DELHI ELECTRICITY REGULATORY COMMISSION

Viniyamak Bhawan, "C" Block, Shivalik, Malviya Nagar, New Delhi- 110017.

F.11(1758)/DERC/2019-20/

Petition No. 07/2020

In the matter of: **Petition for determination of tariff for FY 2020-21 and Truing up for Aggregate Revenue Requirement (ARR) for FY 2018-19.**

New Delhi Municipal Council
Through its: Director (Power)
Palika Kendra, Sansad Marg
New Delhi 110 001

...Petitioner/Licensee

Coram:
Hon'ble Sh. Justice S S Chauhan, Chairperson
Hon'ble Sh. A.K. Singhal, Member
Hon'ble Dr. A. K.Ambasht, Member

ORDER
(Date of Order: 28.08.2020)

M/s. New Delhi Municipal Council has filed the instant Petition for determination of tariff for FY 2020-21 and Truing up of Aggregate Revenue Requirement (ARR) for FY 2018-19. The Petition was admitted by the Commission vide Order dated 24.01.2020. The Petition along with Executive summary was uploaded on the website of the Commission and publicised through advertisement in newspapers for seeking response of the stakeholders.

Considering the submissions made by the Petitioner as well as the comments and suggestions of the stakeholder, the Commission in exercise of power vested in it by the Electricity Act, 2003 and Delhi Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff) Regulations, 2017, hereby passes this Tariff Order signed, dated and issued on 28.08.2020.

The Petitioner shall take immediate steps to implement this Tariff Order, so as to make the revised tariffs applicable from 01.09.2020.

This Tariff Order shall remain in force till replaced by a subsequent Tariff Order and/or is amended, reviewed or modified, in accordance with the provisions of the Electricity Act, 2003 and the Regulations made thereunder.

(A.K. Ambasht)	(A.K. Singhal)	(Justice S S Chauhan)
Member	Member	Chairperson

CONTENTS

LIST OF ABBREVIATIONS

Abbreviation	Explanation
ARR	Aggregate Revenue Requirement
A&G	Administrative and General
AAD	Advance Against Depreciation
ABT	Availability Based Tariff
ACD	Advance Consumption Deposit
AMR	Automated Meter Reading
APDRP	Accelerated Power Development and Reforms Program
AT&C	Aggregate Technical and Commercial
ATE	Appellate Tribunal for Electricity
BEST	Birhanmumbai Electric Supply and Transport
BHEL	Bharat Heavy Electricals Limited
BIS	Bureau of Indian Standards
BPTA	Bulk Power Transmission Agreement
BRPL	BSES Rajdhani Power Limited
BST	Bulk Supply Tariff
BTPS	Badarpur Thermal Power Station
BYPL	BSES Yamuna Power Limited
CAGR	Compounded Annual Growth Rate
CCGT	Combined Cycle Gas Turbine
CEA	Central Electricity Authority
CERC	Central Electricity Regulatory Commission
CFL	Compact Fluorescent Lamp
CGHS	Cooperative Group Housing Societies
CGS	Central Generating Stations
CIC	Central Information Commission
CISF	Central Industrial Security Force
CoS	Cost of Supply
CPI	Consumer Price Index
CPRI	Central Power Research Institute
CPSUs	Central Power Sector Utilities
COVID	Corona Virus Disease
CSGS	Central Sector Generating Stations
CWIP	Capital Work in Progress
DA	Dearness Allowance
DDA	Delhi Development Authority
DERA	Delhi Electricity Reform Act
DERC	Delhi Electricity Regulatory Commission
DIAL	Delhi International Airport Limited
DISCOMs	Distribution Companies (BRPL, BYPL, TPDDL & NDMC)
DMRC	Delhi Metro Rail Corporation
DPCL	Delhi Power Company Limited

Abbreviation	Explanation
DTL	Delhi Transco Limited
DVB	Delhi Vidyut Board
DVC	Damodar Valley Corporation
EHV	Extra High Voltage
EPS	Electric Power Survey
FBT	Fringe Benefit Tax
FPA	Fuel Price Adjustment
GFA	Gross Fixed Assets
GIS	Geographical Information System
GoNCTD	Government of National Capital Territory of Delhi
GTPS	Gas Turbine Power Station
HEP	Hydro Electric Power
HPSEB	Himachal Pradesh State Electricity Board
HRA	House Rent Allowance
HT	High Tension
HVDS	High Voltage Distribution System
IDC	Interest During Construction
IGI Airport	Indira Gandhi International Airport
IPGCL	Indraprastha Power Generation Company Limited
JJ Cluster	Jhugghi Jhopadi Cluster
KSEB	Kerala State Electricity Board
LED	Light Emitting Diode
LIP	Large Industrial Power
LT	Low Tension
LVDS	Low Voltage Distribution System
MCD	Municipal Corporation of Delhi
MES	Military Engineering Service
MLHT	Mixed Load High Tension
MMC	Monthly Minimum Charge
MoP	Ministry of Power
MTNL	Mahanagar Telephone Nigam Limited
MU	Million Units
MYT	Multi Year Tariff
NABL	National Accreditation Board for Testing and Calibration of Laboratories
NAPS	Narora Atomic Power Station
NCT	National Capital Territory
NCTPS	National Capital Thermal Power Station
NDLT	Non Domestic Low Tension
NDMC	New Delhi Municipal Council
NEP	National Electricity Policy
NGO	Non Government Organisation
NHPC	National Hydroelectric Power Corporation
NPCIL	Nuclear Power Corporation of India Limited

Abbreviation	Explanation
NRPC	Northern Regional Power Committee
NTI	Non-Tariff Income
NTP	National Tariff Policy
O&M	Operations and Maintenance
OCFA	Original Cost of Fixed Assets
PGCIL	Power Grid Corporation of India
PLF	Plant Load Factor
PLR	Prime Lending Rate
PPA	Power Purchase Agreement / Power Purchase Adjustment
PPCL	Pragati Power Corporation Limited
PTC	Power Trading Corporation
PWD	Public Works Department
R&M	Repair and Maintenance
RAPS	Rajasthan Atomic Power Station
REA	Regional Energy Account
RoCE	Return on Capital Employed
ROE	Return on Equity
RRB	Regulated Rate Base
RTI	Right to Information
RWA	Resident Welfare Associations
SBI	State Bank of India
SERC	State Electricity Regulatory Commission
SIP	Small Industrial Power
SJVNL	Satluj Jal Vidyut Nigam Limited
SLDC	State Load Despatch Centre
SPD	Single Point Delivery
SPUs	State Power Utilities
SVRS	Special Voluntary Retirement Scheme
THDC	Tehri Hydro Development Corporation
ToD	Time of Day
TOWMCL	Timarpur Okhla Waste Management Company (P) Limited
TPDDL	Tata Power Delhi Distribution Limited
TPS	Thermal Power Station
UI	Unscheduled Interchange
UoM	Unit of Measurement
WACC	Weighted Average Cost of Capital
WC	Working Capital
WPI	Wholesale Price Index

A1 INTRODUCTION

1.1 This Order relates to the petition filed by New Delhi Municipal Council (NDMC) (hereinafter referred to as 'NDMC' or the 'Petitioner') for True-Up of Aggregate Revenue Requirement (ARR) for FY 2018-19 for Distribution Business in terms of *Delhi Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff) Regulations, 2017* (hereinafter referred to as *'Tariff Regulations, 2017')* and *Delhi Electricity Regulatory Commission* (Business Plan) Regulations, 2017 (hereinafter referred to as *'Business Plan Regulations, 2017')*; and approval of ARR & Tariff for FY 2020-21 in terms of Tariff Regulations, 2017 and *Delhi Electricity Regulatory Commission (Business Plan) Regulations, 2019* (hereinafter referred to as *'Business Plan Regulations, 2019').*

NEW DELHI MUNICIPAL COUNCIL (NDMC)

1.2 New Delhi Municipal Council (NDMC) is a Municipal Council engaged in the distribution of electricity to the consumers in the New Delhi area under Sections 195 to 201 of the New Delhi Municipal Council Act, 1994. NDMC is a Deemed Licensee under the Electricity Act, 2003 in respect of the specified area in New Delhi.

DELHI ELECTRICITY REGULATORY COMMISSION

1.3 Delhi Electricity Regulatory Commission (hereinafter referred to as 'DERC' or the Commission') was constituted by the GoNCTD on 03/03/1999 and it became operational from 10/12/1999.

1.4 The Commission's approach to regulation is driven by the Electricity Act, 2003, the National Electricity Plan, the National Tariff Policy and the Delhi Electricity Reform Act 2000 (hereinafter referred to as 'DERA'). The Electricity Act, 2003 mandates the Commission to take measures conducive to the development and management of the electricity industry in an efficient, economic and competitive manner, which inter alia includes formulation of Tariff Regulations and Tariff determination.

THE COORDINATION FORUM MEETING

1.5 Govt. of NCT of Delhi vide notification No. F.11/36/2005/Power/1789 dated 16.06.2005 constituted the Coordination Forum, comprising of Chairperson and Members of DERC, CMD of DTL, Managing Director of IPGCL/PPCL, CEOs of NDPL (now TPDDL), BYPL and BRPL with Secretary, DERC as the Member Secretary. Since the Committee constituted did not include NDMC and MES, who also distribute power in Delhi, the Commission had decided to invite them for all the meetings.

1.6 The 29th Co-ordination Forum Meeting was held on 04/03/2020 in the office of the Commission. Apart from the Chairperson, Members and other senior officers from the Commission, the 29th Co-ordination Forum Meeting witnessed participation from CEOs of BRPL and BYPL, representatives of DTL, SLDC, IPGCL, PPCL, TPDDL, NDMC.

1.7 The issues which were deliberated during the meeting are as listed below:

Table 1. 1: Isses Discussed in 29th Co-ordination Forum Meeting

Sr. No.	Issues Discussed
1	Confirmation of minutes dated 09/03/2015 and amendment dated 07/04/2015, action taken on decisions.
2	Summer Preparedness
3	Presentation by DTL on Islanding scheme in Delhi
4	Proposal for disposal of DTs inherited from DVB which are beyond repair.
5	Review Progress of replacement of oil filled transformers by dry type transformers
6	Compliance of information to the consumers for scheduled power outages and un-scheduled power outages.
7	Channels and manpower for registration of complaints related to outages during summer period.
8	Status of implementation of Smart Meters
9	Status of maintenance of toll free number for registration of electricity grievance.
10	Surrender/ Re-allocation of Long Term Power, considering Demand-Supply scenario till FY 2024-25.
11	Status of RPO Compliance and initiatives thereafter to meet the trajectory as stipulated in DERC (Business Plan Regulations), 2019.
	DSM initiatives and Actual Savings thereafter.

MULTI YEAR TARIFF REGULATIONS

1.8 The Commission issued Tariff Regulations, 2017 vide gazette notification dated 31/01/2017 specifying Terms and Conditions for Determination of Tariff for Distribution of Electricity under the Multi Year Tariff (MYT) framework. Further the operational norms for Distribution utilities have also been approved by the Commission in Business Plan Regulations, 2017 under Tariff Regulations, 2017 for the period FY 2017-18 to FY 2019-20, and, in Business Plan Regulations, 2019 under Tariff Regulations, 2017 for the period FY 2020-21 to FY 2022-23.

FILING OF PETITION FOR TRUE-UP OF FY 2018-19 AND ARR FOR FY 2020-21

FILING AND ACCEPTANCE OF PETITION

1.9 NDMC has filed its Petition for the approval of Truing up of Expenses upto FY 2018-19 and ARR for FY 2020-21, before the Commission on 13/01/2020.

1.10 The Commission admitted the Petition vide its Order dated 20/02/2020 subject to clarifications / additional information, if any, which would be sought from the Petitioner from time to time. A copy of the Admission Order dated 20/02/2020 is enclosed as Annexure I to this Order.

1.11 Further, in view of the changed circumstances due to COVID-19, the Commission deemed it appropriate to give an opportunity to utilities to submit revised Tariff Petitions/ additional information w.r.t. ARR for FY 2020-21, by 30/05/2020.

1.12 On request of utilities to extend the time period for submission of revised Tariff Petitions for FY 2020-21, the final date for submission was extended upto 05/06/2020.

1.13 The complete copy of the Petition filed by the Petitioner along with additional information has been uploaded on website of the Commission (www.derc.gov.in) and the Petitioner.

1.14 The Executive Summary of Tariff Petitions, Executive Summary of Additional Information have also been uploaded on Commission’s website at www.derc.gov.in.

INTERACTION WITH THE PETITIONER AND PUBLIC HEARING

1.15 The Order has referred at numerous places about various actions taken by the “Commission”. It may be mentioned for the sake of clarity, that the term

"Commission" in most of the cases refers to the officers of the Commission and C&AG empanelled Auditors appointed by the Commission for carrying out the due diligence on the Petition filed by the Petitioner, obtaining and analyzing information/clarifications received from the Petitioner and submitting all issues for consideration by the Commission.

1.16 The Commission relies upon the analysis conducted by the Tariff Division comprising of Executive Director (Tariff), Joint Director (Tariff-Engineering), Joint Director (Tariff-Finance), Deputy Director (Tariff-Engineering), Deputy Director (Tariff Accounts-Financial Analysis) and Deputy Director (Tariff-Economics) for preparation of the Orders.

1.17 A preliminary scrutiny/analysis of the Petition submitted by the Petitioner was carried out. Additional information/clarifications have been sought from the Petitioner as and when required. The Commission and the Petitioner have discussed key issues raised in the Petition, which included details of Long Term & Short Term Power Purchase, Sales, Billing, Collection, Capital expenditure and capitalisation plan, allocation of expenses into Wheeling and Retail Supply Business, loss reduction trajectory, liability towards SVRS expenditure, etc.

1.18 The Commission also conducted multiple validation sessions with the Petitioner during which discrepancies in the petition and additional information as required by the Commission were sought. Subsequently, the Petitioner submitted replies to the issues raised and provided details and documentary evidence to substantiate its claims regarding various submissions.

1.19 The Commission scheduled a Public Hearing on Tariff Petitions for True Up of FY 2018-19 and ARR for FY 2020-21 on 18/03/2020 to take a final view with respect to various issues concerning the principles and guidelines for tariff determination.

1.20 However, due to outbreak of Corona Virus Disease declared as a pandemic by WHO (GoNCTD's Notification No.F.51/DGHS/PH-IV/COVID19/2020/prsecyhfw/2393-2407 dated 13/03/2020), the Public Hearing scheduled on 18/03/2020 was cancelled and last date of submission of comments/suggestions on Tariff Petitions for True up of FY 2018-19 and ARR for FY 2020- 21 which was earlier kept till 20/03/2020 was thus extended till the next date of Public Hearing. The Public Notices, in this regard, were issued by the Commission.

1.21 In relation to COVID-19, as per Order no. 40-3/2020-DM-I(A) dated 30/05/2020 issued by Ministry of Home Affairs, Government of India, large gatherings/ congregations have continued to remain prohibited. Giving due consideration to arisen scenario due to outbreak of Corona Virus Disease which refrains from holding Public Gatherings, the Commission finally decided not to conduct Public Hearing this year, for issuance of Tariff Order related to True up of FY 2018-19 and ARR of FY 2020-21 and communicated the same through public notice including on Commission's website. Alternatively, all stakeholders have been given additional time-period till 30/06/2020 for submitting comments/suggestions on tariff petitions/ additional information filed by the utilities.

1.22 A soft copy of the petition was also made available in CD form on payment of Rs. 25/- per CD or a copy of the petition was also made available for purchase from the respective Petitioner's head-office on working day till 30/06/2020 between 11 A.M. and 4 P.M. on payment of Rs.100/- either by cash or by demand draft/pay order.

1.23 In order to extend help to the stakeholders in understanding the ARR Petition and filing their comments, four officers of the Commission viz. Joint Director (Tariff-Engineering), Joint Director (Performance Standards & Engineering), Deputy Director (Tariff Accounts-Financial Analysis) and Deputy Director (Tariff-Engineering) were nominated for discussion on the ARR Petitions. This was duly mentioned in the Public Notices published by the Commission.

1.24 The Commission received written comments from the stakeholders. The comments of the stakeholders were also forwarded to the Petitioner who, responded to the comments of the stakeholders with a copy of its replies to the Commission.

1.25 The issues and concerns raised by various stakeholders have been examined by the Commission. The major issues made by the stakeholders, the responses of the Petitioner thereon and the views of the Commission, have been summarized in Chapter A2.

1.26 The Commission has therefore considered the inputs/comments received from various stakeholders alongwith the due diligence conducted by the officers of the Commission and C&AG empanelled Auditors in arriving at its final decision.

PUBLIC NOTICE

1.27 The Commission has issued Public Notice in the following newspapers (on dates mentioned alongside), indicating the venue, date and time of Public Hearing scheduled on 18/03/2020 and inviting comments from stakeholders on the Tariff Petition filed by the Petitioner latest by 20/03/2020:

(a)	Hindustan Times (English)	:	04/03/2020
(b)	The Hindu (English)	:	04/03/2020
(c)	The Times of India (English)	:	04/03/2020
(d)	Mail Today (English)	:	04/03/2020
(e)	Navbharat Times(Hindi)	:	04/03/2020
(f)	Punjab Kesri (Hindi)	:	04/03/2020
(g)	Dainik Jagran (Hindi)	:	04/03/2020
(h)	Jadid-In-Dinon (Urdu)	:	04/03/2020
(i)	Jan Ekta (Punjabi)	:	04/03/2020

1.28 Public Notice was also uploaded on Commission's website www.derc.gov.in.

1.29 The Petitioner also published a Public Notice indicating salient features of its petition for inviting comments from the stakeholders and requesting to submit response on the petition on or before 20/03/2020 in the following newspapers on the respective dates mentioned alongside:

(a)	The Indian Express (English)	:	07/03/2020
(b)	Financial Express (English)	:	07/03/2020
(c)	Hindustan Times (English)	:	07/03/2020
(d)	Jansatta (Hindi)	:	07/03/2020
(e)	JanEkta (Hindi)	:	07/03/2020
(f)	Hamara Samaj (Urdu)	:	07/03/2020
(g)	Punjab Kesri (Punjabi)	:	07/03/2020

1.30 As stated in preceding paras that due to outbreak of Corona Virus Disease declared as a pandemic by WHO (GoNCTD's Notification No.F.51/DGHS/PH-IV/COVID19/2020/prsecyhfw/2393-2407 dated 13/03/2020), the Public Hearing which was scheduled on 18/03/2020 was cancelled. The Commission issued a Public Notice in this regard in the following newspapers:

(a)	Hindustan Times (English)	:	14/03/2020
(b)	The Hindu (English)	:	14/03/2020
(c)	Times of India (English)	:	14/03/2020
(d)	Mail Today (English)	:	14/03/2020
(e)	Navbharat Times (Hindi)	:	14/03/2020
(f)	Dainik Jagran (Hindi)	:	14/03/2020

Public Notice was also uploaded on Commission's website www.derc.gov.in.

1.31 Further, in view of the circumstances arisen due to outbreak of COVID-19 which refrains from holding Public Gatherings, the Commission decided not to conduct Public Hearing, for issuance of Tariff Order related to True up of FY 2018-19 and ARR of FY 2020-21, and all stakeholders have been given additional time-period till 30.06.2020 for submitting comments/suggestions on tariff petition/ additional information filed by the Petitioner. In this regard, the Commission issued Public Notice in the following newspapers inviting comments from stakeholders on the Revised Tariff Petitions and additional information filed by the Petitioner latest by 30/06/2020:

(a)	Hindustan Times (English)	:	13/06/2020
(b)	The Hindu (English)	:	13/06/2020
(c)	The Times of India (English)	:	13/06/2020
(d)	Mail Today (English)	:	13/06/2020
(e)	Navbharat Times(Hindi)	:	13/06/2020
(f)	Punjab Kesri (Hindi)	:	13/06/2020
(g)	Dainik Jagran (Hindi)	:	13/06/2020
(h)	Jadid-In-Dinon (Urdu)	:	13/06/2020
(i)	Jan Ekta (Punjabi)	:	13/06/2020

1.32 Copies of all the Public Notices are available on Commission's website www.derc.gov.in

LAYOUT OF THE ORDER

1.33 This Order is organised into six Chapters:

a) Chapter A1 provides details of the tariff setting process and the approach of the Order.

b) Chapter A2 provides brief of the comments of various stakeholders, the Petitioner's response and views of the Commission thereon.

c) Chapter A3 provides details/analysis of the True up of FY 2018-19 and impact of past period true up based on judgement of Hon'ble APTEL, if any, Review Order of the Commission, if any, and its directives on the matter.

d) Chapter A4 provides analysis of the petition for determination of the Aggregate Revenue Requirement for FY 2020-21.

e) Chapter A5 provides details of the determination of Wheeling and Retail Supply Tariff for all consumer categories for FY 2020-21, and the approach adopted by the Commission in its determination.

f) Chapter A6 provides details of the Directives of the Commission.

1.34 The Order contains following Annexures, which are an integral part of the Tariff Order:

a) Annexure I - Admission Order.

b) Annexure II - List of the stakeholders who submitted their comments on True-up of expense for FY 2018-19 and approval of Aggregate Revenue Requirement & Tariff for FY 2020-21.

APPROACH OF THE ORDER

APPROACH FOR TRUE UP OF FY 2018-19

1.35 The Commission in its Business Plan Regulations, 2017 has indicated that Regulations shall remain in force for a period of three (3) years. The relevant Regulation of Business Plan Regulations, 2017, in this regard, is as follows:

"1(2) These Regulations, shall remain in force for a period of 3 (three) years i.e., for FY 2017-18, FY2018-19 and FY 2019-20, unless reviewed earlier."

1.36 The Commission in its Tariff Regulations, 2017 has specified that Regulations shall be deemed to have come into effect from 1st February, 2017. The Relevant Regulation of Tariff Regulations, 2017, in this regard, is as follows:

"(4) These Regulations shall be deemed to have come into force from I^st February, 2017 and shall remain in force till amended or repealed by the Commission. "

1.37 Accordingly, ARR for FY 2018-19 has been trued up as per Tariff Regulations, 2017 and Business Plan Regulations, 2017.

APPROACH FOR ARR AND TARIFF FOR FY 2020-21

1.38 The Commission vide its Notification dated 31st January, 2017 had issued Tariff Regulations, 2017. Further, the Commission has issued Business Plan Regulations, 2019.

1.39 The Commission has evaluated the revised ARR/ additional information submitted by the Petitioner on the basis of the provisions in Tariff Regulations, 2017 read with Business Plan Regulations, 2019 and other factors considered appropriate by the Commission as discussed hereafter.

A2 RESPONSE FROM THE STAKEHOLDERS

2.1 Summary of objections/suggestions from stakeholders, response of DISCOMs (viz. Tata Power Delhi Distribution Limited (TPDDL), BSES Rajdhani Power Limited (BRPL), BSES Yamuna Power Limited (BYPL), New Delhi Municipal Council (NDMC) and the Commission's view.

INTRODUCTION

2.2 Section 64(3) of the Electricity Act, 2003, stipulates that the determination of Tariff shall be Section 62 of the Electricity Act, 2003 for the Distribution Licensees on consideration of all objections/suggestions received from the public and the response of the DISCOMs response thereon to the objections/suggestions of stakeholders, issue a tariff order accepting the applications with such modifications or such conditions as applicable may be specified in the order.

2.3 The Commission has on examination the issues took into consideration the comments/ suggestions offered by the various stakeholders in their written statements and also the response of the Petitioners thereon.

2.4 The comments and the suggestions of stakeholders, and the petitioners replies/response thereon the summarised views of the Commission are appended under various subheads.

ISSUE 1: PUBLIC HEARING AND OBJECTION FILING PROCESS

STAKEHOLDERS' VIEW

2.5 Publish MYT Business Regulations and Tariff Petition for FY 2020-21 in newspapers as per the Electricity Act, 2003.

2.6 Public hearing for Mushroom Cultivation Tariff Category.

2.7 The time period for submission of the comments may be extended.

2.8 Public notice must reflect separately all charges and utilization separately.

2.9 Public Notice dated 06/03/2020 in the case of BYPL and TPDDL, must be treated as null and void as the same is not traceable.

PETITIONER'S SUBMISSION

TPDDL

2.10 The Commission may comment on MYT Business Regulations as it may deemed fit. Tata Power-DDL has published the Public Notice on True-Up FY 2018-19 and ARR FY 2020-21 in various newspapers in the 1st week of March 2020 viz. Indian Express (English)-03/03/2020; Hindustan Times (English)-03/03/2020; Hindustan (Hindi)-04/03/2020; Sahafat (Urdu)-05/03/2020; Quami Patrika (Punjabi)-06/03/2020.

2.11 All requisite details and the information thereon have been provided in the petition.

BYPL

2.12 The Commission is uploading on its website of the stakeholder's comment regarding the procurement of the tariff petition.

The complete petitions and executive summaries for comments has been published along with the public notices stating that the public hearing could not be held due to the COVID-19 pandemic.

finalize the Tariff Orders in line with DERC (Terms and conditions for determination of Tariff) Regulations, 2017 and DERC (Business Plan) Regulations, 2017 and DERC (Business Plan) Regulations, 2019 notwithstanding the fact that is the prerogative of the Commission.

BRPL

2.13 BYPL and TPDDL are two different Distribution Licensees of Delhi and Public Notices have been issued as per directions of the Commission.

NDMC

2.14 On fresh date of the public hearing which was earlier scheduled on 18/03/2020 has been resolved as the public hearing which was postponed has subsequently been cancelled. The stakeholders have been asked to submit their comments and objections by letters and e-mails. Due to global pandemic of COVID-19, as it is not advisable to hold a public gathering which may cause prejudice to the health and life of the citizens.

COMMISSION'S VIEW

2.15 The Commission endeavours to issue Tariff Orders as per provisions of the Electricity Act, 2003.

2.16 The Commission vide its Public Notice dated 04/03/2020 scheduled a Public Hearing on Tariff Petitions for True-Up of Expenses for FY 2018-19 and Aggregate Revenue Requirement (ARR) for FY 2020-21 on 18/03/2020 to take a final view on issues concerning the principles and guidelines for tariff determination.

2.17 However, due to outbreak of Corona Virus Disease declared as a pandemic by WHO (GoNCTD's Notification No.F.51/DGHS/PH-IV/COVID19/2020/prsecyhfw/2393-2407 dated 13/03/2020), the Public Hearing scheduled on 18/03/2020 was cancelled. The last date of submission of comments/suggestions on Tariff Petitions for True-up of FY 2018-19 and ARR for FY 2020- 21 which was earlier kept till 20/03/2020, was thus extended till the next date of Public Hearing. The Public Notices, in this regard, were issued by the Commission.

2.18 As per Order No. 40-3/2020-DM-I(A) dated 30/05/2020 issued by Ministry of Home Affairs, Government of India, large gatherings/ congregations was prohibited. Accordingly, Commission decided to refrain from conducting the Public Hearing this year, for issuance of Tariff Order related to True-up of FY 2018-19 and ARR of FY 2020-21 and communicated the same through public notice including on Commission's website. Alternatively, the stakeholders were given additional time-period till 30/06/2020 for submitting comments/suggestions on tariff petitions/ additional information filed by the utilities.

2.19 The Commission determines the ARR for the DISCOMs as per the provisions of the applicable Regulations. The Commission in its Tariff Order has provided the break-up of the major components considered for projecting costs of supply during FY 2020-21, like Power Purchase Cost, O&M cost, CAPEX, financing cost, the gap in True-up of FY 2018-19 and carrying cost for the regulatory assets etc. The Petitioners submit the audited accounts to substantiate their claims. The Tariff Petitions are duly scrutinized and admitted only if found in order as per the DERC (Comprehensive Conduct of Business) Regulations, 2001. The Petitioners furnish clarifications/additional information, as and when required by the Commission. The Tariff Order is issued after prudence check of the Petitions submitted by the DISCOMs and after considering each element of cost projected in the petitions with due analysis and ensuring proper justification.

2.20 The Commission considering prevalent grim situation due to outbreak of COVID-19 has already exercised its powers to address the hardships being faced by Delhi electricity consumers and accordingly, in its Suo-Motu Order dated 07/04/2020, the Commission allowed a moratorium on the payment of Fixed Charges for next three billing cycles beginning from March 24, 2020 to the consumers covered under Public Utilities, Industrial and Non-Domestic Tariff Categories, which stipulates as under:

"10(e). A moratorium on the payment of Fixed Charges for next three billing cycles beginning from March 24, 2020 is provided to the consumers covered under Public utilities, Industrial and Non Domestic Tariff Categories. The fixed charges accumulated over the said period shall be spread over the next three billing cycles after June 30, 2020 without any LPSC. Further, the consumers of these categories, who desire so, may pay Fixed Charges for the bills raised during the period starting from March 24, 2020 till June 30, 2020."

2.21 The Commission has not increased the tariff for FY 2020-21. Further, considering the hard ships faced by non-domestic and industrial consumers in lock down due to COVID-19, the Commission has reduced the fixed charges for the months of April, 2020 and May, 2020 for these consumers. Also, the Commission has waived off Time of Day Tariff Surcharge for September for all eligible consumers.

ISSUE 2: BUSINESS PLAN& SOP REGULATION

STAKEHOLDERS' VIEW

2.22 DERC Supply Code Regulations should ensure parity between consumers and DISCOMS, and should be transparent.

2.23 Collection efficiency should be 100%;

2.24 Any collection above 100% billing should be treated as Non Tariff Income, and added to the revenue;

2.25 The scheme for rebate of 0.20% of Annual bill per extra electricity bill over six bills in an annum may please be reintroduced for domestic consumers. The DISCOM collects almost 90% electricity bills from Consumer, fifteen(15) days in advance, and total bill is cleared ten (10) days in advance prior to payment of monthly Power purchase cost to Generators to avail 2% rebate;

2.26 The DISCOM shall open Letter of Credit or make payment through NEFT/RTGS for dues payable to Generators within 3 days of receipt of the Generator bill to avail 2% rebate. In case of failure in making the payment the loss of rebate should be to DISCOM's account.

2.27 All Generators including State Generating Stations (SGS) must be paid Power purchase bill within 3 days of the generation bill, as prescribed to avail 2% discount either through Letter of Credits or through NEFT/RTGS etc.;

2.28 Revision of sanctioned load / contract demand shall be based on maximum demand readings.

2.29 At least 100 helpline Connection shall be made available and for the Consumers to make call within 3 seconds of disruption.

2.30 Late Payment Surcharge (LPSC) is being charged at a very high rate.

2.31 Return on Equity (ROE) may be reduced to 10% per annum because of low return/ interest level now prevailing in the market to ensure the per unit rate of Power cheaper and to keep it as low as possible;

2.32 Legal expenses to be allowed in ARR only for such cases, where DISCOM wins against the consumers in the court of law.

PETITIONER'S SUBMISSION

TPDDL

2.33 All Regulations made by the Commission are subject to the condition of previous publications which mandates that before making Regulations, publishing a draft of the Regulations and considering any objection or suggestion which may be received from any person concerning the draft before the date specified in the notice, published with the draft Regulations, after which the draft Regulations will be taken into consideration.

BYPL

2.34 Petitioner would like to submit that Commission has adopted a complete transparent methodology while finalizing the Supply Code Regulations by circulating draft regulations and issued a public notice seeking comments from all the stakeholders. Hence, there is no point alleging that the supply code of Commission is anti-consumer or one-sided in nature.

2.35 The Commission had uploaded the draft of DERC (Business Plan) Regulations, 2019 on its website and had invited comments from stakeholders through Public Notices published in leading newspapers, which was also uploaded on the Commission's website. After considering the comments of all stakeholders, the Commission notified DERC (Business Plan) Regulations, 2019 on 27/12/2019.

Further, on 29/01/2020, the Commission had issued an Explanatory Memorandum explaining the rationale and objective behind finalization of DERC (Business Plan) Regulations, 2019.

BRPL

2.36 Stakeholder has purportedly observed that the present provisions of the Supply Code Regulations, 2017 are one-sided and is in favour of the licensees. This observation may not be correct as before framing any Regulations, as per the practice followed by the Commission, comments from stakeholders were duly invited before the said Regulation was finalized. The Commission had also published a Statement of Reasons which inter-alia highlighted the reasons for accepting or rejecting comments received from various stakeholders. Nevertheless, the stakeholders comments are directed towards the Commission and seek amendment of the provisions of the DERC Supply Code and Performance Standards Regulations 2017 alleging the same being in favour of the licensees. The Commission accords due consideration to stakeholders comments. It may also be noted that the Supply Core Regulations safeguards the interest of the consumers by enforcing strict and time-bound standards of performance with provision for imposing penalties on the licensees in case of failure to meet such standards.

NDMC

2.37 Any Amendment in Supply Code regulation or Framing of regulations is the prerogative of the Commission.

COMMISSION'S VIEW

2.38 The DERC (Business Plan) Regulations 2017 were notified by the Commission after following due process of law, as per the Electricity Act, 2003. The draft DERC (Business Plan) Regulations, 2017 was uploaded on DERC website and stakeholders' comments were invited via public notice and a Public hearing was also held on 19/07/2017 and comments received from the stakeholders were considered in the final Business Plan Regulations approved by the Commission. These Regulations are applicable till FY 2019-20. Further, Commission had uploaded the draft of DERC (Business Plan) Regulations, 2019 on its website and had invited comments from stakeholders through Public Notices published in leading newspapers, which was also uploaded on the Commission's website. After considering the comments of all stakeholders, the Commission notified DERC (Business Plan) Regulations, 2019 on 27/12/2019.

2.39 The Commission has notified the DERC (Supply Code and Performance Standards) (Third Amendment) Regulations, 2018 amending the existing timelines for restoration of power supply failure and compensation thereof as specified in DERC (Supply Code and Performance Standards) Regulations, 2017. TPDDL has filed a Writ Petition no. (C) 1717/2019 before the Hon'ble High Court of Delhi. The Hon'ble High Court of Delhi in its order dated 19/02/2019 has held as under:

> *"In view of these contentions, and given the nature and the short time limit as opposed to the earlier regulations, the Court is of the opinion that the respondents should not take any coercive action under the amendment Regulations during the pendency of the proceedings. Likewise, in complaints contemplated by the amendment Regulations, no final decision shall be taken. In the meanwhile, the claims made may be processed in accordance with the pre existing regulations which would operate. The complaints received from consumers shall be processed and appropriate orders made but enforced only having regard to the earlier regulations. However, in the event the amendments Regulations are upheld, the additional compensation, if any, shall be paid to the concerned consumers by the concerned DISCOMs subject to the final outcome of the present proceeding".*

2.40 The Commission in its *DERC (Supply Code and Performance Standards) Regulations, 2017* has specified the procedure for revision of sanctioned load / contract demand based on maximum demand readings during the previous financial year. For all categories other than domestic, fixed charges are levied based on billing demand. Further, a surcharge of 30% is levied on the fixed charges corresponding to excess load beyond sanctioned load / contract demand during such billing cycle.

2.41 Late payment surcharge is levied for the delay in number of days in receiving payment from the consumer by the distribution licensee at the rate as specified by the Commission in its Tariff Schedule from time to time.

ISSUE 3: RENEWABLE PURCHASE OBLIGATION

STAKEHOLDERS' VIEW

2.42 Imposing Renewable Purchase Obligations (RPO) and purchase of Renewable Energy Certificates (REC) by DISCOMS would lead to unnecessary burden on the consumers.

2.43 Inefficient and costly power plants must be closed and some relief from RPO targets should be given to DISCOMs.

2.44 To promote renewable energy, Net-metering should be promoted instead of purchasing RECs and purchase renewable power from generating stations outside Delhi.

2.45 The percentage of RPO obligation needs to be set only as per the availability of solar power. The current year's RPO obligation should be deferred to the future years when sufficient renewable power is available.

2.46 Tata Power-DDL (TPDDL) has purchased RECs of Rs.134/- Crore for meeting the RPO obligations. This cost should not be passed on to the consumers in the form of ARR.

2.47 DISCOMs have incorrectly computed the quantum of RPO for FY 2020-21 which conflicts with principles of Electricity Act, 2003 and Tariff Policy, 2016. RPO quantum is to be calculated on the consumption of electricity (including transmission and distribution losses) and not on the sale of electricity, as is being done by DISCOMs.

2.48 CERC has extended the validity of RECs till 31/10/2020. The commission is requested to allow DISCOMs to procure RECs for any shortfall in meeting RPO compliance till FY 2020-21 as there is enough liquidity in the Exchange for RECs.

2.49 Solar power purchase agreements with DMRC are not in place yet..

PETITIONER'S SUBMISSION

TPDDL

2.50 RECs procurement has been mandated as per DERC Regulations to promote renewable energy. Commission has mandated the Renewable Power Purchase

Obligation on DISCOMs which are bound to fulfil the same through either procurement of Renewable Energy or through purchase of REC. However, the RPO targets of DISCOMs can be reduced considering that Renewable energy of Open access consumers is also flowing in DISCOM periphery resulting in excess renewable energy (over and above RPO targets) flowing in the licensed area.

2.51 Long term PPAs are to be honoured without any breach of contractual agreements. The GENCOs have been established for giving power on a long term basis, and hence form an integral part of the power supply value chain. Moreover, the availability of power from other short term sources is not guaranteed, and overdependence on short term resources can lead to low power availability with and supply disruptions. Wherever possible, it is endeavoured to get PPAs reallocated to other states through the Ministry of Power, Govt. of India. Gas Plants with PPAs expiring shortly, and without any gas tie-ups may be transferred to the other gas plants. The Commission has mandated the Renewable Power Purchase Obligation for DISCOMs, and they are bound to fulfil the same through either procurement of Renewable Energy or purchase of RECs. However, the RPO targets of DISCOMs may be reduced considering that Renewable energy of Open access consumers also flows in DISCOM periphery, which results in renewable energy (over and above RPO targets) flowing in the licensee area.

2.52 Physical renewable power is the preferred option to meet RPO targets, and Net metering also helps to reduce the purchase of RECs for compliance of RPO. The net metering guidelines are prevalent in Delhi and are monitored under the Performance Assurance Guidelines of Commission. Tata Power-DDL has already installed approx. 900 net meters in its area of operations which are helping reduce the purchase of RECs to an extent.

2.53 REC procurement has been mandated as per Regulations to promote Renewable Energy. Commission has mandated the Renewable Power Purchase Obligation on DISCOMs and DISCOMs are bound to fulfil the same through either procurement of Renewable Energy or purchase of REC.

2.54 The commission may like to decide on percentage of RPO compliance.

2.55 The commission may also like to decide on RPO deferment.

2.56 Our focus is on buying Renewable power and only in case of unavailability, REC's are bought as the last option to meet the targets for Renewable Purchase Obligation.

2.57 The commission may like to decide on lower the RPO obligation.

2.58 DERC (Business Plan) Regulations, 2017, section 27 (1) specifies that RPO is to be computed on the total sale of power. The same clause is mentioned in DERC (Business Plan) Regulations 2019 as well.

2.59 Commission has already allowed meeting RPO through physical renewable power/ REC.

BYPL

2.60 The petitioner has signed various PPA's for fulfillments of Solar and Non-Solar obligations in the coming future with Solar Energy Corporation of India (SECI) and Waste to Energy Plants of Delhi. The power from the majority of the plants under these PPA's is expected to be supplied from FY 2021-22 onwards. The Petitioner is also facilitating the growth of Net Metering Connections in its area. Power from these long term PPA's and Net Metering sources would suffice the most of the requirement of Renewable Power and a practical alternative to RECs. Further, given the recent outbreak of COVID-19, the SECI projects have been delayed, and are expected to commence from FY 2021-22. Accordingly, petitioner has now requested Commission to defer/ waive the RPO targets for FY 20-21 due to force majeure condition of COVID-19. All possible options/solutions to avail renewable power and meet the RPO targets are being explored. However, our capability for purchase of RPO has been constrained since BYPL has been facing adverse financial conditions, primarily on account of a non-cost reflective Tariff and absence of adequate recovery of accumulated Regulatory Asset and recent force majeure condition of COVID-19 pandemic, Therefore, BYPL has requested for waiver/carry forward of RPO targets in its True-up Petition for FY 18-19 and ARR of FY 20-21.

2.61 Our focus is on buying Renewable power and only when it is not available, do we buy REC as the last option to meet the targets for Renewable Purchase Obligation.

2.62 We agree with the comment that renewable purchase obligation should be fulfilled with the renewable power, not the REC's, but we would like to submit that The Petitioner in its Petition for True-up of FY 18-19 has explained the efforts undertaken for fulfilling RPO targets for FY 18-19, which includes facilitation for Net Metering connection in its area and signing various Power Purchase Agreements for procuring Renewable power. However, due to precarious financial condition of the Petitioner, primarily on account of a non-cost reflective Tariff and absence of adequate recovery of accumulated Regulatory Asset and because the availability of long term Renewable power from PPA's is expected to commence in future years, we have requested Commission to carry forward RPO target for FY 18-19.

2.63 The stakeholder has highlighted that the RPO target for FY 2020-21 should be calculated based on consumption rather than the sale of electricity within the DISCOM. The stakeholder also mentioned that excluding Hydro purchase from the sale is not a correct methodology for calculation of RPO target for DISCOMs. We respectfully submit that Regulation 124 of Delhi Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff) Regulations, 2017 provides as under:

"Provided also that the Commission Will specify the targets for Solar and Non-Solar RPO in the Business Plan Regulations for a specific Control Period:

2.64 Further Regulation 27 of Delhi Electricity Regulatory Commission (Business Plan) Regulations, 2019 provides RPO Target from FY 20-21 to FY 22-23 as under:

"27. TARGET FOR RENEWABLE PURCHASE OBLIGATION

(1) The targets for Renewable Purchase Obligation (RPO) in terms of Regulation 124 of the DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 of a Distribution Licensee from FY 2020-21 to FY 2022-23, shall be computed as a percentage of the total sale of power, to its retail consumers in its area of supply, excluding procurement of hydropower. "

The Petitioner has calculated the RPO target for FY 20-21 as per the above methodology provided by the Commission.

2.65 The Petitioner in its Petition for True-up of FY 18-19 has explained the efforts undertaken for fulfilling RPO targets for FY 18-19, which includes facilitation for Net Metering connection in its area and signing Various Power Purchase Agreements for procuring Renewable power.

However, due to precarious financial condition of the Petitioner, primarily on account of a non- cost-reflective Tariff and absence of adequate recovery of accumulated Regulatory Asset and because the availability of long term Renewable power from PPA's is expected to commence in future years, we have requested Commission to carry forward RPO target for FY 18-19.

2.66 We appreciate the concern of the stakeholder regarding the burden on the consumer due to the purchase of REC. The petitioner, due to precarious financial condition, primarily on account of a non-cost reflective Tariff and absence of adequate recovery of accumulated Regulatory Asset and also, as the availability of long term Renewable power from PPA’s is expected to commence in future years, has requested Commission to carry forward RPO target for FY 18-19 to future years.

2.67 BYPL appreciates the stakeholders suggestion to consider RPO compliance mandatory for Open Access consumers in the interest of consumers of Delhi and requests the Commission to consider the same as it is the prerogative of the Commission. As it is evident that the collections and the cash flow of the Petitioner have been adversely affected due to COVID-19 impact, BYPL could not buy RECs to comply with the RPO Targets. Hence, BYPL agrees with the stakeholder’s suggestion concerning REC purchase cost not to be considered for FY 2020-21 due to COVID-19 impact. Hence, the Commission is also requested to kindly defer the RPO Targets for FY 2019-20 & FY 2020-21 to be set off by any additional purchase of green power through RE Sources/RECs beyond the targets set for FY 2021-22 onwards and relax the norms of RPO for period FY 19-20 onwards till FY 2021-22.

2.68 It seems that the stakeholder is referring to the ARR petition filed by the Petitioner in February 2020. Under the directions of the Commission, the Petitioner has filed its revised ARR (impact of COVID-19) wherein the Petitioner has not considered the REC purchase cost for FY 2020-21 considering the adverse situation on account of COVID -19 pandemic and riots in the Petitioner area of supply. The detailed submissions in this regard are provided in Para 2.10 (Page 87 to 92) of the revised ARR Petition.

2.69 We appreciate the concern of the stakeholder regarding the burden on the consumer due to purchase of REC, the petitioner, due to precarious financial condition, primarily on account of a non-cost reflective Tariff and absence of adequate recovery of accumulated Regulatory Asset and because the availability of long term

Renewable power from PPAs is expected to commence in future years, has requested Commission to carry forward RPO target for FY 18-19 in future years.

BRPL

2.70 The renewable resources are limited in Delhi so the DISCOMs are bound to buy RECs (Renewable Energy Certificates) to fulfil RPO obligations. However, we expect that the Commission will give due consideration to the stakeholders comments while determining the tariffs. Furthermore, we would like to submit that the determination of electricity tariff to be charged from a certain category of a consumer is the sole prerogative of the Commission under Section 45 of the Electricity Act, 2003.

2.71 The stakeholder has requested for non-inclusion of certificates charges in the ARR Petition. In this regard, we would like to submit that the as per Section-86 (1) (e) of EA 2003, Every State Commission fixes minimum Renewable Purchase Obligation (RPO) percentage which is effectively the quantum to be purchased mandatorily from RE Sources out of the total power purchase quantum. Therefore, in case any DISCOM is unable to meet the RPO Target due to any reason, the DISCOM has the option to purchase RE Certificates to fulfil the same. The cost of these RECs is thus allowed in the ARR of DISCOM. However, BRPL has not purchased any RECs during FY 2018-19 and hence, the comments of the stakeholder pertain to the other licensee, i.e. TPDDL, and therefore we are not in a position to respond to the same. Further, it is submitted that the determination of electricity tariff to be charged from a consumer is the sole prerogative of the Commission under Section 45 of the Electricity Act, 2003.

2.72 The Petitioner in its Petition for Truing-up of FY 2018-19 at Para-3A.80 to 3A. 84, along with the reasons for non-achievement of RPO target during FY 2018-19, has also highlighted the various steps taken towards the fulfilment of RPO Targets. The Petitioner has also highlighted the various PPAs signed and upcoming RE generation already tied up for future years. The Petitioner has also requested the Commission to carry forward the shortfall in achievement of RPO Targets during FY 2018-19 to next control period or waive off the same given supply constraints. The Petitioner requests the Commission to kindly consider the request and allow the same.

2.73 The Petitioner has signed various PPA's for fulfilments of Solar and Non-Solar obligations with the supply to be commence in near future. The details are shown hereunder:

Table 2. 1: Details of upcoming Firm Renewable sources

Sr. No.	Party	Particular/ Description	Allocation (MW)	Date of Signing of PPA	Validity/Expected COD
1	SECI	Solar- SECI ACME	400	06-Aug-18	SCOD- Oct'20
		Solar-SECI	350	17-Jun-19	SCOD – Dec'20
		Wind -SECI Alfanar	150	28-Mar-18	SCOD – Nov'19
		Wind- SECI SITEC	100	20-Dec-18	SCOD – Jul'20
		Wind -SECI Srijan	50	17-Jun-19	SCOD – Jan'21
2	PTC	Wind PTC - Inox	50	21-Jul-17	SCOD of Oct'18.
3	SDMC	Tehkhand-Okhla	10	20.11.2018	future plant- Mar'21
Total			**1110**		

The above-mentioned PPAs shall start operationalizing from FY 2020-21 onwards and shall be meeting RPO targets in future.

2.74 BRPL has computed the Renewable Purchase Obligation of FY 2020-21 as per Regulation-27 of DERC Business Plan Regulations, 2019 specifies the target for Renewable Purchase Obligation from FY 2020-21 to FY 2022-23 as below:

"27. TARGET FOR RENEWABLE PURCHASE OBLIGATION

The targets for Renewable Purchase Obligation (RPO) in terms of Regulation 124 of the DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 of a Distribution Licensee from FY 2020-21 to FY 2022-23, shall be computed as a percentage of the total sale of power, to its retail consumers in its area of supply, excluding procurement of hydropower.

The target for RPO shall be met through the purchase of power from various Renewable Energy sources or purchase of Renewable Energy Certificates ('REC') or combination of both, and shall be as follows:

…"

2.75 Adjustment of RPO shortfall: As far as the renewable energy certificates are concerned, the same is stated to be valid instruments for the discharge of renewable purchase obligations as stated in regulation 5 of the said 2012 RPO Regulations. Even if the DISCOMs purchase renewable energy certificate, the fact would remain that the consumers of Delhi will be bearing this financial burden, without receiving any physical energy, will not in any manner be benefited from any reduction in the greenhouse gas emission in the atmosphere of Delhi.

Alternatively, BRPL has also entered into 1100 MW of Power Purchase Agreement (PPA) with SECI/PTC to meet its Renewable Purchase Obligation at a landed cost of less than Rs. 3 per Unit.

NDMC

2.76 NDMC endeavours to meet the RPOs targets as set by DERC. Further, many new initiatives are in the pipeline to procure green power from renewable sources on a sustainable basis. The same will lead to the replacement of coal-based power with such green power in near future.

2.77 Net metering is being provided as per the prevailing Regulations of DERC.

COMMISSION'S VIEW

2.78 The Electricity Act, 2003 entrusts on the appropriate Commission the responsibility for the promotion of co-generation and generation based on renewable energy sources. The policy framework of the Government of India also stresses on the encouragement of renewable energy sources keeping in view the need for energy security and reducing the carbon footprint.

Section 86 (1) (e) of the Electricity Act 2003 states:

> *"The State Commission shall discharge the following functions:*
>
> *Promote co-generation and generation of electricity from renewable sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person, and also specify, for purchase of electricity from such sources, a percentage of the total consumption of electricity in the area of a distribution licensee"*

2.79 The Commission in pursuance of the same has mandated the renewable purchase obligation to be met through the purchase of energy from renewable energy sources/or purchase of renewable energy certificates to ensure that RPOs are met in the most optimum manner.

2.80 The Commission has issued *DERC (Renewable Purchase Obligation and Renewable Energy Certificate Framework Implementation) Regulation, 2012* and *Business Plan Regulations, 2017*. As per these Regulations, the obligated entity is required to fulfil a defined minimum percentage of the total quantum/consumption from eligible renewable energy sources.

2.81 Ministry of Power (MoP) vide its Order dated 14/06/2018 specified the RPO targets till FY 2021-22. The Commission has considered the RPO targets (a year later targets) in DERC (Business Plan) Regulations, 2017 & DERC (Business) Plan Regulations, 2019, as specified by MoP.

2.82 The Commission has promoted Net Metering in Delhi through framework of Net Metering Regulations in 2014 and had also issued guidelines related to Virtual Net Metering and Group Net Metering. Approximately 170 MW of Solar Roof Top through Net metering arrangement has been installed in Delhi. As per Section 86 (1) (e) of the Act, for promotion of electricity from renewable energy sources a percentage of total consumption of electricity has to be considered which translates to sales and not factoring transmission and distribution losses as submitted by stakeholders. The Commission observed that Delhi distribution licensees have submitted that they are unable to meet 100% of their RPO targets as mandated in the Regulations on account of various reasons like non-availability of RECs at exchanges, delay in scheduled COD of RE Plants etc. The distribution licensees should endeavour to meet RPO targets as stipulated in the Regulations and hedge the risk due to delay in COD of RE Plants.

ISSUE 4: POWER PURCHASE COST

STAKEHOLDERS' VIEW

2.83 DISCOMs keep on purchasing costly power from inefficient plants. The effort should be made by the DISCOMs and Commission to reduce the Power Purchase cost.

2.84 In Pragati (Bawana) and Aravalli Jhajhar plants fuel supply is not available in a full Quantum. Hence, GENCOs should reduce their bills and Commission should audit them for adequate fuel supply arrangements.

2.85 East Delhi has low-end Domestic consumers, accordingly, if the Commission decreases the power purchase cost, DISCOMs will be able to invest more in upgrading network, improving customer services etc.

2.86 DISCOMs can renegotiate PPA with NTPC and amend the terms.

2.87 DISCOMs can substitute the power from five NTPC plants that have completed 25 years with power from Teesta-III with a lower tariff of Rs.4.25/kWh. This would save power purchase cost of Rs. 480 Cr and reduce RPO quantum.

2.88 A large portion of Dadri TPS Stage-I can be substituted with cheaper hydropower.

2.89 Restoring cheaper power to TPDDL.

2.90 Short term purchases 1064 MU was made for Rs. 453.4 Cr. at an average price of Rs. 4.27/unit. Short term sale Power sale of 2489 MU was made for Rs. 453.4 cr. at an average price of Rs. 3.76/ unit. It is not understood how huge amount of Power was sold at such a cheap rate and short term Power was purchased at a much higher rate.

2.91 The stakeholder has submitted that the generation capacity excluding BTPS is 2250 MW against a demand of 7016 MW, due to which there is excessive power import resulting in disturbance in system reliability.

2.92 The costly Power of Anta gas @ Rs. 33.63/unit, Auraiya gas @ Rs. 48.68/unit and Dadri gas @ Rs. 10.16/unit may not be purchased to reduce cost of Power purchase. Aravali Power corporation, Jhajjar supplies power @ Rs. 13.09/unit to Delhi Discoms. Aravali Thermal Power Station should be dismantled because coal is being brought from Andhra Pradesh at very high prices.

2.93 Any purchase and sale of power is done in the most economical manner as per the principles outlined by the Commission from time to time.

PETITIONER'S SUBMISSION

TPDDL

2.94 Long-term PPA's are to be honoured without breach of agreements. The GENCO's has been established for giving power on a long-term basis and hence Form an integral part of the power supply value chain. Moreover, the availability of power from other short-term sources is not guaranteed and over-dependence on short term resources can lead to low power availability issues with supply disruptions. Wherever possible, it is endeavoured to get the PPA's reallocated to other states through Ministry of power, Govt. of India. The commission may like to decide on the same.

"The existing power purchase agreement for power supply from the plant to Delhi Distribution Company will be expiring by March 2021. Since GTPS plant has several features like Reliable Supply to VVIP areas, work as Starting station for Grid revival in case of Blackouts or total grid failure, capable to operate in Synchronous Condenser Mode with minimum retrofit, ..."

BRPL vide their letter dated 22.06.2020 has responded to GT proposal of R&M of GT after the expiry of useful life.

2.95 The commission cannot decrease power purchase cost for plants regulated by the Hon'ble CERC. Further, DISCOMs are allowed schemes based on their criticality and necessity after due prudence by Commission. Power Purchase Costs do not govern the decision for investment in such schemes. Thus if a particular area requires new scheme, up-gradation the same must be pointed out to Commission with data of breakdowns, poor supply, load shedding etc.

2.96 PPAs are non-negotiable and governed by Regulations. Some of the plants are highly reliable and low in tariffs. Hence we are continuing with the same.

2.97 Tata Power-DDL has 10 MW allocation from Dadri Stage 1. Based on Regulations, power will be substituted/ continued.

2.98 Stakeholders have rightly raised the issue of reallocation of cheap power amongst Delhi DISCOMs. Tata Power-DDL agrees with the suggestion and agrees that cheaper power should be allocated back so that Power Purchase Cost on the consumer reduces. This will benefit the consumers of Tata Power-DDL area, as well as improve critical financial position of Tata Power-DDL, which is further deteriorating due to present Covid-19 situation.

BYPL

2.99 Power purchase cost is the major component of the ARR comprising more than 70% of the total cost, any reduction in power purchase cost would results in reduction in tariff to the end consumer. BYPL appreciates the concern of the stakeholders regarding the higher cost of existing and newly developed power stations, unavailability of the quantum of the cheaper fuel supply of Bawana and Aravali Jhajjar plants and allocation of cheaper power to the petitioner due to its predominant domestic consumer profile having low paying capacity. In view of the above, and overall interest of the consumer, the Petitioner has taken various steps for closing down /exit of PPAs from various high cost and inefficient power stations. Further, the Petitioner has also approached various forums at both central and state level including submission of its comments on the Petitions filed by various Central /State Generating and Transmission utilities for consideration of the Regulatory Commissions.

2.100 The DISCOM's are bound with the Long Term Power Purchase agreements (PPA) which are inherent from erstwhile DVB/ Delhi Transco Limited which was transferred to DISCOMs on 31st March 2007. The petitioner has already raised this concern for exiting the PPAs of costly plants to various forums like Central Electricity Regulatory Commission, Appellate Tribunal for Electricity, MoP etc.

2.101 We appreciate the concern raised by the consumer, but we would like to inform you that, all the Long Term Power procurement is done after the approval of the Commission. At the time of privatization, all Power Purchase Agreements ("PPA") entered into by Delhi Vidyut Board ("DVB") were handed over to Delhi Transco Limited ("DTL"). DTL was to enter into power procurement arrangements for the state of Delhi for a period of 5 years, ending on 31st March 2007. As DTL was a transmission licensee and could not be in the business of trading in power, a special dispensation was taken for DTL for doing so from the Government of India, to enable it to continue in this role till 31st March 2007. Hence, any PPA entered into prior to 31st March 2007 are PPAs entered into either by the erstwhile DVB or DTL, who had the obligation to do so. The PPAs for Dadri Thermal Generating Station (NTPC) (Coal based) and Pragati Power station (Gas based) etc., were entered into by DTL initially and came to BRPL as mentioned above. These PPAs were assigned to BRPL in terms of the Commission Order dated March 31, 2007. Hence, BRPL had no choice in entering into the PPA and had to take on the PPA pursuant to the order/ directions of the Commission. Thus, BRPL is bound by the PPAs signed by DTL and entrusted to it in FY07-08 by DERC. Nowadays, BRPL enters into Long Term Power Arrangement from Renewable Energy sources at highly competitive rates (i.e. Landed Tariff at less than Rs. 3 per unit). This not only reduces Power Purchase cost for consumers of Delhi but also help in meeting RPO targets and achieving Greening the Grid objectives.

2.102 The Commission allows the Power Purchase cost from Anta, Auraiya and Dadri Gas based stations to the Petitioner in order to meet its demand following the principle of Merit Order. However, the Commission may rationalize and adjust the power purchase cost by reassigning the allocation of power in terms of the Tariff Regulations 2017.

Further, the Petitioner has also filed a petition before Hon'ble CERC and the Commission for the surrender of PPAs from some of the costly power plants.

2.103 The Petitioner has taken various steps for closing down higher-cost power stations such as BTPS, Rajghat etc. It is further submitted that the Petitioner has also approached various forums such as CERC, DERC for the reduction in Power Purchase Cost. The DISCOM's are bound with the Long Term Power Purchase agreements (PPA) which are inherent from erstwhile DVB/ Delhi Transco Limited which was transferred to DISCOMs on 31st March 2007. The petitioner has already raised this concern for exiting the PPAs of costly plants to various forums like Central Electricity Regulatory Commission, Appellate Tribunal for Electricity, MOP etc. The Stakeholder has also submitted that due to prevailing Covid-19 situation, no Fixed charges be paid to State Generation companies. In this regard, we would like to submit that the Petitioner through its various communications to Commission, GoNCTD and MoP has requested for Moratorium period for Genco bill payments, Fixed Charge waiver etc.

BRPL

2.104 The Distribution Licensees procure most of the power from generating companies owned and/ or fully controlled by the Central Government and State Government by virtue of long term power purchase agreements which have been inherited from DTL (initially signed by M/s DTL) and assigned by the Commission as per its orders dated 31-03-2007. The power purchase cost accounts for about 80% of Annual Revenue Requirement of the Distribution Licensees and includes the cost paid for procurement of power, transmission charges, UI charges, SLDC/RLDC charges.

2.105 The aforesaid observations of the stakeholder pertain to State Generating Stations. The Commission is empowered to look into the issues pertaining to Generating Stations.

2.106 The aforesaid observations of the stakeholder pertain to State Generating Stations. The Commission is empowered to look into the issues pertaining to Generating Stations.

2.107 In this regard, it is submitted that BRPL's share in the generation capacity allocated to Delhi has been indicated as 3073 MW at Table-4.6 of the additional submission available on the website of the Commission. Further, the demand referred in the aforesaid observation is the combined demand for all Delhi DISCOMs and not only BRPL. It is further submitted that almost 90% of the power is purchased from generating companies owned and/ or fully controlled by the Central Government and State Government. The PPAs with these Generating Stations were initially signed by M/s DTL or erstwhile DVB and thus have been inherited by the Petitioner.

NDMC

2.108 NDMC request the Commission that no reallocation of power to be expedited without the explicit consent of NDMC.

COMMISSION'S VIEW

2.109 The long term Power Purchase Agreements (PPA) are entered into by the Petitioner considering the overall average projected demand of the consumers and likely growth in the demand vis-à-vis the likely availability of Power from various sources. The surplus/shortfall in power availability arising due to difference in demand during peak hours and non-peak hours including seasonal variations are required to be sold /purchased by the Petitioner on need basis. The Commission has directed the Petitioner to optimize such short term transactions and maintain transparency in its short-term power purchases and sales.

2.110 The Commission has specified in DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017, as well as in earlier Tariff Orders, that the Merit Order Dispatch principle should be adhered strictly by the Distribution Licensees in power procurement, and there is also an incentive and disincentive mechanism for sale of surplus power to maximise the revenue from the sale of surplus power. Further, as per the provision of Delhi Electricity Regulatory Commission (Business Plan) Regulations, 2017 and Delhi Electricity Regulatory Commission (Business Plan) Regulations, 2019, the contingency limit for the sale of power under UI mechanism shall be limited to 5% of the gross power purchased by the Distribution Licensee to bring efficiency in their scheduling of power.

2.111 The Commission has already approved various Power Purchase Agreements (PPA) entered into by the utilities for procurement of power from long term sources. The Commission has also directed the DISCOMs vide its letter dated 21.10.2009 that they should endeavour to provide uninterrupted power supply to the consumers in their respective areas. The licensees shall ensure that electricity which could not be served due to any reason what-so-ever (including maintenance schedule, break-downs, load shedding etc.) shall not exceed 1% of the total energy supplied by them in any particular month except in cases of force-majeure events which are beyond the control of the Licensees.

2.112 The Commission has also noted that the load curve in Delhi is peculiar in nature with high morning and evening peaks and very low load demand during night hours. It is due to the fact that a majority of the load in Delhi is of commercial establishments, office buildings, which have the requirement of power primarily during day time. The round-the-clock industries, which are a common feature in most of the States and which contribute towards flattening of the load curve, are very few in Delhi.

2.113 To cater to the peak demand during day time, DISCOMs have been buying Round the Clock (RTC) Power. The surplus power during night hours/off-peak hours gets sold at the prevailing short-term market rate/Power Exchange Rate/UI Rates. In order to optimize the cost of power purchase, the Commission has advised the distribution utilities to explore the possibility of higher banking transactions to avoid the purchase of peaking power for a short duration, so as not to burden the consumers with avoidable purchases of RTC power which entail the sale of off-peak surplus power at very low rates under the mechanism of Unscheduled Interchange.

2.114 The Commission had projected power purchase cost net of the rebate as per the provisions of *DERC (Terms and Condition for Tariff Determination) Regulations, 2017*. The power purchase cost is allowed to the distribution licensee after considering maximum normative rebate available for each generating stations.

2.115 The provision for reallocation of power among Delhi DISCOMs has been made in *DERC (Terms and Condition for Tariff Determination) Regulations, 2017* as follows:

> *"The gap between the average Power Purchase Cost of the power portfolio allocated and average revenue due to different consumer mix of all the*

distribution licensee:

Provided that the Commission may adjust the gap in power purchase cost by reassigning the allocation of power amongst the distribution licensees out of the overall power portfolio allocated to the National Capital Territory of Delhi by Ministry of Power, Government of India"

ISSUE 5: AT&C LOSSES

STAKEHOLDER'S VIEW

2.116 CISF, Police Force etc. may be provided to DISCOMs for reduction of theft of electricity and DISCOM's assets.

2.117 Distribution loss of 7.90% for FY 2020-21 is too high.

2.118 The AT&C loss Target for 2011-12 was 18% as per MYT Extension Regulation May 2011 and Petitioner admitted such loss reduction on 11th Commercial Sub-Committee meeting held on 18.10.2011 by CEO BYPL. Consequently, the Target for 2012-13, 2013-14 and 2014-15 was as per MYT Regulation 2011 and MYT Extension Regulation May 2015 to a total of 13.2%. The position stated by the Petitioner in the figure is wrong. MYT target has to be achieved and the consequence of not achieving the target is to the account of Petitioner and non-performance cannot be an excuse.

2.119 Any collection over 100% is again misleading. How can the DISCOM collect more than they billed. In the case of old dues, the same should be treated as non – Tariff income. There is no question of giving any incentive towards the collection of old dues

PETITIONER'S SUBMISSION

TPDDL

2.120 The Distribution loss targets are fixed by the Commission for the entire MYT period and are determined based on the base year performance of the DISCOMs. Once the targets are approved by the Commission, the same are not revisited until the end of the MYT period.

2.121 Police Support including CISF helps in curbing theft and hence, reduction in AT&C losses. Further, any benefit accrued due to such AT&C loss reduction is passed on to the consumer and accordingly, the cost of such Police Support/CISF should also be allowed in the ARR.

BYPL

2.122 The figures at Page 49 (Para 2A.1.3) of the Petition pertains to the actual AT&C loss trued up by the Commission for the respective years. With respect to the AT&C loss target for FY 11-12, the Hon'ble APTEL in its judgment dated 28/11/2014 has directed the Commission to re-fix the loss targets in terms of its letter dated 08/03/2011 which the Petitioner in its petition has sought for.

2.123 BYPL has always focused on the reduction of AT&C losses which is evident from the aggressive loss reduction of more than 50% i.e. from 61.89% in July'03 to less than 10% for FY 2018-19. Despite this, there are still some areas with high losses with volatile law and order situation. BYPL has in place, an internal mechanism to deter theft/pilferage in the sensitive areas. The concerned team conducts inspection on site at the suspected premises, records entire proceedings and finally prepares an inspection report as per the provisions specified under the Regulations/directions by DERC. Reducing electricity theft has always been one of the most aggressively pursued agendas of BYPL. Apart from all this, BYPL organizes Nukkad Nataks and issue awareness bulletins to spread awareness among the consumers in its licensed area. Also, theft cases are billed at penal rates (two times the applicable tariff) in line with the provisions of the Electricity Act 2003. This not only serves as a strong deterrent for dishonest consumers but also the additional revenue collected from all enforcement cases is taken into account while determining the ARR and benefits all the consumers.

2.124 As regards the stakeholder's comment on Collection efficiency target to be fixed at 100%, it is submitted that the Collection Efficiency for a particular financial year does not simply represent the revenue billed during the year and revenue collected for the same period as collection happens on a rolling basis across the financial years which includes the impact of the time lag between billing and collection. For example, billing done in March of a Financial Year would be collected in April i.e. in the next Financial Year. Hence, the collection in April of the following financial year is not responsive to the billing done either in the previous financial year or the current financial year. This goes on a rolling basis, year after year. This fact has also been recognized and accepted by the Commission in the Tariff Order dated

31.07.2017 wherein the Commission has stated as under:

> *"There can be over-lapping in the revenue billed and revenue collected. The Distribution Licensees may not be collecting 100% amount of the revenue billed in the respective year. In one particular year, there may be a case that the collection efficiency is 98%, and in another year the collection efficiency can be 101% due to underachievement of collection efficiency in the previous year. Therefore, the underachievement of 2% in a particular year may get reflected in the additional collection in the subsequent year(s). However, the Commission has fixed the target of collection efficiency in Tariff Regulations, 2017 at 99.5%, and any underachievement below 99.5% is to the account of Distribution Licensee in the respective year. "*

Accordingly, the Commission in the Business Plan Regulations, 2019 has specified the collection efficiency target of 99.50% for FY 2020-21. However, considering the impact of lockdown due to out-break of COVID-19, the Petitioner has projected the Collection Efficiency of 92.38% for FY 2020-21.

BRPL

2.125 Electricity Petitioner's enforcement teams are fully equipped and self-sufficient in curbing theft which is one of the reasons why BRPL has been able to bring down AT&C losses from over 50% to around 9% at present. However, Petitioner's enforcement team often have to face violent resistance in several areas and have been physically assaulted on several occasions. In spite of facing such violence, the enforcement officials remain un-deterred in discharging their duties under difficult and hostile conditions.

2.126 The Loss target in terms of Regulation 4(9)(a) of the DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 for the Distribution licensees. The Distribution loss target for each distribution licensee for the next control period is tabulated below:

Table 2. 2: Distribution Loss Target

Sr. No.	Distribution Licensee	2020-21	2021-22	2022-23
1	BSES Rajdhani Power Ltd.	8.10%	8.00%	7.90%
2	BSES Yamuna Power Ltd.	9.00%	8.75%	8.50%
3	Tata Power Delhi Distribution Ltd.	7.90%	7.80%	7.70%
4	New Delhi Municipal Council	9.00%	8.75%	8.50%

NDMC

2.127 The issue Did not pertain to NDMC.

COMMISSION'S VIEW

2.128 A detailed methodology for computing the target for distribution losses has been explained in an explanatory memorandum issued by the Commission for the DERC (Business Plan) Regulations 2017 and DERC (Business Plan) Regulations, 2019.

2.129 The Commission is of the view that Distribution loss is an inherent loss in the System which can be minimized up to the technical permissible limit, whereas the losses also include the theft which can be controlled by DISCOMs.

2.130 The DISCOMs are given an incentive if the distribution losses are reduced below the target fixed. If the losses are more than the target fixed, the loss above the target fixed is full to the account of the DISCOMs. The targets every year are progressively decreasing and it is expected that DISCOMs will achieve them. If the DISCOMs do not achieve the target, the financial impact will be to the account of the DISCOMs alone and will get reflected in the true-up of ARR of the respective DISCOMS.

2.131 The details of actual incentive/disincentive given to the DISCOMs for over and underachievement of AT&C loss target are available in Chapter A3 (True-up of ARR) of the respective tariff orders which are available at Commission website (*www.derc.gov.in*).

2.132 The Commission is of the view that the DISCOMs should step up their enforcement activities to further reduce theft and control AT&C losses. The Commission is of the view that carrying out more load shedding in high loss/theft area is not an appropriate measure, as the honest consumers in these areas will also suffer without being on fault. The Petitioner should make all efforts to prevent theft/pilferage of electricity by strengthening their enforcement activities without harassing honest consumers.

ISSUE 6: DISTRIBUTION INFRASTRUCTURE

STAKEHOLDERS' VIEW

2.133 Network Augmentation for safety issues like Hanging of Poles, tangles of electric wires.

2.134 More than 500 street lights are waiting for energization, and residents have paid Rs. 30000/- to Rs. 1,00,000/- and wait for months as there is no network.

2.135 Govt. should make land available to Tata Power-DDL on lease for installation of transformers and network expansion.

2.136 The Commission is requested to direct MCD to check unauthorized construction as these give rise to increased demand which cannot be easily catered due to lack of space for putting up the electrical infrastructure for supplying electricity.

PETITIONER'S SUBMISSION

TPDDL

2.137 To energise any connection or Street light points, there is a requirement of proper electrical infrastructure. Further, there are timelines for every service and Tata Power- DDL adheres to the guideline/timelines given by the Commission. It is pertinent to mention here that there is an issue of availability of Grid/Substation space as well as a right of way, resulting in a delay in execution of works for electrical infrastructure and is beyond our control.

2.138 Consistent efforts have been made to improve and upgrade the network infrastructure due to increased peak demand and consumer growth, however, the issue of space constraint hinders the expansion of network/transformer capacity. Especially in unauthorized areas as well as owing to vertical growth even in regularized colonies, requisite space is not demarcated / available for the electrical infrastructure.

2.139 Land may be granted on Right to Use basis by the Department of Power (DoP) under the guidance of Commission to the DISCOMs for construction and expansion of power network. However, the Commission may like to decide on the same as it may deem fit.

BYPL

2.140 BYPL's continuous endeavor is to provide quality and reliable supply to its consumers. However, in order to upgrade the distribution infrastructure to carry out necessary network augmentation and ensure system reliability, adequate O&M and capital expenditure is required, which is to be allowed in the ARR of the DISCOM. The huge un-recovered Regulatory asset is severely impacting the financials of the DISCOMs. DISCOMs have so far sustained operations by funding the Regulatory Assets through heavy bank borrowings. Further, this has constrained DISCOMs from making full payment to its suppliers, and to replace old assets &old networks. The Commission allows interest cost such that DISCOMs are able to raise funds to carry out necessary network augmentation & consumers continue to get uninterrupted and quality power supply in future. The Commission determines the ARR for the DISCOMs as per the provisions of the Applicable Regulations.

2.141 BYPL's constant effort is to maintain the quality service, strengthening and modernizing the distribution network. To provide uninterrupted power supply, further network additions and augmentation are required for network assets replacement such as transformers, cables, poles etc. However, due to the space constraint issue in particular areas, it becomes difficult to install or augment network in those areas. The aforementioned issues are already directed towards the Commission. We appreciate your suggestion with respect to space constraints issue for network augmentation and trust that the said issues raised by the stakeholder would be given due cognizance by the Commission.

BRPL

2.142 We appreciate the concern of the stakeholder. Similar problems are being faced by the Petitioner also. Issue of space constraints have been time and again raised by the Petitioner before GoNCTD as well as Commission. The space constraints act as a major hindrance to the Petitioner in ensuring quality supply to the consumers of Delhi and to comply with stringent targets set in Supply Code Regulations. The Petitioner requests the Commission to take up the matter with GoNCTD and issue appropriate statutory advice in this regard.

2.143 In this regard, we would like to submit that this matter pertains to the GoNCTD and the Commission if deem fit may take up with the GoNCTD.

NDMC

2.144 Distribution Infrastructure Issue Did not pertain to NDMC.

COMMISSION'S VIEW

2.145 The Central Electricity Authority (CEA) has notified Measures relating to *Safety and*

Electric Supply Regulations, 2010 as amended from time to time. The Commission in its *DERC (Supply Code and Performance Standards) Regulations, 2017* has directed the Distribution Licensee and the consumers to follow the provision of the Safety and Electric Supply Regulations. The bare conductors are being replaced with the cables in a phased manner by the Distribution Licensees on case to case basis.

ISSUE 7: O&M EXPENSES

STAKEHOLDERS' VIEW

2.146 DERC is requested to check the Tata Power-DDL accounts while approving employee expenses. Tata employees are sent to different locations outside Delhi like Mumbai and Odisha where Tata Power got new projects, but their expenses are being booked in Tata Power-DDL.

2.147 In the Rithala plant, Tata Power-DDL employees are working. Their cost cannot be charged twice from Delhi consumers as distribution cost and power plant.

PETITIONER'S SUBMISSION

TPDDL

2.148 The Commission has alwayss done the prudence check at the time of determination of normative O&M Expenses.

2.149 Rithala's employees' expenses do not form part of Distribution employees' expenses. The Commission treats both divisions separately for the purpose of Tariff determination.

BYPL

2.150 Did not pertain to BYPL

BRPL

2.151 Did not pertain to BRPL

NDMC

2.152 Did not pertain to NDMC

COMMISSION'S VIEW

2.153 The Commission conducts prudence check on the issues related to O&M expenses that are submitted by the Utilities for approval of O&M expenses during a control period. O&M expenses are a controllable parameter in terms of DERC (Terms &

conditions for Determination of Tariff) Regulations, 2017, and any surplus or deficit on account of O&M expenses shall be to the account of the Licensee and shall not be trued up in the ARR.

2.154 As per DERC (Business Plan) Regulations, 2017 and DERC (Business Plan) Regulations, 2019, O&M expenses are directly related to actual assets installed at the site and its maintenance to provide services to the consumer. O&M Expenses vary as per the consumer mix i.e., Domestic/Non Domestic/Industrial etc. & supply at different voltage levels i.e., LT/11kV/33kV/66kV. The O&M Expenses up to 11kV level majorly vary as per the line length of the network whereas for LT level the Consumer mix plays a vital role. Therefore, the Commission has computed the O&M expenses on the basis of capacity of assets installed at site i.e., per circuit km of the line & per MVA capacity of transformation at various voltage levels.

ISSUE 8: TRUE-UP OF PAST CLAIM UP TO 2017-18

STAKEHOLDERS' VIEW

2.155 Poor quality Assets were procured at higher than market rate and they become defective prematurely. The claim of Rs. 93 crores as given in Table 3B3 may be rejected.

2.156 Commission may not allow connection of line without EIC and create a dangerous precedent which violates the safety code and may result in loss of life and property.

2.157 To allow Capex and Capitalization pertaining to REL purchase: This matter is being agitated unnecessarily since 2008. It is submitted that the Petitioner procured the equipment's from sister concern (now owner) and claimed the price which was 68% over the market rate. The issue may please be rejected. The order of the Hon'ble APTEL in Appeal 246 of 2014 is not relevant in this issue. All the DISCOMs are given fair treatment. The cost of procurement and 5% over that is the best treatment. Hence the extra claim of Rs. 177.2 crore with 14% interest from 2006 totally Rs. 1200 crore is baseless, false and may be rejected.

2.158 The AT&C loss for period 2012-15 was at a very low level of 1.16% annually against the earlier period of over 4% annually and had been achieved easily. Hence the question of revision of AT&C loss level does not arise. There is absolutely no reason to consider the AT&C loss of 2011-12 at 21% when the MYT Extension Regulation May 2011 decided by a detailed exercise of Public response, Public hearing and deliberation by the Commission. The letter dated 8.3.2011 was defective per in curium and bad in Law. The Extension Regulation had not been challenged before the appropriate Court and hence stands firm and AT&C loss of 18% for FY 2011-12 is final. The submission by the Petitioner is manipulative, misinformation and cannot be achieved by trick. The claim of Rs. 812.6 crore is false, bogus and does not have a leg to stand.

2.159 Any increase in consumer base does not call for an increase in Employees expenses because the Employees do not have to do anything once the line is made. There is no necessity of an increase in labour expenses as all expenses are paid. The claim of Rs. 179.9 Cr is manipulative, bogus and has no basis.

2.160 The efficiency factor for FY 2010-11 was 4%. While extending the MYT Extension Regulation May 2011, the Commission maintained the same 4% factor when in fact it should have been 5%. This is a Regulatory decision and is part of the MYT extension Regulation. May 2011 which has not been challenged. Hence the factor of 4% remains and no claim of Rs. 30.1 crore cannot be allowed;

2.161 BYPL showed zero billing of 40.85 MU and BRPL 111.1 MU. Commission, therefore, disallowed the amount of energy from the collection for 2010-11 in the True-up for FY 2010-11. Both the Companies were happy and did not raise any objection because they were caught red-handed for manipulation of sales. Either they collected the amount in cash and did not enter it in collection register or they were showing the extra Energy collection to boost up their AT&C loss reduction programme. The undersigned respondent A.K. Datta, therefore, filed Appeal no. 195 of 2013 before the Hon'ble APTEL that prorate disallowance for the other 11 months i.e. April 2010 to February 2011 @ Rs. 40.85 MU per month should be disallowed for BYPL, 111.10 MU per month for 11 months of 2011 for BRPL. Both the Commission and BYPL responded to the Appeal. APTEL after due adjudication remanded back the matter to the Commission to look into the matter and check month-wise zero billing. Commission disallowed zero bills pro-rata for the other 3 quarters of 2010-11 and Rs. 59.11 Cr. were adjusted in the revenue. The claim of Rs. 162.4 is false and bunkum and may please be rejected. A further similar reduction in revenue for BRPL for the whole year i.e. 1332 MU should be made.

2.162 Tariff is 30% over Power purchase cost. Hence the Petitioner has 1.7 times the Power purchase cost collected through Tariff by 23rd of any month. Hence there is an abundance of cash. There is no valid reason not to pay Power purchase bill by 3rd of the next month to avail 2% rebate. Hence the issue merits no consideration and the claim of Rs. 532.5 crore may be disallowed.

2.163 Commission imposed Street light maintenance cost on MCD for extra revenue. Hence separate Street light maintenance cost cannot be allowed and the amount of Rs. 233.6 crores claimed by the Petitioner may be disallowed.

2.164 The monthly billing rebate for FY 2014-15 and FY 2015-16 has been discontinued due to oversight and hence may please be reintroduced for the interest of the Consumers who have to take the hassle of paying monthly bill instead of a bi-monthly bill.

PETITIONER'S SUBMISSION

TPDDL

2.165 Did not pertain to TPDDL

BYPL

2.166 Timely Implementation of APTEL orders by the Commission is in overall consumer interest as it will prevent additional carrying cost burden on consumers. The Hon'ble APTEL has observed in its judgments that its judgment/ orders are to be implemented promptly, in cases, where its judgments have been passed and no stay order has been granted by Hon'ble Supreme Court. Even the mere pendency of an appeal against APTEL judgment is not an excuse for its delay in implementation or non-implementation. Regarding Petitioner's claim for implementation of APTEL Judgments and past period claims, it is submitted that, only after detailed deliberation on the issues, Hon'ble APTEL vide its various judgments has issued specific directions to the Commission which the Commission is legally bound to implement. Accordingly, the Petitioner in its Petition has prayed for implementation of various Judgments passed by the Hon'ble APTEL and allowance of its entitlement in the Tariff Order. Further, the issue wise detailed submissions along with computation of financial impact are provided in Chapter 3B of the ARR/True-up

Petition which is not reiterated for the sake of brevity.

BRPL

2.167 Did not pertain to BRPL

NDMC

2.168 Did not pertain to NDMC

COMMISSION'S VIEW

2.169 As per the direction of Hon'ble APTEL in Appeal No.195/2012, the Commission in Tariff Order dated 29/09/2015 had considered an impact of Rs.57.98 Crores on account of zero billing by BYPL for FY 2010-11. For Capitalization related to REL purchases the Commission has detailed this issue in Tariff Order 28/03/2018 in para 3.22 of BRPL. Accordingly, the effect of actual capitalization shall be given to the distribution licensees after submission of report by the Consultants to the Commission and examination/ deliberations thereafter by the Commission. The matter related to AT&C loss is sub-judice before Hon'ble Supreme Court of India (Appeal No.8860-61 of 2015) and the same has also been clarified by Hon'ble APTEL in its judgement dated 31/10/2017. The Commission considers normative rebate for computation of power purchase cost i.e. 1.5% for Central Sector utilities, 2% for State Sector utilities and 2.5% for NPCIL irrespective of the actual rebate earned by DISCOMs. Based on the directions of the Hon'ble APTEL in its judgement dated 31/10/2017 in clarificatory application filed by Commission, the impact of efficiency factor has not been considered by the Commission. Accordingly, the Commission will deal the issue of True-up of Past claim in terms of *DERC (Terms & conditions for Determination of Tariff) Regulations, 2017 along with DERC (Business Plan) Regulations 2017.*

ISSUE 9: REGULATORY ASSETS

STAKEHOLDER'S VIEW

2.170 Accumulation of regulatory assets is neither justified nor beneficial for DISCOMs as well as consumers, as it results in bad financial condition for DISCOMs and payment of surcharge by consumers, and consumers end up paying more than the actual cost deferred by the Commission.

2.171 GoNCTD may provide a bail-out package for recovery of regulatory assets of Delhi DISCOMs as is done for other states.

2.172 The commission may press for an extension of central government schemes for Delhi consumers to for bail-out package as in case of State-run DISCOMs.

2.173 The way through which Commission amortize the regulatory assets of BYPL claiming Rs. 15000 Cr. Regulatory Assets.

2.174 The commission should increase the tariff to the extent that Regulatory Assets are liquidated and new ones are not created since the surcharge levied at present is inadequate.

2.175 Consumers are already paying 8% Surcharge and Pension Trust Surcharge. Increasing the surcharges above the existing ones would be unjustifiable. Consumers are also paying for carrying cost. DERC needs to plan for amortization of Regulatory Assets.

PETITIONER'S SUBMISSION

TPDDL

2.176 Need for the timely liquidation of the regulatory assets has also been emphasized in the amendments to the National Tariff Policy. The Commission has brought into effect a mechanism for dealing with Regulatory Assets. Even in past, DISCOMs have been advocating at various Forums for time-bound recovery of regulatory assets.

2.177 Any such funding suggested may be extended to Delhi DISCOMs, would be welcome and in overall consumer interest.

2.178 In the interest of consumer and financial viability of the power sector, the tariff should cost-reflective i.e. the Tariff should be determined to recover the entire ARR requirement to avoid any creation/ accumulation of regulatory asset in a year as the funding of the regulatory asset results in carrying cost burden on the consumers. Further, in addition to the recovery of entire ARR, appropriate recovery towards past accumulated Revenue Gap should be factored while deciding the electricity tariff to be charged for next year. Regulatory assets got created due to non-cost reflective tariff for previous years. Thus, in order to fund the said Regulatory assets, Tata Power-DDL is availing loans from the market and also paying interest on the same to the banks/FIs. To overcome the problem of further creation of Regulatory Assets, the Commission has introduced Regulatory Surcharge of 8% so that the interest burden can be met out to save the consumers from the further accumulation of interest.

BYPL

2.179 BYPL submits that the 8% RA surcharge was allowed by the Commission vide order dated 13.07.2012. However, the said surcharge is not sufficient enough for time-bound recovery of the accumulated RA. Hence, we agree with the concern raised by Stakeholder to provide bailout package in order to recover the Regulatory Assets for past years as being provided to consumers of other State DISCOMs.

We hope that your suggestion will be considered by the Commission and the Commission may suitably advise to the Delhi Government to take up the said matter with the Central Government as any such funding as suggested will be beneficial in the interest of consumers.

2.180 The Yearly Increase in Regulatory Asset of all DISCOMs is recognized by the Commission and vide tariff order dated 13th July 2012 allowed 8% Surcharge for recovery of the accumulated deficit (Regulatory Asset). However, the 8% Surcharge towards the recovery of Regulatory Asset is not even sufficient to recover the carrying cost. We appreciate the concern raised by the Stakeholder and request the Commission to kindly consider this in this Tariff Proceedings.

2.181 It is submitted that the creation of regulatory assets is not beneficial licensee as well as the consumers. The creation of regulatory assets is detrimental to the interest of the sector as it further defies the object and intent behind the Electricity Act and is also against the Tariff Policy. The Commission has brought into effect a mechanism for dealing with regulatory assets. However, the 8% Surcharge approved towards the recovery of Regulatory Asset is not even sufficient to recover the carrying cost. Even in past, DISCOMs have been advocating at various Forums including the Commission for time-bound recovery of Regulatory Assets. It is also relevant to say that uninterrupted power supply, upgraded power system infrastructure and the quality and reliability of power supply hugely depends upon the financial health of the DISCOMs, which can only be ensured with the determination of tariff which is cost-reflective and covers all the legitimate claims of the DISCOMs.

BRPL

2.182 The Commission has acknowledged the fact in past Tariff Orders and press releases that in absence of cost-reflective Tariff, huge Regulatory Assets has been created and has adversely affected the borrowing capacity and the credit rating of the DISCOMs.

2.183 Clause 8.2.2 of the Tariff Policy dated 06.01.2006 provides as under:

"8.2.2 The facility of a regulatory asset has been adopted by some Regulatory Commissions in the past to limit tariff impact in a particular year. This should be done only as an exception, and subject to the following guidelines:

i) Carrying cost of Regulatory Asset should be allowed to the utilities;
ii) Recovery of Regulatory Asset should be time-bound and within a period not exceeding three years at the most and preferably within control period;
iii) The use of the facility of Regulatory Asset should not be repetitive;
iv) In cases where Regulatory Asset is proposed to be adopted, it should be ensured that the return on equity should not become unreasonably low in any year so that the capability of the licensee to borrow is not adversely affected."

2.184 Furthermore, the APTEL in its Judgment dated 11.11.2011 in O.P. No. 1 of 2011 has held as under:

"65.

(iv) In the determination of ARR/tariff, the revenue gaps ought not to be left and Regulatory Asset should not be created as a matter of course except where it is justifiable, in accordance with the Tariff Policy and the Regulations. The recovery of the Regulatory Asset should be time-bound and within a period not exceeding three years at the most and preferably within Control Period. Carrying cost of the Regulatory Asset should be allowed to the utilities in the ARR of the year in which the Regulatory Assets are created to avoid the problem of cash flow to the distribution licensee."

2.185 The Commission vide its Tariff Order dated 13.07.2012 had introduced the concept of 8% Regulatory surcharge (on fixed & energy charges) for liquidation of accumulated Revenue Gap.

2.186 We appreciate your comments on closure of the huge accumulated Regulatory Assets till FY 2018-19 along with carrying cost. Without prejudice to the Writ Petition

(C) No. 104 of 2014 filed before Supreme Court of India, the Petitioner has requested the Commission to adjust 8% surcharge so as to ensure recovery within the time-frame specified in the amortization plan submitted before Supreme Court of India. Further, the Petitioner has requested the Commission to allow the carrying cost on Regulatory Assets recognized till FY 2018-19 as per directions given by Tribunal in Appeal 153 of 2009 and O.P. 1 of 2011, through a separate surcharge. Furthermore, we would like to submit that the determination of electricity tariff to be charged from a certain category of a consumer is the sole prerogative of the Commission under Section 45 of the Electricity Act, 2003.

NDMC

2.187 Regulatory Assets Burden Issue Did not pertain to NDMC.

COMMISSION'S VIEW

2.188 Recovery of accumulated revenue gap, Regulatory Asset as envisaged in clause 8.2.2 of Tariff policy is as under:

> *"Carrying cost of Regulatory Assets should be allowed to the utilities.*
>
> *Recovery of Regulatory Assets to be time-bound and within a period not exceeding three years at the most, preferably within the control period.*
>
> *The use of the facility of Regulatory Assets should not be retrospective.*
>
> *In case when Regulatory Asset is proposed to be adopted, it should be ensured that the ROE should not become unreasonably low in any year so that the capability of a licensee to borrow is not adversely affected."*

2.189 The Appellate Tribunal for Electricity (APTEL) has also reiterated the above policy in its judgment dated 11/11/2011 (OP 1 of 2011).

2.190 The Commission in terms of the National Tariff Policy and in accordance with the APTEL judgment and has allowed carrying cost to DISCOMs. For liquidation of the past accumulated revenue gap, the Commission introduced a surcharge of 8% over the Tariff, in Tariff Order dated 13/07/2012, and has been revising tariff every year to a reasonable level to provide additional revenue to DISCOMs and also to reduce the burden of carrying cost on the consumers of Delhi.

2.191 The build-up of the revenue gap commenced in 2009-10 when power purchase costs went up substantially and the rate of sale of surplus power steeply declined due to stringent frequency controls imposed by CERC.

2.192 The Tariff Order for FY 2010-11 was not issued due to court proceedings. Therefore, while the tariff increase from FY 2011-12 onwards has to some extent offset the incremental increase in revenue gap, however, cumulative revenue gap along with applicable carrying costs still remained uncovered. Thus, the formula evolved by the Commission i.e., including carrying costs in the ARR every year, for tariff determination and using 8% surcharge for liquidating the principal over time is expected to liquidate the Regulatory Assets in a reasonable period of 6 to 8 years.

2.193 The Commission has submitted before the Supreme Court of India in Civil Appeal No. 884 of 2010 that additional surcharge of 8% shall liquidate the principal amount of the accumulated revenue gap within 6 to 8 years.

2.194 The Commission determines the ARR for the DISCOMs as per the provisions of the Tariff Regulations, 2017 along with Business Plan Regulation, 2017 and Business Plan Regulation, 2019. The Commission in its Tariff Order has provided the break-up of the major components considered for projecting costs of supply during FY 2020-21, like power purchase cost, O&M costs, CAPEX, financing cost, the gap in true-up of FY 2018-19 and carrying cost for the regulatory assets etc. This forms the basis for the projection of the gap/surplus between present requirement in terms of ARR and revenue available at existing tariff. It is in the consumer's overall interest, that the gap between these two figures is filled by determining the tariffs so as to reduce the accumulated Revenue Gap/Regulatory Assets and the Carrying Cost thereof, which otherwise would impose an additional burden on the average consumer. The Tariff Order is issued after prudence check of the Petitions submitted by the DISCOMs as per relevant Regulations.

ISSUE 10: PENSION TRUST

STAKEHOLDERS' VIEW

2.195 Commission to initiate appropriate proceedings to frame the Regulation for DVB pensioners for providing lifetime pensions and terminal benefits liabilities of personnel of DVB.

2.196 Allow recovery of Pension Trust in the ARR of DISCOMs on account of payment for the pensioner.

2.197 The commission may allow in the ARR of three DISCOMs for FY 2020-21 an amount of Rs.936 Crore to pension trust.

2.198 Pension Trust recovery and surcharge are not part of Electricity Tariff.

2.199 Pension Trust surcharge should be discontinued.

2.200 The stakeholder has submitted that pension fund recovery and surcharge are not part of electricity tariff. He has further submitted that as the pension fund is regulated by the Tripartite Agreement and Commission is not the party to it, therefore it recovery through electricity bill is unlawful.

PETITIONER'S SUBMISSION

TPDDL

2.201 Commission has been of the view that it does not have the power, jurisdiction to frame regulation dealing with such kind of issues raised by stakeholder. The pension surcharge has been already Allowed by The Commission for a year on year basis and is recovered as per the directions of Commission for servicing the liabilities, pension of the pension Trust.

2.202 The same is already been recovered in ARR of DISCOMs.

2.203 The commission may like to decide on the same as it may deem fit.

2.204 Determination of Retail Tariff and Surcharges is the sole prerogative of the Commission. However, the Commission may like to decide on the same.

BYPL

2.205 The Pension Surcharge is levied towards the recovery of Pension Trust Charges of erstwhile DVB Employees/ Pensioners as recommended by GoNCTD vide its letter dated 26/07/2017. The Commission vide its Tariff Order dated 31.08.2017 has notified a surcharge of 3.70% towards the recovery of Pension Trust Charges which was subsequently modified as a surcharge of 3.80% to vide its Tariff Order dated 28.03.2018. Hence, the Pension Surcharge is billed and collected by the Petitioner as per the directions of the Commission for servicing the liabilities, pension of the Pension Trust.

With respect to the Regulatory Surcharge, it is stated that cost-reflective tariff needs to be approved for the financial sustainability of DISCOMs so that the DISCOMs continue to provide quality services to the consumers of Delhi. Further, it is pertinent to mention that, in the past, in order to avoid tariff shock to the consumers, the Commission did not allow cost reflective tariff which resulted in accumulation of Regulatory Assets. To overcome the problem of further creation of Regulatory Assets, the Commission has introduced Regulatory Surcharge of 8% surcharge to be levied on the tariff in order to recover such Regulatory Assets. Repeated creation of Regulatory Assets and not providing time-bound recovery of the same is not only detrimental to the financial stability of the DISCOMs but it is also not in the overall interest of the consumers as the consumers will be unnecessarily burdened with the carrying cost on this Regulatory Assets.

It is further submitted that we agree with the stakeholder's suggestion that the Commission may suitably advise the Delhi Government or Central Government for providing the subsidy for loans/additional loans to DISCOMs at a cheaper rate and financial restructuring of existing loans in the interest of both the DISCOMs and consumers. Even, the benefits schemes like UDAY or any other financial packages should also be extended to Delhi DISCOMs and the consumers of Delhi should not be deprived of such benefits just because they are being served by private DISCOMs. Also, to overcome the adverse effect on the cash flow of the Petitioner due to COVID-19 impact, the Commission may provide some regulatory guidance and take steps to urgently mitigate the Cash Flow situation of BYPL.

2.206 The stakeholder has submitted that the introduction of pension trust surcharge of 3.70%, over and above the 8% surcharge towards the recovery of an accumulated deficit, have burdened the consumers with the total additional amount of 11.70% above the required tariff. It has been further submitted that such levying of the additional surcharge is unjustifiable and against the principle of natural justice.

2.207 The stakeholder has submitted that the consumers are being burdened by carrying cost along with surcharges. The carrying cost is being allowed to compensate the Petitioner against the interest paid on the loans raised for funding of Regulatory Assets. In this regard, we appreciate the suggestion relating to the subsidy for loans or cheaper rate of interest for an additional loan to DISCOMs or financial restructuring of existing loans. However, we expect that the Commission will give due consideration to your comments while determining the tariffs and will ensure the recovery of Regulatory Assets recognized till FY 2018-19.

Without prejudice to the Writ Petition (C) No. 104 of 2014 filed before Hon'ble Supreme Court of India, the Petitioner requests the Commission to adjust 8% surcharge so as to ensure recovery within the time-frame specified in the amortization plan submitted before Hon'ble Supreme Court of India. Further, the Petitioner requests the Commission to allow the carrying cost on Regulatory Assets recognized till FY 2018-19 as per directions given by Hon'ble Tribunal in Appeal 153 of 2009 and O.P. 1 of 2011, through a separate surcharge.

As regards stakeholder's request for attending the public hearing, we would like to inform that as per public notice available on the website of DERC, the Commission has stated that public hearing shall not be conducted as large gatherings/ congregations have been prohibited as per Order No. 40-3/2020-DM-I(A) dated 30/05/2020 issued by Ministry of Home Affairs, Government of India.

It is trusted that we have been able to clarify the position with regard to the aforestated respondent's comments.

BRPL

2.208 As per the recommendation of the GoNCTD vide its letter dated 26/07/2017, the Commission had decided to levy an additional surcharge for recovery of Pension Trust funding of erstwhile DVB employees/Pensioners from September 2017 onwards.

2.209 As far as pension surcharge of 3.70 % is concerned, it is submitted that the Commission vide its tariff order dated 31/08/2017 has notified a surcharge of 3.70% towards the recovery of Pension Trust Charges of erstwhile DVB Employees /Pensioners as recommended by GoNCTD. It is important to mention here that under Section 45 of the Electricity Act, 2003, determination of electricity tariff is the sole prerogative of the Commission.

2.210 Commission vide its Tariff Order dated 28/03/2018 has notified a surcharge of 3.80% towards the recovery of Pension Trust charges.

2.211 As per the recommendation of the GoNCTD vide its letter dated 26/07/2017, the

Commission had decided to levy an additional surcharge for recovery of Pension Trust funding of erstwhile DVB employees/Pensioners from September 2017 onwards. As far as pension surcharge of 3.70 % is concerned, it is submitted that the Commission vide its tariff order dated 31/08/2017 has notified a surcharge of 3.70% towards the recovery of Pension Trust Charges of erstwhile DVB Employees /Pensioners as recommended by GoNCTD. It is important to mention here that under Section 45 of the Electricity Act, 2003, determination of electricity tariff is the sole prerogative of the Commission.

Commission vide its Tariff Order dated 28/03/2018 has notified a surcharge of 3.80% towards the recovery of Pension Trust charges. In terms of the directions of the Commission for conducting a forensic audit of Pension Trust for authentication of the data of pension disbursement from FY2002-03 to till date to ascertain the actual liability of Pension Trust, the said Audit has not been conducted till date. In terms of the directions of the Commission for conducting a forensic audit of Pension Trust for authentication of the data of pension disbursement from FY2002-03 to till date to ascertain the actual liability of Pension Trust, the said Audit has not been conducted till date.

2.212 In this regard, it is submitted that presently two separate surcharges have been allowed for two separate and specific purposes. A surcharge of 8% has been allowed for recovery of the principal component of the Regulatory assets recognized by the Commission. The Regulatory Assets is basically the amount which is a legitimate expense of the Petitioner and is duly recognized by the Commission. However, this amount was not allowed to be recovered from tariff in past years and was funded by the Petitioner on its own. Therefore 8% surcharge is allowed to be levied by the Commission to recover the same. Removal of this surcharge would not only affect the Petitioner's ability to supply uninterrupted and quality power to its consumers but will also increase the tariffs of the consumers due to greater carrying costs.

Further, with regard to the pension trust surcharge, it is submitted that in Tariff Order dated 31/08/2017, the Commission had decided to levy an additional surcharge for recovery of Pension Trust funding of erstwhile DVB Employees/Pensioners from September 2017 onwards as per the recommendation of GoNCTD vide its letter dated 26/07/2017. The rationale given by the Commission in its Tariff Order is as under:

> "2.298 The Commission vide letter dated 08/12/2016 has requested GoNCTD for conducting a forensic audit of Pension Trust for authentication of the data of pension disbursement from FY 2002-03 to till date to ascertain the actual liability of Pension Trust. The Commission has considered the amount of Rs. 693 Crore sought for FY 2017-18 by the Pension Trust on an ad-hoc basis recommended by GoNCTD vide its letter dated 26/07/2017."

The Commission revised the pension trust surcharge from 3.70% in its Tariff Order dated 31/08/2017 to 3.80% vide Tariff Order dated 28/03/2018. The surcharge percentage of 3.80% was continued in Tariff Order dated 31/07/2019. The Commission also directed the Petitioner to deposit the actual amount collected through the said surcharge directly into a specified bank account, on a monthly basis. The relevant extract of the directive issued in this regard is extracted below:

> "Tariff Schedule
>
> 7.The above tariff rates shall be subject to following additional surcharges to be applied only on the basic Fixed Charges and Energy Charges excluding all other charges e.g., LPSC, Arrears, Electricity Tax/Duty, PPAC, load violation surcharge, etc. for the consumers of BRPL, BYPL & TPDDL:
>
> 8% towards the recovery of an accumulated deficit, and,
>
> 3.80% towards the recovery of Pension Trust Charges of erstwhile DVB Employees/Pensioners as recommended by GoNCTD.
>
> Directives:
>
> 6.2 The Petitioner shall directly deposit the amount of pension trust surcharge collected from the consumer as per the tariff schedule in the following bank account, of Pension trust

1	*A/C No.*	*10021675545*
2	*MICR No.*	*110002103*
3	*Bank*	*State Bank of India*
4	*IFSC Code*	*SBIN0004281*
5	*Name*	*DVB-ETBF-2002*
6	*Branch*	*Rajghat Power House, New Delhi-110002*

..”

The Petitioner has been complying with the above directive of the Commission.

NDMC

2.213 The contention of the stakeholder is not applicable in case of NDMC. NDMC was not a party to the tripartite agreement signed between erstwhile DVB, Government of Delhi and the Private DISCOMs at the time of privatization of DISCOMs in Delhi. Further, NDMC reiterates its submission in its petition that no such liability should be included in the ARR for NDMC and that the consumers in NDMC license area should not be burdened with such liabilities of others DISCOMs.

2.214 DERC has introduced pension surcharge of 3.70% Issue Did not pertain to NDMC. However, it is submitted that no liability of such pension trust should fall on to NDMC since NDMC was not a part of the privatization erstwhile DVB.

COMMISSION’S VIEW

2.215 The Pension Trust was established as a part of Transfer Scheme Rules, 2001 framed under Delhi Electricity Reform Act, 2000 (DERA) and the Tripartite Agreement executed by the GoNCTD with unions of employees and Associations of officers of the erstwhile DVB. In terms of the aforesaid Rules and Tripartite Agreement, the Pension Trust was funded at the time of unbundling of the DVB by way of one lump sum payment by the GoNCTD. Subsequent contributions from the date of unbundling have to be made to the Pension Trust by the successor entities of DVB. The Commission has been releasing ad-hoc payments in the DTL Tariff orders from FY 2011-12 onwards up to FY 2015-16. Further, in the Tariff Order dated August'2017, the Commission has directed the DISCOM's for submitting the reconciliation statement and deposit the amount directly to the pension trust, instead of the past practice of routing it through DTL.

2.216 Section 86 of the Electricity Act, 2003, which defines functions of State Commission, does not provide for issuing Regulations of Pension Trust. The fact has also been appreciated by the Hon’ble APTEL in Appeal No. 238 of 2013 (Mahendra Gupta & Others Vs DERC), wherein it has held that “the learned State Commission has no jurisdiction to go into disputes between the Appellants and the Pension Trust with regard to release of terminal benefits in their favour. The grievances of individual employees/appellants relating to service matters relating to the terminal benefits including pension are not under the jurisdiction of the State Commission". The Commission reiterates its view that it is beyond its jurisdiction to regulate the Pension Trust or to frame Regulations in this regard.

2.217 The Commission vide letter no. F.17(44)/Engg./DERC/201213/C.F. No.3481/3320 dated 11/09/2012 has issued Statutory Advice under Section 86(2) of the Electricity Act, 2003 to Govt. of NCT of Delhi to constitute an Oversight Committee to look into the issues related to pensioners of erstwhile DVB. The subject matter is presently sub-judice before Hon'ble High Court of Delhi and the parties to the dispute should expedite the matter before the court and explore other avenues for settlement of the dispute.

2.218 The Commission has already made provision on the ad-hoc basis of Rs.150 Crore, Rs.160 Crore, Rs.400 Cr., Rs. 470 Cr., Rs. 573 Cr., Rs. 573 Cr., Rs. 694 Cr., Rs. 792 Cr. and Rs. 839 Cr. for FY 2011-12, FY 2012-13, FY 2013-14, FY 2014-15, FY 2015-16, FY 2016-17, FY 2017-18, FY 2018-19 and FY 2019-20 respectively in applicable Tariff Orders for passing on to the Pension Trust to avoid undue hardship to the pensioners till all issues concerned with Pension Trust are settled by the Courts/Delhi Govt.

2.219 The Commission vide letter dated 08/12/2016 has requested GoNCTD for conducting a forensic audit of Pension Trust for authentication of the data of pension disbursement from FY 2002-03 to till date to ascertain the actual liability of Pension Trust. The Commission has considered the amount of Rs. 937 Crore sought for FY 2020-21 by the Pension Trust on an ad-hoc basis as recommended by GoNCTD vide its letter dated 13/03/2020.

2.220 The Hon'ble Supreme Court in the matter of NDPL Vs. GoNCTD & Ors. in Civil Appeal no. 4269 of 2006 (Judgment dated 03/05/2010) had inter alia held that any liability towards DVB employees and existing pensioners are the responsibility and liability of the successor utility or employer.

ISSUE 11: OPEN ACCESS

STAKEHOLDERS' VIEW

2.221 Discourage the consumers from availing open-access power to maintain the balance of cross-subsidization of domestic consumers.

2.222 Cross-subsidy surcharge may not be applicable to DMRC in open access.

2.223 Open access consumer taking Renewable power are exempted from various charges which are paid by non-open access consumers. Hence, renewable power beyond RPO of open access consumer should be considered part of DISCOM's RPO compliance. Also, RPO compliance should be mandatory for open access to consumers. This will reduce the cost of REC purchase and avoid burden on consumers. In COVID-19 situation, relief from spending on purchase of REC can be given to avoid financial stress.

PETITIONER'S SUBMISSION

TPDDL

2.224 Section 42(2) of the Electricity Act, 2003 provides that the State Regulatory Commissions should allow open access subject to the payment of Cross Subsidy Surcharge. The section also states that Cross Subsidy Surcharge shall be progressively reduced in a manner as may be specified by State Commission.

2.225 The commission may like to decide on the same.

BYPL

2.226 With regard to Open Access, it is submitted that Section 42(2) of the Electricity Act, 2003 provides that the state Regulatory Commissions should allow open access subject to the payment of Cross Subsidy Surcharge. The section also states that Cross Subsidy Surcharge shall be progressively reduced in a manner as may be specified by State Commission. Further, determination of Cross Subsidy and surcharge on Open Access consumers is the prerogative of the Commission.

BRPL

2.227 As regards the observation made by the Stakeholder, it is submitted that the determination of electricity tariff to be charged from a consumer is the sole prerogative of the Commission under Section 45 of the Electricity Act, 2003.

Clause 8.5.1 of the Tariff Policy dated 28.01.2016 provides as under:

> "8.5.1 …
>
> A consumer who is permitted open access will have to make payment to the generator, the transmission licensee whose transmission systems are used,

distribution utility for the wheeling charges and, in addition, the cross-subsidy surcharge.

… While the interest of distribution licensee needs to be protected it would be essential that this provision of the Act, which requires the open access to be introduced in a time-bound manner, is used to bring about competition in the larger interest of consumers."

Furthermore, Clause 6 (2) of the Commission's Order dated 01.06.2017 states:

"6. Quantum of Renewable Purchase Obligation (RPO):

…

(2) Wheeling, Transmission and Additional surcharge shall not be applicable on Open Access Consumers availing energy from all renewable energy sources within or outside Delhi. Open Access consumer receiving electricity from renewable energy sources shall be exempted from the cross-subsidy surcharge to the extent of RPO:

Provided that the generators using renewable energy sources shall certify that no REC/RPO claim for this power has been made."

Accordingly, we value your comments in the said matter and trust that the same shall be duly considered by the Commission itself.

NDMC

2.228 Fixation of cross-subsidy surcharge is the prerogative of the Commission. However, the suggestion is worth deliberating.

COMMISSION'S VIEW

2.229 Section 42 of the Electricity Act, 2003 provides for non-discriminatory open access to consumers as per the provisions specified by the Commission. Accordingly, the Commission has already notified Regulations for allowing open access to consumers whose contract demand is 1 MW and above. The Commission has decided to allow Transmission and Wheeling Charges, Cross Subsidy Surcharge, Additional Surcharge and other applicable charges under Open Access keeping in view the provisions of the Electricity Act, 2003, National Electricity Policy, National Tariff Policy and the Open Access Regulations of the Commission.

ISSUE 12: TARIFF HIKE

STAKEHOLDERS' VIEW

2.230 The consumer has to pay all charges for 8 months or more even if his demand has reduced as the sanctioned load is not reduced.

2.231 High tariff of small non-domestic consumers up to the load of 10 KW be reduced to Rs. 6 per unit as for consumers up to load of 3KVA.

2.232 Proper Redressal mechanism for the grievance of consumers by the DISCOMs.

2.233 Increasing no. of surcharges, LPSC @ 18% and high-Security Deposit is injustice.

2.234 There should be an automatic reduction of Electricity load and lowering of the fixed charges/commercial charges on vacating of the rented property by the tenant.

2.235 Electricity rate for residential shops, E-rickshaw, commercial should remain the same.

2.236 Reduction or increase in Tariff should be depicted in percentage in the public notice.

2.237 The hike and the Tariff sought by Tata Power-DDL be clarified.

2.238 In these times of slow economic growth, Tariff of Public Utilities should be increased to avoid burdening Industrial and Commercial consumers.

2.239 The commission should increase the tariff to the extent that it is ensured that Regulatory Assets are liquidated and new ones are not created since the surcharge levied at present is inadequate.

PETITIONER'S SUBMISSION

TPDDL

2.240 Tariff If MDI reading exceeds sanctioned load, a surcharge of 30% is levied on the fixed charges corresponding to excess load in kW/kVA for such billing cycle only as per Tariff Schedule of Tariff Order FY 2019-20. It is pertinent to mention that, DISCOMs need to establish and maintain infrastructure and network corresponding to the Sanctioned / connected load of the Consumers to ensure uninterrupted power supply, irrespective of the fact whether such load demand is actually used or not. However, DISCOM is required to have such infrastructure in place. Hence the fixed charges correspond to the sanctioned load .

2.241 The sanctioned load is enhanced based on the highest of an average of Maximum Demand readings recorded as per billing cycle covering any four consecutive calendar months in the preceding financial year and not immediately on exceeding the sanctioned load. Hence, the charges on enhanced load are collected only after the completion of the relevant financial year of usage. Further, the load is reduced only after 6 months from date of load enhancement as per Regulation 17 4(vii) of DERC (Supply Code and Performance Standards) Regulations, 2017 subject to the reduction of load limited to the highest of an average of any 4 (four) consecutive months' maximum demand readings of last 12 (twelve) months.

2.242 Tariff determination and tariff design for all consumer categories is the sole prerogative of the Commission.

2.243 The publication of public notice is as approved by the Commission.

2.244 All requisite details/information have been provided in the petition.

2.245 Tariff determination and tariff design for all consumer categories is the sole prerogative of the Commission.

2.246 In the interest of consumer and financial viability of the power sector, the tariff should be cost-reflective i.e. the Tariff should be determined to recover the entire ARR requirement to avoid any creation/ accumulation of regulatory asset in a year as the funding of the regulatory asset results in carrying cost burden on the consumers.

Further, in addition to the recovery of entire ARR, appropriate recovery towards past accumulated Revenue Gap should be factored while deciding the electricity tariff to be charged for next year.

BYPL

2.247 As regards the comparison of the LPSC rate of 18% with the Interest on Consumer Security Deposit Rate of 6%. It is submitted that the Commission in its Supply code 2017 has changed the rate of interest on consumer Security Deposit from 6% to the MCLR as notified by SBI on 1st April of every Financial Year.

2.248 Further, it is important to mention that the LPSC is levied as a deterrent so that the consumer pays its electricity bill on time and the Security Deposit cannot be compared with the LPSC as the purpose of levying LPSC and Security Deposit is different. In order to avoid the LPSC, the consumer shall pay its electricity bill before the due date. Mostly consumers of petitioner always pay their electricity bill in time and there is no requirement of charging LPSC. It is also important to mention that 18% LPSC is also being levied by the Generating Companies/ Transmission Companies, in case of Petitioner misses the due payment on/or before due date.

2.249 We would like to mention that Sanctioned load has been defined in the DERC (Supply Code & Performance Standards) Regulations, 2017 as the load in KW or KVA which the licensee has agreed to supply from time to time as per the governing terms & conditions. In case, MDI of the consumer comes to higher than the sanctioned load during any billing cycle, the consumer violates the provisions of connection agreement for which the load violation surcharge is levied to the extent of the violation.

2.250 Further, as regards to comments on payment of the fixed charge on sanctioned load when MDI comes to zero, it is important to note that DISCOMS are also paying fixed charges to Generating entities on the basis of the capacity allocated to DISCOM and not on the basis of an actual drawl.

2.251 However, Commission in Regulation 17(3) of DERC (Supply code & Performance Standards) Regulations 2017 has provided that, on request, the consumer can apply for load reduction.

2.252 As regards to the power factor and KVAh Billing, we would like to inform you that Meters of BYPL is compatible to record both KWh and KVAh consumption along with instantaneous power factor. This can also be verified from the meter.

2.253 As per the Tariff Policy (as amended from time to time) the tariff approved by the State Commission shall be within the range of +/- 20% of the average cost of supply. The commission in its tariff order dated 31.07.2019 has approved that the tariff for Domestic consumer is (-) 29% of ACOS and for Non-Domestic consumer is (+) 63%. We request the Commission to kindly approve the tariff for all the categories in line with the provisions of tariff policy so that no Revenue gap or surplus is created.

2.254 The margin for reducing Tariff: While we appreciate your comments/suggestions, we have to say that The Commission determines the tariff after considering the operational and capital expenditure required by the licensee for supplying power and maintaining its distribution network/infrastructure to meet the load requirements of the consumer. The Commission takes into account all relevant facts and figures for approving the expenses while determining the ARR of the licensees. The Petitioner has projected the revised ARR & Revenue (Gap)/Surplus for FY 2020-21 as Tabulated below:

Table 2. 3: Projected revised ARR & Revenue (Gap)/Surplus for FY 2020-21

Sr.No.	Particulars	FY 2020-21
A	Net Power Purchase Cost including Transmission and SLDC Charges	7339
B	O&M Expenses	1099
C	Additional O&M Expenses	293
D	Depreciation	340
E	Return on Capital Employed (RoCE)	746
F	Less: NTI	158
G	Revised Aggregate Revenue Requirement	9660
H	Revenue available towards ARR	7424
I	Collection Efficiency	91.12%
J	Estimated Revenue Realisation	6765
K	Revenue (Gap)/Surplus	-2895

2.255 Accordingly, the Petitioner projected a Gap of Rs. 2895 Cr. and requested the Commission for determination of electricity tariff to be charged from a category of the consumer as it is the prerogative of the Commission.

BRPL

2.256 As regards levy of LPSC @18% per annum it is submitted that consumers are obligated to pay their bills on time in which case there should not be any LPSC levied. It may further be noted that the amount of LPSC is actually treated as a non-tariff income and is adjusted against the revenue gap which means the same actually reduced the tariff burden of consumers. The only thing which is allowed is the carrying cost of the same which is again determined by the Commission.

2.257 The Maximum Demand does not represent the average load drawn or sanctioned to the consumer. It is only an instantaneous indication of the peak load drawn by the consumer at any moment during the entire billing cycle.

The MDI, therefore, cannot compensate the licensees the fixed cost associated with the network capacity which the consumer has blocked for the entire time, whether or not he is drawing any energy. Therefore, MDI cannot be the basis for levy of Fixed Charges. The Commission has discussed and dealt with this issue in detail in some of its past tariff orders. Relevant excerpt from tariff order 26.06.2003 dated is reproduced as under:

"2.43.15.1 Demand violation surcharge

The Commission is of the opinion that the increase in the demand by any consumer category leads to overloading in the system feeding the point of supply and increases losses in the network. Further, it could also cause stressful conditions on the regional network, thus compromising on the continuity of supply to other consumers availing supply in the region. The Commission is of the view that if the billing demand is equated to the maximum demand or contract demand, whichever is higher, then there is no incentive for the consumer to manage his load. The imposition of the demand surcharge is, therefore, in order. The Commission has, however, rationalized the levy of demand violation surcharge, which is now leviable @ 30% on excess demand only instead of 30% on total demand plus energy charges."

2.258 The stakeholder has repeatedly compared the interest provided on SD vis-à-vis the rate of LPSC charged. In this regard, it is humbly submitted that it is necessary to understand the purpose of these two levies. SD is allowed to be retained by the licensee as a safeguard against any potential default in payment by the consumer. The interest on the SD provided is as per the lending rate prescribed by the Central bank and BRPL as a distribution licensee has no control of over the same. The late payment surcharge (LPSC) actually collected, as described above is not retained by the licensee and is actually treated as an NTI. Only the carrying cost of LPSC is allowed in the tariff of the petitioner that too at a rate which is far below the actual carrying cost incurred by the Petitioner.

2.259 Power factor entirely depends on the type of load connected in the consumer's premises. Every consumer's load profile and equipment connected with the load is unique which is the reason, across the entire country the responsibility of maintaining a healthy power factor has been entrusted on the consumer. This practice is not something unique to the Petitioner in the case of Delhi. DISCOM cannot be held responsible for poor power factor caused by the consumer's load profile. The Commission has discussed and dealt with this issue in detail in some of its past tariff orders. Relevant excerpt from tariff order 26.06.2003 dated is reproduced as under:

> *"2.43.19 Low Power Factor (LPF) surcharge*
>
> *The LPF surcharge for low power factor is currently applicable for the categories, which do not have kVAh tariffs and are, by and large, metered using electro-mechanical meters. These existing meters cannot read the power factor or kVAh consumption. The Commission is of the opinion that the LPF surcharge should be levied as a deterrent so that consumers maintain the required level of power factor (PF). However, the methodology usually adopted by the utility staff for checking the PF is not appropriate. The Commission is of the view that the levy of LPF surcharge should be linked to the actual PF of the consumer as recorded by the electronic meter/measuring equipment. The Commission has, therefore, decided that henceforth LPF surcharge shall be levied only when it is established by measurement with equipment/meter that the power factor is lower than the requisite level. Moreover, the DISCOM should ensure that the consumer is made fully aware of the consequences of having a lower PF and the need to maintain the capacitor banks in a working condition. This will ensure that consumers do not have to face any harassment."*

2.260 As regards levy of surcharges it may kindly be noted that determination of the tariff is the sole prerogative of the Commission. All surcharges are also deemed an integral part of the tariff so determined and are binding on all distribution licensees including the Petitioner.

2.261 Determination of the tariff is the sole prerogative of the Commission. We are certain that the Commission would consider the suggestion made by the Stakeholder in this regard.

2.262 With regards to grievance redressal, the Petitioner would like to highlight that the consumers in Delhi have access to multiple avenues/institutions for redressal of and is not restricted to the Electricity Ombudsman only. Effective, transparent and well-defined institutions for redressal of consumer grievances are already in place and these intuitions are presently well equipped to sort out grievances of consumers. The Petitioner, on its part, has instituted the Consumer Grievance Cell at its

Corporate Office at Nehru Place. The customers in the licensee's area of supply also have a 24 x 7 access to a dedicated "No Supply" call centre - manned by trained personnel (phone number 39999707). The licensee has conducted special training programs for all personnel manning the call centres.

Alternatively, consumers can also register their grievance by sending an email at brpl.customercare@relainceada.com. Consumers can also visit the conveniently located customer care centres and contact the customer care officials / Business District Manager in person. All complaints lodged are monitored internally for faster resolution of complaints. In addition, there are dedicated helpline numbers for Billing and Metering.

The Petitioner since Jul '02 has undertaken several initiatives towards enhancing customer care/awareness. Some of them are:

(i) Customer care centres within an average range of 2-3 km. 24X7 "No supply" call centre - Aapke dwar.

(ii) "One visit" Weekly RWA meeting. Synergy Newsletter Sale of CFL / LED lamps at a subsidized rate for promoting Energy Conservation.

(iii) Viewing/payment of individual energy bill online through internet.

(iv) Barcoded bills for consumers. SMS alerts to Key consumers.

If any consumer is not satisfied with the response towards his/her grievance by the internal Consumer Grievance Cell of the Petitioner, he/she may approach the Consumer Grievance Redressal Forum (CGRF) which is a statutory body under the Electricity Act, 2003, put in place for adjudication of disputes between Consumers and their distribution licensee. The consumers may also approach the Office of the Electricity Ombudsman, situated at B-53, Paschimi Marg, Vasant Vihar, New Delhi – 110 057 for redressal of their grievance. Periodic reports of the Electricity Ombudsman are assessing the performance of the DISCOMs in Delhi has noted significant improvement of BRPL in redressing consumer grievances and the number of complaints has gradually declined. In case the consumer is not satisfied with the order of the Ombudsman, he/she may approach the higher courts of law. In addition to the above, consumers may also approach the Delhi Electricity

Regulatory Commission for adjudicating complaints relating to non-compliance of Regulations / Orders under Section 142. Consumers can also approach the Hon'ble Appellate Tribunal for Electricity (ATE) in case they are aggrieved by any Regulation / Order / Directive issued by the Commission. It is noteworthy that BRPL also conducts Public Lok Adalats in association with the Delhi State Legal Services Authority under the aegis of the Delhi High Court for speedy settlement/redressal of grievances. Yet another forum available to consumers is The Public Grievance Cell of the Dept. of Power, Delhi Secretariat, I.P Estate, GoNCTD. The Public Grievance Cell is chaired by a retired High Court judge and a technical member. Consumers can either lodge a complaint personally or through the website. The Public Grievance Commission of the Delhi Government also entertains complaints relating to electricity. Consumers can register their grievance through the website of the Commission i.e. http://delhi.gov.in/wps/wcm/connect/pgc1/public+grievances+commission /our+services1/lodge+complain Apart from the above, consumers can also approach the Consumer Dispute Redressal Forum established under the Consumer Protection Act for speedy and transparent redressal of their grievances.

2.263 The stakeholder has requested to provide the details of tariff hike and clarity on tariff sought by TPDDL in the public notice. It is submitted that the comment of the stakeholder pertains to the other licensee, i.e. TPDDL, and therefore we are not in a position to respond to the same.

2.264 The Petitioner has submitted its ARR Petition in accordance with the Business Plan Regulations. In its Petition, the petitioner has clearly indicated the accumulated revenue gap for FY 2020-21. However, the stakeholder may be aware that the determination of tariff is the sole prerogative of the Commission. Therefore, it is up to the Commission to decide on matters pertaining to the creation of regulatory asset or allowing a cost-reflective tariff.

NDMC

2.265 The LPSC rate, as fixed by the Commission, is provided to ensure the consumers pay the bill in time and in case of any delay, the additional requirement of working capital can be recovered from such surcharge.

2.266 Sanctioned load helps the utilities plan the overall power requirement of its consumers in the license area. this ensures that there is the adequacy of power which can be supplied in a reliable manner. Further, the DISCOMs have to pay capacity charges (fixed charges) for procurement of power and accordingly a fixed charge is recovered from the consumers towards the same. Therefore, in the current regime, it may not be possible to remove the concept.

2.267 Application of reduction of sanctioned load consumer falls under BSES area. The issue Did not pertain to NDMC.

2.268 Surcharge Hike Issue Did not pertain to NDMC.

COMMISSION'S VIEW

2.269 The Commission determines the ARR for the DISCOMs as per the provisions of the relevant Regulations. The Commission in its Tariff Order has provided the break-up of the major components considered for projecting costs of supply during FY 2020-21, like power purchase cost, O&M costs, CAPEX, financing cost, the gap in true up to FY 2018-19 and carrying cost for the regulatory assets etc. This forms the basis for the projection of the gap/surplus between present requirement in terms of ARR and revenue available at existing tariff. It is in the consumer's overall interest, that the gap between these two figures is filled by adjusting the tariffs so as to reduce the accumulated Revenue Gap/Regulatory Assets and the Carrying Cost thereof, which otherwise would impose an additional burden on the average consumer. The Tariff Order is issued after prudence check of the Petitions submitted by the DISCOMs and after considering each element of cost projected in the petitions with due analysis and ensuring proper justification.

2.270 The Commission considering prevalent grim situation due to outbreak of COVID-19 has already exercised its powers to address the hardships being faced by Delhi electricity consumers and accordingly, in its Suo-Motu Order dated 07/04/2020, the Commission allowed a moratorium on the payment of Fixed Charges for next three billing cycles beginning from March 24, 2020 to the consumers covered under Public Utilities, Industrial and Non-Domestic Tariff Categories, which stipulates as under:

"10(e). A moratorium on the payment of Fixed Charges for next three billing cycles beginning from March 24, 2020 is provided to the consumers covered under Public utilities, Industrial and Non Domestic Tariff Categories. The fixed charges accumulated over the said period shall be spread over the next three billing cycles after June 30, 2020 without any LPSC. Further, the consumers of these categories, who desire so, may pay Fixed Charges for the bills raised during the period starting from March 24, 2020 till June 30, 2020."

2.271 The Commission has not increased the tariff for FY 2020-21. Further, considering the hard ships faced by non-domestic and industrial consumers in lock down due to COVID-19, the Commission has reduced the fixed charges for the months of April, 2020 and May, 2020 for these consumers. Also, the Commission has waived off Time of Day Tariff Surcharge for September for all eligible consumers.

ISSUE 13: CAG AUDIT

STAKEHOLDERS' VIEW

2.272 Audit condition for claiming subsidy by GHS should be eliminated or Commission may fix a panel of CAG empanelled with the nominal monthly fee. The commission may also arrange a joint meter reading with any of Govt. Agency or DISCOM'S Representative.

PETITIONER'S SUBMISSION

TPDDL

2.273 The commission may like to decide on the same

BYPL

2.274 Did not provide any Comment.

BRPL

2.275 Did not provide any Comment.

NDMC

2.276 Did not provide any Comment.

COMMISSION'S VIEW

2.277 The matter of CAG Audit is sub-Judice before the Hon'ble Supreme Court of India.

2.278 The audit is crucial for preventing misstatements in the company's records and reports. The DISCOMs get their accounts audited by internal and external statutory auditors conducted under the Companies Act 2013, which forms the basis for financial submission in Tariff Petition of the Commission. The provision of financial reporting may vary from the regulatory reporting as specified by the Commission from time to time. Therefore, the Commission conducts the regulatory audit in order to refine the prudence check methodology adopted with the help of an independent CAG empanelled auditor.

ISSUE 14: TARIFF CATEGORY

STAKEHOLDERS' VIEW

2.279 Meter Reading methodology should be changed from KW to KVA and DISCOMs to fix shunt capacitors at the cost of consumers.

2.280 PGs, Room on Rent, Private Hostels are charging commercial rates for Domestic/non-Domestic electricity.

2.281 Maximum Tariff slab for high consumption Domestic consumers without benefits of lower slabs be implemented.

2.282 Regulator to facilitate the introduction of the uniform tariff.

2.283 The commission is requested to include the activities of the processing of fruits and vegetables under Agricultural Tariff.

2.284 Chambers of the Advocates in court complex or outside may be kept under domestic tariff or a separate category for Advocates/Professionals may be created and tariff is kept lower than Non-domestic tariff.

2.285 The commission is requested to direct the DISCOMs to provide power purchase costs at each voltage level after considering losses at corresponding voltage levels. DMRC does not contribute to distribution losses of DISCOM at 220 KV/66KV. Hence this is necessary for fixing of DMRC Tariff.

2.286 The Consumer categorization was to support agriculture by cross-subsidy, however, such categorization is not applicable in Delhi as the Agriculture consumers are barely 2% of the total consumers whereas commercial & industrial consumers are approx.. 40% of the total consumers, therefore there should be an accounting of the collection received by DISCOM beyond the average tariff. Thus, the Commission may devise a uniform rate for electricity supply by DICOM as power purchase is done at a uniform rate.

2.287 Fixation of the tariff as per agreed principle – In view of the role of DMRC as a public utility service, BYPL have special consideration of maintaining the quality of power supply. BYPL endeavors to maintain the uninterrupted power supply to all its consumers including DMRC. These arrangements ensure an uninterrupted and better quality of service to consumers including DMRC. To maintain this level of quality power supply, associated costs (i.e. other than Power Purchase cost) are also borne by the Petitioner, which needs to be factored in tariff determination for supply to DMRC and other consumers.

In order to provide reliable power supply to all consumers and to meet the continuously increasing peak demand, BYPL has entered into long term Power Purchase Agreements (PPA's) with various Central Govt./State Govt. owned Generating station & IPP's. In addition to this, the Petitioner also purchases from other sources such as Energy Exchanges, Bilateral & Banking etc. to meet the energy demand/rate variations. Thus the cumulative cost of power procurement from all these sources is applicable to all consumers of BYPL including DMRC. However, the Tariff determination and tariff design for all consumer categories including DMRC is the sole prerogative of Commission. The load curve of the Petitioner is not uniform, majorly due to the presence of the Non-Domestic consumers and other public utilities including DMRC, since the demand from the said categories of consumers becomes nil/negligible during night hours as compared to the day time. On the other hand, DISCOMs have to arrange power on RTC basis to serve 24x7 uninterrupted power supply. The concept of time of day tariff aims at shifting time of peak demand, thereby flattening the load curve for which the Utility provides incentives to shift consumption to off-peak hours and offers dis-incentives for consumption during peak hours.

2.288 Non Applicability of distribution loss to DMRC for availing power through Open access - The issue of drawing power at higher voltage and rebate thereon has already been addressed appropriately in the Tariff Order. An additional rebate of 4% for Supply at 33/66 kV has already been allowed to DMRC.

2.289 Non Applicability of fixed charges to DMRC–Any exemption in the tariff to any category of the consumer is the prerogative of Commission. However, as per DERC (Terms and Conditions for Determination of Tariff) Regulations 2017, the fixed cost component of ARR of the Distribution licensee is required to be recovered from fixed charges and variable cost from energy charge.

PETITIONER'S SUBMISSION

TPDDL

2.290 For all categories other than domestic, fixed charges are to be levied based on billing demand per kW/kVA or part thereof as per Tariff Schedule of Tariff Order FY 2019-20. Fixed charges as part of the tariff are levied so as to be able to cover the expenses/costs of DISCOMs. Same ARR is to be recovered from the consumers. In any case, Tariff determination and tariff design for all consumer categories is the sole prerogative of the Commission. DISCOMs have installed shunt capacitors at their grids to maintain the required power factor. However, maintaining the power factor at the consumer end is the sole responsibility of the consumer.

2.291 As per Tariff Order for FY 2019-20, at present, all the consumers under domestic categories having sanctioned load up to 5kW and providing paying guest facility from their own premises are being charged as per domestic tariff. However, Tariff determination and Tariff design for all consumer categories is the sole prerogative of the Commission.

2.292 Tariff determination and tariff design for all consumer categories is the sole prerogative of the Commission.

2.293 Fixation of tariffs for any Consumer category is the sole prerogative of the Commission.

2.294 The issue of drawing power at higher voltage and rebate thereof has been in-built in the Tariff design. It may also be noted that Power Purchase Cost for DISCOMs is a pooled cost from all sources at ex generator bus and is not differentiable at voltage levels.

BYPL

2.295 Tariff applied to paying guest accommodation PGs room on rent Pvt. Boys & Pvt. Girls hostels are decided by Commission and in terms of the provisions of the Electricity

Act, 2003, determination of electricity tariff to be charged from a category of the consumer is the sole prerogative of the Commission.

2.296 With regards to the 18.94% additional surcharge, at present the additional surcharges being levied on the consumers are 8% Regulatory Assets surcharge, 3.80% Pension surcharge, and PPAC. The 8% RA surcharge is levied to recover the recognized accumulated deficit which is due to the under-approved tariff in the past by the Commission. The 3.80% Pension trust surcharge is not retained by the Distribution Licensee and is being directly paid to the pension trust on a collection basis. PPAC on the other hand is the variation of Power purchase cost approved by the Commission while determining the tariff and the actual Power Purchase Cost to the distribution licensees.

2.297 At present Commission has provided slab wise tariff for Domestic category of consumers, thus provision for paying higher tariff by the consumers, who are consuming more energy is already in place.

2.298 As regard to the stakeholder comment regarding the exclusion of slab benefit for high consumption domestic consumers, Petitioner would like to submit that, determination of tariff of any class and category of the consumer is the sole prerogative of Commission. We would further like to request the Commission to kindly approve the tariff in line with the provision of Tariff policy of +/- 20% cost of supply so that the approved tariff would be able to meet the average cost of supply of the petitioner.

2.299 We would like to humbly submit that the stakeholder Comments on activities of the processing of fruits and vegetables under Agricultural Tariff Did not pertain to M/s BYPL.

2.300 In terms of the regulations, 121 of the DERC (Terms and conditions for determination of tariff) Regulations, 2017, the Commission has power to reassigning the allocation of power amongst the distribution licensees. Further, we would like to submit that Adverse consumer mix has resulted in lower revenue from Tariff over the power cost at the hands of BYPL as compared to its peers, where there is more high tariff paying industrial consumers; BYPL has large scale low end domestic / Non-domestic consumers and almost nil industrial load. Also, BYPL is hugely effected due to reduction in fixed cost/Tariff of the low end domestic and non-domestic consumers in the previous year, hence in order to balance the interest of BYPL consumers in uniform tariff regime cheaper allocation of power is required to be given to BYPL.

BRPL

2.301 Determination of electricity tariff to be charged from a category of the consumer is the prerogative of the Commission. We trust that the Commission will consider your comments/suggestions while finalizing tariff for Wheeling of Electricity and Retail Supply.

2.302 As per Terms and conditions of Tariff order dated 31.07.2019, Agriculture connection is available for load up to 20 kW for tube wells for irrigation, threshing, cultivation and kutti- cutting in conjunction with pumping load for irrigation purposes and lighting load for bonafide use in Kothra. A mushroom connection is available for load up to 100 kW for mushroom growing/cultivation. We would like to submit that determination of tariff and tariff categories is the sole prerogative of the Commission. However, we trust that the suggestions of the stakeholder will be appropriately considered by the Commission.

2.303 The stakeholder has stated that TPDDL from the year 2013, has suo-motu re-categorized the Chambers of Advocate at Tis Hazari Courts, Delhi from Domestic Category to Non-Domestic Category. It has been further requested to keep the category of advocates and the Chambers of Advocates in the Court complexes or outside the complex under the Domestic Category or lower than Non-Domestic Category as the lawyer's profession is not a commercial activity. In this regard, we would like to submit that the objection raised by the stakeholder pertains to TPDDL licensed area and thus, the Petitioner does not know the facts of the case and is not in a position to reply on the issue. However, the Petitioner would like to clarify that the DISCOMS are required to charge the consumer categories as per the tariff schedule specified by the Commission. It is further submitted that determination of electricity tariff and classification of various types of consumers under different categories is the sole prerogative of the Commission under Section 45 of the Electricity Act, 2003.

2.304 As regards consumer category-wise tariff, it is submitted that the determination of electricity tariff is the prerogative of the Commission under Section 62 of the Electricity Act, 2003. Further, as per Clause-8.3 of Tariff Policy 2016, Cross-subsidy is to be determined as under:

"8.3 Tariff design: Linkage of tariffs to cost of service

…

Accordingly, the following principles would be adopted:

1. *Consumers below the poverty line who consume below a specified level, as prescribed in the National Electricity Policy may receive special support through cross-subsidy. Tariffs for such designated group of consumers will be at least 50% of the average cost of supply.*
2. *For achieving the objective that the tariff progressively reflects the cost of supply of electricity, the Appropriate Commission would notify a roadmap such that tariffs are brought within ±20% of the average cost of supply. The road map would also have intermediate milestones, based on the approach of a gradual reduction in cross-subsidy.*

…"

Thus the Petitioner requests the Commission to determine consumer category tariffs in accordance with the aforesaid principle.

NDMC

2.305 The Private Hostels and PG Tariff category is Determination of tariff is propagative of Commission.

2.306 NDMC understands that the Commission has been considering DMRC tariff under special service company category and accordingly its tariff is lower than other HT categories in NDMC license area.

It is further submitted that DMRC is actually a subsidizing category and therefore as per National Tariff Policy, the tariff of such categories can be as high as +20% of the average cost to serve for all the consumers. In 2018-19, the average billing rate for DMRC had been lower than the average cost to serve by ~30%. Therefore, no additional consideration should be given for DMRC.

COMMISSION'S VIEW

2.307 The details of applicable electricity tariff for various categories of consumers have been dealt in Other Terms and Conditions of Tariff Schedule of this Tariff Order.

2.308 Providing subsidy is the prerogative of the State Government.

ISSUE 15: COST OF FINANCE

STAKEHOLDER'S VIEW

2.309 DTL has to pay dues of Rs. 100.44 crores as a refund to short term open access charges to TPDDL. This leads to DISCOM taking loans on high-interest rates from banks, which in turn is borne by consumers in terms of tariff hike. DTL should be directed to immediately refund the same.

2.310 DERC needs to advice Delhi Govt. or Central Govt. to provide cheaper loans and arrange financial restructuring of existing loans of DISCOMs.

PETITIONER'S SUBMISSION

TPDDL

2.311 Any such cheaper loans, as suggested, may be extended to Delhi DISCOMs, would be welcome and in overall consumer interest.

2.312 Records for income and expenses related to other business income are kept separately. Further, the Commission always does prudence check at the time of True-Up.

2.313 Tata Power-DDL agrees with the suggestion that DTL should pay the short term open access charges to Tata Power-DDL and it is in overall consumer interest.

2.314 Tata Power-DDL agrees with the suggestion and it is in overall consumer interest on DTL refund.

BYPL

2.315 Did not pertain to BYPL.

BRPL

2.316 As regards the observation made by the Stakeholder, it is observed that the same pertains to a Distribution Licensee namely Tata Power Delhi Distribution Limited (TPDDL).

NDMC

2.317 Did not pertain to NDMC.

COMMISSION'S VIEW

2.318 The Commission vide its order dated 31/07/2020 had directed DTL to reimburse the STOA charges to the Discoms within a week of its order . The STOA charges have since been remitted by the DTL to the Discoms.

ISSUE 16: FIXED CHARGE

STAKEHOLDER'S VIEW

2.319 Fixed charges per KW is higher for GHS society even they had installed transformers etc.

2.320 Why the low or no consumption members are paying the same fixed charges as the higher load members.

2.321 The fixed charges are made adjustable in consumption for HT consumers.

2.322 That fixed charges should be reduced and uniform for all category. Since fixed investment is the same across the category according to load.

2.323 HT consumers are given more rebate to compensate seven percent losses due to transfer possess and fixed charges be reduced

2.324 Due to the prevailing Covid-19 pandemic, no fixed charges should be paid to state generating companies as the return from these companies is only for the State Government.

2.325 In the case of commercial consumers, the Fixed charges much more than the actual power useful operation of the commercial establishments since the lock-down period

2.326 Fixed charges should be made Rs. 20/- per KW as in 2013.

2.327 DMRC has paid a huge amount as fixed charges, without any metro services, relief may be given in Tariff Order.

2.328 Direct State GENCOs to reduce their cost and no fixed charges should be paid as return from these companies are for State Govt. only.

2.329 The stakeholder has submitted that the consumer bills comprise of charges such as Fixed Charge, Energy Charge, PPAC, Pension Fund and Surcharges thereof, due to which the cost per unit is higher. Further, the Stakeholder has submitted that the Public Notice of DISCOMs reflects "Revenue available at existing tariffs". Hence, the ARR format should reflect all charges and utilization separately.

2.330 Fixed charges to be calculated on MDI and not on sanctioned load.

PETITIONER'S SUBMISSION

TPDDL

2.331 Fixed charges as part of the tariff are levied so as to be able to cover the fixed expenses/costs of DISCOMs. DISCOMs need to establish and maintain infrastructure and network corresponding to the Sanctioned / connected load of the Consumers to ensure uninterrupted power supply irrespective of the fact whether such load demand is actually used or not but the DISCOM is required to have such infrastructure in place.

It is also pertinent to mention that if fixed charges are rolled back, the energy charge would increase correspondingly as these form a part of the total revenue of the utility. Therefore, whether only energy charge is levied or energy charge, as well as a fixed charge, is levied, the same ARR would have to be recovered from the consumers.

In any case, Tariff determination and tariff design for all consumer categories is the sole prerogative of the Commission.

2.332 Fixed charges are part of total tariff and being part of tariff is again based on the recovery of cost concept. Further, the levy of Fixed charges is in line with section 45(3) of the Electricity Act, 2003.

2.333 The commission is requested to take up the matter with GoNCTD in the interest of consumers.

BYPL

2.334 The Stakeholder has also submitted that due to prevailing Covid-19 situation no Fixed charges to be paid to State Generation companies. In this regard, we would like to submit that the Petitioner through its various communications to Commission, GoNCTD and MoP requesting for Moratorium period for Genco bill payments, Fixed Charge waiver etc.

2.335 With respect to the fixed and energy charges we would like to submit in terms of regulation 2017, costs (fixed and variable) of the ARR is to be recovered from Fixed charges and energy charges, accordingly, the tariff is designed by the Commission. However, currently fixed charges in tariff schedule as per the regulation is already lower from the fixed charges of the previous years. At the end for cost-reflective tariff, energy charges and fixed charges shall be the composite of the total Aggregate revenue requirement.

2.336 Regarding interest on the security deposit, we would like to refer to the DERC Supply code, Regulations, 2017, it been credited to the consumers therefore the same reflects on consumer accounts on 31st March.

BRPL

2.337 We would like to submit that determination of tariff (a fixed charge, energy charge, pension surcharge etc.) is the sole prerogative of the Commission.

2.338 In this regard, we would like to submit that various charges are being levied as per the tariff and related components determined by the Commission in Tariff Orders/ Regulations. The details of these charges also form a part of ARR Petition which is available on the Commission's website and the Petitioner's website.

2.339 We would like to submit that determination of tariff (a fixed charge, energy charge, pension surcharge etc.) is the sole prerogative of the Commission.

NDMC

2.340 Any rebate offered by such generating companies will be passed on to the consumers. However, there should not be any under-recovery of the fixed charges paid by NDMC.

2.341 Any rebate offered by such generating companies will be passed on to the consumers. However, there should not be any under-recovery of the fixed charges paid by NDMC.

2.342 NDMC has entered into PPA on the basis of peak demand of DMRC so that adequate power can be supplied in a highly reliable manner. Therefore, even though DMRC is not using the power during the Lockdown period, NDMC has to bear the fixed charges of generators and transmission companies on the basis of such PPA and BPTA. Accordingly, fixed charges needs to be levied on a mandatory basis to DMRC.

COMMISSION'S VIEW

2.343 The recovery of Annual Revenue Requirement (ARR) for the supply of electricity consists of fixed charges and variable charges. Accordingly, the tariff of a distribution company for recovering the said ARR is also divided into two parts i.e. Fixed Cost and

Variable Cost which it bills to the end consumers. Ideally, the fixed cost incurred by the distribution company should be recovered through fixed cost part of its tariff and similarly for variable cost. Accordingly, the tariff structure should be rational enough. Setting Fixed Costs lower than the appropriate results in issues like irrational cash inflows (more recovery during summer months because of higher variable charges and higher consumption). As the distribution company needs to pay the fixed cost to Generating Stations and Transmission Companies uniformly during the year, this erratic cash inflow makes it difficult to make timely payments to Generation Companies and Transmission Companies which derails the entire system. The Commission in its DERC (Terms and Conditions for determination of Tariff) Regulations, 2017 has specified the components which are part of fixed charges and the variable charges separately. The Commission increased the fixed charges and appropriately decreased the variable charges while designing the tariff for FY 2018-19.

2.344 The Commission has determined the fixed charges and energy charges for different category of consumers as specified in Tariff Schedule for FY 2020-21.

2.345 The Commission has not increased the tariff for FY 2020-21. Further, considering the hard ships faced by non-domestic and industrial consumers in lock down due to COVID-19, the Commission has reduced the fixed charges for the months of April, 2020 and May, 2020 for these consumers. Also, the Commission has waived off Time of Day Tariff Surcharge for September for all eligible consumers.

ISSUE 17: TRANSMISSION LOSS AND CHARGES

STAKEHOLDER'S VIEW

2.346 DTL has highlighted the wrong figures of transmission charges and losses mentioned in the petition by DISCOMs. DTL has further highlighted the dues pending on DISCOMs.

2.347 In earlier Tariff Petition submission, TPDDL, has projected an amount of Rs. 269 Crore as DTL and SLDC Charges for FY 2020-21. Now, TPDDL in its Revised Tariff Petition for FY 2020-21 has projected Rs. 937.81 Crore as Total Transmission Charges (excluding Pension Trust), however, no bifurcation has been given for Intra-State Transmission

Charges and Inter-State Transmission Charges. Similarly, ARR for FY 2020-21, has projected total Transmission Loss @3 % for PGCIL and DTL i.e. 368.54 MU. Now, in Revised Tariff Petition, the Transmission Losses Units has been revised to 278.74 MU keeping the percentage as 3% for FY 2020-21, however, as per SLDC data, the actual Intra-State Transmission Losses is 0.90% for FY 2019-20.

2.348 In earlier Tariff Petition submission, BRPL has projected an amount of Rs. 1104 Crore as Transmission Charges for FY 2020-21, however, no bifurcation for Intra-State Transmission Charges and Inter-State Transmission Charges were given. Now, BRPL in its Revised Tariff Petition for FY 2020-21 has projected Rs. 1,087 Crore as Transmission Charges, however, the bifurcation is again not given for Intra-State Transmission Charges and Inter-State Transmission Charges. Earlier, BRPL ARR for FY 2020-21, has projected Intra-State Transmission Losses as 0.92% i.e. 133 MU. Now, in Revised Tariff Petition, the Intra-State Transmission Losses Units has been revised to 112 MU keeping the percentage as 0.92% for FY 2020-21 (Table No. 4-12). However, as per SLDC data, the actual Intra-State Transmission Losses is 0.90% for FY 2019-20. BRPL had stopped payment to DTL since October 2010.

2.349 In earlier Tariff Petition submission, BYPL in its Tariff Petition has projected only an amount of Rs. 211 Crore for FY 2020-21 as Intra-State Transmission Charges (including SLDC) and Contribution towards Pension Fund, to which DTL has submitted its comments that the same is lesser than that the amount actually billed i.e. Rs. 259.40 Crore by DTL for FY 2018-19. Now, BYPL in its Revised Tariff Petition for FY 2020-21 has projected Rs. 215 Crore (Table No. 2.20 & 2.24) as Intra-State Transmission Charges (including SLDC), which is again lesser than the amount actually billed by DTL for FY 2018-19. Earlier, BYPL ARR for FY 2020-21, has projected Intra-State Transmission Losses as 0.92% i.e. 81 MU. Now, the same has been revised to 71 MU (Table No. 2.20 & 2.24) for FY 2020-21 in Revised Tariff Petition, however, as per SLDC data, the actual Intra-State Transmission Losses is 0.90% for FY 2019¬-20. BYPL has stopped payment to DTL since October 2010.

2.350 In earlier Tariff Petition submission, NDMC in its Tariff Petition has projected an amount of Rs. 57.04 Crore as Intra-State Transmission Charges including SLDC Charges for FY 2020-21, and the same amount i.e. Rs. 57.04 Crore (Table No. 54) has been continued as projections in Revised Tariff Petition as Intra-State Transmission Charges including SLDC Charges for FY 2020-21. Earlier, NDMC ARR for FY 2020-21, has projected Intra-State Transmission Losses as 13.93 MU. Now, in Revised Tariff Petition, the Intra-State Transmission Losses Units have been revised to 12.90 MU (Table No. 46), however, as per SLDC data, the actual Intra-State Transmission Losses is 0.90% for FY 2019-20 for NDMC.

PETITIONER'S SUBMISSION

TPDDL

2.351 Bifurcation of Transmission Charges considered by Tata Power-DDL for Projections of FY 2021 is as below:

Table 2. 4: Transmission Charges (Rs. Cr.)

Source	Amount	Remarks
PGCIL Charges	540.00	Average of PGCIL April and May 2020 Invoice to Tata Power-DDL amounting to ~ 45 Cr. was used for extrapolating charges for the Year
DTL Charges	300.00	Average of DTL April and May 2020 Invoice to Tata Power-DDL amounting to ~ 24 Cr. was used for extrapolating the DTL charges for the Year with approximately 4-5% escalation.
Others including STOA	97.81	
Total	**937.81**	

**STOA charges of Rs. 0.50/unit has been factored as a part of transmission cost.*

2.352 Tata Power-DDL computes the losses as difference of the actual power scheduled and energy received at Tata Power-DDL periphery and the losses are prorated under Intra state and Interstate losses as follows:

i) For Intra State Losses: DTL losses have been factored in as per the data shown on the Delhi Website i.e. 0.92% approx. (Delhi STU Loss).

ii) For Inter State Losses: Remaining difference is booked under Interstate head.

BYPL

2.353 Intra-state Transmission Charges: For FY 20-21, the Petitioner has considered the Intra-State Transmission Charges on the basis of actual data for FY 2019-20 and the same is mentioned in the ARR petition filed by the petitioner.

2.354 Intra-state Transmission losses: The intra-state Transmission Loss during FY 2020-21 has been considered as provided in Tariff Order dated 31.07.2019 i.e. 0.92%.

2.355 Outstanding dues towards BYPL: BYPL is looking at all possible options/solutions to sort out the payment issues with DTL at the earliest. However, BYPL has been facing adverse financial condition since FY 2009-10 primarily on account of a non-cost reflective Tariff and absence of timely and adequate recovery of accumulated Regulatory Asset. The same has constrained the capability of BYPL to make timely payments to generation and transmission utilities including DTL

Further, the matter regarding payment to DTL is pending before the Hon'ble Supreme Court. There are several disputes pending before Petitioner and DTL before various fora, including the unilateral adjustment of subsidy amounts by Delhi Government/DTL.

BRPL

2.356 Did not provide any comment.

NDMC

2.357 NDMC has considered actual transmission losses of 0.92% in FY 2018-19 for projection in FY 2020-21 as the actual loss percentage of DTL for FY 2019-20 were not available at the time of filing the Petition. As per submission of DTL, the losses in its network for FY 2019-20 are 0.90%. Accordingly, the same may be considered by the Commission.

2.358 Intra-state transmission charges: NDMC has considered the intra-state transmission charges based on the actual payments done during the year.

2.359 Intra-state transmission Loss: NDMC has already submitted that it has considered the intra-state loss percentage as 0.92% in its petition (clause no. 2.5.2) as well as tariff formats based on the details provided by SLDC.

COMMISSION'S VIEW

2.360 The Commission determines the ARR for the DISCOMs as per the provisions of the

Regulations. The Tariff Order is issued after prudence check of the Petitions submitted by the DISCOMs and after considering each element of cost projected including Transmission Charges and Transmission Losses in the petitions with due analysis and ensuring proper justification.

2.361 The Commission determines the transmission charges of DTL as per Regulations. Further, the transmission losses and availability are being considered as provided by Delhi SLDC. With regards to the dues to DTL by DISCOMs, it is pertinent to state that in case DISCOM do not pay State Genco and DTL as per timelines mandated in the Tariff Regulations, 2017 then they are liable for LPSC as stipulated in the said Regulations. LPSC paid by DISCOMs to State Genco and DTL is not passed through in their ARR.

ISSUE 18: GROUP HOUSING SOCIETY TARIFF CHARGES

STAKEHOLDER'S VIEW

2.362 Rates for Central Group Housing Society (CGHS) and its members should be the same. Group Housing Society is being charged as per Tariff Schedule 1.2, and its members as per Tariff Schedule 1.1. This is totally unfair as, within normal domestic LT supply, the distribution system/ sub-station (including transformers, switches and meters, etc.) are installed and maintained by DISCOMS. However, in GHS, members have installed and are maintaining all the systems and bearing all the expenses.

2.363 Public Awareness Bulletin No. 11 & 12 with respect to our connection are not helpful as there is no method to calculate the individual load in GHS connection and the charging of fixed charges from an individual is very difficult.

2.364 Commission had abolished the fixed charges for GHS (11kV) w.e.f. 01/10/2015, but these charges continued for the individual members, and w.e.f. 01/09/2017 again imposed the fixed charges on the GHS. The charging of fixed charges in GHS is totally unjustified.

2.365 Audit condition for claiming subsidy by GHS should be eliminated or Commission may fix a panel of CAG empanelled with a nominal monthly fee. The commission may also arrange a joint meter reading with any of Govt. Agency or DISCOM'S Representative.

2.366 The Commission is requested to kindly fix the tariff for the GHS only and not pass any further order for the individual member's tariff (as before 01-10-2015).

2.367 Direct the DISCOMS to mention the MDI reading in each bill.

2.368 Direct the DISCOMs to prepare the monthly bill at least for the GHS according to the calendar month i.e., reading from 1st day to last day of the same month, instead of 14th day to 13th day of next month. This will help in the easier calculation of bills, as the tariff changes are made effective from 1st day of a month. This will also help GHS in easier distribution and collection of maintenance and electricity bills.

2.369 Display all the comments received for the formation of Tariff order on its website, as the Delhi Development Authority (DDA) did in case of the suggestions for MPD 2021.

2.370 The Commission is requested to kindly accord an opportunity of personal hearing in this matter.

2.371 As there is no method to calculate the individual load like a total common load of the GHS, in this connection, then how will the GHS charge fixed charges from its individual members?

2.372 GHS have installed and are maintaining all the systems and bearing all the expenses but still, the GHS is paying fixed charges at three times of normal domestic consumer, which is totally unjustified. Fixed charges should be abolished.

2.373 Members of CGHS are paying energy charges as per Schedule 1.1 of Tariff Order but are not receiving the subsidy. Hence, the order for charging individual members as per Schedule 1.1 of Tariff Order be discontinued.

PETITIONER'S SUBMISSION

TPDDL

2.374 Tariff determination and tariff design for all consumer categories is the sole prerogative of the Commission. The GHS availing supply at 11 KV is being given a rebate of 3 % on energy charges for maintaining the system and bearing expenses as per prevailing Tariff Orders.

2.375 SPD connections to GHS are sanctioned in compliance with prevailing regulations. DISCOM charges fixed charges from the GHS as per provision in Tariff Order based on sanctioned load/contract demand. Calculating a load of individual members as well as that of common services for charging fixed charges is the preview of SPD.

2.376 There is a separate category for Single Point Delivery Supply for GHS in the tariff order and billing is done strictly in compliance to that only. However, Tariff determination and tariff design for all consumer categories is the sole prerogative of the Commission.

2.377 Tata Power-DDL is billing all its consumers as per Tariff Order FY 2019-20. Tariff determination and tariff design for all consumer categories is the sole prerogative of the Commission.

2.378 The commission may like to decide on the same as it may deem fit.

2.379 Tariff determination and tariff design for all consumer categories is the sole prerogative of the Commission.

2.380 The commission may like to decide on the same.

2.381 Commission has already stipulated modalities for claiming subsidy benefit by individual consumers in Group Housing Societies (GHS). These were duly informed to each of the GHS falling in the Tata Power-DDL licensed area. The same needs to be complied with by the GHS for claiming the subsidy.

2.382 MDI is not reflected on this society bills due to multimeter case, however, we are arranging the same.

2.383 Bills are issued as per Billing Cycle or Billing period approved by the Commission.

2.384 SPD connections to GHS are sanctioned in compliance with prevailing Regulations. DISCOM charges fixed charges from the GHS as per provision in Tariff Order based on sanctioned load/contract demand. Calculating a load of individual members as well as that of common services for charging fixed charges is the purview of SPD.

2.385 Tata Power-DDL is billing all its consumers as per Tariff Order FY 2019-20. Tariff determination and tariff design for all consumer categories is the sole prerogative of the Commission.

BYPL

2.386 Commission has recognized that many GHS was charging high rates of electricity from its members and tried to resolve this issue by ordering GHS to bill its members as per domestic tariff with certain conditions. Further, the Commission also passed an order to allow subsidy approved by GoNCTD to individual domestic consumers to the member residents of GHS. Petitioner would like to mention here that members of GHS connections in our area are getting GoNCTD subsidy. When the individual GHS members are getting all the benefits of individual domestic consumers like subsidy and Domestic tariff, there is no point to shift from HT supply to LT supply.

2.387 The stakeholder has quoted tariff approved for individual domestic connections and GHS connections. This is for purpose of record and reference and hence, no comment is required.

2.388 The tariff is approved for GHS connections. After receiving the complaints and queries from many individual GHS members about the high rate of electricity being charged by the Group Housing Societies, the Commission directed the GHS consumers to charge rates of electricity from its members as per Domestic connections as mentioned in S. No 1.1 of the tariff schedule. This was only a mechanism to recover the cost of electricity by the Group Housing Societies from its members

2.389 We request the Commission to kindly approve a methodology for GHS to calculate the individual load for charging of fixed charges by the GHS from its individual members.

2.390 We would like to mention here that as per Regulation 130 of DERC (Terms and conditions for Determinations of Tariff) Regulations 2017, fixed charges to be levied by distribution licensee shall consist of the following:

i) Capacity charges of generating stations as approved/ adopted by the appropriate Commission.

ii) Capacity charges of transmission licensee including load dispatch charges stations as approved/ adopted by appropriate Commission.

iii) Fixed cost of distribution licensee such as ROCE, Depreciation and O&M Expenses.

2.391 It is pertinent to note that presently the fixed charges being levied are not sufficient enough to recover these costs of Distribution licensees. However, recognizing the low cost of operation at a higher voltage level, the Commission has approved a rebate of 3%, 4% and 5% to the consumers availing supply at 11 KV, 33/66KV and 220 KV voltage level respectively.

2.392 As per the Tariff Policy (as amended from time to time) the tariff approved by the

State Commission shall be within the range of +/- 20% of the average cost of supply. Presently, the tariff approved under 1.1 and 1.2 of tariff schedule is (-) 48% and (-) 40% of the average cost of supply respectively for the petitioner. The other consumer categories like Non-Domestic and Industrial consumers are cross-subsidizing the gap of tariff and the average cost of supply of tariff for categories on S. No 1.1 and 1.2 of tariff schedule @ (+) 56% and (+) 24% of the average cost of supply respectively. There is no point of raising query of charging high tariff from GHS or its individual members by GHS. We would like to mention that in the petitioner's area many GHS connections are getting subsidy approved by the GoNCTD and adhering to the formalities approved by the Commission for claiming of subsidy for its members.

2.393 The MDI is being shown to the consumer in the bill raised by the petitioner.

2.394 We would like to mention that in case no activity related to electricity is done on any premises, the consumption recorded in the meter will be zero irrespective of KWh or KVAh billing. In the lockdown, for many consumers being billed on KVAh billing the recorded consumption came to be zero and billed accordingly. The stakeholder is requested to kindly check its premises.

BRPL

2.395 It may be noted that fixed charges as part of the tariff are levied so as to be able to cover the fixed expenses/costs of DISCOMs. DISCOMs need to establish and maintain infrastructure and network corresponding to the Sanctioned / connected load of the Consumers to ensure uninterrupted power supply irrespective of the fact whether such load demand is actually used or not but the DISCOM is required to have such infrastructure in place.

2.396 The comparison of individual domestic connection to CGHS connection is tabulated below:

Table 2. 5: Comparison for a 4 kW consumer consuming 800 units in a month

Tariff	Domestic Tariff	CGHS Tariff	Domestic Bill (Rs.)	CGHS Bill (Rs.)
Fixed charges	50.00	150.00	200	600
Energy Charges				
0-200	3.00	4.50	600	900
201-400	4.50	4.50	900	900
401-800	6.50	4.50	2,600	1,800
801-1200	7.00	4.50	-	-

Tariff	Domestic Tariff	CGHS Tariff	Domestic Bill (Rs.)	CGHS Bill (Rs.)
1200+	8.00	4.50	-	-
RA Surcharge	8.00%	8.00%	344.00	336.00
PT Surcharge	3.80%	3.80%	163.40	159.60
E Tax	5.00%	5.00%	205.00	180.00
Voltage Rebate	0.00%	-3.00%	-	-108.00
Total Bill			**5,012**	**4,768**
Average Billing Rate			**6.27**	**5.96**

It may be noted that despite higher fixed charges for a CGHS connection the total bill for a CGHS connection is lower than domestic connection. Various benefits such as a flat rate of Rs. 4.50 per unit is applicable to CGHS which is applicable for 201-400 consumption per month domestic consumer and voltage rebate of 3% is also applicable to CGHS. We would also like to bring to your kind notice that DISCOMs charge consumer categories on the electricity consumed in accordance with the tariff determined by the Commission and that the DISCOMs cannot get involved into what CGHS charges from its consumers.

2.397 Recovery of Fixed Charges by Society from individual members: The Petitioner would like to clarify that levy and recovery of any / all component of electricity tariff by the society management from its individual members is totally a prerogative and internal matter of such society and its management / RWA. The Petitioner, as a distribution licensee has no role to play in this regard. Since such society is on single-point delivery on HT, the Petitioner's responsibility does not go beyond this HT meter. We, however, trust that the submissions made by the stakeholder are duly considered by the Commission.

2.398 It appears that the respected stakeholder is a consumer of TPDDL (another distribution licensee) and not the consumer of the Petitioner. We are confident that the observations expressed by the stakeholder will be duly addressed by TPDDL. However, very briefly we are addressing the concerns raised by the stakeholder with regard to the following two issues:

2.398.1. Fixed charges levied on individual consumers in a CGHS society, and

2.398.2. The claim of subsidy by individual consumers of CGHS society.

In this regard, the stakeholder may kindly note that the Commission has already stated in its Tariff order dated 28.03.2018 that tariff of Group Housing Society (GHS) will be charged as per the tariff prescribed by the Commission. The relevant para directing the CGHS is stated as under:

Para 9 of tariff schedule "The Single Point Delivery Supplier (Group Housing Societies) shall charge the Domestic tariff as per slab rate of 1.1 to its Individual Members availing supply for Domestic purpose and Non-Domestic Tariff for other than domestic purpose. Any Deficit/Surplus due to sum total of the billing to the Individual Members as per slab rate of tariff schedule 1.1 and the billing as per the tariff schedule 1.2 including the operational expenses of the Single Point Delivery Supplier shall be passed on to the members of the Group Housing Societies on pro-rata basis of consumption."

Further, regarding subsidy for individual members under GHS connection, the Commission has described clause for subsidy in the above said Tariff order which is reproduced below:

Para 10 of tariff schedule *"Individual Domestic Consumers availing the supply at single point delivery through Group Housing Society shall claim the benefit of subsidy, applicable if any, as per the Order of GoNCTD. Group Housing Society shall submit the details of eligible consumers with consumption details and lodge claim of subsidy on behalf of individual members from DISCOMs."*

In view of the above clauses, it is clearly defined that any individual domestic consumer availing the GHS supply can claim subsidy as approved by GoNCTD.

NDMC

2.399 Fixation of tariff on Single point delivery supplier is the prerogative of the Commission. The suggestions on tariffs may be considered by the Commission.

COMMISSION'S VIEW

2.400 The details of applicable electricity tariff for various categories of consumers have been dealt in Other Terms and Conditions of Tariff schedule of this Tariff Order.

2.401 Aggregate Revenue Requirement (ARR) of DISCOMs recoverable through Electricity Tariff has two parts i.e., Fixed Cost and Variable Cost. The Fixed Cost raised to DISCOMs from Generating Companies/ Transmission Companies includes Capacity

Charges to Generating Companies/ Transmission Companies, Depreciation, O&M Expenses, Interest on Loan Expenses related to Infrastructure Cost of DISCOMs based on Sanctioned Load of consumers etc. and Variable Cost raised to DISCOMs from Generating Companies mainly includes Fuel cost of Generating Companies.

2.402 The Fixed Charges, as determined by the Commission mandated under Section 45 of the Electricity Act, 2003, are levied by DISCOMs so as to recover their abovementioned Fixed Costs. These Fixed Costs have to be paid uniformly to Generating Companies and Transmission Companies irrespective of electricity consumption. Any under-recovery on account of these Fixed Charges shall have severe impact on cash inflows of DISCOMs and may disturb timely payments to Generation Companies and Transmission Companies.

2.403 Further, the non-payments of Fixed Charges by consumers leads to non-payment of Fixed Cost to Generation Companies and Transmission Companies by DISCOMs. It results into creation of vicious circle and disturbs the equilibrium of the Power Sector which may lead to non-availability of 24X7 uninterrupted power supply.

2.404 The Commission considering prevalent grim situation due to outbreak of COVID-19 has already exercised its powers to address the hardships being faced by Delhi electricity consumers and accordingly, in its Suo-Motu Order dated 07/04/2020, the Commission allowed a moratorium on the payment of Fixed Charges for next three billing cycles beginning from March 24, 2020 to the consumers covered under Public Utilities, Industrial and Non-Domestic Tariff Categories, which stipulates as under:

> *"10(e). A moratorium on the payment of Fixed Charges for next three billing cycles beginning from March 24, 2020 is provided to the consumers covered under Public utilities, Industrial and Non Domestic Tariff Categories. The fixed charges accumulated over the said period shall be spread over the next three billing cycles after June 30, 2020 without any LPSC. Further, the consumers of these categories, who desire so, may pay Fixed Charges for the bills raised during the period starting from March 24, 2020 till June 30, 2020."*

2.405 If Fixed Charges are not paid by consumers, then DISCOMs will default in paying Fixed Cost to Generating & Transmission Companies and DISCOMs will also be burdened with LPSC.

2.406 Subsidy is the prerogative of the State Government. However, it is observed that GoNCTD provides subsidy to Domestic consumers and Group Housing Societies also. Individual members of the Society are billed at par with other Domestic consumers as per Schedule 1.1 of Tariff Order.

ISSUE 19: MISCELLANEOUS

STAKEHOLDER'S VIEW

2.407 Some stakeholders are unable to procure a copy of DERC (Business Plan) Regulations or Tariff Petitions filed by the licenses for filing a proper response.

2.408 Supply of Un-interrupted and quality of power.

2.409 Maximum height of building be increased to 20 meters with stilt parking and up to 18 meters without stilt parking for installation of new domestic connections. If the above-mentioned suggestion is not immediately acceptable, Commission may kindly allow installation of new domestic connection to at least middle floor with roof height up to the permissible limit in already constructed buildings.

2.410 Connections of the meter should be made faster and restrictions like building completion certificate should be removed.

2.411 Generation capacity does not include solar power like DMRC bulk against Rewa (MP);

2.412 Generation capacity excluding BTPS 22510 MW against a demand of 7016 MW. Excessive power import put system reliability at stake;

2.413 Energy billing should be made simpler.

2.414 Timely payment rebate should be given to consumers.

2.415 Levy of Various charges defeats the claim that Delhi has the lowest Tariff.

2.416 Allow collection of any amount of electricity bill through both digital modes of payment and cash payment at designated scheduled commercial bank branches only.

2.417 Cash counters at DISCOMs should be closed.

2.418 No processing fee should be charged from consumers for payment, irrespective of the bill amount.

2.419 Consumers having sanctioned load above 11 KW and/or electricity bill value more than Rs. 20000/- should mandatorily make online payments.

2.420 Consumers engaged in Theft of electricity or payment defaulters be disallowed the benefits of lower slabs in Domestic category and be charged only on the highest tariff. No rebates, subsidy or Security deposit interest be allowed to them and LPSC is charged on monthly basis.

2.421 Features like Billing Details, Service Request, Important Information Request like - Know Your Tariff and Total Energy Charges, Know Your Meter – video explaining the meter, Consumer Profile - Display Email & Contact Number of Consumer, Billing Analysis – Last 6 months' details of Billed Amount, Payment History, Consumption Pattern, Payment Centers & Schemes/ Offers Section can be configured in the E-Bill

2.422 Direct DISCOMs to take Aadhaar and PAN details at the time of giving new connection to avoid harassment of honest applicants from the recovery of dues left on the premises where a new connection is applied and also help in recovery suits filed against the actual defaulters.

2.423 The mechanism should be made by which low power factor consumers should be penalized and consumers are mandated to maintain power factor between 0.95 lag and 0.95 lead in the interest of the consumers and the overall power system. Any power factor below that should be penalized. This will encourage consumers to install capacitors of appropriate capacity and will reduce their load and consequently their bills. The whole power system will also be benefited.

2.424 Provide incentives to DISCOMs to motivate them to provide quality and reliable power.

2.425 Administrative expenditure should not be included in ARR.

2.426 6% interest against Security paid to the consumer must be shown in March bill.

2.427 High Tension light must be free.

2.428 Private PGs as well as Men and Women Hostels to be charged at Domestic Tariff like Government-run Hostels.

2.429 DISCOMs are charging higher LPSC while in return they provide only 6% interest on security deposit and that to be adjusted in future bills, which is injustice to consumers.

2.430 The Tariff of 2010-11 was finalized and agreed in the official note sheet by a majority and was to be announced on 3.5.2010. Unfortunately, both the Members declined to sign the Tariff order. Govt. of NCT Delhi sought statutory advice on DISCOM Finance on 2.5.2010.

2.431 Bad debts, incentive towards streetlight and commission on electricity duty shall be considered as non-tariff income.

2.432 Legal expenses cannot be allowed.

2.433 Timely payment to Central and State Generating Stations and Transmission Utilities.

2.434 To maintain Toll-free number for registration of grievances.

2.435 In view of 200 units free provided by Government of NCT of Delhi and half Tariff up to 400 units, this should be totally abolished and brought to General category of Consumer. Hence 20 MU sale @ Rs. 1/unit to old DVB Staff should be disallowed.

PETITIONER'S SUBMISSION

TPDDL

2.436 Tariff determination and Tariff design for all consumer categories are the sole propagative of The Commission.

2.437 Administrative and General expenses are part of the O&M expenses of Annual Revenue Requirement (ARR) of DISCOMs

2.438 The Commission in its Public notice already mentioned that they shall hold a public hearing with the stakeholders and date of hearing shall be notified separately.

2.439 Commission had clarified this issue on 31st May 2019 after due consideration of Master Plan for Delhi (MPD) 2021, the Unified Building Bye-laws for Delhi, 2016 and the judgement of High Court of Delhi dated 29th May 2003 in CWP 2710/1998 and CM 4780/2003. However, the Commission may like to decide on the same as it may deem fit.

2.440 We appreciate the suggestions given by stakeholders in the overall interest of Delhi power sector. Further, we request the Commission to consider these suggestions and to take steps to incentivize DISCOMs based on performance parameters in addition to the existing incentive mechanism.

2.441 Bill format is same as decided by the Commission.

2.442 As per guidelines of Commission, all cheques/DDs and Cash up to ₹50000 are accepted at designated scheduled commercial bank branches. All digital modes of payment are already available to the consumer and they can use any channel for making the digital payment from anywhere, without visiting collection centres/Banks. The flexibility of making payments anytime-anywhere is the basic principle of digital payments.

2.443 Many consumers prefer to make payments at DISCOMs' collection centres especially small consumers having earnings and spending in cash. Still approx. 30% consumers pay the electriricy bill through cash at collection centres, therefore it is not possible to close collection centres. However, on the basis of concentration of footfalls at the collection centre, optimization of the same is being done by us from time to time.

2.444 As per guidelines of Commission for Credit / Debit card payments above ₹5000, (Rs. 10,000 under Covid-19 period from 24th Mar to 30th Jun 20) convenience charges charged by Payment Gateways are being passed on to consumers. Since this expense is being charged by Banks/Payment Gateway on the basis of bill amount, the higher the bill amount the higher the convenience charges, therefore capping of Rs. 5000 has been kept. However, the Commission may re-consider it; whether to keep charging the convenience fee from consumer or pass on these expenses through ARR. In all other payment modes and channels, no such fee is being charged from consumers.

2.445 Suggestion on consumers engaged in Theft of electricity or payment defaulters would be welcome and in overall consumer interest.

2.446 Any suggestion like connecting consumer information with Aadhaar and pan card would be welcome and in overall consumer interest.

2.447 kVAh billing in lag as well lead mode can be introduced i.e. kVARh consumption in the leading power factor mode has to be taken into account as consumption. Introduction of kVAh metering and tariffs in lead as well lag mode will also encourage the consumers to reduce their electricity bill by ensuring that they do not draw reactive power and switch over to using efficient devices with proper power factor correctors or will install only appropriate capacitors at their premises. To ensure better quality and reliable supply of power for the consumers, it is proposed to charge even the leading power factor cases on kVAh basis so that the injection by high-end consumers (More than 30 KVA) is as per their actual requirement and proper voltage is maintained for all the consumers. It will not only be helpful and beneficial for Tata Power-DDL but also for the concerned consumers.

2.448 According to DERC (Supply Code and Performance Standards) Regulations, 2017 the interest accrued during the year is reflected and adjusted in the bill for the first billing cycle of the ensuing financial year.

2.449 High Mast lights are billed as per tariff provision in the Tariff Order.

2.450 Any such suggestion would be welcome and in overall consumer interest on Aadhaar and pan card addition.

BYPL

2.451 BYPL continuous endeavour is to provide quality and reliable supply to its consumers. However, in order to upgrade the distribution infrastructure and ensure system reliability adequate O&M and capital expenditure is required, which is to be allowed in the ARR of the DISCOM. Additionally, in terms of the provisions of the Electricity Act, 2003, determination of electricity tariff to be charged from a category of the consumer is the sole prerogative of the Commission.

2.452 With respect to the stakeholder issue, we would like to submit that matter regarding the height of the building is sub-jaundice therefore not being commented by the answering petitioner. Further, we request the Commission to deal the same matter as per its regulations.

We would like to submit that, BYPL has always focused on the reduction of AT&C losses which is evident from the aggressive loss reduction of more than 50% i.e.; from 61.89% in July'03 to below 9% as of current year. Despite this, there are still some areas with high losses and disturbing law and order situation. BYPL has its internal mechanism to deter theft/pilferage in these sensitive areas. The concerned team conducts inspection on suspected premises, videos entire proceedings and prepares the inspection report as per the provisions under the Regulations/directions by DERC. Regardless of the area's sensitivity, electricity theft has always been one of the most aggressively pursued agendas of BYPL. Apart from all this, BYPL organizes Nukkad Nataks and issue awareness bulletins to spread awareness among the consumers in the theft-prone areas. Also, theft cases are billed at penal rates (two times the applicable tariff) in line with the provisions of the Electricity Act 2003. This not only serves as a strong deterrent for dishonest consumers but also the additional revenue collected from all enforcement cases is taken into account while determining the ARR and benefits all the consumers.

2.453 The stakeholder has provided the numbers of BRPL for Power Purchase price and ABR. However, we wish to inform you that Power purchase cost is one of the components of ARR. Others being O&M expense, Depreciation, ROCE Interest on loan and carrying cost on Regulatory Assets. Therefore, it is not appropriate to compare only Power Purchase cost with the Revenue available at the existing tariff.

2.454 The commission in previous Tariff Orders has directed that in case the bill for the consumption of electricity is more than Rs 4,000/- payment for the bill shall only be accepted by the DISCOM by means of an Account Payee cheque/ DD. BYPL has been complying with the said directive of the Commission; however, considerable resistance has been faced by divisional offices/collection centres from low-income consumer groups. Further, we appreciated the concern of the stakeholder as in the current scenario of the coronavirus pandemic as well, the Government is encouraging us to go for the digitization. In view of the ground realities and current scenario, we are again requesting the Commission to enhance the limit of acceptance of cash payment for convenience of the consumers and avoid revenue loss in the ARR. In view current scenario of the coronavirus pandemic and for the safety of the Consumer and the staff of the Distribution companies, we are requesting the Commission to provide more options for the digital and hassle-free payment mechanism.

2.455 We would like to appreciate the concern raised by the esteemed stakeholder on the environmental friendly suggestion. We would like to mention that the facility of Electronic-bill is already in place to the consumers whose Email id and Phone number is registered in the Petitioner database. Further, in view current scenario of the coronavirus pandemic and for the safety of the Consumer and the staff of the Distribution companies, we are requesting the Commission to provide more options for the digital and hassle-free payment mechanism.

2.456 We appraise the concern of the stakeholder regarding other options for payments. Further, in view current scenario of the coronavirus pandemic and for the safety of the Consumer and the staff of the Distribution companies, we are requesting the Commission to provide more options for the digital and hassle-free payment mechanism.

2.457 Its tariff petition, Petitioner has also requested the Commission for the exclusion of dishonest consumer for GoNCTD subsidy. We appreciate the concerns raised by the esteemed stakeholder. Further, the determination of tariff of any class and category of the consumer is the sole prerogative of Commission.

BYPL agrees with the contention that honest consumers should not be burdened on account of dishonest consumers who are defaulting their bill payments and would like to apprise that in the event a consumer does not pay its electricity bill in full within the due date specified on the bill, a late payment surcharge (LPSC) @ 18% per annum is being levied. The LPSC is charged for the number of days of delay in receiving payment from that particular consumer until the payment is made in full. Hence, there is already a deterrent in place for such dishonest consumers. Further, BYPL is committed to ensuring that all consumers are served electricity through meters and that there are no events of theft/pilferages in its license area. To protect the interest of the honest paying consumer, we would like to inform that theft cases are billed at penal rates (two times the applicable tariff) in line with the provisions of the Electricity Act 2003. This not only serves as a strong deterrent for dishonest consumers but also the additional revenue collected from all enforcement cases is taken into account while determining the ARR of the DISCOMs. BYPL would like to submit that new connection are released as per the provisions of the Delhi Electricity Regulatory Commission (Supply Code and Performance Standards) Regulations, 2018 and on submission/availability of documents as specified.

Further, it is submitted that the suggestion of the stakeholder relates to the Supply Code Regulations and shall be dealt with appropriately by the Commission.

2.458 BYPL would like to submit that the in Delhi, there is KVAh billing for all categories of consumer other than Domestic. Hence, the provision of incentive/penalty on maintaining power factor is already inbuilt in the Tariff approved by the Commission.

2.459 Tariff applied to paying guest accommodation PGs room on rent Pvt. Boys & Pvt. Girls hostels are decided by Commission and in terms of the provisions of the Electricity Act, 2003, determination of electricity tariff to be charged from a category of the consumer is the sole prerogative of the Commission.

2.460 The Petitioner in its Petition has simply listed the fact that there was no Tariff Order for FY 2010-11 due to the stay imposed by the Hon'ble Delhi High Court.

2.461 The distribution business is a regulated business under the aegis of the Commission and the right to avail a statutory remedy is also a right guaranteed under Article 14 and 19 of the Constitution. The right to do business under Article 19 (1) (g) includes the right to avail of statutory legal remedies to protect and safeguard the business which is part and parcel of the right to do business. Moreover, the Electricity Act, 2003, allows the Petitioner the right to avail its statutory remedies under section 111 and other applicable provisions. Therefore, all prudently incurred legal expenses without any distinction should be allowed as an expense in the ARR.

Further, the Commission while determining the norms for O&M expenses in DERC (Business Plan) Regulations, 2017 has not considered legal expenses as the same shall be allowed based on prudence check at the time of true of ARR.

2.462 As regards the stakeholder's view for consideration of bad debt recovered as Non-Tariff Income, it is submitted that any amount recovered as bad debts is an energy income and have been rightly considered by the Commission as part of the revenue collected during the year. Since such income has already been considered as revenue available towards ARR, treating it as Non-Tariff Income would tantamount to double accounting of income. Therefore, the income on account of bad debts recovered is allowed to be reduced from Non-tariff income of the relevant year.

2.463 The Commission in its Order dated 05.03.2004 and 22.09.2009 while stipulating the incentive/disincentive mechanism for maintaining streetlights has stated that the incentive or disincentive would not be a pass-through in the calculation of the ARR. Further, the Commission in the Tariff Order dated 23.07.2014 had clarified that the incentive earned on account of street light maintenance shall be allowed to be retained by the Petitioner if the same is indicated separately in the audited financial statement.

2.464 The collection of electricity duty by the Petitioner is neither related nor incidental to the licensed business, hence any charges recovered against such activity cannot be considered as NTI in the ARR of the Petitioner. The responsibility for collection of electricity duty does not fall upon the Petitioner either under the Act dealing with

Distribution or under the license granted to the Petitioner by the Commission. It is an activity carried out by the Petitioner as a part of the legacy inherited by it from the erstwhile DVB. Even the erstwhile DVB carried out such functions, not as a part of its function of distribution of electricity, but under a statutory mandate of Section 3 of the Delhi Municipal Corporation (Assessment and Collection of Tax on the Consumption, sale or supply of electricity) Bye-laws 1962 ("Bye-Laws"). Hence, the activity of collection of electricity duty has nothing whatsoever to do with the functions of a distribution licensee under the Act.

2.465 Further, if the revenue realization from the collection of electricity duty does not add to the revenue collection for the purpose of 'Collection Efficiency', the income/commission on such collection earned by the Petitioner cannot form a part of the ARR as Non-Tariff income.

BRPL

2.466 Determination of electricity tariff to be charged from a consumer is the prerogative of the Commission, under Section 45 of the Electricity Act, 2003.

2.467 As regards observation made by the Stakeholder, it has been decided by High Court of Delhi in its judgment dated 29.05.2003 in CWP 2710/1998 and CM 4780/2003 in the matter of Dr B.L. Wadhera vs. Govt. of NCT of Delhi & Ors. has directed that in all high rise building in Delhi and New Delhi, fire safety measures are to be adhered to. In all high rise buildings in Delhi and New Delhi, the safety measures are to be provided.

2.468 Apart from DERC Guidelines, the building height are governed under Master Plan Delhi 2021 and unified building bye-laws of Delhi 2016.

2.469 We would like to inform you that DMRC is an Open Access consumer. Hence, DMRC's procurement from its solar power details is not part of Petitioner's ARR.

2.470 The information contained in the bills is as per formats specified by the Commission.

2.471 As regards observation made by the Stakeholder, Regarding the issue of cash limit up to Rs. 4000, the Petitioner would like to submit that the same has already been deliberated upon in the various ARR Petition.

The Commission has directed that there will be a cash limit of Rs.4000/- while accepting billing dues from consumers. This limit is also applicable in case of recovery of all types of dues including LPSC, Misuse charges, theft charges etc. The limit for accepting payment through cash by the consumers at designated scheduled commercial bank branches shall be Rs. 50,000/-

No authority in the DISCOM is permitted to waive this condition pertaining to cash collection. We expect that the Commission will give due consideration to the comments.

2.472 The stakeholder has submitted that there are already many surcharges and, therefore, any additional further surcharge is unjustified.

In this regard, it is submitted that presently two separate surcharges have been allowed for two separate and specific purposes. A surcharge of 8% has been allowed for recovery of the principal component of the huge accumulated regulatory assets. The Petitioner is financially distressed due to accumulation of regulatory assets. The Commission vide its Tariff Order dated 13.07.2012 had introduced the concept of 8% Regulatory surcharge (on fixed & energy charges) for liquidation of accumulated Revenue Gap. However, the surcharge of 8% as levied is not enough to recover even the entire carrying cost on created Regulatory Assets.

Without prejudice to the Writ Petition (C) No. 104 of 2014 filed before Hon'ble Supreme Court of India, the Petitioner requests the Commission to adjust 8% surcharge so as to ensure recovery within the time-frame specified in the amortization plan submitted before Hon'ble Supreme Court of India. Further, the Petitioner requests the Commission to allow the carrying cost on Regulatory Assets recognized till FY 2018-19 as per directions given by Hon'ble Tribunal in Appeal 153 of 2009 and O.P. 1 of 2011, through a separate surcharge.

2.473 As per Terms and conditions of Domestic Category in Tariff order dated 31.07.2019. The consumers running small commercial establishments including Paying Guest from their households having sanctioned load up to 5kW under the domestic category shall be charged domestic tariff. We would like to submit that determination of tariff and tariff categories is the sole prerogative of the Commission. However, we trust that the suggestions of the stakeholder will be appropriately considered by the Commission.

2.474 As per the provisions of Supply Code 2017, the interest accrued during the year shall be adjusted in the bill for the first billing cycle of the ensuing financial year. However, we trust that the suggestions of the stakeholder will be appropriately considered by the Commission.

2.475 Generation Capacity of BTPS put system reliability at stake: We would like to inform you that the Petitioner is committed to providing 24X7 Electricity supply to its consumers. Hence, there would not be any issue to any consumer, as far as the distribution of power is concerned. Further, we would like to inform the stakeholder that the Petitioner has been making consistent efforts to ensure quality and reliable supply of power by adhering to the performance standards as specified by the Commission. The Petitioner has been submitting reports on the Standards of Performance and Overall Performance Standards respectively to the Commission. The Petitioner endeavour has been not only to adhere to the Standards of Performance stipulated but also excel the Standards. Since Jul '02, the failure rates of distribution transformers have reduced to 0.01% (from 15% in FY 2001-02). The petitioner has also installed capacitors in its own network for reactive compensation and for better voltage profile. The faults in the sub-distribution system have reduced considerably. The Reliability Indices SAIFI, SAIDI and MAIFI are 1.63, 1.45 and 10.27 respectively in FY 2018-19.

2.476 In this regard, we respectfully wish to highlight that the stakeholder’s observation is not entirely correct. The commission in its last tariff order dated 31.07.2019 has allowed small commercial establishments including Paying Guests being run from the owner's household having load up to 5 KW to be charged at domestic tariff. The relevant para from the said tariff order is reproduced below:

"5.24 The consumers running small commercial establishments including Paying Guest from their households having sanctioned load up to 5kW under the domestic category, shall be charged as per the domestic category."

It may also kindly be noted that determination of tariff is the sole prerogative of the Commission. We are confident that the stakeholder’s plea would be duly considered by the Commission.

2.477 Benefits and concessions only for honest consumers: respondent has not elaborated exactly what kind of benefits and concessions are being referred to here. However, we agree that dis-honest consumers like those not paying their dues on time or those who resort to the unauthorized use of electricity pose an undue burden on honest consumers. This is the reason why the Petitioner has commissioned a dedicated team of enforcement professionals whose sole aim is to reduce and arrest loss occurring due to theft / unauthorized use of electricity. The Petitioner prides itself in claiming that both technical, as well as commercial losses, have been drastically reduced from over 50% at the time privatization to about 8% at present. Needless to mention, the benefit of such a drastic reduction in losses has directly benefited honest consumers by way of reduced tariff burden.

2.478 In this regard, we wish to highlight that set of identification documents/address proofs that the Petitioner can collect/demand from consumers are mandated by the provisions of the DERC Supply Code Regulations. As per the prevailing norms, both PAN and Aadhaar card are accepted but are not mandatory. The Petitioner is not at the liberty to decide which documents may be sought from consumers applying for new connections. However, we trust your suggestions in this regard will be duly considered by the Commission.

2.479 Stakeholder has highlighted the need to penalize consumers who do not maintain optimum power factor. In this regard, the Petitioner craves to highlight that such a mechanism is already in place for all three-phase consumers who are billed on kVAh tariff. A lower power factor translates to a higher unit's consumption which in turn leads to a higher bill amount. This mechanism itself tries to ensure that such consumers adopt methods to optimize the power factor in their premises.

2.480 In this regard, we wish to submit that as a responsible corporate entity, the Petitioner is well aware of the benefits (both environmental and commercial) of sending e-bills. In this regard, the Petitioner has also made a written representation before the Commission in the past. At present, any consumer of the Petitioner can request to opt for e-bill and discontinue their physical bills or may decide to continue with both formats. In this regard, it may also be noted that lakhs of consumers have already opted for e-bills and have decided to stop their physical bills. However, this is still optional for all consumers. We trust your suggestion will be duly considered by the Commission. However, while considering to make e-bills mandatory, it may also need to be considered that there may be lakhs of consumers especially in the lower economic strata who may still lack the technical resources to access e-bills.

NDMC

2.481 Quality of supply Issue Did not pertain to NDMC.

2.482 Extension of the maximum height of building Issue Did not pertain to NDMC.

2.483 Performance Standards of DISCOMs has already specified by Commission the standards of performance of the DISCOMs. DISCOMs in Delhi are already adhering to such prescribed standards of operations.

2.484 Generation capacity Issues of various stakeholders Did not pertain to NDMC.

2.485 NDMC has opened its own collection centres of Billing amount in NDMC area. However, any decision of Commission on this issue shall be acceptable.

2.486 NDMC is providing the facility to make payments as per choice of the consumers. Online payment is one of them. Due to internet related issues, consumers desire offline payment and therefore online payment cannot be made mandatory. However, in case, the Commission make it mandatory, NDMC will follow it.

COMMISSION'S VIEW

2.487 The Commission is of the view that the Consumers Security Deposits are meant for funding the working capital requirements of the Petitioner. Accordingly, the Commission is considering the notional interest earned on consumer's security deposits at the cost of Working Capital considered by the Commission for RoCE. The difference in the rate of interest for working capital & the interest on security deposit is considered as Non-tariff income of the Petitioner and the same is reduced from Aggregate Revenue Requirement (ARR) of the relevant year. Therefore, the benefit of difference in interest rates is already being passed on to the consumers in the area of Licensee.

2.488 The net LPSC (i.e., LPSC amount collected after deducting the financing cost of LPSC) forms part of Non-Tariff Income and accordingly the Commission reduces the same from ARR. Therefore, the benefit of difference in LPSC amount collected and financing cost of LPSC is being passed on to the consumers in the area of Licensee.

2.489 The Commission had followed the approach of allowing rebate based on numbers of bills raised by the distribution licensee due to continuation of a uniform provision in the tariff by retaining the existing provision of working capital. Now the Commission in its DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 has determined the requirement of the working capital based on the billing cycle. Therefore, the impact of the rebate has already been accounted for by reducing the requirement of the working capital.

A3 TRUE UP FOR FY 2018-19

BACKGROUND

3.1 The True up of FY 2018-19 shall be considered in accordance with the Provisions of *DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017* and *DERC (Business Plan) Regulations 2017.*

3.2 The Commission appointed C&AG empanelled Auditor (M/s Grewal & Singh) for Regulatory Audit of the books of Account of the Petitioner for FY 2018-19. M/s Grewal & Singh (hereinafter referred to as "Consultant") has submitted the report based on the detailed scope of work specified in Award Letter. Major areas of reconciliation under the scope of work are as follows:

(I) Reconciliation of Power purchase quantum, cost through:
  1) Long Term (Central Generating Stations & State Generating stations)
    a. Fixed Cost
    b. Variable Cost
    c. Arrears
  2) Short Term (Bilateral, Exchange, Intra DISCOM, UI etc.)
  3) Tender wise Banking transactions (opening balance, during the year, closing balance)

(II) Reconciliation of Transmission Charges
  1) Central Transmission Utility
  2) State Transmission Utility
  3) Open Access

(III) Reconciliation of Renewable Purchase Obligation vis-à-vis Actual Renewable Power with cost and quantum of Renewable Energy Certificates procured.

(IV) Monthly Reconciliation of company wise Power Purchase and Transmission Charges' payment

(V) Violation of Merit Order Dispatch Principle

(VI) Overlapping in Banking and Bilateral transactions

(VII) Contingency limit under UI

(VIII) Incentive for bulk sale of Power

(IX) Violation of cash receipt from consumers exceeding the limit

(X) Reconciliation of Category-wise Revenue Billed on account of
  a) Fixed charges

b) Energy charges
c) Theft / Misuse / Enforcement
d) PPAC
e) Load violation surcharge (Maximum Demand)
f) ToD Surcharge/ Rebate
g) Electricity Duty / Tax
h) Late Payment Surcharge (LPSC)
i) Voltage Discount, etc.

(XI) Reconciliation of Category-wise Revenue Collected
a) Electricity Duty / Tax
b) Late Payment Surcharge (LPSC)
c) Street Light Maintenance charges
d) Incentive on Street Light Maintenance charges
e) Theft / Misuse / Enforcement
f) Net Revenue

(XII) Quarterly Reconciliation of Subsidy- Actual released / adjusted by GoNCTD and passed to consumers in their electricity bills

(XIII) Monthly Reconciliation of Pension trust- Billed to DISCOMs, Paid by DISCOMs to DTL,

(XIV) Direct expenses of other business,

(XV) Revenue billed on account of Own Consumption,

(XVI) Adjustment in category wise units and amount billed with reasons for adjustment

(XVII) Reconciliation of actual details of capitalization for each quarter of the year vis-à-vis the date of in-principle approval of such capitalization by the Commission

(XVIII) Related party transactions

(XIX) Inter DISCOM fund transfer

(XX) Means of Financing for Capitalization, Working capital & Accumulated Revenue Gap through:
a) Equity
b) Debt
c) Consumer Contribution
d) Grant etc.

(XXI) Prudency of Cost of Debt Financing

(XXII) Hedging policy and Hedging Cost incurred

(XXIII) Computation of Weighted Average Rate of Interest excluding penal interest, if any, on Loans availed for:
(a) Capitalisation

(b) Working Capital
(c) Accumulated revenue Gap

(XXIV) Reconciliation of Net-worth as per Regulatory provisions and as per audited financial statement

(XXV) Reconciliation of Debtors and Computation of Collection Efficiency

(XXVI) Actual O&M expenses :
(a) Employee
(b) Administrative & General
(c) Repair & Maintenance

(XXVII) Actual Other expenses

(XXVIII) Reconciliation of Non Tariff Income as per regulatory provisions and other income including open access charges billed and collected from the consumers as per audited financial statement

(XXIX) Compliance of all directives issued by the Commission from time to time

3.3 The report of the Consultant has been considered appropriately by the Commission in True up of various parameters of ARR for FY 2018-19 submitted in Petition by the Petitioner in accordance with the principles laid down under *DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017* and *DERC (Business Plan) Regulations, 2017*.

3.4 The Petitioner has submitted the Petition for True-up of FY 2018-19, Revised ARR for 2019-20 and ARR for FY 2020-21 which was further revised by the Petitioner due to COVID-19.

3.5 Accordingly, the Commission has considered the revised Petition in the Tariff Order.

3.6 In this Chapter, the Commission has analyzed the true up of ARR for the Petitioner for FY 2018-19 in accordance with the principles laid down under *DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017* and *DERC (Business Plan) Regulations, 2017*.

ENERGY SALES

PETITIONER'S SUBMISSION

3.7 The Petitioner has submitted category-wise energy sales data for FY 2018-19. The actual energy sales for FY 2018-19 are compared against the approved energy sales of 1412.67 MU. The energy sales decreased marginally in comparison to approved sales in 2018-19 as shown in the table below:

Table 3. 1: Petitioner submission – Category-wise Sales for FY 2018-19 (MU)

Sr. No.	Category	Approved in Tariff Order dated 28/03/2018	Actual
1	Domestic	277.20	224.50
2	Non-domestic		
2.1	(i) NDLT	272.24	1070.05
2.2	(ii) Mixed Load	781.49	
3	Small Industrial Power	0.05	0.03
4	Public Lighting	7.87	7.07
5	DMRC	62.09	40.97
6	Others	11.74	14.57
	Total	1412.67	1357.19

COMMISSION'S ANALYSIS

3.8 The Consultant has verified the category-wise sales data from the Petitioner's Form 2.1a for each month of FY 2018-19. The consumption of all temporary connected consumers is included in respective category. There is difference of 2.10 MU between the Petition submitted by NDMC to the Commission and as worked out by the Consultant. The energy billed during FY 2018-19 has increased from 1253.22 MU in FY 2017-18 to 1355.12 MU in FY 2018-19.

3.9 Accordingly, the Commission has trued up category wise energy sales for FY 2018-19 indicated in the table as follows:

Table 3. 2: Commission Approved -Energy Sales for FY 2018-19 (MU)

Sr. No.	Consumer Category	Approved
1	Domestic	226.75
2	Non Domestic	
	(I) NDLT	346.04
	(II) Mixed Load	734.08
3	Small Industrial Power	0.03
4	Public Lighting	7.12
5	Others	0.13
6	DMRC	40.97
7	Temporary	0
Total		**1355.12**

REVENUE FROM ENERGY SALES

PETITIONER'S SUBMISSION

3.10 The Petitioner has submitted that the Revenue billed for FY 2018-19 against the sales achieved by the utility is consolidated from the Form 2.1(a) and is submitted as below:

Table 3. 3: Petitioner Submission-Revenue Billed for FY 2018-19 (Rs. Cr.)

Sr.No.	Particulars	Actual
1	Revenue Billed excluding Electricity tax	1303.67
2	E-tax billed	66.91
3	Revenue Billed (including Electricity Tax and including Surcharge)	1370.57
4	Total Revenue Collected including E-Tax	**1325.07**

3.11 The Petitioner submitted that the organization Is not registered under Company Act and thus the reports are not audited by Chartered Accountants. All the reports are audited first internally and subsequently by CAG. Owing to this, the Petitioner will not be able to furnish Auditor's Certificate and requests the Commission to accept this submission.

COMMISSION'S ANALYSIS

3.12 The Consultant has verified revenue billed from Form 2.1a submitted by the Petitioner in the Tariff Petition. Earlier as per Tariff Schedule for FY 2017-18, billing of certain categories like Non-Domestic Low Tension (upto 10 kW), Public Lighting were charged on the basis of kWh which was subsequently changed by the Commission from kWh to kVAh in Tariff Schedule for FY 2018-19 vide its Tariff Order dated 28/03/2018. It is observed that the Petitioner has still raised the energy consumption bills of Non-Domestic, Small Industrial Power and Public Lighting on 'kWh' basis instead of 'kVAh' basis as per the Tariff Schedule approved by the Commission for the period FY 2018-19. The Consultant has identified month-wise number of such consumers and has calculated Rs.12.29Cr.shortfall on account of under billing to such consumers. Accordingly, the Commission has added the amount of Rs. 12.29Cr.under revenue billed. The break-up of the same is as follows:

Table 3. 4: Category: Non-Domestic (under billing for FY 2018-19) –(A)

Bill Cycle	No. of consumers	Units as per kWh	Power Factor	Calculated kVAh	Difference (in units)	Rate/kVAh (in Rs.)	Energy Charges short billed(Rs.)	E-Tax (Rs.)	Total Short billedAmount (Rs.)
Apr	17187	19882963	0.96	20711420	828457	8.00	6627654	331383	6959037
May	17210	22320478	0.96	23250498	930020	8.00	7440159	372008	7812167
Jun	17151	26306621	0.96	27402730	1096109	8.00	8768874	438444	9207317
Jul	17134	27258676	0.96	28394455	1135778	8.00	9086225	454311	9540537
Aug	17162	26501377	0.96	27605601	1104224	8.00	8833792	441690	9275482
Sep	16964	25647247	0.96	26715883	1068635	8.00	8549082	427454	8976537
Oct	15386	22607454	0.96	23549431	941977	8.00	7535818	376791	7912609
Nov	13326	19446361	0.96	20256626	810265	8.00	6482120	324106	6806226
Dec	8900	1423,756	0.96	14827871	593115	8.00	4744919	237246	4982165
Jan	7035	11257,678	0.96	117267373	4690695	8.00	37525559	1876278	39401837
Feb	9516	13813520	0.96	14389083	575563	8.00	4604507	230225	4834732
Mar	11516	15447686	0.96	16091339	643654	8.00	5149229	257461	5406690
Total					**14418492**				**121115336**

Table 3. 5: Category: Small Industrial Power (under billing for FY 2018-19) –(B)

Bill Cycle	No. of consumers	Units as per kWh	Power Factor	Calculated kVAh	Difference (in units)	Rate/kVAh (in Rs.)	Energy Charges short billed(Rs.)	E-Tax (Rs.)	Total Short billedAmount (Rs.)
Apr	1	2291	0.96	2386	95	7.25	692	35	727
May	1	2393	0.96	2493	100	7.25	723	36	759
Jun	1	2295	0.96	2391	96	7.25	693	35	728
Jul	1	2210	0.96	2302	92	7.25	668	33	701
Aug	1	2049	0.96	2134	85	7.25	619	31	650
Sep	1	3022	0.96	3148	126	7.25	913	46	959
Oct	3	2695	0.96	2807	112	7.25	814	41	855
Nov	3	2700	0.96	2813	113	7.25	816	41	856
Dec	4	1963	0.96	2045	82	7.25	593	30	623
Jan	2	2178	0.96	2269	91	7.25	658	33	691
Feb	1	1863	0.96	1941	78	7.25	563	28	591

Bill Cycle	No. of consumers	Units as per kWh	Power Factor	Calculated kVAh	Difference (in units)	Rate/kVAh (in Rs.)	Energy Charges short billed(Rs.)	E-Tax (Rs.)	Total Short billedAmount (Rs.)
Mar	2	930	0.96	969	39	7.25	281	14	295
Total					**1108**				**8434**

Table 3. 6: Category: Public Lighting (under billing for FY 2018-19) –(C)

Bill Cycle	No. of consumers	Units as per kWh	Power Factor	Calculated kVAh	Difference (in units)	Rate/kVAh (in Rs.)	Energy Charges short billed(Rs.)	E-Tax (Rs.)	Total Short billed Amount(Rs.)
Apr	71	567696	0.96	591350	23654	5.75	136011	6801	142811
May	71	541527	0.96	564091	22564	5.75	129741	6487	136288
Jun	67	480536	0.96	500558	20022	5.75	115128	5756	120885
Jul	67	620080	0.96	645917	25837	5.75	148561	7428	155989
Aug	66	526624	0.96	548567	21943	5.75	126170	6309	132479
Sep	67	656770	0.96	684135	27365	5.75	157351	7868	165219
Oct	66	574831	0.96	598782	23951	5.75	137720	6886	144606
Nov	66	565121	0.96	588668	23547	5.75	135394	6770	142163
Dec	63	586967	0.96	611424	24457	5.75	140628	7031	147659
Jan	65	643915	0.96	670745	26830	5.75	154271	7714	161985
Feb	60	680661	0.96	709022	28361	5.75	163075	8154	171229
Mar	53	672642	0.96	700669	28027	5.75	161154	8058	169212
Total					**296557**				**1790463**
Total (A+B+C)					**14716157**				**Rs. 12.29 Crore**

3.13 The Regulation 23(2) & 23 (3) of DERC (Business Plan) Regulations, 2017 provides as below:-

"23

(2) The Distribution Licensees shall be allowed own (Auxiliary) consumption, at Zero Tariff for actual recorded consumption subject to a maximum of 0.25% of total sales to its retail consumers for the relevant financial year as part of O&M expenses for the relevant year:

(3) Actual recorded own (Auxiliary) consumption in excess of 0.25% of total sales to its retail consumers for the relevant financial year, shall be billed at Non Domestic Tariff of respective year's Tariff Schedule and shall form part of revenue billed and collected for the same year."

3.14 The Commission observed that the Petitioner has billed the self consumption at non-domestic tariff against zero-tariff as stated at Regulations 23(2) of DERC (Business Plan) Regulations, 2017. The own auxiliary consumption for FY 2018-19 of the Petitioner as verified by the Consultant is within the normative limit of 0.25% of total sales. Accordingly, the Commission has deducted Rs. 1.49 Cr. from the billed revenue of the Petitioner on account of self consumption billed by the Petitioner at non-domestic tariff.

3.15 In view of above, the Commission has Trued up Revenue Billed for the Petitioner for FY 2018-19 as follows:

Table 3. 7: Commission Approved -Revenue Billed for FY 2018-19 (Rs. Cr.)

Sr. No.	Category	Approved by the Commission
A	Domestic	171.87
B	Non-domestic	1,143.92
C	Small Industrial Power	0.03
D	Public Lighting	4.99
E	Others	30.31
F	DMRC	13.89
G	Temporary	(0.36)
H	JJ Cluster	0.31
I	Total Revenue billed including E-Tax	1,364.95
J	E- Tax Revenue billed	67.26
K	Revenue billed without E- tax	1,297.70
L	Less: Self Consumption	1.49
M	Net Revenue Billed excluding under billing on account of kVAh billing	**1296.21**

Sr. No.	Category	Approved by the Commission
N	Add: Under billing on account of kVAh billing	12.29
O	Net Revenue Billed including under billing on account of kVAh billing	1308.50

DISTRIBUTION LOSS AND COLLECTION EFFICIENCY

PETITIONER'S SUBMISSION

3.16 The Petitioner has submitted its AT&C Loss achievement against the AT&C loss target approved by the Commission vide its Tariff Order for FY 2018-19 as below :

Table 3. 8: Petitioner Submission-AT&C Loss for FY 2018-19

Particulars	Approved in Tariff Order for FY 2018-19	Actual
AT&C Loss	10.90%	9.27%

3.17 The Petitioner has submitted that the revenue collected and revenue billed (excluding E. Tax) for FY 2018-19 is tabulated as below:

Table 3. 9: Petitioner Submission- Revenue Realized and Revenue Collected for FY 2018-19

Sr. No.	Particulars	UOM	Actual
1	Revenue Billed	Rs. Cr	1370.57
2	Revenue Realized	Rs. Cr	1325.07
3	Collection Efficiency	%	96.68

3.18 The Petitioner has submitted that the Revenue Billed includes Fixed Charges, Energy Charges, Other Charges and PPAC Amount. Additionally, the Petitioner has also submitted the Actual Revenue Billed excluding Electricity Tax amount. Therefore, the total Revenue Billed as per Form 2.1(a) (including E-tax) is Rs.1370.57 Cr. Against the same, the revenue collected is Rs 1325.07 Cr. The AT&C losses are determined on revenue billed and collected excluding the electricity tax.

3.19 The Petitioner has submitted distribution loss of 6.15% for FY 2018-19. The Petitioner has submitted the detailed calculation of its AT&C Losses as below.

Table 3. 10: Petitioner Submission-Determination of AT&C Loss for FY 2018-19

Sr. No.	Particulars	Unit	Actual
1	Energy Input at NDMC Periphery	MU	1446.18
2	Units Billed	MU	1357.19
3	Amount Billed	Rs. Cr.	1370.57
4	Average Billing Rate	Rs./unit	10.10
5	Distribution Loss	%	6.15%
6	Amount Collected	Rs. Cr.	1325.07

Sr. No.	Particulars	Unit	Actual
7	Collection Efficiency	%	96.68%
8	Units Realized	MU	1312.14
9	AT&C Loss Level	%	9.27%

COMMISSION'S ANALYSIS

3.20 The Commission vide its Email dated 11/03/2020 had directed Petitioner and SLDC to reconcile and submit the signed joint statement for Energy Input at Petitioner's periphery. SLDC vide its Email dated 11/03/2020 has submitted the Energy Input at Petitioner's periphery as 1430.18MU. Accordingly, the Commission has computed the Distribution Loss for the Petitioner as follows:

Table 3. 11: Commission Approved –Distribution Loss for FY 2018-19

Sr. No.	Particulars	Unit	Actual	Remarks
A	Energy Input at Petitioner Periphery	MU	1430.18	As per SLDC
B	Units Billed	MU	1355.12	Table 3. 2
C	Distribution Loss	MU	75.07	C=A-B
D	Distribution Loss	%	5.25%	D=C/A*100

3.21 Regulation 159 & 161 of DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 states:

> "*159.*The *Financial impact on account of over achievement or under achievement of distribution loss target shall be computed as under:*
> *Incentive or penalty = Q1*(L1-L2)*P*10^6*
> *Where,*
> *Q1 = Actual Quantum of energy Purchased at Distribution periphery.*
> *L1 = Distribution Loss Target in %*
> *L2 = Actual Distribution Loss in %*
> *P = Trued up Average Power Purchase Cost (APPC) per unit at distribution periphery in (Rs./KWh)."*
>
> *"161 Any financial impact on account of underachievement with respect to Distribution Loss targets shall be to the Distribution Licensee's account"*

3.22 The Regulations 25 (1) of DERC (Business Plan) Regulations, 2017 provides as follows:-

> *"(1) The Distribution Loss target in terms of Regulation 4(9) (a) of the DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 for the Distribution licensees*

shall be as follows:

Target for Distribution Loss for the Control Period

Distribution Licensee	***2017-18***	***2018-19***	***2019-20***
New Delhi Municipal Council	*10.30%*	*9.63%*	*9.00%*

3.23 The Regulation 25(1) of DERC (Business Plan) Regulations, 2017 has specified the Distribution Loss Targets for the Petitioner for FY 2018-19 at 9.63%. The Regulation 25(2) of DERC (Business Plan) Regulations, 2017 states that the amount for overachievement/ underachievement on account of Distribution Loss target shall be computed as per formula specified in the Regulation 159 of the DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 for the Distribution Licensee.

3.24 It is observed that actual Distribution loss achieved by the Petitioner is lower than the Distribution loss target for FY 2018-19, therefore, the Commission has computed the financial impact on account of overachievement of Distribution loss for FY 2018-19 as follows:

Table 3. 12: Commission Approved: Incentive for overachievement of Distribution Loss for FY 2018-19

Sr. No.	Particulars	UOM	Approved
A	Distribution Loss Target in Previous Year	%	10.30%
B	Distribution Loss Target in Current Year	%	9.63%
C	Actual Distribution Loss	%	5.25%
D	50% of (A-B)	%	0.34%
E	Distribution Loss Target – D	%	9.30%
F	Actual Energy Input at NDMC Periphery	MU	1430.18
G	Average Power Purchase Cost	Rs./kWh	6.64
H	Total Incentive [(B-C)*F*G/10]	Rs. Cr.	41.61
I	NDMC Share 1 of incentive (less than loss target-50%*(A-B)	Rs. Cr.	1.06
J	NDMC Share 2 of incentive (more than loss target-50%*(A-B)	Rs. Cr.	25.62
K	Total incentive to NDMC	Rs. Cr.	26.68
L	Incentive to Consumer	Rs. Cr.	14.93

3.25 The Consultant has computed Revenue collected as Rs. 1317.30 Cr. including electricity duty based upon the Form 2.(1)a of the Petitioner. The Petitioner has collected Rs. 56.35 Cr. on account of Electricity Tax, Rs. 1.49 Cr. on account of Self Consumption and Rs. 0.02 Cr. on account of Additional 8% Surcharge. Accordingly, the revenue collected excluding Electricity Tax, Additional 8% Surcharge and Self consumption is Rs. 1259.45 Cr. Consequently, it is observed that Collection efficiency achieved by the Petitioner is lower than the Collection efficiency target for FY 2018-19 as brought out at Para Table 3.13 below.

3.26 Regulations 163 & 164 of DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 stipulates as under:

The financial impact on account of over or under achievement of Collection Efficiency target shall be computed as under:

*Incentive or (Penalty) = (C1-C2)*Ab*
Where,

*C1 (Actual Collection Efficiency) = [Ar/Ab]*100*
Ar= Actual amount collected excluding electricity duty, late payment surcharge, any other surcharge in Rs. Cr.;
Ab= Actual amount billed excluding electricity duty, late payment surcharge, any other surcharge in Rs. Cr.;
C2= Target Collection Efficiency in %;

164. Any financial impact on account of underachievement less than the target and overachievement above 100% with respect to Collection Efficiency targets shall be to the Licensee's account:
Provided that any financial impact on account of over achievement over and above the target and limited to 100% with respect to Collection Efficiency targets shall be shared as per the mechanism indicated in the Business Plan Regulations of the Control Period.

3.27 Therefore, the Commission has computed the financial impact on account of underachievement of collection efficiency for FY 2018-19 as follows:-

Table 3. 13: Commission Approved Penalty for Underachievement of Collection Efficiency for FY 2018-19

Sr. No	Particulars	UOM	Approved	Remarks
A	Actual Revenue/amount Billed (excl Electricity Duty, Self Consumption and under billing on account of kVAh billing)	Rs. Cr.	1308.50	Table 3. 7
B	Actual Revenue/amount collected excluding Electricity duty	Rs. Cr.	1259.45	Para 3.25
C	Collection Efficiency	%	96.25%	B/A
D	Target Collection Efficiency	%	99.50%	BPR Regulations, 2017

Sr. No	Particulars	UOM	Approved	Remarks
E	Revenue to be collected @99.50% collection efficiency	Rs. Cr.	1301.95	A*D
F	Financial impact on account of Underachievement due to collection efficiency	Rs. Cr.	(42.51)	B-E

3.28 As per Directive 6.5 of Tariff Order 2018-19, the Commission has allowed cash payment exceeding Rs.4000/- from only blind consumers, court settlement cases and payment deposited by the consumers at designated scheduled commercial bank branches. The Consultant has submitted in its report that it was noticed that NDMC during FY 2018-19 has accepted cash transactions above Rs. 4000/- from consumers in variation to the above mentioned direction. Accordingly, the Commission has considered the penalty of Rs.0.02 Cr. provisionally on account of cash transaction above Rs. 4000/-. The details of number of consumers and amount accepted during FY 2018-19 are as below:

Table 3. 14: Amount collected in Cash (Rs. Cr.)

No. of Consumers	Amount Paid exceeding Rs. 4,000	Penalty
326	0.175	0.0175

3.29 Accordingly, the Commission has approved the revenue available towards ARR for FY 2018-19 excluding electricity tax as below:

Table 3. 15: Commission Approved Revenue Available Towards ARR for FY 2018-19 (Rs. Cr.)

Sr.No	Particulars	Approved	Remarks
A	Revenue Realized (excluding E. Tax, Additional 8% surcharge and Self consumption)	1259.45	Para 3.25
B	Add: Incentive for over achievement of distribution loss	(26.68)	Table 3. 12
C	Add: Penalty for under achievement of Collection efficiency	42.51	Table 3. 13
D	Add: Penalty on account of Cash transactions	0.02	Table 3. 14
E	Total revenue available towards ARR for (Excluding Electricity Tax, Additional 8% surcharge and self consumption)	1275.29	Sum (A:D)

IMPROPER ENERGY ACCOUNTING

3.30 The Commission has appointed M/s MITCON Consultancy and Engineering Services Ltd. for conducting Energy Audit of NDMC. Based on the presentation delivered by the Auditor on 18/08/2020 on HT level of Energy Audit of NDMC, it was pointed out by the Consultants that there is improper energy accounting for FY 2018 for the months of September, 2018 to November, 2018 and January, 2019, the Sale is more than the Energy Purchased. Month-wise Energy Purchased, Sale and T&D Loss for FY 2018-19 is as follows:

Table 3. 16: Improper Energy Accounting for FY 2018-19

Sr.No.	Month	Net Purchase (MU)	Energy Sale (MU)	Difference (MU)	T&D Loss (%)
1	April, 2018	122.91	87.62	35.28	28.71
2	May, 2018	153.97	104.78	49.19	31.95
3	June, 2018	168.03	128.79	39.24	23.35
4	July, 2018	165.22	140.85	24.37	14.75
5	August, 2018	156.26	139.53	16.73	10.71
6	September, 2018	133.67	137.26	-3.59	-2.69
7	October, 2018	111.45	113.97	-2.51	-2.26
8	November, 2018	82.99	96.82	-13.83	-16.66
9	December, 2018	91.85	71.78	20.07	21.85
10	January, 2019	103.29	170.43	-67.14	-65.00
11	February, 2019	85.95	85.58	0.38	0.44
12	March, 2019	86.76	79.93	6.84	7.88

3.31 Further, based on the data submitted by NDMC in the Tariff Petitions filed by them for True up of FY 2014-15, FY 2015-16, FY 2016-17, 2017-18 and 2018-19, the Energy Input and Distribution Loss is tabulated as below:

Table 3. 17: Distribution Loss for past period

Sr.No.	Particulars	Actual Numbers as per True-up Petitions filed by NDMC				
		FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19
1	Energy Input (MU)	1452.33	1448.18	1469.29	1481.76	1446.18
2	Units Billed (MU)	1312.60	1302.13	1312.44	1257.17	1357.19
3	Distribution Loss (%)	9.62%	10.09%	10.68%	15.43%	6.15%

3.32 From the above table, wide variation in Distribution Losses has been observed which is due to improper energy accounted as pointed out by the Energy Auditor as well. Accordingly, the Commission has provisionally allowed the incentive on account of Distribution Losses for FY 2018-19 subject to detailed submission on above observation of improper energy accounting within a month from the date of receipt of Tariff Order by NDMC.

POWER PURCHASE QUANTUM

PETITIONER'S SUBMISSION

3.33 The Petitioner has allocations of power from Dadri TPS, Badarpur TPS and Pragati Stations. The Petitioner has requested the Commission to allow the actual gross power purchase quantum as follows:

Table 3. 18: Petitioner Submission - Power Purchase Quantum for FY 2018-19 (MU)

Sr. No.	Particulars	Actual
1	Power Purchase from Central Stations	567.70
2	Interstate Transmission Losses	9.37
3	Net Power Purchase from Central Stations	558.33
4	Power Purchase from State Stations	881.43
5	DMSWSL and EDWPCL	6.29
6	Power Purchase from Short Term Sources including ST Renewable	275.22
A	Gross Power Purchase (3+4+5+6)	**1721.27**
7	Intra State Transmission Loss	15.84
B	Net Power Available at NDMC Periphery(A-7)	**1705.43**
8	Sale of Surplus Power	259.28
C	Net Power available for Retail Sales (B-8)	1446.15

3.34 The Petitioner has submitted that in FY 2018-19 they have drawn long term power from Central Stations viz. Dadri TPS and intra state generating stations viz. Badarpur, Pragati Power Stations (Pragati I and CCGT Bawana). The Petitioner has also sourced power from Renewable sources (DMSWSL, EDWPCL) and grid connected and net metering solar installations. The average inter-state transmission losses and intra-state losses have been considered at 1.65% and 0.92% respectively. The Petitioner requested the Commission to consider the actual values of such losses.

3.35 The Petitioner has submitted that currently no payments are being made toward solar power procured from the generating units/net metering units located within license area. However, the Petitioner requested the Commission to allow recovery of payments made towards such purchases as and when actual payments are made towards the same in future year(s).

3.36 The Petitioner has submitted that the details of actual power drawn from each of the sources of generation is provided in the appropriate formats specified by the Commission. The Petitioner requests the Commission to kindly consider the actual purchase and approve the same for the purpose of truing up.

COMMISSION'S ANALYSIS

3.37 The Consultant has verified the power purchase quantum based on the bills raised by various Generating stations and short term power procured by the Petitioner during FY 2018-19. Based on the inputs of the Consultant, the Commission approves Power Purchase Quantum from Long-Term Sources Station Wise (MU) and Short Term Power Purchase and Sales as follows:

Table 3. 19: Commission Approved- Power Purchase Quantum for FY 2018-19 (MU)

Sr. No.	Particulars	Approved
1	Power Purchase from Central Stations	567.70
2	Interstate Transmission Losses	9.37
3	Net Power Purchase from Central Stations	558.33
4	Power Purchase from State Stations	881.44
5	DMSWSL and EDWPCL	6.29
6	Power Purchase from Short Term Sources	265.82
7	Gross Power Purchase	1705.59
8	Intra State Transmission Loss	15.69
9	Net Power Purchase at NDMC Periphery	1696.13
10	Sale of Surplus Power	259.25
11	**Net Power Purchase for Retail Sales**	**1436.88**

COST OF LONG TERM POWER PURCHASE

PETITIONER'S SUBMISSION

3.38 The Petitioner submitted the cost of long term power purchase for FY 2018-19 and requested the Commission to approve the cost as per table below:

Table 3. 20: Petitioner Submission - Cost of Power Purchase from Long Term Sources for FY 2018-19

Sr. No.	Particulars	Power Purchase (MU)	Power Purchase Cost (Rs.Cr.)	Average Rate (Rs./kWh)
1	Dadri TPS	567.70	287.20	5.06
2	Badarpur TPS	234.63	134.88	5.75
	Arrears			
3	Pragati I	436.42	266.30	6.10
4	Pragati III- CCGT Bawana	210.38	146.22	6.95
5	DMSWSL	5.63	3.96	7.03
6	EDWPCL*	0.66	-	-
	Total	**1455.42**	**838.56**	**5.76**

**No payment has been made to the generator in FY 2018-19. The order regarding allocation and tariff for the station has been notified in Case 27/2018 on Nov 2, 2018*

COMMISSION'S ANALYSIS

3.39 The Consultant has verified the power purchase cost based on the bills raised by various Generating stations for power procured from long term sources by the Petitioner during FY 2018-19 and payment made by the Petitioner. Accordingly, the Commission approves the long term power purchase as follows for FY 2018-19:

Table 3. 21: Commission Approved Long Term Power Purchase cost for FY 2018-19

Sr. No.	Source	Quantum (MU)	Amount (Rs. Cr.)	Average Rate (Rs/kWh)
A	**Central Generating Stations (CGS)**			
i.	Dadri TPS	567.70	287.69	5.07
ii.	Badarpur TPS	234.63	119.46	5.09
iii.	Arrears (NTPC)		17.12	
iv.	Gross CGS	802.33	424.26	5.29
v.	Less Rebate		(9.11)	
vi.	Total CGS (including BTPS)	802.33	415.15	5.17
B	**State Generating Stations**			
i.	Pragati I	436.415	266.21	6.10
ii.	Pragati III- CCGT Bawana	210.39	146.32	6.95
iii.	Less Rebate		(8.32)	
iv.	Net Pragati	646.80	404.20	6.25
C	**Total Power Purchase (A+B)**	**1449.13**	**819.35**	5.65
D	DMSWSL	5.63	3.96	7.03
E	EDWPCL	1.08	0.34	3.15
F	Total Power Purchase	1455.84	823.65	5.66

SHORT TERM POWER PURCHASE AND SALE

PETITIONER'S SUBMISSION

3.40 The Petitioner has requested the Commission to approve the cost of Short Term Power Purchase and Revenue from Short Term Power Sale as tabulated below.

Table 3. 22: Petitioner Submission - Short Term Power Purchase and Sale for FY 2018-19

Sr. No.	Particulars	Quantum MU	Amount (Rs. Cr.)	Average Rate (Rs./kWh)
1	Bilateral	195.77	104.70	5.35
2	Banking	-	-	-
3	IDT	3.22	0.77	2.40
4	UI	33.21	11.84	3.56
5	IEX	33.61	13.64	4.06
6	PXIL	-	-	-
7	SOLAR*	-	-	-
	Total Purchases	**265.82**	**130.95**	**-**
1	Bilateral	57.27	22.21	3.88
2	Banking	-	-	-
3	IDT	4.39	1.20	2.72
4	UI	46.24	10.38	2.24
5	IEX	151.38	57.18	3.78
6	PXIL	-	-	-

Sr. No.	Particulars	Quantum	Amount	Average Rate
		MU	(Rs. Cr.)	(Rs./kWh)
	Total Sales	**259.28**	**90.95**	-

3.41 The Petitioner has submitted to consider information regarding short term power purchase and sale as follows:

(a) Bilateral Sales/Purchase (Magpie-Attawatto, Magpie-Tanmarg, Brenwar, ADHPL, APPCC, Dikchu(SKPPL), KPCPL, etc.), Exchange related quantum and purchase have been accounted for the FY based on the bills paid during the Financial year.

(b) IDT purchases/sales- the units purchased/sold are considered for the financial year only. The amounts towards such purchases have been considered as billed/paid during the year.

(c) UI Sales/purchase – The Petitioner has submitted that although the billing for certain months is made after the financial year has completed however at the time of truing up, the entire sales/purchase and UI quantum is available through SLDC. Accordingly, the Petitioner has submitted the entire quantum of sales/purchases and corresponding amount realised/likely to be realised from such transactions on accrual basis for FY 2018-19.

(d) Solar RPO Obligation: NDMC envisages procurement of Solar power from various sources within its license area through net metering. The Petitioner in FY 2018-19 has tied up short term solar power to the extent of ~55 MW from APPCC and accordingly, it plans to procure incremental solar power in the ensuing year 2019-20 from such sources.

COMMISSION'S ANALYSIS

3.42 The Consultant has verified the power purchase cost based on the bills raised by various parties for power procured/sold from short term sources during FY 2018-19. Accordingly, the Commission approves the short term power purchase & sale as follows for FY 2018-19:

Table 3. 23: Commission approved Short Term Power Purchase for FY 2018-19

Sr. No.	Particular	Power (MU)	Amount (Rs. Cr.)	Average Rate (Rs./kWh)
A	Bilateral	195.77	101.75	5.10
B	Exchange	33.61	13.92	4.14
C	Banking	-	-	-
D	IDT	3.22	0.77	2.40
E	UI	33.21	11.84	3.56
F	**Total short Term Purchase**	**265.82**	**128.28**	

Table 3. 24: Commission approved Short Term Power Sale for FY 2018-19

Sr. No.	Particular	Power (MU)	Amount (Rs. Cr.)	Average Rate (Rs./kWh)
A	Bilateral	-	-	-
B	Exchange	208.61	73.93	3.54
C	Banking	-	-	-
D	IDT	4.39	1.20	2.72
E	UI	46.24	10.38	2.10
F	DTL reactive energy	-	-	-
G	**Total short Term revenue from sales**	**259.24**	**85.50**	

3.43 Further, Regulation 28 of DERC (Business Plan) Regulations, 2017 specifies as follows:

"28 Contingency Limit for Sale of Power through Deviation Settlement Mechanism (Unscheduled Interchange Charges)

(1) The Contingency Limit for disposing off of Power through Deviation Settlement Mechanism in terms of the Regulation 152 (c) of the DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 from FY 2017-18 to FY 2019-20 of the Distribution Licensees shall be 5% of Net Power Procured by the Distribution Licensee for the relevant month.

(2) In case the Distribution Licensee disposes off more than 5% of the net Power procured by the Licensee for the relevant month through Deviation Settlement Mechanism (Unscheduled Interchange Charges) than the rate of realisation through UI shall be considered at the average rate of power purchase/sale through exchange during same month for Delhi region.

3.44 The Commission has observed that the Petitioner has disposes off more than 5% of the net Power procured for the relevant month through Deviation Settlement Mechanism (Unscheduled Interchange Charges). Accordingly, the Commission in terms of the Regulation 152 (c) of the DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 and Regulation 28 of DERC (Business Plan) Regulations, 2017 has considered the net power sold more than 5% of power procured at the average rate of power purchase/ sale through exchange during same month. Accordingly, the Commission has deducted Rs. 0.92 Cr. on account of disposing off more than 5% of the Net power procured by the Petitioner of the relevant months through Deviation Settlement Mechanism. The details of sale of power in UI for more than 5% is as follows:

Table 3. 25: Commission Approved: Sale of Power in UI above 5%

Month	Total Power Purchase excluding UI (MUs)	UI Sale (MU)	%	UI Sale above 5% (MU)	IEX Avg. Rate (Rs./MWh)	UI Rate (Rs./Mwh)	Difference in Rate (Rs.) (E-F)	Difference Amount (Rs. Cr.) (E*H)/10^7
A	B	C	D	E	F	G	H	I
April	130.6189	7.3420	5.62%	0.8111	3972.72	2374.95	1597.77	0.13
May	172.8231	8.8135	5.10%	0.1723	5030.69	2775.72	2254.97	0.04
September	167.1647	10.8376	6.48%	2.4794	4689.80	2580.62	2109.18	0.52
March	78.7899	5.01644	6.37%	1.0769	3057.33	899.32	2158.01	0.23
Total					**16750.54**	**8630.61**	**8119.93**	**0.92**

REBATE ON POWER PURCHASE AND TRANSMISSION CHARGES

PETITIONER'S SUBMISSION

3.45 No information has been submitted by the Petitioner in the Petition.

COMMISSION'S ANALYSIS

3.46 The Regulation 119, 125 & 138 of DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 provides as follows:

"119 Distribution Licensee shall be allowed to recover the net cost of power purchase from long term sources whose PPAs are approved by the Commission, assuming maximum normative rebate available from each source, for supply to consumers."

"125. The Distribution Licensee shall be allowed to recover net transmission and load despatch charges payable to the Transmission Licensees (Central

Transmission Utility, State Transmission Utility etc.) and System Operators (Regional Load Despatch Centre, State Load Despatch Centre etc.) for access to and use of the interstate transmission system, intra-state transmission system and availing load despatch services assuming maximum normative rebate available from each source for payment of bills in accordance with the tariffs approved from time to time by CERC and appropriate State Commissions, as the case may be.”

“138 For payment of bills of the generating entity and the transmission licensee through letter of credit on presentation or through NEFT/RTGS within a period of 2 days of presentation of bills by the generating entity or the transmission licensee, a rebate of 2% shall be allowed :

Provided that in case payments are made on any day after 2 days and within a period of 30 days of presentation of bills by the generating entity or the transmission licensee, a rebate of 1% shall be allowed.”

3.47 The Consultant has verified the rebatable amount on power purchase cost and computed rebate of Rs. 17.53 Cr. based on maximum normative rebate available. The maximum rebate on transmission charges along with Traders rebate has been computed as Rs. 3.27 Cr. Therefore, the total rebate of Rs. 20.80 Cr. on Power purchase cost, transmission charges and traders has been considered based on *DERC (Terms and Condition for Determination of Tariff) Regulations, 2017* by the Commission as per table below:-

Table 3. 26: Commission Approved Rebate on Power Purchase Cost for FY 2018-19 (Rs. Cr.)

Sr. No.	Particulars	Actual
A	**Rebate towards Power Purchase Cost**	**17.53**
a.	NTPC	9.12
b.	PPCL	8.32
c.	DMSWSL	0.08
d.	EDWPCL	0.0069
B	**Rebate towards Transmission Charges**	**1.40**
a.	Interstate Transmission, ULDC	0.0004
b.	Interstate Transmission, POC	0.77
c.	Intrastate Transmission	0.63

Sr. No.	Particulars	Actual
C	**Rebate from trader (PTC)**	**1.87**
D	**Total Rebate on Power Purchase, Transmission Charges & Trader**	**20.80**

REVENUE PURCHASE OBLIGATION (RPO)

PETITIONER'S SUBMISSION

3.48 The Petitioner has submitted the renewable purchase obligation fulfilled during FY 2018-19 is as tabulated below:

Table 3. 27: Petitioner's Submission – RPO for FY 2018-19

RPO	Approved in T.O. FY 2018-19			Actual		
	% of Total Energy Sales	Total Sale (MUs)	RE to be Procured in MUs	Total Sales	MUs to be Procured	MUs procured during the year
Solar	4.75%	1412.67	67.10	1357.19	64.47	60.34
Other	9.50%		134.20		128.93	93.71
Total			**201.31**		**193.40**	**154.05**

Note: Source of Power Procurement: 1) Solar:- APPCC and Grid Connected, 2) Other:- Magpie- Attawatto, Magpie-Tanmarg, Brenwar.

COMMISSION'S ANALYSIS

3.49 Regulation 27 of Business Plan Regulations, 2017 provides the RPO requirement for FY 2018-19 as 9.50% for Non-Solar and 4.75% for Solar respectively. The details of RPO requirement has been checked by the Consultant and submitted that the Petitioner has purchase solar power and hydro power from PTC from the generating stations like APPCC, KPCPL, Brenwar, Magpir-Tanmarg and Magpie Hydel. The details of RPO requirement and fulfillment are given as below:

Table 3. 28: Commission's Approval – Calculation of RPO for FY 2018-19

Sr.No.	Particulars	MU
1	Total Energy Sale	1355.11
2	Less: Energy from Hydro	50.45
3	Net Energy Requirement for RPO	1304.66

Table 3. 29: Commission's Approval – Calculation of Excess/(Short Fall) in RPO for FY 2018-19

Type of Energy	Requirement		Purchased	Excess/(Short Fall)
	%	MU	MU	MU
Non-Solar	9.50%	123.943	94.86	(29.083)
Solar	4.75%	61.971	56.99	(4.981)
Net Short Fall				**34.064**

3.50 In view of above, it is observed that the Petitioner has not fulfilled the RPO obligation for FY 2018-19. There, the penalty @10% of floor price to be imposed. Penalty to be levied on the Petitioner is as below:

Table 3. 30: Commission's Approval – Calculation of RPO for FY 2018-19

Particulars	Units	Amount
Present Floor price of REC	Rs./REC	1000
Energy Shortfall	kWh	34063804
Penalty @ 10% of Floor Price (@ Rs. 1/kWh)	Rs. Cr.	0.34

MERIT ORDER DESPATCH VIOLATION FOR FY 2013-14

3.51 The Commission while issuing the DERC, Distribution Tariff Regulations, 2011 in December, 2011, first time introduced the Regulation on the principle of Merit Order Despatch. The said Regulations were applicable from April 1st, 2012. The relevant Clause is reproduced as follows:

> *"5.25 While approving the cost of power purchase, the Commission shall determine the quantum of power to be purchased from various sources in accordance with the principles of merit order schedule and despatch based on a ranking of all approved sources of supply in the order of their variable cost of power purchase. All power purchase costs shall be considered legitimate unless it is established that the merit order principle has been violated or power has been purchased at unreasonable rates or the power procurement guidelines as laid down by the Commission from time to time has not been followed."*

3.52 The Commission vide its letter dated 01/07/2020 had sought Plant-wise and month-wise Merit Order Despatch (MOD) violation for FY 2013-14 from SLDC. In response, SLDC vide its letter dated 24/07/2020 submitted the MOD violation happened based on day wise and block wise implemented schedules from the date of implementation of DISCOM wise scheduling (i.e. 21/02/2014) till 31/03/2014 for Anta, Auraiya and Dadri Gas Stations of NTPC and sale in exchange during the slots where power was scheduled above Minimum Technical Limit (MTL) from these stations by BRPL, BYPL, and TPDDL.

3.53 The Commission directed SLDC to include all of the generating stations and not just

Anta, Auraiya and Dadri Gas Stations of NTPC. In response, SLDC vide its email dated 30/07/2020 submitted the data indicating the day wise details of DISCOM's (i.e. BRPL, BYPL, TPDDL & NDMC) power sale in Exchange when power is scheduled more than MTL.

3.54 It is pertinent to submit that on considering the implementation of DISCOM wise scheduling software on 21/02/2014, the penalty for MOD violation for the remaining period of FY 2013-14 has been computed as Rs. 2.21 Cr. by considering the power scheduled above MTL in the same slots where power was sold on exchange and the Energy Charge Rate (ECR) of such power in respect to NDMC.

3.55 In view of above, an amount of Rs. 2.21 has been disallowed from the power purchase cost w.r.t. Violation of Merit Order Despatch by NDMC as follows:

Merit Order Despatch violations for FY 2013-14 post implementation of DISCOM-wise scheduling

Feb 2014 (From 21/02/2014 to 28/02/2014)															
Particulars	ANTA	AURAIYA	DADRI	JHAJJAR	RIHAND-1	RIHAND-2	RIHAND-3	SASAN	SINGRAULI	UNCHAHAR-1	UNCHAHAR-2	UNCHAHAR-3	DADRI-1	DADRI-2	TOTAL
NDMC (MU)	-	-	-	-	-	-	-	-	-	-	-	-	1.60	-	1.60
ECR	2.83	3.25	3.34	3.73	1.40	1.42	1.34	0.58	1.20	2.93	2.91	2.89	3.29	3.12	
MOD Dis NDMC (Rs. Cr)	-	-	-	-	-	-	-	-	-	-	-	-	0.53	-	0.53
Mar 2014 (From 01/03/2014 to 31/03/2014)															
Particulars	ANTA	AURAIYA	DADRI	JHAJJAR	RIHAND-1	RIHAND-2	RIHAND-3	SASAN	SINGRAULI	UNCHAHAR-1	UNCHAHAR-2	UNCHAHAR-3	DADRI-1	DADRI-2	TOTAL
NDMC (MU)	-	-	-	-	-	-	-	-	-	-	-	-	2.23		2.23
ECR	2.83	3.25	3.34	3.73	1.40	1.42	1.34	0.58	1.20	2.93	2.91	2.89	3.29	3.12	
MOD Dis NDMC (Rs. Cr)	-	-	-	-	-	-	-	-	-	-	-	-	0.73	-	0.73
MOD Dis NDMC (Rs. Cr)															**1.26**

Particulars	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19
Opening Balance	-	1.34	1.49	1.65	1.83	2.01
REVISION IN DISALLOWANCE OF MERIT ORDER DISPATCH PRINCIPLE FOR FY 2013-14	1.26	-	-	-	-	-
Rate of Carrying Cost	12.85%	11.00%	10.90%	10.90%	9.80%	9.80%
Carrying Cost	0.08	0.15	0.16	0.18	0.18	0.20
Closing amount	1.34	1.49	1.65	1.83	2.01	2.21

TOTAL POWER PURCHASE COST FOR TRUE UP

PETITIONER'S SUBMISSION

3.56 The Petitioner has submitted the trued up power purchase cost as tabulated below:

Table 3. 31: Petitioner Submission- Total Power Purchase Cost for FY 2018-19 (Rs. Cr.)

Sr. No.	Particulars	Actual
1	Gross Power Purchase Cost	969.52
2	Cost of Short term and Renewable Purchase	
3	Less: Revenue from Sale of Power	90.95
4	Rebate on Power Purchase Cost	-
A	Net Power Purchase Cost (1+2+3+4)	878.56
5	Interstate Transmission Charges	26.02
6	Intrastate Transmission Charges including SLDC	59.59
7	Total Transmission Charges	85.61
8	Rebate on Transmission Charges	-
B	Net Transmission Charges (5+6-8)	85.61
C	**Total Power Purchase Cost for True-up (A+B)**	**964.18**

3.57 The Petitioner has submitted to allow the power purchase cost of Rs. 964.18 Cr.

COMMISSION'S ANALYSIS

3.58 The Regulation 152 of DERC(Terms and Condition for Determination of Tariff) Regulations, 2017 provides as follows:

"152 True up of ARR for Distribution (Wheeling & Retail Supply) Licensee shall be conducted on the following principles:

c) Variation in short term power purchase quantum and cost of the distribution licensee based on projected short term power purchase quantum and cost vis-a-vis actual short term power purchase quantum and cost:

Provided that Trading Margin, Transmission Charges and Transmission Losses incurred on Forward And Reverse transaction in the same time slot executed within three months for Forward / Reverse power procurement/sale through Banking And Bilateral shall not be allowed in the Power Purchase Cost of the Distribution Licensee;

Provided that Sale through Deviation Settlement Mechanism (Unscheduled Interchange) transactions other than forced scheduling of power as certified by SLDC on monthly basis shall be limited to the contingency limit as specified by the Commission in the Business Plan Regulations in order to promote Grid Discipline and optimize Power Purchase Cost;

Provided that any Additional/Penal Deviation Settlement Mechanism (Unscheduled Interchange) Charges other than forced scheduling of power as certified by SLDC paid by the Distribution Licensee shall not be allowed in Power Purchase Cost;

Provided that Short-term arrangement or agreement, other than traded through Power Exchange, for procurement/sale of power has to be executed through a transparent process of open tendering and competitive bidding guidelines issued by Ministry of Power (MoP) as amended from time to time, unless specific direction issued by the Commission;

Provided further that in case the Distribution Licensee does not follow Short Term Power guidelines for procurement of power/sale the rate of such power procurement shall be restricted to the average rate of power purchase/sale through exchange during same month for Delhi region.

3.59 Accordingly, the Commission approves Power Purchase Cost as follows:

Table 3. 32: Commission Approved Power Purchase Cost including Transmission and SLDC Charges

Sr.No.	Source	Quantity (MU)	Amount (Rs. Cr.)	Reference
A	Gross Power Purchase Cost excluding waste to Energy, short term purchase and transmission charges	1398.96	836.80	**Table 3.21**
B	Waste to Energy	6.29	4.30	**Table 3.21**
C	Short Term Purchase	265.82	128.28	**Table 3.23**
D	Inter State Transmission losses	9.37	34.82	**As per Auditor**
E	Intra State Transmission losses	15.69	59.66	
F	Gross Power Purchase	1696.13	1063.86	**F=(A:E)**
G	Less: Rebate on Power Purchase	-	17.53	**Table 3. 26**
H	Less: Total Rebate Transmission & Trader	-	3.27	**Table 3. 26**
I	Less: Sale of Surplus power	259.25	85.50	**Table 3. 24**
J	Less: Penalty on RPO		0.34	**Table 3. 30**
K	Less: Sale of power in UI above 5%		0.92	**Table 3. 25**
L	Less: MoD violation for FY 2013-14	-	2.21	**Para 3.55**
M	**Net Power Purchase**	**1436.88**	**954.09**	**M=F-G-H-I-J-K-L**
N	Average Cost per unit		6.64	**(Amount)/ (Quantity) *10**

OPERATION AND MAINTENANCEEXPENSES

PETITIONER'S SUBMISSION

3.60 Operation and Maintenance (O&M) Expenses of the Petitioner consisted the following cost elements as per the Petitioner:

- Employee Expenses
- Administrative and General Expenses
- Repairs and Maintenance Expenses

3.61 Employee Expenses comprises of Salaries, dearness allowances, Leave Travel Assistance, Earned Leave Encashment, Other allowances & Relief bonus and Honorarium/Overtime. The impact of actual pay revision has not been implemented in 2017-18. The Petitioner requested the Commission to kindly consider the formats and approve the actual employee expenses for 2017-18.

3.62 Administrative and General Expenses mainly comprises of rents, telephone and other communication expenses, professional charges, conveyance and travelling allowances, other debits.

3.63 Repair and Maintenance Expenses go towards day to day upkeep of distribution functions of the Petitioner and form an integral part of the Petitioner's efforts towards reliable and quality power supply to its consumers and reduction of losses in its system.

3.64 The Petitioner submitted details of O&M Expenses and requested the Commission to approve the same as under:

3.65 The details of O&M expenses submitted by the Petitioner are as below:

Table 3. 33: Petitioner Submission- O&M Expenses FY 2018-19 (Rs. Cr.)

Sr. No.	Particulars	Approved in T.O. dated 28/03/2018	Actual
1	Employee Expenses	-	216.13
2	A&G Expenses	-	7.44
3	R&M Expenses	-	13.29
4	Gross O&M Expenses	194.27	236.86

3.66 Further, the Petitioner vide its submission dated 08/07/2020 has revised the O&M expenses based on the network details for FY 2018-19 which is as below:

Table 3. 34: Petitioner Submission- Network details and O&M Expenses FY 2018-19

Sr. No.	Particulars	Units	Values	Rate	Amt. In Cr.
1	66 kV Line	Ckt kM	53.49	3.48	1.86
2	33 kV Line	Ckt kM	171.74	3.48	5.98
3	11 kV Line	Ckt kM	1043.44	0.91	9.50
4	LT Line system	Ckt kM	5472.54	5.46	298.80
5	66/11 kV Grid S/s	MVA	490.00	0.98	4.80

Sr. No.	Particulars	Units	Values	Rate	Amt. In Cr.
6	33/11 kV Grid S/s	MVA	970.00	0.98	9.50
7	11/0.415 kV DT	MVA	777.37	1.40	10.88
	Total				**341.31**

COMMISSION'S ANALYSIS

3.67 The Commission had approved the total O&M expenses for the Petitioner amounting to Rs. 194.27 Cr. at Para 4.57 and Table No. 64 of Tariff Order dated 28/03/2018 on account of employee cost, administrative and general expense and repair and maintenance expense.

3.68 In this regard, it is submitted that the Commission in its Tariff Order for FY 2019-20 has mentioned about the true-up of O&M expenses for FY 2017-18 as under:

"3.59 The Commission had approved the total O&M expenses for the Petitioner amounting to Rs.183.94 Cr. at Para 4.87 and Table No. 88 of Tariff Order dated 31.08.2017 on account of employee cost, administrative and general expense and repair and maintenance expense.

3.60 However, the Petitioner has not submitted the details of O&M expenses as per DERC (Business Plan) Regulations, 2017 despite many directions issued by the Commission. The Consultant has collected the data available from many divisions of the Petitioner and has mentioned that the complete data could not be verified. The Commission is of the view that it is the responsibility of the Petitioner to submit the complete data in respect of the distribution network available to compute O&M expenses as per the provisions of DERC (Business Plan) Regulations, 2017. Therefore, pending submission of complete data, the Commission has approved O&M Expenses of Rs 171.24 Cr. for FY 2017-18 based on the available data of network capacity as follows:

Table: Commission Approved O&M Expenses for FY 2017-18 (Rs. Cr.)

Sr. No	*Particulars*	*UOM*	*Length of line as on 31.03.2018*	*Rate (Rs. Lakh)*	*Amount (Rs. Cr.)*
A	*66 kV Line*	*Ckt KM*	*53.49*	*3.297*	*1.76*
B	*33 kV Line*	*Ckt KM*	*165.83*	*3.297*	*5.46*
C	*11kV Line*	*Ckt KM*	*1031.39*	*0.862*	*8.89*
D	*LT Line system*	*Ckt KM*	*2626.65*	*5.17*	*135.79*
E	*66/11 kV Grid S/s*	*MVA*	*490*	*0.927*	*4.54*
F	*33/11 kV Grid S/s*	*MVA*	*970*	*0.927*	*8.99*
G	*11/0.415 kV DT*	*MVA*	*436.05*	*1.326*	*5.78*
	Total				***171.24***

3.69 The Commission has observed that the network capacity indicated by the Petitioner for FY 2018-19 on account of LT line system and 11/0.415 KV DT has been now claimed much higher as compared to capacity in FY 2017-18. The addition, in network capacity on account of 33kV line and 11kV line has been 3.56% and 1.17% over FY 2017-18, which appears to be in order. As regards, the 11/0.415kV DT system, the peak loading of the Petitioner during FY 2018-19 was around 388 MW. Normally, the Distribution capacity of the network to meet the peak demand is in range of 2 to 2.5 times of the peak load. The DT capacity of 777 MW is around 2 times of peak load which may be assumed to be in order. Therefore, the DT capacity of 777 MW is considered provisionally to meet the peak demand. Further, the Petitioner has submitted an increase of 108% in respect of LT line capacity as compared to FY 2017-18, which is not in commensurate with the total capitalization claimed for distribution system for FY 2018-19. Therefore, Commission has considered an increase of 3% provisionally in LT line system to meet the peak demand and the new connection.

3.70 Accordingly, based on the above, O&M expenses for FY 2018-19 has been considered provisionally which is as below:

Table 3. 35: Table : Commission Approved O&M Expenses for FY 2018-19 (Rs. Cr.)

Sr. No.	Particulars	UOM	Length of line as on 31.03.2018	Rate (Rs. Lakh)	Amount (Rs. Cr.)
A	66 kV Line	Ckt KM	53.49	3.482	1.86
B	33 kV Line	Ckt KM	171.74	3.482	5.98
C	11kV Line	Ckt KM	1043.44	0.91	9.50
D	LT Line system	Ckt KM	2705.45	5.46	147.72
E	66/11 kV Grid S/s	MVA	490	0.979	4.80
F	33/11 kV Grid S/s	MVA	970	0.979	9.50
G	11/0.415 kV DT	MVA	777.37	1.4	10.88
H	**Total**				**190.23**

ADMINISTRATIVE AND CIVIL ENGINEERING DEPARTMENT EXPENSES

PETITIONER'S SUBMISSION

3.71 The Petitioner has submitted that regarding the allocation of Civil Engineering Department expenses to electricity supply business; the Commission in its tariff order for NDMC for FY 2005-06 dated 02/11/2005 mentioned the following:

"……………. As the exact details of the cost of the works carried out by the Civil Engineering Department for Electricity Department are not available at this stage, the Commission, for the purpose of determination of ARR for FY 2005-06, has considered a Lump sum amount of Rs. 1000 Lakh on provisional basis towards this expenditure. The Commission will consider the actual cost of works carried out by Civil Engineering Department for electricity appropriately during the truing up process at the end of the year……."

3.72 Since the Petitioner was yet to segregate the expenses shared by its Civil Engineering Department on account of electricity distribution business, hence the Petitioner requested the Commission to consider the same amount of Rs. 10 Cr against this head.

3.73 The Petitioner further stated that in respect of allocation of the Administrative Department expenses, Commission in the same tariff order has mentioned the following:

"…..Thus, while 19% of total administrative department expenses have been considered to be allocated to electricity department, an amount ……….."

3.74 The Petitioner submitted the Administrative Department expenses for FY 2018-19 as under.

Table 3. 36: Petitioner Submission - Administrative &Civil Engineering Department Expenses (Rs. Cr.)

Sr.No.	Particulars	Actual
1	Civil Engineering Department Expenses	10.00
2	Administrative Department Expenses	35.17
3	**Total Administrative and Civil Engineering Expense**	**45.17**

COMMISSION'S ANALYSIS

3.75 The auditor in its report has not recommended any Administrative and Civil Engineering Department Expenses for FY 2018-19. Accordingly, the Commission has not considered additional Administrative and Civil Engineering Department Expenses for FY 2018-19.

NON TARIFF INCOME

PETITIONER'S SUBMISSION

3.76 The Petitioner has submitted the non-tariff income from the sale of electricity as per actual of FY 2018-19 as under.

Table 3. 37: Petitioner Submission - Non-Tariff Income for FY 2018-19 (Rs. Cr.)

Sr.No.	Particulars	Actual
1	Non-Tariff Income	1.47

3.77 The Petitioner has requested the Commission to approve the Non-Tarff Income of Rs.1.47 Cr. for FY 2018-19.

COMMISSION'S ANALYSIS

3.78 The Regulation 94 & 95 of DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 provides as follows:

"94. The Utility shall submit forecast of Non-Tariff Income to the Commission, in such form as may be stipulated by the Commission from time to time, whose tentative list is as follows:

(i) Income from rent of land or buildings;

(ii) Net Income from sale of de-capitalised assets;

(iii) Net Income from sale of scrap;

(iv) Income from statutory investments;

(v) Net Interest on delayed or deferred payment on bills;

(vi) Interest on advances to suppliers/contractors;

(vii) Rental from staff quarters;

(viii) Rental from contractors;

(ix) Income from Investment of consumer security deposit;

(x) Income from hire charges from contactors and others, etc.

95. The Non-Tariff Income shall be reduced from ARR."

3.79 As per DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017, amount received by the licensee on account of Non Tariff Income shall be deducted from the Aggregate Revenue Requirement in calculating the net revenue requirement of such licensee. Accordingly, the Commission has considered the Non tariff income of Rs. 7.90 Cr. as submitted by Regulatory Auditor related to LPSC as follows:

Table 3. 38: Commission Approved: Non Tariff Income for FY 2018-19 (Rs. Cr.)

Particulars	Approved
Non Tariff Income on account of Late Payment Surcharge	7.90

CAPITAL EXPENDITURE AND CAPITALISATION

PETITIONER'S SUBMISSION

3.80 The Petitioner has submitted that it had appointed SBI Caps as external consultant to determine the actual assets and balance sheet of the Electricity Distribution Business Unit. Based on the report and subsequent capitalisation of assets, the Petitioner had submitted the following details for Capital Expenditure and Capitalisation for 2018-19.

Table 3. 39: Petitioner Submission - Gross Fixed Assets for FY 2018-19 (Rs. Cr.)

Sr. No.	Particulars	Approved in Tariff Order FY 2018-19	Actual
1	Opening GFA	671.70	937.74
2	Capitalisation	101.10	18.74*
3	Closing GFA	772.80	956.48
4	**Average GFA**	722.25	947.11

**Capital expenditure of Rs. 80.91 Cr. has been incurred by NDMC, out of which asset amounting Rs. 18.74 Crs. have been put to commercial operation.*

3.81 Further, the Petitioner vide its E-mail dated 17/07/2020 has submitted the additional capitalization amounting to Rs. 16.19 Cr.

COMMISSION'S ANALYSIS

3.82 The Commission has approved the closing GFA for FY 2017-18 at Rs. 527.79Cr.s. Further, the Commission approves the capital Addition of Rs 34.93Cr.si.e. 18.74 Cr. and Rs. 16.19 Cr. (vide E-mail dated 17/07/2020) as submitted by the Petitioner for FY 2018-19 as follows:

Table 3. 40: Commission Approved GFA & Capitalisation for FY 2018-19(Rs. Cr.)

Sr. No.	Particulars	Approved	Remarks
A	Opening GFA	527.79	Approved in T.O. dated 31/07/2019
B	Capitalization	34.93	As submitted by the Petitioner
C	Closing GFA	562.72	A+B

DEPRECIATION

PETITIONER'S SUBMISSION

3.83 The Petitioner has submitted that depreciation has been considered on the basis of straight-line method and on the average Gross Fixed Assets. The depreciation is based on the original cost, estimated life and residual life. Depreciation for the control period is determined by applying depreciation rate as approved by the Commission for the control period. Depreciation has been computed at 3.60% of average GFA during the year as summarized in the table below:

Table 3. 41: : Petitioner Submission -Depreciation for FY 2018-19 (Rs. Cr.)

Sr. No.	Particulars	Approved in T. O. dated 28/03/2018	Actual
1	Average GFA	722.25	947.11
2	Average Consumer Contribution	11.97	9.44
3	Average Assets Net of Consumer Contribution	710.28	937.68
4	Average Depreciation Rate	3.60%	3.60%
5	Depreciation	25.57	33.76

CUMULATIVE DEPRECIATION

PETITIONER'S SUBMISSION

3.84 The Petitioner has submitted the accumulated depreciation till FY 2018-19 as under:

Table 3. 42: Petitioner Submission- Cumulative Depreciation till FY 2018-19 (Rs. Cr.)

Sr. No.	Particulars	Actual
1	Opening Balance of Cumulative Depreciation	559.73
2	Addition during the year FY 2018-19	33.76
3	Closing Balance of Cumulative Depreciation	593.49

UTILIZATION OF DEPRECIATION

PETITIONER'S SUBMISSION

3.85 The Petitioner has submitted that no portion of the depreciation has been used to repay any actual debt in FY 2018-19 as under:

Table 3. 43: Petitioner Submission -Utilization of Depreciation

Sr. No.	Particulars	Actual
1	Depreciation for FY 2018-19	33.76
2	Depreciation utilized for Debt repayment in FY 2018-19	-

COMMISSION'S ANALYSIS

3.86 The Commission has considered the approved GFA upto FY 2017-18 in Tariff Order dated 31/03/2019 as the opening GFA for FY 2018-19 and capital addition of Rs. 34.93Cr.for FY 2018-19 has been considered as approved by the Commission.

3.87 The Consultant has submitted that depreciation is provided on the basis of straight-line method, on the average Gross Fixed Assets at the beginning and at the end of each year, keeping in view the methodology adopted by the Commission in the DERC (Business Plan) Regulations, 2017 as no working of such Depreciation was provided. Accordingly, the depreciation has been computed at the rate of 3.60% of the average GFA during the year.

3.88 Accordingly, the Commission has considered the rate of depreciation at 3.60% as submitted by the Petitioner in accordance with appendix -1 of the DERC (Terms and Conditions for determination of Tariff) Regulations, 2017. The Commission has observed that the Petitioner has opening Consumer contribution/Government grant of Rs. 11.80 Cr. The same has been taken into account for computing depreciation. The depreciation as approved by the Commission is computed as below:-

Table 3. 44: Commission Approved Depreciation for FY 2018-19

Sr. No	Particulars	Approved in T.O. dated 28/03/2018	Petitioner's Submission	True-up FY 2018-19
A	Opening GFA	671.70	937.74	527.79
B	Addition	101.10	18.74	34.93
C	Closing GFA	772.80	956.48	562.72
D	Average GFA	722.25	947.11	545.26
E	Opening Grant	7.80	9.44	11.80
F	Addition	8.34	0	0
G	Closing Grant	16.14	9.44	11.80
H	Average Grant	11.97	9.44	11.80
I	Depreciation Rate	3.60%	3.60%	3.60%
J	Total Depreciation	25.57	33.76	19.20

WORKING CAPITAL

PETITIONER'S SUBMISSION

3.89 The Petitioner has calculated the Working Capital requirements on normative basis as stipulated by the methodology specified in the DERC Wheeling and Retail Tariff Regulations, 2017. The has submitted to approve the Working Capital Requirements as per the following:

Table 3. 45: Petitioner Submission- Determination of Working Capital for FY 2018-19(Rs. Cr.)

Sr. No.	Particulars	Approved in T.O. dated 28/03/2018	Actual
1	Receivables from sale of Electricity	1100.00	1440.39
2	Receivables Equivalent to 2 months	183.33	240.06

Sr. No.	Particulars	Approved in T.O. dated 28/03/2018	Actual
3	Net Power Purchase Expense (Including Transmission, SLDC, RPO and normative rebate)	839.08	964.18
4	1/12th of Power Purchase Expense	69.92	80.35
5	Total Working Capital	113.41	159.72
6	Less: Opening Balance of Working Capital	155.27	130.73
7	Change in Working Capital	(41.86)	28.99

COMMISSION'S ANALYSIS

3.90 The Regulation 84 (4) of the DERC (Terms and Conditions for Determination of Tariff), Regulations 2017 specify that working capital shall consist of:

(i) For wheeling business

Receivables for two months of wheeling charges

(ii) For Retail supply business

(a) ARR for two months for retail supply business of electricity;

(b) Less: Net Power purchase costs for one month

(c) Less: Transmission charges for one month,

3.91 The Commission had approved the closing working capital for FY 2017-18 at Rs. 103.88 Cr. in its Tariff Order dated 31/07/2019. The approved working capital for FY 2018-19 is as follows:

Table 3. 46: Commission Approved Working Capital for FY 2018-19(Rs. Cr.)

Sr.No.	Particulars	Approved in Tariff Order dated 28/03/2018	Petitioner's Submission	True up FY 2018-19
1	Receivable from sale of electricity	1100.00	1440.39	1175.02
2	Receivable equivalent to 2 months	183.33	240.06	195.84
3	Less: Net Power Purchase Cost	839.08	964.18	954.09
4	Less One Month Power Transmission charges	69.92	80.35	79.51
5	Working Capital requirement	113.41	159.72	116.33
6	Opening balance	155.27	130.73	103.88
7	Change in working capital	(41.86)	28.99	12.45

REGULATED RATE BASE

PETITIONER'S SUBMISSION

3.92 The Petitioner has submitted the computation for Regulated Rate Base for FY 2018-

19 based on the DERC Tariff Regulations, 2017 and requested for approval of the Commission, as given in the table below:

Table 3. 47: Petitioner Submission -Regulated Rate Base for FY 2018-19 (Rs. Cr.)

Sr. No.	Particulars	Approved in T.O. dated 28/03/2018	Actual for 2018-19
1	RRB - Base Year		
A	Opening Balance of GFA	671.70	937.74
B	Opening Balance of Working Capital	147.74	130.73
C	Opening Balance of Accumulated Depreciation	429.60	559.73
D	Opening balance of Accumulated Consumer Contribution (in proportion of OCFA to total OCFA + CWIP + Stores)	9.35	9.35
E	(A+B)-(C+D) i.e., RRB opening	380.49	499.39
2	RRB - for the year		
F	Investments in capital expenditure during the year	101.10	18.33
G	Depreciation for the year	25.57	33.76
H	Consumer Contribution, Grants, etc. for the year	8.34	0.17
I	Fixed asset retirement/Decapitalisation applicable	-	-
J	Change in Working Capital	(41.86)	28.99
K	Change in RRB During 2017-18 [(F-G-H) / 2 + J]		21.19
3	RRB Opening Balance		499.39
	RRB for the year		21.19
	RRB Closing (E+F+H-G)		520.58
4	Opening in Regulated Rate Base (RRB) (i)		499.39
	Change in RRB		21.19
	Regulated Rate Base (RRB) (i)	372.23	520.58

COMMISSION'S ANALYSIS

3.93 The RRB has been considered based on capitalization, depreciation and working capital requirements for FY 2018-19 as detailed in the table as follows:

Table 3. 48: Commission Approved RRB for FY 2018-19(Rs. Cr.)

Sr. No.	Particulars	FY 2018-19
A	Opening Original Cost of Fixed Assets ($OCFA_o$)	527.79
B	Opening Accumulated depreciation (ADo)	426.90
C	Opening consumer contributions received (CCo)/ grant	11.80
D	Opening Working capital (WCo)	103.88
E	Opening RRB (RRBo)	192.97
F	Investment capitalised during the year (INVi)	34.93
G	Depreciation during the year (Di)	19.20
H	Depreciation on decapitalised assets during the year	0
I	Government Grant during the year (CCi)	0
J	Fixed assets retired/decapitalised during the year (Reti)	0
K	Change in capital investment (ΔABi)	15.73
L	Change in working capital during the year (ΔWCi)	12.45

Sr. No.	Particulars	FY 2018-19
M	RRB Closing	221.15
N	RRBi	213.28

RETURN ON CAPITAL EMPLOYED

PETITIONER'S SUBMISSION

3.94 The Petitioner has submitted that capital expenditure incurred by it for creation of assets has been majorly incurred through its budgetary support and internal accruals. It has not used any type of loan for creation of assets. The Petitioner has considered normative debt-equity ratio of 70:30 for calculating RoCE. The Rate of Return on Equity for the first control period is kept at 16% as per the DERC Wheeling and Retail Tariff Regulations, 2017. Rate of Return on the Debt is considered as 9.73% at the same rate as approved by the Commission for TPDDL. Detailed calculation of Weighted average cost of capital (WACC) leading up to estimation of RoCE as submitted by the Petitioner is shown in the table below:

Table 3. 49: Petitioner Submission -Return on Capital Employed for FY 2018-19 (Rs. Cr.)

Sr. No.	Description	Approved in T.O. dated 28/03/2018	Actual
1	RRB	373.33	520.58
2	Working Capital Loan		159.72
3	Net Regulated Rate Base (RRB)		360.86
4	Equity Rate	16%	16%
5	DebtRate	8.10%	9.73%
6	Equity (%)	30%	30%
7	Debt(%)	70%	70%
8	WACC	10.47%	11.03%
9	Return on Capital Employed (ROCE)	38.97	57.44

COMMISSION'S ANALYSIS

3.95 The return on capital employed considered by the Commission based on the RRB(i) and WACC for FY 2018-19 is as given in the table below:

Table 3. 50: Commission Approved Return on Capital Employed (RoCE) for FY2018-19

Sr. No.	Particulars	UOM	Approved
A	RRBi	Rs.Cr	213.10
B	Opening Equity for Capitalisation (limited to 30%)	Rs.Cr	26.73
C	Closing Equity limiting to 30% of net capitalisation	Rs.Cr	31.44
D	Average Equity for Capitalisation (limited to 30%)	Rs.Cr	29.09
E	Opening Debt at 70% of net capitalisation	Rs.Cr	62.36
F	Closing Debt at 70% of net capitalisation	Rs.Cr	73.37
G	Avg Debt at 70% of net capitalisation	Rs.Cr	67.87

Sr. No.	Particulars	UOM	Approved
H	Debt at 100% of working capital	Rs.Cr	116.33
I	Debt- balancing figure	Rs.Cr	184.20
J	Rate of return on equity (re)	%	16.00%
K	Rate of debt (rd) on capitalisation	%	8.00%
L	Rate of debt (rd) on working Capital	%	8.00%
M	Rate of interest on debt(rd)	%	8.00%
N	WACC	%	9.09%
O	RoCE	Rs.Cr	19.39

INCOME TAX

PETITIONER'S SUBMISSION

3.96 The Petitioner has submitted that NDMC is exempted from paying the Income tax, therefore, claim for such tax liabilities has not been proposed in the Petition.

COMMISSION'S ANALYSIS

3.97 No claim towards income tax has been considered by the Commission since the Petitioner is exempted from paying the tax.

AGGREGATE REVENUE REQUIREMENT FOR TRUING UP FOR FY 2018-19

PETITIONER'S SUBMISSION

3.98 The Petitioner had submitted the Aggregate Revenue Requirement for FY 2018-19 as below:

Table 3. 51: Petitioner Submission- ARR for FY 2018-19 (Rs. Cr.)

Sr. No.	Description	Approved in T.O. dated 28/03/2018	Actual
1	Cost of power purchase, including T&D Losses	839.08	878.56
2	Inter-State Transmission charges		26.02
3	Intra-state Transmission charges (Including SLDC charges)		59.59
	Rebate on Timely payments		-
4	Net Operation & Maintenance (O&M)	194.27	341.31
5	Depreciation	25.57	33.76
6	Administrative Dept. & Civil Eng. Dept.	0.00	45.17
7	RoCE	38.97	57.44
8	Income Tax	0.00	-
9	Less: Non-Tariff Income	2.93	1.47
10	Aggregate Revenue Requirement	1,094.96	1440.39

3.99 The Petitioner requested the Commission to allow the Aggregate Revenue Requirement of Rs. 1440.39 Cr.

COMMISSION'S ANALYSIS

3.100 Based on the above, the Commission approves the Annual Revenue Requirement (ARR) in true up for FY 2018-19 as given in the table below:

Table 3. 52: Commission Approved - Aggregate Revenue Requirement for FY2018-19 (Rs. Cr.)

Sr. No	Particulars	FY 2018-19	Remarks
A	Net Power Purchase Cost	954.09	**Table 3. 32**
B	Operation & Maintenance (O&M)	190.23	**Table 3. 35**
C	Depreciation	19.20	**Table 3. 44**
D	Administrative Dept. & Civil Engg. Dept.	0	**Para 3.75**
E	RoCE	19.39	**Table 3. 50**
F	Income Tax	0	**Para 3.97**
G	Less: Non-Tariff Income	(7.90)	**Table 3. 38**
H	Aggregate Revenue Requirement	1175.02	**Sum (A:G)**

REVENUE (GAP)/SURPLUS

PETITIONER'S SUBMISSION

3.101 The Petitioner has submitted that the overall gap based on the actual expenses and revenue during FY 2018-19 is Rs. 115.31 Cr. and same is tabulated as under:

Table 3. 53: Petitioner Submission- Revenue Gap/ Surplus for FY 2018-19 (Rs. Cr.)

Sr.No.	Particulars	Actual
1	Aggregate Revenue Requirement, FY 2018-19	1440.39
2	Revenue Available Towards ARR	1325.07
3	**Revenue (Gap)/Surplus**	**(115.31)**

COMMISSION'S ANALYSIS

3.102 Based on the ARR and the revenue available towards the ARR, the Revenue Surplus/(Gap) is as follows:

Table 3. 54: Commission Approved Revenue (Gap/surplus) for FY 2018-19 (Rs. Cr.)

Sr. No	Particulars	Amount	Remarks
A	Aggregate Revenue Requirement	1175.02	Table 3. 52
B	Revenue Available Towards ARR	1275.29	Table 3. 15
C	**Revenue (Gap)/Surplus**	**100.27**	B-C

3.103 The closing Revenue Surplus for FY 2017-18 as per the Tariff Order dated 31/07/2019 is Rs. 22.11 Cr. The Revenue surplus/(gap) for FY 2018-19 as now approved by the Commission is summarized as follows:

Table 3. 55: Commission Approved Net Revenue Surplus/ (Gap) at the end of FY 2018-19

Sr. No.	Particulars	FY 2018-19
A	Opening Revenue Surplus/(Gap)	22.11
B	Revenue Surplus/(Gap) for the year	100.27
C	Rate of Carrying Cost on equity	14.00%
D	Rate of Carrying Cost on debt	8.00%
E	Weighted Rate of Carrying Cost	9.80%
E	Amount of Carrying Cost [A*E+B/2*E]	7.08
F	Closing Revenue Surplus/(Gap) (A+B+E)	129.47

A4 AGGREGATE REVENUE REQUIREMENT (ARR) FOR FY 2020-21

INTRODUCTION

4.1 As per Regulation 3 of *Delhi Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff) Regulations, 2017*, the Commission has notified *Delhi Electricity Regulatory Commission (Business Plan) Regulations, 2019* which contains the following parameters applicable for the Control Period (FY 2020-21 to FY 2022-23):

(1) Rate of Return on Equity
(2) Margin for Rate of Interest on Loan
(3) Operation and Maintenance Expenses
(4) Capital Investment Plan
(5) Mechanism for sharing of incentive-disincentive
(6) Allocation of overhead expenses incurred on account of Administrative Expenditure out of Operation and Maintenance Expenses for creation of Capital Asset
(7) Generating Norms:
 (a) Gross Station Heat Rate
 (b) Plant Availability Factor
 (c) Secondary Fuel oil consumption
 (d) Auxiliary Consumption and
 (e) Plant Load Factor
(8) Transmission Norms:
 (a) Annual Transmission System Availability
 (b) Annual Voltage Wise Availability
(9) Distribution Norms:
 (a) Distribution Loss Target
 (b) Collection Efficiency Target
 (c) Targets for Solar and Non Solar RPO
 (d) Contingency limit for Sale through Deviation Settlement Mechanism (Unscheduled Interchange) transactions
 (e) Ratio of various components of Aggregate Revenue Requirement (ARR)for segregation of ARR into Retail Supply and Wheeling Business

4.2 The Petitioner has filed the Petition for determination of Aggregate Revenue Requirement (ARR) for FY 2020-21. The Commission has analysed the same as required under the *Delhi Electricity Regulatory Commission (Terms and Conditions* *for Determination of Tariff) Regulations, 2017*.

4.3 In the process of ARR determination, the Commission held several prudence check sessions to validate the information submitted by the Petitioner and wherever required sought clarification on various issues. The Commission has considered all information submitted by the Petitioner as part of Tariff Petition, audited accounts for past years, response to queries raised during discussions and also during the Public Hearing for determination of ARR and Tariff for FY 2020-21.

4.4 This chapter contains detailed analysis of the Petition submitted by the Petitioner and the various parameters approved by the Commission for determination of ARR for FY 2020-21.

ENERGY SALES

PETITIONER'S SUBMISSION

4.5 The DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 stipulates the Sales projections to be made as follows:

"5…

(7) Sales Forecast for each consumer category and sub-categories based on following factors:

a) Category wise growth in No. Of Consumers,

b) Category wise growth in Sanctioned Load/Contract Demand(MW),

c) Economic Cycle (boom, recession, Government policies etc.),

d) Impact of Open Access (MU), Net Metering (MU), Demand Side Management measures (MU)etc.,

e) Any other factor impacting the sales;"

4.6 The Petitioner has submitted that the sales in its license area have remained stagnant over the last few years. Accordingly, we had given a similar projection as per existing sales in the area. However, on account of the pandemic Covid 19, there has been the drop in demand in our licensee area. It is submitted that sales during the month of February 2020 and March 2020 has been at the same level as in FY 2019. However, amidst the lockdown from April to May 2020, the demand has reduced by ~50%. However, with the announcement of relaxation in lockdown starting June 2020, the demand is likely to resume to normally.

4.7 Accordingly, for the purpose of projections of sales for 2020-21, as there is reduction in the energy sales approx. 100 MU that has been considered by the Petitioner. Accordingly, the sales projections for FY 21 have been revised to 1257.19 MU as against our initial submission of 1357.19 MU.

4.8 Accordingly, the following sales projections have been considered for FY 2020-21

Table 4. 1: Category-wise Energy Sales for FY 2020-21 (MU)

Sr. No.	Category	FY 2020-21
1	Domestic	224.50
2	Non-domestic	980.05
3	Small Industrial Power	0.03
4	Public Lighting	7.07
5	DMRC	30.97
6	Other	14.57
	Total	**1257.19**

COMMISSION ANALYSIS

4.9 Ministry of Power (MoP), Government of India in the current scenario of COVID-19 outbreak and nationwide lockdown and a need to ensure uninterrupted power supply, in the interest of public, under Section 107 of the Electricity Act, 2003 issued directions vide its Order No. 23/22/2019- R&R Part-4 dated 28/03/2020 to Central Electricity Regulatory Commission (CERC) as follows:

"…The Commission may specify a reduced rate of Late Payment Surcharge (LPSC) for payments which become delayed beyond a period 45 days (from the date of presentation of the bill) during the period from 24th March, 2020 to 30th June, 2020 to generating companies and licensees treating the restrictions placed by central government to contain COVID-19 as an event of force majeure. The reduced LPSC shall be applicable for delayed payments till 30th June, 2020. The LPSC should not be more than the cost the Generating Companies and Transmission Licensees would have to bear because of the delayed payment…"

4.10 CERC, in compliance to above mentioned direction of MoP , has passed a suo-motu Order dated 03/04/2020 regarding reduction of Late Payment Surcharge, as follows:

"13. Keeping in view the directions issued by the Government of India under section 107 of the Act and to address the difficulties faced by the

distribution companies (beneficiaries of the generating stations and long term customers of inter-State transmission systems) on account of the unprecedented situation arising out of the restrictions placed by the Central Government and State Governments on the movement of public and opening of offices and establishments etc., the Commission in exercise of its powers under Regulation 76 of the 2019 Tariff Regulations relaxes the provisions of Regulation 59 of 2019 Tariff Regulations to provide that if any delayed payment by the distribution companies to the generating companies and inter-State Transmission licensees beyond 45 days from the date of the presentation of the bills falls between 24.03.2020 and 30.06.2020, the concerned distribution companies shall make the payment with LPS at the reduced rate of 12% per annum that translates into 1% per month."

4.11 A nationwide lockdown (Lockdown-1) was announced by Ministry of Home Affairs, Government of India (MHA) due to outbreak of COVID-19 pandemic from 24/03/2020 onwards. The same was continued uptill 03/05/2020 in the form of Lockdown-2 vide MHA Order dated 15/04/2020. In continuation, vide MHA even Orders, Nationwide lockdown was further extended as Lockdown-3 & Lockdown-4 up till 17/05/2020 and 31/05/2020 respectively.

4.12 During the said lockdown, all educational institutes, malls, industries, transportation, religious places and private companies came to a complete shutdown, except those in essential services and the corresponding sales dropped to a great extent during the said period.

4.13 In view of the changed circumstances due to COVID-19 pandemic, the Commission deemed it appropriate to give an opportunity to utilities to submit revised Tariff Petitions/ additional information w.r.t. ARR for FY 2020-21, by 30/05/2020. On request of utilities to extend the time period for submission of revised Tariff Petitions for FY 2020-21, the final date for submission was extended up till 05/06/2020. On receipt of the same, the complete Petition filed by the Petitioner along with additional information has been uploaded on website of the Commission (www.derc.gov.in) and the Petitioner. The Executive Summary of Tariff Petitions and Executive Summary of Additional Information have also been uploaded on Commission's website i.e. www.derc.gov.in. The last date for submission of comments was extended till 30/06/2020 accordingly.

4.14 As a part of prudence check, the Commission sought information from the Petitioner regarding their actual sales of Apr'20 to July'20. The same was analysed for the purpose of sales projection for FY 2020-21.

4.15 The sales information received by the Commission is as under:

Table 4. 2: Sales Information received by the Commission

Sr. No.	Category	Sales (MU)			
		April 2020	May 2020	June 2020	July 2020
1	Domestic including 11KV and staff	14	18	22	22
2	Non-Domestic	44	41	55	67
3	Industrial	0	0	0	0
4	Public Utilities	3	1	1	2
5	Others	1	1	1	1
Total		**61**	**61**	**79**	**92**

4.16 The sales to be projected for FY 2020-21 have been split into 2 (two) Sections as under:

i) **Apr'20 to July'20** **-**Actual sales as submitted by the Petitioner. Accordingly, the sales for Apr'20 to July'20 are approved as under:

Table 4. 3: Commission Approved: Sales for Apr'20 to July'20 FY 2020-21

Sr. No.	Category	Sales (MU)
1	Domestic including 11KV and staff	76
2	Non-Domestic	207
3	Industrial	0
4	Public Utilities	7
5	Others	4
Total		293

ii) **Aug'20 to March'21**- Actual Sales recorded in the same months of the previous year i.e. Aug'19 and March'21 have been analysed and an escalation of 3% has been considered by the Commission in the Non-Domestic and Industrial Categories over the sales of Aug'19 and March'20 considering improvement in the sales scenario from Aug' 2020 onwards till March 2021 due to impact of opening of the economy resulting from phase wise unlocking being introduced by MHA.

4.17 Accordingly, approved sales for the Petitioner for Aug'20 to March'21 are as under:

Table 4. 4: Commission Approved: Sales for Aug'20 to March'21 FY 2020-21

Sr. No.	Category	Sales for Aug. 2019 to March 2020 (MU)	Growth Rate (%)	Sales for Aug'20 to March'21 (MU)
1	Domestic including 11KV and staff	176	0%	176
2	Non-Domestic	580	3%	597
3	Industrial	0	3%	0
4	Public Utilities	33	0%	33
5	Others	9	0%	9
	Total	799		816

4.18 Accordingly, the sales for FY 2020-21 are approved as under:

Table 4. 5:Commission Approved: Sales for FY 2020-21

Sr. No.	Category	Sales for April 2020 to July 2020 (MU)	Sales for Aug'20 to March'21 (MU)	Sales for Apr'20 to March'21 (MU)
1	Domestic including 11KV and staff	76	176	252
2	Non-Domestic	207	597	804
3	Industrial	0	0	0
4	Public Utilities	7	33	40
5	Others	4	9	13
	Total	293	816	1,109

REVENUE AT EXISTING TARIFF

4.19 As per the two-part tariff principle followed in the NCT of Delhi, the tariff for each category consists of fixed/demand charges as well as energy charges. The fixed/ demand charges are specified for different categories as a fixed amount per kW/kVA of sanctioned load per month. The energy charges, on the other hand, are always usage-based and are specified per unit of electricity consumed.

4.20 For Domestic consumers, the revenue from fixed charges is calculated by multiplying the corresponding fixed charge with the sanctioned load. For calculation of revenue from energy charges, the actual usage is multiplied by the applicable tariff category slab.

4.21 For Non-Domestic, Industrial, Public Utilities and DIAL revenue from fixed charges is calculated by multiplying the fixed charge of each tariff slab with the sanctioned load of that tariff category, while revenue from energy charges is calculated by multiplying the energy charges specified for each tariff category with the energy consumption projected for that tariff category.

4.22 The Commission has analysed the past trend since FY 2013-14 till FY 2019-20 and the impact of COVID-19 pandemic for projecting category wise Sanctioned Load and Consumers. Based on the numbers as projected by the Petitioner in its Petition, the Commission has appropriately considered Sanctioned Load and Consumers for FY 2020-21. The Sales for FY 2020-21 have been considered as projected by the Commission in the earlier section of this Tariff Order. Accordingly, the Commission has estimated the total revenue of Rs. 1,057 Crore to be billed in FY 2020-21 as per Existing Tariff Schedule approved in Tariff Order dated 31/07/2019. The category-wise break up of revenue estimated by the Commission on sales of 1,109 MU, consumer base of 54,582 & sanctioned load of 723 MW for FY 2020-21 as indicated in the table as follows:

Table 4. 6:Commission Approved: Revenue estimated at Existing Tariff for FY 2020-21 (Rs. Cr.)

Category	Fixed Charges	Energy Charges	Total Revenue
Domestic	22.79	117.35	140.14
Non-Domestic	166.28	711.71	877.99
Industrial	0.01	0.00	0.01
Agriculture & Mushroom	-	-	-
Public Utilities	2.87	25.00	27.87
DIAL	-	-	-
Others	1.99	14.37	16.36
Total Revenue	193.94	868.42	1,062.36
Revenue at 99.5% Collection Efficiency			1,057.05

DISTRIBUTION LOSS & COLLECTION EFFICIENCY

PETITIONER'S SUBMISSION

4.23 The Petitioner has referred the DERC Tariff Regulations, 2017 specifies:

"5…

(11) Collection Efficiency shall be measured as ratio of total revenue realised to the total revenue billed in the same year:

Provided that Revenue Realised or Revenue Billed on account of electricity duty, late payment surcharge, any other surcharge shall be excluded from the computation of Collection Efficiency; "

4.24 The Petitioner has considered 99% collection efficiency for FY 2019-20.

4.25 With regards to Distribution Loss, the Petitioner has referred the DERC Tariff Regulations, 2017 which specifies as follows:

"5…

(8) Distribution Loss & Collection Efficiency trajectory consisting of:

a) Total and voltage-wise distribution losses (%) along with the basis thereof,

b) Total and category-wise revenue collection,

c) AT&C loss level based upon past trends, sales growth and any other factors;

…

(12) Distribution Loss shall be measured as the difference between the Energy units input into the distribution system for sale to all its consumer(s) and the total Energy units billed in its Licensed area in the same year;

4.26 The Petitioner has envisaged a distribution loss of 10% considering that capital expenditure is being incurred towards strengthening of the distribution system. Considering that incremental loss reduction would be CAPEX intensive and difficult to achieve, the distribution loss has been proposed as follows.

Table 4. 7: Petitioner Submission: Distribution Loss for FY 2020-21

Sr. No.	Particulars	FY 2020-21
1	Distribution Loss (%)	9.50%
2	Collection Efficiency (%)	99.00%
3	AT&C losses (%)	10.43%

COMMISSION'S ANALYSIS

4.27 The Commission has fixed the targets for Distribution Loss and Collection Efficiency for the Petitioner in its Business Plan Regulations, 2019 as 9.00% and 99.50% respectively for FY 2020-21. The Commission observes that complete lockdown period is limited to few months only during which collection may get affected. The same may only defer the process of collection, which can be done at later stages with phase wise unlocking being introduced by MHA. Accordingly, the Commission has considered the specified targets for Distribution Loss and Collection Efficiency for computation of Energy Requirement & projected Revenue for FY 2020-21 for the

Petitioner.

ENERGY REQUIREMENT

PETITIONER'S SUBMISSION

4.28 Based on the projected Energy Sales and Distribution Loss for FY2020-21,the energy requirement for NDMC is projected as under:

Table 4. 8: Energy Requirement Projections for FY 2020-21

Sr. No.	Particulars	FY 2020-21
1	Energy Sales (MU)	1257.19
2	Distribution Loss (%)	9.50%
3	Distribution Loss (MU)	131.97
4	**Energy Required at Distribution Periphery (MU)**	**1409.93**

COMMISSION'S ANALYSIS

4.29 The Commission has computed the energy requirement at the Distribution Periphery of the Petitioner for FY 2020-21, considering the sales approved for FY 2020-21 and Distribution Loss of 9.00% as per Business Plan Regulations, 2019. The approved energy requirement for FY 2020-21 is summarized in the table as follows:

Table 4. 9:Commission Approved: Energy Requirement for FY 2020-21

Sr. No.	Particulars	Unit	Approved Energy Requirement	Ref.
A	Energy Sales	MU	1,109	Table 4.5
B	Distribution loss	MU	110	C-A
		%	9.00%	Business Plan Regulations, 2019
C	Energy Requirement	MU	1,218	A/(1-B)

POWER PURCHASE QUANTUM AND COST

PETITIONER'S SUBMISSION

4.30 The Petitioner has projected the energy requirement to be met from various sources namely;

a. Power Purchase from NTPC- Dadri Thermal PowerStation.

b. Power Purchase from plants located in Delhi- Pragati I and Pragati III (Bawana), Delhi MSW Solutions Ltd.

c. The energy projections of these plants have been considered based on past trends. Further, an escalation factor of 2% on adhoc basis has been considered to project the corresponding fixed and energy charges for such plants.

d. Besides the above, the Petitioner has considered Sale / Purchase from Short-Term sources viz. Bilateral and Exchange.

e. The Petitioner further submits that it has adequate power availability from other renewable sources and is actively in discussions with Ministry of Power to source clean/green energy for its license area. Developments in this regard have already been shared with the Hon'ble Commission. The Petitioner has further submitted that it is inclined to buy power from renewable sources to meet its power requirement and would therefore request the Hon'ble Commission to not consider any allocation of power from any other source in the ensuing years. However, in case the Hon'ble Commission envisages additional allocation of any capacity to NDMC, the same may be considered from the hydro sources available for Delhi DISCOMS in consultation with NDMC.

4.31 NDMC's allocation from various power stations from which it sources power is given in the table below:

Table 4. 10: Energy Availability Assumptions

Sr. No.	Power Plant	Total Installed Capacity(MW)	Firm % Share
1	Dadri TPS	840.00	14.88%
2	Pragati Power Corp I	330.00	30.30%
3	PPCL III	1,371.20	7.30%
4	DMSWSL	24.00	5.09%

**As per DERC order in Case 10/2019 dated 31.07.2019*

4.32 For meeting the supply-demand gap during the peak hours, the Petitioner projects to rely upon Short-Term, Bilateral and Inter-DISCOM power purchase. Detailed methodology of projecting the power availability from various sources is detailed below.

4.33 In the initial submission, the Petitioner had projected sourcing of power from various power stations including Dadri thermal power station. However, amidst the lockdown during month of April and May 2020in Delhi due to Covid 19, there has been a reduction in demand from industrial and commercial consumers. Accordingly, the Dadri power station was largely under shutdown. Though no power purchase from Dadri, petitioner has paid monthly fixed charges to the generator. A reduction in short term power purchase(including purchase from exchange) of around 270.50 MUs is also submitted in comparison to the initial submission of 293.00 MUs on account of the reduced demand. However, going forward, with the ease out of lockdown in Delhi, the demand is likely to pick up and accordingly, the initial submission for power sourcing has been retained for the balance months.

4.34 Energy availability has shown a substantial rise over the years and this has helped NDMC meet its peak power requirements comfortably. However, the last few years have witnessed a fall in PLF for the generating stations from which NDMC is presently procuring power. This has been taken in to account for all projections made for FY 2020-21.

4.35 NDMC has considered the availability of power from such sources in the past (except BTPS) and has accordingly worked out the expected availability from such stations for FY 2020-21. The overall estimated quantum of power to be purchased from each of the sources is provided in the appropriate formats and the same may kindly be approved by the Hon'ble Commission.

4.36 Presently, NDMC don't envisage any shortfall in available power. However, in case of extreme emergency situation, NDMC is positive that the shortfall in individual months shall be met from the power purchase agreements with Small Hydro Plants during the FY2020-21. Further, NDMC has allocations from Delhi MSW Solutions Ltd, Bawana in lines with the provisions of Tariff Policy 2016, which mandates all DISCOMs to procure power from municipal solid waste based power plants at a tariff determined by the appropriate Commission. NDMC also submits that it may resort to other Banking and bilateral arrangements along with Short Term power sources to meet the energy deficits as and when required.

4.37 Considering the Unique Load Curve of the Petitioner, the Petitioner has submitted that its license area comprises of VVIP areas having all the offices of Government of India viz. North Block, South Block, Nirman Bhawan, Udyog Bhawan, Rail Bhawan etc. and also Parliament House and Rashtrapati Bhawan, Supreme Court of India. Given the working hours in such offices, the power requirement is steep during the day and miniscule in the night hours. Accordingly, the Petitioner has requested the Hon'ble Commission to consider allocation of power to NDMC in twelve hours' duration instead of existing twenty-four hours' duration.

COMMISSION'S ANALYSIS

4.38 Power purchase cost is the single largest component of ARR of a Distribution Company. The estimate of power purchase cost has been carried out with utmost care based on the optimum method of procuring power from the generating stations.

4.39 Delhi has a firm allocated share in Central Sector Generating Stations (CSGS), State Generating Stations (SGS) and other stations. The Commission has considered allocation of firm power to Delhi based on various allocation Orders issued by Northern Region Power Committee latest version being on 30.09.2019. Further, the allocation to Delhi is split in to DISCOMs based on Order available on SLDC website, which has been prepared in line with the Assignment Orders/Re-allocation Orders issued by Commission from time to time.

4.40 The Commission vide letters dated 21.02.2020 sought DISCOM wise power purchase quantum from various sources by SLDC. SLDC vide email dated 03.03.2020 provided the same to the Commission. Post the implementation of nationwide lockdown, announced because of outbreak of COVID-19, the Commission once again vide letter dated 09.06.2020 sought DISCOM wise power purchase quantum from various sources by SLDC considering the impact of COVID-19 and subsequently SLDC vide Email dated 02.07.2020. A deficit of around 254 MU has been observed for the Petitioner for FY 2020-21.The Commission has considered the energy availability majorly based on the projections done by SLDC.

4.41 The distribution of unallocated quota from the various plants varies from time to time and is based on power requirement and power shortage in different States. Therefore, the Commission has not considered any power from the unallocated quota for FY 2020-21.

4.42 The Commission has revised the allocation of power from PPS-III, Bawana in line with Regulation 121(4) of the DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 w.e.f. 00:00 Hrs 1stSept 2020 till 00:00 Hrs 31stMarch 2021, based on the following reasons:

a) Bridging the gap between Average Power Purchase Cost of the Power Portfolio allocated & Average Revenue due to different consumer mix of all Distribution

Licensees.

b) NDMC request for approval of power requirement to the tune of 142 MW from Teesta-III, which has not been materialized till date, the fact that 125 MW of allocation of power from Badarpur Thermal Power Station (BTPS) has been discontinued to NDMC due to closure of BTPS and to avoid load shedding in their VIP areas serving critical loads

Table 4. 11: Re-allocation of Power among Delhi Distribution Licensees over & above ongoing allocation

Power Plant	BRPL		BYPL		TPDDL		NDMC	
	Present Allocation	Revised Allocation	Present Allocation	Revised Allocation	Present Allocation	Revised Allocation	Present Allocation	Revised Allocation
PPS-III, Bawana	38.91%	43.91%	22.50%	7.50%	27.19%	27.19%	9.12%	19.12%

Further, the Commission observes that NDMC has procured power under Short Term arrangement at comparatively higher rates than other Delhi Distribution Licensees. For instance, in FY 2018-19, NDMC has procured 266 MU under STPP out of which 196 MU has been procured at Rs. 5.10/kWh. Similarly, for FY 2017-18 NDMC has procured 331 MU under STPP out of which 259 MU has been procured at Rs. 4.98/kWh. Therefore, the above reallocation to NDMC shall facilitate the cost-effective and Round the Clock availability of Power from PPS-III, Bawana, wherein NDMC has PPA, and whose Energy Charge Rate is projected as Rs. 2.83/kWh.

4.43 The Commission has also examined the quantum of power purchase proposed by the Petitioner from various generating stations and based on the above discussions, the availability of power to the Petitioner from Central, State and other Generating Stations is approved as follows:

Table 4. 12: Commission Approved: Generating Stations for FY 2020-21

Sr. No.	Power Generating Stations	Installed Capacity (MW)	NDMC Share (%)	NDMC (MW)	Energy Scheduled (MU)
1	NCPP – Dadri	840	16.53%	125	305
2	Pragati – I	330	30.30%	100	430
3	PPS -III, CCGT Bawana	1371	19.12%	210	401
4	MSW Bawana	24.00	5.09%	1	6
5	Total			436	1141

4.44 The following methodology has been adopted by the Commission for estimation of Power Purchase Cost for FY 2020-21:

a) The Commission has considered Fixed Cost for the central Generating Stations as approved by Central Electricity Regulatory Commission (CERC) in its relevant Tariff Orders and for state based Generating Stations, Fixed Cost has been considered as determined by the Commission in their respective Tariff Orders for FY 2020-21.

b) The Energy Charge Rate (ECR) for most the central Generating Stations has been considered as the simple average of the actual ECRs for April 2019 to Dec 2019. For some plants majorly newer plants, the latest available ECR as per bills of Q1 FY 2020 have been considered. The Energy Charge Rate of state Generating Stations have been considered as approved by the Commission in the respective Tariff Orders for FY 2020-21.

4.45 Based on the above, the Total Power Purchase Cost for FY 2020-21, approved by the Commission is summarised as follows:

Table 4. 13: Commission Approved: Power Purchase Cost for FY 2020-21

Sr. No.	Stations	Energy (MU)	Fixed Cost (Rs.Cr.)	Variable Charges (Rs/ kWh)	Variable Cost (Rs. Cr.)	Total Charges (Rs. Cr.)	Avg. rate (Rs./kWh)
1	NCPP - Dadri	305	74	3.78	115	189	6.20
2	Pragati - I	430	40	3.26	140	180	4.18
3	PPS -III, Bawana	401	157	2.83	113	270	6.74
4	MSW Bawana	6	0	7.03	4	4	7.03
5	Total	1,141	270		373	643	5.63

COST OF POWER FROM OTHER SOURCES (SHORT TERM POWER PURCHASE)

PETITIONER'S SUBMISSION

4.46 The Petitioner has projected to procure power from short term to the tune of around 280 MU for FY 2020-21.

COMMISSION ANALYSIS

4.47 It is observed that the Petitioner is in shortfall of around 94 MU {254 MU – 160 MU (Re-allocated from PPS-III, Bawana)} for FY 2020-21 as indicated in Energy Balance table approved by the Commission. The impact of banking transactions has not been considered for the preparation of Energy Balance for FY 2020-21 as the energy through Return Banking will be off-set through Forward Banking met through Long term sources approved by the Commission.

4.48 The average short term RTC rates of electricity prevailing in N2 region (Delhi, Rajasthan, Uttarakhand and Uttar Pradesh) during the past period were analysed as under:

Table 4. 14: Commission Approved: Average Short Term RTC Rates in N2 region for FY 2019-20 (RS/kWh)

Apr 19	May 19	Jun 19	Jul 19	Aug 19	Sep 19	Oct 19	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20	Average
3.19	3.33	3.32	3.38	3.32	2.91	2.71	2.85	2.92	2.85	2.91	2.45	3.01

Table 4. 15: Commission Approved: Average Short Term RTC Rates in N2 region for FY 2020-21 (RS/kWh)

Apr'20	May'20	Jun'20	Jul'20	Aug'20*
2.42	2.57	2.35	2.47	2.37

*Till 24/08/2020

4.49 It is observed that for FY 2019-20, the declining trend starts from Aug 2019 onwards which ended at Rs 2.45/ kWh. Considering the latest available figure of Rs 2.37/ kWh of Aug 2020 and the declining trend due to availability of cheaper power resulting from COVID-19 and introduction of Real Time Market by CERC on 01/06/2020, Rs 2.25/ kWh has been considered as the Short Term Rate for FY 2020-21.

RENEWABLE PURCHASE OBLIGATION

PETITIONER'S SUBMISSON

4.50 The Petitioner has envisaged procurement of Solar power from various sources within its license area through net metering. The Petitioner in FY 2018-19 has tied up short term solar power to the extent of ~55MW from APPCC and accordingly, it plans to procure incremental solar power in the ensuing year 2020-21 from such sources. The Petitioner has further submitted that they are making incremental efforts and exploring possibilities of purchasing solar power through SECI. The same is likely to increase the solar purchase in its power procurement portfolio and will meet the Solar RPO going forward.

4.51 The Petitioner has projected Non-Solar RPO from various sources including Small Hydro Projects, Delhi MSW Solutions Ltd. and EDWPCL which would be sufficient to meet the existing RPO targets specified by the Commission and hence Petitioner has not projected any REC purchase for FY 2020-21.

COMMISSION'S ANALYSIS

4.52 The Commission has notified the DERC (Business Plan) Regulations, 2019 for three years i.e., FY 2020-21, FY 2021-22 and FY 2022-23. In the said Regulations, the Commission has specified RPO targets for the petitioner indicated in the table as follows:

Table 4. 16: Commission Approved: Targets for Renewable Purchase Obligation

Sr. No.	Particulars	FY 2020-21
A	Non Solar Target	10.25%
B	Solar Target	7.25%
C	Total	17.50%

4.53 As per the above said DERC (Business Plan) Regulations, 2019, the Distribution companies have to purchase 17.50% of total Energy Sales approved by the Commission during FY 2020-21 from renewable energy sources.

4.54 The Commission based on the inputs received from Delhi SLDC regarding the energy availability from renewable energy projects, based on the projects commissioned or anticipated to be commissioned shortly has observed that the entire energy projected by the Petitioner to meet its RPO obligations may not be available during FY 2020-21.

4.55 Based on the sales approved, the Petitioner has to purchase a minimum of 194 MU from renewable energy sources for FY 2020-21 indicated in the table as follows:

Table 4. 17: Commission Approved: Renewable Energy to be procured

Power Source	Approved Energy Sales (net of the Hydro Power purchase) (MU)	% of Total approved energy sales in Regulations	Renewable Energy to be Procured
Solar	1,109	7.25%	80
Non-solar		10.25%	114
Total		17.50%	194

4.56 The Commission observed that the total requirement for RPO compliance is more than the quantum of power available to the Petitioner from various Renewable Energy sources.

4.57 Regulation27 (2) of DERC(Business Plan) Regulations, 2019 stipulates as under:

"(2) The Distribution Licensee shall comply with its RPO through procurement of Solar energy and Non-Solar energy:

Provided that on achievement of Solar RPO compliance as specified in aforesaid sub Regulation (1) to the extent of 85% and above, remaining shortfall if any, can be met by excess Non-Solar energy/Non-Solar REC purchased beyond non-Solar RPO for that particular year:

Provided further that on achievement of Non-Solar RPO compliance as specified in aforesaid sub-Regulation (1) to the extent of 85% and above, remaining shortfall if any, can be met by excess Solar energy/Solar REC purchased beyond Solar RPO for that particular year:

Provided also that the Distribution Licensee may purchase power from various Renewable Energy sources or RECs or combination of both for any shortfall in meeting their total RPO targets for any financial year within three months from the date of completion of the relevant financial year."

4.58 The Commission, therefore, considers the balance of Renewable Energy procurement for RPO compliance through purchase of Renewable Energy Certificates during FY 2020-21.

4.59 CERC vide its Order dated 17.06.2020 has fixed Floor Price and Forbearance Price for Solar and Non Solar RECs as indicated in the table below:

Table 4. 18: *Fixed Floor Price and Forbearance Price for Solar and Non-solar RECs proposed by CERC*

Sr. No.	Particulars	Floor Price	Forbearance Price
1	Non-Solar	0	Rs. 1000/MWh
2	Solar	0	Rs. 1000/MWh

4.60 The Commission observed that DISCOMs of Delhi, even after bidding at forbearance price, could not purchase RECs in certain months in the last year. Accordingly, the Commission has considered Rs. 500/MWh which is the average of REC floor and forbearance price as prescribed by CERC, for RECs for the Petitioner for FY 2020-21.The Commission has also considered GST of 12% on the floor price of solar and non-solar RECs.

4.61 Accordingly, the Power Purchase Cost allowed by the Commission towards RPO compliance is indicated in the table as follows:

Table 4. 19: Commission Approved: Power Purchase Cost towards RPO compliance

Sr.No.	Sources of Renewable Energy	Quantity to be Purchased (MU)	Rate (Rs/kWh)	Total Cost (Rs. Cr.)
SOLAR				
1	Solar REC to be procured	80	0.56	4.50
NON SOLAR				
	MSW Bawana	6	7.03	4.14
2	Balance Non Solar RECs to be purchased	108	0.56	6.03
3	Non Solar Sub Total	114		10.17
TOTAL RPO		**194**		**14.68**

SPECIAL REBATE ANNOUNCED BY MINISTRY OF POWER

4.62 Ministry of Power (MoP), Government of India (GoI) dated 10/06/2020 conveyed that Central Public Sector Enterprises (CPSEs) under MoP (viz. NHPC, NTPC, PGCIL, THDC and SJVNL) will be offering rebate amounting to Rs.197.91 Crore to Delhi in line with the MoP advisory dated 15/05/2020 & 16/05/2020.

Table 4. 20: Rebate by CPSE (Amount in Rs. Cr.)

Sr. No.	CPSE under Ministry of Power	Rebate by CPSE
1.	NHPC Limited	18.26
2.	NTPC Limited	119.50
3.	PGCIL	53.12
4.	THDC Limited	3.00
5.	SJVNL	4.03
	Total	**197.91**

The Commission vide its letter dated 09/07/2020 informed GoNCTD that the said special rebate shall be adjusted in the Power Purchase Cost and Transmission Cost of FY 2020-21 of Delhi DISCOMs which shall provide relief to the end consumers in terms of reduced Power Purchase Cost for FY 2020-21. The details of the rebate offered to Delhi DISCOMs are as under:

Table 4. 21: Details of the rebate offered to Delhi DISCOMs

Particulars	BRPL	BYPL	TPDDL	NDMC	Total
NTPC	71.30	16.20	29.20	2.80	119.50
NHPC	8.96	4.64	4.66	0.00	18.26
THDC	2.08	0.00	0.92	0.00	3.00

SJVNL	1.79	1.00	1.25	0.00	4.03
PGCIL	21.78	12.84	17.33	1.17	53.12
Total	**105.90**	**34.67**	**53.37**	**3.97**	**197.91**

The above mentioned special rebate has been adjusted in the Transmission Cost and Power Purchase Cost of the Petitioner in the subsequent relevant sections.

TRANSMISSION LOSS AND CHARGES

PETITIONER'S SUBMISSION

4.63 The Intra-State and Inter-State Transmission losses as projected by the Petitioner for FY 2020-21 are tabulated below:

Table 4. 22: Petitioner Submission: Transmission Losses (MU)

Sr. No.	Particulars	FY 2020-21
A	**Transmission losses (MU)**	
I	Inter-State Transmission	8
Ii	Intra-State Transmission	13
Iii	**Total Transmission losses (MU)**	**21**

COMMISSION ANALYSIS

4.64 The Commission has considered the actual transmission charges for Inter State Transmission Charges. The Intra-State Transmission Charges has been considered based on DTL Order for FY 2020-21.

4.65 The Commission has considered Inter-State transmission losses @ 2% based on the latest bills furnished by the DISCOMs and Intra-state transmission losses @ 0.92%, as approved in DTL Order for FY 2020-21, for computation of transmission losses for FY 2020-21.

4.66 In view of the above, the Inter-State and Intra-State Transmission Losses and Transmission Charges as approved by the Commission for FY 2020-21 are indicated in the table as follows:

Table 4. 23:Commission Approved: Inter-State and Intra-State Transmission Losses and Transmission Charges for FY 2020-21

Sr. No.	Particulars	As approved
A	**Transmission losses (MU)**	
I	Inter-State Transmission (PGCIL)	6
II	Intra-State Transmission (DTL)	10
	Total Transmission Losses (MU)	**17**
B	**Transmission Charges (Rs. Cr.)**	
I	Inter-State Transmission (PGCIL)	33.36

Sr. No.	Particulars	As approved
II	Less: Special Rebate	1.17
III	Net Inter-State Transmission (PGCIL)	32.19
IV	Intra-State Transmission (DTL)	46.07
V	SLDC Charges	0.44
C	**Total Transmission Charges (Rs. Cr.)**	78.70

ENERGY BALANCE

PETITIONER'S SUBMISSION

4.67 The Petitioner has submitted that the projected energy balance is arrived for FY 2020-21 after considering the projected sales, distribution loss levels, transmission losses, power purchase and sale of surplus power which is as follows:

Table 4. 24: Petitioner Submission: Energy Balance Projections for FY 2020-21 (MU)

Sr. No.	Particulars	FY 2020-21
A	Energy Requirement	
1	Energy Sales	1357.05
2	Distribution Loss (%)	9.50%
3	Distribution Loss (MU)	142.47
4	Energy Required at Distribution Periphery	1499.69
B	Energy Availability	
1	Power Purchase from CGS outside the State	567.70
2	Interstate Transmission Losses	9.37
3	Net Power Purchase from Central Stations	558.33
4	Power Purchase from within the State	646.70
5	DMSWSL and EDWPCL	6.63
6	Power Purchase from Short Term Sources including ST Renewable	302.40
7	Gross Power Purchase Quantum	1,514.06
8	Intra State Transmission Loss	13.93
9	Net Power Available at NDMC Periphery	1,500.13
10	Sale of Surplus Power	-
11	Net Power available for Retail Sales	1,500.13

COMMISSION'S ANALYSIS

4.68 Based on the energy sales, distribution loss, Intra-state and Inter-state transmission losses approved by the Commission indicated in the above paragraphs, the energy requirement as approved by the Commission is summarized in the table as follows:

Table 4. 25:Commission Approved: Energy Balance for FY 2020-21

Sr. No.	Particulars	Unit	FY 2020-21
1	Total energy available (Excluding SGS)	MU	305
2	Inter-State Transmission Losses	%	2.00%

Sr. No.	Particulars	Unit	FY 2020-21
		MU	6
3	Energy available from SGS	MU	836
4	Energy available at State Transmission Periphery (1-2+3)	MU	1,135
5	Inter-State Transmission Losses	%	0.92%
		MU	10
7	Net Energy available at the distribution periphery	MU	1125
Energy Requirement			
8	Energy sales	MU	1,109
9	Distribution loss	%	9.00%
		MU	110
10	Energy requirement at distribution periphery	MU	1,218
11	**Surplus/ (Gap) energy (7-10)**	**MU**	**(94)**

REBATE ON POWER PURCHASE AND TRANSMISSION CHARGES

4.69 Regulation 119 of *DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017* states as follows:

> *"119. Distribution Licensee shall be allowed to recover the net cost of power purchase from long term sources whose PPAs are approved by the Commission, assuming maximum normative rebate available from each source, for supply to consumers."*

4.70 The Commission observed that CERC in its *CERC (Terms and Conditions of Tariff), Regulations, 2019* has considered the rebate as under:

> *"58. Rebate. (1) For payment of bills of the generating company and the transmission licensee through letter of credit on presentation or through National Electronic Fund Transfer (NEFT) or Real Time Gross Settlement (RTGS) payment mode within a period of 5 days of presentation of bills by the generating company or the transmission licensee, a rebate of 1.50% shall be allowed."*
>
> -------------

4.71 Regulation 138 of *DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017* states as under:

> *"138 For payment of bills of the generating entity and the transmission licensee through letter of credit on presentation or through NEFT/RTGS within a period*

of 2 days of presentation of bills by the generating entity or the transmission licensee, a rebate of 2% shall be allowed." ………

4.72 Accordingly, the Commission has considered rebate for FY 2020-21 in the following manner:

Table 4. 26:Commission Approved: Rebate for FY 2020-21

Sr. No.	Particulars	Billed Amount (Rs Cr.)	Rebate (%)	Rebate Amount (Rs Cr.)
A	Central Sector Utilities	221.37	1.5%	3.32
B	State Sector Utilities	500.28	2.0%	10.01
C	Total			13.33

TOTAL POWER PURCHASE COST

4.73 Based on the analysis above, the total power purchase cost approved for the Petitioner for FY 2020-21 is as follows:

Table 4. 27: Commission Approved: Total Power Purchase Cost during FY 2020-21

Sr. No.	Particulars	MU	Amount (Rs Cr.)	Avg. Rate (Rs/ kWh)
A	Total Energy available from Stations outside Delhi	305	189.17	6.20
B	Inter-State Transmission Losses & Charges Net of Special Rebate	6	32.19	
C	Energy available from Stations based in Delhi	836	453.78	5.43
D	Energy available at State Transmission Periphery	1,135	675.14	5.95
E	Intra-State Transmission Losses & Charges	10	46.51	
F	Power Purchase Rebate		13.33	
G	Power Available to DISCOM	1,125	708.32	6.30
H	Energy Sales	1,109		
I	Distribution Loss	110		
J	Net Energy Requirement	1,218		
K	Surplus/ Gap Energy	(94)	(21.08)	2.25
L	REC Purchase Cost		10.54	
M	Power Purchase Cost	1,218	739.94	6.07
N	Special Rebate provided by MoP (GENCOs)		2.80	
O	Net Power Purchase Cost	1,218	737.14	6.05

POWER PURCHASE COST ADJUSTMENT CHARGES (PPAC)

4.74 As per Regulation 135 of the DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017, the Commission has to specify the detailed formula for PPAC in the Tariff Order for the relevant year.

4.75 Further, as per Regulation 134 of the DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 only Price of Fuel from long term sources of Generation, Variation in Fixed Cost on account of Regulatory Orders from long term sources of Generation and Variation in Transmission Charges shall be allowed to be recovered in PPAC. The relevant Regulation is as follows:

> *"134. The Distribution Licensee shall be allowed to recover the incremental Power Procurement Cost on quarterly basis, over and above the Power Procurement Cost approved in the Tariff Order of the relevant year, incurred due to the following:*
>
> *(a) Variation in Price of Fuel from long term sources of Generation;*
>
> *(b) Variation in Fixed Cost on account of Regulatory Orders from long term sources of Generation;*
>
> *(c) Variation in Transmission Charges. "*

4.76 Accordingly, the Commission has specified the PPAC formula for FY 2020-21 by considering the base Power Purchase Cost from various generating stations over which any increase has to be taken for the purpose of PPAC during FY 2020-21 indicated as follows:

POWER PURCHASE COST ADJUSTMENT (PPAC) FORMULA

$$\text{PPAC for nth Qtr. (\%)} = \frac{(A-B)*C + (D-E)}{\{Z * (1- \underline{\text{Distribution losses in \%}})\} * ABR}$$

100

Where,

A = Total units procured in (n-1)th Qtr (in kWh) from power stations having long term PPAs – (To be taken from the bills of the GENCOs issued to distribution licensees)

B = Proportionate bulk sale of power from Power stations having long term PPAs in (n-1)th Qtr (in kWh)

$$= \frac{\text{Total bulk sale in (n-1)th Qtr (in kWh) * A}}{\text{Gross Power Purchase including short term power in (n-1)th Qtr (in kWh)}}$$

Total bulk sale and gross power purchase in (n-1)th Qtr to be taken from provisional accounts to be issued by SLDC by the 10th of each month.

C = Actual average Power Purchase Cost (PPC) from power stations having long term PPAs in (n-1)th Qtr (Rs./ kWh) – Projected average Power Purchase Cost (PPC) from power stations having long term PPAs (Rs./ kWh) (from tariff order)

D = Actual Transmission Charges paid in the (n-1)th Qtr

E = Base Cost of Transmission Charges for (n-1)th Qtr = (Approved Transmission Charges/4)

Z = [{Actual Power purchased from Central Generating Stations having long term PPA in (n-1)th Qtr (in kWh)*(1 – $\frac{\text{INTERSTATE TRANSMISSION LICENSEE losses in \%}}{100}$) + Power from Delhi GENCOs (in kWh)}*(1 – $\frac{\text{Intra state losses in \%}}{100}$) – B] in kWh

ABR = Average Billing Rate for the year (to be taken from the Tariff Order)

Distribution Losses (in %) = Target Distribution Losses (from Tariff Order)

INTER STATE TRANSMISSION LICENSEE Losses = $\frac{\text{100* Approved INTER STATE TRANSMISSION LICENSEE losses in Tariff Order (kWh)}}{\text{Approved long term power purchase from central generating stations having long term PPA in the Tariff Order (kWh)}}$

(in %) DTL Losses (in %) = 100 * Approved DTL Losses (from the Tariff Order) Power

available at Delhi periphery (from energy balance table tariff order)

4.77 The Commission has specified the methodology for recovery of PPAC in DERC (Business Plan) Regulations, 2019 as follows:

"The mechanism for recovery of Power Purchase Cost Adjustment Charges (PPAC) in terms of the Regulation 134 of the DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 from FY 2020-21 to FY 2022-23 of the Distribution Licensee shall be as follows:

(1) The Commission shall specify the detailed formula for computation of PPAC in the Tariff Order for the relevant year

(2) The Distribution Licensee shall compute the PPAC for any quarter as per the specified formula for the relevant year:

Provided that a quarter refers to one-fourth of a year i.e., April, May and June (Q1); July, August and September (Q2); and October, November and December (Q3); January, February and March (Q4);

(3) The PPAC computation of any quarter shall be equally spread and adjusted over subsequent quarter only:

Provided that the Commission may allow to carry forward PPAC to more than one quarter in order to avoid the tariff shock for consumers in terms of Regulation 136 of the DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017.

(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%).

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

(6) Revenue billed on account of PPAC by the Distribution Licensee, without going through the regulatory proceedings, shall be trued up along-with the Power Purchase Cost of the relevant year and no Carrying Cost shall be allowed due to under-recovery of revenue for the same year.

(7) Revenue billed on account of PPAC by the Distribution Licensee, without going through the regulatory proceedings, shall be trued up along-with the Power Purchase Cost of the relevant year and Carrying Cost shall be recovered at 1.20 times of interest rate on the excess revenue recovered for the same year."

4.78 PPAC on quarterly basis shall be charged as per the following:

(a) The PPAC will be charged to all categories of consumers.

(b) The weighted average base cost as approved in this Tariff shall be **Rs. 5.63/kWh.**

(c) The Distribution licensee shall submit to the Commission the details in respect of changes in power purchase cost of plants having long term PPAs, as listed above for (n-1)th quarter. Further, Auditor's Certificate indicating plant-wise details of fixed charges, variable charges, other charges and units purchased from each plant having long term PPAs, as listed above, for (n-1)th quarter and actual transmission charges for (n-1)th quarter shall be furnished along with the proposal of PPAC surcharge submitted for the Commission's approval. Further, similar information in respect of current bills shall also be furnished in the Auditor's certificate.

(d) The percentage of PPAC will be rounded off to two decimal places.

(e) The percentage increase on account of PPAC will be applied as a surcharge on the total energy and fixed charges (excluding short term arrears, LPSC, Electricity Duty etc.) billed to a consumer of the utility. Further, PPAC surcharge shall not be levied on the 8% surcharge and also the 8% surcharge towards recovery of past accumulated deficit shall not to be levied on PPAC.

(f) The bill format shall clearly identify the PPAC percentage and amount of PPAC billed as separate entries.

(g) This PPAC formula shall remain applicable till it is reviewed, revised or otherwise amended.

OPERATION AND MAINTENANCE EXPENSES (O&M)

PETITIONER'S SUBMISSION

4.79 The Petitioner submitted that as per DERC (Terms and Conditions for Determination of Tariff) Regulations 2017, the O & M expenses are to be worked out in following manner:

> "92. Normative Operations and Maintenance expenses of a Distribution Licensee shall consist of:
>
> a) *Employee Expenses,*
> b) *Administrative and General Expenses; and*
> c) *Repair and Maintenance Expenses.*
>
> *93. Normative Operation and Maintenance expenses of a Distribution Licensee for a Control Period shall be derived on the basis of audited Operation and Maintenance expenses for last five (5) completed Financial Years vis-å-vis normative Operation and Maintenance expenses allowed by the Commission during the corresponding period based on the following parameters:*
>
> a) *Load growth,*
> b) *Consumer growth,*
> c) *Commercial loss,*
> d) *Distribution loss,*

e) *Inflation,*

f) *Efficiency,*

g) *Capital base and,*

h) *Any other factor."*

4.80 The Petitioner submitted actual employee expenses for 2018-19 which have been escalated at 5.61% (escalation factor considered by the Commission in the tariff order for 2018-19) to arrive at the employee expenses in FY 2020-21. The Petitioner further submitted that they will submit the actual expenses at the time of truing up and also provide justification of deviations, if any at that stage.

4.81 The Petitioner further submitted that they were not a party to the Transfer scheme notified for unbundling of erstwhile DVB. Being an independent licensee, no man, material and assets of erstwhile DVB were transferred to NDMC as part of the transfer scheme. Accordingly, no liability of the Employee Pension Trust should be borne by the consumers in the Petitioner's license area. Accordingly, the Petitioner requested that the Commission to consider the aforesaid submissions while deciding such matters.

4.82 The Petitioner further submitted that on similar lines, the actual expenses for A&G and R&M as considered in FY 2017-18 have been escalated at 5.61% to arrive at the normative expenses for FY 2020-21. Repairs and Maintenance expenses are critical for ensuring reliable and quality power supply in the Petitioner's license area and therefore the Petitioner requested the Commission to consider the submissions and approve the O&M expenses as requested in this petition.

4.83 The O&M Expenses as projected by the Petitioner for FY 2020-21 are as follows:

Table 4. 28:O&M Expenses Projected for FY 2020-21 (Rs. Crore)

Sr. No.	Particulars	FY 2020-21
1	Employee Expenses	241.07
2	A&G Expenses	8.29
3	R&M Expenses	14.83
4	**O&M Expenses**	**264.18**

COMMISSION'S ANALYSIS

4.84 The Commission at Regulation 23 of DERC (Business Plan) Regulations, 2019 has notified norms for Operation and Maintenance Expenses for FY 2020-21 in terms of Regulation 4(3) of DERC (Terms and Conditions for determination of Tariff) Regulations, 2017 as follows:

*"**23. Operation and Maintenance Expenses***

(1) Normative Operation and Maintenance Expenses in terms of Regulation 4(3) and Regulation 92 of the DERC (Terms and Conditions for determination of Tariff) Regulations, 2017 for the Distribution Licensees shall be follows:

Table 8: O&M Expenses for BRPL for the Control Period

Particulars	***Unit***	***2020-21***	***2021-22***	***2022-23***
66 kV Line	*Rs. Lakh/ Ckt. Km*	*3.079*	*3.197*	*3.320*
33 kV Line	*Rs. Lakh/ Ckt. Km*	*3.079*	*3.197*	*3.320*
11 kV Line	*Rs. Lakh/ Ckt. Km*	*0.935*	*0.971*	*1008*
LT line system	*Rs. Lakh/ Ckt. Km*	*7.338*	*7.620*	*7.912*
66/11 kV Grid S/s	*Rs. Lakh/ MVA*	*0.954*	*0.991*	*1.029*
33/11 kV Grid S/s	*Rs. Lakh/ MVA*	*0.954*	*0.991*	*1.029*
11/0.415 kV DT	*Rs. Lakh/ MVA*	*1.489*	*1.546*	*1.065*

...

(2) The Distribution Licenses shall be allowed own (Auxiliary) consumption, at zero tariff for actual recorded consumption subject to a maximum of 0.25% of total sales to its retail consumers for the relevant financial year as part of O&M expenses for the relevant year.

(3) Actual recorded own (Auxiliary) consumption in excess of 0.25% of total sales to its retail consumers for the relevant financial year, shall be billed at Non Domestic Tariff of respective year's Tariff schedule and shall form part of revenue billed and collected for the same year.

(4) Impact of any Statutory Pay revision on employee's cost as may be applicable on case to case basis shall be considered separately, based on actual payment made by the Distribution Licensees and shall be allowed by the Commission after prudence check at the time of true up of ARR for the relevant financial year."

4.85 The Commission observed that the network utilisation is expected to be reduced this year resulting in to lower O&M expenses. Further, the O&M Expenses are linked with the network capacity of the DISCOM. The Commission has considered the trued up network capacity of the Petitioner till FY 2018-19 and the rates as specified in Business Plan Regulations, 2019 and has determined O&M Expenses for FY 2020-21 as follows:

Table 4.29:Commission Approved: O&M Expenses for FY 2020-21 (Rs. Cr.)

<table>
<tr><th rowspan="2">NETWORK</th><th rowspan="2">Average Network Capacity</th><th colspan="2">Norms as per DERC (Business Plan) Regulations, 2019</th><th rowspan="2">Amount of O&M Expenses (Rs Cr.)</th></tr>
<tr><th>Units</th><th>Rate/Unit</th></tr>
<tr><td>66 kV Line (kms)</td><td rowspan="2">225</td><td>Rs. Lakh/Ckt. Km</td><td rowspan="2">3.079</td><td rowspan="2">6.93</td></tr>
<tr><td>33 kV Line (kms)</td><td>Rs. Lakh/Ckt. Km</td></tr>
<tr><td>11 kV Line (kms)</td><td>1,043</td><td>Rs. Lakh/Ckt. Km</td><td>0.935</td><td>9.76</td></tr>
<tr><td>LT Line system (kms.)</td><td>2,705</td><td>Rs. Lakh/Ckt. Km</td><td>7.338</td><td>198.53</td></tr>
<tr><td>66/11 kV Grid sub-station (MVA)</td><td rowspan="2">1,460</td><td>Rs. Lakh/MVA</td><td rowspan="2">0.954</td><td rowspan="2">13.93</td></tr>
<tr><td>33/11 kV Grid sub-station (MVA)</td><td>Rs. Lakh/MVA</td></tr>
<tr><td>11/0.4 kV DT (MVA)</td><td>777</td><td>Rs. Lakh/MVA</td><td>1.489</td><td>11.58</td></tr>
<tr><td>Total</td><td></td><td></td><td></td><td>240.72</td></tr>
</table>

ALLOCATION OF ADMINISTRATIVE DEPARTMENT AND CIVIL ENGINEERING DEPARTMENT EXPENSES

PETITIONER'S SUBMISSION

4.86 The Petitioner has submitted that it has a separate administration department consisting of the Petitioner's Board, Finance Department, General Administration, Law Department, Public Relations, Staff and Labour welfare, Vigilance department, Auto workshop, Information & Technology, Engineer-in-Chief etc. Also, there is a separate Civil Engineering Department and the services of the department are utilized for the civil works undertaken for electricity substation, lines and other electrical works. Thus, the services of the Administration & Civil Engineering Department are common to all the functions carried out by the Petitioner and the expenditure pertaining to these departments should be allocated to all functions of the Petitioner.

4.87 The Petitioner has further submitted that it is in a process to segregate the Accounts of Electricity Division. This activity of segregation was assigned to SBI Caps, however, the completion of this activity has got delayed. The process of segregation of

Accounts of Electricity Division is still under progress and expected to complete shortly. Till such time the Accounts are segregated, the Petitioner has proposed to consider the submissions as made in the current petition and requested the Commission to kindly approve the same.

Table 4. 30:Petitioner Submission: Administrative & Civil Engineering Department Expenses (Rs. Cr.)

Sr. No.	Particulars	FY 2020-21
1	Allocation of Administrative Expenses to Power SBU	10.00
2	Cost of Civil Engineering Department	35.17
3	Total	45.17

COMMISSION'S ANALYSIS

4.88 The Commission has already indicated in true up of ARR for FY 2018-19 and previous years that in absence of proper justification and bifurcation of expenditure on account of Administrative Department and Civil Engineering Department, these expenses shall not be allowed in ARR. Accordingly, the Commission has not allowed any expenses towards Administrative Department and Civil Engineering Department for FY 2020-21. Further the Petitioner is directed to submit the report, if any, depicting the bifurcation of expenses for Energy Business and Non-Energy Business.

CAPITAL INVESTMENT AND CAPITALIZATION

PETITIONER'S SUBMISSION

4.89 The Petitioner has submitted that DERC (Terms and Conditions for Determination of Tariff) Regulations 2017 specifies:

"5

…

(16) Capital Investment Plan taking into account the sales/demand forecast, power procurement plan, distribution loss trajectory, targets for quality of supply etc.;

(17) The investment plan shall be scheme-wise and include:

a) Purpose of investment (such as replacement of existing assets, meeting load growth, technical loss reduction, reactive energy requirements, customer service improvement, improvement in quality and reliability of supply, etc),

b) Capital Structure,
c) Capitalization Schedule,
d) Financing Plan,
e) Cost-benefit analysis,
f) Performance improvement envisaged in the Control Period,
g) Any other factors influencing investment,
…"

4.90 The Petitioner submitted that it is implementing the schemes funded by the Central Government. The details of the actual capital expenditure on the scheme will be submitted at the time of truing up.

COMMISSION'S ANALYSIS

4.91 The Commission approves the projection of Gross Capitalisation of Rs. 39.50 Cr including Consumer Contribution of Rs 8.34 Cr, based on submission of the Petitioner for FY 2020-21.

Table 4. 31:Commission Approved: Consumer Contribution for FY 2020-21

Sr. No	Particulars	FY 2020-21	Ref.
A.	Closing Balance of Consumer contribution capitalized upto true up for FY 2018-19	11.80	Table 3. 48
B.	Consumer Contribution projected during FY 2019-20	8.34	
C.	Opening balance of Consumer Contribution already capitalized upto FY 2020-21	20.14	A+B
D.	Consumer Contribution Capitalized during the Year	8.34	
E.	Closing Consumer Contribution and Grants	28.48	C+D
F.	Average Consumer Contribution and Grants	24.31	(C+E)/2

DEPRECIATION

PETITIONER'S SUBMISSION

4.92 The Petitioner has stated that it has applied an average rate of depreciation for distribution assets @ 3.60% for computing depreciation for FY 2020-21.

Table 4. 32:Petitioner Submission: Projected Depreciation of Fixed Assets for FY 2020-21 (Rs. Cr.)

Sr. No.	Particulars	Projections
1	Average GFA	1,003.79
2	Average Consumer Contribution	17.69
3	Average Assets Net of Consumer Contribution	986.10
4	Average Depreciation Rate	3.60%
5	Depreciation	35.50

4.93 The Petitioner has submitted that the Gross Fixed Assets has been arrived on the basis of the Draft Report submitted by SBI Caps with regards to separation of assets and accounts for Electricity Distribution of the Petitioner and the actual capital expenditure and capitalization for FY 15, FY 16, FY 17, FY 18, approved capitalisation or FY 19 and projected capitalisation in FY 20.

COMMISSION'S ANALYSIS

4.94 The Commission has provisionally considered the rate of depreciation for FY 2020-21 as approved for FY 2018-19 and approved depreciation as follows:

Table 4.33:Commission Approved: Depreciation for FY 2020-21 (Rs. Cr.)

Sr.No.	Particulars	Amount	Ref.
A.	Closing GFA for FY 2018-19	562.72	Table 3. 40
B.	Additions projected during FY 2019-20	74.22	
C.	Opening GFA	636.94	A+B
D.	Net Additions to Asset during the year	39.50	
E.	Closing GFA	676.44	C+D
F.	Average GFA	656.69	(C+E)/2
G.	Less: Average Consumer Contribution	24.31	Table 4. 31
H.	Average GFA net of CC	632.38	F-G
I.	Average rate of depreciation	3.60%	
J.	Depreciation	22.77	H*I

WORKING CAPITAL

PETITIONER'S SUBMISSION

4.95 The Petitioner has submitted that the DERC Tariff Regulation, 2017 specified the following for computation of Working Capital.

"84.

…

(4) Distribution Licensee as follows:

(i) Working capital for wheeling business of electricity shall consist of ARR for two months of Wheeling charges.

(ii) Working capital for Retail Supply business of electricity shall consist of

(a) ARR for two months for retail supply business of electricity;

(b) Less: Net Power Purchase cost for one month;

(c) Less: Transmission charges for one month.

4.96 Accordingly, the Petitioner has computed the Working Capital as follows:

Table 4.34: Petitioner Submission: Projected Working Capital for FY 2020-21

Sr. No.	Particulars	FY 2020-21
1	ARR for two months for retail supply business of Electricity	216.82
2	Less: Net Power Purchase Cost for one month	74.79
3	Less: Transmission Charges for one month	
4	Working Capital	142.03

COMMISSION'S ANALYSIS

4.97 The Commission has computed the working capital requirement for the Petitioner as per Regulation 84 (4) Delhi Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff) Regulations, 2017. The relevant extract of the Regulation is as follows:

"84. The Commission shall calculate the Working Capital requirement for:

(4) Distribution Licensee as follows:

(i) Working capital for wheeling business of electricity shall consist of ARR for two months of Wheeling Charges.

(ii) Working Capital for Retail Supply business of electricity shall consist of:

(a) ARR for two months for retail supply business of electricity;

(b) Less: Net Power Purchase costs for one month;

(c) Less: Transmission charges for one month: "

4.98 Accordingly working capital requirement has been computed for FY 2020-21. The change in working capital has been considered from the working capital for FY 2019-20 as determined in Tariff Order dated 31/07/2019 as follows:

Table 4. 35:Commission Approved: Working Capital for FY 2020-21 (Rs. Cr.)

Sr. No.	Particulars	Approved	Ref.
A.	Annual Revenue	1017.16	
B.	Receivables equivalent to 2 months average billing	169.53	A/6
C.	Power Purchase expenses including transmission charges	737.14	Table 4. 27
D.	Less: 1/12th of power purchase expenses	61.43	C/12
E.	Total Working Capital	108.10	B-D
F.	Opening Working Capital	115.00	
G.	Change in Working Capital	(6.90)	E-F

MEANS OF FINANCE FOR REGULATED RATE BASE, RoCE, WACC

PETITIONER'S SUBMISSION

4.99 For the purpose of this submission, the Petitioner is submitting the ROCE calculations in line with the Tariff Regulations 2017. For calculating RoCE, NDMC has adopted of normative debt – equity ratio of 70:30, and calculated WACC considering return on equity at the rate of 16% and cost of debt at 9.73%. Detailed calculation of Regulated Rate Base, Change in Working Capital, WACC leading up to estimation of RoCE is shown in table below:

Table 4. 36:RRB for FY 2020-21 (Rs. Crore)

Sr. No.	Particulars	FY 2020-21
1	RRB - Base Year	
A	Opening Balance of GFA	1,003.79
B	Opening Balance of Working Capital	106.21
C	Opening Balance of Accumulated Depreciation	627.17
D	Opening balance of Accumulated Consumer Contribution (in proportion of OCFA to total OCFA + CWIP + Stores)	17.69
E	**(A+B)-(C+D) i.e., RRB opening**	**465.14**
2	RRB - for the year	
F	Investments in capital expenditure during the year	-
G	Depreciation for the year	35.50
H	Consumer Contribution, Grants, etc. for the year	-
I	Fixed asset retirement/De-capitalization applicable	
J	Change in Working Capital	33.91
K	Change in RRB During 2018-19 [(F-G-H)/2+J]	16.70
3	**RRB Opening Balance**	**465.14**
	RRB for the year	16.70
	RRB Closing (E+F+H-G)	**481.84**
4	**Opening in Regulated Rate Base (RRB) (i)**	465.14
	Change in RRB	16.70
	Regulated Rate Base (RRB) (i)	**481.84**

4.100 The Petitioner has adopted rate of return on equity for FY 2020-21 at 16% as per DERC Tariff Regulations, 2017. Interest rate on the Debt has been taken as 9.73% for FY 2020-21 as already detailed in the true-up of 2018-19. The said rate may kindly be considered as per prevailing rates in the market at the time of truing up for FY2020-21.

Table 4. 37:Return on Capital Employed for FY 2020-21 (Rs Crore)

Sr. No.	Particulars	FY 2020-21
1	Regulated Rate Base (RRB)	481.30
2	Working Capital Loan	140.12
3	Net RRB	341.18
4	Rate of return on Equity	16%
5	Rate of Return on Debt	9.73%
6	Weighted Average Cost of Capital (WACC)	11.05%
7	**Return on Capital Employed (RoCE)**	**53.25**

4.101 The Petitioner being exempted from Income tax has not proposed any tax liability for 2020-21. However, the Petitioner requested the Commission to allow tax liability in future in case required.

COMMISSION ANALYSIS

4.102 The Commission has considered normative debt-equity ratio of 70:30 on the asset capitalised after utilizing the consumer contribution as specified in DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017. The relevant extract is as follows:

"25. The Capital Cost of a new project or scheme shall include the following:

(1) The expenditure incurred or projected to be incurred up to the date of commercial operation of the project or scheme as approved by the Commission;

(2) Interest during construction and financing charges, on the loans being equal to debt as per financing excluding however the equity deployment, provided however the equity deployment shall not exceed 30% of the capital cost and in case equity is deployed in excess of 30%

the excess shall be deemed to be a debt or notional loan;

(3) Capitalized initial spares subject to the ceiling rates specified by the Commission;

(4) Expenditure on account of additional capitalization determined in accordance with these Regulations;

(5) Adjustment of revenue on account of sale of infirm power by Generating Entity in excess of fuel cost prior to the COD as specified under these Regulations; and

(6) Adjustment of any revenue earned by the Utility, including by using the assets, before COD.

26. The Capital cost of an existing project or scheme shall include the following:

(1) The trued-up capital cost excluding liability admitted by the Commission;

(2) Additional capitalization and de-capitalization for the respective year of tariff as determined in accordance with these Regulation; and

(3) Expenditure on account of renovation and modernisation as admitted by the Commission in accordance with these Regulations.

27. The capital cost incurred or projected to be incurred on account of any applicable PAT (Perform, Achieve and Trade) scheme of Government of India will be considered by the Commission on case to case basis and shall include:

(1) Cost of plan proposed by developer in conformity with norms of PAT Scheme; and

(2) Sharing of the benefits accrued on account of PAT Scheme.

28. The cost for the following shall be excluded or removed from the capital cost of the existing and new project or scheme as detailed out in Regulations 44 to 48 in these Regulations:

(1) The assets forming part of the project or scheme, but not in use;

(2) De-capitalized or retired asset.

29. Any grant or contribution or facility or financial support received by the Utility from the Central and/or State Government, any statutory body, *authority, consumer or any other person, whether in cash or kind, for execution of the project or scheme, which does not involve any servicing of debt or equity or otherwise carry any liability of payment or repayment or charges shall be excluded from the Capital Cost for the purpose of computation of interest on loan, return on equity and depreciation."*

4.103 As per the above Regulations, equity shall not exceed 30% of the total funding requirement for capitalization.

4.104 Regulation 70 of DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 specifies that the Working Capital shall be considered 100% debt financed for the calculation of WACC. Accordingly, the requirement of debt and equity has been computed as follows:

Table 4. 38: Commission Approved: RRB (Rs. Cr.)

Sr. No.	Particulars	Amount	Ref.
A	Opening Original Cost of Fixed Assets ($OCFA_o$)	636.94	Table 4.33
B	Opening Accumulated depreciation (ADo)*	469.21	
C	Opening consumer contributions received (CCo)	20.14	Table 4. 31
D	Opening Working capital (WCo)	115.00	Table 4. 35
E	Opening RRB (RRBo)	262.60	A-B=C+D
F	Investment capitalised during the year (INVi)	39.50	Table 4.33
G	Depreciation during the year (Di)	22.77	Table 4.33
H	Depreciation on decapitalised assets during the year	-	
I	Consumer contribution during the year (CCi)	8.34	Table 4. 31
J	Fixed assets retired/decapitalised during the year (Reti)	-	
K	Change in capital investment (ΔABi)	8.39	(F-G+H-I-J)
L	Change in working capital during the year (ΔWCi)	(6.90)	Table 4. 35
M	RRB Closing	264.09	E+K+L
N	RRBi	259.89	E+K/2+L

**Closing accumulated depreciation at the end of FY 2018-19 @ Rs.446.11 Cr. + projected depreciation of Rs. 23.10 Cr. during FY 2019-20*

4.105 Regulation 77 of DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 stipulates,

"The rate of interest on loan shall be based on weighted average rate of interest for actual loan portfolio subject to the maximum of bank rate as on 1st

April of the year plus the margin as approved by the Commission in the Business Plan Regulations for a Control Period:

Provided that in no case the rate of interest on loan shall exceed approved rate of return on equity:

Provided further that if there is no actual loan for a particular year but normative loan is still outstanding, the last available weighted average rate of interest shall be considered:

Provided also that if the Utility does not have actual loan then the rate of interest shall be considered at the bank rate plus margin, as specified by the Commission in the Business Plan Regulations, for the notional loan of the relevant control period:

Provided also that the loan availed through open tendering process (Competitive Bidding) among Scheduled Banks, Financial Institutions etc., shall be considered at the rate discovered through open tendering process."

4.106 The Commission has approved Rate of Return on Equity computed at base rate of 14% on post tax basis for Wheeling Business and base rate of 2% on post tax basis for the retail business of the Petitioner in its Business Plan Regulations, 2017.

4.107 The Commission in Business Plan Regulations, 2019 has specified the Margin with respect to Interest Rate for FY 2020-21for the Petitioner as follows:

"22. MARGIN FOR RATE OF INTEREST ON LOAN

(1) The rate of interest on loan for a financial year shall be Marginal Cost of Fund based Lending Rate (MCLR) of SBI as on 1st April of that financial year plus the Margin. The Margin, in terms of Regulation 4(2) of the DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 for the Transmission Licensee, is allowed as the difference between the weighted average rate of interest on actual loan portfolio and the MCLR as on 1st April of that financial year:

Provided that the Margin shall not exceed 5.00%, 4.25% and 3.50%

for the first, second and third year of the control period, respectively: Provided further that the rate of interest on loan (MCLR plus Margin) in any case shall not exceed approved base rate of return on equity i.e. 14.00%."

4.108 The Commission has considered the following rates of interest in line with the previous Tariff Order for the Petitioner as follows:

Table 4. 39: Commission Approved: Rate of interest on loan

Expense head	Rate of Interest
Capitalisation	8.00%
Working Capital	8.00%
Regulatory Asset	9.80%

4.109 The weighted average rate of interest on loan for the purpose of debt available for capital expenditure and Working capital is computed at 8.00%. Further, no Income Tax is allowed as the Petitioner has submitted that they are exempted from the same. Accordingly, the Weighted Average Cost of Capital (WACC) has been considered for FY 2020-21 by the Commission as follows:

Table 4. 40:Commission Approved: Weighted Average Cost of Capital (WACC) for FY 2020-21 (Rs. Cr)

Sr.No.	Particulars	As Approved
A	Average Equity	45.54
B	Average Debt – Capitalisation	106.26
C	Average Debt – Working Capital	108.10
D	Return on equity	16%
E	Income Tax Rate (Effective rate as considered for FY 2017-18)	0%
F	Grossed up Return on Equity	16%
G	Rate of Interest on Debt	8%
H	Weighted Average Cost of Capital	9.40%

4.110 The Commission approves RoCE based on RRB (i) and WACC as follows:

Table 4. 41:Commission Approved: Return on Capital Employed(Rs. Cr.)

Sr. No.	Particulars	Now Approved
A	RRB (i)	259.89
B	WACC	9.40%
C	RoCE	24.43

NON-TARIFF INCOME

PETITIONER'S SUBMISSION

4.111 The Petitioner had proposed Non-Tariff Income as per the values approved for FY 2020-21 provided as follows:

Table 4. 42:Petitioner Submission: Non-Tariff Income for FY 2020-21

Non-Tariff income	FY 2020-21
Total	2.93

COMMISSION'S ANALYSIS

4.112 The Commission has considered the Non-Tariff Income approved for FY 2018-19 for projecting Non Tariff Income of the Petitioner for FY 2020-21 of Rs. 7.90 Cr.

AGGREGATE REVENUE REQUIREMENT

PETITIONER'S SUBMISSION

4.113 The Petitioner has submitted the Aggregate Revenue Requirement for FY 2020-21 as below:

Table 4. 43:ARR for FY 2020-21 (Rs. Crore)

Sr. No.	Particulars	FY 2020-21
1	Cost of power purchase, including T&D Losses	811.72
2	Inter-State Transmission charges	28.75
3	Intra-state Transmission charges including SLDC charges	57.04
	Rebate on Timely Payments	-
4	Net Operation & Maintenance (O&M)	264.18
5	Depreciation	35.50
6	Administrative Dept. & Civil Engg. Dept	45.17
7	RoCE	53.25
8	Income Tax	-
9	**Aggregate Revenue Requirement**	**1295.66**
10	Less: Non-Tariff Income	2.93
11	**Net ARR**	**1292.73**

COMMISSION'S ANALYSIS

4.114 The ARR based on various components as approved by the Commission for FY 2020-21 is summarised as follows:

Table 4.44:Commission Approved: ARR for Wheeling and Retail Business for FY 2020-21 (Rs. Cr.)

Sr. No.	Particulars	As Approved	Ref.
A.	Power Purchase Cost including Transmission Charges	737.14	Table 4. 27
B.	O&M Expenses	240.72	Table 4.29
C.	Depreciation	22.77	Table 4.33
D.	Return on Capital Employed (RoCE)	24.43	Table 4. 41
E.	Less: Non-Tariff income	7.90	Para 4.107
F.	Aggregate Revenue Requirement	1,017.16	A+B+C+D-E

ALLOCATION FOR WHEELING AND RETAIL BUSINESS

COMMISSON'S ANALYSIS

4.115 Based on the allocation of different expenses in accordance with the methodology followed in the DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 and DERC (Business Plan) Regulations, 2019, the approved ARR for Wheeling and Retail Supply business of the Petitioner is indicated in the table as follows:

Table 4. 45: ARR for Wheeling Business for FY 2020-21 (Rs. Cr.)

Sr. No.	Particulars	Amount
A.	O&M Expenses	149.25
B.	Depreciation	17.53
C.	Return on Capital Employed (RoCE)	17.59
D.	Less: Non-tariff income	3.16
E.	Aggregate Revenue Requirement	181.21

Table 4. 46:ARR for Retail Business for FY 2020-21 (Rs. Cr.)

Sr. No.	Particulars	Amount
A.	Cost of Power Procurement	737.14
B.	O&M Expenses	91.47
C.	Depreciation	5.24
D.	Return on Capital Employed (RoCE)	6.84
E.	Carrying Cost on Revenue Gap/Regulatory asset	225.87
F.	Less: Non-Tariff Income	4.74
G.	Aggregate Revenue Requirement	835.95

IMPACT OF THE COMMISSION'S ORDER ON REDUCTION OF FIXED CHARGES AGAINST UNUTILISED CAPACITY FOR INDUSTRIAL AND NON-DOMESTIC CONSUMERS FOR THE MONTHS OF APRIL, 2020 AND MAY, 2020

4.116 The Commission issued an Order for reduction of fixed charges against unutilised capacity for Industrial and Non-Domestic consumers for the months of April 2020 and May 2020 on 07.09.2020. The Order forms an integral part of this Tariff Order. Relevant Extract of the same is as follows:

"7. Accordingly, in exercise of its power conferred under Regulations 168 & 172 of the DERC Tariff Regulations, 2017 and Regulations 84 & 85 of the DERC (Supply Code and Performance Standards) Regulations, 2017 ,the Commission hereby decides that for electricity bill pertaining to consumption related to April 2020 and May 2020, the eligible Industrial and Non-domestic (Commercial etc.) consumers whose monthly Maximum Demand is less than the Contract Demand/Sanctioned Load, the Billing Demand for computation of Fixed Charges for such consumers shall be split into two parts as follows:

i) 1st part: Fixed Charges for Billing Demand upto Maximum Demand shall be billed as per existing rate of Rs.250/kVA/month; Plus

ii) 2nd part: Fixed Charges for remaining Billing Demand i.e., {Contract Demand/Sanctioned Load minus Maximum Demand} shall be billed at 50% of existing rate i.e., Rs. 125/kVA/month.

8. In view of above, the Fixed Charges for the unutilized capacity for April 2020 and May 2020 (Contract Demand/Sanctioned Load - MDI) for eligible Industrial and Nondomestic (Commercial etc.) consumers shall be billed at reduced rate of Rs.125/kVA/month as against existing rate of Rs.250/kVA/month. The Distribution Licensees are directed to adjust the Fixed Charges of April 2020 and May 2020 for such consumers in subsequent two billing cycles from the issuance of this Order."

4.117 The impact of the same as provisionally estimated by the Commission based on the submissions of the Petitioner and majority of its consumer base being Non-Domestic comes out to around Rs 50 Cr.

REVENUE (GAP)/ SURPLUS

PETITIONER'S SUBMISSION

4.118 The Petitioner has tabulated the Revenue (Gap)/ Surplus for FY 2020-21 as under:

Table 4. 47:Petitioner Submission: Revenue (Gap) for FY 2020-21 (Rs. Cr.)

Sr. No.	Particulars	Submission
A	ARR for FY 2020-21	1292.73
B	Revenue available towards ARR	1213.41

Sr. No.	Particulars	Submission
C	Revenue (Gap)/ Surplus	(79.33)

COMMISSION ANALYSIS

4.119 The Commission has calculated the Revenue Surplus/(Gap) at Existing Tariff for FY 2020-21 as follows:

Table 4. 48:Commission Approved: Revenue (Gap) for FY 2020-21 (Rs. Cr.)

Sr. No.	Particulars	Petitioner's Submission	As approved	Ref.
A	Aggregate Revenue requirement for the year	1,292.73	1,017.16	Table 4.43
B	Revenue available for the year at Existing Tariff	1,213.41	1,087.74*	Table 4.6
C	Less: Adjustment in Fixed Cost of Unutilized Capacity of Non-Domestic and Industrial Consumers for the months of April 2020 and May 2020	-	50.00	Para 4.117
D	Total Revenue available	1,213.41	1,037.74	D=B-C
E	Revenue (Gap)/ Surplus for the year	(79.33)	20.58	E=D-A

** includes provisional revenue of Rs 30.69 Cr. through levy of PPAC by Petitioner in the months of Apr'20 to Jul'20.*

A5 TARIFF DESIGN

COMPONENTS OF TARIFF DESIGN

5.1 The Commission has considered the following components for designing tariff of the Distribution Licensees.

a. Consolidated Revenue (Gap)/Surplus.
b. Cost of service
c. Cross-subsidization in tariff structure

CONSOLIDATED REVENUE (GAP)/SURPLUS

REVENUE (GAP)/SURPLUS TILL FY 2018-19

5.2 The Revenue (Gap)/Surplus upto FY 2018-19 is summarized in the table as follows:

Table 5. 1: Revenue (Gap)/Surplus till FY 2018-19 (Rs. Cr.)

Sr. No.	Particulars	Amount	Remarks
A	Opening Balance of Revenue (Gap) / Surplus	22.11	Table 3.55
B	Revenue Requirement for the year	1,175.02	
C	Revenue realized	1,275.29	
D	(Gap) / Surplus for the year	100.27	
E	Rate of Carrying Cost	9.80%	
F	Amount of Carrying Cost	7.08	
G	Closing Balance of Revenue (Gap)/Surplus	**129.47**	

REVENUE (GAP)/SURPLUS FOR FY 2020-21 AT REVISED TARIFF

5.3 The summary of revenue at revised tariff for FY 2020-21 is as follows:

Table 5. 2: Revenue at Revised Tariff for FY 2020-21 (Rs. Cr.)

Sr. No.	Category	Fixed Charges	Energy Charges	Total Revenue
1	Domestic	22.79	117.35	140.14
2	Non-Domestic	166.28	711.71	877.99
3	Industrial	0.01	0.00	0.01
4	Agriculture & Mushroom	-	-	-
5	Public Utilities	2.87	25.00	27.87
6	DIAL	-	-	-
7	Others	1.99	14.37	16.36
8	Total	193.94	868.42	1,062.36
9	**Revenue @ 99.50% Collection Efficiency**			**1,057.05**

5.4 Summary of ARR, Revenue at revised tariff, net Revenue Gap / Surplus for FY 2020-21 is as follows:

Table 5. 3: ARR, Revenue at revised tariff, net Revenue (Gap)/Surplus for FY 2020-21 (Rs. Cr.)

Particulars	Amount
ARR	1,017.16
Revenue at Revised Tariff	1,087.74*
FC Reduction for Industrial & Non-Domestic Consumers for April & May 2020	50.00
Net Revenue	1,037.74
Revenue (Gap) / Surplus	20.58

**includes revenue of Rs 30.69 Cr by levying PPAC in the months of April 2020 to July 2020, as submitted by the petitioner*

CROSS-SUBSIDISATION IN TARIFF STRUCTURE

5.5 The Electricity Act, 2003 provides for reduction of cross subsidies by moving the category wise tariffs towards cost of supply. The Commission also recognizes the need for reduction of cross subsidy. However, it is equally incumbent on the Commission to keep in mind the historical perspective for the need to continue with cross-subsidy for some more time.

5.6 Regarding Cross subsidy, Clause 8.3 of the National Tariff Policy 2016 states as follows:

"8.3 Tariff design: Linkage of tariffs to cost of service

It has been widely recognised that rational and economic pricing of electricity can be one of the major tools for energy conservation and sustainable use of ground water resources.

In terms of the Section 61(g) of the Act, the Appropriate Commission shall be guided by the objective that the tariff progressively reflects the efficient and prudent cost of supply of electricity. The State Governments can give subsidy to the extent they consider appropriate as per the provisions of section 65 of the Act. Direct subsidy is a better way to support the poorer categories of consumers than the mechanism of cross subsidizing the tariff across the board. Subsidies should be targeted effectively and in transparent manner. As a substitute of cross subsidies, the State Government has the option of raising resources through mechanism of electricity duty and giving *direct subsidies to only needy consumers. This is a better way of targeting subsidies effectively.*

Accordingly, the following principles would be adopted:

1. Consumers below poverty line who consume below a specified level, as prescribed in the National Electricity Policy may receive a special support through cross subsidy. Tariffs for such designated group of consumers will be at least 50% of the average cost of supply.

2. For achieving the objective that the tariff progressively reflects the cost of supply of electricity, the Appropriate Commission would notify a roadmap such that tariffs are brought within ±20% of the average cost of supply. The road map would also have intermediate milestones, based on the approach of a gradual reduction in cross subsidy.

3. While fixing tariff for agricultural use, the imperatives of the need of using ground water resources in a sustainable manner would also need to be kept in mind in addition to the average cost of supply. Tariff for agricultural use may be set at different levels for different parts of a state depending on the condition of the ground water table to prevent excessive depletion of ground water. Section 62 (3) of the Act provides that geographical position of any area could be one of the criteria for tariff differentiation. A higher level of subsidy could be considered to support poorer farmers of the region where adverse ground water table condition requires larger quantity of electricity for irrigation purposes subject to suitable restrictions to ensure maintenance of ground water levels and sustainable ground water usage.

4. Extent of subsidy for different categories of consumers can be decided by the State Government keeping in view various relevant aspects. But provision of free electricity is not desirable as it encourages wasteful consumption of electricity. Besides in most cases, lowering of water table in turn creating avoidable problem of water shortage for irrigation and drinking water for later generations. It is also likely to lead to rapid rise in demand of electricity putting severe strain on the distribution network thus adversely affecting the quality of supply of power. Therefore, it is necessary that *reasonable level of user charges is levied. The subsidized rates of electricity should be permitted only up to a pre-identified level of consumption beyond which tariffs reflecting efficient cost of service should be charged from consumers. If the State Government wants to reimburse even part of this cost of electricity to poor category of consumers the amount can be paid in cash or any other suitable way. Use of prepaid meters can also facilitate this transfer of subsidy to such consumers.*

5. Metering of supply to agricultural/rural consumers can be achieved in a consumer friendly way and in effective manner by management of local distribution in rural areas through commercial arrangement with franchisees with involvement of panchayat institutions, user associations, cooperative societies etc. Use of smart meters may be encouraged as a cost effective option for metering in cases of "limited use consumers" who are eligible for subsidized electricity.

In line with the above provision of the National Tariff Policy states that any consumer desirous of getting subsidized tariff shall approach the State Government and if the request for subsidy is found justified, the State Government may give subsidy to that class of consumers so that these consumers get electricity at concessional tariff.

5.7 At present, there are number of consumer classes e.g. some slabs of domestic consumers, Agriculture and Mushroom Cultivation, Government Schools/Colleges, Hospitals, etc. which are being cross subsidized by other consumers.

5.8 The Commission is of the view that ideally the electricity tariff for all categories of consumers should be fixed on cost to serve basis. However, in view of the high level of prevailing regulatory assets and the liquidation plan submitted before the Hon'ble Supreme Court, the Commission has continued with a policy of subsidizing some of the consumers below the cost of supply.

TARIFF STRUCTURE

DOMESTIC TARIFF

5.9 Domestic Tariff is applicable for power consumption of residential consumers, hostels of recognized/aided educational institutions and staircase lighting in residential flats, compound lighting, lifts and water pumps or drinking water supply and fire-fighting equipment, etc. bonafide domestic use in farm houses, etc. as per the revised tariff schedule.

5.10 In case the consumption of the Cattle/ Dairy Farms and Dhobi Ghat across Delhi exceeds 1000 units in a month, the total consumption including the first 1000 units shall be charged non-domestic rates as applicable to the consumers falling under the Non Domestic category.

5.11 The consumers running small commercial establishments including Paying Guest from their households having sanctioned load upto 5kW under domestic category, shall be charged as per the domestic category.

5.12 The Commission in its Tariff Order dated June 26, 2003 introduced two part tariff for domestic consumers, i.e., fixed charges and energy charges and abolished minimum charges and meter rent. The fixed charge in two-part tariff represents the fixed component of charges, which is independent of consumption level and depends on the fixed cost incurred by the Utility in supplying electricity.

NON-DOMESTIC TARIFF

5.13 The Commission has sub-categorized Non-Domestic as consumers with sanctioned load upto 3kVA and above 3kVA. Wherever, sanctioned load/contract demand is in kW, the kVA shall be calculated on basis of actual power factor of the consumer, for the relevant billing cycle and in case on non-availability of actual Power Factor, the Power Factor shall be considered as unity for sanctioned load/contract demand upto 10kW/11kVA.

INDUSTRIAL TARIFF

5.14 The consumers under Industry Category shall be charged on kVAh basis. Wherever, sanctioned load/contract demand is in kW, the kVA shall be calculated on basis of actual power factor of the consumer, for the relevant billing cycle and in case on non-availability of actual Power Factor, the Power Factor shall be considered as unity for sanctioned load/contract demand upto 10kW/11kVA.

5.15 The Commission has extended the scope of Industrial tariff to Hospitals (other than that covered in Domestic Category) including lighting, heating and cooling load.

AGRICULTURE

5.16 Agriculture & Mushroom cultivation category has been demerged.

5.17 The Consumers having sanctioned load up to 20 kW for tube wells for irrigation, threshing and kutti-cutting in conjunction with pumping load for irrigation purposes and lighting load for bonafide use in Kothra are under Agriculture Category.

MUSHROOM CULTIVATION

5.18 This category is applicable to consumers who are engaged in mushroom cultivation and processing having sanctioned load upto 100kW.

PUBLIC UTILITIES

5.19 Following categories are covered under Public Utilities which provide public services:

a. DELHI JAL BOARD: Available to DJB for pumping load & Water Treatment Plants.
b. RAILWAY TRACTION: Available for Indian Railways for Traction load.
c. DELHI METRO RAIL CORPORATION : Available to Delhi Metro Rail Corporation (DMRC) for traction load
d. PUBLIC LIGHTING: Street lighting, Signals & Blinkers

- All street lighting consumers including MCD, DDA, PWD/CPWD, Slums depts./ DSIIDC /MES / GHS etc.
- Traffic signals and blinkers of Traffic Police

- Unmetered Public Lighting shall be charged Energy Charge Rate at 1.10 times of applicable Tariff.

DELHI INTERNATIONAL AIRPORT LIMITED (DIAL)

5.20 The Commission has decided to give DIAL a tariff which shall be higher than that of Public Utilities as it is providing essential services to all consumers including the lowest strata of the society but lesser than that of Non Domestic consumers. The commercial load at DIAL premises shall be metered and billed separately as per the relevant tariff category.

ADVERTISEMENT AND HOARDINGS

5.21 The Commission, in its Tariff Order dated July 31, 2013 had created a separate category to cover the consumption for the advertisements and Hoardings. This category will be applicable for supply of electricity for lighting external advertisements, external hoardings and displays at departments stores, malls, multiplexes, theatres, clubs, hotels, bus shelters, Railway/Metro Stations, Airport and shall be separately metered and charged at the tariff applicable for "Advertisements and Hoardings" category, except such displays which are for the purpose of indicating/displaying the name and other details of the shop, commercial premises itself. Such use of electricity shall be covered under the prevailing tariff for such shops or commercial premises.

TEMPORARY SUPPLY

5.22 The Commission does not propose any major change in the existing tariff methodology for temporary supply as mentioned in the Tariff Schedule.

CHARGING OF E-RICKSHAW/ E-VEHICLE

5.23 The Commission does not propose any major change in the existing tariff methodology for Charging of E-Rickshaw/ E-Vehicle as mentioned in the Tariff Schedule.

a. Charging Stations for E-Rickshaw/ E-Vehicle on Single Point Delivery: Available to charging stations as per the provisions of DERC (Supply Code and Performance

Standards) Regulations, 2017.

b. Tariff applicable for charging of batteries of E-Rickshaw / E-Vehicle at premises other than at Charging Stations meant for the purpose shall be the same as applicable for the relevant category of connection at such premises from which the E-Rickshaw / E-Vehicle is being charged.

c. Tariff for charging stations for E-Rickshaw/E-vehicle on single point delivery as notified in this Tariff Schedule shall be applicable for charging of batteries at swapping facilities provided that such swapping facilities are exclusively used for swapping of batteries of E-Rickshaw/E-Vehicle only. A separate electricity connection shall be taken by the applicant for other associated purposes such as office of EV Charging station, public amenities, consumption of other equipment etc. The applicant shall ensure the separate metering arrangement for such purposes. Tariff as applicable to Non-Domestic category shall be applicable to the same.

VOLTAGE DISCOUNT

5.24 The Commission has promoted voltage linked tariff, irrespective of load of the consumer, the tariff for consumption at higher voltages will be entitled to voltage discount, which will encourage consumers to opt for HT connections particularly for higher loads.

5.25 The consumers availing supply on 11 kV, 33 kV/66 kV and 220 kV will be entitled for rebate of 3%, 4% and 5% respectively on the applicable energy charges.

TIME OF DAY (TOD) TARIFF

5.26 It is observed that the cost of power purchase during peak hours is quite high. Time of Day (ToD) tariff is an important Demand Side management (DSM) measure to flatten the load curve and avoid such high cost peaking power purchases. Accordingly, the Commission had introduced Time of Day (ToD) tariff wherein peak hour consumption is charged at higher rates which reflect the higher cost of power purchase during peak hours. At the same time, a rebate is being offered on consumption during off-peak hours. This is also meant to incentivise consumers to shift a portion of their loads from peak time to off-peak time, thereby improving the system load factor and flatten the load curve. The ToD tariff is aimed at optimizing the cost of power purchase, which constitutes over 80% of the tariff charged from the consumers. It also assumes importance in the context of propagating and implementing DSM and achieving energy efficiency. This is important in Delhi situation where wide variations in load especially in summer causes problem of shortages during Peak hours and surplus during Off peak hours.

5.27 Introduction of higher peak hour tariff would initially generate additional revenue which would compensate for the reduction in revenue on account of lower tariff during off-peak hours.

5.28 In the long run, this would provide signals to the consumers to reduce load during peak hours and, wherever possible, shift this consumption to off-peak hours. Any loss of revenue to the utility on account of shifting of load from peak to off-peak hours in the long run would by and large get compensated by way of reduction of off-peak surplus to the extent of increase in off-peak demand.

5.29 The ToD Tariff would thus have immediate as well as long term benefits for both, consumers as well as the utility and contribute towards controlling the rise in power purchase costs.

5.30 The Commission in its MYT Order for second Control Period dated July 13, 2012 had decided to introduce ToD Tariff on a pilot basis for large industrial and non domestic consumers (300 kW and above). This was targeted to the consumer segment which has capacity to bear a higher burden for peak hour consumption and also at least partly (if not fully) offset the impact of this increase through higher off-peak consumption at lower rates. The Commission, as a progressive step in this direction and to further encourage demand shift from peak hours to off-peak hours, had decided to lower the applicability limit for ToD Tariff.

5.31 In the Tariff order dated July 31, 2013, the Time of Day (ToD) Tariff# - ToD Tariff was made applicable on all consumers (other than domestic) whose sanctioned load/MDI (whichever is higher) is 100kW / 108 kVA and above.

5.32 In the Tariff order dated July 23, 2014, the Time of Day (ToD) Tariff# - ToD Tariff was made applicable on all consumers (other than domestic) whose sanctioned load/MDI (whichever is higher) is 50kW / 54 kVA and above. Also Optional TOD tariff was made available for all consumers (other than domestic) whose sanctioned load/MDI (whichever is higher) was between 25kW/27kVA to 50kW/54kVA.

5.33 In the Tariff Order dated March 28, 2018, the Commission decided the Time of Day (ToD) Tariff as follows:

a. ToD tariff shall be applicable on all consumers (other than Domestic) whose sanctioned load/MDI (whichever is higher) is 10kW/11kVA and above.
b. Optional for all other three phase (3ø) connections including Domestic connections.

If the consumer who has opted for ToD, the charges for up-gradation of meters, if any, shall be borne by respective consumers.

c. The Commission retained the Rebate during the Off Peak hours and Peak hours Surcharge at 20%. Optional ToD Consumers have the option to move back to non-ToD regime only once within one Financial Year.

d. For other than Peak and Off-Peak hours normal Energy Charges shall be applicable.

5.34 The Commission in Tariff Order dated 31/07/2019 continued with the TOD Tariff as specified in Tarff Order dated 28/03/2018. In this Tariff Order also, the Commission has decided to retain existing TOD Tariff. However, the Commission has waived off existing provision of 20% Surcharge under ToD Tariff for September 2020 in order to facilitate Non-Domestic, Industrial, Public Utilities and Domestic Consumers (optional) etc. in this COVID-19 situation.

TARIFF SCHEDULE FOR FY 2020-21

Sr. No.	CATEGORY	FIXED CHARGES	ENERGY CHARGES				
1	DOMESTIC						
1.1	**INDIVIDUAL CONNECTIONS**		**0-200 Units**	**201-400 Units**	**401-800 Units**	**801-1200 Units**	**>1200 Units**
A	Upto 2 kW	20 Rs./kW/month	3.00 Rs./kWh	4.50 Rs./kWh	6.50 Rs./kWh	7.00 Rs./kWh	8.00 Rs./kWh
B	> 2kW and ≤ 5 kW	50 Rs./kW/month					
C	> 5kW and ≤ 15 kW	100 Rs./kW/month					
D	>15kW and ≤ 25 kW	200 Rs./kW/month					
E	> 25kW	250 Rs./kW/month					
1.2	**Single Point Delivery Supply for GHS**	150 Rs./kW/month	4.50 Rs./kWh				
2	**NON-DOMESTIC**						
2.1	Upto 3kVA	250 Rs./kVA/month	6.00 Rs./kVAh				
2.2	Above 3kVA	250 Rs./kVA/month	8.50 Rs./kVAh				
3	**INDUSTRIAL**	250 Rs./kVA/month	7.75 Rs./kVAh				
4	**AGRICULTURE**	125 Rs./kW/month	1.50 Rs./kWh				
5	**MUSHROOM CULTIVATION**	200 Rs./kW/month	3.50 Rs./kWh				
6	**PUBLIC UTILITIES**	250 Rs./kVA/month	6.25 Rs./kVAh				
7	**DELHI INTERNATIONAL AIRPORT LTD. (DIAL)**	250 Rs./kVA/month	7.75 Rs./kVAh				
8	**ADVERTISEMENT & HOARDINGS**	250 Rs./kVA/month	8.50 Rs./kVAh				
9	**TEMPORARY SUPPLY**						
9.1	Domestic Connections including Group Housing Societies	Same rate as that of relevant category	Same as that of relevant category without any temporary surcharge				
9.2	For threshers during the threshing season	Electricity Tax of MCD : Rs. 270 per connection per month	Flat rate of Rs. 5,400 per month				
9.3	All other connections including construction projects	Same rate as that of the relevant category	1.30 times of the relevant category of tariff				
10	**CHARGING STATIONS FOR E-RICKSHAW/E-VEHICLE ON SINGLE POINT DELIVERY / SWAPPING OF BATTERIES**						
10.1	Supply at LT	-	4.50 Rs./kWh				
10.2	Supply at HT	-	4.00 Rs./kVAh				

Notes:

1. For domestic category of consumers, fixed charges shall be levied on sanctioned load or the contract demand as the case may be.

2. For all categories other than domestic, fixed charges are to be levied based on billing demand per kW/kVA or part thereof. Where the Maximum Demand (MD), as defined in DERC (Supply Code and Performance Standards) Regulations, 2017, reading exceeds sanctioned load/contract demand, a surcharge of 30% shall be levied on the fixed charges corresponding to excess load in kW/kVA for such billing cycle only. Wherever, sanctioned load/contract demand is in kW/HP, the kVA shall be calculated on basis of actual power factor of the consumer, for the relevant billing cycle and in case of non-availability of actual Power Factor, the Power Factor shall be considered as unity for sanctioned load/contract demand upto 10kW/11kVA.
3. **Time of Day(ToD) Tariff (Surcharge shall not be applicable for September 2020)**
    e. ToD tariff shall be applicable on all consumers (other than Domestic) whose sanctioned load/MDI (whichever is higher) is10kW/11kVA and above.
    f. Optional for all other three phase (3ø) connections including Domestic connections. If the consumer who has opted for ToD, the charges for up-gradation of meters, if any, shall be borne by respective consumers.
    g. The Commission has decided to retain the Rebate during the Off Peak hours and Peak hours Surcharge at 20%. Optional ToD Consumers will have the option to move back to non-ToD regime only once within one Financial Year. For other than Peak and Off-Peak hours normal Energy Charges shall be applicable.
    h. The Commission has retained the time slots for Peak and Off-Peak hours as follows:

MONTHS	PEAK HOURS (HRS)	SURCHARGEON ENERGYCHARGES	OFF-PEAK HOURS (HRS)	REBATEONENERGYCHARGES
May – September	1400– 1700 & 2200 – 0100	20%	0400 – 1000	20%

4. Rebate of 3%, 4% & 5% on the Energy Charges for supply at 11kV, 33/66 kV and 220 kV shall be applicable.
5. Maintenance Charges on street lights, wherever maintained by DISCOMs, shall be payable @ Rs. 84/light point/month and material cost at the rate of Rs. 19/light point/month as per

the Commission's Order dated 22nd September 2009 in addition to the specified tariff. These charges are exclusive of applicable taxes and duties.

6. The valid Factory Licence shall be mandatory for applicability of Tariff under Industrial category:

   Provided that in case where the Factory Licence has expired and its renewal application is pending with the concerned authority, the DISCOMs shall bill such consumers as per Tariff applicable under Non Domestic category;

   Provided further that on renewal of the Factory Licence, the DISCOMs shall adjust the bills of such consumers as per applicable Tariff under Industrial category from the effective date of renewal of such Licence.

   {Explanation – The Factory License for the purpose of applicability of industrial tariff shall mean the license or permission or authorisation or any other document issued or granted by Directorate of Industries or Ministry of Micro, Small and Medium Enterprises or MCD or any other Central or State Government Agency, as applicable, for running an Industry or Factory in respective field of operation.}

7. The above tariff rates shall be subject to following additional surcharges to be applied only on the basic Fixed Charges and Energy Charges excluding all other charges e.g., LPSC, Arrears, Electricity Tax/Duty, PPAC, load violation surcharge, etc. for the consumers of BRPL, BYPL & TPDDL:

   (a) 8% towards recovery of accumulated deficit, and,

   (b) 5% towards recovery of Pension Trust Charges of erstwhile DVB Employees/ Pensioners as recommended by GoNCTD.

8. The Distribution Licensee shall levy PPAC after considering relevant ToD Rebate/Surcharge on energy charges applicable to the consumers.

9. For consumers availing supply through prepayment meters, the additional rebate of 1% shall be applicable on the basic Energy Charges, Fixed Charges and all other charges on the applicable tariff.

10. The Single Point Delivery Supplier (Group Housing Societies) shall charge the Domestic tariff as per slab rate of 1.1 to its Individual Members availing supply for Domestic purpose and

Non Domestic Tariff for other than domestic purpose. Any Deficit/Surplus due to sum total of the billing to the Individual Members as per slab rate of tariff schedule 1.1 and the billing as per the tariff schedule 1.2 including the operational expenses of the Single Point Delivery Supplier shall be passed on to the members of the Group Housing Societies on pro rata basis of consumption.

11. Individual Domestic Consumers availing the supply at single point delivery through Group Housing Society, shall claim the benefit of subsidy, applicable if any, as per the Order of GoNCTD. Group Housing Society shall submit the details of eligible consumers with consumption details and lodge claim of subsidy on behalf of individual members from DISCOMs.
12. The Single Point Delivery Supplier availing supply at HT & above shall charge the tariff to its LT consumers and in addition shall be entitled to charge an extra upto 5% of the bill amount to cover losses and all its expenses.
13. The Commercial Consumers of DMRC and DIAL who have sanctioned load above 215 kVA but served at LT (415 Volts) shall be charged the tariff applicable to Non-domestic LT (NDLT) category greater than 140kW/150kVA (415 Volts).
14. The rates stipulated in the Schedule are exclusive of electricity duty and other taxes and charges, as levied from time to time by the Government or any other competent authority, which are payable extra.
15. In the event of the electricity bill rendered by the Distribution licensee, not being paid in full within the due date specified on the bill, a Late Payment Surcharge (LPSC) @ 18% per annum shall be levied. The LPSC shall be charged for the number of days of delay in receiving payment from the consumer by the Distribution Licensee, until the payment is made in full without prejudice to the right of the licensee to disconnect the supply after due date, in the event of non-payment in accordance with Section 56 of Electricity Act, 2003. This will also apply to temporary connections and enforcement cases, where payment of final bill amount after adjustment of amount as per directions of the Court and deposit, is not made by due date.
16. No payment shall be accepted by the Distribution Licensees from its consumers at its own

collection centres/mobile vans in cash towards electricity bill exceeding Rs. 4,000/- except from blind consumers, for court settlement cases & payment deposited by the consumers at designated scheduled commercial bank branches upto Rs. 50,000/-. Violation of this provision shall attract penalty to the level of 10% of total cash collection exceeding the limit.

17. Wherever the Fixed or Energy Charges are specified in Rs. per kVAh, for the purpose of billing, the kVAh as read from the meter in the relevant billing cycle shall be used.

OTHER TERMS AND CONDITIONS

1. **DOMESTIC CATEGORY**

1.1 Domestic Lighting, Fan and Power (Single Point Delivery and Separate Delivery Points/Meters)

Available to following:

a. Residential Consumers.
b. Hostels of recognized/aided institutions which are being funded more than 90% by Municipal Corporation of Delhi or Government of the NCT of Delhi or any other Government/local bodies [local bodies include NDMC and MCDs (North, South & East)].
c. Staircase lighting in residential flats separately metered.
d. Compound lighting, lifts and water pumps etc., for drinking water supply and fire-fighting equipment in residential complexes, if separately metered.
e. In group housing societies etc. for bonafide use of lighting/fan and power, subject to the provision that the supply is at single point delivery for combined lighting/fan & power.
f. Dispensary/ Hospitals/ Public Libraries/ School/ College/ Working Women's Hostel/ Charitable homes run and funded by more than 90% by Municipal Corporation of Delhi or Government of the NCT of Delhi or any other Government/local bodies.
g. Small health centres including Mohalla Clinics approved by the Department of Health, Government of NCT of Delhi for providing charitable services only.
h. Recognized Centres for welfare of blind, deaf and dumb, spastic children, physically handicapped persons, mentally retarded persons, as approved by the Government of NCT of Delhi and other Government.
i. Public parks except temporary use for any other purpose.
j. Bed and Breakfast Establishments (Residential Premises) registered u/s 3 of the National Capital Territory of Delhi (Incredible India) Bed and Breakfast Establishments (Registration & Regulations) Act, 2007.
k. Places of worship.
l. Cheshire homes/orphanage.

m. Shelter Homes (including Night Shelters) approved by Delhi Urban Shelter Improvement Board, GoNCTD.
n. Electric crematoriums.
o. Gaushala Registered under GoNCTD.
p. Professionals i.e. individuals engaged in those activities involving services based on professional skills, viz Doctor, Psychologist, Physiotherapist, Lawyer, Architect, Chartered Accountant, Company Secretary, Cost & Works Accountant, Engineer, Town Planner, Media Professional and Documentary Film Maker may utilize the domestic connection at their residence for carrying out their professional work in the nature of consultancy without attracting non-domestic tariff for the electricity consumed, provided that the area used for professional activity does not exceed the area permitted to be used for such activity in residential area under the Master Plan for Delhi, 2021 (MPD-2021), which as per MPD-2021 is permissible on any one floor only but restricted to less than 50% of the permissible or sanctioned FAR whichever is less on that plot or dwelling unit.
q. Available, for loads up to 21 kW, to farm houses for bonafide domestic self use.
r. The consumers running small commercial establishments including Paying Guest from their households having sanctioned load upto 5kW under domestic category, shall be charged domestic tariff.
s. Cattle Farms/ Dairy Farms/ Dhobi Ghat with a total consumption of not more than 1000 units/month.

1.2 Domestic Connection on Single Point Delivery

Same as 1.1 - For GHS flats and for individuals having sanctioned load above 100 kW/108kVA Group Housing Society (GHS) shall mean a residential complex owned/managed by a Group Housing Society registered with Registrar, Cooperative Societies, Delhi / registered under Societies Act, 1860 and for sake of brevity the definition shall include residential complex developed by a Developer and approved by appropriate authority.

2. **NON-DOMESTIC**

Available to all consumers for lighting, fan & heating/cooling power appliances in all Non-

Domestic establishments as defined below:

a. Hostels/Schools/Colleges/Paying Guests (other than that covered under Domestic Category)
b. Auditoriums, Lawyer Chambers in Court Complexes, nursing homes/diagnostic Centres other than those run by Municipal Corporation of Delhi or the Government of NCT of Delhi (other than that covered under domestic category).
c. Railways (other than traction), Hotels and Restaurants
d. Cinemas
e. Banks/Petrol pumps including CNG stations
f. All other establishments, i.e., shops, chemists, tailors, washing, dyeing, drycleaner, beauty salon, florist, etc. which do not come under the Factories Act.
g. Fisheries, piggeries, poultry farms, floriculture, horticulture, plant nursery
h. Farm houses being used for commercial activity
i. DMRC for its commercial activities other than traction.
j. DIAL for commercial activities other than aviation activities.
k. Ice-cream parlours
l. Single Point Delivery for Commercial Complexes supply at 11 kV or above
m. Pumping loads of DDA/MCD
n. Supply to Delhi Metro Rail Corporation (DMRC) Ltd. for their on-going construction projects etc and for commercial purposes other than traction. Any other category of consumers not specified/covered in any other category in this Schedule.

3. **INDUSTRIAL**

Available to Industrial consumers & Hospitals (other than that covered in Domestic Category) including lighting, heating and cooling load.

4. **AGRICULTURE**

Available for load up to 20 kW for tube wells for irrigation, threshing, cultivation and kutti-cutting in conjunction with pumping load for irrigation purposes and lighting load for bonafide use in Kothra.

5. **MUSHROOM CULTIVATION**

   Available for load upto 100 kW for mushroom growing/cultivation.

6. **PUBLIC UTILITIES**
   a. **DELHI JAL BOARD**: Available to DJB for pumping load & Water Treatment Plants.
   b. **RAILWAY TRACTION**: Available for Indian Railways for Traction load.
   c. **DELHI METRO RAIL CORPORATION**: Available to Delhi Metro Rail Corporation (DMRC) for traction load
   d. **PUBLIC LIGHTING**: Street lighting, Signals & Blinkers
   - All street lighting consumers including MCD, DDA, PWD, CPWD, Slums depts., DSIIDC, MES, GHS etc.
   - Traffic signals and blinkers of Traffic Police
   - Unmetered Public Lighting shall be charged Energy Charge Rate at 1.10 times of applicable Tariff.

7. **DELHI INTERNATIONAL AIRPORT LIMITED: Available to DIAL for Aviation activities.**

8. **ADVERTISEMENT & HOARDINGS**: Electricity for lighting external advertisements, external hoardings and displays at departmental stores, malls, multiplexes, theatres, clubs, hotels, bus shelters, Railway/Metro Stations, airport which shall be separately metered and charged at the tariff applicable for *"Advertisements and Hoardings"* category, except such displays which are for the purpose of indicating/displaying the name and other details of the shop, commercial premises itself. Such use of electricity shall be covered under the prevailing tariff for such shops or commercial premises.

9. **TEMPORARY SUPPLY**
   a. Available as temporary connection under the respective category
   b. Domestic tariff without temporary surcharge shall be applicable for Religious functions of traditional and established characters like Ramlila, Dussehra, Diwali, Holi, Dandiya,

Janmashtami, Nirankari Sant Samagam, Gurupurb, Durga Puja, Eid, Christmas celebrations, Easter, Pageants and cultural activities like NCC camps, scouts & guides camps etc.

10. **CHARGING OF E-RICKSHAW/ E-VEHICLE/ SWAPPING OF BATTERIES**

a. Charging Stations for E-Rickshaw/ E-Vehicle on Single Point Delivery: Available to charging stations as per the provisions of DERC (Supply Code and Performance Standards) Regulations, 2017.

b. Tariff applicable for charging of batteries of E-Rickshaw / E-Vehicle at premises other than at Charging Stations meant for the purpose shall be the same as applicable for the relevant category of connection at such premises from which the E-Rickshaw / E-Vehicle is being charged.

c. Tariff for charging stations for E-Rickshaw/E-vehicle on single point delivery as notified in this Tariff Schedule shall be applicable for charging of batteries at swapping facilities provided that such swapping facilities are exclusively used for swapping of batteries of E-Rickshaw/E-Vehicle only. A separate electricity connection shall be taken by the applicant for other associated purposes such as office of EV Charging station, public amenities, consumption of other equipment etc. The applicant shall ensure the separate metering arrangement for such purposes. Tariff as applicable to Non-Domestic category shall be applicable to the same.

INTERPRETATION/CLARIFICATION

In case of doubt or anomaly, if any, in the applicability of tariff or in any other respect, the matter will be referred to the Commission and Commission's decision thereon shall be final and binding.

A6 DIRECTIVES

6.1 The Commission directs the Petitioner to make timely payment of bills to all the Generating Companies and Transmission Utilities. No Late Payment Surcharge shall be allowed as a pass through in the ARR on account of delayed payments.

6.2 The Petitioner shall directly deposit the amount of pension trust surcharge collected from the consumer as per the tariff schedule in the following bank account, of Pension trust:

1	A/C No.	10021675545
2	MICR No.	110002103
3	Bank	State Bank of India
4	IFSC Code	SBIN0004281
5	Name	DVB-ETBF-2002
6	Branch	Rajghat Power House, New Delhi – 110002

6.3 The Commission directs the Pension Trust to intimate the total amount collected through Pension Trust surcharge on quarterly basis by 15th day of end of each quarter.

6.4 If the Petitioner purchases any expensive power to meet the demand during any time zone for which cheaper power has been regulated due to non-payment of dues, in such an eventuality, the cost of such expensive power purchases shall be restricted to the variable cost of regulated cheaper power to that extent at the time of true up.

6.5 In case the power is regulated by DTL/Interstate Transmission Licensee due to non-payment of their dues, in such case the transmission charges borne by the Petitioner shall also not be allowed.

6.6 The Commission vide its letter No. F.17(47)/Engg./DERC/2009-10/CF No. 2147/2956 dated 21.10.2009 has directed the Petitioner to ensure availability of power supply for meeting the demand. The Petitioner shall ensure that the electricity which could not be served due to any reason what-so-ever, shall not exceed 1% of the total energy supplied in units (kWh) in any particular month except in the case of force-majeure events which are beyond the control of the Petitioner as per the provisions of above referred letter dated 21.10.2009.

6.7 It is directed that the Petitioner shall not accept payment from its consumers at its own collection centres/mobile vans in cash towards electricity bill exceeding Rs 4,000/- except from blind consumers and for court settlement cases or any other cases specifically permitted by the Commission. The limit for accepting payment through cash by the consumers at designated scheduled commercial bank branches shall be Rs. 50,000/-. Violation of this directive shall attract penalty to the level of 10% of total Cash collection exceeding these limits.

6.8 The Commission directs the Petitioner to restrict the adjustment in units billed on account of delay in meter reading, raising of long duration provisional bills etc. to a maximum of 1% of total units billed. The adjustment in units billed shall be considered on a yearly basis. Further, the adjustment of Contra Entry, adjustment for Open Access consumers and adjustment on account of Provisional Billing related to period till two (2) months shall not be form the part of adjustment in units billed. Further, also the real adjustments/other adjustments shall be considered without sign change i.e. such adjustments either resulting into increase in revenue billed or decreased into revenue billed shall be considered on gross basis rather than net basis.

6.9 The Commission directs the Petitioner to survey the electricity connections of hoardings and display at malls and multiplexes and ensure the billing in the category of advertisements/hoarding category and to submit an annual compliance report by 30th April of the next year.

6.10 The Commission further directs the Petitioner:

a. To provide the information to the consumer through SMS on various items such as scheduled power outages, unscheduled power outages, Bill Amount, Due date and Maximum Demand during the month, etc. as directed by the Commission from time to time.
b. To maintain toll free number for registration of electricity grievances and to submit the quarterly report.
c. To conduct a safety audit and submit a compliance report within three months of the Tariff Order;
d. To carry out preventive maintenance as per schedule;

e. To submit the information in respect of Form 2.1 (a) as per revised format issued by the Commission to the utilities on monthly basis latest by 21st day of the following month;

f. To submit the annual energy audit report in respect of their network at HT level and above.

g. To submit the Auditor's certificate in respect of Form 2.1(a) on quarterly basis within the next quarter;

h. To submit the details of network capacity as per the particulars specified for determination of O&M expenses on quarterly basis by the end of next month;

i. To incorporate the following information in the annual audited financial statements:-

i. Category-wise Revenue billed and collected,

ii. Category-wise breakup of regulatory and pension trust surcharge billed and collected,

iii. Category-wise PPAC billed and collected,

iv. Category- wise Electricity Duty billed and collected,

v. Category-wise subsidy passed on to the consumers during the financial year, if any,

vi. Category-wise details of the surcharge billed on account of ToD,

vii. Category-wise details of the rebate given on account of ToD,

viii. Street light incentive and material charges for street light maintenance,

ix. Direct expenses of other business,

x. Revenue billed on account of Own Consumption,

xi. Revenue collected on account of enforcement/theft cases,

j. To submit annual auditor certificate in respect of power purchase details of the previous year by 30th July of the next financial year. The power purchase invoices received upto April month of the next financial year but pertaining to the previous year only will be considered towards power purchase cost of the said financial year;

k. To submit the reconciliation statement in respect of power purchase cost/Transmission cost on a quarterly basis with respective Generation/ Transmission companies;

l. To submit the status and validity of power purchase agreements on quarterly basis within 15 days of end of each quarter;

m. To strictly adhere to the guidelines on short-term power purchase/sale of power issued by the Commission from time to time and to take necessary steps to restrict the cost of power procured through short term contracts, except trading through Power Exchange & IDT, at Rs.5/kWh. In case the cost of power proposed to be procured exceeds the above ceiling limit, this may be brought to the notice of the Commission within 24 hours detailing the reasons or exceptional circumstances under which this has been done. In the absence of proper justification towards short term power purchase at a rate higher than the above ceiling rate (of Rs.5/kWh), the Commission reserves the right to restrict allowance of impact of such purchase on total short term power purchase not exceeding 10 Paisa/kWh during the financial year.

n. To raise the bills for their own consumption of all their installations including offices at zero tariff to the extent of the normative self consumption approved by the Commission and exceeding the normative limit of self consumption at Non-Domestic tariff for actual consumption recorded every month.

o. To submit the quarterly progress reports for the capital expenditure schemes being implemented within 15 days of the end of each quarter.

p. To submit the actual details of capitalization for each quarter for the year within one month of the end of the quarter for consideration of the Commission. All information regarding capitalization of assets shall be furnished in the formats prescribed by the Commission, along with the requisite statutory clearances/certificates of the appropriate authority/ Electrical Inspector, etc. as applicable.

q. To submit the status of installation of smart meters on quarterly basis within 15 days of end of each quarter.

r. To submit the status of compliance of Renewal Purchase Obligation (RPO) on quarterly basis within 15 days of end of each quarter.

6.11 Save and except the penalty as specifically provided in these directives, in all other cases, the punishment for non-compliance of directions of the Commission shall be dealt as per the Section 142 of the Electricity Act, 2003.

ANNEXURE – I

DELHI ELECTRICITY REGULATORY COMMISSION
Viniyamak Bhawan, 'C' Block, Shivalik, Malviya Nagar, New Delhi- 110017.

F.11(1758)/DERC/2019-20/

Petition No. 07/2020

In the matter of: **Petition for ARR for FY 2020-21 and True up of ARR for FY 2018-19.**

New Delhi Municipal Council
Through its: Director (Power)
Palika Kendra, Sansad Marg
New Delhi 110 001 **...Petitioner/Licensee**

Coram:
Hon'ble Mr. Justice S S Chauhan, Chairperson
Hon'ble Sh. A.K. Singhal, Member
Hon'ble Dr. A. K.Ambasht, Member

Appearance:

1. Mr. P.K. Shokeen, NDMC

INTERIM ORDER
(Date of Hearing: 18.02.2020)
(Date of Order: 26.02.2020)

1. The Representative for the Petitioner states that the Petitioner has filed the instant petition for ARR for Financial Year 2020-21 and for True-up of ARR for Financial Year 2018-19.

2. The petition is admitted. The Petitioner shall furnish clarifications/ additional information, if and when required by the Commission.

(A.K. Ambasht) Member	(A.K. Singhal) Member	(Justice S S Chauhan) Chairperson

ANNEXURE – II

LIST OF RESPONSES RECEIVED FROM STAKEHOLDERS ON TRUE UP OF FY 2018-19 AND ARR FOR FY 2020-21

Sr. No.	R. No.	Name	Address	Category	Company / Licensee	Date of Receipt
1.	1	Sh. Rajesh Aggarwal Gen. Secretary	Shahdara Residents Welfare Association 348, fresh Bazar, Shahdara, Delhi 110 032	RWA	DISCOMs	11.03.2020
2.	2	Dayaram Devedi Vice President	262, Katra Pyare Lal Chandni Chowk, Delhi 110 006	Association	DISCOMs	11.03.2020
3.	3	Sh. V.K. Malhotra General Secretary	DVB Engineers' Association D-3, Vikas Puri, New Delhi 110 018	Association	DISCOMs	12.03.2020
	3A	Sh. V.K. Malhotra General Secretary	DVB Engineers' Association D-3, Vikas Puri, New Delhi 110 018	Association	PPCL	16.03.2020
4.	4	Sh. Harbans Sharma	287, Kucha Ghasi Ram Fatehpuri Chandni Chowk Delhi 110 006	Association	DISCOMs	12.03.2020
5.	5	Sh. Shiv Sharma	D-8/155 Brij Puri, Delhi 110 094	RWA	DISCOMs	13.03.2020
6.	6	Sh. Balkishan Gupta President	1449/22, Gali No. 9, Durgapuri, Shahdara, Delhi 110 093	RWA	DISCOMs	12.03.2020
7.	7	Sh. Ranjeet Singh Luheera President	527 B, School Block, Shakarpur, Delhi 110 092	NGO	DISCOMs	12.03.2020
8.	8	Sh. Jai Pal Singh Verma President	S-305, School Block, Shakarpur, Delhi 110 092	RWA	DISCOMS	12.03.2020
9.	9	Sh. D.K. Bhandari President	Awasiya Kalyan Samiti (Regd.) Pocket J & K , Dilshad Garden, Delhi 110 095	NGO	DISCOMs	12.03.2020
10.	10	Sh. Rajbir Singh	Glat No. 8, 2nd Floor, Rama Apartment, C-54, Panchsheel Vihar, Malviya Nagar, New Delhi 110 017 Rsjayanth01@gmail.com	Domestic	DISCOMs	13.03.2020
11.	11	Sh. S.B. Kuchhal	Kothi No. 1, Road No. 33	Commercial	DISCOMs	16.03.2020

Sr. No.	R. No.	Name	Address	Category	Company / Licensee	Date of Receipt
		Legal Advisor	East Punjabi Bagh New Delhi 110 026			
12.	12	Ms. Renu Pal President	Resident Welfare Association (Regd.) Pocket B-3, Mayur Vihar Phase-III, Delhi 110 096	RWA	DISCOMs	16.03.2020
13.	13	Sh. S.R. Abrol	L-2, 91B, DDA, LIG, Kalkaji New Delhi	Domestic	DISCOMs	16.03.2020
14.	14	Sh. Bhopal Singh President	Resident Welfare Association, H-16/830, Bapa Nagar, Payare Lal Marg, Karol Bagh, New Delhi 110 005 jatavbhopalsingh@gmail.com	RWA	DISCOMs	16.03.2020
15.	15	Sh. Rohit Arora President	Gyan Park Welfare Society 17A, Gyan Park, Chander Nagar, Kishna Nagar, Delhi 110 051	RWA	DISCOMs	16.03.2020
16.	16	Sh. Deepak Tuli	Prasad nagar, Karol Bagh, New Delhi 110 005	RWA	DISCOMs	16.03.2020
17.	17	Sh. Kuldeep Kumar General Secretary	Delhi State Electrictiy Workers Union(DSEWU) 7/6, Yamuna Vihar, Delhi 110 053 kuldeepsewunion@gmail.com	Association	DISCOMs	17.03.2020
	17A	Sh. Kuldeep Kumar General Secretary	Delhi State Electrictiy Workers Union(DSEWU) 7/6, Yamuna Vihar, Delhi 110 053 kuldeepsewunion@gmail.com	Association	PPCL	19.03.2020
18.	18	Sh. S.K. Sharma General Manager (C&RA)	Delhi Transco Limited Shakti Sadan, Kotla Road, New Delhi 110 002	Govt.	BRPL	18.03.2020
	18A	Sh. S.K. Sharma General Manager (C&RA)	Delhi Transco Limited Shakti Sadan, Kotla Road, New Delhi 110 002	Govt.	BYPL	18.03.2020
	18B	Sh. S.K. Sharma General Manager (C&RA)	Delhi Transco Limited Shakti Sadan, Kotla Road, New Delhi 110 002	Govt.	TPDDL	18.03.2020

Sr. No.	R. No.	Name	Address	Category	Company / Licensee	Date of Receipt
	18C	Sh. S.K. Sharma General Manager (C&RA)	Delhi Transco Limited Shakti Sadan, Kotla Road, New Delhi 110 002	Govt.	NDMC	18.03.2020
	18D	Sh. S.K. Sharma General Manager (C&RA)	Delhi Transco Limited Shakti Sadan, Kotla Road, New Delhi 110 002	Govt.	BRPL	29.06.2020
	18E	Sh. S.K. Sharma General Manager (C&RA)	Delhi Transco Limited Shakti Sadan, Kotla Road, New Delhi 110 002	Govt.	BYPL	29.06.2020
	18F	Sh. S.K. Sharma General Manager (C&RA)	Delhi Transco Limited Shakti Sadan, Kotla Road, New Delhi 110 002	Govt.	TPDDL	29.06.2020
	18G	Sh. S.K. Sharma General Manager (C&RA)	Delhi Transco Limited Shakti Sadan, Kotla Road, New Delhi 110 002	Govt.	NDMC	29.06.2020
19.	19 19A	Sh. A.K. Rampal	F-26/114, Sector, 7, Rohini, Delhi 110 005 anuprampal@gmail.com	Domestic	IPGCL and PPCL DISCOMs	17.03.2020 19.06.2020
20	20	Sh. Mohinder Pal	pal458395@gmail.com	Domestic	DISCOMs	18.03.2020
21	21	Sh. Saurabh Gandhi Gen. Secretary	United Residents of Delhi C-6/7 Rana Pratap Bagh, Delhi 110 007	RWA	DISCOMs	16.03.2020
22	22	Sh. Kuwar Pratap Singh Secretary	Bhajanpura Jan Sahiyog, (regd.) D-408, Street No. 9, D, Bhajanpura, Delhi 110 053	Domestic	DISCOMs	11.03.2020
23	23 23A	Sh. B.S. Sachdev President Sh. B.S. Sachdev President	Elederly Peoples Forum Varishth Nagrik Manoranjan Kendra, Ist Floor, C-4 Block, Keshav Puram, Delhi 110 035	RWA	DISCOMs	20.03.2020 20.03.2020
24	24	Sh. Ishwar Dutt	B-120, Vijay Park, Maujpur,	Domestic	DISCOMs	20.03.2020

Sr. No.	R. No.	Name	Address	Category	Company / Licensee	Date of Receipt
			New Delhi 110 053			
25.	25	Sh. Satish Das	H.No. 90, Panna Mojan, Bawana, New Delhi 110 039	Domestic	TPDDL	20.03.2020
26	26	Er. CV Vishwanathan	99, Arjun Apartments Sector 13, Dwarka Delhi 110 075	Domestic	DISCOMs	20.03.2020
27	27	Sh. Virat Gandhi	Rang Rasayan Apartments 13, Rajapur, Pocket 7, Sector, 13, Rohini, Delhi 110 05	Domestic	TPDDL	20.03.2020
28	28	Sh. Vipin Gupta	A-17, Antriksh Apartments, New Town Co-op. Group Housing Society Ltd. Sector, 14-Ext. Rohini, Delhi 110085 Vipin.bfi@gmail.com	Domestic	DISCOMs	
29	29	Sh. A.K. Datta	222, Pocket E, Mayur Vihar, Phase-II Delhi 110 091	Domestic	BYPL	
30.	30	Sh. Saurabh Gandhi General Secretary	United Resident of Delhi urdrwas@gmail.com	RWA	BYPL	22.06.2020
31	31	Sh. B.B. Tewari Social Intraprenuer	urdrwas@gmail.com	RWA	BYPL	22.06.2020
32	32	Sh. Ram Lal Tiwari	House No. 581, Main Narela Road, Alipur, Delhi 110 036	Domestic	DISCOMs	20.03.2020
33	33	Sh. Rakesh Chauhan	Chauhan.rakesh70111@gmail.com	Domestic	TPDDL	24.06.2020
34	34	Sh. Saurabh Srivastava Regulatory affairs	Indian Energy Exchange Limited Unit. 3,4,5 & 6 Fourth Floor, TDI Centre, Plot No. 7 Jasola District Centre, New Delhi 110 025 Saurabh.Srivastava@iexindia.com	Industrial/ Commercial	DISCOMs	26.05.2020
35.	35	Sh. Lalita Kumar	Lalitakumar69@dtu.ac.in	Domestic	DISCOMs	24.06.2020
36.	36	PK Enterprises	Pk.enterprises76@gmail.com	-	TPDDL	24.06.2020
37	37	Sh. Arvind Duhoon	Arvind.duhoon@gmail.com	Domestic	TPDDL	24.06.2020

Sr. No.	R. No.	Name	Address	Category	Company / Licensee	Date of Receipt
38	38	Ms. Preeti Sarna	sarnapreety@gmail.com	Domestic	DISCOMs	25.06.2020
39.	39	Sh. Rajesh Sood, President Vijay Niketan, RWA	Resident of Welfare Association H-89, DDA LIG Flats, Naraina Vihar, New Delhi 110 028	RWA	DISCOMs	25.06.2020
40.	40.	Sh. Arvind K. Jain	SHRI SAI BABA CO-OPERATIVE GROUP HOUSING SOCIETY LTD. PLOT No. 4, SECTOR-9, ROHINI, DELHI-110085	RWA	DISCOMs	25.06.2020
41.	41.	Sh. Sukh preet	sukhpreetsir@gmail.com	Domestic	DISCOMs	25.06.2020
42.	42.	Ms. Maneela bhugra	Maneela.bhugra@gmail.com	Domestic	TPDDL	25.06.2020
43.	43.	Sh. Naresh Kumar	Maresh.mkuan@gmail.com	Domestic	DISCOMs	25.06.2020
44.	44.	Ms. Vandana Thakur	Vandana.thakur34@gmail.com	Domestic	DISCOMs DTL	25.06.2020
45.	45.	Sh. Rajan Gupta	Rajang2442@gmail.com	Domestic	TPDDL	25.06.2020
46.	46.	Ms. Shivangi	Shivangi.sh86@gmail.com	Domestic	TPDDL	26.06.2020
47.	47.	Sh. Rajeev	Bh.rajeev2012@gmail.com	Domestic	TPDDL	26.06.2020
48.	48.	Sh. Prabhat Pal	Prabhatpal187@gmail.com	Domestic	DISCOMs DTL	26.06.2020
49.	49.	Sh. Anil Kumar Gupta, Secretary	NEW TOWN CO-OPERATIVE GROUP HOUSING SOCIETY LTD. Plot No. D-3, Sector: 14-Extn., ROHINI, Delhi 110085 newtowncghs@gmail.com	Domestic	DISCOMs	26.06.2020
50.	50.	Sh. Anurag	anuragbhel@gmail.com	Domestic	TPDDL	26.06.2020
51.	51.	Sh. Ankit Singh	Ankitsingh1092@gmail.com	Domestic	DISCOMs	26.06.2020
52.	52.	Sh. Rajender Bansal	Rajenderbansal47@gmail.com	Domestic	DISCOMs	26.06.2020
53.	53.	Dikansh94@gmail.com	dikansh94@gmail.com	Domestic	DISCOMs	27.06.2020
54	54	Sh. Suresh Kumar Gupta Director	The Midland fruit and Vegetable products (India) Pvt. Ltd. Jumbo House, Dr. Jha Marg, O.I.A PH-3, New Delhi 110 020	Agricultural	DISCOMs	25.06.2020
55	55	Sh. Narendra Prakash Bhargava Proprietor	Jumbo International Jumbo House, Dr. Jha Marg, O.I.A PH-3, New Delhi 110 020	Agricultural	DISCOMs	25.06.2020
56	56	Ms. Neeta Gupta	A-17, Antriksh Apartments, New Town, CGHS Ltd.	Domestic	DISCOMs	28.06.2020

Sr. No.	R. No.	Name	Address	Category	Company / Licensee	Date of Receipt
			Sector 14-Extension, Rohini Delhi 110 085 Neetagupta.vg111@gmail.com			
57	57	Sh. Sandeep Sharma	Sandeep.sharmaji80@gmail.com	Domestic	TPDDL	29.06.2020
58	58	Sh. B.P. Agarwal Advocate	Bpagarwal57@gmail.com	Industrial/ Commercial	TPDDL	29.06.2020
59	59	Sh. A K Rampal	anuprampal@gmail.com	Domestic	IPGCL & PPCL	30.06.2020
60	60	Sh. Arindam.K. Das, Regulatory Affairs BRPL	BSES Rajdhani Power Limited Corp. Office- Nehru Place, Delhi-19	DISCOM	IPGCL & PPCL	30.06.2020
61.	61	Sh. OP Singh, Addnl. G.M-HOD Regulatory TPDDL	Tata Power Delhi Distribution Limited Hudson Lines Kingsway Camp Delhi 110009	DISCOM	IPGCL	30.06.2020
62.	62	Sh. OP Singh, Addnl. G.M-HOD Regulatory TPDDL	Tata Power Delhi Distribution Limited Hudson Lines Kingsway Camp Delhi 110009	DISCOM	PPCL	30.06.2020
63.	63	Sh. OP Singh, Addnl. G.M-HOD Regulatory TPDDL	Tata Power Delhi Distribution Limited Hudson Lines Kingsway Camp Delhi 110009	DISCOM	DTL	30.06.2020
64.	64	Sh. Ashok Bhasin	North Delhi Residents Welfare Federation Ashok.bhasin2015@gmail.com	RWA	DISCOMS	30.06.2020
65.	65.	Ms. Monica Rathamani	Sterlite Power Transmission Ltd. F-1 Mira Corporate Suites, Ishwar Nagar, New Delhi – 110065 Monica.rathamani@sterlite.com	commercial	DTL	01.07.2020
66.	66	Ms. Somya Tripathi Asstt. Manager	Delhi Metro Rail Corporation Ltd. Metro Bhawan, Fire Brigade Lane, Barakhamba Road, New Delhi 110 001	Govt.	DISCOMs	01.07.2020
67	67	Sh. Ashok Kumar Gupta	H.No. D-8/13 KH. No. 37/14, Ground Floor, Rama Vihar	Domestic	DISCOMs	26.06.2020

Sr. No.	R. No.	Name	Address	Category	Company / Licensee	Date of Receipt
			Delhi			
68	68	Sh. Chander Singh	House No. 78-B Block K, Sharma Colony, Budh Vihar, Delhi 110 086	Domestic	DISCOMs	26.06.2020
69	69	Sh. Srikant Kumar	House No. 3245, Sarop Nagar, Tri Nagar, Delhi 110 035	Domestic	TPDDL	26.06.2020
70	70	Sh. Gopal Singh Badal	House No. A-2373, Gali No. 5 Rani Bagh, Delhi 110 034	Domestic	TPDDL	26.06.2020
71	71	Sh. Dharam Pal	Pal458395@gmail.com	Domestic	DISCOMs	23.06.2020
72	72	Sh. Dharam Pal	House No. 159, Ground Floor Block Naraina, Delhi 110 028	Domestic	TPDDL	26.06.2020
73	73 73A 73B	Sh. Raju Aggarwal (Head Regulatory	BSES Yamuna Power Limited Shakti Kiran Building, Karkardooma, Delhi 110 032	Licensee	IPGCL PPCL DTL	03.07.2020 03.07.2020 03.07.2020
74	74	Sh. M.K.Poddar Ececutive Engineer (Comml.)	New Delhi Municipal Council Room No. 103, First Floor, S.B.S. Place, Gole Market, New Delhi 110001	Licensee	DISCOMs	19.08.2019
75	75	Dr. Ashok Kumar	1064, Gandhi Ashram, Narela, Delhi 110040	Association	DISCOMs	04.03.2020
76	76	Dr. Anil Kumar Sharma	National Council for Teacher Education	GOVT.	DISCOMs	22.10.2019
77	77	Sh. Sanjay Vig (General Secretary)	D.S.I.D.C. S F S Entrepreneur Association (Regd.)	Association	DISCOMs	18.10.2019
78	78	Sh. Surender Gupta (General Secretary)	Mangolpuri Industrial Area (Phase-I&II) C.E.T.P. Society (Regd.)	Association	DISCOMs	18.10.2019