

A. INTRODUCTION

- 1.1 BSES Rajdhani Power Limited (BRPL), the Distribution Licensee, has filed additional information for ARR of FY 2020-21, based on the Commission's directions considering the impact of nationwide lockdown due to out-break of COVID-19.
- 1.2 This Executive Summary contains the summary of the above-mentioned additional information required for Aggregate Revenue Requirement (ARR) & Tariff for FY 2020-21 which shall be determined based on the provisions of *DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017* and *DERC (Business Plan) Regulations, 2019*. ARR broadly has the following components:
- Power Purchase Cost including Transmission Charges
 - Operation and Maintenance (O&M) expenses
 - Return on Capital Employed
 - Depreciation
 - Income Tax
 - Non-tariff Income, etc.
- 1.3 The following tables/ figures have been extracted from the additional information submitted by BRPL for ease of understanding to various stakeholders. Complete additional information, earlier Tariff Petitions for True up of FY 2018-19 & ARR of FY 2020-21 along-with earlier executive summaries are also available on DERC website <http://www.derc.gov.in>

B. ARR OF FY 2020-21

- 1.4 Based on the impact of COVID-19, BRPL submitted the revised sales projection for FY 2020-21 as follows:

Table 1: Revised Energy Sales (MU)

Sr. No.	Category	Energy Sales in ARR	Change due to COVID-19	Energy Sales Revised
		(MU)	%	(MU)
1	Domestic	8136	3.1%	7884
2.1	Non-Domestic (less than 3 KVA)	300	-38.2%	185
2.2	Non-Domestic (above 3 KVA)	3035	-37.7%	1889
3	Industrial	529	-25.6%	394
4	Agriculture	21	0.0%	21
5	Mushroom Cultivation	0	0.0%	0
6	Public Utilities (Public Lighting & DJB)	382	0.0%	382
7	DIAL	250	-54.5%	114
8	DMRC supply at 66KV and 220KV	369	-43.1%	210
9	Temporary Supply	100	-36.4%	64

Sr. No.	Category	Energy Sales in ARR	Change due to COVID-19	Energy Sales Revised
		(MU)	%	(MU)
10	Advertisements and Hoardings	1	-33.2%	1
11	Charging Stations for E-Vehicle	28	-33.7%	18
12	Own Consumption	16	0.0%	16
	Grand Total	13167	-15.1%	11178

- 1.5 BRPL has projected the energy sales, fixed charges, energy charges etc. for FY 2020-21 as follows:

Table 2: Estimated Energy Sales and Revenue for FY 2020-21

Sr. No.	Category	Energy	Fixed Charges	Energy Charges	ToD Impact	Total Revenue
		MU	Rs. Cr.	Rs. Cr.	Rs. Cr.	Rs. Cr.
1	Domestic	7884	496	3275		3771
2	Non-Domestic	2074	802	1784	14	2599
3	Industrial	394	94	315	3	412
4	Agriculture & Mushroom Cultivation	21	4	3		8
5	Public Utilities (Public Lighting & DJB)	382	56	241	-1	296
6	DIAL	114	15	89		105
7	DMRC supply at 66KV and 220KV	210	16	133	5	153
8	Temporary Supply	64		70		70
9	Advertisements and Hoardings	1	1	1		1
10	Charging Stations for E-Vehicle	18		8		8
11	Own Consumption	16				
	Grand Total	11178	1484	5919	21	7424

- 1.6 Estimated energy requirement for FY 2020-21 is as follows:

Table 3: Energy Requirement for FY 2020-21

Sr. No.	Particulars	MU
1	Energy Sales	11178
2	Distribution Loss	8.10%
3	Energy requirement at Distribution Periphery	12163
4	Distribution Loss	985

- 1.7 Based on the above estimation of energy requirement the power purchase cost for FY 2020-21 is estimated as follows:

Table 4: Power Purchase Cost for FY 2020-21

Sr.No.	Particulars	Quantity (MU)	Amt. (Rs.Cr.)	Avg. Cost (Rs./kWh)
1	Total Energy Available (Excluding SGS Plants)	10564	4683	4.43
2	Inter-State Transmission Loss	3.00%		
3	Inter-State Transmission Loss	314		
4	Energy Available from Delhi stations	2076	1481	7.13
5	Short Term Purchase	659	240	3.65
6	Short Term Sale	770	169	2.20
7	Generation within licensee area (TOWMCL)	60	17	2.86
8	Energy Available at State Transmission Periphery	12215		
9	Intra-State Transmission Loss	0.92%		
10	Intra-State Transmission Loss	112		
11	Transmission charges		1087	
12	Less: Rebate		(0)	
13	Add: REC Purchase		0	
14	Net Energy available at Distribution Periphery	12163	7339	6.03

- 1.8 The O&M Expenses estimated by BRPL for FY 2020-21 are as follows:

Table 5: O&M Expenses estimated during FY 2020-21 (Rs. Cr.)

Sr. No.	Assets/ lines	Avg. Quantity	Units	Norms	Amount
1	66 kV lines	1164	Rs. Lakh/ Ckt. Km	3.855	45
2	33 kV lines				
3	11 kV lines	7785	Rs. Lakh/ Ckt. Km	1.150	90
4	LT lines system	12458	Rs. Lakh/ Ckt. Km	6.148	766
5	66/11 kV grid sub-station	6365	Rs. Lakh/ Ckt. Km	1.033	66
6	33/11 kV grid sub-station				
7	11/0.415 kV DT	5204	Rs. Lakh/ Ckt. Km	2.563	133
8	Total				1099

- 1.9 The additional O&M Expenses for FY 2020-21 as estimated by BRPL are as follows:

Table 6: Additional O&M Expenses estimated for FY 2020-21 (Rs. Cr.)

O&M Expenses Projection	FY 2018-19 (Actual)	FY 2019-20 (Escalated at 5.6%)	FY 2020-21 (Escalated at 3.80%)
Additional O&M Expenses	197	208	293*

* including Rs. 10 crore of COVID-19 expenses

- 1.10 The Petitioner has considered the gross capitalisation of Rs. 624 Crore including consumer contribution (Deposit work) (Rs. 67 Crore) during FY 2020-21 as approved by the Commission, provided that the same may be trued-up based on the actuals incurred to meet the loss targets issued by the Commission for FY 2020-21.
- 1.11 BRPL has submitted that FY 2017-18 being the first Financial Year for *DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017* and *DERC (Business Plan) Regulations 2017*, the Petitioner has worked out the depreciation by applying these class-wise rates based on the useful life of the existing assets. Accordingly, the average rate of depreciation comes to be 4.76%. The Petitioner has applied rate of 4.76% on the average GFA estimated for FY 2019-20. However, the depreciation rate of 4.76% so computed, may undergo change at the end of FY 2018-19 based on actual capitalization. The depreciation for FY 2020-21 is submitted as follows:

Table 7: Depreciation for FY 2020-21 (Rs. Cr.)

Sr.No.	Particulars	FY 2020-21
A	Gross Fixed Assets (GFA)	
i	Opening Balance	7657
ii	Additions during the year	624
iii	Closing Balance	8281
iv	Average Balance	7969
B	Consumer Contribution	
v	Opening Balance	790
vi	Additions during the year	67
vii	Closing Balance	857
viii	Average Balance	824
C	GFA net of consumer contribution	7146
D	Average rate of depreciation	4.76%
E	Depreciation	340

- 1.12 BRPL has computed RoCE during FY 2020-21 as under:

Table 8: RoCE for FY 2020-21 (Rs. Cr.)

Sr.No.	Particulars	FY 2020-21
A	RRB (i)	4694
B	WACC	15.89%
C	ROCE	746

- 1.13 BRPL has considered the Non-Tariff Income and income from other business during FY 2020-21 equivalent to actual NTI during FY 2018-19 as Rs. 157.60 Crore.
- 1.14 The summary of revised ARR for FY 2020-21 as submitted by BRPL is as follows:

Table 9: Aggregate Revenue Requirement for FY 2020-21 (Rs. Cr.)

Sr.No.	Particulars	FY 2020-21
A	Net Power Purchase Cost including Transmission and SLDC Charges	7339
B	O&M Expenses	1099
C	Additional O&M Expenses	293
D	Depreciation	340

Sr.No.	Particulars	FY 2020-21
E	Return on Capital Employed (RoCE)	746
F	Less: NTI	158
G	Revised Aggregate Revenue Requirement	9660

1.15 BRPL has submitted the Regulatory Assets till FY 2018-19 as follows:

Table 10: Regulatory Assets till FY 2018-19 (Rs. Cr.)

Sr. No.	Particulars	FY 2018-19
A	RA Creation	
1	Opening RA for FY 2018-19	3979
2	Revenue Gap during FY 2018-19	799
3	Rate of carrying cost	14%
4	Carrying cost accrued during the year	613
5	Amortization through 8% surcharge	721
6	Amortization of carrying cost	420
8	Closing RA for FY 2018-19 on stand-alone basis	4250
9	Add:	
a	Impact of past claims up to FY 2017-18 as per Table 1B13 of True-up Petition for FY 2018-19	14308
b	Carrying cost on past claims during FY 2018-19	2003
10	Total closing RA for FY 2018-19	20561

1.16 The Revenue (Gap)/ Surplus for FY 2020-21 at Existing Tariffs is as follows:

Table 11: Revenue (Gap)/ Surplus at Existing Tariff for FY 2020-21 (Rs. Cr.)

Sr. No.	Particulars	Amount
1	ARR for FY 2020-21	9660
2	Revenue available towards ARR	7424
3	Collection Efficiency	91.12%
4	Estimated Revenue Realisation	6765
5	Revenue (Gap)/Surplus	(2895)