

## A. INTRODUCTION

- 1.1 Tata Power Delhi Distribution Limited (TPDDL), the Distribution Licensee, has filed its Petition for Approval of True-up of FY 2023-24.
- 1.2 The Executive Summary contains the summary of the Petition filed by TPDDL for True-up of FY 2023-24 (based on Audited Accounts).
- 1.3 The True-up for FY 2023-24 shall be determined based on the provisions of *DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017* and *DERC (Business Plan) Regulations, 2023*. ARR broadly has the following components:
- a) Power Purchase Cost including Transmission Charges
  - b) Operation and Maintenance (O&M) Expenses
  - c) Return on Capital Employed
  - d) Depreciation
  - e) Income Tax
  - f) Non-tariff Income, etc.
- 1.4 The following tables/ figures have been extracted from the Petition filed by TPDDL for ease of understanding to various stakeholders. Complete Petition is also available on DERC website <http://www.derc.gov.in/>

## B. TRUE-UP OF FY2023-24

- 1.5 TPDDL has submitted its Billed Energy & Revenue (net of Electricity Tax & Pension Trust Surcharge) of 10028.30 MU & Rs. 9973.45 Cr. respectively, at approved Retail Supply Tariffs for FY 2023-24 as follows:

**Table 1: Energy Sales & Revenue for FY 2023-24**

Sr. No.	Category	Total Number of consumers and sanctioned load		Net Units Sold	Fixed Charges Billed	Energy Charges /other charges Billed	PPCA Amount Billed	Total	ABR	Surcharge of 8%
		MW	No.	MU	Rs. Cr.			Rs./ kWh	Rs. Cr.	
1	Domestic	3728	1716311	4873	229.92	1972.18	651.42	2853.51	5.86	176.22
2	Non-Domestic	1811	265869	2437	583.57	2082.96	795.02	3461.55	14.20	213.27
3	Industrial	858	13769	1944	273.75	1524.39	537.93	2336.07	12.02	143.95
4	Agriculture & Mushroom	32	4179	16	5.32	2.70	2.38	10.40	6.45	0.64
5	Public Utilities	227	6515	566	63.96	388.03	131.75	583.74	10.31	38.93
6	Advertisement & Hoardings	0.39	203	0.31	0.12	0.26	0.11	0.50	16.31	0.03

Sr. No.	Category	Total Number of consumers and sanctioned load		Net Units Sold	Fixed Charges Billed	Energy Charges /other charges Billed	PPCA Amount Billed	Total	ABR	Surcharge of 8%
		MW	No.	MU	Rs. Cr.				Rs./ kWh	Rs. Cr.
7	Temporary Supply	42	13944	70	9.10	57.66	20.20	86.96	12.50	5.35
8	Charging Stations for E-Rickshaw/ E-Vehicle on Single Delivery Point	70	1682	81	0.00	34.95	10.71	45.66	5.61	2.81
9	Others	28	3632	40	5.46	21.62	7.00	34.08	8.47	2.11
10	(-) Open Access Charges (to be treated separately)	0.00	0.00	0.00	0.00	22.20	-	22.20	-	0.11
	<b>Total</b>	<b>6797</b>	<b>2026104</b>	<b>10028</b>	<b>1171.20</b>	<b>6062.54</b>	<b>2156.52</b>	<b>9390.27</b>	<b>9.36</b>	<b>583.19</b>
<b>Reconciliation Statement with the Audited Form 2.1 a</b>										
	Billed amount of Fixed Charges									1171.20
	Billed amount of Energy Charges									6062.54
	Billed amount of PPAC Charges									2156.52
	Billed Amount of 8% Deficit Recovery Surcharge									583.19
	Billed amount of E. Tax									410.65
	Billed amount of Pension Trust Surcharge									510.28
	<b>Total amount of Revenue Billed</b>									<b>10894.38</b>
	<b>Average Billing Rate at gross level (Rs./kWh)</b>									<b>10.86</b>

1.6 During FY 2023-24, TPDDL has realised an amount of Rs. 10895.72 Cr. against the total Revenue billed of Rs. 10894.38 Cr.

1.7 TPDDL has submitted actual Distribution Loss level of 5.93% for FY 2023-24 and its share in overachievement incentive on account of Distribution Loss is as follows:

**Table 2: Computation of T& D Loss and Overachievement for FY 2023-24**

Sr. No.	Particulars	Values
1	Input (MU)	10660.71
2	Billed Units (MU)	10028.30
3	Actual Distribution Loss Level (%)	5.93%
4	Target Distribution Loss Level (%)	6.91%
5	Overachievement/(Underachievement) (%)	0.98%

**Table 3: Overachievement Incentive on account of reduction in Distribution Loss Level**

Sr. No.	Particulars	UoM	MU
1	Billed Sales	MU	10028.30
2	Actual Distribution Loss Level	%	5.93
3	Target Distribution Loss Level	%	6.91
4	Actual Input @ actual distribution loss level	MU	10660.71
5	Desired Input @ Target distribution loss level	MU	10764.96
6	Saving in Input due to lower distribution loss level	MU	104.25
7	Power Purchase Cost	Rs./kWh	6.86
8	Total Overachievement Incentive	Rs. Cr.	71.51
9	<b>TPDDL's Share</b>	<b>Rs. Cr.</b>	<b>38.05</b>

- 1.8 TPDDL has submitted collection efficiency as 100.08% for FY 2023-24 and Overachievement Incentive on account of higher collection efficiency as follows:

**Table 4: Computation of Collection Efficiency and Incentive for FY 2023-24**

Sr. No.	Particulars	UoM	Values
1	Amount Billed	Rs. Cr.	9390.27
2	Amount Collected	Rs. Cr.	9397.87
3	Collection Efficiency	%	100.08%
4	Target collection efficiency	%	99.80%
5	Amount of Collection over and above 99.80% target	Rs. Cr.	26.39
6	<b>Sharing of Incentive</b>		
7	Discoms (50% upto 100% and 100% beyond 100% collection)	Rs. Cr.	17.00
8	Consumers (50% upto 100% collection)	Rs. Cr.	9.39

- 1.9 The Power Purchase Quantum for True-up of FY 2023-24 as submitted by TPDDL is as follows:

**Table 5: Power Purchase Quantum (MU) for FY 2023-24 as per SLDC Report**

Sr. No.	Particulars	Actual Power Purchase
<b>1</b>	<b>Power Purchase:</b>	
i	Power Purchase Quantum	12218.33
ii	Short Term Power Purchase quantum	467.77
iii	Short term sale of Power	(1501.58)
iv	<b>Net Power Purchase</b>	<b>11184.52</b>
<b>2</b>	<b>Transmission Loss:</b>	
i	Inter-State Transmission Loss	(93.95)
ii	Intra-State Transmission Loss	(429.86)
lii	Total Transmission Loss	(523.81)
<b>3</b>	<b>Net Power Available after Transmission Loss</b>	<b>10660.71</b>

1.10 The RPO obligations as submitted by TPDDL for true -up of FY 2023-24 is as follows:

**Table 6: RPO obligations for FY 2023-24**

Particulars	RPO requirement for FY 2023-24				
	UoM	Wind RPO	Other RPO	HPO	Total
Total Billed Sales	MU	10028.3			
RPO obligation	%	1.60%	24.81%	0.66%	27.07%
A. Total RPO to be met	MU	160.5	2488.0	66.2	2714.7
Renewable Generation/Procurement in Q1, FY 23-24	MU	-	573.3	147.6	720.9
Renewable Quantum adjusted in FY 2022-23 compliance (ii) in line with BPR 2019	MU	-	(28.1)	(10.7)	(38.8)
RPO fulfilled in Q1, FY 2023-24	MU	-	545.2	136.9	682.1
RPO fulfilled in Q2, FY 2023-24	MU	-	631.8	399.5	1031.3
RPO fulfilled in Q3, FY 2023-24	MU	-	552.4	-	552.4
RPO fulfilled in Q4, FY 2023-24	MU	-	487.2	-	487.2
RPO Compliance till end of Q4 FY 2023-24	MU	-	2216.6	536.4	2753.0
Net Balance Shortfall (+)/Surplus (-)	MU	160.5	271.4	(470.2)	(38.3)
Adjustment done from Excess HPO Procured to meet Compliance under Wind and Other RPO as per Regulation 4(5) of RPO REC Regulations	MU	(160.5)	(271.3)	431.8	-
Net Balance Shortfall (+) / Surplus (-)	MU	0.0	0.1	(38.4)	(38.3)

1.11 The actual Power Purchase Cost as submitted by TPDDL for True-up of FY 2023-24 is as follows:

**Table 7: Power Purchase Cost for FY 2023-24**

Particulars	Particulars		
	MU	(Rs. Cr.)	Rs./kWh
Power Purchase from CSGS	10382.69	5472.51	5.27
Short Term Power Purchase	46.77	364.72	7.80
Power Purchase – Delhi Gencos	751.29	899.56	11.97
RPO Obligations	1084.35	415.27	3.83
Cost of REC Certificate – towards RPO		12.73	
<b>Gross Power Purchase Cost</b>	<b>12686.10</b>	<b>7164.78</b>	<b>5.65</b>
Add: Transmission Charges			
PGCIL charges	(93.95)	655.91	
DTL charges	(429.86)	211.86	
Other transmission charges		114.95	
Less: Surplus Power sold / Banked / UI sales	(1501.58)	(833.13)	5.55
<b>Power Purchase Cost (Audited)</b>	<b>10660.71</b>	<b>7324.38</b>	<b>6.87</b>

Particulars	Particulars		
	MU	(Rs. Cr.)	Rs./kWh
Net Normative Rebate on power purchase		(122.64)	
Add: Incentive on Sale of Surplus Power		111.00	
<b>Net Power Purchase Cost</b>	<b>10660.71</b>	<b>7312.74</b>	<b>6.86</b>

1.12 The O&M Expenses as submitted by TPDDL for FY 2023-24 as follows:

**Table 8: O&M Expenses for FY 2023-24**

Sr. No.	Particulars	Amount (Rs. Cr.)	Remarks
<b>A</b>	<b>Normative O&amp;M Expenses at the approved rate</b>	643.08	Amount as per SOR, BPR 2023
<b>B</b>	<b>FRSR Employee Cost (Net)</b>	242.61	-
<b>Summary of Additional O&amp;M expenses on account of Statutory Levies &amp; Taxes</b>			
<b>C</b>	<b>Rates and Taxes/Statutory Dues</b>		
(i)	DERC License Fee	4.56	Note 35.4 of Audited Financial Statement
(ii)	Property Tax	2.22	
(iii)	Rates and Taxes	0.11	
(iv)	CETP Charges	0.42	
(v)	Other Regulatory Expenses	1.47	
(vi)	Land License Fee	15.63	Note 5 of Audited Financial Statement
<b>D</b>	<b>Legal Expenses</b>	21.17	Note 35 of Audited Financial Statement
<b>E</b>	<b>Replacement Cost for FRSR retirees</b>	15.81	
	<b>Total amount Sought towards O&amp;M Expenses</b>	<b>947.09</b>	

1.13 The Non-Tariff Income claimed by TPDDL for Truing-Up of FY 2023-24 is Rs. 128.59 Cr. Break-up of the same is tabulated below:

**Table 9: Non-Tariff Income for FY 2023-24**

Sr. No.	Particular	Amount (Rs. Cr.)
1	Other Operating Revenue	115.01
2	Other Income	119.86
	<b>Total –(I)</b>	<b>234.86</b>
	<b>Less: Income included in above, not passed as Non-Tariff Income as per DERC Tariff Regulations, 2017</b>	
3	Transfer from capital grants	1.95
4	Transfer from consumer Contribution for Capital work	54.56
5	Incentive towards Street Light	0.44
6	Interest Income /Short term capital gain	21.39
7	Financing Cost of LPSC	8.98
8	Income from other Business	45.79
	<b>Total –(II)</b>	<b>133.09</b>

Sr. No.	Particular	Amount (Rs. Cr.)
	<b>Add: Income included above, but not required to be passed as Non-Tariff Income</b>	
9	Differential amount of Service Line Charges – III	(0.27)
A	<b>Non-Tariff Income (Sub- Total)</b>	<b>101.50</b>
B	<b>Income from other Business</b>	<b>17.55</b>
C	<b>Interest on Security Deposit</b>	<b>(12.72)</b>
D	<b>Income from Open Access</b>	<b>22.27</b>
	<b>Total</b>	<b>128.59</b>

1.14 The Gross Fixed Assets for FY 2023-24 is tabulated as below:

**Table 10: Detail of Actual Capitalization**

Sr. No.	Particulars	Amount (Rs. Cr.)
1	Opening balance of Gross Fixed Assets (as on 1 <sup>st</sup> April' 21)	7204.76
2	Add: Adjustment of inadvertent allowance of Capitalisation	77.71
3	Add- Capitalization during the FY 2021-22	415.76
4	Add: 7 <sup>th</sup> Pay LSC/PC	8.62
5	Less: Retirement/De-capitalization for the FY 2021-22	79.68
6	<b>Closing Balance of Gross Fixed Assets (net of retirement) (as on 31<sup>st</sup> March, 2022)</b>	<b>7471.75</b>
7	Add- Capitalization during FY 2022-23	447.65
8	Less- Retirement/De-capitalization for the FY 2022-23	54.94
9	<b>Closing Balance of Gross Fixed Assets (net of Retirement) (as on 31<sup>st</sup> March, 2023)</b>	<b>7864.45</b>
10	Add – Capitalization during the FY 2023-24	405.95
11	Less – Retirement/De-capitalization for the FY 2023-24	51.44
12	<b>Closing balance of Gross Fixed Assets (net of Retirement) (as on 31<sup>st</sup> March' 24)</b>	<b>8218.97</b>
13	Average Balance of Gross Fixed Assets	8041.71

1.15 The Depreciation on Average Assets (*Net of consumer contribution/grants*) for FY 2023-24 is tabulated as below:

**Table 11: Depreciation on Net Fixed Assets**

Sr. No.	Particulars	Amount (Rs. Cr.)
1	Average of Fixed Assets (net of Consumer Contribution)	8046.38
2	Depreciation Rate	4.72%
3	Depreciation	380.01

1.16 The Computation of Regulated Rate Base (RRBi) submitted by TPDDL for True-up of FY 2023-24 is tabulated as below:

**Table 12: Computation of Regulated Rate Base**

Sr. No.	Particulars	Amount (Rs.Cr.)
1	Opening GFA	7864.45

Sr. No.	Particulars	Amount (Rs.Cr.)
2	Opening Accumulated Depreciation	3072.55
3	Opening Consumer Contribution	1042.16
4	Opening Working Capital	1004.87
5	Opening RRB	4754.61
6	Investment during the year	0.50
7	Net Capitalisation	354.52
8	Depreciation (Net of Retirement)	291.51
9	Consumer Contribution	97.09
10	Change in Working Capital	17.54
11	Regulated Rate Base – Closing	4738.06
<b>12</b>	<b>RRB(i)</b>	<b>4755.10</b>

- 1.17 The Computation of Working Capital for FY 2023-24 submitted by TPDDL is tabulated as below:

**Table13: Computation of Working Capital for FY 2023-24**

Sr. No.	Particulars	Amount (Rs.Cr.)
1	Annual Revenue	9790.83
2	Receivables equivalent to 2 months average billing	1631.80
3	Power Purchase expenses	7312.74
4	1/12th of power purchase expenses	609.39
5	Total Working Capital	1022.41

- 1.18 TPDDL has submitted the computation of Weighted Average Cost of Capital (WACC) and Return on Capital Employed (RoCE) for FY 2023-24 as below:

**Table 14: WACC and RoCE for FY 2023-24**

Sr. No.	Particulars	Amount (Rs.Cr.)
1	RRB (i)	4755.10
2	Average Equity deployed in the business	1911.81
3	Average Debt-Capex Loan	1820.89
4	Average Debt - Working Capital	1022.41
5	Rate of Return on Equity (re) - %	14.00%
6	Effective Tax Rate - %	17.17%
7	Grossed up Return on Equity - %	16.90%
8	Rate of Interest on Debt (rd) - % - Blended	8.03%
9	WACC - %	11.60%
10	RoCE	551.36
11	Additional tax liability due to Deferred tax	15.78

- 1.19 The Aggregate Revenue Requirement (ARR) for FY 2023-24 as submitted by TPDDL is as below:

**Table 15: Summary of Aggregate Revenue Requirement (ARR) for FY 2023-24**

Sr. No.	Particulars	Amount (Rs. Cr.)
1	Power Purchase cost	7312.74
2	Normative O&M Expenses	947.09
3	Depreciation	328.28
4	Loss on Retirement of Assets	6.80
5	RoCE (including Income Tax)	567.14
6	Carrying Cost	757.38
7	Less- Non-Tariff Income	(101.50)
8	Less- Interest on Consumer Security Deposit	12.72
9	Less- Income from Non-Energy Business	(17.55)
10	Less- Income from Open Access	(22.27)
11	<b>Aggregate Revenue Requirement (ARR)</b>	<b>9790.83</b>

- 1.20 The Revenue Surplus/ (Gap) for the FY 2023-24 is tabulated as below:

**Table16: Revenue surplus/ (Gap) for FY 2023-24**

Sr. No.	Particulars	Amount (Rs.Cr.)
1	Revenue Available towards ARR net of Incentives	9287.77
2	Aggregate Revenue Requirement (net of carrying cost)	9033.45
3	Revenue Surplus/(Gap)	254.32

- 1.21 TPDDL has submitted the computation of Carrying Cost and Closing Revenue Gap for FY 2023-24 as tabulated below:

**Table 17: Computation of closing Revenue Gap for FY 2023-24**

Sr. No.	Particulars	Amount (Rs.Cr.)
1	Opening Provisional trued up Revenue Gap upto FY 2020-21	(5787.70)
2	Add: Revenue Gap sought for FY 2021-22 (including carrying cost and DRRS)	(789.04)
3	Closing Provisional trued-up Revenue Gap upto FY 2021-22	(6576.74)
4	Impact of Various Judgements	(402.48)
5	Revised Opening Revenue Gap for FY 2022-23	(6979.22)
6	Add: Revenue Gap sought for the year	(846.92)
7	Opening Revenue Gap upto 2023-24	(7826.14)
8	Add: Revenue Gap sought for the year	254.32
9	Add: Rithala Impact	(19.33)
10	Total addition during the year	234.98
11	Average Revenue Gap	(7708.65)
12	Carrying Cost Rate	9.83%
13	Add: Carrying Cost	(757.38)
14	Less: Realization from 8% Deficit Recovery Surcharge	583.69
15	Closing Revenue Gap	(7764.84)