



DELHI ELECTRICITY REGULATORY COMMISSION

Vinayam Bhawan, 'C' Block, Shivalik, Malviya Nagar, New Delhi- 110017.

F.11(1830)/DERC/2020-21/

Petition No. 05/2021

In the matter of: **Petition for approval of true up of tariff for FY 2019-20 and determination of Tariff for the FY 2021-22 for GTPS station.**

Indraprastha Power Generation Company Ltd.
Through its: **Director (Technical)**
Himadri,
Rajghat Power House Complex
New Delhi 110 002.

...Petitioner/Licensee

Coram:

Hon'ble Shri Justice Shabihul Hasnain 'Shastri', Chairperson
Hon'ble Dr. A. K. Ambasht, Member

ORDER

(Date of Order: 30/09/2021)

M/s Indraprastha Power Generation Company Ltd. (IPGCL) has filed the instant Petition for approval of true up of tariff for FY 2019-20 and determination of Tariff for the FY 2021-22 for GTPS station. The Petition was admitted by the Commission vide Order dated 19/02/2021. The Petition along with Executive summary was uploaded on the website of the Commission and published through advertisement in newspapers for seeking response of the stakeholders.

The comments and suggestions of the stakeholders including the submissions made during the virtual public hearing held in April, 2021 and the arguments advanced by the Petitioner have been duly considered by the Commission.

In exercise of the powers vested in the Electricity Act, 2003 and Delhi Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff) Regulations, 2017, the Commission hereby passes this Tariff Order signed, dated and issued on 30/09/2021.

The Petitioner shall take immediate steps to implement this Tariff Order, so as to make the revised Tariff applicable from 01/10/2021.

This Tariff Order shall remain in force till replaced by a subsequent Tariff Order and/or is amended, reviewed or modified, in accordance with the provisions of the Electricity Act, 2003 and the Regulations made thereunder.


(Dr. A.K. Ambasht)
Member


(Justice Shabihul Hasnain 'Shastri')
Chairperson

WEAR FACE MASK

WASH HANDS REGULARLY

MAINTAIN SOCIAL DISTANCING

A1: INTRODUCTION	10
INDRAPRASTHA POWER GENERATION COMPANY LIMITED (IPGCL)	10
DELHI ELECTRICITY REGULATORY COMMISSION	10
STATE ADVISORY COMMITTEE MEETING	11
MULTI YEAR TARIFF REGULATIONS	11
FILING OF PETITION FOR TRUE-UP OF FY 2019-20 AND ARR FOR FY 2021-22	12
FILING AND ACCEPTANCE OF PETITION	12
INTERACTION WITH THE PETITIONER AND PUBLIC HEARING	12
PUBLIC NOTICE	14
LAYOUT OF THE ORDER	16
APPROACH OF THE ORDER	17
APPROACH FOR TRUE UP OF FY 2019-20	17
APPROACH FOR ARR AND TARIFF FOR FY 2021-22	17
A2: RESPONSE FROM THE STAKEHOLDERS	18
INTRODUCTION	18
ISSUE 1: AUXILIARY POWER CONSUMPTION AND ENERGY CHARGE RATE (ECR)	19
ISSUE 2: REACTIVE POWER COMPENSTATION	20
ISSUE 3: O&M EXPENSES	21
ISSUE 4: WEIGHTED AVERAGE COST OF CAPITAL (WACC) AND INCOME TAX	21
ISSUE 5: NON-TARIFF INCOME	22
ISSUE 6: WORKING CAPITAL	22
ISSUE 7: TRUE-UP OF PAST CLAIMS	23
ISSUE 8: RENOVATION & MODERNISATION	23
ISSUE 9: MISCELLANEOUS	24
A3: TRUE UP OF FY 2019-20	25
NORMS OF OPERATION	26
AVAILABILITY	26
STATION HEAT RATE (SHR)	27
AUXILIARY POWER CONSUMPTION (APC)	28
PLANT LOAD FACTOR (PLF)	30

VARIABLE COST FOR GTPS	31
FUEL CONSUMPTION	31
FIXED COST.....	32
OPERATION & MAINTENANCE (O&M) EXPENSES.....	32
CAPITAL EXPENDITURE	34
DEPRECIATION	35
WORKING CAPITAL.....	37
REQUIREMENT OF LOAN AND EQUITY	39
RETURN ON CAPITAL EMPLOYED.....	39
FIXED AUXILIARY CONSUMPTION EXPENSES.....	46
NON-TARIFF INCOME.....	47
SUMMARY OF FIXED COST.....	49
IMPACT OF COMMISSION'S ORDER DATED 24/09/2021 IN PETITION NO. 43 OF 2020 (REMAND BACK MATTER OF APTEL JUDGMENT DATED 28/05/2020).....	50
A4: ANALYSIS OF AGGREGATE REVENUE REQUIREMENT (ARR) FOR FY 2021-22	54
NORMS OF OPERATION	55
PLANT AVAILABILITY AND PLANT LOAD FACTOR.....	56
GROSS AND NET GENERATION	57
ENERGY CHARGE RATE AND VARIABLE COST	58
FIXED COST.....	59
OPERATION AND MAINTENANCE EXPENSES	59
CAPITAL EXPENDITURE.....	61
DEPRECIATION	61
MEANS OF FINANCING.....	62
WORKING CAPITAL.....	63
WEIGHTED AVERAGE COST OF CAPITAL (WACC) AND RETURN ON CAPITAL EMPLOYED (ROCE).....	64
SUMMARY OF FIXED COST.....	70
A5: DIRECTIVES ISSUED BY THE COMMISSION.....	71

Table 1. 1 - Issues Discussed in 19 th State Advisory Committee Meeting	11
Table 3. 1:Petitioner's Submission: Plant Availability for FY 2019-20	26
Table 3. 2:Commission Approved: Plant Availability for FY 2019-20.....	27
Table 3. 3:Petitioner Submission: Station Heat Rate (kCal/kWh).....	27
Table 3. 4: Commission Approved: Station Heat rate.....	28
Table 3. 5: Petitioner's Submission: Auxiliary Power Consumption	29
Table 3. 6: Commission Approved: Fixed Auxiliary Power Consumption	29
Table 3. 7: Commission Approved: Auxiliary Power Consumption	30
Table 3. 8:Petitioner's Submission: Gross and Net Generation.....	30
Table 3. 9: Petitioner's Submission: Plant Load Factor for FY 2019-20	30
Table 3. 10: Commissions Approval: Plant Load Factor for FY 2019-20	30
Table 3. 11: Petitioner's Submission: Total Gas Consumption	31
Table 3. 12: Petitioner's Submission: Energy Charge Rate and Fuel Cost	32
Table 3. 13: Petitioner's Submission: O&M Expenses (Rs.Lakh/MW)	32
Table 3. 14: Petitioner Submission: O & M Expenses for FY 2019-20.....	33
Table 3. 15: Commission Approved: O&M Expenses.....	34
Table 3. 16: Petitioner's Submission: Capital Expenditure	34
Table 3. 17: Commission Approved: Capital Expenditure.....	35
Table 3. 18: Petitioner's Submission: Depreciation	35
Table 3. 19: Commission Approved: Depreciation	36
Table 3. 20: Petitioner's Submission: Requirement of Working Capital.....	38
Table 3. 21: Commission Approved: Requirement of Working Capital	38
Table 3. 22: Commission Approved: Requirement of Loan & Equity	39
Table 3. 23: Petitioner's Submission: WACC and RoCE.....	41
Table 3. 24: Commission Approved: WACC and RoCE	45
Table 3. 25: Petitioner's Submission: Fixed Auxiliary Consumption Expenses	46
Table 3. 26: Commission Approved: Fixed Auxiliary Consumption Expenses	47
Table 3. 27: Commission Approved: LPSC Considered as NTI.....	48
Table 3. 28: Commission Approved: Computation of NTI	48
Table 3. 29: Petitioner Submission: Annual Fixed Cost.....	49
Table 3. 30: Commission Approved: Annual Fixed Cost	50
Table 3. 31: Impact of APTEL Judgment dated 28/05/2020 (Rs. Cr)	52
Table 3. 32: Allocation of Power – As per SLDC for FY 2015-16	53
Table 4. 1: Commission Approved Gross and Net Generation (MU)	57
Table 4. 2: Fuel Parameters considered for determination of ECR.....	59
Table 4. 3: ECR and Fuel Cost approved by the Commission	59
Table 4. 4: Commission Approved O&M Expenses.....	60

Table 4. 5: Commission Approved: Capital Expenditure.....	61
Table 4. 6: Commission Approved Depreciation	62
Table 4. 7: Requirement of Loan and Equity computed by the Commission	63
Table 4. 8: Commission Approved: Working Capital Requirement.....	64
Table 4. 9: Commission Approved: WACC and RoCE	69
Table 4. 10: Commission Approved: Annual Fixed Cost.....	70

LIST OF ABBREVIATIONS

Abbreviation	Explanation
ARR	Aggregate Revenue Requirement
A&G	Administrative and General
AAD	Advance Against Depreciation
ABT	Availability Based Tariff
ACD	Advance Consumption Deposit
AEEE	Alliance for an Energy Efficient Economy
AMR	Automated Meter Reading
APDRP	Accelerated Power Development and Reforms Program
AT&C	Aggregate Technical and Commercial
ATE	Appellate Tribunal for Electricity
BEE	Bureau of Energy Efficiency
BEST	Brihanmumbai Electric Supply and Transport
BHEL	Bharat Heavy Electricals Limited
BIS	Bureau of Indian Standards
BPTA	Bulk Power Transmission Agreement
BRPL	BSES Rajdhani Power Limited
BST	Bulk Supply Tariff
BTPS	Badarpur Thermal Power Station
BYPL	BSES Yamuna Power Limited
CAGR	Compounded Annual Growth Rate
CCGT	Combined Cycle Gas Turbine
CEA	Central Electricity Authority
CER	Centre for Energy Regulation
CERC	Central Electricity Regulatory Commission
CFL	Compact Fluorescent Lamp
CGHS	Cooperative Group Housing Societies
CGS	Central Generating Stations
CIC	Central Information Commission
CISF	Central Industrial Security Force
CoS	Cost of Supply
CPI	Consumer Price Index
CPRI	Central Power Research Institute
CPSUs	Central Power Sector Utilities
COVID	Corona Virus Disease
CSGS	Central Sector Generating Stations
CWIP	Capital Work in Progress
DA	Dearness Allowance
DDA	Delhi Development Authority
DERA	Delhi Electricity Reform Act

Abbreviation	Explanation
DERC	Delhi Electricity Regulatory Commission
DESL	Development Environenergy Services Limited
DIAL	Delhi International Airport Limited
DISCOMs	Distribution Companies (BRPL, BYPL, TPDDL & NDMC)
DMRC	Delhi Metro Rail Corporation
DPCL	Delhi Power Company Limited
DTL	Delhi Transco Limited
DVB	Delhi Vidyut Board
DVC	Damodar Valley Corporation
EHV	Extra High Voltage
EPS	Electric Power Survey
FBT	Fringe Benefit Tax
FPA	Fuel Price Adjustment
GFA	Gross Fixed Assets
GIS	Geographical Information System
GoNCTD	Government of National Capital Territory of Delhi
GTPS	Gas Turbine Power Station
HEP	Hydro Electric Power
HPSEB	Himachal Pradesh State Electricity Board
HRA	House Rent Allowance
HT	High Tension
HVDS	High Voltage Distribution System
ICAR	Indian Agricultural Research Institute
IDC	Interest During Construction
IEX	Indian Energy Exchange
IGI Airport	Indira Gandhi International Airport
IPGCL	Indraprastha Power Generation Company Limited
JJ Cluster	Jhugghi Jhopadi Cluster
KSEB	Kerala State Electricity Board
LED	Light Emitting Diode
LIP	Large Industrial Power
LT	Low Tension
LVDS	Low Voltage Distribution System
MCD	Municipal Corporation of Delhi
MES	Military Engineering Service
MLHT	Mixed Load High Tension
MMC	Monthly Minimum Charge
MoP	Ministry of Power
MTNL	Mahanagar Telephone Nigam Limited

Abbreviation	Explanation
MU	Million Units
MYT	Multi Year Tariff
NABL	National Accreditation Board for Testing and Calibration of Laboratories
NAPS	Narora Atomic Power Station
NCT	National Capital Territory
NCTPS	National Capital Thermal Power Station
NDLT	Non Domestic Low Tension
NDMC	New Delhi Municipal Council
NEP	National Electricity Policy
NGO	Non Government Organisation
NHPC	National Hydroelectric Power Corporation
NPCIL	Nuclear Power Corporation of India Limited
NRPC	Northern Regional Power Committee
NTI	Non-Tariff Income
NTP	National Tariff Policy
O&M	Operations and Maintenance
OCFA	Original Cost of Fixed Assets
PGCIL	Power Grid Corporation of India
PLF	Plant Load Factor
PLR	Prime Lending Rate
PPA	Power Purchase Agreement / Power Purchase Adjustment
PPCL	Pragati Power Corporation Limited
PTC	Power Trading Corporation
PWD	Public Works Department
R&M	Repair and Maintenance
RAPS	Rajasthan Atomic Power Station
REA	Regional Energy Account
RoCE	Return on Capital Employed
ROE	Return on Equity
RRB	Regulated Rate Base
RTI	Right to Information
RWA	Resident Welfare Associations
SBI	State Bank of India
SDMC	South Delhi Municipal Corporation
SERC	State Electricity Regulatory Commission
SIP	Small Industrial Power
SJVNL	Satluj Jal Vidyut Nigam Limited
SLDC	State Load Despatch Centre
SPD	Single Point Delivery

Abbreviation	Explanation
SPUs	State Power Utilities
SVRS	Special Voluntary Retirement Scheme
TERI	The Energy and Resources Institute
THDC	Tehri Hydro Development Corporation
ToD	Time of Day
TOWMCL	Timarpur Okhla Waste Management Company (P) Limited
TPDDL	Tata Power Delhi Distribution Limited
TPS	Thermal Power Station
UI	Unscheduled Interchange
UoM	Unit of Measurement
WACC	Weighted Average Cost of Capital
WC	Working Capital
WPI	Wholesale Price Index

A1: INTRODUCTION

- 1.1 This Order relates to the Petition filed by Indraprastha Power Generation Company Limited (hereinafter referred to as 'IPGCL' or the 'Petitioner') for True-Up of Aggregate Revenue Requirement (ARR) for FY 2019-20 for Generation Business in terms of *Delhi Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff) Regulations, 2017* (hereinafter referred to as 'Tariff Regulations, 2017') and *Delhi Electricity Regulatory Commission (Business Plan) Regulations, 2017* (hereinafter referred to as 'Business Plan Regulations, 2017'); and approval of ARR & Tariff for FY 2021-22 in terms of Tariff Regulations, 2017 and *Delhi Electricity Regulatory Commission (Business Plan) Regulations, 2019* (hereinafter referred to as 'Business Plan Regulations, 2019').

INDRAPRASTHA POWER GENERATION COMPANY LIMITED (IPGCL)

- 1.2 IPGCL is wholly owned by the Government of National Capital Territory of Delhi and operates Gas Turbine Power Station (GTPS) having capacity of 90 MW, in terms of Order dtd. 24/03/2021, for power supply to Delhi State w.e.f. 1/04/2021 onwards.

DELHI ELECTRICITY REGULATORY COMMISSION

- 1.3 Delhi Electricity Regulatory Commission (hereinafter referred to as 'DERC' or the Commission') was constituted by GoNCTD on 3/03/1999 and it became operational from 10/12/1999.
- 1.4 The Commission's approach to regulation is driven by the Electricity Act, 2003, the National Electricity Plan, the National Tariff Policy and the Delhi Electricity Reform Act 2000 (hereinafter referred to as 'DERA'). The Electricity Act, 2003 mandates the Commission to take measures conducive to the development and management of the electricity industry in an efficient, economic and competitive manner, which inter alia includes formulation of Tariff Regulations and Tariff determination.

STATE ADVISORY COMMITTEE MEETING

- 1.5 The “State Advisory Committee (SAC)” have been re-constituted and notified the same vide Gazette Notification No.F.7(37)/DERC/DS/2016-19/C.F.No.5624/253 dated 23/07/2020, comprising of Chairperson and Member of DERC, officers of the Commission and Other Members of SAC (including their nominees).
- 1.6 The 19th State Advisory Committee Meeting was held (virtually) on 27/08/2021. Apart from the Chairperson, Member and other senior officers of the Commission, the 19th SAC Meeting witnessed participation from Department of Power, GoNCTD, Department of Food Supplies, DMRC, BIS, SDMC, BEE, DESL, NABL, IEX, TERI, AEEE, Department of Health & Family Welfare, GoNCTD, CER, Labour Department, GoNCTD, Transport Department, GoNCTD and ICAR.
- 1.7 The issues which were deliberated during the meeting are as listed below:

Table 1. 1 - Issues Discussed in 19th State Advisory Committee Meeting

Sr. No.	Issues Discussed
a.	Tariff Petition for True up of FY 2019-20 and ARR and Tariff for FY 2021-22 for GENCOs, TRANSCO and DISCOMs
b.	Inform the State Advisory Committee with regard to DERC’s order dated 15.04.2021 on release of electricity connections for residential buildings having premises within the height of 15 meters without stilt parking and 17.5 meters with stilt parking without insisting for fire clearance.

MULTI YEAR TARIFF REGULATIONS

- 1.8 The Commission issued Tariff Regulations, 2017 vide gazette notification dated 31/01/2017 specifying Terms and Conditions for Determination of Tariff for Generation of Electricity under the Multi Year Tariff (MYT) framework. Further the operational norms for Generation utilities have also been approved by the Commission in Business Plan Regulations, 2017 under Tariff Regulations, 2017 for the period FY 2017-18 to FY 2019-20, and, in Business Plan Regulations, 2019 under Tariff Regulations, 2017 for the period FY 2020-21 to FY 2022-23.

FILING OF PETITION FOR TRUE-UP OF FY 2019-20 AND ARR FOR FY 2021-22**FILING AND ACCEPTANCE OF PETITION**

- 1.9 IPGCL filed its Petition for the approval of Truing up of Expenses upto FY 2019-20 and ARR for FY 2021-22, before the Commission on 20/01/2021.
- 1.10 The Commission admitted the Petition for the approval of Truing up of Expenses upto FY 2019-20 and ARR for FY 2021-22 vide its Order dated 19/02/2021, subject to clarifications / additional information, if any, which would be sought from the Petitioner from time to time. Copy of the Admission Order dated 19/02/2021 is enclosed as *Annexure I* to this Order.
- 1.11 The complete copy of the Petition filed by the Petitioner along with additional information was uploaded on website of the Commission (www.derc.gov.in) and the Petitioner.
- 1.12 The Executive Summary of Tariff Petitions, was also uploaded on Commission's website at www.derc.gov.in.

INTERACTION WITH THE PETITIONER AND PUBLIC HEARING

- 1.13 The Order has referred at numerous places about various actions taken by the "Commission". It may be mentioned for the sake of clarity, that the term "Commission" in most of the cases refers to the officers of the Commission for carrying out the due diligence on the Petition filed by the Petitioner for obtaining and analyzing information/clarifications received from the Petitioner and submitting all issues for consideration by the Commission.
- 1.14 The Commission relied upon the analysis conducted by various concerned Divisions of the Commission for preparation of the Orders.
- 1.15 A preliminary scrutiny/analysis of the Petition submitted by the Petitioner was carried out. Additional information/clarifications were sought from the Petitioner as and when required. The Commission and the Petitioner discussed key issues raised in the Petition, which included details of O&M expenses, Assets Capitalization, Depreciation, Working Capital Requirement, Return on Capital Employed (RoCE), etc.

- 1.16 The Commission also conducted multiple validation sessions with the Petitioner during which discrepancies in the Petition and additional information as required by the Commission were sought. Subsequently, the Petitioner submitted replies to the issues raised, provided details and documentary evidence to substantiate its claims regarding various submissions.
- 1.17 In relation to COVID-19, as per Order no. 40-34/2020-DM-I(A) dated 19/03/2021 issued by Ministry of Home Affairs, Government of India, indicated that after steady decline in COVID-19 cases for about 5 months, for the last few weeks, the number of COVID cases were increasing in several parts of the country. Further, Ministry of Health and Family Welfare, GoI indicated on their website that COVID-19 cases are increasing on daily basis. In view of above, the Commission finally decided to conduct Public Hearing Virtually (through Google-Meet), for issuance of Tariff Order related to True up of FY 2019-20 and ARR of FY 2021-22 and communicated the same through Public Notice published in leading newspapers and also uploaded the same on Commission's website. Alternatively, all stakeholders were given additional time-period till 20/04/2021 for submitting comments/suggestions on Tariff Petitions filed by the utilities.
- 1.18 The Commission scheduled a Virtual Public Hearing on Tariff Petitions for True-Up of FY 2019-20 and ARR for FY 2021-22 on 15/04/2021, 16/04/2021, 19/04/2021 & 20/04/2021 to take a final view with respect to various issues concerning the principles and guidelines for Tariff determination.
- 1.19 A soft copy of the Petition was also made available in CD form on payment of Rs. 25/- per CD or a copy of the Petition was also made available for purchase from the respective Petitioner's head-office on working day till 20/04/2021 between 11 A.M. to 4 P.M. on payment of Rs.100/- either by cash or by demand draft/pay order.
- 1.20 In order to extend help to the stakeholders in understanding the ARR Petition and filing their comments, five officers of the Commission viz. Joint Director (Tariff-Engineering), Joint Director (Performance Standards & Engineering), Joint Director (Tariff-Finance), Deputy Director (Tariff-Economics) and Deputy Director (Tariff-

Engineering) were nominated for discussion on the ARR Petitions. This was duly mentioned in the Public Notices published by the Commission.

- 1.21 The Commission received written comments from the stakeholders. The comments of the stakeholders were also forwarded to the Petitioner who, responded to the comments of the stakeholders with a copy of its replies to the Commission.
- 1.22 Delhi Disaster Management Authority, GoNCTD vide its Order No. F.2/07/2020/pt file III/ 381 dtd. 19/04/2021 imposed curfew, which was extended from time to time, and restricted various activities on account of COVID-19.
- 1.23 Thereafter, Transmission Licensee viz. DTL, Distribution Licensees viz. NDMC, BRPL, BYPL and TPDDL submitted additional information for ARR & Tariff for FY 2021-22 considering the impact of such curfew.
- 1.24 Accordingly, all stakeholders were given additional time-period till 29/06/2021 for submitting comments/suggestions on additional information filed by the utilities
- 1.25 The issues and concerns raised by various stakeholders have been examined by the Commission. The major issues made by the stakeholders, the responses of the Petitioner thereon and the views of the Commission, have been summarized in Chapter A2.
- 1.26 The Commission has therefore considered the inputs/comments received from various stakeholders alongwith the due diligence conducted by the officers of the Commission in arriving at its final decision.

PUBLIC NOTICE

- 1.27 The Commission published Public Notice in the following newspaper on 9/03/2021 inviting comments/suggestions from stakeholders on the Tariff Petitions filed by the Petitioner latest by 26/03/2021 or the date of Public Hearing, whichever is later:

(a)	Hindustan Times (English)	:	9/03/2021
(b)	The Times of India (English)	:	9/03/2021
(c)	The Hindu (English)	:	9/03/2021
(d)	The Pioneer (English)	:	9/03/2021
(e)	Navbharat Times (Hindi)	:	9/03/2021

(f)	Punjab Kesari (Hindi)	:	9/03/2021
(g)	Amar Ujala (Hindi)	:	9/03/2021
(h)	Jadid-In-Dinon (Urdu)	:	9/03/2021
(i)	Jan Ekta (Punjabi)	:	9/03/2021

1.28 Public Notice was also uploaded on Commission's website www.derc.gov.in.

1.29 The Petitioner also published a Public Notice indicating salient features of its Petition for inviting comments from the stakeholders and requesting to submit response on the Petition latest by 26/03/2021 or date of Public Hearing, whichever is later, in the following newspapers on the respective dates mentioned alongside:

(a)	The Indian Express (English)	:	18/03/2021
(b)	Business Standard (English)	:	18/03/2021
(c)	The Daily Milap (Urdu)	:	18/03/2021
(d)	Dainik Jagran (Hindi)	:	18/03/2021
(e)	The Daily Educator (Punjabi)	:	18/03/2021

1.30 The Commission issued Public Notice in the following newspapers (on dates mentioned alongside), indicating the date and time of Virtual Public Hearing scheduled from on 15/04/2021, 16/04/2021, 19/04/2021 & 20/04/2021 and extended the time period for comments by stakeholders on the Tariff Petition filed by the Petitioner latest by 20/04/2021 and also indicated the conducting of Virtual Public Hearing.

(a)	Hindustan Times (English)	:	7/04/2021
(b)	The Times of India (English)	:	7/04/2021
(c)	The Hindu (English)	:	7/04/2021
(d)	The Pioneer (English)	:	7/04/2021
(e)	Navbharat Times (Hindi)	:	7/04/2021
(f)	Punjab Kesari (Hindi)	:	7/04/2021
(g)	Amar Ujala (Hindi)	:	7/04/2021
(h)	Jadid-In-Dinon (Urdu)	:	7/04/2021
(i)	Jan Ekta (Punjabi)	:	7/04/2021

1.31 Public Notice related to process for Virtual Public Hearing (VPH) was also uploaded on Commission's website. The platform for VPH was as follows:

Dates	15/04/2021, 16/04/2021, 19/04/2021 & 20/04/2021
Timings	11:00 AM to 01:00 PM and 02:00 PM to 05:00 PM
Last date for registration	12/04/2021 at 03:00 PM
Platform	Google Meet
Email ID for Registration	dercpublichearing@gmail.com

- 1.32 The Utilities submitted additional information on ARR & Tariff for FY 2021-22 considering impact of curfew on account of COVID-19.
- 1.33 Subsequently, the Commission issued Public notice on Commission's website (www.derc.gov.in) on 24/06/2019 seeking comments/suggestions on additional information from stakeholders latest by 29/06/2021.

LAYOUT OF THE ORDER

- 1.34 This Order is organised into five (5) Chapters:
- a) Chapter A1 provides details of the Tariff setting process and the approach of the Order.
 - b) Chapter A2 provides brief of the comments of various stakeholders, the Petitioner's response and views of the Commission thereon.
 - c) Chapter A3 provides details/analysis of the True up of FY 2019-20 and impact of past period true up based on judgement of Hon'ble Supreme Court & Hon'ble APTEL, if any, Review Order of the Commission, if any, and its directives on the matter.
 - d) Chapter A4 provides determination of the Aggregate Revenue Requirement for FY 2021-22 of Gas Turbine Power Station.
 - e) Chapter A5 provides details of the Directives of the Commission.
- 1.35 The Order contains following Annexures, which are an integral part of the Tariff Order:
- a) **Annexure I** - Admission Order.
 - b) **Annexure II** - List of the stakeholders who submitted their comments on True-up of expense for FY 2019-20 and approval of Aggregate Revenue Requirement (ARR) & Tariff for FY 2021-22.
 - c) **Annexure III** – List of Stakeholders/consumers who attended the virtual public hearing.

APPROACH OF THE ORDER**APPROACH FOR TRUE UP OF FY 2019-20**

- 1.36 The Commission in its Business Plan Regulations, 2017 has indicated that Regulations shall remain in force for a period of three (3) years, as follows:

“1(2) These Regulations, shall remain in force for a period of 3 (three) years i.e., for FY 2017-18, FY2018-19 and FY 2019-20, unless reviewed earlier.”

- 1.37 The Commission in its Tariff Regulations, 2017 has specified that Regulations shall be deemed to have come into effect from 1st February, 2017, as follows:

“(4) These Regulations shall be deemed to have come into force from 1st February, 2017 and shall remain in force till amended or repealed by the Commission. “

- 1.38 Accordingly, ARR for FY 2019-20 has been Trued up as per Tariff Regulations, 2017 and Business Plan Regulations, 2017.

APPROACH FOR ARR AND TARIFF FOR FY 2021-22

- 1.39 The Commission vide its Notification dated 31st January, 2017 had issued Tariff Regulations, 2017. Further, the Commission issued Business Plan Regulations, 2019.

- 1.40 The Commission has evaluated ARR/additional information submitted by the Petitioner on the basis of the provisions in Tariff Regulations, 2017 read with Business Plan Regulations, 2019 and other factors considered appropriate by the Commission as discussed hereafter.

A2: RESPONSE FROM THE STAKEHOLDERS

- 2.1 Summary of Objections/ suggestions from stakeholders, the response of INDRAPRASTHA POWER GENERATION COMPANY LIMITED (IPGCL) and Commission's view.

INTRODUCTION

- 2.2 Section 64(3) of Electricity Act, 2003, stipulates that the Commission shall determine Tariff under Section 62 of the Electricity Act, 2003 for the Generating Company, after consideration of all suggestions received from the public and the response of the Generating Company to the objections/suggestions of stakeholders, issue a Tariff Order accepting the application with such modifications or such conditions as may be specified in the order.
- 2.3 The Commission examined the issues taking into consideration the comments/ suggestions offered by the various stakeholders in their written statements and the response of the Petitioner thereon.
- 2.4 The Commission endeavours to issue Tariff Orders as per provisions of the Electricity Act, 2003.
- 2.5 In relation to COVID-19, as per Order no. 40-34/2020-DM-I(A) dated 19/03/2021 issued by Ministry of Home Affairs, Government of India, indicated that after steady decline in COVID-19 cases for about 5 months, for the last few weeks, the number of COVID cases were increasing in several parts of the country. Further, Ministry of Health and Family Welfare, GoI indicated on their website that COVID-19 cases are increasing on daily basis. In view of above, the Commission finally decided to conduct Public Hearing Virtually (through Google-Meet), for issuance of Tariff Order related to True up of FY 2019-20 and ARR of FY 2021-22 and communicated the same through Public Notice published in leading newspapers and also uploaded the same on Commission's website. Accordingly, all stakeholders were given additional time-period till 20/04/2021 for submitting comments/suggestions on Tariff Petitions filed by the utilities.
- 2.6 The Commission vide its Public Notice dated 7/04/2021 scheduled a Public Hearing on

Tariff Petitions for True up of FY 2019-20 and ARR for FY 2021-22 on 15/04/2021, 16/04/2021, 19/04/2021 & 20/04/2021 to take a final view concerning various issues concerning the principles and guidelines for Tariff determination.

- 2.7 Delhi Disaster Management Authority, GoNCTD vide its Order No. F.2/07/2020/pt file III/ 381 dtd. 19/04/2021 imposed curfew, which was extended from time to time, and restricted various activities on account of COVID-19.
- 2.8 Thereafter, Transmission Licensee viz. DTL, Distribution Licensees viz. NDMC, BRPL, BYPL and TPDDL submitted additional information for ARR & Tariff for FY 2021-22 considering the impact of such curfew.
- 2.9 Accordingly, all stakeholders were given additional time-period till 29/06/2021 for submitting comments/suggestions on additional information filed by the utilities.
- 2.10 The comments/suggestions of various stakeholders, the replies/response by the Petitioner and the views of the Commission thereon are summarized under various subheads below.

ISSUE 1: AUXILIARY POWER CONSUMPTION AND ENERGY CHARGE RATE (ECR)

STAKEHOLDERS' VIEW

- 2.11 The Petitioner is requested to consider actual Auxiliary Power Consumption (APC) & APC of 3.97% for FY 2019-20 may be rejected. The Petitioner needs to achieve Normative Parameters specified by Commission.
- 2.12 GTPS is yet to start fuel wise billing and currently billing on weighted average Energy Charge Rate. Also, GTPS is not providing form-15 with parameters of GCV and price of fuel i.e. natural gas, RLNG, liquid fuel etc. as per relevant DERC Regulations, rather providing Form-15 with weighted average cost of all fuels used for the period.

PETITIONER'S SUBMISSION

- 2.13 The increase in APC is due to frequent start and stop of the Station on account of erratic Scheduling by DISCOMs including TPDDL; therefore, Petitioner requested to be allowed APC as per actual.
- 2.14 As regard to fuel billing of GTPS, Form-15 is being submitted as per contained

specification by the Commission. Moreover, IPGCL uploaded copies of paid gas bill for each type of gas. The details are already available.

- 2.15 As regard to fuel wise billing, contrary to the claim of TPDDL, the part of minutes dated 6/07/2020 are submitted by TPDDL only. IPGCL is billing as per relevant DERC Regulations. However, if agreed by all beneficiaries of the Station, IPGCL may follow the same methodology as in case of PPS-III.

COMMISSION'S VIEW

- 2.16 The Commission considered the Auxiliary Power Consumption and Energy Charge Rate as approved in the Business Plan Regulations, 2017 & 2019 for the respective periods.

ISSUE 2: REACTIVE POWER COMPENSTATION

STAKEHOLDERS' VIEW

- 2.17 Reactive compensation being claimed by GTPS is not sustainable as reactive compensation can be provided near load centers & not from a centralized place.

PETITIONER'S SUBMISSION

- 2.18 In this regard, IPGCL submits that TPDDL comment are not in line with various decisions taken in State Committee, Northern Region Committee and DTL/ SLDC recommendation on the matter. Moreover, the DISCOMs including TPDDL are not able to meet their reactive compensation at their Load centre. Therefore, DISCOMs including TPDDL are continuously drawing reactive Power from Northern Grid. The proposed arrangement of reactive compensation for GTPS as proposed in the ARR will reduce reactive penalty of DISCOMs much effectively, being nearer to load centre as compared to same being compensated from Northern Grid, outside Delhi Region.

COMMISSION'S VIEW

- 2.19 A generating station shall inject/absorb the reactive energy into the Grid as per the directions of SLDC.
- 2.20 The Commission considered the provisions of Tariff Regulations, 2017 alongwith Business Plan Regulations, 2017 & 2019 while considering the charges for reactive compensation for the Petitioner for the respective period.

ISSUE 3: O&M EXPENSES**STAKEHOLDERS' VIEW**

- 2.21 Under O&M expenses, payment on account of 7th Pay Commission should be allowed to the extent of actual payment paid only for FY 19-20.

PETITIONER'S SUBMISSION

- 2.22 IPGCL implemented 7th Pay Commission Report in FY 2019-20 therefore, IPGCL claimed reimbursement of expenditure on above head during FY 2019-20. Further, as the increase of pay of employee due to pay revision in FY 2019-20 will also impact O&M expenditure during FY 2021-22 therefore, Petitioner requested to allow increase in pay to employee for FY 2021-22 provisionally to reduce sudden increase in fixed cost on True up of expenditure at later stage in FY 2023-24 for FY 2021-22.

COMMISSION'S VIEW

- 2.23 The Commission considered the provisions of Tariff Regulations, 2017 alongwith Business Plan Regulations, 2017 & 2019 while considering the O&M and R&M Expenses for the Petitioner for the respective period.

ISSUE 4: WEIGHTED AVERAGE COST OF CAPITAL (WACC) AND INCOME TAX**STAKEHOLDERS' VIEW**

- 2.24 For Computation of WACC, actual cost of debt or SBI MCLR as on 1st April 19 whichever is lower has to be considered and then actual interest rate may be considered for Truing up.
- 2.25 The Income Tax rate of income tax of 17.47% could not be verified as mentioned in Petition. Requested to check the amount of actual Income tax paid.

PETITIONER'S SUBMISSION

- 2.26 SBI MCLR were considered for WACC in line with Tariff Regulations, 2017. The details of actual income tax paid was submitted separately to the Commission through IPGCL letter No. IPGCL /Comml./F.12/2019-20/351 dated 16/03/2021.

COMMISSION'S VIEW

- 2.27 The Petitioner does not have any outstanding CAPEX loan and as per various provisions of Business Plan Regulations, 2017 & 2019 and Tariff Regulations 2017, the Commission provisionally considered the rate of interest on loan as MCLR of SBI (as on 01/04/2019 i.e. 8.55% for FY 2019-20 and as on 01/04/2021 i.e. 7.00% for FY 2021-22).
- 2.28 Further, the Commission verified the actual income tax paid by the Petitioner based on the submission and considered income tax rate accordingly.

ISSUE 5: NON-TARIFF INCOME**STAKEHOLDERS' VIEW**

- 2.29 Nil amount was mentioned for FY 2019-20 and FY 2021-22. Non-Tariff Income (NTI) based on Audited Financial Statements for FY 2019-20 may be considered. Also, Audited financial statement for FY 19-20 not found in Tariff Petition.
- 2.30 Further, request to consider an amount equivalent to Trued up NTI for FY 2019-20 may be considered as NTI for FY 2021-22.

PETITIONER'S SUBMISSION

- 2.31 The details of NTI as required by the Commission were separately submitted through IPGCL letter No IPGCL/Comml./F.12/ 2019-20/351 dated 16/03/2021.
- 2.32 The value of NTI for FY 2019-20 cannot be considered for FY 2021-22.

COMMISSION'S VIEW

- 2.33 The Commission considered the NTI for the Petitioner in line with the provisions of Tariff Regulations, 2017 along with Business Plan Regulations, 2017 and 2019.

ISSUE 6: WORKING CAPITAL**STAKEHOLDERS' VIEW**

- 2.34 GTPS should follow the Commission's Guidelines to consider fuel cost for preceding 3 months for calculating working capital.

PETITIONER'S SUBMISSION

- 2.35 IPGCL filed Tariff Petition for FY 2021-22 in line with Tariff Regulations, 2017. Further

in case of FY 2019-20 True up the fuel cost were taken in line with DERC Tariff Regulations, 2017. In case of FY 2021-22, the fuel cost were taken for Sept., Oct., Nov.2020 i.e. prior to 3 month after filing of the Petition limited to domestic Gas billing.

COMMISSION'S VIEW

2.36 The Commission determined the working capital for the Petitioner in line with the provisions of Tariff Regulations, 2017 along with Business Plan Regulations, 2017 and 2019.

ISSUE 7: TRUE-UP OF PAST CLAIMS

STAKEHOLDERS' VIEW

2.37 IPGCL requested the Commission to allow impact of matters pertaining to components of True-up for FY 2012-13 & FY 2013-14 and ARR of FY 2015-16. These are pending with the Commission. Any obligation to bear Gas take or pay liability would be honoured by Tata Power-DDL as and when allowed by Commission.

PETITIONER'S SUBMISSION

2.38 The related request has been done by IPGCL in line with existing Regulation / Order of DERC and APTEL on the matter. IPGCL appreciates TPDDL commitment to honour the Commission order on Take or Pay charges.

COMMISSION'S VIEW

2.39 The Commission dealt the issue of past period claims in the relevant section of the Tariff Order in terms of relevant Tariff Regulations, 2017 and their subsequent amendments issued by Commission from time to time.

ISSUE 8: RENOVATION & MODERNISATION

STAKEHOLDERS' VIEW

2.40 The Commission vide order dated 24/03/2021 granted In-principle approval of life extension of 10 years beyond March 2021 subject to fulfillment of certain conditions. IPGCL is required to file the revised submissions qua GTPS in light of the order dated

24/03/2021.

PETITIONER'S SUBMISSION

2.41 On disposal of Petition No.24 and 35 of 2020 vide DERC order dated 24/03/2021, IPGCL to file revised submission is missed placed as IPGCL has already filed the Tariff Petition for determination of Tariff of GTPS beyond 01/04/2021 in line with DERC Tariff Regulations, 2017 and Business Plan Regulations, 2019. Accordingly, the Commission to decide and allow ARR for GTPS for FY 2021-22 considering the decision of Order dated 24/03/2021 in Petition No.24 and 35 of 2020.

COMMISSION'S VIEW

2.42 Commission vide its Order dated 24/03/2021 granted In-principle approval of extension of life of GTPS for 10 years beyond March, 2021. Further, the ARR for FY 2021-22 in the relevant section of Tariff Order were determined based on the principles/parameters approved by the Commission in its Order dated 24/03/2021 along with the Tariff Regulations, 2017 and Business Plan Regulations, 2019.

ISSUE 9: MISCELLANEOUS**STAKEHOLDERS' VIEW**

2.43 The Commission is requested to direct IPGCL to allow Covid rebate in line with order of MoP, GoI and as sought by TPDDL due to extraordinary circumstances.

PETITIONER'S SUBMISSION

2.44 IPGCL a Delhi Govt. owned Company therefore, MoP, GoI order is not applicable for State owned company.

COMMISSION'S VIEW

2.45 The Commission considered the rebate as per DERC (Terms & conditions for Determination of Tariff) Regulations, 2017, DERC (Business Plan) Regulations, 2017 & 2019 and various orders as amended time to time.

A3: TRUE UP OF FY 2019-20

3.1 Regulation 9 & 10 of Tariff Regulations, 2017 specifies the following:

“9. The Commission shall issue Annual Tariff Order for each year of the Control Period based on the principles laid down in these Regulations read with Business Plan Regulations for the respective Control Period notified by the Commission.

10. The Commission shall true up various components of the ARR of the Generating Entity and Transmission Licensee at the end of the Financial Year as detailed out in these Regulations.”

3.2 Regulation 62 of Tariff Regulations, 2017 specifies the following:

“62. In case of the existing projects/scheme, the Generating Entity or Transmission Licensee, as the case may be, shall be allowed tariff by the Commission based on the admitted capital cost as on 1st April of the relevant year and projected additional capital expenditure for the respective years of the Control Period in accordance with the Regulation: Provided that:

(i) The Generating Entity or Transmission Licensee, as the case may be, shall continue to bill the beneficiaries at the existing tariff approved by the Commission for the period starting from 1st April of new Control Period till approval of tariff by the Commission for new Control Period in accordance with these Regulations;

(ii) where the capital cost considered in tariff by the Commission on the basis of projected capital cost as on COD or the projected additional capital expenditure submitted by the Generating Entity or Transmission Licensee, as the case may be,, as the case may be, exceeds the actual capital cost incurred on year to year basis by more than 5%, the Generating Entity or Transmission Licensee, as the case may be, shall refund to the beneficiaries/consumers, the excess tariff recovered corresponding to excess capital cost, as approved by the Commission along with interest at 1.20 times of the bank rate as prevalent on April 1 of respective year;

(iii) The Generating Entity or Transmission Licensee, as the case may be, shall file a true up Petition to the Commission, along with all supporting documents for consideration of any upward revision in the tariff, where the capital cost considered in tariff by the Commission on the basis of projected capital cost as on COD or the projected additional capital expenditure falls short of the actual capital cost incurred on year to year basis by more than 5%. The Generating Entity or Transmission Licensee, as the case may be, shall be entitled to recover from the beneficiaries for the shortfall in tariff corresponding to addition in capital cost, as approved by the Commission along with interest at 0.80 times of bank rate as prevalent on 1st April of respective year.”

3.3 Regulation 146 of Tariff Regulations, 2017 specifies the following:

“146. The Commission shall carry out truing up of tariff based on the performance for generating stations and taking into account of the following Uncontrollable parameters:

Force Majeure;

Change in Law;

Re-financing of Loan; and

Primary Fuel Cost.”

3.4 Therefore, in accordance with Tariff Regulations, 2017 and Business Plan Regulations, 2017, the Commission has trued up the expenses for the Petitioner for FY 2019-20.

NORMS OF OPERATION

AVAILABILITY

PETITIONER’S SUBMISSION

3.5 The Petitioner has submitted that the Commission has fixed the norm of 85 % availability factor for full fixed cost recovery. The Availability achieved by the station for FY 2019-20 is as follows:

Table 3. 1:Petitioner’s Submission: Plant Availability for FY 2019-20

Sr. No.	Particulars	UoM	FY 2019-20
1	Plant Availability	%	86.46%

COMMISSION ANALYSIS

- 3.6 The Commission in its Business Plan Regulations, 2017 has approved the availability of 85% for GTPS for FY 2017-18 to 2019-20 as follows:

“8. NORMS OF OPERATION FOR GENERATING STATIONS:

(1) Normative Annual Plant Availability Factor and Normative Annual Plant Load Factor for existing generating stations of Delhi shall be as follows:

I. Normative Annual Plant Availability Factor (NAPAF): 85%

II. Normative Annual Plant Load Factor (NAPLF): 85%”

- 3.7 The Petitioner vide its submission dated 16/03/2021 has submitted the SLDC certificate for Plant Availability Factor and the Commission has considered the same for the purpose of true up of FY 2019-20 which is as follows:

Table 3. 2:Commission Approved: Plant Availability for FY 2019-20

Sr. No.	Station	UoM	FY 2019-20		
			Norm	Actual as submitted by Petitioner	Approved for True-up
1	GTPS	%	85%	86.46%	86.46%

STATION HEAT RATE (SHR)**PETITIONER'S SUBMISSION**

- 3.8 The Petitioner has submitted that the Commission has approved the station heat rate of 2450 kCal/kWh in combined cycle mode and 3125 kCal/kWh in open cycle mode of operation in *DERC Business Plan Regulation, 2017*.

- 3.9 The heat rate achieved by the Petitioner for IGTPS for FY 2019-20 is as follows:

Table 3. 3:Petitioner Submission: Station Heat Rate (kCal/kWh)

Particulars	UoM	FY 2019-20
Station Heat Rate (CC)	(kCal/kWh)	2525
Station Heat Rate (OC)	(kCal/kWh)	3485

- 3.10 The heat rate achieved by the station is on higher side due to partial loading, frequent start/stops of machines and due to erratic scheduling by beneficiaries.
- 3.11 The Petitioner requested the Commission to relax the norms of SHR and allow the heat rate on actual basis for FY 2019-20.

COMMISSION ANALYSIS

- 3.12 The Commission has specified the Station Heat Rate (SHR) for existing generating stations of Delhi in Business Plan Regulations, 2017 and relevant extract is as follows :

"8. NORMS OF OPERATION FOR GENERATING STATIONS:

...

...

(2) GROSS STATION HEAT RATE (GHR)

Gross Station Heat Rate for existing generating stations of Delhi shall be as follows:

Table 4: Gross Station Heat Rate (GHR)

Sr. No	Generating Station	Combined Cycle	Open Cycle
		(kCal/ kWh)	
1	Gas Turbine Power Station (GTPS)	2450	3125
2	Pragati Power Station I (PPS-I)	2000	3105

....."

- 3.13 The prayer of the Petitioner regarding relaxation of heat rate may not be accepted as the operating norms of Gas Turbine Stations depends upon its design, margins, manufacturer, make, the vintage of the plant, atmospheric conditions, operating environment, geographical locations, maintenance of the stations, etc. and Commission has already considered the same while finalizing the above stated Regulation for the Petitioner. In view of the above, the Commission approves the normative Gross Station Heat Rate for GTPS Station for true up of FY 2019-20 as per the approved norms in Business Plan Regulations, 2017 as follows:

Table 3. 4: Commission Approved: Station Heat rate

Sr. No	Station	Mode of Operation	UoM	FY 2019-20		
				Business Plan Regulations, 2017	Actual as submitted by Petitioner	Approved for True Up
1	GTPS	Combined Cycle	kcal/kWh	2450	2525	2450
2		Open Cycle	kcal/kWh	3125	3485	3125

AUXILIARY POWER CONSUMPTION (APC)**PETITIONER'S SUBMISSION**

- 3.14 Actual Auxiliary Power Consumption (APC) achieved for GTPS during FY 2019-20 as

submitted by the Petitioner is as under:

Table 3. 5: Petitioner's Submission: Auxiliary Power Consumption

Sr. No.	Particulars	UoM	FY 2019-20
1	Auxiliary Consumption	%	3.97%

COMMISSION ANALYSIS

3.15 The Commission has specified the Auxiliary Energy Consumption for existing generating stations of Delhi in Business Plan Regulations, 2017 as follows:

"8. NORMS OF OPERATION FOR GENERATING STATIONS:

...

...

(3) AUXILIARY ENERGY CONSUMPTION

Auxiliary Energy Consumption shall be computed in two parts:

a) Fixed: 0.5% of the generation at normative PLF of the plant capacity which shall form part of other expenses under Fixed Cost, at energy charge rate approved by the Commission in respective Tariff Order.

b) Variable: 2.0% of the actual generation which shall form part of computation of energy charge rate of the respective month."

3.16 While framing the norms of operation in Business Plan Regulations, 2017, the Commission has determined the norms of operation based on the past performance which also includes the actual operation below the technical limit as and when required, vintage of equipment etc. In view of the above, the Commission approves the Auxiliary Power Consumption for GTPS Station for true up of FY 2019-20 as per the approved norms in Business Plan Regulations, 2017 as follows:

Table 3. 6: Commission Approved: Fixed Auxiliary Power Consumption

Sr. No	Station	UoM	FY 2019-20		
			BusinessPlan Regulations, 2017	Actual as submitted by Petitioner	Approved for True Up
1	GTPS	%	0.50%*	-	0.50%*

** @ generation at normative PLF of the plant capacity which shall form part of other expenses under Fixed Cost, at energy charge rate approved by the Commission.*

Table 3. 7: Commission Approved: Auxiliary Power Consumption

Sr. No	Station	Mode of Operation	UoM	FY 2019-20		
				Business Plan Regulations , 2017	Actual as submitted by Petitioner	Approved for True Up
1	GTPS	Combined Cycle	%	2.00%	3.97%	2.00%
2		Open Cycle	%	0.50%		0.50%

PLANT LOAD FACTOR (PLF)**PETITIONER'S SUBMISSION**

3.17 The Petitioner has further submitted that on the basis of PLF and Auxiliary Power Consumption, Gross and Net Generation of GTPS for FY 2019-20 is shown as under:

Table 3. 8:Petitioner's Submission: Gross and Net Generation

Sr. No.	Description	UoM	FY 2019-20
A	Plant Capacity	MW	270
B	PLF	%	21.15
C	Gross Generation	MU	501.498
D	Aux. Generation	%	3.97
E	Aux. Generation	MU	19.930
F	Net Generation	MU	481.567

3.18 Accordingly, the Petitioner has submitted the comparison of availability and PLF of the Station as under:

Table 3. 9: Petitioner's Submission: Plant Load Factor for FY 2019-20

Year	UoM	Availability	PLF
2019-20	%	86.46%	21.15%

COMMISSION ANALYSIS

3.19 Based on the SLDC certificate submitted by the Petitioner vide its submission dated 16/03/2021, the Commission has considered the Availability and Plant Load Factor as for FY 2019-20 as follows:

Table 3. 10: Commissions Approval: Plant Load Factor for FY 2019-20

Year	UoM	Norm	PLF
2019-20	%	85%	21.15%

3.20 The Commission has not considered any relaxation in the norms for Station Heat Rate

and Auxiliary Power Consumption based on the actual PLF of the station as the norms of operation were determined based on the past performance. The Commission cannot direct the State Load Despatch Centre, Delhi for giving full scheduling to the plant as the scheduling of the stations is considered by SLDC, Delhi based on grid security, merit order despatch and other grid operational factors etc.

VARIABLE COST FOR GTPS

FUEL CONSUMPTION

PETITIONER'S SUBMISSION

- 3.21 The Petitioner has submitted that GT Station of IPGCL runs on the Natural Gas being supplied by GAIL and Liquid Fuel supplied by IOCL. Earlier the total (APM+PMT+LNG) allocation for GTPS was 1.44 MMSCMD which was sufficient to run six gas turbines. This allocation was reduced to 1.32 MMSCMD during the FY 2006-07. Out of the total allocation of 1.32 MMSCMD, the contracted quantity of R-LNG is 0.60 MMSCMD and balance i.e. 0.72 MMSCMD comes from APM (0.59 MMSCMD) and PMT (0.13 MMSCMD) and these quantities are further subject to daily cuts in the range of 25-30% depending on the availability. In view of non availability of sufficient gas, Commission has approved the conversion of two Gas Turbines on dual fuel system in FY 2008-09. MoP&NG has further allocated 0.23 MMSCMD non-APM ONGC gases whose supply has been commenced from mid October, 2011.
- 3.22 Based upon the allocation, the consumption of APM, PMT, R-LNG and NAPM gas for FY 2019-20 is shown as under:

Table 3. 11: Petitioner's Submission: Total Gas Consumption

Particulars	Unit	FY 2019-20
APM Gas	MMSCM	43.880
PMT Gas	MMSCM	2.668378
NAPM Gas	MMSCM	57.425682
R-LNG Gas	MMSCM	31.926598
Total Gas	MMSCM	135.900

- 3.23 The Petitioner has submitted the details of total gas consumption, rate per SCM and total cost of the gas for FY 2019-20 as per actual and fuel cost is as follows:

Table 3. 12: Petitioner's Submission: Energy Charge Rate and Fuel Cost

Particulars	Unit	FY 2019-20
Total Gas Consumption	MMSCM	135.900
Average Gas Price	Rs./SCM	17.582
Weighted Average GCV	kCal/SCM	9316.682
Total Gas Cost	Rs. Crore	238.94
Net Generation	MU	481.567
Variable Cost-CC	Rs./kWh	4.962

COMMISSION ANALYSIS

- 3.24 The Commission in its Business Plan Regulations, 2017 has specified the norms of operation for generating stations for FY 2017-18 to FY 2019-20. The norms of operation as applicable as per Business Plan Regulations, 2017 determines fuel cost and energy charge rate.
- 3.25 Further, the Commission vide its e-mail dated 02/03/2021 sought the verification of energy charge rate billed by GTPS from the beneficiary DISCOMs. In response, the beneficiary DISCOMs (BRPL vide Letter dated 04/03/2021, BYPL and TPDDL vide Email dated 05/03/2021) submitted that the computation of energy charge rate billed by GTPS during FY 2019-20 is as per the provisions of Tariff Regulations, 2017 and Business Plan Regulations, 2017. Accordingly, the Commission has considered the fuel cost for true-up of FY 2019-20.

FIXED COST**OPERATION & MAINTENANCE (O&M) EXPENSES****PETITIONER'S SUBMISSION**

- 3.26 The Petitioner has submitted that the Commission has specified Normative Operation and Maintenance expenses in *Business Plan Regulation, 2017 & 2019* which is as below for GTPS for FY 2019-20:

Table 3. 13: Petitioner's Submission: O&M Expenses (Rs.Lakh/MW)

Year	2019-20
GTPS	33.08

- 3.27 The Petitioner has paid an Interim relief to the employees of IPGCL for the years

starting from FY 17-18 to till date on the recommendation of wage revision committee. The Interim Relief paid during FY 2019-20 was of Rs 13.41 Cr. Further, the payment along with the arrears has been paid to the employees of IPGCL in FY 2020-21. Accordingly, State Commission is requested to consider the impact of adhoc payment of Rs 13.41 Cr. as IR due to pay revision as additional expenditure on account of Employees cost for FY 2019-20.

3.28 Accordingly, the O &M expenses for FY 2019-20 is shown below:-

Table 3. 14: Petitioner Submission: O & M Expenses for FY 2019-20

Sr.No.	Particulars	UoM	FY 2019-20
A	Base O&M expenses	Rs Cr.	89.32
B	Impact of Adhoc payment as IR due to Pay Revision	Rs Cr.	13.41
C	Total O&M Expenses	Rs Cr.	102.73

COMMISSION ANALYSIS

3.29 The Commission has specified the normative Operation and Maintenance Expenses for existing generating stations in Business Plan Regulations, 2017 as follows:

"6. OPERATION AND MAINTENANCE EXPENSES

(1) Normative Operation and Maintenance expenses in terms of Regulation 4(3) and Regulation 92 of the DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 for the Generating Entity shall be as follows:

(a) Normative Operation and Maintenance expenses for existing generating stations shall be as follows:

Table 2: O&M Expenses (Rs. Lakh/ MW)

Station	2017-18	2018-19	2019-20
GTPS	29.66	31.32	33.08
PPS-I	17.69	18.68	19.73

....

(2) Impact of seventh pay commission on employee cost shall be considered separately, based on actual payment made by the Generation Entity and prudence check at the time of true up of ARR for the relevant financial year."

3.30 The normative O&M expenses for FY 2019-20 as per Business Plan regulations, 2017 works out to be Rs. 89.32 Cr. by multiplying the Rs.33.08 Lakh/MW with installed capacity of 270 MW of the plant as per norms.

- 3.31 During, the prudence check, the Commission vide its letter dated 16/03/2020 sought the details of payment made towards interim relief on account of wage revision through an auditor certificate and alongwith other information's. The Petitioner has submitted the information along-with the Auditor's certificate stating that Rs. 14.14 Cr. has been paid as Interim Relief on account of Seventh pay Commission.
- 3.32 Commission vide its Email dated 07/09/2021 requested the Petitioner to submit the Actual O&M Expenses for GTPS for the period FY 2019-20 as the same was affected from the curfew imposed in whole country by the Central Government due to outbreak of COVID-19. The Petitioner vide its Email dated 14/09/2021 submitted the actual O&M expenses for GTPS based on the Cost Audit report which is coming out to Rs. 105.85 Cr. for FY 2019-20.
- 3.33 Considering the impact of COVID-19, the Commission approves the O&M Expenses for GTPS for FY 2019-20 on actual basis which is as follows:

Table 3. 15: Commission Approved: O&M Expenses

Sr. No.	Particulars	UoM	Amount	Ref
A	Actual O&M Expenses (including Impact of IR due to Pay Revision)	Rs. Cr.	105.85	As per Email dated 14/09/2021 and Cost Audit Report

CAPITAL EXPENDITURE**PETITIONER'S SUBMISSION**

- 3.34 The Petitioner has submitted that Commission has approved the Closing Gross Fixed Asset of Rs. 421.37 Cr. for FY 2018-19 in its Tariff Order dated 28/08/2020. Further, the Petitioner has made certain capital additions in FY 2019-20 amounting to Rs 2.73 Cr.
- 3.35 Accordingly, the GFA of GTPS for FY 2019-20 is calculated as below:

Table 3. 16: Petitioner's Submission: Capital Expenditure

Sr. No.	Particulars	Unit	FY 2019-20
A	Opening GFA	Rs. in Cr.	421.37
B	Addition	Rs. in Cr.	2.73
C	Deletion	Rs. in Cr.	0.00
D	Closing GFA	Rs. in Cr.	424.10
E	Average GFA	Rs. in Cr.	422.74

COMMISSION ANALYSIS

- 3.36 The Commission has considered the additional capitalization for FY 2019-20 as claimed by the Petitioner amounting to Rs. 2.73 Cr. on account of Replacement of old HMI system and diagnostic system of WHRU units and Expenditure on account of Installation & Commissioning of pipeline. Further, it has been observed from the Audited Annual Accounts for FY 2019-20, an amount of Rs. 15.61 Cr has been de-capitalized for the period.
- 3.37 Commission vide Order dated 24/09/2021 in Petition No. 43 of 2020 allowed the additional capitalization of Rs. 0.81 Cr. (on account of Turbovisory Monitoring System, Panel Control and DVR) for FY 2013-14 based on the APTEL's Judgment dated 28/05/2020. Accordingly, the Commission has considered revised Opening Gross Block as on 01/04/2019 (considering Rs. 421.37 Cr. as per Tariff Order dated 28/08/2020 plus Rs. 0.81 Cr. additional capitalization for FY 2013-14) amounting to Rs. 422.18 Cr.
- 3.38 Accordingly, the GFA approved by the Commission for FY 2019-20 is as follows:

Table 3. 17: Commission Approved: Capital Expenditure

Sr. No.	Particulars	UoM	FY 2019-20	
			Petitioner Submission	Commission Approved
A	Opening GFA	Rs Cr	421.37	422.18
B	Addition	Rs Cr	2.73	2.73
C	Deletion	Rs Cr		15.61
D	Closing GFA	Rs Cr	424.10	409.30

DEPRECIATION**PETITIONER'S SUBMISSION**

- 3.39 The Petitioner has submitted that since the cumulative depreciation has reached 70% of the total depreciation, the Petitioner has spread the remaining depreciable value over the remaining life of the asset. The depreciation allowed by the Commission till FY2018-19 is Rs. 359.94 Cr.
- 3.40 Accordingly, depreciation calculated for FY 2019-20 is calculated as under:

Table 3. 18: Petitioner's Submission: Depreciation

Sr. No.	Particulars	Unit	FY 2019-20
A	Average GFA	Rs. in Cr	422.74

Sr. No.	Particulars	Unit	FY 2019-20
B	Opening Accumulated Depreciation	Rs. in Cr	359.94
C	Balance Depreciation	Rs. in Cr	20.52
D	Balance Useful Life opening	Years	2
E	Current Year Depreciation	Rs. in Cr	10.26
F	Closing Accumulated Depreciation	Rs. in Cr	370.20
G	Average Accumulated Depreciation	Rs. in Cr	365.07
H	Average Net Fixed Asset	Rs. in Cr	57.66

COMMISSION'S ANALYSIS

3.41 The Commission approved the accumulated depreciation at the closing of FY 2018-19 in Tariff Order dated 28/08/2020 as Rs 359.94 Cr. Further, based on the additional capital expenditure on account of Turbovisory Monitoring System, Panel Control and DVR allowed for FY 2013-14, the opening accumulated depreciation as on 1/04/2019 has been revised and works out to Rs. 360.29 Cr. The same has been considered as the opening accumulated depreciation for FY 2019-20. The differential impact on depreciation for the period from FY 2014-15 to FY 2018-19 amounting to Rs. 0.34 Cr. has been added in the Depreciation for the period FY 2019-20. It is observed that GTPS was commissioned in year 1996 and shall complete its useful life by year 2021. Accordingly, the Commission has spread the remaining depreciable value over the remaining life of the asset and has computed depreciation for FY 2019-20.

3.42 The Depreciation approved by the Commission for True-up for FY 2019-20 is as follows:

Table 3. 19: Commission Approved: Depreciation

Sr. No.	Particulars	Unit	FY 2019-20
A	Average GFA	Rs. Cr.	415.74
B	Opening Accumulated Depreciation	Rs. Cr.	360.29
C	Adjustment of De-capitalization	Rs. Cr.	-
D	Balance Depreciation [90% of A- (B+C)]	Rs. Cr.	13.88
E	Balance Useful Life	Years	2
F	Current Year Depreciation	Rs. Cr.	7.28*
G	Closing Accumulated Depreciation	Rs. Cr.	367.57
H	Average Accumulated Depreciation	Rs. Cr.	363.93
I	Average Net Fixed Asset	Rs. Cr.	51.81

**Includes differential Depreciation for the period from FY 2014-15 to FY 2018-19 amounting to Rs. 0.34 Cr.*

WORKING CAPITAL**PETITIONER'S SUBMISSION**

3.43 Petitioner has calculated the Interest on Working Capital as per DERC Tariff Regulations, 2017 which reads as under:

“(2) Open-cycle Gas Turbine/Combined Cycle thermal generating stations as follows:

(a) Fuel Cost for 30 days corresponding to the NAPAF duly taking into account mode of operation of the generating station on gas fuel and liquid fuel;

(b) Liquid fuel stock for 15 days

(c) Maintenance spares @ 30% of Operation and Maintenance expenses specified in this Regulation;

(d) Receivables equivalent to two months of capacity charge and energy charge for sale of electricity calculated on normative plant availability factor, duly taking into account mode of operation of the generating station on gas fuel and liquid fuel; and

(e) Operation and maintenance expenses for one month.

3.44 Petitioner has submitted that Commission in Tariff order dated 31/07/2019 has taken fuel cost for the month of Mar-19, Apr-19 and May-19 in arriving working capital for FY 2019-20. However, as per DERC Tariff Regulation 2017, the landed fuel cost for Tariff determination is to be based on moving average cost of respective fuel before start of the tariff period. The relevant extract is reproduced as under:

“107. Landed Fuel Cost for Tariff Determination: The landed fuel cost of primary fuel and secondary fuel for tariff determination shall be based on actual weighted moving average cost of respective fuel before the start of the tariff period for existing and new generating stations”.

3.45 However, as per Form-15 of the DERC Regulation 2017 weighted average landed price of Fuel and GCV of proceeding three months is to be taken. Accordingly, petitioner has filed current petition as per details required in Form-15. The Commission is, therefore, requested to look in to the ambiguity in above provisions of the regulations as it will impact on working capital and related interest thereon.

- 3.46 Accordingly, the Petitioner has calculated the working capital for FY 2019-20 by considering the wt. average cost of fuel for three months for the period Jan-19 to Mar-19. The weighted average landed price of fuel is 15.494 Rs/SCM and weighted average GCV is 9353.23 kCal/SCM. Thus, Fuel Cost arrived @ Normative parameters is Rs. 818.17 Cr. Accordingly, the working capital for FY 2019-20 is considered as under:

Table 3. 20: Petitioner's Submission: Requirement of Working Capital

Sr.No.	Particulars	Unit	FY 2019-20
A	Fuel expenses for 1 month	Rs Cr	68.18
B	Liquid Fuel for 1/2 month	Rs Cr	30.52
C	Maintenance spares @ 30% of O&M	Rs Cr	27.74
D	O&M expenses for 1 month	Rs Cr	7.71
E	Annual Fixed Cost for the year	Rs Cr	146.25
F	Fuel Cost for the year	Rs Cr	818.17
G	Receivables equivalent to 2 months of capacity and energy charge	Rs Cr	160.74
H	Total Working Capital	Rs Cr	294.89

- 3.47 The Petitioner has revised the requirement of working capital on normative basis for FY 2019-20 as per DERC Regulation, 2017 without prejudice to its submission of similar case in appeal no. 392 of 2019 in APTEL existing case on above matter.

COMMISSION ANALYSIS:

- 3.48 The Commission in Tariff Order dated 31/07/2019 for ARR & Tariff for FY 2019-20 determined the working capital of GTPS based on the provisions of DERC Tariff Regulations, 2017.
- 3.49 Accordingly, the Commission has considered the working capital for FY 2019-20 as approved by the Commission vide its Order dated 31/07/2019 which is as follows:

Table 3. 21: Commission Approved: Requirement of Working Capital

Sr. No.	Particulars	Unit	FY 2019-20	Reference
A	Fuel expenses for 1 month	Rs Cr	71.02	As per Tariff Order dated 31/07/2019
B	Liquid Fuel for 1/2 month	Rs Cr	30.52	
C	Maintenance spares @ 30% of O&M	Rs Cr	27.74	
D	O&M expenses for 1 month	Rs Cr	7.71	
E	Annual Fixed Cost for the year	Rs Cr	147.35	
F	Fuel Cost for the year	Rs Cr	852.24	
G	Receivables equivalent to 2 months of capacity and energy charge	Rs Cr	166.60	
H	Total Working Capital	Rs Cr	303.59	

REQUIREMENT OF LOAN AND EQUITY**COMMISSION ANALYSIS**

3.50 Regulation 63 of the Tariff Regulations, 2017 deals with financing of the capital cost in Debt Equity ratio to be allowed for existing project or scheme and the relevant extract is as follows:

“63. For determination of Tariff, the debt-equity ratio for any project or scheme under commercial operation shall be considered as 70:30:

Provided that:

(v) Where equity actually deployed is less than 30% of the capital cost, actual equity shall be considered for determination of tariff;

(vi) Where equity actually deployed is more than 30% of the capital cost, equity in excess of 30% shall be treated as notional loan;

(vii) The equity invested in foreign currency shall be designated in Indian rupees on the date of each investment;

(viii) Any grant/contribution/deposit obtained for the execution of the project/scheme shall not be considered as a part of capital structure for the purpose of debt: equity ratio.”

3.51 The Commission has determined the requirement of Loan & Equity in terms of above stated Regulation pending the order of the APTEL judgment in appeal filed by the Petitioner, which is as follows:

Table 3. 22: Commission Approved: Requirement of Loan & Equity

Sr.No.	Particulars	Unit	FY 2019-20
A	Average Net Fixed Asset	Rs. Cr.	51.81
B	Average Equity	Rs. Cr.	15.54
C	Average CAPEX Loan	Rs. Cr.	36.27
D	Working Capital Loan	Rs. Cr.	303.59
E	Total Loan Requirement	Rs. Cr.	339.85
F	Average RRB	Rs. Cr.	355.40

RETURN ON CAPITAL EMPLOYED**PETITIONER'S SUBMISSION**

3.52 The Petitioner has submitted that Commission has specified the methodology for

allowing Return on Capital Employed in *Tariff Regulations, 2017* as follows:

“65. Return on Capital Employed shall be used to provide a return to the Utility, and shall cover all financing costs except expenses for availing the loans, without providing separate allowances for interest on loans and interest on working capital.

66. The Regulated Rate Base (RRB) shall be used to calculate the total capital employed which shall include the Original Cost of Fixed Assets (OCFA) and Working Capital. Capital work in progress (CWIP) shall not form part of the RRB. Accumulated Depreciation, Consumer Contribution, Capital Subsidies / Grants shall be deducted in arriving at the RRB.

67. The RRB shall be determined for each year of the Control Period at the beginning of the Control Period based on the approved capital investment plan with corresponding capitalisation schedule and normative working capital.”

69. Return on Capital Employed (RoCE) for the year “i” shall be computed in the following manner:

$$RoCE = WACC_i * RRB_i$$

Where, WACC_i

is the Weighted Average Cost of Capital for each year of the Control Period;

RRB_i – Average Regulated Rate Base for the ith year of the Control Period.

70. The WACC for each year of the Control Period shall be computed at the start of the Control Period in the following manner:

$$WACC = [D/(D+E)] * r_d + [E/(D+E)] * r_e$$

Where, D is the amount of Debt derived as per these Regulations;

E is the amount of Equity derived as per these Regulations;”

- 3.53 The Petitioner has considered the rate of interest on loan by considering the Bank Rate as Marginal Cost of Fund based Lending Rate (MCLR) of SBI as notified by the State Bank of India and margin as approved in *Business Plan Regulations, 2017*. Accordingly rate of interest on loan for FY 2019-20 has been calculated on the basis of SBI MCLR of 8.55% as on 1st April, 2019 .

- 3.54 Further, the Petitioner has considered the base rate of return on equity at 14% and the same has been grossed up with rate of income tax @ 17.47% for FY 2019-20. Accordingly the grossed up rate of return on equity has been computed at 16.96% for FY 2019-20.
- 3.55 Accordingly, the Petitioner has computed Weighted Average Cost of Capital (WACC) and Return on Capital Employed (RoCE) for FY 2019-20 as follows:

Table 3. 23: Petitioner's Submission: WACC and RoCE

Sr.No.	Particulars	Unit	FY 2019-20
A	Average RRB	Rs in Cr.	352.55
B	Total Loan	Rs in Cr.	294.89
C	Average Equity	Rs in Cr.	57.66
D	Cost of Debt, Rd	%	8.55
E	Return on Equity, Re	%	16.96
F	WACC	%	9.93
G	RoCE	Rs in Cr.	34.99

COMMISSION ANALYSIS

- 3.56 Regulation 3 and 4 of Business Plan Regulations, 2017 deal with Return on Equity (RoE) and Tax on Return on Equity as follows:

“3. RATE OF RETURN ON EQUITY

Return on Equity in terms of Regulation 4(1) of the DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 for Generating Entity shall be computed at the Base Rate of 14.00% on post tax basis.

4. TAX ON RETURN ON EQUITY

The base rate of Return on Equity as allowed by the Commission under Regulation 3, shall be grossed up with the Minimum Alternate Tax or Effective Tax Rate of the respective financial year in terms of Regulation 72 and 73 of the DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017, as per the following formula:

$$\text{Rate of Return on Equity} = 14 / [(100 - \text{Tax Rate}) / 100]$$

where, Tax Rate is Minimum Alternate Tax (MAT) or Effective Tax Rate, as the case may be.”

- 3.57 Regulation 77 of Tariff Regulations, 2017 deal with interest on Loan as follows:

“77. The rate of interest on loan shall be based on weighted average rate of interest for actual loan portfolio subject to the maximum of bank rate as on 1st April of the year plus the margin as approved by the Commission in the Business Plan Regulations for a Control Period:

Provided that in no case the rate of interest on loan shall exceed approved rate of return on equity: Provided further that if there is no actual loan for a particular year but normative loan is still outstanding, the last available weighted average rate of interest shall be considered:

Provided also that if the Utility does not have actual loan then the rate of interest shall be considered at the bank rate plus margin, as specified by the Commission in the Business Plan Regulations, for the notional loan of the relevant control period:

Provided also that the loan availed through open tendering process (Competitive Bidding) among Scheduled Banks, Financial Institutions etc., shall be considered at the rate discovered through open tendering process.”

- 3.58 Further, for Margin for Interest on Loan, Business Plan Regulations, 2017 is to be followed. Relevant extract of Business Plan Regulations, 2017 is as follows:

“5. MARGIN FOR RATE OF INTEREST ON LOAN

Margin for rate of interest for the Control Period in terms of Regulation 4(2) of the DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 for the Generating Entity shall be allowed as the difference in weighted average rate of interest on actual loan as on 1st April 2017 and 1 (one) year Marginal Cost of Fund based Lending Rate (MCLR) of SBI as on 1st April 2017:

Provided that the rate of interest on loan (MCLR plus Margin) shall not exceed approved base rate of return on equity i.e., 14.00%.”

- 3.59 During the prudence check, it was submitted by the Petitioner that GTPS doesn't have any actual loan remaining, thus SBI MCLR rate as on 01/04/2019 i.e. 8.55% has been considered by the Commission in terms of Tariff Regulations, 2017 and Business Plan Regulations, 2017 for the period FY 2019-20.

- 3.60 Regulation 85 and 86 of Tariff Regulations, 2017 deal with the Interest on Working Capital and the relevant extract is as follows:

“85. Rate of Interest On Working Capital shall be considered as the bank rate as on 1st April of the year plus margin as specified by the Commission for the Control Period and shall be trued up on the basis of prevailing bank rate as on 1st April of the respective financial year:

Provided that the rate of interest availed through open tendering process (Competitive Bidding) among Scheduled Banks, Financial Institutions etc., shall not be trued up.

86. Interest on working capital shall be payable on normative basis notwithstanding that the Utility has availed any loan for the working capital.”

- 3.61 Further, the Commission has specified the methodology for allowing Return on Capital Employed in Tariff Regulations, 2017 as follows:

“65. Return on Capital Employed shall be used to provide a return to the Utility, and shall cover all financing costs except expenses for availing the loans, without providing separate allowances for interest on loans and interest on working capital.

66. The Regulated Rate Base (RRB) shall be used to calculate the total capital employed which shall include the Original Cost of Fixed Assets (OCFA) and Working Capital. Capital work in progress (CWIP) shall not form part of the RRB. Accumulated Depreciation, Consumer Contribution, Capital Subsidies / Grants shall be deducted in arriving at the RRB.

67. The RRB shall be determined for each year of the Control Period at the beginning of the Control Period based on the approved capital investment plan with corresponding capitalisation schedule and normative working capital.

68. The Regulated Rate Base for the i th year of the Control Period shall be computed in the following manner:

$$RRBi = RRB_{i-1} + \Delta ABi / 2 + \Delta WCI;$$

Where,

“i” is the ith year of the Control Period;

RRBi: Average Regulated Rate Base for the ith year of the Control Period;

ΔW_{Ci}: Change in working capital requirement in the ith year of the Control Period from (i-1)th year;

ΔABi: Change in the Capital Investment in the ith year of the Control Period;

This component shall be arrived as follows:

$$\Delta AB_i = Invi - Di - CCI - Ret_i;$$

Where,

Invi: Investments projected to be capitalised during the ith year of the Control Period and approved;

Di: Amount set aside or written off on account of Depreciation of fixed assets for the ith year of the Control Period;

CCi: Consumer Contributions, capital subsidy / grant pertaining to the ΔABi and capital grants/subsidies received during ith year of the Control Period for construction of service lines or creation of fixed assets;

Reti: Amount of fixed asset on account of Retirement/ Decapitalisation during ith Year;

RRB i-1: Closing Regulated Rate Base for the Financial Year preceeding the ith year of the Control period. For the first year of the Control Period, Closing RRB i-1 shall be the Opening Regulated Rate Base for the Base Year i.e. RRBO;

$$RRBO = OCFAO - ADO - CCO + WCO;$$

Where;

OCFAO: Original Cost of Fixed Assets at the end of the Base Year;

ADO: Amounts written off or set aside on account of depreciation of fixed assets pertaining to the regulated business at the end of the Base Year;

CCO: Total contributions pertaining to the OCFAO, made by the consumers, capital subsidy / grants towards the cost of construction of distribution/service lines by the Distribution Licensee and also includes the capital grants/subsidies received for this purpose;

WCO: working capital requirement in the (i-1)th year of the Control Period.

69. Return on Capital Employed (RoCE) for the year “i” shall be computed in the following manner:

$$RoCE = WACC_i * RRBi$$

Where,

WACC_i is the Weighted Average Cost of Capital for each year of the Control Period;

RRBi – Average Regulated Rate Base for the ith year of the Control Period.

70. The WACC for each year of the Control Period shall be computed at the start of the Control Period in the following manner:

$$WACC = \left[\frac{D}{D + E} \right] * r_d + \left[\frac{E}{D + E} \right] * r_e$$

Where,

D is the amount of Debt derived as per these Regulations;

E is the amount of Equity derived as per these Regulations;

Where equity employed is in excess of 30% of the capital employed, the amount of equity for the purpose of tariff shall be limited to 30% and the balance amount shall be considered as notional loan. The amount of equity in excess of 30% treated as notional loan. The interest rate on excess equity shall be the weighted average rate of interest on the actual loans of the Licensee for the respective years. Where actual equity employed is less than 30%, the actual equity and debt shall be considered;

Provided that the Working capital shall be considered 100% debt financed for the calculation of WACC;

r_d is the Cost of Debt;

r_e is the Return on Equity.”

3.62 Accordingly, the Commission has tried up the Return on Capital Employed for FY 2019-20 as follows:

Table 3. 24: Commission Approved: WACC and RoCE

Sr.No.	Particulars	Unit	FY 2019-20
--------	-------------	------	------------

Sr.No.	Particulars	Unit	FY 2019-20
A	Average RRB	Rs. Cr.	355.40
B	Average Capex loan	Rs. Cr.	36.27
C	Loan for Working Capital Requirement	Rs. Cr.	303.59
D	Average Net Fixed Asset	Rs. Cr.	51.81
E	Total Loan	Rs. Cr.	339.85
F	Average Equity	Rs. Cr.	15.54
G	Cost of Debt, Rd	%	8.55
H	Return on Equity, Re	%	16.96
I	WACC	%	8.92
J	RoCE	Rs. Cr.	31.69

FIXED AUXILIARY CONSUMPTION EXPENSES

PETITIONER'S SUBMISSION

3.63 The Petitioner has submitted that the Commission has allowed Fixed Auxiliary Consumption expenses (0.5%) @ Normative PLF. Accordingly, Petitioner has calculated Fixed Auxiliary Consumption Expenses for FY 2019-20 as under:

Table 3. 25: Petitioner's Submission: Fixed Auxiliary Consumption Expenses

Sr.No.	Particulars	Unit	FY 2019-20
A	Plant Capacity	MW	270
B	Normative PLF	%	85
C	Gross Generation	MU	2015.928
D	Fixed Auxiliary Consumption	%	0.5
E	Fixed Auxiliary Consumption	MU	10.08
F	Energy Charge Rate	Rs/kWh	4.326
G	Fixed Auxiliary Consumption	Rs Cr	4.36

COMMISSION ANALYSIS

3.64 The Commission has specified the Auxiliary Energy Consumption for existing generating stations of Delhi in Business Plan Regulations, 2017 and relevant extract is as follows:

"8. NORMS OF OPERATION FOR GENERATING STATIONS:

...

...

(3) AUXILIARY ENERGY CONSUMPTION

Auxiliary Energy Consumption shall be computed in two parts:

a) Fixed: 0.5% of the generation at normative PLF of the plant capacity which shall form part of other expenses under Fixed Cost, at energy charge rate approved by the Commission in respective Tariff Order.

b) Variable: 2.0% in Combined Cycle mode and 0.5% in Open Cycle mode of the actual generation which shall form part of computation of energy charge rate of the respective month.”

3.65 Accordingly, the Commission has considered the same Fixed Auxiliary Consumption as allowed by Order dated 31/07/2019 which is as follows:

Table 3. 26: Commission Approved: Fixed Auxiliary Consumption Expenses

Sr. No.	Particulars	UoM	FY 2019-20
A	Plant Capacity	MW	270
B	Normative PLF	%	85
C	Gross Generation	MU	2010.42
D	Fixed Auxiliary Consumption	%	0.5
E	Fixed Auxiliary Consumption	MU	10.05
F	Energy Charge Rate (approved)	Rs./kWh	4.326
G	Fixed Auxiliary Consumption	Rs. Cr.	4.35

NON-TARIFF INCOME

COMMISSION ANALYSIS

3.66 Para 94 of the Tariff Regulations, 2017 specifies the following about Non-Tariff Income (NTI):

“94. The Utility shall submit forecast of Non-Tariff Income to the Commission, in such form as may be stipulated by the Commission from time to time, whose tentative list is as follows:

- (i) Income from rent of land or buildings;*
- (ii) Net Income from sale of de-capitalised assets;*
- (iii) Net Income from sale of scrap;*
- (iv) Income from statutory investments;*
- (v) Net Interest on delayed or deferred payment on bills;*
- (vi) Interest on advances to suppliers/contractors;*
- (vii) Rental from staff quarters;*

(viii) Rental from contractors;

(ix) Income from Investment of consumer security deposit;

(x) Income from hire charges from contractors and others, etc.

95. The Non Tariff Income shall be reduced from ARR.”

- 3.67 Accordingly, the Commission based on the Annual Audited Accounts for FY 2019-20 along-with the Auditor Certificate submitted for apportionment of NTI and Cost Audit Report submitted by the Petitioner, has considered the LPSC and subsequently the impact of the same on NTI for FY 2019-20. The Auditor has shown certain income (*Rent received, Sale of Scrap, Profit on Sale of property plant and equipment & Miscellaneous Income*) under the head of HQ (*as making HQ a separate Cost Centre*), however, the Commission has considered the Income shown in Cost Centre HQ as a part of NTI for GTPS the same is part of the GTPS and run by using the conventional income of GTPS as well. Further, the interest received on refund of income tax and Income from Solar consultancy has been considered as part of NTI as the same was earned while using the resources of GTPS. The amount of LPSC considered as NTI and component of NTI are shown as under:

Table 3. 27: Commission Approved: LPSC Considered as NTI

Sr. No.	LPSC Details for FY 2019-20	Amount (Rs. Cr.)
A	LPSC Amount Collected	32.26
B	Principal Amount	179.20
C	LPSC Amount allowed for retention @8.55% (Rate of Interest on Loan)	15.32
D	LPSC amount considered as NTI	16.93

Table 3. 28: Commission Approved: Computation of NTI

Sr. No.	Component of NTI for FY 2019-20	Amount (Rs Cr)
A	Miscellaneous income	0.37
B	NTI on account of LPSC	16.93
C	Rental from staff quarters	0.10
D	Solar Consultancy	3.95
E	Sale of Scrap	1.29
F	Interest on Income Tax refund	7.55
G	Total Non-Tariff Income	30.20

SUMMARY OF FIXED COST**PETITIONER'S SUBMISSION**

3.68 The Annual Fixed Cost for FY 2019-20 submitted by the Petitioner is as under:

Table 3. 29: Petitioner Submission: Annual Fixed Cost

Sr.No.	Particulars	Unit	FY 2019-20
A	Return on Capital Employed	Rs. Cr.	34.99
B	Depreciation	Rs. Cr.	10.26
C	Operation and Maintenance Expenses	Rs. Cr.	102.73
D	Fixed Auxiliary Consumption	Rs. Cr.	4.36
E	Annual Fixed Cost	Rs. Cr.	152.34
F	Net Generation	MU	481.567
G	Fixed Cost Per Unit	Rs/ kWh	3.163

COMMISSION ANALYSIS:

3.69 Regulation 99 of Tariff Regulations, 2017 provides components to be considered for computation of Annual Fixed Cost for a Generating Entity and relevant extract is as follows:

"99. The annual fixed cost (AFC) of a Generating Entity shall consist of the following components as specified in these Regulations:

Return on Capital Employed;

Depreciation; and

Operation and Maintenance expenses."

Regulation 8 of Business Plan Regulations, 2017 provides as under:

"8. NORMS OF OPERATION FOR GENERATING STATIONS:

...

...

(3) AUXILIARY ENERGY CONSUMPTION

Auxiliary Energy Consumption shall be computed in two parts:

a) Fixed: 0.5% of the generation at normative PLF of the plant capacity which shall form part of other expenses under Fixed Cost, at energy charge rate approved by the Commission in respective Tariff Order.

3.70 Accordingly, the Commission has tried up the AFC for FY 2019-20 as follows:

Table 3. 30: Commission Approved: Annual Fixed Cost

Sr. No.	Particulars	UoM	FY 2019-20			Ref.
			As per Order dated 31/07/2019	Petitioner's Submission	Approved	
A	Return on Capital Employed	Rs Cr	39.57	34.99	31.69	Table 3.26
B	Depreciation	Rs Cr	10.95	10.26	7.28	Table 3.20
C	Operation and Maintenance Expenses	Rs Cr	92.48	102.73	105.85	Table 3.16
D	Fixed Auxiliary Consumption	Rs Cr	4.35	4.36	4.35	Table 3.29
E	Annual Fixed Cost	Rs Cr	147.35	152.34	149.17	(A+B+C+D)
F	Less: Non-Tariff Income (NTI)	Rs Cr	-	-	30.20	Table 3.30
G	Annual Fixed Cost (Net of NTI)	Rs Cr	147.35	152.34	118.98	(E-F)
H	Net Generation	MU	1970.21	577.01	577.01	
I	Fixed Cost per unit	Rs./kWh	0.748	2.640	2.585	I=(G/H)*10

IMPACT OF COMMISSION'S ORDER DATED 24/09/2021 IN PETITION NO. 43 OF 2020 (REMAND BACK MATTER OF APTEL JUDGMENT DATED 28/05/2020)

3.71 Hon'ble APTEL vide its Judgment dated 28/05/2020 in Appeal No. 284 of 2015 & IA No. 68 of 2016, at Para 6, directed the Commission to implement the agreed issues. Relevant extract of Para 6 of Judgment dated 28/05/2020 is as follows:

"6. The appellants had presented these appeals raising a number of issues under broad heads which are more or less common. However, after filing of these appeals, an assurance has been held out by the State Commission that it would reconsider the contentions of the appellants vis-à-vis three of the said heads in the next tariff orders, the subjects thereby covered being the grievances of the appellants on account of restricted factoring in of interest on working capital to actual scheduled generation for FY 2015-16 in light of the Normative Annual Plant Availability Factor (NAPAF) in terms of Multi Year Tariff ("MYT") Regulations, 2011; the claim of the appellants to incentive for availability over and above the normative availability for FY 2012-13 and FY 2013-14; and the disallowance of "take or pay charges" towards Gas Authority of India Limited (GAIL) and Coal India Limited (CIL). Given the assurance noted above for the said issues being revisited by the State Commission in the next tariff orders, these

grievances vis-à-vis the impugned orders have not been pressed for consideration or determination by us in the present appeals. We make it clear the fact that such issues as above which have not been pressed for decision by this Tribunal for the periods in question in these appeals will not be treated as forfeiture of the claim by the appellants would be at liberty to press the same for appropriate consideration and adjudication at the stage of next tariff order, it being, in turn, the obligation of the State Commission to revisit and decide afresh the said in accordance with law without being influenced by its previous dispensation.”

3.72 Hon’ble APTEL at Para 62 of the said Judgment directed the Commission to pass fresh appropriate orders with regard to issue of calculating Energy Charge Rate (ECR) for truing-up.

3.73 The Petitioner has filed a Petition (*being Petition No. 43 of 2020*) before the Commission for implementation of above stated judgment dated 28/05/2020. The Commission vide its Order dated 24/09/2021 in Petition No. 43 of 2020, allowed the issues remand back from APTEL and impact of the same are as follows:

a) Incentive for Availability over and above normative availability for FY 2012-13 and FY 2013-14.

As per Regulation 7.12 of MYT Regulations, 2011, the Petitioner is eligible for the recovery of entire capacity/fixed charges on achievement of normative availability of 80%. As per SLDC, the availability of the Petitioner for FY 2012-13 and FY 2013-14 is 84.22% and 85.76% respectively. Accordingly, the Commission has considered the incentive as per Regulation 7.13 of MYT Regulations, 2011 corresponding to the above stated actual availability of the Petitioner.

b) Computation of Working Capital for FY 2015-16 on Normative Generation:

The Commission in its Order dated 29/09/2015 has considered the Fuel Cost and Working Capital requirement of the Petitioner based on the Actual Scheduled Generation for FY 2015-16 projections. However, as per Regulation 6.25 of MYT Regulations, 2011, working capital requirement is to be computed based on the normative parameters. Taking the cognizance of the Judgment dated 28/05/2020 along with the provisions of MYT Regulations, 2011, the subsequential impact on

annual fixed charges for FY 2015-16 is allowed.

c) “Take or Pay Charges” towards GAIL and CIL

With regard to Take or Pay charges towards GAIL and CIL, Commission has observed that the Petitioner has paid an amount equal to Rs. 30.35 Cr. in two equal instalments (i.e. 1st instalment on July, 2015 and 2nd instalment on August, 2015), however, the Petitioner has received the credit of the same amount in FY 2019-20. The same was pass through to related DISCOMs by the Petitioner in FY 2019-20 as well. The only remaining issue of carrying cost from FY 2015-16 to FY 2019-20 has been allowed now.

d) Energy Charge Rate (ECR) for FY 2012-13 and FY 2013-14.

The impact on account of truing-up of ECR for FY 2012-13 and FY 2013-14 as disallowed by the Commission in Tariff Order dated 29/09/2015 has been reversed now and the impact of the same is allowed.

e) Capital Expenditure on account of Relay Test Kit

Based on the Judgment of APTEL, the Commission has re-examined the capital expenditure on account of Turbovisory Monitoring System, Panel Control and DVR for FY 2013-14 and allowed the same.

3.74 Further, Hon’ble APTEL vide its Order dated 15/12/2015 has directed to deposit Rs. 30 Cr. which was given to DISCOMs by the Petitioner in FY 2015-16. Considering the facts of the same, the Commission has computed the impact of the Order dated 24/09/2021 in Petition No. 43 of 2020 which is as follows::

Table 3. 31: Impact of APTEL Judgment dated 28/05/2020 (Rs. Cr)

Sr. No.	Particulars	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22 (half year)
A	Opening Balance	-	16.87	12.65	14.10	90.73	101.16	109.25	118.16	97.92	105.50
B	Impact of Availability (Incentive) and additional capex allowed	(5.50)	(2.27)	-	-	-	-	-	-	-	-

Sr. No.	Particulars	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22 (half year)
C	Impact of IWC (Normative Parameters)	-	-	-	12.23	-	-	-	-	-	-
D	Impact of ECR for FY 2012-13 and FY 2013-14	21.45	(3.56)	-	-	-	-	-	-	-	-
E	Impact of Take or Pay	-	-	-	30.35	-	-	-	(30.35)	-	-
F	Advance Payment Made – As per APTEL Order dated 15/12/2015	-	-	-	30.00	-	-	-	-	-	-
G	Total	15.95	11.04	12.65	86.68	90.73	101.16	109.25	87.81	97.92	105.50
H	Rate of Carrying Cost	11.50%	11.50%	11.50%	11.50%	11.50%	8.00%	8.15%	8.55%	7.75%	7.00%
I	Carrying Cost	0.92	1.60	1.45	4.05	10.43	8.09	8.90	10.10	7.59	3.69
J	Closing Balance	16.87	12.65	14.10	90.73	101.16	109.25	118.16	97.92	105.50	109.20

3.75 The Petitioner is directed to refund/recover the following based on the true up of Annual Fixed Cost and impact of Commission's Order dated 24/09/2021 (*APTEL judgment dated 28/05/2020*) as indicated in the above table as per Regulation 151 of Tariff Regulations, 2017:

- Refund an amount of Rs. 28.37 Cr. (**Ref. Table 3.30: Rs. Cr. 147.35 – 118.98**) – True-up of FY 2019-20.
- Recover an amount of Rs. 109.20 Cr. (**Ref. Table 3.31**) on account of Commission's Order dated 24/09/2021 (*APTEL Judgment dated 28/05/2020*) in the same ratio of allocation of power of DISCOMs as was during the period i.e. as follows in equal instalments till March, 2022:

Table 3. 32: Allocation of Power – As per SLDC for FY 2015-16

Months	Particulars	BRPL	BYPL	TPDDL	NDMC	MES
April-September	SLDC Allocation	44.45%	25.26%	30.29%	-	-
	Amount (Rs. Cr.)	24.27	13.79	16.54	-	-
October	SLDC Allocation	57.35%	12.36%	30.29%	-	-
	Amount (Rs. Cr.)	5.22	1.12	2.76	-	-
November- March	SLDC Allocation	61.11%	8.60%	30.29%	-	-
	Amount (Rs. Cr.)	27.80	3.91	13.78	-	-
Total (Rs. Cr.)		57.29	18.83	33.08	-	-

A4: ANALYSIS OF AGGREGATE REVENUE REQUIREMENT (ARR) FOR FY 2021-22

4.1 The Commission vide its Order dated 24/03/2021 in Petition No. 35/2020 has accorded the 'In-principle' approval for Life extension of 10 years beyond March, 2021 to GTPS considering the GTPS under Islanding Scheme, Black Start facility, suggestions of Delhi SLDC, for the following:

- a) 90 MW (Base Load Capacity) funded through CAPEX; and
- b) 120 MW (Synchronous Mode Operation) to be funded through PSDF subject to provisions of DERC (Power System Development Fund) Regulations, 2019.

4.2 Commission while granting the aforesaid In-principle approval for life extension also directed IPGCL to declare availability for 90 MW of GTPS only on Administered Pricing Mechanism (APM) gas or cheaper gas than APM Gas used by the Generating Station, if any and No further additional CAPEX shall be allowed to IPGCL during the extended life of 10 years of GTPS.

4.3 Further, the Commission has also defined the following parameters for computation of Tariff for the extended life of GTPS:

- a) **Actual CAPEX** considering retrofitting cost and remaining depreciable value after the prudence check.
- b) **O&M Expenses** for 90 MW considering the rate and annual escalation as approved in DERC (Business Plan) Regulations, 2019 and amendments thereafter.
- c) **Rate of Interest of Loan, Working Capital and Return on Equity** shall be considered based on the *DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017* along with DERC (Business Plan) Regulations, 2019 and amendments thereafter.
- d) **Depreciation** shall be considered based on the *DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017* along with DERC (Business Plan) Regulations, 2019 and amendments thereafter on further life of 10 years.
- e) **Landed Price (Rs./SCM) and Weighted average GCV** of APM or cheaper Gas (kCal/SCM) will be considered based on the provisions of DERC (Terms and

Conditions for Determination of Tariff) Regulations, 2017 along with DERC (Business Plan) Regulations, 2019 and amendments thereafter.

- f) No further Additional CAPEX shall be allowed during the operation of GTPS Plant for 10 Years.
- g) **Tariff During Shut-down period:** As per proviso of Regulation 100 of DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017, in case generating station is under shutdown due to Renovation & Modernisation, the Generating Entity shall be allowed to recover part of Annual Fixed Cost (AFC) which shall include O&M expenses and interest on loan only as follows:

“100. Computation of Capacity Charge to be raised as part of their bills for the Generating Stations: Provided that in case of generating station under shutdown due to Renovation and Modernisation, the Generating Entity shall be allowed to recover part of AFC which shall include O&M expenses and interest on loan only.”

Accordingly, during the period of shut down, when Renovation and Modernisation (R&M) activity is in progress, IPGCL is allowed actual O&M expenses incurred during this construction phase to the extent of normative expenses for 90MW capacity subject to prudence check and interest on actual existing loan portfolio.

- h) **Savings due to Reactive Energy Generation** from 120 MW (4GTs of 30MW each) working on synchronous mode operation shall be reduced from AFC during True up of relevant Financial Year.

4.4 Accordingly, in line with Order dated 24/03/2021, the Commission has approved the projected ARR for GTPS for the period FY 2021-22 which is dealt in the subsequent paragraph of the instant Tariff Order.

NORMS OF OPERATION

4.5 The Commission has specified the norms of operation, for the purpose of determination of tariff in Business Plan Regulations, 2019. The submissions made by the Petitioner in this regard and the Commission's views on the same have been discussed in the following sections.

PLANT AVAILABILITY AND PLANT LOAD FACTOR

- 4.6 The Commission has specified the Normative Annual Plant Availability Factor (NAPAF) and Normative Annual Plant Load Factor (NAPLF) in Business Plan Regulations, 2019 and relevant extract is as follows:

“8. NORMS OF OPERATION FOR GENERATING STATIONS:

(1) Normative Annual Plant Availability Factor and Normative Annual Plant Load Factor for existing generating stations of Delhi shall be as follows:

I. Normative Annual Plant Availability Factor (NAPAF): 85%

II. Normative Annual Plant Load Factor (NAPLF): 85%”

- 4.7 In view of the above, the Commission has considered Plant Availability and Plant Load Factor as approved in Business Plan Regulations, 2019.

STATION HEAT RATE

- 4.8 The Commission has specified the Station Heat Rate (SHR) for existing generating stations of Delhi in Business Plan Regulations, 2019 and relevant extract is as follows:

“8. NORMS OF OPERATION FOR GENERATING STATIONS:

...

...

(2) GROSS STATION HEAT RATE (GHR)

Gross Station Heat Rate for existing generating stations of Delhi shall be as follows:

Table 5: Gross Station Heat Rate (GHR)

Sr. No	Generating Station	Combined Cycle	Open Cycle
		(kCal/ kWh)	
1	Gas Turbine Power Station (GTPS)	2450	3125
2	Pragati Power Station I (PPS-I)	2000	2900

”

- 4.9 While framing the norms of operation in Business plan Regulations, 2019, the Commission has determined the norms of operation based on the past performance, vintage of equipment etc. Accordingly, the Commission has considered Station Heat Rate as approved in Business Plan Regulations, 2019.

AUXILIARY POWER CONSUMPTION

4.10 The Commission has specified the Auxiliary Energy Consumption for existing generating stations of Delhi in Business Plan Regulations, 2019 as follows:

"8. NORMS OF OPERATION FOR GENERATING STATIONS:

...

...

(3) AUXILIARY ENERGY CONSUMPTION

Auxiliary Energy Consumption for existing Gas based Generating Stations of Delhi shall be as follows:

S.No.	Mode of Operation	Percentage
1	Combined Cycle	2.75%
2	Open Cycle	1.00%

4.11 While framing the norms of operation in Business Plan Regulations, 2019, the Commission has determined the norms of operation based on the past performance which also includes the actual operation below the technical limit as and when required, vintage of equipment etc. Accordingly, the Commission has considered Auxiliary Power Consumption as approved in Business Plan Regulations, 2019.

GROSS AND NET GENERATION

4.12 Gross and Net Generation for FY 2021-22 as approved by the Commission based on the norms of operation specified in Business Plan Regulations, 2019 is as follows:

Table 4. 1: Commission Approved Gross and Net Generation (MU)

Sr. No.	GTPS	UOM	FY 2021-22	Ref.
A	Capacity	MW	90	
B	NAPLF	%	85	
C	Gross Generation	MU	670.140	(AxBx365x24)/1000
D	Auxiliary Consumption	%	2.75%	Para 4.15
E	Auxiliary Consumption	MU	18.43	CxD
F	Net Generation	MU	651.71	C-E

ENERGY CHARGE RATE AND VARIABLE COST

4.13 The Commission has specified the formula for computation of energy charge rate in DERC Tariff Regulations, 2017 as follows:

“103. Energy charge rate (ECR) in Rupees per kWh on ex-power plant basis shall be determined to three decimal places in accordance with the following formulae:

(a) For coal based stations:

$$ECR = \{(GHR - SFC \times CVSF) \times LPPF / CVPF + SFC \times LPSFi + LC \times LPL\} \times 100 / (100 - AUX)$$

(b) For gas and liquid fuel based stations

$$ECR = GHR \times LPPF \times 100 / \{CVPF \times (100 - AUX)\}$$

Where,

AUX = Normative auxiliary energy consumption in percentage

CVPF = (a) Weighted Average Gross calorific value of coal on as received basis from the loaded wagons at the generating stations -in kCal per kg for coal based stations

(b) Weighted Average Gross calorific value of primary fuel as received, in kCal per kg, per litre or per standard cubic meter, as applicable for lignite, gas and liquid fuel based stations.

(c) In case of blending of fuel from different sources, the weighted average Gross calorific value of primary fuel shall be arrived in proportion to blending ratio.

CVSF = Calorific value of secondary fuel, in kCal per ml.

ECR = Energy charge rate, in Rupees per kWh sent out.

GHR = Gross station heat rate, in kCal per kWh.

LC = Normative limestone consumption in kg per kWh.

LPL = Weighted average landed price of limestone in Rupees per kg.

LPPF = Weighted average landed price of primary fuel, in Rupees per kg, per litre or per standard cubic metre, as applicable, during the month. (In case of blending of fuel from different sources, the weighted average landed price of primary fuel shall be arrived in proportion to blending ratio)

SFC = Normative Specific fuel oil consumption, in ml per kWh.

LPSFi = Weighted Average Landed Price of Secondary Fuel in Rs./ml during the month;

Provided that energy charge rate for a gas/liquid fuel based station shall be adjusted for open cycle operation based on certification of Delhi SLDC for the open cycle operation during the month.

107. *Landed Fuel Cost for Tariff Determination: The landed fuel cost of primary fuel and secondary fuel for tariff determination shall be based on actual weighted moving average cost of respective fuel before the start of the tariff period for existing and new generating stations"*

- 4.14 Landed Price of Primary fuel and Gross Calorific Value of APM Gas only has been computed as per the information available in APM Bills of April, May and June 2021 as available on the website of the Petitioner which is as follows:

Table 4. 2: Fuel Parameters considered for determination of ECR

Sr. No.	Particulars	UoM	Apr-21	May-21	Jun-21
1	Quantum	SCM	7784.323	6555.844	3505.097
2	Cost	Rs. Cr.	6.135	5.291	2.836
3	GCV	kCal/ SCM	9244.62	9266.10	9378.24
4	LPPF	Rs/ SCM	7.88	8.07	8.09
5	Average LPPF	Rs/ SCM	8.01		
6	Average GCV	kCal/ SCM	9278.76		

- 4.15 Accordingly, the Commission approves the Energy Charge Rate (ECR) and Fuel Cost for FY 2021-22 as follows:

Table 4. 3: ECR and Fuel Cost approved by the Commission

Sr. No.	Particulars	UoM	Approved Value	Ref.
A	Net Generation	MU	651.71	Table 4.5
B	ECR	Rs/ kWh	2.194	
C	Fuel Cost	Rs Cr	141.81	(AxB)/10

FIXED COST

OPERATION AND MAINTENANCE EXPENSES

- 4.16 The Commission has specified the normative Operation and Maintenance Expenses for existing generating stations in Business Plan Regulations, 2019 as follows:

"6. OPERATION AND MAINTENANCE EXPENSES

(1) Normative Operation and Maintenance expenses in terms of Regulation 4(3) and Regulation 92 of the DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 for the Generating Entity shall be as follows:

(a) Normative Operation and Maintenance expenses for existing generating stations shall be as follows:

Table 2: O&M Expenses (Rs. Lakh/ MW)

Station	2020-21	2021-22	2022-23
GTPS	29.45	30.58	31.75
PPS-I	23.02	23.90	24.82

.....”

(2) Additional Repair & Maintenance expenses on account of Dry Low NOx (DLN) burners and Sewage Treatment Plant (STP), if any, shall be allowed on actual basis during the Control Period after prudence check at the time of True Up on submission of documentary evidence

(3) The impact of difference of amount on account of actual implementation of Seventh Pay Revision and Interim Relief already considered for determination of norms for O&M Expenses, if any, shall be allowed separately in line with the methodology adopted for computation of norms for O&M Expenses, at the time of True up of ARR for relevant Financial year subject to prudence check.”

4.17 Accordingly, the Commission approves the O&M Expenses for 90 MW GTPS for FY 2021-22 as follows:

Table 4. 4: Commission Approved O&M Expenses

Sr. No.	Particulars	UoM	Amount	Ref
A	Base O&M Expenses	Rs Cr	27.52	
B	Impact of 7 th Pay Commission	Rs Cr	-	
C	Total O&M Expenses	Rs Cr	27.22	A+B

- 4.18 Further, Impact of any statutory Pay revision on employee's cost as may be applicable on case to case basis shall be considered separately, based on actual payment made by the Petitioner and prudence check at the time of true up as specified in the Business Plan Regulations, 2019.

CAPITAL EXPENDITURE

- 4.19 The Commission has considered the opening GFA amounting to Rs. 123.87 Cr. for retrofitting of 1 module (i.e. 90 MW) (*inclusive of remaining depreciable value of 210 MW capacity*) provisionally subject to prudence check at the time of Truing-up.
- 4.20 Accordingly, the GFA approved by the Commission for FY 2021-22 is as follows:

Table 4. 5: Commission Approved: Capital Expenditure

Sr. No.	Particulars	UoM	FY 2021-22	Ref.
			Approved	
A	Opening GFA	Rs Cr	123.87	Order dated 24/03/2021
B	Addition	Rs Cr	-	
C	Deletion	Rs Cr	-	-
D	Closing GFA	Rs Cr	123.87	A+B-C
E	Average GFA	Rs Cr	123.87	(A+D)/2

DEPRECIATION

- 4.21 The Commission has specified provisions pertaining to Depreciation in Regulation 78 to 83 of the Tariff Regulations, 2017 and relevant extracts are as follows:

“78. Annual Depreciation shall be computed based on Straight Line Method for each class of asset as specified in Appendix-1 of these Regulations.

79. The base value for the purpose of depreciation shall be the capital cost of the asset approved by the Commission. Depreciation shall be chargeable from the first year of commercial operation and in case of commercial operation of the asset for part of the year, depreciation shall be charged on pro rata basis.

80. The salvage value of the asset shall be considered as 10% and depreciation shall be allowed up to maximum of 90% of the capital cost of the asset:

Provided that any depreciation disallowed on account of lower availability of the generating station or generating unit or transmission system as the case may be, shall

not be allowed to be recovered at a later stage during the useful life and the extended life.

81. Land other than the land held under lease shall not be a depreciable asset and its cost shall be excluded from the capital cost while computing depreciable value of the asset.

82. In case of existing assets, the balance depreciable value as on 1st April of any financial year shall be worked out by deducting the cumulative depreciation as admitted by the Commission up to 31st March of the preceding financial year from the gross depreciable value of the assets.

83. The Depreciation for Life extension projects/scheme shall be allowed in the manner as indicated in Regulation 51 of these Regulations.”

4.22 The Commission has approved the depreciation for FY 2021-22 as follows:

Table 4. 6: Commission Approved Depreciation

Sr. No.	Particulars	UoM	Approved	Ref.
A	Average GFA	Rs Cr	123.87	Table 4.12
B	Opening Accumulated Depreciation	Rs Cr	-	
C	Balance Depreciation	Rs Cr	111.48	(90%xA)-B
D	Balance Useful life	Years	10	
E	Depreciation	Rs Cr	11.15	C/D

MEANS OF FINANCING

4.23 Regulation 63 of the Tariff Regulations, 2017 deals with financing of the capital cost in Debt Equity ratio to be allowed for existing project or scheme and the relevant extract is as follows:

“63. For determination of Tariff, the debt-equity ratio for any project or scheme under commercial operation shall be considered as 70:30:

Provided that:

- (i) Where equity actually deployed is less than 30% of the capital cost, actual equity shall be considered for determination of tariff;*
- (ii) Where equity actually deployed is more than 30% of the capital cost, equity in excess of 30% shall be treated as notional loan;*
- (iii) The equity invested in foreign currency shall be designated in Indian*

rupees on the date of each investment;

(iv) Any grant/contribution/deposit obtained for the execution of the project/scheme shall not be considered as a part of capital structure for the purpose of debt: equity ratio.”

4.24 Accordingly, the Commission has computed the quantum of Loan and Equity required for funding of Net Fixed Assets for FY 2021-22 as follows:

Table 4. 7: Requirement of Loan and Equity computed by the Commission

Sr. No.	Particulars	UoM	FY 2021-22	Ref.
			Approved	
A	Average GFA	Rs Cr	123.87	Table 4.14
B	Opening Accumulated Depreciation	Rs Cr	-	Table 4.14
C	Depreciation for the year	Rs Cr	11.15	Table 4.14
D	Closing Accumulated Depreciation	Rs Cr	11.15	B+C
E	Average Accumulated Depreciation	Rs Cr	5.57	(B+D)/2
F	Average Net Fixed Assets	Rs Cr	118.30	A-E
G	Average Equity	Rs Cr	35.49	30% of F
H	Average Loan	Rs Cr	82.81	70% of F

WORKING CAPITAL

4.25 Regulation 84 of the Tariff Regulations, 2017 deals with computation of Working Capital requirement as follows:

“84. The Commission shall calculate the Working Capital requirement for:

(2) Open-cycle Gas Turbine/Combined Cycle thermal generating stations as follows:

Fuel Cost for 30 days corresponding to the Normative Annual Plant Availability Factor, duly taking into account mode of operation of the generating station on gas fuel and liquid fuel;

Liquid fuel stock for 15 days corresponding to the normative annual plant availability factor, and in case of use of more than one liquid fuel, cost of main liquid fuel duly taking into account mode of operation of the generating stations of gas fuel and liquid fuel;

Maintenance spares @ 30% of Operation and Maintenance expenses specified in this Regulation;

Receivables equivalent to two months of capacity charge and energy charge for sale of electricity calculated on normative plant availability factor, duly taking into account mode of operation of the generating station on gas fuel and liquid fuel; and

Operation and maintenance expenses for one month.”

- 4.26 Accordingly, Working Capital requirement for FY 2021-22 has been computed as follows:

Table 4. 8: Commission Approved: Working Capital Requirement

Sr. No.	Particulars	UoM	FY 2021-22	Ref.
			Approved	
A	Fuel expenses for 1 month	Rs. Cr.	11.82	Tariff Regulations, 2017 & Business Plan Regulations, 2019
B	Liquid fuel stock for ½ month	Rs. Cr.	-	
C	Maintenance spares @ 30% of O&M	Rs. Cr.	8.26	
D	O&M expenses for 1 month	Rs. Cr.	2.29	
E	Annual Fixed Cost for the year	Rs. Cr.	53.28	
F	Fuel Cost for the year	Rs. Cr.	141.81	
G	Receivables equivalent to 2 months of capacity and energy charge	Rs. Cr.	32.51	(E+F)/6
H	Total Working Capital	Rs. Cr.	54.88	A+B+C+F+G

WEIGHTED AVERAGE COST OF CAPITAL (WACC) AND RETURN ON CAPITAL EMPLOYED (ROCE)

- 4.27 Regulation 3 and 4 of Business Plan Regulations, 2019 deal with Return on Equity (RoE) and Tax on Return on Equity as follows:

“3. RATE OF RETURN ON EQUITY

Return on Equity in terms of Regulation 4(1) of the DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 for Generating Entity shall be computed at the Base Rate of 14.00% on post tax basis.

4. TAX ON RETURN ON EQUITY

The base rate of Return on Equity as allowed by the Commission under Regulation 3, shall be grossed up with the Minimum Alternate Tax or Effective Tax Rate of the respective financial year in terms of Regulation 72 and 73 of the DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017, as per the following formula:

$$\text{Rate of Return on Equity} = 14 / [(100 - \text{Tax Rate}) / 100]$$

where, Tax Rate is Minimum Alternate Tax (MAT) or Effective Tax Rate, as the case may be.”

4.28 In view of the above, the Commission has considered the base rate of return on equity at 14% without any grossed up as of now, subject to true-up based on the actual income tax paid. Accordingly, rate of return on equity has been considered as 14% for FY 2021-22.

4.29 Regulation 77 of Tariff Regulations, 2017 deal with interest on Loan as follows:

“77. The rate of interest on loan shall be based on weighted average rate of interest for actual loan portfolio subject to the maximum of bank rate as on 1st April of the year plus the margin as approved by the Commission in the Business Plan Regulations for a Control Period:

Provided that in no case the rate of interest on loan shall exceed approved rate of return on equity:

Provided further that if there is no actual loan for a particular year but normative loan is still outstanding, the last available weighted average rate of interest shall be considered:

Provided also that if the Utility does not have actual loan then the rate of interest shall be considered at the bank rate plus margin, as specified by the Commission in the Business Plan Regulations, for the notional loan of the relevant control period:

Provided also that the loan availed through open tendering process (Competitive Bidding) among Scheduled Banks, Financial Institutions etc., shall be considered at the rate discovered through open tendering process.”

4.30 Regulation 85 and 86 of Tariff Regulations, 2017 deal with Interest on Working Capital and relevant extract is as follows:

“85. Rate of Interest On Working Capital shall be considered as the bank rate as on 1st April of the year plus margin as specified by the Commission for the Control Period and shall be trued up on the basis of prevailing bank rate as on 1st April of the respective financial year:

Provided that the rate of interest availed through open tendering process (Competitive Bidding) among Scheduled Banks, Financial Institutions etc., shall not be trued up.

86. Interest on working capital shall be payable on normative basis notwithstanding that the Utility has availed any loan for the working capital."

- 4.31 The Commission has specified Margin for Rate of Interest on loan in Business Plan Regulations, 2019 as follows:

"5. MARGIN FOR RATE OF INTEREST ON LOAN

The rate of interest on loan for a financial year shall be Marginal Cost of Fund based Lending Rate (MCLR) of SBI as on 1st April of that financial year plus the Margin. The Margin, in terms of Regulation 4(2) of the DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 for the Generating Entity, is allowed as the difference between the weighted average rate of interest on actual loan portfolio and the MCLR as on 1st April of that financial year:

Provided that the Margin shall not exceed 5.00%, 4.25% and 3.50% for the first, second and third year of the control period, respectively:

Provided further that the rate of interest on loan (MCLR plus Margin) in any case shall not exceed approved base rate of return on equity i.e. 14.00%.

- 4.32 In view of the above, as the Petitioner does not have any outstanding loan, the Commission has provisionally considered the rate of interest on loan by considering the Bank Rate as Marginal Cost of Fund based Lending Rate (MCLR) of SBI as on 01/04/2021 i.e. 7.00% for FY 2021-22 subject to true-up.

- 4.33 Further, the Commission has specified the methodology for allowing Return on Capital Employed in Tariff Regulations, 2017 as follows:

"65. Return on Capital Employed shall be used to provide a return to the Utility, and shall cover all financing costs except expenses for availing the loans, without providing separate allowances for interest on loans and interest on working capital.

66. The Regulated Rate Base (RRB) shall be used to calculate the total capital employed which shall include the Original Cost of Fixed Assets (OCFA) and Working Capital. Capital work in progress (CWIP) shall not form part of the RRB. Accumulated Depreciation, Consumer Contribution, Capital Subsidies / Grants shall be deducted in arriving at the RRB.

67. The RRB shall be determined for each year of the Control Period at the beginning of the Control Period based on the approved capital investment plan with corresponding capitalisation schedule and normative working capital.

68. The Regulated Rate Base for the i^{th} year of the Control Period shall be computed in the following manner:

$$RRBi = RRB_{i-1} + \Delta ABi / 2 + \Delta WCi;$$

Where,

"i" is the i^{th} year of the Control Period;

RRBi: Average Regulated Rate Base for the i^{th} year of the Control Period;

ΔWCi : Change in working capital requirement in the i^{th} year of the Control Period from $(i-1)^{\text{th}}$ year;

ΔABi : Change in the Capital Investment in the i^{th} year of the Control Period;

This component shall be arrived as follows:

$$\Delta ABi = Invi - Di - CCi - Ret_i;$$

Where,

Invi: Investments projected to be capitalised during the i^{th} year of the Control Period and approved;

Di: Amount set aside or written off on account of Depreciation of fixed assets for the i^{th} year of the Control Period;

CCi: Consumer Contributions, capital subsidy / grant pertaining to the ΔABi and capital grants/subsidies received during i^{th} year of the Control Period for construction of service lines or creation of fixed assets;

Ret_i: Amount of fixed asset on account of Retirement/

Decapitalisation during ith Year;

RRB i-1: Closing Regulated Rate Base for the Financial Year preceeding the ith year of the Control period. For the first year of the Control Period, Closing RRB i-1 shall be the Opening Regulated Rate Base for the Base Year i.e. RRBO;

$$RRBO = OCFAO - ADO - CCO + WCO;$$

Where;

OCFAO: Original Cost of Fixed Assets at the end of the Base Year;

ADO: Amounts written off or set aside on account of depreciation of fixed assets pertaining to the regulated business at the end of the Base Year;

CCO: Total contributions pertaining to the OCFAO, made by the consumers, capital subsidy / grants towards the cost of construction of distribution/service lines by the Distribution Licensee and also includes the capital grants/subsidies received for this purpose;

WCO: working capital requirement in the (i-1)th year of the Control Period.

69. Return on Capital Employed (RoCE) for the year “i” shall be computed in the following manner:

$$RoCE = WACC_i * RRB_i$$

Where,

WACC_i is the Weighted Average Cost of Capital for each year of the Control Period;

RRB_i – Average Regulated Rate Base for the ith year of the Control Period.

70. The WACC for each year of the Control Period shall be computed at the start of the Control Period in the following manner:

$$WACC = \left[\frac{D}{D + E} \right] * r_d + \left[\frac{E}{D + E} \right] * r_e$$

Where,

D is the amount of Debt derived as per these Regulations;

E is the amount of Equity derived as per these Regulations;

Where equity employed is in excess of 30% of the capital employed, the amount of equity for the purpose of tariff shall be limited to 30% and the balance amount shall be considered as notional loan. The amount of equity in excess of 30% treated as notional loan. The interest rate on excess equity shall be the weighted average rate of interest on the actual loans of the Licensee for the respective years. Where actual equity employed is less than 30%, the actual equity and debt shall be considered;

Provided that the Working capital shall be considered 100% debt financed for the calculation of WACC;

rd is the Cost of Debt;

re is the Return on Equity.”

- 4.34 In view of the above, the Commission has computed Return on Capital Employed (RoCE) as follows:

Table 4. 9: Commission Approved: WACC and RoCE

Sr. No.	Particulars	UoM	FY 2021-22
A	Average Net Fixed Asset	Rs. Cr.	118.30
B	Average Equity	Rs. Cr.	35.49
C	Average CAPEX Loan	Rs. Cr.	82.81
D	Working Capital Loan	Rs. Cr.	54.88
E	Average Loan Requirement	Rs. Cr.	137.69
F	Average RRB	Rs. Cr.	173.18
G	Grossed up Rate of Return on Equity	%	14.00
H	Rate of Interest on Loan	%	7.00
I	Weighted Average Cost of Capital (WACC)	%	8.43
J	RoCE	Rs. Cr.	14.61

SUMMARY OF FIXED COST

- 4.35 Regulation 99 of Tariff Regulations, 2017 provides components to be considered for computation of Annual Fixed Cost for a Generating Entity and relevant extract is as follows:

“99.The annual fixed cost (AFC) of a Generating Entity shall consist of the following components as specified in these Regulations:

Return on Capital Employed;

Depreciation; and

Operation and Maintenance expenses.”

- 4.36 Accordingly, the Commission approves the Annual Fixed Cost for FY 2021-22 by considering the various components discussed above, as follows:

Table 4. 10: Commission Approved: Annual Fixed Cost

Sr. No.	Particulars	UoM	FY 2021-22	Ref.
			Approved	
A	Return on Capital Employed	Rs. Cr.	14.61	Table 4.20
B	Depreciation	Rs. Cr.	11.15	Table 4.14
C	Operation and Maintenance Expenses	Rs. Cr.	27.52	Table 4.10
D	Annual Fixed Cost	Rs. Cr.	53.28	A+B+C
E	Net Generation	MU	651.71	
F	Fixed Cost per unit	Rs./kWh	0.818	$F=(D/E)*10$

A5: DIRECTIVES ISSUED BY THE COMMISSION

- 5.1 The Commission directs the Petitioner to ensure that the fuel supply agreement does not contain the "Minimum Off-Take Guarantee" clause linked with "Take or Pay" obligation, so as to optimize the cost of generation. Any cost incurred on account of such clause shall not be allowed to be billed to the beneficiaries and the liability on this count shall be solely to the account of the petitioner. The petitioner shall be allowed to recover only the actual cost of fuel (including fuel price adjustment/Power Purchase Cost Adjustments, if any but excluding cost on account of "Minimum Off- Take Guarantee" / "Take or Pay" obligation) from the respective beneficiaries.
- 5.2 The Commission directs the Petitioner to ensure that the fuel procured should be strictly utilized only for the purpose of power generation, failing which the associated cost would be disallowed in full.
- 5.3 The Commission directs the Petitioner to furnish information related to Energy Charge Rate as per Form-15/21 of Tariff Regulations, 2017 along with monthly invoice to the beneficiaries. Source wise fuel details are to be provided in the said form and the same is to be uploaded on Petitioner's website on monthly basis.
- 5.4 The Commission directs the Petitioner to install separate arrangement for recording of unit auxiliary transformer consumption in order to correctly measure the Auxiliary Consumption of the generating station.
- 5.5 IPGCL to declare availability for 90 MW of GTPS only on Administered Pricing Mechanism (APM) gas or cheaper gas than APM Gas used by the Generating Station, if any.
- 5.6 The Commission directs the Petitioner to submit the Compliance report on affidavit jointly signed by the Petitioner and DISCOMs for recovery of impact of Commission's Order dated 24/09/2021 (*APTEL Judgment dated 28/05/2020*) as per Para 3.74 (b) of the instant Order.
- 5.7 Save and except the penalty as specifically provided in these directives, in all other cases, the punishment for non-compliance of directions of the Commission shall be dealt as per the Section 142 of the Electricity Act, 2003 and file a compliance report to the Commission within a period of 3 months.

Annexure-I

**DELHI ELECTRICITY REGULATORY COMMISSION**

Viniyamak Bhawan, 'C' Block, Shivalik, Malviya Nagar, New Delhi- 110017.

F.11(1830)/DERC/2020-21/

Petition No. 05/2021

In the matter of: **Petition for approval of true up of tariff for FY 2019-20 and determination of Tariff for the FY 2021-22 for GTPS station.**

Indraprastha Power Generation Company Ltd.
Through its: **Director (Technical)**
Himadri,
Rajghat Power House Complex
New Delhi 110 002.

...Petitioner/Licensee

Coram:

Hon'ble Sh. Justice S S Chauhan, Chairperson
Hon'ble Sh. A. K. Ambasht, Member

Appearance:

Mr. Ashwin Ramanathan, Adv.

INTERIM ORDER

(Date of Hearing: 16.02.2021)

(Date of Order: 19.02.2021)

1. The Counsel for the Petitioner states that the instant Petition has been filed by M/s. Indraprastha Power Generation Company Ltd. (IPGCL) for approval of true up of tariff for FY 2019-20 and determination of Tariff for the FY 2021-22 for GTPS station.
2. The Petition has been scrutinised and found generally in order as per the DERC Comprehensive (Conduct of Business) Regulations, 2001.
3. The Petition is admitted. Further, the Petitioner shall furnish clarifications/ additional information, if and when required by the Commission.


(A.K. Ambasht)
Member


(Justice S S Chauhan)
Chairperson

WEAR FACE MASK

WASH HANDS REGULARLY

MAINTAIN SOCIAL DISTANCING

Annexure-II**LIST OF RESPONSES RECEIVED FROM STAKEHOLDERS ON TRUE UP OF EXPENSES FOR FY 2019-20 AND AGGREGATE REVENUE REQUIREMENT (ARR) AND TARIFF FOR FY 2021-22**

Sr. No.	R. No.	Name	Address	Category	Company/Licensee	Date of Receipt
1.	1	The Midland Fruit and Vegetable products (India) Pvt. Ltd	Jumbo House, Dr Jha Marg, Near Okhla Rly Station, Okhla Industrial Area, Phase III New Delhi 110 020	Industrial	DISCOMS	05/03/2021
2.	2	Jumbo International	Jumbo House, Dr Jha Marg, Near Okhla Rly Station, Okhla Industrial Area, Phase III New Delhi 110 020	Industrial	DISCOMS	05/03/2021
3.	3	Sh. B.S. Sachdev President	Elderly Peoples Forum, Varishth Nagrik Manoranjan Kendra, Ist Floor, C-4 Block, Keshav Puram, Delhi 110 035	RWA	DISCOMS	15/03/2021
4.	4	Sh. S.R. Abrol	L-2, 91B, DDA, LIG, Kalkaji New Delhi	Domestic	DISCOMS	17/03/2021
5.	5	Ms. Neeta Gupta	Sector 14-Extension, Rohini Delhi 110 085	Domestic	DISCOMs	24/03/2021
6.	6	Sh. Vipin Gupta	A-17, Antriksh Apartments, Sector 14-Extension- Rohini Delhi 110 085	Domestic	DISCOMs	21/03/2021
7.	7	Sh. Deepak Suri	A1-3 Near Moti Nagar Metro Station, Moti Nagar, New Delhi	Domestic	DISCOMs	25/03/2021
8.	8	Sh. Suresh Kumar	E-20A Moti Nagar, Delhi	Domestic	DISCOMs	25/03/2021
9.	9	Sh. Nitin Sehgal	H.No. 69 Blk DF, Pitampura Delhi	Domestic	DISCOMs	25/03/2021
10.	10	Sh. Kawaljeet Singh	H.No. 122, Sector-1 Avantika Rohini, New Delhi	Domestic	DISCOMs	25/03/2021
11.	11	Sh. Sunil Kumar	Mukherjee Nagar, Delhi	Domestic	DISCOMs	25/03/2021
12.	12	Sh. Dinesh Singh	GF, House No. 54, Pkt 5 Sector-6, Rohini, Delhi	Domestic	DISCOMs	25/03/2021
13.	13	Sh. Subhash Suri	Blk FD, H. No. 79 Pitampura, Delhi	Domestic	DISCOMs	25/03/2021
14.	14 14 A 14 B 14 C	Sh. Pankaj Gupta General Manager/ Tr./O&M	Delhi Metro Rail Corporation Ltd.	Govt.	BRPL BYPL TPDDL NDMC	25/03/2021
15.	15	Sh. Ashish Dikshit	H. No. 09, Block –JD Pitampura 110 034	Domestic	DISCOMs	30/03/2021
16.	16	Sh. Janak Singh	Plot No. 65, 3rd Floor, Block-D, Ashok Vihar Phase I Delhi 110 052	Domestic	DISCOMs	26/03/2021

Sr. No.	R. No.	Name	Address	Category	Company/ Licensee	Date of Receipt
17.	17	Ms. Lata Jain	House No. 110, First Floor, Gali No. 9 Andha Mugal Pratap Nagar, Delhi 110 007	Domestic	DISCOMs	26/03/2021
18.	18	Sh. Arun Kumar	Plot No. 22, Third Floor Karol Bagh, Block No. D New Rohtak Road,	Domestic	TPDDL	26/03/2021
19.	19	Ms. Jaspreet Kaur	HNo. 13, Block –C, PH-3, Near Laxmi Bai College Ashok Vihar, 110 052	Domestic	DISCOMs	26/03/2021
20.	20	Sh. Jagdish Goel	Plot No. 41, Block E, Near Kali Maa Mandir Shakti Nagar Exten. Delhi 110 052	Domestic	DISCOMs	26/03/2021
21.	21	Sh. Jogendra Behera VP (Market Design & Economics) IEX	Okit Bi, C-001/A/1, 9th Floor, Max Towers, Sector 16B, Noida UP 201 301	Industrial	DISCOMs	30/03/2021
22.	22	Ms. Mansi Kapoor	FF, House No. 264, Near Dispensary, Mangolpur Khurd New Delhi	Domestic	DISCOMs	30/03/2021
23.	23	Sh. Amrit Lal	GF, Blk-DP/175, Pitampura 110 034	Domestic	DISCOMs	30/03/2021
24.	24	Sh. Amar Gupta	126/223, First Floor, Block –F, Nr. Natraj Cinema Moti Nagar, New Delhi	Domestic	DISCOMs	30/03/2021
25.	25 25A 25B	Sh. Bharat Kumar Bhadawat Head (Regulatory, Legal and PM)	Tata Power Delhi Distribution Ltd NDPL House, Hudson Lines, Kingsway Camp, Delhi 110 009	Licensee	IPGCL PPCL DTL	26/03/2021
26.	26 26A 26B 26C	Sh. K.M. Lal General Manager (C&RA)	Delhi Transco Ltd. Shakti Sadan, Kotla Road, New Delhi 110 002	Govt.	BRPL BYPL TPDDL DTL	30/03/2021
27.	27	Sh. Manoj Taneja	House No. 59/257 Sarai Rohila Delhi 110 035	Domestic	DISCOMs	31/03/2021
28.	28	Sh. Arvind Rastogi	House No. 105, 1st Floor, Block-D Sarai Basti Sari Rohila Near Usha Mata Mandir Delhi 110 035	Domestic	TPDDL	31/03/2021
29.	29	Sh. Bhram Pal	Flat No. 7, 3rd Floor Pkt-B Sector 28 Near Shahbad Dairy Rohini 110 042	Domestic	DISCOMs	31/03/2021
30.	30	Sh. Ashish Kumar	House No. 21/89 Block –D, Shahbad Dairy New Delhi	Domestic	DISCOMs	31/03/2021

Sr. No.	R. No.	Name	Address	Category	Company/ Licensee	Date of Receipt
31.	31	Ms. Neetu Chopra	House No. 2233, Plot No. 35, 3rd Floor, Ganeshpura Tri Nagar Near Tota Ram Bazar Delhi 110 035	Domestic	DISCOMs	31/03/2021
32.	32	Sh. Ramesh Yadav	Housne No. 2344, Near Aggarwal Nursing Home Onkar Nagar, Tri Nagar 110035	Domestic	DISCOMs	05/04/2021
33.	33	Sh. Ravinder	BR-124, 3 rd Floor SFS Flats, Shalimar Bagh, Delhi 110 088	Domestic	DISCOMs	05/04/2021
34.	34	Sh. Jagdish	Flat No. 93, Ground Floor, Landmark Near, Bhagwan Mahavir Hospital, Pitampura	Domestic	TPDDL	05/04/2021
35.	35	Sh. Sandeep Agarwal	House No. 89, 3 rd Floor, Block-AC Shalimar Bagh, Near Shiv park 110 088	Domestic	DISCOMs	05/04/2021
36.	36	Sh. Chander Shekar	House No. 166, Block RN Shalimar Bagh West 110 088	Domestic	DISCOMs	05/04/2021
37.	37	Sh. Sunil Kumar	House No. 56, 3 rd Floor Kewal Park Extn. Opp Azadpur Subzi Mandi	Domestic	DISCOMs	05/04/2021
38.	38	Sh. Mohan Lal	H.No.66, Block-DR Pitampura, Delhi-110034	Domestic	DISCOMs	05/04/2021
39.	39	Sh. Syed Khalid Anwar General Secretary	Pension Fighters, 14A, Shivam Enclave, Jhilmil Colony, Shahdara-110034	Pension Trust	DISCOMs	26/03/2021
40.	40	Sh. Naresh Kumar	GF, H.NO.92, Block F, Pkt, 29, Sec.3, Rohini, Delhi-110085	Domestic	DISCOMs	12/04/2021
41.	41	Sh. Raj Mohan	H.No. 67, New Lawrence Road, Narang Colony, Tri Nagar-110035	Domestic	DISCOMs	12/04/2021
42.	42	Sh. Rohit Jha	H.No. C-8, Back portion, 3rd floor, Block-C, Kewal Park Extension-110033	Industrial	DISCOMs	12/04/2021
43.	43	Sh. Raj Chaurasia	H.No 17, Pkt.19, Sector, 24 Rohini-110085	Domestic	DISCOMs	12/04/2021
44.	44	Sh. Sachin Singhal	H.No.20, Block-1, Phase-2, Ashok Vihar-110052	Domestic	DISCOMs	12/04/2021
45.	45	Sh. Anurag Gupta	First Floor, Flat No.27, Block -PQ, Pitampura Delhi	Domestic	DISCOMs	12/04/2021
46.	46	Sh Manmohan Bansal	H.No.23, Block-15, Shakti Nagar, Delhi-110007	Domestic	DISCOMs	12/04/2021
47.	47	Sh. Sanjay Chawla	Plot No.12, Third ground floor, Gurunanak Road Block-D, Adarsh Nagar, Near Mukundpur Metro Station -110033	Domestic	DISCOMs	12/04/2021

Sr. No.	R. No.	Name	Address	Category	Company/ Licensee	Date of Receipt
48.	48	Sh. Paramjeet Singh	KH-4451, Jeevan Park, Siraspur, Delhi-110042	Domestic	DISCOMs	12/04/2021
49.	49	Sh. Pankaj Mathur	H.No.27, 2nd floor, Keshavpuram Indl. Area, Lawrence Road-110035	Domestic	DISCOMs	12/04/2021
50.	50	Sh. Abhinav Sinha	Flat No.727 C, Block 10 Sec-3, Near Fire Station Sec.3, DSIDC, Bawana-110039	Domestic	DISCOMs	12/04/2021
51.	51	Sh. Kailash Sachdev	H.No.A-45, Back Portion, 3rd floor, Kalyan Vihar-110009	Domestic	DISCOMs	12/04/2021
52.	52	Sh. Prabhu Dayal	F.No.22, Pkt. 2, Sec, 6, DDA, Narela, Delhi-110040	Domestic	DISCOMs	12/04/2021
53.	53	Ms. Gurpreet Kaur	H.No.12 , Block-AC, Shalimar Bagh East-110088	Domestic	DISCOMs	12/04/2021
54.	54	Sh. Sanjeev Gupta, President	Jan Samaj Seva Samiti P-Block, 1779, Jhandwalan Chowk, Gali No. 17, Baljeet Nagar New Delhi	RWA	DISCOMs	15/04/2021
55.	55	Sh. Jagdish Khetarpal Vice President	RWA , D2 Block, Janakpuri, New Delhi-110058	RWA	DISCOMs	02/04/2021
56.	56	Sh. Rajesh Aggarwal, Gen Secretary	Shahdara Residents Welfare Association Regd	RWA	DISCOMs	13.04.2021
57.	57	Sh. A.K.Dutta	H.No. 222, Pkt. E, Mayur Vihar, Phase-II, Delhi-110091	Domestic	DISCOMs	15/04/2021
58.	58 58 A 58 B 58 C 58 D 58 E	Ms. Preeti, Jt.Secretary	Jan Kalyan Samiti, Vir Sewa Mandir Building, 4674/21, Ansari Road, Daryaganj, New Delhi-110002	RWA	DISCOMs	19/04/2021
59.	59	Sh. Sumer Chand Gupta, Secretary	RWA, Ghas Mandi Ahata Kidara Pahari Dhiraj, 4570 GF, Gali Nathan Singh, Pahari Dhiraj, Delhi-110006	RWA	DISCOMs	19/04/2021
60.	60	Sh. Saurabh Gandhi Gen. Secretary	RWA, United Residents of Delhi, C-6/7 Rana Pratap Bagh, Delhi-110007	RWA	DISCOMs	19/04/2021
61.	61	Sh. K. Muraleedharan Nair Hon. Secretary	Kaveri co-operative Group Housing Society Ltd. Plot No.4, Sector-6 Dwarka Phase-I, New Delhi-110075	RWA	DISCOMs	19/04/2021
62.	62	Sh.Pawan Kumar Jain Gen. Secretary	Pahadi Dheeraj Kapda Committee, 4460, New Cloth Market, Sadar Bazar Delhi-110006	RWA	DISCOMs	19/04/2021
63.	63	Sh. Parsuram Rawat President	RWA, I-10, Street No.10, Brahampuri, Delhi-110053	RWA	DISCOMs	19/04/2021
64.	64	Sh. Kunwar Pratap Singh	Bhajanpura Jan Sehyog Sabha, D-408, Street No.9 D, Bhajanpura,	Domestic	DISCOMs	19/04/2021

Sr. No.	R. No.	Name	Address	Category	Company/ Licensee	Date of Receipt
		President	Delhi-110053			
65.	65 65 A	Sh. Kapil Verma Vice President	RWA, 276-B, LIG Flats, Dilshad Garden, Delhi-110095	RWA	DISCOMs	19/04/2021
66.	66	Sh. Bhopal Singh Jatav Member	RWA, H-16/830, Bapa Nagar, Pyare Lal Marg, Karol Bagh< New Delhi-110005	RWA	DISCOMs	18/04/2021
67.	67	Sh. Ajay Malhotra Executive Member	RWA, E-221, West Patel Nagar, New Delhi-110008	RWA	DISCOMs	18/04/2021
68.	68	Sh. Pal Sharma	RWA, Jan Sudhar Parishad Delhi, Vijay Marg, Gali No.2, Baba Balaknath Mandir, Baljeet Nagar, New Delhi-110008	RWA	DISCOMs	18/04/2021
69.	69	Sh. Kaushar Khan Gen. Secretary	General Secy. ,RWA F-10, Gali No.1, Shastri Park, Delhi-110053	RWA	DISCOMs	19/04/2021
70.	70	Sh. Rajiv Narang Executive Engineer	SDMC, M.C. Priminary School, Policy Colony, Hauz Khas, New Delhi-110016	Govt.	DISCOMs	19/04/2021
71.	71	Sh. D.K. Bhandari President	President, Awasiya Kalyan Samiti, Dilshad Garden, Pocket J & K , (Flat no. 1-A to 204-D) Dilshad Garden, Delhi-110095	RWA	DISCOMs	19/04/2021
72.	72 72 A	Sh. Sunil Kumar President	68A, Pocket SG Dilshad Garden, Delhi 110 095	RWA	DISCOMs	07/06/2021
73.	73 73 A 73 B 73 C 73 D 73 E	Sh. Yogesh Jain General Secretary	Federation of RWA of Daryaganj Keynote House 4525A, 7/33, Ansari Road, Darya Ganj, New Delhi 110 002 yogpreet@gmail.com	RWA	DISCOMs	19/04/2021
74.	74	Sh. Shashi Goyal DGM	BSES Rajdhani Power Ltd. BSES Bhawan, Nehru Place, New Delhi 10 019	Licensee	Generation & transmission	29/06/2021
75.	75	Sh. Bharat Kumar Bhadawat Head (Regulatory, Legal and PM)	Tata Power Delhi Distribution Ltd NDPL House, Hudson Lines, Kingsway Camp, Delhi 110 009	Licensee	Generation & Transmission	29/06/2021
76.	76 76 A 76 B 76 C	Sh. K.M. Lal General Manager (C&RA)	Delhi Transco Ltd. Shakti Sadan, Kotla Road, New Delhi 110 002	Govt.	BRPL BYPL TPDDL NDMC	29/06/2021

Annexure-III

STAKEHOLDERS WHO HAVE ATTENDED THE VIRTUAL PUBLIC HEARING FOR THE PETITION FILED BY DISCOMs, GENCOs, AND TRANSCO ON THE APPROVAL PETITION FOR TRUING UP OF EXPENSES UPTO FY 2019-20 AND ANNUAL TARIFF PETITION FOR FY 2021-22

Sr. No.	Name	Organization
1	Sh. Bharat Kumar Bhadawat	TPDDL
2	Sh. N. P. Bhargava	Jumbo International The Midland Fruit and Vegetable Products
3	Sh. J. K. Gupta	Domestic/ RWA
4	Sh. Balram Chawla	RWA North West District
5	Sh. Lalit Chopra	NDMC
6	Dr. Gauri Shankar	Domestic consumer
7	Ms. Sarla Rani	Jan Kalyan Sewa Samiti
8	Sh. Satvir Singh Rana	RWA
9	Sh. Brij Mohan Verma	RWA Adarsh Welfare
10	Sh. Vijay Kumar Dabas	Domestic/ Non-Domestic
11	Sh. Pawan Kaushik	RWA Hargovind Vihar
12	Sh. Raj Kumar Garg	RWA Krishan Vihar
13	Dr. Kunal Tanwar	RWA
14	Sh. Pradeep Kumar	RWA
15	Sh. Sant Kumar Shukla	RWA Kirari Extension
16	Sh. Mukesh Aggarwal	RWA Lake Area
17	Sh. Gursharan Singh	Baba Banda Singh Bahadar Committee
18	Sh. Harish Bither	Domestic Consumer/ RWA
19	Sh. R. K. Gupta	RWA
20	Sh. Tej Pal Singh	RWA
21	Sh. Vijay Singh	TPDDL
22	Dr. Rajesh Sood	RWA
23	Sh. P.S. Grover	Domestic Consumer
24	Ms. Kusum Sharma	Kaatyani Mahila Shakti Welfare
25	Sh. P. S. Gaira	TPDDL
26	Sh. Hari Bhardwaj	Senior Citizen Welfare Association Narela
27	Sh. R. K. Gulati	RWA Keshav Puram
28	Sh. Manmohan Negi	RWA Pratap Vihar Part 1
29	Sh. Chandrakant Shrivastava	DMRC
31	Sh. Rajeev Kumar	Bawana Manufactureres Welfare Association
32	Sh. Ashish Garg	Narela Industrial Complex Welfare Association
33	Sh. Keshav Mohan Lal	DTL
34	Dr. Rajendra Kumar Yadav	IPGCL & PPCL
35	Er. Sundeep Gaur	NDMC
36	Er. P. K. Shokeen	NDMC
37	Sh. R. K. Mamgain	NDMC
38	Sh. Naveen Bhardwaj	NDMC
39	Sh. Mahesh Kumar Mittal	NDMC

Sr. No.	Name	Organization
40	Er. Sudeep	NDMC
41	Er. Khushboo Sharma	NDMC
42	Sh. C M Jain	NDMC
43	Sh. Akshaya Arora	NDMC
44	Sh. Piyush Jain	WRI
45	Dr. Pradeep Kumar	Examining Body for Para-Medical Training for Bhartiya Chikitsa, Govt. of Delhi
46	Sh. Hemant Sachdeva	Unity Groups
47	Sh. Subhash Vashisht Sh. Suresh Elwadhi	Foundation of Rubber & Polymer Manufacturers (FORM)
48	Sh. Rajul Agarwal	BYPL
49	Ms. Prachi Jain	BYPL
50	Sh. Abhishek Shrivastava	BYPL
51	Sh. Vikas Dixit	BYPL
52	Sh. Sameer Singh	BYPL
53	Sh. Brajesh Kumar	BYPL
54	Sh. Garima Belwal	BYPL
55	Ms. Vinita Vishwakarma	BYPL
56	Sh. Ravi Shandilya	BRPL
57	Sh. Vineet Wasan	Domestic Consumer
58	Sh. Arindam Das	BRPL
59	Ms. Monika Dhyani	BRPL
60	Sh. Abhishek Mahapatra	BRPL
61	Sh. Gaurav Thapan	BRPL
62	Sh. Mayank Ahlawat	BRPL
63	Sh. Vishnu Kumar	BRPL
64	Sh. Deepak Shankar	BRPL
65	Sh. Megha Bajpeyi	BRPL
66	Sh. Prashant Dua	BRPL
67	Sh. Pal Sharma	Jansudhar Parishad (RWS)
68	Sh. Digbijay Narayan Majhi	BRPL
69	Sh. Dipankar Majumdar	BRPL
70	Sh. Rajesh Doshi	BRPL
71	Sh. R. K. Jagdish	RWA
72	Ms. Anita Prasad	RWA
73	Sh. Rajiv Verma	RWA
74	Sh. R. L. Dhawan	RWA
75	Sh. Asit Tyagi	BRPL
76	Sh. Surendra Yadav	BRPL
77	Sh. Varun Chandel	BRPL
78	Sh. Vineet Sikka	BRPL
79	Sh. Harmeet Singh	RWA Koshish
80	Sh. Shobhit Dhar	BRPL
81	Sh. Saurabh Gandhi	RWA
82	Sh. Sanjay Srivastav	BRPL

Sr. No.	Name	Organization
83	Sh. A. K. Dutta	RWA
84	Sh. Nalin Tripathi	URD
85	Sh. Himanshu Chauhan	BRPL
86	Sh. Hemanta Madhab Sharma	Domestic Consumer
87	Dr. Arun Kumar	DRGSA
88	Sh. Satyawar Singh	Future Enterprise (BA TPDDL)
89	Ms. Kamlesh Yadav	BRPL
90	Sh. Shashi Goyal	BRPL
91	Sh. Kanishk Khetarpal	BRPL
92	Sh. D.M Narang	RWA
93	Ms. Neena Narang	RWA
94	Ms. Manisha Kumari	Domestic Consumer
95	Sh. Satveer Singh	Domestic Consumer
96	CA Sanjay Gupta	RWA
97	Sh. Rajiv Kakria	RWA
98	Sh. Rajan Asthana	RWA
99	Sh. Kapil Verma	RWA
100	Sh. Pawan Gaur	RWA
101	Sh. D.K. Bhandari	RWA
102	Sh. R.K. Soni	RWA
103	Sh. Satbir Bansal	RWA
104	Azhar Hussain	RWA
105	Dr. O.P. Dhingam	RWA
106	Sh. B.B. Tiwari	RWA
107	Sh. Prannav Khanna	Domestic Consumer
108	Sh. Rajiv Narang	SDMC
109	Sh. Vikas Jain	SDMC
110	Sh. Rizwan Ahmed Ansari	SDMC