

ORDER OF THE WEST BENGAL ELECTRICITY REGULATORY COMMISSION

IN CASE NO. OA - 529 / 25 - 26

PETITION SUBMITTED BY WEST BENGAL STATE ELECTRICITY DISTRIBUTION COMPANY LIMITED UNDER SECTION 86 (1) (B) READ WITH SECTION 63 OF THE ELECTRICITY ACT, 2003 SEEKING APPROVAL OF THE DEVIATIONS FROM THE MODEL BIDDING DOCUMENTS AS PER THE MINISTRY OF POWER GUIDELINES DATED 06.03.2019 AND THE DEVIATIONS APPROVED BY THE COMMISSION IN THE ORDER DATED 06.05.2025 IN CASE NO. OA – 514 / 24 – 25 FOR PROCUREMENT OF 660 MW POWER UNDER LONG TERM FROM A NEW POWER STATION OF 1 X 660 MW TO BE SET UP ON DESIGN, BUILD, FINANCE, OWN AND OPERATE (DBFOO) MODEL IN THE EXISTING PLANT PREMISES OF THE DURGAPUR PROJECTS LIMITED

DATE: 01.09.2025



Petition submitted by West Bengal State Electricity Distribution Company Limited under Section 86 (1) read with Section 63 of the Electricity Act, 2003 seeking approval of the deviations from the Model Bidding Documents as per the Ministry of Power guidelines dated 06.03.2019 and the deviations approved by the Commission in the Order dated 06.05.2025 in Case No. OA -514 / 24-25 for procurement of 660 MW power under long term from new power station of 1 x 660 MW to be set up on Design, Build, Finance, Own and Operate (DBFOO) model in the existing plant premises of The Durgapur Projects Limited

Facts in brief:

- 1.0 The West Bengal State Electricity Distribution Company Limited (WBSEDCL) submitted a petition on 07.08.2025 seeking approval of deviations from the Model Bidding Documents issued under the Ministry of Power guidelines dated 06.03.2019 regarding procurement of 660 MW thermal power under Long-Term Agreement from 1 x 660 MW plant to be set up on Design, Build, Finance, Own and Operate (DBFOO) model in the existing plant premises of the Durgapur Projects Limited under section 63 of the Electricity Act, 2003. Subsequently, WBSEDCL also submitted a supplementary petition on 22.08.2025. The Commission admitted the petition in Case No. OA 529/25 26.
- 2.0 In the petition, WBSEDCL has inter-alia stated the following:
- 2.1 WBSEDCL proposes to procure power from 660 MW plant to be setup on DBFOO model in the existing plant premises of the Durgapur Projects Limited, West Bengal through competitive bidding under Section 63 of the Electricity Act, 2003. In this regard, WBSEDCL adopted a two-stage process viz. 'Qualification Stage' and 'Bid Stage' for selection of Bidder to award the Project.
- 2.2 WBSEDCL in first stage sought approval on deviation from 'Model Request for Qualification' (model RfQ), which was approved by the Commission vide order dated 19.09.2024 in Case No. OA 486/24 25 after prudence check. WBSEDCL submitted that the Qualification Stage was completed on 28.01.2025 with 4 numbers of pre-qualified bidders for the Bidding Stage.
- 2.3 Subsequently, WBSEDCL proposed few modifications in 'Request for Proposal' and draft 'Power Supply Agreement' from the Model bidding documents, which was approved by the Commission on 06.05.2025 in Case No. OA 514/24 25.
- 2.4 Now, during the pre-bid meeting held on 23.06.2025, the pre-qualified bidders requested for extension of commencement schedule by an additional 12 months in view of procurement of the Boiler-Turbine-Generator (BTG) package from domestic sources. To



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facilitate realistic scheduling and smooth and efficient execution of the project, WBSEDCL has agreed to the proposal.

- 2.5 Further, in view of the Ministry of Environment, Forest and Climate Change (MoEF&CC) Notification No. G.S.R. 465(E), dated 11.07.2025, WBSEDCL proposes to proceed with the bidding process excluding the installation of Flue Gas Desulfurization (FGD) system. WBSEDCL submitted that the Expert Committee will review of the project and grant Environmental Clearance with respect to applicability for SO₂ standards. WBSEDCL also stated that in order to protect any future changes in cost implications arising from Environment Clearance, the provision of 'Change in Law' has been suitably incorporated to protect the interest of the Supplier.
- 2.6 In view of above, WBSEDCL prays for further deviation in RFP and PSA from the deviation already approved by the Commission in Case No. OA 514/24 25 dated 06.05.2025 on the following grounds:
 - (i) Commencement period of the power stations to be considered as 54 months from appointed date in place of 42 months along with its related changes in supply contract and project completion schedule in the RfP and draft PSA.
 - (ii) Offtake capacity of the project by excluding the installation of FGD system and its related changes in bid parameter sheet, etc. in the RfP and draft PSA.
 - (iii) A new provision is incorporated in the 'Change in Law' section of draft for any future changes in cost implications as a consequence of the decision of the Expert Committee on the account of applicability of Sulphur Dioxide Standards as per the notification of MoEF&CC dated 11.07.2025.

Observations of the Commission:

4.0 The Commission observed that the Ministry of Environment, Forest and Climate Change vide Notification No. G.S.R. 465(E). dated 11.07.2025 had categorized the thermal power plants in three categories on the basis of their locations. Further, the applicability of



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emission standards for Sulphur Dioxide in upcoming Thermal Power Plants as specified in the Notification has been given below:

SI No.	Category	Location/ area	Applicability of Emission Standards for Sulphur Dioxide in Thermal Power Plants
1	Category A	Within 10 Km radius of National Capital Region and having million plus population	Plants to be commissioned after 31.12.2027 will operate only after ensuring compliance of standards
2	Category B	Within 10 Km radius of Critically Polluted Areas or Non-attainment cities	Applicability of SO ₂ emission standards shall be decided on a case-to-case basis by the Central Government based on recommendation of the Expert Appraisal Committee in charge of Thermal Power Projects and for the upcoming plants where EC has not been granted, the applicability shall be specified in Environmental Clearance granted to each such projects.
3	Category C	Other than those included in Category A and B	Not applicable subject to ensuring compliance of stack height criteria

In the instant proposal, WBSEDCL has decided to proceed with the bidding process excluding the installation of FGD since the Expert Committee will review the project and grant Environmental Clearance (EC) with respect of applicability of SO₂ emission standards.

- 5.0 The Commission observed that the proposed modifications include increase in off-take capacity due to non-consideration of FGD system, increase the commencement schedule from 42 months to 54 months primarily in view of time required for domestic purchase of BTG and related modifications in the bid-parameter sheet, supply contract and project completion schedule. The proposal has been found reasonable.
- 6.0 A new proviso has also been proposed under 'Change in Law' for any additional cost implication as a consequence of the decision of the expert committee on the account of applicability of SO2 standards, in future, and such cost is proposed to be determined by this Commission on the basis of application to be submitted by the Supplier.



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Order:

- 7.0 In view of the above, the Commission accords its approval of the deviations proposed by WBSEDCL in the RFP and draft PSA from the Model Bidding Documents and the deviations approved in the Order dated 06.05.2025 in Case No. OA 514 / 24 25 for the proposed 660 MW new thermal power project under DBFOO model in the existing plant premises of the Durgapur Projects Limited.
- 8.0 WBSEDCL may proceed with the bidding process with an intimation to the Commission.
- 9.0 WBSEDCL shall seek approval from the Commission of the Power Supply Agreement entered with the Successful Bidder in terms of the provisions of the Tariff Regulations.
- 10.0 A copy of the order shall be posted in the website of the Commission.
- 11.0 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: 01.09.2025

Sd/-DEPUTY DIRECTOR, WBERC