



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

**IN CASE NO. PPA-137/24-25**

**APPLICATION SUBMITTED BY THE WEST BENGAL STATE ELECTRICITY DISTRIBUTION COMPANY LIMITED (WBSEDCL) IN TERMS OF SECTION 63 READ WITH SECTION 86 (1)(B) OF THE ELECTRICITY ACT, 2003 FOR APPROVAL OF THE POWER SUPPLY AGREEMENT (PSA) EXECUTED ON 13.03.2025 BETWEEN JSW THERMAL ENERGY LIMITED AND WBSEDCL FOR CONTRACTED CAPACITY OF 1492 MW 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**

**DATE: 29.05.2025**



Application submitted by the West Bengal State Electricity Distribution Company Limited (WBSEDCL) in terms of Section 63 read with Section 86 (1)(b) of the Electricity Act, 2003 for approval of the Power Supply Agreement (PSA) executed on 13.03.2025 between JSW Thermal Energy Limited and WBSEDCL for contracted capacity of 1492 MW 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

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**Facts in brief:**

- 1.0 The West Bengal State Electricity Distribution Company Limited (WBSEDCL) submitted an application on 19.03.2025, 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, for approval of the Power Supply Agreement (PSA) executed on 13.03.2025 between JSW Thermal Energy Limited and WBSEDCL for contracted capacity of 1492 MW 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 in Case No. PPA – 137/ 24 – 25.
- 2.0 The application of WBSEDCL read with the Power Supply Agreement dated 13.03.2025 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 19.09.2024 in Case No. OA – 489/ 24 – 25, 26.11.2024 in Case No. OA – 503/ 24 – 25 and 06.01.2025 in Case No. OA – 506/ 24 – 25, for long term procurement of power from Thermal Power Station to be set up on DBFOO basis in the State of West Bengal. Further, the Nodal Agency has also arranged Coal Linkage under para B(iv) of SHAKTI Policy for the proposed power plant.
  - 2.2 On conclusion of the bidding process, JSW Energy Limited became the L-1 bidder with quoted tariff of Rs. 5.45 per kWh for supply of 1492 MW of power from 2 x 800 MW Thermal Power Station. WBSEDCL vide letter dated 05.02.2025 had issued Letter of Award (LOA) to the selected bidder i.e., JSW Energy Limited. Further, JSW Energy Limited had sent their acceptance on 05.02.2025.
  - 2.3 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 Limited" for establishing 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



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of the proposed 2 x 800 MW coal based Thermal Power Plant and supply power to WBSEDCL for a contracted period of 29 years and 6 months in accordance with Article 3 of the PSA. The quoted tariff as on bid date is Rs. 5.45 per kWh and is envisaged to be revised in accordance with Article 21 and 22 of the PSA.

- 2.4 WBSEDCL submitted that the power generated from the proposed plant shall be delivered by JSW Thermal Energy Limited 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 signed between the parties.
- 2.5 In view of above, WBSEDCL has prayed before the Commission to approve the Power Supply Agreement executed on 13.03.2025 by and between JSW Thermal Energy Limited and WBSEDCL for contracted capacity of 1492 MW.

#### **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.
- 3.2 WBSEDCL vide petitions dated 23.07.2024, 06.11.2024 and 30.12.2024 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



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- 06.03.2019. The Commission observed that the proposed deviations are primarily related to the requirement of the project, evaluation of bid through e-reverse bidding and providing additional clarity to the bidders incorporating recent sectoral changes. The Commission had accordingly approved the RFQ vide order dated 19.09.2024 in Case No. OA – 489/ 24 – 25 and RFP and draft PSA vide order dated 26.11.2024 in Case No. OA – 503/ 24 – 25 and order dated 06.01.2025 in Case No. OA – 506/ 24 – 25.
- 3.3 **Requirement of Power:** The Commission in the order dated 19.09.2024 in Case No. OA – 489/ 24 – 25 has already noted the requirement of WBSEDCL for purchase of power 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 Nodal Agency on behalf of WBSEDCL has conducted the process of competitive bidding and JSW Energy Limited, being the L-1 bidder with quoted tariff of Rs. 5.45 per kWh has been selected as the Successful Bidder. The Commission vide order dated 28.05.2025 in Case No. OA – 513 / 24 – 25 has noted the transparency in the bidding process and adopted the tariff of Rs. 5.45 per kWh in terms of Section 63 of the Act read with regulation 2.1.3 of the WBERC Tariff Regulations.
- 3.5 Further, in terms of clause 3.3.6 of the RFP, WBSEDCL had executed a Power Supply Agreement with JSW Thermal Energy Limited (SPV) on 13.03.2025. The Commission observes the PSA dated 13.03.2025 is in line with the draft PSA approved by the Commission vide order dated 26.11.2024 in Case No. OA – 503/ 24 – 25 read with order dated 06.01.2025 in Case No. OA – 506/ 24 – 25.
- 3.6 Regarding reasonableness on the discovered tariff, WBSEDCL submitted that in last 2 – 3 years, other than West Bengal, distribution licensee of three (3) different states viz. Maharashtra, Uttar Pradesh and Gujarat have completed competitive bidding process under DBFOO model, where tariff quoted by successful bidders ranges from Rs. 5.05 per kWh to Rs. 5.483 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



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meet the power demand. Thus, the instant power purchase will help the consumers of WBSEDCL for 24 x 7 power supply in future years.

**Order:**

- 4.0 The Commission, after careful consideration of the facts and observations given above, approves the Power Supply Agreement executed on 13.03.2025 by and between JSW Thermal Energy Limited and WBSEDCL for contracted capacity of 1492 MW 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 by JSW Thermal Energy 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 West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011, as amended from time to time.
- 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**

**Sd/-**

**DEPUTY DIRECTOR, WBERC**

**Dated: 29.05.2025**