

**(TO BE PUBLISHED IN DELHI GAZETTE EXTRAORDINARY PART)
GOVERNMENT OF NATIONAL CAPITAL TERRITORY OF DELHI**

Delhi Electricity Regulatory Commission
Viniyamak Bhawan, C-Block, Shivalik, Malviya Nagar, New Delhi-110017

**DRAFT NOTIFICATION
Delhi**

F.3(631)/Tariff/DERC/2020-21/6915: In exercise of powers conferred under Section 181 read with Section 61 and Section 86(1)(b) of the Electricity Act, 2003 (Act 36 of 2003) and all other powers enabling it in this behalf, the Delhi Electricity Regulatory Commission hereby makes the following Regulations to amend the *Delhi Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff) Regulations, 2017* (hereinafter referred to as “the Principal Regulations”):

1.0 Short Title and Commencement:

- (1) These Regulations may be called the Delhi Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff) (First Amendment) Regulations, 2021.
- (2) These Regulations shall come into effect from the date of notification.

2.0 Insertion of new Regulation being Regulation No. 2 (8) (a) under Definition and Interpretation

“Base rate of Late Payment Surcharge” means the Marginal Cost of funds based Lending Rate (MCLR) for one year of the State Bank of India, as applicable on the 1st April of the Financial Year in which the period lies, plus five percent (5%).

Provided that if the period of default lies in two or more financial years, the Base rate of Late Payment Surcharge shall be calculated separately for the periods falling in different years;

3.0 Insertion of new Regulation being Regulation No. 2 (29) (a) under Definition and Interpretation

“Due Date” means the date by which the bill for the charges for power supplied by the Generating Company or Electricity Trader or for the Transmission service provided by a Transmission Licensee are to be paid, in accordance with the Power Purchase Agreement, Power Supply Agreement or Transmission Service Agreement, as the case may be, and if not specified in the agreement, forty-five days from the date of presentation of the bill by such generating company, electricity trader or transmission licensee;

4.0 Amendment of Regulations 134, 135 and 136 of Principal Regulations:

In Principal Regulations, Regulations 134, 135 and 136 shall be substituted as:

POWER PURCHASE COST ADJUSTMENT CHARGES (PPAC)

134. The Distribution Licensee shall be allowed to recover the incremental Power Procurement Cost on monthly 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.

135. The Commission shall specify the detailed formula and procedure for recovery of such incremental Power Procurement Cost as Power Purchase Cost Adjustment Charges (PPAC) formula in the Tariff Order;

136. To avoid the tariff shock for consumers, the Commission may carry forward PPAC of one month into more than one months on provisional basis;

5.0 Amendment of Regulation 137 of Principal Regulations:

In Principal Regulations, Regulation 137 shall be substituted as:

LATE PAYMENT SURCHARGE

GENERATING ENTITY AND TRANSMISSION LICENSEE

137. In case the payment of any bill for charges payable under these Regulations is delayed by a beneficiary of Generating Entity or Long Term Transmission Customer/DICs as the case may be for the first month of default, beyond a period of 45 days from the date of billing, a Late Payment Surcharge at Base rate of Late Payment Surcharge shall be levied by the Generating Entity or the Transmission Licensee, as the case may be. The rate of Late Payment Surcharge for the successive months of default shall increase by 0.5 percent for every month of delay provided that the Late Payment Surcharge shall not be more than 3 percent higher than the Base Rate of Late Payment Surcharge at any time:

Provided that the rate at which Late Payment Surcharge shall be payable shall not be higher than 18% at any point of time:

Provided further that, if a Distribution Licensee has any payment including Late Payment Surcharge outstanding against a bill after the expiry of seven months from the due date of the bill, it shall be debarred from procuring power from a Power Exchange or grant of Short-Term Open Access till such bill is paid.

(Mukesh Wadhwa)

Secretary

Date: 25.06.2021

Place: Delhi