



DELHI ELECTRICITY REGULATORY COMMISSION

(A Statutory Body of Govt. of NCT of Delhi) Viniyamak Bhawan, C-Block,
Shivalik, Malviya Nagar, New Delhi - 110 017
Website: www.derc.gov.in Telefax: 26673608

PUBLIC NOTICE REQUEST FOR PUBLIC RESPONSE

Petition for True up for FY 2009-10 and Approval of Aggregate Revenue Requirement (ARR) and Tariff for FY 2011-12
filed by BSES Rajdhani Power Ltd. (BRPL), BSES Yamuna Power Ltd. (BYPL), North Delhi Power Ltd. (NDPL) and New Delhi Municipal Council (NDMC)

1. The Distribution Licensees of Delhi viz. BSES Rajdhani Power Ltd. (BRPL), BSES Yamuna Power Ltd. (BYPL), North Delhi Power Ltd. (NDPL) and New Delhi Municipal Council (NDMC) have filed their petitions for true up of expenses for FY 2009-10 and approval of ARR and tariff for FY 2011-12 before the Delhi Electricity Regulatory Commission (hereinafter referred to as "the Commission"). The Licensees have filed their respective petitions under the provisions of the Electricity Act, 2003, the Delhi Electricity Reforms Act, 2000 and the Distribution Tariff Regulations dated May 30, 2007 which have been extended by the Commission for one more year vide Commission Order dated 10.5.2011.

The Commission has since admitted the Petitions for ARR for the FY 2011-12 and true up for the FY 2009-10 for examination and hearing the parties on their proposals.

2. The four Distribution Licensees i.e. BRPL, BYPL, NDPL and NDMC have, subsequent to the admission of their petitions by the Commission, issued a Public Notice in the following newspapers of Delhi.

NDPL	Hindustan Times (English)	07.05.2011
	Hindustan (Hindi)	
BYPL	Hindustan Times (English)	07.05.2011
	Hindustan (Hindi)	
BRPL	Hindustan Times (English)	07.05.2011
	Hindustan (Hindi)	
NDMC	Times of India (English)	08.05.2011
	Navbharat Times (Hindi), Pratap (Urdu)	

The Public Notices have also been posted on the website of the Distribution Licensees as well as that of the Commission.

3. The four Distribution Licensees viz. BRPL, BYPL, NDPL and NDMC have sought revision of tariff for FY 2011-12 for all the consumer categories to meet the revenue gap in their respective Aggregate Revenue Requirement (ARR) submissions.

4. In accordance with the provisions of the Delhi Electricity Regulatory Commission Comprehensive (Conduct of Business) Regulations, 2001 notified by the Commission, the Commission invites comments from consumers and other stakeholders on the above petitions. Comments may be sent to the Secretary of the Commission at the above office address by 28.05.2011, either personally or by post, or by email at secyderc@nic.in

5. In addition to comments on the petitions filed by the Distribution Licensees, all consumers and other stakeholders are also requested to offer their views on the following issues raised by the Distribution licensees in their ARR petition for the FY 2011-12. The Commission shall deliberate on the issues while deciding on the tariff for various classes of consumers for the year 2011-12.

- Enhancement of limit for cash payment of energy bills by consumers:** The restriction of acceptance of cash payments up to the existing limit of Rs 4, 000 should be reviewed and enhanced to a limit of Rs 20,000 for a better revenue recovery.
- Applicability of tariff with load above 100kW for residential use:** There should be a different treatment tariff for individuals with load above 100kW for residential use; like it is for other categories e.g. Non-Domestic, Industrial etc. with load above 100kW.
- Uniform fixed charges till the load of 5 kW:** The majority of Domestic consumers have a connected load greater than 2 kW although their sanctioned load less than 2 kW. This gives undue advantage to consumers who have not increased their declared load to the actual connected load, while consumers of other billed load are paying the fixed charges. To avoid this, the slab-based fixed charges be rationalized.
- kVAh billing for industrial and non-domestic consumers with MDI greater than 10 kW:** For industrial and non-domestic consumers with MDI greater than 10 kW, it should be entitled to charging kVAh tariff since it encourages consumers to improve their power factor which eventually helps the system by less loading and reduction in losses.
- Introduction of time differential tariffs for Consumers with Load > 10 kW for demand side management:** Time Differential Tariffs would result in smoothening of demand curve which ultimately results in savings for the consumers by way of lower power purchase cost.
- Proposal for implementation of Automatic Power Purchase Price Adjustment mechanism:** At present, due to the methodology of true-up of power purchase costs on the basis of actual audit accounts, it takes two years before the recovery of legitimate power purchase costs for which distribution licensees have to make payments to power suppliers on an immediate basis. Therefore, a mechanism for pass-through of variations in power purchase cost to consumers on a regular basis (at quarterly intervals) is required.
- Reduction in slabs for Domestic category:** To simply the tariff structure and to reflect the true cost-of-service to the Domestic consumer category, only two slabs be retained for energy charges. This would reduce the amount of cross-subsidy that is currently being provided to the Domestic category by the Industrial category

(since the Domestic category tariff is lower than the actual cost of supply to this category). The two slabs proposed are:

- 0-200 units per month; and
- Above 200 units per month (with the rate of energy charges being higher for this slab)
- Merger of MLHT and NDLT (Non-Domestic) consumer categories, and merger of SIP and LIP (Industrial) consumer categories:** To simply the tariff structure, the merger of MLHT and NDLT consumer categories is proposed since they both use power for the same "commercial activity" purpose. Similarly, since both SIP and LIP use power for the same "industrial activity" purpose, it is proposed that these two categories be merged as well.
- HT Metering:** HT metering be made mandatory for all 11 kV and above consumers (with load more than 100 kW), and for allowing HT metering for consumers with load less than 100 kW who insist on a connection under HVDS scheme with a dedicated transformer of required rating. HT metering helps in reducing AT&C losses to a great extent.
- Prepaid metering:** Prepaid metering has various benefits such as elimination of provisional billing and reduction in costs, associated with metering/billing. In addition, it makes consumers more conscious about energy consumed. NDPL has requested that to propagate prepaid metering, consumers applying for temporary connections or caught in theft should be mandatorily required to take connections through prepaid meters only so that it may help regulate their electricity consumption.
- Fixed charges and surcharge thereof, to be levied based on MDI reading for Domestic category consumers:** The provision of charging fixed charges based on MDI reading and levying a 30% surcharge for the Domestic category should be reintroduced in the tariff, since increase in demand by any consumer category more than the sanctioned amount leads to overloading in the system and increases losses in the network.

6. As done in the past, the Commission would also hold public hearings with the responding stakeholders and the date of hearing shall be notified separately.

7. The Commission shall scrutinize the petitions and may seek further clarifications from the Licensees, if required. The Commission shall, by way of an Order, approve the ARR and Revenue Gap/Surplus with respect to each of the Licensees and explore the ways and means for bridging this gap including support/subsidy, if any, from the Government of NCT of Delhi, tariff increase and/or other regulatory measures. The Orders on the petitions shall be issued after considering the suggestions received from various stakeholders.

8. In the past, there have been requests that the Commission may extend help to consumers in understanding tariff petitions to facilitate them in filing their comments. The Commission has accordingly prepared a **Staff Paper on true up petition for FY 2009-10 & ARR for the FY 2011-12 filed by Distribution Licensees**, which is available on the website of the Commission (www.derc.gov.in). The Commission has also nominated officers to extend necessary help to all such consumers, who may so desire. Discussions may be held with the following officers after seeking prior appointment.

- Smt. Rinku Gautam, Joint Director (26680433)**
- Shri Shirish Asthana, Joint Director (26680734)**

9. The complete petitions filed by the Licensees can be downloaded from the website of the Commission (www.derc.gov.in) and the web-sites of the Licensees. Copies of the petitions are also available for inspection at the Commission's Office.

10. A copy of the petition of each Licensee may be purchased from the respective Distribution licensees's head offices on any working day from 09.05.2011 to 24.05.2011 between 11 AM and 4 PM on payment of Rs. 100/- either by cash or by Demand Draft/Pay Order payable at New Delhi as per the details provided herewith.

BSES Yamuna Power Ltd.
Shakti Kiran Building, Karkardooma
Delhi - 110092
Website: www.bsesselhi.com
Demand Draft/Pay Order in favour of
BSES Yamuna Power Limited

BSES Rajdhani Power Ltd.
BSES Bhawan, Nehru Place
New Delhi - 110019
Website: www.bsesselhi.com
Demand Draft/Pay Order in favour of
BSES Rajdhani Power Limited

North Delhi Power Limited
Substation Building, Hudson Lane
Kingsway Camp, Delhi - 110009
Website: www.ndplonline.com
Demand Draft/Pay Order in favour of
North Delhi Power Limited

New Delhi Municipal Council
Palika Kendra, Sansad Marg
New Delhi - 110001
Website: www.ndmc.gov.in
Demand Draft/Pay Order in favour of
New Delhi Municipal Council

**Sd/-
Secretary
Delhi Electricity Regulatory Commission**