



सत्यमेव जयते



ORDER
OF THE
WEST BENGAL ELECTRICITY REGULATORY COMMISSION
IN CASE NO. B-118

ADJUSTMENT OF RECOVERABLE/ REFUNDABLE AMOUNT
OF DIFFERENT ANNUAL PERFORMANCE REVIEW AND
FUEL COST ADJUSTMENT ORDERS ISSUED BY THE
COMMISSION FOR DURGAPUR PROJECTS LIMITED

PRESENT:

SHRI MALLELA VENKATESWARA RAO, CHAIRPERSON

DATED: 01.10.22024



Facts in brief:

- 1.0 The Commission had issued the Annual Performance Review (APR) and Fuel Cost Adjustment (FCA) of Durgapur Projects Limited (DPL) for the years 2018 – 19 (From 01.01.2019 to 31.03.2019) (Part II) and 2019 – 20. In the said orders, the Commission had determined the adjustable amount recoverable from / refundable to the beneficiary of DPL. The Commission, in those orders, had decided that the entire adjustments or the part thereof shall be done with the amount of Aggregate Revenue Requirement (ARR) for the year 2025-26 and that for any other ensuing year or through a separate order, as may be decided by the Commission.
- 2.0 The adjustable amounts as determined by the Commission in the above-mentioned APR and FCA orders are given below:
 - (i) Rs. 1197.33 Lakh had been determined as the net recoverable amount for APR and FCA of the DPL as Generating Company for years 2018 – 19 (From 01.01.2019 to 31.03.2019) (Part II) vide order dated 16.07.2024 in Cases No.: APR-86/ 21 – 22 /(Part II) & FPPCA -101(A) /21-22 (Part II)
 - (ii) Rs. 19806.04 Lakh had been determined as the net recoverable amount for APR and FCA of the DPL as Generating Company for 2019-20 vide order dated 16.07.2024 in Cases No.: APR-92/21 – 22 & FPPCA -101/21-22
- 3.0 The Commission observes that, the capacity charge recovery of a thermal power plant depends upon its plant availability factor (PAF). Thus, adjusting the previous recoverable / refundable amount with the ARR value of subsequent period of a thermal power plant may result into over / under recovery based on actual PAF achieved during that period. Hence, the Commission decides to adjust the net recoverable/ refundable amount through a separate order in 10 equal monthly instalments from 01.11.2024 onwards.
- 4.0 Carrying Cost: The Commission in the Tariff Order of DPL for the eighth control period dated 11.03.2024 had observed that the issue related to carrying cost in view of revenue gap or surplus of any previous years shall be dealt as per the provisions of the tariff Regulations. In terms of clause (iv) of regulation 2.6.6 of the Fourth Amendment of the Tariff Regulations, carrying cost is allowable on reducing balance principle from



01.04.2023, i.e., the date of effect of the amendment. Accordingly, the applicable carrying cost of the above-mentioned regulatory assets are computed below:

- (i) In terms of clause (iv) of regulation 2.6.6 of the Tariff Regulations, as amended, carrying cost shall be calculated with simple interest rate of 11.00% {= SBI MCLR rate as on 01.04.2023 (8.50 %) + 250 basis point} during the year 2023 – 24 and simple interest of 11.15% {= SBI MCLR rate as on 15.02.2024 (8.65 %) + 250 basis point} during the year 2024 – 25. Any variation in SBI MCLR on 01.04.2024 will be separately adjusted in the truing up exercise for 2024 – 25.
- (ii) Accordingly, the admissible Regulatory asset adjustment for carrying cost is as below:

Sl No	Particulars	APR adjustment	Regulatory asset for carrying cost
		Rs Lakh	Rs Lakh
1	APR adjustment for DPL Generation of 2018 – 19 (From 01.01.2019 to 31.03.2019) (Part II) as in para 2.0 (i) above	1197.33	1197.33
2	APR adjustment for DPL Generation of 2019-20 as in para 2.0 (ii) above	19806.04	19806.04
Net Adjustable Amount			21003.37

- (iii) The admissible monthly equal instalments payable amount is computed below:

Sl No	Particulars	Unit	Amount
1	Net admissible amount of Regulatory Asset:	Rs. Lakh	21003.37
2	Total carrying cost up to 31.08.2025 as in Annexure-A	Rs. Lakh	5113.26
3	Total amount payable (1 + 2)		26116.63
4	No of months	month	10
5	Equal monthly instalment payable	Rs. Lakh per month	2611.66

Order

- 5.0 In view of the above, the Commission directs DPL to recover the amount of Rs. 26116.63 Lakh from its sole beneficiary (namely WBSEDCL) in 10 (ten) equal monthly instalments of Rs. 2611.66 Lakh along with its monthly bills commencing from 01.11.2024.



- 6.0 DPL shall reflect the recoverable amount (i.e., Rs. 2611.66 Lakh) separately in its monthly bills to its beneficiary (WBSEDCL).
- 7.0 DPL and WBSEDCL shall take note of this order.
- 8.0 A copy of the order shall be posted in the website of the Commission.
- 9.0 DPL and WBSEDCL shall download the copy of the order from the website of the Commission and act on it. Certified copy of the order, if applied for, be given to the parties on completion of formalities laid down in the West Bengal Electricity Regulatory Commission (Conduct of Business) Regulations, 2013, as amended and on submission of necessary fees.

Sd/-

**(MALLELA VENKATESWARA RAO)
CHAIRPERSON**

Dated: 01.10.2024

**Sd/-
SECRETARY**



COMPUTATION OF CARRYING COST

Start date	01.04.23	01.04.24	01.11.24	01.12.24	01.01.25	01.02.25
Opening balance of RA	21003.37	23313.74	24830.11	22449.16	20046.08	17620.68
SBI MCLR + 250 basis points	11.00%	11.15%	11.15%	11.15%	11.15%	11.15%
Carrying cost	2310.37	1516.36	230.71	208.59	186.26	163.73
Instalment payable	0	0	2611.66	2611.66	2611.66	2611.66
End date	31.03.24	30.10.24	30.11.24	31.12.24	31.01.25	28.02.25
Closing balance	23313.74	24830.11	22449.16	20046.08	17620.68	15172.74

Start date	01.03.25	01.04.25	01.05.25	01.06.25	01.07.25	01.08.25
Opening balance of RA	15172.74	12702.06	10208.42	7691.61	5151.42	2587.62
SBI MCLR + 250 basis points	11.15%	11.15%	11.15%	11.15%	11.15%	11.15%
Carrying cost	140.98	118.02	94.85	71.47	47.87	24.04
Instalment payable	2611.66	2611.66	2611.66	2611.66	2611.66	2611.66
End date	31.03.25	30.04.25	31.05.25	30.06.25	31.07.25	31.08.25
Closing balance	12702.1	10208.42	7691.61	5151.42	2587.62	0.00