



DELHI ELECTRICITY REGULATORY COMMISSION

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

F.11(1831)/DERC/2021-21/

Petition No. 06/2021

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 PPS-I.

Pragati Power Corporation Ltd.
Through its : Director (Tech.)
Himadri, Rajghat Power House Complex
New Delhi 110 002

...Petitioner/Licensee

Coram:

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

ORDER

[Date of Order: 30/09/2021]

M/s Pragati Power Corporation Ltd. (PPCL) 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 PPS-I. 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 'Shashi')
Chairperson

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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

Abbreviation	Explanation
DERA	Delhi Electricity Reform Act
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	Jhuggi 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

Abbreviation	Explanation
MTNL	Mahanagar Telephone Nigam Limited
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

Abbreviation	Explanation
SPD	Single Point Delivery
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 Pragati Power Corporation Limited (PPCL) (hereinafter referred to as 'PPCL' 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').

PRAGATI POWER CORPORATION LIMITED (PPCL)

- 1.2 PPCL, wholly owned by the Government of National Capital Territory of Delhi, is a generating company operates the Pragati Power Station-I (330 MW) power generating station, having two gas turbine units of 104 MW each and one steam turbine unit of 122 MW.

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 PPCL 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 Petitions for 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. Copies 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 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. The Petitioner submitted additional information through various letters/submissions/emails.

- 1.16 The Commission also conducted multiple validation sessions with the Petitioner during which discrepancies in the Petition as required by the Commission were sought. Subsequently, the Petitioner submitted replies to the issues raised and 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 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 publishing 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.
- 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 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 the 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 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 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 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 (ARR) for FY 2021-22 of Pragati Power Station-I.
- 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 Pragati Power Corporation Limited (PPCL) 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 and will 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 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.
- 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: O&M EXPENSES

STAKEHOLDERS' VIEW

- 2.11 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.
- 2.12 Sharing in O&M expenses (Actual O&M of Rs.84.22 Cr against the normative O&M of Rs. 65.11 Cr) in which cost of DLN burner, STP & impact of Adhoc payment as IR due to pay revision is included. It needs to ensure that the O&M cost is accounted for correctly and any cost more than the normative O&M needs to be disallowed.

PETITIONER'S SUBMISSION

- 2.13 PPCL implemented 7th Pay Commission Report in FY 2019-20 therefore, PPCL claimed reimbursement of expenditure on above account during FY 2019-20. Further, due to increase of pay of employee due to pay revision in FY 2019-20, there will be also impact on O&M expenditure during FY 2021-22 therefore, petitioner requested to allow increase of 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.

- 2.14 Normative O&M of Rs 65.11 Cr didn't include IR due to pay revision, expenditure on account of DLN burner and STP. Since these expenditures are allowed additionally as per DERC Tariff Regulations, 2017 and DERC Business Plan Regulations, 2017. Accordingly, PPCL submitted the actual O&M expenses for FY 2019-20 including payment of actual IR, expenditure on DLN & STP. The necessary information is provided additionally along with auditor certificate vide PPCL letter No. PPCL/Comml./F.12/2019-20/352 dated 16/03/2021.

COMMISSION'S VIEW

- 2.15 The Commission considered the provisions of Tariff Regulations, 2017 and Business Plan Regulations, 2017 & 2019 along-with the submissions of the Petitioner while considering the O&M Expenses for the Petitioner for the respective period.

ISSUE 2: WEIGHTED AVERAGE COST OF CAPITAL (WACC) AND INCOME TAX

- 2.16 For Computation of WACC, actual cost of debt or SBI MCLR as on 1st April 19 whichever is lower is to be considered and then actual interest rate may be considered for Truing up.
- 2.17 With respect to Income Tax, we could not verify rate of income tax of 17.47% mentioned in petition. Requested to check the amount of actual Income tax paid.

PETITIONER'S SUBMISSION

- 2.18 SBI MCLR were considered for arriving WACC in line with DERC Tariff Regulations, 2017 as there is no outstanding long term loan for PPS-I the details of actual income tax paid were submitted separately to the Commission through PPCL letter No PPCL/Comml/F12/2020-21/352 dated 16/03/2021.

COMMISSION'S VIEW

- 2.19 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).

- 2.20 Further, the Commission verified the actual income tax paid by the Petitioner based on the submission and considered income tax rate accordingly.

ISSUE 3: NON-TARIFF INCOME

- 2.21 Nil amount is been 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.
- 2.22 Further, request to consider an amount equivalent to trued up Non-Tariff Income for FY 2019-20 may be considered for FY 2021-22. NTI should be enhanced and GENCOs should endeavor to generate more Non-Tariff income which is accounted in reduction of GENCOs ARR, as per DERC Tariff Regulations, 2017.

PETITIONER'S SUBMISSION

- 2.23 The details of Non-Tariff income as required by the Commission were separately submitted through PPCL letter No PPCL/Comml/F12/2020-21/352 dated 16/03/2021. The Non-Tariff income components are not predicable. TPDDL suggestion that GENCOs should endeavor to generate more Non-Tariff income which is accounted in reduction of GENCOs ARR, as per DERC Tariff Regulations, 2017, is valuable suggestions, however, if same is exercised at TPPDL end it will impact more on overall sale price of Electricity to end consumers.
- 2.24 The value of NTI for FY 2019-20 cannot be considered for FY 2021-22.

COMMISSION'S VIEW

- 2.25 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 for the respective period.

ISSUE 4: ENERGY CHARGE RATE (ECR) & FUEL COST

- 2.26 The Petitioner sought approval of higher LPPF impacting the ECR, actual is 25.199 Rs./SCM against 20.20 Rs./SCM approved.
- 2.27 Other expensive sources of fuel like R-LNG, Spot-R-LNG, PMT was also procured which is expensive when compared to R-LNG, stating shortage of Gas. PPCL needs to relook at their procurement strategy and manage within the approved figures. No concrete steps were demonstrated by PPCL-I for arranging economical Gas.
- 2.28 The Petitioner sought approval of 5.489 Rs./unit against 4.43 Rs./unit approved which is approximately 24% higher than the approved figures.
- 2.29 The Petitioner needs to relook at their procurement strategy and manage within the approved figures.
- 2.30 Minutes of meeting in respect of meeting held in Delhi SLDC dated 6/07/2020 mentioned that composite rates would be used for billing for up to MTL of one full module considering the directions of Hon'ble Supreme Court wherein it is mandated to run one module of Bawana. However, for Power scheduled above MTL of one full module of Bawana billing would be carried out on fuel-wise basis and corresponding quantum scheduled by each beneficiary.
- 2.31 Further, Pragati-I is yet to start fuel wise billing and is billing on weighted average Energy Charge Rate. Also, Pragati-I is not providing Form-15 with parameters of GCV and price of fuel i.e, Natural Gas, RLNG, liquid fuel etc. as per DERC Regulations as asked vide our letter dated 27/06/2020, rather providing Form-15 with weighted average cost of all fuels used for the period. The same is in violation of DERC Tariff Regulations, 2017 and appropriate explanation for the non-furnishing of details be sought by the Commission from PPCL

PETITIONER'S SUBMISSION

- 2.32 The allegation is false that the Petitioner is using different formula other than formulae specified in DERC Tariff Regulations, 2017 for arriving ECR.
- 2.33 The observation of stakeholder is incorrect and far from reality. In the Petition, it is

mentioned that DERC decided the working capital for FY 2019-2020 vide Order dated 31/07/2019 considering fuel cost for March-19, April-19 and May -19. However, as per Regulation 107 of DERC Tariff Regulation, 2017, it should be actual moving weighted average cost of fuel prior to start of Tariff period. However, in form-15 of the Regulation, the same was mentioned to be weighted average cost of three preceding months before start of Tariff period. Therefore, the Petitioner submitted the Petition giving the details as per Form-15 of DERC Tariff Regulations, 2017 and requested the Commission to address the ambiguity in Regulation 107 & Form-15 and revise the working capital for FY 2019-2020 as per Form-15 or regulation 107 of DERC Tariff Regulations, 2017.

The submission of stakeholder is far from the facts. The Rs. 4.43/unit cost of Tariff Order for FY 2019-20 pertains to normative PLF based generation. However, in actual PLF is 52.76%. Further, there is impact of capital addition, which has been claimed by PPCL on implementation during True up, the impact of revision of fuel cost and the impact due to ambiguity in Regulation 107 of DERC Tariff Regulations, 2017 and Form-15 along with the variation of fuel price during the Tariff period after issue of Tariff Order. These are not in control of the Petitioner and therefore, the comment of the stakeholder that PPCL needs to relook at their procurement strategy and manage within the approved figures is unwarranted and out of place.

- 2.34 As regards to fuel based billing of PPS-I, Form 15 is being submitted as per contained specification by the Commission. Moreover, PPCL is uploading copies of paid Gas bill for each type of Gas. Accordingly, the details are already available on company wave page as per direction of DERC.
- 2.35 Further, fuel wise billing was not decided in the referred meeting dated 06/07/2020 in case of PPS-I as it was mentioned by the stakeholder. However, in case of PPS-1, there is no scheduling exclusively for any other beneficiary in addition to its entitlement.
- 2.36 Thus, contrary to the claim of the stakeholder, matter of fuel wise billing was not decided in the referred meeting dated 06/07/2020 for PPS-1.

COMMISSION'S VIEW

- 2.37 ECR is determined in the Tariff Order based on the prices of fuel during the applicable period as per the provisions of Tariff Regulations, 2017 along with Business Plan Regulations, 2017 & 2019 for the respective period. The Commission has appropriately considered the prices of the fuel in the relevant section of this Order.

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 SUBMISSION

3.5. The Petitioner has submitted that PPS-I has achieved availability over and above Normative Availability as provided in Tariff and Business Plan Regulations, 2019.

3.6. Actual Availability for PPS-I during FY 2019-20 submitted by the Petitioner is as follows:

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

Sr. No.	Particulars	UoM	FY 2019-20
1	Plant Availability	%	96.95%

COMMISSION ANALYSIS

- 3.7. The Commission in its Business Plan Regulations, 2017 has approved the availability of 85% for PPS-I Station 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%”

- 3.8. The Petitioner vide its submission dated 16/03/2021 has provided the SLDC Certificate for plant availability factor for True-up of PPS-I for FY 2019-20 and the Commission has considered the same for the purpose of True-up of Plant Availability Factor for FY 2019-20 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	PPS-I	%	85%	96.95%	96.95%

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

- 3.9. The Petitioner has submitted that the heat rate achieved by the station in open cycle mode is on higher side due to partial loading on erratic load scheduling by the beneficiaries. Accordingly, the Petitioner has requested the Commission to relax the norms of SHR in open cycle mode and allow the heat rate on actual basis for FY 2019-20.

- 3.10. The actual heat rate achieved by the Petitioner for PPS-I 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)	1979
Station Heat Rate (OC)	(kCal/kWh)	3083

COMMISSION ANALYSIS

- 3.11. 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

.....”

- 3.12. The Commission approves the normative Gross Station Heat Rate for PPS-I 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	PPS-I	Combined Cycle	KCal/kWh	2000	1979	2000
2		Open Cycle	KCal/kWh	2900	3083	2900

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

- 3.13. Actual Auxiliary Power Consumption (APC) achieved for PPS-I during FY 2019-20 as submitted by the Petitioner is as under:

Table 3. 5: Petitioner Submission - Auxiliary Power Consumption

Sr. No.	Particulars	UoM	FY 2019-20
1	Auxiliary Consumption	%	2.31%

COMMISSION ANALYSIS:

3.14. 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.”

3.15. 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 and vintage of equipment. It may be noted that the Commission in its Business Plan Regulations, 2017 has split the normative auxiliary energy consumption in two parts i.e fixed component of 0.5% and variable component of 2.0% thus making total auxiliary energy consumption of 2.5% in combined cycle mode. Further, it is observed that the Petitioner has been able to achieve the normative auxiliary energy consumption. In view of the above, the Commission approves the Auxiliary Power Consumption for PPS-I 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		
			Business Plan Regulations, 2017	Actual as submitted by Petitioner	Approved for True-Up
1	PPS-I	%	0.50%*	2.31%	2.00%*

**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	PPS-I	Combined Cycle	%	2.00%	2.31%	2.00%
2		Open Cycle	%	0.50%		0.50%

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

- 3.16. The Petitioner has submitted the Gross and Net Generation of PPS-I for FY 2019-20 on the basis of PLF and APC as under:

Table 3. 8: Petitioner Submission - Gross and Net Generation

Sr. No	Description	UoM	FY 2019-20
A	Plant Capacity	MW	330
B	NAPLF	%	52.76
C	No. of days	No.	366
D	Gross Generation	MU	1529.30
E	Aux. Generation	%	2.31
F	Aux. Generation	MU	35.27
G	Net Generation	MU	1494.03

- 3.17. The Petitioner has submitted the comparison of availability and PLF of the Station as under:

Table 3. 9: Petitioner Submission - Plant Load Factor

Year	UoM	Availability	FY 2019-20
2019-20	%	96.95%	52.76%

COMMISSION ANALYSIS

- 3.18. Petitioner vide its submission dated 16/03/2021 has provided the SLDC certificate and accordingly, the Commission has considered the Plant Load Factor as 52.76% for FY 2019-20.

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

Year	UoM	Availability	PLF
2019-20	%	96.95%	52.76%

- 3.19. 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 PPS-I

FUEL CONSUMPTION

PETITIONER SUBMISSION

- 3.20. The Petitioner has submitted that Pragati Power Station-I has a long-term existing agreement with Gas Authority of India Limited (GAIL) for supply of Gas. Initially, PPS-I was having an allocation of 1.75 MMSCMD of APM Gas. This gas was sufficient to run both the Gas Turbines on base load. However, due to depleting gas reserves of ONGC, GAIL has been imposing cuts on its supply on day to day basis. MoP&NG has allocated 0.02 MMSCMD non-APM ONGC gas whose supply has been commenced from mid October, 2011. Therefore, to meet the short fall in the gas supply, fall back agreement has been signed with GAIL for supply of R-LNG gas on take and pay basis. In addition to this company enters in short term contract to purchase Spot-RLNG. Thus, PPS-I has sufficient gas to run both the GT's on base load.
- 3.21. 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 Submission - Total Gas Consumption

Particulars	Unit	FY 2019-20
APM Gas	MMSCM	93.810
PMT Gas	MMSCM	11.750
NAPM Gas	MMSCM	17.375
R-LNG Gas	MMSCM	202.473
Total Gas	MMSCM	325.408

- 3.22. The Petitioner has submitted that the prices of the domestic gases are determined by the GoI whereas the price of imported gas is driven by market fundamentals in the LNG market worldwide and is varying every year. Petitioner has considered the actual gas consumption for FY 2019-20.

- 3.23. However, as per Regulation 107 of DERC 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.”

- 3.24. Accordingly, Petitioner has filed current Petition as per details required in Form-15. 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.
- 3.25. 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 as follows:

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

Particulars	Unit	FY 2019-20
Total Gas Consumption	MMSCM	325.408
Average Gas Price	Rs./SCM	25.199
Weighted Average GCV	kCal/SCM	9305.866
Total Gas Cost	Rs. Crore	820.07
Net Generation	MU	1494.031
Variable Cost-CC	Rs./kWh	5.489

COMMISSION ANALYSIS

- 3.26. 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.
- 3.27. Further, the Commission vide its e-mail dated 02/03/2021 sought the verification of Energy Charge Rate billed by PPS-I 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 PPS-I 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 as allowed in ARR for FY 2019-20.

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

- 3.28. The Petitioner has submitted that the Commission has specified Normative Operation and Maintenance expenses in Business Plan Regulations, 2017 as per the table below for plant PPS-I for FY 2019-20:

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

Year	2019-20
PPS-I	19.73

- 3.29. Petitioner has paid an Interim relief to the employees of PPCL for the years starting from FY 2017-18 on the recommendation of wage revision committee. The Interim relief paid for FY 2019-20 was of Rs 10.37 Cr. Accordingly, the Petitioner has requested to consider the impact of adhoc payment of Rs 10.37 Cr as IR due to pay revision as additional expenditure on account of Employees cost for FY 2019-20.
- 3.30. The Petitioner has stated that Commission in its *Business Plan Regulation, 2019* has specified as under:-

“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”.

- 3.31. Further, the Commission in *Business Plan Regulation, 2019* regarding the additional Repair & Maintenance expenses on account of Dry Low NOx (DLN) burners and Sewage Treatment Plant (STP) has quoted as under:-

“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.”

- 3.32. The Petitioner has submitted that the repair and maintenance expenditure on account of DLN/AGPI of the machine is cyclic in nature; therefore, varies on year to year basis based on the running hours of the machine. All the expenditure is done after the inspections of the machines as per the manufacturer recommendation. The State commission has been allowing the expenditure on account of DLN burner as additional R&M in previous years on actual basis. The petitioner had spent an amount of Rs 3.62 Cr in FY 2019-20 towards DLN.
- 3.33. Petitioner has used the sewage treated water for the operation of the plants from sewage treatment plants and has incurred an amount of Rs 5.12 Cr towards STP in FY 2019-20. Considering the essential O&M requirement to ensure continuous raw water supply for the plant, Commission is requested to allow the same for FY 2019-20 additionally to normative O&M.
- 3.34. Accordingly, the O&M expenses for FY 2019-20 is as under:

Table 3. 14: Petitioner Submission - O&M Expenses

Sr. No.	Particulars	UoM	FY 2019-20
A	Base O&M expenses	Rs. Cr.	65.11
B	DLN Burner for the period	Rs. Cr.	3.62
C	STP	Rs. Cr.	5.12
D	Impact of Adhoc payment as IR due to Pay Revision	Rs. Cr.	10.37
E	Total O&M Expenses	Rs. Cr.	84.22

COMMISSION ANALYSIS

- 3.35. 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.”

- 3.36. The normative O&M expenses for FY 2019-20 as per Business Plan Regulations, 2017 works out to be Rs. 65.11 Cr. by multiplying the Rs.19.73 Lakh/MW with installed capacity of 330 MW of the plant as per norms.
- 3.37. 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 additional R&M on account of DLN & STP. The Petitioner has submitted the information along-with the Auditor's certificate stating that Rs. 13.09 Cr. has been paid as Interim Relief on account of Seventh pay Commission. Further, the Petitioner vide its submission dated 16/03/2021, 31/03/2021 & 12/04/2021 has submitted the payment vouchers and purchase order w.r.t. additional R&M on account of DLN & STP along-with the Auditor Certificate and other informations.
- 3.38. The Commission vide its Email dated 7/09/2021 directed the Petitioner to submit the Actual O&M Expenses for PPS-I 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 PPS-I based on the Cost Audit report which is coming out to Rs. 78.39 Cr. for FY 2019-20.
- 3.39. Considering the impact of COVID-19, the Commission approves the O&M Expenses for PPS-I 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 (inclusive of Base O&M Expenses, Expenses on DLN &	Rs Cr	78.39	As per Email dated 14/09/2021 and Cost Audit Report

Sr. No.	Particulars	UoM	Amount	Ref
	STP and Interim Relief)			

CAPITAL EXPENDITURE**PETITIONER SUBMISSION**

3.40. The Petitioner has submitted that the Commission has approved the Closing Gross Fixed Asset of Rs. 1048.50 Cr. for FY 2018-19 and Rs. 1051.32 Cr. for FY 2020-21 in PPCL Tariff Order dated 28/08/2020.

3.41. The Petitioner has stated that the Commission in its Business Plan regulation, 2019 has allowed the Capital expenditure for the control period FY 20-21 to FY 22-23 as under:

“7. CAPITAL INVESTMENT PLAN

(1) The tentative Capital Investment plan for the Generation Entity for FY 2020-21 to FY 2022- 23 is as follows:

“7. CAPITAL INVESTMENT PLAN

(1) The tentative Capital Investment plan for the Generation Entity for FY 2020-21 for FY 2022-23 is as follows:

Sr. No.	Description	2020-21	2021-22	2022-23
1.	Gas Turbine Power Station (GTPS)	17.33	16.10	-
2.	Pragati Power Station (PPS-I)	2.82	51.81	-

...”

3.42. The Petitioner has further submitted that some Capex schemes have been implemented in FY 2019-20 and has submitted the details of proposed Capex Schemes in its tariff petition no. 06 of 2018 for FY 16-17 and ARR for FY 18-19. These schemes are essential to improve the efficiency, reliability of plants. Accordingly, Petitioner has requested to allow the expenditure of Rs 3.13 Cr. to be met on account of Up-gradation of STG process controller system, vibration system of GT1, GT2 & STG, Refurbishment of cooling tower cells by replacing fills and Refurbishment of Cooling tower cells and structure. The Commission in subsequent tariff order dated 28/03/2018 for truing up of tariff for FY 2016-17 and ARR for FY 2018-19 in above petition has approved these capex schemes.

3.43. Accordingly, the Petitioner has spent an amount of Rs 7.99 Cr. in FY 2019-20 towards Capital Expenditure. The Petitioner requested the Commission to true up the above

expenditure for FY 2019-20. Accordingly, the GFA of PPS-I for FY 2019-20 is calculated as under:

Table 3. 16: Petitioner Submission - Capital Expenditure

Sr. No.	Particulars	Unit	FY 2019-20
A	Opening GFA	Rs. Cr.	1048.50
B	Addition	Rs. Cr.	7.99
C	Deletion	Rs. Cr.	0.00
D	Closing GFA	Rs. Cr.	1056.49
E	Average GFA	Rs. Cr.	1052.50

COMMISSION ANALYSIS

- 3.44. The Commission has considered the additional capitalization amounting to Rs. 4.58 Cr. out of Rs. 7.99 Cr. During the prudence check and analyses of Audited Annual Accounts for FY 2019-20, it is observed that the amount claimed as implementation of ERP is for PPS-I and PPS-III (Bawana) as well. The amount of Rs. 4.25 Cr. (*on account of ERP*) is considered proportionately for PPS-I in terms of installed capacity of the plants (PPS-I and PPS-III) i.e. Rs. 0.82 Cr. [$\text{Rs. } 4.25 \text{ Cr.} \times 330 / (1371 + 330)$]. Rest all other expenditure (*on account of Up gradation of Vibration Monitoring System of GT & STG auxiliaries of PPS-I, Refurbishment of cooling tower cells by replacement of fills, Repair of Distressed RCC Members of Cooling Tower Structure at PPS-I*) has been considered as submitted by the Petitioner. Further, it has been observed from the Audited Annual Accounts for FY 2019-20, an amount of Rs. 1.37 Cr. has been de-capitalized for the period.
- 3.45. The Commission vide Order dated 24/09/2021 in Petition No. 43 of 2020 allowed the additional capitalization of Rs. 0.36 Cr. (on account of Relay Test Kit) 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 1/04/2019 (considering Rs. 1048.50 Cr. as per Tariff Order dated 28/08/2020 plus Rs. 0.36 Cr. on account of Relay Test Kit for FY 2013-14) amounting to Rs. 1048.86 Cr.
- 3.46. 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		
			Approved in T.O. dated 31/07/2019	Petitioner Submission	Commission Approved
A	Opening GFA	Rs. Cr.	1050.38	1048.50	1048.86
B	Addition	Rs. Cr.	-	7.99	4.56
C	Deletion	Rs. Cr.	0.00	-	1.37
D	Closing GFA	Rs. Cr.	1050.38	1056.49	1052.05
E	Average GFA	Rs. Cr.	1050.38	1052.50	1050.46

DEPRECIATION**PETITIONER SUBMISSION**

- 3.47. 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, in accordance with the DERC Tariff Regulations, 2017. The total accumulated depreciation allowed by the Commission till FY 2018-19 was Rs.822.53 Cr. and till FY 2020-21 will be Rs. 849.86 Cr.
- 3.48. Accordingly, depreciation calculated for FY 2019-20 is calculated as below:

Table 3. 18: Petitioner Submission - Depreciation

Sr. No.	Particulars	Unit	FY 2019-20
A	Average GFA	Rs. in Cr	1052.50
B	Opening Accumulated Depreciation	Rs. in Cr	822.53
C	Balance Depreciation	Rs. in Cr	124.72
D	Balance Useful Life	Years	9
E	Current Year Depreciation	Rs. in Cr	13.86
F	Closing Accumulated Depreciation	Rs. in Cr	836.39
G	Average Accumulated Depreciation	Rs. in Cr	829.46
H	Average Net Fixed Asset	Rs. in Cr	223.04

COMMISSION ANALYSIS

- 3.49. The Commission has approved the accumulated depreciation of Rs 822.53 Cr. at the closing of FY 2018-19 in the Tariff Order dated 28/08/2020. Further, based on the additional capital expenditure on account Relay Test Kit allowed for FY 2013-14, the opening accumulated depreciation as on 1/04/2019 has been revised and works out to

Rs. 822.68 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. 0.15 Cr. has been added in the Depreciation for the period FY 2019-20. It is observed that PPS-I Station was commissioned in FY 2002-03 and shall complete its useful life by year 2027-28. Accordingly, the Commission has spread the remaining depreciable value over the remaining life of the asset and has computed depreciation for FY 2019-20.

3.50. 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		
			Approved in T.O. dated 31/07/2019	Petitioner Submission	Commission Approved
A	Average GFA	Rs. Cr.	1050.38	1052.50	1050.46
B	Opening Accumulated Depreciation	Rs. Cr.	822.65	822.53	822.68
C	Adjustment of De-capitalization	Rs. Cr.	-	-	-
D	Balance Depreciation [90% of A- (B+C)]	Rs. Cr.	122.69	124.72	122.73
E	Balance Useful Life	Years	9	9	9
F	Current Year Depreciation	Rs. Cr.	13.63	13.86	13.79*
G	Closing Accumulated Depreciation	Rs. Cr.	836.28	836.39	836.47
H	Average Accumulated Depreciation	Rs. Cr.	829.46	829.46	829.57
I	Average Net Fixed Asset	Rs. Cr.	220.92	223.04	220.89

**Includes differential Depreciation for the period from FY 2014-15 to FY 2018-19 amounting to Rs. 0.15 Cr.*

WORKING CAPITAL

PETITIONER SUBMISSION

3.51. 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 NAPA 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.”

3.52. 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 19-20. 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”.

3.53. However, as per from-15 of the DERC regulation 2017 weighted average landed price of Fuel and GCV of preceding three months is to be taken. Accordingly, petitioner has filed current petition as per details required in Form-15. Hon’ble 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.

3.54. Accordingly, Petitioner has taken fuel cost for working capital by taking average of three months from Jan-19 to March-19 as per DERC tariff Regulation 2017 for FY 2019-20. i.e weighted average landed price of fuel is 17.888 Rs./SCM and weighted average GCV is 9346.598 kCal/SCM. Thus, Fuel Cost arrived @ Normative parameters is Rs. 943.11 Cr. Accordingly, the working capital arrived for FY 2019-20 is shown as under:

Table 3. 20: Petitioner Submission - Requirement of Working Capital

Sr. No.	Particulars	Unit	FY 2019-20
A	Fuel expenses for 1 month	Rs. Cr.	78.59
B	Maintenance spares @ 30% of O&M	Rs. Cr.	20.41
C	O&M expenses for 1 month	Rs. Cr.	5.67

Sr. No.	Particulars	Unit	FY 2019-20
D	Annual Fixed Cost for the year	Rs. Cr.	149.84
E	Fuel Cost for the year	Rs. Cr.	943.11
F	Receivables equivalent to 2 months of capacity and energy charge	Rs. Cr.	182.16
G	Total Working Capital	Rs. Cr.	286.83

3.55. Petitioner has revised requirement of working capital on normative basis for FY 2019-20.

COMMISSION ANALYSIS

3.56. The Commission in Tariff Order dated 31/07/2019 for FY 2019-20 has determined the working capital of PPS-I Station based on the provisions of DERC Tariff Regulations, 2017.

3.57. 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.	88.83	As per Tariff Order dated 31/07/2019
B	Maintenance spares @ 30% of O&M	Rs. Cr.	20.41	
C	O&M expenses for 1 month	Rs. Cr.	5.67	
D	Annual Fixed Cost for the year	Rs. Cr.	153.44	
E	Fuel Cost for the year	Rs. Cr.	1065.97	
F	Receivables equivalent to 2 months of capacity and energy charge	Rs. Cr.	203.23	
G	Total Working Capital	Rs. Cr.	318.14	

REQUIREMENT OF LOAN AND EQUITY

PETITIONER SUBMISSION

3.58. The Petitioner has submitted that since accumulated depreciation is greater than the 70% of Gross Fixed asset during FY 2019-20, the remaining value is treated as 100% equity. Accordingly, the Petitioner has determined the requirement of Loan and Equity as follows:

Table 3. 22: Petitioner Submission - Requirement of Loan & Equity

Sr. No.	Particulars	Unit	FY 2019-20
A	Average Net Fixed Asset	Rs. Cr.	223.04

Sr. No.	Particulars	Unit	FY 2019-20
B	Average Equity	Rs. Cr.	223.04
C	Average CAPEX Loan	Rs. Cr.	0.00
D	Working Capital Loan	Rs. Cr.	286.83
E	Total Loan Requirement	Rs. Cr.	286.83
F	Average RRB	Rs. Cr.	509.87

- 3.59. Petitioner has filed an appeal no. 393 of 2019 in APTEL against not treating the balance GFA as equity, in absence of any outstanding loan (all Capital Loans are already paid), rather dividing it in the ratio of 30:70 of equity and loan.

COMMISSION ANALYSIS

- 3.60. 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.”

- 3.61. 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. 23: Commission Approved - Requirement of Loan & Equity

Sr. No.	Particulars	Unit	FY 2019-20		
			Approved in T.O. dated 31/07/2019	Petitioner Submission	Commission Approved
A	Average Net Fixed Asset	Rs. Cr.	220.92	223.04	220.89
B	Average Equity	Rs. Cr.	66.28	223.04	66.27
C	Average CAPEX Loan	Rs. Cr.	154.64	0.00	154.62
D	Working Capital Loan	Rs. Cr.	318.14	286.83	318.14
E	Total Loan Requirement	Rs. Cr.	472.78	286.83	472.76
F	Average RRB	Rs. Cr.	539.06	509.87	539.02

RETURN ON CAPITAL EMPLOYED**PETITIONER SUBMISSION**

3.62. 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:

$$RoCE = WACCI * RRB_i$$

Where, $WACCI$

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

RRB_i – Average Regulated Rate Base for the i th 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;”

- 3.63. 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.
- 3.64. 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 at 17.47%. Accordingly, grossed up rate of return on equity has been computed at 16.96% for FY 2019-20.
- 3.65. Accordingly, Petitioner has computed Weighted Average Cost of Capital (WACC) and Return on Capital Employed (RoCE) as follows:

Table 3. 24: Petitioner Submission - WACC and RoCE (Rs. Cr.)

Sr. No.	Particulars	Unit	FY 2019-20
A	Average RRB	Rs. Cr.	509.87
B	Total Loan	Rs. Cr.	286.83
C	Average Equity	Rs. Cr.	223.04
D	Cost of Debt, r_d	%	8.55
E	Return on Equity, r_e	%	16.96
F	WACC	%	12.23
G	RoCE	Rs. Cr.	62.36

COMMISSION ANALYSIS

- 3.66. 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:

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.”

3.67. 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.”

- 3.68. 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%."

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

- 3.70. 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."

- 3.71. 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 $(i-1)$ th year;

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

This component shall be arrived as follows:

$$\Delta ABi = Invi - Di - CCI - Reti;$$

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;

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:

$$RoCE = WACCI * RRB_i$$

Where,

WACCI 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."

- 3.72. Accordingly, the Commission has Trued-up the Return on Capital Employed (RoCE) for FY 2019-20 as follows:

Table 3. 25: Commission Approved - WACC and RoCE

Sr. No.	Particulars	Unit	FY 2019-20		
			Approved in T.O. dated 31/07/2019	Petitioner Submission	Commission Approved
A	Average RRB	Rs. Cr.	539.06	509.87	539.02
B	Average Capex loan	Rs. Cr.	154.64	0.00	154.62
C	Loan for Working Capital Requirement	Rs. Cr.	318.14	286.83	318.14
D	Total Loan	Rs. Cr.	472.78	286.83	472.76
E	Average Equity	Rs. Cr.	66.28	223.04	66.27
F	Cost of Debt, Rd	%	11.53	8.55	8.55
G	Return on Equity, Re	%	17.84	16.96	16.96
H	WACC	%	12.31	12.23	7.52
I	RoCE	Rs. Cr.	66.34	62.36	40.53

FIXED AUXILIARY CONSUMPTION EXPENSES

PETITIONER SUBMISSION

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

follows:

Table 3. 26: Petitioner Submission - Fixed Auxiliary Consumption Expenses

Sr. No.	Particulars	Unit	FY 2019-20
A	Plant Capacity	MW	330
B	Normative PLF	%	85
C	Gross Generation	MU	2463.912
D	Fixed Auxiliary Consumption	%	0.5
E	Fixed Auxiliary Consumption	MU	12.32
F	Energy Charge Rate	Rs/kWh	4.427
G	Fixed Auxiliary Consumption	Rs Cr	5.45

COMMISSION ANALYSIS

3.74. 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.”

3.75. Accordingly, the Commission has considered the Fixed Auxiliary Consumption as approved by the Commission vide its Order dated 31/07/2019 which is as follows:

Table 3. 27: Commission Approved - Fixed Auxiliary Consumption Expenses

Sr. No.	Particulars	UoM	FY 2019-20
A	Plant Capacity	MW	330
B	Normative PLF	%	85%

Sr. No.	Particulars	UoM	FY 2019-20
C	Gross Generation	MU	2457.18
D	Fixed Auxiliary Consumption	%	0.5%
E	Fixed Auxiliary Consumption	MU	12.29
F	Energy Charge Rate	Rs/kWh	4.427
G	Fixed Auxiliary Consumption	Rs. Cr.	5.44

NON-TARIFF INCOME

COMMISSION ANALYSIS

3.76. 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.”

3.77. Accordingly, the Commission based on the Annual Audited Accounts for FY 2019-20 along-with the Auditor Certificate dated 31/03/2021 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. Further, the Auditor has shown certain income (*Rent received, Sale of Scrap, LD recovery and stale cheque write off*) 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 PPS-I, as the same is part of the PPS-I and run by using the conventional income of PPS-I as well. The amount of LPSC considered as NTI and component of NTI are shown as under:

Table 3. 28: Commission Approved - LPSC Considered as NTI (Rs. Cr.)

Sr. No.	LPSC Details for FY 2019-20	Amount
A	LPSC Amount Collected	38.91
B	Principal Amount @18%	216.19
C	LPSC Amount allowed for retention @8.55% (Rate of Interest on Loan-SBI MCLR rate as on 01/04/2019)	18.48
D	LPSC amount considered as NTI	20.43

Table 3. 29: Commission Approved - Computation of NTI (Rs. Cr.)

Sr. No.	Component of NTI for FY 2019-20	Amount
A	Rental from staff quarters	0.06
B	NTI on account of LPSC	20.43
C	Net Income from sale of scrap	0.11
D	Other non-operating income (LD recovery and stale cheque write-off)	0.37
E	Total NTI	20.98

SUMMARY OF FIXED COST

PETITIONER SUBMISSION

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

Table 3. 30: Petitioner Submission - Annual Fixed Cost

Sr. No.	Particulars	Unit	FY 2019-20
A	Return on Capital Employed	Rs Cr	62.36
B	Depreciation	Rs Cr	13.86
C	Operation and Maintenance Expenses	Rs Cr	84.22
D	Fixed Auxiliary Consumption	Rs Cr	5.45
E	Annual Fixed Cost	Rs Cr	165.89
F	Net Generation	MU	1494.03
G	Fixed Cost Per Unit	Rs/ kWh	1.11

COMMISSION ANALYSIS

3.79. 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.

3.80. Accordingly, the Commission has trued up the AFC for FY 2019-20 as follows:

Table 3. 31: Commission Approved - Annual Fixed Cost

Sr. No.	Particulars	UoM	FY 2019-20			Ref.
			As per Order dated 31/07/2019	Petitioner Submission	Commission Approved	
A	Return on Capital Employed	Rs. Cr.	66.34	62.36	40.53	Table 3.25
B	Depreciation	Rs. Cr.	13.63	13.86	13.79	Table 3.19
C	Operation and Maintenance Expenses	Rs. Cr.	68.03	84.22	78.39	Table 3.15
D	Fixed Auxiliary Consumption	Rs. Cr.	5.44	5.45	5.44	Table 3.27
E	Annual Fixed Cost	Rs. Cr.	153.44	165.89	138.15	(A+B+C+D)
F	Less: Non-Tariff Income (NTI)	Rs. Cr.	-	-	20.98	Table 3.29
G	Annual Fixed Cost (Net of NTI)	Rs. Cr.	153.44	165.89	117.17	G=E-F
H	Net Generation	MU	2408.04	1494.03	1494.03	Table 3.8

Sr. No.	Particulars	UoM	FY 2019-20			Ref.
			As per Order dated 31/07/2019	Petitioner Submission	Commission Approved	
I	Fixed Cost per unit	Rs./kWh	0.637	1.110	0.784	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)

3.81. Hon'ble APTEL vide its Judgment dated 28/05/2020 in Appeal No. 288 of 2015 & IA No. 69 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."

- 3.82. 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. Further, Hon'ble APTEL at Para 63 and Para 64 of the said Judgment also remitted to the Commission for fresh adjudication in accordance with law on the issue of disallowance of "expenditure on Repair and Maintenance (R&M), the factual inquiry vis-à-vis claims of the appellant PPS-I on account of Sewage Treatment Plant and DLN Burners. Relevant extract of the Judgment is as follows:

"63. On the issue of disallowance of "expenditure on Repair and Maintenance" (R&M), the factual inquiry vis-à-vis claims of the appellant Pragati on account of Sewage Treatment Plant and DLN Burners is remitted to the State Commission for fresh adjudication in accordance with law.

64. For the above said purposes, the parties are directed to appear before the State Commission for further proceedings on 04.08.2020."

- 3.83. 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 85%. As per SLDC, the availability of the Petitioner for FY 2012-13 and FY 2013-14 is 92.50% and 92.62% 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.

There is No Financial impact on account of “Take or Pay Charges” in case of PPS-I.

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) Expenditure on Repair and Maintenance (R&M) on account of Sewage Treatment Plant (STP) and DLN Burners for FY 2012-13 and FY 2013-14.

The impact on account of expenditure on STP and DLN as a part of R&M expenditure for FY 2012-13 and FY 2013-14 have analysed based on the information submitted by the Petitioner. The Commission has allowed said expenditure as impact of the same has been considered.

f) 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 Relay Test Kit for FY 2013-14 and allowed the same.

3.84. Further, Hon’ble APTEL vide its Order dated 15/12/2015 has directed to deposit Rs. 35 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. 32: 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	-	1.45	(12.17)	(13.57)	32.35	36.07	38.96	42.13	45.73	49.28
B	Impact of Availability (Incentive), DLN & STP,	(0.83)	(14.22)	-	-	-	-	-	-	-	-

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)
	Additional CAPEX										
C	Impact of IWC (Normative Parameters)	-	-	-	9.90	-	-	-	-	-	-
D	Advance Payment Made – As per APTEL Order dated 15/12/2015	-	-	-	35.00	-	-	-	-	-	-
E	Impact of ECR for FY 2012-13 and FY 2013-14	2.20	1.18	-	-	-	-	-	-	-	-
F	Total	1.37	(11.59)	(12.17)	31.33	32.35	36.07	38.96	42.13	45.73	49.28
G	Rate of Carrying Cost	11.50%	11.50%	11.50%	11.50%	11.50%	8.00%	8.15%	8.55%	7.75%	7.00%
H	Carrying Cost	0.08	(0.58)	(1.40)	1.02	3.72	2.89	3.17	3.60	3.54	1.72
I	Closing Balance	1.45	(12.17)	(13.57)	32.35	36.07	38.96	42.13	45.73	49.28	51.00

3.85. 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. 36.27 Cr. (**Ref. Table 3.31: Rs. Cr. 153.44 – 117.17**) – True-up of FY 2019-20.
- Recover an amount of Rs. 51.00 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:

Table 3. 33: Allocation of Power – As per SLDC for FY 2015-16

Particulars	BRPL	BYPL	TPDDL	NDMC
SLDC Allocation	30.98%	17.61%	21.11%	30.30%
Amount (Rs. Cr.)	15.80	8.98	10.77	15.45

3.86. The above amount at Para No. 3.85 b) is provided in Power Purchase Cost of DISCOMs in their projected ARR of FY 2021-22. The Petitioner is directed to raise equal monthly instalment bills to DISCOMs for recovery till March, 2022.

3.

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

4.1 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 view on the same has been discussed in the following sections.

PLANT AVAILABILITY AND PLANT LOAD FACTOR**PETITIONER SUBMISSION**

4.2 The Petitioner has submitted that the operational parameters considered by the Petitioner for FY 2021-22 is as per *DERC (Business Plan Regulations) 2019*.

4.3 The Petitioner has proposed plant availability for FY 2021-22 as follows:

Table 4. 1: Petitioner Submission - Plant Availability

Sr. No.	Particulars	UoM	FY 2021-22
1	Plant Availability	%	85%

COMMISSION ANALYSIS

4.4 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%"

4.5 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**PETITIONER SUBMISSION**

- 4.6 The Petitioner has submitted that the operational parameters considered by the Petitioner for FY 2021-22 is as per *DERC (Business Plan Regulation) 2019*.
- 4.7 Accordingly, the Petitioner has considered Station Heat Rate for FY 2021-22 as follows:

Table 4. 2: Proposed SHR submitted by the Petitioner

Sr. No.	Particulars	UoM	FY 2021-22
1	Station Heat Rate (Combined Cycle)	kCal/ kWh	2000
2	Station Heat rate (Open Cycle)	kCal/ kWh	2900

COMMISSION ANALYSIS

- 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**PETITIONER SUBMISSION**

- 4.10 The Petitioner has submitted that the operational parameters considered by the Petitioner for FY 2021-22 is as per *DERC (Business Plan Regulation) 2019*.
- 4.11 Accordingly, the Petitioner has proposed the Auxiliary Power Consumption for FY 2021-22 as follows:

Table 4. 3: Petitioner Submission - Auxiliary Power Consumption

Sr. No.	Particulars	UoM	FY 2021-22
1	Auxiliary power consumption	%	2.75%

COMMISSION ANALYSIS

- 4.12 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%

...."

- 4.13 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**PETITIONER SUBMISSION**

- 4.14 The Petitioner has proposed the Gross and Net Generation for PPS-I Station for FY 2021-22 as follows:

Table 4. 4: Petitioner Submission - Gross and Net Generation

Sr. No.	Description	UoM	FY 2021-22
A	Plant Capacity	MW	330
B	NAPLF	%	85
C	No. of days	No.	365
D	Gross Generation	MU	2457.180
E	Aux. Generation	%	2.75
F	Aux. Generation	MU	67.57
G	Net Generation	MU	2389.608

COMMISSION ANALYSIS

- 4.15 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. 5: Commission Approved - Gross and Net Generation (MU)

Sr. No.	PPS-I	UOM	FY 2021-22	Ref.
A	Capacity	MW	330	
B	NAPLF	%	85	
C	Gross Generation	MU	2457.18	(AxBx365x24)/1000
D	Auxiliary Consumption	%	2.75%	Para 4.15
E	Auxiliary Consumption	MU	67.57	CxD
F	Net Generation	MU	2389.61	C-E

ENERGY CHARGE RATE AND VARIABLE COST**PETITIONER SUBMISSION**

- 4.16 The Petitioner has submitted that it has a long-term agreement with Gas Authority of India Limited (GAIL) for supply of gas. Initially, the Petitioner had a daily allocation of 1.75 MMSCM of APM Gas. which was sufficient to run both gas turbines on base load. The daily gas allocation 0.02 MMSCMD non-APM ONCG gas has been commenced

from mid Oct'11. However, due to depleting gas reserves of ONGC, GAIL has been imposing regular cuts on supply of gas.

4.17 The Petitioner has submitted that the prices of the domestic gases are determined by the Govt. of India (GoI) whereas the price of imported gas is driven by market fundamentals in the LNG market worldwide and is varying every year. The Petitioner has considered the actual the weighted average landed price of Fuel and GCV of preceding three months i.e. September to November, 2020 for FY 2021-22, the fuel cost and ECR has been arrived.

4.18 The Petitioner has further submitted that as per Regulation 107 of DERC Regulation 2017, the landed fuel cost of respective fuel before start of the tariff period. The relevant extract is 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.”

4.19 The Petitioner has submitted the details of total gas consumption, rate per SCM and total cost of the gas proposed for FY 2021-22 as under:

Table 4. 6: Petitioner Submission - Fuel Cost for PPS-I

Sr. No.	Particulars	UoM	FY 2021-22
1	Total Gas Consumption	MMSCM	525.11
2	Average Landed Price of Fuel	Rs./SCM	21.043
3	Weighted Average GCV	kCal/SCM	9358.642
4	Total Gas Cost	Rs. Crore	1105.00
5	Net Generation	MU	2389.608
6	Variable Cost-CC	Rs./kWh	4.624

COMMISSION ANALYSIS

4.20 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”

- 4.21 The Petitioner has considered the Fuel Cost after considering the total Gas consumption required to run the Plant throughout the year and considering average gas price of Rs. 21.043/SCM .
- 4.22 The landed Price of Primary fuel (LPPF) and Gross Calorific Value (GCV) as per the information available in Form-15 of February, 2021, March, 2021, April, 2021, May, 2021, June, 2021 and July, 2021 was analysed and it was observed that due to shortage of APM gas, which is cheap fuel, the plant is majorly running on RLNG, which is costly fuel leading burden to consumer on account of High Generation cost. When this matter was noted by the Commission, a meeting was held with the Commission on 16/09/2021 with SLDC and PPCL. The issue regarding High Energy Charge Rate was discussed with the officers of SLDC and PPCL. PPCL submitted that GoNCTD vide their letter dated 22/07/2021 has already requested Ministry of Petroleum and Natural Gas,

Gol to restore the supply of domestic gas (APM and Non-APM) for both power station of Delhi PPS-I and GTPS so that the challenges concerning the power supply of national Capital can be met and any disruption in power scenario of Delhi may be. Accordingly, the Commission by its letter dated 21/09/2021 directed PPCL to optimise RLNG procurement process and to explore various options for procurement of RLNG. Therefore, Commission has considered the LPPF and GCV as available on the website of the Petitioner is as follows:

Table 4. 7: Fuel Parameters considered for determination of ECR – Feb to Apr 2021

Sr. No.	Particulars	UoM	Feb-21	Mar-21	Apr-21
1	Quantum	000'SCM	22550.698	22716.406	23726.444
2	Cost	Rs. Cr.	56.569	59.457	55.781
3	GCV	kCal/ SCM	9335.002	9236.042	9236.042
4	LPPF	Rs./ SCM	25.09	26.17	23.51
5	Average LPPF	Rs./ SCM	24.92		
6	Weighted Average GCV	kCal/ SCM	9268.387		

Table 4. 8: Fuel Parameters considered for determination of ECR – May to July 2021

Sr. No.	Particulars	UoM	May-21	Jun-21	Jul-21
1	Quantum	000'SCM	24199.391	40566.116	39616.794
2	Cost	Rs. Cr.	64.471	132.075	141.594
3	GCV	kCal/ SCM	9274.997	9287.577	9261.134
4	LPPF	Rs./ SCM	26.64	32.55	36.74
5	Average LPPF	Rs./ SCM	31.65		
6	Weighted Average GCV	kCal/ SCM	9274.624		

- 4.23 Accordingly, the Commission approves the Energy Charge Rate (ECR) and Fuel Cost for FY 2021-22 of PPS-I by normalising the period and considering average of LPPF and GCV for the period from Feb, 2021 to July, 2021 as follows:

Table 4. 9: Commission Approved - ECR and Fuel Cost

Sr. No.	Particulars	UoM	Petitioner Submission	Approved Value	Ref.
A	Net Generation	MU	2389.61	2389.61	Table 4. 5
B	ECR	Rs./ kWh	4.624	6.274	
C	Fuel Cost	Rs. Cr.	1105.00	1499.25	(AxB)/10

FIXED COST**OPERATION AND MAINTENANCE EXPENSES****PETITIONER SUBMISSION**

- 4.24 The Petitioner has submitted that the Commission has specified Normative Operation and Maintenance expenses in Business Plan Regulations, 2017 as per the table below for plant PPS-I for FY 2019-20:

Table 4. 10: Petitioner Submission - O&M Expenses (Rs. Lakh/MW)

Year	2019-20
PPS-I	23.90

- 4.25 The Petitioner has considered the Normative Operation and Maintenance expenses as per *DERC (Business Plan Regulations), 2017 & 2019*.
- 4.26 The Petitioner submitted that the impact of the 7th Pay commission for FY 2021-22 may also be given to the Petitioner as additional to normative O&M due to revision in pay structure as same was not envisaged by Hon'ble Commission while fixing norms of O&M in *DERC (Business Plan Regulation), 2019*. The Petitioner has considered the impact of adhoc payment of Rs 1.67 Cr. due to pay revision as additional expenditure on account of Employees cost for FY 2021-22.
- 4.27 The Petitioner has proposed the expenditure to be incurred towards DLN/HGPI of the machine will be of Rs. 64.64 Cr. (*Inclusive of taxes*) during FY 2021-22 and estimated Rs. 5.20 Cr. towards STP for FY 2021-22.
- 4.28 The O&M Expenses submitted by the Petitioner for PPS-I is as follows:

Table 4. 11: Petitioner Submission - O&M Expenses (Rs.Cr.)

Sr. No.	Particulars	UoM	2021-22
A	O&M expenses as per DERC Business Regulation, 2019	Rs. Cr	78.87
B	DLN Burner for the period	Rs. Cr	64.64
C	STP	Rs. Cr	5.20
D	Impact of 7th Pay commission	Rs. Cr	1.67
E	Total O&M Expenses	Rs. Cr	150.38

COMMISSION ANALYSIS

4.29 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

....

(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.”

- 4.30 It is observed that the Petitioner has requested for additional R&M Expenses of Rs. 64.64 Cr. on account of DLN Burner for FY 2021-22. During the prudence check, it is submitted by the Petitioner that the activity of DLN Burner is cyclic in nature which is for four (4) years starting from FY 2021-22. Accordingly, the Commission has divided the expenses under DLN Burner into four (4) years starting from FY 2021-22 and considered an amount of Rs. 16.16 Cr. subject to prudence check and submission of Purchase Orders and payment vouchers at the time of truing-up of the same.
- 4.31 Further, the Commission has also considered the STP expenses projected for FY 2021-22 amounting to Rs. 5.20 Cr. subject to prudence check and submission of Purchase Orders and payment vouchers at the time of truing-up of the same.
- 4.32 Accordingly, the Commission has considered the O&M Expenses for PPS-I for FY 2021-22 as follows:

Table 4. 12: Commission Approved - O&M Expenses

Sr. No.	Particulars	UoM	FY 2021-22		
			Petitioner Submission	Commission Approved	Ref.
A	Base O&M Expenses	Rs. Cr.	78.87	78.87	Business Plan Regulations, 2019
B	Additional Expenses	Rs. Cr.	-	-	
C	Carrying Cost on Additional R&M@	Rs. Cr.	-	-	
D	Additional R&M on account of DLN & STP for FY 2014-15	Rs. Cr.	-	-	
E	IR Impact	Rs. Cr.	1.67	-	
F	DLN	Rs. Cr.	64.64	16.16	Para 4.29
G	STP Expenses	Rs. Cr.	5.20	5.20	Para 4.30
H	Total O&M Expenses	Rs. Cr.	150.38	100.23	A+F+G

- 4.33 Impact of any statutory Pay revision on employee's cost as additional R&M 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 Regulation 6.(2) & 6.(3) of Business plan Regulations, 2019.

CAPITAL EXPENDITURE

PETITIONER SUBMISSION

- 4.34 The capitalization projected by the Petitioner for FY 2021-22 is as follows:

Table 4. 13: Petitioner Submission - Capital Expenditure

Sr. No.	Particulars	UoM	FY 2021-22
1	Opening GFA	Rs Cr	1051.32
2	Addition	Rs Cr	0.00
3	Deletion	Rs Cr	0.00
4	Closing GFA	Rs Cr	1051.32
5	Average GFA	Rs Cr	1051.32

COMMISSION ANALYSIS

- 4.35 The Petitioner has projected the capital expenditure for FY 2021-22 of Rs. NIL Crore as per Regulation 7(1) of the Business Plan Regulations, 2019. The Commission has approved the closing GFA for FY 2019-20 as Rs. 1052.05 Crore. Further, the Commission has approved Rs. 2.82 Cr as additional capital expenditure for FY 2020-21 in Tariff Order dated 28/08/2020.
- 4.36 Accordingly, the GFA approved by the Commission for FY 2021-22 is as follows:

Table 4. 14: Commission Approved - Capital Expenditure

Sr. No.	Particulars	UoM	FY 2021-22		Ref.
			Petitioner Submission	Commission Approved	
A	Opening GFA	Rs. Cr.	1051.32	1054.87	
B	Addition	Rs. Cr.	-	-	Business Plan Regulations, 2019
C	Deletion	Rs. Cr.	0.00	0.00	
D	Closing GFA	Rs. Cr.	1051.32	1054.87	A+B-C
E	Average GFA	Rs. Cr.	1051.32	1054.53	

DEPRECIATION**PETITIONER SUBMISSION**

- 4.37 The Petitioner has submitted that since cumulative depreciation has reached 70% of the total depreciation, the Petitioner has spread the remaining depreciable value over the remaining life of the asset, in accordance with the DERC Tariff Regulation, 2017. The total accumulated depreciation allowed by the Commission till FY 2020-21 is Rs. 849.86 Cr.
- 4.38 Accordingly, the Petitioner has requested to approve the depreciation for FY 2021-22 as follows:

Table 4. 15: Petitioner Submission - Depreciation for FY 2021-22 (Rs. Cr.)

Sr. No.	Particulars	Unit	FY 2021-22
1	Depreciation	Rs. Cr.	13.76

COMMISSION ANALYSIS

- 4.39 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.”

4.40 It is observed that the cumulative depreciation has reached 70% of the total depreciation, therefore the Commission has spread the remaining depreciable value over the remaining life of the asset.

4.41 Further, it is observed that PPS-I Station got commissioned in FY 2002-03 and shall complete its useful life by FY 2027-28.

4.42 Accordingly, the Commission has approved the depreciation for FY 2021-22 as follows:

Table 4. 16: Commission Approved - Depreciation

Sr. No.	Particulars	UoM	Petitioner Submission	Commission Approved	Ref.
A	Average GFA	Rs. Cr.	1051.32	1054.87	Table 4. 14
B	Opening Accumulated Depreciation	Rs. Cr.	849.86	850.05	
C	Balance Depreciation	Rs. Cr.	96.33	99.33	(90%xA)-B
D	Balance Useful life	Years	7	7	
E	Depreciation	Rs. Cr.	13.76	14.19	C/D

MEANS OF FINANCING

PETITIONER SUBMISSION

4.43 The Petitioner has submitted that since accumulated depreciation has reached over and above 70% of Gross Fixed Asset, the remaining value is treated as 100% equity.

4.44 The Petitioner has submitted that the requirement of loan and equity as follows:

Table 4. 17: Petitioner Submission - Requirement of Loan & Equity

Sr. No.	Particulars	UoM	FY 2021-22
A	Average Net Fixed Asset	Rs. Cr.	194.58
B	Average Equity	Rs. Cr.	194.58
C	Average CAPEX Loan	Rs. Cr.	0.00
D	Working Capital Loan	Rs. Cr.	371.55
E	Total Loan Requirement	Rs. Cr.	371.55
F	Average RRB	Rs. Cr.	566.13

COMMISSION ANALYSIS

4.45 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.”*

4.46 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. 18: Commission Approved - Requirement of Loan and Equity

Sr. No.	Particulars	UoM	FY 2021-22		Ref.
			Petitioner Submission	Commission Approved	
A	Average GFA	Rs. Cr.	1051.32	1054.87	Table 4. 14
B	Opening Accumulated	Rs. Cr.	849.86	850.05	

Sr. No.	Particulars	UoM	FY 2021-22		Ref.
			Petitioner Submission	Commission Approved	
	Depreciation				
C	Balance Depreciation	Rs. Cr.	96.33	99.33	90% of A-B
D	Current Year Depreciation	Rs. Cr.	13.76	14.19	Table 4. 16
E	Closing Accumulated Depreciation	Rs. Cr.	863.62	864.24	B+D
F	Average Accumulated Depreciation	Rs. Cr.	856.74	857.15	(B+E)/2
G	Average NFA	Rs. Cr.	194.58	197.72	(A-F)
H	Average Equity	Rs. Cr.	194.58	59.32	30% of G
I	Average Capex Loan	Rs. Cr.	0.00	138.41	70% of G

WORKING CAPITAL

PETITIONER SUBMISSION

- 4.47 The Petitioner has submitted that it has calculated the Interest on Working Capital as per DERC Tariff Regulations, 2017.
- 4.48 Accordingly, the Petitioner has submitted the requirement of Working Capital as follows:

Table 4. 19: Petitioner Submission - Requirement of Working Capital

Sr. No.	Particulars	UoM	FY 2021-22
A	Fuel expenses for 1 month	Rs. Cr.	92.08
C	Maintenance spares @ 30% of O&M	Rs. Cr.	45.11
D	O&M expenses for 1 month	Rs. Cr.	12.53
E	Annual Fixed Cost for the year	Rs. Cr.	225.94
F	Fuel Cost for the year	Rs. Cr.	1105.00
G	Receivables equivalent to 2 months of capacity and energy charge	Rs. Cr.	221.82
H	Total Working Capital	Rs. Cr.	371.55

COMMISSION ANALYSIS

- 4.49 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.”

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

Table 4. 20: Commission Approved - Working Capital Requirement

Sr. No.	Particulars	UoM	FY 2021-22		Ref.
			Petitioner Submission	Commission Approved	
A	Fuel expenses for 1 month	Rs. Cr.	92.08	124.94	Tariff Regulations, 2017 and Business
B	Maintenance spares @ 30% of O&M	Rs. Cr.	45.11	30.07	
C	O&M expenses for 1 month	Rs. Cr.	12.53	8.35	

Sr. No.	Particulars	UoM	FY 2021-22		Ref.
			Petitioner Submission	Commission Approved	
D	Annual Fixed Cost for the year	Rs. Cr.	225.94	152.85	Plan Regulations, 2019
E	Fuel Cost for the year	Rs. Cr.	1105.00	1321.49	
F	Receivables equivalent to 2 months of capacity and energy charge	Rs. Cr.	221.82	245.72	(D+E)/6
G	Total Working Capital	Rs. Cr.	371.55	409.08	A+B+C+F

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

PETITIONER SUBMISSION

- 4.51 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 at 17.47% Accordingly grossed up ROE is 16.96%.
- 4.52 Further, 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 State Bank of India and margin as approved in *DERC (Business Plan Regulations), 2019*. Accordingly, rate of interest is taken as 7.75% as on 01/04/2020 for FY 2021-22.
- 4.53 Accordingly, Petitioner has computed Weighted Average Cost of Capital (WACC) and Return on Capital Employed (RoCE) as follows:

Table 4. 21: Petitioner Submission - WACC and RoCE for FY 2021-22

Sr. No.	Particulars	UoM	FY 2021-22
A	Average RRB	Rs. Cr	566.13
B	Total Loan	Rs. Cr	371.55
C	Average Equity	Rs. Cr	194.58
D	Cost of Debt, Rd	%	7.75
E	Return on Equity, Re	%	16.96
F	WACC	%	10.92
G	RoCE	Rs. Cr	61.80

COMMISSION ANALYSIS

- 4.54 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.”

- 4.55 In view of the above, the Commission has considered the base rate of return on equity at 14% and the same has been grossed up with rate of income tax at 17.60% (as considered for true-up of FY 2019-20). Accordingly grossed up rate of return on equity has been computed at 16.96% for FY 2021-22.

- 4.56 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.”

- 4.57 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.”

- 4.58 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%.

4.59 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.

4.60 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 ith 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 $(i-1)^{th}$ 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 i^{th} Year;

RRB i-1: Closing Regulated Rate Base for the Financial Year preceeding the i^{th} 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;

rd is the Cost of Debt;

re is the Return on Equity."

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

Table 4. 22: Commission Approved - WACC and RoCE

Sr. No.	Particulars	UoM	FY 2021-22	
			Petitioner Submission	Commission Approved
A	Average Net Fixed Asset	Rs. Cr.	194.58	197.72
B	Average Equity	Rs. Cr.	194.58	59.32
C	Average CAPEX Loan	Rs. Cr.	-	138.41
D	Working Capital Loan	Rs. Cr.	371.55	409.08
E	Average Loan Requirement	Rs. Cr.	371.55	547.49
F	Average RRB	Rs. Cr.	566.13	606.81
G	Grossed up Rate of Return on Equity	%	16.96	16.96
H	Rate of Interest on Loan	%	7.75	7.00
I	Weighted Average Cost of Capital (WACC)	%	10.92	6.33
J	RoCE	Rs. Cr.	61.80	38.42

NON-TARIFF INCOME**COMMISSION ANALYSIS**

4.62 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.”

4.63 The Petitioner has not projected NTI in its Tariff Petition. Accordingly, the NTI shall be considered at the time of True-up of FY 2021-22.

SUMMARY OF FIXED COST**PETITIONER SUBMISSION**

4.64 Annual Fixed Cost for FY 2021-22 as submitted by the Petitioner is as follows:

Table 4. 23: Petitioner Submission - Total Fixed Cost

Sr. No.	Particulars	UoM	FY 2021-22
1	Return on Capital Employed	Rs. Cr.	61.80
2	Depreciation	Rs. Cr.	13.76
3	Operation and Maintenance Expenses	Rs. Cr.	150.38
4	Annual Fixed Cost	Rs. Cr.	225.94
5	Net Generation	MU	2389.61
6	Fixed Cost Per Unit	Rs/kWh	0.95

COMMISSION ANALYSIS

4.65 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.”

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

Table 4. 24: Commission Approved - Annual Fixed Cost

Sr. No.	Particulars	UoM	FY 2021-22		Ref.
			Petitioner Submission	Commission Approved	
A	Return on Capital Employed	Rs. Cr.	61.80	38.42	Table 4.22
B	Depreciation	Rs. Cr.	13.76	14.19	Table 4.16
C	Operation and Maintenance Expenses	Rs. Cr.	150.38	100.23	Table 4.122
D	Annual Fixed Cost	Rs. Cr.	225.94	152.85	A+B+C
E	Net Generation	MU	2389.61	2389.61	Table 4.5
F	Fixed Cost per unit	Rs./kWh	0.946	0.640	$F=(D/E)*10$

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-21/Form-15 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 website on monthly basis.
- 5.4 The Commission directs the Petitioner to furnish documentary evidence such as Purchase Orders and Payment Vouchers on account of expenses to be incurred under the head of DLN Burner and STP for FY 2021-22 at the time of Truing-up.
- 5.5 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.
- 5.6 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(1831)/DERC/2021-21/

Petition No. 06/2021

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 PPS-I.

Pragati Power Corporation Ltd.
Through its : Director (Tech.)
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. Pragati Power Corporation Ltd. (PPCL) for approval of true up of tariff for FY 2019-20 and determination of Tariff for the FY 2021-22 for PPS-I.
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

Sr. No.	R. No.	Name	Address	Category	Company/ Licensee	Date of Receipt
16.	16	Sh. Janak Singh	Plot No. 65, 3rd Floor, Block-D, Ashok Vihar Phase I Delhi 110 052	Domestic	DISCOMs	26/03/2021
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	Okita 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	Domestic	DISCOMs	31/03/2021

Sr. No.	R. No.	Name	Address	Category	Company/ Licensee	Date of Receipt
			Near Shahbad Dairy Rohini 110 042			
30.	30	Sh. Ashish Kumar	House No. 21/89 Block –D, Shahbad Dairy New Delhi	Domestic	DISCOMs	31/03/2021
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

Sr. No.	R. No.	Name	Address	Category	Company/ Licensee	Date of Receipt
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
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

Sr. No.	R. No.	Name	Address	Category	Company/ Licensee	Date of Receipt
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 President	Bhajanpura Jan Sehyog Sabha, D- 408, Street No.9 D, Bhajanpura, Delhi-110053	Domestic	DISCOMs	19/04/2021
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

Sr. No.	R. No.	Name	Address	Category	Company/ Licensee	Date of Receipt
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 Bahudar 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

Sr. No.	Name	Organization
36	Er. P. K. Shokeen	NDMC
37	Sh.R. K. Mamgain	NDMC
38	Sh. Naveen Bhardwaj	NDMC
39	Sh. Mahesh Kumar Mittal	NDMC
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

Sr. No.	Name	Organization
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
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 Khettarpal	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