



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

IN CASE NO. PPA – 150 / 25 – 26

**POWER SUPPLY AGREEMENT (PSA) DATED 20.01.2026 FOR
CONTRACTED CAPACITY OF 1508 MW TO BE PURCHASED BY
WEST BENGAL STATE ELECTRICITY DISTRIBUTION COMPANY
LIMITED (WBSEDCL) UNDER LONG TERM ARRANGEMENT
FROM NEW POWER STATION OF 2 X 800 MW TO BE SETUP BY
JSW THERMAL ENERGY TWO LIMITED (JSW TETL) ON
DESIGN, BUILD, FINANCE, OWN AND OPERATE (DBFOO)
MODEL**

DATE: 17.02.2026



Power Supply Agreement (PSA) executed on 20.01.2026 by & between JSW Thermal Energy Two Limited (JSW TETL) and West Bengal State Electricity Distribution Company Limited (WBSEDCL) for contracted capacity of 1508 MW to be purchased by WBSEDCL under Long Term arrangement from New Power Station of 2 x 800 MW to be set up on Design, Build, Finance, Own and Operate (DBFOO) model

Facts in brief:

- 1.0 The West Bengal State Electricity Distribution Company Limited (WBSEDCL) submitted an application on 05.02.2026, in terms of Section 63 read with Section 86 (1) (b) of the Electricity Act, 2003 and in terms of regulation 7.4 of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011, as amended from time to time, (hereinafter to be referred as "Tariff Regulations") for approval of the Power Supply Agreement (PSA) executed on 20.01.2026 by & between JSW Thermal Energy Two Limited (JSW TETL) and WBSEDCL for contracted capacity of 1508 MW to be purchased by WBSEDCL under Long Term arrangement from New Power Station of 2 x 800 MW to be set up on Design, Build, Finance, Own and Operate (DBFOO) model. The Commission admitted the application on 05.02.2026 in Case No. PPA – 150/ 25 – 26.
- 2.0 The application of WBSEDCL read with the Power Supply Agreement dated 20.01.2026 inter-alia state the following:
 - 2.1 The Department of Power, Government of West Bengal being the Nodal Agency, had conducted a bidding process on behalf of WBSEDCL, in accordance with the Guidelines issued by the Ministry of Power, Government of India dated 06.03.2019 read with the orders of the Commission dated 20.08.2025 in Case No. OA – 527/ 25 – 26 and 14.11.2025 in Case No. OA – 539/ 25 – 26, for long term procurement of power from Thermal Power Station to be set up on DBFOO basis in the State of West Bengal. JSW Energy Limited became the L-1 bidder with quoted tariff of Rs. 5.81 per kWh for supply of 1508 MW of power from 2 x 800 MW Thermal Power Station. JSW Energy Limited had accepted Letter of Award on 31.12.2025.
 - 2.2 Subsequently, in compliance to Clause 2.2.6 of the RFQ, JSW Energy Limited had formed a Special Purpose Vehicle (SPV) named "JSW Thermal Energy Two Limited" (JSW TETL) for establishing a 2 x 800 MW New Greenfield Thermal Power Plant at Salboni District – Paschim Medinipur, West Bengal, Pin – 721147. The SPV shall be responsible for development and operation of the proposed 2 x 800 MW coal based Thermal Power Plant and supply power to WBSEDCL for a contracted period of 30 years and 6 months in



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accordance with Article 3 of the PSA with the above-mentioned tariff as accepted by JSW Energy Limited being LI bidder.

- 2.3 The Board of Directors of WBSEDCL, in its meeting held on 8 January 2026, accorded approval for procurement of 1,508 MW of power from the proposed 2 x 800 MW thermal power station of JSW TETL and for execution of a Power Sale Agreement (PSA) by and between WBSEDCL and JSW TETL for the said contracted capacity under a long-term arrangement. Pursuant to the said approval, the PSA has been executed by and between WBSEDCL and JSW TETL for the said contracted capacity under a long-term arrangement at the tariff discovered through the competitive bidding process.
- 2.4 WBSEDCL submitted that the power generated from the proposed plant shall be delivered by JSW TETL at the Ex-Bus of the Power Plant and the evacuation of the power shall be the responsibility of WBSEDCL as per the terms and conditions of the bidding documents and PSA.
- 2.5 In view of above, WBSEDCL has prayed before the Commission to approve the PSA dated 20.01.2026 executed by and between JSW TETL and WBSEDCL for contracted capacity of 1508 MW to be purchased under Long Term arrangement from New Power Station of 2 x 800 MW of JSW TETL.

Observations of the Commission:

- 3.1 In terms of regulation 7.4.1 of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011, as amended from time to time, every long-term agreement or arrangement for procurement of power by the licensee entered into after 09.02.2007 shall come into effect only with the prior approval of the Commission. In this regard, for purchase of power under Section 63 of the Electricity Act, 2003, the Commission shall review the application for approval of power purchase on the following factors in terms of regulation 7.4.2 of the WBERC Tariff Regulations 2011.
- (i) Requirement of Power
 - (ii) Adherence to a transparent process of bidding in accordance with guidelines issued by the Central Government.



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- 3.2 WBSEDCL vide petitions dated 18.07.2025 and 11.11.2025 approached the Commission for approval of deviations from the Model Bidding Documents issued under the 'Guidelines for Long Term Procurement of Electricity from Thermal Power Stations set up on DBFOO basis and sourcing Fuel as provided under Model Bidding Documents including allocation of coal under B(I), B (III) and B(IV) of SHAKTI policy' dated 06.03.2019. The Commission observed that the proposed deviations are primarily related to the power plant capacity, its location, additional time for commencement of the project considering domestic supply of Boiler Turbine Generator and evaluation of bid through e-reverse bidding along with providing additional clarity to the bidders incorporating recent sectoral changes. The Commission had accordingly approved the Bidding Documents viz. Request for Qualification (RFQ), Request for Proposal (RFP) and Power Supply Agreement (PSA) vide order dated 20.08.2025 in Case No. OA – 527/ 25 – 26 and order dated 14.11.2025 in Case No. OA – 539/ 25 – 26.
- 3.3 **Requirement of Power:** The Commission in the order dated 20.08.2025 in Case No. OA – 527 / 25 – 26 has already noted the requirement of WBSEDCL for purchase of power of this 1508 MW under Long Term arrangement to meet the growing power demand in future years as envisaged in the Report of Resource Adequacy Plan prepared by the Central Electricity Authority.
- 3.4 **Adherence to transparent process of bidding:** The Commission vide order dated 12.02.2026 in Case No. OA – 550 / 25 – 26 has adopted the tariff of Rs. 5.81 per kWh discovered under Tariff Based Competitive Bidding (TBCB) Process for a contracted capacity of 1508 MW to be purchased by WBSEDCL under long term arrangement from Second Greenfield Thermal Power Project of 2 x 800 MW Installed Capacity to be set up on DBFOO in terms of Section 63 of the Act read with regulation 2.1.3 of the Tariff Regulations.
- 3.5 The Commission observes the PSA dated 20.01.2026 is in line with the draft PSA approved by the Commission vide order dated 20.08.2025 in Case No. OA – 527/ 25 – 26 and order dated 14.11.2025 in Case No. OA – 539/ 25 – 26.
- 3.6 Regarding the reasonableness of the discovered tariff, WBSEDCL submitted that in the last 2 – 3 years, other than West Bengal, distribution licensees of three (3) different states



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viz. Madhya Pradesh, Bihar and Assam have completed competitive bidding process under DBFOO model, where tariff quoted by successful bidders ranges from Rs. 5.81 per kWh to Rs. 6.30 per kWh. WBSEDCL also submitted that, in the past years, it had to purchase power from open market at a very high rate during summer and festive season to meet the power demand

Order:

- 4.0 The Commission, after careful consideration of the facts and observations above, approves the PSA dated 20.01.2026 executed by and between JSW TETL and WBSEDCL for contracted capacity of 1508 MW under Long Term arrangement at the tariff adopted by the Commission from New Power Station of 2 x 800 MW to be set up on DBFOO model by JSW Thermal Energy Two Limited at Salboni District – Paschim Medinipur, West Bengal, Pin – 721147 in terms of Section 63 read with Section 86 (1) (b) of the Electricity Act, 2003 and regulation 7.4.1 of the Tariff Regulations.
- 5.0 The petition is thus disposed of.
- 6.0 A copy of the order shall be posted in the website of the Commission.
- 7.0 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: 17.02.2026

Sd/-

DEPUTY DIRECTOR, WBERC