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ANNEXURES

GLOSSARY

AT&C loss	Aggregate Technical and Commercial Loss
ARR	Aggregate Revenue Requirement
AxC	Auxiliary Consumption of a generating station
BTPS	Badarpur Thermal Power Station
BST	Bulk Supply Tariff
BST Proposal	Joint Petition for Determination of Bulk Supply Tariff for the period till 31st march 2002 and Determination of Opening Level of AT&C Losses
CE	Collection Efficiency
CEDEDCL	Central East Delhi Electricity Distribution Company Limited
COMMISSION	Delhi Electricity Regulatory Commission
CWIP	Capital Work in Progress
D&B loss	Distribution and Billing loss
DERC	Delhi Electricity Regulatory Commission
DER Act	Delhi Electricity Reform Act 2000
DESU	Delhi Electricity Supply Undertaking
DISCOM/ DISCOMS	Distribution Company / Distribution Companies
DVB	Delhi Vidyut Board
DESU	Delhi Electricity Supply Undertaking
ES Act, 1948	Electricity Supply Act, 1948
ESO	Energy Sent Out (Gross generation -Auxiliary Consumption)
GENCO	Generating Company (Indraprastha Power Generating Company Limited)
GFA	Gross Fixed Asset
GoI	Government Of India
GT	Gas Turbine Station
HVPN	Harayana Vidyut Prasaran Nigam
IMRB	Indian Market Research Bureau
IP	Indraprastha Power Station
Kcal	Kilo Calories
KESCO	Kanpur Electricity Supply Company Limited
kV / kV	Kilo Volt
kVA	Kilo Volt Ampere
kWh	Kilo Watt Hour
LCs	Letter of Credit
MkCal	Million Kilo Calories
MU	Million Units
NAPP	Narora Atomic Power Plant
NDMC	New Delhi Municipal Corporation
NHPC	National Hydro-Electric Power Corporation Limited
NNWDDCL	North North-West Delhi Distribution Company Limited
N PC	Nuclear Power Corporation Limited
NPCL	Noida Power Company Limited

NTPC	National Thermal Power Corporation Limited
PGCIL	Power Grid Corporation of India Limited
PLF	Plant Load Factor
Policy Directions	Notification issued by Govt. of NCT of Delhi vide No. F.11 (118)/2001- Power/ dated November 2001 and subsequent clarification vide letter dated 29th January, 2002
PPA	Power Purchase Agreement
PTC	Power Trading Corporation
RAPP	Rajasthan Atomic Power Plant
Rs Cr	Rupees Crores
RFP	Request for Proposal
RFQ	Request for Qualification
RPH	Rajaghat Power House
RST	Retail Supply Tariff
RST Order	Retail Tariff Order issued by the Commission for 2001-02 for ` DVB dtd. 23-05-02
Schedule VI	Sixth Schedule of Electricity Supply Act, 1948
SEB / SEBs	State Electricity Board
SWDEDCL	South West Delhi Electricity Distribution Company Limited
TRANSCO	Transmission Company (Delhi Power Supply Company Limited)
Transfer Scheme	Transfer Scheme Notified by Govt. of NCT of Delhi vide No. F.11 (99)/2001- Power/2867 dated 20th November 2001.
UPERC	Uttar Pradesh Electricity Regulatory Commission

(i) existing Indraprastha Thermal Power Station, Rajghat Thermal Power Station and Gas Turbine Power Station have been transferred (hereinafter referred to as **'GENCO'**);

(ii) Delhi Power Supply Company Limited to which the existing transmission assets of Delhi Vidyut Board have been transferred (hereinafter referred to as '**TRANSCO'**);

(iii) Central-East Delhi Electricity Distribution Company Ltd, to which the distribution assets in the Central and East circles of Delhi have been transferred (hereinafter referred to as **'CEDEDCL'**);

(iv) South-West Delhi Electricity Distribution Company Ltd, to which the distribution assets of South and West circles of Delhi have been transferred (hereinafter referred to as **'SWDEDCL'**);

(v) North North-West Delhi Distribution Company Ltd, to which the distribution assets of North and North-West circles of Delhi have been transferred (hereinafter referred to as **'NNWDDCL'**);

(vi) Delhi Power Company Limited (Holding Company) a company which shall hold shares in GENCO, Transco and the distribution companies (hereinafter referred to as **'DISCOMS'**) and liabilities of the Board.

1.1.5 The Govt. of NCT of Delhi intends to privatise the three distribution companies and a two-stage bidding process is being followed in this regard. The parties have been short-listed during the first stage (RFQ) for bid submission, to whom, Request for Proposal and Information Memorandum have been issued on 22nd November, 2001.

1.1.5.1 The Transfer Scheme has been notified and it has not yet been made effective and the Govt. of NCT of Delhi intends to make Transfer Scheme Rules effective close to the privatisation process.

1.1.5.2 The Govt. of NCT of Delhi had in exercise of the powers conferred by section 12 and other applicable provisions of the Delhi Electricity Reform Act, 2000 notified the Policy Directions vide Notification No. F.11 (118)/2001-Power/2889 on November 22, 2001, the salient features of which are: -

i) The Govt. of NCT of Delhi is of the view that for sale of 51% equity shares in the Distribution Companies in course of reorganisation of DVB, long term definitive loss reduction programme or efficiency gain programme is to be settled in beginning in order to induce the investors.

ii) The reduction in loss levels/ efficiency gain to be achieved is to be determined through competitive bidding and as the loss reduction or efficiency gain to be achieved by the Discoms shall be the bidding criteria, the 51% equity shares shall be offered at face value.

iii) For the purpose of measure of overall efficiency of distribution business the Govt. of NCT of Delhi has devised a methodology based on Aggregate Technical and Commercial Losses (AT & C losses) which is the difference between units input and units realised. The AT&C losses shall form the basis for determination of tariff and computation of incentives for better performance.

iv) The Policy Directions issued by the Govt. of NCT of Delhi state that the retail tariffs for the three distribution licensees shall be identical till the end of 2006-07, i.e., consumers of a particular category shall pay the same retail tariff irrespective of their geographical location within the National Capital Territory of Delhi.

v) The Policy Directions also state that from the date of issuance of these directions till the end of 2006-07 and subject to all expenses that shall be permitted by the

DERC, tariffs shall be determined such that the distribution licensees earn, at least, 16 % return on the issued and paid up capital and free reserves.

vi) The Policy Directions further state that the Govt. of NCT of Delhi will make available to the Transco an amount of the order of, approximately, Rs. 2600 crores as loan to be repaid in a manner as agreed to between the Transco and the Govt. of NCT of Delhi. The Transmission Company will use the loan to bridge the gap between its revenue requirements and the bulk supply price that it may receive from the Discoms.

1.1.6 These Policy Directions notified by the Govt. of NCT of Delhi serve as the framework to the Commission for bulk and retail supply tariff determination and determination of losses for the distribution companies for the next five years. In addition, these directions also establish the framework of incentives for better performance to the investors.

1.1.7 Subsequently, a joint petition was filed before the Commission by Central - East Delhi Electricity Distribution Company Limited, South-West Delhi Electricity Distribution Company Limited, the North North-West Delhi Distribution Company Limited and Delhi Power Supply Company Limited on 21st December 2001 for determination of Bulk Supply Tariff to be charged by Delhi Power Supply Company Limited for the period till 31st March, 2002 and determination of opening levels of Aggregate Technical & Commercial losses (AT & C losses) for the Central-East Delhi Electricity Distribution Company Limited, South-West Delhi Electricity Distribution Company Limited and the North North-West Delhi Distribution Company Limited. The following were the submissions made by the petitioners in the Petition:

i) The Petitioners stated that they are wholly owned undertaking of the Govt. of NCT of Delhi. The present petition has been filed jointly as the issues involved are inter-linked and there is no conflict of interest amongst the petitioners.

ii) The petition stated that in accordance with the provisions of the Transfer Scheme, the three Discoms, the petitioners in the present petition have succeeded to the distribution assets and functions of DVB and they shall be undertaking the distribution and retail supply of electricity in the respective areas of supply. The Transco has succeeded to the transmission functions and assets of DVB and will also act as the intermediary company to undertake the functions of bulk purchase of electricity from the generating companies and to effect bulk supply of electricity and inter-alia to the three Distribution Companies.

iii) The petition further stated that with the coming into existence of Transco as intermediary Company and Discoms as three Distribution Companies, it has become necessary to determine the bulk supply tariff, namely, the tariff and the terms and conditions on which the Transco will sell electricity to the three Distribution Companies. This tariff is required to be determined in terms of the provisions of Section 28 of the Act.

iv) The Petition also stated that, in view of the principles laid down in the Govt. of NCT of Delhi Policy Directions, the Bulk Supply Tariff for each Discom should be determined on the basis of its paying capacity, which in turn will be dependent on the consumer profile, losses and the expenses other than power purchase. In other words, the bulk supply tariff will be determined on the basis of the revenues that the Discom charges from its consumers less all other expenses (excluding power purchase but including return) that are allowed by DERC. Thus, the bulk supply tariffs of the distribution licensees will have to be differential and may not be equal to the charges incurred by Transco in supplying to the distribution licensees.

v) The petitioners further submitted that since the date for submission of the bids is January 31, 2002 therefore the issue of requisite order by the Commission is necessary to enable the bidders to bid for the majority shareholding in the three Distribution Companies by facilitating investors to have a full idea of various elements (revenue, expenses) in fixation of Tariffs, before bidding.

vi) The petitioners had requested the Commission for deliberating on the petition keeping in view the various directions from the Govt. of NCT of Delhi. The Govt. notification also states that in order to ensure that the time gap between corporatisation and privatisation is minimal, the Transfer Scheme shall be made effective as close to the date of privatisation as possible. That the Commission may issue the tariff order on the basis of the notified (but not effective) Transfer Scheme and in accordance with the provisions of these Policy Directions.

1.2 On Policy Directions From Govt. of NCT of Delhi

The Commission would like to recall here that on communication of the above cited Policy Directions by the Govt. of NCT of Delhi, the Commission made a reference to the Govt. of NCT of Delhi on 18.12.2001 stating that the directions contained in Paras 16 (a), 16 (b) and 16 (c) were contrary to the statutory provisions of DERA 2000 and the same are not Policy Directions within the meaning of section 12 of DERA 2000. The Govt. of NCT of Delhi were requested to reconsider the matter and inform the Commission accordingly.

1.2.2 While the issue was under reconsideration with the Govt. of NCT of Delhi, the Commission received the present filing. The Commission took note of the fact that the petition had placed reliance on the said Policy Directions issued by the Govt. Of NCT of Delhi on 22nd November 2001 which related to issues under deliberation in the proceedings for the above matter. The submissions made in the joint petitions however indicated certain urgency in the matter. The Commission therefore passed Order No.8/2001 on 21.12.01 (Annexure 1) for taking the filing on record for preliminary scrutiny of the petition in accordance with DERA 2000 and procedure laid down in DERC Comprehensive (Conduct of Business) Regulations 2001. It was decided that in case any subsequent intimation is received, the Commission would examine the same during the course of deliberations. A copy of the order was also forwarded to the Department of Power, Govt. of NCT of Delhi.

1.2.3 The Government of NCT of Delhi through letter dated 24th December 2001 has clarified its stand stating inter alia that it does not find any ground to modify the notification dated 22nd Nov 2001. Dwelling on the issue, the Govt. of NCT of Delhi have reiterated that the contents of the Notification dated 22nd November 2001 contained decisions on policy issues which are necessary for enabling effective privatisation of electricity distribution and that this shall be taken as the decision of the Govt. of NCT of Delhi in terms of section 12 (2) of the Delhi Electricity Reform Act, 2000 and the contents of the Notification dated November 22, 2001 are Policy Directions as per section 12 (1) of the said Act.

1.3 Publicity For Seeking Responses From Stakeholders

On receipt of above clarifications from the Govt. of NCT of Delhi, the Commission started the process for inviting the views of stakeholders on the proposal received from the above mentioned joint petitioners. The Commission published a gist of the petition in the Hindustan Times, Times of India, Indian Express and Pioneer newspapers in English and Punjab Kesri, Navbharat Times, Rashtriya Sahara and Dainik Jagran in Hindi as well as

Milap in Urdu. (Annexure 2). The stakeholders could also obtain copies of the petition from Commission office through post. A copy of the Joint petition was also placed on DERC website **www.dercind.org**. The stakeholders were requested to file their responses by 16th January 2002 by post or through e-mail.

1.3.2 A press conference was held by the DERC on 02nd January 2002 for giving wider publicity to the proposal for benefit of the stakeholders. The Commission also requested for response from individuals/organisations who had participated in the previous public hearing proceedings of the Commission and thereby shown active interest in the matters relating to power sector in Delhi. The Commission also forwarded copy of the petition to several consumer welfare organisations on its mailing list.

1.4 Additional Inputs From Petitioners

The first deficiency memo relating to supply of soft copies of documents and the second deficiency memo requesting the petitioner for reconciliation of T&D loss and collection efficiency figures was issued on 03rd Jan, 2002. The deficiency memo pointed out the discrepancy in the T&D loss figures as given in the present filing as well as the statements made by the DVB in course of other judicial proceedings. The Commission issued deficiency memo No.3 to petitioners on 04th Jan 2002 seeking information on 46 issues.

1.5 Supplementary Filing

On 04th Jan, 2002 supplementary filing was received from the petitioners conveying the revised figures relating to certain crucial parameters in respect of T&D losses in respect of filing. The petitioners apprised that these facts have been left out due to certain computational errors. While deeply regretting the errors, revised calculation of AT&C loss and BST were supplemented in the filings. The submission of supplementary information also required revision of the following:

(i) Summary of petition
(ii) Form 1.3(B) – Cost of purchased energy for Discoms.
(iii) ARR and statement of difference.
(iv) Form 2.1 - Expected Revenue from tariff charges.

The loss figures as given in the original filing and the revised filing are indicated at Table 1.1. A copy of the additional information was placed on the DERC website for the benefit of the stakeholders.

Table1.1 AT&C (%) as submitted by the petitioners in the original & revised filing.

	CEDEDCL		**SWEDEDCL**		**NNWDDCL**	
	Original	**Revised**	**Original**	**Revised**	**Original**	**Revised**
2001-02	63.3	60.8	54.0	49.6	51.3	46.4
Apr-October 01	66.2	64.2	57.1	54.5	57.0	54.2
Twelve month level for Apr to Oct 01						

May 00 – April 01	62.5	60.2	53.4	49.4	50.8	46.3
June 00 – May 01	62.7	60.4	53.6	49.6	51.6	47.2
July 00 – June 01	62.8	60.9	53.8	50.4	51.8	48.2
Aug 00 – July 01	63.1	61.0	54.1	50.7	52.5	48.8
Sept 00 – Aug 01	63.0	60.8	54.2	50.8	52.9	49.3
Oct 00 – Sept 01	62.8	60.6	54.1	50.8	53.1	49.5
Nov 00 – Oct 01	62.5	60.2	53.7	50.3	53.0	49.4

1.6 Request For Impleading DVB In Joint Petition

On 4th January 2002 a request was also received from Delhi Vidyut Board for being impleaded as a party to the proceedings, enclosing a copy of resolution wherein the Board had approved the proposal to this effect. The petition had earlier stated that the Delhi Vidyut Board (DVB), a Board constituted under Section 5 of the Electricity (Supply) Act, 1948 has been engaged in the electricity generation, transmission, distribution and retail supply in the State of Delhi. Considering these factors, Commission through order dated 09-Jan-2001 (Annexure-9) acceded to the request for DVB being impleaded as a party to the petition

1.6.2 In order to apprise the stakeholders about this development DERC again issued press advertisement for publication on 08-Jan-2002 conveying the above facts to the stakeholders and informing them about the availability of supplementary information on DERC website. (Annexure - 3)

1.7 Technical Sessions

The first technical session was held on 12th January 2002 and in follow up thereto deficiency memo No. 4 was issued on 14th Jan-2002 containing 28 points. The process of interaction and assimilation of additional inputs continued till 21st February 2002.

1.8 Responses From Stakeholders

1.8.1 Initially the Commission had fixed the programme for public hearing on 22nd & 23rd January, 2002 inviting the respondents to participate in the public hearing process. In the meanwhile the Commission started receiving requests for extension of last date for submission of responses to the Joint petition from a number of stakeholders including PHD Chamber of Commerce. The stakeholders had requested for time extension as the issues were complex in nature and required more time for examination. Taking into consideration the request of the stakeholders the Commission extended the time limit for submission of comments by the stakeholders till 28-Jan-02. Advertisements to this effect were issued in leading English, Hindi and Urdu dailies published from Delhi on 17th January 2002 (Annexure-4). The stakeholders who were earlier sent invitation for attending public hearing were informed through letter dated 14th January 2002.

1.8.2 On 15-Jan-02 the petitioners submitted their second response. The second technical session with petitioners and DVB was held on 16th January 2002. Deficiency memo No.5 dated 17.01.2002 was issued for seeking petitioners' response on six issues.

1.8.3 On 18th January 2002 the Commission forwarded 20 responses to the petitioners for submission of their comments. On the same date the petitioners filed response No.3 in the present proceedings. On 21st January 2002 the Commission forwarded another deficiency memo no.6 seeking information on 3 parameters.

1.8.4 On 23rd January, 2002 another appeal was issued in leading dailies for submission of the responses by the stakeholders and apprising them about the public hearing fixed for 01st February-2002 (Annexure-5). Deficiency Memo No.7 was also issued to petitioners on 23rd January 2002 seeking information on four issues.

1.8.5 The responses received from stakeholders had also commented upon the Policy Directions issued by the Govt. of NCT of Delhi and therefore Govt. of NCT of Delhi were forwarded the responses so selected for their comments on 22nd January, 2002 and 24th January, 2002. The Govt. were requested to depute their representatives for participation in the public hearing process. Seven more responses received from stakeholders were forwarded to Govt. of NCT of Delhi on 28th January, 2002. Three of the stakeholders who had submitted their responses earlier also sent their revised responses, which were forwarded, to the petitioners and the Govt.

1.9 Government Response

1.9.1 The petitioners were requested to forward their comments by 31st January, 2002. The Govt. of NCT of Delhi forwarded their response on the issues covered by the public responses on 29th January 2002.

1.9.2 On behalf of the Govt. it was clarified that it would restrict its responses to the issues which relate to the Policy Directions and related matters requiring clarifications. The Govt. clarified that it had initiated the process of unbundling of DVB and privatisation business in 1999. It had taken into consideration all the important requirements for facilitating investor participation. The Govt. observed that issues on Policy Directions would not fall within the purview of public hearing on the present applications filed by the petitioners.

1.10.1 The Commission received in all 36 responses from stakeholders as per list at Annexure 6. The list included 5 individuals and 31 organisations. The Commission shortlisted 21 respondents for appearance before the Commission for presenting their respective viewpoints during the course of public hearing. List of persons / organizations who were present for the public hearing is at Annexure 7. The Public hearing was held on 1st February 2002 at Kalidas Hall, SCOPE Complex Lodi Road. The crucial issues relevant to the filing raised by the objectors are discussed in subsequent chapter.

1.11.1 Petitioners' Response no. 10 containing affidavit filed by the DVB in course of a court case was received on 8th February 2002 and petitioner response no 11 and 12 were received on 8th and 9th Feb 2002. Petitioner Response No. 13 clarifying the name of NNWDDCL was received on 10th Feb 2002. The last response i.e response No.15 was received on 19th February 2002.

1.12.1 The date wise activity schedule is attached at Annexure-8.

1.13 Summary of the Filing

In accordance with the Policy Directions, the petitioners have estimated the opening level of **AT&C losses** for each Discom, which has been elaborated in detail in Chapter 4. The summary of estimated opening level of AT&C loss as submitted by the petitioners in the supplementary filing dated 4th January'2002 is shown in Table 1.2

Table 1.2 : Opening Level of AT&C loss as submitted by the petitioners

Discom	Opening Level of AT&C Loss
CEDEDCL	60.2%
SWDEDCL	50.3%
NNWDDCL	49.4%

1.13.2 Based on the expenses, revenue and energy input projections for the period of Feb-Mar'02 and considering the estimated opening level of AT&C losses, the petitioners in accordance with the Policy Directions have computed the **Bulk Supply Tariff** for each Discom and Revenue Gap for Transco for the period Feb-Mar'02 which has been elaborated in Chapter 5. The summary of BST Computations for Feb-Mar'02 as submitted by the petitioners in the original filing Dt. 21st Dec.2001 and supplementary filing dated 4th January'2002 is shown in Table 1.3

Table 1.3: BST Computations as submitted by the petitioners in the original and revised filings

	CEDEDCL		SWDEDCL		NNWDDCL	
	Original	Revised	Original	Revised	Original	Revised
Rev. Reqmt-excl. Power Purchase (Rs.Cr)	16	31	43	62	34	49
Revenues at Existing Tariff (Rs. Cr)	123	123	242	242	173	173
Electricity Duty (Rs.Cr)	6	6	11	11	8	8
Amount Available for Power Purchase (Rs.Cr)	102	87	189	170	131	116.2
Unit Inputs (MU)	751	751	1183	1183	803	803
Bulk Supply Tariff (Paise/kwh)	**136**	**116**	**159**	**143**	**163**	**145**

1.13.3 The Revenue Gap of TRANSCO as submitted by the Petitioners' in the supplementary filing dated 4th January'2002 is Rs 238 Crore.

1.14 Computational Errors

1.14.1 The Commission while analysing the petitioners' submission has observed the following computational errors, which have a substantial impact on BST and the Revenue Gap

(i) The variable cost of power supplied to HVPN for its share in Indraprastha Station has not been deducted to arrive at a total cost of power available for Delhi from this station.

(ii) The Non-Tariff Income has been considered for the entire year 2001-02 instead of two months Feb-Mar'02 while computing the Revenue Requirement for Feb-Mar'02

The petitioners in their subsequent submissions clarified that these are only computational errors and requested Commission to consider the same while computing the BST and Revenue Gap. The Commission have re-computed the BST and Revenue Gap after correcting these two computational errors and considering all other parameters same as that submitted by the Petitioners to arrive at BST and Revenue Gap as submitted by the petitioners. The summary of BST (as originally submitted and later modified for computational errors only) as submitted by the Petitioners is shown in Table 1.3

1.14.2 The Revenue Gap (modified for computational errors only) as submitted by the petitioners is Rs 282 Crore.

2 On the Response from Stakeholders

2.1 Legal Issues

The issues relevant to the said petition are being dealt in succeeding paras

2.1.1 Objections

2.1.1.1 Several objectors have raised the issue of the legal status of the petitioners and their conformity with legal provisions to file the instant petition. The objectors have submitted that the said petition is premature, as four non-existent companies have filed it and the companies exist only on paper. Further, they have pointed out that the petition merits rejection since the operating licenses required under Section11 of DERA 2000 have not been granted to these companies so far. The objectors have argued that as per Section 28 of DERA 2000, only a licensee can approach the DERC for fixing any type of tariff and none of these companies are either licensees or deemed licensees under any applicable Act. Further, the DERA 2000 does not confer on the Commission any jurisdiction to give an advance ruling. In the instant case, no license has been granted as yet to the TRANSCO and DISCOMs and therefore determination of tariff for prospective licensees on advance basis is not permissible in law and therefore ex-facie the joint petition is not maintainable. The same issue was highlighted by some of the objectors during the public hearing proceedings held by the Commission as well.

2.1.1.2 Some objectors have submitted that the determination of the AT&C losses does not lie within the scope of the functions of the Commission and the determination of the losses is basically/legitimately a function of the DVB and the concerned companies.

2.1.1.3 Chetna**,** an NGO, has pleaded that a writ petition no. 3654/2001 in shape of PIL against Commission's Tariff Order Dt. 23rd May 2001 questioning the authority to fix tariff, despite abnormally high T&D losses, absence of audited accounts since 1991-92 and Asset Register, is pending with the Hon'ble High Court of Delhi. They contended that the order on this petition should be issued only after the final disposal of the aforesaid Writ Petition. The objector has added that the petition should be dismissed on the ground of non-disclosure of material facts as the petitioners have not stated the date of unbundling of DVB into six companies and the date from which all the six companies have started their operation. In case the DERC chooses to entertain the Joint Petition, it would amount to legitimising defiance of law.

2.1.1.4 It has been argued by many objectors that the powers available to the Govt. of NCT of Delhi under Section 12 of DERA 2000 are in the nature of delegated powers and that under delegated powers, the authority cannot make any Directions against the provisions of the Act. The Policy Directions are inconsistent with the provisions of the Act and are not sustainable. The Act lays down a clear scheme for division of powers between the Govt. and the Commission and the Govt. of NCT of Delhi cannot issue Policy Directions contrary to the same and that the Commission is under no obligation to follow the same.

2.1.1.5 Some of the objectors, have vehemently argued during the public hearing that the joint petition is misconceived and not maintainable and is ultra vires of the provisions of the Delhi Electricity Reform Act 2000. The Policy Directions issued by Delhi Government in the notification dated 22nd November 2001 are specific directions and not Policy Directions within the meaning of Section 12 of DERA 2000.

2.1.1.6 The NDMC have suggested that the Commission, being a quasi-judicial body, should include a judicial member to determine purely legal issues in order to discharge the quasi judicial functions reposed on the Commission under the law.

2.1.1.7 An objection has been raised as regards the signatories of the joint petition being same for all petitioners i.e. the petition of the TRANSCO and the three DISCOMs has been signed by the same person and hence there is no second party involved despite commercial arrangement being envisaged between various entities.

2.1.2 Petitioners' Response

2.1.2.1 In response to the objection on the legal maintainability of the petition, the petitioners have submitted legal opinion of their counsel. The counsel opines that the DVB being presently authorized to engage in the business of generation, transmission and bulk & retail supply of electricity, is entitled to file the petition for determination of Bulk Supply Tariff and opening level of losses in the distribution areas. It has also been pleaded that in view of the binding nature of the Policy Directions, the determination of the BST and the opening level of losses is necessary in connection with the ongoing privatisation/ disinvestment process undertaken by the Govt. of NCT of Delhi and that the Commission is required to determine the BST and the opening level of losses even independent of any petition filed by the DVB. The petitioners have also defended their stand on the ground that the DISCOMs are duly incorporated companies and they have been given the certificates of commencement of business. The Transfer Scheme is a legal recognition in that the DISCOMs will takeover the functions of distribution and retail supply from the DVB. The DISCOMs, therefore, have an interest in the proceedings filed before the Commission.

2.1.2.2 The petitioners further state that if a company is to be granted a distribution license effective from a date, the Commission needs to fix the BST and the retail supply tariff applicable to such licensee from the date on which the license will become effective, otherwise for the intervening period, the licensee will have no tariff.

2.1.2.3 In a detailed note from the petitioners' counsel it has been stated that the issue which has been raised is not that of non-joinder of parties but is that of mis-joinder of parties. According to him the law recognises joinder of proper parties i.e. those parties whose presence though is not absolutely necessary for adjudication but the same may facilitate the adjudication. Such parties can join the necessary parties in such eventuality. He has stated that in the context of proposed privatisation, transfer of distribution functions and the Policy Directives issued by the Govt. of NCT of Delhi, the three DISCOMs are proper parties, even if not the necessary parties.

2.1.3 Commission's View

2.1.3.1 The policy formulated and Directions issued thereto by the Govt. of NCT of Delhi in exercise of its powers under Section 12 of DERA 2000 are binding on the Commission. A detailed analysis of the issues related to Policy Directions has been made in Para 2.3.

2.1.3.2 The Govt. of NCT of Delhi have notified Delhi Electricity Reform (Transfer Scheme) Rules, 2000 on 20th November 2001 to be made effective from the date of notification in this regard in the official gazette: no date, however, has been notified for it to be effective. The Transfer scheme envisages unbundling the DVB into six entities, including three distribution companies and one Transmission Company.

2.1.3.3 Govt. of NCT of Delhi have observed that in order to ensure that the time gap between the corporatisation and privatisation is minimal, the Transfer Scheme shall be made effective as close to the date of privatisation as possible. Since, the date for submission of the bids was to be January 31, 2002 therefore the issue of requisite order by the Commission for BST and of the opening level of losses is a necessary prelude to privatisation in order to enable the bidders to bid for the majority shareholding in the three Distribution Companies.

2.1.3.4 The petitioners have submitted that the Govt. of NCT of Delhi has already short-listed bidders for the process of dis-investment and has issued Request for Proposal and Information Memorandum on 22nd November 2001.

2.1.3.5 The issue regarding locus standi of the petitioners in making these filings for determination of opening AT&C loss levels and BST has been carefully examined by the Commission. The Commission is aware that DPSCL, CEDEDCL, SWDEDCL and NNWDDCL are at present not the licensees under the DERA 2000. However, the Commission recognises that as per the said Policy Directions, the Commission is required to determine the opening loss levels and BST for DISCOMS and TRANSCO to enable prospective bidders to bid for the majority of the share holdings in three distribution companies. The Commission having noted that the petition is pursuant to and in accordance with the Policy Directions concludes that, in totality of the facts and circumstances of the case, the instant petition is maintainable and thus deliberations thereon are within the scope and ambit of functions of the Commission.

2.1.3.6 As regards the issue of the previous Tariff Order being under challenge in court of law, follow-up action would need to be taken at the appropriate stage.

2.1.3.7 It is also noted that Sh. Jagdish Sagar, Chairman DVB, being Director of Companies making this filing on behalf of all the companies is competent to do so, being the authorised signatory.

2.1.3.8 With regard to the issue of the necessity for inclusion of a judicial member, it is noted that the Commission has been duly constituted by the Government as per the scheme laid down in section 3 of DERA 2000.

2.2 Restructuring Of DVB Including Privatisation

2.2.1 Objections

2.2.1.1 During the public hearing proceedings as well as in the written responses received by the Commission, the objectors have contended that the decision to unbundle the DVB appears to have been made in desperation without making an in-depth study and after inviting suggestions/opinions from the public. One of he objectors has added that with the proposed methodology, the assets of the DVB would be extinguished, while the burden of the Govt. of NCT of Delhi loan to the tune of Rs 2600 Crore would ultimately fall on the consumers. The objector has requested the DERC to take a practical view on the privatisation process so that the transfer is smooth and consumers and the Govt. of NCT of Delhi may not suffer.

2.2.1.2 Sh. Gajendra Haldea while making his submissions has stated that the single-buyer model being envisaged by the Policy Directions issued by the Govt. of Delhi is unconstitutional and contrary to the extant electricity laws. He has cited relevant provisions of the Indian Electricity Act, 1910, MRTP Act and the Constitution of India to support his argument. He has also cited the Orissa experience in matter of privatisation of power sector. He has further argued that as each DISCOM covers an exclusive geographical area, it will function as a virtual monopoly and no monopoly has any incentive to improve efficiency. It was stated that the Policy Directions issued by the Govt. of NCT of Delhi deny the consumer a choice by forcing him to buy power from the only DISCOMs. It also creates a string of monopolies being compensated on a cost-plus basis denying the consumer, the benefits of efficiency and price gains that would have been achieved in a competitive market. The objector has further submitted that the Orissa experience shows that monopolistic DISCOMs could default on dues to TRANSCO with impunity.

2.2.1.3 The example of Orissa has been cited elsewhere to support the argument that there is likelihood that the reforms may fail in Delhi also. It has been contended that with privatisation, the tariffs will increase further and become unaffordable and the industrial sector will become un-competitive in the global markets. It was added that a positive change in the concept and thinking is required and before proceeding towards privatisation, framing of new rules and procedures should be evaluated on the basis of free business norms as compared to the one-sided bureaucratic and monopolistic approach.

2.2.1.4 A number of objectors have raised serious concerns, on the valuation of assets of DVB before privatisation and objected to the sale of shares at face value which in one objector's opinion is around 10% of the market value of the assets. The objectors have mentioned that the Govt. of NCT of Delhi have not issued any guidelines regarding methodology to be adopted for 'Valuation of Assets' of the DVB before transfer to private companies. The objectors have further suggested that the Commission may approach the Govt. of NCT of Delhi to issue requisite Policy Directions on this aspect. It has been suggested that the different methods of valuation of assets have been discussed in the Commission's Concept Paper on Tariff and requested the Commission to choose the most suitable valuation methodology.

2.2.1.5 Some objectors have added that the petition proposes to absorb the old DVB employees in DISCOMs though some of these employees were deeply involved in power theft. They apprehend that such employees may connive in the notorious practice of power theft.

2.2.1.6 One objector has also raised the point that the details of DVB's Assets must be prepared in order to maintain transparency of transactions.

2.2.1.7 *Concern of Employees' Associations*

DVB Engineers Association as well as the DESU Majdoor Sangh have drawn attention towards the problems relating to payment of post retirement benefits to employees after unbundling of DVB citing the pension rules as applicable to DVB. It has pointed out that the Transfer Scheme envisages that, the employee shall be deemed to have retired upon absorption in successor entity. It has therefore been claimed that the employee should be eligible for retirement and terminal benefits as admissible. The objectors have pointed out that the Government Notification in respect of "Transfer Scheme" necessitates transfer of personnel to successor entities together with liabilities such as terminal benefits, pension, etc. The scheme also envisages that till such time the funding arrangements for terminal benefits are in place, the payment falling due to the existing pensioners shall be made by the TRANSCO subject to appropriate adjustments to other transferees. The objectors have argued that while the liabilities in respect of terminal benefits of employees of DVB would vest with TRANSCO, no such provision has been made in the balance sheet of TRANSCO. The objectors have further submitted that the immediate liability on this account would amount to about Rs 1500 Cr. The objectors have stated that non-inclusion of liabilities on account of terminal benefits immediately payable and recurring liability of the order of Rs 2500 Cr is improper. The objectors have urged the Commission to look into the matter before determining bulk supply tariff and level of losses.

2.2.2 Government's Response

2.2.2.1 The Govt. of NCT of Delhi have clarified that it has designed its own variant model of unbundling of DVB and privatisation of distribution keeping in view the experience of other States.

2.2.3 Petitioners' Response

2.2.3.1 On the issues related to single-buyer model being envisaged by the Policy Directions, the petitioners submitted that the legal and constitutional issues raised in this regard are non-existent and there is nothing contrary to the Constitution of India or general principles of law in the reforms being undertaken by the Delhi Government. The petitioners further submitted that the scenario suggested by the objector is a futuristic one, which has been attempted only in a few countries and the success of, which is yet uncertain. On the other hand, the regulated private monopolistic utility is an established and successful model in the power sector both abroad and in India. Further, the provisions of DERA 2000 do not rule out the progress towards the proposed scenario, but the present objective is to establish regulated utilities in the first instance.

2.2.3.2 The petitioners further submitted that the Government's reform and privatisation package has been designed to bring in efficiency improvements.

2.2.3.3 As regards query made on terminal benefits by Unions/Associations of employees, the petitioner has submitted that the Govt. of NCT of Delhi have already agreed to fund the un-funded portion of the Terminal Benefit Liability as on the date of effectiveness of the Transfer Scheme. This amount will not figure in the balance sheet of TRANSCO, since it is not a liability of TRANSCO. Further, as regards, the funding of terminal benefit liability after the date of effectiveness of the Transfer Scheme, provision has been made in the current petition. It maintains that Page 50 of the petition mentions an amount of Rs 46 Crores and Rs 8 Crores for the full year 2001-02 and for Feb-March 2002 respectively.

2.2.4 Commission's View

2.2.4.1 The Delhi Vidyut Board is a wholly owned undertaking of Govt. of NCT of Delhi. The Govt. of NCT of Delhi, in exercise of the powers conferred by Section 60 read with Sections 15 and 16 of the DERA, 2000, notified to unbundle the DVB into six entities vide Delhi Electricity Reform (Transfer Scheme) Rules, 2001 on 20th November 2001. The Govt. of NCT of Delhi is also empowered to determine the terms and conditions of such Transfer as a part of the reform and restructuring of DVB under part V of the Reform Act. .

2.2.4.2 The Commission would also like to bring out that with the establishment of DERC, the authority to regulate the power sector is vested with the Commission and the Govt. of NCT of Delhi is vested with the policy determination role. DERC is mandated to implement the policies as long as the costs of the policy decisions are borne by the Govt.

of NCT of Delhi under section 12 of the aforesaid Act. The tariffs and revenues of the distribution entities, even after privatisation, would continue to be regulated by the Commission within the framework of the Policy Directions notified by the Govt. of NCT of Delhi. In a regulated environment, it is the role of the regulator to exercise control over the cost and revenue elements of the utilities. The Commission would continue to accord approval to the cost and revenue projections filed by the utility, so long as these are prudent and reasonable. This would be done so as to promote the twin objective of the regulatory process – that of protecting consumer interest while promoting healthy utility operations within the framework of the Act and the Policy Directions.

2.2.4.3 Referring to the objections raised on the issue of violations of constitutional provisions, the Commission is of the view that the same are not within its purview.

2.2.4.4 In regard to the concerns raised by the employees, the Commission believes that the Govt. of NCT of Delhi shall ensure that these concerns are addressed as per the Tripartite Agreement.

2.2.4.5 On the issue of valuation of assets, it is noted that the same is an integral part of the Statutory Transfer Scheme formulated by the Govt. of NCT of Delhi. The issue of completion of asset register has been dealt with in the relevant section in the subsequent chapter.

2.3 Policy Directions By The Government

2.3.1 Objections

2.3.1.1 The National Working Group on Power represented by Mr. Ashok Rao, has objected to the Policy Directions, and has highlighted the importance of the Commission's independent role as a statutory body and responsibility, mandated to the Commission under Section 11(2) of Delhi Electricity Reform Act 2000. The Objectors have opined that the issue of Policy Direction notification by the Govt. of NCT of Delhi is a violation of the independent statutory functions reposed on the Commission under said provisions of the Act. It has been further argued that the said petition is filed under Section 11 and every decision in this respect is subject to independent responsibility under Section 11(2). While the Govt. of NCT of Delhi is free to make Policy Directions in respect of tariff under Section 12, the same cannot be independent so far as it relates to the functions of the Commission, as Section 11 poses an obligation on the Commission to "aid and advise the Government" whereas, Section 12 imposes responsibility on the Government to "guide" the Commission so as to enable it to discharge its functions.

2.3.1.2 It has been argued that the joint petition is unacceptable on account of being erroneous, unreasonable and arbitrary. In fact, during the public hearing proceedings, several objectors have opined that the said petition merely seeks ratification by the Commission for the Policy Directions issued by Govt. of NCT of Delhi under Section12 and there is no attempt to discuss the rational basis of the Government decision before the Commission. The objector has further remarked that there is no transparency and the petitioner has not stated the long-term implication of the Policy on the various classes of the consumers and DVB employees. According to the objector, under the garb of difficulty to attract private investors to take 51% stake, all manner of concessions not permissible under Electricity Supply Act 1948 and rules made there under, have been approved as a matter of policy by the Govt. of NCT of Delhi.

2.3.1.3 A number of objections have been received on the topic of assured minimum return of 16% to the investors envisaged by the Directions. Objections have been raised about the high quantum of the post-tax return, particularly with no corresponding penalty. The objectors argued that the idea of privatisation is to get accountability and efficiency due to better management and adoption of sound commercial policies. With the proposed privatisation AT&C losses are expected to reduce drastically and the incentive @ 50% of the revenue resulting from the additional reduction in AT&C losses is very high in addition to the 16% return on equity. In this context, the objector has also pointed out that under Schedule VI of Electricity Supply Act 1948, the incentives for licensee are restricted and Govt. of NCT of Delhi notification of sharing 50% of additional realization as incentive cannot override the provisions of Electricity Supply Act. It has also been argued by Mr. Nakul during the public hearing that assured return should not be assured despite of poor performance. It has further been argued by the objector that consideration to the paying capacity of the DISCOMs is being considered by the Government while the paying capacity of the hapless consumers has not been taken into account at the time of effecting increases in retail tariff.

2.3.1.4 Various suggestions have been made by the objectors to limit the incentives. One of the objectors suggested that 50% of the revenue resulting from the additional reduction in AT&C losses may be allowed for initial 2 years and thereafter it should be restricted to 10-15% of the additional revenue and the balance should be considered while determining ARR and retail tariffs. It was also suggested that the incentive should be restricted to a ceiling of Rs. 10 Crore upon attaining a revenue realisation of minimum of 80% of the power purchase cost.

2.3.1.5 It has been submitted that neither the Government nor the DERC have the authority to ordain the consumer to bear the burden of 50% of the losses plus 16% company's profit for another five years. One objector has contended that the proposed scheme for minimum return and incentive for better performance is full of ambiguity, contradiction and manipulation of accounts with total disregard for the ground realities and accountability.

2.3.1.6 Sh. P.S. Bami, on behalf of Delhi Power Consumers Guild has submitted that the Rs. 2600 Cr. Loan support extended by the Government to meet revenue gap in TRANSCO may impose an additional revenue burden which should not be passed on to the consumers. He has sought a clear ruling from the Commission in this regard.

2.3.1.7 The objectors have submitted that the provision of uniform retail tariff for the three distribution entities and the provisions of incentives on account of loss reduction are conflicting provisions and the same need to be clarified.

2.3.1.8 Several objectors have pointed out that there is a gross failure to establish linkage between privatization and consequent reduction in losses or efficiency gains under the Govt. of NCT of Delhi notification although Government has always maintained at a number of places the need for and the importance of privatisation of distribution business.

2.3.1.9 The NDMC, have objected to the petition stating that it is a party affected by the said petition. According to NDMC, as per the Transfer Scheme, the TRANSCO is required to sell and transmit bulk power purchased from GENCO and as the scheme does not provide for wheeling to third party, the scheme read with relevant provisions of DERA 2000, in effect is compelling NDMC to purchase electricity only from TRANSCO. The objector has stated that this would be ultra vires of the Section 1(2) of DERA 2000 as also of Section 201 of the NDMC Act.

2.3.1.10 BSES has argued that in the incentive scheme envisaged by the Govt. of NCT of Delhi in its Policy Directions, the provision of 50% sharing of additional revenue on account of loss reduction higher than the bid should be transferred instead to a Tariff & Dividend Control Reserve in line with the provisions of Sixth Schedule of Electricity Supply Act, 1948 in this regard. This balance amount in this reserve could be drawn by the Licensee in the event of his returns during a particular year being less than the permissible return.

2.3.2 Government's response

2.3.2.1 On the objections raised on the issue of Policy Directions, the Government of NCT of Delhi have stated that their intentions of unbundling the DVB were made clear since 1999 and the Govt. have steadily moved in this direction. It was stated that one of the most critical steps to facilitate the reform process was the issuance of the Policy Directions to mitigate some uncertainties for the investor. The Government clarified that the underlying object of the entire exercise is to make the sector viable through committed loss reductions and performance turnaround of the distribution business. The Government further stated that the Policy Directions have been carefully deliberated upon and Govt. had solicited requisite legal advice to finalise the directions. It concluded that the objections on Policy Directions would not fall within the purview of public hearing on the present petition filed by the petitioners.

2.3.2.2 However, the Government stated that it would like to comment upon certain provisions of the Policy Directions in the light of the objections raised by the public. These provisions include the bidding criteria, AT&C losses, assured minimum return, incentive scheme and Rs. 2600 crore loan proposed to be given to the Transmission Company to bridge its revenue gap.

2.3.2.3 On the bidding criteria, the Government have responded that the criteria has been so chosen that the investors have to make commitments to reduce losses adequately and that too in a given time frame. In other words, at the bidding stage itself, they are required to make definite commitments on yearly improvement of efficiency (reduction of losses). It was stated that the concept of measuring the losses up to the stage of realization is due to the problem of erroneous billing faced in the sector, and also a strong need is felt to permit the utility reasonable time before denying the shortfall in collections as a pass through expense. It was further stated that the introduction of the concept of permitting non-realisation as an integral part of losses has been felt for a long time and has been accepted by UPERC in its tariff order in respect of KESCO. The Government stated that as per the provisions of the Policy Directions, the tariffs of the distribution companies would be based on the reductions proposed in the bid by the selected investor. In other words, in case the Distribution Company is not able to achieve the loss reduction as per the bid, the entire burden of loss due to such under achievement will be borne by the Distribution Company. The Government reinforced the point stating further that even a small underachievement in respect of the loss reduction targets will imply erosion of the entire return of the Distribution Company. It was argued that this provision should act as a deterrent to any underachievement in addition, the Government argued that the Policy Directions also provide for incentives, which shall spur higher loss reduction.

2.3.2.4 On the assured returns and the incentive scheme, the Government argued that it shall stipulate the minimum loss reductions to be achieved each year for the next five years. It was clarified that this minimum loss reduction criterion would be set so as to make the sector self-sustaining within a period of five years. The investors, it was clarified, would be required to bid over and above the minimum loss reductions stipulated by the Government, and this bid, then would form the basis for future tariff determination purposes. In other words, only if the Distribution Company achieves the loss reduction as per the bid, would the company be able to earn 16% return (but no additional incentives). Thus, the incentive would be awarded only if the loss reduction is higher than the minimum targets and also higher than those proposed by the investor, and this incentive is also proposed to be shared between the Company and the consumer in 50:50 ratio. The Government argued that such achievement of higher loss reduction would have a very beneficial effect in the form of lower effective future tariffs.

2.3.2.5 On the revenue bridging loan of Rs. 2600 crore to the TRANSCO, the Government have stated that the minimum loss reduction targets to be stipulated for bidding, and the assumptions of reasonable tariff increases shall be adequate to ensure the turnaround of the distribution business and the resultant financial viability of the Transmission Company. It has further stated that the distribution business is expected to turn profitable well within the time frame of five years and this ensures that the Transmission Company will, in turn, be able to more than fully cover the cost of power it purchases. It has been further stated the Government have satisfied itself that the loss reduction would also be sufficient to meet the loan repayment and hence would not result in any tariff shock to the consumers. The Government argued that a comparison with Orissa would not be appropriate here, as the entire structuring of the reform model followed in Delhi is different.

2.3.3 Petitioners' Response

2.3.3.1 On the issues raised on Policy Directions issued by the Govt. of NCT of Delhi, the petitioners, drawing inferences from the Government's response on the said issue, submitted that the Govt. of NCT of Delhi have decided to issue Policy Directions (within the framework of DERA 2000) keeping in view the experience of reforms in other states and to facilitate privatisation. These Policy Directions are in the nature of directions to all stakeholders and it may not be appropriate to discuss this under the scope of current petition for fixation of BST and determination of opening level of AT&C losses for DISCOMs.

2.3.3.2 As per the process being adopted for privatisation of DISCOMs in Delhi, the Government would stipulate certain minimum loss reduction targets for each of the first five years and the investor who commits the highest reduction above these levels will be selected to purchase the 51% equity shares of the DISCOMs. The petitioners also mentioned that such a selection process would result in the determination of the loss reduction targets through the play of market forces and higher loss reduction will have the highest long term benefit to keep in check any tariff increases.

2.3.3.3 The petitioners further added that the distribution companies would be entitled to 16% return only after achievement of the loss reduction committed in course of bidding. The incentives for over achievement will be shared equally between the Company and consumers. Further, as Government has 49% equity holding in DISCOMs, the incentive to company shall be shared between investor and Government in proportion to their shareholding.

2.3.3.4 One of the main objectives of the reforms package is to make the sector commercially viable so that the requirement of Government supports decreases at the earliest. This mechanism would imply a faster rate of loss reduction; hence the reform package does build in incentives to prospective investors for over achievement. In addition to providing incentives to the DISCOMs for accelerated loss reduction, it also ensures long-term benefit to the consumers by way of lower tariffs, and a regime of low tariff increases than could be possible otherwise.

2.3.3.5 On the issue of conflicting provisions of uniform retail tariffs and the incentive scheme, the petitioners commented that there is no contradiction in the incentives for over achievement and the stipulation of common retail tariffs for the three DISCOMs, in the initial five years.

2.3.4 Commission's View

2.3.4.1 The Commission has noted the strong objections raised by the stakeholders on the issue of Policy Directions, regarding privatisation, methodology of loss determination, incentive scheme, assured rate of return and government loan of Rs. 2600 crore to bridge the revenue deficit of TRANSCO.

2.3.4.2 The Commission is under statutory obligation to comply with the Policy Directions issued by the Govt. of NCT of Delhi in exercise of powers vested with it under section 12 of the DERA 2000. The Commission would however reiterate the stand taken by it while responding to the objections on Transfer Scheme that the Commission would continue to retain control on the allowable level of costs and revenues of the utilities for future tariff determination purposes, within the policy framework of the Govt. of NCT of Delhi. The Commission has noted the provisions of the policy Directions on various issues. Of the various provisions of the Policy Directions, while the stand of the Commission on loss determination methodology has been dealt with in the relevant section, comments on certain other issues regarding Policy Directions are given in the following paragraphs.

2.3.4.3 The Commission has taken note of the position of the Govt. of NCT of Delhi regarding the issue envisaging turnaround of the Distribution Companies and the viability of the Transmission Company well within five years, enabling TRANSCO to meet the loan liability and at the same time resulting no tariff shocks to the consumers. The Commission is not aware of the assumptions made by the Government to arrive at Rs. 2600 Crore in terms of loss reduction trajectory envisaged and the level of tariff increases. However, the accumulated revenue gap for TRANSCO could be higher or lower than the amount estimated by the Government depending upon the level and structure of future retail tariffs and the committed loss reductions. At this point, the Commission opines that any shortfall in the revenue gap, if any, of TRANSCO during the term of five years over and above Rs. 2600 crore would have to be bridged in the form of Government support, sector efficiency improvements, any other suitable mechanism or a combination of all of the above, to be decided by the Commission at the appropriate stage. **As regards the loan liability, the Commission is of the view that no burden on this account would be passed on to the consumers for retail tariff determination purposes a mechanism be devised by the Government accordingly.**

2.3.4.4 On the issue of incentive of 50% of overachievement, it is to be noted that the Policy Directions stipulate this to be apportioned in the ratio of equity shareholding in the Company (Govt. of NCT of Delhi will disinvest 51% of the holding retaining 49% of the equity).

2.3.4.5 The Commission also wishes to clarify here that any tax incidence on the additional revenues retained by the DISCOMs in accordance with the incentive scheme envisaged in the Policy Directions would not be eligible as pass through for future tariff determination purposes.

2.4 Quality Of Filing and Data Inadequacy

2.4.1 Objections

2.4.1.1 Several objectors, have both during public hearing and in written responses furnished, raised the issues on quality and inadequacy of data submitted by the petitioners. The objectors have pointed out that the DVB and joint petitioners have continuously maintained that audited annual accounts and fixed asset register are not available. The petitioners have sought waiver on this count. The objectors have strongly objected to transfer of assets worth thousands of Crores from public undertakings to private companies and have asserted that the procedure lacks complete transparency. The objectors have demanded speaking orders from the Commission in case the Commission grants waiver of the requirement of audited accounts. The objectors have also pointed out the arbitrariness in the segregation/apportionment of assets between the DISCOMs.

2.4.1.2 The Tata Power Company has submitted that the petitioners have not provided the revenue break up in the data formats of DERC, which is essential for proper analysis and planning and hence requested Commission to direct DVB to provide this data and comply with the Commission's formats. They have further pointed out the discrepancy in energy balance numbers in the petition as against that in the MIS.

2.4.1.3 It has been pointed out in the objections that there are discrepancies in collection efficiency numbers reported in the notification (ranging from 87.9% to 90.5% across DISCOMs) as against that filed under petition (ranging from 78.4% to 80.9% across DISCOMs). Another objector has pointed out that DVB has prepared the list of assets and liabilities as per Companies laws and has demanded that the losses of DVB need to be transferred to its successor entities viz. DISCOMs. The objectors maintain that there is no disclosure as regards description of assets such as land, buildings and the objector has demanded the list of assets. It has also been pointed out in the objections that the DVB have furnished two different sets of data as regards AT&C loss in its two submissions dated 21st Dec 2001 and 4th Jan 2002 with the reasoning of computational error. Further, the data furnished on T&D losses to the courts and also data published by Powerline Magazine quoting interview with DVB Chairman during Nov 2001 are also at variance. The objector has referred to the T&D losses for Delhi, reported by Power & Energy Division, GOI over 1995-96 to 2000-01. Hence, the objector has inferred that the no reliance can be placed on the figures furnished by DVB in respect of T&D losses and requested for rejection of the petition.

2.4.1.4 The BSES Ltd., as a prospective investor, has remarked that the detail workings of AT&C loss and segregation into category-wise and DISCOM-wise levels is not available. Several objections have pointed out that the said petition does not clarify the basis used for allocation of assets amongst various entities more so when the fixed assets register has not been maintained.

2.4.1.5 Several objectors have pointed out the incompleteness and inaccuracy in the data filing by the petitioners. One of the objectors has pointed out that the details of revenue requirement for TRANSCO (Form 2.1A, Page 14) are missing. The discrepancy in the numbers reported under page 13 and 58 of the petition in respect of Non tariff income has been highlighted by the objector. AT&C loss figures projected for 2001-02 in the petition and the notification of Govt. of NCT of Delhi does not tally. Similarly figures for amount billed as stated in the notification, petition, and revised petition also do not tally. The objector expressed his fear that the figures could have been deliberately manipulated to mislead the stakeholders and hence has requested for rejection of the petition as there cannot be three different sets of figures for amount billed corresponding to the same period.

2.4.1.6 One objector has requested that since the data and calculations provided in the petition are hypothetical, estimated or notional, the Commission should consider issue of provisional tariff order and the provisional rates can be finalized further upon submission of actual figures duly certified by statutory auditors. Another objector has suggested that the Commission should direct the petitioners to improve the quality of data, and if the Commission finds that the quality of data has not improved significantly, the Commission may reject the same.

2.4.2 Government's response

2.4.2.1 On the issue of privatisation in the absence of audited accounts and accurate data, the Government have stated that the Delhi Vidyut Board have inherited the accounts of predecessor entity in 1997, which have not been audited since 1992-93. Further, it was submitted that efforts in expediting the audits have not succeeded, as this has to be done by CAG and cannot be done through the appointment of any other external auditors. Nevertheless, DVB have made earnest efforts in bringing the accounts upto date, which were also not in a good state. In fact, the Government further stated, in the past one and a half years, DVB has finalised the accounts of the past six years including the accounts of the current year 2000-01. It was stated that all efforts are being made to get the accounts audited and this work will continue to receive priority. Further, even after the restructuring of DVB, the audit of accounts will continue till completion. The Government have clarified that in order to ensure that the process of reforms is not halted only because the accounts are not audited, the Government has decided upon the financial restructuring of DVB such that the restructured entities get opening balance sheets through a Transfer Scheme that has been drawn up under the DERA 2000. Thus, the functioning of the restructured entities does not get stalled because of the non-completion of audit of accounts.

2.4.2.2 The Govt. have further stated that:

i.) The information relating to power purchase costs which constitute a major portion of DVB's total expense, is based on metered energy and on the bills of the CPSUs, other generating utilities and PGCIL etc.

ii) The Capital Investment is as per the plan approvals of the GNCTD. Similarly, the Plan and Non-Plan loans are known accurately since the terms and conditions on which the Government provides loans to DVB are known.

It was finally submitted that a similar process has also been adopted in other States.

2.4.3 Petitioners' Response

As regards specific query from Tata Power Company on break up of revenue in data formats and energy balance, the petitioners have submitted that:

i.) The break up of revenue from various components of tariff and in various sub-categories of consumers had been provided by DVB in the previous petition dated 22nd January, 2001. The current filing assumes that the tariffs in the balance period of 2001-02 will remain same. Hence, similar break up has not been provided, instead the average billing rates for the various categories of consumers has been worked out.

ii.) As regards energy balance, the entire back up of the figures used for computation of AT&C losses were submitted by the petitioner in response dated 12th Jan 2002 to the queries raised by the Commission.

2.4.3.3 As regards specific queries on discrepancies of the numbers, the petitioners have stated that comparison of petition with the figures given in the Policy Directions is incorrect because the figures in the directions are indicative in nature. In addition, petitioners made following observations on the response sought by the objector.

i.) Form 2.1 has not been enclosed separately, instead the details in this form have been given along with the explanatory notes to the same.

ii.) In earlier petition dated 22nd January 2001, the difference on amount billed and realized was much higher than Rs 70 Crores. However, in order to ensure that there were no tariff shocks to the consumers, the DVB had proposed only Rs 70 Crores, and not the entire difference between amount billed and amount realized, as a provision.

iii.) The exact amount required on account of adhoc payment to employees has been indicated in Page 50 of the petition. The petitioner has also referred to its earlier response wherein the number of employees in each entity has been detailed.

2.4.4 Commission's View

2.4.4.1 The Commission raises serious concern over the quality and deficiencies in the information compilation system of the DVB. However, the Commission is aware that the requisite improvements in the information system could not be achieved in a short time. It is a legacy of the working practice prevailing over a number of years. The Commission is aware that similar constraints are being faced by other Regulatory Commissions in other States undergoing reforms. It requires sincere, sustained and diligent efforts on the part of the petitioners over a period of time to effect incremental improvements towards transparency and accountability of public money. This is not only critical for regulatory and financial reporting, but also for identifying improvement areas, both geographical and functional. The Commission has already provided its guidelines and formats for tariff filing purposes to the DVB as a first step towards this end. The methodology for tariff setting is based on the provisions of DERA 2000 and also keeping in view the Policy Directions issued by Govt. of NCT of Delhi.

2.4.4.2 The Commission has found itself severely constrained in conducting a reliable due diligence on the revenue and loss numbers submitted by the DVB in the current petition, as has been observed in the relevant sections of the order. The Commission, however, sought additional clarifications and information/ supporting documents on a number of issues related to revenues, power purchase and losses etc. during further interactions with the petitioner in the course of these proceedings. A number of discrepancies between the information provided in supporting documents, the petition and finalised statement of accounts were noticed and clarifications sought from the petitioner in an iterative process. The petitioners expressed their inability in furnishing information on a number of issues either in the desired form or detail. Wherever, the data/ information placed before the Commission has been found lacking, the Commission has made reasonable estimates or has accepted the estimates submitted by the petitioner which have been adequately explained in the relevant sections of this order.

2.4.4.3 In conclusion, the Commission is of the view that rejection of the petition merely for lack of information in the desired detail and formats prescribed by the Commission would not be prudent. However, the petitioners are directed to initiate actions on a priority basis for filling the data gaps.

2.4.4.4 As regards the issue of asset valuation and allocation of assets amongst the restructured entities the Government response under para 2.4.2 explains; these issues had been decided by the Govt. of NCT of Delhi in exercise of powers conferred under DERA 2000 ,as apart of the scheme for financial restructuring and privatisation of distribution business in DVB.

2.5 Tariff Setting Procedure

2.5.1 Objections

Several objectors have submitted that this exercise of fixing bulk supply tariff is for two months Feb-Mar'02 and by the time the exercise is completed, these two months will be over. One objector has further suggested that the bulk supply rate so determined should be applicable for at least one year. The objector has pleaded that the policy to be adopted after 31st March 2002 should be known to the consumers and the DERC.

2.5.1.2 One of the objectors has submitted that the price of Rs. 100/- plus postage charges towards a copy of proposal is very high and may not be affordable by around 95% of the consumers. The objector further suggested that the Commission should direct the petitioners to make available the copies of this petition as well as other petitions in future at a nominal cost of Rs. 10/- each, to facilitate more participation from consumers.

2.5.1.3 It has also been contended by one of the objectors that the petition should be rejected, as the petitioners have not complied with the Directives of the Commission's Order dated 23rd May 2001. The objector stated that the purpose of the DVB with the help of Government is not to comply with the Directives issued by the Commission and it is trying to increase the tariff indirectly without any basis and authority of law.

2.5.1.4 Another objector pointed out that the current petition is the second one within the financial period FY 2001-02. It further stated that as per the provisions of the Act, the Commission can only allow for a revision in the tariffs once in a financial year. Thus, the current petition should be rejected.

2.5.2 Petitioners' Response

Regarding compliance of the Directives, the petitioners responded that the status of made towards the implementation of the directions issued by the Commission in its previous order has been submitted to the Commission.

2.5.3 Commission's View

2.5.3.1 The present petition has been filed by the petitioners, for the two months i.e. Feb-March 2002 as per the Policy Directions and the same has been examined by the Commission in this order. The Commission would also like to point out that the earlier petition for FY 2001-02 submitted by DVB to the Commission was regarding the determination of retail tariffs for the relevant year. The current petition is for BST determination and no revision has been sought for the retail tariffs and the current petition has been filed in pursuance to Policy Directions. The methodology envisaged for Tariff setting is based on the Policy Directions and provisions of DERA 2000.

2.5.3.2 The Commission has noted the lack of desired progress made by the DVB towards implementation of its Directives issued in the Tariff order dated 23rd May 2001. The present petitioners have not submitted any progress in this regard in the petition**. The Commission takes a strong note in this regard and hereby directs the petitioners to expedite implementation of various directives.**

2.5.3.3 The Rs. 100/- charged for the copy of the petition is towards the cost of preparing copy and is reasonable and fair. The respondents also have the liberty of downloading the petition for free from the website.

2.6 A T&C LOSSES

2.6.1 Objections

2.6.1.1 The objectors have raised strong objection, against the application and definition of AT&C loss as described in the Notification based on which the said petition is filed. According to the objectors, the application of AT&C loss as defined would encourage high technical loss, short billing and poor collection rate. The objectors have further advocated the need to specify losses for distribution business into five categories, viz. HT transmission loss, LT distribution loss, Theft, Non-billing losses and Non-collection losses. The objectors have also suggested that in order to establish theft of electrical energy, sample measurement and accounting of the sub-stations and feeders needs to be established. One of the objectors have suggested that while considering the energy units realized for computation of AT&C loss, the units consumed/realized by various offices/ godowns/workshops of the distribution company also need to be accounted for. It has been pointed out that the Government and the petitioners have invented an entirely arbitrary term such as AT&C loss. The objectors have emphasized that such concept/ terminology has not been used in the power system anywhere in the world or in India. It has been pointed out that the petition fails to address one of the key components of the AT&C loss (i.e. technical loss). As per the petition, there is no proposal to ask the private investors to commit/spell out technical and investment plans to minimize technical losses saddled with outdated DVB system.

2.6.1.2 As regards commercial losses, the respondents have stated that one of the key components of commercial loss is theft, and theft being a criminal act, its prevention and the punishment falls within jurisdiction of Government and the judiciary. Hence, it has been argued that private management would find it difficult to tackle acts of crime and help reduce losses arising there from. The objectors have pointed out that there is a need to create adequate policing and judicial instruments that would convert raids into FIRs and FIRs into prosecution and recoveries. It has further been argued that if the Government cannot achieve this, it would be almost impossible to expect private enterprise to do it.

2.6.1.3 Several objectors have expressed their concern over such a high level of AT&C losses and contended that the petitioners have deliberately shown higher level of losses to maximise the benefits. The Objector stated that the Power Ministry had claimed these losses at around 47% and the losses projected by DVB are not correct and the matter needs reconciliation before arriving at a conclusion. Several objectors have submitted that such high level of AT&C losses are due to thefts, pilferage of power, etc. and not through the metered supply.

2.6.1.4 It has been pointed out in the objections that the petitioners had earlier (in case No. 1/2001 in Mar'01) informed that the overall transmission, technical and collection loss was 49% of the revenue, whereas the data furnished for the period Nov'00 to Oct'02 claims that the AT&C loss is 60.2%. The objector further stated that no system in the world could afford to make so much loss and the petition should be dismissed as the petitioner is perpetuating a fraud on the society by terming electricity theft as AT&C loss in which the petitioner's personnel are also involved.

2.6.1.5 It has been suggested that the technical losses could be reduced with better equipment maintenance as per schedule, and the loss level of 56% of the billed amount is very high and should be limited at maximum 2% level. In order to have better understanding of the commercial losses, several objectors have urged the Commission that it should direct DVB/successor entities to publish list of HT industrial defaulters and top 5000 defaulters from other categories of consumers.

2.6.1.6 Several objectors have pointed out that as regards non-realization of bills, one of the key components of the AT&C loss, the Government of NCT of Delhi and other Government bodies owed approximately Rs. 880 Crore in 1998-99 to DVB (accumulated to about Rs 2300 Cr considering interest cost). Under the matter of policy, the AT&C loss is envisaged to be basis for determination of tariff and for computation of incentives for better performance. The objectors have stated that this is a very ingenious and clever attempt to defraud the consumers. Hence, the same cannot be a valid measure either for bidding or for determination of compensation and incentives to the private bidders. It was pointed out that the outstanding dues from Government should not be factored in total AT&C loss estimation, as the same would lead to fictitious inflation of loss levels.

2.6.1.7 The objectors have stated that the petitioners have an obligation to spell out as to what is the methodology for achieving loss reduction/efficiency gains to be achieved over next five years. No such details have been specified in this regard. It has been prayed that the Commission should order conduct of a scientific study based on which the petitioners need to furnish viable technical and investment plan to achieve desired trajectory of reduction in losses/efficiency gains. The Young Friends Co-operative Housing Society has suggested that the loss reduction targets should be based on carefully planned strategies and a feeder-wise energy audit will result in reducing the theft and hence the losses.

2.6.1.8 One objector has compared the month-wise AT&C losses for the period of April'00-Oct'01 and submitted that in Feb'01 and Mar'01 AT&C losses are the lowest, therefore the Feb'01 or Mar'02 loss level should be fixed as AT&C losses. Further, the objector has indicated that the AT&C loss determination should be based on due diligence to be conducted by prospective investor, as the investors may not agree with the Commission's determination of AT&C loss level. Another objector has demanded a study to be instituted to assess the causes of AT&C losses and their segregation into separate components.

2.6.1.9 The Tata Power Company submitted that higher technical loss (12-13%) should be considered by the Commission while determining the opening AT&C losses as the technical losses between 66 and 11kV are of the order of 6%. They also requested the Commission to allow a provision for resetting opening loss levels if the data proves that opening loss levels were underestimated.

2.6.2 Petitioners' Response

The petitioners have acknowledged that most of the issues as regards AT&C loss raised in public responses cover two key parameters viz. uncertainty of the T&D losses and Collection Efficiency. In this context the petitioners have furnished their elaborate response on this crucial issue of AT&C loss as follows:

i.) The present high level of T&D losses in the SEBs reflects a deeply embedded malaise. In one of the responses received it has been stated that the losses could be overstated to benefit the privatisation. This is erroneous and misleading. There appears to be inadequate understanding given to the fact that necessary due diligence has been made and that the utility is thinking here in terms of actual realization of bills. Further, the impression that the situation can be set right and the losses reduced drastically overnight (e.g. by enforcement raids and vigilance work) is simplistic thinking. If the improvements are not systemic, the same will only be fragile and deceptive.

ii.) Reduction of technical losses can be achieved only by refurbishment of network; even here the diagnostic process and the actions required take time to show results as the networks vary widely in density, structure, voltage (as they have evolved in time) with variable load factors and systemic peaks. Similarly, the reduction of non-technical losses (otherwise known as commercial losses) is an even more complex process and therefore the improvements can only be gradual; this is worldwide experience.

iii.) Efficiency improvements can be brought about by measures of the following nature:

- Unauthorized consumers to be brought into billing net.
- Proper/Efficient service in timely delivery of bill at correct addresses.
- Accurate metering of all consumers.
- Computerized online billing system.
- Reading of all meters to reduce provisional billing.
- Installation of capacitors.
- Power factor improvement.
- Energy Audit
- Enforcement

iv.) Installation of 100% accurate meters, which are tamper-proof and having long life, in the present state of affairs and the size of business, could be a long drawn out and mammoth task. Bringing in the large number of unauthorized consumers (running into lakhs) into the billing net in unapproved colonies and JJ basties (a peculiar phenomenon in Delhi) is more difficult and complex than merely metering on a system that has already been created. The process of electrification of these areas, which have developed in a haphazard manner, is a difficult and time consuming task.

v.) Change over to computerized billing while improving the quality and accuracy of billing, will require extensive digitalisation of manually maintained records. This is again a long drawn task.

vi.) The complexity of electricity billing is not widely understood. Correct billing requires accurate data input in respect of several parameters, consumer data, connection data, meter status, earlier payment history, earlier and current consumption data etc. as a result of which, some percentage of wrong billing is endemic. Correction procedures often tend to be too cumbersome. Other shortcomings are the time gap between meter installation and issue of first bill in case of new connections and continued billing on old defective meter even after replacement of defective meter. All these can be addressed only by system improvements and there are no ready short cuts. One can have an idea of the preparation and pre-Commissioning complexities involved from the fact that DVB’s online computerized billing project started in late 1999 could be actually Commissioned only in July 2001.

vii.) Further, when we refer to T&D loss reduction, it cannot be without reference to the socio-political context. This point has already been explained in the submissions made to the Commission during the tariff filing for the FY 2001-02, where a strong correlation between the high loss levels with the existence of unauthorized development was established in various districts of DVB.

viii.) The impact of various measures taken by DVB is reflected in the reversal of the earlier rising trend of T&D losses, which has also been acknowledged by the Commission in its tariff order, 2002.

ix.) So long as energy billed is inaccurate, it follows that the data on collection efficiency is also not reliable. Collection in turn depends on the correctness of the bills, satisfaction levels of the consumers, threat of penal action in the form of disconnection, making it difficult to steal and the prevailing, social attitude towards payment for a commodity like electricity. To estimate the inaccuracy in billing, the DVB had engaged the services of reputed agency, IMRB to conduct a survey on reasons for non-payment of bills by the consumers. The survey concluded that only 8% of the consumers with outstanding bills are, in fact, recoverable.

x.) All the above considerations need to be taken together to appreciate the need that was felt to determine the losses on the basis of the difference between the units input and the units actually realized (AT&C Loss) as in the current petition before the Commission. It is necessary to allow reasonable time to the utility to achieve results before denying shortfall in collection as a pass through expense; moreover, it is necessary to permit flexibility to the private party to decide the manner and the method of loss reductions. The bottomline that is ultimately important is that loss reductions have to be achieved in short time frame to make the sector viable and dispense with the need for state support.

2.6.2.2 Further, on certain specific objections raised as regards AT&C loss, the petitioners have responded that:

i.) The objections as regards AT&C loss methodology, details on data, loan support by Govt. of NCT of Delhi of about Rs 2600 Crores to TRANSCO over next five years etc. are in the realm of the Policy Directions of the Government and therefore not within the scope of the present discussion. The petitioners have further stated that the comparisons with Orissa and California are not based on any clear understanding of the reform package in Delhi. The petitioners have also referred to following developments in this context

a) Loss reduction profiles and incentive structures for licensees already exist in UP and Gujarat.

b) In the neighbouring state of UP, for KESCO, the UPERC has defined losses in the same manner as AT&C losses

ii.) As regards working of average AT&C loss levels for each DISCOM over a period, the petitioners have clarified that they have computed the same on weighted average basis instead of simple average basis. Further, as regards suggestion to consider lowest level of AT&C loss in any month as opening loss level, the petitioners have clarified that while determining the revenues in any particular year, the losses in the entire year (and not in any particular month) are taken into account. The monthly figure would be affected by the seasonal variation. In view of the above, it is felt that the twelve-month loss levels computed in the petition and not the losses in any particular month should be considered as the opening loss level.

iii) As regards two specific queries from Tata Power on AT&C loss, the petitioners have clarified that the difference in energy meter readings between 66/33 kV level and 11 kV level can be attributed partly to technical loss and partly to the errors in the meters at 11 kV level, some of which are electro-mechanical. Hence the difference may be viewed not entirely as technical loss but in a manner indicated above. Further, on energy balance and bank reconciliation statement, the petitioners have submitted that the entire back up of the figures used for computation of AT&C loss have been submitted in response to the queries raised by the Commission. The petitioners have expressed their inability to provide Bank Reconciliation statement at this stage.

iv) On a specific query from PHD Chamber of Commerce and Industry, the petitioners have clarified as follows –

a) The input energy at 11 KV level has been based on the actual meter reading, however, the 66/33 kV is based on the actual meter reading for the two months viz Sep-01 and Oct-01 and estimates (on the basis of actual 11 kV readings) for the balance ten months i.e. Nov-00 to Aug-00.

b) The collection efficiency in DVB is better than that in most of the SEBs. Further, the IMRB report points out that the collection efficiency is low partly because of erroneous billing. In other words, in case the billing is made fully accurate, the units billed and the amount billed would have been lower. I.e. the difference between units input and the units billed, referred to as T&D loss, would have been higher. However, the problem of erroneous billing is mitigated to a great extent by defining losses as the difference between units input and units realized. It may also be mentioned that billing to Government departments forms only a small portion of the total billing in DVB, and the Government payments have improved considerably

2.6.3 Commission's View

2.6.3.1 The Commission has deliberated on the concerns raised on the Policy Directions issued by the Govt. of NCT of Delhi specifying the methodology for computation of losses, which has invited severe criticism from all categories of stakeholders. The Commission has taken note of the objections raised regarding the concept of merging the T&D loss with collection inefficiency. The Commission has also taken note of the rationale provided by the Government in this regard, while responding to the issue of Policy Directions. The Commission also takes note of the position adopted on collection efficiency by the State Regulatory Commissions in other reforming States, which is largely in line with prudent accounting practices i.e. allowing for a bad debt provision as a percentage of the revenues of the utility along with the cost of financing this shortfall in collection efficiency up to a normative limit. The Commission opines that passing high collection inefficiency on to the consumers in an environment of unsustainable T&D loss levels may exert further upward pressure on retail tariffs during the initial years of reform, in the event of minimum loss reduction program stipulated by the Government not being aggressive. The Commission concurs with the view of the objectioners that collection inefficiency on account of overdue payments from public bodies of State Government would further burden the consumer tariffs. The Commission feels that the amount outstanding from the public bodies of State Government creates an unhealthy precedence and adversely affects the collection efficiency.

The Commission believes that after privatization, it can not be expected from the new companies to continue to supply power to the Govt. bodies without being paid for, more so when the amounts involved are very large. To exemplify the Delhi Jal Board's yearly bill itself is of the order of more than Rs.150 crores. Non-payment of the large bills would sooner than later make the Distributing Company sick. On the other hand, it is well known that all these bodies prepare their annual budgets providing inter alia for the committed expenditures like electricity bills. Apparently, the Govt. departments do not release the payments adequately and timely for want of many factors such as general resource crunch and low priority accorded to payments due to Govt. undertakings. The Commission believes that it is incumbent on the Government to ensure payment discipline on the State sector utilities. **Accordingly, in the overall interest of the sector, a suitable mechanism be evolved amongst others, earmarking the budget for ensuring payment of electricity dues regularly**.

2.6.3.2 The Commission would also like to point out that any loss reduction initiative would have to separately target the technical and commercial loss component, including collection inefficiency. While the commercial loss reduction is achievable at relatively lower cost and time lag by adopting efficient systems and better management practices, technical loss reduction may mandate sizeable investment of resources over time. Investments in technical improvements of system would manifest itself in terms of reduced technical losses with a lag of time. Any loss reduction trajectory mandated by the Government would have to factor in the characteristics as discussed above to induce the investor to invest in technical improvements of the system as well during the initial years to optimise the privatisation benefits for the consumer.

2.6.3.3 On the issue of resetting of opening loss levels in future, as suggested by Tata Power, the Commission is of the view that the Government response on the issue of Policy Directions clearly lays down the bidding criteria. The Commission is bound by the provisions of the Policy Directions relating to future determination of tariffs.

2.6.3.4 With reference to the suggestion for conducting of a study for estimation of loss levels the Commission is of the view that it has to strike a balance between an ideal requirement and also a practical approach keeping in view ground realities. Commission has done due diligence for refinement of data furnished by the petitioners for determination of opening loss levels which would be binding on DISCOMs, as per the Policy Directions.

2.7 Expenses And Revenue Requirement

2.7.1 Objections

2.7.1.1 One objector has objected to the basis of employee expenses being taken as Rs 424 Crores for 2001-02, a hike of Rs 99 Cr over Rs 325 Cr reported for 2000-01. The provision for adhoc payment of Rs 500/- per employee per month has been made in each company as per Tripartite Agreement. However, exact amount of provision on this account and also how much of the same falls due before 31st March 2002 has not been provided. The objector has submitted that the methodology adopted by the petitioners for allocating the total employee costs and R&M Costs across DISCOMs does not show any co-relation with the energy input. Further no direct relation has been established between AT&C losses and bulk supply tariff rate.

2.7.1.2 The Tata Power Company Limited has raised the following issues related to expenses and revenue requirement:

I) The petitioners have considered annual non-tariff income of DISCOMs while projecting the Revenue Requirement for two months, which is a computational error and should be corrected by the Commission.

II) Commission for collection of electricity tax has been considered as Rs. 26 Crore, while the actual income earned in the past was only Rs. 4 crore.

III) As per the Bulk Supply Agreement, DISCOMs will have to open Letters of Credit in favour of TRANSCO, the cost of which is to be borne by the DISCOMs. Further the billing and collection cycles allow for nearly 45-60 days of credit to consumers and the DISCOMs will need the working capital to maintain a certain level of inventory. Therefore, the interest on working capital should be included while determining the revenue requirement.

IV) 70% of the total expense capitalisation has been credited to the DISCOMs, but historically the capitalisation related to DISCOMs is in the range of 50%. Therefore, in the absence of supporting documents to explain the scheme-wise investment, the capitalisation related to DISCOMs should be limited to the historical level of 50%.

V) Interest expense equivalent to the amount capitalised should be allowed for the purpose of BST, which may be adjusted against the future tariff filings.

VI) Grant the additional employee costs linked to unbundling and privatisation.

VII) Grant an increase of 15% in R&M expenses as approved in the previous tariff order.

VIII) Sanction the cost of purchasing the shared services from the shared facilities.

2.7.1.3 The Noida Power Company limited (NPCL) has raised the following issues related to expenses and revenue requirement:

(i) Should the apportioning of employee costs be done on the basis of number of employees as done in the petition or on actual deployment pattern?

(ii) A&G Expenses/R&M Expenses have been allocated on the basis of number of consumers/ connected load. Objector has queried whether this methodology would result in a representative figure or these should be allocated considering extent of network to be serviced, employee strength, asset base, energy sales, etc?

(iii) Contingency Reserve requirement under Sixth Schedule is 0.25% of GFA, while proposed is 0.5%.

(iv) Basis of determination of balance accumulated depreciation at the beginning of FY01 should be specified.

(v) CWIP has been apportioned for each DISCOM on the basis of connected load, would this represent a realistic value?

(vi) If CWIP is accommodated within the GFA, how has depreciation been calculated separately on the asset value?

(vii) The reasons for increase in overall Billing Rate, LIP Billing Rate for CEDEDCL as compared to 2000-01 levels should be furnished.

(viii) Normative consumption value taken for provisional billing along with adjustment against provisional billing reflected in the subsequent billings should be furnished.

(ix) Can the consumer category-wise arrears be classified for each DISCOM against their ageing to determine the consumers not existing and yet being billed?

2.7.2 Petitioners' Response

2.7.2.1 The petitioners have submitted the following responses on the issues raised by the Tata Power Company Limited:

(i) The petitioners have submitted that the revised numbers of the BST and other supporting computations have been submitted to the Commission duly incorporating the correction to the errors pointed out by the objectioner.

(ii) The petitioners submitted on the issue of electricity duty computations for the period Feb-Mar'02 that they have been computed correctly for the individual DISCOMs while the error was only in the consolidation of the same for all the DISCOMs for the entire year. The petitioner further stated that the revised response with corrected numbers has been submitted to the Commission, wherein they have revised the number on collection of electricity duty to around Rs 4 Crore for the entire year 2001-02 for all DISCOMs.

(iii) The petitioners clarified that the additional employee costs associated with unbundling and privatisation have been factored in the petition.

2.7.2.2 The observations and comments of the petitioners on the issues raised by the Noida Power Company Limited are as follows:

i.) On the basis of balance accumulated depreciation at the beginning of the year 2001-02, the petitioners have clarified that the value on the date of effectiveness of the Transfer Scheme has been mentioned as the value of balance accumulated depreciation at the beginning of the year 2001-02.

ii.) On the basis of computation of depreciation, the petitioners have clarified that since, it was not possible to estimate separately the value of CWIP and the GFA, consolidated weighted average depreciation has been applied to the gross block of assets (including CWIP)

iii.) Regarding Average Billing Rate, the petitioners responded that in the previous tariff order of the Commission while the energy charges in the LIP category were revised, there was no change in the demand charges in this category. Further, the other factors like reduction in contract demand and energy consumption due to general recession in the industry could have affected the decrease in average billing rate. The petitioners requested NPCL to refer the district-wise monthly details of the LIP consumers for the period April 01 to October 01 submitted to the Commission for further details.

iv.) On the issue of normative consumption, the Petitioners' have provided the present normative levels of consumption in various tariff categories as Domestic (no normative charge), Non-Domestic (200 units/KW/ month), Agriculture (no normative charge), Industrial Non-continuous (300 units/KW/ month) and Industrial Continuous (400 units/KW/month). As far as the adjustment against provisional billing is concerned, the petitioners clarified that it is adjusted in the month when billing is based on actual meter reading. The petitioners have requested NPCL to obtain further details, if any, from the EDP Deptt. of DVB.

v.) Regarding Contingency Reserve provision, the petitioners mentioned that it is felt that the purpose of the contingency reserve is to provide an adequate cushion to meet contingencies and hence it was proposed as 0.5% of the original cost.

vi.) On the issue of classification of arrears in consumer categories, the petitioners have requested TPCL to refer to the Market Survey conducted by IMRB.

2.7.3 Commission's View

2.7.3.1 The Commission has analysed each head of expenditure with a view to determine the prudence of the same while computing the Revenue Requirement. The Commission has also reviewed the methodology proposed by the petitioners for allocating the expenditure across the successor entities. The Commission's detailed analysis and allowed expenditure along with allocation of expenses across successor entities is discussed in relevant sections.

2.8 Bulk Supply Tariff

2.8.1 Objections

2.8.1.1 Several objectors have mentioned that the methodology adopted is not the ideal approach as it is based on actual cost plus minimum 16% return on capital. The objectors have further suggested that the proper approach should be by way of estimating the standard cost (average) of distribution per unit of power and the wasteful expenditure and leakage in revenues should not be hidden in actual cost. Several objectors suggested that the tariffs should be set on the basis of performance targets.

2.8.1.2 Banarasidas Chandiwal Charitable Trust, has objected to the said petition on the grounds that (a) it is not proper to arrive at BST on the basis of revenues at existing tariff (b) it would be inappropriate to make law abiding consumer to bear burden of past follies of unscrupulous consumers, management of DVB and Government, and (c) it would be improper and reprehensible to force law abiding consumers to continue to pay exorbitant and irrational tariffs in the garb of creating a privatisation enabling environment.

2.8.1.3 One of the objectors has pointed out that the petition defines "Bulk Supply Tariff" as the price that TRANSCO will charge from each DISCOM, which would comprise of demand charges, energy charges, seasonal charges, time differential charges, minimum and overdrawal charges, etc." Fixation of BST on this basis would require substantial amount of information separately for TRANSCO and each of the DISCOMs. In the absence of the same, the objector has argued that the single part BST determination is an arbitrary method of Tariff Fixation and merits rejection.

2.8.1.4 The objector has pointed out that fixation of BST would require in depth study on part of the Commission and fixing any tariff for period till 31st March 2002 would therefore not be desirable. The objectors have taken strong objection to the use of average billing rate (based on three-month average for the period Aug-01 to Oct-01) without giving break-up of the same for determination of existing revenues of each DISCOM.

2.8.1.5 Several objectors have objected to the determination of BST based on the paying capacity of the DISCOMs. The objector further mentioned that as the starting point of the computations is revenue realised, all inefficiencies and wasteful and uneconomic expenditure has been taken care of and passed on either to TRANSCO or to consumers.

2.8.1.6 One objector has submitted that the DISCOM BST is pegged at Rs. 1.60 per unit while average realisation from retail consumers is Rs. 4.11 per unit. He has added that NTPC rates should be the basis for determination of BST and the Commission should also consider the rates in Kolkatta, Mumbai, Ahmedabad and Noida where private companies are in the field of distribution. He has objected to the principle of Differential Bulk Supply Tariff for DISCOMs just to meet the Government's requirement to have the uniform retail tariffs, when the power supply to DISCOMs is from the common pooled power supply system of the TRANSCO. The objector has suggested that review for fixation of tariff should be made every year based on actual performance and this process should continue till realisation of revenue attains at least 95% of the power input. One objector has argued that non-recovery of bill is a bad debt, which is a loss and not an expense. Hence, the same should not be considered while determining tariff. The loss needs to be set off against profit of any kind such as operational profit, incentive or assured return.

2.8.2 Petitioners' Response

2.8.2.1 The petitioners submitted that as per the proposed framework, the bulk supply tariff in the future will be calculated on improving level of efficiencies and not on existing efficiency levels. However, it will not be appropriate to load the entire burden of the past inefficiencies on to the private investors or the consumers.

2.8.3 Commission's View

2.8.3.1 As per the principles laid down in the Policy Directions issued by the Government, the Bulk Supply Tariff for each DISCOM is to be determined on the basis of its paying capacity and the same approach has therefore been adopted by the Commission.

2.9 Revenue Gap

2.9.1 Objections

2.9.1.1 One objector has argued that the loan of Rs. 2600 Crores by Govt. of NCT of Delhi will not be adequate to support the revenue deficit of approximately Rs.2530 Crores in the first year itself. Hence he has inferred that the burden will be passed on to the consumer and the poor performer would not be penalized. Several objectors have pointed out that although the scheme envisages a loan of Rs. 2600 Cr to be utilised to meet the revenue gap upto 2006-07, based on current set of projections the same may not be sufficient and the entire loan amount may be required to be drawn before 2003. Hence, the objectors including Tata Power Company have sought clarification on the modality to address revenue gap for TRANSCO beyond this period.

2.9.1.2 The Tata Power Company Limited has submitted that the terms and conditions of Government Support to TRANSCO to bridge the revenue gap are not disclosed in the petition.

2.9.1.3 The objectors have pointed that the methodology of fixing BST based on revenue earned by DISCOM rather than cost incurred by TRANSCO implies that at all times, TRANSCO would be selling power much below its average cost of purchase. Hence, at no point of time the TRANSCO would be in a position to repay or service its loan from Government. They have pleaded that the Commission should not pass orders of arbitrary Bulk Supply Tariff resulting in huge losses for the TRANSCO.

2.9.1.4 Further, many objectors have remarked that there is nothing in the petition to suggest as to how TRANSCO would make itself financially viable and run itself economically and efficiently. And therefore unless the framework for the same is completed now, there can be no rationale and informed determination of tariff in accordance with law.

2.9.2 Government's Response

2.9.2.1 The response of the Govt. of NCT of Delhi on this issue has been covered while dealing with the response of the Govt. towards policy directions.

2.9.3 Petitioners' Response

2.9.3.1 The issue of loan support of Rs 2600 Crore to TRANSCO in the next five years to bridge the revenue gap is in the realm of the Policy Directions of the Govt. of NCT of Delhi and therefore this issue is not related to the current petition of the petitioners. The petitioners further added that the loan support by the Government is primarily meant to avoid tariff shocks to the consumers.

2.9.4 Commissions' Views

2.9.4.1 The view of the Commission in this regard has been covered while dealing with the response on the Policy Directions of the Govt. of NCT of Delhi.

2.10 General Objections

2.10.1 Objections

2.10.1.1 It has been suggested that the consumers should have the right to become a shareholder of the company against the security deposit, so that the deposit can earn income by way of dividend. The objector has added that the Commission should ensure competition in the Power Sector as has been done in the Communication Sector by TRAI.

2.10.1.2 Several objectors have objected to issues regarding retail supply tariff. The objectors have mentioned that the slabs should be reduced to minimise the differential rates and charging higher rates should not penalize the higher consumption. The objectors have further mentioned that the rates for different consumer categories should be same as energy is a commodity and it is not relevant, whether it is used in house, shop or in a industry. The objectors have added that the cross-subsidy should be eliminated in the next 3 years.

2.10.1.3 Some objectors have suggested that flat rate tariff of Rs. 200 per month should be charged to domestic category instead of charging on meter reading. The objector has mentioned that many commercial establishments working in residential complex are being charges at domestic rates and such connections are to be identified and charged as per the tariffs of commercial category. The objector further suggested that the minimum charge for commercial and industrial connections should be increased to Rs. 500/- per month.

2.10.1.4 Sh R C Nakul has expressed his concern that after the privatisation of the DISCOMs, there could be a tendency to shed load of consumer categories that offer lower revenue realization (e.g. domestic) to the DISCOM in favour of categories of consumers that offer higher revenue realization (e.g. industrial/commercial).

2.10.1.5 One of the objectors, being a public charitable trust and receiving power supply at HT voltage has argued that tariff rate for bulk consumer should be lower than other categories since the cost of servicing bulk consumer is less and also pilferage/theft is easy to check. He has further argued that charitable organization like theirs should not be treated on par with other commercial organization while determining tariffs for them. He has also remarked that, while law-abiding consumers are not responsible for the present state of the DVB, under the new scheme of things, the same consumer would be burdened and made to bear for past follies of other stakeholders. Hence it is highly irrational and unjustifiable to make consumers suffer for no fault of theirs.

2.10.1.6 It has been suggested that as a first step towards privatisation of distribution, all the meters should be replaced with electronic meters and the supply point should be kept under lock and key to avoid public access to eliminate pilferage and illegal connections. The objector submitted that the petition is silent about installation of new meter devices for accurate meter reading to minimise the role of human element.

2.10.1.7 The representatives of Co-operative Group Housing Societies (CGHS) who have adopted single point delivery at HT level have requested to increase the rebate from 15% to 30% for maintaining the system. The CGHS representatives have further requested to dispense with security deposit for this category.

2.10.1.8 The Bhartiya Mazdoor Sangh has submitted that, following Supreme Court order of September 2000, all adhoc licences for industrial consumers are cancelled. Thus the number of industrial consumers being charged licensed tariff should drastically reduce. However the number of industrial units being billed, as reported, are still high. Hence, the objector has argued that there are a large number of unauthorised industrial units operating in Delhi which are not being billed as such. The Bhartiya Mazdoor Sangh has submitted that though only 24000 industrial units are entitled to be billed on licensed tariff, around 79000 units are being billed on the tariff applicable for licensed industries and as per the existing tariff, around Rs. 20 Crore per month are being short charged from industrial consumers. Therefore, the methodology adopted for valuation on the revenue earning basis and computation of BST, based on the revenue at existing tariffs is not proper.

2.10.1.9 The NDMC have argued that according to Sixth Schedule of Electricity Supply Act 1948, minimum return would be required for the TRANSCO which would mean tariff payable by NDMC would include return for TRANSCO and this would result in very expensive electricity for the consumers. This proposed scheme does not provide any additional benefit to NDMC and is against the interest of NDMC and its consumers and is not a commercial, economic and competitive process for supply of electricity. The NDMC have further objected to the scheme of TRANSCO being the only supplier of bulk electricity to NDMC. It has been further argued that since the transmission assets around NDMC area would be vested with TRANSCO, the TRANSCO should be obliged to wheel energy to NDMC should NDMC purchase electricity in bulk from authority other than TRANSCO. If wheeling of electricity from such third party suppliers by TRANSCO is not permitted, NDMC has argued that it would render provisions under Section 201 of NDMC Act nugatory by an executive action, which is not permissible under law.

2.10.1.10 Further, according to NDMC, by determining tariff on the basis of loss, there is no incentive for efficiency and it is feared that an efficient distributor like NDMC would be required to contribute at a later date for loan repayment by TRANSCO. This is against interest of NDMC consumers. The NDMC has pointed out that the Commission has determined tariff for bulk supply of electricity for the period ending 31st March 2002 at

Rs 2.7 per kVAH (equivalent to Rs 3.18 per kWh, assuming power factor of 0.85), in its previous order. As per the petition, the BST proposal for DISCOMs is (CEDEDCL - Rs1.36 per kWh, SEDEDCL – Rs 1.59 per kWh, NNWDDCL – Rs 1.63 per kWh). The NDMC has argued that the function of NDMC and DISCOMs being same, the determination of a substantially higher tariff chargeable from DISCOM by TRANSCO is discriminatory and not justified. Further, it would not be appropriate to place the DISCOMs to be privatised at financially more advantageous position at the cost of NDMC, despite both discharging the same responsibilities and functions in the matter of bulk purchase of electricity and distribution in the respective territories.

2.10.1.11 The Delhi Metro Railway Corporation Limited has stated that the tariff of DISCOMs is being determined on their 'ability to pay' principle instead of linking it to cost of service and this basis is equally applicable for deciding the bulk supply power tariff of social public utility like Delhi Metro as their ability to pay is also limited based on the fare to be collected from the travelling public. They further requested the Commission that their tariff should be subsidised or at least be on "No Profit No Loss" basis.

2.10.2 Petitioners' Response

2.10.2.1 On the various issues raised by objectors including Co-operative Group Housing Societies, related to retail supply tariffs the petitioners replied that these issues are related to retail tariffs, which is not the subject matter of the current petition and therefore it may not be appropriate to comment on this at this stage.

2.10.2.2 On the issues raised on metering, the petitioners responded that these objections are of the nature of general suggestions about improving metering and billing etc, which do not strictly relate to the current petition.

2.10.2.3 With regard to the issues related to penalty for interruptions in power supply and sale and purchase of power, the petitioners clarified that these issues lie within the purview of the Commission.

2.10.2.4 On the various issues raised by NDMC, the petitioners responded by stating that the current petition is solely for the determination of Bulk supply Tariff chargeable by the TRANSCO to three DISCOMs and determination of opening loss levels of the three distribution companies. Hence, the issues raised by NDMC are outside the subject matter of the current petition.

2.10.2.5 In response to the query of Bhartiya Mazdoor Sangh, the petitioners have responded that the DVB had collected information regarding connections being used for industrial purposes during November 2000, which is as follows –

Total sanctioned industrial power connections including LIP connections	59730 (including 13294 lying disconnected)
Total number of domestic/ Non-domestic and agricultural connections misused in industry	33678 (including 6900 lying disconnected)
Total provisional Industrial (PI) connections	5901
Total	99309

2.10.2.5 The petitioners submitted that it is likely that above numbers may have undergone considerable change as a result of implementation of Supreme Court orders regarding non-conforming industries. However, it was submitted that the DVB is not in a position to assess the implications or to provide more up-to-date information immediately. It was argued that the licensing of industries does not fall under purview of DVB and its role is limited to the grant of industrial power connections against valid Municipal license at the time of application. Further, connections were also granted on the basis of Lal Dora certificate issued by the SDM of the area. The petitioners stated that there are a large number of industries reported to be operating from Lal Dora of rural villages. Further, as and when case of industrial connection operating without a valid Municipal license comes to notice during the course of an enforcement inspection of industrial premises, necessary change in tariff is effected by DVB.

2.10.3 Commission's View

2.10.3.1 The Commission concurs with the view of the petitioners that most of these issues refer to the retail tariff to the end consumers and therefore are not relevant in this order of BST. However, the Commission has noted the objections raised and shall deal appropriately with them as and when the issue of retail tariffs shall be dealt with. The Commission would also like to clarify here that tariffs applicable to HT consumers do not fall within the purview of the BST, which is the tariff applicable to bulk suppliers for further resale to end-users. The Commission has noted the objection raised by the Bhartiya Mazdoor Sangh. **The Commission directs the petitioners to examine the issue in detail and submit further information to the Commission in this regard before the next filing.** Accordingly, the issue would be addressed by the Commission in future filings. The Commission has also noted the objections raised by NDMC. The Commission clarifies here that NDMC is free to purchase power from TRANSCO or any other generating source of its choice. In case, NDMC wishes to purchase power from any other generating source instead of TRANSCO, wheeling charges for the Transmission facility shall be payable to the Transmission Company, as may be approved by the Commission for TRANSCO as per Section 11(1) (b) of the DERA 2000. NDMC would also have to enter into a Bulk Power Transmission Agreement with the TRANSCO and the same shall be approved by the Commission as per Section 11(1) (c) of the DERA 2000.

2.10.3.2 With reference to the points raised in the Para 2.10.1.4 it is to be observed that the issues could be appropriately addressed at the stage of issue of licenses.

2.11 Suggestions / Representation / Prayer

The Federation of Delhi Small Industries Association has represented that there should be provisions under the Bulk Supply Agreement to supply minimum guaranteed uninterrupted power supply and corresponding penal provisions or reduction in rate for non-performance or under-performance by the bulk supplier. The meter readings must be taken frequently and meters checked at least every six months. An institutional framework for consulting beneficiary industries should be available before determination of Bulk Supply Tariff. The Power Supply Companies should be allowed to sell excess/surplus power to other States even though bulk supplier is committed to draw power and fails to draw so under committed off-take arrangement of 5 years.

2.11.1.2 The Mayapuri Small Industries Welfare Association has prayed that the retail tariff should not be increased due to the tariff exercise as the industry is already overburdened with lot of taxes, duties, levies and severely affected by the recession.

2.11.1.3 The BSES Ltd. has requested clarification from the Commission as to how returns for DISCOM would be determined under various situations, considering combined application of provision of 16% return on issued and paid up capital and free reserves as per Policy Directives and provisions of Sixth Schedule. BSES has also sought clarification as to modalities of computation to be adopted by the Commission in respect of sharing of efficiency gains.

2.11.1.4 The BSES has added that under the privatised scenario, it would take a couple of years to put systems in place in order to furnish quality data meeting all regulatory information requirement. Hence, the respondent has requested the Commission to take note of the same in its order to suggest that data quality would not improve substantially. The objector has also suggested circulation of draft order to all stakeholders and to obtain their feedback before finalization of the order.

2.11.2 Commission's View

The Commission has noted the suggestions provided.

3. Commission's Analysis of Revenue Requirement

3.1 Cost of generation

All the DVB owned generating stations namely, Indraprastha- Thermal Power Station (IP), Rajghat Power House (RPH) and Indraprastha Gas Turbine Power Station (GT), have been transferred to the successor entity of GENCO through the Transfer Scheme notified by the Govt. of NCT of Delhi. Commercial arrangements between the GENCO and the TRANSCO for sale and purchase of power are in the process of being finalised. Meanwhile, for the purpose of this petition, petitioners have submitted that they have segregated the fixed costs of these generating stations from the total fixed cost of DVB based on the un-audited function-wise cost break-up available with DVB and have projected the variable cost (fuel cost) of generation for each station.

In this section, the Commission has analysed and estimated the variable cost (fuel cost) of generation. The various components of fixed costs of GENCO have been dealt with separately in subsequent sections while estimating and allocating the expenses across the successor entities of DVB.

3.1.1 Generation from GENCO Stations

The utilities have estimated the total generation from each station for the entire year 2001-02 based on the actual generation figures for the first six months, Apr-Sep'01, and estimated the generation for the next six months. The Utilities have submitted that the generation for the next six months have been estimated on the basis of benchmarks indicated by the Commission in its Order dated May 23, 2001.

During subsequent submissions, the petitioners have furnished the details of actual generation from each station alongwith the cost of fuel and other parameters for the first nine months, Apr-Dec'01. The Commission has estimated the total generation for the year 2001-02 based on the actual generation for the first nine months and projected generation for next three months, Jan-Mar'02, based on the generation & other parameters considered by the Commission in its earlier Tariff Order.

3.1.1.1 Generation from Indraprastha Power Station (IP)

The actual generation from the station during last three years and first nine months of the current year, generation approved by the Commission for the year 2001-02 in its earlier Order dated 23.5.2001, generation projected by the petitioners and the generation approved by the Commission for the year 2001-02 is shown in Table 3.1.

Table 3.1: Generation from Indraprastha Power Station

Item	**Actuals**			**Order dated 23.5.01**	**Proposed**	**Approved**
Period→	**1999-00**	**2000-01**	**Apr-Dec'01**	**2001-02**	**2001-02**	**2001-02**
Installed Capacity (MWs)	248	248	248	248	248	248
Gross Generation (MUs)	847	865	650	891	866	891
PLF (%)	39.00%	39.8%	39.87%	41.00%	39.86%	41%
Aux. Consumption (%)	11.50%	11.60%	12.45%	11.00%	11.89%	11%
Net Generation (MUs)	749	765	569	793	763	793

As observed from the above table, the actual generation level for the first nine month period of April 2001 to December 2001 has reduced (in terms of PLF) as compared to the generation levels approved by the Commission for 2001-02 and the actual generation levels achieved during 2000-01. The Commission has analysed this aspect in detail and it has been observed that the main reasons for reduction in generation during this period is planned/forced outages. Further, the Commission has projected the generation for the remaining period of Jan-Mar'02 in such a manner so that the PLF of the station for the entire year 2001-02 shall be equal to the PLF approved by the Commission as the difference between PLF approved by the Commission and the actual PLF achieved is not substantial.

Further, the actual auxiliary consumption during the first nine-months has increased as compared to the norm approved by the Commission vide its earlier Tariff Order. The Commission has considered the auxiliary consumption as approved in its tariff order for computing the net energy availability from the station for the entire year 2001-02.

3.1.1.1 Generation from Rajghat Power House (RPH)

The actual generation from the station during last three years and first nine months of the current year, generation considered by the Commission for the year 2001-02 in its Order dated 23.5.2001, generation projected by the petitioners and the generation approved by the Commission for the year 2001-02 is shown in Table 3.2.

Table 3.2: Generation from Rajghat Power House

Item	Actuals			Order dated 23.5.01	Proposed	Approved
Period→	**1999-00**	**2000-01**	**Apr-Dec'01**	**2001-02**	**2001-02**	**2001-02**
Installed Capacity (MWs)	135	135	135	135	135	135
Gross Generation (MUs)	942	791	440	797	625	639
PLF (%)	79.7%	66.9%	49.6%	67.4%	52.8%	54.1%
Aux. Consumption (%)	10.8%	11.0%	13.7%	10.5%	11.8%	12.7%
Net Generation (MUs)	840	704	380	713	551	558

As observed from the above table, the actual generation level for the first nine-month period of April 2001 to December 2001 has reduced (in terms of PLF) and auxiliary consumption for the same period has increased substantially as compared to the PLF and Auxiliary Consumption approved earlier by the Commission for 2001-02. During subsequent clarifications, the petitioners have submitted that the generation has reduced due to the prolonged forced outages of the units (the details of which have been submitted by the petitioners)..

As the reduction in PLF is substantial, the Commission feels that it cannot be covered up in the remaining 3 months so as to reach the figure approved by the Commission for the year 2001-02. The Commission has, therefore, considered the actual generation and auxiliary consumption for the first nine-month period, Apr-Dec'01 and projected the generation for the remaining period of Jan-Mar'02 based on the norms approved by the Commission vide its earlier Tariff Order.

3.1.1.1 Generation from Gas Turbine Power Station (GT)

The actual generation from the station during last three years and first nine months of the current year, generation considered by the Commission for the year 2001-02 in its Order dated 23.5.2001, generation projected by the petitioners and the generation approved by the Commission for the year 2001-02 is shown in Table 3.3.

Table 3.3: Generation from Gas Turbine Power Station						
Item	**Actuals**			**Order dated 23.5.01**	**Proposed**	**Approved**
Period→	**1999-00**	**2000-01**	**Apr-Dec'01**	**2001-02**	**2001-02**	**2001-02**
Installed Capacity (MWs)	265	265	265	265	265	265
Gross Generation (MUs)	743	1139	902	1207	1258	1207
PLF (%)	32.0%	48.5%	51.8%	52.0%	54.2%	52.0%
Aux. Consumption (%)	2.2%	2.6%	1.6%	2.2%	2.1%	1.7%
Net Generation (MUs)	727	1109	887	1181	1232	1186

As observed from the above table, the actual generation level for the first nine month period of April 2001 to December 2001 has reduced in terms of PLF as compared to the PLF earlier approved by the Commission for year 2001-02. Actual auxiliary consumption during this period has also been less than earlier approved by the Commission for the year 2001-02. The Commission has considered the actual generation and auxiliary consumption for the first nine-month period Apr-Dec'01 and projected the generation for the remaining period of Jan-Mar'02 based on the norms approved by the Commission vide its earlier Tariff Order.

Variable Cost of Generation

To estimate the station-wise variable cost in 2001-02, the petitioners have projected an 8% increase in the per unit variable cost of generation in 2000-01. During subsequent submissions, the petitioners have furnished the monthly details of actual fuel cost incurred and other parameters for the first nine months of Apr-Dec'01.

The Commission has estimated the station-wise variable cost for the year 2001-02 based on the actual average fuel cost and average calorific value of the fuel for the period Apr-Dec'01 and considering the specific fuel consumption based on the actual performance during the last two years and first nine months of the current year.

3.1.1.1 Indraprastha Power Station (IP) – Variable Cost of Generation

The operational parameters, fuel prices, calorific value of fuel for the last two years and the first nine months of the current year, as considered by the Commission in its earlier Tariff Order dated 23.05.01 and as approved by the Commission are shown in Table 3.4.

Table 3.4: Generation Cost Parameters – Indraprastha Power Station					
Item	**Actuals**			**Order dated 23.5.01**	**Approved**
Period→	**1999-00**	**2000-01**	**Apr-Dec'01**	**2001-02**	**2001-02**

Sp. Coal. Consumption (kg/kWh)	0.85	0.83	0.805	0.82	0.805
Heat Rate (kCal/kWh)	3375	3230	3107	3200	3107
Coal Price (Rs./kg)	1.60	1.59	1.69	1.69	1.69
CV of Fuel (kCal/kg)	3959	3914	3859	3914	3859
Coal Cost (Rs./MkCal)	404	406	439	432	439
Sec. Fuel Price (Rs./kl)	10533	14009	14717	14850	14717

As observed from the above table, the specific coal consumption for the first nine-month period is less than the specific coal consumption in the year 2000-01 and the Commission has considered the same for estimating the variable cost of generation from this station for the next 3 months. The actual average coal cost in Rs./MkCal terms for the first nine-month period, Apr-Dec'01, has increased as compared to 2000-01. The Commission has considered the actual average coal cost and secondary fuel cost for the period of Apr-Dec'01 to project cost for next 3 months.

The variable cost of generation per unit and the cost of energy sent out per unit as per actuals for Apr-Dec'01, as considered by the Commission in its earlier Order, as proposed by the petitioners and as approved by the Commission is summarised in Table 3.5.

Table 3.5: Variable Cost of Generation per unit – Indraprastha Power Station

Item	**Actuals**	**Order dated 23.5.01**	**Proposed**	**Approved**
Period→	**Apr-Dec'01**	**2001-02**	**2001-02**	**2001-02**
Variable Cost of Generation per unit (Rs./kWh)	1.516	1.530	1.531	1.512
Cost of ESO per unit (Rs./kWh)	1.731	1.719	1.737	1.698

3.1.1.1 Rajghat Power Station – Cost of Generation

The operational parameters, fuel prices, calorific value of fuel for the last two years and the first nine months of the current year, as considered by the Commission in its earlier Tariff Order dated 23.05.01 and as approved by the Commission are shown in Table 3.6.

Table 3.6: Generation Cost Parameters – Rajghat Power House

Item	**Actuals**			**Order dated 23.5.01**	**Approved**
Period→	**1999-00**	**2000-01**	**Apr-Dec'01**	**2001-02**	**2001-02**
Sp. Coal. Consumption (kg/kWh)	0.793	0.790	0.775	0.755	0.775

Heat Rate (kCal/kWh)	3462	3236	3309	3095	3309
Coal Price (Rs./kg)	1.86	1.93	1.98	1.92	1.98
CV of Fuel (kCal/kg)	4367	4097	4269	4097	4269
Coal Cost (Rs./MkCal)	426	471	463	469	463
Sec. Fuel Price (Rs./kl)	7451	11686	14698	12955	14698

As observed from the above table, the actual average coal cost in Rs./kg for the first nine-month period, Apr-Dec'01, has increased as compared to 2000-01. However, as the coal received at the station during this period is of better quality (with higher average calorific value as compared to average calorific value of coal received during 2000-01), the average coal cost in Rs./MkCal terms for the first nine-month period, Apr-Dec'01, has reduced as compared to 2000-01. The specific coal consumption for the first nine-month period is less than the specific coal consumption in the year 2000-01 and the Commission has considered the same for estimating the variable cost of generation from this station.

The Commission has considered the actual average coal cost, calorific value of coal, and secondary fuel cost for the period of Apr-Dec'01 for projecting cost for next 3 months.

The variable cost of generation per unit and the cost of energy sent out per unit as per actuals for Apr-Dec'01, as considered by the Commission in its earlier Order, as proposed by the petitioners and as approved by the Commission is summarised in Table 3.7.

Table 3.7: Variable Cost of Generation per unit – Rajghat Power House

Item	**Actuals**	**Order dated 23.5.01**	**Proposed**	**Approved**
Period →	**Apr-Dec'01**	**2001-02**	**2001-02**	**2001-02**
Variable Cost of Generation per unit (Rs./kWh)	1.570	1.528	1.576	1.621
Cost of ESO per unit (Rs./kWh)	1.820	1.707	1.787	1.857

3.1.1.1 Gas Turbine Power Station (GT) – Cost of Generation

The operational parameters, fuel prices, calorific value of fuel for the last two years and the first nine months of the current year, as considered by the Commission in its earlier Tariff Order dated 23.05.01 and as approved by the Commission are shown in Table 3.8.

Table 3.8: Generation Cost Parameters – Gas Turbine Power Station

Item	**Actuals**			**Order dated 23.5.01**	**Approved**
Period→	**1999-00**	**2000-01**	**Apr-Dec'01**	**2001-02**	**2001-02**
Sp. Fuel. Consumption (scm/kWh)	0.33	0.31	0.33	0.30	0.31

Heat Rate (kCal/kWh)	2857	2578	2741	2500	2578
Fuel Price (Rs./kg)	4.07	4.33	3.82	4.20	3.82
CV of Fuel (kCal/scm)	8775	8423	8423	8450	8423
Fuel Cost (Rs./MkCal)	464	514	453	497	453

As observed from the above table, the actual average gas price in Rs/MkCal terms for the first nine-month period, Apr,-Dec'01, has reduced as compared to 2000-01. The Commission has considered the actual average gas price for the period of Apr-Dec'01 for projecting the cost for next 3 months. The specific gas consumption for the first nine month period has increased with respect to the specific gas consumption level of 2000-01 The Commission has considered the specific gas consumption at 2000-01 level for estimating the total variable cost of generation from this station.

The variable cost of generation per unit and the cost of energy sent out per unit as per actuals for Apr-Dec'01, as considered by the Commission in its earlier Order, as proposed by the petitioners and as approved by the Commission is summarised in Table 3.9.

Table 3.9: Variable Cost of Generation per unit – Gas Turbine Power Station

Item	**Actuals**	**Order dated 23.5.01**	**Proposed**	**Approved**
Period→	**Apr-Dec'01**	**2001-02**	**2001-02**	**2001-02**
Variable Cost of Generation per unit (Rs./kWh)	1.24	1.24	1.42	1.18
Cost of ESO per unit (Rs./kWh)	1.26	1.27	1.45	1.19

Total Variable Cost of Generation

Based on the above computations, the total generation costs and the average generation cost for the entire generation from all the stations for the year 2001-02 is shown in Table 3.10.

Table 3.10: Total Variable Cost of Generation for 2001-02 (in Rs. Crores)

Station	**Order dated 23.05.01**	**Proposed**	**Approved**
IPStation - Total Costs (Rs. Cr.)	136.3	132.6	134.6
less Cost of Power to HVPN (Rs. Cr.)	34.0	37.5	36.9
I.P.Station - Net Costs (Rs. Cr.)	102.3	95.0	97.8
RPH Station (Rs. Cr.)	121.8	98.5	103.6

GT Station (Rs. Cr.)	150.0	178.4	141.8
Total Generation Costs (Rs. Cr.)	**374.1**	**371.9**	**343.3**
Gross Generation (MUs)	2895	2749	2737.2
Energy Sent Out (MUs)			
Variable Cost of Generation per unit (Rs./kWh)	1.29	1.35	1.25
Cost of ESO per unit (Rs./kWh)	1.39	1.46	1.35

COST OF POWER PURCHASE

The power purchase cost comprises more than 85% of the total estimated revenue requirement of the transmission company (TRANSCO). Hence, it is imperative that this element of cost is projected with utmost care based on the most efficient way of procuring power from the successor generating company of DVB and other stations
.

Sources of Power

The DVB, in the past, apart from the power generated from its own stations has been procuring power from the external sources. These sources include the Central generating stations of National Thermal Power Corporation Ltd. (NTPC), National Hydro Power Corporation Ltd. (NHPC), Nuclear Power Corporation Ltd (NPC), other SEBs and regional grids on a need basis. While the own generating stations of DVB contributed around 15% of the total power requirement of DVB during 2000-01, 85% of the power requirement, to the extent of 14671 MUs was met through these external purchases. The total cost of external power purchases during 2000-01 amounted to Rs. 3128 Crores. A source-wise break-up of the external purchases for 2000-01 is provided in Table 3.11.

Table 3.11: Quantum and cost break-up of power purchase sources during 2000-01

Source Name		Units	Cost
National Thermal Power Corporation Ltd.	NTPC	56%	54%
Badarpur Thermal Power Station	BTPS	32%	32%
National Hydro Power Corporation Ltd.	NHPC	6%	4%
Narora Atomic Power Project	NAPP	2%	2%
Rajasthan Atomic Power Project (Unit IV)	RAPP	0%	0%
Power Trading Corporation	PTC	0%	0%
Others		3%	3%
Power Grid Corporation of India	PGCIL	0%	4%
Total		**100%**	**100%**

Power grid Corporation of India Ltd is the Central Transmission Utility for bulk transportation of power from the central generating stations to its respective beneficiaries. The charges associated with this transmission of power to the beneficiary have to be borne by the beneficiary in proportion to its drawl.

The above table indicates that more than 85% of the power purchased from external sources during 2000-01 by DVB has been from the two sources viz. NTPC and BTPS, both in terms of quantum and cost.

In the subsequent sub-sections of this section, the methodology and assumptions used for the estimation of power purchase cost from each source for the current financial year of 2001-02 have been dealt with in detail to arrive at the total power purchase cost of TRANSCO for the period.

Estimation of Power Purchase Cost for the Year 2001-02

The power purchase cost computation for any source of power comprises estimation of the quantum of energy available from the individual stations of the source, and the costs associated with each of these individual stations. The analysis below has therefore been segregated into energy availability from the source and the associated cost.

3.1.1.1 NTPC

3.1.1.1 *Energy availability*

The installed capacity and the firm share of DVB for year 2001-02 from the individual stations of NTPC in the Northern Region is as per the Government of India notifications in regard to allocation of power from these stations, and the subsequent notifications in this regard from CERC issued from time to time is given in Table 3.12 below. The firm and infirm shares of DVB in these stations shall stand vested with the TRANSCO after the Transfer scheme is declared effective by the Govt. of NCT of Delhi.

Table 3.12: Firm share of DVB in the individual stations of NTPC

Source Name	Fuel type	Capacity (MW)	Firm share
Dadri (Thermal)	Coal	840	90%
Singrauli	Coal	2000	8.0%
Rihand	Coal	1000	10.0%
Unchahar I	Coal	420	6.3%
Unchahar II	Coal	420	11.2%
Dadri (Gas)	Gas	830	11.0%
Anta	Gas	419	11.0%
Auriya	Gas	663	11.0%

The petitioners have indicated the energy availability from each of these stations for the first six months, i.e. Apr-Sep 2001, as per actual drawls and have made their energy availability projections from the individual stations for the second half of the current year by applying a *seasonality factor* to the six-month power purchase data. This factor has been computed as the ratio of energy purchased from the station during the second half of the previous year (2000-01) to the first half of that year. This ratio has been applied uniformly over the data available for each station for the first half of current year to arrive at the energy availability from each of the sources during the second half of the current year. For new sources added during the current year, the petitioners have increased the availability from these sources during the second half of the current year, in the same proportion as the overall increase in purchase of energy during the second half of the previous year in comparison to its first half. This proportionate method of projection based on the past year, however, is fraught with a number of risks as enumerated below:

- Projections based purely on previous year data may carry forward exceptional circumstances prevailing during the previous year, like unit breakdowns, monsoon situation, abnormal seasonal demand etc. which may not be relevant during the current year.
- New stations indicating low availability during the previous year due to trial and stabilisation period associated with a new station may render the previous year data incomparable. The availability from the new station during the current year could be significantly higher on account of gradually efficient and economic operation of the station.
- This methodology does not consider potential variation in the unallocated shares of the beneficiaries over the year from Central Generating Stations. This unallocated quota is revised by the Central Electricity Authority (CEA), Government of India from time to time based on the prevailing supply and demand situation among the beneficiary States.
- Availability from new sources for an year may not correspond to the overall supply fluctuations during the two halves of the previous year, but may be guided by the terms of the Power Purchase Agreement (PPA) entered into with the source and its relative position in the merit-order stack up.

As the Commission has observed earlier, the power purchase costs form the most significant element of cost for the transmission company, its inappropriate estimation could have significant cash-flow implications for the entity. In addition, in a supply driven situation as it exists in Delhi, this could also lead to revenue implications for the DISCOMs and hence the Bulk Supply Tariff applicable to the DISCOMs.

The Commission has, therefore, followed the following methodology for projection of energy availability from external sources during the current financial year 2001-02:

- Validation of the actual data submitted by the utility for the period April to September 2001 in the petition and for the period October to December 2001 submitted during subsequent interactions.
- Projection of effective share of TRANSCO from each individual station for the period of January to March 2002, based on its firm share along with actual and expected changes in the unallocated quota of Delhi from the station during the period January to March 2002.
- Projection of the Plant Load Factor (PLF) of the station for the entire current financial year based on the past trends and the actual performance of the station during the first nine months of the current year.
- Projection of the Auxiliary Consumption (AxC) of the station for the entire current financial year based on the past trends and the actual performance of the station during the first half of the year.
- Projection of availability from the station during the last quarter of the current year based on the actual drawal during the first nine months, projected generation from station for the entire year and effective share of TRANSCO during the last quarter of the year.

The projections thus made by the Commission for individual stations were also compared against actual data for the period April 2001 – Jan 2002 available from CEA's monthly Power Supply Position Report and projections made by NREB for the remaining two months in Load Generation Balance Report for the year 2001-02.

The availability and cost information submitted by the petitioners was validated by supporting information provided by the petitioners during further interactions with the

Commission (monthly bills, PPAs etc.) and also by culling relevant information by the Commission from NREB generation and cost reports, CEA reports and CERC notifications.

3.1.1.1 *Effective share*

The availability from Dadri (Thermal) from December 2001 onwards has been considered in accordance with the terms of the agreement signed by DVB with RRVPNL. As per these terms, the availability for Delhi from the station during peak ten hours is 90% of capacity and 45% availability during the remaining hours. There is no unallocated quota from this station. The effective share of DVB for the second half of the current year thus works out to 72.5%.

While there have been no changes in the firm share of DVB from any of the other Central Sector Stations, the share of unallocated quota from the stations has been varied from time to time by the CEA, Government of India. The Commission has tracked these changes September 2001 onwards and a weighted average share of 15.3% of the unallocated quota of each individual station has been worked out for the second half of the current financial year. The effective share, combining both the firm and the infirm allocation from the station is provided in Table 3.13 below for the NTPC stations.

Table 3.13: Effective share of NTPC stations for the second half of the current year

Source	Firm allocated quota of station	Unallocated quota of station	Firm share of DVB	Unallocated share of DVB for Oct 01-Mar 02 (% of unallocated quota)	Effective share of DVB from station for Oct 01-Mar 02
Singrauli	85%	15%	8%	15.3%	10.3%
Rihand	85%	15%	10%	15.3%	12.3%
Unchahar I*	85%	15%	6%	15.3%	8.6%
Unchahar II	85%	15%	11%	15.3%	13.5%
Dadri (G)	84%	16%	11%	15.3%	13.4%
Anta	85%	15%	11%	15.3%	13.3%
Auriya	85%	15%	11%	15.3%	13.3%

**** Out of installed capacity of 420 MW, 286 MW has been allocated to UP. DVB' share in remaining portion is 18% which works out to be 6% of the installed capacity.***

3.1.1.1 *Plant Load Factor and Auxiliary Consumption*

The Commission has analysed the Plant Load Factor (PLF) of the individual stations achieved during the past three years. The PLF worked out by the Commission based on the performance of the stations during the past three years and data available from NREB for the first nine months of the current financial year is given in the subsequent table. The Auxiliary Consumption (AxC) of the individual stations has similarly been worked out based on the past achievements and the billing information. Accordingly, the AxC have been worked out for the financial year as provided in Table 3.14.

Table 3.14: PLF and Auxiliary Consumption of NTPC stations for 2001-02

Source	PLF	AxC
Dadri(Thermal)	95%	9.5%

Singrauli	94%	9.5%
Rihand	87%	9.5%
Unchahar I	87%	9.5%
Unchahar II	89%	9.5%
Dadri (Gas)	78%	3.0%
Anta	82%	2.2%
Auriya	84%	2.0%

3.1.1.1 *Expected drawal*

The Commission has considered the actual drawal from the stations during the period October to December 2001 to work out the drawal for the second half of the current year. The drawal during these three months by TRANSCO have been lower due to reduced prevailing demand in the capital. Consequently, the drawal from Unchahar II station have been lower than the designated shares during these three months due to its higher associated variable cost. However, with the demand expected to rise once again during the last quarter of the current year, the Commission expects the DVB drawal in accordance with its shares.

Accordingly, the expected energy availability estimated by the Commission during the second half of the current year is as shown in the table 3.15 below, along with the estimates made by TRANSCO.

Table 3.15: Expected energy availability for 2001-02 from NTPC stations (in MUs)

Source	As per filing			Approved		
	Apr-Sep 2001	Oct-Dec 2001	Total 2001-02	Apr-Sep 2001	Oct-Dec 2001	Total 2001-02
Dadri(Thermal)	2451	2367	4819	2451	2279	4730
Singrauli	762	608	1370	762	742	1504
Rihand	488	484	972	488	418	906
Unchahar I	98	43	142	98	108	206
Unchahar II	184	82	265	184	115	299
Dadri (Gas)	393	344	737	393	358	751
Anta	218	168	385	218	134	352
Auriya	380	289	669	380	303	683
Total	**4972**	**4385**	**9357**	**4974**	**4458**	**9432**

3.1.1.1 *Power Purchase Cost*

The cost from the NTPC stations is governed by the notifications issued by GOI/CERC from time to time regarding the structure and level of the tariff, and the terms of the Bulk Power Purchase Agreement entered into with NTPC.

For cost projection purposes for the individual stations for 2001-02, the petitioner bundled the fixed cost of the station with the supplementary bills raised quarterly by NTPC towards the station for advance tax payments and other charges for the previous year and increasing this bundled amount uniformly by 1% for each station to arrive at its projection for the entire financial year 2001-02. No rationale was provided for this assumption in the petition. Similarly the variable cost per unit from the individual stations for the second half of the current financial year was computed by applying an increase of 8% over the average rate paid during 2000-01 for coal based stations, while maintaining the rate for gas based stations at the average level paid during the first half of the current year. An 8% increase in the rate has been justified by the petitioner stating that to be the approved rate of increase by the Commission in its previous Tariff Order dated 23rd May 2001 for 2001-02. For incentive computations for the station, the petitioners have adjusted the amount paid during 2000-01 for the increase/decrease in projected purchase from the station during the current year. However, the Commission believes that the methodology adopted by the petitioner is inappropriate for the following reasons:

- The fixed cost of the station should be as notified by GOI/CERC for the year, vide its notifications issued from time to time.
- The fixed cost and incentive share for a beneficiary from a station for a period is also dependent on the relative drawal by other beneficiaries during the period, which may not correspond to the trends observed for the previous year. It is also to be noted that a beneficiary is billed in accordance to its relative drawal from the station during a period rather than the share allocations to the beneficiaries. Thus, for reliable cost projections, it is important to project the total energy availability from a station, as well as expected drawal from the station by the beneficiary.
- Relative changes in allocations to the beneficiaries from the unallocated quota of the station over the year may introduce distortions in fixed cost projections for the beneficiary, with the methodology followed by the petitioner.
- An 8% increase in variable cost for coal-based stations was proposed by DVB in its earlier filing of Aggregate Revenue Requirement for 2001-02. The same was accepted by the Commission in its Tariff Order dated 23rd May 2001. However, more than six months of actual data was available to the petitioner at the time of the revised filing, which does not correspond to the projections earlier made. The petitioner has, however, made no attempt to compare the earlier projections with the actual data available with it to arrive at more realistic projections.

The Commission has, therefore, followed the following methodology for projecting the cost of purchase from individual stations for the second half of the current year:

- Validation of the actual cost data submitted by the petitioner for the period April to September 2001 in the petition and the actual data provided during subsequent interactions for the period October to December 2001 through notifications, monthly bills and PPAs.
- Fixed cost of the station taken at the level approved by GOI/CERC, vide its notifications and as per the Northern Regional Electricity Board (NREB) data collected by the Commission. The total share of fixed cost allocated to TRANSCO during the current financial year 2001-02 has been worked out in proportion to the expected drawal by TRANSCO from the station in relation to the total availability of the station, as discussed in section 3.2.2.2.

Variable cost per unit for the station has been arrived at by analysing the actual data provided by the petitioner for the nine-month period of April to December 2001, monthly bills provided, NREB station data and CERC notifications.

Share of Incentives payable by TRANSCO to the station has been arrived at by considering the share of DVB during the past year and the relative availability of the station and expected drawal by TRANSCO during the current year.

The fixed cost share of TRANSCO from the NTPC stations approved by the Commission are as given below:

Table 3.17: Fixed cost share of TRANSCO for 2001-02 (in Rs. Crores)				
Source	Station fixed Charges	Share in Fixed Charges		Difference
		Proposed	Approved	
Dadri(Thermal)	458.23	375.21	349.28	25.93
Singrauli	333.88	39.86	34.79	5.07
Rihand	505.57	77.82	66.38	11.44
Unchahar I	225.81	11.41	14.40	-2.99
Unchahar II	0.00	1.88	0.00	1.88
Dadri (Gas)	240.01	38.74	33.24	5.51
Anta	100.04	16.91	11.70	5.21
Auriya	171.51	30.35	24.52	5.84
Total	**2035.05**	**592.19**	**534.31**	**57.88**

The incentives and other costs have been computed by comparing these costs paid to the individual stations by DVB last year and the projected station generation and TRANSCO drawl during the current year. Accordingly, the Commission approved the cost for the NTPC stations for the entire current year as provided below in the table 3.18:

Table 3.18: Total cost of power purchase for TRANSCO for 2001- 02						
Source	**Proposed**			**Approved**		
	Var. Rate (Rs./kWh)	**Total Cost (Rs. Cr.)**	**Total cost per unit (Rs./kWh)**	**Var. Rate (Rs./kWh)**	**Total Cost (Rs. Cr.)**	**Total cost per unit (Rs./kWh)**
Dadri(Thermal)	1.50	1133.80	2.35	1.45	1084.42	2.29
Singrauli	0.69	142.98	1.04	0.67	156.02	1.04
Rihand	0.68	148.48	1.53	0.64	137.72	1.52
Unchahar I	1.01	26.94	1.90	1.05	39.03	1.90
Unchahar II	2.24	61.30	2.31	2.32	76.24	2.55
Dadri (Gas)	1.72	166.24	2.26	1.79	179.99	2.40
Anta	1.02	57.24	1.49	1.04	54.38	1.54
Auriya	1.48	131.07	1.96	1.48	135.68	1.99
Total	1.30	1868.04	2.00	1.28	1863.48	1.98

3.1.1.1 Other Central Generating Stations

Among the other Central Generating Stations, TRANSCO has projected power purchase from NAPP, RAPP, BTPS and NHPC stations. Each of these individual stations has been dealt with individually in the subsequent sub-sections.

3.1.1.1 Badarpur Thermal Power Station (BTPS)

The Commission has approved a PLF of 82.8% and a rate of Rs. 2.31/kWh in accordance with the approach outlined in section 33.1.1.1.

3.1.1.1 Nuclear Power Corporation Plants

The Commission has considered the actuals for the nine months of the current financial year and drawals as per share for the balance three months. The availability of the stations NAPP and RAPP has been taken considering the past and current performance. The rates approved are as per the notified tariffs and bills raised for the current year. The firm share of RAPP to TRANSCO is taken at 60% of the station capacity for nine hours and nil for the balance hours in accordance with the notification in this regard, giving an effective share of 22.5% for the second half of the current year. The unallocated quota of NAPP stands at 15% of the station capacity. The firm share of TRANSCO in NAPP stands at 11% while its share in the unallocated quota for the second half of the current year is taken at 15.3% in accordance with the methodology explained in section 3.2.2.2 in the sub-section of *Effective Share*. The effective share from NAPP, thus, stood at 13.3% for the second half.

3.1.1.1 NHPC

The availability projections made by the petitioners for the individual stations of NHPC are in line with the methodology discussed in section 3.2.2.2, and is handicapped with the same risks as discussed in the section. The Commission, for its availability projections, has considered the operational data available from NREB and CEA reports for the past and current performance. The share of TRANSCO in the unallocated quota of Tanakpur hydro station for the second half of the current financial year has been taken at 15.3%. This is in accordance with the methodology explained in section 3.2.2.2 in the sub-section of *energy availability,* as it is governed by the Government of India notifications issued from time to time for Central Generating Stations.

For cost projections, the petitioners have assumed all costs of the station to be fixed in nature and has uniformly increased it by 1% for each station. The methodology suffers from all the drawbacks as discussed for the fixed cost in section 33.1.1.1. Apart from this, the approach of the petitioner of bundling the energy charges of the station as billed, with the fixed charges would be inappropriate in the case of actual generation in a year from the station being different from the design energy for that year. While the capacity charges of the station would be the same irrespective of the level of generation, the energy charges of the station would be equal to the notified energy charges of the station in the event of actual generation falling short of the design energy during an year. Any excess generation over the design energy is billed at the secondary energy rate as notified for the station. The Commission has considered all these factors while approving the costs from these hydro stations, along with the actuals for the period April to December 2001 submitted by the petitioner. The other charges for each of the station have been computed by proportionately adjusting the charges paid by DVB to the station during the previous year to the expected drawal during the current year by TRANSCO.

The projections made by the petitioner regarding the availability of Baira Siul have been accepted by the Commission. The cost from Baira Siul hydro station has been computed by considering the composite unit rate given in the bills. The other charges for the station is in accordance with the approach discussed in the previous paragraph.

Accordingly, the Commission approves the following availability and costs for the NHPC stations:

Table 3.19: Energy availability and total cost for NHPC stations for 2001-02

Source	Proposed		Approved				
	Units (MUs)	Total costs (Rs. Cr.)	Units (MUs)	Capacity charges (Rs. Cr.)	Energy charges (Rs. Cr.)	Other Charges (Rs. Cr.)	Total costs (Rs. Cr.)
Salal	331	18.46	286	3.55	12.27	0.00	15.83
Tanakpur	51	6.40	51	1.82	3.48	0.00	5.30
Chamera	184	36.07	180	9.12	19.24	0.96	29.32
Uri	183	67.83	218	32.32	25.27	10.65	68.25
Baira Siul	57	2.68	57	0.00	2.41	0.39	2.80
Total	**806**	**131.44**	**792**	**46.81**	**62.67**	**12.01**	**121.49**

3.1.1.1 Power Trading Corporation

The petitioners have entered into two new Power Purchase Agreements (PPA) with power Trading Corporation (PTC) to purchase power from Malana and West bengal Power Development Corporation Ltd. (WBPDCL). Malana is an Independent Power Producer (IPP) having an installed capacity of 80MW, situated in Himachal Pradesh. DVB has entered into agreements with these sources without a prior approval from the Commission. However, considering the supply constraints prevailing in Delhi, the Commission has allowed the cost of purchase from these sources for the time. **However, the Commission hereby directs the petitioners to approach the Commission for a post-facto approval of Power Purchase Agreements (PPA) from all new sources during 2001-02. The Commission also directs the petitioner to approach the Commission in future for its approval of any new PPA being entered from a source.**

For WBPDCL, the Commission accepts the energy availability from the source for the entire year 2001-02 considering the energy availability from the source during the first nine months of the current financial year. However, the petitioners have projected the variable rate to increase by 4% over that of the average rate for the first half of the current year, despite no such provision of increase in the Power Purchase Agreement (PPA) entered into with PTC. This is also reflected in the actual data submitted by the petitioner to the Commission subsequent to the filing for the period October to December 2001, wherein the power purchased is being billed at a uniform rate of Rs. 1.85/kWh. Accordingly, the Commission has computed its costs for the station at Rs. 1.85/kWh in accordance with the PPA.

For Malana, the petitioner did not project any purchase of power from the station during the second half of the current financial year. However, the actual data submitted subsequent to the filing for the period October to December 2001 indicated some purchase from the source. In addition, the PPA with PTC for supply of power from Malana was initially due to expire on 11th Feb 2002. However, the petitioners have sought to extend the PPA for another four months till 11th June 2002 under the existing terms, to cater to the rising summer load and supply constraints. The Commission is yet to approve the extension of the terms of the PPA and has given a directive in this regard in an earlier paragraph of the section. Despite the source being one of the more expensive stations, the Commission, for projection purposes, has allowed certain drawal from the source during the balance three months on account of the demand being likely to pick up during these three months, and considering the supply constraint situation of TRANSCO. The drawl for the balance three months has been taken to be in the same proportion of the design energy available to TRANSCO as the actual drawal to the design energy available to TRANSCO during the period October to December 2001. The rate of purchase for the second half is in line with the existing PPA provisions.

3.1.1.1 Other Sources

The petitioners have purchased power from a number of other sources to tide over the summer load during the first half of the current financial year. These sources include HPSEB, Chattisgarh State Electricity Board (CSEB) and Western Grid. Apart from CSEB, DVB has been consistently buying from the other two sources during the summer season each year. The Commission being aware of the supply constrained situation in Delhi, has accepted the expenses after adjusting for any residual flows, actually incurred but not projected, during the period October to December 2001.

3.1.1.1 Transmission Charges

The petitioners have projected the transmission charges payable to Power Grid Corporation of India Ltd. (PGCIL) for the entire current financial year by doubling the expenditure incurred during the first half of the year, and assuming the incentive paid during the current year at the same level as last year. This approach is inappropriate, as the transmission charges payable during a period by a beneficiary would be governed by the energy transmitted by PGCIL for the beneficiary relative to the total energy transmitted by it for all beneficiaries. The total expenditure incurred in maintaining the transmission lines during the period is accordingly allocated among the beneficiaries. The Commission has accordingly worked out the share payable by TRANSCO to PGCIL for the current year. Similarly, the incentives to PGCIL are payable in the same proportion as discussed above, in the event of the line availability exceeding 98% during the period. This is in accordance with the CERC notification issued in this regard. No provision for incentive has been allowed as the line availability by PGCIL is likely to fall significantly during the year on account of numerous factors.

Summary of Power Purchase Costs

A snapshot of the power availability and associated cost for individual sources has been provided in the table 3.20, along with the corresponding numbers filed by the petitioner.

The Commission would also like to comment that it would not tolerate such unscientific and inappropriate ratio-allocation approach towards projection of its most critical component of cost in future filings by the petitioner. It may also be noted that any percentage increase of costs or share/auxiliary consumption adopted by the commission while making its computations should not be treated as approved for future filings as well. These assumptions represent the best estimates in the context of the independent information procured by the Commission about the individual stations from various sources and are valid for the current petition purposes only.

Table 3.20: Summary of total power purchase costs of TRANSCO for 2001-02

Source	Proposal			Approved		
	Units (MUs)	Total Cost (Rs. Cr.)	Average Cost (Rs./kWh)	Units (MUs)	Total Cost (Rs. Cr.)	Average Cost (Rs./kWh)
NTPC	9357	1868.04	2.00	9432	1863.48	1.98

NAPP	202	50.78	2.51	277	63.62	2.30
RAPP	51	10.71	2.09	128	37.87	2.95
BTPS	4756	1117.89	2.35	4846	1121.75	2.31
NHPC	806	131.44	1.63	792	121.49	1.53
PTC(WBPDCL)	368	69.22	1.88	368	68.08	1.85
PTC(Malana)	107	28.34	2.64	147	38.94	2.64
HPSEB	412	99.30	2.41	412	98.78	2.40
CSEB	73	20.32	2.80	73	20.32	2.80
Western Grid	61	4.97	0.81	38	3.50	0.93
PGCIL	0	148.66		0	134.13	
Total	16193	3549.67	2.19	16513	3571.96	2.16

Employee Costs

Petitioners' Submission

The total employee costs projected by the petitioners for DVB (i.e. for all the successor entities together) for the entire year 2001-02 is Rs. 498 Crores (excluding capitalisation). The petitioners have also provided the break-up of various components of employee costs along with the basis for projecting various components of employee costs.

- The basic components of employee costs viz. Basic salary, DA, Allowances and Staff Welfare Expenses have been projected to increase by 10% over the actual expenses of 2000-01.
- The petitioners have considered the overtime expenses of Rs. 68 Crores at the level of FY 2000-01 and has mentioned that the overtime expenses projected are as per the earlier Tariff Order.
- The petitioners have projected a pay increase of Rs. 2.4 Crores for two months (Feb-Mar'02), towards provision for adhoc payment of Rs 500/- per employee per month linked to unbundling and privatisation as per the terms of the tripartite agreement.
- The petitioners have considered the total amount of Rs. 46 Crores for the year 2001-02 to be contributed for terminal benefits based on the estimates of the actuary.

Commission's Analysis

The Commission has analysed the trend of employee costs for the last 4 years FY 1997-98 to FY 2000-01 based on the finalised annual accounts of DVB. The year to year variation in employee costs during the last 4 years is in the range of –9% to 74% with a Compounded Annual Growth Rate (CAGR) of 15% for last 4 years. As the year to year variation is very wide, no direct trend can be established. Therefore, the Commission has accepted the increase of 10% proposed by the Petitioners for basic components of employee costs as the same is as per earlier Tariff Order.

In the earlier Tariff Order, the Commission has restricted the overtime expenses to the 1998-99 level of Rs. 38.3 Crores. The Commission further mentioned that the increase in overtime expenses beyond this level should be offset by better human resource development as the overtime cannot be a substitute for the right employee strength and efficiency gain could be obtained from improvements in human resources management. Therefore, the overtime expenses have been restricted to the 1998-99 level of Rs. 38.3 Crores in consonance with the earlier tariff order.

The Commission in its earlier Order had not included the pay increase linked to unbundling and privatisation and had mentioned that the same will be considered *ex-post* after actual unbundling and privatisation takes place. As far as the status of unbundling and privatisation is concerned, the Transfer Scheme with regard to the unbundling of DVB has been notified but not been made effective and the privatisation process is yet to be completed. Therefore, this pay increase has not been included in the total employee costs by the Commission and the Commission will consider it ex-post after actual unbundling and privatisation takes place.

The Commission has considered the total amount of Rs. 46 Crores for the year 2001-02 to be contributed for terminal benefits as proposed by the Petitioners.

The Summary of the total employee expenses as projected by the petitioners and as considered by the Commission for the entire year 2001-02 are shown in Table 3.21.

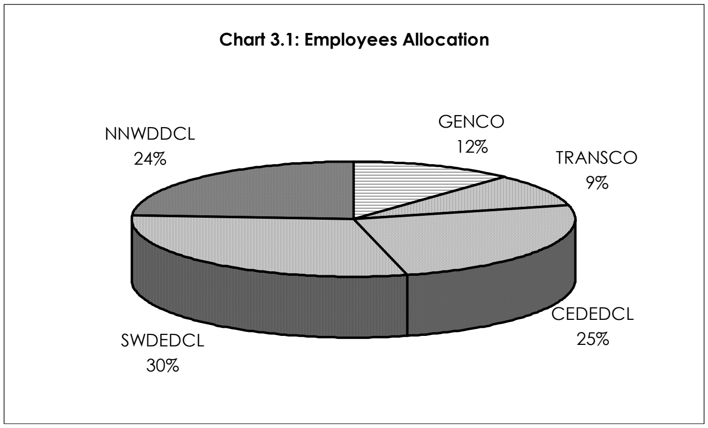
Table 3.21: Total Employee Costs for 2001-02 (in Rs Crores)

S.No.	Description	Order dated 23.5.01	Proposed	Approved
1	Salary & Other Expenses	450.7	391	391
2	Overtime	38.3	68	38
3	Pay increase linked to unbundling/privatisation	0.00	2.4	0
4	Terminal Benefits	Incl. in 1	46.0	46
5	sub-total	489.00	507	475
6	less: Recovery from HVPN		9	9
7	**Total***	**489.00**	**498**	**466**

**Excluding capitalisation*

The total employee costs for the two-month period Feb-Mar'02 has been derived proportionately from the total employee costs for the entire year 2001-02. The petitioners have proposed to capitalise 15% of the investment towards supervision charges. Accordingly, the capitalisation in each successor entity has been estimated on the basis of capital works-in-progress in that particular entity. The petitioners' proposal to capitalise employee expenses @ 15% of the Capital Works in Progress during the two month period in each successor entity has been accepted by the Commission.

The petitioners have allocated the total employee costs, in the two month period across successor entities in proportion to the number of employees in each successor entity classified as per the Govt. of NCT of Delhi Order No. F.11/99/2001-Power/PF-III/2849 dated 15/11/2001. The Commission is of the opinion that the methodology adopted by the petitioners for allocating the total employee costs in the successor entities is appropriate. The percentage of number of employees in each successor entity is graphically represented in Chart 3.1.



The summary of employee costs for each successor entity for the two month period as proposed by the petitioners and as accepted by the Commission is shown in Table 3.22.

Table 3.22: Employee Costs for two months, Feb-Mar'02

(in Rs. Crores)

Company	Proposed	Approved
GENCO	6.8	5.9
TRANSCO	3.8	3.2
CEDEDCL	18.2	16.3
SWDEDCL	21.3	19.0
NNWDDCL	16.0	14.3
Total	**66.1**	**59**

Administrative & General (A&G) Expenses

Petitioners' Submission

The petitioners have considered a sum of Rs. 64.7 Crores towards A&G Expenses for the entire year 2001-02. The Petitioners have submitted that the various components of A&G Expenses in 2000-01 have been increased by the percentage approved in the earlier Tariff Order i.e. 7% and the expense on electricity and water charges has been retained at the level of the year 2000-01 as per the earlier Tariff Order.

Commission's Analysis

The Commission would like to clarify that the increase of 7% p.a. in A&G Expenses was not approved by the Commission in its earlier tariff order and the A&G Expenses as proposed by DVB was accepted by the Commission for computing the Annual Revenue Requirement.

The Commission has analysed the trend in A&G Expenses for the last 4 years FY 1997-98 to FY 2000-01 based on the finalised annual accounts of DVB. The year-to-year variation in A&G Expenses during last 4 years is in the range of –5% to 15% with a Compounded Annual Growth Rate (CAGR) of around 4% for last 4 years. As the year-to-year variation is very wide, no direct trend can be established. Therefore, the Commission has accepted the increase of 7% proposed by the petitioners for various components of A&G Expenses.

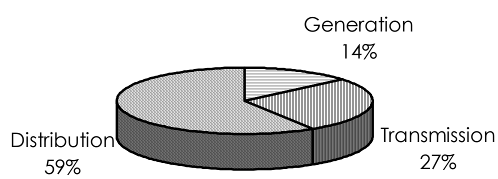
The summary of the total A&G expenses as projected by the petitioners and as considered by the Commission for the entire year 2001-02 are shown in Table 3.23.

Table 3.23: Total A&G Expenses for 2001-02 (in Rs. Crores)			
Description	**Order dated 23.05.01**	**Proposed**	**Approved**
A&G Expenses	71.8	64.7	64.7

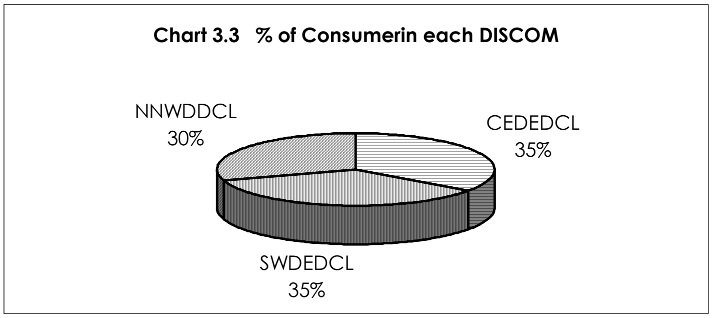
The total A&G Expenses for the two-month period, Feb-Mar'02, have been derived proportionately from the total A&G Expenses for the entire year 2001-02. The petitioners have not considered capitalisation of A&G Expenses based on the practice followed by DVB and the same has been accepted by the Commission

The petitioners have allocated the total A&G Expenses in GENCO, TRANSCO and DISCOMs (three distribution companies put together) in proportion to the function wise expenditure for 2000-01. The Commission has observed that though the petitioners have mentioned that the A&G Expenses have been allocated in proportion to the function-wise expenditure for 2000-01, the A&G Expenses have been allocated in proportion to average function-wise A&G Expenses for last three years. The Commission opines that the methodology adopted by the petitioners is appropriate. The percentage of average function-wise A&G Expenses for last three years is graphically presented Chart 3.2.

Chart 3.2: Average Function-wise A&G Expenses for last three years



The petitioners have further allocated the A&G Expenses of the DISCOMs in each DISCOM in proportion to the number of consumers in each company. The Commission is of the opinion that the methodology adopted by the petitioners for allocation is appropriate as for the distribution companies, most of the A&G Expenses depend upon the number of consumers the utility is serving. The percentage of number of consumers in each DISCOM is graphically presented in Chart 3.3.



The summary of A&G Expenses for each successor entity for the period of two months as proposed by the petitioners and as accepted by the Commission is shown in Table 3.24.

Table 3.24: A&G Expenses for two months, Feb-Mar'02
(in Rs. Crores)

Company	Proposed	Approved
GENCO	1.53	1.53
TRANSCO	2.91	2.91
CEDEDCL	2.23	2.23
SWDEDCL	2.20	2.20
NNWDDCL	1.92	1.92
Total	**10.79**	**10.79**

Repairs and Maintenance (R&M) Expenses

Petitioners' Submission

The petitioners have considered a sum of Rs. 140.4 Crores towards R&M Expenses for the entire year 2001-02. The petitioners have submitted that the various components of R&M Expenses in 2000-01 have been increased by the percentage approved in the earlier Tariff Order i.e. 7%.

Commission's Analysis

The Commission has observed that though the petitioners have mentioned an increase of 7% p.a., the R&M Expenses have been increased by 10% p.a. The Commission has accepted the increase of 7% as mentioned by the petitioners as the Commission has also highlighted in its earlier Order that R&M work is very critical for maintaining and further improving the quality of service. Further, this also has a direct bearing on the useful life of the assets.

The summary of the total R&M expenses as projected by the petitioners and as considered by the Commission for the entire year 2001-02 is shown in Table 3.25.

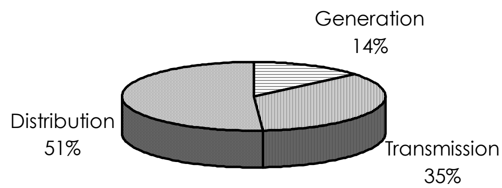
Table 3.25: Total R&M Expenses for the year 2001-02
(in Rs. Crores)

Description	Order dated 23.05.01	Proposed	Approved
R&M Expenses	109.3	140.4	136.6

The R&M Expenses for the two-month period, Feb-Mar'02, have been derived proportionately from the total R&M Expenses for the entire year 2001-02.

The petitioners have mentioned that the total R&M Expenses have been allocated in GENCO, TRANSCO and DISCOMs (three distribution companies put together) in proportion to the function wise expenditure for 2000-01. The Commission has observed that though the petitioners have mentioned that the R&M Expenses have been allocated in proportion to the function-wise expenditure for 2000-01, the R&M Expenses have been allocated in proportion to average function-wise R&M Expenses for last three years. The Commission opines that the methodology adopted by the petitioners is appropriate as R&M Expenses have been allocated on the basis of the average function wise expenses for last three years. The percentage of average function-wise R&M Expenses for last three years is graphically presented in Chart 3.4.

Chart 3.4: Average Function-wise R&M Expenses for last three years



The petitioners have further allocated the R&M Expenses of the three DISCOMs in each DISCOM in proportion to the consumer connected load in each DISCOM. The Commission has analysed the R&M Expenses as a percentage of GFA for each DISCOM and by adopting petitioners methodology for allocation of R&M Expenses in each DISCOM, the R&M as a %age of GFA for DISCOMs works out as follows:

- CEDEDCL : 5.03%
- SWDEDCL : 1.90%
- NNWDDCL : 1.86%

As observed from the above, there is a wide variation between R&M Expenses/GFA ratio for three DISCOMs. The Commission is of the opinion that the R&M Expenses/GFA ratio is a performance norm and there should not be wide variation in the R&M Expenses/GFA ratio for the three DISCOMs. Therefore, the Commission has reallocated the total R&M Expenses of all the DISCOMs into each DISCOM linked to the uniform R&M Expenses as a percentage of GFA for three DISCOMs which works out to 2.25%.

The Commission has tentatively allocated the total R&M Expenses into each successor entity based on the above methodology for computing the revenue requirement for the two month period. Ideally, R&M should be based on the R&M works undertaken by the utility in the past and adjustments be made for any known and measurable changes in these expances based on maintenance plans. During the next tariff filling, however, the Commission will also analysis the actual R&M expense incurred by the respective entity during the year .

The summary of R&M Expenses for each successor entity for the period of two-month period as proposed by the Utilities and as accepted by the Commission is shown in Table 3.26.

The summary of R&M Expenses for each successor entity for the period of two-month period as proposed by the petitioners and as accepted by the Commission is shown in Table 3.26.

Table 3.26: R&M Expenses for two months, Feb-Mar'02
(in Rs. Crores)

Company	**Proposed**	**Approved**
GENCO	3.30	3.21
TRANSCO	8.14	7.91
CEDEDCL	4.20	1.35
SWDEDCL	4.14	5.75
NNWDDCL	3.62	4.54
Total	**23.40**	**22.76**

Depreciation

Petitioners' Submission

The petitioners have submitted that though the original cost of fixed assets for each successor entity is available in the notified Transfer Scheme, it does not provide the break-up of total cost of fixed assets into various classes of assets. The petitioners have further submitted that, despite best efforts, the petitioners could not finalise the Fixed Assets Registers that provide the details relating to fixed assets in various classes of assets in each successor entity. The petitioners have, therefore, requested the Commission to waive the requirement of providing break-up of total fixed assets into various classes of assets for each successor entity.

The petitioners have estimated the depreciation for the year 2001-02 and for two months, Feb-Mar'02, by applying a consolidated weighted average rate of depreciation to gross block of fixed assets of each successor entity as per the Transfer Scheme. The petitioners have assumed the consolidated weighted average rate of depreciation for the TRANSCO and each of the DISCOMs as 6.83% based on the rate of depreciation for all the assets of DVB approved by the Commission vide its earlier Order. The petitioners have considered the consolidated weighted average rate of 7.84% for the GENCO in line with the rate of depreciation indicated in the Ministry of Power notification dated 29th March 1994.

Commission's Analysis

The Commission has analysed the methodology and assumptions adopted by the petitioners for estimating depreciation of each successor entity. Ideally, the depreciation is to be estimated by applying different rates of depreciation for various classes of assets. However, in the absence of break-up of total fixed assets into various class of assets, the Commission has, for the purpose of this Order, accepted the methodology of estimating depreciation by applying a weighted average depreciation rate to total fixed assets.

Similarly, the Commission has accepted the weighted average depreciation rate proposed by the petitioners for GENCO as the same is generally in line with the said Ministry of Power

Notification. Further, the weighted average depreciation rate approved by the Commission vide its earlier Tariff Order was for the entire DVB i.e. for generation, transmission & distribution put together. The Commission has, therefore, reworked the depreciation rates for TRANSCO and each of the DISCOMs to match the overall weighted average depreciation rate of 6.83% for the total Gross Fixed Assets of all the successor entities (entire DVB). The depreciation rate for TRANSCO and DISCOMs, thus, works out to 6.69%.

The Commission has estimated the depreciation for the successor entities on the basis of total fixed assets. However, the Commission will estimate the depreciation for the next year on the basis of Fixed Assets Registers and **the Commission directs the petitioners to finalise the Fixed Assets Registers separately for each successor entity by 30th June 2002**.

The opening level of gross fixed assets as specified in the Transfer Scheme also includes a certain component of CWIP and the break-up of Gross Fixed Assets into Original Cost of Fixed Assets and CWIP is not available. Ideally the depreciation should be computed on Original Cost of Fixed Assets, however, as the petitioners have not submitted the data to the satisfaction of the Commission for separating the CWIP from GFA, the Commission has considered depreciation on GFA as specified in the Transfer Scheme. However, the Commission will estimate the depreciation for the next year considering Original Cost of Fixed Assets and **the Commission directs the petitioners to provide the break-up of Gross Fixed Assets into Original Cost of Fixed Assets and CWIP by 30th June 2002**. The summary of Depreciation for each successor entity as proposed by the petitioners and as accepted by the Commission is shown in Table 3.27.

Table 3.27: Depreciation (in Rs. Crores)

Company	Gross Fixed Assets (As per Transfer Scheme)	Depreciation		
		2001-02		Feb-Mar'02
GENCO	510	39.96	39.98	6.66
TRANSCO	650	44.4	43.49	7.25
CEDEDCL	360	24.54	24.08	4.01
SWDEDCL	1533	104.58	102.56	17.09
NNWDDCL	1210	82.62	80.95	13.49
Total	**4263**	**296.1**	**291.06**	**48.51**

Interest Expenses

Petitioners' Submission

The opening balance sheets of the successor entities as per the Transfer Scheme provide the value of loans as on the date of transfer. As per the Transfer Scheme, the loans will be in the favour of the Holding Company in the Balance Sheets of other successor entities and these successor entities will have to repay the loan to the Holding Company within twelve years from the date of transfer with a moratorium for the first three years on both interest and principal repayment. Therefore, the interest liability on these loans for the two-month period, Feb-Mar'02, has been considered as nil.

The petitioners have assumed that no part of the new investment in the two-month period will be capitalised and, therefore, no interest on loans for capital expenditure has been considered for determining the revenue requirement. The interest on loans for capital expenditure has been considered as Interest during Construction (IDC).

As per the Transfer Scheme, the revenue gap of the TRANSCO i.e., the difference between the revenue requirement of TRANSCO and the revenue it receives from the DISCOMs, NDMC and MES, will be funded through loan from the Government. This load from Government has been assumed to carry an interest of 12% p.a. The petitioners have estimated the revenue gap of Rs. 282 Crores for the two-month period and the interest on this revenue gap has been estimated as Rs. 6.1 Crores at an interest rate of 12% p.a

Commission's Analysis

The Commission has accepted the submission made by the petitioners regarding the interest on opening loans in each successor entity, as the same is in line with the provisions of the Transfer Scheme. The Commission also accepts the petitioners' position on the interest on loans for the capital expenditure during the two-month period.

The Commission has estimated the revenue gap of TRANSCO based on the Commission's estimation of total Revenue Requirement of TRANSCO and the Revenue Receipts by TRANSCO based on the Bulk Supply Tariff to be paid by respective DISCOMs to TRANSCO towards power purchase. The revenue gap as estimated by the Commission for the two-month period, Feb-Mar'02, is Rs. 217 Crores. As per the Policy Directions issued by the Govt. of NCT of Delhi, the Government will provide an amount of Rs. 2600 Crores during the period 2002-03 to 2006-07 as a loan to TRANSCO to bridge the revenue gap. The Policy Directions issued by the Govt. of NCT of Delhi do not specify the proposed treatment for the revenue gap for two months, Feb-Mar'02. The Commission has taken a firm stand on the issue and would like to unambiguously state that it would not allow any burden on account of this loan on to the consumers. Accordingly, the Commission has not considered any interest expenses on this for two months, Feb-Mar'02.

The petitioners have not made any provision for working capital and accordingly not considered interest on working capital for any of the successor entities. The Commission is of the opinion that for a generating company, working capital provision is required for the smooth operations. Accordingly, the Commission has estimated the working capital requirement for GENCO in line with the GoI guidelines for the same. The working capital requirement for GENCO for the two-month period, Feb-Mar'02, works out to Rs. 56.72 Crores. The interest on this working capital requirement has been considered by the Commission as Rs. 1.13 Crores for the two-month period assuming a working capital interest rate of 12% p.a.

Return

Petitioners' Submission

The petitioners have submitted that as per the provisions of the Policy Directions issued by the Govt. of NCT of Delhi, the distribution licensees are permitted to earn a return of at least 16% on the issued and paid up capital and free reserves at the end of any particular year. The petitioners have estimated the amount of reasonable return for the period February-March

02 on the basis of issued and paid up capital estimated and the permissible rate of return of 16%.

Commission's Analysis

The Policy Directions issued by the Govt. of NCT of Delhi provide for the return of 16% p.a. of the paid up capital and free reserves only for the distribution licensees. However, the petitioners have mentioned that the return for all the successor entities has been considered @ 16% p.a. of issued and paid up capital. The return for the distribution licensees as estimated by the petitioners are in line with the directions issued by the Govt. of NCT of Delhi.

The Policy Directions issued by the Govt. of NCT of Delhi do not specify any permissible return for transmission licensee and the generating company. The Commission has considered the return for TRANSCO by estimating the Capital Base of the TRANSCO in accordance with the Schedule VI of ES Act, 1948. The Capital Base for the TRANSCO works out to Rs. 187 Crores and the reasonable return for the two-month period, Feb-Mar'02, @16% p.a. on Capital Base works out to Rs. 4.99 Crores. For GENCO, the Commission has considered the return @ 16% p.a. on equity in line with the GoI guidelines for other generating companies.

The summary of return for each successor entity for the two-month period as proposed by the Utilities and as accepted by the Commission is shown in Table 3.28.

Table 3.28: Return (in Rs. Crores)

Period	**2001-02**		**Feb-Mar'02**
Company	**Proposed**	**Approved**	**Approved**
GENCO	22.40	22.40	3.73
TRANSCO	28.80	29.92	4.99
CEDEDCL	18.56	18.56	3.09
SWDEDCL	73.60	73.60	12.27
NNWDDCL	58.88	58.88	9.81
Total	**202.24**	**203.36**	**33.89**

Other Expenditure

Interest on Security Deposit and Bad Debts

The petitioners have submitted that as per the prevailing practice of DVB, the interest on security deposit has been estimated as nil and the Commission has accepted the same.

The petitioners have submitted that the opening balance sheet of the DISCOMs indicates receivables from consumers against which there is a corresponding liability in favour of the TRANSCO. Further, the Policy Directions issued by the Govt. of NCT of Delhi, indicate the losses for the distribution licensees as AT&C losses, which takes into account the losses on account of shortfall in collection. Therefore, the expense on account of bad debt for the period under consideration Feb-Mar'02 has been considered as nil. The Commission accepts the petitioners' position as the same is in line with the Transfer Scheme and Policy Directions issued by GOVT. OF NCT OF DELHI.

Special Appropriations

3.1.1.1 Contribution to Contingency Reserve

The petitioners have provided for 0.5% of the Gross Fixed Assets towards contribution to contingency reserve for all the successor entities including generating company.

The Commission opines that as GENCO is a generating company and not a Licensee the provision for contribution to contingency reserve is not applicable for GENCO. Accordingly, the Commission has not considered any provision towards contribution to contingency reserve for GENCO.

The Schedule VI to ES Act, 1948 provides for the contingency reserve for the licensees in the range of 0.25%-0.5% of the Gross Fixed Assets. The Commission is of the opinion that as the reforms are in process in Delhi, the contingency reserve should be at the floor level during the transition period. The Commission has provided for Contribution to Contingency Reserve @ 0.25% of the Gross Fixed Assets for TRANSCO and each DISCOM.

The summary of the Contribution to Contingency Reserve for the two-month period, Feb-Mar'02, as projected by the petitioners and as accepted by the Commission for each successor entity is given in Table 3.29.

Table 3.29: Contingency Reserve for two months, Feb-Mar'02
(in Rs. Crores)

Company	Proposed	Approved
GENCO	0.43	0.00
TRANSCO	0.54	0.27
CEDEDCL	0.30	0.15
SWDEDCL	1.28	0.64
NNWDDCL	1.01	0.50
Total	**3.56**	**1.56**

3.1.1.1 Income Tax

The petitioners have estimated the income tax for the two-month period by grossing up the tax rate (i.e. tax on tax has been considered) of 35.7% and applying the tax rate to the return in the relevant period.

The Commission is of the opinion that the BST for DISCOMs has to be computed as per the Policy Directions and the TRANSCO will not be able to recover entire revenue requirement and hence will be incurring losses during the period under consideration. As per the accounting practice, as TRANSCO will be incurring losses in the period under consideration, there will be no income tax liability on TRANSCO for the relevant period. Accordingly the Commission has not considered any income tax provision while computing the revenue requirement of TRANSCO. For the GENCO and DISCOMs, the Commission has accepted the amount estimated towards income tax by the petitioners.

The summary of the Income Tax provision for the two-month period Feb-Mar'02 as projected by the petitioners and as accepted by the Commission for the successor entities is given in Table 3.30.

Table 3.30: Income Tax for two months, Feb-Mar'02 (in Rs. Crores)		
	Proposed	**Approved**
GENCO	2.1	2.1
TRANSCO	2.7	0.0
CEDEDCL	1.7	1.7
SWDEDCL	6.8	6.8
NNWDDCL	5.5	5.4
Total	**18.7**	**16.0**

Total Expenses for THE PERIOD Feb-Mar'02

Based on the computations for the various components discussed above, the summary of total expenses for the two-month period, Feb-Mar'02, as projected by the petitioners and as accepted by the Commission for GENCO and TRANSCO is shown in Table 3.31 and for DISCOMs is shown in Table 3.32.

Table 3.31: Total Expenses for two months, Feb-Mar'02, for GENCO & TRANSCO (in Rs. Crores)

Company →	GENCO		TRANSCO	
Description	**Proposed**	**Approved**	**Proposed**	**Approved**
Employee	6.78	5.92	3.83	3.20
A&G	1.53	1.53	2.91	2.91
R&M	3.30	3.21	8.14	7.91
Depreciation	6.66	6.66	7.40	7.25
Interest	0.00	1.15	6.10	0.00
Total Expenses	18.27	18.47	28.37	21.27
Special Appropriation				
Contingency Res.	0.43	0.00	0.54	0.27
Income Tax	2.07	2.07	2.70	0.00
Total – Spl. Appropriation	2.50	2.07	3.24	0.27
Total Expenses. Including Special. Appropriation	**20.77**	**20.55**	**31.61**	**21.54**

Table 3.32: Total Expenses for two months, Feb-Mar'02, for DISCOMs (in Rs. Crores)

Company →	CEDEDCL		SWDEDCL		NNWDDCL	
Description	**Proposed**	**Approved**	**Proposed**	**Approved**	**Proposed**	**Approved**

Employee	18.17	16.34	21.29	19.02	16.04	14.32
A&G	2.23	2.23	2.20	2.20	1.92	1.92
R&M	4.20	1.35	4.14	5.75	3.62	4.54
Depreciation	4.09	4.01	17.43	17.09	13.77	13.49
Interest	0.00	0.00	0.00	0.00	0.00	0.00
Total Expenses	28.69	23.93	45.06	44.06	35.36	34.28
Special App	0.00	0.00	0.00	0.00	0.00	0.00
Contingency Res.	0.30	0.15	1.28	0.64	1.01	0.50
Income Tax	1.70	1.72	6.80	6.81	5.45	5.45
Total - Spl. App	2.00	1.87	8.08	7.45	6.46	5.95
Total Exp. Incl Sp. App	30.69	25.80	53.14	51.51	41.82	40.23

Non-Tariff Income

The petitioners have submitted that the non-tariff income for the whole of the DVB is as per the approval in the earlier Order. The petitioners have not included income from meter rent in the non-tariff income as the same has been already included in the revenue from sale of power and the petitioners have also not considered the income from investments, as the opening balance sheets of the successor entities do not indicate any investment.

Further, the petitioners have estimated the commission on electricity tax @ 3% on the electricity tax levied, based on the projected revenues and electricity tax for the two-month period, Feb-Mar'02. The Commission has estimated the commission on electricity tax @ 3% on the electricity tax levied based on the revenues and electricity tax projected by the Commission for each DISCOM separately for the two-month period, Feb-Mar'02. The total non-tariff income as projected by the petitioners and as accepted by the Commission is shown in Table 3.33

Table 3.33: Non-Tariff Income for the year 2001-02

(in Rs. Crores)

Description	**Proposed**	**Approved**
Sale & repair of lamps and apparatus (for public lighting)	24.0	24.0
Rent less outgoings	1.0	1.0
Transfer Fees	0.0	0.0
Income from Investments	0.0	0.0
Commission on collection of electricity tax on behalf of MCD	4.5	4.9
Miscellaneous receipts and recoveries	29.0	29.0
Total Non-tariff Income (for 2001-02)	**58.5**	**58.9**

The total income from sale and repair of lamps has been allocated amongst the three DISCOMs in proportion to the units billed in public lighting category in the area of supply of the respective DISCOM. The rent, less outgoings, has been allocated across the successor entities in proportion to the number of employees and the miscellaneous receipts & recoveries have been allocated across DISCOMs in proportion to the number of consumers. The Commission is of the opinion that the methodology adopted by the petitioners for allocating the above components of non-tariff income across successor entities is appropriate and the same has been accepted by the Commission for allocating non-tariff income across the successor entities. The summary of the non-tariff income for the two-month period, Feb-Mar'02, as projected by the petitioners and as accepted by the Commission for the successor entities is given in Table 3.34.

Table 3.34: Non-Tariff Income for two months, Feb-Mar'02

(Rs. Crores)

Company	Proposed	Approved
GENCO	0.02	0.02
TRANSCO	0.01	0.01
CEDEDCL	3.05	2.93
SWDEDCL	3.80	3.92
NNWDDCL	2.87	2.93

Revenue Requirement for the period Feb-Mar'02

Based on the above computations of total expenses, return and non-tariff income, the revenue requirement of the TRANSCO and DISCOMs have been estimated for the two-month period, Feb-Mar'02.

Revenue Requirement for TRANSCO for the period Feb-Mar'02

The revenue requirement of TRANSCO for the two-month period, Feb-Mar'02, as estimated by the petitioners and as approved by the Commission is shown in Table 3.35

Table 3.35: Revenue Requirement for TRANSCO for two months, Feb-Mar

(in Rs. Crores)

Description	Proposed	Approved
Expenses		
- Power Purchase	591.00	595.33
- Generation (Fixed & Variable)	86.48	81.51
- Other Expenses	31.61	26.25
sub-total	709.09	698.10
Return	4.80	4.99
less Non-Tariff Income	0.01	0.01
Revenue Requirement	**713.88**	**703.07**

Revenue Requirement for DISCOMs (excluding power purchase expenses) for the period Feb-Mar'02

The revenue requirement for each DISCOM (excluding power purchase expenses) for the two-month period, Feb-Mar'02, as estimated by the petitioners and as approved by the Commission is shown in Table 3.36.

Table 3.36: Revenue Requirement for DISCOMs (excluding power purchase expenses) for two months, Feb-Mar'02 (in Rs. Crores)						
Company	**CEDEDCL**		**SWDEDCL**		**NNWDDCL**	
Description	**Proposed**	**Approved**	**Proposed**	**Approved**	**Proposed**	**Approved**
Expenses (A)	30.69	25.80	53.14	51.51	41.82	40.23
Return (B)	3.09	3.09	12.27	12.27	9.81	9.81
Non-Tariff Income (C)	3.05	2.93	3.80	3.92	2.87	2.93
Revenue Requirement	30.73	25.97	61.61	59.85	48.77	47.11

4 Aggregate Technical and Commercial (AT&C) Loss

4.1 Background

As already discussed earlier, the Government of NCT of Delhi notified Policy Directions on 22nd November 2001 to enable restructuring of the Delhi Vidyut Board and privatisation of the distribution business in Delhi. It is mentioned here that the Government has the statutory powers to issue policy directions under section 12 of the Delhi Electricity Reform Act, 2000 in public interest. The government in its said notification observed that " *it is of absolute necessity that a long term definitive loss reduction or efficiency gain programme is settled in the beginning to give certainty and to induce the investor to invest*….". It further observed that it is difficult to get a private investor in the distribution companies (DISCOMs), if the reduction in loss level or efficiency gains to be achieved are determined from year to year. The Govt. of NCT of Delhi intends to offer 51% equity shares at par in the said DISCOMs to the private sector through a competitive bidding process on loss reduction basis for the ensuing five years. The key objective stated in the Policy Directions is to undertake restructuring and privatisation of distribution business to achieve reduction in loss levels and attain efficiency gain in substantive manner. In this context, the Govt. of NCT of Delhi is of the opinion that, instead of specifying reduction in loss levels/efficiency gain, it would be appropriate to determine the same through competitive bidding process, that is through play of market forces rather than being predetermined unilaterally in the bidding documents.

Under the said notification, Govt. of NCT of Delhi has further elaborated on the appropriate measure of performance (technical and commercial) for the distribution business as follows:

> *"The Government is of the view that the clearest measure of overall efficiency of the distribution business is the difference between units input into the system and the units for which the payment is collected. The Government is of the considered view that the losses of any kind, technical, non-technical or non-realisation of payments, ultimately, amount to loss in revenues. Efficiency gains must embrace all these aspects. Hence, the losses should be measured as the difference between the units input and the units realised (units billed and collected), wherein the units realised will be equal to the product of the units billed and the collection efficiency, where, collection efficiency is defined as the ratio of actual amount collected and amount billed. The difference between the units inputs and the units realised are hereinafter referred to as "AT&C Loss" (Aggregate Technical and Commercial Loss). The*

Government, as a matter of policy, decides that the AT&C loss shall be the basis for determination of tariffs and also for computation of incentives for better performance."

The said notification has specified AT&C loss levels for each distribution company (DISCOM) for 2000-01 as CEDEDCL – 61.1%, SWDEDCL – 52.1%, NNWDEDCL – 49.5%. It has further been stated that "*the Commission will consider the above percentage of AT&C loss levels and determine the base AT&C loss levels, which shall be opening levels of losses for the purposes of bidding and shall reflect actual loss levels, on the principles set out above and based thereon determine the tariff, wholesale, bulk, grid or retail, as the case may be.*"

Subsequently, Govt. of NCT of Delhi clarified vide its letter dated 29th January 2002 that the AT&C losses for the period 2000-01 specified in the said notification are only indicative and need to be treated as such. It would be the prerogative of the Commission to determine the AT&C loss levels for the DISCOMs.

4.2 Petitioners' Submission

The petitioners filed a petition dated 21st December 2001 before the Commission for the determination of opening loss levels for each DISCOM separately. The basis for computation of AT&C loss was also submitted along with the petition. The said petition provides the computation of the AT&C loss levels for each DISCOM for the following three periods.

- Loss levels for the full year 2000-2001
- Loss levels for the period April 2001 to October 2001
- Twelve-month loss levels for the period April 2001 to October 2001.

The summary of the loss levels for each DISCOM presented in the petition is given in Table 4.1.

Table 4.1: Loss levels for each DISCOM given in the petition

	CEDEDCL	SWDEDCL	NNWDDCL
2000-2001	63.3%	54.0%	51.3%
April – October 2001	66.2%	57.1%	57.0%
Twelve month levels from Apr to Oct 01			
May 00 – April 01	62.5%	53.4%	50.8%

June 00 – May 01	62.7%	53.6%	51.6%
July 00 – June 01	62.8%	53.8%	51.8%
August 00 – July 01	63.1%	54.1%	52.5%
September 00 – August 01	63.0%	54.2%	52.9%
October 00 – September 01	62.8%	54.1%	53.1%
November 00 – October 01	62.5%	53.7%	53.0%

The petitioners on 3rd January 2002 submitted to the Commission that there have been certain inadvertent computational errors in the calculation of the AT&C losses submitted in the petition Accordingly, a revised statement of AT&C losses was submitted by the petitioners to the Commission. The summary of the loss levels for each DISCOM presented in the revised filing is given in Table 4.2.

Table 4.2: Loss levels for each DISCOM given in the revised petition

	CEDEDCL	**SWDEDCL**	**NNWDDCL**
2000-2001	60.8%	49.6%	46.4%
April – October 2001	64.2%	54.5%	54.2%
Twelve month levels from Apr to Oct 01			
May 00 – April 01	60.2%	49.4%	46.3%
June 00 – May 01	60.4%	49.6%	47.2%
July 00 – June 01	60.9%	50.4%	48.2%
August 00 – July 01	61.0%	50.7%	48.8%
September 00 – August 01	60.8%	50.8%	49.3%
October 00 – September 01	60.6%	50.8%	49.5%
November 00 – October 01	**60.2%**	**50.3%**	**49.4%**

The Commission noted that the base data and information furnished with the petition was not adequate to establish or estimate the various loss parameters. Hence, the Commission solicited additional inputs and clarifications from the petitioners. The petitioners, during their further interactions with the Commission, submitted that DVB in the past had been maintaining its metering infrastructure for energy audit purposes for each circle at 11 kV level. However, the transmission-distribution interface has now been pegged at 66/33 kV level. The interface-metering infrastructure put in place has commenced operations from August 2001, yielding metering data at this voltage level only for the two-month period of September and October 2001. With this constraint, in order to provide operational history of the distribution losses from 66/33 kV level down for the past, the petitioners have applied the two-month data available with them as above over the past months' information to estimate the energy input at 66/33 kV level for these months. This has been achieved by measuring the loss of energy between 66/33 kV and 11 kV level on account of transformation and distribution losses for the period September and October 2001 based on metering information as a percentage of energy input at 66/33 kV level. The energy input at 66/33 kV level for this purpose has been adjusted for any direct supply to any bulk or retail consumer at 66/33 kV level. This percentage has been termed by the petitioner as "*correction factor*". A weighted average of this correction factor so computed for the individual months of September and October 2001 has been applied on the DISCOM-wise monthly 11 kV level energy input data available with the petitioner April 1999 to August 2001 to arrive at energy input for these months at 66/33 kV level.

The information on energy billed, amount billed and the amount realised compiled for each of the circles by the petitioners have been used to compute the energy units realised in revenue for each DISCOM, in accordance with the methodology provided in the Policy Directions. The difference between energy units input at 66/33 kV level into the DISCOM, estimated as explained above, and the energy units realised, as a percentage of energy input, is computed as AT&C loss for the DISCOM.

The petitioners submitted their inter-company account of energy statement for the months of September-01 and October-01 along with the petition, and subsequently for November and December 2001. During further interactions, the petitioner submitted monthly, circle and district wise records, covering thirty-one months from April 1999 to October 2001, as regards energy input at 11 kV level, energy billed and amount billed for domestic, SIP, and bulk consumers. The petitioner submitted that in the past DVB has been compiling information under three categories of consumers viz. consumers being billed bi-monthly (referred to as domestic consumers), monthly (referred to as SIP consumers) and bulk consumers (consumers above 100 kW).

The petitioners further submitted that in order to estimate the billing and collection in various categories of consumers viz. LIP, SIP, Non-domestic, domestic, Agriculture, Railways, Water, Public Lighting, the billing details have been compiled for each DISCOM on the basis of cycle summaries prepared by DVB. Each DISCOM comprises of two circles, which are further divided into districts. The districts are further divided into billing cycles. The petitioners admitted that considering the nature and the extent of task, there are minor differences and reconciliation errors between the records submitted and the summary sheets provided in the petition.

4.3 Commission's Analysis

4.3.1 Data Inadequacies and Discrepancies

The Commission has analysed the data submitted by the petitioners in their petition and additional information provided during further interactions. The Commission notes the contention of the petitioners that the loss level for the full year 2000-01 may not be reflective of the current loss levels. Similarly, assessment of losses for the period April to October 2001 does not take into account cyclical variations over the year. So, with the data available a twelve-month loss level ending October 2001 is the most appropriate representation of AT&C losses in the distribution system. The Commission, in this regard, notes that a reliable assessment of AT&C losses in the current context would essentially require the following information for at least the past two years:

- Metered data on monthly energy input at DISCOM interface at 66/33 kV level, adjusted for supply to NDMC/MES and inter-company transfers
- Monthly category-wise, DISCOM-wise, voltage-wise energy billed
- Monthly DISCOM-wise, category-wise Amount Billed
- Monthly category-wise, DISCOM-wise Amount Collected
- Copy of audited accounts for the previous two years
- Energy Balance for the TRANSCO

The petitioners furnished some clarifications and provided certain additional supporting data during further interactions subsequent to the filing. In particular, the petitioners submitted monthly (from April-99 to October-2001) detailed information of Energy Accounting for various DISCOMs upto the district level and the same forms the base document for the determination of AT&C loss for each DISCOM. This circle/district wise energy and amount billed data, however, was compiled in three categories based on billing frequency/connected load i.e. monthly, bi-monthly and above 100 kW consistent with the position adopted by the petitioners in their submission as explained earlier. While acknowledging the petitioners' submission, the Commission notes that there is scope and need to compile the information based on consumer category, as the bills are raised separately for each consumer.

The detailed billing records referred above contained monthly information (covering thirty-one months from April-1999 to October 2001) as regards energy input, energy billed for domestic (bi-monthly consumers), SIP (monthly consumers), and bulk consumers (consumers above 100 kW connected load) along with amount billed for these consumers covering circles and districts is shown in Table 4.3.

Table 4.3: Circles and districts covered in detailed billing records

Circle	Districts
Central	Chandani Chowk District (CCK), Darya Ganj District (DRG), Pahar Ganj District (PHG), Shankar Road District (SRD)
East	Jhilmil District (JLM), Krishna Nagar District (KRN), Laxmi Nagar District (LXN), Mayur Vihar District (MVR), Yamuna Vihar District (YVR), Nand Nagri District (NNR)*
North	Civil Lines District (CVL), LWR, Moti Nagar District (MTN), Pitampura District (PPR), Shakti Nagar District (SKN)
North-West	Bawana District (BWN), Mangol Puri District (MGP), Narela District (NRL), Rohini District (RHN), Shalimar Bagh District (SMB)
South	Alaknanda District (AND), Mehrauli District (MHL), Nehru Place District (NHP), Nizamuddin District (NZD), R.K.Puram District (RKP)
West	Janakpuri District (JKP), Najafgarh District (NGF), Nangloi District (NGL), Punjabi Bagh District (PJB), Vikaspuri District (VKP), Palam District (PLM)*

Further, as regards bulk consumers, the Circle-wise / DISCOM-wise amount collected on month to month basis was not available with the petitioners, and the petitioners have assumed overall collection efficiency for DVB to be applicable for bulk consumers across all DISCOMs uniformly. Upon clarification sought by the Commission, the petitioners have furnished details on bulk consumers subsequently, covering period of only six months (April-01 to September-01) against desired information for thirty-one months (from April-99 to October-01). Hence, while deriving present collection efficiency levels, the Commission is constrained by the level and accuracy of the month-wise and district level data of amount billed and amount realised available to the Commission. The petitioners also submitted category-wise, DISCOM-wise yearly numbers for energy billed, amount billed, amount realised for the period 1999-00, 2000-01 and the first nine months of current year, i.e. April to December 2001 during further interactions with the Commission.

The Commission analysed the meter-wise Inter Company account of energy submitted by the petitioners and pointed out some software errors leading to discrepancies. The same were rectified by the petitioners in their revised submissions. Further, the petitioners submitted such information for the month of November and December 2001.

The Commission is concerned over the quality of information available with DVB. It notes that the unaudited, finalised annual accounts for 1999-2000 and 2000-01 submitted along with the petition would not serve adequate purpose in the absence of category-wise information compilation on energy, billing and revenue at the district/ circle level. A comparison of the yearly data collated in the petition with the finalised accounts showed significant divergence. The petitioners, in this regard, submitted that the exercise done currently be relied upon.

4.4 Approach and Methodology

As laid out in the Policy Directions, the determination of AT&C loss for each DISCOM involves the estimation of (i) T&D loss (the difference between the units billed and the units input into the DISCOM as a ratio of the energy input into the DISCOM), (ii) Collection efficiency, as the ratio of amount billed to amount collected (iii) Units realised, as the product of units billed and the collection efficiency (iv) AT&C losses, as the difference between units realised and units input into the DISCOM as a ratio of units input into the DISCOM.

In addition, as the interface metering data at 66/33 kV level was not available for the past, a correction factor has been used by the petitioners as discussed earlier.

The Commission has accordingly adopted the following approach for determination of AT&C loss for each DISCOM.

- Calculation of Correction Factor and DISCOM energy input at 66/33 kV
- Calculation of Distribution & Billing loss (the policy directions have used the term of T&D loss for this component, para 10)
- Calculation of Collection Efficiency
- Calculation of AT&C loss for each DISCOM

This approach has been applied for the information submitted by the petitioners for the period April 1999 to October 2001. Further, the Commission has estimated the opening level of AT&C loss for each DISCOM based on the AT&C loss level so computed and the individual operating characteristics of the DISCOMs.

4.4.1 Analysis and Determination of Components of AT&C Loss

4.4.1.1 Correction Factor

As per the Govt. of NCT Delhi notification the transfer of energy between TRANSCO and each DISCOM is defined at voltage level of 66/33 kV. Hence, the Energy input into each DISCOM needs to be metered at these voltage levels. However, the petitioners have submitted in their petition and revised response that in the past DVB has been compiling information relating to the units input into each company at 11 kV level. The interface-metering infrastructure put in place has commenced operations from August 2001, yielding metering data at this voltage level only for the two-month period of September and October 2001. With this constraint, in order to provide operational history of the distribution losses from 66/33 kV level to 11 kV level for the past, the petitioners have applied the two-month data available with them over the past months' information to estimate the energy input at 66/33 kV level for these months. This has been achieved by measuring the loss of energy between 66/33 kV and 11 kV level on account of transformation and distribution losses for the period September and October 2001 based on metering information as a percentage of energy input at 66/33 kV level for each DISCOM. The energy input at 66/33 kV level for this purpose has been adjusted for any direct supply to any bulk or retail consumer at 66/33 kV level in each DISCOM. This percentage has been termed by the petitioner as "*correction factor*" for each DISCOM. A weighted average of this correction factor so computed for each DISCOM for the individual months of September and October 2001 has been applied on the DISCOM-wise monthly 11kV level energy input data available with the petitioners for the period April 1999 to August 2001 to arrive at energy input for these corresponding months at 66/33 kV level.

The detailed monthly circle/district-wise billing (from April 1999 to October 2001) information provided by the petitioner as explained earlier pertains to the energy input metered at 11 kV voltage level.

While the petition had used only two months' meter data for the computation of the correction factor, the Commission solicited similar information during further interactions for the month of November and December 2001. The same was provided by the petitioners. The Commission has considered the numbers for four-month period (September 2001 to December 2001) to evaluate "Correction Factor" for each DISCOM as tabulated in Table 4.4.

Table 4.4: Summary of DISCOM-wise correction factor

DISCOM	Description	Sep-01	Oct-01	Nov-01	Dec-01	Total
CEDEDCL	Units Input at 66/33 kV (MUs)	412	368	341	347	1468
	Units Input at 11 kV (MUs)	387	346	311	326	1371
	Correction Factor (%)	**5.9%**	**5.9%**	**8.6%**	**6.0%**	**6.6%**
SWDEDCL	Units Input at 66/33 kV (MUs)	650	572	485	529	2236
	Units Input at 11 kV (MUs)	624	554	461	498	2136
	Correction Factor (%)	**4.1%**	**3.2%**	**5.0%**	**5.8%**	**4.5%**
NNWDDCL	Units Input at 66/33 kV (MUs)	446	389	376	410	1621
	Units Input at 11 kV (MUs)	419	355	344	379	1496
	Correction Factor (%)	**6.0%**	**8.6%**	**8.7%**	**7.6%**	**7.7%**

Thus, for determination of AT&C loss for 2001-02 for each DISCOM, the Commission has considered Correction Factor as follows: CEDEDCL – 6.6%, SWDEDCL – 4.5%, NNWDDDCL – 7.7%).

4.4.1.2 Distribution & Billing(D&B) loss

Distribution & Billing (D&B) loss at 11 kV level is determined by comparing energy input measured at 11 kV in a month against the energy billed in the subsequent month. i.e.

D&B loss (11 kV) = Energy Input (11 kV) for a month – Energy Billed

D&B loss (11 kV) % = 100 x D&B loss (11 kV) / Energy Input (11 kV)

The petitioners have provided thirty-one months' billing data circle/ district-wise from April 1999 to October 2001 for determination of AT&C loss level for the specific period of twelve month for fiscal year 2001-02. In this context, the petitioners have submitted that the loss level for the full year 2000-01 may not be reflective of the current loss levels. Similarly, the petitioners have submitted that the assessment of losses for the period April 2001 to October 2001 does not take into account cyclical variations over the year, so a twelve month loss level ending October 2001 is the most appropriate representation of AT&C losses in the distribution system, with the current data constraints. The summary of information is presented in the Table 4.5.

Table 4.5: Energy Input, Energy Billed and D&B Loss at 11 kV Level

Description	DISCOM	99-00	00-01	Nov-00 to Oct-01	Apr01 to Oct-01
Energy Input (11 kV) (MUs)	CEDEDCL	3731	4163	4188	2649
	NNWDDCL	4176	4150	4336	2779
	SWDEDCL	6279	6428	6655	4250
	ALL (DISCOMs)	**14186**	**14740**	**15179**	**9678**
Energy Billed (MUs)	CEDEDCL	1696	1953	2118	1291
	NNWDDCL	2369	2555	2709	1671
	SWDEDCL	3139	3609	3922	2423
	ALL (DISCOMs)	**7204**	**8117**	**8749**	**5385**
D&B loss (11 kV) (MUs)	CEDEDCL	2034	2210	2071	1358
	NNWDDCL	1808	1594	1627	1108
	SWDEDCL	3139	2819	2733	1827
	ALL (DISCOMs)	**6981**	**6623**	**6431**	**4293**
D&B loss (11 kV) (%)	CEDEDCL	54.5%	53.1%	49.4%	51.3%
	NNWDDCL	43.3%	38.4%	37.5%	39.9%

	SWDEDCL	50.0%	43.9%	41.1%	43.0%
	ALL (DISCOMs)	**49.2%**	**44.9%**	**42.4%**	**44.4%**

4.4.1.3 Determination of Energy Input (66/33 kV) and D&B loss (66/33 kV)

The Correction factors presented earlier are applied to energy input (11 kV) for the period April-99 to October-01 to derive energy input at (66/33 kV) level over this period. i.e.

Energy Input (66/33 kV) = Energy Input (11 kV) / (1- Correction Factor)

Further, the D&B loss (66/33 kV) level has been determined as per following equation: i.e.

D&B loss (66/33 kV) = Energy Input (66/33 kV) – Energy Billed

D&B loss (66/33 kV) % = 100 x D&B loss (66/33 kV) / Energy Input (66/33 kV)

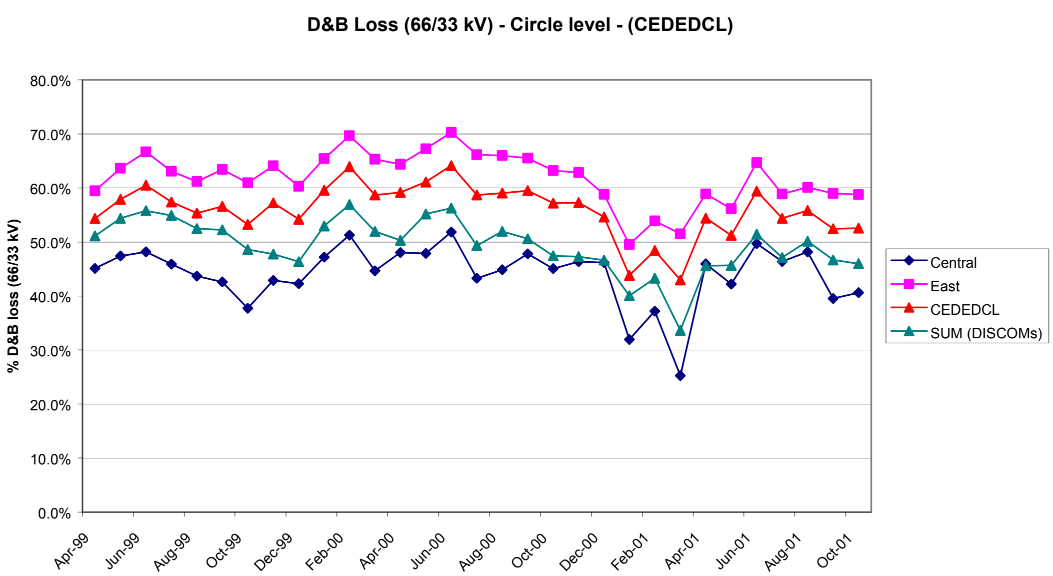
The summary of the information is presented in Table 4.6.

Table 4.6: Energy Input and D&B Loss at 66 kV Level

Description	DISCOM	99-00	00-01	Nov-00 to Oct-01	Apr01 to Oct-01
Energy Input (66/33 kV) (MUs)	CEDEDCL	3993	4455	4482	2835
	NNWDDCL	4523	4494	4695	3009
	SWDEDCL	6571	6727	6966	4448
	ALL (DISCOMs)	**15087**	**15676**	**16143**	**10293**
D&B loss (66/33 kV) (MUs)	CEDEDCL	2296	2502	2365	1544
	NNWDDCL	2154	1938	1987	1339
	SWDEDCL	3432	3118	3043	2025
	ALL (DISCOMs)	**7882**	**7559**	**7395**	**4908**

D&B loss (66/33 kV) (%)	CEDEDCL	57.5%	56.2%	52.8%	54.5%
	NNWDDCL	47.6%	43.1%	42.3%	44.5%
	SWDEDCL	52.2%	46.4%	43.7%	45.5%
	ALL (DISCOMs)	**52.2%**	**48.2%**	**45.8%**	**47.7%**

The Commission recognises that the reasons for the present level of D&B losses in the system and the divergence across various DISCOMs can be plenty. Some of the key reasons would be distribution area served (ckt-km length covered), no. of distribution transformers, connected load, no. of consumers served, consumer mix, consumption pattern etc. The Commission also recognises that the variation in above parameters across DISCOMs would be responsible for varying degree of D&B losses for each DISCOM. In this context, the

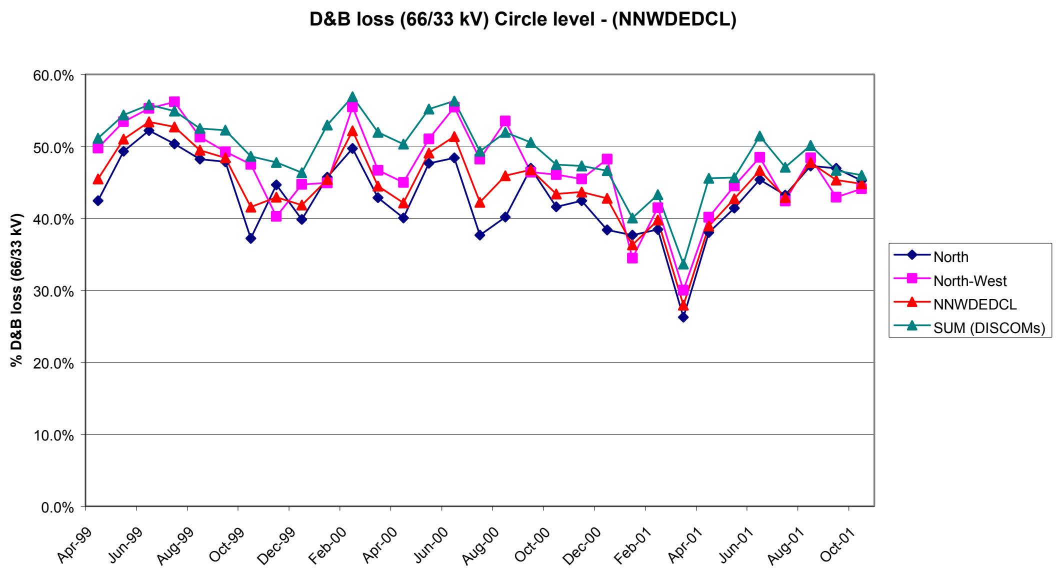


Commission has analysed the trend in D&B loss levels, from the available data, for each DISCOM on month-to-month basis (from April-1999 to October 2001) covering thirty-one months. The analysis of the D&B loss levels for each DISCOM is presented in charts below:

From the Chart for CEDEDCL the following can be observed:

- D&B losses (in % terms) for CEDEDCL are always higher than the overall D&B losses for all DISCOMs over the period of thirty-one months (April-99 to October-01)

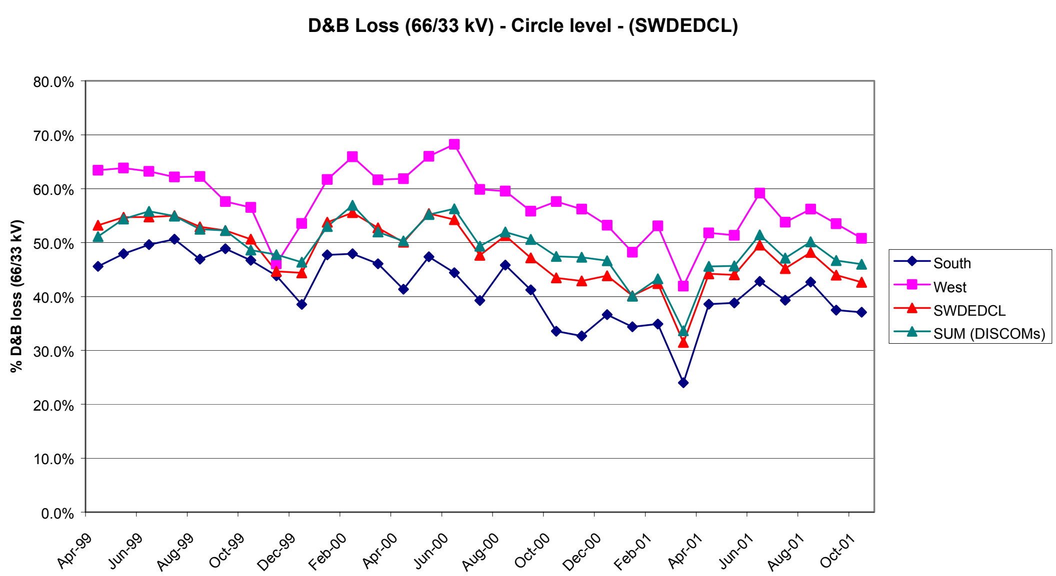
- D&B losses (in % terms) for East Circle within CEDEDCL are always higher than that for



Central Circle.

From the Chart for NNWDDCL the following can be observed:

- D&B losses (in % terms) for NNWDDCL are always lower than the overall D&B losses for all DISCOMs over the period of thirty-one months (April-99 to October-01)
- D&B losses (in % terms) for North-West Circle within NNWDDCL are always higher than



that for North Circle.

From the Chart for SWDEDCL the following can be observed:

- D&B losses (in % terms) for SWDEDCL are always close to overall D&B losses for all DISCOMs over the period of thirty-one months (April-99 to October-01)
- D&B losses (in % terms) for West Circle within SWDEDCL are always higher than that for South Circle.

4.4.1.4 Collection Efficiency

The collection efficiency has been defined as the ratio of amount collected to amount billed over specified period of time (in this case, month to month basis over twelve-month period). Clearly, the collection efficiency of the DVB or DISCOM would depend upon variety of factors such as collection efficiency of different categories of consumers, consumer mix, billing cycle. Findings of the market research study conducted by IMRB on behalf of DVB covering several defaulting consumers, submitted to the Commission by the petitioner, provide some insight into the reasons for collection inefficiency such as faulty meter readings, errors in billing process, delay in redress mechanisms etc.

In this context the petitioners have submitted that:

> *"In order to estimate the billing and collection in various categories of consumers viz. LIP, SIP, Non-domestic, domestic, Agriculture, Railways, Water, Public Lighting, the billing details have been compiled on the basis of cycle summaries prepared by DVB (each DISCOM comprises of two circles, which are further divided into districts. The districts are further divided into billing cycles.)"*

The petitioners admitted that considering the nature and the extent of task, there are minor differences and reconciliation errors between the records submitted and the summary sheets provided in the petition. The petitioners have provided month-wise district level information for domestic and SIP consumer categories based on compilation linked to billing cycle frequency. As regards Bulk consumers, the petitioners have submitted that overall collection efficiency has been considered uniformly across all DISCOMs. Further, in response to a clarification sought by the Commission, the petitioners submitted additional supporting information and break up across DISCOMs, covering details of category-wise units billed, amount billed and amount collected on fiscal year basis (i.e. for 1999-00, 2000-01 and April to

–October 2001). The information indicated substantial variation in Collection Efficiency for Bulk category of consumers (viz. LIP, Water Railways, Public Lighting) over two fiscal years 1999-00 and 2000-01. The Commission has analysed the information submitted and estimated the collection efficiency for bulk category of consumers for each DISCOM separately instead of assuming uniform across all DISCOMs. Accordingly, revised collection efficiency for each DISCOM and overall collection efficiency for all DISCOMs have been derived by the Commission. However, the Commission notes that while deriving present collection efficiency levels, the Commission is constrained by the level and accuracy of the month-wise and district level data of amount billed and amount realised available to the Commission. The Commission has, therefore, performed its due diligence on all the information available to arrive at the best estimates applicable for the period.

The summary of information provided by the petitioners is presented in Table 4.7. The following equations have been used in this Table:

Collection Efficiency = Amount Realised / Amount Billed (in % terms)

Energy Realised = Energy Billed x Collection Efficiency

Table 4.7: Collection Efficiency and Energy Realised

Description	DISCOM	99-00	00-01	Nov-00 to Oct-01	Apr01 to Oct-01
Collection Efficiency (%)	CEDEDCL	81.1%	88.5%	83.2%	79.4%
	NNWDDCL	81.1%	88.4%	85.4%	83.5%
	SWDEDCL	89.2%	91.5%	87.2%	84.9%
	ALL (DISCOMs)	**84.5%**	**89.8%**	**85.7%**	**83.2%**
Energy Realised (MUs)	CEDEDCL	1376	1728	1761	1025
	NNWDDCL	1921	2259	2312	1396
	SWDEDCL	2800	3301	3422	2056
	ALL (DISCOMs)	**6089**	**7285**	**7494**	**4478**

4.5 AT&C Loss

Considering the findings and analysis of above components, the Commission has computed the AT&C loss for each DISCOM and Aggregate level of AT&C loss for all DISCOMs for the period 1999-00, 2000-01, twelve month loss level from November 2000 to October 2001 and for the period April to October 2001as given in Table 4.8. The following equations have been used in this Table:

AT&C loss = Energy Input (66/33 kV) – Energy Realised

AT&C loss % = 100 x AT&C loss / Energy Input (66/33 kV)

Table 4.8: Energy Input (66/33 kV), Energy Realised and AT&C Loss

Description	DISCOM	99-00	00-01	Nov-00 to Oct-01	Apr01 to Oct-01
Energy Input (66/33 kV) (MUs)	CEDEDCL	3993	4455	4482	2835
	NNWDDCL	4523	4494	4695	3009
	SWDEDCL	6571	6727	6966	4448
	ALL (DISCOMs)	**15087**	**15676**	**16143**	**10293**
Energy Realised (MUs)	CEDEDCL	1376	1728	1761	1025
	NNWDDCL	1921	2259	2312	1396
	SWDEDCL	2800	3301	3422	2056
	ALL (DISCOMs)	**6089**	**7285**	**7494**	**4478**
AT&C loss (MUs)	CEDEDCL	2617	2728	2721	1809
	NNWDDCL	2602	2235	2383	1614
	SWDEDCL	3771	3426	3544	2392
	ALL (DISCOMs)	**8997**	**8391**	**8649**	**5815**
AT&C loss (%)	CEDEDCL	65.5%	61.2%	60.7%	63.8%
	NNWDDCL	57.5%	49.7%	50.8%	53.6%
	SWDEDCL	57.4%	50.9%	50.9%	53.8%
	ALL (DISCOMs)	**59.6%**	**53.5%**	**53.6%**	**56.5%**

Presented in Table 4.9 is the summary comparison of AT&C losses between the numbers derived by the Commission and those submitted in petition for each DISCOM.

Table 4.9: AT&C Loss(%)

DISCOM	Petition	Revised petition	Commission

	Nov-00 to Oct-01	Nov-00 to Oct-01	Nov-00 to Oct-01
CEDEDCL	62.5%	60.2%	60.7%
NNWDDCL	53.0%	49.4%	50.8%
SWDEDCL	53.7%	50.3%	50.9%
ALL (DISCOMs)	**56.0%**	**52.9%**	**53.6%**

At this point, the Commission takes reference to Table 4.6, which indicates a reduction of about 4% losses in distribution system during 2000-01. A monthly analysis of energy input and energy billed during 2000-01 indicates a loss reduction achievement of 0.6% during the period April to October 2000 and 3.4% reduction during the period November 2000 to March 2001. The DVB during its responses to the queries of the Commission in regard to the retail tariff revision petition for 2001-02 cited a number of reasons for this sudden drop in losses during November 2000 to March 2001. The DVB stated that the energy input during these months dropped considerably without a corresponding decline in energy billed, pulling down the losses. Further, it also stated that there had been considerable provisional billing of industrial units that were actually closed down. This resulted into an increase in units billed under provisional billing despite the actual energy consumption/ energy input going down, leading to an apparent loss reduction in T&D losses during the last quarter of 2000-01. The DVB had further corroborated their contention by submitting that the collection efficiency during the last quarter of 2000-01 also came down significantly from a level of 83% in January 2001 to 78% during the month of February 2001. The Commission opines that the loss reduction achieved by the DVB on account of its own improvement initiatives during 2000-01 cannot be segregated with certainty from the apparent reduction in losses on account of provisional billing as cited by the DVB. The Commission also acknowledges that the exceptional situation prevailing during the last quarter of 2000-01 like migration of industries, and extensive load shedding in theft prone areas etc. cannot be extrapolated for projection purposes for the following year. DVB proposed a loss reduction target of 2% for 2001-02 in its Retail Tariff Petition. However, the Commission directed the DVB to recover an amount of Rs. 250 Crores through efficiency improvements in its operations, (inclusive of the said loss reduction of 2% proposed by the DVB).

The Commission opines that while the efficiency improvements would encompass inculcating operational efficiencies both in the Transmission as well as the Distribution network, the loss reduction target would primarily have to be met by focused and sustained improvements at the distribution end, both in billing as well as in collection. A Transmission &

Distribution loss reduction target for the DVB system could therefore be translated into a loss reduction target, which shall be slightly higher, for the Distribution system as a ratio of the energy input into the Distribution system.

The Commission has noted that the loss reduction achieved in Distribution system during the period April 2001 to October 2001 is to the tune of 0.5%. This could partly be attributed to the improved billing on account of computerisation of the billing system in some areas. The same exercise is being carried out by DVB in other districts as well and the completion of the implementation of this system in all districts is slated at the end of 2001-02. In addition, DVB has also submitted to the Commission in its earlier interactions that it has initiated a number of schemes for widening of billing net in unauthorised colonies, jhuggi basties and regularisation in other areas. DVB has also started a pilot project of outsourcing the process of meter reading and delivery of bills in certain designated areas. DVB has submitted that the project has resulted in reducing provisional billing and consequent blockage of revenue in these areas. The Commission is of the view that results of these improvement initiatives would reflect further improvement in loss reduction during the second half of the current year. Thus, the distribution losses derived as a twelve-month loss level applicable for the period November 2000 to October 2001 would not be an accurate representation of the losses applicable for the period 2001-02.

Further, the Commission has noted earlier in Table 4.7 that the Collection efficiency for the financial year 2000-01 was around 90% and against this, the Collection Efficiency reported for the seven-month period of current year (from April 2001 to October 2001) stood at 83.2%. The petitioners have submitted further information indicating receipt of subvention by DVB from the Government during the second half of the current year to settle outstanding payments from the public bodies. In addition, the petitioners have also cited a number of initiatives underway for improving the collection efficiency. The petitioners further submitted to the Commission that as a result of such measures, the collection efficiency has started to pick up November 2001 onwards, significantly from the levels prevailing during the first half of the current year. The Commission, therefore, is of the view that collection efficiency derived as a twelve-month loss level applicable for the period November 2000 to October 2001would not be an accurate representation of the collection efficiency for the period 2001-02.

The Commission has raised its concern earlier on the issue of outstanding dues from public bodies of the State Government, while responding to the objections raised in this regard. The

Commission is of the view that the collection inefficiency on account of these dues should not be a pass through for tariff-computation in future years. Hence, the Commission has recommended that the Government should facilitate settlement of the outstanding electricity dues of these public bodies through a suitable budgetary mechanism, as discussed in detail in para 2.6.3.1.

The Commission, therefore, expects that the improvements underway both on account of distribution loss reduction and collection efficiency improvement, would enable the petitioners to achieve certain reduction in AT&C loss levels compared to the 12 month average ending October 2001 computed above.

The opening T&D loss level as on 1st April 2001 is 45.6% as per an affidavit filed by the DVB in the Hon'ble High Court in December 2001. It was stated that this loss level is based on the accounts finalised by the DVB. This loss level of 45.6% included technical loss in the Transmission system, technical loss in the distribution system and the Commercial loss upto the point of billing for the entire DVB system. The petitioners have reported a Transmission loss level of 5.7% for the 2000-01, thus amounting to a distribution loss level to the extent of 40%, as a percentage of energy input into the DVB system. Some improvements in the Distribution & Billing loss are already manifested in the information available for the first half of the current year. The Commission expects further improvements during the second half in light of the initiatives underway towards improved billing as highlighted earlier. In regard to the collection efficiency, the Commission is of the view that the petitioners would be able to reach the level achieved during the previous year of about 90% for the entire distribution business.

The Commission has further analysed the past trends of the Distribution & Billing (D&B) loss levels and collection efficiency for each of the DISCOMs, as depicted in the Charts shown earlier. The Commission is of the view that the loss reduction potential of a DISCOM with a higher level of D&B losses compared to the average D&B loss level, would be higher. Similarly, the improvements in collection efficiency achievable in a year would be dependent on the prevailing level of collection efficiency of the DISCOM at the beginning of the year. The past data indicates a significant divergence of D&B loss between the CEDEDCL and the average level of D&B loss prevailing for the distribution business. On the other hand, the D&B loss level of NNWDDCL and SWDEDCL are progressively converging towards the average level. Thus, a majority of the loss reduction upto the point of billing would be reflected in CEDEDCL.

Similarly, the Collection efficiency level of CEDEDCL is also the lowest amongst the DISCOMs and cannot be expected to reach at the overall level of 90% within the year. On the other hand, the collection efficiency level of the other two DISCOMs of NNWDDCL and SWDEDCL is significantly higher.

In conclusion, considering all the above factors and the inherent diverse operating characteristics of the individual DISCOMs, the Commission determines the opening AT&C loss levels permissible for the individual DISCOMs as follows:

Table 4.10: Opening Levels of AT&C Loss

DISCOM	Opening Level of AT&C Loss
CEDEDCL	57.2%
NNWDDCL	48.1%
SWDEDCL	48.1%
ALL DISCOMs	50.7%

5 Bulk Supply Tariff Computation

The Bulk Supply Tariff is the rate, which DISCOMs need to pay to the Transco for purchase of power. The Govt. of NCT of Delhi has notified certain Policy Directions vide its notification No. F. 11(118)/2001-Power dated November 2001 to enable restructuring of DVB and the privatisation of the distribution companies. These directions also serve as the framework to the Commission for Bulk Supply Tariff (BST) determination.

The said notification states that the retail tariffs for the three distribution licensees shall be identical till the end of 2006-07, i.e., consumers of a particular category shall pay the same retail tariff irrespective of their geographical location within the National Capital Territory of Delhi. The Policy Directions also state that from the date of issuance of the Policy Directions till the end of 2006-07 and subject to all expenses that shall be permitted by the DERC, the tariffs shall be determined in such a manner that the distribution licensees earn at least 16% return on the issued and paid up capital and free reserves.

Further, the Policy Directions state that the Government will make available to the Transco an amount of Rs. 2600 Crore during the period 2002- 03 to 2006-07 as a loan to bridge the revenue gap of Transco. The repayment terms for the loan is to be agreed between the Transco and the Govt. of NCT of Delhi.

As per the above principles laid down in the Policy Directions issued by the Govt. of NCT of Delhi, the Bulk Supply Tariff for each DISCOM is to be determined on the basis of its paying capacity. The paying capacity for each DISCOM (amount available for power purchase) is to be computed by projecting the expected revenues and deducting therefrom the revenue requirement excluding the power purchase expenses.

5.1 DISCOMS REVENUE AT EXISITING TARIFFS

The Commission had asked the petitioners to submit the projected revenues for various categories of consumers at prevailing tariffs. The Commission had also asked the petitioners to furnish the break-up of total revenue for the period of August-October 2001 and total projected revenues from each consumer category with details of the revenues from various components of tariffs and at various slab levels viz., energy charges, fixed charges, demand charges, shunt charges, excess charges etc.

The petitioners have submitted that the DVB has not been compiling the information in the format desired by the Commission and the best data available is total units billed and the amount billed in various categories of consumers. Due to these reasons, the petitioners have projected the revenues based on the average billing rate at the prevailing tariffs for each consumer category. Accordingly, for the current exercise, the following step-wise methodology has been adopted for projecting the revenues from existing tariffs in each DISCOM:

- Estimation of Units Input in each DISCOM in 2001-02
- AT&C Loss and Estimation of Total Units Realised for each DISCOM in 2001-02
- Estimation of Units Realised in each category in 2001-02
- Estimation of Revenue Realised in each category and Total Revenue Realised

5.1.1 Estimation of Energy Input in each DISCOM in 2001-02

The energy input in each DISCOM has been derived from the projected total energy input in the system in the following manner:

- *Estimation of Total Energy Availability*

The quantum of total energy generated and power purchase has been elaborated in detail in Sections 3.1 and 3.2 respectively. The total energy availability has been derived from the total energy input to the system (net energy generated + power purchase) less the quantum of energy supplied to HVPN from the Indraprastha Station estimated at 216MU as equal to the supply made during the year 2000-01.

- *Estimation of Energy Supplied to NDMC and MES*

The petitioners have estimated the quantum of energy supply to NDMC and MES as 954 MU & 160 MU in proportion to the actual energy supplied during April-Sept'01 and the same has been accepted by the Commission based on the past trends.

- *Estimation of Total Energy Input for all DISCOMs*

The total energy input for the three DISCOMs put together has been derived by reducing the losses in the system till the point of supply to DISCOM level and estimated supply to NDMC and MES from the total energy available.

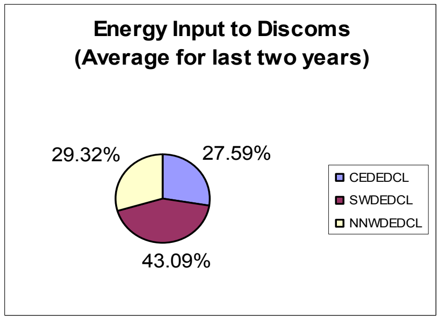
The summary of energy balance during last two years as projected by the petitioners for 2001-02 and as estimated by the Commission for the year 2001-02 is shown in Table 5.1.

Table 5.1: Energy Balance

	Petition	**DERC**
Power Purchase	16193	16513
Net Energy Generated	2546	2537
Energy from IP station sold to HVPN	216	216
Total Energy Available for Delhi	18523	18834
Energy Supply directly by Transco	0	0
- NDMC	954	954
- MES	160	160
Transmission Losses	990.00	1008
Transmission Losses	5.69%	5.69%
Energy Available for DISCOMs at 66/33kV level	**16419**	**16712**

- *Allocation of Total Energy Input to three DISCOMs*

The petitioners have allocated the total units input across three DISCOMs in proportion to the units input in each DISCOM in the first six months April-Sept'01. The Commission is of the opinion that the methodology adopted by Utilities may not take into account the seasonal variations. Therefore, the Commission has allocated the total energy input across three DISCOMs in proportion to average energy input to each DISCOM over the past two years. The percentage of average energy input to each DISCOM over the past two years is presented below:



The total Energy Input to each DISCOM for 2001-02 as submitted by the petitioners and as estimated by the Commission is shown in Table 5.2.

Table 5.2: Energy Input (MU) to DISCOMs for 2001-02

	2001-02	
	Proposed	**Approved**
CEDEDCL	4507	4611
SWDEDCL	7095	7202
NNWDEDCL	4817	4900
Total	**16419**	**16712**

5.1.2 AT&C Loss Level And Estimation Of Total Units Realised For Each DISCOM

The methodology for computing opening level of AT&C Loss has been elaborated in detail in Chapter 4. The opening level of AT&C losses as allowed by the Commission for each DISCOM are as follows:

- CEDEDCL :57.2%
- SWDEDCL : 48.1%
- NNWDDCL : 48.1%

The total units realised in each DISCOM have been computed by reducing the AT&C losses from the total energy input to each DISCOM. The total units realised for each DISCOM for 2001-02 as submitted by the Petitioners and as estimated by the Commission is shown in Table 5.3:

Table 5.3: Total Energy Realised (MU) in each DISCOM for 2001-02

	CEDEDCL		**SWDEDCL**		**NNWDDCL**	
	Petition	**DERC**	**Petition**	**DERC**	**Petition**	**DERC**
Energy Input (MU)	4507	4611	7095	7202	4817	4900
AT&C loss (%)	60.2%	57.2%	50.3%	48.1%	49.4%	48.1%
Total Units Realisation	**1792**	**1971**	**3529**	**3735**	**2439**	**2544**

5.1.3 Estimation of Units realised in each category

The Petitioners have allocated the total estimated units realised for 2001-02 across different consumer categories in the proportion of consumer mix in the year 2000-01. The Commission has considered the average consumer mix of each DISCOM for the past two years for allocating the total estimated units realised across different consumer categories.

The category-wise units realised as submitted by the petitioners and as estimated by the Commission is given in Table 5.4.

Table 5.4: Category-wise Units Realisation (MU) for 2001-02

	CEDEDCL		SWDEDCL		NNWDDCL	
Category	**Proposed**	**Approved**	**Proposed**	**Approved**	**Proposed**	**Approved**
Domestic	967	1088	1978	2119	1100	1146
Commercial	298	330	384	385	181	189
SIP	246	283	394	437	649	728
Agricultural	1	1	36	39	20	21
LIP	192	212	564	615	244	284
Railway	0	0	42	66	58	67
Water	52	35	58	33	139	83
Public Lighting	37	22	72	41	47	26
Total	**1792**	**1971**	**3529**	**3735**	**2439**	**2544**

5.1.4 Estimation of Revenue Realisation

The Petitioners have estimated the revenue realised from various consumer categories based on the average billing rate for the respective category for each DISCOM. The petitioners have estimated the average billing rate from the total units billed and the amount billed in various categories of consumers during the period August 2001 to October 2001. The Petitioners have further submitted that this 3 month period was considered because the new tariff order became effective on 1st June, 2001, hence the billing data from the period August 2001, fully represents the existing tariffs considering the impact of the new tariff order.

The Commission has followed the methodology of projecting revenue considering Average Billing Rate as proposed by the petitioners for the purposes of this exercise. The average billing rate in the three-month period August to October 2001 in each DISCOM for various consumer categories is shown in Table 5.5.

Table 5.5: Average Billing Rate (paise/kWh) for the period Aug-Oct'01

Category	CEDEDCL	SWDEDCL	NNWDDCL
Domestic	294	303	285
Commercial	511	549	556
SIP	527	514	521
Agricultural	524	166	180
LIP	599	581	594
Railway	NA	498	482
Water	652	630	569
Public Lighting	695	695	695

The total revenue realisation for each DISCOM for 2001-02 has been estimated based on the category-wise units realisation as estimated in Section 0 and the average billing rate. The total revenue realisation from each category for each DISCOM for 2001-02 is shown in Table 5.6

Table 5.6: Revenue Realisation (Rs Lakh) for 2001-02

Catogory	CEDEDCL		SWDEDCL		NNWDDCL	
	Proposed	Approved	Proposed	Approved	Proposed	Approved
Domestic	28444	31988	59881	64161	31294	32611
Commercial	15219	16845	21083	21139	10091	10485
SIP	12961	14935	20246	22471	33806	37956
Agricultural	43	54	590	644	364	381
LIP	11481	12715	32785	35708	14528	16897
Railway	0	0	2103	3308	2798	3209
Water	3403	2287	3647	2066	7912	4709
Public Lighting	2544	1525	5028	2840	3244	1803
Total	74096	80350	145363	152336	104037	108051

The total revenue realisation for the two months of Feb-Mar'02 has been derived proportionately from the total revenue realisation for the year 2001-02. The summary of Revenue Realisation for each DISCOM for two-month period is shown in Table 5.7.

Table 5.7: DISCOM-wise Revenue Realisation (Rs Crore) for Feb-Mar'02

Company	**Proposed**	**Approved**
CEDEDCL	123.49	133.92
SWDEDCL	242.27	253.89
NNWDDCL	173.39	180.09
Total	**539.16**	**567.90**

5.2 Bulk Supply Tariff

The paying capacity of each DISCOM (amount available for power purchase) has been estimated based on the projected Revenue Realisation at existing tariffs for two months Feb-Mar'02 and the Revenue Requirement excluding power purchase expenses for the same period. The Bulk Supply Tariff for each DISCOM has been computed based on the total amount available for the power purchase and the total units input to respective DISCOM.

Based on the revenues projected for two months at existing tariff in Section 0, estimated total revenue requirement of each DISCOM for two months in section **0** and the estimated total units input to each DISCOM, the Bulk Supply Tariff for each DISCOM has been computed and is shown in Table 5.8.

Table 5.8: Bulk Supply Tariff Computation for two months

	CEDEDCL		SWDEDCL		NNWDDCL	
	Proposed	**Approved**	**Proposed**	**Approved**	**Proposed**	**Approved**
ARR – Excluding Power Purchase (Rs.Cr)	30.7	26.0	61.6	59.9	48.8	47.1
Revenues at Existing Tariff (Rs. Cr)	123.5	133.9	242.3	253.9	173.4	180.1
Electricity Duty (Rs.Cr)	5.9	6.4	11.1	11.6	8.0	8.4
Amount Available for Power Purchase (Rs.Cr)	86.8	101.5	169.6	182.4	116.7	124.5
Unit Inputs (MU)	751.0	768.4	1183.0	1200.3	803.0	816.7
Bulk Supply Tariff (Paise/kWh)	**115.60**	**132.09**	**143.38**	**151.96**	**145.30**	**152.49**

5.3 Revenue Gap

As described in Section 0 above, the bulk supply tariffs of the DISCOMs have been computed based on the paying capacity of the respective DISCOM as per the Policy Directions. This methodology ensures recovery of the revenue requirement of the DISCOMs leaving an unbridged revenue gap in TRANSCO.

The Revenue Gap for Transco as projected by the petitioners and as estimated by the Commission for the two-month period Feb-Mar'02 is shown in Table 5.9.

Table 5.9: Revenue Gap of Transco (Rs Crore) for Feb-Mar'02

	Proposed	**ApprovedD**
Revenue Requirement (A)	714	703
Revenues		
CEDEDCL	87	101.5
SWDEDCL	170	182.4
NNWDEDCL	117	124.5
NDMC	50	50.5
MES	8	8.5
Total Revenues (B)	432	467.4
Revenue Gap (A-B)	**282**	**236**

As observed from the above table, the Revenue Gap of Transco for two month period Feb-Mar'02 as estimated by the Commission is **Rs 236 Crore**, which is equivalent to Rs 1414 Crore for the entire year.

As per the Policy Directions issued by the Govt. of NCT of Delhi, the Government will provide an amount of Rs 2600 Crore during the period FY 03 to FY 07 as a loan to Transco to bridge the revenue gap. The Policy Directions issued by the Govt. of NCT of Delhi do not specify the proposed treatment for the revenue gap for two months February –March 2002. The Commission is of the view that the revenue gaps of Rs 236 Crore for February – March 2002 is also to be treated in accordance with the mechanism devised by the Government for the treatment of Rs. 2600 crore. The Commission, therefore, has not considered any interest expenses towards financing of this revenue gap for the two months of February -March 2002.

ANNEXURE-1
PETITION NO.4/2001

FILING NO.: 4/2000-01
CASE NO.: 4/2000-01

IN THE MATTER OF:

Joint Petition for determination of Bulk Supply Tariff to be charged by Delhi Power Supply Company Limited for the period till 31st March, 2002 and determination of opening levels of Aggregate Technical & Commercial losses in the Central-East Delhi Electricity Distribution Company Limited, South-West Delhi Electricity Distribution Company Limited and the North North-West Delhi Distribution Company Limited.

Before

Present **Sh. V.K. Sood** **Chairman**

ORDER NO.8/2001

A Joint petition has been filed by the above Petitioners before the Delhi Electricity Regulatory Commission wherein the following prayers have been made before the Commission.

(a) Approve the Revenue Requirement of TRANSCO and determine Bulk Supply Tariff, namely, tariff at which the petitioners will sell electricity to each of the three distribution Companies for the period till 31st March, 2002 taking into account the provisions of the statutory Transfer Scheme and the policy directions issued by the Government;
(b) Determine the opening level of losses for each of the three DISCOMS (Petitioners 2 to 4) taking into account the provisions of the statutory Transfer Scheme and the policy directions;
(c) Pass any such further order or orders as the Hon'ble Commission may deem just and proper in the circumstances of the case.

The Commission has taken the filing on record for preliminary scrutiny. However, the Commission has noted that the petition has placed reliance on certain policy directions notified by the Govt. of NCT of Delhi through Notification No. F.11 (118)/2001-Power/2889 dated 22nd November, 2001 which relate to the issues under deliberation in the proceedings for the above matter. The Commission has, on 18-12-2001, apprised the Govt. of NCT of Delhi that the stated policy directions issued, by the Government in exercise of powers delegated under Section 12 of Delhi Electricity Reform Act 2000 are not in the nature of policy directions in public interest within the meaning of the Act. The response of Govt. of NCT of Delhi in the matter is still waited. The submissions made before the Commission in the above joint petition, however, indicate certain urgency in the matter because of the time frame fixed by the Govt. of NCT of Delhi in the matter, has decided to proceed for deliberations on the petition in accordance with the provisions of DERA 2000 and the procedure laid down in the DERC Comprehensive (Conduct of Business) Regulations 20001. In case any subsequent response is received from Govt. of NCT of Delhi, the Commission would appropriately examine the same during the process of deliberations. A copy of this Order be also, forwarded to the Deptt. Of Power, Govt. of NCT of Delhi.

(V .K. Sood)
Chairman

Dated: 21.12.2001

DELHI ELECTRICITY REGULATORY COMMISSI

ANI
PETITION

Sub-station No. 15, Sector 7, Pushp Vihar, New Delhi - 110 017

PUBLIC NOTICE

Proposal for Determination of Bulk Supply Tariffs and Opening Loss Levels for Distribution Companies in the National Capital Territory of Delhi

REQUEST FOR PUBLIC RESPONSE

It has been informed to the Delhi Electricity Regulatory Commission (the Commission) that in the process of restructuring of Delhi Vidyut Board (DVB) and privatisation of Distribution Business in Delhi, DVB has been unbundled into one Generation Company, one Transmission Company, three Distribution Companies and one Holding Company. In this context, a Joint Petition has been filed before the Commission for determination of Bulk Supply Tariff to be charged by Delhi Power Supply Company Limited, Shakti Bhawan, Nehru Place, New Delhi for the period till 31st March, 2002 and determination of opening levels of Aggregate Technical & Commercial (AT&C)losses in the:

(i) Central-East Delhi Electricity Distribution Company Limited, Shakti Kiran Building, Karkardooma, New Delhi-110092
(ii) South-West Delhi Electricity Distribution Company Limited, Shankar Road, Delhi Vidyut Board Building, New Delhi-110060
(iii) North-North-West Delhi Distribution Company Limited, Shakti Deep Building, Sector- 3, Rohini, New Delhi-110085

1. It has been stated that in exercise of the powers conferred by section 60 read with sections 15 and 16 of the Delhi Electricity Reform Act, 2000 (the Act) the Government of National Capital Territory of Delhi (the Government) have notified the Delhi Electricity Reform (Transfer Scheme) Rules, 2001 (hereinafter referred to as the 'Transfer Scheme').
2. The Transfer Scheme so notified provides for the re-organisation of the DVB including the transfer of properties, interest in properties, assets etc.
3. By the above Transfer Scheme the functions of DVB have been unbundled into the following six companies/entities, which at present are wholly owned undertakings of the Government:
   i) Indraprastha Power Generation Company Ltd. (GENCO);
   ii) Delhi Power Supply Company Ltd. (TRANSCO);
   iii) Central-East Delhi Electricity Distribution Company Ltd. (CEDEDCL);
   iv) South-West Delhi Electricity Distribution Company Ltd. (SWDEDCL);
   v) North North-West Delhi Electricity Distribution Company Ltd. (NNWDDCL);
   vi) Delhi Power Company Ltd. (Holding Company).
4. In these circumstances, it has become necessary to determine the bulk supply tariff, namely, the tariff and the terms and conditions on which the TRANSCO will sell electricity to the three Distribution Companies. This tariff is required to be determined in terms of the provisions of section 28 of the Act.
5. The petitioners have submitted that in exercise of powers conferred by section 12 and other applicable provisions of the Act, the Government has also issued policy directions vide Notification No F.11 (118)/2001-Power/2889 dated November 22, 2001 as given below:
   (a) The measure of overall efficiency of the distribution business i.e. Aggregate Technical &Commercial (AT&C) Losses shall be based on the difference between units input into the system and the units for which payment is collected. The policy directions also state that the AT&C Loss shall be the basis for determination of tariffs and also for computation of incentives (for better performance) for the year 2002-03 to 2006-07.
   (b) The AT&C loss programme is to be as per the bid submitted by the purchaser (selected bidder).
   (c) Distribution licensees shall be entitled to retain 50% of the additional revenues from any AT&C loss reduction over and above the level proposed in the bid by the Purchaser (selected bidder) and this shall not be counted as revenue for the purpose of tariff fixation for the succeeding years. The balance 50 % of the excess efficiency gain shall be counted as revenue for the purpose of tariff fixation.
   (d) Distribution licensees earn, at least, 16% return on the issued and paid up capital and free reserves.
   (e) The amount agreed to be made available by the Government to TRANSCO will be as a loan for the particular year.
6. The following additional information, amongst other details, has been appended:

(a) Determination of opening level of losses for the DISCOMs

The AT&C loss in each DISCOM have been computed for the following three periods:

i. Loss levels for the full year 2000-2001
ii. Loss levels for the period April to October 2001
iii. Twelve month loss levels for the period April 01 to October 01.

While the detailed calculation of the losses in these three periods are given in the petition, the results of the calculations are shown in the table below:

	CEDEDCL	SWDEDCL	NNWDDCL
2000-01	63.3	54.0	51.3
Apr-October 01	66.2	57.1	57
Twelve month levels for Apr to Oct 01			
May 00 - April 01	62.5	53.4	50.8
June 00 May 01	62.7	53.6	51.6
July 00 June 01	62.8	53.8	51.8
Aug 00 July 01	63.1	54.1	52.5
Sept 00 Aug 01	63.0	54.2	52.9
Oct 00 Sept 01	62.8	54.1	53.1
Nov 00 Oct 01	62.5	53.7	53.0

(b) Determination of Bulk Supply Tariff for the DISCOMs

The bulk supply tariff of each DISCOM has been calculated by projecting the expected revenues and deducting there from the aggregate revenue requirement. The resultant amount is considered to be the amount available for paying for the power purchase expenses and this balance amount is divided by the energy input to determine the bulk supply tariff.

The final results of the calculations for the period February to March 02 are given in the following table:

(Rs. Crores)

		CEDEDCL	SWDEDCL	NNWDEDCL
A	**Revenue at Existing Tariffs (Rs. Crores)**	117	226	161
B	Electricity Tax (Rs. Crores)	6	11	8
C	**Aggregate Revenue Requirement (ARR) excluding power purchase [1+2-3-4] (Rs. Crores)**	16	43	34
	1. Reasonable Return	3	12	10
	2. Revenue Requirement (total expenditure excl. cost of Power Purchase)	31	53	42
	Less:			
	3. Non-tariff income	18	23	17
	4. Outstanding Rebates	0	0	0
D	**Amount Available for Purchase of Power [A-B-C] (Rs. Crores)**	95	172	118
E	Units Input (MUs)	751	1183	803
F	**Bulk Supply Tariff (paise/kWh) [D/E]**	127	145	148

(c) Statement of Difference

The statement of difference for the successor entities for the period February-March, 2002 has been computed as is shown in the table below:

(Rs. Crores)

		CED	SWD	NNWD	TRANSCO	GENCO
A	**Revenues**	111	215	153	444	93
B	**Aggregate Revenue Requirement (ARR) excluding power purchase [1+2=3-4-5]**	111	215	153	720	93
	1. Reasonable Return	3	12	10	5	4
	2. Revenue Requirement (total expenditure excl. cost of Power Purchase)	31	53	42	31	
	3. Power Purchase/Generation	95	172	118	684	89
	Less:					
	4. Non-tariff income	18	23	17	0	0
	5. Outstanding Rebates	0	0	0	0	0
C	**Difference (Surplus/Shortfall) (+/-) [A-B]**	0	0	0	275	0

7. The petitioners have prayed that the Commission may expeditiously:
   (i) approve the Revenue Requirements of TRANSCO and determine Bulk Supply Tariff, namely, tariff at which the petitioner will sell electricity to each of the three Distribution Companies for the period till 31st March, 2002 taking into account the provisions of the statutory Transfer Scheme and the policy directions issued by the Government;
   (ii) determine the opening level of losses for each of the three DISCOMS (Petitioners 2 to 4) taking into account the provisions of the statutory Transfer Scheme and the policy directions;
   (iii) pass any such further order or orders as this Hon'ble Commission may deem just and proper in the circumstances of the case.
8. In accordance with the provisions of the **"Delhi Electricity Regulatory Commission Comprehensive (Conduct of Business) Regulations, 2001"** notified by the Commission, **the Commission hereby seeks response from the consumers and stakeholders to the above petition.** Responses are to be sent to the Secretary to the Commission at above office address by **16th January, 2002. The response can be submitted personally or by post to the Commission office or through e-mail to the address secyderc@ nic.in.**
9. The Commission would also subsequently hold **public hearings** with the respondents whose comments are considered to require further deliberations. **The Orders on the application shall be issued after consideration of suggestions received from the consumers and stakeholders.**
10. The complete petition filed by the petitioners is available at the Commission **website http://www.dercind.org.** A copy of the petition (excluding Annexures 3, 4 & 5 which may be inspected at the Commission's office in accordance with the procedure laid down in above referred Regulations by desirous parties) can also be obtained from the Commission office on any working day between 11 AM to 4 PM on payment of Rs. 100/- by cash or in form of Demand Draft/Pay Order payable at New Delhi drawn in the favour of Secretary, Delhi Electricity Regulatory Commission. For obtaining the copy by post self addressed and duly stamped (Rs. 30/- for local and Rs. 90/-for outstation delivery) A-4 size envelopes may be sent to the Commission office along with the bank draft/pay order.

Secretary
Delhi Electricity Regulatory Commission

DIP/2318/2001

दिल्ली विद्युत विनियामक आयोग

सब-स्टेशन नं. 15, सेक्टर 7, पुष्प विहार, नई दिल्ली-110017

सार्वजनिक सूचना

राष्ट्रीय राजधानी क्षेत्र दिल्ली में वितरण कंपनियों के लिए थोक आपूर्ति दरों तथा प्रारंभिक घाटा स्तरों के निर्धारण के लिए प्रस्ताव

जनसाधारण से प्रतिक्रियाओं की मांग

दिल्ली विद्युत विनियामक आयोग को यह सूचित किया गया है कि दिल्ली विद्युत बोर्ड (दि.वि.बो.) के पुनर्गठन तथा दिल्ली में वितरण व्यापार के निजीकरण की प्रक्रिया में, दिल्ली विद्युत बोर्ड को एक उत्पादन कंपनी, एक संचारण कंपनी, तीन वितरण कंपनियों तथा एक धारण कंपनी में विभाजित किया गया है। इस संदर्भ में, थोक आपूर्ति दर, जो दिल्ली ऊर्जा आपूर्ति कंपनी लिमिटेड, शक्ति भवन, नेहरू प्लेस, नई दिल्ली द्वारा 31 मार्च, 2002 तक की अवधि के लिए ली जाएगी, के निर्धारण हेतु तथा

(i) मध्य-पूर्व दिल्ली विद्युत वितरण कंपनी लिमिटेड, शक्ति किरण बिल्डिंग, कड़कड़डूमा, नई दिल्ली-110 092
(ii) दक्षिण-पश्चिम दिल्ली विद्युत वितरण कंपनी लिमिटेड, शंकर रोड, दिल्ली विद्युत बोर्ड बिल्डिंग, नई दिल्ली - 110 060
(iii) उत्तर-उत्तर पश्चिम दिल्ली वितरण कंपनी लिमिटेड, शक्ति दीप बिल्डिंग, सेक्टर-3, रोहिणी, नई दिल्ली-110 085 में कुल तकनीकी एवं वाणिज्यिक (ए टी एवं सी) घाटे के प्रारंभिक स्तरों के निर्धारण के लिए आयोग के समक्ष एक संयुक्त याचिका दायर की गई है।

1. यह सूचित किया गया है कि दिल्ली विद्युत सुधार अधिनियम, 2000 (अधिनियम) की धारा 60, जिसे धारा 15 एवं 16 के साथ पढ़ा जाय, के द्वारा दिये गये अधिकारों के कार्यान्वयन में, राष्ट्रीय राजधानी क्षेत्र दिल्ली सरकार (सरकार) ने दिल्ली विद्युत सुधार (स्थानांतरण योजना) नियम, 2001 (स्थानांतरण योजना) को अधिसूचित किया है।
2. इस तरह अधिसूचित स्थानांतरण योजना दि.वि.बो.के पुनर्गठन, जिसमें संपत्तियों के स्थानांतरण, संपत्तियों पर ब्याज, परिसंपत्तियां आदि भी शामिल हैं, की व्यवस्था करती है।
3. उपरोक्त स्थानांतरण योजना के द्वारा दिविबो के कार्यों को निम्नलिखित छ: कंपनियों/संगठनों में विभाजित किया गया है, जो वर्तमान में सरकार के पूर्णत: स्वामित्व वाले उद्यम हैं :
   i) इंद्रप्रस्थ ऊर्जा उत्पादन कंपनी लिमिटेड (जेनको);
   ii) दिल्ली ऊर्जा आपूर्ति कंपनी लिमिटेड (ट्रांसको);
   iii) मध्य-पूर्व दिल्ली विद्युत वितरण कंपनी लिमिटेड (सीईडीईडीसीएल);
   iv) दक्षिण-पश्चिम दिल्ली विद्युत वितरण कंपनी लिमिटेड (एसडब्ल्यूडीईडीसीएल);
   v) उत्तर उत्तर-पश्चिम दिल्ली विद्युत वितरण कंपनी लिमिटेड (एनएनडब्ल्यूडीडीसीएल);
   vi) दिल्ली ऊर्जा कंपनी लिमिटेड (धारण कंपनी)
4. इन परिस्थितियों में, यह आवश्यक हो गया है कि थोक आपूर्ति दर का निर्धारण किया जाय, तथा नियमों एवं शर्तों, जिनके आधार पर ट्रांसको तीनों वितरण कंपनियों को विद्युत का विक्रय करेगी, को तय किया जाए। इस दर का निर्धारण, अधिनियम की धारा 28 की व्यवस्था के अनुसार करना वांछित है।
5. याचिका-दाता ने यह सूचित किया है कि धारा 12 तथा अधिनियम में अन्य लागू व्यवस्थाओं द्वारा दिये गये अधिकारों का पालन करते हुए सरकार ने दिनांक 22 नवंबर, 2001 की अधिसूचना सं. एफ. 11 (118)/2001-ऊर्जा/2889 के द्वारा नीति निर्देशों को भी जारी किया है, जो निम्नलिखित हैं :
   (क) वितरण व्यापार की कार्यकुशलता का माप अर्थात् कुल तकनीकी एवं वाणिज्यीय घाटा (ए टी एवं सी घाटा) तंत्र में प्रविष्ट कुल इकाईयों तथा उन इकाईयों जिसके लिए भुगतान एकत्र किया गया के बीच अंतर, के आधार पर निर्धारित होगा। नीति निर्देशनों में यह भी निश्चित किया गया है कि वर्ष 2002-03 से 2006-07 के लिए दरों के निर्धारण तथा प्रोत्साहन लाभ (बेहतर प्रदर्शन के लिए) की गणना का आधार भी ए टी एवं सी घाटा होगा।
   (ख) ए टी एवं सी घाटा कार्यक्रम खरीददार (चयनित बोलीकर्त्ता) द्वारा दाखिल बोली के अनुसार होगा।
   (ग) वितरण लाइसेंसधारी खरीददार (चयनित बोलीकर्त्ता) द्वारा प्रस्तावित बोली के स्तर से ऊपर किसी ए टी एवं सी घाटे से प्राप्त अतिरिक्त राजस्वों के 50% को रखने के हकदार होंगे तथा आने वाले वर्षों में दर निर्धारण के लिए राजस्व के रूप में इसकी गणना नहीं की जाएगी। दर निर्धारण के लिए लक्ष्य से अधिक कार्यकुशलता प्राप्ति के शेष 50% की राजस्व के रूप में गणना की जाएगी।
   (घ) वितरण लाइसेंसधारी जारी चुकता पूँजी तथा मुक्त आरक्षित के कम से कम 16% के बराबर लाभ प्राप्त कर सकेगा।
   (ङ) स्वीकृत राशि, जो सरकार द्वारा ट्रांसको को उपलब्ध करायी जाएगी, निश्चित वर्ष के लिए ऋण के रूप में होगी।
6. निम्नलिखित अतिरिक्त जानकारी, अन्य विवरणों के साथ, संलग्न की गई है:

(क) डिस्कोम के लिए प्रारंभिक स्तर के घाटे का निर्धारण

प्रत्येक डिस्कोम में ए टी एवं सी घाटे की गणना निम्नलिखित तीन अवधियों में की गई:

i. सम्पूर्ण वर्ष 2000-2001 के लिए घाटे का स्तर
ii. अप्रैल से अक्टूबर, 2001 की अवधि के घाटे का स्तर
iii. अप्रैल 01 से अक्टूबर 01 की अवधि में बारह महीने के घाटे का स्तर।

जबकि इन तीन समयावधियों में घाटों की विस्तृत गणना को याचिका में दिया गया है, गणनाओं के परिणामों को निम्नलिखित तालिका में दर्शाया गया है:

	सीईडी ईडीसीएल	एसडब्ल्यूडी ईडीसीएल	एनएनडब्ल्यू डीडीसीएल
2000-2001	63.3	54.0	51.3
अप्रैल-अक्टूबर 01	66.2	57.1	57
अप्रैल से अक्टूबर 01 के लिए बारह महीना के स्तर			
मई 00 - अप्रैल 01	62.5	53.4	50.8
जून 00 - मई 01	62.7	53.6	51.6
जुलाई 00 - जून 01	62.8	53.8	51.8
अगस्त 00 - जुलाई 01	63.1	54.1	52.5
सितंबर 00 - अगस्त 01	63.0	54.2	52.9
अक्टूबर 00 - सितंबर 01	62.8	54.1	53.1
नवंबर 00 - अक्टूबर 01	62.5	53.7	53.0

(ख) डिस्कोम के लिए थोक आपूर्ति दर का निर्धारण

प्रत्येक डिस्कोम के थोक दर की गणना, अनुमानित राजस्वों को योजनाबद्ध करके तथा कुल राजस्व आवश्यकता को उसमें से घटा कर की गई है। ऊर्जा क्रय में व्ययों के हेतु भुगतान के लिए उपलब्ध राशि को परिणामी राशि माना गया है तथा थोक आपूर्ति दर के निर्धारण के लिए इस शेष राशि का विभाजन ऊर्जा निवेश के द्वारा किया गया है। फरवरी से मार्च 02 की अवधि के लिए गणनाओं के अंतिम परिणामों को निम्नलिखित तालिका में दिया गया है:

(करोड़ रुपए)

		सीईडी ईडीसीएल	एसडब्ल्यूडी ईडीसीएल	एनएनडब्ल्यूडी ईडीसीएल
क	वर्तमान दरों पर राजस्व (करोड़ रुपए)	117	226	161
ख	विद्युत कर (करोड़ रुपए)	6	11	8
ग	कुल राजस्व अपेक्षा (एआरआर), ऊर्जा क्रय को छोड़कर [1+2-3-4] (करोड़ रुपए)	16	43	34
	1. समुचित लाभ	3	12	10
	2. राजस्व अपेक्षा (कुल व्यय, ऊर्जा क्रय को छोड़कर)	31	53	42
	घटा :			
	3. टैरिफ से भिन्न आय	18	23	17
	4. अप्राप्त छूट	0	0	0
घ	ऊर्जा क्रय के लिए उपलब्ध राशि [क-ख-ग] (करोड़ रुपए)	95	172	118
ङ	इकाईयों का निवेश (एम यू)	751	1183	803
च	थोक आपूर्ति दर (पैसे/किवाआ) [घ/ङ]	127	145	148

(ग) अंतर का विवरण

फरवरी-मार्च 2002 की अवधि हेतु उत्तरवर्ती संस्थाओं के लिए अंतर के विवरण की गणना निम्नलिखित तालिका के अनुसार की गई है:

(करोड़ रुपए)

		सीईडी ईडीसीएल	एसडब्ल्यूडी ईडीसीएल	एनएनडब्ल्यूडी ईडीसीएल	ट्रांसको	जीईएन सीओ
क	राजस्व	111	215	153	444	93
ख	कुल राजस्व अपेक्षा, ऊर्जा क्रय को छोड़कर [1+2=3-4-5]	111	215	153	720	93
	1. समुचित लाभ	3	12	10	5	4
	2. राजस्व अपेक्षा (कुल व्यय, ऊर्जा क्रय की लागत को छोड़कर)	31	53	42	31	
	3. ऊर्जा क्रय/उत्पादन	95	172	118	684	89
	घटा :					
	4. टैरिफ से भिन्न आय	18	23	17	0	0
	5. अप्राप्त छूट	0	0	0	0	0
ग	अंतर (अधिशेष/कमी) (+/-) [क-ख]	0	0	0	275	0

7. याचिका-दाताओं ने यह प्रार्थना की है कि आयोग शीघ्र:
   (i) ट्रांसको की राजस्व अपेक्षाओं को अनुमोदित करे तथा थोक आपूर्ति दर का निर्धारण यथा, वैधानिक हस्तांतरण योजना की व्यवस्थाओं एवं सरकार द्वारा जारी नीति निर्देशों को ध्यान में रखते हुए, 31 मार्च, 2002 तक की अवधि के लिए दर, जिस पर याचिका-दाता, तीनों वितरण कंपनियों में से प्रत्येक को विद्युत का विक्रय करेगा, निर्धारित करे;
   (ii) वैधानिक हस्तांतरण योजना की व्यवस्थाओं तथा नीति-निर्देशों को ध्यान में रखते हुए तीनों डिस्कोम (याचिका-दाताओं 2 से 4) में से प्रत्येक के लिए प्रारंभिक स्तर के घाटों का निर्णारण करे;
   (iii) अन्य कोई ऐसे आदेश या आदेशों को पारित करे, जिन्हें यह आयोग इस प्रतिवेदन के संदर्भ में न्यायसंगत तथा उपयुक्त मानता है।
8. आयोग द्वारा अधिसूचित **''दिल्ली विद्युत विनियामक आयोग व्यापक (व्यापार का संचालन) विनियमन, 2001''** के प्रस्तावों के अनुसार, **उपरोक्त याचिका पर आयोग एतद्द्वारा उपभोक्ताओं तथा अभिरुचित वर्गों से प्रतिक्रिया आमंत्रित करता है।** प्रतिक्रियाओं को उपरोक्त कार्यालय पते पर आयोग के सचिव के पास **16 जनवरी, 2002** तक भेजा जा सकता है। प्रतिक्रिया को व्यक्तिगत रूप से या **डाक द्वारा आयोग के कार्यालय में जमा कराया जा सकता है या secyderc@nic.in के पते पर ई-मेल किया जा सकता है।**
9. आयोग उन प्रतिक्रिया भेजने वालों के साथ बाद में **सार्वजनिक सुनवाई** का आयोजन करेगा, जिनकी टिप्पणी को आगे विचार-विमर्श करने योग्य समझा जायेगा। **उपभोक्ताओं तथा अभिरुचित वर्गों से प्राप्त सुझावों को ध्यान में रखकर, याचिका पर आदेशों को जारी किया जायेगा।**
10. याचिका-दाताओं द्वारा दायर पूर्ण याचिका को आयोग के वेबसाईट **http://www.dercind.org** से प्राप्त किया जा सकता है। याचिका की एक प्रति (अनुलग्नक 3, 4 तथा 5 रहित, जिसे इच्छुक पार्टियों द्वारा उपरोक्त विनियमनों में निहित प्रक्रियाओं के अनुसार आयोग के कार्यालय में जाँचा जा सकता है) को किसी भी कार्य दिवस में आयोग के कार्यालय से प्रात: 11.00 बजे से सायं 4.00 बजे के बीच, नकद या डिमांड ड्राफ्ट/पे ऑर्डर के रूप में 100/- रुपए के भुगतान द्वारा, जो नई दिल्ली में देय हो तथा सचिव, दिल्ली विद्युत विनियामक आयोग के नाम से हो, प्राप्त किया जा सकता है। याचिका की प्रति को डाक द्वारा मँगाये जाने के लिए अपना पता लिखा हुआ, डाक टिकट सहित (स्थानीय के लिए 30/- रुपए तथा दिल्ली से बाहर के लिए 90/- रुपए का), ए-4 आकार के लिफाफे को आयोग के कार्यालय में बैंक ड्राफ्ट/ पे ऑर्डर के साथ भेजकर प्राप्त किया जा सकता है।

सचिव
दिल्ली विद्युत विनियामक आयोग

DIP/2318/2001

ANNEXURE-2 (c)
PETITION NO. 4/2001

دلی ودیوت ریگولیٹری کمیشن

سب سٹیشن نمبر 15، سیکٹر-7، پشپ وہار، نئی دہلی-110017

اطلاع عام

حکومت قومی راجدھانی علاقہ دلی میں ڈسٹری بیوٹنگ کمپنیوں کیلئے تھوک سپلائی شرحوں اور شروعاتی گھاٹا سطحوں کے تعین کیلئے تجاویز عوام کا رد عمل مطلوب ہے

(i) سینٹرل-ایسٹ دلی ودیوت ڈسٹری بیوشن کمپنی لمیٹڈ ... 110092

(ii) ساؤتھ-ویسٹ دلی ودیوت ڈسٹری بیوشن کمپنی لمیٹڈ ... 110060

(iii) نارتھ-نارتھ ویسٹ دلی ودیوت ڈسٹری بیوشن کمپنی لمیٹڈ ... 110085

1. ... 2000 (ایکٹ) کی دفعہ 60، دفعہ 15 اور 16 ...

2. ... 2001 ...

(i) اندرپرستھ پاور جنریشن کمپنی لمیٹڈ

(ii) دلی پاور سپلائی کمپنی لمیٹڈ (ٹرانسکو)

(iii) سینٹرل-ایسٹ دلی ودیوت ڈسٹری بیوشن کمپنی لمیٹڈ

(iv) ساؤتھ-ویسٹ دلی ودیوت ڈسٹری بیوشن کمپنی لمیٹڈ

(v) نارتھ-نارتھ ویسٹ دلی ودیوت ڈسٹری بیوشن کمپنی لمیٹڈ

(vi) دلی پاور کمپنی لمیٹڈ (ہولڈنگ کمپنی)

5. ... 22 نومبر 2001 ... 11 (118) / 2001 ...

(کروڑ روپے)

		سی ای ڈی ڈی ای ڈی سی ایل	ایس ڈبلیو ڈی ای ڈی سی ایل	این این ڈبلیو ڈی ای ڈی سی ایل
اے	موجودہ شرحوں پر ریونیو (کروڑ روپے)	117	226	161
بی	وِدیوت ٹیکس (کروڑ روپے)	6	11	8
سی	کل ریونیو ضرورت (اے آر آر) پاور خرید کو چھوڑ کر [1+2-3-4] (کروڑ روپے)			
	1. کل منافع	3	12	10
	2. ریونیو ضرورت (کل خرچ پاور خرید کو چھوڑ کر)	31	53	42
	گھٹاؤ 3. ریٹیل سے الگ آمدنی	18	23	17
	4. محصول چھوٹ	0	0	0
ڈی	پاور خرید کیلئے دستیاب آمدنی (اے-بی-سی) (کروڑ روپے)	95	172	118
ای	یونٹوں کا خرید (ایم یو)	751	1183	803
ایف	تھوک سپلائی شرح (پیسے / کی ڈبلیو ایچ) [ڈی / ای]	127	145	148

(سی) فرق کی تکمیل

فروری-مارچ 2002 کی مدت کیلئے ... فرق کی تکمیل کی تجویز مندرجہ ذیل جدول کے مطابق کی گئی ہے:

(کروڑ روپے)

		سی ای ڈی ڈی ای ڈی سی ایل	ایس ڈبلیو ڈی ای ڈی سی ایل	این این ڈبلیو ڈی ای ڈی سی ایل	ٹرانسکو	آئی پی جی سی ایل
اے	ریونیو	111	215	153	444	93
بی	کل ریونیو ضرورت پاور خرید کو چھوڑ کر [1+2=3-4-5]	111	215	153	720	93
	1. کل منافع	3	12	10	5	4
	2. ریونیو ضرورت (کل خرچ پاور خرید کی لاگت کو چھوڑ کر)	31	53	42	31	
	3. پاور خرید دینداری	95	172	118	684	89
	گھٹاؤ 4. ریٹیل سے الگ آمدنی	48	23	17	0	0
	5. محصول چھوٹ	0	0	0	0	0
سی	فرق (حکومتی سبسڈی) (بی-اے)	0	0	0	275	0

6. مندرجہ ذیل ... تفصیلات ... منسلک کی گئی ہیں:

(اے) ڈسکوم کیلئے شروعاتی سطح کے گھاٹے کا تعین

ہر ڈسکوم میں اے ٹی اینڈ سی گھاٹے کی تین مندرجہ ذیل مدتوں میں کی گئی:

i پورے سال 2000-2001 کیلئے گھاٹے کی سطح

ii اپریل سے اکتوبر 2001 کی مدت کے گھاٹے کی سطح

iii اپریل 01 سے اکتوبر 01 کی مدت میں بارہ مہینے کے گھاٹے کی سطح

جبکہ ان تین مدتوں میں گھاٹوں کی مفصل گنتی کو پٹیشن میں دیا گیا ہے، گنتی کے نتائج کو مندرجہ ذیل جدول میں دکھایا گیا ہے:

	سی ای ڈی ڈی ای ڈی سی ایل	ایس ڈبلیو ڈی ای ڈی سی ایل	این این ڈبلیو ڈی ای ڈی سی ایل
2000-2001	63.3	54.0	51.3
اپریل سے اکتوبر 01	66.2	57.1	57
اپریل سے اکتوبر 01 کیلئے بارہ مہینے کی سطح			
مئی 00 سے اپریل 01	62.5	53.4	50.8
جون 00 - مئی 01	62.7	53.6	51.6
جولائی 00 - جون 01	62.8	53.8	51.8
اگست 00 - جولائی 01	63.1	54.1	52.5
ستمبر 00 - اگست 01	63.0	54.2	52.9
اکتوبر 00 - ستمبر 01	62.8	54.1	53.1
نومبر 00 - اکتوبر 01	62.5	53.7	53.0

(بی) ڈسکوم کیلئے تھوک سپلائی شرح کا تعین ...

7. پٹیشن دائر کرنے والوں نے درخواست کی ہے کمیشن بطور:

... 31 مارچ 2002 تک کی مدت کیلئے ...

8. ... 2001 ... 16 جنوری 2002 تک ... secydercnic@nic.in ...

9. ...

10. ... http://www.dercind.org ... 11-00 بجے ... 4-00 بجے ... 100/- روپے ... 30/- روپے ... 90/- روپے ...

سیکریٹری
دلی ودیوت ریگولیٹری کمیشن

DIP/2318/2001

DELHI ELECTRICITY REGULATORY COMMISSION

Sub-station No. 15, Sector 7, Pushp Vihar, New Delhi - 110 017

PUBLIC NOTICE

Proposal for Determination of Bulk Supply Tariffs and Opening Loss Levels for Distribution Companies in the National Capital Territory of Delhi

REQUEST FOR PUBLIC RESPONSE

Joint Petition for determination of Bulk Supply Tariff to be charged by Delhi Power Supply Company Limited for the period till 31st March, 2002 and determination of opening levels of Aggregate Technical & Commercial losses in the Central-East Delhi electricity Distribution Company Limited, South-West Delhi Electricity Distribution Company Limited and the North North-West Delhi Distribution Company Limited.

In course of Joint Petition filed before the Delhi Electricity Regulatory Commission in the above matter, the Petitioners have filed additional information. It has also been informed that Delhi Vidyut Board has also sought to be impleaded as Joint Petitioner in the above matter. The supplementary information is available on DERC Website **dercind.org**. The information can also be inspected and copy thereof obtained by the Stakeholders from DERC office between 11.00 am to 4.00 pm on any working day. Stakeholders may sent their response to the Commission by **16th January, 2002**.

Secretary
Delhi Electricity Regulatory Commission

DIP/2388/2002

दिल्ली विद्युत विनियामक आयोग

सब-स्टेशन नं. 15, सेक्टर 7, पुष्प विहार, नई दिल्ली-110017

सार्वजनिक सूचना

राष्ट्रीय राजधानी क्षेत्र दिल्ली में वितरण कंपनियों के लिए थोक आपूर्ति दरों तथा प्रारंभिक घाटा स्तरों के निर्धारण के लिए प्रस्ताव

जनसाधारण से प्रतिक्रियाओं की मांग

दिल्ली ऊर्जा आपूर्ति कंपनी लिमिटेड द्वारा थोक आपूर्ति दरों के 31 मार्च, 2002 तक के निर्धारण हेतु तथा मध्य-पूर्व दिल्ली विद्युत वितरण कंपनी लिमिटेड, दक्षिण-पश्चिम दिल्ली विद्युत वितरण कंपनी लिमिटेड तथा उत्तर उत्तर-पश्चिम विद्युत वितरण कंपनी लिमिटेड के प्रारम्भिक घाटा स्तर का निर्धारण के विषय में दाखिल संयुक्त याचिका।

उपरोक्त विषयक याचिका पर विचार के दौरान दिल्ली विद्युत विनियामक आयोग के समक्ष याचिकाकर्ताओं द्वारा अतिरिक्त सूचना दाखिल की गई है। यह भी सूचित किया गया है कि दिल्ली विद्युत बोर्ड भी संयुक्त याचिकाकर्ताओं में सम्मिलित होना चाहता है। इस सूचना के विवरण दिल्ली विद्युत विनियामक आयोग के वेबसाइट **dercind.org** पर उपलब्ध है तथा अभिरुचित व्यक्ति इनका निरीक्षण तथा प्रतिलिपियों की प्राप्ति, आयोग के कार्यालय से कार्यदिवस पर प्रातः 11 बजे से सायं 4 बजे तक कर सकते हैं। अभिरुचित व्यक्ति अपने प्रस्ताव आयोग को दिनांक 16 जनवरी, 2002 तक प्रेषित कर सकते हैं।

सचिव

DIP/2388/2002

दिल्ली विद्युत विनियामक आयोग

دلی ودیوت ریگولیٹری کمیشن

سب سٹیشن نمبر 15، سیکٹر 7 پشپ وہار، نئی دہلی۔110017

اطلاع عام

حکومت قومی راجدھانی علاقہ دلی میں ڈسٹری بیوشن کمپنیوں کیلئے بلک سپلائی ریٹوں اور شروعاتی گھاٹا سطحوں کے تعین کیلئے تجاویز

عوام سے تجاویز کی طلبی

دلی پاور سپلائی کمپنی لمیٹڈ کے ذریعہ بلک سپلائی ریٹوں کے 31 مارچ 2002 تک کے تعین کیلئے اور سینٹرل۔ ایسٹ دلی الیکٹرسٹی ڈسٹری بیوشن کمپنی لمیٹڈ، ساؤتھ۔ ویسٹ دلی الیکٹرسٹی ڈسٹری بیوشن کمپنی لمیٹڈ اور نارتھ نارتھ۔ ویسٹ الیکٹری ڈسٹری بیوشن کمپنی لمیٹڈ کے شروعاتی گھاٹا کی سطح کے تعین کے سلسلے میں داخل مشترکہ پٹیشن۔

مذکورہ عنوان پٹیشن پر غور کے دوران دلی الیکٹرسٹی ریگولیٹری کمیشن کے روبرو پٹیشن کردہ کے ذریعہ فاضل اطلاع داخل کی گئی ہے۔ یہ بھی مطلع کیا گیا ہے کہ دلی ودیوت بورڈ بھی جوائنٹ پٹیشنروں میں شامل ہونا چاہتا ہے۔ اس اطلاع کی تفصیل دلی الیکٹرسٹی ریگولیٹری کمیشن کے ویب سائٹ dercind.org پر دستیاب ہے اور خواہشمند شخص ان کا معائنہ اور کاپیاں حاصل کرنے کیلئے کمیشن کے دفتر سے کاروباری دن پر صبح 11 بجے سے شام 4 بجے تک رجوع کر سکتے ہیں۔ خواہشمند حضرات اپنی تجاویز کمیشن کو تاریخ 16 جنوری 2002 تک ارسال کر سکتے ہیں۔

سکریٹری
دلی الیکٹرسٹی ریگولیٹری کمیشن

DIP/2388/2002

ملاپ پریس بہادر شاہ ظفر مارگ نئی دہلی میں شری پونم سوری پرنٹر پبلیشر برائے مالکان روزانہ ملاپ پرائیویٹ لمیٹڈ چھپوا کر ملاپ بلڈنگ بہادر شاہ ظفر مارگ نئی دہلی سے شائع کیا

DELHI ELECTRICITY REGULATORY COMMISSION

Sub-station No. 15, Sector 7, Pushp Vihar, New Delhi - 110 017

PUBLIC NOTICE

Proposal for Determination of Bulk Supply Tariffs and Opening Loss Levels for Distribution Companies in the National Capital Territory of Delhi

REQUEST FOR PUBLIC RESPONSE

EXTENSION OF LAST DATE FOR FILING RESPONSE AND POSTPONMENT OF PUBLIC HEARING

Delhi Electricity Regulatory Commission had invited response from stakeholders on the above proposal, which were to be submitted by 16th January, 2002. In view of requests received from public, regarding complex nature of the proposal requiring more time for examination, it has been decided by the Commission to give some more time to stakeholders for filing their responses. Accordingly the **last date for filing responses has been extended to 28th January, 2002 and public hearing programme fixed for 22-23rd January, 2002 has been postponed.** Subsequent date for public hearing shall be intimated to the stakeholders shortly. Inconvenience caused due to rescheduling of public hearing programme is regretted.

The complete petition filed by the petitioners is available at the Commission **website http://www.dercind.org.** A copy of the petition (excluding Annexures 3, 4 & 5 which may be inspected at the Commission's office in accordance with the procedure laid down in above referred Regulations by desirous parties) can also be obtained from the Commission office on any working day between 11 AM to 4 PM on payment of Rs. 100/- by cash or in form of Demand Draft/Pay Order payable at New Delhi drawn in the favour of Secretary, Delhi Electricity Regulatory Commission. For obtaining the copy by post self addressed and duly stamped (Rs. 30/- for local and Rs. 90/- for outstation delivery) A-4 size envelopes may be sent to the Commission office along with the bank draft/pay order.

Secretary
Delhi Electricity Regulatory Commission

DIP/2448/2002

दिल्ली विद्युत विनियामक आयोग

सब-स्टेशन नं. 15, सेक्टर 7, पुष्प विहार, नई दिल्ली-110017

सार्वजनिक सूचना

राष्ट्रीय राजधानी क्षेत्र दिल्ली में वितरण कंपनियों के लिए थोक आपूर्ति दरों तथा प्रारंभिक घाटा स्तरों के निर्धारण के लिए प्रस्ताव

जनसाधारण से प्रतिक्रियाओं की मांग

प्रतिक्रिया आयोग को प्रेषित करने की अन्तिम तिथि बढ़ाने तथा जन सुनवाई को स्थगित करने के संबंध में

उपरोक्त प्रस्ताव पर दिल्ली विद्युत विनियामक आयोग ने दिनांक 16 जनवरी, 2002 तक अभिरूचित वर्गों से प्रतिक्रिया आमंत्रित की थी। जनता से प्राप्त प्रतिवेदनों के आधार पर, प्रस्ताव की प्रकृति जटिल होने के कारण इसके अध्ययन के लिए अधिक समय की आवश्यकता है। आयोग ने यह निर्णय लिया है कि अभिरूचित वर्गों को अपनी प्रतिक्रिया आयोग को प्रेषित करने के लिए अधिक समय प्रदान किया जाए। तद्नुसार **प्रतिक्रिया आयोग को प्रेषित करने की अन्तिम तिथि 28 जनवरी, 2002 तक बढाई जाती है और जन सुनवाई 22-23 जनवरी, 2002 को तय कार्यक्रम स्थगित किया जाता है।** जन सुनवाई के लिए अगली तिथि शीघ्र ही अभिरूचित वर्गों को सूचित कर दी जाएगी। जन सुनवाई कार्यक्रम को पुनः निश्चित करने से हुई असुविधा के लिए खेद है।

याचिका-दाताओं द्वारा पूर्ण याचिका को आयोग के वेबसाईट **http://www.dercind.org** से प्राप्त किया जा सकता है। याचिका की एक प्रति (अनुलग्नक 3,4 तथा 5 रहित, जिसे इच्छुक पार्टियों द्वारा उपरोक्त विनियमनों में निहित प्रगियोओं के अनुसार आयोग के कार्यालय में जांचा जा सकता है) को किसी भी कार्य दिवस में आयोग के कार्यालय से प्रातः 11.00 बजे से सायं 4.00 बजे के बीच, नकद या डिमांड ड्राफ्ट/पे ऑर्डर के रूप में 100/- रुपए के भुगतान द्वारा, जो नई दिल्ली में देय हो तथा सचिव, दिल्ली विद्युत विनियामक आयोग के नाम से हो, प्राप्त किया जा सकता है। याचिका की प्रति को डाक द्वारा मंगाये जाने के लिए अपना पता लिखा हुआ, डाक टिकट सहित (स्थानीय के लिए 30/- रुपए तथा दिल्ली से बाहर के लिए 90/- रुपए का) ए-4 आकार के लिफाफे को आयोग के कार्यालय में बैंक ड्राफ्ट/पे ऑर्डर के साथ भेजकर प्राप्त किया जा सकता है।

सचिव

दिल्ली विद्युत विनियामक आयोग

DIP/2448/2002

دلی الیکٹرسٹی ریگولیٹری کمیشن

سب سٹیشن نمبر-15، سیکٹر7پشپ وہار، نئی دہلی-110017

اطلاع عام

حکومت قومی راجدھانی علاقہ دلی میں ڈسٹری بیوشن کمپنیوں کیلئے بلک سپلائی شرحوں اور شرح واقعی کمائی سطحوں کے تعین کیلئے تجاویز

عوام الناس سے رد عمل کی طلبی

رد عمل کمیشن کو ارسال کرنے کی آخری تاریخ بڑھانے اور

عام سنوائی کو ملتوی کرنے کے سلسلے میں

مذکورہ تجویز پر دلی الیکٹرسٹی ریگولیٹری کمیشن نے تاریخ 16 جنوری 2002 تک دلچسپی رکھنے والے طبقوں سے تجاویز طلب کی تھی۔ عوام سے موصول درخواستوں کے بنیاد پر، تجویز کی نوعیت پیچیدہ ہونے کی وجہ سے اس کے تجزیہ کیلئے زیادہ وقت کی ضرورت ہے۔ کیمشن نے یہ فیصلہ لیا ہے کہ دلچسپی رکھنے والے لوگوں کو اپنے رد عمل کمیشن کو بھیجنے کیلئے زیادہ وقت دیا جائے۔ لہذا رد عمل کمیشن کو ارسال کرنے کی آخری تاریخ 28 جنوری 2002 تک بڑھائی جاتی ہے اور عام سنوائی 22-23 جنوری 2002 کے طے پروگرام کو ملتوی کیا جاتا ہے۔ عام سنوائی کیلئے اگلی تاریخ جلد ہی خواہشمند طبقات کو مطلع کر دی جائے گی۔ عام سنوائی پروگرام کو دوبارہ طے کرنے سے ہوئی پریشانی کیلئے معذرت خواہ ہیں۔

درخواست دہندگان کے ذریعہ مکمل پٹیشن کو کمیشن کے ویب سائٹ http://www.dercind.org سے حاصل کیا جا سکتا ہے۔ پٹیشن کی ایک کاپی (نمبر 3، 4 اور 5 کے بغیر، جسے خواہشمند پارٹیوں کے ذریعہ مذکورہ ریگولیشنز میں شامل رو کے مطابق کیمشن کے دفتر میں جانچا جا سکتا ہے) کو کسی بھی کاروباری دن میں کیمشن کے دفتر سے 11.00 بجے سے شام 4.00 بجے کے درمیان، نقد یا ڈیمانڈ ڈرافٹ رپے آرڈر کی شکل میں -/100 روپے کے بھگتان کے ذریعہ جو نئی دہلی میں ادا ہو اور سکریٹری، دلی الیکٹرسٹی کمیشن کے نام سے ہو، حاصل کیا جا سکتا ہے۔ پٹیشن کی کاپی کو ڈاک کے ذریعہ منگوانے کیلئے اپنا پتہ لکھا ہوا، ڈاک ٹکٹ سمیت (لوکل کیلئے -/30 روپے اور دلی سے باہر کیلئے -/90 روپے کا) A-4 سائز کے لفافے کو کمیشن کے دفتر میں ڈرافٹ رپے آرڈر کے ساتھ بھیج کر حاصل کی جا سکتی ہے۔

سکریٹری

دلی الیکٹرسٹی ریگولیٹری کمیشن

DIP/2449/2

DELHI ELECTRICITY REGULATORY COMMISSION

Sub-station No. 15, Sector 7, Pushp Vihar, New Delhi - 110 017

PUBLIC NOTICE

Proposal for Determination of Bulk Supply Tariffs and Opening Loss Levels for Distribution Companies in the National Capital Territory of Delhi

REQUEST FOR PUBLIC RESPONSE

Joint Petition for determination of Bulk Supply Tariff to be charged by *Delhi Power Supply Company Limited* for the period till 31st March, 2002 and determination of opening levels of Aggregate Technical & Commercial losses in the Central-East Delhi Electricity Distribution Company Limited, South-West Delhi Electricity Distribution Company Limited and the North-North West Delhi Distribution Company Limited.

The DERC had invited comments from stakeholders in the above matter. The last date of filing of responses is 28th January, 2002. Interested stakeholders are again requested to kindly ensure filing of response by the aforesaid date in order to enable them for participation in the public hearing process.

Public hearing for such stakeholders would be held at **2.00 p.m. on 1st February, 2002 at Kalidas Hall, Scope Complex, Core-08, Lodhi Road, New Delhi.** The respondents desirous of participating may kindly confirm their participation by telephone/fax (No. 6518925) or by e-mail at the address secyderc@nic.in latest by 29th January 2002.

(Ajit Srivastava)
Secretary

DIP/2518/2002

दिल्ली विद्युत विनियामक आयोग

सब-स्टेशन नं. 15, सेक्टर 7, पुष्प विहार, नई दिल्ली-110017

सार्वजनिक सूचना

राष्ट्रीय राजधानी क्षेत्र दिल्ली में वितरण कंपनियों के लिए थोक आपूर्ति दरों तथा प्रारंभिक घाटा स्तरों के निर्धारण के लिए प्रस्ताव

जनसाधारण से प्रतिक्रियाओं की मांग

मध्य-पूर्व दिल्ली विद्युत वितरण कम्पनी लिमिटेड, दक्षिण-पश्चिम दिल्ली विद्युत वितरण कम्पनी लिमिटेड तथा उत्तर-उत्तर पश्चिम दिल्ली विद्युत वितरण कम्पनी लिमिटेड के लिए 31 मार्च, 2002 तक देय थोक आपूर्ति दरों तथा प्रारंभिक तकनीकी एवं वाणिज्यिक घाटा स्तरों के लिए, दिल्ली ऊर्जा आपूर्ति कम्पनी लिमिटेड की संयुक्त याचिका।

दिल्ली विद्युत विनियामक आयोग ने अभिरुचित वर्गों से उपरोक्त विषय पर सुझाव आमंत्रित किए थे, जिसके लिए अन्तिम तिथि 28.01.2002 है। इच्छुक अभिरुचित वर्गों से पुनः प्रार्थना है कि वे यह सुनिश्चित करें कि उनके सुझाव नियत तिथि तक पहुँच जाएँ ताकि उन्हें जन सुनवाई कार्यवाही में सम्मिलित किया जा सके।

ऐसे प्रतिक्रिया दायर करने वाले अभिरुचित वर्गों के लिए जन सुनवाई **01.02.2002 को अपराह्न 2.00 बजे कालीदास हॉल, स्कोप कॉम्प्लेक्स, कोर-08, लोदी रोड, नई दिल्ली में** सम्पन्न होगी। इच्छुक अभिरुचित वर्ग कृपया इस संबंध में आयोग कार्यालय को दिनांक 29 जनवरी, 2002 तक दूरभाष/फैक्स (6518925) पर या ई-मेल secyderc@nic.in पर सूचित कर दें।

(अजित श्रीवास्तव)
सचिव

DIP/2518/2002

دلی الیکٹرسٹی ریگولیٹری کمیشن

سب سٹیشن نمبر۔15، سیکٹر 7 پشپ وہار، نئی دہلی۔110017

اطلاع عام

حکومت قومی راجدھانی علاقہ دلی میں ڈسٹری بیوشن کمپنیوں کیلئے بلک سپلائی شرحوں اور ابتدائی گھاٹا کی سطحوں کے تعین کیلئے تجاویز

عوام الناس سے رد عمل کی طلبی

سینٹرل۔ ایسٹ دلی الیکٹرسٹی ڈسٹری بیوشن کمپنی لمیٹڈ، ساؤتھ۔ ویسٹ الیکٹرسٹی ڈسٹری بیوشن کمپنی لمیٹڈ اور نارتھ۔ نارتھ ویسٹ دلی الیکٹرسٹی ڈسٹری بیوشن کمپنی لمیٹڈ کیلئے 31 مارچ 2002 تک مقرر بلک سپلائی شرحوں اور ابتدائی تکنیکی اور کمرشیل گھاٹا کی سطحوں کیلئے، دلی پاور سپلائی کمپنی لمیٹڈ کی جوائنٹ پٹیشن

مذکورہ تجویز پر دلی الیکٹرسٹی ریگولیٹری کمیشن نے دلچسپی رکھنے والے طبقوں سے تجاویز طلب کی تھی، جس کی آخری تاریخ 28-01-2002 ہے۔ خواہشمند دلچسپی رکھنے والے طبقوں سے ایک بار پھر التجا ہے کہ وہ یہ یقینی بنائیں کہ ان کی تجاویز مقررہ تاریخ تک پہنچ جائیں تاکہ انہیں پبلک سنوائی کارروائی میں شامل کیا جاسکے۔

ایسے رد عمل دائر کرنے والے خواہشمند طبقوں کیلئے پبلک سنوائی 01-02-2002 کو 2-00 بجے کالیداس ہال، سکوپ کمپلیکس، کور۔08 لودھی روڈ، نئی دہلی میں منعقد ہوگی۔ خواہشمند دلچسپی رکھنے والے طبقے برائے مہربانی اس سلسلے میں کمیشن کے دفتر کو تاریخ 29 جنوری 2002 تک ٹیلیفون / فیکس (6518925) پر یا ای میل۔ secyderc.@nic.in پر اطلاع کر دیں۔

(اجیت سریواستو)

سکریٹری

DIP/2518/2002

Annexure - 6

List of Public Responses

Response No.	Name and Address of the Organisations / Individuals
01	Federation of Cooperative Group Housing Societies – Dwarka Ltd., 1017, Rajnigandha Apartments, Plot No. 4, Sector – 10, Dwarka, New Delhi - 45
02	Vijayanandan. K., Flat No. 449, Pocket –Q, Dilshad Garden, Delhi – 110095
03	Common Cause Common Cause House, 5, Institutional Area, Nelson Mandela Road, Vasant Kunj, New Delhi – 70
04	National Working Group on Power, J-152, Saket, New Delhi – 17
05	Sh. S.K.Aggarwal, Energy Management Consultant, 23, Tagore Park, Delhi – 09
06	Pragatisheel Mahila Samiti, Road No. 12, Kothi No. 28, Near Ring Road, East of Punjabi Bagh, New Delhi – 26
07	Federation of Associations of Small Industries of India, 23-B/2, Near Rohtak Road, New Delhi – 110005
08	Tata Power, the Tata Power Company Limited, Projects Division Dharavi Receiving Station, Matunga, Mumbai – 400019
09	Fedreraion of Small Industries Associations, A-72, Naraina Industrial Area, Phase – I, New Delhi – 110028
10	Mayapuri Industrial Welfare Association, "MIWA BHAWAN" Central Park, Block "B", Mayapuri Phase – I, New Delhi - 64
11	Sh. Gajendra Haldea C-II, Bapa Nagar, New Delhi 03
12	Parivartan E-109, Pandav Nagar, Delhi - 92

13	Smt. Sheila Datta and Sh. Arun Kumar Datta 222, Pocket E, Mayur Vihar Ph II, Delhi – 91
14	Badli Industrial Estate Association, Admin. Block Bldg. Badli Indl. Estate, Delhi - 42
15	Vivekanand Puri Vikas Parishad, 22, Vivekanand Puri, Chandra Shekhar Marg, Sarai Rohilla, Delhi – 7
16	Delhi Power Consumers Guild S-371. Greater Kailash. Part-Il. New Delhi-48
17	Young Friends Co-op Gr. Housing Society Ltd. Plot No.47. Sector 9. Rohini. N. Delhi-85
18	Noida Power Company. House No.103. Sector-15A. NOIDA-201 301 U.P.
19	Udyog Nagar Industrial Complex Udyog Nagar, Rohtak Road. P.O. Nangloi. Delhi-41
20	Confederation of Delhi Industries and CETP Societies. Plot No.85 "C" 61ock Mayapuri Industrial Area. Phose-ll. New Delhi - 64
21	Sh. Nand Kishore Garg Room No.31, Old Sectt.. Delhi-94
22	CHETNA. 132. Thapar Chamber-ll. Opp. Kalindi Colony, Kilokari. Main Ring Rd. New Delhi.
23	The Sreshtha Co-operative House Building Society Ltd. Sreshtha Vihar. Delhi-11 0092.
24	Mayapuri Small Industries Welfare Association. C-194. Mayapuri Industrial Area. Phose-ll. New Delhi 0 64
25	R.C. Nakul. M-64. Swati Apts.. 12 I.P. Extn. Delhi -92
26	DMA Nursing Home & Medical Establishment Forum. DMA House. Medical Association Road. Darya Ganj. New Delhi -2
27	Shri Banarsidas Chandiwala Sewa Smarak Trust Society. Chandiwala Estate. Maa Anandmai Marg, Kalkaji, New Delhi – 19
28	Bhartiya Mazdoor Sangh.5239, Ajmeri Gate. Delhi
29	DESU Mazdoor Sangh Regd. 5239. Ajmeri Gate. Delhi -6
30	New Delhi Municipal Council, Palika Kendra. Parliament Street, New Delhi
31	BSES Ltd. BSES Tower. A-2. Sector-24, Noida -01
32	PHD Chamber of Commerce and Industry. PHD House. Opp. Asian Games Village. N. Delhi- 16
33	All India Federation of Plastic Industries. Suite No.17. 1st Floor. 40. DLF Industrial Area, Kirti Nagar. New Delhi –15
34	DVB Engineers Association

35	Rajinder Nagar Welfare Association
36	Delhi Metro Rail Corporation Ltd., NBCC Place, Bhishma Pitamah Mg. Pragati Vihar.N.Delhi-03

ANNEXURE - 7

PETITION NO. 4/2001

List of Participants in the public hearing held on 01st February,2002

	Name of organisations/individual respondents	Representatives Present
1	Common Cause	Sh. K.K. Jhingar
2	The national Working Group on Power	Sh K. Ashok Rao Sh N.S. Vasant
3	Tata Power	Sh P. Gopal Sh. H.C. Agarwal Sh. Shailesh Rao
4	Gajender Haldea	
5	Parivartan	
6	Sh. Arun Datta	
7	Delhi Power Consumers Guide	Sh. T.R. Grover Sh. P.S. Bami
8	Noida Power Co. Ltd	Sh. Prabir Neyogi
9	CHETNA Society for Protection of Culture Heritage, Environment, Tradition and Promotion of National awareness	Sh. Anil Sood
10	Sr Citizen Welfare Association	Sh. Ved Kumar Sh. M.P. Kohli
11	IPPAI	Sh. R.K.Kapoor
12	Sh. R.C.Nakul	
13	Shri Banarsidas Chandiwala Charitable Trust	Sh. Bhuwan Mohan Sh. R.K. Jain
14	Bhartiya Mazdoor Sangh	Sh. Rajender Chauhan
15	New Delhi Municipal Council	Sh. S.S. Rao Director (Comml.) Sh. N.K. Khanna Sr AO (C)
16	BSES Ltd.	Sh. Nitin Kumar DM (BD) Sh. V.D.Kak C.E. (BD) Sh. Amitabh Chuk

		KPMG
17	1. All India federation of Plastic Industries 2. Delhi federation of Delhi Small Industries Associates	Sh. M.R. Gupta
18	Rajinder Nagar Welfare Association	Sh. P. Bhagat
19	E.D.L. India (p) Ltd.	Mr. Maninder Singh
20	ATPC	Sh. Kuljit Singh
21	Financial Express	Sh. Rohit Bansal
22	Sh V.S. Ailawadi, IAS (Retd) Former Chairman, HERC	
23	Reliance Industries Ltd.	Sh. K.P. Maheshwari
24	Federation of Co-op Group Housing Societies Ltd, Dwarka	Sh. K.C. Sharma Sh. C.M. Mathews Sh. T.R. Purohit
25	Housing Co-op Society, East Delhi	Sh. Y. Singh
	Participants of petitioners	
1	Petitioner Nos. 1 to 4	Sh. J. Sagar, Director Sh. Ramesh Chandra, Dir.
2	Petitioner No 5 Delhi Vidyut Board	C.E(D),N-Wt, C.E.(Comml)MT(1), CLO,M G Ramachandran Adv.
	Participant from the Govt of NCT of Delhi	
1	Sh Ramesh Chandra, Pr Secretary (Power) Go NCTD	
2	Sh Vishwa Mohan, Dy. Secretary (Power) Go NCTD	

Petition No.4/2001

Annexure-8

DATE WISE ACTIVITY SHEET

Date	Activity
21.12.2001	Filing of Joint Petition for determination of opening levels of Aggregate Technical and Commercial losses.
21.12.2001	Order *No.8/2001* for taking the petition on record subject to receipt of clarifications from GNCTD.
21.12.2001	Forwarding of Order *No.8 / 200*1 to Pr. Secretary (Power) and Chairman. DVB.
21.12.2001	Received Annex.3&4 to the Petition
28.12.200 1	Clarification received from Govt. of NCT of Delhi on Policy Directions.
29.12.200 1	Publication of public notice regarding Joint Petition for Bulk Supply Tariff in various English/Hindi/Urdu Newspapers.
01.01.2002	Forwarding of Joint Petition to various consumers and stakeholders and dignitaries.
02.01.2002	Press conference regarding Joint Petition held by Chairman.
03.01.2002	Deficiency Memo No.1 issued -Request for supply of soft copy made to petitioners.
03.01.2002	Deficiency Memo No.2 issued -Reconciliation of T&D loss figures.
04.01.2002	Supplementary filing No.1 received regarding revision of T&D loss figures.
04.01.2002	Request received from DVB for impleading as party (Supplementary filing No.2)
04.01.2002	Deficiency Memo No.3 issued containing 42 points
04.01.2002	Order No.9 impleading DVB as Petitioner issued.
08.01.2002	Copy of Order No.9 sent to DVB.
08.01.2002	Notice for technical session issued.
11.01.2002	Petitioner Response No.1 (No. DPSC/BS Tariff 2001-2002 */* CO / *5/212)* regarding registered address of Delhi Power supply Co. Ltd.
12.01.2002	First Technical Session held.
14.01.2002	Deficiency Memo No.4 issued.
16.01.2002	Second Technical session held.
17.01.2002	Deficiency Memo No.5 issued regarding issues raised in technical session.
18.01.2002	Petitioner Response No.3 (No.CHN/38/DERC/1219) regarding responses to the queries of Deficiency Memo.
18.01.2002	Petitioner Response No.4 (No.CHN/38/DERC/1220) relating to deficiency memo no.4.
21.01.2002	Deficiency Memo No.6 issued regarding generation data.
22.01.2002	Petitioner Response No.4 (No.CHN/38/DERC/1229)

23.01.2002	Deficiency Memo No.7 issued.
25.01.2002	Petitioner Response No.5 (No.CHN/38/DERC/1243) regarding T&D losses filed.
25.01.2002	Petitioner Response No.6 (No.CHN/38/DERC/1244) filed regarding deficiency memo.
25.01.2002	Petitioner Response No.7 (fax message reg. Malana Power) filed.
30.01.2002	Petitioner Response No.8 (No.CHN/38/DERC/1254) regarding comments on the public responses.
31.01.2002	Petitioner Response No.9 (No.CHN/38/DERC/1261) regarding comments on the public responses filed.
01.02.2002	Public Hearing Held.
06.02.2002	Memo No.8 issued regarding receipts from Govt. departments.
08.02.2002	Third Technical session held.
08.02.2002	Petitioner Response No.10 (No.CHN/38/DERC/1297) regarding submission of a copy of affidavit filed with the High Court indicating AT&C losses for the year 2001-02 for the whole DVB.
08.02.2002	Petitioner Response No.11 (No.CHN/38/DERC/1297) dues from Govt. Department .
09.02.2002	Petitioner Response No.12 (No.CHN/38/DERC/1299) regarding comments on representation from Bhartiya Mazdoor Sangh.
11.02.2002	Petitioner Response No.13 (No. CHN/38/DERC!1303) regarding clarifications on the name of North-North West Distribution Company Ltd.
14.02.2002	Petitioner Response No.14 (No. CHN/38/DERC/1325) regarding Dues outstanding against Govt. Departments
19.02.2002	Petitioner Response No.15 (No. CHN/38/DERC/1346) regarding AT&C losses
21.02.2002	Technical Session with Petitioners regarding AT& C losses

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ANNEXURE-9

PETITION NO.: 4/2001

FILING NO.: 4/2001
CASE NO.: 4/2001

IN THE MATTER OF:

Joint Petition for determination of Bulk Supply Tariff to be charged by Delhi Power Supply Company Limited for the period till 31st March, 2002 and determination of opening levels of Aggregate Technical & Commercial losses in the Central-East Delhi Electricity Distribution Company Limited, South-West Delhi Electricity Distribution Company Limited and the North North-West Delhi Distribution Company Limited.

Before Sh. V.K. Sood Chairman

ORDER NO.9 /2001

The Commission had received a request from the Joint Petitioners No. 1 -4 for impleading Delhi Vidyut Board (DVB) as Joint Petitioner in pursuance to a resolution passed by DVB on 2nd January 2002. DVB have forwarded their consent to the impleading. The Commission hereby allows the request of the Joint Petitioners. It is further directed that all communications to the Joint Petitioners be got served by Chairman, Delhi Vidyut Board in future and acknowledgement thereof shall be submitted to the Commission by DVB.

(V .K. Sood)
Chairman

Date: 04.01 .2002