



**ORDER
OF
WEST BENGAL ELECTRICITY REGULATORY COMMISSION
FOR THE YEAR 2022 – 23
IN
CASE NO: TP – 89 / 20 - 21
IN REGARD TO THE DETERMINATION OF WHEELING
CHARGES PAYABLE TO THE
WEST BENGAL STATE ELECTRICITY DISTRIBUTION
COMPANY LIMITED FOR THE USE OF ITS DISTRIBUTION
SYSTEM FOR CONVEYANCE OF ELECTRICITY BY OPEN
ACCESS CUSTOMERS INCLUDING CAPTIVE GENERATING
PLANTS DURING THE FINANCIAL YEAR 2022 – 23 UNDER
SECTION 62 (1) (C) OF THE ELECTRICITY ACT, 2003**

DATE: 30.07.2022



Order for Wheeling Charges of WBSEDCL for the year 2022-23

CHAPTER -1 INTRODUCTION

- 1.1 In terms of regulation 2.1.1 (iv) of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011, as amended (hereinafter referred to as the "Tariff Regulations"), the West Bengal Electricity Regulatory Commission (hereinafter referred to as the "Commission") is required to determine the wheeling charges payable to the distribution licensees for the use of their distribution system and associated facilities for conveyance of electricity by all open access customers including the captive generating plants. Accordingly, the Commission proceeds to determine such wheeling charges payable to West Bengal State Electricity Distribution Company Limited (in short "WBSEDCL") by such customers/ system users during the year 2022 – 23.
- 1.2 The Commission, in accordance with the provisions of the Act and Tariff Regulations, passed the MYT order dated 28.03.2022 in respect of WBSEDCL in case no. TP-89/20-21 determining the Aggregate Revenue Requirement (in short 'ARR') of WBSEDCL for each year viz. 2020 – 21, 2021 – 22 and 2022 – 23 of the seventh control period. The Commission has also issued the retail tariff order for 2022-23 on 28.07.2022.
- 1.3 The Commission now takes up the matter relating to determination of the rate of distribution wheeling charges for the year 2022 – 23 in accordance with the principles, terms and conditions laid down in Schedule – 4 of the Tariff Regulations.



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CHAPTER -2 ORDER ON WHEELING CHARGE FOR 2022 - 23

- 2.1 The Commission in this chapter takes up the matter relating to determination of the rate of distribution wheeling charges for the year 2022 – 23 in accordance with the principles, terms and conditions laid down in Schedule - 4 to the Tariff Regulations.
- 2.2 The distribution wheeling charges represents the charges for the use of distribution systems or associated facilities of a distribution licensee for wheeling of electricity through that facility. It is derived based on total distribution network cost, total unit salable by the licensee to the consumers and total units wheeled for all open access customers in the network.
- 2.3 The Commission in the MYT order of the seventh control period has determined the Net Aggregate Revenue Requirement for 2022-23 as Rs. **2126849.92 lakh**. Net ARR requirement for distribution Wheeling during 2022 – 23, after deducting the non-tariff income, expense incidental to selling & distribution of energy, income from other business etc., comes to **Rs. 339084.33 lakh**. The detailed computation is shown in Annexure - 2.
- 2.4 The total quantum of sale including energy wheeled as admitted in chapter 5 of the MYT order dated 28.03.2022 for the year 2022 – 23 are as below:

SL No	Particulars	2022 – 23
1	Sale to own consumers [MU]	33936.83
2	Energy Wheeled [MU]	155.30
	Total	34092.13

- 2.5 The applicable rate of wheeling charges for the year 2022 – 23 comes to 99.46 paisa/kwh respectively as shown below:

SL No	Particulars	Unit	2022 – 23
1	Net admissible Fixed Charge related to distribution for power wheeling only (as per Annexure -2)	Rs. lakh	339084.33
2	Total of energy wheeled (paragraph 2.4)	MU	34092.13
3	Wheeling charge (1/2)	paise / kWh	99.46

- 2.6 In terms of the provisions contained in the West Bengal Electricity Regulatory Commission (Open Access) Regulations, 2007, as amended (hereinafter referred to as the "Open Access Regulations"), the Commission is fixing the above rate of wheeling charges and the same is to be recovered by WBSEDCL during the year 2022 – 23



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onwards from the different categories of open access customers as mentioned in the said regulation including captive generators for conveyance of electricity through its distribution system for long term open access. For short term open access, the wheeling charge shall be realized as per Open Access Regulations. However, for conveyance of electricity from cogeneration and renewable energy sources, the wheeling charge shall be realized by WBSEDCL from such open access customer as per regulation framed by the Commission on Cogeneration and Generation of Electricity from Renewable Sources of Energy.

Provided that the consumer of the distribution licensee shall not be required to pay any wheeling charge for the part of energy it is drawing not as an open access customer.

- 2.7 The open access customer, other than those carrying the electricity generated in captive generating plant to the destination and for the extent of their own use, shall pay cross-subsidy surcharge in addition to the distribution wheeling charge in accordance with the open access regulations. The cross-subsidy surcharge collected shall be accounted separately and shall be utilized to meet the current level of cross-subsidy. Distribution licensee shall compute the applicable cross-subsidy surcharge based on the formula specified in the Open Access Regulations considering the weighted average unit cost of pooled power purchase variable cost and own generation fuel cost as derived from the MVCA formula for the month.

Provided that, where power purchase cost is in single part as per PPA, the same shall be considered for computation of avoided cost.

Provided further that, applicable cross subsidy surcharge shall be limited to 20% of the retail tariff of the respective consumer category including applicable MVCA.

- 2.8 The wheeling charge and cross-subsidy surcharge already recovered from long-term open access customers during 2022 – 23 shall be adjusted with the rates specified in paragraph 2.5 above. The wheeling charge rate as specified for 2022 – 23 shall continue till further order of the Commission. Distribution licensee shall compute cross-subsidy surcharge as mentioned in 2.7 from time to time.

- 2.9 WBSEDCL shall submit to the Commission a gist of this order within three (03) working days from the date of receipt of this order for approval of the Commission, and on receipt of the approval, shall publish the approved gist within four (04) working days from the date of receipt of approval of the Commission, in those news paper in which the gist of



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the tariff order for 2022-23 was published. WBSEDCL shall also upload a copy of this order in their website.

ANNEXURE – 2 Computation of Wheeling Charges

Sl. No.	Particulars	Units	2022 – 23
1	Employee cost for Distribution Function	Rs. in lakh	128669.00
2	Outsourcing expenses for Distribution function	Rs. in lakh	72588.38
3	Operation and Maintenance Expenses for Distribution function, lease rental and complaint management mechanism	Rs. in lakh	54185.43
4	Rates and taxes	Rs. in lakh	11230.14
5	Insurance	Rs. in lakh	1369.53
6	Interest on loan	Rs. in lakh	63145.84
7	Interest on Bonds for pension fund	Rs. in lakh	0.00
8	Other finance charges	Rs. in lakh	1499.00
9	Depreciation (net of depreciation on metering and other asset)	Rs. in lakh	29971.34
10	Taxes under Income Tax Act	Rs. in lakh	5627.66
11	Return on Equity	Rs. in lakh	32207.67
12	Gross Fixed Charges	Rs. in lakh	400493.99
13	Less: Non-Tariff income related to distribution function	Rs. in lakh	15218.00
14	Less Expenses incidental to selling and distribution of energy viz., meter reading & billing, collection franchisee cost, franchisee cost, complaint management mechanism for consumer, lease rental charges, data warehousing, back-office job, call centre cost, MCSU service, etc.	Rs. in lakh	45208.94
15	Interest credit	Rs. in lakh	982.72
16	Net admissible Fixed Charge related to distribution for power wheeling only (12-13-14-15)	Rs. in lakh	339084.33

Sd/-
(PULAK KUMAR TEWARI)
MEMBER

Sd/-
(SUTIRTA BHATTACHARYA)
CHAIRPERSON

Dated: 30.07.2022

Sd/-
Secretary