



## DELHI ELECTRICITY REGULATORY COMMISSION

Viniyamak Bhawan, 'C' Block, Shivalik, Malviya Nagar, New Delhi- 110017.

F.11(1757)/DERC/2019-20

**Petition No. 06/2020**

**In the matter of:** Petition for determination of tariff for FY 2020-21 and Truing up of Aggregate Revenue Requirement (ARR) for FY 2018-19.

Delhi Transco Limited  
Shakti Sadan, Kotla Road,  
New Delhi 110002

...Petitioner/Licensee

**Coram:**

Hon'ble Sh. Justice S S Chauhan, Chairperson  
Hon'ble Sh. A.K. Singhal, Member  
Hon'ble Dr. A. K.Ambasht, Member

### **ORDER**

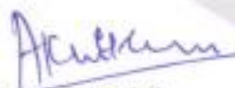
(Date of Order: 28.08.2020)

M/s. Delhi Transco Ltd. (DTL) has filed the instant Petition for determination of tariff for FY 2020-21 and Truing up of Aggregate Revenue Requirement (ARR) for FY 2018-19. The Petition was admitted by the Commission vide Order dated 24.01.2020. The Petition along with Executive summary was uploaded on the website of the Commission and publicised through advertisement in newspapers for seeking response of the stakeholders.

Considering the submissions made by the Petitioner as well as the comments and suggestions of the stakeholder, the Commission in exercise of power vested in it by the Electricity Act, 2003 and Delhi Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff) Regulations, 2017, hereby passes this Tariff Order signed, dated and issued on 28.08.2020.

The Petitioner shall take immediate steps to implement this Tariff Order, so as to make the revised tariffs applicable from 01.09.2020.

This Tariff Order shall remain in force till replaced by a subsequent Tariff Order and/or is amended, reviewed or modified, in accordance with the provisions of the Electricity Act, 2003 and the Regulations made thereunder.

  
(A.K. Ambasht)  
Member

  
(A.K. Singhal)  
Member

  
(Justice S S Chauhan)  
Chairperson

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## LIST OF ABBREVIATIONS

| Abbreviation | Explanation                                       |
|--------------|---|
| ARR          | Aggregate Revenue Requirement                     |
| A&G          | Administrative and General                        |
| AAD          | Advance Against Depreciation                      |
| ABT          | Availability Based Tariff                         |
| ACD          | Advance Consumption Deposit                       |
| AMR          | Automated Meter Reading                           |
| APDRP        | Accelerated Power Development and Reforms Program |
| AT&C         | Aggregate Technical and Commercial                |
| ATE          | Appellate Tribunal for Electricity                |
| BEST         | Birhanmumbai Electric Supply and Transport        |
| BHEL         | Bharat Heavy Electricals Limited                  |
| BIS          | Bureau of Indian Standards                        |
| BPTA         | Bulk Power Transmission Agreement                 |
| BRPL         | BSES Rajdhani Power Limited                       |
| BST          | Bulk Supply Tariff                                |
| BTPS         | Badarpur Thermal Power Station                    |
| BYPL         | BSES Yamuna Power Limited                         |
| CAGR         | Compounded Annual Growth Rate                     |
| CCGT         | Combined Cycle Gas Turbine                        |
| CEA          | Central Electricity Authority                     |
| CERC         | Central Electricity Regulatory Commission         |
| CFL          | Compact Fluorescent Lamp                          |
| CGHS         | Cooperative Group Housing Societies               |
| CGS          | Central Generating Stations                       |
| CIC          | Central Information Commission                    |
| CISF         | Central Industrial Security Force                 |
| CoS          | Cost of Supply                                    |
| CPI          | Consumer Price Index                              |
| CPRI         | Central Power Research Institute                  |
| CPSUs        | Central Power Sector Utilities                    |
| COVID        | Corona Virus Disease                              |
| CSGS         | Central Sector Generating Stations                |
| CWIP         | Capital Work in Progress                          |
| DA           | Dearness Allowance                                |
| DDA          | Delhi Development Authority                       |
| DERA         | Delhi Electricity Reform Act                      |
| DERC         | Delhi Electricity Regulatory Commission           |
| DIAL         | Delhi International Airport Limited               |

| Abbreviation | Explanation  |
|--------------|--|
| DISCOMs      | Distribution Companies (BRPL, BYPL, TPDDL & NDMC)                        |
| DMRC         | Delhi Metro Rail Corporation   |
| DPCL         | Delhi Power Company Limited  |
| DTL          | Delhi Transco Limited  |
| DVB          | Delhi Vidyut Board   |
| DVC          | Damodar Valley Corporation   |
| EHV          | Extra High Voltage   |
| EPS          | Electric Power Survey  |
| FBT          | Fringe Benefit Tax   |
| FPA          | Fuel Price Adjustment  |
| GFA          | Gross Fixed Assets   |
| GIS          | Geographical Information System  |
| GoNCTD       | Government of National Capital Territory of Delhi                        |
| GTPS         | Gas Turbine Power Station  |
| HEP          | Hydro Electric Power   |
| HPSEB        | Himachal Pradesh State Electricity Board                                 |
| HRA          | House Rent Allowance   |
| HT           | High Tension   |
| HVDS         | High Voltage Distribution System   |
| IDC          | Interest During Construction   |
| IGI Airport  | Indira Gandhi International Airport                                      |
| IPGCL        | Indraprastha Power Generation Company Limited                            |
| JJ Cluster   | Jhuggi Jhopadi Cluster   |
| KSEB         | Kerala State Electricity Board   |
| LED          | Light Emitting Diode   |
| LIP          | Large Industrial Power   |
| LT           | Low Tension  |
| LVDS         | Low Voltage Distribution System  |
| MCD          | Municipal Corporation of Delhi   |
| MES          | Military Engineering Service   |
| MLHT         | Mixed Load High Tension  |
| MMC          | Monthly Minimum Charge   |
| MoP          | Ministry of Power  |
| MTNL         | Mahanagar Telephone Nigam Limited  |
| MU           | Million Units  |
| MYT          | Multi Year Tariff  |
| NABL         | National Accreditation Board for Testing and Calibration of Laboratories |
| NAPS         | Narora Atomic Power Station  |
| NCT          | National Capital Territory   |

| Abbreviation | Explanation  |
|--------------|--|
| NCTPS        | National Capital Thermal Power Station               |
| NDLT         | Non Domestic Low Tension                             |
| NDMC         | New Delhi Municipal Council                          |
| NEP          | National Electricity Policy                          |
| NGO          | Non Government Organisation                          |
| NHPC         | National Hydroelectric Power Corporation             |
| NPCIL        | Nuclear Power Corporation of India Limited           |
| NRPC         | Northern Regional Power Committee                    |
| NTI          | Non-Tariff Income                                    |
| NTP          | National Tariff Policy                               |
| O&M          | Operations and Maintenance                           |
| OCFA         | Original Cost of Fixed Assets                        |
| PGCIL        | Power Grid Corporation of India                      |
| PLF          | Plant Load Factor                                    |
| PLR          | Prime Lending Rate                                   |
| PPA          | Power Purchase Agreement / Power Purchase Adjustment |
| PPCL         | Pragati Power Corporation Limited                    |
| PTC          | Power Trading Corporation                            |
| PWD          | Public Works Department                              |
| R&M          | Repair and Maintenance                               |
| RAPS         | Rajasthan Atomic Power Station                       |
| REA          | Regional Energy Account                              |
| RoCE         | Return on Capital Employed                           |
| ROE          | Return on Equity                                     |
| RRB          | Regulated Rate Base                                  |
| RTI          | Right to Information                                 |
| RWA          | Resident Welfare Associations                        |
| SBI          | State Bank of India                                  |
| SERC         | State Electricity Regulatory Commission              |
| SIP          | Small Industrial Power                               |
| SJVNL        | Satluj Jal Vidyut Nigam Limited                      |
| SLDC         | State Load Despatch Centre                           |
| SPD          | Single Point Delivery                                |
| SPUs         | State Power Utilities                                |
| SVRS         | Special Voluntary Retirement Scheme                  |
| THDC         | Tehri Hydro Development Corporation                  |
| ToD          | Time of Day  |
| TOWMCL       | Timarpur Okhla Waste Management Company (P) Limited  |
| TPDDL        | Tata Power Delhi Distribution Limited                |



| Abbreviation | Explanation                      |
|--------------|----------------------------------|
| TPS          | Thermal Power Station            |
| UI           | Unscheduled Interchange          |
| UoM          | Unit of Measurement              |
| WACC         | Weighted Average Cost of Capital |
| WC           | Working Capital                  |
| WPI          | Wholesale Price Index            |

**A1: INTRODUCTION**

- 1.1 This Order relates to the Petition filed by Delhi Transco Limited (DTL) (hereinafter referred to as 'DTL' or the 'Petitioner') for True-Up of Aggregate Revenue Requirement (ARR) for FY 2018-19 for Transmission Business in terms of Delhi Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff) Regulations, 2017 (hereinafter referred to as 'Tariff Regulations, 2017') and Delhi Electricity Regulatory Commission (Business Plan) Regulations, 2017 (hereinafter referred to as 'Business Plan Regulations, 2017'); and approval of ARR & Tariff for FY 2020-21 in terms of Tariff Regulations, 2017 and Delhi Electricity Regulatory Commission (Business Plan) Regulations, 2019 (hereinafter referred to as 'Business Plan Regulations, 2019').

**DELHI TRANSCO LIMITED (DTL)**

- 1.2 Delhi Transco Limited is a Company incorporated under the Companies Act, 1956 and is engaged in the business of transmission of electricity in the National Capital Territory (NCT) of Delhi.

**DELHI ELECTRICITY REGULATORY COMMISSION**

- 1.3 Delhi Electricity Regulatory Commission (hereinafter referred to as 'DERC' or the Commission') was constituted by the GoNCTD on 03/03/1999 and it became operational from 10/12/1999.
- 1.4 The Commission's approach to regulation is driven by the Electricity Act, 2003, the National Electricity Plan, the National Tariff Policy and the Delhi Electricity Reform Act 2000 (hereinafter referred to as 'DERA'). The Electricity Act, 2003 mandates the Commission to take measures conducive to the development and management of the electricity industry in an efficient, economic and competitive manner, which inter alia includes formulation of Tariff Regulations and Tariff determination.

**THE COORDINATION FORUM MEETING**

- 1.5 Govt. of NCT of Delhi vide notification No. F.11/36/2005/Power/1789 dated 16/06/2005 constituted the Coordination Forum, comprising of Chairperson and Members of DERC, CMD of DTL, Managing Director of IPGCL/PPCL, CEOs of NDPL (now TPDDL), BYPL and BRPL with Secretary, DERC as the Member Secretary. Since the Committee constituted did not include NDMC and MES, who also distribute power in Delhi, the Commission had decided to invite them for all the meetings.
- 1.6 The 29th Co-ordination Forum Meeting was held on 04/03/2020 in the office of the Commission. Apart from the Chairperson, Members and other senior officers from the Commission, the 29th Co-ordination Forum Meeting witnessed participation from CEOs of BRPL and BYPL, representatives of DTL, SLDC, IPGCL, PPCL, TPDDL, NDMC.
- 1.7 The issues which were deliberated during the meeting are as listed below:

**Table 1.1: Issues Discussed in 29<sup>th</sup> Co-ordination Forum Meeting**

| Sr. No. | Issues Discussed  |
|---------|---|
| a.      | Confirmation of minutes dated 09/03/2015 and amendment dated 07/04/2015, action taken on decisions.                                 |
| b.      | Summer Preparedness   |
| c.      | Presentation by DTL on Islanding scheme in Delhi  |
| d.      | Proposal for disposal of DTs inherited from DVB which are beyond repair.  |
| e.      | Review Progress of replacement of oil filled transformers by dry type transformers  |
| f.      | Compliance of information to the consumers for scheduled power outages and un-scheduled power outages.                              |
| g.      | Channels and manpower for registration of complaints related to outages during summer period.                                       |
| h.      | Status of implementation of Smart Meters  |
| i.      | Status of maintenance of toll free number for registration of electricity grievance.  |
| j.      | Surrender/ Re-allocation of Long Term Power, considering Demand-Supply scenario till FY 2024-25.                                    |
| k.      | Status of RPO Compliance and initiatives thereafter to meet the trajectory as stipulated in DERC (Business Plan Regulations), 2019. |
| l.      | DSM initiatives and Actual Savings thereafter.  |

**MULTI YEAR TARIFF REGULATIONS**

- 1.8 The Commission issued Tariff Regulations, 2017 vide gazette notification dated 31/01/2017 specifying Terms and Conditions for Determination of Tariff for

Transmission of Electricity under the Multi Year Tariff (MYT) framework. Further the operational norms for Transmission utilities have also been approved by the Commission in Business Plan Regulations, 2017 under Tariff Regulations, 2017 for the period FY 2017-18 to FY 2019-20, and, in Business Plan Regulations, 2019 under Tariff Regulations, 2017 for the period FY 2020-21 to FY 2022-23.

## **FILING OF PETITION FOR TRUE-UP OF FY 2018-19 AND ARR FOR FY 2020-21**

### **FILING AND ACCEPTANCE OF PETITION**

- 1.9 DTL has filed its Petitions for the approval of Truing up of Expenses upto FY 2018-19 and ARR for FY 2020-21, before the Commission on 10/01/2020 and 13/02/2020 respectively.
- 1.10 The Commission admitted the Petitions for the approval of Truing up of Expenses upto FY 2018-19 and ARR for FY 2020-21 vide its Orders dated 24/01/2020 and 20/02/2020 respectively, subject to clarifications / additional information, if any, which would be sought from the Petitioner from time to time. Copies of the Admission Orders dated 24/01/2020 and 20/02/2020 are enclosed as Annexure I & I(a) to this Order.
- 1.11 Further, in view of the changed circumstances due to COVID-19, the Commission deemed it appropriate to give an opportunity to utilities to submit revised Tariff Petitions/ additional information w.r.t. ARR for FY 2020-21, by 30/05/2020.
- 1.12 On request of utilities to extend the time period for submission of revised Tariff Petitions for FY 2020-21, the final date for submission was extended upto 05/06/2020.
- 1.13 The complete copy of the Petition filed by the Petitioner along with additional information has been uploaded on website of the Commission ([www.derc.gov.in](http://www.derc.gov.in)) and the Petitioner.
- 1.14 The Executive Summary of Tariff Petitions, Executive Summary of Additional Information have also been uploaded on Commission's website at [www.derc.gov.in](http://www.derc.gov.in).

### **INTERACTION WITH THE PETITIONER AND PUBLIC HEARING**

- 1.15 The Order has referred at numerous places about various actions taken by the

“Commission”. It may be mentioned for the sake of clarity, that the term “Commission” in most of the cases refers to the officers of the Commission for carrying out the due diligence on the Petition filed by the Petitioner, obtaining and analyzing information/clarifications received from the Petitioner and submitting all issues for consideration by the Commission.

- 1.16 The Commission relies upon the analysis conducted by the Tariff Division comprising of Executive Director (Tariff), Joint Director (Tariff-Engineering), Joint Director (Tariff-Finance), Deputy Director (Tariff-Engineering), Deputy Director (Tariff Accounts-Financial Analysis) and Deputy Director (Tariff-Economics) for preparation of the Orders.
- 1.17 A preliminary scrutiny/analysis of the Petition submitted by the Petitioner was carried out. Additional information/clarifications have been sought from the Petitioner as and when required. The Commission and the Petitioner have discussed key issues raised in the Petition, which included details of O&M expenses, Assets Capitalization, Depreciation, Working Capital Requirement, Return on Capital Employed (RoCE), etc.
- 1.18 The Commission also conducted multiple validation sessions with the Petitioner during which discrepancies in the petition and additional information as required by the Commission were sought. Subsequently, the Petitioner submitted replies to the issues raised and provided details and documentary evidence to substantiate its claims regarding various submissions.
- 1.19 The Commission scheduled a Public Hearing on Tariff Petitions for True Up of FY 2018-19 and ARR for FY 2020-21 on 18/03/2020 to take a final view with respect to various issues concerning the principles and guidelines for tariff determination.
- 1.20 However, due to outbreak of Corona Virus Disease declared as a pandemic by WHO (GoNCTD's Notification No.F.51/DGHS/PH-IV/COVID19/2020/prsecyhfw/2393-2407 dated 13/03/2020), the Public Hearing scheduled on 18/03/2020 was cancelled and last date of submission of comments/suggestions on Tariff Petitions for True up of FY 2018-19 and ARR for FY 2020- 21 which was earlier kept till 20/03/2020 was thus extended till the next date of Public Hearing. The Public Notices, in this regard, were issued by the Commission.

- 1.21 In relation to COVID-19, as per Order no. 40-3/2020-DM-I(A) dated 30/05/2020 issued by Ministry of Home Affairs, Government of India, large gatherings/ congregations have continued to remain prohibited. Giving due consideration to arisen scenario due to outbreak of Corona Virus Disease which refrains from holding Public Gatherings, the Commission finally decided not to conduct Public Hearing this year, for issuance of Tariff Order related to True up of FY 2018-19 and ARR of FY 2020-21 and communicated the same through public notice including on Commission's website. Alternatively, all stakeholders have been given additional time-period till 30/06/2020 for submitting comments/suggestions on tariff petitions/ additional information filed by the utilities.
- 1.22 A soft copy of the petition was also made available in CD form on payment of Rs. 25/- per CD or a copy of the petition was also made available for purchase from the respective Petitioner's head-office on working day till 30/06/2020 between 11 A.M. and 4 P.M. on payment of Rs.100/- either by cash or by demand draft/pay order .
- 1.23 In order to extend help to the stakeholders in understanding the ARR Petition and filing their comments, four officers of the Commission viz. Joint Director (Tariff-Engineering), Joint Director (Performance Standards & Engineering), Deputy Director (Tariff Accounts-Financial Analysis) and Deputy Director (Tariff-Engineering) were nominated for discussion on the ARR Petitions. This was duly mentioned in the Public Notices published by the Commission.
- 1.24 The Commission received written comments from the stakeholders. The comments of the stakeholders were also forwarded to the Petitioner who, responded to the comments of the stakeholders with a copy of its replies to the Commission.
- 1.25 The issues and concerns raised by various stakeholders have been examined by the Commission. The major issues made by the stakeholders, the responses of the Petitioner thereon and the views of the Commission, have been summarized in Chapter A2.
- 1.26 The Commission has therefore considered the inputs/comments received from various stakeholders alongwith the due diligence conducted by the officers of the Commission in arriving at its final decision.

**PUBLIC NOTICE**

1.27 The Commission has issued Public Notice in the following newspapers (on dates mentioned alongside), indicating the venue, date and time of Public Hearing scheduled on 18/03/2020 and inviting comments from stakeholders on the Tariff Petition filed by the Petitioner latest by 20/03/2020:

|     |                              |   |            |
|-----|------------------------------|---|------------|
| (a) | Hindustan Times (English)    | : | 04/03/2020 |
| (b) | The Hindu (English)          | : | 04/03/2020 |
| (c) | The Times of India (English) | : | 04/03/2020 |
| (d) | Mail Today (English)         | : | 04/03/2020 |
| (e) | Navbharat Times(Hindi)       | : | 04/03/2020 |
| (f) | Punjab Kesri (Hindi)         | : | 04/03/2020 |
| (g) | Dainik Jagran (Hindi)        | : | 04/03/2020 |
| (h) | Jadid-In-Dinon (Urdu)        | : | 04/03/2020 |
| (i) | Jan Ekta (Punjabi)           | : | 04/03/2020 |

Public Notice was also uploaded on Commission's website [www.derc.gov.in](http://www.derc.gov.in).

1.28 The Petitioner also published a Public Notice indicating salient features of its petition for inviting comments from the stakeholders and requesting to submit response on the petition on or before 20/03/2020 in the following newspapers on the respective dates mentioned alongside:

|     |                       |   |            |
|-----|-----------------------|---|------------|
| (a) | The Pioneer (English) | : | 04/03/2020 |
| (b) | The Hindu (English)   | : | 04/03/2020 |
| (c) | Dainik Jagran (Hindi) | : | 04/03/2020 |
| (d) | Educator (Punjabi)    | : | 04/03/2020 |
| (e) | Humara Maqсад (Urdu)  | : | 04/03/2020 |

1.29 As stated in preceding paras that due to outbreak of Corona Virus Disease declared as a pandemic by WHO (GoNCTD's Notification No.F.51/DGHS/PH-IV/COVID19/2020/prsecyhfw/2393-2407 dated 13/03/2020), the Public Hearing which was scheduled on 18/03/2020 was cancelled. The Commission issued a Public Notice in this regard in the following newspapers:

|     |                           |   |            |
|-----|---------------------------|---|------------|
| (a) | Hindustan Times (English) | : | 14/03/2020 |
| (b) | The Hindu (English)       | : | 14/03/2020 |

|     |                          |   |            |
|-----|--------------------------|---|------------|
| (c) | Times of India (English) | : | 14/03/2020 |
| (d) | Mail Today (English)     | : | 14/03/2020 |
| (e) | Navbharat Times (Hindi)  | : | 14/03/2020 |
| (f) | Dainik Jagran (Hindi)    | : | 14/03/2020 |

Public Notice was also uploaded on Commission's website [www.derc.gov.in](http://www.derc.gov.in).

- 1.30 Further, in view of the circumstances arisen due to outbreak of COVID-19 which refrains from holding Public Gatherings, the Commission decided not to conduct Public Hearing, for issuance of Tariff Order related to True up of FY 2018-19 and ARR of FY 2020-21, and all stakeholders have been given additional time-period till 30.06.2020 for submitting comments/suggestions on tariff petition/ additional information filed by the Petitioner. In this regard, the Commission issued Public Notice in the following newspapers inviting comments from stakeholders on the Revised Tariff Petitions and additional information filed by the Petitioner latest by 30/06/2020:

|     |                              |   |            |
|-----|------------------------------|---|------------|
| (a) | Hindustan Times (English)    | : | 13/06/2020 |
| (b) | The Hindu (English)          | : | 13/06/2020 |
| (c) | The Times of India (English) | : | 13/06/2020 |
| (d) | Mail Today (English)         | : | 13/06/2020 |
| (e) | Navbharat Times(Hindi)       | : | 13/06/2020 |
| (f) | Punjab Kesri (Hindi)         | : | 13/06/2020 |
| (g) | Dainik Jagran (Hindi)        | : | 13/06/2020 |
| (h) | Jadid-In-Dinon (Urdu)        | : | 13/06/2020 |
| (i) | Jan Ekta (Punjabi)           | : | 13/06/2020 |

- 1.31 Copies of all the Public Notices are available on Commission's website [www.derc.gov.in](http://www.derc.gov.in)

## LAYOUT OF THE ORDER

- 1.32 This Order is organised into six Chapters:

- Chapter A1 provides details of the tariff setting process and the approach of the Order.
- Chapter A2 provides brief of the comments of various stakeholders, the Petitioner's response and views of the Commission thereon.
- Chapter A3 provides details/analysis of the True up of FY 2018-19 and impact of past period true up based on judgement of Hon'ble APTEL, if any, Review Order of



the Commission, if any, and its directives on the matter.

- d) Chapter A4 provides analysis of the petition for determination of the Aggregate Revenue Requirement for FY 2020-21.
- e) Chapter A5 provides details of the Transmission Tariff for FY 2020-21.
- f) Chapter A6 provides details of the Directives of the Commission.

1.33 The Order contains following Annexures, which are an integral part of the Tariff Order:

- a) Annexure I & I(a) - Admission Orders.
- b) Annexure II - List of the stakeholders who submitted their comments on True-up of expense for FY 2018-19 and approval of Aggregate Revenue Requirement & Tariff for FY 2020-21.

## APPROACH OF THE ORDER

### APPROACH FOR TRUE UP OF FY 2018-19

1.34 The Commission in its Business Plan Regulations, 2017 has indicated that Regulations shall remain in force for a period of three (3) years. The relevant Regulation of Business Plan Regulations, 2017, in this regard, is as follows:

*“1(2) These Regulations, shall remain in force for a period of 3 (three) years i.e., for FY 2017-18, FY2018-19 and FY 2019-20, unless reviewed earlier.”*

1.35 The Commission in its Tariff Regulations, 2017 has specified that Regulations shall be deemed to have come into effect from 1<sup>st</sup> February, 2017. The Relevant Regulation of Tariff Regulations, 2017, in this regard, is as follows:

*“(4) These Regulations shall be deemed to have come into force from 1<sup>st</sup> February, 2017 and shall remain in force till amended or repealed by the Commission. “*

1.36 Accordingly, ARR for FY 2018-19 has been trued up as per Tariff Regulations, 2017 and Business Plan Regulations, 2017.

### APPROACH FOR ARR AND TARIFF FOR FY 2020-21

1.37 The Commission vide its Notification dated 31<sup>st</sup> January, 2017 had issued Tariff

Regulations, 2017. Further, the Commission has issued Business Plan Regulations, 2019.

- 1.38 The Commission has evaluated the revised ARR/ additional information submitted by the Petitioner on the basis of the provisions in Tariff Regulations, 2017 read with Business Plan Regulations, 2019 and other factors considered appropriate by the Commission as discussed hereafter.

**A2: RESPONSE FROM THE STAKEHOLDERS****INTRODUCTION**

- 2.1 Section 64(3) of Electricity Act, 2003, stipulates that the Commission shall determine tariff under Section 62 of the Electricity Act, 2003 for the transmission licensee, after consideration of all suggestions received from the public and the response of the Licensee to the objections/suggestions of stakeholders, issue a Tariff Order accepting the application with such modifications or such conditions as may be specified in the order.
- 2.2 The Commission endeavours to issue Tariff Orders as per provisions of the Electricity Act, 2003.
- 2.3 The Commission vide its Public Notice dated 04/03/2020 scheduled a Public Hearing on Tariff Petitions for True-Up of FY 2018-19 and ARR for FY 2020-21 on 18/03/2020 to take a final view on various issues concerning the principles and guidelines for tariff determination.
- 2.4 However, due to outbreak of Corona Virus Disease (COVID-19) (GoNCTD's Notification No.F.51/DGHS/PH-IV/COVID19/2020/prsecyhfw/2393-2407 dated 13/03/2020), the Public Hearing scheduled on 18/03/2020 was cancelled and the last date of submission of comments/suggestions on Tariff Petitions for True-up of FY 2018-19 and ARR for FY 2020- 21 which was earlier kept till 20/03/2020 was thus extended till the next date of Public Hearing. The Public Notices, in this regard, were issued by the Commission.
- 2.5 As per Order No. 40-3/2020-DM-I(A) dated 30/05/2020 issued by Ministry of Home Affairs, Government of India, large gatherings/ congregations continued to remain prohibited. Giving due consideration to arisen scenario due to outbreak of Corona Virus Disease which refrains from holding Public Gatherings, the Commission decided not to conduct Public Hearing this year, for issuance of Tariff Order related to True-up of FY 2018-19 and ARR of FY 2020-21 and communicated the same through public notice including on Commission's website. Alternatively, all stakeholders have been given additional time-period till 30/06/2020 for submitting comments/suggestions on tariff petitions/ additional information filed by the utilities.

- 2.6 The Commission has examined the issues taking into consideration the comments/suggestions of various stakeholders in their written statements submitted to the Commission and also the response of the Petitioner thereon.
- 2.7 The comments/suggestions of various stakeholders, the replies/response by the Petitioner and the views of the Commission are summarized under various subheads below.

**ISSUE 1: OPERATION AND MAINTENANCE EXPENSES FOR FY 2018-19****STAKEHOLDERS' VIEW**

- 2.8 DTL has claimed Rs. 30.71 Cr. on account of impact of 7th Pay Commission. The claim may be allowed/restricted to DTL based on actual payments made subject to prudence check and verification.
- 2.9 DTL has claimed Rs. 10.26 Cr. on account of IPGCL Staff Salary including impact of 7th pay Commission. Since the claim towards the salary of IPGCL staff deployed in DTL was not allowed by Commission vide Tariff Order dated 31/07/2019 for FY 2017-18 also, accordingly, the claim made under the present petition may not be allowed.
- 2.10 The DTL has claimed Rs. 13.66 Cr. on account of additional security expenses. The claim towards additional security expenses was not allowed by Commission in its previous Tariff Order dated 31/07/2019 while Truing-up of expenses for FY 2017-18 ,and had observed that additional expenses claimed by DTL were covered under the normative O&M expenses. Accordingly, claims made under the present petition under the head additional security expenditure may be disallowed .
- 2.11 DTL has claimed Rs. 11.59 Cr. on account of License Fee for Land. The claim towards license fee for Land was not allowed by Commission in its previous Tariff Order dated 31/07/2019 for True-up of Expenses for FY 2017-18 and has observed that the additional expenses claimed by DTL under this head were already covered under the normative O&M expenses. Accordingly, the same view may be considered in the present case and expenditure claimed on this account may be disallowed.

**PETITIONER'S SUBMISSION**

- 2.12 DTL has considered the O&M Expenses as per the norms provided in DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 and DERC (Business Plan) Regulations, 2017. The Commission has framed the norms/parameters in DERC Business Plan Regulations, 2017 based on DTL's Annual Accounts for FY 2015-16, in which expenses such as IPGCL Staff Salary (which were deployed in DTL from FY 2016-17 onwards) and License Fee for Land were not included, and the same were not part of the base year expenses while fixing the norms of O&M Expenses for control period FY 2017-18 to FY 2019-20.
- 2.13 As per the directions of Ministry of Power, the staff of Indraprastha Power Generation Company Ltd. (IPGCL) have been deployed in DTL on diverted capacity. The salary of the IPGCL staff is being paid by DTL since 2016-17, which is over and above the Employee Expenses allowed by Hon'ble Commission to DTL. In this regard, Commission in its previous Tariff Orders dated 28/03/2018 and 31/07/2019 while Truing-up the Employee Expenses of DTL for FY 2016-17 and FY 2017-18, respectively, has observed the following:
- "The Petitioner has claimed Rs. 8.52 Cr. in respect to IPGCL staff diverted to them. It is observed from the true-up of IPGCL that normative O&M expenses allowed to IPGCL are higher in comparison to the actual O&M expenses incurred by IPGCL partly due to reduced employee expenses burden to IPGCL. Therefore, the Commission has not considered an additional claim of the Petitioner on account of Salary of IPGCL staff deployed with the Petitioner as the same was part of employee expenses of IPGCL of the base year."*
- 2.14 IPGCL and DTL being separate entities, therefore DTL in its Tariff Petition has considered Rs. 10.26 Cr. for FY 2018-19 which has been incurred by DTL including interim relief on account of 7th pay Commission. Hon'ble Commission may kindly allow these expenses after suitable adjustment in the ARR of IPGCL or direct IPGCL to remit the same to DTL.
- 2.15 DTL has always been striving to ensure the safety of its personnel as well as the grid. DTL had earlier deployed security personnel through Private Security Agencies (PSA) and the

experience had not been satisfactory and encouraging on account of various labour law violations, non-compliance to the terms and conditions of the contract, malpractices & litigations, etc. The situation had failed to improve despite several reminders, advisories, show cause notices issued by DTL. This has forced DTL to terminate the contract with the service provider before the expiry of its tenure. In line with Govt. of India directives, DTL thereafter deployed security personnel through Director General of resettlement (DGR) sponsored agency. DGR, GoI issues notices of minimum wages for the workmen deployed through its sponsored agencies. The minimum wages decided by DGR are higher than the minimum wages determined by the Delhi Government for workmen. Therefore, the financial expenses of DTL on account of security personnel have increased, as well as the number of personnel also increased due to deployment of security in various offices/sub-stations/installations of DTL, due to the Commissioning of new Sub-Stations.

- 2.16 As per directions of Govt. of NCTD, DTL has been paying a license fee for use of land to Govt. of NCTD. Earlier, such cost was added in the Gross Block Asset, but after the implementation of the IND-AS accounting standards, there has been a shift in the Accounting Policy, wherein such cost is now charged as expenses. In FY 2018-19, DTL has paid Rs. 11.59 Cr. as annual premium for land at Dev Nagar (Karol Bagh), R. K. Puram, Dwarka and Tikri Khurd, to GNCTD and the same has been claimed in its petition. As this expense is being paid by DTL since FY 2016-17 onwards and the norms for FY 2017-18 to FY 2019-20 were created using Annual Accounts of FY 2015-16, so they were not considered in normative O&M Expenses, hence should be separately allowed in O&M Expenses for FY 2018-19.
- 2.17 DTL has claimed the expenditure towards O&M Expenses as per norms approved by Hon'ble Commission in DERC (Business Plan) Regulations, 2017 and 2019.

### COMMISSION'S VIEW

- 2.18 The Commission has trued up the O&M expenses of the Petitioner based on the principles specified in Tariff Regulations, 2017 & the norms determined in the Business

Plan Regulations, 2017. The details of acceptance or rejection of claim of Petitioner on account of O&M expenses has been given in Chapter 3 of this Tariff Order.

## ISSUE 2: ASSETS CAPITALIZATION

### STAKEHOLDERS' VIEW

- 2.19 DTL has submitted its Asset Capitalization of Rs. 428.03 Cr. for FY-2020-21. It can be observed that the actual amount spent on Asset Capitalization for two years i.e. FY 2017-18 to FY 2018-19 is Rs. 612 Cr. which is ~35% less than the approved Capitalization of Rs. 1011 Cr. by the Commission. Further, in the past four financial years, annual average Capitalisation of ~ Rs. 370 (FY 2015-16 to FY 2018-19) has been achieved by DTL.
- 2.20 DTL has submitted new Transmission elements (HTLS Conductor & 220 KV D/C U/G XLPE) of around ~ Rs. 198.46 Cr and ~ Rs. 84 Cr of New Sub-Stations and Sub-Station bay extension works. DTL has submitted Asset Capitalization plan for individual elements rather than an end-to-end scheme with a complete scope at both the interconnection points including upstream/downstream elements and their associated bays. A complete end-to-end scheme would lead to a better assessment of the project requirement, its timelines and its utilization once Commissioned.
- 2.21 Lower Asset Capitalization in FY 18-19 as compared to Approved Capitalization for FY 18-19: Regulation 5 of the DERC Tariff Regulations 2017, defines the procedure to determine the Transmission Tariff of Transmission Licensee. The utility has to prepare a business plan comprising of business projections. The projections have to be made in line with Regulation 16 (3) of the Business Plan Regulations, 2017 which provides as under:
- “(3) Capital cost shall be trued up annually and financial impact on account of variation in projected capital cost in the tariff order vis-a-vis actual capital cost and scheduled date of Commissioning vis-a-vis actual date of Commissioning shall be dealt as per the provisions of Regulations 61, 62 and 150 of the DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017.”*
- 2.22 Further, Regulation 61 (ii) of the Tariff Regulations, 2017 provides as under:

*“(ii) Where the capital cost considered in tariff by the Commission based on projected capital cost as on COD or the projected additional capital expenditure exceeds the actual capital cost incurred on year on year basis by more than 5%, the Generating Entity or Transmission Licensee, as the case may be, shall refund to the beneficiaries the excess tariff recovered corresponding to such excess capital cost, as approved by the Commission along with interest at 1.20 times of the bank rate as prevalent on 1<sup>st</sup> April of the respective year;”*

2.23 In the present true-up petition for FY 2018-19, DTL has submitted capitalization of Rs. 457.94 Cr. against the projected capitalization of Rs 807.60 Cr. in Tariff Order dated 28/03/2018.

2.24 Extract of DTL Tariff order (P. No. 03/2018 order dated 28/3/2018) for the period 2018-19 is given below where the Hon’ble Commission had allowed capitalization of Rs 807.60 Cr. and based on which DTL has recovered excess Tariff. The relevant extract is as under:

*“Commission’s Analysis*

*4.17 The Commission had approved tentative Capital Investment Plan for the Petitioner for FY 2018-19 in Business Plan Regulation, 2017 as Rs. 906 Cr. The Petitioner has submitted revised assets capitalization for FY 2018-19 as Rs. 807.60 Cr. and the same has been considered by the Commission.”*

2.25 Based on the above submissions, Hon’ble Commission is requested to direct refund of excess tariff recovered at 1.20 times of the bank rate as prevalent on 1<sup>st</sup> April 2018 due to lower capitalization in FY 2018-19.

## PETITIONER’S SUBMISSION

2.26 The variation in the value of Approved Capitalization vs. Actual Capitalization is due to various reasons such as allocation and allotment of land in Delhi, Right of Way (RoW) problems, construction in VIP areas, movement of VIPs, congested areas, etc., which are beyond the control of DTL. While every effort is made for completing the projects in line with the projections, sometimes deviations occur due to site constraints such as, ROW issues with the land owning agencies etc. Further, award of contracts also gets delayed



at times due to non-participation of sufficient no. of bidders. In such cases, DTL is forced to refloat the tenders/ revisit QRs for ensuring competitive bidding.

- 2.27 The transmission schemes are being planned as a composite package comprising of complete scope i.e. including associated bays equipment of both ends with the transmission link, for example, a composite scheme is planned for 220kV Sarojini Nagar with its 220kV cable infeed and 220kV Bharghal with its infeed through O/H LILLO of Bamnauli-DIAL D/C T/L etc. Wherever possible, the Transmission schemes are tendered as a Single Turnkey package. This packaging of schemes also helps in synchronizing the various timelines for Sub-Station and In-feed Commissioning. However, aspects of Competitive Tendering, eligibility and quality of bidders, are also taken into consideration while tendering.
- 2.28 The mentioned schemes of High Temperature Low Sag (HTLS) reconductoring and 220kV U/G XLPE Cable are separate proposals for different sections of DTL Transmission Network. HTLS reconductoring is done for O/H Transmission lines, wherever there is a requirement for enhanced Transmission capacity, using existing Tower infrastructure and ROW, whereas U/G XLPE Cable links are planned for connecting those Sub-stations wherever feasibility of obtaining 35m ROW for overhead lines is not available. All the efforts are being made for making a reliable and secure network infrastructure for Delhi state as a whole.
- 2.29 DTL in its Tariff Petition for ARR for FY 2019-20 has already revised the projections of Assets Capitalization for FY 2018-19 to Rs. 382.14 Cr. from Rs. 807.60 Cr. as approved by Hon'ble Commission in Tariff Order for FY 2019-20 dated 31/07/2019, a consequence of which the tariff for FY 2019-20 has been reduced. And in the current True-up Petition for FY 2018-19, DTL has considered Rs. 457.94 Cr. as Tentative Assets Capitalization based on the Balance Sheet. Therefore, the Hon'ble Commission is requested to kindly allow Rs. 457.94 Cr. as Assets Capitalization for FY 2018-19 without any condition of refund of excess tariff recovered by DTL, as Commission has already reduced the same while approving the ARR for FY 2019-20 in Tariff Order dated 31/07/2019, keeping in view Regulation 62 of DERC (Tariff) Regulations 2017. Therefore, the contentions of

stakeholders are liable to be rejected.

### COMMISSION'S VIEW

- 2.30 The Commission has considered the capitalization in line with the provisions of Delhi Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff) Regulations, 2017 and DERC (Business Plan) Regulations, 2017 & DERC (Business Plan) Regulations, 2019. The refund of excess tariff on account of variation in projected capitalisation and provisional capitalisation considered by the Commission has been appropriately dealt as per provision of Tariff Regulation, 2017, in Chapter-3 of this Tariff Order.
- 2.31 Further, the Commission has also taken cognizance of the situation arisen due to COVID-19 pandemic which may have affected mobilisation of resources and commissioning of new projects, and has reduced the projected capitalization for FY 2020-21 accordingly.

### ISSUE 3: INCOME TAX

#### STAKEHOLDER'S VIEW

- 2.32 DTL has sought Income Tax at 34.94% for FY 2020-21, however, TPDDL has requested Commission to restrict the Income Tax rate for FY 2020-21 in line with the trued-up Income Tax rate for FY 2018-19.
- 2.33 Regulation 72 of the DERC (Terms & Conditions for Determination of Tariff) Regulations, 2017 provides:

***Tax on Return on Equity as under:*** *The base rate of return on equity as specified by the Commission in the Business Plan Regulations shall be grossed up with the effective tax rate of the respective financial year. For this purpose, the effective tax rate shall be considered on the basis of actual tax paid vis-a-vis total income of the utility in a relevant financial year in line with the provisions of the relevant Finance Acts. The actual tax on the other income stream shall not be considered for the calculation of "effective tax rate":*

*Provided that if the rate of return on equity for a control period is allowed on a pre-tax basis, then income tax on the return on equity shall not be allowed separately as*

*a pass-through in ARR;*

*Provided further that no amount shall be considered towards tax exceeding the actual amount of tax paid by the corporate entity of the utility as an assessee.*

- 2.34 In the current petition, DTL has claimed Income Tax on actual basis amounting to Rs. 143.45 Cr. However, it is requested that Hon'ble Commission may allow the same based on the actual income tax paid by DTL or Income Tax on Return of Equity for FY 2018-19 whichever is lower which is in line with the provisions of Tariff Regulations, 2017 as stated above.

It is observed that DTL has considered an effective tax rate of 33.77% against the effective tax rate of 21.41%. (Refer P&L Statement). Thus, to allow the Income Tax, an effective tax rate of 21.41% should be considered.

#### PETITIONER'S SUBMISSION

- 2.35 As per the judgment of Hon'ble ATE in Appeal No. 255/2013 (as below), DTL has considered the actual income tax paid on Transmission Business, and the same should be allowed by the Commission.

*"45.4 In our opinion, the Commission has to consider the income tax actually paid by the Appellant with due verification and the same has to be included in the Tariff computation and shall be passed on to the beneficiaries. Further, tax on any income other than through its licensed business shall not be passed through, and it shall be payable by the Transmission Licensee itself. Accordingly, the issue is decided in favour of the Appellant and the issue is remanded back to consider the Income Tax amount paid with due verification and prudence check"*

**Table 2.1: Actual income tax paid on Transmission Business (Rs. Cr.)**

| Sr. No. | Particulars   | FY 2019-20 |
|---------|---|------------|
| A       | Profit before Tax   | 600.91     |
| B       | Tax using domestic tax rate 34.94%  | 209.98     |
| C       | Permanent/Temporary Differences (Differences due to Accounting Standing & Income-tax Act) | 7.74       |
| D       | Tax Liability (B-C)   | 202        |
| E       | Effective tax rate (D/A*100)  | 33.77%     |

- 2.36 Mainly the difference is arising due to MAT credit entitlement. As per Sec115JAA of the Income Tax Act, 1961, MAT credit is the difference between the tax paid on MAT provisions and the normally computed corporate tax liability. A company is entitled to set off this amount in a subsequent Assessment Year only when it pays tax according to the normal provisions. Since, now the company is paying normal taxes MAT credits of past years are availed. Thus the company has rightly claimed an effective tax rate of 33.77%.

#### COMMISSION'S VIEW

- 2.37 The Commission has allowed the Income Tax to the Petitioner for applicable periods based on the provisions of Tariff Regulations, 2017 and Business Plan Regulations, 2017 & 2019. The projection of Income tax has been dealt as per provision of Business Plan Regulations, 2019 in Chapter 4 of this order.

#### ISSUE 4: NON – TARIFF INCOME

##### STAKEHOLDERS' VIEW

- 2.38 DTL has to pay dues of Rs. 100.44 Cr. as a refund to Short Term Open Access (STOA) Charges to TPDDL. This leads to DISCOM taking loans on high-interest rates from banks, which in turn is borne by consumers in terms of tariff hike. DTL should be directed to immediately refund the same.
- 2.39 In the petition it is observed that DTL is receiving STOA charges and same is not offered as Non-Tariff Income (NTI). Moreover, it is further requested that suitable carrying cost/ interest attracted on such STOA charges must be granted. Further, as per notes of audited financial statements of DTL, it is observed that an amount of Rs.247.15 Cr. on account of STOA charges has been received which has to be considered as NTI. Despite Commission's directions to DTL vide Tariff Order dated 31/07/2019, regarding refund of STOA credits to DISCOMs regularly, STOA amount for FY 2018-19 & FY 2019-20 has not been refunded to TPDDL except Rs. 44 Cr. so far despite multiple reminders/letters being sent to DTL. The Commission is requested to direct DTL to refund the STOA charges with

an appropriate interest charge to the beneficiaries within seven (7) days from the date of receipt failing which DTL shall be liable to pay carry cost equivalent to LPSC rates or these STOA charges should be reduced from Tariff along with carrying cost.

- 2.40 DTL in its Tariff Petition has considered only Rs 14.42 Cr. as NTI for FY 2020-21. Instead of the proposed amount of Rs 14.42 Cr., it is requested to the Hon'ble Commission to consider the actual trued up amount of NTI for FY 2018-19 as NTI for FY 2020-21 also.
- 2.41 The amount available in Delhi UI pool account may also be considered for Tariff fixation of Delhi Transco Limited. Considering the severe & adverse final impact of COVID-19, the Hon'ble Commission is requested to adjust half the amount available in UI pool account from ARR of DTL, so that some benefit in the form of reduced Transmission Tariff can be passed on to the consumers of Delhi. The remaining amount may be kept in the UI pool account for continuing normal pool operations. The above is proposed considering the idle amount lying in UI pool account as per the DTL balance sheet.

#### PETITIONER'S SUBMISSION

- 2.42 DTL, while disbursing the STOA Charges to DISCOMs was facing issues, as applicants through all over the RLDCs are depositing the STOA Charges without intimation and confirmation of the receipt. It was practically not possible to disburse such sum after proportioning the sum collected, among DISCOMs and disbursing them on daily basis. Also, applicants are deducting TDS in the name of DTL without intimation and DTL has to make regular follow up for the TDS Certificates or track them in 26 AS. Accounting methodology was to be developed as directly disbursing the amount would lead DTL to lose the TDS amount deducted in the name of DTL. Since Monthly bill is raised on DISCOMs, it was to be decided whether to adjust the same against the current bill or disburse the same. To check the correctness of payment received from various Applicants, Independent audit was conducted to check the receipts from 1st April 2018 to 31st December 2019. Also, opinion was taken from Tax Consultant. Following was the methodology explained through which the effect of TDS deposited by applicants in the name of DTL can be taken.

*"The best possible advice in the matter is that the querist company (DTL) may first book the income on account of STOA charges received in FY 2018-19 and FY 2019-20 and take the credit of the TDS deducted in its name while filing ITR for FY 19-20. As the direction from Commission regarding utilization of STOA charges has been received in FY 2019-20, the querist company (DTL) can book the equivalent amount of expenditure for the whole amount which is being disbursed to the DISCOMs by creating liability and deduct TDS thereon at applicable rates. Thereafter the company can go for adjustment of liability through Trade receivable for refunding the amount of STOA charges. By adopting this methodology, the querist company will be able to adjust the amount payable through adjustment of past dues and will also be able to take TDS credit of TDS deducted in its name."*

- 2.43 Accordingly, the adjustment/disbursement is being done by DTL, depending on the outstanding of any dues of DISCOMs, in their transmission wheeling charges and disbursed the STOA Charges for FY 2018-19 & FY 2019-20, through disbursement advice no. 1, 2 & 3. Further from April 2020 onwards, STOA Charges are disbursed on monthly basis. It is pertinent to mention that STOA funds of a particular month are received in tranches next month and after compilation of the same DTL can disburse the same. Accordingly, Company has disbursed the STOA for April through Disbursement advice no.4. As a prudent business practise, since there are huge outstanding with DISCOMs, the company had adjusted the above STOA charges with the outstanding dues and then with current bills as done earlier. Thus, it can be concluded that DTL has disbursed all STOA funds of FY 2018-19 & FY 2019-20 and now started disbursing the STOA charges on monthly basis thus same cannot be reduced from Tariff of the company.

A summary of STOA Charges of TPDDL is as follows:

**Table 2.2: Summary of STOA charges for TPDDL DISCOM**

| Sr. No. |         | Particulars  | Amount |
|---------|---------|--|--------|
| A       |         | STOA to be disbursed (FY 2018-19) & (FY 2019-20)               | 144.44 |
| B       | Less    | TDS Deposited (For TPDDL)                                      | 14.44  |
| C       | Less    | Ad Hoc Payment made on request of TPDDL                        | 39.60  |
| D       | Balance | Balance: adjustment against outstanding dues and pending cases | 90.39  |

- 2.44 The balance outstanding of TPDDL as on 31.03.2020 after considering the above STOA charges works out to:

**Table 2.3: Adjustment of STOA charges for TPDDL DISCOM**

| Sr. No. | Particulars   | Amount  |
|---------|---|---------|
| A       | Total Receivable (Includes Wheeling, Power Purchase & IT Bills) | 354.41  |
| B       | STOA Adjusted-1   | (79.84) |
| C       | STOA Adjusted-2   | (56.67) |
| D       | STOA Adjusted (Power Purchase bill & LPSC)                      | (21.76) |
| E       | STOA Adjusted (FY 2018-19,19-20 after TDS) (See table above)    | (90.39) |
| F       | Outstanding as on 31.03.2020 (A-B-C-D-E)                        | 105.75  |

**Note:** The above includes the bill outstanding of March 2020 of Rs. 20.89 Cr. The "STOA Adjusted-1" & STOA Adjusted-2" charges are charges disbursed and adjusted in the wheeling charges as per past regulations (MYT Regulations 2011) wherein 25% of STOA charges used to be an income of DTL and 75% of STOA used to be transferred to the DISCOMs bills. **Thus, there is still outstanding dues of INR 105.75 Cr. to be paid by TPDDL, after consideration of above adjustments.**

- 2.45 The Commission has issued the Power System Development Fund Regulations (PSDF), 2019 for the utilization of amount available in UI pool account. In the regulation, there is no such provision for the same.

#### COMMISSION'S VIEW

- 2.46 The Commission has considered incomes being incidental to electricity business and derived by the Licencee from various other sources as Non Tariff Income, in line with the Tariff Regulations, 2017.
- 2.47 The refund of STOA along with carrying cost has been appropriately dealt in this Tariff Order in line with the direction issued by the Commission in Tariff Order dated 31/07/2019. The projection of Non-Tariff Income for FY 2020-21 has also been considered as per provision of Tariff Regulations, 2017.

#### ISSUE 5: PROJECT BIDDING ROUTE

##### STAKEHOLDERS' VIEW

- 2.48 Need for awarding intra-state transmission projects under the competitive bidding route

to ensure reduced transmission charges incident on the end consumers.

#### **PETITIONER'S SUBMISSION**

- 2.49 TBCB route was previously envisaged for large scale turnkey projects where a huge sum of investment was required. It was designed in a way so that the private sector will invest funds in these large projects and will recover by way of the tariff. In the case of Delhi system, the projects are limited, smaller in scale and do not require any investment to be made by the government. Further, tendering of a composite transmission scheme as a single package and adoption of TBCB route for the same was a policy decision and it was in-principle decided by Government of NCT of Delhi that DTL shall take up the projects on its own and through its own funding mechanism.

#### **COMMISSION'S VIEW**

- 2.50 The Commission has issued Competitive Bidding Guidelines to be followed by the Utilities for procurement of material. The Commission has also engaged the consultant for review of Capitalisation of the Petitioner which also includes review of procurement by the Petitioner.

### **ISSUE 6: METHODOLOGY FOR TREATMENT OF TRANSMISSION CHARGES**

#### **STAKEHOLDERS' VIEW**

- 2.51 The transmission charges claimed towards the two ISTS lines (400kV Mandola- Bawana double ckt and 400kV Ballabgharh-Bamnauli double ckt. Transmission lines) are considered to be part of DTL asset base and ARR by TL. However, for these two lines, the tariff has been approved by Hon'ble CERC for FY 2018-19 (approx. Rs. 3.12 Cr.) which is to be adjusted while truing-up the ARR of DTL for FY 2018-19. Therefore, in light of the above reasons, the Hon'ble Commission is requested that charges claimed towards Transmission charges of these two ISTS lines of DTL may be considered separately. The Hon'ble Commission is requested to direct DTL to explain the methodology for the treatment of transmission charges in respect of 400 KV Mandola-Bawana Double Ckt and 400 KV Ballabhgarg Bamnauli Double Ckt and 400 KV bays at Ballabgharh and



Mandola, in Overall ARR for the FY 2020-21, to enable in understanding that where/under which head the tariff of these two Transmission Assets has been accounted for and what is the reduction in overall ARR of DTL on account of the same. Further, DTL may be directed to maintain separate accounts for its ISTS lines and remove all the details of these ISTS lines from True-up/ARR petition and accordingly, file a fresh Tariff/ARR petition excluding the same from its asset base. Accordingly, proportionate expenses related to ISTS tariff should be excluded from the DTL O&M expenses, depreciation, working capital requirements and any other cost head where these two ISTS lines have an impact.

- 2.52 Under the present ARR petition, DTL has claimed the expenditure towards O&M expenses and SLDC charges under the common head and there is no bifurcation between these two components. Accordingly, it is requested that the Commission may consider the expenses towards SLDC charges separately, else may consider the revenue billing of SLDC as a part of DTL revenue.

#### **PETITIONER'S SUBMISSION**

- 2.53 DTL has considered the Transmission Tariff of Inter-state Transmission Lines owned by DTL i.e. 400kV Mandaula-Bawana Double Ckt. and 400kV Ballabgarh-Bamnauli Double Ckt. For FY 2018-19 as approved by Hon'ble CERC vide Order dated 29/06/2018 under Non-Tariff Income Head, as per directions of Hon'ble CERC in the Order dated 29/06/2018 in Petition No. 175/TT/2017 as below:

*"12. .... Further, the transmission charges allowed in this order shall be adjusted against the ARR approved by the State Commission."*

#### **COMMISSION'S VIEW**

- 2.54 The Commission has considered the Transmission Tariff from ISTS lines as mentioned above, under Non-Tariff Income for respective years.

### **ISSUE 7: RETURN ON CAPITAL EMPLOYED AND COMPUTATION OF WACC**

#### **STAKEHOLDERS' VIEW**

- 2.55 DTL has not followed methodology as prescribed in DERC (Tariff) Regulations, 2017 for

computation of Return on Capital Employed (ROCE). DTL in its Tariff Petition has computed average Regulated Rate Base of Rs. 3836.53 Cr., whereas Weighted Average Cost of Capital (WACC) is computed based on Average Equity of Rs 1753.42 Cr. and average Debt of Rs.4091.31 Cr. instead of computing WACC based on average RRB. Accordingly, it is requested that ROCE shall be approved in line with the methodology prescribed under Regulation 68 of the DERC (Tariff) Regulations, 2017.

### PETITIONER'S SUBMISSION

- 2.56 DTL has considered WACC as per provisions in the Tariff Regulations, 2017. The formula for WACC in Tariff Regulations 2017 is as below:

$$WACC = [D/(D+E)] \times rd + [E/(D+E)] \times re$$

where, D is the amount of Debt

E is the amount of Equity

- 2.57 From the comments of TPDDL, it is observed that TPDDL has not understood the issue as well as Regulations, therefore, the contentions of TPDDL are wrong and liable to be rejected.

### COMMISSION'S VIEW

- 2.58 The Commission has followed the principles of Tariff Regulations, 2017 for computation of RRB, WACC and RoCE. The detailed computation is dealt with in subsequent chapters.

**A3: TRUE UP FOR FY 2018-19****PETITIONER'S SUBMISSION****TRUING UP OF AGGREGATE REVENUE REQUIREMENT FOR FY 2018-19**

3.1 The Petitioner has submitted that as per Delhi Electricity Regulatory Commission (Terms and Condition for Determination of Tariff) Regulations 2017, the Annual Fixed Cost (AFC) of a transmission system shall consist of the following components:

- a) Return on Capital Employed;
- b) Depreciation; and
- c) Operations and Maintenance Expenses.

**OPERATION & MAINTENANCE EXPENSES****PETITIONER'S SUBMISSION**

3.2 The Petitioner has submitted that the normative O&M Expenses for FY 2018-19 has been computed on the basis of average no. of bays and ckt-kms in 2018-19 and considering the norms specified under DERC (Business Plan) Regulations, 2017 and the same are as below:

**Table 3. 1: Petitioner Submission: Normative O&M Expenses for FY 2018-19 (Rs. Cr.)**

| Sr. No. | Voltage levels | Average No. of Bays | Average Ckt. km | Rs. Lakh/bay | Rs. Lakh/ckm | Bay (Rs. Cr.) | Ckm (Rs. Cr.) | Total (Rs. Cr.) |
|---------|----------------|---------------------|-----------------|--------------|--------------|---------------|---------------|-----------------|
| 1       | 400 kV         | 62                  | 249.19          | 47.76        | 8.59         | 29.61         | 21.41         | 51.02           |
| 2       | 220 kV & below | 1301.5              | 824.02          | 16.16        | 2.15         | 210.32        | 17.72         | 228.04          |
|         | Total          |                     |                 |              |              | 239.93        | 39.12         | 279.06          |

3.3 The Petitioner has submitted to consider the following additional expenditure in addition to normative O&M expenditure:

3.4 Interim Relief on Account of Implementation of 7th Pay Commission: As per Wage Revision Committee's Order No. WRC/2016/157 dated 14.06.2017; the Petitioner has disbursed an amount of Rs. 30.71 Cr. as Interim Relief on account of implementation of 7th Pay Commission from January, 2016 onwards. Further, any additional amount, if any, will be considered separately as per the final recommendations of Wage Revision



Committee.

- 3.5 Salary of IPGCL Staff deployed in Delhi Transco Limited: As per directions of Ministry of Power, Govt. of NCTD, staff of Indraprastha Power Generation Co. Ltd. (IPGCL) have been deployed in DTL on diverted capacity. The salary of the IPGCL staff is being paid by DTL since 2016-17, over and above the Employee Expenses allowed by Commission to DTL. IPGCL and DTL being separate entities, therefore DTL in its Tariff Petition has considered Rs. 10.26 Cr. for FY 2018-19 which has been incurred by DTL which also include Interim Relief on account of 7th pay Commission.
- 3.6 Additional Security Expenses: The Petitioner has submitted that not satisfied with security personnel deployed through Private Security Agencies (PSA) , the Petitioner had deployed security personnel through Director General of Resettlement (DGR), Govt. of India sponsored agency in line with Govt. of India directives. The Director General of Resettlement, Govt. of India issues notices of minimum wages for the workmen deployed through its sponsored agencies which are higher than the minimum wages determined for Delhi Government. Therefore, the financial expenses had increased and accordingly Rs. 13.66 Cr. considered under O&M expenses.
- 3.7 License Fee for Land: The Petitioner has submitted that, as per directions of Govt. of NCTD, DTL has been paying license fee for use of land to Govt. of NCTD. Earlier, such cost was added in the Gross Block of the Asset, but after the implementation of the IND-AS, Accounting Policy is modified whereby such cost is now charged as expenses. In FY 2018-19, DTL has paid Rs. 11.59 Cr. of annual premium for land at Dev Nagar (Karol Bagh), R. K. Puram, Dwarka and Tikri Khurd, to GNCTD and the same has been claimed in the petition.

**Table 3. 2: Petitioner Submission: Operation and Maintenance Expenses for FY 2018-19 (Rs. Cr.)**

| PARTICULARS  | 2018-19 |
|--|---------|
| Normative O&M Expenses   | 279.06  |
| Impact of Interim Relief on Account of 7 <sup>th</sup> Pay Commission            | 30.71   |
| IPGCL Staff Salary (Including Interim Relief for 7 <sup>th</sup> Pay Commission) | 10.26   |
| Additional Security Expenses   | 13.66   |
| License Fee for Land   | 11.59   |
| Total O&M Expenses   | 345.28  |



**COMMISSION'S ANALYSIS**

- 3.8 The Operation & Maintenance (O&M) expenses in DERC (Business Plan) Regulations 2017 have been approved based on network details (No. of bays and Line Length in circuit kilometres), as under:

*"15. OPERATION AND MAINTENANCE EXPENSES*

*(1) The Normative, Bay wise and Circuit kilometers wise, Operation and Maintenance expenses of a Transmission Licensee, including Own consumption of energy for Transmission Licensee's installations and offices, shall be as follows:*

**Table 5: Bay wise Norms for HVAC (Rs. Lakh/bay)**

| <b>Voltage levels</b> | <b>2017-18</b> | <b>2018-19</b> | <b>2019-20</b> |
|-----------------------|----------------|----------------|----------------|
| 400 kV                | 45.23          | 47.76          | 50.44          |
| 220 kV & below        | 15.30          | 16.16          | 17.06          |

**Table 6: Circuit km wise Norms for HVAC lines (Rs. lakh/ckm)**

| <b>Voltage levels</b> | <b>2017-18</b> | <b>2018-19</b> | <b>2019-20</b> |
|-----------------------|----------------|----------------|----------------|
| 400 kV                | 8.13           | 8.59           | 9.07           |
| 220 kV & below        | 2.03           | 2.15           | 2.27           |

*(2) Impact of any statutory Pay revision on employee's cost as may be applicable on case to case basis shall be considered separately, based on actual payment made by the Transmission Licensee and prudence check at the time of true up of ARR for the relevant financial year."*

- 3.9 The Commission observed that the Petitioner has considered Spare Bays & Bus-Section bays while computation of number of bays. The Commission in its Explanatory Memorandum on DERC (Business Plan) Regulations, 2017 had indicated that No. of Bays to be computed excluding Spare Bays & Bus-Section bays. Accordingly, the Commission has determined the O&M expenses based on the network addition during the year as per the norms approved in the DERC (Business Plan) Regulations, 2017 and Explanatory Memorandum.
- 3.10 The Petitioner has claimed Rs. 30.71 Cr. on account of impact of 7th pay revision. The Commission had sought the detail of payment made on account of 7th pay revision during the prudence check. The Petitioner has submitted the details vide letter No. F/DTL/203/F.1/2019-20/Oprn.GM(C&RA)/219 dated 19.02.2020. Therefore, the



Commission considers it prudent to allow additional O&M Expenses of Rs. 30.71 Cr. on account of 7th pay revision.

- 3.11 The Petitioner has also submitted additional O&M expenditure of Rs. 10.26 Cr. on account of IPGCL staff. The Commission has earlier decided the matter in previous Tariff Order dated 28/03/2018. The relevant extract is produced below:

*“3.20 The Petitioner has claimed Rs.8.52 Cr. in respect of IPGCL staff diverted to them. It is observed from the true up of IPGCL that normative O&M expenses allowed to IPGCL is higher in comparison to the actual O&M expenses incurred by IPGCL partly due to reduced employee expenses burden to IPGCL. Therefore, the Commission has not considered additional claim of the Petitioner on account of Salary of IPGCL staff deployed with Petitioner as the same was part of employee expenses of IPGCL of the base year.”*

- 3.12 The Commission observed that from FY 2016-17, the Petitioner has been incurring the expenditure in respect of IPGCL staff diverted to them. The norms for O&M expenses during FY 2017-18 to FY 2019-20 in Business Plan Regulations, 2017 have been made based on the data in the previous year upto FY 2015-16. Since this expenditure was not part of O&M expenses considered for determination of norms for O&M expenses for the Petitioner, but in fact was part of O&M expenses of IPGCL, therefore, the Commission in order to give a fair treatment in accordance with para 3.11, allows actual expenses incurred by DTL on salary of diverted IPGCL staff, by deducting the same from IPGCL O&M expenses and including the same in the O&M expenses of DTL, retaining the same cost to the DISCOMs and in turn to end consumers. Therefore, additional O&M expenses on account of IPGCL Staff for FY 2018-19 have been considered for the Petitioner.
- 3.13 The Petitioner has claimed Rs. 11.59 Cr. for FY 2018-19 on account of annual premium for land at Dev- Nagar (Karol Bagh), R.K. Puram, Dwarka and Tikri Khurd to GoNCTD. The Commission observed from Note 28 of the Audited Accounts of FY 2018-19 that DTL has booked expense of Rs. 11.59 Cr. as Licence fee for Land. The Petitioner has also claimed security expenses of Rs.13.66 Cr. for FY 2018-19.



- 3.14 The norms specified by the Commission for O&M expenses contain both factors of escalation on year to year basis and increase in O&M expenses based on addition in the network capacity.
- 3.15 While fixing the norms for O&M expenses, the Commission has considered actual O&M expenses of the Petitioner for the period from FY 2011-12 to FY 2015-16 which already includes expenses on account of security expenses, licence fee for land. Therefore, the additional expenses claimed by the Petitioner are already covered in the normative O&M expenses.

Accordingly, the Commission approves the O&M Expenses for FY 2018-19 based on the norms specified in the DERC (Business Plan) Regulations, 2017 as follows:

**Table 3. 3: Commission Approved: O&M Expenses for FY 2018-19**

| Sr. No. | Voltage   | Rs. Lakh/bay | Rs. Lakh/ckm | No. of Bays | Ckt.km   | Bay (Rs. Cr.)    | Ckm (Rs. Cr.)    | Total (Rs. Cr.) |
|---------|---|--------------|--------------|-------------|----------|------------------|------------------|-----------------|
|         |   | <b>A</b>     | <b>B</b>     | <b>C</b>    | <b>D</b> | <b>E=A*C/100</b> | <b>F=B*D/100</b> | <b>G=E+F</b>    |
| 1       | 400kV   | 47.76        | 8.59         | 62          | 249.19   | 29.61            | 21.41            | 51.02           |
| 2       | 220kV & below   | 16.16        | 2.15         | 1259        | 824.02   | 203.37           | 17.72            | 221.09          |
| 3       | Total O&M expenses                                      |              |              | 1321        | 1073.21  | 232.98           | 39.12            | 272.11          |
| 4       | Impact of Interim Relief on Account of 7th Pay Revision |              |              |             |          |                  |                  | 30.71           |
| 5       | Salary Expense of IPGCL staff diverted in DTL           |              |              |             |          |                  |                  | 10.26           |
| 6       | Total O&M expenses allowed in True up of 2018-19        |              |              |             |          |                  |                  | 313.08          |

## ASSETS CAPITALIZATION

### PETITIONER'S SUBMISSION

- 3.16 The Petitioner has submitted that the Review of Assets Capitalization of DTL for FY 2011-12 to FY 2016-17 is being done by the Consultant i.e. M/s ABPS Infrastructure Pvt. Ltd. appointed by the Commission. For FY 2017-18, DTL has submitted the Assets Capitalization details vide letter no. F/DTL/203/F.1/2019-20/Oprn.GM(C&RA)/46 dated 14/06/2019. For FY 2018-19, the Assets Capitalization is under preparation and the same is likely to be submitted shortly. The Petitioner has submitted a tentative amount of Rs. 457.94 Cr. provisionally, as assets capitalization for FY 2018-19 for consideration



of the Commission. The details of the assets capitalized during the period FY 2011-12 to FY 2017-18 and tentative assets capitalization for FY 2018-19 are as below:

**Table 3. 4: Petitioner Submission: Assets Capitalization for FY 2011-12 to FY 2018-19 (Rs. Cr.)**

| Particulars    | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------|---------|---------|---------|---------|---------|---------|---------|---------|
| Capitalization | 601.63  | 333.51  | 279.40  | 835.06* | 541.88  | 324.97  | 173.50  | 457.94  |

\* Rs. 22.70 Cr. has been added in FY 2014-15 towards balance works of 220kV DSIDC Bawana as per Hon'ble Commission's Order dated 05.11.2004 in Review Petition No. 69/2004.

### COMMISSION'S ANALYSIS

3.17 The Commission observed that the amount of capitalization indicated in Audited financial statement for FY 2018-19 is Rs. 422.07 Cr. against Rs. 457.94 Cr. as claimed by the Petitioner. Accordingly, the Commission has now considered the capitalization provisionally for FY 2018-19, based on the audited financial statement submitted by the petitioner subject to physical verification of assets capitalized during FY 2018-19.

**Table 3. 5: Commission Approved: Capitalization for FY 2018-19 (Rs. Cr.)**

| Particular                | FY 2018-19 | Remarks                            |
|---------------------------|------------|------------------------------------|
| Additional Capitalization | 422.07     | As per Audited financial statement |

3.18 The Regulations 62 of DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 provides as follows:

*"62 In case of the existing projects/scheme, the Generating Entity or Transmission Licensee, as the case may be, shall be allowed tariff by the Commission based on the admitted capital cost as on 1st April of the relevant year and projected additional capital expenditure for the respective years of the Control Period in accordance with the Regulation:*

*Provided that:*

- (i) *The Generating Entity or Transmission Licensee, as the case may be, shall continue to bill the beneficiaries at the existing tariff approved by the Commission for the period starting from 1st April of new Control Period till approval of tariff by the Commission for new Control Period in accordance with these Regulations;*
- (ii) *where the capital cost considered in tariff by the Commission on the basis of*



*projected capital cost as on COD or the projected additional capital expenditure submitted by the Generating Entity or Transmission Licensee, as the case may be, exceeds the actual capital cost incurred on year to year basis by more than 5%, the Generating Entity or Transmission Licensee, as the case may be, shall refund to the beneficiaries/consumers, the excess tariff recovered corresponding to excess capital cost, as approved by the Commission along with interest at 1.20 times of the bank rate as prevalent on April 1 of respective year;*

*(iii) The Generating Entity or Transmission Licensee, as the case may be, shall file a true up Petition to the Commission, along with all supporting documents for consideration of any upward revision in the tariff, where the capital cost considered in tariff by the Commission on the basis of projected capital cost as on COD or the projected additional capital expenditure falls short of the actual capital cost incurred on year to year basis by more than 5%, the Generating Entity or Transmission Licensee, as the case may be, shall be entitled to recover from the beneficiaries for the shortfall in tariff corresponding to addition in capital cost, as approved by the Commission along with interest at 0.80 times of bank rate as prevalent on 1st April of respective year.”*

3.19 The Commission in Tariff Order dated 28/03/2018 for FY 2018-19 has approved capitalization of Rs. 807.60 Cr. The Commission observed that the projected capitalization approved by the Commission in Tariff Order dated 28/03/2018 exceeds the provisional capitalization approved above by more than 5%. Accordingly, the Commission in terms of Regulation 62 of the DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 has considered refund to the beneficiaries/consumers, the excess tariff recovered corresponding to excess capital cost along with interest at 1.20 times of the bank rate as prevalent on 01/04/2018. The carrying cost on excess tariff has been computed as under:

**Table 3. 6: Commission Approved: Refund on account of variation in Capitalization (Rs Cr.)**

| S. No | Particulars  | UOM      | Amount | Remarks                           |
|-------|--|----------|--------|-----------------------------------|
| A     | Capitalization approved in Tariff Order for FY 2018-19 | (Rs. Cr) | 807.60 | Table 35 of T.O. dated 28/03/2018 |



| S. No | Particulars   | UOM      | Amount | Remarks                           |
|-------|---|----------|--------|-----------------------------------|
| B     | Capitalization as per books of accounts considered by the Commission    | (Rs. Cr) | 422.07 | Table 3. 5                        |
| C     | Projected and actual capital cost difference                            | (Rs. Cr) | 385.53 | A-B                               |
| D     | Amount calculated on 5% of Capitalization approved in TO for FY 2018-19 | (Rs. Cr) | 21.10  | $B*5/100$                         |
| E     | Excess amount   | (Rs. Cr) | 364.43 | C-D                               |
| F     | WACC (as projected in TO dated 28/03/2018)                              | %        | 12.87% | Table 40 of T.O. dated 28/03/2018 |
| G     | Excess RoCE   | (Rs. Cr) | 23.45  | $(E/2)*F$                         |
| H     | Rate of Depreciation (as projected in TO dated March 2018)              | %        | 4.68   | Table 38 of T.O. dated 28/03/2018 |
| I     | Depreciation  | (Rs. Cr) | 8.53   | $(E/2)*H$                         |
| J     | Excess Tariff   | (Rs. Cr) | 31.98  | G+I                               |
| K     | Bank rate as prevalent as on 1st April 2018                             | %        | 8.15   |                                   |
| L     | 1.20 time of bank rate  | %        | 9.78   | $K*1.2$                           |
| M     | Effective recovery of interest  | %        | 4.89   | $L/2$                             |
| N     | Refund  | (Rs. Cr) | 1.56   | $J*M$                             |

## DEPRECIATION

### PETITIONER'S SUBMISSION

3.20 The Petitioner has submitted that the depreciation for FY 2018-19 is computed by considering the rates of Depreciation as specified in the Tariff Regulations 2017 and actual assets capitalized from FY 2011-12 to FY 2017-18 as submitted to the Commission and a tentative amount of Rs. 457.94 Cr. have been considered as assets capitalization for FY 2018-19.

3.21 The Petitioner while computing the depreciation for FY 2018-19 has taken into account the adjustment in depreciation as per the provisions in Tariff Regulations 2017 separately, for the assets which have completed 12 years of their useful life. The details of depreciation for FY 2018-19 are given under:

**Table 3. 7: Petitioner Submission: Depreciation for FY 2018-19 (Rs. Cr.)**

| Particulars      | Rate of Depreciation | FY 2018-19 |
|------------------|----------------------|------------|
| Land             | 0.00%                | 0.00       |
| Land Under Lease |                      | 0.00       |



| Particulars  | Rate of Depreciation | FY 2018-19 |
|--|----------------------|------------|
| Building   | 1.80%                | 0.68       |
| Meters   | 6.00%                | 0.11       |
| Lines Network  | 5.83%                | 100.33     |
| Other Civil Works  | 3.00%                | 7.02       |
| Plant And Machinery  | 5.83%                | 158.87     |
| Office Equipment   | 9.00%                | 0.69       |
| Computer   | 16.67%               | 9.13       |
| Furniture  | 9.00%                | 0.50       |
| Misc. Assets   | 6.33%                | 0.08       |
| Vehicles   | 9.00%                | 0.51       |
| Scada  | 6.33%                | 3.38       |
| Depreciation   |                      | 281.29     |
| Adjustment on Account of Assets Completing 12 Years of Their Useful Life |                      | (40.04)    |
| Net Depreciation   |                      | 241.26     |

### COMMISSION'S ANALYSIS

- 3.22 The Commission has considered the approved GFA upto FY 2017-18 in Tariff Order dated 31.07.2019 as the opening GFA for FY 2018-19, and capital addition for FY 2018-19 has been considered as approved by the Commission as above. The Commission has considered the provisional depreciation at 4.68% computed in Tariff Order for FY 2018-19, as per the rates prescribed for individual class of asset as prescribed under Appendix 1 of the DERC (Terms and Conditions for determination of Tariff) Regulations, 2017. The Commission has observed that the Petitioner has availed the Government grant of Rs. 205.22 Cr. till 31.03.2018 and Rs.32.28 Cr. in FY 2018-19, and the same has been taken into account for computing depreciation. The depreciation as approved by the Commission is computed as below:

**Table 3. 8: Commission Approved: Depreciation for FY 2018-19**

| Sr. No. | Particulars                    | UOM   | Approved | Remarks                          |
|---------|--------------------------------|-------|----------|----------------------------------|
| A       | Opening GFA                    | Rs.Cr | 4806.35  | Table 9 of T.O. dated 31/07/2019 |
| B       | Addition                       | Rs.Cr | 422.07   | Table 3. 6:                      |
| C       | Assets Retired during the Year | Rs.Cr | 0.47     | As per audited accounts          |
| D       | Closing GFA                    | Rs.Cr | 5227.95  | A+B-C                            |
| E       | Average GFA                    | Rs.Cr | 5017.15  | (A+D)/2                          |



| Sr. No. | Particulars        | UOM   | Approved | Remarks                          |
|---------|--------------------|-------|----------|----------------------------------|
| F       | Opening Grant      | Rs.Cr | 205.22   | Table 9 of T.O. dated 31/07/2019 |
| G       | Addition Grant     | Rs.Cr | 32.28    | As submitted by petitioner       |
| H       | Closing Grant      | Rs.Cr | 237.50   | F+G                              |
| I       | Average Grant      | Rs.Cr | 221.36   | (F+H)/2                          |
| J       | Depreciation Rate  | %     | 4.68     | Para 3.22                        |
| K       | Total Depreciation | Rs.Cr | 224.44   | (E-I)*J                          |

## WORKING CAPITAL REQUIREMENT

### PETITIONER'S SUBMISSION

3.23 The Petitioner has submitted that the working capital requirement of DTL for FY 2018-19 has been calculated as per Tariff Regulations 2017 and is tabulated below:

**Table 3. 9: Petitioner Submission: Working Capital for FY 2018-19 (Rs Cr.)**

| Particulars                                    | FY 2018-19 |
|--|------------|
| Receivables for Two Months Calculated on NATAF | 181.93     |
| Maintenance Spares @ 15% Of O&M                | 51.79      |
| O&M Expenses For 1 Month                       | 28.77      |
| Total Working Capital                          | 262.49     |

### COMMISSION'S ANALYSIS

3.24 As per Regulations 84 (3) of the DERC (Terms and conditions for determination of tariff) Regulations, 2017, the commission shall calculate the working capital requirement for transmission licensee as follows:

- Receivables for two months towards transmission tariffs calculated on NATAF;
- Maintenance spares @ 15% of operation and maintenance expenses; and
- Operation and maintenance expense for one month.

3.25 In line with the above Regulation, the Commission approves Working Capital requirement for FY 2018-19 as follows:

**Table 3. 10: Commission Approved: Working Capital for FY 2018-19 (Rs. Cr.)**

| Sr. No. | Particulars                                    | 2018-19 | Remarks    |
|---------|--|---------|------------|
| A       | Total Receivables for the Year                 | 915.58  | Table 3.23 |
| B       | Receivables for two months calculated on NATAF | 152.60  | A/6        |
| C       | Total O&M Expenses                             | 313.08  | Table 3. 3 |



| Sr. No. | Particulars                        | 2018-19 | Remarks                           |
|---------|------------------------------------|---------|-----------------------------------|
| D       | Maintenance spares @ 15% of O&M    | 46.96   | C*15%                             |
| E       | O&M Expenses for 1 month           | 26.09   | C/12                              |
| F       | <b>Working Capital requirement</b> | 225.65  | B+D+E                             |
| G       | Opening balance                    | 117.36  | Table 11 of T.O. dated 31/07/2019 |
| H       | Change in working capital          | 108.29  | F-G                               |

## RETURN ON CAPITAL EMPLOYED

### PETITIONER'S SUBMISSION

- 3.26 The Petitioner has submitted that the Return on Capital Employed (ROCE) has been calculated as per Tariff Regulations 2017 by considering Regulated Rate Base (RRB) & Weighted Average Cost of Capital (WACC) i.e.

$$ROCE = RRB \times WACC$$

- 3.27 The Petitioner has submitted that the Opening Cost of Fixed Assets for FY 2018-19 has been considered based on the value of Closing GFA of FY 2010-11 as approved by the Commission and actual Assets Capitalization values for FY 2011-12 to FY 2017-18 as submitted by DTL before the Commission and the tentative assets capitalization for FY 2018-19, as discussed above.
- 3.28 The Petitioner has submitted that the Rate of Return on Equity ( $r_e$ ) has been taken @ 14% as specified in the Business Plan Regulations 2017; however, the Return on Equity has not been grossed with income tax rate as that has been claimed separately. Further, the rate of Return on Debt ( $r_d$ ) for FY 2018-19 has been taken @ 9.29% as per weighted average interest on actual loan portfolio in line with the provisions of Tariff Regulations 2017.
- 3.29 The Petitioner has submitted that for FY 2018-19, the ROCE is computed as per the Tariff Regulations 2017 and by considering the Debt : Equity ratio of 70:30 on the actual assets capitalization values for FY 2011-12 to FY 2017-18 as submitted before the Commission and tentative assets capitalization for FY 2018-19.

**Table 3. 11: Petitioner Submission: ROCE Calculation for FY 2018-19 (Rs. Cr.)**

| Particulars                    | 2018-19 |
|--------------------------------|---------|
| Original Costs of Fixed Assets | 4912.24 |
| Accumulated Depreciation       | 1650.92 |



| Particulars                             | 2018-19 |
|---|---------|
| RRB Opening                             | 3055.76 |
| Additional Capitalisation               | 457.94  |
| Depreciation                            | 241.26  |
| Working Capital                         | 262.49  |
| Govt. Grant/Psdf (Opening)              | 205.56  |
| Govt. Grant/Psdf (Addition)             | 32.28   |
| Govt. Grant/Psdf (Closing)              | 237.84  |
| RRB Closing                             | 3502.65 |
| RRB Average                             | 3410.45 |
| Equity (Opening)                        | 1412.00 |
| Equity (Addition)                       | 127.70  |
| Equity (Closing)                        | 1539.70 |
| Equity (Average)                        | 1475.85 |
| Debt (Opening)                          | 3294.67 |
| Debt (Addition)                         | 297.96  |
| Debt (Closing)                          | 3592.64 |
| Debt (Average)                          | 3443.66 |
| Rate Of Return On Equity                | 14.00 % |
| Rate Of Return On Debt                  | 9.29 %  |
| Weighted Average Cost Of Capital (WACC) | 10.70 % |
| Return on Capital Employed (ROCE)       | 365.02  |

### COMMISSION'S ANALYSIS

3.30 The Commission has specified the provisions for Return on Capital Employed (ROCE) in its *DERC (Terms and Condition for Determination of Tariff) Regulations, 2017* as follows:

*“65. Return on Capital Employed (RoCE) shall be used to provide a return to the Utility, and shall cover all financing costs except expenses for availing the loans, without providing separate allowances for interest on loans and interest on working capital.*

*66. The Regulated Rate Base (RRB) shall be used to calculate the total capital employed which shall include the Original Cost of Fixed Assets (OCFA) and Working Capital. Capital work in progress (CWIP) shall not form part of the RRB. Accumulated Depreciation, Consumer Contribution, Capital Subsidies / Grants shall be deducted in arriving at the RRB.*



67. The RRB shall be determined for each year of the Control Period at the beginning of the Control Period based on the approved capital investment plan with corresponding capitalisation schedule and normative working capital.

68. The Regulated Rate Base for the  $i$ th year of the Control Period shall be computed in the following manner:

$$RRBi = RRB_{i-1} + \Delta ABi / 2 + \Delta WCi;$$

Where,

“ $i$ ” is the  $i$ th year of the Control Period;

RRBi: Average Regulated Rate Base for the  $i$ th year of the Control Period;

$\Delta WCi$ : Change in working capital requirement in the  $i$ th year of the Control Period from  $(i-1)$  th year;

$\Delta ABi$ : Change in the Capital Investment in the  $i$ th year of the Control Period;

This component shall be arrived as follows:

$$\Delta ABi = Invi - Di - CCi - Reti;$$

Where,

Invi: Investments projected to be capitalised during the  $i$ th year of the Control Period and approved;

Di: Amount set aside or written off on account of Depreciation of fixed assets for the  $i$ th year of the Control Period;

CCi: Consumer Contributions, capital subsidy / grant pertaining to the  $\Delta ABi$  and capital grants/subsidies received during  $i$ th year of the Control Period for construction of service lines or creation of fixed assets;

Reti: Amount of fixed asset on account of Retirement/ Decapitalisation during  $i$ th Year;

RRB  $i-1$ : Closing Regulated Rate Base for the Financial Year preceding the  $i$ th year of



*the Control period. For the first year of the Control Period, Closing RRB i-1 shall be the Opening Regulated Rate Base for the Base Year i.e. RRBO;*

*RRBO = OCFAO – ADO – CCO+ WCO; Where; OCFAO: Original Cost of Fixed Assets at the end of the Base Year;*

*ADO: Amounts written off or set aside on account of depreciation of fixed assets pertaining to the regulated business at the end of the Base Year;*

*CCO: Total contributions pertaining to the OCFAO, made by the consumers, capital subsidy / grants towards the cost of construction of distribution/service lines by the Distribution Licensee and also includes the capital grants/subsidies received for this purpose;*

*WCO: working capital requirement in the (i-1)th year of the Control Period.*

*69. Return on Capital Employed (RoCE) for the year “i” shall be computed in the following manner:*

$$RoCE = WACC_i * RRB_i$$

*Where, WACC<sub>i</sub> is the Weighted Average Cost of Capital for each year of the Control Period;*

*RRB<sub>i</sub> – Average Regulated Rate Base for the i<sup>th</sup> year of the Control Period.*

*70. The WACC for each year of the Control Period shall be computed at the start of the Control Period in the following manner:*

$$WACC = [D/(D+E)] * r_d + [E/(D+E)] * r_e$$

*Where, D is the amount of Debt derived as per these Regulations;*

*E is the amount of Equity derived as per these Regulations;*

*Where equity employed is in excess of 30% of the capital employed, the amount of equity for the purpose of tariff shall be limited to 30% and the balance amount shall*





*be considered as notional loan. The amount of equity in excess of 30% treated as notional loan. The interest rate on excess equity shall be the weighted average rate of interest on the actual loans of the Licensee for the respective years. Where actual equity employed is less than 30%, the actual equity and debt shall be considered;*

*Provided that the Working capital shall be considered 100% debt financed for the calculation of WACC;*

*Rd is the Cost of Debt; re is the Return on Equity."*

Further the Rate of Return on Equity and Interest on Loan has been dealt in DERC (Business Plan) Regulations, 2017 as follows:

#### **"12. RATE OF RETURN ON EQUITY**

*Return on Equity in terms of Regulation 4(1) of the DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 for Transmission Licensee shall be computed at the Base Rate of 14.00% on post tax basis.*

**13. TAX ON RETURN ON EQUITY** *The base rate of Return on Equity as allowed by the Commission under Regulation 10 of these Regulations shall be grossed up with the Minimum Alternate Tax or Effective Tax Rate of the respective financial year in terms of Regulation 72 and 73 of the DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017, as per the following formula:*

*Rate of Return on Equity=  $14 / [(100 - \text{Tax Rate}) / 100]$*

*where, Tax Rate is Minimum Alternate Tax (MAT) or Effective Tax Rate, as the case may be.*

#### **14. MARGIN FOR RATE OF INTEREST ON LOAN:**

*Margin for rate of interest for the Control Period in terms of Regulation 4(2) of the DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 for the Transmission Licensee shall be allowed as the difference in weighted average rate of interest on actual loan as on 1st April 2017 and 1 (one) year Marginal Cost of Fund based Lending Rate (MCLR) of SBI as on 1st April 2017: Provided that the rate of interest on loan (MCLR plus Margin) shall not exceed approved base rate of return on equity i.e., 14.00%."*

- 3.31 During the prudence check, the petitioner has submitted the actual rate of interest on loan as 9.29%. The Commission has considered actual rate of interest on loan as 9.29%, and the rate of return on equity as 14% as per the provisions of DERC (Terms and Conditions for determination of tariff) Regulations, 2017.
- 3.32 Further, as per DERC (Terms and Condition for Determination of Tariff) Regulations, 2017 the Petitioner is allowed Return on Equity upto maximum of 30% of the net capital employed excluding working capital requirement which should be funded through 100% debt only. Therefore, the Commission has restricted the return on equity upto 30% of the net average capital employed for FY 2018-19.
- 3.33 Accordingly, RRB, WACC & Return on Capital employed approved by the Commission for FY 2018-19 is as follows:

**Table 3. 12: Commission Approved: RRB for FY 2018-19 (Rs. Cr.)**

| Sr. No. | Particulars  | Commission Approved | Reference                        |
|---------|--|---------------------|----------------------------------|
| A       | Opening Original Cost of Fixed Assets (OCFA <sub>0</sub> )       | 4806.35             | Table 9 of T.O. dated 31/07/2019 |
| B       | Opening Accumulated depreciation (ADo)                           | 1642.76             | Table 13 of T.O dated 31/07/2019 |
| C       | Opening consumer contributions received / Government Grant (CCo) | 205.22              | Table 3. 8                       |
| D       | Opening Working capital (WCo)                                    | 117.36              | Table 3. 10                      |
| E       | Opening RRB (RRBo)   | 3075.73             | A-B-C+D                          |
| F       | Investment capitalised during the year (INVi)                    | 422.07              | Table 3. 5                       |
| G       | Depreciation during the year (Di)                                | 224.44              | Table 3. 8:                      |
| H       | Depreciation on decapitalised assets during year                 | 0.46                | As submitted by Petitioner       |



| Sr. No. | Particulars   | Commission Approved | Reference                  |
|---------|---|---------------------|----------------------------|
| I       | Consumer contribution during the year / Government Grant(CCi) | 32.28               | Table 3. 8:                |
| J       | Fixed assets retired/decapitalised during the year (Reti)     | 0.47                | As submitted by Petitioner |
| K       | Change in capital investment ( $\Delta ABi$ )                 | 165.34              | (F-G+H-I-J)                |
| L       | Change in working capital during the year ( $\Delta WCi$ )    | 108.29              | Table 3. 10:               |
| M       | RRB Closing   | 3349.35             | E+K+L                      |
| N       | RRBi  | 3266.69             | E+K/2+L                    |

**Table 3. 13: Commission Approved: WACC and RoCE for FY 2018-19 (Rs. Cr.)**

| Sr. No. | Particulars  | UOM      | Approved | Reference  |
|---------|--|----------|----------|--|
| A       | RRBi   | (Rs. Cr) | 3266.99  | Table 3. 12  |
| B       | Opening Equity for Capitalisation (limited to 30%)   | (Rs. Cr) | 887.51   | Table 3. 12<br>(A-B-C) * 30%                         |
| C       | Closing Equity limiting to 30% of net capitalization | (Rs. Cr) | 937.11   | Table 3. 12<br>(A - B - C + F - G + H - I - J) * 30% |
| D       | Average Equity for Capitalisation (limited to 30%)   | (Rs. Cr) | 912.31   | (B+C)/2  |
| E       | Opening Debt at 70% of net capitalization            | (Rs. Cr) | 2070.86  | Table 3. 12<br>(A-B-C) * 70%                         |
| F       | Closing Debt at 70% of net capitalization            | (Rs. Cr) | 2186.59  | Table 3. 12<br>(A - B - C + F - G + H - I - J) * 70% |
| G       | Avg Debt at 70% of net capitalization                | (Rs. Cr) | 2128.73  | (E+F)/2  |
| H       | Debt at 100% of working capital                      | (Rs. Cr) | 225.65   | A-D-G  |
| I       | Debt- balancing figure                               | (Rs. Cr) | 2354.37  | A-D  |
| J       | Rate of return on equity (re)                        | %        | 14.00%   | As per Regulations                                   |
| K       | Rate of debt (rd) on capitalisation                  | %        | 9.29%    | Actual submitted by Petitioner                       |
| L       | Rate of debt (rd) on working Capital                 | %        | 9.29%    | Actual submitted by Petitioner                       |
| M       | Rate of interest on debt(rd)                         | %        | 9.29%    | $((G*K) + (H*L))/(G+H)$                              |
| N       | WACC   | %        | 10.61%   | $(I*M+D*J)/(D+I)$                                    |
| O       | RoCE   | (Rs. Cr) | 346.45   | A*N  |

**INCOME TAX EXPENSES****PETITIONER'S SUBMISSION**

3.34 The petitioner has submitted that Hon'ble Appellate Tribunal for Electricity (APTEL) in



its Judgment (dated 01.02.2016) in Appeal No. 255 of 2013 against Tariff Order dated 31.07.2013 has held regarding income tax as below:

*“45.4 In our opinion, the Commission has to consider the income tax actually paid by the Appellant with due verification and the same has to be included in the Tariff computation and shall be passed on to the beneficiaries. Further, tax on any income other than through its licensed business shall not be passed through, and it shall be payable by the Transmission Licensee itself. Accordingly, the issue is decided in favour of the Appellant and the issue is remanded back to consider the Income Tax amount paid with due verification and prudence check”*

3.35 As per the Hon’ble Tribunal Judgment in Appeal No. 255 of 2013, the actual income tax for FY 2018-19 has been considered by DTL in the petition.

3.36 The summary of Income Tax Expenses for FY 2018-19 is tabulated below:

**Table 3. 14: Petitioner Submission: Income Tax Expenses for FY 2018-19 (Rs. Cr.)**

| Particulars                         | 2018-19 |
|-------------------------------------|---------|
| Income Tax on Transmission Business | 143.45  |
| Net Income Tax                      | 143.45  |

### COMMISSION’S ANALYSIS

3.37 The Commission observed that as per note 37 of audited statement of account for FY 2018-19, the income tax expense is indicated as Rs.202.91 Cr. and the effective income tax rate applicable to the Petitioner is 33.77%. The Commission has sought details regarding the actual income tax paid by the Petitioner. In this regard, the Petitioner vide letter no. F/DTL/203/F.1/2019-20/Oprn.GM(C&RA)/219 dated 19.02.2020 has submitted the Income Tax Return statement and it was observed that the actual income tax of Rs. 143.45 Cr. is paid by the Petitioner for FY 2018-19.

3.38 During the prudence check, the petitioner submitted that the effective tax rate of 33.77% is only after availing MAT credit available for past years but the Commission has not allowed the actual MAT paid by DTL for those years. The petitioner submitted that



the Tax rate to be considered may be taken as the actual tax rate @ 34.944% and as already submitted in the ARR petition, the actual tax paid by DTL may kindly be allowed in view of judgement of Hon'ble ATE in appeal no. 255/2013. The Commission asked the petitioner to submit details w.r.t. claims on the applicability of actual tax rate. However, the same has not been submitted by the Petitioner.

- 3.39 The Commission has considered base rate of return on equity as 14% for grossing up with the effective tax rate of 33.77% for FY 2018-19 for computing tax on Return on Equity. Accordingly, the Commission has allowed the Income Tax of Rs. 65.12 Cr.as per the Regulation 72 of the DERC (Terms and Conditions for determination of Tariff) Regulations 2017 and Regulation 21 of DERC (Business Plan) Regulations 2017. The details of Income tax approved for transmission business is as below:

**Table 3. 15: Commission Approved: Income tax for FY 2018-19**

| Sr. No. | Income Tax   | UOM       | Approved | Remarks                     |
|---------|--|-----------|----------|-----------------------------|
| A       | Average Equity for Capitalisation (limited to 30%) | (Rs. Cr)  | 912.31   | Table 3. 13:                |
| B       | Rate of return (re)                                | (%)       | 14%      | As per Regulations          |
| C       | Return on equity                                   | (Rs. Cr.) | 127.72   | A*B                         |
| D       | Income Tax Rate                                    | (%)       | 33.77%   | As per Audited Accounts     |
| E       | Return on equity including income tax              | (Rs. Cr.) | 192.85   | A*B/(1-D)                   |
| F       | Income Tax   | (Rs. Cr.) | 65.12    | E-C                         |
| G       | Actual Income Tax Paid                             | (Rs. Cr.) | 143.45   | Income Tax Return Statement |
| H       | Income Tax allowed                                 | (Rs. Cr.) | 65.12    | Minimum (F,G)               |

- 3.40 During the prudence check, it was observed that the Petitioner has received the refund of Income Tax during FY 2018-19, pertaining to earlier period from FY 2012-13 to FY 2014-15. The details of year wise amount of refund, actual income tax liability and income tax allowed by the Commission in its Tariff Orders were sought from the Petitioner. It was analysed from the details submitted that an amount of Rs. 0.41 Cr. was pertaining to the principle amount allowed by the Commission to the Petitioner as under:



**Table 3. 16: Details of Year wise Tax Refund, received during FY 2018-19**

| Financial Year | Assessment Year | Total Income Tax paid by DTL including Advance Tax | Actual Income Tax Liability of DTL | Income tax allowed by the Commission in True up orders | Refund claimed in ITR (3-4) | Total Refund Received as submitted by Petitioner (Rs. In cr.) |          | Difference of Income tax paid and allowed in Commission's Order | Share in Income Tax Refund based on Commission Allowed Tax |          | Total Share of Refund to be considered in Tariff |
|----------------|-----------------|--|------------------------------------|--|-----------------------------|---|----------|---|--|----------|--|
|                |                 | A  | B                                  | C  | D = A-B                     | E   | F        | G = A-C   | H  | I        | J  |
|                |                 |  |                                    |  |                             | Principal   | Interest |   | Principal  | Interest |  |
| 2012-13        | 2013-14         | 97.62  | 63.48                              | 47.87  | 34.13                       | 33.88   | 8.2      | 49.75   | 0.00   | 0.00     | 0.00   |
| 2013-14        | 2014-15         | 53.78  | 0                                  | 0.00   | 53.78                       | 49.95   | 12.07    | 53.78   | 0.00   | 0.00     | 0.00   |
| 2014-15        | 2015-16         | 132.77   | 54.22                              | 54.22  | 78.55                       | 78.96   | 7.17     | 78.55   | 0.41   | 0.02     | 0.43   |

3.41 Accordingly, principal amount of Rs. 0.41 Cr. has also been reduced from the ARR of the Petitioner and interest amount of Rs. 0.02 Cr. has been reduced as Non-Tariff Income for FY 2018-19.

## NON TARIFF INCOME

### PETITIONER'S SUBMISSION

3.42 The Petitioner has considered Non-Tariff Income based on the factors as per Tariff Regulations 2017, and the same have been reduced from the ARR for FY 2018-19.

3.43 The Petitioner has submitted that the tariff from the Inter-State Transmission Lines owned by DTL i.e. 400 kV D/Ckt. Ballabgarh - Bamnauli Transmission Lines and 400 kV D/Ckt. Mandaula - Bawana Transmission Lines for FY 2018-19, as approved by the CERC vide order dated 29/06/2018, have also been considered as Non-Tariff Income for FY 2018-19 as per CERC directions in order dated 29/06/2018.

**Table 3. 17: Petitioner Submission: ISTS Tariff for FY 2018-19 Approved by CERC (Rs. Lakh)**

| Sr. No.            | Line Name                     | 2018-19 |
|--------------------|-------------------------------|---------|
| 1                  | 400kv D/C Mandaula-Bawana     | 107.68  |
| 2                  | 400kv D/C Bamnauli-Ballabgarh | 204.17  |
| Total              |                               | 311.85  |
| Total (in Rs. Cr.) |                               | 3.12    |

3.44 The Petitioner has not considered the STOA Charges as Non Tariff Income as per Tariff Order dated 31/07/2019.

3.45 The Petitioner has submitted that the Commission in its earlier Tariff Orders have also considered Reactive Energy Charges as part of Non-Tariff Income of DTL, however DTL



has incurred an amount of Rs. 2.06 Cr. on account of Reactive Energy Charges. Therefore, same has been considered as an expense in Non-Tariff Income for FY 2018-19.

3.46 The Petitioner has submitted the Non-Tariff Income for FY 2018-19 as below:

**Table 3. 18: Petitioner Submission: Non-Tariff Income for FY 2018-19 (Rs. Cr.)**

| Particulars                                  | FY 2018-19 |
|--|------------|
| Income from Sale of Scrap                    | 2.12       |
| Tariff from ISTS Lines                       | 3.12       |
| Adjustment of Past Power Purchase (Revision) | 0.24       |
| Reactive Energy Charges* (Expense)           | -2.06      |
| Non-Tariff Income                            | 3.42       |

*\*Net Outflow on account of Reactive Energy Charges*

### COMMISSION'S ANALYSIS

3.47 As per DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017, "Non-Tariff Income "means any income incidental to the licensed business other than the income from Tariff."

3.48 The Commission observes that as per Audited accounts, the Petitioner has received interest on collection of the Late Payment surcharge. The Commission has considered the net interest on LPSC as Non-Tariff Income and the details are as below:

**Table 3.19: Commission Approved: Interest on LPSC (Rs. Cr.)**

| Sr. No. | LPSC                 | Amount | Remarks   |
|---------|----------------------|--------|---|
| A.      | LPSC collected       | 17.25  | As per Audited Accounts   |
| B.      | LPSC Rate            | 18%    | As per Regulations  |
| C.      | Principal amount     | 95.84  | A/B   |
| D.      | Carrying cost        | 9.29%  | Table 3. 13: <b>Commission Approved: WACC and RoCE for FY 2018-19</b> |
| E.      | Interest allowed     | 8.90   | C*D   |
| F.      | Net Interest on LPSC | 8.35   | A-F   |

3.49 The Commission in its Tariff Order dated 28/03/2018 did not consider the Short Term Open Access charges under Non-Tariff Income of the Petitioner.

3.50 The Commission in its Tariff Order dated 31/07/2019 directed the Petitioner to disburse the Short Term Open Access charges as per the applicable rules and regulations within 7 working days.

3.51 The Commission was in receipts of various correspondences from DISCOMs wherein it



was requested to the Commission to direct the Petitioner to refund the Short Term Open Access charges pertaining to FY 2018-19 and FY 2019-20. Further, the Petitioner vide its letter dated 25/09/2019 requested the Commission for relaxation of the directive to disburse STOA charges within 7 working days to beneficiaries.

- 3.52 The Commission after analysing the submissions made by the Petitioner and DISCOMs noticed that the Petitioner did not disburse the STOA charges to DISCOMs even for FY 2018-19 and was also delaying/defaulting in disbursing STOA charges for FY 2019-20, even after issuance of specific direction of the Commission in its Order dated 31/07/2019. Accordingly, the Commission vide its letter dated 20/12/2019 did not consider the request of the Petitioner and again directed to disburse STOA charges as per its above stated directive.
- 3.53 As per the Annual Audited Accounts for 2018-19, it was observed that a sum of Rs. 247.15 Cr. on account of STOA charges for FY 2018-19 has been withheld by the Petitioner. During the prudence check session, it was observed that the petitioner has still not disbursed the STOA charges pertaining to FY 2018-19 to DISCOMs.
- 3.54 However, subsequently the Petitioner has submitted that vide its advice dated 31/03/2020, it has disbursed withheld STOA charges of Rs. 247.15 Cr. for FY 2018-19 to the beneficiaries/ DISCOMs.
- 3.55 It is noticed that there has been consistent default in disbursing STOA charges by the Petitioner in spite of the direction of the Commission.
- 3.56 As the petitioner has failed to comply with the Commission's directives to disburse the STOA charges within seven working days and the Petitioner has retained this amount during FY 2019-20 also, a carrying cost of Rs. 15.77 Cr. on STOA charges pertaining to FY 2018-19 for eight months from Aug'19 to Mar'20, is considered as Non-Tariff Income of the licensee, computed as below –

**Table 3.20: Commission Approved: Carrying Cost on STOA charges for FY 2018-19 (Rs. Cr.)**

| Sr. No. | Parameters                                       | 2018-19 | Remarks                         |
|---------|--|---------|---------------------------------|
| A       | Closing Balance of STOA charges as on 31/03/2019 | 247.15  | As per books of accounts        |
| B       | Rate of Interest on Debt                         | 9.57%   | Table 39 of T.O. for FY 2019-20 |





| Sr. No. | Parameters  | 2018-19 | Remarks |
|---------|---|---------|---------|
| C       | Carrying Cost rate for Eight months period (Aug'19 to March'2020) | 6.38%   |         |
| D       | Carrying Cost on STOA   | 15.77   |         |

- 3.57 The Commission in its earlier Tariff Orders has been considering the Reactive Energy Charges as part of non-tariff Income and the benefit of reducing ARR has already been passed on to the consumers. Since during FY 2018-19, DTL has paid the reactive energy charges, therefore, the same has been allowed.
- 3.58 The Commission observed from Note 23 and 24 of the audited accounts for FY 2018-19 that all incomes being incidental to electricity business and derived by the Licensee from other sources, including miscellaneous receipts shall constitute Non-Tariff Income of the Licensee. Therefore, the Commission has considered following revenue heads as part of Non-Tariff Income for FY 2018-19:

**Table 3.20: Commission Approved: Non-Tariff Income for FY 2018-19 (Rs. Cr.)**

| Sr. No. | Parameters                          | 2018-19      | Remarks                  |
|---------|-------------------------------------|--------------|--------------------------|
| A       | Income from sale of scrap           | 2.12         | As per books of accounts |
| B       | External Project – Revenue          | 0.00         |                          |
| C       | Tariff from ISTS Lines              | 3.12         | Table 3. 17              |
| D       | STOA Charges                        | 0.00         |                          |
| E       | STU charges open access             | 0.00         |                          |
| F       | Reactive energy Charges             | -2.06        | Table 3. 18              |
| G       | License Fee recovery                | 0.18         | As per books of accounts |
| H       | Net interest on LPSC                | 8.35         | Table 3.19               |
| I       | Adjustment from past power purchase | 0.24         | As per books of accounts |
| J       | Miscellaneous Receipts              | 3.80         | As per books of accounts |
| K       | Carrying Cost on STOA               | 15.77        | Table 3.20               |
| L       | Interest on Income Tax Refund       | 0.02         | Table 3. 16              |
| M       | <b>Total</b>                        | <b>31.53</b> | Sum (A:L)                |

## TRUE UP OF AGGREGATE REVENUE REQUIREMENT (ARR) FOR FY 2018-19

### PETITIONER'S SUBMISSION

- 3.59 The Petitioner has claimed the True up of ARR for FY 2018-19 as tabulated below:



**Table 3.21: Petitioner Submission: Aggregate Revenue Requirement for FY 2018-19 (Rs. Cr.)**

| Sr. No.                       | Particulars                      | Approved in Tariff Order Dated 28/03/2018 | TRUE-UP PETITION 2018-19 |
|-------------------------------|----------------------------------|---|--------------------------|
| 1                             | O&M Expenses                     | 274.29                                    | 345.27                   |
| 2                             | Depreciation                     | 246.48                                    | 241.26                   |
| 3                             | Return on Capital Employed       | 450.32 (incl. IT)                         | 365.02                   |
| 4                             | Income Tax                       |   | 143.45                   |
| 5                             | Less: Non-Tariff Income          | 70.78                                     | 3.42                     |
| 6                             | Less: Income From Other Business |   | -                        |
| AGGREGATE REVENUE REQUIREMENT |                                  | 900.32                                    | 1091.58                  |

3.60 DTL has been billing to DISCOMs for FY 2018-19 on the basis of Transmission Tariff approved by Commission in ARR Order dated 28/03/2018. The impact of the same is tabulated below:

**Table 3.22: Petitioner Submission: Impact of True Up for FY 2018-19 (Rs. Cr.)**

| Sr. No. | Particulars  | 2018-19  |
|---------|--|----------|
| A       | Approved ARR for FY 2018-19 in Tariff Order dated 28/03/2018 | 900.32   |
| B       | True Up of ARR for FY 2018-19                                | 1091.58  |
| A-B     | Surplus/(Deficit)  | (191.26) |

#### COMMISSION'S ANALYSIS

3.61 The Commission, based on the detailed analysis of the cost parameters of the ARR, has considered the ARR for true up of FY 2018-19 as follows:

**Table 3.23: Commission Approved: ARR for FY 2018-19 (Rs. Cr.)**

| Sr. No. | Parameters                                      | Approved | Remarks      |
|---------|---|----------|--------------|
| A       | O&M expenses                                    | 313.08   | Table 3. 10  |
| B       | Depreciation                                    | 224.44   | Table 3. 128 |
| C       | Income Tax                                      | 65.12    | Table 3. 15  |
| D       | ROCE  | 346.45   | Table 3. 13  |
| E       | Less: Refund on account of under capitalization | (1.56)   | Table 3. 6:  |
| F       | Less: Non-Tariff Income                         | (31.53)  | Table 3.20:  |
| G       | Less: Effect of Income Tax Refund               | (0.41)   | Table 3. 16  |
| H       | AGGREGATE REVENUE REQUIREMENT (ARR)             | 915.58   | Sum (A:G)    |

#### BALANCE IMPACT OF TRUE UP FOR FY 2018-19

#### PETITIONER'S SUBMISSION

3.62 DTL has been billing from DISCOMs for FY 2018-19 on the basis of Transmission Tariff



approved by Commission in ARR Order dated 28/03/2018. The impact of true-up is tabulated below:

**Table 3.24: Petitioner Submission: Balance Impact of True Up for FY 2018-19 (Rs. Cr.)**

| Sr. No. | Particulars  | 2018-19  |
|---------|--|----------|
| A       | Approved ARR For FY 2018-19 in Tariff Order Dated 28/03/2018 | 900.32   |
| B       | True Up Of ARR For FY 2018-19                                | 1091.58  |
| A-B     | Surplus (+) / Deficit (-)                                    | (191.26) |

### COMMISSION'S ANALYSIS

3.63 The Commission has considered the impact of True up for FY 2018-19 as follows:

**Table 3.25: Commission Approved: Impact of True up for FY 2018-19 (Rs. Cr.)**

| Sr. No. | Particulars  | Amount  | Remarks                            |
|---------|--|---------|------------------------------------|
| A       | ARR for FY 2018-19 approved in Tariff Order 28/03/2018 | 900.32  | Table 43 of order dated 28/03/2018 |
| B       | Trued-up ARR for FY 2018-19                            | 915.58  | Table 3.23                         |
| C       | (Gap)/Surplus  | (15.26) | A-B                                |

### ACTUAL ANNUAL TRANSMISSION AVAILABILITY FACTOR

#### PETITIONER'S SUBMISSION

3.64 During the Prudence Check session, the Petitioner was also directed to submit the details regarding Transmission system availability for FY 2018-19. The Petitioner has submitted the month wise Transmission System Availability for FY 2018-19 as certified by SLDC. The annual average availability factor for FY 2018-19 is submitted as 99.106%.

### COMMISSION'S ANALYSIS

3.65 The Commission considered annual average transmission availability factor for FY 2018-19 as 99.106%.

### TRANSMISSION LOSSES

#### PETITIONER'S SUBMISSION

3.66 During the Prudence Check session, the Petitioner was also directed to submit certified value for DTL loss trajectory. Accordingly, the Petitioner has submitted SLDC certified Intra State Transmission losses as 0.92% for 2018-19.

### COMMISSION'S ANALYSIS

3.67 The Commission considered DTL's Transmission losses as 0.92% for 2018-19.



**A4: ANALYSIS OF AGGREGATE REVENUE REQUIREMENT (ARR) FOR FY 2020-21****BACKGROUND**

4.1 The Commission has analysed the Tariff Petition submitted by the Petitioner for approval of ARR and determination of transmission charges for FY 2020-21 as per the provisions specified in DERC (Terms & Conditions for Tariff) Regulations 2017, as follows:

*“110. The tariff for transmission of electricity shall comprise Capacity charge for recovery of annual fixed cost consisting of the components specified in these Regulations.*

*111. The annual fixed cost (AFC) of a transmission system (including communication system) shall consist of the following components as specified in these Regulations:*

- (a) Return on Capital Employed;*
- (b) Depreciation; and*
- (c) Operation and Maintenance expenses.”*

**PETITIONER’S SUBMISSION****AGGREGATE REVENUE REQUIREMENT FOR FY 2020-21**

4.2 The Petitioner has submitted that as per DERC (Terms and Condition for Tariff) Regulations 2017, the Annual Fixed Cost (AFC) of a transmission system shall consist of the following components:

- a) Return on Capital Employed;
- b) Depreciation; and
- c) Operations and Maintenance Expenses.

**ASSETS CAPITALIZATION FOR FY 2020-21****PETITIONER’S SUBMISSION**

4.3 The Petitioner has considered the projected assets capitalization of Rs.518.40 Cr. for FY 2019-20 on the basis of actual status of projects/works as on 31.01.2020 and for FY 2020-21, an amount of Rs.467.38 Cr. has been considered as proposed capitalization based on the recent development in the power sector/load growth in the region of NCT

of Delhi.

4.4 Further, vide its letter no. F.DTL/203/F-1/2020-21/Oprn. GM(C&RA)/13 dated 27/05/2020, DTL has revised its projections for Assets Capitalisation for FY 2020-21 to Rs. 428.03 Cr.

4.5 The Petitioner has submitted the Assets Capitalization schedule for FY 2020-21 as below:

**Table 4. 1: Petitioner Submission: Proposed Assets Capitalization for FY 2020-21 (Rs. Cr.)**

| Particulars                    | 2020-21 |
|--------------------------------|---------|
| Proposed Assets Capitalization | 428.03  |

### COMMISSION'S ANALYSIS

4.6 As per Regulation 16(1) of Business Plan Regulations, 2019, the tentative capital investment plan for FY 2020-21 was projected as Rs.662 Cr. The capitalisation proposed by the Petitioner is lower than the projected capitalisation in Business Plan Regulations, 2019.

4.7 Further, the Commission has taken cognizance of the situation arisen due to COVID-19 pandemic which may have affected mobilisation/availability of resources such as equipment, materials, supplies, labour, etc. which will impact the commissioning of new projects. The Commission is of the view that the impact of COVID-19 pandemic may lead to reduction of around 35% in projected Capitalisation of the projects. Accordingly, the Commission has considered the asset capitalization for FY 2020-21 by reducing the amount as projected by the Petitioner by 35%, as follows –

**Table 4.2: Commission Approved: Capitalization for FY 2020-21 (Rs. Cr.)**

| Particulars                     |             | 2020-21 |
|---------------------------------|-------------|---------|
| Projected Assets Capitalization | 467.38*0.65 | 303.80  |

4.8 Similarly, the effect of reduced capitalisation has also been considered in the addition of network capacity addition during the year FY 2020-21. Accordingly, the addition in projected network capacity has also been considered reduced by 35%.

### OPERATION & MAINTENANCE EXPENSES

#### PETITIONER'S SUBMISSION

4.9 The Petitioner has submitted the normative O&M Expenses as per the Assets Capitalization schedule for FY 2020-21, Tariff Regulations 2017 and Business Plan



Regulations 2019, are as below:

**Table 4.3: Petitioner Submission: Normative O&M Expenses for FY 2020-21 (Rs. Cr.)**

| S. No | Voltage levels | Average No. of Bays | Average Ckt. km | Rs. Lakh/bay | Rs. Lakh/ckm | Bay (Rs. Cr.) | Ckm (Rs. Cr.) | Total (Rs. Cr.) |
|-------|----------------|---------------------|-----------------|--------------|--------------|---------------|---------------|-----------------|
| 1     | 400 kV         | 62                  | 249.19          | 55.493       | 2.372        | 34.41         | 5.91          | 40.32           |
| 2     | 220 kV & below | 1407                | 867.71          | 17.207       | 4.405        | 242.10        | 38.22         | 280.33          |
|       | Total          |                     |                 |              |              | 276.51        | 44.13         | 320.64          |

4.10 Further the Petitioner has also considered the additional expenditure over and above the normative O&M Expenses on account of, interim relief of 7th Pay Commission, security expenses and license fee for land.

4.11 The Petitioner has submitted the summary of Operation & Maintenance Expenses for the FY 2020-21 as tabulated below:

**Table 4.4: Petitioner Submission Operation and Maintenance Expenses for FY 2020-21(Rs. Cr.)**

| Particulars   | FY 2020-21 |
|---|------------|
| Normative O&M Expenses  | 320.64     |
| Impact Of Interim Relief On Account Of 7 <sup>th</sup> Pay Commission | 32.85      |
| Security Expenses   | 28.77      |
| License Fee For Land  | 11.59      |
| Total O&M Expenses  | 393.86     |

## COMMISSION'S ANALYSIS

4.12 As per Business Plan Regulations 2019, the Operation & Maintenance (O&M) expenses have been approved based on network details (No. of bays and Line Length in circuit kilometres), as under:

### *"15. OPERATION AND MAINTENANCE EXPENSES*

*(1) The Normative, Bay wise and Circuit kilometers wise, Operation and Maintenance expenses of a Transmission Licensee, including Own consumption of energy for Transmission Licensee's installations and offices, shall be as follows:*

**Table 5: Bay wise Norms for HVAC (Rs. Lakh/bay)**

| Voltage levels | 2020-21 | 2021-22 | 2022-23 |
|----------------|---------|---------|---------|
| 400 kV         | 55.493  | 57.621  | 59.830  |
| 220 kV & below | 17.207  | 17.867  | 18.552  |



**Table 6: Circuit km wise Norms for HVAC lines (Rs. lakh/ckm)**

| <b>Voltage levels</b> | <b>2020-21</b> | <b>2021-22</b> | <b>2022-23</b> |
|-----------------------|----------------|----------------|----------------|
| 400 kV                | 2.372          | 2.463          | 2.557          |
| 220 kV & below        | 4.405          | 4.573          | 4.749          |

(2) The O&M expenses for a particular financial year of the control period shall be allowed by multiplying the norms for O&M expenses with the respective average network capacity during the financial year (i.e. average of network capacity at the start of Financial year and network capacity at the end of Financial year) excluding spare bays and bus section bays.

(3) The impact of difference of amount on account of actual implementation of Seventh Pay Revision and Interim Relief already considered for determination of norms for O&M Expenses, if any, shall be allowed separately in line with the methodology adopted for computation of norms for O&M Expenses, at the time of True up of ARR for relevant Financial year subject to prudence check.

(4) The Transmission Licensee shall claim Land Licence Fee and Security Expenses separately on actual basis at the time of true up of ARR for the relevant financial year subject to prudence check.”

4.13 It was observed that the Petitioner has not submitted the break-up of network addition and therefore during prudence check, the petitioner was asked to submit following details for the purpose of determination of O&M expenses as follows:

- a) Numbers & types, Voltage wise Bays considered for FY 2020-21, vis-à-vis added in FY 2019-20.
- b) Details of Voltage wise line length in circuit kilometres considered for FY 2020-21, and addition in FY 2019-20.

4.14 The Commission determined the average network capacity during the year by considering the actual network capacity as per true-up of FY 2018-19 as above and the network capacity addition (number of bays and ckt. Kms excluding bus section and spare bays) as submitted by petitioner for FY 2019-20 and network capacity addition as submitted by petitioner for FY 2020-21 reducing it by 35% as already stated.

4.15 Further, as per Regulation 15(3) of DERC (Business Plan) Regulations, 2019, the

Commission has already considered impact of interim relief for determination of norms for O&M Expenses. The impact of difference of amount on account of actual implementation of Seventh Pay Revision and Interim Relief already considered for determination of norms for O&M Expenses, if any, shall be considered separately, at the time of True up of ARR for relevant financial year subject to prudence check.

- 4.16 The Commission has provisionally considered security fee expenses and licence fee for FY 2020-21, based on the actual values submitted by petitioner during true-up for FY 2018-19 and applying an escalation of 3.83% for FY 2019-20 & FY 2020-21, subject to prudence check at the time of true-up of ARR for FY 2020-21 as per Regulation 15(4) of Business Plan regulations, 2019.
- 4.17 Accordingly, the Commission approves the O&M Expenses for FY 2020-21 based on the norms specified in the Business Plan Regulations, 2019 as follows:

**Table 4.5: Commission Approved: O&M Expenses for FY 2020-21**

| Sr. No | Voltage                                   | Rs. Lakh/bay | Rs. Lakh/ckm | No. of Bays | Ckt.km  | Bay         | Ckm         | Total     |
|--------|---|--------------|--------------|-------------|---------|-------------|-------------|-----------|
|        |   |              |              |             |         | (Rs. Cr.)   | (Rs. Cr.)   | (Rs. Cr.) |
|        |   | A            | B            | C           | D       | $E=A*C/100$ | $F=B*D/100$ | $G=E+F$   |
| 1      | 400kV                                     | 55.493       | 2.372        | 62          | 249.19  | 34.41       | 5.91        | 40.32     |
| 2      | 220kV & below                             | 17.207       | 4.405        | 1360        | 861.05  | 234.06      | 37.93       | 271.99    |
| 3      | Total Normative O&M expenses              |              |              | 1424        | 1116.71 | 268.77      | 44.13       | 312.30    |
| 4      | Provisional Security Expenses             |              |              |             |         |             |             | 14.73     |
| 5      | Provisional Licence Fee for Land          |              |              |             |         |             |             | 11.59     |
| 6      | Total O&M expenses allowed for FY 2020-21 |              |              |             |         |             |             | 338.62    |

## DEPRECIATION

### PETITIONER'S SUBMISSION

- 4.18 The Petitioner has submitted that depreciation for FY 2020-21 is computed by considering the rates of Depreciation as specified in the Tariff Regulations 2017, the closing GFA for FY 2018-19 (as explained in True-up petition for FY 2018-19) and assets proposed to be capitalized for FY 2019-20 and FY 2020-21.





- 4.19 The Petitioner while computing the depreciation for FY 2020-21 has taken into account the adjustment in depreciation as per the provisions in Tariff Regulations 2017 separately, for the assets which have completed 12 years of their useful life. The Petitioner has submitted the Depreciation for FY 2020-21 as tabulated below:

**Table 4.6: Petitioner Submission: Depreciation for FY 2020-21 (Rs.Cr.)**

| Particulars  | Rate Of Depreciation | 2020-21 |
|--|----------------------|---------|
| Land   | 0.00%                | 0.00    |
| Land Under Lease   |                      | 0.00    |
| Building   | 1.80%                | 0.68    |
| Meters   | 6.00%                | 0.11    |
| Lines Network  | 5.83%                | 118.00  |
| Other Civil Works  | 3.00%                | 7.54    |
| Plant And Machinery  | 5.83%                | 192.91  |
| Office Equipment   | 9.00%                | 0.70    |
| Computer   | 16.67%               | 9.19    |
| Furniture  | 9.00%                | 0.52    |
| Misc. Assets   | 6.33%                | 0.08    |
| Vehicles   | 9.00%                | 0.51    |
| Scada  | 6.33%                | 3.38    |
| Depreciation   |                      | 333.63  |
| Adjustment On Account Of Assets Completing 12 Years  |                      | (49.77) |
| Depreciation Rate (Considering the Adjustment on account of assets completing 12 Years of their useful life) |                      |         |
| Net Depreciation   |                      | 283.85  |

### COMMISSION'S ANALYSIS

- 4.20 The Commission has considered the opening GFA of Rs.5827.56 Cr. for FY 2020-21 by considering the true-up value as approved for FY 2018-19 plus GFA addition for FY 2019-20 as approved by the Commission in Tariff Order dated 31/07/2019. The Petitioner has computed the weighted average rate of depreciation based on the depreciation schedule of Tariff Regulations, 2017 at 4.64% and the Commission has considered the same.
- 4.21 Similarly, the Commission has considered the opening grant of Rs.326.97 Cr. for FY 2020-21 by considering the true-up value as approved for FY 2018-19 plus grant approved for FY 2019-20 in Tariff Order dated 31/07/2019. The petitioner has submitted nil value of grant addition during FY 2020-21. Accordingly, the depreciation has been computed as below:



Table 4.7: Commission Approved: Depreciation for FY 2020-21

| Sr. No. | Particulars        | UOM     | FY 2020-21 | Remarks   |
|---------|--------------------|---------|------------|---|
| A       | Opening GFA        | Rs. Cr. | 5827.56    | Table 4.11  |
| B       | Addition           | Rs. Cr. | 303.80     | Table 4.2   |
| C       | Closing GFA        | Rs. Cr. | 6131.36    | A+B   |
| D       | Average GFA        | Rs. Cr. | 5979.46    | (A+C)/2   |
| E       | Opening Grant      | Rs. Cr. | 326.97     | Closing of FY 2018-19 True-Up + Amount of Grant projected in 2019-20 Tariff Order |
| F       | Additional Grant   | Rs. Cr. | 0.00       | As submitted by Petitioner  |
| G       | Closing Grant      | Rs. Cr. | 326.97     | E+F   |
| H       | Average Grant      | Rs. Cr. | 326.97     | (E+H)/2   |
| I       | Depreciation Rate  | %       | 4.64%      | Submitted by Petitioner   |
| J       | Total Depreciation | Rs. Cr. | 262.28     | (D-H)*I   |

## WORKING CAPITAL REQUIREMENT

### PETITIONER'S SUBMISSION

- 4.22 The Petitioner has submitted that the working capital requirement of the DTL for the FY 2020-21 has been calculated (based on the projections for FY 2020-21) as per Tariff Regulations 2017 and is tabulated below:

Table 4.8: Petitioner Submission Working Capital for FY 2020-21 (Rs. Cr.)

| Particulars                                    | 2020-21 |
|--|---------|
| Receivables for Two Months Calculated on NATAF | 175.22  |
| Maintenance Spares @ 15% Of O&M                | 59.08   |
| O&M Expenses For 1 Month                       | 32.82   |
| Total Working Capital                          | 267.12  |

### COMMISSION'S ANALYSIS

- 4.23 The computation of working capital requirement for Transmission Licensee has been specified in Tariff Regulations, 2017 as follows:

*"84. The Commission shall calculate the Working Capital requirement for:*

-----

*(3) Transmission Licensee as follows:*

*(a) Receivables for two months towards transmission tariffs calculated on NATAF;*

*(b) Maintenance spares @ 15% of operation and maintenance expenses; and*



(c) Operation and maintenance expenses for one month.”

- 4.24 In line with the above, the Commission approves the working capital requirement for FY 2020-21 as follows:

**Table 4.9: Commission Approved: Working Capital for FY 2020-21 (Rs. Cr.)**

| Sr. No. | Particulars                                    | FY 2020-21 | Remarks                       |
|---------|--|------------|-------------------------------|
| A       | ARR  | 1030.96    | Table 4.18                    |
| B       | Receivables for two months calculated on NATAF | 171.83     | A/6                           |
| C       | O&M Expenses                                   | 338.62     | Table 4.5:                    |
| D       | Maintenance spares @ 15% of O&M                | 50.79      | 15%*C                         |
| E       | O&M Expenses for 1 month                       | 28.22      | C/12                          |
| F       | Working Capital requirement                    | 250.84     | B+D+E                         |
| G       | Opening balance                                | 234.74     | Table 36 T.O dated 31/07/2019 |
| H       | Change in working capital                      | 16.10      | F-G                           |

## RETURN ON CAPITAL EMPLOYED

### PETITIONER'S SUBMISSION

- 4.25 The Petitioner has submitted that the Return on Capital Employed (ROCE) has been calculated as per Tariff Regulations 2017 by considering Regulated Rate Base (RRB) & Weighted Average Cost of Capital (WACC) i.e.

$$ROCE = RRB \times WACC$$

- 4.26 The Petitioner has submitted the Opening Cost of Fixed Assets for FY 2020-21 has been considered based on the value of Closing GFA of FY 2018-19 as discussed in True up Petition and the revised Assets Capitalization for FY 2019-20 as discussed above.
- 4.27 The Petitioner has submitted the Rate of Return on equity has been grossed up to 21.52% (by considering the income tax rate @ 34.944%) as per Tariff Regulations 2017.
- 4.28 The Petitioner has submitted For FY 2020-21, the ROCE is computed as per the Tariff Regulations 2017 and by considering the Debt : Equity ratio of 70:30 on the assets capitalized during the year FY 2011-12 to FY 2017-18, tentative assets capitalization for FY 2018-19 and revised assets capitalization proposed for FY 2019-20 and FY 2020-21 as discussed above.



**Table 4.10: Petitioner Submission: Return on Capital Employed for FY 2020-21 (Rs. Cr.)**

| Particulars                         | 2020-21 |
|-------------------------------------|---------|
| Original Costs Of Fixed Assets      | 5888.59 |
| Accumulated Depreciation            | 2133.39 |
| RRB Opening                         | 3477.64 |
| Additional Capitalisation           | 467.38  |
| Depreciation                        | 283.85  |
| Working Capital                     | 267.12  |
| Govt. Grant/PSDF (Opening)          | 277.55  |
| Govt. Grant/PSDF (Addition)         | 0.00    |
| Govt. Grant/PSDF (Closing)          | 277.55  |
| RRB Closing                         | 3928.29 |
| RRB Average                         | 3836.53 |
| Equity (Opening)                    | 1683.31 |
| Equity (Addition)                   | 140.21  |
| Equity(Closing)                     | 1823.52 |
| Equity (Average)                    | 1753.42 |
| Debt( Opening)                      | 3927.72 |
| Debt( Addition)                     | 327.17  |
| Debt( Closing)                      | 4254.89 |
| Debt (Average)                      | 4091.31 |
| Rate of Return on Equity            | 21.52%  |
| Rate of Return on Debt              | 8.95%   |
| Weighted Avg Cost Of Capital (WACC) | 12.72%  |
| Return On Capital Employed (ROCE)   | 488.04  |

**COMMISSION'S ANALYSIS**

4.29 The Commission has specified the provisions for Return on Capital Employed in its Tariff Regulations, 2017 as follows:

*“65. Return on Capital Employed (RoCE) shall be used to provide a return to the Utility, and shall cover all financing costs except expenses for availing the loans, without providing separate allowances for interest on loans and interest on working capital.*

*66. The Regulated Rate Base (RRB) shall be used to calculate the total capital employed which shall include the Original Cost of Fixed Assets (OCFA) and Working Capital. Capital work in progress (CWIP) shall not form part of the RRB. Accumulated*



*Depreciation, Consumer Contribution, Capital Subsidies / Grants shall be deducted in arriving at the RRB.*

*67. The RRB shall be determined for each year of the Control Period at the beginning of the Control Period based on the approved capital investment plan with corresponding capitalisation schedule and normative working capital.*

*68. The Regulated Rate Base for the  $i$ th year of the Control Period shall be computed in the following manner:*

$$RRBi = RRB_{i-1} + \Delta ABi / 2 + \Delta WCi;$$

*Where,*

*“ $i$ ” is the  $i$ th year of the Control Period;*

*RRBi: Average Regulated Rate Base for the  $i$ th year of the Control Period;*

*$\Delta WCi$ : Change in working capital requirement in the  $i$ th year of the Control Period from  $(i-1)$  th year;*

*$\Delta ABi$ : Change in the Capital Investment in the  $i$ th year of the Control Period;*

*This component shall be arrived as follows:*

$$\Delta ABi = Invi - Di - CCI - Reti;$$

*Where,*

*Invi: Investments projected to be capitalised during the  $i$ th year of the Control Period and approved;*

*Di: Amount set aside or written off on account of Depreciation of fixed assets for the  $i$ th year of the Control Period;*

*CCI: Consumer Contributions, capital subsidy / grant pertaining to the  $\Delta ABi$  and capital grants/subsidies received during  $i$ th year of the Control Period for construction of service lines or creation of fixed assets;*

*Reti: Amount of fixed asset on account of Retirement/ Decapitalisation during ith Year;*

*RRB i-1: Closing Regulated Rate Base for the Financial Year preceding the ith year of the Control period. For the first year of the Control Period, Closing RRB i-1 shall be the Opening Regulated Rate Base for the Base Year i.e. RRBO;*

*RRBO = OCFAO – ADO – CCO+ WCO; Where; OCFAO: Original Cost of Fixed Assets at the end of the Base Year;*

*ADO: Amounts written off or set aside on account of depreciation of fixed assets pertaining to the regulated business at the end of the Base Year;*

*CCO: Total contributions pertaining to the OCFAO, made by the consumers, capital subsidy / grants towards the cost of construction of distribution/service lines by the Distribution Licensee and also includes the capital grants/subsidies received for this purpose;*

*WCO: working capital requirement in the (i-1)th year of the Control Period.*

*69. Return on Capital Employed (RoCE) for the year “i” shall be computed in the following manner:*

$$RoCE = WACC_i * RRB_i$$

*Where, WACC<sub>i</sub> is the Weighted Average Cost of Capital for each year of the Control Period;*

*RRB<sub>i</sub> – Average Regulated Rate Base for the ith year of the Control Period.*

*70. The WACC for each year of the Control Period shall be computed at the start of the Control Period in the following manner:*

$$WACC = [D/(D+E)] * r_d + [E/(D+E)] * r_e$$

*Where, D is the amount of Debt derived as per these Regulations;*



*E is the amount of Equity derived as per these Regulations;*

*Where equity employed is in excess of 30% of the capital employed, the amount of equity for the purpose of tariff shall be limited to 30% and the balance amount shall be considered as notional loan. The amount of equity in excess of 30% treated as notional loan. The interest rate on excess equity shall be the weighted average rate of interest on the actual loans of the Licensee for the respective years. Where actual equity employed is less than 30%, the actual equity and debt shall be considered;*

*Provided that the Working capital shall be considered 100% debt financed for the calculation of WACC;*

*rd is the Cost of Debt; re is the Return on Equity."*

- 4.30 The Rate of Return on Equity and Interest on Loan has been dealt in Business Plan Regulations, 2019 as follows:

**"12. RATE OF RETURN ON EQUITY**

*Return on Equity in terms of Regulation 4(1) of the DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 for Transmission Licensee shall be computed at the Base Rate of 14.00% on post tax basis.*

**13. TAX ON RETURN ON EQUITY** *The base rate of Return on Equity as allowed by the Commission under Regulation 10 of these Regulations shall be grossed up with the Minimum Alternate Tax or Effective Tax Rate of the respective financial year in terms of Regulation 72 and 73 of the DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017, as per the following formula:*

*Rate of Return on Equity=  $14 / [(100 - \text{Tax Rate}) / 100]$*

*where, Tax Rate is Minimum Alternate Tax (MAT) or Effective Tax Rate, as the case may be.*

**14. MARGIN FOR RATE OF INTEREST ON LOAN:**

*The rate of interest on loan for a financial year shall be Marginal Cost of Fund based Lending Rate (MCLR) of SBI as on 1st April of that financial year plus the Margin. The Margin, in terms of Regulation 4(2) of the DERC (Terms and Conditions for*



*Determination of Tariff) Regulations, 2017 for the Transmission Licensee, is allowed as the difference between the weighted average rate of interest on actual loan portfolio and the MCLR as on 1st April of that financial year:*

*Provided that the Margin shall not exceed 5.00%, 4.25% and 3.50% for the first, second and third year of the control period, respectively:*

*Provided further that the rate of interest on loan (MCLR plus Margin) in any case shall not exceed approved base rate of return on equity i.e. 14.00%."*

- 4.31 It is observed from the extract of Tariff Regulations, 2017 that the Petitioner is entitled for Return on Capital Employed which shall be inclusive of Return on Equity, Interest on Loan and Interest on Working Capital. The rate of return on equity and interest on loan has been considered as per the provisions of DERC (Business Plan) Regulations, 2019 for the purpose of computation of return on capital employed. Rate of return on equity at 14.00% has been grossed up with effective tax rate of 34.94% as submitted by the Petitioner. Therefore, effective rate of return on equity including income tax has been determined as 21.52% for the purpose of computation of Weighted Average Cost of Capital (WACC) rate.
- 4.32 As per DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 the Petitioner has been allowed return on equity upto maximum of 30% of the net capital employed excluding working capital requirement which should be funded through 100% debt only. Therefore, the Commission has restricted the return on equity upto 30% of the net average capital employed for FY 2020-21.
- 4.33 Rate of interest on loan at 8.95% has been considered for FY 2020-21.
- 4.34 Accordingly, return on capital employed projected for FY 2020-21 is as follows:

**Table 4.11: Commission Approved: RRB for FY 2020-21 (Rs.Cr.)**

| Sr. No. | Particulars  | Approved | Remarks            |
|---------|--|----------|--------------------|
| A       | Opening Original Cost of Fixed Assets (OCFA <sub>0</sub> ) | 5,827.56 | 5227.95 + 599.61 * |
| B       | Opening Accumulated depreciation (ADo)                     | 2107.95  | 1886.74 + 241.21 # |
| C       | Opening consumer contributions received (CCo)/ grant       | 326.97   | Table 4.7          |
| D       | Opening Working capital (WCo)                              | 234.74   | Table 4.9          |
| E       | Opening RRB (RRBo)   | 3627.38  | A-B-C+D            |
| F       | Investment capitalised during the year (INVi)              | 303.80   | Table 4.2          |





| Sr. No. | Particulars  | Approved | Remarks     |
|---------|--|----------|-------------|
| G       | Depreciation during the year (Di)                          | 262.28   | Table 4.7   |
| H       | Depreciation on decapitalised assets during the year       | 0.00     |             |
| I       | Government Grant during the year (CCi)                     |          |             |
| J       | Fixed assets reti./decapitalised during the year (Reti)    | 0.00     |             |
| K       | Change in capital investment ( $\Delta ABi$ )              | 41.52    | (F-G+H-I-J) |
| L       | Change in working capital during the year ( $\Delta WCi$ ) | 16.10    | Table 4.9   |
| M       | RRB Closing  | 3685     | E+K+L       |
| N       | RRBi   | 3664.24  | E+K/2+L     |

\* Closing OCFA as per True up FY 2019 + capitalization for FY 2019-20

# Closing accumulated Dep. as per True up FY 2019 + Dep. for FY 2019-20

**Table 4.12: Commission Approved: WACC and ROCE for FY 2020-21**

| Sr. No. | Particulars  | UOM    | Approved | Remarks   |
|---------|--|--------|----------|---|
| A       | RRBi   | Rs. Cr | 3664.24  | Table 4.11  |
| B       | Opening Equity for Capitalisation (limited to 30%)   | Rs. Cr | 1017.79  | Table 4.11<br>(A - B - C)*30%   |
| C       | Closing Equity limiting to 30% of net capitalization | Rs. Cr | 1030.25  | Table 4.11<br>(A - B - C + F - G + H - I - J)*30%   |
| D       | Average Equity for Capitalisation (limited to 30%)   | Rs. Cr | 1024.02  | (B+C)/2   |
| E       | Opening Debt at 70% of net capitalization            | Rs. Cr | 2374.85  | Table 4.11<br>(A - B - C)*70%   |
| F       | Closing Debt at 70% of net capitalization            | Rs. Cr | 2403.91  | Table 4.11:<br><b>Commission Approved: RRB for FY 2020-21 (Rs.Cr.)</b><br>(A - B - C + F - G + H - I - J)*70% |
| G       | Avg Debt at 70% of net capitalization                | Rs. Cr | 2389.38  | (E+F)/2   |
| H       | Debt at 100% of working capital                      | Rs. Cr | 250.84   | A-C-G   |
| I       | Debt- balancing figure                               | Rs. Cr | 2640.22  | A-D   |
| J       | Rate of return on equity (re)                        | %      | 14.00%   | As per Regulations  |
| K       | Income Tax rate                                      | %      | 34.94%   |   |
| L       | Grossed up rate of return on equity                  | %      | 21.52%   | $J/(1-K)$   |
| M       | Rate of debt (rd) on capitalisation                  | %      | 8.95%    | Actual submitted by Petitioner  |
| N       | Rate of debt (rd) on working Capital                 | %      | 8.95%    | Actual submitted by Petitioner  |
| O       | Rate of interest on debt(rd)                         | %      | 8.95%    | $((G*M)+(H*N))/(G+H)$   |
| P       | WACC   | %      | 12.46%   | $(I*O+D*J)/(D+I)$   |
| Q       | RoCE   | Rs. Cr | 456.65   | A*P   |



**NON TARIFF INCOME****PETITIONER'S SUBMISSION**

4.35 The Petitioner has submitted that the Non-Tariff Income for FY 2020-21 has been projected on the basis of parameters as per Tariff Regulations 2017. Further, DTL has also provisionally considered the tariff from inter-state transmission lines owned by DTL as Non Tariff Income for FY 2020-21, on the basis of tariff Petition filed before CERC for period FY 2019-24, on 31.01.2020. The Non Tariff Income for FY 2020-21 is as below:

**Table 4.13: Petitioner Submission: Proposed ISTS Tariff for FY 2020-21 filed before CERC (Rs. Lakh)**

| S. No | Line Name                     | 2020-21 |
|-------|-------------------------------|---------|
| 1     | 400kv D/C Mandaula-Bawana     | 594.08  |
| 2     | 400kv D/C Bamnauli-Ballabgarh | 968.33  |
|       | Total                         | 1562.41 |
|       | Total (in Rs. Cr.)            | 15.62   |

4.36

**Table 4.14: Petitioner Submission: Non Tariff Income for FY 2020-21 (Rs. Cr.)**

| Particulars                        | 2020-21 |
|------------------------------------|---------|
| Tariff from ISTS Lines             | 15.62   |
| Reactive Energy Charges* (Expense) | -1.20   |
| Non Tariff Income                  | 14.42   |

*\*Estimated Reactive Energy Expense for FY 2020-21 on the basis of actuals of FY 2019-20*

**COMMISSION'S ANALYSIS**

4.37 The Commission has considered net interest on LPSC in Non-Tariff Income for FY 2020-21 as follows:

**Table 4.15: Commission Approved: Interest on LPSC (Rs. Cr.)**

| Sr. No. | Parameters                       | FY 2020-21 | Remarks  |
|---------|----------------------------------|------------|--|
| A       | LPSC collected during FY 2018-19 | 17.25      | Considered in True-Up FY 18-19   |
| B       | LPSC Rate                        | 18%        | As per Regulations   |
| C       | Principal Amount                 | 95.84      | A/B  |
| D       | Carrying Cost                    | 8.95%      | Table 4.16: <b>Commission Approved: Non Tariff Income for FY 2020-21</b> |
| E       | Interest allowed                 | 8.58       | C*D  |
| F       | Net interest on LPSC             | 8.67       | A-E  |

4.38 The Commission approves Non Tariff Income of Rs. 26.59 Cr. for FY 2020-21 as follows:



**Table 4.16: Commission Approved: Non Tariff Income for FY 2020-21**

| Sr. No.      | Parameters                 | FY 2020-21 | Remarks                        |
|--------------|----------------------------|------------|--------------------------------|
| A            | Income from sale of scrap  | 2.12       | Considered in True-Up FY 18-19 |
| B            | External Project - Revenue | 0.00       |                                |
| C            | Tariff from ISTS Lines     | 15.62      | Submitted by Petitioner        |
| D            | STU charges open access    | 0.00       |                                |
| E            | Reactive energy Charges    | 0.00       |                                |
| F            | Net interest on LPSC       | 8.67       | <b>Table 4.15</b>              |
| G            | Miscellaneous Receipts     | 0.00       |                                |
| <b>Total</b> |                            | 26.59      | Sum (A:G)                      |

**AGGREGATE REVENUE REQUIREMENT (ARR) FOR FY 2020-21:****PETITIONER'S SUBMISSION**

4.39 The summary of ARR for FY 2020-21 is as tabulated below:

**Table 4.17: Petitioner Submission: Aggregate Revenue Requirement for FY 2020-21 (Rs. Cr.)**

| Sr. No.                       | Particulars                      | 2020-21 |
|-------------------------------|----------------------------------|---------|
| 1                             | O&M Expenses                     | 393.86  |
| 2                             | Depreciation                     | 283.85  |
| 3                             | Return on Capital Employed       | 488.04  |
| 4                             | Less: Non Tariff Income          | 14.42   |
| 5                             | Less: Income from Other Business | -       |
| Aggregate Revenue Requirement |                                  | 1151.33 |

**COMMISSION'S ANALYSIS**

4.40 The ARR for FY 2020-21 projected by the Commission is as follows:

**Table 4.18: Commission Approved: ARR for FY 2020-21 (Rs. Cr.)**

| Sr. No. | Particulars             | Approved | Remarks          |
|---------|-------------------------|----------|------------------|
| A       | Total O&M expenses      | 338.62   | Table 4.9:       |
| B       | Depreciation            | 262.28   | Table 4.7:       |
| C       | Income Tax Provisions   | 456.65   | Included in ROCE |
| D       | ROCE                    |          | Table 4.12       |
| F       | Less: Non Tariff Income | (26.59)  | Table 4.15       |
| H       | Revenue Requirement     | 1030.96  | A+B+C+D+F        |

**IMPACT OF DVB ARREARS AS PER ATE JUDGEMENT IN APPEAL NO. 133/2007, 28/2008, 184/2011 & SUPREME COURT JUDGEMENT IN CIVIL APPEAL NO. 5863-64/2009, AND IMPACT OF PAST TRUE UPS**

**PETITIONER'S SUBMISSION**

- 4.41 The Petitioner has submitted that as per direction of Hon'ble Supreme Court in Civil Appeal No. 5863-64/2009, the Commission in its Tariff Order dated 31.08.2017 has also approved the opening balance of arrears for FY 2018-19 as Rs.146.81 Cr. and the same has been considered in this petition along with the impact of true up of FY 2018-19 for calculating the balance impact of True up and DVB arrears.
- 4.42 The Petitioner has further submitted that the Commission has also held in its Tariff Order dated 31.08.2017, that the past arrears may be liquidated in next four years in equal instalments and accordingly, the Commission has allowed three instalments in Tariff Order dated 31.08.2017, 28.03.2018 and 31.07.2019. Accordingly, the Petitioner has considered an amount of Rs. 216.17 Cr. (i.e. Closing Balance for FY 2019-20) for amortization for FY 2020-21.

**Table 4.19: Petitioner Submission: Balance Impact of Past True Ups and DVB Arrears (Rs.Cr.)**

| Sr. No. | Particulars  | 2018-19 | 2019-20 |
|---------|--|---------|---------|
| A       | Opening Gap  | 146.81  | 132.50  |
| B       | Addition an Account of True Up Of FY 2018-19             | 191.26  | 0.00    |
| C       | Adjustment Due To Income from Past Power Purchase        |         |         |
| D       | Amortization in Previous ARR Orders and Current Petition | 218.25  | (67.86) |
| E       | Closing Balance  | 119.82  | 200.36  |
| F       | Carrying Cost Rate                                       | 9.51%   | 9.50%   |
| G       | Carrying Cost  | 12.68   | 15.81   |
| H       | Closing Gap  | 132.50  | 216.17  |

**COMMISSION'S ANALYSIS**

- 4.43 The Commission had decided to recover revenue gap equivalent to 20% of the closing revenue gap of FY 2013-14 due to DVB arrears in ARR of FY 2015-16. The Commission has allowed to recover 20% of the remaining balance after true up upto FY 2015-16 in ARR of FY 2017-18. Accordingly, the revised balance of DVB arrear of Rs.961.23 Crore and impact of true up of ARR upto FY 2013-14 of Rs.128.44 Crore was considered as opening balance of revenue gap for FY 2014-15.
- 4.44 Further, the Petitioner has billed its beneficiaries as per approved ARR of FY 2015-16 of Rs. 1018.41 Cr. for FY 2015-16 & FY 2016-17 which included amortisation amount of Rs. 192.24 Cr. as an impact of DVB Arrears and carrying cost of Rs. 99.49 Cr. Carrying cost on past



DVB arrears of Rs.99.49 Crore in ARR for FY 2015-16 and FY 2016-17 had therefore not been adjusted in the true up of ARR for FY 2015-16 and FY 2016-17. Further, the Commission had decided to recover revenue gap on account of DVB arrears in 4 instalment from FY 2017-18 onwards in tariff order dated 31/08/2017. Accordingly, the Commission had allowed to appropriately recover the remaining balance after true-up upto FY 2016-17.

4.45 The Commission had decided to recover revenue gap on account of DVB arrears in 4 instalments from FY 2017-18 onwards in tariff order dated 31/08/2017. The Commission observes that the Petitioner has billed its beneficiaries as per approved ARR of FY 2017-18 which includes amortisation amount of Rs. 298.12 Cr. as an impact of DVB Arrears. Further, the Petitioner has also billed its beneficiaries as per approved ARR of FY 2018-19 which includes amortisation amount of Rs. 218.25 Cr. as an impact of DVB Arrears. However, during the determination of Tariff for FY 2019-20, DVB arrears were computed negative based on True-up for FY 2017-18 and the excess amount was recovered during ARR for FY 2019-20. Therefore, the Commission has approved impact of true up and DVB arrears upto FY 2019-20 is as below:

**Table 4.20: Commission Approved: Impact of Past period true up and DVB arrear upto FY 2019-20**

| Sr. No. | Particulars          | FY 14-15 | FY 15-16 | FY 16-17 | FY 17-18 | FY 18-19 | FY 19-20 |
|---------|----------------------|----------|----------|----------|----------|----------|----------|
| A       | Opening Balance      | 1089.67  | 1125.56  | 976.77   | 881.86   | 146.81   | (51.95)  |
| B       | Addition             | (84.57)  | 30.13    | 95.97    | (483.63) | 15.26    | 0.00     |
| C       | Amortization         | 0        | 192.25   | 192.24   | 298.12   | 218.25   | (67.86)  |
| D       | Closing Balance      | 1005.10  | 963.44   | 880.50   | 100.11   | (56.18)  | 15.91    |
| E       | Carrying Cost Rate   | 11.50%   | 10.80%   | 10.86%   | 9.51%    | 9.34%    | 9.57%    |
| F       | Carrying Cost amount | 120.45   | 13.32    | 1.36     | 46.69    | 4.23     | 1.52     |
| G       | Closing Balance      | 1125.56  | 976.77   | 881.86   | 146.81   | (51.95)  | 17.43    |



**A5: TRANSMISSION TARIFF FOR FY 2020-21****PETITIONER'S SUBMISSION**

5.1 The Petitioner has proposed transmission tariff for FY 2020-21 including the amortization as per below:

**Table 5. 1: Petitioner Submission: Transmission Tariff submitted by the Petitioner for FY 2020-21 (Rs. Cr.)**

| Particulars   | FY 2020-21 |
|---|------------|
| ARR for FY 2020-21  | 1151.33    |
| Amortization of Balance Impact of True Up and DVB Arrears | 216.17     |
| Transmission Tariff for FY 2020-21                        | 1367.50    |

**COMMISSION'S ANALYSIS**

5.2 The Commission has specified the principles for computation of transmission tariff in Tariff Regulations, 2017 as follows:

*"112. Annual Transmission Charges to be billed by the Transmission Licensee shall be computed in the Annual Tariff Order, in accordance with norms contained in these Regulations, aggregated as appropriate, and recovered on monthly basis as transmission charge from the users, who shall share these charges in the manner specified in these Regulations.*

*113. Normative Annual Transmission System Availability Factor (NATAF): The Target Availability for recovery of full annual transmission charges for a Control Period shall be approved by the Commission before commencement of the Control Period;*

*Provided that recovery of annual transmission charges below the target availability shall be on a pro rata basis.*

*114. The Transmission charge (inclusive of incentive) to be billed for a calendar month for transmission system or part shall be:*

$$ARR \times (NDM / NDY) \times (TAFM / NATAF)$$

*Where,*

*ARR = Aggregate Revenue Requirement specified for the year, in Rupees;*



*NATAF = Normative annual transmission availability factor, in per cent as approved by the Commission for a Control Period;*

*NDM = Number of days in the month;*

*NDY = Number of days in the year; and*

*TAFM = Transmission system availability factor for the month, in Percent,*

*115. The Transmission Licensee shall raise the bill for the transmission charge (inclusive of incentive) for a month based on its estimate of TAFM.*

*Provided that the adjustments, if any, shall be made on the basis of the TAFM to be certified by the SLDC within 30 days from the last day of the relevant month."*

- 5.3 In view of the above, the petitioner shall raise the monthly bills for annual transmission charges for FY 2020-21 on the basis of ARR projected. Accordingly, the ARR to be recovered by the Petitioner in FY 2020-21 has been projected as follows:

**Table 5. 2: Commission Projected: ARR to be recovered for FY 2020-21 (Rs. Cr.)**

| Sr. No. | Particulars  | Amount  | Remarks   |
|---------|--|---------|---|
| A       | ARR for 2020-21                                    | 1030.96 | Table 4.18:   |
| B       | Liquidation of DVB Arrears and Past Period True Up | 17.43   | Table 4.20:<br>Commission<br>Approved: Impact<br>of Past period<br>true up and DVB<br>arrear upto FY<br>2019-20 |
| C       | Total  | 1048.39 | A+B   |

- 5.4 The Transmission charges shall be recovered every month on prorata basis and shall be shared by all the Distribution Licensees (long term transmission users) including deemed licensees in proportion to the allotted transmission capacity or contracted capacity, as the case may be.
- 5.5 The Transmission Service Charge (net of ARR for transmission business) shall be recovered fully during the financial year only if the transmission system availability is 98% or above, as specified in the *Delhi Electricity Regulatory Commission (Terms and*



*Conditions for Determination of Tariff) Regulations, 2017 and Business Plan Regulations, 2019 . The charges shall be recovered on a pro-rata basis in case the availability is lower than the target level.*



**A6: DIRECTIVES**

- 6.1. The Commission directs the Petitioner to submit the quarterly progress report for the capital expenditure schemes being implemented within 15 days of the end of each quarter.
- 6.2. The Commission directs the Petitioner to submit the actual details of capitalization for each quarter for the year within one month of the end of the quarter for consideration of the Commission. All information regarding capitalization of assets shall be furnished in the formats prescribed by the Commission, along with the requisite statutory clearances/certificates of the appropriate authority/ Electrical Inspector, etc. as applicable
- 6.3. The Commission directs the Petitioner to adhere to the Normative Annual Transmission System Availability Factor (NATAF) as specified in the DERC Business Plan Regulations, 2019 and submit quarterly reports of voltage wise availability to the Commission.
- 6.4. The Commission directs the Petitioner to disburse Short Term Open Access Charges to DISCOMS as per applicable rules and regulations, on monthly basis on the date of raising Transmission charge bills. Further, no adjustment of STOA charges shall be made towards any past dues/ or adjustment in transmission bills of utilities.
- 6.5. The Commission directs the Petitioner and IPGCL to reconcile the expenses incurred by DTL towards IPGCL staff deployed in DTL on diverted capacity basis (as per directions of GoNCTD) for FY 2016-17, FY 2017-18, FY 2018-19 and FY 2019-20.
- 6.6. The Commission directs Petitioner to submit the compliance of the direction issued in para 2.85 of its Tariff Order dated 31/07/2019 – *“2.85 The Commission has already decided the matter in the relevant Tariff Order of IPGCL. The Petitioner is directed to verify the claim of IPGCL and make the appropriate payment. The Petitioner may claim the amount in subsequent Tariff Order.”*





# DELHI ELECTRICITY REGULATORY COMMISSION

Vinayam Bhawan, 'C' Block, Shivalik, Malviya Nagar, New Delhi- 110017.

F.11(1757)/DERC/2019-20

**Petition No. 06/2020**

In the matter of: **Petition for Truing up of ARR for FY 2018-19.**

Delhi Transco Limited  
Shakti Sadan, Kotla Road,  
New Delhi 110002

... Petitioner/Licensee

Coram:

Coram:

Hon'ble Mr. Justice S S Chauhan, Chairperson  
Hon'ble Sh. A.K. Singhal, Member  
Hon'ble Dr. A. K. Ambasht, Member

Appearance:

1. Mr. Sumit Gupta, DTL

## INTERIM ORDER

(Date of Hearing: 23.01.2020)

(Date of Order: 24.01.2020)

1. The instant Petition has been filed by M/s. Delhi Transco Ltd (DTL) for Truing-up of its ARR for FY 2018-19.
2. The Petition has been scrutinised and found generally in order as per the DERC Comprehensive (Conduct of Business) Regulations, 2001.
3. The Petition is admitted. The Petitioner shall furnish Clarifications/additional information, if and when required by the Commission.

  
(A.K. Ambasht)  
Member

  
(A.K. Singhal)  
Member

  
(Justice S S Chauhan)  
Chairperson





# DELHI ELECTRICITY REGULATORY COMMISSION

Viniyamak Bhawan, 'C' Block, Shivalik, Malviya Nagar, New Delhi- 110017.

F.11(1757)/DERC/2019-20

Petition No. 06/2020

In the matter of: **Petition for ARR and Transmission Tariff for FY 2020-21 and Truing up of ARR for FY 2018-19.**

Delhi Transco Limited  
Shakti Sadan, Kotla Road,  
New Delhi 110002

...Petitioner/Licensee

Coram:

Coram:  
Hon'ble Mr. Justice S S Chauhan, Chairperson  
Hon'ble Sh. A.K. Singhal, Member  
Hon'ble Dr. A. K. Ambasht, Member

Appearance:

1. Mr. Anish Garg, DTL

## INTERIM ORDER

(Date of Hearing: 19.02.2020)

(Date of Order: 20.02.2020)

- The Representative for the Petitioner states that the instant Petition has been filed for ARR and Transmission Tariff for FY 2020-21, whereas the petition filed for True-up of ARR for Financial Year 2018-19 has already been admitted.
- It is to be noted that in similar petitions for ARR filed by other licensees, their request to treat the two petitions as one was acceded to because the exercise of determination of tariff and true-up are taken up simultaneously. Accordingly, the instant petition is also taken on record as additional submission in the earlier admitted petition for true-up of the Petitioner.
- The Petitioner shall furnish Clarifications/additional information, if and when required by the Commission.

  
(A.K. Ambasht)  
Member

  
(A.K. Singhal)  
Member

  
(Justice S S Chauhan)  
Chairperson

**LIST OF RESPONSES RECEIVED FROM STAKEHOLDERS ON TRUE UP OF FY 2018-19**  
**AND ARR FOR FY 2020-21**

| Sr. No. | R. No. | Name                                      | Address   | Category    | Company/ Licensee | Date of Receipt |
|---------|--------|---|---|-------------|-------------------|-----------------|
| 1.      | 1      | Sh. Rajesh Aggarwal<br>Gen. Secretary     | Shahdara Residents Welfare Association<br>348, fresh Bazar, Shahdara,<br>Delhi 110 032  | RWA         | DISCOMs           | 11.03.2020      |
| 2.      | 2      | Dayaram Devedi<br>Vice President          | 262, Katra Pyare Lal Chandni Chowk,<br>Delhi 110 006  | Association | DISCOMs           | 11.03.2020      |
| 3.      | 3      | Sh. V.K. Malhotra<br>General Secretary    | DVB Engineers' Association<br>D-3, Vikas Puri,<br>New Delhi 110 018   | Association | DISCOMs           | 12.03.2020      |
|         | 3A     | Sh. V.K. Malhotra<br>General Secretary    | DVB Engineers' Association<br>D-3, Vikas Puri,<br>New Delhi 110 018   | Association | PPCL              | 16.03.2020      |
| 4.      | 4      | Sh. Harbans Sharma                        | 287, Kucha Ghasi Ram<br>Fatehpuri<br>Chandni Chowk<br>Delhi 110 006   | Association | DISCOMs           | 12.03.2020      |
| 5.      | 5      | Sh. Shiv Sharma                           | D-8/155 Brij Puri,<br>Delhi 110 094   | RWA         | DISCOMs           | 13.03.2020      |
| 6.      | 6      | Sh. Balkishan Gupta<br>President          | 1449/22, Gali No. 9, Durgapuri,<br>Shahdara,<br>Delhi 110 093   | RWA         | DISCOMs           | 12.03.2020      |
| 7.      | 7      | Sh. Ranjeet Singh<br>Luheera<br>President | 527 B, School Block,<br>Shakarpur,<br>Delhi 110 092   | NGO         | DISCOMs           | 12.03.2020      |
| 8.      | 8      | Sh. Jai Pal Singh<br>Verma<br>President   | S-305, School Block,<br>Shakarpur,<br>Delhi 110 092   | RWA         | DISCOMS           | 12.03.2020      |
| 9.      | 9      | Sh. D.K. Bhandari<br>President            | Awasiya Kalyan Samiti (Regd.)<br>Pocket J & K ,<br>Dilshad Garden,<br>Delhi 110 095   | NGO         | DISCOMs           | 12.03.2020      |
| 10.     | 10     | Sh. Rajbir Singh                          | Glat No. 8, 2 <sup>nd</sup> Floor,<br>Rama Apartment,<br>C-54, Panchsheel Vihar,<br>Malviya Nagar,<br>New Delhi 110 017<br><a href="mailto:Rsjayanth01@gmail.com">Rsjayanth01@gmail.com</a> | Domestic    | DISCOMs           | 13.03.2020      |
| 11.     | 11     | Sh. S.B. Kuchhal<br>Legal Advisor         | Kothi No. 1, Road No. 33<br>East Punjabi Bagh<br>New Delhi 110 026  | Commercial  | DISCOMs           | 16.03.2020      |
| 12.     | 12     | Ms. Renu Pal                              | Resident Welfare Association (Regd.)  | RWA         | DISCOMs           | 16.03.2020      |



| Sr. No. | R. No. | Name                                   | Address  | Category    | Company/ Licensee | Date of Receipt |
|---------|--------|--|--|-------------|-------------------|-----------------|
|         |        | President                              | Pocket B-3, Mayur Vihar Phase-III, Delhi 110 096   |             |                   |                 |
| 13.     | 13     | Sh. S.R. Abrol                         | L-2, 91B, DDA, LIG, Kalkaji New Delhi  | Domestic    | DISCOMs           | 16.03.2020      |
| 14.     | 14     | Sh. Bhopal Singh President             | Resident Welfare Association, H-16/830, Bapa Nagar, Payare Lal Marg, Karol Bagh, New Delhi 110 005<br><a href="mailto:jatavbhopalsingh@gmail.com">jatavbhopalsingh@gmail.com</a> | RWA         | DISCOMs           | 16.03.2020      |
| 15.     | 15     | Sh. Rohit Arora President              | Gyan Park Welfare Society 17A, Gyan Park, Chander Nagar, Kishna Nagar, Delhi 110 051   | RWA         | DISCOMs           | 16.03.2020      |
| 16.     | 16     | Sh. Deepak Tuli                        | Prasad nagar, Karol Bagh, New Delhi 110 005  | RWA         | DISCOMs           | 16.03.2020      |
| 17.     | 17     | Sh. Kuldeep Kumar General Secretary    | Delhi State Electricity Workers Union(DSEWU) 7/6, Yamuna Vihar, Delhi 110 053<br><a href="mailto:kuldeepsewunion@gmail.com">kuldeepsewunion@gmail.com</a>                        | Association | DISCOMs           | 17.03.2020      |
|         | 17A    | Sh. Kuldeep Kumar General Secretary    | Delhi State Electricity Workers Union(DSEWU) 7/6, Yamuna Vihar, Delhi 110 053<br><a href="mailto:kuldeepsewunion@gmail.com">kuldeepsewunion@gmail.com</a>                        | Association | PPCL              | 19.03.2020      |
| 18.     | 18     | Sh. S.K. Sharma General Manager (C&RA) | Delhi Transco Limited Shakti Sadan, Kotla Road, New Delhi 110 002  | Govt.       | BRPL              | 18.03.2020      |
|         | 18A    | Sh. S.K. Sharma General Manager (C&RA) | Delhi Transco Limited Shakti Sadan, Kotla Road, New Delhi 110 002  | Govt.       | BYPL              | 18.03.2020      |
|         | 18B    | Sh. S.K. Sharma General Manager (C&RA) | Delhi Transco Limited Shakti Sadan, Kotla Road, New Delhi 110 002  | Govt.       | TPDDL             | 18.03.2020      |
|         | 18C    | Sh. S.K. Sharma General Manager (C&RA) | Delhi Transco Limited Shakti Sadan, Kotla Road, New Delhi 110 002  | Govt.       | NDMC              | 18.03.2020      |



| Sr. No. | R. No. | Name   | Address  | Category | Company/ Licensee | Date of Receipt |
|---------|--------|--|--|----------|-------------------|-----------------|
|         | 18D    | Sh. S.K. Sharma<br>General Manager<br>(C&RA) | Delhi Transco Limited<br>Shakti Sadan,<br>Kotla Road, New Delhi 110 002  | Govt.    | BRPL              | 29.06.2020      |
|         | 18E    | Sh. S.K. Sharma<br>General Manager<br>(C&RA) | Delhi Transco Limited<br>Shakti Sadan,<br>Kotla Road, New Delhi 110 002  | Govt.    | BYPL              | 29.06.2020      |
|         | 18F    | Sh. S.K. Sharma<br>General Manager<br>(C&RA) | Delhi Transco Limited<br>Shakti Sadan,<br>Kotla Road, New Delhi 110 002  | Govt.    | TPDDL             | 29.06.2020      |
|         | 18G    | Sh. S.K. Sharma<br>General Manager<br>(C&RA) | Delhi Transco Limited<br>Shakti Sadan,<br>Kotla Road, New Delhi 110 002  | Govt.    | NDMC              | 29.06.2020      |
| 19.     | 19     | Sh. A.K. Rampal                              | F-26/114, Sector, 7, Rohini,<br>Delhi 110 005<br><a href="mailto:anuprampal@gmail.com">anuprampal@gmail.com</a>        | Domestic | IPGCL and<br>PPCL | 17.03.2020      |
|         | 19A    |  |  |          | DISCOMs           | 19.06.2020      |
| 20      | 20     | Sh. Mohinder Pal                             | <a href="mailto:pal458395@gmail.com">pal458395@gmail.com</a>   | Domestic | DISCOMs           | 18.03.2020      |
| 21      | 21     | Sh. Saurabh Gandhi<br>Gen. Secretary         | United Residents of Delhi<br>C-6/7 Rana Pratap Bagh,<br>Delhi 110 007  | RWA      | DISCOMs           | 16.03.2020      |
| 22      | 22     | Sh. Kuwar Pratap<br>Singh<br>Secretary       | Bhajanpura Jan Sahiyog, (regd.)<br>D-408, Street No. 9, D, Bhajanpura,<br>Delhi 110 053                                | Domestic | DISCOMs           | 11.03.2020      |
| 23      | 23     | Sh. B.S. Sachdev<br>President                | Elderly Peoples Forum<br>Varishth Nagrik Manoranjan Kendra, Ist<br>Floor, C-4 Block,<br>Keshav Puram,<br>Delhi 110 035 | RWA      | DISCOMs           | 20.03.2020      |
|         | 23A    | Sh. B.S. Sachdev<br>President                |  |          |                   | 20.03.2020      |
| 24      | 24     | Sh. Ishwar Dutt                              | B-120, Vijay Park,<br>Maujpur,<br>New Delhi 110 053  | Domestic | DISCOMs           | 20.03.2020      |
| 25.     | 25     | Sh. Satish Das                               | H.No. 90, Panna Mojan,<br>Bawana,<br>New Delhi 110 039   | Domestic | TPDDL             | 20.03.2020      |
| 26      | 26     | Er. CV<br>Vishwanathan                       | 99, Arjun Apartments<br>Sector 13, Dwarka<br>Delhi 110 075   | Domestic | DISCOMs           | 20.03.2020      |



| Sr. No. | R. No. | Name  | Address  | Category                  | Company/ Licensee | Date of Receipt |
|---------|--------|---|--|---------------------------|-------------------|-----------------|
| 27      | 27     | Sh. Virat Gandhi                                    | Rang Rasayan Apartments<br>13, Rajapur,<br>Pocket 7, Sector, 13,<br>Rohini,<br>Delhi 110 05  | Domestic                  | TPDDL             | 20.03.2020      |
| 28      | 28     | Sh. Vipin Gupta                                     | A-17, Antriksh Apartments,<br>New Town Co-op. Group Housing<br>Society Ltd.<br>Sector, 14-Ext. Rohini, Delhi 110085<br><a href="mailto:Vipin.bfi@gmail.com">Vipin.bfi@gmail.com</a>  | Domestic                  | DISCOMs           |                 |
| 29      | 29     | Sh. A.K. Datta                                      | 222, Pocket E, Mayur Vihar,<br>Phase-II<br>Delhi 110 091   | Domestic                  | BYPL              |                 |
| 30.     | 30     | Sh. Saurabh Gandhi<br>General Secretary             | United Resident of Delhi<br><a href="mailto:urdrwas@gmail.com">urdrwas@gmail.com</a>   | RWA                       | BYPL              | 22.06.2020      |
| 31      | 31     | Sh. B.B. Tewari<br>Social Intraprenuer              | <a href="mailto:urdrwas@gmail.com">urdrwas@gmail.com</a>   | RWA                       | BYPL              | 22.06.2020      |
| 32      | 32     | Sh. Ram Lal Tiwari                                  | House No. 581, Main Narela Road,<br>Alipur, Delhi 110 036  | Domestic                  | DISCOMs           | 20.03.2020      |
| 33      | 33     | Sh. Rakesh<br>Chauhan                               | <a href="mailto:Chauhan.rakesh70111@gmail.com">Chauhan.rakesh70111@gmail.com</a>   | Domestic                  | TPDDL             | 24.06.2020      |
| 34      | 34     | Sh. Saurabh<br>Srivastava<br>Regulatory affairs     | Indian Energy Exchange Limited<br>Unit. 3,4,5 & 6 Fourth Floor,<br>TDI Centre,<br>Plot No. 7<br>Jasola District Centre,<br>New Delhi 110 025<br><a href="mailto:Saurabh.Srivastava@iexindia.com">Saurabh.Srivastava@iexindia.com</a> | Industrial/<br>Commercial | DISCOMs           | 26.05.2020      |
| 35.     | 35     | Sh. Lalita Kumar                                    | <a href="mailto:Lalitakumar69@dtu.ac.in">Lalitakumar69@dtu.ac.in</a>   | Domestic                  | DISCOMs           | 24.06.2020      |
| 36.     | 36     | PK Enterprises                                      | <a href="mailto:Pk.enterprises76@gmail.com">Pk.enterprises76@gmail.com</a>   | -                         | TPDDL             | 24.06.2020      |
| 37      | 37     | Sh. Arvind Duhoon                                   | <a href="mailto:Arvind.duhoon@gmail.com">Arvind.duhoon@gmail.com</a>   | Domestic                  | TPDDL             | 24.06.2020      |
| 38      | 38     | Ms. Preeti Sarna                                    | <a href="mailto:sarnapreety@gmail.com">sarnapreety@gmail.com</a>   | Domestic                  | DISCOMs           | 25.06.2020      |
| 39.     | 39     | Sh. Rajesh Sood,<br>President<br>Vijay Niketan, RWA | Resident of Welfare Association<br>H-89, DDA LIG Flats,<br>Naraina Vihar,<br>New Delhi 110 028   | RWA                       | DISCOMs           | 25.06.2020      |
| 40.     | 40.    | Sh. Arvind K. Jain                                  | SHRI SAI BABA CO-OPERATIVE GROUP<br>HOUSING SOCIETY LTD.<br>PLOT No. 4, SECTOR-9, ROHINI, DELHI-<br>110085   | RWA                       | DISCOMs           | 25.06.2020      |
| 41.     | 41.    | Sh. Sukh preet                                      | <a href="mailto:sukhpreetsir@gmail.com">sukhpreetsir@gmail.com</a>   | Domestic                  | DISCOMs           | 25.06.2020      |





| Sr. No. | R. No. | Name   | Address   | Category                  | Company/ Licensee | Date of Receipt |
|---------|--------|--|---|---------------------------|-------------------|-----------------|
| 42.     | 42.    | Ms. Maneela bhugra   | <a href="mailto:Maneela.bhugra@gmail.com">Maneela.bhugra@gmail.com</a>  | Domestic                  | TPDDL             | 25.06.2020      |
| 43.     | 43.    | Sh. Naresh Kumar   | <a href="mailto:Maresh.mkuan@gmail.com">Maresh.mkuan@gmail.com</a>  | Domestic                  | DISCOMs           | 25.06.2020      |
| 44.     | 44.    | Ms. Vandana Thakur   | <a href="mailto:Vandana.thakur34@gmail.com">Vandana.thakur34@gmail.com</a>  | Domestic                  | DISCOMs<br>DTL    | 25.06.2020      |
| 45.     | 45.    | Sh. Rajan Gupta  | <a href="mailto:Rajang2442@gmail.com">Rajang2442@gmail.com</a>  | Domestic                  | TPDDL             | 25.06.2020      |
| 46.     | 46.    | Ms. Shivangi   | <a href="mailto:Shivangi.sh86@gmail.com">Shivangi.sh86@gmail.com</a>  | Domestic                  | TPDDL             | 26.06.2020      |
| 47.     | 47.    | Sh. Rajeev   | <a href="mailto:Bh.rajeev2012@gmail.com">Bh.rajeev2012@gmail.com</a>  | Domestic                  | TPDDL             | 26.06.2020      |
| 48.     | 48.    | Sh. Prabhat Pal  | <a href="mailto:Prabhatpal187@gmail.com">Prabhatpal187@gmail.com</a>  | Domestic                  | DISCOMs<br>DTL    | 26.06.2020      |
| 49.     | 49.    | Sh. Anil Kumar Gupta, Secretary                              | NEW TOWN CO-OPERATIVE GROUP HOUSING SOCIETY LTD.<br>Plot No. D-3, Sector: 14-Extn., ROHINI, Delhi 110085<br><a href="mailto:newtowncghs@gmail.com">newtowncghs@gmail.com</a>    | Domestic                  | DISCOMs           | 26.06.2020      |
| 50.     | 50.    | Sh. Anurag   | <a href="mailto:anuragbhel@gmail.com">anuragbhel@gmail.com</a>  | Domestic                  | TPDDL             | 26.06.2020      |
| 51.     | 51.    | Sh. Ankit Singh  | <a href="mailto:Ankitsingh1092@gmail.com">Ankitsingh1092@gmail.com</a>  | Domestic                  | DISCOMs           | 26.06.2020      |
| 52.     | 52.    | Sh. Rajender Bansal  | <a href="mailto:Rajenderbansal47@gmail.com">Rajenderbansal47@gmail.com</a>  | Domestic                  | DISCOMs           | 26.06.2020      |
| 53.     | 53.    | <a href="mailto:Dikansh94@gmail.com">Dikansh94@gmail.com</a> | <a href="mailto:dikansh94@gmail.com">dikansh94@gmail.com</a>  | Domestic                  | DISCOMs           | 27.06.2020      |
| 54      | 54     | Sh. Suresh Kumar Gupta<br>Director                           | The Midland fruit and Vegetable products (India) Pvt. Ltd.<br>Jumbo House, Dr. Jha Marg,<br>O.I.A PH-3, New Delhi 110 020   | Agricultural              | DISCOMs           | 25.06.2020      |
| 55      | 55     | Sh. Narendra Prakash Bhargava<br>Proprietor                  | Jumbo International<br>Jumbo House, Dr. Jha Marg,<br>O.I.A PH-3, New Delhi 110 020  | Agricultural              | DISCOMs           | 25.06.2020      |
| 56      | 56     | Ms. Neeta Gupta  | A-17, Antriksh Apartments,<br>New Town, CGHS Ltd.<br>Sector 14-Extension, Rohini<br>Delhi 110 085<br><a href="mailto:Neetagupta.vg111@gmail.com">Neetagupta.vg111@gmail.com</a> | Domestic                  | DISCOMs           | 28.06.2020      |
| 57      | 57     | Sh. Sandeep Sharma   | <a href="mailto:Sandeep.sharmaji80@gmail.com">Sandeep.sharmaji80@gmail.com</a>  | Domestic                  | TPDDL             | 29.06.2020      |
| 58      | 58     | Sh. B.P. Agarwal<br>Advocate                                 | <a href="mailto:Bpagarwal57@gmail.com">Bpagarwal57@gmail.com</a>  | Industrial/<br>Commercial | TPDDL             | 29.06.2020      |
| 59      | 59     | Sh. A K Rampal   | <a href="mailto:anuprampal@gmail.com">anuprampal@gmail.com</a>  | Domestic                  | IPGCL &<br>PPCL   | 30.06.2020      |
| 60      | 60     | Sh. Arindam.K. Das,<br>Regulatory Affairs<br>BRPL            | BSES Rajdhani Power Limited<br>Corp. Office- Nehru Place, Delhi-19  | DISCOM                    | IPGCL &<br>PPCL   | 30.06.2020      |





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|---------|--------|--|---|------------|-------------------|-----------------|
| 61.     | 61     | Sh. OP Singh,<br>Addnl. G.M-HOD<br>Regulatory<br>TPDDL | Tata Power Delhi Distribution Limited<br>Hudson Lines<br>Kingsway Camp<br>Delhi 110009  | DISCOM     | IPGCL             | 30.06.2020      |
| 62.     | 62     | Sh. OP Singh,<br>Addnl. G.M-HOD<br>Regulatory<br>TPDDL | Tata Power Delhi Distribution Limited<br>Hudson Lines<br>Kingsway Camp<br>Delhi 110009  | DISCOM     | PPCL              | 30.06.2020      |
| 63.     | 63     | Sh. OP Singh,<br>Addnl. G.M-HOD<br>Regulatory<br>TPDDL | Tata Power Delhi Distribution Limited<br>Hudson Lines<br>Kingsway Camp<br>Delhi 110009  | DISCOM     | DTL               | 30.06.2020      |
| 64.     | 64     | Sh. Ashok Bhasin                                       | North Delhi Residents Welfare<br>Federation<br><a href="mailto:Ashok.bhasin2015@gmail.com">Ashok.bhasin2015@gmail.com</a>   | RWA        | DISCOMS           | 30.06.2020      |
| 65.     | 65.    | Ms. Monica<br>Rathamani                                | Sterlite Power Transmission Ltd.<br>F-1 Mira Corporate Suites, Ishwar<br>Nagar,<br>New Delhi – 110065<br><a href="mailto:Monica.rathamani@sterlite.com">Monica.rathamani@sterlite.com</a> | commercial | DTL               | 01.07.2020      |
| 66.     | 66     | Ms. Somya Tripathi<br>Asstt. Manager                   | Delhi Metro Rail Corporation Ltd.<br>Metro Bhawan,<br>Fire Brigade Lane,<br>Barakhamba Road,<br>New Delhi 110 001   | Govt.      | DISCOMs           | 01.07.2020      |
| 67      | 67     | Sh. Ashok Kumar<br>Gupta                               | H.No. D-8/13 KH. No. 37/14, Ground<br>Floor, Rama Vihar<br>Delhi  | Domestic   | DISCOMs           | 26.06.2020      |
| 68      | 68     | Sh. Chander Singh                                      | House No. 78-B Block K, Sharma Colony,<br>Budh Vihar,<br>Delhi 110 086  | Domestic   | DISCOMs           | 26.06.2020      |
| 69      | 69     | Sh. Srikant Kumar                                      | House No. 3245, Sarop Nagar,<br>Tri Nagar,<br>Delhi 110 035   | Domestic   | TPDDL             | 26.06.2020      |
| 70      | 70     | Sh. Gopal Singh<br>Badal                               | House No. A-2373, Gali No. 5<br>Rani Bagh,<br>Delhi 110 034   | Domestic   | TPDDL             | 26.06.2020      |
| 71      | 71     | Sh. Dharam Pal   | <a href="mailto:Pal458395@gmail.com">Pal458395@gmail.com</a>  | Domestic   | DISCOMs           | 23.06.2020      |
| 72      | 72     | Sh. Dharam Pal   | House No. 159, Ground Floor Block<br>Naraina,<br>Delhi 110 028  | Domestic   | TPDDL             | 26.06.2020      |
| 73      | 73     | Sh. Raju Aggarwal<br>(Head Regulatory                  | BSES Yamuna Power Limited<br>Shakti Kiran Building, Karkardooma,  | Licensee   | IPGCL             | 03.07.2020      |



| Sr. No. | R. No. | Name  | Address  | Category    | Company/ Licensee | Date of Receipt |
|---------|--------|---|--|-------------|-------------------|-----------------|
|         | 73A    |   | Delhi 110 032  |             | PPCL              | 03.07.2020      |
|         | 73B    |   |  |             | DTL               | 03.07.2020      |
| 74      | 74     | Sh. M.K.Poddar<br>Executive Engineer<br>(Comm.) | New Delhi Municipal Council<br>Room No. 103, First Floor, S.B.S. Place,<br>Gole Market, New Delhi 110001 | Licensee    | DISCOMs           | 19.08.2019      |
| 75      | 75     | Dr. Ashok Kumar                                 | 1064, Gandhi Ashram, Narela, Delhi<br>110040   | Association | DISCOMs           | 04.03.2020      |
| 76      | 76     | Dr. Anil Kumar<br>Sharma                        | National Council for Teacher Education   | GOVT.       | DISCOMs           | 22.10.2019      |
| 77      | 77     | Sh. Sanjay Vig<br>(General Secretary)           | D.S.I.D.C. S F S Entrepreneur Association<br>(Regd.)   | Association | DISCOMs           | 18.10.2019      |
| 78      | 78     | Sh. Surender Gupta<br>(General Secretary)       | Mangolpuri Industrial Area (Phase-I&II)<br>C.E.T.P. Society (Regd.)                                      | Association | DISCOMs           | 18.10.2019      |

