

THE TIMES OF INDIA, NEW DELHI *
SATURDAY, FEBRUARY 2, 2013

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1. Under the provisions of the Electricity Act, 2003, Delhi Electricity Reform Act, 2000 to the extent applicable, and the DERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2011 issued by the Commission vide Order dated December 2, 2011, notified on January 19, 2012 and DERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2007 dated May 30, 2007 applicable to first MYT Period for FY 2007-08 to FY 2010-11 duly extended up to FY 2011-12 vide the Commission Order dated May 10, 2011, BSES Rajdhani Power Limited (hereinafter referred to as "BRPL") has filed a Petition on December 10, 2012 before the Delhi Electricity Regulatory Commission (DERC or the Commission) for approval of True Up of FY 2011-12, Review of FY 2012-13 and Aggregate Revenue Requirement (ARR) and corresponding Tariff adjustments for FY 2013-14. The Commission has admitted the said Petition vide Order dated January 16, 2013.

2. The salient features of the Petition are:

S. No.	Particulars	UoM	FY 12 (FY)	FY13 (CY)	FY 14 (EY)
A	Energy Input	MU	10902	10862	11197
B	Energy Billed	MU	9018	9125	9501
C	Distribution Loss for the year	%	17.28%	16.00%	15.15%
D	AT&C Loss for the year	%	16.36%	17.26%	16.43%
E	Average Power Purchase Rate	₹/kWh	5.18	5.50	6.07
F	Power Purchase Cost (includes transmission charges)*	₹ Crores	5650	5969	6796
G	O&M Expenses	₹ Crores	428	465	500
H	Depreciation (including advance against Depreciation)	₹ Crores	231	160	174
I	ROCE (Return + Interest)	₹ Crores	324	391	427
J	Other Expenses	₹ Crores	98	-	-
K	Income Tax	₹ Crores	38	31	33
L	Supply Margin	₹ Crores	24	-	-
M	Add: Trueing Up Requirement for FY 2007-08 to FY 2010-11	₹ Crores	295	-	-
N	Add: Trueing Up of FY 2007-08 in accordance with Regulation-12.1	₹ Crores	402	-	-
O	Add: Letter of Credit Charges up to FY 2010-11	₹ Crores	6	-	-
P	Add: R&M and A&G Expenses - Appeal No. 177 of 2012	₹ Crores	106	-	-
Q	Add: Borrowing cost incurred during FY 2010-11 for funding deficit	₹ Crores	16	-	-
R	Add: Trueing Up Income Tax from FY 2002-03 to FY 2006-07	₹ Crores	420	-	-
S	Less: Non Tariff Income	₹ Crores	207	125	125
T	Aggregate Revenue Requirement (Sum of G to R-S)	₹ Crores	7832	6892	7805
U	Revenue available at existing tariff	₹ Crores	4425	5890	6412
V	Revenue Gap at existing Tariff (T-U)	₹ Crores	(3407)	(1002)	(1393)
W	Carrying Cost during the year	₹ Crores	(826)	(1150)	(1326)
X	Opening Revenue Gap approved for FY 2011-12	₹ Crores	(3327)	-	-
Y	Total cumulative Revenue Gap	₹ Crores	(7580)	(9339)	(11537) ²

* Power Purchase Cost also includes Rs. 297 Crore and Rs. 452 Crore for FY 2012-13 and FY 2013-14, respectively on account of Renewable Purchase Obligation (RPO) to be fulfilled by the Licensee as per DERC directive.
² Includes the revenue gap of Rs. 1393 Crore for FY 2013-14 which is proposed to be recovered as indicated in para 4 of this Public Notice.

3. Capex Proposal

Particulars	UoM	FY 2013-14
Estimated Capex to be incurred	₹ Cr.	300

4. Revenue Gap during FY 2013-14 proposed to be recovered through Tariff Hike

Particulars	UoM	FY 13-14
Aggregate Revenue Requirement	₹ Cr.	7805
Revenue at existing tariff	₹ Cr.	6412
Revenue (Gap)/ Surplus	₹ Cr.	(1393)
Revenue Gap proposed to be recovered through modified PPAC ¹	₹ Cr.	(1289) ^a
Revenue Gap considered for Tariff Increase	₹ Cr.	(103) ^b
Tariff increase/(reduction) from existing level	%	1.61%
Average Tariff increase required to meet entire Revenue Gap without PPAC ¹	%	21.72% ^c

Note @ : The figure does not appear in the Petition.

Note: 1 - In the event the Hon'ble Commission approves different formula, the anticipated revenue gap due to variation in power purchase cost (includes the transmission cost) as projected by the Petitioner ought to be recovered in the normal tariff increase.

5. Modification in Power Purchase Price Adjustment mechanism

As regards Revenue Gap arising due to variation in Power Purchase and Transmission cost, a revised formula for power purchase price adjustment (PPAC) has been suggested for recovery of monthly Revenue Gap during FY 2013-14.

6. Tariff Rationalisation measures proposed

Not proposed.

7. Recovery of Revenue Gap up to FY 2012-13 is proposed to be recovered through a mechanism for recovery of Regulatory Assets within the Control Period (FY 2012-13 to FY 2014-15) with a minimum of 15% recovery of the outstanding principal amount in a year and carrying cost on the balance unrecovered principal amount.

8. Performance of BRPL during FY 2011-12

Particulars	Regulatory Target	Achieved	Remarks
Distribution Losses	14.57%	17.28%	Without prejudice to Appeal No. 61 of 2012 before Hon'ble APTEL, waiver of Distribution Loss and AT&C Loss Target has been sought.
AT&C Losses	15%	16.36%	
Average consumers added to the Billing Fold	NA	96394	The addition of Consumers translated to higher revenue which has contributed towards reduction in Tariff Increase
Non Tariff Income/ Other Income	₹ 55 Cr.	₹ 207 Cr.	The increase in Non-Tariff Income has contributed towards reduction in Tariff Increase

9. Coincident Peak demand in Delhi was 5028 MW (was 4720 MW in FY 2010-11 i.e. 6.5% Increase) on August 2, 2011 during FY 2011-12 which was fully met by the Petitioner.

Reliability Indices	YEAR	SAIFI	SAIDI	MAIFI
	FY 2011-12	3.483	3.891	0.046
	FY 2010-11	3.105	3.887	0.041

11. In accordance with the provisions of the Delhi Electricity Regulatory Commission Comprehensive (Conduct of Business) Regulations, 2001 notified by the Commission, the consumers and stakeholders are requested to submit the response on the above Petition. The response may be sent to the Secretary of the Commission at the following address by 25.02.2013. The response may be submitted personally or by post to the Commission at the address given below. The response can also be e-mailed to the Secretary of the Commission at the e-mail address mentioned below.

DELHI ELECTRICITY REGULATORY COMMISSION
 Vniyamak Bhawan, C-Block, Shivallik, Malviya Nagar, New Delhi-110 017.
 Email id: secy@derc.nic.in Telefax:011-26673608

12. The Commission would hold public hearings with the responding stakeholders subsequently. The date of the public hearings shall be notified separately by the Commission.

13. A copy of the Petition can be purchased from the head-office of BRPL located at BSES Bhawan, Nehru Place, New Delhi-110019 on any working day, from 02.02.2013 to 25.02.2013 between 11 a.m. and 4 p.m. in the form of CD on payment of Rs. 25/- per CD or in the form of Hard Copy on payment of Rs. 100/-, either by cash or by Demand Draft/Pay Order in favour of "BSES Rajdhani Power Limited" payable at New Delhi.

14. The complete Petition is available on our website (<http://www.bsesdelhi.com>) as well as the website of the Commission (<http://www.derc.gov.in>). Copy of the Petition is available for inspection at our Head Office as well as the Commission's office at the addresses provided herewith, on any working day between 11 a.m. to 4 p.m.

For BSES Rajdhani Power Limited

Sd/-
Rajeev Chowdhury
 H.O.D - Regulatory Affairs