ORDER
OF
WEST BENGAL ELECTRICITY REGULATORY COMMISSION

IN CASE NO. WBERC/PPA-88/18-19

IN RE AN APPLICATION FOR APPROVAL OF FIRST SUPPLEMENTARY AGREEMENT TO POWER PURCHASE AGREEMENT DATED 28.12.2010 FOR PURCHASE OF 300 MW POWER BY WBSEDCL FROM THE THERMAL POWER STATION (IN SHORT 'TPS') OF HIRANMAYE ENERGY LIMITED (CAPACITY 3X150 MW) AT HALDIA IN PURBO MEDINIPUR DISTRICT OF WEST BENGAL IN TERMS OF REGULATION 7.4.1 OF THE WEST BENGAL ELECTRICITY REGULATORY COMMISSION (TERMS AND CONDITIONS OF TARIFF) REGULATIONS, 2011, AS AMENDED

PRESENT:
SRI RABINDRA NATH SEN, CHAIRPERSON
SRI AMITAVA BISWAS, MEMBER
SRI DURGADAS GOSWAMI, MEMBER

DATE: 29.08.2018

Certified true Copy
In Re an application for approval of first supplementary agreement to Power Purchase Agreement dated 28.12.2010 for purchase of 300 MW power by WBSEDCL from the Thermal Power Station (in short 'TPS') of Hiranmaye Energy Limited (capacity 3X150 MW) at Haldia in Purbo Medinipur District of West Bengal in terms of regulation 7.4.1 of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011, as amended.

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<tr>
<th>Noting by Office or Advocate</th>
<th>Sl. No.</th>
<th>Date</th>
<th>Office notes, reports orders or proceedings with signature</th>
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<td>ORDER</td>
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<td>1.0 West Bengal State Electricity Distribution Company Limited (in short 'WBSEDCL') submitted on application before West Bengal Electricity Regulatory Commission (hereinafter referred to as the &quot;Commission&quot;) on 23rd April, 2018 for approval of first supplementary agreement to Power Purchase Agreement dated 28.12.2010 (principal Power Purchase Agreement) for purchase of 300 MW power by WBSEDCL from the Thermal Power Station of capacity 3X150 MW at Haldia in Purbo Medinipur District of West Bengal (hereinafter referred to as &quot;Haldia TPS&quot;) of Hiranmaye Energy Limited [formerly known as India Power Corporation (Haldia) Limited and hereinafter referred to as &quot;HREL&quot;] in terms of regulation 7.4.1 of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011, as amended (in short the 'Tariff Regulations').</td>
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<td>2.0 As stated by WBSEDCL in their application, Hiranmaye Energy Limited has set up a coal fired power station named as Haldia Thermal Power Station at Haldia in Purbo Medinipur district of West Bengal, and to be owned and operated by them. The capacity of Haldia TPS is proposed to be of 3 units of 150 MW each.</td>
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<td>3.0 WBSEDCL has stated that the Commission has already</td>
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West Bengal Electricity Regulatory Commission
In Re an application for approval of first supplementary agreement to Power Purchase Agreement dated 28.12.2010 for purchase of 300 MW power by WBSEDCL from the Thermal Power Station (in short 'TPS') of Hiranmaye Energy Limited (capacity 3X150 MW) at Haldia in Purbo Medinipur District of West Bengal in terms of regulation 7.4.1 of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011, as amended.

approved a PPA dated 28.12.2010 entered by and between WBSEDCL and erstwhile India Power Corporation (Haldia) Limited [now Hiranmaye Energy Limited (HREL)] for purchase of 300 MW power by WBSEDCL from Haldia TPS of HREL at regulated price to be determined by the Commission with contract period of 25 (Twenty five) years.

4.0 WBSEDCL has also submitted that the disputes arose in the interim period between the parties have now been resolved.

5.0 It is further submitted by WBSEDCL that the first supplementary agreement to the principal agreement dated 28.12.2010 was executed on 6th day of April, 2018 between WBSEDCL (Buyer) and Hiranmaye Energy Limited (Seller) wherein provisional tariff has been incorporated as mutually agreed.

6.0 WBSEDCL also submitted that both the parties understood and agreed that the process of tariff determination by the Commission would take some time and to effectuate the supply of power under the PPA with immediate effect, an ad-hoc tariff had to be worked out between the parties till the time tariff is determined by the Commission.

7.0 WBSEDCL further submitted that pending determination of tariff by the Commission, the parties herein mutually agreed to an ad-hoc tariff of INR 3.89 per unit (kWh) consisting of INR 1.17 per unit as capacity charges and INR 2.72 per unit as energy charges worked out on the
In Re an application for approval of first supplementary agreement to Power Purchase Agreement dated 28.12.2010 for purchase of 300 MW power by WBSEDCL from the Thermal Power Station (in short ‘TPS’) of Hiranmaya Energy Limited (capacity 3X150 MW) at Haldia in Purbo Medinipur District of West Bengal in terms of regulation 7.4.1 of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011, as amended.

basis of Buyer’s average pooled power cost for the period April, 2017 to February, 2018 for all operational thermal power stations of WBPDCCL.

8.0 WBSEDCL also submitted that parties agree in the matter of billing carried out on the basis of such ad-hoc tariff pending determination of tariff by WBERC that, it shall be subject to appropriate adjustments as and when the tariff is determined by WBERC.

9.0 WBSEDCL has submitted the first supplementary agreement to the principal Power Purchase Agreement for approval of the Commission in accordance with the regulation 7.4.1 of the Tariff Regulations.

10.0 The Commission after careful consideration of all the facts approve the first supplementary agreement dated 06.04.2018 to the principal Power Purchase Agreement dated 28.12.2010 and allows WBSEDCL to purchase 300 MW power from Haldia TPS of HREL on mutually agreed provisional tariff, subject to adjustment with the tariff to be determined by the Commission in due course, in terms of regulation 7.4.1 of the Tariff Regulations.

11.0 HREL & WBSEDCL shall comply with the provisions of the applicable law regarding scheduling and dispatching as per provisions of intra-State ABT, State Grid Code etc.

12.0 HREL and WBSEDCL shall strictly maintain availability of energy on monthly basis from the date of commercial operation of the units. SLDC shall prepare the monthly...
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<th>Energy accounting mentioning the availability and schedule energy based on daily schedule. Such certified availability and schedule energy shall be the basis of capacity charges and energy charges payments and for future adjustments on determination of final tariff by the Commission.</th>
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<td>13.0 The petition is thus disposed of. Let a copy of the order be served upon WBSEDCL, HREL and SLDC.</td>
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Sd/-  
(DURGADAS GOSWAMI)  (AMITAVA BISWAS)  (RABINDRA NATH SEN)  
MEMBER  MEMBER  CHAIRPERSON

Dated: 29.08.2018

(T. K. MUKHERJEE)  
SECRETARY

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