

**PRESS RELEASE REGARDING POWER PURCHASE COST ADJUSTMENT CHARGES (PPAC) FOR
BRPL, BYPL, TPDDL and NDMC**

- 1) The four DISCOMs in Delhi, i.e., BRPL, BYPL, TPDDL and NDMC have made their PPAC submissions for Q2FY15, Q3FY15 and Q4FY15 with the following claims:

DISCOMs	Q2FY15 (Jul'14-Sep'14)	Q3FY15 (Oct'14-Dec'14)	Q4FY15 (Jan'15-Mar'15)
BRPL	7.26%	18.91%	17.87%
BYPL	17.01%	24.03%	19.52%
TPDDL	7.42%	19.93%	6.59%
NDMC	No Application submitted	26.79%	No Application submitted

- 2) The Hon'ble APTEL vide its Order dtd. 25/05/2015 in IA No.195 of 2015 in OP No.1 of 2015 has directed the Commission to determine the PPAC for Q3FY15 and Q4FY15 within three weeks from the date of the said Order.
- 3) In compliance with the Order of the Hon'ble APTEL, the Commission has taken into consideration the claims for Q2FY15, Q3FY15 and Q4FY15 for DISCOMs and has decided to spread the claim of these 3 Quarters over the next 3 Quarters and approves the following PPAC on a provisional basis for a period of 9 months i.e., from 15/06/2015 onwards or till further Orders, whichever is earlier:

DISCOM	PPAC spread over next 9 months
BRPL	6%
BYPL	6%
TPDDL	4%
NDMC	5%

- 4) While approving PPAC for Q2FY15, Q3FY15 and Q4FY15, the Commission has taken a view based on the observation contained in the Tariff Order dtd. 23/07/2014 as reproduced below:

"The PPAC claim of any quarter submitted by the Petitioner shall be examined by the Commission. In view of public interest, the Commission will endeavour that while approving the PPAC, there is no Tariff shock and at the same time reasonable PPAC is provided to the DISCOMs. The Commission may take appropriate view to carry forward or spread some amount of PPAC in the subsequent quarters."

- 5) Any spill over of the entitlement of PPAC during FY 2014-15 will be duly factored into the tariff calculation of FY 2015-16 so that the entire entitlement is recovered as far as possible during FY 2015-16 itself without waiting for the detailed True-up of the Power Purchase Cost of FY 2014-15 during FY 2016-17.
- 6) While finalizing the provisional PPAC charges, the Commission has taken into account the different entitlements of the respective DISCOMs based on preliminary prudence check.
- 7) The Commission specifically observes that the provisional PPAC charges constitute a reasonable extra charge on all consumers for the next nine months and promote the interest of maintaining constant & quality power supply by the DISCOMs.
- 8) The Commission reserves the right to subsume these charges in the Tariff Order for FY 2015-16 if considered fit for both consumers and DISCOMs. This issue will be decided after holding public hearing and taking a final view on the Petitions filed by the DISCOMs.
- 9) The Commission is of the firm opinion that the DISCOMs should demonstrate their commitment by ensuring that the extra revenues recovered through PPAC are dedicated to clear Generators and Transmission utilities bills.