

**DELHI ELECTRICITY REGULATORY COMMISSION**  
Viniyamak Bhawan, C-Block, Shivalik, Malviya Nagar, New Delhi-17

F. 3 (214)/Tariff/DERC/2010-11

**In the matter of:** Determination of Reactive Energy Charges

**Coram:**

**Sh. Berjinder Singh, Chairman, Sh. Shyam Wadhera, Member  
& Sh. Subhash R. Sethi, Member**

**ORDER**

(Date of Order: 16.07.2010)

1. The Commission in its interim Order dated 6<sup>th</sup> August, 2009 permitted the DTL to charge for Reactive Energy as per the existing rate of 2P/KVArh and also directed the Discoms to pay the reactive energy charges @2P/KVArh with effect from 1.4.2010 which was applicable between the Regional Entity, except generating stations and the regional pool account for VAr interchanges.
2. Consequent upon revision of Reactive Energy Charges vide CERC order dt. 26.04.2010 (CERC Indian Electricity Grid Code Regulations, 2010), the Reactive Energy Charges is being revised in line with the said CERC order. The charge for VArh shall be at the rate of 10 paise/KVArh & this will be applicable between the State Entity, except Generating Stations, and the regional pool account for VAr interchanges. This rate shall be escalated at 0.5 paise/KVArh per year thereafter, unless otherwise revised by the CERC.
3. Reactive power compensation should ideally be provided locally, by generating reactive power as close to the reactive power consumption as possible. The State Entities except Generating Stations are therefore expected to provide local VAr compensation/generation such that they do not draw VAr from the EHV grid, particularly under low-voltage condition as per IEG Code.
4. Other conditions shall be in line with CERC orders referred above.
5. This order shall come into force with immediate effect.

Sd/-  
(Subhash R. Sethi)  
MEMBER

Sd/-  
(Shyam Wadhera)  
MEMBER

Sd/-  
(Berjinder Singh)  
CHAIRMAN