



ORDER

OF THE

WEST BENGAL ELECTRICITY REGULATORY COMMISSION

IN THE MATTER OF

CASE NO: TP(R)-41/21-22

IN REGARD TO PETITION SUBMITTED BY CESC LIMITED FOR REVIEW OF THE ORDER DATED 03.02.2022 ISSUED BY THE COMMISSION IN CASE NO. TP-77/18-19 IN RESPECT OF CESC LIMITED UNDER THE MULTI YEAR TARIFF FOR THE SIXTH CONTROL PERIOD CONSISTING OF THE YEARS 2018 – 2019 AND 2019 – 2020 UNDER SECTION 94(1)(F) OF THE ELECTRICITY ACT, 2003 READ WITH REGULATION 3.3 OF THE WBERC (CONDUCT OF BUSINESS) REGULATIONS, 2013 AND ORDER 47 RULE 1 OF THE CODE OF CIVIL PROCEDURE, 1908.

PRESENT:

DR. M.V.RAO, CHAIRPERSON

SRI PULAK KUMAR TEWARI, MEMBER

DATE: 31.03.2023



CASE IN BRIEF

- 1.0 This is in regard to the application submitted by CESC Limited (in short Review Petitioner) for review of the tariff order dated 03.02.2022 (Impugned Order) issued by the Commission in case no. TP-77/18-19 for the sixth control period consisting of the years 2018 – 2019 and 2019 – 2020 under the Multi Year Tariff framework. CESC Limited has submitted their review petition within timeline as specified in the West Bengal Electricity Regulatory Commission (Conduct of Business) Regulations, 2013 on 29.03.2022.
- 2.0 The Review Petitioner submitted that the tariff petition for the years 2018 – 2019 and 2019 – 2020 under the sixth control period was filed for determination of tariff, ARR and expected revenue from charges. The facts and circumstances which led to the filing of Case No. TP-77/18-19 are set out in extenso therein and are not repeated herein again for the sake of avoiding prolixity. CESC reiterates, adopts and maintains all and whatsoever has been stated by it in Case No. TP-77/18-19.
- 3.0 It is submitted that there are errors apparent on the face of the record in the Impugned Order passed by the Commission. Further, there are sufficient causes for reviewing, rectifying and modifying the Impugned Order to the extent and for the reasons set out in this Review Petition. It is also submitted that while passing the Impugned Order, the Commission has inadvertently omitted to consider certain documents on record and the submissions made by the Review Petitioner, which have perforce led to manifest mistakes in the Impugned Order. The Review Petitioner by way of the instant review petition is beseeching the Commission to correct such errors and pass appropriate order.
- 4.0 The issues associating the tariff order for the years 2018 – 2019 and 2019 – 2020, as highlighted by the Review Petitioner in their review petition, for review are as follows:
 - A) Erroneous figure of G-11 / NCW E-auction coal price taken in the Impugned Order



- B) Error apparent in overlooking the applicable dispensation while holding revenue from reject sale as other income in the Impugned Order
- C) Mistaken non-allowance of GST actually incurred on captive coal
- 5.0 It has been prayed to allow the petitioner to add to, alter, amend or vary this petition and the grounds set out as and when necessary and to pass such further order(s), as deemed just and proper in the facts and circumstances of the present case.
- 6.0 The prayers of CESC Limited have been narrated above. Now, the Commission proceeds to find out whether any case for review has been made out by the Review Petitioner in terms of Order 47 Rule 1 of CPC, according to which a person aggrieved by order of a Court can file review on the following grounds, if no appeal against the said order has been filed:
- (a) Discovery of new and important matter of evidence which after the exercise of due diligence was not within his knowledge or could not be produced by him at the time when the decree was passed or order made.
- (b) On account of some mistake or error apparent on the face of record; and
- (c) For any other sufficient reason.
- 6.1 In this connection, reference could be made to the following judgments:
- (a) In **Lily Thomas & Ors. vs. Union of India & Ors. [(2000) 6 SCC 224]** Judgment, the Hon'ble Supreme Court has held as under:
- "56. It follows, therefore, that the power of review can be exercised for correction of a mistake and not to substitute a view. Such powers can be exercised within the limits of the statute dealing with the exercise of power. The review cannot be treated as an appeal in disguise. The mere possibility of two views on the subject is not a ground for review...."*
- (b) In **Union of India vs. Sandur Manganese and Iron Ores Limited & others [(2013) 8 SCC 337]**, the Hon'ble Supreme Court has held as under:



“23. It has been time and again held that the power of review jurisdiction can be exercised for the correction of a mistake and not to substitute a view. In Parsion Devi & Others Vs. Sumitri Devi & Others, this Court held as under:

“9. Under Order 47 Rule 1 of CPC, a judgment may be open to review inter alia if there is a mistake or an error apparent on the face of the record. An error which is not self-evident and has to be detected by a process of reasoning, can hardly be said to be an error apparent on the face of the record justifying the court to exercise its power of review under Order 47 Rule 1 CPC. In exercise of the jurisdiction under Order 47 Rule 1 of CPC, it is not permissible for an erroneous decision to be “reheard and corrected”. A review petition, it must be remembered has limited purpose and cannot be allowed to be “an appeal in disguise.”

(c) In **M/S Goel Ganga Developers India Pvt. Ltd. vs. Union of India 2018 SCC Online SC 930**, the Hon'ble Supreme Court has held as under:

“In this behalf, we must remind ourselves that the power of review is a power to be sparingly used. As pithily put by Justice V.R. Krishna Iyer, J., “A plea for review, unless the first judicial view is manifestly distorted, is like asking for the moon”

2. The power of review is not like appellate power. It is to be exercised only when there is an error apparent on the face of the record. Therefore, judicial discipline requires that a review application should be heard by the same Bench. Otherwise, it will become an intra-court appeal to another Bench before the same court or tribunal. This would totally undermine judicial discipline and judicial consistency”

6.2 Review sought on the issues B and C have been discussed below:

B) Error apparent in overlooking the applicable dispensation while holding revenue from reject sale as other income in the Impugned Order:

Review Petitioner's submission:

In the Impugned Order the Commission has held income from sale of rejects as other income and the same has been shared with consumers through netting off from the gross revenue requirement. The amounts to be shared for 2018-19 and 2019-20 worked out to Rs. 14.96 Crores and Rs. 16.19 Crores respectively.



It is important to highlight that as per Para 4.4 of the Washery Reject Policy of Ministry of Coal issued on 27.03.2021, additional obligations are cast solely upon “Linkage holders (regulated sector)” and the “owners of coal block allocated through allotment route” and benefit sharing for reject sale is not required for auctioned mines as per Para 4.4.3 of the Policy. Further, in terms of regulation 36 P(2) of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff Regulations), 2019 (“**CERC Tariff Regulations**”), benefit sharing for reject sale is not required for auctioned mines. It may also be relevant to underscore here that the Commission has taken cognizance of the CERC Tariff Regulations in the Sixth MYT order issued for the West Bengal Power Development Corporation Limited (“**WBPDC**”). However, the Commission has erroneously - in all likelihood by inadvertence - omitted to apply the said CERC Tariff Regulations in case of Review Petitioner while passing the Impugned Order.

It is also relevant to highlight here that in pursuance of the directive issued by the Commission in the order dated 04.07.2018 passed in Case No. TP-72/16-17, the Review Petitioner submitted under affidavit on 22.01.2020 that reject coal proceeds are not shared since consumers are no longer bearing the mining cost.

Hence, in light of the aforesaid, it is submitted that the Impugned Order suffers from error apparent to the extent that it has held income from sale of rejects as other income and shared the same with consumers through netting off from the gross revenue requirement inasmuch as it is not in consonance with the Commission’s own stated directives given in the order dated 04.07.2018 passed in Case No. TP-72/16-17, principles adopted for WBPDC as well as inconsistent with the tariff principles enunciated in the CERC Tariff Regulations. The Commission may be pleased to correct the same in this review petition.

Commission’s view:

Principles taken by the Commission in para 5.26.2 of the MYT order dated 03.02.2022 is self explanatory which has been questioned by the petitioner. Under Order 47 Rule 1 of CPC, the review of such principle does not come under



jurisdiction of this Commission in view of the decision of the Hon'ble Apex Court in Lily Thomas(supra). It has been held by the Hon'ble Court in the said decision that error contemplated under the rule must be such which is apparent on the face of the record and not an error which has to be fished out and searched. It must be an error of inadvertence. (para 58)

C) Mistaken non-allowance of GST actually incurred on captive coal

Review Petitioner's submission:

In terms of regulations 5.14.1, 5.18.1 (vii) read with regulations 2.5.2.1 (vi), 2.5.3 (viii), 2.5.5 (Table 2.5.5-1), 2.7.7, 5.8.1 (vii), 5.8.8, 5.14.1, 5.18.1, Para 8.1 (iii) of Schedule etc. of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011, all statutory taxes, levies, cess, duties etc. that a generating company or the licensee must bear is regarded as an expenditure recoverable through tariff on actuals, subject to prudence check by the Commission.

The Commission in para 9.3.4 of the Impugned Order, has directed the Review Petitioner to obtain appropriate ruling for 'Nil' rating of GST on captive coal consumption. It is submitted that no GST is applicable for captive coal. However, the Review Petitioner has paid GST @ 18% to the agencies engaged for mining for coal production, sizing, transportation, evacuation facility charge, washing, security, road repair etc. The Review Petitioner has also paid GST @ 5% on Reverse Charge Basis for the period up to 31.12.2018 and @ 18% from 01.01.2019 onwards, on Additional Premium, Fixed Rate of Rs. 470/- per Tonne, Royalty etc. paid to the Government. However, as against the actual GST paid @ 5% / 18% on the actual amount of Additional Premium, Fixed Rate, Royalty etc., the Commission in the Impugned Order has allowed GST at the rate of 5% on Rs. 100 /- per Tonne Fixed Rate of coal. Further, GST on Sizing, Evacuation Facility Charge, Washing Charge etc. has also been considered at 5%. In this regard, the Commission has noted at para 4.8.6 of the Impugned Order that "For GST on captive coal, order of the Commission dated 28.10.2016 is continued". It is submitted that seemingly the Commission erred in noticing that GST has been introduced with effect from 01.07.2017 and that the tax reimbursement @ 5%



which was allowed by it in its order dated 28.10.2016 was with respect to VAT applicable under the erstwhile regime.

Hence, as stated above, in terms of the provisions of the Regulation 5.8.1 (viii) read with Table 2.5.5-1 under Regulation 2.5.5 of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011, duties, levies, cess etc. are uncontrollable items and are to be allowed on actuals. Therefore, the Review Petitioner submits that non-allowance of GST at actual rates as incurred / paid by the Review Petitioner for the captive coal is a manifest error in the Impugned Order that warrants correction by the Commission. It is respectfully submitted that the consequential erroneous disallowance in coal cost is about Rs. 30.00 Crores and Rs. 26.21 Crores for 2018-19 and 2019-20 respectively, as per the details given in the review petition.

The Review Petitioner submits that the principles governing the review jurisdiction is now well settled by various decisions of the Hon'ble Supreme Court. Such review jurisdiction is to be exercised not merely for apparent error but to avoid injustice and the resultant multifarious proceedings. The Review Petitioner craved reference to the several decisions of the Hon'ble Supreme Court in the cases viz., (i) **Board of Control for Cricket in India –v- Netaji Cricket Club (2005) 4 SCC 741-Paras 88-92**, (ii) **Dhanani Shoes Limited -v- State of Assam and Others [2008] 16 VST 228 (Gau)-Paras 21-32**, (iii) **Moran Mar Basselios Catholicos and Anr. Vs. The Most Rev. Mar Poulouse Athanasius and Ors., (1955) 1 SCR 520-Paras 6, 22-23**, (iv) **Thungabhadra Industries Ltd. -v- The Government of Andhra Pradesh, (1964) 5 SCR 174-Paras 8, 17-18**, (v) **Rajender Singh –v- Lt. Governor, Andaman and Nicobar Islands and Ors., (2005) 13 SCC 289-Paras 13-14** and (vi) **Green View Tea and Industries Vs. Collector, Golaghat, Assam and Anr.(2004) 4 SCC 122-Paras 14-15**.

The decision of the Hon'ble Supreme Court in the above cases precisely states that –

“The power, in our opinion, extends to correct all errors to prevent miscarriage of justice. The courts should not hesitate to review its own earlier order when there exists an



error on the face of the record and the interest of the justice so demands in appropriate cases. The grievance of the appellant is that though several vital issues were raised and documents placed, the High Court has not considered the same in its review jurisdiction. In our opinion, the High Court's order in the review petition is not correct which really necessitates our interference.”

Commission's view:

Principles taken by the Commission in para 4.8.6 of the order dated 03.02.2022 is self explanatory which has been questioned by the petitioner. As per Order 47 Rule 1 of CPC, the review of such principle does not come under the review principles as laid down in section 114 of the CPC.

- 7.0 Prayers are made in the petition as if to review ratio of prudence adopted by the Commission and no ingredient for review are manifest in the relevant submissions and the Commission keeping in mind that it is estopped from encroaching upon the jurisdiction of the Appellate Authority does not propose to entertain the above prayers for review.
- 7.1 The Commission, however, in paragraph 4.8.6 of the order has directed CESC to submit all the relevant documents including tax deposited in respect of extracted coal from the captive mines during FPPCA petition for the respective years. Similarly in paragraph 5.26.2 of the order the Commission has directed CESC to submit all the relevant data during APR of respective years on actual basis in addition to the directives on washery rejects in different tariff and APR orders. The issues thus will be taken care of during truing up in FPPCA and APR orders of CESC Limited for the respective years based on their submissions and in terms of relevant regulations of the Commission.
- 8.0 Observations of the Commission on the remaining issue has been narrated below:



(A) Erroneous figure of G-11 / NCW E-auction coal price taken in the Impugned Order:

Review Petitioner’s submission:

While considering allowable fuel cost for the sixth control period, the Commission in the Impugned Order has mistakenly considered the price of G-11 / Non-Coking Washed coal procurable from Central Coalfield Limited at Rs. 1327.15 / Tonne instead of Rs. 2645.04 / Tonne as submitted in the MYT petition and accepted in-principle by the Commission.

The prices of various grades of coal were submitted by the Review Petitioner vide the specified Form D3 in the MYT Petition in terms of extant Coal India Limited price notifications and notifications of other authorities. The manner in which the coal price of Rs. 2645.04 per M.T. for G-11/NCW e-auction coal was arrived is as follows:

(Rs/MT)

Sl. No	Component of coal cost	Derivation	Amount
1	Basic price notified by CIL		955.00
2	E-Auction Premium@10% of CIL Notified price	[1] x 10%	95.50
3	Sizing Charge		87.00
4	Average Incidental Charges		116.00
5	Royalty @14% of Notified & Premium	[1+2] x 14%	147.07
6	MMDR @32% of Royalty	[5] x 32%	47.06
7	Evacuation Facility Charge		50.00
8	Washery Recovery Charge		630.00
9	MADA @1% of Notified & Premium price	[1+2] x 1%	10.51
10	GST @5% of all above charges	5% of SUM (1:9)	106.91
11	GST compensation Cess		400.00
12	Total		2645.04

Apart from G11 / NCW e-auction coal, prices for all other grades of various subsidiaries of CIL have been admitted in the Impugned Order as per the details furnished in the MYT Petition.



However, consideration of Rs.1327.15 / Tonne as the price for G-11 / Non-Coking Washed coal, which is significantly lower than even CIL notified price, appears to be a case of inadvertent error. The consequential erroneous disallowance in coal cost is about Rs. 26 Crores considering admitted volume of G-11 / NCW e-auction coal in respect of Budge Budge generating station for the year 2018-19.

Commission’s view:

This is noted that some cost component of coal price, considered in the same order for other e-Auction coal, were not mistakenly considered in the computation of coal price and heat value for G11/NCW e-Auction coal in Annex-4A of p-46 of the MYT order in respect of Budge Budge generating station for the year 2018 – 19. Therefore, there is an error in the face of the MYT order.

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- 9.0 In view of the above, the Commission re-determines the fuel cost of Budge Budge generating station for the year 2018 – 19 as shown in subsequent paras.
- 9.1 ‘Total price of coal’ i.r.o ‘E-Auction G11/NCW’ coal corresponding to Budge Budge for the year 2018 – 19 is admitted at Rs 2645.04 per MT as below:

(Rs/MT)

Sl. No	Component of coal cost	Derivation	Amount
1	Basic price notified by CIL		955.00
2	E-Auction Premium@10% of CIL Notified price	[1] x 10%	95.50
3	Sizing Charge		87.00
4	Average Incidental Charges		116.00
5	Royalty @14% of Notified & Premium	[1+2] x 14%	147.07
6	MMDR @32% of Royalty	[5] x 32%	47.06
7	Evacuation Facility Charge		50.00
8	Washery Recovery Charge		630.00
9	MADA @1% of Notified & Premium price	[1+2] x 1%	10.51
10	GST @5% of all above charges	5% of SUM (1:9)	106.91
11	GST compensation Cess		400.00



Order of the petition submitted by CESC Limited for review of the order dated 03.02.2022 issued by the Commission in case no. TP-77/18-19 in respect of CESC Limited under the Multi Year Tariff for the sixth control period consisting of the years 2018 – 2019 and 2019 – 2020 under section 94(1)(f) of the Electricity Act, 2003 read with regulation 3.3 of the WBERC (Conduct of Business) Regulations, 2013 and Order 47 Rule 1 of the Code Of Civil



Sl. No	Component of coal cost	Derivation	Amount
12	Total		2645.04

- 9.2 Consequently, the average landed coal price and fuel cost for the Budge Budge generating station of CESC Limited for the year 2018 – 2019 is redetermined at Rs 3132.08 per MT and Rs 130648.25 lakh respectively. Annexure – 4A for detailed computation of coal price and Annexure – 4B for fuel cost of Budge Budge for the year 2018 – 19 of the impugned order is revised and replaced with Annexure -4A and Annexure -4B enclosed with this order.
- 9.3 Accordingly the figure '3067.51' for Budge Budge for the year 2018-19 under the head 'Average coal price in Rs/MT' in the table at paragraph 4.8.9 shall be replaced by '3132.08'. Similarly, the figure '128028.18' for Budge Budge for the year 2018-19 under the head 'Total fuel cost (Rs. In lakh) 'Admitted by the Commission' in the table at paragraph 4.8.12 shall be replaced by '130648.25'.

Annexure – 4A
COAL PRICE AND HEAT VALUE FOR BUDGE BUDGE GENERATING STATION FOR THE YEAR 2018-19

Source	Grade	Quantity	Total Price of Coal	Qty x price	Wt Av price/ MT	GCV	Min UHV of coal grade	Max GCV of Band (X2)	Min GCV of Band (X1)	Max UHV of Band (Y2)	Min UHV of Band (Y1)	Mean UHV Interpolation	Qty X Mean UHV	Average Heat Value	
		MT	Rs/MT	Rs Lakh	Rs/MT	Kcal/kg	Kcal/Kg	Kcal/Kg	Kcal/Kg	Kcal/Kg	Kcal/Kg	Kcal/Kg	Kcal	Kcal/Kg	
ECL	G4	93327.58	4552.31	4248.56	2341.58	6100	5600	6454	6049	6200	5600	5676.00	529727344.08	130.55	
ECL	G5	142020.23	4205.74	5973.00		5800	4940	6049	5597	5600	4940	5236.00	743617924.28	183.26	
ECL	G7	572138.63	3203.25	18327.02		5200	4200	5597	5089	4940	4200	4362.00	2495668704.06	615.04	
ECL	G8	93327.58	2596.52	2423.27		4900	3360	5089	4324	4200	3360	3992.00	372563699.36	91.82	
ECL	G13	48692.65	1743.53	848.97		3400	1300	3865	3113	2400	1300	1720.00	83751358.00	20.64	
BCCL	G6	20288.6	3510.47	712.23		5500	4200	5597	5089	4940	4200	4799.00	97364991.40	24.00	
BCCL	G8	60865.81	2503.55	1523.81		4900	3360	5089	4324	4200	3360	3992.00	242976313.52	59.88	
BCCL	G10	32461.77	1950.30	633.10		4300	3360	5089	4324	4200	3360	3334.00	108227541.18	26.67	
BCCL	WIII	8115.44	4178.36	339.09		5500							4714.00	38256184.16	9.43
BCCL	WIV	279982.73	3526.00	9872.19		4600							3854.00	1079053441.42	265.93
E-Auction	G9	48692.65	2238.84	1090.15		4600	3360	5089	4324	4200	3360	3663.00	178361176.95	43.96	
E-Auction	G10	198828.32	2078.76	4133.17		4300	3360	5089	4324	4200	3360	3334.00	662893618.88	163.37	
E-Auction	G11/NCW	198828.32	2645.04	5259.09		4000	2400	4324	3865	3360	2400	2682.00	533257554.24	131.42	
E-Auction	WIV	596484.95	3812.04	22738.22		4600							3854.00	2298852997.30	566.54
Captive RoM		693870.25	634.27	4401.04									2626.00	1822103276.50	449.05
Captive Washed		969795.27	1288.11	12491.98									3018.00	2926842124.86	721.30
Total		4057720.78		95014.89									14213518250.19	3502.83	

Transport (Rs/MT) 790.50

Total (Rs/MT) 3132.08

ANNEXURE – 4B
FUEL COST DETERMINATION OF BUDGE BUDGE GENERATING STATION

Sl No.	ITEM	Unit	PROPOSED		ADMITTED	
			2018-19	2019-20	2018-19	2019-20
1	Gross generation for sale to own consumers and licensee	MU	5740.00	5770.00	5740.21	5770.43
	Aux rate	%	9.00	9.00	9.00%	9.00%
2	Auxiliary Consumption	MU	517.00	519.00	516.62	519.34
3	Ex-bus generation (3=1-2)	MU	5223.00	5251.00	5223.59	5251.09
4	Heat rate	KCAL/KWHR	2470.00	2470.00	2470.00	2470.00
5	Total Heat (5=1×4)	M. KCAL	14177800.00	14251900.00	14178318.70	14252962.10
6	GCV of OIL	Kcal/lit	9570.00	9570.00	9570.00	9570.00
7	Specific Oil Consumption	MI/kwh	1.30	1.30	1.30	1.30
8	Oil Consumption (8=1×7)	KL	7462.00	7501.00	7462.27	7501.56
9	Average Price of Oil	Rs/KL	47669.00	47669.00	47669.00	47669.00
10	Cost of oil (10=8×9 ÷100000)	Rs(lakh)	3557.00	3576.00	3557.19	3575.92
11	Heat generated from oil (11=6 × 8÷1000)	M Kcal	71409.00	71783.00	71413.92	71789.93
12	Heat from coal (12=5-11)	M Kcal	14106391.00	14180117.00	14106904.78	14181172.17
13	Heat value of coal	Kcal/Kg	3506.00	3665.00	3502.83	3574.40
14	Coal required (14=12×1000÷13)	MT	4023499.86	3869063.38	4027287.87	3967427.31
15	Coal required with Transit loss@0.75%	MT	4053904.00	3898301.00	4057720.78	3997407.87
16	Weighted Average Price of coal	Rs/MT	3901.00	4285.00	3132.08	3218.87
17	Cost of Coal (17=15 x16÷100000)	Rs. (lakh)	158143.00	167042.00	127091.06	128671.36
18	Captive coal cost netted off in terms of Order dated 28 October 2016	Rs. (lakh)	21404.67	21690.56	0.00	0.00
19	Total Cost of Fuel (19=10+17-18)	Rs. (lakh)	140295.00	148927.00	130648.25	132247.28
20	Fuel Cost/unit (Gross gen)	Rs/kwh	2.44	2.58	2.28	2.29



- 9.4 Based on the analyses and findings recorded in the foregoing paras, the Commission now redetermines Aggregate Revenue Requirements (ARR) of Budget Budget and overall CESC for the year 2018 – 2019 under the sixth control period. Annexure 6A and 6E of the impugned order shall be replaced with the Annexure 6A and 6E enclosed with this order.
- 9.5 Accordingly, the amount of revenue to be recovered through tariff, capacity charges and fixed charges for the year 2018 – 2019 [first table under para 6.2 of the impugned order dated 03.02.2022] are reworked out and replaced as under.

Rs. in Lakh

AGGREGATE REVENUE REQUIREMENT, CAPACITY CHARGES AND FIXED CHARGES IN 2018-19						
Sl. No	Particulars	Generation			Distribution	Total
		Budge Budge	Titagarh	Southern		
1	Net Aggregate Revenue Requirement (ARR) for 2018-2019	183859.35	7883.21	37201.93	491726.71	720671.20
2	Fuel Cost / Power Purchase Cost	130648.25	0	26760.33	263183.91	420592.49
3	Capacity Charges / Fixed Charges (1-2)	53211.10	7883.21	10441.60	228542.80	300078.71

- 9.6 Revenue to be recovered through tariff, table under para 6.5 of the impugned order dated 03.02.2022, is redetermined and replaced by the Commission as shown in the table below:

Rs in lakh

REVENUE TO BE RECOVERED THROUGH TARIFF				
Sl. No	Particulars	Unit	2018-19	2019-20



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1	Net ARR for the year 2018 – 2019 and 2019 – 2020 as shown in table under paragraph 6.2 above.	Rs lakh	720671.20	765812.55
2	Less: Revenue earned from sale to WBSEDCL	Rs lakh	2616.00	2616.00
3	Add. Part release of realizable amount in APR 2013-14	Rs lakh	22545.11	455.00
4	Total revenue to be recovered through tariff (4)=(1) - (2)+(3)	Rs lakh	740600.31	763651.55

9.7 Table under para 6.6 of the impugned order dated 03.02.2022, regarding the revenue gap at the existing tariff, is redetermined and replaced as below:

Sl. No.	Particulars	Unit	2018 – 19	2019 – 20
1	Revenue Recoverable for supply of power to the consumers as per para 6.5 above	Rs. lakh	740600.31	763651.55
2	Revenue from sale of power to consumers at existing at tariff (including MVCA)	Rs lakh	737962.00	763588.00
3	Revenue Gap (-)/ surplus (+) [(2)-(1)]	Rs. Lakh	- 2638.31	-63.55



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Annexure – 6A

Rs lakh)

AGGREGATE REVENUE REQUIREMENT FOR BUDGE BUDGE GENERATING STATION					
	ITEM	PROPOSED BY CESC		ALLOWED BY WBERC	
		2018-19	2019-20	2018-19	2019-20
1	Fuel	140295	148927	130648.25	132247.28
2	Power Purchase	0	0	0.00	0.00
3	Coal & Ash Handling related charges	1053	1137	843.07	906.64
4	Employee Cost	8961	9768	6402.00	6885.00
5	Cost of Contracted Manpower in Regular Establishment	4783	5166	3587.00	3875.00
6	O&M Expenses	11062	11729	10620.00	11047.50
7	Rent for generation	0	0	0.00	0.00
8	Rates & taxes	389	420	389.00	420.00
9	Service Tax & Entry Tax	0	0	0.00	0.00
10	Insurances	636	687	497.00	517.00
11	Financing Charges	684	715	601.60	626.92
12	Interest on capital expenditure	2145	1775	2048.00	1542.00
13	Interest on Temporary Accommodation	7623	4507	0.00	0.00
14	Interest on consumer security deposit	0	0	0.00	0.00
15	Foreign Exchange Rate Variation	0	0	0.00	0.00
16	Interest on Working Capital	1768	1824	0.00	0.00
17	Bad Debt	0	0	0.00	0.00
18	Lease rental	0	0	0.00	0.00
19	Depreciation	9154	5861	8940.00	5561.00
20	Advance Depreciation	2604	2646	2049.00	2782.00
21	Water Charges	5	5	6.66	6.77
22	Reserve for Unforeseen Exigencies	930	938	0.00	0.00
23	Intangible Assets written off	0	0	0.00	0.00
24	Cost of Outsourcing	0	0	0.00	0.00
25	Tax on Income & profit	8973	9048	3587.03	2931.94
26	Return on Equity	16709	16847	16645.00	16782.00
27	Incentive	0	0	0.00	0.00
28	Gross Average Revenue Requirement	217774	222000	186863.61	186131.05
29	Less : Misc. other income	1508	1437	3004.26	3055.95
30	Less :Benefit passed on for auxiliary services	0	0	0.00	0.00
31	Less: Earnings from commercial usage of assets	0	0	0.00	0.00
32	Net Aggregate Revenue Requirement	216266	220563	183859.35	183075.10



Order of the petition submitted by CESC Limited for review of the order dated 03.02.2022 issued by the Commission in case no. TP-77/18-19 in respect of CESC Limited under the Multi Year Tariff for the sixth control period consisting of the years 2018 – 2019 and 2019 – 2020 under section 94(1)(f) of the Electricity Act, 2003 read with regulation 3.3 of the WBERC (Conduct of Business) Regulations, 2013 and Order 47 Rule 1 of the Code Of Civil



ANEXURE – 6E
AGGREGATE REVENUE REQUIREMNT OF CESC

(Rs lakh)

	ITEM	PRPOSED BY CESC		ALLOWED BY WBERC	
		2018-19	2019-20	2018-19	2019-20
1	Fuel	146401	155050	157408.58	159033.40
2	Power Purchase	316039	340422	263183.91	288922.38
3	Coal & Ash Handling related charges	1145	1237	1081.95	1163.53
4	Employee Cost	100692	109755	85945.00	92507.00
5	Cost of Contracted Manpower in Regular Establishment	5755	6215	4315.00	4662.00
6	O&M Expenses	54196	58194	51346.60	54622.55
7	Rent for generation	40	43	40.00	43.00
8	Rates & taxes	1012	1087	728.00	778.00
9	Service Tax & Entry Tax	0	0	0.00	0.00
10	Insurances	1353	1449	772.00	810.00
11	Financing Charges	2648	2812	2241.85	2374.16
12	Interest on capital expenditure	26191	28441	25006.00	24707.00
13	Interest on Temporary Accommodation	28426	17056	0.00	0.00
14	Interest on consumer security deposit	11665	12598	11665.00	12598.00
15	Foreign Exchange Rate Variation	0	0	0.00	0.00
16	Interest on Working Capital	6592	6902	0.00	0.00
17	Bad Debt	4214	4460	0.00	0.00
18	Lease rental	1023	1023	1023.00	1023.00
19	Depreciation	43274	40806	42551.00	38581.00
20	Advance Depreciation	12308	18423	9684.00	19373.00
21	Water Charges	25	27	71.42	72.61
22	Reserve for Unforeseen Exigencies	3460	3620	0.00	0.00
23	Intangible Assets written off	0	0	0.00	0.00
24	Cost of Outsourcing	1264	1365	1026.00	1084.00
25	Tax on Income & profit	34753	36803	13844.15	11776.88
26	Return on Equity	64713	68530	64242.00	67412.00
27	Incentive	0	0	0.00	0.00
28	Gross Average Revenue Requirement	867190	916321	736175.46	781543.50
29	Less : Misc. other income	28442	28545	14936.26	15162.95
30	Less :Benefit passed on for auxiliary services	36	36	36.00	36.00
31	Less: Earnings from commercial usage of assets	532	532	532.00	532.00
32	Net Aggregate Revenue Requirement	838180	887208	720671.20	765812.55



Order of the petition submitted by CESC Limited for review of the order dated 03.02.2022 issued by the Commission in case no. TP-77/18-19 in respect of CESC Limited under the Multi Year Tariff for the sixth control period consisting of the years 2018 – 2019 and 2019 – 2020 under section 94(1)(f) of the Electricity Act, 2003 read with regulation 3.3 of the WBERC (Conduct of Business) Regulations, 2013 and Order 47 Rule 1 of the Code Of Civil



- 10.0 The impugned order dated 03.02.2022 is amended to the extent as mentioned in paragraphs 9.2 to 9.7 along with the Annexures 4A, 4B, 6A and 6E. Other portion of the order will remain unaltered.
- 11.0 The Review petition of CESC Limited is, thus, disposed off.
- 12.0 Copy of the order shall be posted in the website of this Commission.
- 13.0 Copy of the order shall be served upon CESC Limited. CESC Limited shall upload the copy of the order in their website.
- 14.0 CESC Limited is to take note of this order.

**Sd/-
(PULAK KUMAR TEWARI)
MEMBER**

**Sd/-
(DR. M.V.RAO)
CHAIRPERSON**

DATE: 31.03.2023

**Sd/-
SECRETARY**