



TARIFF ORDER
OF THE
WEST BENGAL ELECTRICITY REGULATORY COMMISSION

FOR THE YEAR 2025-26

IN

CASE NO: TP- 99 /22-23

IN REGARD TO THE PETITION SUBMITTED BY WEST BENGAL STATE ELECTRICITY TRANSMISSION COMPANY LIMITED (WBSETCL) FOR DETERMINATION OF TARIFF UNDER 8TH CONTROL PERIOD FOR THE YEAR 2023-24, 2024-25 AND 2025-26 IN TERMS OF PROVISIONS STIPUTATED IN THE WEST BENGAL ELECTRICITY REGULATORY COMMISSION (TERMS AND CONDITIONS OF TARIFF) REGULATIONS, 2011 AS AMENDED.

DATE: 15.03.2025



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CHAPTER -1

INTRODUCTION

- 1.1 West Bengal Electricity Regulatory Commission (hereinafter referred to as the "Commission"), a statutory body under the first proviso to section 82(1) of the Electricity Act, 2003 (hereinafter referred to as the "Act"), has been authorized in terms of section 86 and section 62(1) of the Act to determine the tariff for a) supply of electricity by a generating company to a distribution licensee, b) transmission of electricity, c) wheeling of electricity and d) retail sale of electricity, as the case may be, within the State of West Bengal.
- 1.2 The West Bengal State Electricity Transmission Company Limited (in short 'WBSETCL') is deemed to be a licensee under the jurisdiction of the Commission in terms of fifth proviso to Section 14 of the Act. The area of operation for WBSETCL covers the whole of the State of West Bengal. In exercise of powers conferred under Sub-section 1 of Section 39 of the Act, the Govt. of West Bengal notifies and authorizes the West Bengal State Electricity Transmission Company Limited vide No.89-PO/O/III/3R-5/2007 dated 26.03.2007 to function as State Transmission Utility with effect from 01.04.2007. Subsequently, in terms of the Government of West Bengal Notification No. 328/PO/O/C-IV/1E-60/13 (Part-VA) dated 26.12.2018 and order of the Commission in Case No. A-6/14 dated 31.12.2018 the entire transmission business and activities under the Durgapur Projects Limited (DPL) along with all associated assets and liabilities are transferred to WBSETCL with effect from 01.01.2019.
- 1.3 In terms of definition contained in regulation 1.2.1 (xxx) of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011, as amended from time to time (hereinafter referred to as the 'Tariff Regulations'), each control period after the 3rd control period shall be normally for a period of five ensuing years or such other period of number of ensuing years as be decided by the Commission from time to time. The Commission vide its order dated 31.08.2022 in case no. SM-31/22-23 decides that the 8th control period be of three ensuing years consisting of 2023-24, 2024-25 and 2025-26



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- 1.4 WBSETCL submits the application for determination of tariff for the 8th control period consisting of the years 2023-24, 2024-25 and 2025-26 submitted on 30.11.2022. The Commission admits the tariff petition of WBSETCL for 8th Control Period in Case No. TP-99/22-23.
- 1.5 WBSETCL is then asked to publish the gist as approved by the Commission, in the newspapers and also in the website of WBSETCL as per provisions of the Tariff Regulations. The gist is, accordingly, published on 20.02.2023 in the newspapers: (i) 'Ei Samay' (Bengali), (ii) 'The Telegraph' (English), (iii) 'Millenium Post' (English) and (iv) 'Sangbad Pratidin' (Bengali). The gist along with the tariff application are also posted in the website of WBSETCL. The publication invites the attention of all interested parties, stake holders and the members of the public to the application for determination of tariff of WBSETCL for the 8th control period and requests for submission of suggestions, objections and comments, if any, on the tariff application to the Commission within 21 days from the date of publication. No suggestion or objection or comment on the tariff application of WBSETCL is received within the stipulated time.
- 1.6 Further, in view of notification of the 4th amendment to the Tariff Regulations, the Commission gives opportunity to all utilities for submitting supplementary petition. WBSETCL vide their reply dated 22.03.2023 expresses their hardship to conclude the required information in such short time to submit the supplementary petition.
- 1.7 Thus, the Commission decides to determine the tariff for 8th control period of WBSETCL based on the petition submitted and the essential additional information regarding bays and length of Transmission lines (in CkM) as submitted by WBSETCL vide letter dated 12.04.2023rs. The petition and the letter dated 22.03.2023 of WBSETCL are hereby collectively termed as 'tariff application for 2023-24, 2024-25 and 2025-26', considering the provisions of the Tariff Regulations.
- 1.8 The Commission, passed the tariff order dated 07.03.2024 in respect of WBSETCL in case no. TP- 99/22-23 determining the Aggregate Revenue Requirement (ARR) for the years 2023 – 24, 2024 – 25 and 2025 – 26 of the 8th control period based on the tariff application of WBSETCL.



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- 1.9 The Commission now proceeds to determine the revenue recoverable through tariff by WBSETCL during the year 2025-26 on the basis of ARR determined for 2025-26 in the tariff order dated 07.03.2024 in case no TP-99/22-23 after necessary adjustments in accordance with the Tariff Regulations as detailed in the subsequent chapter.



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CHAPTER -2

SUMMARISED STATEMENT OF AGGREGATE REVENUE REQUIREMENT & REVENUE RECOVERABLE THROUGH TARIFF FOR THE YEAR 2025-26

- 2.1 As stated in the preceding chapter, the Commission determined the ARR of WBSETCL separately for each of the three years from 2023 – 24, 2024 – 25 and 2025 – 26 of the 8th control period and revenue recoverable through tariff for the years 2023 – 24 and 2024 – 25 in Case No. TP-99/22-23 for transmission of WBSETCL in the State of West Bengal based on the analysis and findings recorded in that order.
- 2.2 The Commission in the MYT order has determined the ARR amounting to Rs. 191566.97 lakh for the year 2025-26. Summarized statement of ARR admitted for 2025-26 as per Table-6.1 to the 8th MYT order dated 07.03.2024 is as follows:

Table 2.1: Statement of ARR for 2025-26

Particulars	Admitted In Rs. lakh
Employee Costs	32391.40
WBPDC Charges	1560.25
ULDC Charges	505.31
ERPC Charges	16.00
Operation & Maintenance Cost	19536.78
Depreciation	62657.11
Returns on Equity	66846.24
Net Interest on Loan	31048.39
Other Financial Charges	0.00
Income Tax	11679.38
Sub-total (Without WC)	226240.86
Interest on Working Capital	2933.19
Gross Revenue Requirement (GRR)	229174.06
Less : Non-Tariff Income	2915.44
Less: Interest Credit on Depreciation	NA
Less : STOA Charges	32948.74
Less : SLDC Expenses	1742.91
Aggregate Revenue Requirement	191566.97



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2.3 Adjustment of Regulatory Assets and other payables:

2.3.1 The Commission in the tariff order for 2022-23 has already adjusted the recoverable/ refundable amount allowed in the APR orders upto 2019-20 along with the ARR for 2022-23. However, WBSETCL had submitted review petitions before the Commission against the APR orders. The review orders are already been issued by the Commission and the Commission now decides to adjust the recoverable / refundable amount of the different review orders along with the ARR for 2025-26. The Commission also decides to adjust the receivable/ refundable amount admitted in the APR orders of 2020-21 and 2021-22 read with the respective review orders. Thus, the net recoverable / refundable amount admitted in different review orders admitted by the Commission from 2010-11 onwards are as below:

Table 2.2: APR Adjustments amount by WBSETCL

(Rs lakh)

Particulars	Order vide Case No and date	Recoverable (+) / Refundable (-)
Review order of APR order for 2010-11 & 2011-12	APR (R)-44/24-25 dt. 09.12.2024	1811.47
Review order of APR order for the year 2014-15	APR (R)-18/22-23 dt. 27.12.2024 read with corrigendum dt. 28.02.2025	3944.79
Review order of APR order for the year 2015-16	APR (R)-14/22-23 dt. 28.02.2025	1222.60
Review order of APR order for the year 2016-17	APR (R)-16/22-23 dt. 28.02.2025	870.23
Review order of APR order for the year 2017-18	APR (R)-15/22-23 dt. 28.02.2025	1518.09
Review order of APR order for the year 2018-19	APR (R)-21/22-23 dt. 28.02.2025	2267.36
Review order of APR order for the year 2019-20	APR (R)-20/22-23 dt. 28.02.2025	2582.28
Review order of APR order for the year 2020-21	APR (R)-30/23-24 dt. 12.03.2025	-12297.17
Review order of APR order for the year 2021-22	APR (R)-32/23-24 dt. 13.03.2025	-18192.17
TOTAL		-16272.52

2.4 Now, this Commission decides to adjust the recoverable amount of Rs. 16272.52 lakh, with the net ARR of financial year 2025-26 of the eighth control period.

2.5 In terms of clause (iv) of regulation 2.6.6 of the fourth Amendment of the Tariff Regulations, carrying cost is admissible for the period from the middle of the



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financial year in which such revenue gap / surplus had occurred upto the middle of the financial year in which the recovery has been allowed. As the fourth Amendment of the Tariff Regulations came into force from 01.04.2023, the Commission decides to allow carrying cost from 01.04.2023 upto the mid year of 2025-26. Accordingly, carrying cost is calculated with simple interest rate of 11.00% (= SBI MCLR rate as on 01.04.2023 + 250 basis point) and 11.15% (= SBI MCLR rate as on 01.04.2024 + 250 basis point) for 2023-24 and 2024-25 respectively. For 2025-26 interest rate is considered as 11.50% (SBI MCLR rate as on 01.03.2025 + 250 basis point), which will be subsequently adjusted with the rate of 1st April 2025 during APR.

Table 2.3: Carrying Cost (in Rs. Lakh)

Year	2023-24	2024-25	2025-26
Opening balance of RA	-16272.53	-16272.53	-16272.53
SBI MCLR + 250 basis points	11.00%	11.15%	11.50%
Carrying cost	-1789.98	-1814.39	-935.67

- 2.6 This Commission now works out the revenue to be recovered through tariff for the years 2025-26 in the table below:

Table 2.4: Revenue to be recovered through tariff

Sl. No.	Particulars	2025-26 (in Rs. Lakh)
A	Net ARR of WBSETCL	191566.97
B	APR adjustment	-16272.52
C	Carrying Cost	-4540.04
D	Net Revenue Recoverable through tariff [A+B+C]	170754.41



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CHAPTER – 3 TARIFF ORDER FOR 2025-26

- 3.1 In the previous chapter this Commission determines the Aggregate Revenue Requirement (ARR) for 2025-26 for transmission system of WBSETCL. This Commission is now to fix the rate of recovery of the same from the transmission system users during the year 2025-26 in accordance with the provisions of Regulation 6.16 of the Tariff Regulations. It is, however, to mention here that WBSETCL is not having any variable cost to recover from its system users besides the fixed charges as admitted by the Commission.
- 3.2 Transmission charges recoverable from the long-term users including distribution licensees or the open access customers are computed as per Regulation 6.16.5 of the Tariff Regulations, based on the allotted transmission capacity to each of the beneficiaries. In absence of specific contracted capacity mentioned in the long-term agreement of any existing licensee, the maximum value of month-wise average of daily peak demand of the year is to be considered for computation of recoverable transmission charge, subject to the overall available transmission capacity.
- 3.3 As per the submissions of WBSETCL, WBSEDCL, CESC and IPCL are the long-term users of the transmission network of WBSETCL. CESC and IPCL are having fixed amount of the allotted capacity as 150MW and 124MW respectively. Allotted capacity of WBSEDCL is derived by subtracting the fixed allotted capacity of CESC and IPCL from average yearly system demand.
- 3.4 WBSETCL in their tariff petition has projected the average yearly system demand as 7653.33MW for 2025-26 based on the projections made by SLDC. The Commission in line with the principle stated in Paragraphs 3.2 and 3.3 above determines the allocated capacity of WBSEDCL for 2025-26 as in the table below.

Table: 3-1

SL No	Particulars	2025-26
		MW
1	Annual System Demand of WBSETCL	7653.33
2	Allocated Transmission Capacity of CESC	150.00
3	Allocated Transmission Capacity of IPCL	124.00
4	Residual Transmission Capacity of WBSETCL	7379.33
5	Maximum Annual System Demand of WBSEDCL	7379.33
6	Allocated Transmission Capacity of WBSEDCL	7379.33
7	Total Allocated Transmission Capacity (2 + 3 + 6)	7653.33



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- 3.5 Accordingly, the transmission charge rate for long-term and medium-term users are determined below:

Table 3.2: Rate of Recovery of Transmission Charges

SL No	Particulars	For the Year 2025-26
1	Net Revenue Recoverable through Tariff (in Rs. Lakh)	170754.41
2	Total Allocated Transmission Capacity of WBSETCL to Long-term and Medium-term Customers (MW)	7653.33
3	Rate for Long-term and Medium-term Users in Rs./MW/Month (Subject to Adjustment as per Regulation: 6.16.5 of Tariff Regulations, as Amended)	185926.05

Provided that the rates for short-term customers are to be determined as per the relevant provisions of the West Bengal Electricity Regulatory Commission (Open Access) Regulations, 2022 and to be uploaded at the website of SLDC within 5 days from issuance of this order.

- 3.6 The tariff for 2025-26 shall be applicable from 01st April 2025 and shall continue till further Tariff Order is issued.
- 3.7 WBSETCL shall also pay the recoverable cost for Bakreswar and Sagardighi Transmission Systems as payable to WBPDCCL as per Tariff order dated 12.03.2025 in case no TP-103/22-23 in respect of WBPDCCL for 2025-26.
- 3.8 SLDC shall, in terms of sub-section (3) of section 32 of the Electricity Act, 2003 and the provisions of the West Bengal Electricity Regulatory Commission (Miscellaneous Provisions) Regulation, 2013, continue to levy every month as the SLDC charges at the existing rate @ 0.5 paise/kWh from the licensees for using intra-state transmission system in the State of West Bengal, on their implemented schedule (s) of injection of power into the grid or on the quanta of electricity transmitted, as the case may be.
- 3.9 WBSETCL is directed to submit the audited annual accounts of SLDC 2025-26 clubbed with a statement showing item wise and head wise actual expenses along with their application of APR for the concerned year.



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3.10 WBSETCL shall present to the Commission a gist of this order in accordance with the Regulation: 2.9.6 of the Tariff Regulations within three (3) 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 in terms of the aforesaid regulation within four (4) working days from the date of receipt of the approval of the Commission.

3.11 WBSETCL shall abide by the directions given by the Commission in the Multi Year tariff order dated 07.03.2024 in Case No. TP-99/22-23.

Sd/-

(DR MALLELA VENKATESWARA RAO)

CHAIRPERSON

Dated: 15.03.2025

Sd/-

DEPUTY DIRECTOR, WBERC