

West Bengal Electricity Regulatory Commission FD-415A, Poura Bhawan, 3rd Floor, Sector-III Bidhannagar, Kolkata – 700 106

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Ref No. WBERC/FPPCA-73/14-15/0115

Dated, Kolkata, the 5th May, 2015

From:

K. P. Bhar, I.A.S. (Retd.) Secretary

To
The Chairman & Managing Director,
West Bengal Power Development Corporation Limited
Bidyut Unnayan Bhavan
3/C, L.A. Block, Sector - III
Salt Lake City
Kolkata – 700 098.

Sub: Applications for Fuel Cost Adjustment (FCA) and Annual Performance Review (APR) for the year 2013-14

Ref: Your letter No. WBPDCL/WBERC-20/15/2484 dated 25.03.2015 in reply to our letter No. WBERC/FPPCA-73/14-15/1125 dated 11th March, 2015 Sir.

With reference to above, I am directed to request you to submit further clarifications on the following issues arisen out of your above referred letter in respect of your applications for FCA and APR submitted by you for the year 2013 – 2014.

1. In connection with the query of the Commission in paragraph 1 of its letter dated 11th March, 2015 you have identified the higher annual inflation rate during 2010 – 2011 to 2013 – 2014 as a major reason in comparison to 5% annual inflation rate that has been considered in the tariff order. In this context during 2010 – 2011 the inflation rate with respect of 2009 – 2010 was 9.57% as per WPI and 10.53% as per CPI. Even then WBPDCL has projected inflation rate at 5% in their tariff petition which was ultimately accepted by the Commission. This indicates that WBPDCL was confident

enough to contain the increase within 5%. However, in real time the inflation has been lesser than that of 2010 – 2011. In view of such fact please clarify further for your excess expenditure on coal and ash handling and fuel related matters.

Please also submit a comparison report between 2012 – 2013 and 2013 – 2014 for each generating station showing total coal received in MT, boulder received in MT, demurrage hours and demurrage charges.

- Please furnish a statement showing the fuel purchase bills, if any, which
 have not been claimed in the MFCA but claimed under the FCA application
 for 2013 2014 along with the dates of receipt of such bills and the reasons
 for not claiming such bills under the MFCA mechanism.
- 3. In reply to the query of the Commission in paragraph 4 of its letter dated 11th March, 2015 you have mentioned that the copies of policies are enclosed. However, it is found that no such enclosures have been received. You are, therefore, requested to submit such policies.
- 4. In connection with the query of the Commission in paragraph 6 of its letter dated 11th March, 2015 you have submitted a certificate from your statutory auditors but it has not been mentioned that the amount claimed in the APR on terminal benefit fund of the employees have been <u>deposited in the terminal benefit</u> (emphasis supplied) fund of the company within the stipulated period. Accordingly a fresh certificate indicating categorically that the amount has been deposited, shall be submitted by you immediately.

Normally the clarifications should be stated in APR petition. At the beginning these are looked into. The APR petition has been under the process of examination for that reason and still it is going on. In case of absence of any such matter in due course it may be required to ask WBPDCL to submit the same next.

You are requested to submit the above documents, papers, forms, clarifications immediately.

I am further directed to inform you that what has been mentioned in letter no. Ref No. WBERC/FPPCA-73/14-15/1125 dated 11th March, 2015 of the Commission regarding the fresh gist to be submitted for approval of the Commission will also be applicable in case of above mentioned queries.

Yours faithfully,

(K. P. Bhar) Secretary

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