

A. INTRODUCTION

- 1.1 Tata Power Delhi Distribution Limited (TPDDL), the Distribution Licensee, has filed additional information for ARR of FY 2020-21, based on the Commission’s directions considering the impact of nationwide lockdown due to out-break of COVID-19.
- 1.2 This Executive Summary contains the summary of the above-mentioned additional information required for Aggregate Revenue Requirement (ARR) & Tariff for FY 2020-21 which shall be determined based on the provisions of DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 and DERC (Business Plan) Regulations, 2019. ARR broadly has the following components:
- Power Purchase Cost including Transmission Charges
 - Operation and Maintenance (O&M) expenses
 - Return on Capital Employed
 - Depreciation
 - Income Tax
 - Non-tariff Income, etc.
- 1.3 The following tables/ figures have been extracted from the additional information submitted by TPDDL for ease of understanding to various stakeholders. Complete additional information, earlier Tariff Petitions for True up of FY 2018-19 & ARR of FY 2020-21 along-with earlier executive summaries are also available on DERC website <http://www.derc.gov.in>

B. ARR OF FY 2020-21

- 1.4 TPDDL has submitted its Estimated Sales and Revenue for FY 2020-21 as below:

Table 1: Estimated Sales and Revenue for FY 2020-21

Consumers	Actual upto 26 th May	Extrapolated	Actual upto 26 th May	Extrapolated	Actual upto 26 th May	Extrapolated	Actual upto 26 th May	Extrapolated
	Consumption		Fixed Charges (Rs. Cr.)		Energy Charges (Rs. Cr.)		Total Revenue (Rs. Cr.)	
Domestic	542.21	3,766.63	34.12	167.37	195.81	1,450.62	229.93	1,617.98
Non –Domestic	118.75	1,008.16	57.38	321.21	99.14	839.49	156.52	1,160.70
Industrial	137.10	1,430.73	64.53	359.07	109.60	1,168.49	174.13	1,527.56
Agriculture	1.43	12.83	0.74	4.20	0.21	1.92	0.96	6.13
Mushroom Cultivation	0.02	0.13	0.00	0.02	0.01	0.08	0.01	0.10
Public Utilities	60.86	434.35	9.08	65.48	41.51	271.47	50.59	336.95
Adv. & Hoardings	0.18	1.00	0.02	0.11	0.14	0.95	0.16	1.07
E-Vehicle	1.22	12.65	0.00	-	0.55	5.94	0.55	5.94
Others* including Temporary Supply	8.90	49.89	1.30	8.67	3.24	18.62	4.55	27.30

Consumers	Actual upto 26 th May	Extrapolated	Actual upto 26 th May	Extrapolated	Actual upto 26 th May	Extrapolated	Actual upto 26 th May	Extrapolated
	Consumption		Fixed Charges (Rs. Cr.)		Energy Charges (Rs. Cr.)		Total Revenue (Rs. Cr.)	
Own consumption	1.19	15.00	-	-	-	-	-	-
Total	871.86	6731.38	167.17	926.14	450.23	3,757.59	617.40	4,683.73

1.5 TPDDL has submitted that accumulated collection efficiency till 26/05/2020 comes to 64.87%. Accordingly, they have prayed to the Commission to give relaxation to DISCOMs to consider lower collection efficiency target of 95% for Non-domestic consumers and 90% for Industrial consumers.

1.6 TPDDL has submitted its Estimated Energy Requirements for FY 2020-21 as below:

Table 2: Estimated Energy Requirements for FY 2020-21

Sr. No.	Particulars	UoM	Amount
A	Expected Sales	MU	7603.24
B	Distribution Loss	%	7.90%
C	Energy Input (at TPDDL periphery)	MU	8255.42
D	Distribution Loss	MU	652.18

1.7 Based on the above estimation of energy requirement, Power Purchase Cost for FY 2020-21 is estimated as below:

Table 3: Energy Balance Summary and Power Purchase Cost for FY 2020-21

Sr. No.	Particulars	Energy MU	Amount	Rate
			Rs Cr	Rs/unit
A	Power from CSGS	6,715.64	3,259.68	4.85
B	Power from SGS	1,054.88	724.79	6.87
C	Short Term Power Purchase	1,082.27	442.70	4.09
D	RPO obligation to be met through purchase from Ren. sources	617.01	272.63	4.42
E	RPO obligation to be met through purchase of REC		24.11	
F	FGD		48.63	
G	Bill Discounting charges*		29.81	
H	Arrears		-13.95	
I	TOTAL Purchase	9,469.79	4,788.41	5.06
J	Less: Transmission losses (Intra state & Interstate)	278.74		
K	Transmission charges		937.81	
L	Total Purchase with Tx	9,191.06	5,726.21	6.23
M	Less: Short Term surplus power sale	935.64	235.45	2.52
N	Less: Normative Rebate			
O	Net Power Purchase Cost	8,255.42	5,490.76	6.65

*Bill discounting charges has been considered for 4 months for Aravali and 5 months for NTPC, NHPC and PGCIL.

1.8 TPDDL has sought O&M expenses along with additional Expenses as shown below:

Table 4: Projected Normative O&M Expenses for FY 2020-21 (Rs. Cr.)

Particulars	Average Capacity	O&M Expenses Per Unit		O&M Expenses
66 kV Line (kms)	1091.08	Rs. Lakh/Ckt. Km	3.079	33.59
33 kV Line (kms)				
11 kV Line (kms)	6910.36	Rs. Lakh/Ckt. Km	0.935	64.61
LT Lines system (kms.)	7340.86	Rs. Lakh/Ckt. Km	7.338	538.67
66/11 kV Grid sub-station (MVA)	4922.96	Rs. Lakh/MVA	0.954	46.97
33/11 kV Grid sub-station (MVA)				
11/0.4 kV DT (MVA)	6170.00	Rs. Lakh/MVA	1.489	91.87
Total Normative O&M Expenses				775.71
Legal Expenses				15.00
Stamp duty charges				1
LPSC				10
Impact of DERC Orders related to Covid-19				*
Total O&M Expenses				801.71

* To be allowed actual expenses at the time of true up

1.9 TPDDL has submitted capitalization for FY 2020-21 as below:

Table 5: Revised capitalization target for FY 20-21 is proposed as below:

Particulars	Rs. Cr.
Capitalization without deposit work	419
Smart Meter	46
Deposit Work	50
Total (inclusive of Staff Cost & IDC)	515

1.10 TPDDL has submitted its computation of Return of Regulated Rate Base for FY 2020-21 is as follows:

Table 6: Computation of Regulated Rate Base (Rs. Cr.)

Sr. No.	Particulars	Amount
A	Opening Balance of OCFA	6,070.14
B	Opening Balance of Accumulated Depreciation	2,081.41
C	Opening Balance of Accumulated Consumer Contribution	900.94
D	Opening balance of working capital	866.78
E	RRB – Opening	3,954.57
F	Capitalization during the year	515.00
G	Depreciation for the year (Including AAD)	269.00
H	Consumer Contribution, Grants,	50.00
I	Change in Working Capital	95.42

Sr. No.	Particulars	Amount
J	ΔAB (Change in Regulated Base)	193.41
K	RRB – Closing	4,245.99
L	RRB(i)	4,147.99

1.11 The computation of Return on Capital Employed is as follows:

Table 7: Computation of Return on Capital Employed (Rs. Cr.)

Sr. No.	Particulars	Amount
A	RRB (i)	4,147.99
B	WACC	15.82%
C	Return on Capital Employed	656.01

1.12 The Non-Tariff Income estimated by TPDDL for FY 2020-21 is tabulated below:

Table 8: Non-Tariff Income (Rs. Cr.)

Sr. No.	Particulars	Amount
A	Non-Tariff Income	85.85

1.13 The summary of revised ARR requirement for FY 2020-21 as submitted by TPDDL is as below:

Table 9: Summary of Revised Aggregate Revenue Requirement (Rs. Cr.)

Sr. No.	Particular	Amount
A	Cost of Power Purchase	5490.76
B	O&M Expenses including Legal Expenses	801.71
C	Depreciation	269.00
D	Return on Capital Employed	656.01
E	Carrying Cost	626.74
F	Less: Non-Tariff Income/Interest on consumer security deposit	85.85
H	Revised Annual Revenue Requirement	7758.38

1.14 The computation of revised Revenue (Gap) for FY 2020-21 without carrying cost is below:

Table 10: Computations of revised Revenue (Gap) for the year without carrying Cost (Rs. Cr.)

Sr. No.	Particular	Amount
A	Aggregate Revenue Requirement for the year without carrying cost	7131.64
B	Revenue available for the year without DRS	5053.69
C	Revenue (Gap)/surplus for the year	(2077.95)

- 1.15 The computation of Closing Revenue Gap for FY 2020-21 as submitted by TPPDL is tabulated below:

Table 11: Computation of Closing Revenue Gap (Rs. Cr.)

Sr. No.	Particular	FY 2020-21
		Estimated
A	Opening Revenue Gap for FY 2019-20	(3,655.84)
B	Additional impact for FY 2019-20	(640.92)
C	Opening Revenue Gap for FY 2020-21	(4,296.77)
D	Revenue (Gap)/Surplus for the year	(2,077.95)
E	Closing Revenue (Gap)	(6,374.72)
F	Carrying Cost Rate	11.75%
G	Carrying Cost	(626.74)
H	Recovery of carrying cost from 8% Deficit Revenue Recovery Surcharge	404.30
I	Additional Impact of Rithala	(29.72)
j	Closing Revenue Gap (including carrying cost)	(6,626.88)