



**ORDER
OF THE
WEST BENGAL ELECTRICITY REGULATORY COMMISSION
IN CASE NO. PPA – 42 / 10 – 11 / VOL II**

IN REGARD TO THE APPLICATION SUBMITTED BY WEST BENGAL STATE ELECTRICITY DISTRIBUTION COMPANY (WBSEDCL) FOR APPROVAL OF AMENDMENT AGREEMENT NO. 1 DATED 29.02.2024 TO POWER SALE AGREEMENT DATED 05.01.2011 EXECUTED BY AND BETWEEN WEST BENGAL STATE ELECTRICITY DISTRIBUTION COMPANY LIMITED (WBSEDCL) AND PTC INDIA LIMITED (PTC) FOR PURCHASE OF 100 MW POWER FROM THE THERMAL POWER PLANT OF ADHUNIK POWER AND NATURAL RESOURCES LIMITED (APNRL) THROUGH PTC, IN TERMS OF REGULATION 7.4 OF THE WEST BENGAL ELECTRICITY REGULATORY COMMISSION (TERMS AND CONDITIONS OF TARIFF), REGULATIONS, 2011, AS AMENDED.

PRESENT:

**SRI MALLELA VENKATESWARA RAO, CHAIRPERSON
SRI PULAK KUMAR TEWARI, MEMBER**

DATE: 22.03.2024



Approval of Amendment Agreement dated 29.02.2024 to Power Sale Agreement dated 05.01.2011 executed by and between West Bengal State Electricity Distribution Company Limited (WBSEDCL) and PTC India Limited (PTC) for purchase of 100 MW power from the thermal power plant of Adhunik Power and Natural Resources Limited (APNRL) through PTC, in terms of regulation 7.4 of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff), Regulations, 2011, as amended



Facts in Brief

- 1.0 The West Bengal State Electricity Distribution Company Limited (in short 'WBSEDCL') submitted an application vide letter dated 04.03.2024 for approval of Amendment Agreement No. 1 dated 29.02.2024 to Power Sale Agreement dated 05.01.2011 executed by and between West Bengal State Electricity Distribution Company Limited (WBSEDCL) and PTC India Limited (PTC) for purchase of 100 MW power from the thermal power plant of Adhunik Power and Natural Resources Limited (APNRL) through PTC, in terms of regulation 7.4 of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff), Regulations, 2011, as amended. Subsequently, WBSEDCL has submitted a supplementary application on 22.03.2024 with a copy of the Power Sale Agreement dated 29.02.2024 for approval of the Commission. The Commission admitted the application along with the supplementary application and registered it in Case No. PPA – 42/ 10 – 11/ (Vol – II).
- 2.0 WBSEDCL in its application inter-alia submitted the following:
 - 2.1 Adhunik Power & Natural Resources Limited (APNRL) operates a 540 MW coal-based thermal power station in Saraiketa Kharsawan district of Jharkhand, classified as a generating company under section 2 of the Electricity Act, 2003.
 - 2.2 Power is being supplied to WBSEDCL from the thermal power plant of APNRL on mutually agreed tariff in terms of the following arrangement:
 - a) Power Sale Agreement (PSA) executed between WBSEDCL and PTC read with Supplementary PSA dated 01.12.2011; and
 - b) Power Purchase Agreement (PPA) dated 25.03.2011 read with Amendment Agreement No. 1 dated 26.04.2011 and Amendment Agreement No. 2 dated 01.12.2011 executed on back-to-back basis between PTC and APNRL.

The said arrangement was approved by the Commission vide order dated 15.12.2011.

- 2.3 Subsequently, WBSEDCL, PTC and APNRL entered into an agreement to settle down their dispute on mutual tariff and agreed that, the tariff shall be determined by this Commission under Section 62 and 64(5) of the Electricity Act, 2003 in accordance with the WBERC Tariff



Approval of Amendment Agreement dated 29.02.2024 to Power Sale Agreement dated 05.01.2011 executed by and between West Bengal State Electricity Distribution Company Limited (WBSEDCL) and PTC India Limited (PTC) for purchase of 100 MW power from the thermal power plant of Adhunik Power and Natural Resources Limited (APNRL) through PTC, in terms of regulation 7.4 of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff), Regulations, 2011, as amended



Regulations with effect from 01.04.2022. The Commission vide order dated 29.07.2022 in Case No. OA – 417/22 – 23 agreed to the same.

- 3.0 Now, APNRL has participated in the auction under Round 6 of SHAKTI Scheme and successfully received a provisional allocation of 6,27,700 MT per annum (G11 to G13 grade of coal) by offering a levelized tariff discount of 13 paise/kWh out of which coal linkage of 5,43,356.6 MT per annum for its long-term Power Purchase Agreement with WBSEDCL was allocated.
- 4.0 Accordingly, to pass on the benefits, PTC and WBSEDCL has entered into an Amendment Agreement No. 1 dated 29.02.2024 to Power Sale Agreement dated 05.01.2011 read with supplementary agreement dated 01.12.2011. Further, PTC and APNRL has also entered an Amendment Agreement No.3 dated 29.02.2024 to their Power Purchase Agreement dated 25.03.2011 to purchase the discounted power from APNRL.
- 5.0 In view of the above, WBSEDCL has prayed before the Commission for approval of the Amendment Agreement No. 1 dated 29.02.2024, to the Power Sale Agreement dated 05.01.2011 executed by and between WBSEDCL and PTC for the purchase of 100 MW power from the thermal power plant of APNRL, in terms of regulation 7.4 of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff), Regulations, 2011, as amended.

Observations of the Commissions

- 6.0 Clause (b) of sub-section (1) of section 86 of the Electricity Act 2003 (hereinafter referred as "the Act") inter-alia specifies that, while discharging its function the State Commission shall regulate electricity purchase and procurement process of distribution licensees including the price at which electricity shall be procured from the generating companies or licensees or from other sources through agreements for purchase of power for distribution and supply within the State.
- 7.0 SHAKTI Scheme envisages allocation of linkage coal on the basis of long term approved PPA and also to what extent, the licensee can pass on benefits to the end consumers.



Approval of Amendment Agreement dated 29.02.2024 to Power Sale Agreement dated 05.01.2011 executed by and between West Bengal State Electricity Distribution Company Limited (WBSEDCL) and PTC India Limited (PTC) for purchase of 100 MW power from the thermal power plant of Adhunik Power and Natural Resources Limited (APNRL) through PTC, in terms of regulation 7.4 of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff), Regulations, 2011, as amended



- 8.0 APNRL has participated in the bidding process under SHAKTI Scheme B and has received provisional allocation of 6,27,700 MT per annum from CCL, SECL and MCL. Out of this allocation, APNRL secured a coal linkage of 5,43,356.6 MT per annum for its PPA with WBSEDCL by offering a levelized tariff discount of 13 paisa/ kWh to its consumers for 15 years.
- 9.0 The Commission observes that the power of 100 MW of APNRL thermal plant is supplied to the consumers of WBSEDCL where the tariff is determined under section 62 of the Electricity Act with effect from 01.04.2022. Thus, the proposed tariff discount of 13 paisa/ kWh will be beneficial to the end consumers of WBSEDCL.

Order

- 10.0 The Commission after considering the above facts and submission of WBSEDCL approves Amendment Agreement No. 1 dated 29.02.2024 to Power Sale Agreement dated 05.01.2011 executed between WBSEDCL and PTC for purchase of 100 MW power from the thermal power plant of APNRL, in terms of regulation 7.4 of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff), Regulations, 2011, as amended.
- 11.0 APNRL shall compute the monthly energy bill with applicable levelized discount of 13 paise/kWh under linkage received in 6th round of SHAKTI scheme, as specified in the approved arrangement. The discount shall be computed with reference to the scheduled generation to WBSEDCL from the linkage coal to the extent supplied through the SHAKTI Schemes.
- 12.0 APNRL shall maintain all documents related to receipt of coal under the SHAKTI scheme in Round-6 and submit the same along with the bills to PTC and WBSEDCL in order to substantiate the computation of discount adjustment. WBSEDCL shall intimate SLDC regarding the energy charge after considering the applicable discount rate for considering under merit order despatch. APNRL shall also submit all details to the Commission while submitting APR and FPPCA petitions.
- 13.0 The application is thus, disposed off.
- 14.0 A copy of the order shall be posted in the website of the Commission.



Approval of Amendment Agreement dated 29.02.2024 to Power Sale Agreement dated 05.01.2011 executed by and between West Bengal State Electricity Distribution Company Limited (WBSEDCL) and PTC India Limited (PTC) for purchase of 100 MW power from the thermal power plant of Adhunik Power and Natural Resources Limited (APNRL) through PTC, in terms of regulation 7.4 of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff), Regulations, 2011, as amended



15.0 WBSEDCL, APNRL, PTC and SLDC shall download the copy of the order from the website of the Commission and act on it. A 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/-
(PULAK KUMAR TEWARI)
MEMBER

Sd/-
(MALLELA VENKATESWARA RAO)
CHAIRPERSON

Dated: 22.03.2024

Sd/-
SECRETARY