

A. INTRODUCTION

- 1.1 Delhi Transco Limited (DTL), the Transmission Licensee in Delhi, has filed the Petition for Approval of True-up of Aggregate Revenue Requirement (ARR) of FY 2019-20 and determination of ARR & Tariff for FY 2021-22.
- 1.2 This Executive Summary contains the summary of the Petition filed by DTL for True up of FY 2019-20 and approval of ARR for FY 2021-22.
- 1.3 The Commission shall true-up the Aggregate Revenue Requirement (ARR) of FY 2019-20 as per *DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017* and *DERC (Business Plan) Regulations, 2017*, after prudence check.
- 1.4 ARR and Tariff for FY 2021-22 for DTL shall be based on the provisions of *DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017* and *DERC (Business Plan) Regulations, 2019*.
- 1.5 The figures of various components in the Executive Summary have been extracted from the Petition filed by DTL and the complete petition is also available on DERC website <http://www.derc.gov.in>.

B. TRUE-UP OF FY 2019-20 AND ARR FOR FY 2021-22

- 1.6 As per the Regulation-111 of *DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017*, the Annual Fixed Cost (AFC) of a Transmission system shall consist of the following components:
 - a. Return on Capital Employed
 - b. Depreciation; and
 - c. Operations and Maintenance Expenses
- 1.7 The figures of various components in the Executive Summary have been extracted from the petitions filed by DTL for ease of understanding of various stakeholders. The details of true-up for FY 2019-20 are as follows:

Table 1: True-Up of ARR of FY 2019-20 (Rs. Cr.)

Sr. No.	Particulars	Allowed in Tariff Order dated 31/07/2019	As claimed in True up
1	O&M Expenses	325.50	467.80
2	Depreciation	241.21	267.52
3	Return on Capital Employed	433.35	388.55
4	Income Tax		180.52

Executive Summary - DTL for True-up of FY 2019-20 and ARR for FY 2021-22

Sr. No.	Particulars	Allowed in Tariff Order dated 31/07/2019	As claimed in True up
5	Additional Past Power Purchase Liability	0.00	3.24
6	Less: Non Tariff Income	47.34	4.22
7	Less: Income from other Business	-	-
Aggregate Revenue Requirement (ARR)		952.72	1303.41
Surplus/ (Deficit)			(350.69)

1.8 For FY 2019-20, DTL has been billing to Distribution Companies (DISCOMs) on the basis of Transmission Tariff approved by the Commission vide Tariff Order dated 31/07/2019. The impact of deficit of amount of Rs. 350.69 Crore on account of True-up of ARR for FY 2019-20 shall be dealt separately after prudence check.

1.9 The details of ARR filed for FY 2021-22 are as follows:

Table 2: Aggregate Revenue Requirement for FY 2021-22 (Rs. Cr.)

Sr. No.	Particulars	FY 2021-22
1	O&M Expenses	384.19
2	Depreciation	280.02
3	Return on Capital Employed	552.66
4	Less: Non Tariff Income	4.42
5	Less: Income from other Business	-
Aggregate Revenue Requirement (ARR)		1212.45

Table 3: Balance impact of Past True-Ups and DVB Arrears (Rs. Cr.)

Sr. No.	Particulars	FY 2018-19	FY 2019-20	FY 2021-22
1	Opening Gap	146.81	-51.95	381.66
2	Addition on account of True-Up	15.26	350.69	0.00
3	Amortization in Previous ARR Orders	218.25	-67.86	17.43
4	Carrying Cost Rate	9.34%	9.57%	8.95%
5	Carrying Cost	4.31	15.06	33.38
6	Closing Gap	-51.95	381.66	397.61