



Delhi Electricity Regulatory Commission
Viniyamak Bhawan, 'C' Block, Shivalik, Malviya Nagar, New Delhi –110 017.
No. F.11(2136)/DERC/2023-24/7875

Petition No. 37/2023

In the matter of: **Petition regarding levy of Power Purchase Adjustment Cost (PPAC) for the Quarter of April 2023 to June 2023 in NDMC Area in accordance with Regulation No. 30 of DERC of Business Plan Regulation 2023 read with Regulation No. 134 of the Terms and Conditions for determination of Tariff Regulation-2017)**

New Delhi Municipal Council (NDMC)

.... Petitioner

Coram:
Hon'ble Justice (Retd.) Jayant Nath, Chairperson

Appearance:

Mr. Tushar Sannu, Advocate, NDMC

ORDER

(Date of Order: 26.02.2024)

1. The instant Petition have been filed by New Delhi Municipal Council (NDMC) seeking permission of the Commission to levy and, consequently, recover the Power Purchase Adjustment Charges (PPAC) from its consumers in accordance with law including but not limited to the DERC (Business Plan) Regulations, 2019 (hereinafter Business Plan Regulations 2019) pertaining to quarters April' 2023 to June'2023 (Q-1). The Petitioner has made the following prayers in its Petition:
 - a) The Petitioner/NDMC respectfully submits that in accordance with the Business Plan Regulations, 2023; the Petitioner/NDMC will levy a PPAC of 8.75% on the bills of consumers 'for a period of 3 months';
 - b) However, Hon'ble Commission vide its Order dated 12.07.2023 and 21.07.2023 has directed to levy PPAC @30% till 31.03.2024. In compliance with said order, the Petitioner/NDMC is levying PPAC @ 30% for the ongoing period. Hence, NDMC to levy the balance PPAC claim of 69.55% (i.e. 69.55% -0%) on the bills of all consumers for a period of three months; and/or
 - c) In terms of the Business Plan Regulations 2023, for Quarter April 2023 to June, 2023, permit the Petitioner/NDMC to levy the PPAC claim 69.55% (69.55%-0%) on the bills of all consumers for a period of three months.

Petitioner’s Submissions

- 2. The Petitioner/NDMC is entrusted with the Distribution of Electricity to the consumers in the New Delhi Municipal area under Section 195 to 201 of the New Delhi Municipal Council Act, 1994 and, for the said purpose, procures power from various sources for providing uninterrupted, reliable power supply to the consumers in its area of supply.
- 3. The Commission notified the Business Plan Regulations 2023. These Regulations have been declared to remain in force from FY 2023-24 to FY 2027-28, unless reviewed earlier by the Commission. Regulation 30 of the Business Plan Regulations, 2023 contains provisions for recovering of PPAC and in pursuance thereof the Commission has specified the formula for computation of the PPAC vide its Tariff Order dated 30.09.2021 whereby the PPAC for the period from April'2023 to June'2023 works out to be 69.55%.
- 4. The Petitioner/NDMC submits that in accordance with the Business Plan Regulations, 2023 the Petitioner will levy a PPAC of 8.75% on the bills of consumers 'for a period of 3 months.' However, the Commission, vide its Orders dated 12.07.2023 and 21.07.2023 has directed to levy PPAC @30% till 31.03.2024 and in compliance with the said Orders, the Petitioner are levying PPAC @ 30% for the ongoing period.
- 5. The Petitioner submits that the bills pertaining to supply of Power from GTPS have not been considered in the PPAC computation as the Petitioner has challenged the allocation made by this Commission from GTPS before the Hon'ble APTEL. The impact of this power shall be subject to decision by Hon'ble APTEL. NDMC has received 3.88 MUs of power from GTPS Power Plant during the period from April'2023 to June'2023 for which the billed amount was Rs. 5.55 Crore, which has not been considered in the above PPAC.
- 6. Besides GTPS as submitted above, the subject PPAC does not include the following withheld payments of Dadri-I Thermal, POC, Non-POC and wheeling charges/Transmission Charges of PGCIL, NRLDC, DTL applicable for Dadri – I Thermal Power as Petitioner did not schedule and drew any power from the said Power Stations since the PPA between parties had expired on 30.11.2020.

S. No.	Utility	Amount	Remarks
1.	GTPS	55589374	GTPS power was allocated wef. 01.04.2021 without the consent of the NDMC. GTPS bill is withheld.
	Total	55589374	

Transmission Charges

S.No.	Utility	Amount	Remarks
a.	DTL-SLDC	12500	GTPS Bill is withheld
b.	DTL-Wheeling Charges	1486512	--do--
	Total	1499012	

Commission Analysis

7. The Commission vide its Order dated 13.12.2023, while admitting the Petition, had directed the concerned Officers of the Petitioner to cooperate with the Officers of the Commission for finalisation of the issue.
8. In pursuance of the said directions, the officials of the Commission conducted prudence check on 03.01.2024 wherein, inter-alia, the power purchase and transmission Bills were 100% verified and re verified on sample basis where after the PPAC computed as per formula approved in Tariff Order dated 30/09/2021 came to be calculated as follows:

Quarter	PPAC submitted by NDMC in Petition	PPAC Computed by Commission
Quarter-1 FY 2023-24	69.55%	72.83%

9. The Officials of the Commission also analysed the Power Purchase and Transmission Bills, and observed that major reason for high PPAC is the total allocation of the NDMC on Gas Based Thermal Power Plants for meeting its power requirement. It was also taken into consideration that the price of the Gas has increased drastically during the said period. Summary of approved ECR (Energy Charge Rate) vis-a-vis actual ECR during the period is as follows:

(Rs./kWh)

Plant	Approved ECR as per TO dated 30/9/2021	Apr'23	May'23	Jun'23
PPS-I Pragati	6.27	0.00	10.44	9.94
PPS-III Bawana	1.78	5.44	5.64	5.38

Landed Cost of Gas at Power Plant:

(Rs./SCM)

Plant	Sept'21	Apr'23	May'23	Jun'23
PPS-I Pragati	38	0	48	47
PPS-III Bawana	12	29	28	27

10. Summary of PPAC claimed, PPAC levied and actual PPAC is as under:

Quarter	PPAC claimed by NDMC	PPAC self-levied by NDMC	Differential PPAC as claimed by NDMC	Actual PPAC as per the Commission	Balance PPAC (%) to be allowed
	A	B	C = A-B	D	E = D-B
Q1 FY24	69.55%	0%	69.55%	72.83%	72.83%

11. The Commission vide its Order dated 22.06.2023 had allowed additional PPAC of 2% over and above 28% till 31.03.2024. As per said Order, the applicable PPAC to NDMC as on date is 30%. Further, Commission, vide its Order dated 21.07.2023, decided and directed that no other PPAC shall be levied by Delhi DISCOMs unless specifically approved by the Commission.
12. Having considered the submissions of the Petitioner, the Commission directs that the levying of the ongoing PPAC of 30%, which has validity till 31.03.2024, shall be further continued for next three months i.e. till 30.06.2024. Further, the Commission vide its Order dated 19.01.2024 has withdrawn its order dated 21.07.2023, wherein the Commission had directed the DISCOMs not to levy any other PPAC unless specifically approved by the Commission and the Petitioner is allowed to levy PPAC of 8.75% also in terms of Regulation 30(4) of Business Plan Regulations, 2023.
13. In order to avoid tariff shock to the consumers at large, the Commission restricts the ongoing PPAC as stated at para 12 above and the balance claims relating to PPAC of the Petitioner will be subsumed appropriately in the ensuing Tariff Order and the difference, if any, will be considered/allowed with Carrying Cost, on verification of Power Purchase and Transmission Bills, in True up.
14. Ordered Accordingly.

Sd/-
(Justice (Retd.) Jayant Nath)
Chairperson

PPAC for Q1 of FY 2023-24---NDMC (Bills from April 2023 to June 2023 Excluding Bills of Dadri Thermal and GTPS & Transmission Charges thereon)

Legends	Description	Sub-Details	Details
A	Total Units procured from Power Stations having long term PPAs (as per bill) - in M		92.039816
B	Proportionate Bulk Sale of Power from Power Stations having long term PPAs - in Mus		9.057196404
C	1. Actual Power purchase cost (PPC) from Power Stations having Long term PPAs (Rs per unit)	12.68	5.42
	2. Projected Power purchase cost (PPC) from Power Stations having Long term PPAs (Rs per unit)	7.26	
	Net Increase/(decrease) in power purchase cost (Rs per unit) (C1-C2)		
D	Actual Transmission Charges paid (as per bills)		27.26 Cr
E	Approved Transmission Charges per quarter (Table----		23.13 Cr
Z	Actual Power Purchase from CSGS	0.00	82.13585329
	Actual Power Purchase from Delhi Gencos	92.039816	
	Inter state Transmission Losses	2.00%	
	Intra state Transmission Losses (((Actual Power Purchase from central Generating Stations having long term PPAs*(1-Inter state Transmission Losses in %))+ Power	0.92%	
Distribution Losses	Distribution Losses in % (Table---		8.75%
ABR	1. Revenue at Revised Tariff (Rs in crore) (Table----) 2. Approved Energy Sales (in Mus) (Table----)	1147.64 1217.76	9.42
	ABR (ABR1/ABR2)*10 (Rs per unit)		
PPCA %	1. (A-B)/10*C+(D-E) 2. (((Z*(1-Distribution Losses in %))*ABR)/100 PPCA %= PPCA1/PPCA2	49.1065798 70.6019261	69.55%

Energy Purchased and Amount Paid to Generators April 2023 to June 2023

Name of Station	Quantum (Units)	Total Cost (Rs)	Avg. rate (Rs/Unit)
NCTPS(DADRI)	0	0	0
PPS-I	63360034	755880266	11.93
PPS-III	24220992	386669514	15.96
DMSWSL	1870419	13149046	7.03
TWEPL	2588371	11129996	4.3
TOTAL	92039816	1166828822	12.68

Energy Sale (Bulk) as per SLDC Statement

Month	Quantum in MUs
Apr-23	1.753588
May-23	25.035953
Jun-23	15.894235
Total	42.683776

Energy Purchase (Bulk) as per SLDC Statement

Month	Quantum in MUs
Apr-23	108.415938
May-23	160.061804
Jun-23	165.277552
Total	433.755294

GT-1.286918
GT-1.401963
GT-1.194378
3.883259

Energy Charges April 2023 to June 2023.

Energy Charges April 2023 to June 2023.							
S. No	Station Name	Month		Units Billed	Variable Cost	Fixed Cost	Total Cost
1	NTPC Dadu	Apr-23					
		May-23					
		Jun-23					
2	PPS I	Apr-23	CC	0	0	38594625	38594625
			OC	0	0	0	0
		May-23	CC	19772823	205419855	38594625	244014480
			OC	250854	3712143	0	3712143
		Jun-23	CC	43223272	429336763	38594625	467931388
			OC	113085	1627630	0	1627630
3	PPS III	Apr-23	CC	6779709	36535852	99302736	135838588
			OC	137159	1084518	0	1084518
		May-23	CC	8436667	47380324	74732987	122113311
			OC	75561	622545	0	622545
		Jun-23	CC	8777469	47214008	79682688	126896696
			OC	14427	113856	0	113856
4	DMSWSL	Apr-23		657247	4620446	0	462044
		May-23		607754	4272511	0	4272511
		Jun-23		605418	4256089	0	4256089
5	TWEPL	Apr-23		896502	3854959	0	3854959
May-23			876595	3769359	0	3769359	
Jun-23			815274	3505678	0	3505678	
Total				92039816	797326536	369502286	1162670420

Transmission Charges (April 2023 to June 2023)						
S. No.	Utility	Month	Transmission Charges	Bill Verified	Rebate	Total Cost
1	PGCIL POC	Apr-23	59759523	46292345	0	46292345
		May-23	52181014	52181014	0	52181014
		Jun-23	48620714	48620714	0	48620714
2	PGCIL Non POC	Apr-23	5824	5824	0	5824
		May-23	6428	6428	0	6428
		Jun-23	6096	6096	0	6096
3	DII NRDC Charges	Apr-23	77654	77654	0	77654
		May-23	87376	87376	0	87376
		Jun-23	82650	82650	0	82650
4	DII Reactive Energy Charges	Apr-23	389120	389120	0	389120
		May-23	409728	409728	0	409728
		Jun-23	896049	896049	0	896049
5	DII SDC Charges	Apr-23	352162	348021	0	348021
		May-23	347946	343729	0	343729
		Jun-23	342073	337931	0	337931
6	DII Wheeling Charges	Apr-23	41618291	41131152	0	41131152
		May-23	41989395	41486017	0	41486017
		Jun-23	40483043	39987048	0	39987048
TOTAL (Rs.)			28,76,55,086	27,26,88,896	0	27,26,88,896



Delhi Electricity Regulatory Commission

Viniyamak Bhawan, 'C' Block, Shivalik, Malviya Nagar, New Delhi –110 017.

F.11(2181)/DERC/2023-24/7967

Petition No. 56/2023

In the matter of: **Petition regarding levy of Power Purchase Adjustment Cost (PPAC) for the Quarter of July 2023 to September 2023 (Q-2) in NDMC Area in accordance with Regulation No. 30 of DERC of Business Plan Regulation 2023 read with Regulation No. 134 of the DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017**

New Delhi Municipal Council (NDMC)

.... Petitioner

Coram:

Hon'ble Justice (Retd.) Jayant Nath, Chairperson

Appearance:

Mr. Tushar Sannu, Advocate, NDMC

ORDER

(Date of Order: 26.06.2024)

1. The instant Petition have been filed by New Delhi Municipal Council (NDMC) seeking permission to Levy and consequently recover the Power Purchase Adjustment Cost (hereinafter PPAC) from its consumers for the FY 2023-24 July' 2023 to September' 2023 in accordance with law including but not limited the DERC (Business Plan) Regulations, 2023 (hereinafter "Business Plan Regulations, 2023").
2. The Petitioner has made the following prayers:
 - a. To take on record that the Petitioner/NDMC will levy a PPAC of 8.75% on the bills of consumers 'for a period of 3 months' in Quarter – 2 (July 2023 to September 2023) FY 2023-24 and;
 - b. In terms of Business Plan Regulations 2023, for the Quarter – 2 i.e. July 2023 to September 2023, permit the Petitioner/NDMC to levy the PPAC claim of 44.89% (i.e. 44.89% - 0%) on the bills of all consumers for the period of three months.

Petitioner's Submission

3. The Petitioner has submitted that;
 - i. The Petitioner/NDMC is entrusted with the Distribution of Electricity to the consumers in the New Delhi Municipal area under Sections 195 to 201 of the New Delhi Municipal Council Act, 1994 and, for the said purpose, procures power

WEAR FACE MASK WASH HANDS REGULARLY MAINTAIN SOCIAL DISTANCING

from various sources in order to meet with its universal service obligations under Section 43 of the Electricity Act, 2003 for providing uninterrupted, reliable power supply to the consumers at large.

- ii. The Commission notified the Business Plan Regulations 2023., which are to remain in force from FY 2023-24 to FY 2027-28, unless reviewed earlier by the Commission. In accordance with the Regulation 30 of the Business Plan Regulations, 2023, the Commission specified the formula for computation of the PPAC vide its Tariff Order dated 30.09.2021. In compliance of the above said formula as well as Regulation 30 of the Business Plan Regulations, 2023, the PPAC for the period from July 2023 to September 2023 works out to 44.89%. Also, The Petitioner/NDMC will levy a PPAC of 8.75% on the bills of consumers for a period of 3 months.
- iii. The Commission vide its Order dated 12.07.2023 and 21.07.2023 has directed to levy PPAC @ 30% till 31.03.2024. In compliance with said Orders, the Petitioner is levying PPAC @30% for the ongoing period.
- iv. The PPAC for Quarter 2 of Financial Year 2023-24 works out to be 44.89%. The calculations have been done by the Petitioner in accordance with the methodology specified by the Commission.
- v. The Bills pertaining to supply of Power from GTPS have not been considered in the PPAC computation as the Petitioner has challenged the allocation made by the Commission from GTPS before the Hon'ble APTEL. The impact of the power shall be subject to decision by the Hon'ble APTEL. The Petitioner has received 3.68 MUs of power from GTPS Power Plant during the period from July 2023 to September, 2023 for which the billed amount was Rs. 5.25Crore, which has not been considered in the above PPAC.
- vi. Besides GTPS, the subject PPAC does not include the following withheld payments of Dadri-I Thermal, POC, Non-POC and wheeling charges/Transmission Charges of PGCIL, NRLDC, DTL applicable for Dadri-I Thermal Power as Petitioner has not scheduled and drawn any power from the Power Station as the PPA between parties and had expired on 30.11.2020.

Commission's Analysis

- 4. NDMC vide its instant Petition, has submitted the PPAC computation for Q2 of FY 2023-24, and requested to allow the PPAC of 44.89%. The Commission vide its Order dated 13.02.2024, admitted the instant PPAC Petition.

- Post Admittance, prudence check of PPAC claimed was conducted by Tariff Division. During the said prudence check, it was noted that NDMC has considered power from Tehkhand Waste to Electricity Project Limited (TWEPL), which does not form part of the base cost approved in Tariff Order dated 30.09.2021. The same has not been considered in the PPAC computation.
- After Prudence check, the PPAC computed as per formula approved in Tariff Order dated 30.09.2021 is as follows:

Quarter	PPAC submitted by NDMC in Petition	PPAC Computed by Tariff Division
Quarter-2 FY 2023-24	44.89%	45.63%

- During analysis of the Power Purchase and Transmission Bills, it is observed that major reason for high PPAC is the total allocation of NDMC on Gas Based Thermal Power Plants for meeting its power requirement and Gas Prices have increased drastically during the said period.
- Summary of PPAC claimed, PPAC levied and actual PPAC is as under:

Quarter	PPAC claimed by NDMC	PPAC self-levied by NDMC	Differential PPAC as claimed by NDMC	Actual PPAC	Balance PPAC (%) to be allowed
	A	B	C = A-B	D	E = D-B
Q2 FY 2023-24	44.89%	0%	44.89%	45.63%	45.63%

- The Commission vide its Order dated 26.02.2024 in Petition No. 37 of 2023, allowed NDMC to levy 30.00% PPAC till 30.06.2024. As per the Order, the applicable PPAC to NDMC as on date is 30.00%.
- The Commission considers it prudent and accords approval to continue the existing PPAC i.e., 30.00% for the next three months i.e., 01.07.2024 to 30.09.2024. Further, the differential PPAC for Q2 FY 2023-24 may be subsumed in its True-up. Surplus/deficit, if any, will be allowed with carrying cost, on verification of Power Purchase and Transmission Bills, in True-up of relevant Financial Year.
- Ordered Accordingly.

Sd/-
(Justice (Retd.) Jayant Nath)
Chairperson

PPAC for Q2 of FY 2023-24---NDMC (Bills from July 2023 to September 2023 Excluding Bills of Dadri Thermal and GTPS & Transmission Charges thereon)

Legends	Description	Sub-Details	Details
A	Total Units procured from Power Stations having long term PPAs (as per bill) - in Mus		178.165543
B	Proportionate Bulk Sale of Power from Power Stations having long term PPAs- in Mus		6.379153144
C	1. Actual Power purchase cost (PPC) from Power Stations having Long term PPAs (Rs per unit)	11.06	
	2. Projected Power purchase cost (PPC) from Power Stations having Long term PPAs (Rs per unit)	7.26	3.80
	Net Increase/(decrease) in power purchase cost (Rs per unit) (C1-C2)		
D	Actual Transmission Charges paid (as per bills)		23.50 Cr
E	Approved Transmission Charges per quarter (Table----)		23.13 Cr
Z	Actual Power Purchase from CSGS	0.00	
	Actual Power Purchase from Delhi Gencos	178.165543	170.1472669
	Inter state Transmission Losses	2.00%	
	Intra state Transmission Losses (Actual power purchase from central generating stations having long term PPAs*(1-Inter state Transmission Losses in %)+ Power	0.92%	
Distribution Losses	Distribution Losses in % (Table---)		8.75%
ABR	1. Revenue at Revised Tariff (Rs in crore) (Table----) 2. Approved Energy Sales (in Mus) (Table----)	1147.64 1217.76	9.42
	ABR (ABR1/ABR2)*10 (Rs per unit)		
PPCA %	1. (A-B)/10*C+(D-E) 2. (((Z*(1-Distribution Losses in %))*ABR)/100 PPCA % = PPCA1/PPCA2	65.64882815 146.2543369	44.89%

Energy Purchased and Amount Paid to Generators July 2023 to September 2023

Name of Station	Quantum (Units)	Total Cost (Rs)	Avg. rate (Rs/Unit)
NCTPS(DADRI)	0	0	0
PPS-I	138363876	1486717897	10.74
PPS-III	35654143	461632704	12.95
DMSWSL	1820639	12799093	7.03
TWEPL	2326885	10005606	4.3
TOTAL	178165543	1971155300	11.06

Energy Sale (Bulk) as per SLDC Statement

Month	Quantum in MUs
Jul-23	0.722000
Aug-23	7.589000
Sep-23	8.92634
Total	17.237340

Energy Purchase (Bulk) as per SLDC Statement

Month	Quantum in MUs
Jul-23	151.99607
Aug-23	171.807016
Sep-23	157.624292
Total	481.427378

GT-1.280045

GT-1.321170

GT-1.077672

3.678887

Energy Charges July 2023 to September 2023.

S. No	Station Name	Month		Units Billed	Variable Cost	Fixed Cost	Total Cost
1	NTPC-Dadri	Jul-23					
		Aug-23					
		Sep-23					
2	PPS - I	Jul-23	CC	34931609	344949644	38594625	383544269
			OC	785907	11245537	0	11245537
		Aug-23	CC	57644288	562665896	38594625	601260521
			OC	198870	2813017	0	2813017
		Sep-23	CC	44749384	448478323	38594625	487072948
			OC	53818	781605	0	781605
3	PPS - III	Jul-23	CC	5977753	32321711	79682688	112004399
			OC	13590	107810	0	107810
		Aug-23	CC	14817367	94282909	79682688	173965597
			OC	102972	961241	0	961241
		Sep-23	CC	14728075	94775162	79682688	174457850
			OC	14386	135807	0	135807
4	DMSWSL	Jul-23		651450	4579694	0	4579694
		Aug-23		552971	3887386	0	3887386
		Sep-23		616218	4332013	0	4332013
5	TWEPL	Jul-23		747577	3214581	0	3214581
		Aug-23		758292	3260656	0	3260656
		Sep-23		821016	3530369	0	3530369
Total				178165543	1616323361	354831939	1971155300

Transmission Charges (July 2023 to September 2023)						
S. No.	Utility	Month	Transmission Charges	Bill Verified	Rebate	Total Cost
1	PGCIL- POC	Jul-23	44465251	44465251	0	44465251
		Aug-23	42570702	42570702	0	42570702
		Sep-23	30856743	30856743	0	30856743
2	PGCIL - Non POC	Jul-23	6043	6043	0	6043
		Aug-23	5338	5338	0	5338
		Sep-23	5139	5139	0	5139
3	DTL- NRLDC Charges	Jul-23	82138	82138	0	82138
		Aug-23	80852	80852	0	80852
		Sep-23	72092	72092	0	72092
4	DTL- Reactive Energy Charges	Jul-23	760221	760221	0	760221
		Aug-23	369468	369468	0	369468
		Sep-23	261954	261954	0	261954
5	DTL- SLDC Charges	Jul-23	337782	316924	0	316924
		Aug-23	315568	311578	0	311578
		Sep-23	304951	300961	0	300961
6	DTL- Wheeling Charges	Jul-23	40453201	39940672	0	39940672
		Aug-23	39191366	38706293	0	38706293
		Sep-23	36379757	35910332	0	35910332
TOTAL (Rs.)			23,65,18,566	23,50,22,701	0	23,50,22,701



Delhi Electricity Regulatory Commission

Viniyamak Bhawan, 'C' Block, Shivalik, Malviya Nagar, New Delhi –110 017.

F.11(2210)/DERC/2023-24/8055

Petition No. 23/2024

In the matter of: Petition regarding levy of Power Purchase Adjustment Cost (PPAC) for the Quarter from October 2023 to December 2023 (Q-3) in NDMC Area in accordance with Regulation No. 30 of DERC of Business Plan Regulation 2023 read with Regulation No. 134 of the DERC (Terms and Conditions for Determination of Tariff) Regulations-2017

New Delhi Municipal Council (NDMC)

.... Petitioner

Coram:

Hon'ble Justice (Retd.) Jayant Nath, Chairperson

Appearance:

Mr. Tushar Sannu, Advocate, NDMC

ORDER

(Date of Order: 15.07.2024)

1. The instant Petition has been filed by New Delhi Municipal Council (NDMC) seeking permission to Levy and consequently recover the Power Purchase Adjustment Cost (hereinafter PPAC) from its consumers for the FY 2023-24 from October' 2023 to December' 2023 in accordance with law including but not limited to the DERC (Business Plan) Regulations, 2023 (hereinafter "Business Plan Regulations, 2023").
2. The Petitioner has made the following prayers;
 - a. To take on record that the Petitioner/NDMC will levy a PPAC of 38.75% on the bills of consumer 'for a period of 3 months' in Quarter – 3 (October 2023 to December 2023) FY 2023-24; and
 - b. In terms of Business Plan Regulations 2023, for the Quarter – 3 i.e. October 2023 to December 2023, permit the Petitioner/NDMC to levy the PPAC claim of 24.01% (i.e. 62.76% - 38.75%) on the bills of all consumers for the period of three months.

Petitioner's Submission

3. The Petitioner has submitted that: -
 - i. The Petitioner/NDMC is entrusted with the Distribution of Electricity to the consumers in the New Delhi Municipal area under Section 195 to 201 of the New Delhi Municipal Council Act, 1994 and, for the said purpose, procures power

from various sources in order to meet with its universal service obligations under Section 43 of the Electricity Act, 2003 for providing uninterrupted, reliable power supply to the consumers at large.

- ii. The Commission notified the Business Plan Regulations, 2023 which are to remain in force from FY 2023-24 to FY 2027-28, unless reviewed earlier by the Commission. The Regulation 30 of the Business Plan Regulations, 2023 provides for the mechanism for recovery of PPAC. In accordance with the said regulation, the Commission specified the formula for computation of the PPAC vide its Tariff Order dated 30.09.2021.
- iii. Further, as per compliance of the said formula and Regulation 30 of the Business Plan Regulations, 2023, the PPAC for the period from October' 2023 to December' 2023 works out to 62.76%.
- iv. The Petitioner/NDMC submits that in accordance with the Business Plan Regulations, 2023, the Petitioner will levy a PPAC of 8.75% on the bills of consumers of a period of 3 months.
- v. In light of the Commission's Orders dated 26.02.2024 and 19.01.2024, the Petitioner/NDMC can levy the PPAC of 38.75% (30% + 8.75%).
- vi. The Bills pertaining to supply of Power from GTPS have not been considered in the PPAC computation as the Petitioner has challenged the allocation made by the Commission from GTPS before the Hon'ble APTEL. The impact of the power shall be subject to decision by the Hon'ble APTEL. The Petitioner has received 4.48 MUs of power from GTPS Power Plant during the period from October 2023 to December 2023 for which the billed amount was Rs. 6.83 Crore, which has not been considered in the above PPAC.
- vii. Further, the subject PPAC does not include the withheld payments of Dadri-I Thermal, POC, Non-POC and wheeling charges/Transmission Charges of PGCIL, NRLDC, DTL applicable for Dadri-I Thermal Power as Petitioner has not scheduled and drawn any power from these Power Stations, as the PPAs entered between the parties had already expired on 30.11.2020.

Commission's Analysis

4. NDMC vide its instant Petition, has submitted the PPAC computation for Q3 of FY 2023-24, and requested to allow the PPAC of 62.76%. The Commission vide its Order dated 7/06/2024, admitted the instant PPAC Petition.
5. Post Admittance, Tariff Division of the Commission conducted prudence check of PPAC under Petition No. 23 of 2024 pertaining to Q3 FY 2023-24 on 26/06/2024.

During the said prudence check, it was noted that NDMC has considered power from Tehkhand Waste to Electricity Project Limited (TWEPL), which does not form part of the base cost approved in Tariff Order dated 30/09/2021. The same has not been considered in the PPAC computation.

6. After Prudence check, the PPAC computed as per formula approved in Tariff Order dated 30/09/2021 is as follows:

Quarter	PPAC claimed by NDMC in Petition	PPAC Computed
Quarter-3 FY 2023-24	62.76%	65.27%

7. During analysis of the Power Purchase and Transmission Bills, it is observed that major reason for high PPAC is the total allocation of NDMC on Gas Based Thermal Power Plants for meeting its power requirement and Gas Prices have increased drastically during the said period.

8. Summary of PPAC claimed, PPAC levied and actual PPAC is as under:

Quarter	PPAC claimed by NDMC	PPAC self-levied by NDMC	Differential PPAC as claimed by NDMC	Actual PPAC	Balance PPAC (%)
	A	B	C = A-B	D	E = D-B
Q3 FY 2023-24	62.76%	8.75%	54.01%	65.27%	56.52%

9. The Commission vide its Order dated 26/06/2024, allowed NDMC to levy 30.00% PPAC till 30/09/2024. As per the Order, the applicable PPAC to NDMC as on date is 30.00%.
10. The Commission considers it prudent and accords approval to continue the existing PPAC i.e., 30.00% for the next three months i.e., 1/10/2024 to 31/12/2024. Further, the differential PPAC for Q3 FY 2023-24 will be subsumed in its True-up. The Surplus/deficit, if any, will be allowed with carrying cost, on verification of Power Purchase and Transmission Bills, in True-up of relevant Financial Year.
11. Ordered accordingly.

Sd/-
(Justice (Retd.) Jayant Nath)
Chairperson

PPAC for Q3 of FY 2023-24---NDMC (Bills from October 2023 to December 2023 Excluding Bills of Dadri Thermal and GTPS & Transmission Charges thereon)

Legends	Description	Sub-Details	Details
A	Total Units procured from Power Stations having long term PPAs (as per bill) - in Mus		76.09135
B	Proportionate Bulk Sale of Power from Power Stations having long term PPAs- in Mus		2.84
C	1. Actual Power purchase cost (PPC) from Power Stations having Long term PPAs (Rs per unit) 2. Projected Power purchase cost (PPC) from Power Stations having Long term PPAs (Rs per unit) - (Table 4.14 (Page No 174 of DERC Tariff Order) Net Increase/(decrease) in power purchase cost (Rs per unit) (C1-C2)	12.65 7.26	5.39
D	Actual Transmission Charges paid (as per bills)		22.79 Cr
E	Approved Transmission Charges per quarter (Table 4.19 (Page No 177 of DERC Tariff Order)		23.13 Cr
Z	Actual Power Purchase from CSGS Actual Power Purchase from Delhi Gencos Inter state Transmission Losses (Table-4.20 (Page No 177 of DERC Tariff Order)) Intra state Transmission Losses (Table-4.20 (Page No 178 of DERC Tariff Order)) ((Actual Power Purchase from central generating stations having long term PPAs*(1-Inter state Transmission Losses in %)+ Power	0.00 178.165543 2.00% 0.92%	72.55130958
Distribution Losses	Distribution Losses in % (Table-4.9 (Page No 169 of DERC Tariff Order))		8.75%
ABR	1. Revenue at Revised Tariff (Rs in crore) (Table - 4.42 (Page No 199 of DERC Tariff Order) 2. Approved Energy Sales (in Mus) (Table-4.9 (Page No 169 of DERC Tariff Order)) ABR (ABR1/ABR2)*10 (Rs per unit)	1147.64 1217.76	9.42
PPCA %	1. (A-B)/10*C+(D-E) 2. (((Z*(1-Distribution Losses in %))*ABR)/100 PPCA % = PPCA1/PPCA2	39.14247765 62.3675541	62.76%

Energy Purchased and Amount Paid to Generators October 2023 to December 2023

Name of Station	Quantum (Units)	Total Cost (Rs)	Avg. rate (Rs/Unit)
NCTPS(DADRI)	0	0	0
PPS-I	27652388	426857949	15.44
PPS-III	44194882	512736151	11.6
DMSWSL	1802392	12670816	7.03
TWEPL	2441688	10499259	4.3
TOTAL	76091350	962764175	12.65

Energy Sale (Bulk) as per SLDC Statement

Month	Quantum in MUs
Oct-23	10.897070
Nov-23	0.000000
Dec-23	0.19
Total	11.087070

Energy Purchase (Bulk) as per SLDC Statement

Month	Quantum in MUs
Oct-23	124.520901
Nov-23	83.679867
Dec-23	89.371591
Total	297.572359

GT-1.519675
GT-1.461081
GT-1.498656
4.479412

Energy Charges October 2023 to December 2023.

S. No	Station Name	Month		Units Billed	Variable Cost	Fixed Cost	Total Cost
1	NTPC-Dadri	Oct-23		0	0	0	0
		Nov-23		0	0	0	0
		Dec-23		0	0	0	0
2	PPS - I	Oct-23	CC	24740266	265289872	38594625	303884497
			OC	47297	734903	0	734903
		Nov-23	CC	0	0	38594625	38594625
			OC	0	0	0	0
		Dec-23	CC	174777	1933209	38594625	40527834
			OC	2690048	43116090	0	43116090
3	PPS - III	Oct-23	CC	14336596	104098023	79682688	183780711
			OC	64731	689517	0	689517
		Nov-23	CC	14367962	78736434	79682688	158419122
			OC	17676	142113	0	142113
		Dec-23	CC	15251509	88687523	79682688	168370211
			OC	156408	1334477	0	1334477
4	DMSWSL	Oct-23		522771	3675080	0	3675080
		Nov-23		634069	4457505	0	4457505
		Dec-23		645552	4538231	0	4538231
5	TWEPL	Oct-23		735319	3161872	0	3161872
		Nov-23		787104	3384547	0	3384547
		Dec-23		919265	3952840	0	3952840
Total				76091350	607932236	354831939	962764175

Transmission Charges (October 2023 to December 2023)						
S. No.	Utility	Month	Transmission Charges	Bill Verified	Rebate	Total Cost
1	PGCIL- POC	Oct-23	41938074	41938074	0	41938074
		Nov-23	40313554	40313554	0	40313554
		Dec-23	44946463	44946463	0	44946463
2	PGCIL - Non POC	Oct-23	4682	4682	0	4682
		Nov-23	4682	4682	0	4682
		Dec-23	0	0	0	0
3	DTL- NRLDC Charges	Oct-23	76553	76553	0	76553
		Nov-23	95220	95220	0	95220
		Dec-23	95220	95220	0	95220
4	DTL- Reactive Energy Charges	Oct-23	598587	598587	0	598587
		Nov-23	1273107	1273107	0	1273107
		Dec-23	1280070	1280070	0	1280070
5	DTL- SLDC Charges	Oct-23	304951	300961	0	300961
		Nov-23	304951	300961	0	300961
		Dec-23	196600	192383	0	192383
6	DTL- Wheeling Charges	Oct-23	37507977	37022904	0	37022904
		Nov-23	36173381	35703956	0	35703956
		Dec-23	24295436	23782906	0	23782906
TOTAL (Rs.)			22,94,09,508	22,79,30,283	0	22,79,30,283



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

F.11(2261)/DERC/2024-25/

Petition No. 53/2024

In the matter of: **Petition regarding levy of Power Purchase Cost Adjustment Charges (PPAC) for the Quarter of April, 2024 to June, 2024 (Q-1) in NDMC Area in accordance with Regulation No. 30 of DERC (Business Plan) Regulations, 2023 read with Regulation No. 134 of the DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017**

New Delhi Municipal Council (NDMC)

.... Petitioner

Coram:

Hon'ble Justice (Retd.) Jayant Nath, Chairperson
Hon'ble Sh. Ram Naresh Singh, Member
Hon'ble Sh. Surender Babbar, Member

Appearance:

Mr. Tushar Sannu, Advocate, NDMC

ORDER

(Date of Order: 31.12.2024)

1. The instant Petition has been filed by New Delhi Municipal Council (NDMC) seeking permission to Levy and consequently recover the Power Purchase Adjustment Cost (hereinafter PPAC) from its consumers for the Q1 of FY 2024-25 from April' 2024 to June' 2024 in accordance with law including but not limited to the DERC (Business Plan) Regulations, 2023 (hereinafter "Business Plan Regulations, 2023").
2. The Petitioner has made the following prayers;
 - a. To take on record that the Petitioner/NDMC will levy a PPAC of 8.75% on the bills of consumer 'for a period of 3 months' in Quarter – 1 (April' 2024 to June' 2024) FY 2024-25; and
 - b. In terms of Business Plan Regulations 2023, for the Quarter – 1 i.e. April' 2024 to June' 2024, permit the Petitioner/NDMC to levy the PPAC claim of 42.11% (i.e. 50.86% - 8.75%) on the bills of all consumers for the period of three months.

Petitioner's Submission

3. The Petitioner has submitted that: -
 - i. The Petitioner/NDMC is entrusted with the Distribution of Electricity to the consumers in the New Delhi Municipal area under Sections 195 to 201 of the New

Delhi Municipal Council Act, 1994 and, for the said purpose, procures power from various sources in order to meet with its universal service obligations under Section 43 of the Electricity Act, 2003 for providing uninterrupted, reliable power supply to the consumers at large.

- ii. The Commission notified the Business Plan Regulations, 2023 which are to remain in force from FY 2023-24 to FY 2027-28, unless reviewed earlier by the Commission.
- iii. The Regulation 30 of the Business Plan Regulations, 2023 provides for the mechanism for recovery of PPAC. In accordance with the said regulation, the Commission specified the formula for computation of the PPAC vide its Tariff Order dated 30.09.2021.
- iv. Further, as per compliance of the said formula and Regulation 30 of the Business Plan Regulations, 2023, the PPAC for the period from April' 2024 to June' 2024 (Financial Year 2024-25) works out to 50.86%.
- v. In accordance with the Business Plan Regulations, 2023, the Petitioner/NDMC will levy a PPAC of 8.75% on the bills of consumers of a period of 3 months.
- vi. In light of the Commission's Orders dated 15.07.2024, had directed the Petitioner/NDMC to levy PPAC of 30% for period of 3 months i.e. 01.10.2024 to 31.12.2024. As per the said Order, the Petitioner herein can levy the PPAC Charges of 8.75%.
- vii. The Bills pertaining to supply of Power from GTPS have not been considered in the PPAC computation as the Petitioner has challenged the allocation made by the Commission from GTPS before the Hon'ble APTEL. However, the Hon'ble APTEL vide its Order dated 05.10.2023 rejected the appeal due to non-payment of cost. That the petitioner herein/NDMC has preferred an appeal against said order dated 05.10.2023 before the Hon'ble Supreme Court. The e-filing No. before Hon'ble Supreme Court is EC-SCIN01-17711-2024, the same has been withdrawn as dismissed. Now the Petitioner has decided to file a Review Petition under Section 94(1) (f) of the Electricity Act, 2003 in DERC. The Petitioner has received 3.33 MUs of Power from Plant during the period from April, 2024 to June, 2024 for which the billed amount was Rs. 1.50 Crore, which has not been considered in the above PPAC.
- viii. Besides GTPS, the subject PPAC does not include the withheld payments of Dadri-I Thermal, POC, Non-POC and wheeling charges/Transmission Charges of PGCIL, NRLDC, DTL applicable for Dadri-I Thermal Power as Petitioner has not scheduled and drawn any power from these Power Stations, as the PPAs entered between the parties had already expired on 30.11.2020

Commission's Analysis

4. NDMC vide abovementioned Petition, has submitted the PPAC computation for the Q1 of FY 2024-25, which is summarized as follows:

Quarter	PPAC Computed by DISCOM as per DERC Regulation	PPAC claimed by DISCOM
Q1 FY 2024-25	50.86%	42.11% (=50.86% -8.75%*)

Note: * Suo-moto levy of PPAC as per clause 30(4) of DERC (Business Plan) Regulations, 2023

5. The Commission vide its Record of Proceedings dated 14/11/2024 admitted the above-mentioned PPAC Petition. A prudence check of PPAC Petition was also conducted with NDMC Officials on 11/12/2024.
6. Petition submitted by NDMC has been scrutinized, it is observed that major reason for high PPAC is the total allocation of NDMC on Gas Based Thermal Power Plants for meeting its power requirement and Gas Prices have increased drastically during the said period.
7. After verification of the Power Purchase Bills submitted by NDMC and prudence check by the Commission, the PPAC computed as per formula approved in Tariff Order dated 30/09/2021 is as follows:

Quarter	PPAC claimed by NDMC in Petition	PPAC Computed #
Q1 FY 2024-25	50.86%	50.86%

Note: # PPAC was restricted to the PPAC claimed by the DISCOM

8. In view of above, the Commission accords approval of PPAC as follows:

Quarter	PPAC claimed by DISCOM	PPAC computed
Q1 FY 2024-25	42.11% (=50.86% -8.75%**)	42.11% (=50.86% -8.75%**)

Note: ** Suo-moto levy of PPAC as per clause 30(4) of DERC (Business Plan) Regulations, 2023

9. Presently ongoing PPAC is 30.00%, which is applicable till 31/12/2024. In Petition No. 47 of 2024, the PPAC for Q4 for FY 2023-24 has been decided by the Commission which will be operative from 01/01/2025 till 31/03/2025. Further, PPAC of Q1 FY 2024-25 to be recovered works out to 42.11%. In view of this, the Petitioner is allowed to recover PPAC of 42.11% for 3 months beyond 31/03/2025 i.e., from 1/04/2025 to 30/06/2025.
10. Ordered accordingly.

Sd/-
(Surender Babbar)
Member

Sd/-
(Ram Naresh Singh)
Member

Sd/-
(Justice (Retd.) Jayant Nath)
Chairperson

PPAC for Q1 of FY 2024-25---NDMC (Bills from April 2024 to June 2024 Excluding Bills of Dadri Thermal and GTPS & Transmission Charges thereon)

Legends	Description	Sub-Details	Details
A	Total Units procured from Power Stations having long term PPAs (as per bill) - in Mus		168.544348
B	Proportionate Bulk Sale of Power from Power Stations having long term PPAs- in Mus		24.46908572
C	1. Actual Power purchase cost (PPC) from Power Stations having Long term PPAs (Rs per unit) 2. Projected Power purchase cost (PPC) from Power Stations having Long term PPAs (Rs per unit) - (Table 4.14 (Page No 174 of DERC Tariff Order) Net Increase/(decrease) in power power purchase cost (Rs per unit) (C1-C2)	11.58 7.26	4.32
D	Actual Transmission Charges paid (as per bills)		23.20
E	Approved Transmission Charges per quarter (Table 4.19 (Page No 177 of DERC Tariff Order)		23.13 Cr
Z	Actual Power Purchase from CSGS Actual Power Purchase from Delhi Gencos Inter state Transmission Losses (Table-4.20 (Page No 177 of DERC Tariff Order)) Intra state Transmission Losses (Table-4.20 (Page No 178 of DERC Tariff Order)) ((Actual Power Purchase from central Generating Stations having long term PPAs*(1-Inter state Transmission Losses in %)+ Power	0.00 168.544348 2.00% 0.92%	142.5246543
Distribution Losses	Distribution Losses in % (Table-4.9 (Page No 169 of DERC Tariff Order))		8.75%
ABR	1. Revenue at Revised Tariff (Rs in crore) (Table - 4.42 (Page No 199 of DERC Tariff Order) 2. Approved Energy Sales (in Mus) (Table-4.9 (Page No 169 of DERC Tariff Order)) ABR (ABR1/ABR2)*10 (Rs per unit)	1147.64 1217.76	9.42
PPAC %	1. (A-B)/10*C+(D-E) 2. (((Z*(1-Distribution Losses in %))*ABR)/100 PPAC %= PPAC1/PPAC2	62.3138544 122.5106297	50.86%

Energy Purchased and Amount Paid to Generators April 2024 to June 2024

Name of Station	Quantum (Units)	Total Cost (Rs)	Avg. rate (Rs/Unit)
NCTPS(DADRI)	0	0	0
PPS-I	115303218	1364966011	11.84
PPS-III	49123799	564185177	11.48
DMSWSL	1602146	11263087	7.03
TWEPL	2515185	11947129	4.75
TOTAL	168544348	1952361404	11.58

Energy Sale (Bulk) as per SLDC Statement

Month	Quantum in MUs
Apr-24	0.282893
May-24	21.651370
Jun-24	55.01762
Total	76.951883

Energy Purchase (Bulk) as per SLDC Statement

Month	Quantum in MUs
Apr-24	109.32507
May-24	187.205389
Jun-24	233.518154
Total	530.048613

GT-0.370969

GT-1.501219

GT-1.466171

3.338359

Energy Charges April 2024 to June 2024.

Energy Charges April 2024 to June 2024.							
S. No	Station Name	Month		Units Billed	Variable Cost	Fixed Cost	Total Cost
1	NTPC-Dadri	Apr-24		0	0	0	0
		May-24		0	0	0	0
		Jun-24		0	0	0	0
2	PPS - I	Apr-24	CC	6750342	70858341	36386155	107244496
			OC	123371	1876719	0	1876719
		May-24	CC	48643275	529433401	38594625	568028026
			OC	404683	6382667	0	6382667
		Jun-24	CC	59303239	639407525	40803096	680210621
			OC	78308	1223482	0	1223482
3	PPS - III	Apr-24	CC	20206411	120834341	79682688	200517029
			OC	22377	196310	0	196310
		May-24	CC	14287223	99707777	79682688	179390465
			OC	333	3406	0	3406
		Jun-24	CC	14607281	104393465	79682688	184076153
			OC	174	1814	0	1814
4	DMSWSL	Apr-24		639528	4495882	0	4495882
		May-24		438084	3079731	0	3079731
		Jun-24		524534	3687474	0	3687474
5	TWEPL	Apr-24		824691	3917282	0	3917282
		May-24		866594	4116322	0	4116322
		Jun-24		823900	3913525	0	3913525
Total				168544348	1597529464	354831940	1952361404

Transmission Charges (April 2024 to June 2024)						
S. No.	Utility	Month		Transmission Charges	Bill Verified	Rebate
1	PGCIL- POC	Apr-24		37477933	37477933	0
		May-24		39312512	39312512	0
		Jun-24		37397392	37397392	0
2	PGCIL - Non POC	Apr-24	FOCS	29371	29371	0
			SCADA	5599	5599	0
		May-24	FOCS	29371	29371	0
			SCADA	5599	5599	0
		Jun-24	FOCS	29371	29371	0
			SCADA	5599	5599	0
3	DTL- NRLDC Charges	Apr-24		95508	95508	0
		May-24		94745	94745	0
		Jun-24		94745	94745	0
4	DTL- Reactive Energy Charges	Apr-24		373745	373745	0
		May-24		319056	319056	0
		Jun-24		969306	969306	0
5	DTL- SLDC Charges	Apr-24		323625	319634	0
		May-24		323625	319634	0
		Jun-24		323625	319634	0
6	DTL- Wheeling Charges	Apr-24		38253189	37792621	0
		May-24		39646946	39171026	0
		Jun-24		38331577	37871010	0
TOTAL (Rs.)				23,34,42,439	23,20,33,411	0