

A. INTRODUCTION

- 1.1 New Delhi Municipal Council (NDMC), the Distribution Licensee, has filed its Petition for Approval of True up for FY 2018-19 and Aggregate Revenue Requirement (ARR) for FY 2020-21.
- 1.2 This Executive Summary contains the summary of the Petition filed by NDMC for True up for FY 2018-19 and ARR of FY 2020-21.
- 1.3 The True up for FY 2018-19 shall be done based on the provisions of *DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017* and *DERC (Business Plan) Regulations, 2017*.
- 1.4 ARR and Tariff for FY 2020-21 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.
- 1.5 The following tables/ figures have been extracted from the Petition filed by NDMC for ease of understanding to various stakeholders. Complete Petition is also available on DERC website <http://www.derc.gov.in>

B. TRUE UP OF FY 2018-19

- 1.6 NDMC has submitted that Sales for FY 2018-19 based on actual as follows:

Table 1: Energy Sales for FY 2018-19 (MU)

Sr. No.	Consumer Category	Approved in TO FY 2018-19	Actual
1	Domestic	277.20	224.50
2	Non Domestic	1053.73	1070.05
3	Small Industrial Power	0.05	0.03
4	Public Lighting	7.87	7.07
5	DMRC	62.09	40.97
6	Others	11.74	14.59
7	Total	1412.67	1357.21

- 1.7 The AT&C loss along-with Distribution Loss and Collection Efficiency for FY 2018-19 sought by NDMC is as follows:

Table 2: Losses & Collection Efficiency for FY 2018-19 (%)

Sr. No.	Particulars	Actual
1	AT&C Loss	6.87
2	Distribution Loss	6.16
3	Collection Efficiency	99.24

- 1.8 The Power Purchase Quantum and Cost submitted by NDMC for FY 2018-19 is as follows:

Table 3: Power Purchase Quantum for FY 2018-19 (MU)

Sr.No.	Particulars	Actual
1	Power Purchase from Central Stations	567.70
2	Interstate Transmission Losses	9.37
3	Net Power Purchase from Central Stations	558.33
4	Power Purchase from State Stations	881.43
5	DMSWSL and EDWPCL	6.29
6	Power Purchase from Short Term Sources including ST Renewable	275.22
A	Gross Power Purchase	1,721.27
7	Intra State Transmission Loss	15.84
B	Net Power Available at NDMC Periphery	1,705.43
8	Sale of Surplus Power	259.28
C	Net Power available for Retail Sales	1,446.15

Table 4: Power Purchase Cost for FY 2018-19 (Rs. Cr.)

Sr. No.	Particulars	Actual
1	Power Purchase Cost	969.52
2	Cost of Short term and Renewable Purchase	
3	Less: Revenue from Sale of Power	90.95
A	Net Power Purchase Cost	878.56
4	Interstate Transmission Charges	25.96
5	Intrastate Transmission Charges including SLDC	59.67
B	Total Transmission Charges	85.61
C	Total Power Purchase Cost for True-up	964.18

- 1.9 The O&M Expenses as considered by NDMC during FY 2018-19 is as follows:

Table 5: O&M Expenses for FY 2018-19 (Rs. Cr.)

Sr. No.	Particulars	Actual
1	Employee Expenses	216.13
2	A&G Expenses	7.44
3	R&M Expenses	13.29
4	Gross O&M Expenses	236.86

- 1.10 NDMC has submitted that they are exempted from paying the Income Tax, therefore claim for such tax liabilities has not been proposed in the Petition.

- 1.11 The ARR claimed during FY 2018-19 is as follows:

Table 6: Trued up ARR for FY 2018-19 as submitted by NDMC (Rs. Cr.)

Sr. No.	Description	Actual
1	Cost of power purchase including T&D Losses	878.56
2	Inter-State Transmission charges	26.02
3	Intra-state Transmission charges (Including SLDC charges)	59.59
	Rebate on Timely payments	-
4	Net Operation & Maintenance (O&M)	236.86
5	Depreciation	33.13

Sr. No.	Description	Actual
6	Administrative Dept. & Civil Eng. Dept.	45.17
7	Return on Capital Employed	53.73
8	Income Tax	-
9	Less: Non-Tariff Income	-
10	Aggregate Revenue Requirement	1,333.07

1.12 The Revenue Surplus/(Gap) for FY 2018-19 is as follows:

Table 7: Revenue Surplus/(Gap) for FY 2018-19 (Rs. Cr.)

Sr. No	Particulars	Actual
1	ARR for FY 2018-19	1333.07
2	Revenue Available Towards ARR	1325.08
3	Revenue(Gap)/Surplus	(7.99)

C. AGGREGATE REVENUE REQUIREMENT FOR FY 2020-21

1.13 NDMC has submitted that sales in its licenced areas have remained stagnant over the last few years, therefore, for projection of sales for FY 2020-21, they have not considered any change in sales from the actual sales in FY 2018-19. The energy sales projected for FY 2020-21 are as follows:

Table 8: Category-wise Energy Sales for FY 2020-21 (MU)

Sr. No.	Consumer Category	FY 2020-21
1.	Domestic	224.50
2.	Non Domestic	1070.05
3.	Small Industrial Power	0.03
4.	Public Lighting	7.07
5.	DMRC	40.97
6.	Other	14.59
7.	Total	1357.21

1.14 The AT&C Loss, Distribution Loss & Collection Efficiency for FY 2020-21 are as follows:

Table 9: AT&C Loss, Distribution Loss & Collection Efficiency for FY 2020-21

Sr. No.	Particulars	FY 2020-21
1	Distribution Loss	9.50%
2	Collection Efficiency	99.00%
3	AT&C losses	10.43%

1.15 The Energy Requirement for FY 2020-21 is as follows:

Table 10: Energy Requirement Projections for FY 2020-21

Sr. No.	Particulars	FY 2020-21
1	Energy Sales (MU)	1357.05
2	Distribution Loss (%)	9.50%
3	Distribution Loss (MU)	142.47
4	Energy Required at Distribution Periphery (MU)	1499.69

1.16 The Energy Balance for FY 2020-21 is as follows:

Table 11: Energy Balance Projections for FY 2020-21 (in MU)

Sr. No.	Particulars	FY 2020-21
A	Energy Requirement	
1	Energy Sales	1357.05
2	Distribution Loss (%)	9.50%
3	Distribution Loss (MU)	142.47
4	Energy Required at Distribution Periphery	1499.69
B	Energy Availability	
1	Power Purchase from CGS outside the State	567.70
2	Interstate Transmission Losses	9.37
3	Net Power Purchase from Central Stations	558.33
4	Power Purchase from within the State	646.70
5	DMSWSL and EDWPCL	6.63
6	Power Purchase from Short Term Sources including ST Renewable	302.40
7	Gross Power Purchase Quantum	1,514.06
8	Intra State Transmission Loss	13.93
9	Net Power Available at NDMC Periphery	1,500.13
10	Sale of Surplus Power	-
11	Net Power available for Retail Sales	1,500.13

1.17 The O&M Expenses projected for FY 2020-21 is as follows:

Table 12: O&M Expenses Projected for FY 2020-21 (Rs. Cr.)

Sr. No.	Particulars	FY 2020-21
1	Employee Expenses	241.07
2	A&G	8.29
3	R&M	14.83
4	O&M Expenses	264.18

1.18 The Non Tariff Income for FY 2020-21 is as follows:

Table 13: Projected Non-Tariff Income for FY 2020-21 (Rs. Cr.)

Non-Tariff Income	FY 2020-21
Total	2.93

1.19 The projected ARR & Revenue Gap for FY 2020-21 is as follows:

Table 14: Projected ARR & Revenue Gap for FY 2020-21 (Rs. Cr.)

Sr. No.	Particulars	FY 2020-21
1	Cost of power purchase, including T&D Losses	871.11
2	Inter-State Transmission charges	28.75
3	Intra-state Transmission charges including SLDC charges	57.04
	Rebate on Timely Payments	-
4	Net Operation & Maintenance (O&M)	264.18
5	Depreciation	35.50
6	Administrative Dept. & Civil Engg. Dept	45.17
7	Return on Capital Employed	53.79
8	Income Tax	-
9	Aggregate Revenue Requirement (ARR)	1355.54

Sr. No.	Particulars	FY 2020-21
10	Less: Non-Tariff Income	2.93
11	Net ARR	1,352.61
12	Revenue At Existing Tariff	1296.09
13	Gap for FY 2020-21 to be adjusted	(56.52)
14	Gap of FY 2018-19 to be adjusted	(7.99)
15	Total Revenue gap to be recovered from Tariff	(64.51)

1.20 The Tariff proposal for FY 2020-21 is as follows:

Table 15: Revenue and ABR for Existing Vs. Proposed Tariff for FY 2020-21

Sr. No.	Category	FY 2020-21	Revenue at Existing Tariff	ABR at Existing Tariff	Hike Proposed in Existing Tariff	Revised Revenue Proposed	ABR as per Proposed Tariff
			Rs. Cr.	Rs./kWh	%	Rs. Cr.	Rs./kWh
1	Domestic	224.50	171.05	7.62	5.00%	179.60	8.00
2	Non-Domestic Low Tension	335.97	331.69	9.87	5.00%	348.27	10.37
3	NDHT	734.08	746.88	10.17	5.00%	784.22	10.68
4	Small Industrial Power	0.03	0.03	10.50	5.00%	0.03	11.02
5	Public Lighting	7.07	4.92	6.96	5.00%	5.17	7.31
6	Others	14.59	13.52	9.27	5.00%	14.19	9.73
7	DMRC	40.97	28.01	6.84	5.00%	29.41	7.18
8	Total	1,357.21	1,296.09	9.55	5.00%	1,360.90	10.03