

DELHI ELECTRICITY REGULATORY COMMISSION

PRESS NOTE

The Generation Companies - Indraprastha Power Generation Company Limited (IPGCL) and Pragati Power Corporation Limited (PPCL), Transmission Licensee-Delhi TRANSCO Ltd. (DTL) and Distribution Licensees - Tata Power Delhi Distribution Limited (TPDDL), BSES Rajdhani Power Limited (BRPL), BSFS Yamuna Power Limited (BYPL) and New Delhi Municipal Council (NDMC), had filed their Petitions for true up of Aggregate Revenue Requirement (ARR) for FY 2016-17 and for determination of Aggregate Revenue Requirement (ARR) and Tariff for FY 2018-19. After admission of the Petitions, Executive Summary of the Petitions was prepared and uploaded along with their Petitions on Commission's website for information to all stakeholders. Simultaneously, the comments were invited from all stakeholders on various tariff issues for which a Public Notice was issued in newspapers by the Commission. The Commission conducted the "Public Hearing" to consider the suggestions/inputs received from stakeholders, thereby giving adequate opportunity to all stakeholders to express their views on the matters pertaining to tariff determination.

The Commission had appointed C&AG empanelled Auditors to verify the books of accounts of the BRPL, BYPL, TPDDL & NDMC for FY 2016-17 in order to verify their claims in the Tariff Petitions vis-à-vis the books of accounts. After duly analyzing the Petitions & reports submitted by the C&AG empanelled Auditors and considering the suggestions / inputs from stakeholders, the Commission has true up the ARR for FY 2016-17.

Based on the True up of FY 2016-17, the revised Accumulated Revenue Gap has been observed.

Revenue (Gap)/Surplus at end of FY 2016-17 of Distribution Licensees (Rs. Cr.)

Sr. No.	Particulars	BRPL	BYPL	TPDDL	Total
1	Opening (Gap)/Surplus for FY 2016-17 as per Tariff Order dtd. 31/08/2017	(4,233)	(2,662)	(2,454)	(9,349)
2	Revenue (Gap)/Surplus for FY 2016-17	(29)	205	(161)	15
3	Liquidation of Revenue Gap from 8% Surcharge	649	353	499	1,501
4	Total Liquidation of Revenue Gap in FY 2016-17 (2+3)	620	558	337	1,516
5	Closing Revenue (Gap)/Surplus	(3,613)	(2,104)	(2,117)	(7,833)

**Revenue (Gap)/Surplus at end of FY 2016-17 of Distribution Licensees (Rs. Cr.)
after considering the Impact based on the APTEL Judgments since 2007-08:**

Sr. No.	Particulars	BRPL	BYPL	TPDDL	Total
1	Closing Revenue (Gap)/Surplus	(3,612)	(2,104)	(2,117)	(7,833)
2	Additional Revenue Gap due to impact of Hon'ble APTEL Judgments & Review Orders	(646)	(860)	(279)	(1,785)
2a	Principal Amount	(324)	(436)	(160)	(920)
2b	Carrying Cost	(322)	(423)	(119)	(864)
3	Closing Revenue Gap	(4,258)	(2,964)	(2,396)	(9,618)
4	Carrying Cost subsumed in ARR of FY 2018-19*	234	343	119	696
8	Net Closing Revenue Gap till FY 2016-17 True up	(4,024)	(2,621)	(2,277)	(8,922)

* Carrying Cost upto FY 2015-16 has been subsumed in ARR of FY 2018-19 for BRPL, BYPL and upto FY 2016-17 for TPDDL.

The Commission has appointed auditors to conduct Energy Audit for independent assessment of Technical & Commercial Losses of the Distribution Licensees and physical verification of 100% assets. The report is expected to be submitted by the end of FY 2018-19.

The Aggregate Revenue Requirement (ARR) for FY 2018-19 has been estimated based on the normative parameters specified in DERC Tariff Regulations, 2017 and DERC Business Plan Regulations, 2017. The uncontrollable parameters viz., fuel cost, power purchase and sales are based on past trends of actual available information.

The ARR of FY 2018-19 as approved by the Commission and Revenue Surplus / (Gap) for FY 2018-19 is:

Summary of ARR for FY 2018-19 of Distribution Licensees (Rs. Cr.)

Sr. No.	Particulars	BRPL	BYPL	TPDDL	NDMC	Total
A	ARR as claimed by Petitioner	10,157	5,404	7,488	1,264	24,313
B	ARR as approved by Commission	8,867	4,626	6,387	1,066	20,946
C	Carrying cost upto FY 2015-16 for Revenue Gap created during True up of FY 2016-17 due to implementation of Review Order & APTEL judgments	234	343	119	NA	696
D	Revised ARR (C)+(D)	9,101	4,969	6,506	1,066	21,642
E	Revenue at Revised Tariff	9,161	5,013	6,802	1,103	22,079
F	Estimated Revenue Surplus/(Gap) at Revised Tariff	60	44	296	37	437

Highlights of the Tariff Schedule for FY 2018-19

1. Delhi Electricity Regulatory Commission (DERC) had issued Approach Paper on "Tariff Rationalisation" to simplify the Tariff Structure and create conditions conducive for competition in Retail Supply of Electricity. Accordingly, the Fixed & Variable Charges have been re-structured with an attempt to have minimal impact on the consumers' bill.
2. The applicability of Domestic Tariff category has been expanded by including "Paying Guests" at the premises having Domestic Connection with a sanctioned load upto 5 kW.
3. In order to promote pollution free transportation & clean environment, Tariff for Charging Stations of E-Rickshaw/E-Vehicle has been retained same as previous year Tariff.
4. The applicability of Domestic Tariff for Cattle Farms / Dairy Farms / Dhobi Ghat has been enhanced from existing level of 400 units to 1000 units/month.
5. Applicability of ToD Tariff has been extended to consumers other than Domestic having Sanctioned load of 10kW or more from existing level of 25kW. Domestic consumers having 3 phase connections have been provided option to avail ToD Tariff.
6. There is no change in levy of additional surcharge of 8% on the consumers of the DISCOMs (BRPL, BYPL and TPDDL) for gradual liquidation of principal amount of the accumulated revenue gap as submitted by the Commission before the Hon'ble Supreme Court of India in Civil Appeal No. 884 of 2010.
7. The Commission has retained the prevailing limit of cash deposit upto Rs. 4,000/- at counters of DISCOMs.
8. The Commission has retained payment of Electricity Bills upto Rs. 50,000/- in cash by the consumers at designated scheduled commercial bank branches.
9. The funding of amount of Rs. 792 Cr towards Pension Trust, as recommended by GoNCTD, shall be met through levy of surcharge @ 3.80% on the consumers of the DISCOMs (BRPL, BYPL and TPDDL) and the amount shall be directly credited to the Pension Trust account.

The Tariff Schedule shall be applicable with effect from 01/04/2018.