



**Gist of Tariff Application**

1. Damodar Valley Corporation (DVC) has made an application before the West Bengal Electricity Regulatory Commission (Commission) for determination of Tariff, Aggregate Revenue Requirement and Expected Revenue from Charges of all the ensuing years of the 7th Control period consisting of 03 (three) years from FY 2020-21 to FY 2022-23 on 26.02.2020 and the application has been admitted by the Commission.
2. The gist of the tariff application is as follows:
  - (i) Tariff proposed to be made effective from the billing month of April 2020.
  - (ii) Details of proposed tariff.

(p/kWh)

	Tariff for the base year	Tariff for the 7 <sup>th</sup> Control period 2020-21 to 2022-23		
		1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year
	2019-20	2020-21	2021-22	2022-23
Average cost of supply	529.71	542.02	554.13	561.58

- (iii) Projected Revenue at current tariff, Projected Aggregate Revenue Requirement and Expected Revenue from Charges at proposed tariff for the ensuing years of the control period are as follows:

(Rs. in lakh)

	Tariff for the base year	Tariff for the 7 <sup>th</sup> Control period 2020-21 to 2022-23		
		1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year
	2019-20	2020-21	2021-22	2022-23
Projected Revenue at Current Tariff	NA	418958.30	436257.67	453552.19
Projected Aggregate Revenue Requirement		499524.74	531802.22	560352.33
Expected Revenue from Charges at Proposed Tariff		499561.79	531842.85	560393.77
Range of percentage of increase/decrease on the basis of average cost of supply sought in the application for each of the ensuing years compared to the base year		2.32%	4.61%	6.02%

- (iv) **Major reasons for increase/decrease in tariff proposed:** Tariff increase has been proposed for the control period FY 2020-21 to FY 2022-23 due to higher coal price, increase in power purchase cost and proposed escalation of Fixed Cost of DVC Generating Stations and T&D system.
  - (v) **Major factor not considered in the above increase/decrease sought, if any:** In absence of Tariff Order for Generating Stations and T&D network of DVC for the 2019-24 period, the petitioner has considered the Annual Fixed Cost (AFC) of its own generating stations considering an escalation factor of 2.5% on year-to-year basis over the last approved AFC for FY 2018-19 to arrive at the projected AFC for the 7th Control Period.
  - (vi) **Details of the major changes proposed regarding applicable terms and conditions:** Nil. Proposed Terms and Conditions are as per WBERC Tariff Regulation and Tariff Order dated 03.03.2017 issued by WBERC.
  - (vii) **Any other important issue:** DVC has appealed before Hon'ble APTEL against CERC's Tariff Order of 2014-19 regarding the applicability of P&G and Sinking Fund during the period. DVC craves leave to adjust the input cost suitably after the Judgement of Hon'ble APTEL.
3. Application submitted by Damodar Valley Corporation, may be inspected at the office of the Commission located at Plot No.: AH/5 (2<sup>nd</sup> & 4<sup>th</sup> Floor) Premises No.: MAR 16-1111, Action Area-1A, Newtown, Rajarhat, Kolkata-700163 (e-mail: cp-wberc@gov.in) during office hours (11 A.M. to 5 P.M.) on all working days up to one day prior to the last date of submission of suggestion, objections and comments.
  4. The application made for determination of Tariff has been posted on the website of the applicant at [www.dvc.gov.in](http://www.dvc.gov.in).
  5. The suggestions, objections and comments, if any, on the proposals contained in the tariff application shall be submitted at the office of the Commission mentioned above, on all working days (from 11 A.M. to 5 P.M.) within 21 (twenty one) days from the date of publication (including the date of publication) of this notice in the newspaper.
  6. The gist has been published with the approval of the West Bengal Electricity Regulatory Commission.

Place: Kolkata  
Date: 04.05.2023

**Subrata Ghosal**  
Principal Chief Engineer (Commercial)