



WEST BENGAL ELECTRICITY REGULATORY COMMISSION



Ref No. WBERC/Regulation-75/23-24/ 3982

Dated, Kolkata, the 15th June, 2023

PUBLIC NOTICE

Subject: Notice inviting Objections/ Suggestions/ Comments on Draft West Bengal Electricity Regulatory Commission (Modalities of Tariff Determination) Regulations, 2023

The West Bengal Electricity Regulatory Commission has brought out the Draft West Bengal Electricity Regulatory Commission (Modalities of Tariff Determination) Regulations, 2023 which is available at www.wberc.gov.in

All stakeholders/ interested persons may submit suggestions/ objections/ comments on the draft to the West Bengal Electricity Regulatory Commission at Plot No. AH/5 (2nd and 4th Floor), Premises No. MAR 16-1111, Action Area – 1A, New Town, Kolkata – 700 163 by **12th July, 2023 (3 P.M)**.

By Order of the Commission


Secretary

Place: Kolkata

Date: 15th June, 2023

Draft

WEST BENGAL ELECTRICITY REGULATORY COMMISSION

NOTIFICATION

Notification No. xx/WBERC

Dated, the xx.xx.2023

In exercise of the powers conferred under Section 181 read with Section 61, Section 62, Section 63 and Section 86 of the Electricity Act 2003 and all other powers enabling it in this behalf, and after previous publication, the West Bengal Electricity Regulatory Commission hereby makes the following regulations, namely:

1. Short Title and Commencement:

- 1.1 These regulations may be called the West Bengal Electricity Regulatory Commission (Modalities of Tariff Determination) Regulations, 2023.
- 1.2 These regulations shall come into force from the date of their publication in the Official Gazette.
- 1.3 These regulations shall extend to the whole of the State West Bengal.

2. Definitions: -

2.1 In these regulations, unless the context otherwise requires:

- 1) "Act" means the Electricity Act, 2003;
- 2) "Commission" means the West Bengal Electricity Regulatory Commission;
- 3) "Existing Project" means a project which has achieved commercial operation prior to notification of these regulations;
- 4) "Intra-State Transmission System" or "InSTS" in respect of the State shall have the same meaning as defined in the Act;
- 5) "Ongoing Project" means a project which has been under implementation but has not achieved commercial operation as on the date of notification of these regulations;
- 6) "Regulated Tariff Mechanism" or "RTM" means determination of tariff by the Commission in accordance with the regulations specified by the Commission under Section 62 of the Act;
- 7) "State Transmission Utility" or "STU" shall have the same meaning as defined in the Act;
- 8) "STU Transmission Plan" means an updated five-year rolling Intra-State Transmission System Plan for the State as prepared and issued every year by STU;

- 9) "Tariff Based Competitive Bidding" or "TBCB" means determination of tariff through transparent process of bidding in accordance with the guidelines issued by the Central Government under Section 63 of the Act;
 - 10) "Tariff Regulation" means the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011 as amended for time to time;
 - 11) "Year" means a financial year from 1st April to 31st March;
- 2.2 Save as aforesaid and unless repugnant to the context or if the subject matter otherwise requires, words and expressions used in these regulations and not defined here, but defined in the Act or any other regulations of this Commission shall have the same meaning as assigned to them under the Act, or any other regulations of this Commission. Similarly, words and expressions used in these regulations and not defined here, but defined in the guidelines issued by the Central Government under Section 63 of the Act shall have the same meaning as assigned to these in the guidelines.
- 2.3 Reference to any Acts, Rules and Regulations shall include amendments or consolidation or reenactment thereof.

PART A: MODALITY FOR POWER PURCHASE APPROVAL FOR THE DISTRIBUTION LICENSEE IN THE STATE

3. Tariff for Power Procured under Section 62 of the Act:

- 3.1 All existing power generating projects for which tariff is currently being determined in accordance with Regulated Tariff Mechanism (RTM) under Section 62 of the Act shall be the basis and accordingly these projects will continue to be covered under RTM framework and their tariffs will be determined under Section 62 for the remainder of the PPA period or life of the plant, whichever is earlier.
- 3.2 Expansion of existing state owned and controlled power generating projects will be allowed under Section 62 and their tariffs shall be determined based on norms specified in the Tariff Regulations.
- 3.3 In case of expansion of generating capacity by private developers, the tariffs for the incremental generating capacity would be determined in accordance with RTM framework under section 62, limited to one-time addition of capacity not more than 100% of capacity approved under their existing PPA with the distribution licensee(s) in the state:

Provided further that in case of expansion of such generating projects, the benefit of sharing of infrastructure of existing project and efficiency of new technology shall be passed on to the consumers through tariff.

- 3.4 Power produced from all renewable energy sources willing to sell their power to the distribution licensees in the State and whose installed capacity is below the minimum capacity permitted for competitive bidding under section 63 of the Act, the Commission may, if required, specify ceiling tariff / cap rate for different renewable energy sources.
- 3.5 Developers of Hydro Electric Projects, including Pumped Storage Plant (PSP) have option of getting their tariff determined in accordance with RTM framework under section 62 for the power to be sold to any distribution licensee in the State through Long-term Power Purchase Agreement, if the following conditions are fulfilled:
 - (i) Long-term PPA is firmed upto for 60% or more of the total salable design energy with the distribution licensees in the State;
 - (ii) PPA is approved by the Commission;
 - (iii) Project developers should follow two-stage investment approval mechanism specified in the Tariff Regulations.

4. Power Procurement under Section 63 of the Act: -

Tariff for all power procurement not covered in Regulation 3 of these regulations shall be discovered through competitive bidding route with prior approval of the Commission for the requirement of such capacity to be bid in pursuance to Section 86 (1)(b) of the Act. Further, any deviation from TBCB guidelines shall require prior approval of the Commission.

PART B: MODALITY FOR TRANSMISION TARIFF

5. STU Transmission Plan: -

- 5.1 The STU shall prepare an updated five-year Transmission System Plan for the State on rolling basis every year following the provision of the State Grid Code read with Indian Electricity Grid Code and other guidelines/ regulations of Central Electricity Authority and submit for approval of the Commission. The State Transmission Plan shall identify specific transmission projects which are required to be taken up specifying (a) Brief Scope of Work, (b) Estimated Cost, (c) Estimated COD/ implementation timelines.

- 5.2 All intra-State transmission projects shall be consistent with the approved State Transmission Plan. No intra-State transmission project shall be considered for implementation, unless the project is a part of the approved State Transmission Plan, except any urgent work requiring network strengthening / augmentation for safe, secure and reliable operation of the grid as certified by the SLDC.

6. Tariff Determination for InSTS Projects under Section 63 of the Act:

- 6.1 All new intra-State transmission projects above Rs. 250 Crore, being part of STU Transmission Plan, shall be implemented through Tariff Based Competitive Bidding (TBCB) in accordance with the guidelines issued under Section 63 of the Act and any deviation from the guidelines should have prior approval of the Commission. The tariff of such intra-State transmission projects discovered under Section 63 of the Act shall be adopted by the Commission.
- 6.2 For the purpose of implementation of TBCB in intra-state transmission system, STU shall act as bid-process coordinator, till any separate body is notified by the State Government.

7. Tariff Determination for InSTS Projects under Section 62 of the Act:

- 7.1 Tariff for all other intra-State transmission projects not covered under Regulation 6.1 being part of the STU Transmission Plan, shall be determined in accordance with RTM framework under Section 62 of the Act.
- 7.2 Implementation of augmentation / strengthening works (excluding O&M works) at the intra-State transmission substation and/or line, being part of the STU Transmission Plan, shall be carried out by the concerned transmission licensee who owns the sub-station and/or line in accordance with the provisions under Section 62 of the Act read with Tariff Regulations, for which the STU shall obtain prior approval of the Commission on case-to-case basis.

PART C: MODALITY FOR DISTRIBUTION TARIFF

8. Retail Tariff of the consumers shall be determined in accordance with Section 62 of Electricity Act 2003 following the provisions of the Tariff Regulations.

9. Power to Relax:

The Commission may by general or special order, for reasons to be recorded in writing, and after giving an opportunity of hearing to the parties likely to be affected, may relax any of the provisions of these regulations on its own motion or on an application before it by the affected party.

10. Power to Amend:

The Commission, at any point of time, at its own discretion or otherwise, may vary, alter, modify, add or amend any provisions of these regulations in exercise of its judicial discretion.

11. Power to Remove Difficulties:

If any difficulty arises in giving effect to any of these regulations, the Commission may on its own motion or on an application filed by any affected party, issue such practice directions as may be considered necessary in conformity with the objective of these regulations, Act and Rules, as the case may be.

By the Order of the Commission