



ORDER
OF THE
WEST BENGAL ELECTRICITY REGULATORY COMMISSION
IN THE MATTER OF
CASE NO. OA- 557/ 25-26

IN-PRINCIPLE APPROVAL FOR CAPITAL EXPENDITURE OF AN ESTIMATED COST OF RS. 33293.65 LAKH FOR IMPLEMENTATION OF NEW TRANSMISSION SCHEME OF WEST BENGAL STATE ELECTRICITY TRANSMISSION COMPANY LIMITED.

DATE: 08.07.2026



In Principle approval for Capital Expenditure of an estimated cost Rs. 33293.65 lakh for implementation of second phase of transmission scheme of West Bengal State Electricity Transmission Company Limited (WBSETCL)

CASE IN BRIEF

- 1.0 The instant petition has been filed on 12.03.2026 by West Bengal State Electricity Transmission Company Limited (in short 'WBSETCL') vide letter no. CE/CPD/WBERC/101 dated 11.03.2026 for approval of Capital Expenditure of an estimated cost Rs. 33293.65 lakh for implementation of second phase of transmission scheme in terms of regulation 2.8.2.3 and Paragraph 4.1 (vi) of Schedule-2 of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011, as amended from time to time (in short 'Tariff Regulations'). The Commission has admitted the application on 01.04.2026 and registered in Case No. OA-557/25-26.
- 2.0 Following New Transmission scheme are included in this petition:

Sl. No.	Type of the Work
1.	Construction of 400 KV D/C transmission line with twin HTLS conductor equivalent to quad moose to make S/C LILO of N. PPSP-Arambag 400 KV D/C transmission line at upcoming Thermal Power Plant at the proposed premises of JSW (Salboni), West Medinipur (S/C O/H RL =1.80 Km & D/C O/H RL =68.00 Km).

- 3.0 The Gist of the Application of WBSETCL is approved by the Commission vide letter no. WBERC/OA-557/25-26/1238 dated 21.05.2026 for publication of the said gist in terms of Tariff Regulations for inviting objections /suggestions /comments from the stakeholders in respect of investment of Rs. 33293.65 Lakh for the project mentioned at paragraph 2.
- 4.0 WBSETCL vide letter no. CE/CPD/WBERC/187 dated 29.05.2026 has provided the details of the newspapers, as mentioned below, where the gist of the above application is published on 27.05.2026.

a. The Statesman-English



- b. Sukhabar-Bengali
- c. The Telegraph-English
- d. Jugasankha-Bengali

5.0 The last date for the submission of suggestions /objections /comments by the stakeholders expired on 16.06.2026 as per the gist. No objection/ suggestion / comment has been received from any stakeholder on the above subject by this Commission till last date of submission.

6.0 In the application, WBSETCL has submitted the brief description of the following scheme:

6.1A. Construction of 400 KV D/C transmission line with twin HTLS conductor (equivalent to quad moose) to make LILO of one circuit of New PPSP - Arambag 400 KV D/C transmission line at upcoming Thermal Power Plant at the premises of JSW (Salboni), West Medinipur (S/C O/H RL =1.80 Km & D/C O/H RL =68.00 Km):

6.1.1 The proposed transmission scheme forms the second phase of the evacuation system for the upcoming JSW Thermal Power Plant at Salboni, Paschim Medinipur, being developed by M/s JSW Thermal Energy Limited with an initial capacity of 2×800 MW and provision for future expansion up to 4×800 MW (3200 MW).

6.1.2 In the first phase, a Power Supply Agreement (PSA) was executed between WBSEDCL and M/s JSW Thermal Energy Limited for long-term procurement of 1492 MW of power from the proposed generating station. To facilitate evacuation of power from the project, WBSETCL was entrusted with development of the associated Extra High Voltage (EHV) transmission network. Based on load-flow studies, the initial evacuation scheme comprising JSW–Kharagpur 400 kV D/C connectivity and LILO of the New PPSP–Arambagh 400 kV D/C line at JSW Salboni was planned.



- 6.1.3 Considering the time-bound requirement for availability of the transmission system prior to synchronization of the generating units and the contractual implications arising from any delay, WBSETCL has already taken up implementation of the JSW–Kharagpur 400 kV D/C transmission line along with bay extension at Kharagpur 400 kV Substation as the first phase of the evacuation scheme.
- 6.1.4 The present proposal relates to the second phase, involving construction of a 400 kV D/C transmission line from a suitable point on the New PPSP–Arambagh 400 kV D/C line to the upcoming JSW Thermal Power Station through LILO arrangement, with Twin HTLS conductor equivalent to Quad Moose. The estimated project cost is Rs. 33,293.65 lakh, including IDC and supervision charges.
- 6.1.5 Further, considering the future expansion of the generating station and the need for reliable evacuation of power under contingency (N-1-1) conditions, the transmission system is envisaged to ultimately provide 400 kV D/C connectivity between JSW Salboni and both Kharagpur and Arambagh 400 kV Substations, thereby strengthening the State transmission network and ensuring secure evacuation of power from the generating station.
- 6.1.6 Although the estimated project cost exceeds the threshold prescribed under Regulation 6.1 of the WBERC Regulations, 2023 for Modalities of Tariff Determination towards implementation through the Tariff Based Competitive Bidding (TBCB) route, the Commission, vide Order dated 14.01.2026 in Case No. OA-542/25-26, has accorded in-principle approval for execution of the said transmission scheme under Regulated Tariff Mechanism (RTM) against application of WBSETCL to meet requirement for time-bound completion of the evacuation system to align with the commissioning schedule of the generating units and to avoid consequential financial liabilities under the PSA.



In Principle approval for Capital Expenditure of an estimated cost Rs. 33293.65 lakh for implementation of second phase of transmission scheme of West Bengal State Electricity Transmission Company Limited (WBSETCL)

6.1.7 For drawal of the 400 kV transmission line, the cost towards Right of Way (RoW), including way-leave charges and crop compensation, shall be borne in accordance with the prevailing norms and shall be accommodated within the provisions of the turnkey Supply and Erection contract.

6.1.8 The Scheme is proposed to be completed within 24 months from the date of placement of LOA. The Transmission Scheme is scheduled to be commissioned within next 3 years, 2028-29.

7.0 Approval Reference of all these Projects:

Sl.no	Name of the Project	Approved by	Approval Ref.
1.	Construction of 400 KV D/C transmission line with Twin HTLS (Equivalent to Quad Moose) to make LILO of one circuit of Arambag - New PPSP 400 kV D/C at proposed Generating Station of JSW (Salboni) (RL : D/C \approx 68.0 KM OH, S/C \approx 1.8 KM OH).	BOD, WBSETCL	Agenda Item No.- 22 of 104th meeting of BOD held on 20.02.2026

8.0 Funding arrangement:

The project is proposed to be funded through WBSETCL's Internal Resources (IR) and through domestic borrowings. The equity component (30%) is proposed to be met through Internal Resources (IR) and the loan component (70%) through domestic borrowings from any Financial Institution with a loan repayment period of 12 years.

Interest During Construction based on the assumption that the project being financed from equity and loan in the ratio of 30:70 and the equity component being released simultaneously along with the loan component. The interest during construction has been estimated as Rs 3352.66 Lakh based on debt:equity ratio of 70:30 and applicable borrowing rate.

9.0 Status of tender:



In Principle approval for Capital Expenditure of an estimated cost Rs. 33293.65 lakh for implementation of second phase of transmission scheme of West Bengal State Electricity Transmission Company Limited (WBSETCL)

Tender for above-mentioned transmission scheme will be floated shortly after completion of Pre-Tender Engineering stage.

10.0 Basis of Cost Estimate:

The unit rates for all equipment for transmission line & Sub-station have been considered from Latest Cost Data (which was prepared based on the unit equipment rate obtained from Procurement Department of WBSETCL. The cost estimates for equipment are inclusive of all Taxes & Duties.

11.0 Financial implication:

The project cost as submitted by WBSETCL along-with DPRs for the project covered under paragraph 2 above are as given below:

SI.No.	Description	Rs. in Lakhs
1	A. Construction of 400 KV D/C transmission line with twin HTLS conductor equivalent to quad moose (up to LILO point) to make S/C LILO of N. PPSP-Arambag 400 KV D/C transmission line at upcoming Thermal Power Plant at the proposed premises of JSW (Salboni), West Medinipur	
	i Estimated Cost of Supply of Materials	19157.36
	ii. Estimated cost for Erection of Materials	8061.72
	iii Total Estimated Cost	27219.08
	iv Supervision Charge (@10%)	2721.91
	v Total Project Cost including Supervision	29940.99
	vi IDC	3352.66
Project Cost including IDC & Supervision		33293.65



In Principle approval for Capital Expenditure of an estimated cost Rs. 33293.65 lakh for implementation of second phase of transmission scheme of West Bengal State Electricity Transmission Company Limited (WBSETCL)

OBSERVATIONS OF THE COMMISSION

12.0 The Commission observes that, in terms of Regulation 2.8.2.3 of the Tariff Regulations, approval of the Commission for investment in new transmission project is mandatory after 31.12.2007. The Commission also observes that the regulation inter-alia specifies approval of the project shall be taken before investment is made in order to minimize the investment risk.

13.0 The Commission also observes that the projects will cater reliable and quality power to the existing and upcoming consumers, benefiting the consumers at the end providing a strong generating source to Arambag 400 KV Sub-Station and New PPSP 400 KV Sub-Station as well as downstream 220 and 132 KV Sub-Stations. With the development of reliable & adequate power supply, socio-economic development can be achieved.

ORDER

14.0 The Commission after consideration of all the facts and the project reports submitted by WBSETCL in their petition dated 11.03.2026, approves the investment proposal of Rs. 33,293.65 Lakh in terms of regulation 2.8.2.3 of Tariff Regulations.

15.0 The Commission also gives the following directions:

- (i) For the purpose of capitalization WBSETCL will have to seek approval of the Commission for the project cost along with actual interest during construction and all actual expenditure incurred or apportioned to the project cost on account of spares, transportation, insurance, tax, establishment charges, and losses during construction and consultancy charges and also any actual expenditure met out of contingency. WBSETCL is to provide the cost break-up of each scheme showing the actual vis-à-vis estimation included in the total project cost as above.



In Principle approval for Capital Expenditure of an estimated cost Rs. 33293.65 lakh for implementation of second phase of transmission scheme of West Bengal State Electricity Transmission Company Limited (WBSETCL)

- (ii) WBSETCL shall ensure proper metering arrangement in line with Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006 as amended from time to time and arrangement for real time data display at SLDC control room before energization of the sub-station and associated Transmission Systems.
- (iii) On completion of each project WBSETCL shall submit the COD and a benefit analysis of the project separately before the Commission.
- (iv) Original project cost is required to be approved showing the details of deviations from its investment plan along with reasons of such deviations in terms of Regulation 2.8.5 of the WBERC Tariff Regulations. The Commission may disallow any excess of project cost on capitalization over approved cost if it finds the justifications furnished are not adequate.

16.0 The Petition is thus disposed of.

17.0 WBSETCL 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: 08.07.2026

Sd/-

DEPUTY DIRECTOR, WBERC