



Delhi Electricity Regulatory Commission
Viniyamak Bhawan, 'C' Block, Shivalik, Malviya Nagar, New Delhi –110 017.

F.11(2350)/DERC/2025-26/8552

Petition No. 46/2025

In the matter of: Petition regarding levy of Power Purchase Cost Adjustment Charges (PPAC) for the Quarter of January, 2025 to March, 2025 (Q-4) in NDMC Area in accordance with Regulation No. 30 of DERC of Business Plan Regulation 2023 read with Regulation No. 134 of the Terms and Conditions for determination of Tariff Regulation 2017.

New Delhi Municipal Council

... Petitioner

Coram:

Sh. Ram Naresh Singh, Member
Sh. Surender Babbar, Member

Appearance:

Mr. Ravi Krishan Chandna, Ld. Counsel for the Petitioner.

ORDER

(Date of Order: 10.12.2025)

1. The instant Petition has been filed by the Petitioner/New Delhi Municipal Council (NDMC) seeking permission to levy and consequently recover the Power Purchase Cost Adjustment Charges (hereinafter "PPAC") from its consumers for the period from January' 2025 to March' 2025, i.e., Q4 of FY 2024-25, with the following prayers:
 - a. To take on record that the Petitioner/NDMC will levy a PPAC of 8.75% on the bills of consumers 'for a period of 3 months' in Quarter – 4 (January' 2025 to March' 2025) FY 2024-25; and
 - b. In terms of Business Plan Regulations 2023, for the Quarter – 4 i.e. January' 2025 to March' 2025, permit the Petitioner/NDMC to levy the PPAC claim of 80.80% (i.e. 89.55% - 8.75%) on the bills of all consumers for the period of three months.
2. The Petition was admitted on 04.11.2025 and Order was reserved.
3. During scrutiny of the PPAC claimed in the Petition and data received from the Petitioner, it is observed that approximately 90% of the total power purchased by the Petitioner in the current quarter is from short term and medium term sources, cost of which is much less than the cost of power from long term sources. Since the Petitioner will be charging PPAC on the total power purchase cost, i.e., from long term as well as short term and medium term power purchase, the additional PPAC as claimed by the Petitioner will be a substantial increase in the consumer Tariff for

the current quarter. Therefore, considering the fact that the Petitioner is already recovering *suo-moto*, the PPAC @ 8.75% on the total quantum of the power purchase during current quarter, the Commission is not inclined to permit any additional PPAC to the Petitioner. Hence, the prayer of the Petitioner seeking permission to levy the PPAC claim of 80.80% (i.e. 89.55% - 8.75%) on the bills of all consumers for the period of three months cannot be allowed at this stage. However, the Petitioner is at liberty to levy *suo-moto* PPAC within the permissible limits. Surplus/deficit, if any, will be allowed with carrying cost, subject to prudence check of Power Purchase and Transmission Bills, in True-up of the relevant Financial Year.

4. Ordered accordingly.

Sd/-
(Surender Babbar)
Member

Sd/-
(Ram Naresh Singh)
Member