



**ORDER**  
**OF THE**  
**WEST BENGAL ELECTRICITY REGULATORY COMMISSION**  
**IN THE MATTER OF**  
**CASE NO: RP-3/24-25**

IN REGARD TO APPLICATION SUBMITTED BY WEST BENGAL STATE ELECTRICITY TRANSMISSION COMPANY LIMITED SEEKING REVIEW OF OPERATION AND MAINTENANCE NORMS AS SPECIFIED IN WEST BENGAL ELECTRICITY REGULATORY COMMISSION (TERMS AND CONDITIONS OF TARIFF) (FOURTH AMENDMENT) REGULATIONS, 2023 NOTIFIED VIDE NOTIFICATION NO. 76 PASSED ON 13.03.2023 IN TERMS OF REMOVAL OF DIFFICULTIES VIDE CLAUSE 8.3 OF CHAPTER-8, MISCELLANEOUS OF WBERC (TERMS AND CONDITIONS OF TARIFF) REGULATIONS, 2011.

**PRESENT:**

**DR MALLELA VENKATESWARA RAO, CHAIRPERSON**

**DATE: 21.11.2024**



### **Facts in brief:**

- 1.0 West Bengal State Electricity Transmission Company Limited (hereinafter referred to as "WBSETCL") has submitted a petition on 03.05.2024 seeking review of Operation & Maintenance (O&M) norms for WBSETCL as specified in West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) (Fourth Amendment) Regulations, 2023 (hereinafter referred to as the "Fourth Amendment Regulations, 2023") in terms of removal of difficulties vide clause 8.3 of chapter-8, miscellaneous of WBERC (Terms and conditions of tariff) Regulations, 2011.
- 2.0 WBSETCL submitted the present petition to seek review and modification of the said O & M Norms that have been introduced for WBSETCL vide Schedule - 9A of the Fourth Amendment Regulations, 2023.

### **Observations of the Commission:**

- 3.0 The review sought by WBSETCL on the item mentioned in paragraph 2.0 above have been discussed below:

#### **A. REASSESSMENT OF THE NORMS OF O & M EXPENSES:**

##### **Submission of WBSETCL:**

- i) WBSETCL referred the Statement of Reasons of the Fourth Amendment Regulations, 2023 wherein it is stated that Commission has decided to consider the approved O&M expenses in APR order for the year 2015-16 to 2019-20 of WBSETCL to arrive at the new O&M norms for 8<sup>th</sup> Control period as specified in Schedule-9A in the Fourth Amendment Regulations, 2023, since there were no norms in the Tariff Regulations, 2011 as amended up to the Third amendment.
- ii) WBSETCL also stated that, by following the above principles, the determination of Operation & Maintenance (O&M) norms for WBSETCL in the Fourth Amendment Regulations, 2023 were done on the basis of admitted O & M expenses of the previous years where the length of the Transmission lines was considered as the sole parameter of Business Volume ignoring the Sub-station Capacity as parameter of Business Volume Growth.
- iii) WBSETCL also pointed out that, the methodology adopted by the Commission in previous years' APR order has already been challenged by them before Hon'ble APTEL. Those Appeals are still pending adjudication.



- iv) In view of above, WBSETCL inter-alia prayed before Commission to review the O&M norms for WBSETCL of the Fourth Amendment Regulations, 2023 factoring the expenses attributable for maintenance of both lines and bays in terms of Clause No. 8.3 of Chapter 8 "Removal of Difficulties" of WBERC (Terms and Conditions of Tariff) Regulations, 2011.

Observation of the Commission:

The Commission finalized the O&M norms of WBSETCL for the 8<sup>th</sup> Control Period in the Fourth Amendment Regulations, 2023 after taking into consideration of the objection/suggestion/views received from the stakeholders given against notification of draft Regulation. Thus, review of O&M norms of the Fourth Amendment Regulations, 2023 as proposed by WBSETCL through order is not admissible.

The Commission further observes that the O&M expenses for 8<sup>th</sup> control period were derived based on the admitted O&M expenses of previous years with due impact of inflation. Moreover, any gain / loss on account of such controllable expenses are subject to be shared with the beneficiaries at the ratio specified in the Tariff Regulations.

- 4.0 Thus, the review prayer for on the issues raised as in points A above is considered by applying prudence by the Commission and no ingredients for review are manifest in the relevant submissions.

Order:

- 5.0 Based on the foregoing analysis, Issues raised in points no A is decided in the negative since having no merit.
- 6.0 The review petition is thus disposed of.
- 7.0 A copy of the order shall be posted in the website of the Commission.
- 8.0 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/-  
(MALLELA VENKATESWARA RAO)  
CHAIRPERSON

Dated: 21.11.2024

Sd/-  
(SECRETARY)