



TATA POWER-DDL

TPDDL/REGULATORY/2018-19/PMG/03/336
Aug 13, 2018

Office of the HoD-Regulatory

The Secretary
Delhi Electricity Regulatory Commission,
Viniyamak Bhavan, C-Block
Shivalik, Malviya Nagar
New Delhi -110017

Subject: Submission of proposal for levy of Power Purchase Cost Adjustment Charges (PPAC) pertaining to Q1 of FY 2018-19 along with audited certificates and computation of PPAC.

Reference: TATA Power-DDL Tariff Order FY 2018-19 Dated 28th March' 2018

Dear Sir,

This is in reference to the directions contained in the Tariff Order for FY 2018-19 dated 28 March 2018, by the Hon'ble Commission, towards levy of Power Purchase Adjustment Charges, excerpt of the relevant clause reproduced below:

Para 4.97 (4) (b)

"in case PPAC exceeds 5% for any quarter, the Distribution Licensee may levy PPAC of 4.50% without going through the regulatory proceedings and shall file an application for prior approval of the Commission for the differential PPAC claim (Actual PPAC % – 4.50%)" &

Para 4.97 (5)

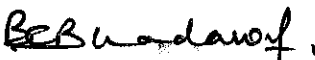
"The Distribution Licensee shall upload the computation of PPAC on its website before the same is levied to the consumers' electricity bills."

Based on the audited accounts for the period Quarter 1 (April'18 to June'18) of FY 2018-19 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 5.48%. The calculations have been detailed at **Annexure 1** enclosed with the letter.

Accordingly, in line with the above, we shall be levying PPAC of 4.5% from the next billing cycle for the next 3 months & subsequently shall take up for prior approval with the Hon'ble Commission for levying the differential PPAC claim of 0.98% i.e. (5.48% - 4.5%).

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

Yours Sincerely,
For **TATA Power Delhi Distribution Limited**


Bharat Kumar Bhadawat
HOD (Regulatory)

Encl: As stated above

Annexure 1

A. Power Purchase Adjustment Charges (PPAC) (in %) for April 2018 to June 2018:

	PPAC Computations	UoM	Scenario	Remarks
Actual	Long Term ISGS	MUs	2357.4	
Actual	Long Term Genco	MUs	587.2	
Actual	CSGS	Rs. Cr.	939.6	
Actual	Genco	Rs. Cr.	330.0	
Actual	Transmission amount	Rs. Cr.	219.7	
Actual	short term sales	MUs	-352.4	
Actual	short term purchase	MUs	324.4	
Approved	PGCIL Losses	%age	1.65%	
Approved	DTL Losses	%age	0.98%	
Approved	Distribution Losses	%age	8.19%	
Approved	Power Purchase Cost	Rs./kWh	4.03	Considering Normative Rebate of 2% over the approved base cost of Rs. 4.11/- per Unit
Approved	Average Billing rate	Rs./kWh	7.71	
Calculation	Actual Power Purchase cost from Long term Sources	Rs./kWh	4.31	
A	Total units procured from long term PPAs	MUs	2944.63	
B	Proportionate Bulk Sale of Power	MUs	-317.46	
C	Difference in base and actual PPC	Rs./kWh	0.28	
D	Actual Transmission Cost	In Rs. Cr	219.65	
	Approved Transmission charges	In Rs. Cr	194.92	
E	Base Transmission charges	In Rs. Cr	194.92	Considering Normative Rebate of 2% over the approved Transmission cost
Z	Units on which PPAC shall be applicable	MUs	2559.79	
PPAC		%age	5.48%	

Accordingly, PPAC as per above is computed as 5.48% for Q1 of FY 2018-19

