



**ORDER
OF THE
WEST BENGAL ELECTRICITY REGULATORY
COMMISSION**

IN CASE NO. OA – 520 / 25 – 26

**IN REGARD TO THE APPLICATION SUBMITTED BY WEST
BENGAL STATE ELECTRICITY DISTRIBUTION COMPANY
LIMITED FOR PRIOR APPROVAL OF PRELIMINARY
EXPENDITURE ON ACCOUNT OF EXPLORATORY WORKS FOR
PREPARATION OF RESIDUAL LIFE ASSESSMENT STUDY,
PERFORMANCE ANALYSIS STUDY AND PREPARATION OF
DETAILED PROJECT REPORT FOR RENOVATION AND
MODERNIZATION PROGRAMME OF EXISTING MINI AND MICRO
HYDRO PROJECTS OF WBSEDCL**

DATE: 11.07.2025



Prior approval of preliminary expenditure on account of exploratory works to be incurred by the West Bengal State Electricity Distribution Company Limited (WBSEDCL) for preparation of Residual Life Assessment Study, Performance Analysis Study and preparation of Detailed Project Report for Renovation and Modernization Programme of existing Mini and Micro Hydro Projects of WBSEDCL

Facts in brief:

- 1.0 The West Bengal State Electricity Distribution Company Limited (hereinafter referred to as "WBSEDCL") has submitted an application on 16.06.2025 before the West Bengal Electricity Regulatory Commission (hereinafter referred to as the "Commission") for prior approval of preliminary expenditure on account of Residual Life Assessment study, Performance Analysis Study and preparation of Detailed Project Report (DPR) for Renovation and Modernization programme of existing Mini and Micro Hydro Projects of WBSEDCL. The application has been admitted by the Commission and registered in Case No. OA – 520 / 25 – 26.
- 2.0 The application of WBSEDCL inter-alia states the following:
 - 2.1 WBSEDCL is operating Mini and Micro Hydro Plants as its embedded generators in West Bengal. Some of the Hydro Power Plants viz. Little Rangit Hydro Project, Rinchington Hydro Project, Mungpoo Kalikhola Hydel Power Station, Fazi Hydro Power Project and Sidrapong Hydropower project were commissioned long time back and are presently operating with de-rated capacity and various problems. Due to ageing of the projects, spares of installed Turbine Generator sets and allied equipment are getting obsolete and are not available. Hence, due to non-availability of spares and old civil/ hydro-mechanical structures, the available discharge is not been fully utilized which is resulting generation loss. Thus, WBSEDCL has conceptualized to bring back these old power projects through Renovation and Modernization so that they can run at full capacity in order to achieve optimum generation.
 - 2.2 In this regard, WBSEDCL has engaged M/s Jadavpur University, Kolkata to carry out the Residual Life Assessment Study, Performance Analysis Study and preparation of Detailed Project Report for Renovation and Modernization programme of the aforesaid Mini and Micro Hydro Projects of WBSEDCL. WBSEDCL stated that the estimated financial involvement for carrying out the study and preparation of DPR comes to Rs. 27 Lakhs excluding taxes.
 - 2.3 WBSEDCL submitted that the source and funding of the project will be finalized after completion of the feasibility study and thereafter, after completion of statutory clearances, WBSEDCL shall approach the Commission for necessary investment approval of the project.



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- 2.4 WBSEDCL submitted that the Commission in its order dated 06.10.2023 in Case No. OA – 444/ 22 – 23 had directed WBSEDCL to take prior approval before undertaking any exploratory works failing which the entire financial risk associated with such work is to be entirely borne by WBSEDCL. In view of the above and in order to mitigate financial risk, WBSEDCL prayed for prior approval for preliminary expenditure on account of exploratory works for carrying out the Residual Life Assessment Study, Performance Analysis Study and preparation of Detailed Project Report for Renovation and Modernization programme of the Mini and Micro Hydro Projects of WBSEDCL.

Observations of the Commission:

- 3.0 The Commission notes that conducting a Residual Life Assessment Study or a Performance Analysis Study is a pre-requisite to evaluate the feasibility of older/ existing projects for inclusion under the Renovation and Modernization (R&M) programme. These studies are also required for the subsequent preparation of a Detailed Project Report (DPR).
- 4.0 The Commission is of the considered view that the preliminary expenditure towards such exploratory works for feasibility studies and preparation of Detailed Project Report for Renovation and Modernization programme of the Mini and Micro Hydro Projects of WBSEDCL is a part of project cost and therefore, is required to be considered in the DPR.
- 5.0 Moreover, WBSEDCL is required to obtain investment approval for Renovation and Modernization programme of generating stations in two stages and submit DPR of the project along with other related documents as specified in regulation 2.8.4.2.1 of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011, as amended from time to time, for approval of the Commission.

Order:

- 6.0 In view of the above, the Commission approves the exploratory works for carrying out the Residual Life Assessment Study, Performance Analysis Study and preparation of Detailed Project Report for Renovation and Modernization programme of the Mini and Micro Hydro Projects of WBSEDCL and directs WBSEDCL to consider the such preliminary expenditure as a part of project cost during preparation of DPR for Renovation and Modernization programme of the projects and submit the same for approval as per the



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provisions of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011, as amended from time to time.

- 7.0 With this order, the petition filed by WBSEDCL stands disposed of.
- 8.0 A copy of the order shall be posted in the website of the Commission.
- 9.0 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/-
(DR. MALLELA VENKATESWARA RAO)
CHAIRPERSON

Dated: 11.07.2025

Sd/-
DEPUTY DIRECTOR, WBERC