM Solar	Energy Exchange	1927.08
Cost of GDAM Non-Solar	Energy Exchange	6742.52
REC Solar (JH)	Energy Exchange	8789.34
REC Non-Solar (JH)	Energy Exchange	9086.58
REC Solar (WB)	Energy Exchange	3363.90
REC Non-Solar (WB)	Energy Exchange	5613.85
RPO Cost of JH		26662.97
RPO Cost of WB		14433.52





## Order on APR of DVC for the year 2023-24

### **RE Power Purchase (excluding REC)**

Head	RE Purchase for WB	RE Purchase for JH	RE Purchase for WB+JH
Solar purchase in MU (A)	28.36	61.50	89.86
Non-solar purchase in MU (B)	50.48	59.71	110.19
TOAL RE Purchase MU (C= A+B)	78.84	121.21	200.05
RE Power Purchase Cost (excluding REC cost) Rs. Lakh	5455.77	8787.05	14242.82

### **RE Generation**

Head	RE Generation (WB)	RE Generation (JH)	RE Generation (WB + JH)
Solar Generation in MU	2.33	2.25	4.58
Non- Solar Generation in MU	2.02	1.95	3.97
Cost of Solar Generation (in Rs. Lakh) (A)	108.49	105.38	213.87
Cost of Non-Solar Generation (in Rs. Lakh) (B)	645.39	623.67	1269.06
Cost of RE Generation (in Rs. Lakh) (C= A + B)	753.88	729.05	1482.93