



TATA POWER-DDL

TPDDL/REGULATORY/2023-24/PMGI/40
July 24, 2023

Office of the HoD (Regulatory & Legal)

The Secretary

Delhi Electricity Regulatory Commission,
Viniyamak Bhawan, C-Block, Shivalik,
Malviya Nagar,
New Delhi –110 017.

Subject: Submission of revised proposal for levy of Power Purchase Cost Adjustment Charges (PPAC) pertaining to Q1 of FY 2023-24.

Dear Sir,

This is with reference to the directions contained in the DERC (Business Plan) Regulations, 2023 notified by the Hon'ble Commission, towards levy of Power Purchase Adjustment Charges; excerpt of the relevant Regulations are reproduced below:

"30.(4) The treatment of PPAC computation as per the specified formula shall be as follows:

- a) in case PPAC does not exceed 5% for any quarter, the Distribution Licensee may levy PPAC at 90% of computed PPAC with prior intimation to the Commission without going through the regulatory proceedings.*
- b) in case PPAC exceeds 5% but does not exceed 10% for any quarter, the Distribution Licensee may levy PPAC of 5% and 75% of balance PPAC (Actual PPAC% - 5%) with prior intimation to the Commission without going through the regulatory proceedings.*
- c) in case PPAC exceeds 10% for any quarter, the Distribution Licensee may levy PPAC as per sub-regulation (a) and (b) as above without going through the regulatory proceedings and shall file an application for prior approval of the Commission for the differential PPAC claim (Actual PPAC% – 8.75%).*

30. (5) The Distribution Licensee shall upload the computation of PPAC on its website before the same is levied in the consumers' electricity bills prospectively."

Based on the power purchase bills for the period Quarter 1 (April 2023 to June 2023) of FY 2023-24, we have calculated the PPAC applicable in line with the PPAC methodology specified by the Hon'ble Commission. **Accordingly, the PPAC based on all bills works out to 19.72%.**

The calculations have been detailed in **Annexure-1** enclosed with the letter and the same is being uploaded on our website.

We draw the kind attention of the Hon'ble Commission to the Tariff Order dated 30.09.2021 wherein Hon'ble Commission had considered PPAC @ 8.50%, equivalent to INR 626.57 Cr for meeting the Revenue Gap arising in the Annual Revenue Requirement (ARR) for FY 21-22 for Tata Power-DDL. **Therefore, the actual PPAC required to Tata Power-DDL for recovering of Power Purchase Cost is 28.22% (i.e. 19.72% + 8.50% PPAC).**

TATA POWER DELHI DISTRIBUTION LIMITED

(A Tata Power and Delhi Government Joint Venture)

Corporate Office : NDPL House Hudson Lines Kingsway Camp Delhi - 110 009

Website : www.tatapower-ddl.com CIN No. : U40109DL2001PLC111526

Accordingly, in line with the Regulation 30(4)(c), we shall be levying PPAC of 8.75% from the next billing cycle due from 26th July 2023 for the next 3 months. For the balance PPAC of 19.47% i.e. (28.22%-8.75%), we shall be filing the petition before the Hon'ble Commission.

We hope the Hon'ble Commission finds the above in order.

Yours Sincerely,
For Tata Power Delhi Distribution Ltd.

Anurag Bansal
HoD (Regulatory & Legal)

Encl: As mentioned above.



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Annexure-1

Power Purchase Adjustment Charges (PPAC) (in %age) for Apr 2023 to June 2023:

	Particulars	UoM	Values	Remarks
Actual	Long Term ISGS	MUs	2814.4	
			182.4	
Actual	Long Term Genco	MUs		
			1451.4	
Actual	CSGS	Rs. Cr.		
Actual	Genco	Rs. Cr.	219.4	
Actual	Transmission amount	Rs. Cr.	306.8	
Actual	Short term sales	MUs	-435.8	
Actual	Short term purchase	MUs	358.5	
Approved	PGCIL losses	%age	2.00%	Page no. 333, Tariff Order FY 21-22.
Approved	DTL losses	%age	0.92%	Page no. 333, Tariff Order FY 21-22.
Approved	Distribution Losses	%age	7.70%	Page 17, Business Plan Regulations, 2019
Approved	Power Purchase Cost	Rs./kWh	4.57	Page no. 328, Tariff Order FY 21-22.
Approved	Average Billing Rate	Rs./kWh	7.04	Approved Total Sales for FY 21-22 is 9205 MUs in Table 4.18 page 312 and Total Revenue of Rs. 6476 Crores in Table 5.7 page no. 364 of Tariff Order FY 21-22.
Calculation	Actual Power Purchase cost from Long Term Sources	Rs./kWh	5.58	
A	Total units procured from long term PPAs	MUs	2997	
B	Proportionate Bulk Sale of Power	MUs	-389.2	
C	Difference in base and actual PPC	Rs./kWh	1.01	
D	Actual Transmission Cost	In Rs. Cr	306.8	
E	Base Transmission charges	In Rs. Cr	245.7	Total Transmission Charges of Rs. 982.97 Crores on page no. 333, Tariff Order FY 21-22.
Z	Units on which PPAC shall be applicable	MUs	2524.27	
PPAC		%age	19.72%	

Accordingly, Auto levy of PPAC as per above is computed as 8.75% for Q1 of FY 2023-24.





Delhi Electricity Regulatory Commission

Viniyamak Bhawan, 'C' Block, Shivalik, Malviya Nagar, New Delhi – 17.

No. F.3(681)/Tariff/DERC/2022-23/7502

In the matter of: Directions to DISCOMs with respect to PPAC.

BSES Rajdhani Power Limited

Through its : CEO
BSES Bhawan, Nehru Place,
New Delhi-110019

Tata Power Delhi Distribution Ltd.

Through its : Managing Director
Sub-Station Building,
Hudson Lane, Kingsway Camp
Delhi 110 009

BSES Yamuna Power Limited

Through its : CEO
Shakti Kiran Building,
Karkardooma
Delhi 110 032

New Delhi Municipal Council

Through its : Chairperson
Palika Kendra, Sansad Marg
Delhi 110 001=

Coram:

Hon'ble Dr. A. K. Ambasht, Member

ORDER

(Date of Order: 21.07.2023)

- 1) The Commission vide Orders dated 07.06.2023 and 22.06.2023 have allowed PPAC with respect to different quarters of FY 2022-23 for TPDDL, BRPL, BYPL and NDMC respectively.
- 2) In addition to above, it is further directed that no other PPAC, unless specifically approved by the Commission, shall be levied by NDMC, BRPL, BYPL, TPDDL for the said period.
- 3) Ordered accordingly.

Sd/-
(Dr. A.K.Ambasht)
Member