

A. INTRODUCTION

- 1.1 New Delhi Municipal Council (NDMC), the Distribution Licensee, has filed its Petition for Approval of True-up of FY 2022-23 and Aggregate Revenue Requirement (ARR) for FY 2024-25.
- 1.2 This Executive Summary contains the summary of the Petition filed by NDMC for True-up of FY 2022-23 and ARR Tariff for FY 2024-25.
- 1.3 The True-up for FY 2022-23, ARR and Tariff for FY 2024-25 shall be determined based on the provisions of *DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017*, *DERC (Business Plan) Regulations, 2019* and *DERC (Business Plan Regulations, 2023*. 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.
- 1.4 The following tables/ figures have been extracted from the Petition filed by NDMC for ease of understanding to various stakeholders, however, the complete Petition is also available on DERC website <http://www.derc.gov.in/>

B. TRUE UP OF FY 2022-23

- 1.5 NDMC has submitted Actual Sales and Revenue Billed for FY 2022-23 as follows:

Table 1: Energy Sales for FY 2022-23 (MU) & Revenue (Rs. Crore)

Sr. No.	Consumer Category	Actual Sales	Revenue Billed
1	Domestic	288.95	239.82
2	Non-Domestic	872.47	1256.94
2.1	Non-Domestic (Low Tension)	212.76	427.41
2.2	Mixed Load (High Tension) – Sanction Load > 100kw	659.70	829.53
3	Small Industrial Power (SIP)	0.02	0.03
4	Public Lighting	5.47	4.78

Sr. No.	Consumer Category	Actual Sales	Revenue Billed
5	Delhi Metro Rail Corporation (DMRC)	0.00	0.00
6	Others	23.34	25.74
7	Grand Total	1190.25	1527.32

Table 2: Revenue from Sale of Power for FY 2022-23 (Rs. Cr.)

Sr. No.	Particulars	Actual
1	Energy Charges Billed (excluding Electricity Tax)	1065.52
2	Fixed Charges	244.05
3	PPAC	177.57
4	Subsidy	-33.89
5	Total (1+2+3+4)	1453.24
6	E-tax billed	74.07
7	Revenue Billed including Electricity Tax (5+6)	1527.32

- 1.6 The Distribution Loss and Collection Efficiency for FY 2022-23 submitted by NDMC is as follows:

Table 3: Distribution Loss & Collection Efficiency for FY 2022-23 (%)

Sr. No.	Particulars	Actual
1	Distribution Loss	11.84%
2	Collection Efficiency	95.48%

- 1.7 The Power Purchase Quantum and Cost submitted by NDMC for FY 2022-23 is as follows:

Table 4: Power Purchase Quantum & Cost for FY 2022-23 (Rs. Crore)

Sr. No.	Particulars	Power Quantum (MU)	Amount (Rs. Cr.)	Average Rate (Rs./kWh)
1	Pragati-I	243.25	437.77	18.00
2	Pragati-III – CCGT Bawana	212.27	252.65	11.90
3	DMSWSL	7.02	4.93	7.03
4	TWEPL	1.62	0.70	4.30
5	GTPS	16.73	-	-
6	Solar Power- Installed by NDMC on Ownership basis, through Developer Mode Grid Connected	1.63	0.00	0.00
7	Total	482.51	696.05	14.43
8	Short Term Power Purchase	933.47	532.59	5.77
9	Bilateral	79.67	39.02	
10	Inter State Transmission Loss/Charges	(28.36)	33.53	

Sr. No.	Particulars	Power Quantum (MU)	Amount (Rs. Cr.)	Average Rate (Rs./kWh)
	(3.57%)			
11	Intra State Transmission Loss/Charges (0.88%)	(11.31)	48.09	
12	OA Charges for Small Hydro – PTC		1.00	
13	OA Charges for Large Hydro – PTC		3.50	
14	Less: Refund from STOA, RRAS & SCED Charges		25.13	
15	Power Purchase Cost with ST & Transmission Charges	1455.98	1328.66	9.13
16	Less: Timely Payment Rebate Power Purchase		(24.52)	
17	Net Power Purchase Cost after Rebate	1455.98	1304.14	8.96
18	Less: Short Term Sale of Power	(105.96)	(40.48)	3.82
19	Total Power Purchase Cost	1350.02	1263.66	9.36

1.8 The O&M Expenses as submitted by NDMC for FY 2022-23 is as follows:

Table 5: O&M Expenses for FY 2022-23

Sr. No	Particulars	Units	As on 01/04/2022	Addition During FY 2022-23	As on 31/03/2023	Rate in Lakh	Amt. in Lakh	Rs. Cr.
1	66 kV Line	Ckt KM	55.71	0.00	55.71	3.320	184.96	1.85
2	33 kV Line	Ckt KM	175.30	12.13	187.43	3.320	602.14	6.02
3	11kV Line	Ckt KM	1059.24	0.91	1060.15	1.008	1068.17	10.68
4	LT Line system	Ckt KM	4286.73	323.07	4609.80	7.912	35194.67	351.95
5	66/11 kV Grid S/s	MVA	490.00	0.00	490.00	1.029	504.21	5.04
6	33/11 kV Grid S/s	MVA	1006.00	129.00	1135.00	1.029	1101.54	11.02
7	11/0.415 kV DT	MVA	863.33	1.20	864.53	1.605	1386.61	13.87
Total								400.42

1.9 Further, NDMC has also submitted the Actual O&M Expenses as per Annual Accounts for FY 2022-23 as follows:

Table 6: Trued up ARR for FY 2021-22 (Rs. Crore)

Sr. No.	Description	Amount
1	A&G Costs	8.91
2	Base Employee Costs	254.01
3	R&M Expenses	13.16
4	Total	276.07

1.10 NDMC has submitted the Non-Tariff Income from the Late Payment Surcharge (LPS) for FY 2022-23 as Rs. 5.38 Cr.

1.11 NDMC has submitted the Trued-up ARR for FY 2022-23 as follows:

Table 7: Trued up ARR for FY 2022-23 (Rs. Crore)

Sr. No.	Description	Actual
1	Net Power Purchase Cost	1263.66
2	Net Operation & Maintenance (O&M)	400.42
3	Depreciation	41.44
4	Return on Capital Employed (including Interest on Working Capital)	52.99
5	Income Tax	0.00
6	Less: Non-Tariff Income	5.38
7	Aggregate Revenue Requirement (ARR)	1753.13

1.12 The Revenue Surplus/(Gap) for FY 2022-23 is as follows:

Table 8: Revenue (Gap) for FY 2022-23 (Rs. Crore)

Sr. No	Particulars	Actual
1	ARR for FY 2022-23	1753.13
2	Revenue Available Towards ARR	1387.56
3	Revenue(Gap)/Surplus	(365.57)

C. AGGREGATE REVENUE REQUIREMENT FOR FY 2024-25

1.13 The Energy Sales and Revenue projected for FY 2024-25 are as follows:

Table 9: Category-wise Energy Sales and Revenue for FY 2024-25 (MU)

Sr. No.	Consumer Category	Sales	Revenue
1	Domestic	291.73	211.11
2	Non-Domestic	1013.27	1026.58
2.1	Non-Domestic (Low Tension)	247.10	256.74
2.2	Mix Load (High Tension) – Sanctioned Load > 100 kw	766.17	769.83
3	Small Industrial Power (SIP)	0.03	0.03
4	Public Lighting	8.00	5.51
5	Delhi Metro Rail Corporation (DMRC)	-	-
6	Temporary Connection more or equal to 16 days	13.71	15.75
7	Others	0.00	-
8	JJ Cluster (Flat Rate)	0.17	3.12
9	Total	1326.91	1262.09

1.14 The Distribution Loss & Collection Efficiency for FY 2024-25 are as follows:

Table 10: Distribution Loss & Collection Efficiency for FY 2024-25

Sr. No.	Particulars	FY 2024-25
1	Distribution Loss	7.54%
2	Collection Efficiency	99.80%

1.15 The Energy Requirement projected for FY 2024-25 is as follows:

Table 11: Energy Requirement Projections for FY 2024-25

Sr. No.	Particulars	FY 2024-25
1	Energy Sales (MU)	1326.91
2	Distribution Loss (%)	7.54%
3	Distribution Loss (MU)	108.21
4	Energy Required at Distribution Periphery (MU)	1435.12

1.16 The Energy Balance projected for FY 2024-25 is as follows:

Table 12: Energy Balance Projections for FY 2024-25 (in MU)

Sr. No.	Particulars	FY 2024-25
A	Energy Requirement	
1	Energy Sales	1326.91
2	Distribution Loss (%)	7.54%
3	Distribution Loss (MU)	108.21
4	Energy Required at Distribution Periphery	1435.12
B	Energy Availability	
1	Power Purchase from 236 MW allocation from SHAKTI B (v)	918.88
2	Power Purchase from Small Hydro outside the State	30.06
3	Interstate Transmission Losses (3.40%)	32.26
4	Net Power Purchase from outside States	916.67
5	Power Purchase from within the State	
i	Pragati-I	225.69
ii	Pragati-III(Bawana)	300.00
iii	DMSWSL (Bawana)	6.00
iv	TWEPL, (Tehkhand)	6.00
6	Solar Power Long Term	1.63
7	Short Term Bilateral Hydro	0.00
8	From IEX	0.00
9	Gross Power Purchase Quantum	1455.99
10	Less: Intra-State Transmission Loss (0.88%)	20.88
11	Net Power Available at NDMC Periphery	1435.12
12	Sale of Surplus Power	-
13	Net Power available for Retail Sales	1435.12

1.17 The Power Purchase Quantum and Cost for FY 2024-25 is as follows:

Table 13: Power Purchase Cost for FY 2024-25

Sr. No.	Particulars	Power Quantum (MU)	Amount (Rs. Cr.)	Rate
1	236 MW allocation from SHAKTI B (v)	918.88	486.92	5.30
2	Power Purchase from Small Hydro outside the State	30.06	12.93	4.30
3	Less: Interstate Transmission Losses (3.40%)	32.26	35.09	
4	Net Power Purchase from outside States	916.67		
5	Power Purchase from within the State			

Sr. No.	Particulars	Power Quantum (MU)	Amount (Rs. Cr.)	Rate
i	Pragati-I	225.69	406.17	18.00
ii	Pragati-III(Bawana)	300.00	357.10	11.90
iii	DMSWSL (Bawana)	6.00	4.22	7.03
iv	TWEPL, (Tehkhand)	6.00	2.58	4.30
6	Solar Power	1.63	1.04	6.35
7	Short Term Bilateral Hydro	0.00	0.00	
8	From IEX	0.00	0.00	
9	Gross Power Purchase Quantum	1455.99		
10	Less: Intra-State Transmission Loss (0.88%)	20.88	45.40	
11	OA Charges for Small Hydro Power		5.00	
12	OA Charges for Large Hydro Power		4.00	
13	Total Power Purchase Cost	1435.12	1360.35	
14	Rebate on Power Purchase		(18.78)	
15	Sale of Surplus Power	-	-	-
16	Net Power Purchase Cost	1435.12	1341.57	9.35

1.18 The O&M Expenses projected for FY 2024-25 is as follows:

Table 14: O&M Expenses Projected for FY 2024-25

Sr. No.	Particulars	Proposed FY 2024-25
1	Energy Sold (MU)	1326.91
2	O&M Cost per kWh	54.92
3	Sub-Total Annual Cost (1*2) Rs. in Cr.)	72.87
4	Employee Cost as per Business Plan (Rs. in Cr.)	280.04
5	Grand Total Annual Cost (3+4) (Rs. in Cr.)	352.92

1.19 The Non-Tariff Projected Income for FY 2024-25, as submitted by NDMC is as follows:

Table 15: Projected Non-Tariff Income for FY 2024-25 (Rs. Crore)

Particulars	FY 2024-25
Non-Tariff Income	5.38

1.20 The projected ARR & Revenue Gap for FY 2024-25, as submitted by NDMC is as follows:

Table 16: Projected ARR & Revenue Gap for FY 2024-25 (Rs. Crore)

S. No.	Particulars	FY 2023-24
1	Cost of power purchase, including T&D Losses	1341.57
2	Inter-State Transmission charges	Included in 1
3	Intra-state Transmission charges including SLDC charges	
4	Rebate on Timely Payments	
5	Net Operation & Maintenance (O&M)	352.92
6	Depreciation	50.27
7	Return on Capital Employed	53.59
8	Income Tax	-

S. No.	Particulars	FY 2023-24
9	Aggregate Revenue Requirement (ARR)	1798.34
10	Less: Non-Tariff Income	5.38
11	Net ARR	1792.96
12	Revenue at Existing Tariff	1262.09
13	Revenue (Gap)/Surplus for FY 2024-25	(530.87)
14	Revenue (Gap) of FY 2022-23 to be adjusted	(365.57)
14	Revenue (Gap) of FY 2021-22 to be adjusted	(251.63)
15	Revenue (Gap) of FY 2020-21 to be adjusted	(186.62)
16	Total Revenue Gap to be recovered from Tariff in FY 2024-25	(1334.69)

D. Tariff Design and Proposal

- 1.21 NDMC has submitted that there is a Revenue Gap of Rs. 1334.69 Cr. at existing Tariff for FY 2024-25. The existing Tariff applicable during FY 2024-25 would generate Revenue of Rs. 1262.09 Cr. The recovery of the gap may require in appropriate hike in Tariff for which the Hon'ble Commission may take decision.
- 1.22 Further, as NDMC has participated in RDSS, it is requested that no Regulatory Assets be created for the gap in the ARR and ACS, as this is the precondition of the RDSS.