



Indraprastha Power Generation Company Limited

Corporate Identity Number (CIN) - U40103DL2001SGC111530

(An Undertaking of Govt. of NCT of Delhi)

(Regd. Off: "Himadri", Rajghat Power House Complex, New Delhi-110002)

No. IPGCL/Comml./F.12/2024-25/ 151

Dt. 14.11.2024

Secretary
Delhi Electricity Regulatory Commission,
Viniyamak Bhawan, C-Block,
Shivalik, Malviya Nagar,
NEW DELHI-110 017

Sub.: Additional Submission required for truing up of tariff for FY 2022-23 of GTPS station of IPGCL.

Ref: DERC e-mail dated 10.10.2024.

Sir,

IPGCL has filed the tariff petition before Hon'ble Commission related to truing up of tariff for FY 2022-23 & ARR for FY 2024-25 of GTPS station on provisional basis. Further, in reference to communication received dated 10.10.2024, the additional information/submission in respect of the tariff petition is as under:-

A. Audited Books of accounts for FY 2022-23

The audited accounts of IPGCL for FY 2022-23 are prepared and are in the process of approval from the Board. The same will be provided as and when approved by the competent authority.

B. Details of O&M expenses

The Hon'ble Commission vide its Business Plan Regulations, 2019 has allowed the Normative Operation and Maintenance expenses for GTPS station as under:-

Table 1: O&M Expenses (Rs. Lakh/ MW)

Station	2020-21	2021-22	2022-23
Gas Turbine Power Station (GTPS)	29.45	30.58	31.75

Earlier, the Gas Turbine Power Station (GTPS) operates with a total installed capacity of 270 MW. However the PPA of GTPS station was expired in 31st March 2021. Accordingly, Hon'ble DERC vide its order dated 24.03.2021 in Petition No. 35/2020 has accorded 'In-principle' approval for

Life extension of this station for further 10 years beyond March, 2021 and allowed the extension with following provisions:

- a) 90 MW (Base Load Capacity) funded through CAPEX; and
- b) 120 MW (Synchronous Mode Operation) to be funded through PSDF.

Accordingly, IPGCL has made all efforts to ensure the plant available for generation corresponding to 210 MW Capacity (90 MW base load capacity and 120 MW Synchronous Mode Operation) including maintain adequate man power at the station, availability of Fuel, availability O&M Spares, the availability of fund for payment of gas bills which arises every fortnightly, ensure the availability/running of corresponding auxiliary of the station etc.

Further, the Hon'ble Commission vide its order dated 09.10.2021 in RP No. 30 of 2021 directed IPGCL to declare availability for 270 MW of GTPS on Administered Pricing Mechanism (APM) gas or any other alternative fuel available, as an interim measure, until further Orders.

IPGCL in its tariff petition submitted the details of O&M expenses on provisional basis as the actual expenses were not available at that time. The Books of accounts are prepared. The details of Actual O&M expenses during FY 2022-23 are as under:-

Actual O&M Expenses during FY 2022-23

S.No.	Particulars	Amount (Rs in Cr.)
A	Employee Expenses	50.12
B	Repair & Maintenance expenses	7.00
C	A & G expenses	17.93
Total		75.05

In view of above, Hon'ble Commission is requested to allow the O&M expenses for GTPS as under:-

O&M expenses for FY 2022-23				
S.No.	Particulars	UoM	As per DERC BPR, 2019	Petitioner submission
A	Base O&M Expenses	Rs in Cr	66.68	75.05
B	Actual payment on account of 7 th Pay revision	Rs in Cr	-	-
C	Total	Rs in Cr	66.68	75.05

In view of above, the Hon'ble Commission is requested to allow the actual O&M expenses of Rs 75.05 Cr for GTPS station incurred during FY 2022-23.

C. Grossed up Rate of return on Equity, Re

It is submitted that IPGCL in its tariff petition has considered the base rate of return on equity @ 14% for FY 2022-23 and the same has been grossed up with rate of income tax @ 25.168% on provisional basis as per DERC Regulation. However the actual income tax rate for FY 2022-23 is 23.898%. Accordingly the grossed up rate of return on equity has been arrived at 17.082% [$\text{RoE} = 14\% / (1 - 0.23898)$]. Thus, it is requested to Hon'ble Commission to consider the Grossed up Rate of Return on Equity, Re @ 17.082% for FY 2022-23.

Accordingly, WACC for FY 2022-23 has been re-computed as 7.28%. The Return on Capital employed comes to an around of Rs 22.40 Cr for FY 2022-23.

D. True-up of Annual Fixed Cost

In view of above, the revised Annual Fixed Cost for FY 2022-23 is as under:-

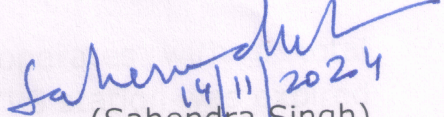
Table 5-8: Annual Fixed Cost				
S.No.	Particulars	UoM	FY 22-23	Remarks
A	Return on Capital Employed	Rs Cr	22.40	
B	Depreciation	Rs Cr	2.93	
C	O&M Expenses	Rs Cr	75.05	
D	Annual Fixed Cost	Rs Cr	100.38	$D = A+B+C$
E	Net Generation	MU	313.718	
F	Fixed Cost per unit	Rs/KWh	3.20	$F = D*10/E$

The Hon'ble Commission is requested to allow the Annual fixed cost of Rs 100.38 Cr for GTPS station during FY 2022-23.

The above information is submitted based on the audited accounts for FY 2022-23.

Thanking you,

Yours faithfully,


(Sahendra Singh)

General Manager (Comml.)