



TPDDL/REGULATORY/2020-21/PMG/150

Office of the Head (Regulatory, Legal & PM)

Aug 13, 2020

The Secretary

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

Subject: Submission of proposal for levy of Power Purchase Cost Adjustment Charges (PPAC) pertaining to Q1 of FY 2020-21 along with audited certificates and computation of PPAC.

Reference:

1. DERC letter F.3(604)/Tariff-Engg./DERC/2019-20/6731/200 dated 9th July 2020.
2. DERC (Business Plan) Regulations, 2019 dated 27th December 2019.
3. Tata Power-DDL Tariff Order FY 2019-20 dated 31st July 2019.

Dear Sir,

This is with reference to the directions contained in the Hon'ble Commission's letter dated 9th July 2020 for not considering the one-time special rebate offered by Central Generating & Transmission Companies while computing the quarterly PPAC and the DERC (Business Plan) Regulations, 2019 dated 27th December 2019 notified by the Hon'ble Commission, towards levy of Power Purchase Adjustment Charges; excerpt of the relevant clauses of the DERC (Business Plan) Regulations, 2019 are reproduced below:

Clause 30 (4)(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."

Clause 30 (4)(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."

Clause 30 (4)(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%)."

Clause 30 (5)

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



TATA POWER-DDL

Based on the audited accounts for the period Quarter 1 (April 2020 to June 2020) of FY 2020-21, we have calculated the PPAC applicable in line with DERC (Business Plan) Regulations, 2019 while using the normative values in line with the Tata Power-DDL Tariff Order for FY 2019-20. Accordingly, the PPAC based on all bills works out to 2.13%. The calculations have been detailed in **Annexure-1** enclosed with the letter and the same is being uploaded on our website.

Accordingly, in line with the above, we shall be levying PPAC of **1.92%** from the next billing cycle for the next 3 months & subsequently file petition for prior approval of the Hon'ble Commission for levying the differential PPAC claim of **0.21%** i.e. (2.13%-1.92%).

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

Yours Sincerely,

For **Tata Power Delhi Distribution Ltd.**

Bharat Kumar Bhadawat

Head (Regulatory, Legal & Power Management)

Encl: As mentioned above.



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Annexure 1

A. Power Purchase Adjustment Charges (PPAC) (in %age) for April 2020 to June 2020:

PPAC Computations		UoM	Scenario	Remarks
Actual	Long Term ISGS	MUs	1593.8	
Actual	Long Term Genco	MUs	264.5	
Actual	CSGS	Rs. Cr.	706.3	Net off rebate of 1.5% on CSGS, 2.5% on NPCIL and 2% on Delhi Gencos.
Actual	Genco	Rs. Cr.	164.9	
Actual	Transmission amount	Rs. Cr.	175.3	
Actual	Short term sales	MUs	-121.1	
Actual	Short term purchase	MUs	400.5	
Approved	PGCIL losses	%age	1.65%	As per Tariff order for FY 2019-20
Approved	DTL losses	%age	0.92%	As per Tariff order for FY 2019-20
Approved	Distribution Losses	%age	8.00%	As per Tariff order for FY 2019-20
Approved	Power Purchase Cost	Rs./kWh	4.502	After net off rebate over the approved base cost of Rs. 4.58/- per unit As per Tariff order for FY 2019-20
Approved	Average Billing Rate	Rs./kWh	7.40	As per Tariff order for FY 2019-20
Calculation	Actual Power Purchase cost from Long Term Sources	Rs./kWh	4.69	
A	Total units procured from long term PPAs	MUs	1858	
B	Proportionate Bulk Sale of Power	MUs	-99.7	
C	Difference in base and actual PPC	Rs./kWh	0.19	
D	Actual Transmission Cost	In Rs. Cr	175.3	
E	Base Transmission charges	In Rs. Cr	183.1	Net off rebate of 1.5% over the approved Transmission cost of Rs. 120.25 cr. (PGCIL) for the quarter and 2% over the approved Transmission cost of Rs. 66 cr. (DTL)
Z	Units on which PPAC shall be applicable	MUs	1715.6	
PPAC		%age	2.13%	

Accordingly, PPAC as per above is computed as 2.13% for Q1 of FY 2020-21

Note: Computations have been done after excluding the one-time special rebate offered by the central generating and transmission companies