

A. Introduction

- 1.1 Tata Power Delhi Distribution Limited (TPDDL), the Distribution Licensee, has filed its Petition for Approval of True up for FY 2014-15 & FY 2015-16 and determination of Aggregate Revenue Requirement (ARR) and Tariff for FY 2017-18.
- 1.2 This Executive Summary contains the summary of the Petition filed by TPDDL for True up for FY 2014-15 & FY 2015-16 (based on audited accounts), ARR and determination of Tariff for FY 2017-18 (based on projections).
- 1.3 ARR and Tariff for FY 2017-18 shall be based on the provisions of Delhi Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff) Regulations, 2017, which broadly has the following components:
 - a. Power Purchase Cost including transmission charges
 - b. Operation and Maintenance (O&M) expenses
 - i. Employee Expenses
 - ii. Administrative & General Expenses
 - iii. Repair & Maintenance Expenses
 - c. Return on Capital Employed
 - d. Depreciation
 - e. Income Tax.
 - f. Non-tariff Income, etc.
- 1.4 The Commission shall true-up the ARR for FY 2014-15 & FY 2015-16 as per MYT Regulations, 2011, after prudence check.
- 1.5 Depreciation and RoCE shall be trued up every year based on the actual capital expenditure and actual capitalization vis-à-vis capital investment plan (capital expenditure and capitalization) approved by the Commission - Controllable parameters.
- 1.6 Variation in revenue / expenditure on account of uncontrollable sales / power purchase respectively – Uncontrollable parameters.
- 1.7 The figures of various components in the executive summary have been extracted from the Petitions filed by TPDDL for ease of understanding to various stakeholders however the complete Petition is also available on DERC website <http://www.derc.gov.in/>

B. TRUE UP OF FY 2014-15

- 1.8 TPDDL has billed energy revenue (net of E. tax) of Rs. 6,174.85 Cr. (7615.91 MU) at approved Retail Supply Tariffs for FY 2014-15. However, the Commission in its Tariff Order for FY 2014-15 has estimated the billed energy revenue of Rs 6,225.41 Cr (including 8% DRS) (7,512 MU) for FY 2014-15.

Table 1: Energy Sales & Revenue for FY 2014-15

Category	Projected Billed MU as per TO July,2014	For FY 14-15				
		Billed (MU)	Projected Billed revenue other than 8% DRS	Billed revenue other than 8% DRS	Total Billed Revenue (Rs Cr)	ABR (Rs./ kWh)
A. Domestic	3,255.80	3,370.22			2,032.01	6.03
B. Non-Domestic	1,352.21	1,382.69			1,526.01	11.04
C. Industrial	2,276.75	2,278.97			2,158.85	9.47
D. Irrigation & Agriculture	11.79	13.17			4.88	3.70
E. Public Lighting	130.30	143.80			115.77	8.05
F. Delhi Jal Board	245.55	218.82			192.72	8.81
G. Railway Traction	45.51	46.21			36.18	7.83
H. DMRC	154.00	140.07			98.75	7.05
I. Own consumption	39.92	17.25				
J. Advertisement & Hoarding		1.54			1.87	12.17
K. others		3.18			7.98	25.14
L. Open Access charges offered as Non-Tariff Income					(0.18)	
M. Total	7,511.83	7,615.91	5663.53	5,727.63	6,174.85	8.11
N. Add- E. Tax					274.77	
Total Revenue Billed (M+N)	7,511.83	7,615.91			6,449.62	8.47

- 1.9 TPDDL has submitted AT&C loss level of 9.79% for FY 2014-15. Computation of the same is as below:

Table 2 : AT & C Loss for FY 2014-15

Sl. No.	Particular	UoM	Actual
A	Energy Input at TPDDL Periphery	MU	8,422.94
B	Units Billed	MU	7,615.91
C	Amount Billed	(Rs Cr)	5,727.63
D	Average Billing Rate	Rs/kWh	7.52

Sl. No.	Particular	UoM	Actual
E	Distribution Loss	%	9.58%
F	Amount Collected	(Rs Cr)	5,714.43
G	Collection Efficiency	%	99.77%
H	Units Realized	Mu	7,598.37
I	AT&C Loss Level	%	9.79%

1.10 The following table shows the actual power purchase cost submitted by TPDDL for FY 2014-15:

Table 3: Power Purchase Cost for FY 2014-15

Description	Estimated in Tariff Order dated Jul-14	Actual
	Amount (Rs Cr)	Amount (Rs Cr)
Power Purchase - CSGS*	3,913.19	3,243.29
Inter-State Bilateral Purchase	-	267.90
Power Purchase - Delhi Gencos [#]	1,083.80	1,349.09
Intra state purchase	-	2.37
Cost towards RPO	83.58	2.91
Gross Power Purchase	5,080.57	4,865.56
Transmission Charges		
PGCIL charges	378.93	325.33
DTL charges	340.05	224.13
Other transmission charges (including Pension Trust)	-	107.33
Less: Surplus Power sold / Banked / UI sales	(1,185.55)	(513.77)
Power Purchase Cost (Audited)	-	5,008.59
Add: Readjustment of UI Penalty for earlier year	-	0.10
Less- Sale of Surplus power on account of procurement of actual Renewable energy	164.65	-
Less- Net Normative Rebate on power purchase	99.94	86.41
Less- Rebate on Transmission charges	11.73	11.84
Less- Provision for current year	-	(40.43)
Add- Provision for last year	-	(45.92)
Net Power Purchase Cost	4,337.68	4,904.95
Energy Input (MU)	8,445.94	8,422.94
Average Power Purchase Rate – Rs/unit	5.14	5.82

Note: * Excludes cost of BTPS

Includes cost of BTPS

1.11 The Power Purchase Quantum is tabulated below:

Table 4: Power Purchase Quantum for FY 2014-15 (MU)

Sl. No.	Particulars	Approved in Tariff Order dated July 23, 2014	Actual Power Purchase
A	Power Purchase:		
i	Gross Power Purchase Quantum	12692.20	10,449.45
ii	Short term sale of Power	3803.38	1,605.36
iii	Net Power Purchase	8888.82	8,844.08
B	Transmission Loss:		
i	Inter-State Transmission Loss	361.89	321.27
ii	Intra-State Transmission Loss	80.99	99.88
iii	Total Transmission Loss	442.88	421.15
C	Net Power Available after Transmission Loss	8445.94	8,422.94

1.12 The O&M Expenses as considered by TPDDL during FY 2014-15 is tabulated below:

Table 5: O&M Expenses for FY 2014-15 (Rs. Cr.)

Sl. No.	Particulars	FY 2014-15 approved by the Commission	Actual
A	Employee Cost	323.32	361.08
B	A&G Expenses	61.52	61.52
C	R&M Expenses	93.85	131.52
D	Total O&M expenses	478.68	554.12
E	Efficiency factor (%)	4%	
F	Less: Efficiency Improvement (Rs)	19.15	-
G	Add: SVRS Pension	2.47	2.47
H	Net O&M Expenses	462.00	556.58

1.13 The Non-Tariff Income claimed by TPDDL in True up of FY 2014-15 against approved by the Commission of Rs. 74.28 Cr. in Tariff Order dated July 23, 2014 is tabulated below:

Table 6: Non-Tariff Income for FY 2014-15 (Rs. Cr.)

Sl. No.	Particular	(Rs Cr)	(Rs Cr)
A	Other Operating Income		155.71
B	Other Income		35.79
C	Add: Open Access Charges		0.18
D	Service line charges		0.54
E	Less- Income from other business		(17.37)
F	Total Income		174.84

Sl. No.	Particular	(Rs Cr)	(Rs Cr)
Less: Income included in above, not passed as Non-Tariff Income			
G	Transfer from capital grants	0.52	
H	Transfer from consumer contribution for capital works	24.29	
I	Interest/Short term capital gain	8.27	
J	Gain on Foreign Exchange	8.16	
K	Special Meter Reading Charges	0.04	
L	Financing Cost of LPSC	13.68	
M	Rebate of power purchase	47.90	
N	Incentive towards Street Light	1.51	
O	Income of Generation Business	0.05	
P	Cash discount	0.02	
Q	Total		104.44
R	Sub- Total		70.40
S	Add – Income from Other Business to be offered to consumers		1.45
T	Total Non-Tariff Income		71.85

1.14 The Gross Fixed Assets for FY 2014-15 is tabulated as below:

Table 7: Gross Fixed Assets for FY 2014-15 (Rs. Cr.)

Sl. No.	Particulars	FY 2014-15
A	Opening Balance	4,586.79
B1	Capitalization out of CWIP prior to 01.04.2007	16.82
B2	Capitalization out of CWIP after to 01.04.2007	338.65
B	Total Capitalization during the year	355.47
C	De-Capitalization	-
D	Closing Balance	4,942.27
E	Average Fixed Assets	4,764.53

1.15 The Depreciation on Average Assets (Net of consumer contribution/grants) for FY 2014-15 is tabulated as below:

Table 8: Depreciation on Average Assets for FY 2014-15 (Rs. Cr)

Sl. No.	Particulars	FY 2014-15
A	Average Assets	4,764.53
B	Average Consumer Contribution	571.51
C	Average Depreciation Rate	3.90%
D	Depreciation (Net of Consumer Contribution)	163.64

1.16 The Average Working Capital for FY 2014-15 is tabulated as below:

Table 9: Average Working Capital for FY 2014-15 (Rs. Cr)

Sl. No.	Particulars	Amount
A	Receivables for Annual Revenue Requirement	6138.86
B	Receivables equivalent to 2 months average billing	1023.14
C	Power Purchase expenses (inclusive of Transmission charges)	4904.95
D	Less: 1/12th of power purchase expenses	408.75
E	Total	614.40
F	Less- Opening Working Capital	541.30
G	Change in working capital for the year	73.10

1.17 The Aggregate Revenue Requirement for FY 2014-15 as submitted by TPDDL is as below:

Table 10: Aggregate Revenue Requirement for FY 2014-15 (Rs. Cr)

Sl. No.	Particulars	Tariff Order July, 2014	Actual
A	Power Purchase Cost	3,730.17	4,346.42
B	Inter-State Transmission Charges	378.93	432.65
C	Intra-State Transmission Charges	340.05	224.13
D	Less- Normative Rebate	111.47	98.25
E	O&M Expenses	437.97	556.58
F	Other statutory levies/New initiatives		24.60
G	Depreciation	139.16	163.64
H	Return on Capital Employed	324.73	425.20
I	Additional Return on Capital employed- AT&C overachievement		117.02
J	Income tax	30.60	61.17
K	Add- PPAC	50.10	
L	Less: Non-Tariff Income	74.28	71.85
M	Less: Interest on CSD		42.47
N	Aggregate Revenue Requirement	5,245.96	6,138.86

1.18 The Revenue Surplus/(Gap) for FY 2014-15 is tabulated below :

Table 11: Revenue Surplus /(Gap) for FY 2014-15 (Rs. Cr.)

Sl. No.	Particular	Estimated by the Commission	Actual as per TPDDL
A	Revenue Available	5,743.47	5,714.43
B	Aggregate Revenue Requirement	5,245.96	6,138.86
C	Revenue Surplus/(Gap)	497.51	(424.42)

1.19 The Cumulative Revenue Surplus/(Gap) till FY 2014-15 is tabulated below :

Table 12: Cumulative Revenue Surplus /(Gap) till FY 2014-15 (Rs. Cr.)

Sl. No.	Particulars	Amount (Rs Cr)
A	Revised Opening Revenue Gap	(6,162.22)
B	Add: Revenue Gap sought for the year	(424.42)
C	Carrying Cost Rate	15.13%
D	Add: Carrying Cost	(964.13)
E	Less- Realization from Deficit recovery surcharge	445.90
F	Carrying cost net of DRRS	(518.23)
G	Closing Revenue Gap (including carrying cost)	(7,104.87)

C. TRUE UP OF FY 2015-16

1.20 TPDDL has submitted that its energy sales in FY 2015-16 was 7854.29 MU compared to 7987.90 MU approved by the Commission for FY 2015-16 in Tariff Order dated September 29, 2015. based on actual as shown below:

Table 13: Energy Sales & Revenue for FY 2015-16 (MU)

Category	Projected Billed MU as per TO Sep,2015	For FY 15-16				
		Billed (MU)	Projected Billed revenue other than 8% DRS	Billed revenue other than 8% DRS	Total Billed Revenue (Rs Cr)	ABR (Rs./ kWh)
A. Domestic	3,470.61	3,404.48			2,072.20	6.09
B. Non-Domestic	1,404.28	1,403.58			1,596.25	11.37
C. Industrial	2,365.49	2,349.25			2,335.39	9.94
D. Irrigation & Agriculture	12.82	13.32			4.80	3.61
E. Public Lighting	162.10	148.28			120.29	8.11
F. Delhi Jal Board	245.55	228.83			203.04	8.87
G. Railway Traction	48.50	46.16			37.72	8.17
H. DMRC	160.00	149.45			106.46	7.12
I. Own consumption	118.55	17.59				
J. Advertisement & Hoarding		0.97			1.55	15.90
K. others		92.38			90.30	9.77
L. Open Access charges offered as Non-Tariff Income					(0.57)	
M. Total	7,987.90	7,854.29	6231.64	6,093.58	6,567.42	8.36
N. Add- E. Tax					293.24	
Total Revenue Billed (M+N)	7,987.90	7,854.29			6,860.66	8.73

1.21 The AT&C loss along with Distribution loss and collection efficiency for FY 2015-16 sought by TPDDL is tabulated as under:

Table 14: AT&C Loss for FY 2015-16 (%)

Sl. No.	Particular	UoM	Actual
A	Energy Input at TPDDL Periphery	Mu	8,610.27
B	Units Billed	Mu	7,854.29
C	Amount Billed	(Rs Cr)	6,093.58
D	Average Billing Rate	Rs/kWh	7.76
E	Distribution Loss	%	8.78%

Sl. No.	Particular	UoM	Actual
F	Amount Collected	(Rs Cr)	6,096.18
G	Collection Efficiency	%	100.04%
H	Units Realized	Mu	7,857.43
I	AT&C Loss Level	%	8.74%

1.22 The Power Purchase Quantum is tabulated below:

Table 15: Power Purchase Quantum for FY 2015-16 (MU)

Sl. No.	Particulars	Approved in Tariff Order dated Sep 2015	Actual Power Purchase
A	Power Purchase:		
i	Gross Power Purchase Quantum	10,731.41	10,949.29
ii	Short term sale of Power	1,464.99	1,964.57
iii	Net Power Purchase	9,266.42	8,984.72
B	Transmission Loss:		
i	Inter-State Transmission Loss	272.44	297.80
ii	Intra-State Transmission Loss	62.96	76.65
iii	Total Transmission Loss	335.40	374.45
C	Net Power Available after Transmission Loss	8,931.02	8,610.27

1.23 The following table shows the actual power purchase cost submitted by TPDDL for FY 2015-16:

Table 16: Power Purchase Cost for FY 2015-16 (Rs. Crore)

Description	Estimated in Tariff Order dated Sep-15	Actual
Power Purchase - CSGS	3,107.87	3,237.17
Inter-State Bilateral Purchase	-	404.26
Power Purchase - Delhi Gencos	1,296.47	909.16
Intra state purchase	-	22.18
Cost towards RPO	104.65	21.50
Gross Power Purchase	4,509.99	4,594.27
Transmission Charges		
PGCIL charges	340.20	344.09
DTL charges	302.80	278.49
Other transmission charges (including Pension Trust)	179.08	203.09
Less: Surplus Power sold / Banked / UI sales	(512.75)	(666.91)
Power Purchase Cost (Audited)	-	4,753.03
Less- Net Normative Rebate on power purchase	88.46	79.54
Less- Rebate on account of Transmission charges	12.80	13.11

Description	Estimated in Tariff Order dated Sep-15	Actual
Add- Provision for previous year	-	40.43
Less- Provision for current year	-	(18.77)
Net Power Purchase Cost	4,717.06	4,719.58
Energy Input (MU)	8,931.02	8,610.27
Average Power Purchase Rate – Rs./unit	5.28	5.48

1.24 The O&M Expenses as considered by TPDDL during FY 2015-16 is tabulated below:

Table 17: O&M Expenses for FY 2015-16 (Rs. Cr.)

Sl. No.	Particulars	Approved by the Commission in Sep 15 Tariff Order	Actual
A	Employee Cost (net of capitalization)	324.05	390.11
B	A&G Expenses	66.41	66.47
C	R&M Expenses	99.64	141.72
D	Total O&M expenses	490.10	598.29
E	Efficiency factor (%)	4%	
F	Less: Efficiency Improvement	19.60	-
G	Add: SVRS Pension	3.14	6.43
H	Net O&M Expenses	473.63	604.72

1.25 The Non-Tariff Income claimed by TPDDL in True-up of FY 2015-16 against approved by the Commission of Rs. 114.96 Cr. in Tariff Order dated September 29, 2015 is tabulated below:

Table 18: Non-Tariff Income during FY 2015-16 (Rs. Cr.)

Sl. No.	Particular	(Rs Cr)	(Rs Cr)
A	Other Operating Income		173.36
B	Other Income		57.99
C	Add: Open Access Charges		0.57
D	Service line charges		(5.14)
E	Less- Income from other business		(40.40)
F	Total Income		186.38
Less: Income included in above, not passed as Non-Tariff Income			
G	Transfer from capital grants	0.50	
H	Transfer from consumer contribution for capital works	24.33	
I	Interest/Short term capital gain	14.23	
J	Gain on Foreign Exchange		
K	Special Meter Reading Charges	0.05	

Sl. No.	Particular	(Rs Cr)	(Rs Cr)
L	Financing Cost of LPSC	11.62	
M	Rebate of power purchase	64.41	
N	Incentive towards Street Light	1.44	
O	Income of Generation Business		
P	Cash discount		
Q	Total		116.58
R	Sub- Total		69.80
S	Add – Income from Other Business to be offered to consumers		1.34
T	Total Non-Tariff Income		71.14

1.26 The summary of total income received from other business and proposed to be retained by TPDDL is tabulated below:

Table 19: Income from other business during FY 2015-16 (Rs. Cr.)

S. No	Particulars	Total Income	TPDDL's share	Amount Retained	Amount passed to consumers
A	Consultancy Income	13.44	13.44	8.96	4.48
B	Street Light Maintenance Charges	28.18	28.18	18.79	9.39
C	Total	41.62	41.62	27.75	13.87

1.27 TPDDL has submitted that the depreciation has been calculated after excluding consumer contribution from the Gross Fixed Assets in accordance with DERC MYT Regulations, 2011. TPDDL has submitted the total depreciation from FY 2007-08 to FY 2015-16 as under:

Table 20: Depreciation from FY 2007-08 to FY 2015-16 (Rs. Cr)

Sl. No.	Particulars	FY 2015-16
A	Average Assets	4,463.42
B	Average Depreciation Rate	3.91%
C	Depreciation (Net of Consumer Contribution)	174.66

1.28 The Annual Revenue Requirement claimed during FY 2015-16 vis-à-vis that approved in Tariff Order dated September 29, 2015 is tabulated below:

Table 21: Annual Revenue Requirement for FY 2015-16 (Rs. Cr.)

Sl. No.	Particulars	Tariff Order Sep, 2015	Trued up Sought
A	Power Purchase Cost	3,996.25	3,986.56
B	Inter-State Transmission Charges	340.2	344.09
C	Intra-State Transmission Charges	481.88	481.58
D	Less- Normative Rebate	101.26	92.66
E	O&M Expenses	473.63	604.72
F	Other statutory levies/New initiatives	20	44.67
G	Depreciation	134.15	174.66
H	Return on Capital Employed	313.04	442.03
I	Additional Return on Capital employed- AT&C overachievement		142.90
J	Income tax	32.98	67.18
K	Add- PPAC		
L	Less: Non-Tariff Income	114.96	71.14
M	Less: Interest on CSD		44.78
N	Aggregate Revenue Requirement	5,575.91	6,079.81

Table 22: Computation of Revenue surplus/ (Gap) for FY 15-16 (Rs. Cr.)

Sl. No.	Particular	Estimated by the Hon'ble Commission	Actual as per TPDDL
A	Revenue Available	6,200.47	6,096.19
B	Aggregate Revenue Requirement	5,575.92	6,079.81
C	Revenue Surplus/(Gap)	624.55	16.37

1.29 The Cumulative Revenue Surplus/(Gap) till FY 2015-16 is tabulated below :

Sl. No.	Particulars	Amount (Rs. Cr)
A	Revised Opening Revenue Gap	(7,104.86)
B	Add: Revenue Gap sought for the year	16.37
C	Carrying Cost Rate	14.80%
D	Add: Carrying Cost	(1,050.32)
E	Less- Realization from Deficit recovery surcharge	472.89
F	Carrying cost net of DRRS	(577.43)

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Sl. No.	Particulars	Amount (Rs. Cr)
G	Closing Revenue Gap (including carrying cost)	(7,665.92)

D. ARR FOR FY 2017-18

1.30 TPDDL has submitted its projected energy sales for FY 2017-18 as shown below:

Table 23: Projected Sales (MU) for FY 2017-18

Sl. No	Category	FY 2017-18
A	Domestic	
	Domestic - Others than CGHS	3,952.73
	Single delivery point for CGHS	28.90
B	Non –Domestic	
	Non -Domestic Low Tension (NDLT)	1,088.30
	Non -Domestic High Tension (NDHT)	386.47
C	Industrial	
	Small Industrial Power (SIP) [less than 200kW/215kVA]	2,090.90
	Industrial Power on 11 kV Single Point Delivery for Group of SIP Consumers	0.35
	Large Industrial Power (LIP) (Supply at 11kV and above)	316.03
D	Agriculture	12.75
E	Mushroom Cultivation	0.02
F	Public Lighting	
	Metered	112.45
	Unmetered	1.69
G	Delhi Jal Board (DJB)	
	Supply at LT	13.87
	Supply at 11kV and above	233.16
H	DIAL	-
I	Railways Traction	46.68
J	DMRC	148.55
K	Adv. & Hoardings	1.19
L	Temporary Supply	62.85
M	Others	52.93
	Total	8,549.81

1.31 Category wise estimated Revenue billed for FY 2017-18 by TPDDL is tabulated as under:

Table 24: Estimated Billed Revenue for FY 2017-18 (Rs. Cr)

Categories	FY 2017-18				
	Fixed Charges	Energy Charges	ToD Surcharge / ToD Rebate	DRS	Total Revenue
Domestic	119.39	2,103.61	-	177.84	2,400.84
Non Domestic	179.02	1,322.87	9.85	120.94	1,632.68
Industrial	181.14	1,948.76	20.76	172.05	2,322.72
Irrigation & Agriculture	0.00	3.52	-	0.28	3.80

Categories	FY 2017-18				
	Fixed Charges	Energy Charges	ToD Surcharge / ToD Rebate	DRS	Total Revenue
Street Lighting	-	83.41	-	6.67	90.08
Delhi Jal Board	11.02	185.72	(0.12)	15.73	212.34
Railway	2.64	32.28	0.33	2.82	38.07
DMRC	5.55	90.85	1.47	7.83	105.69
Own Consumption	-	-	-	-	-
Advertisement & Hoarding	0.30	1.46	-	0.14	1.90
Theft/ Others	9.13	75.18	0.02	6.75	91.08
Total	508.19	5,847.65	32.32	511.05	6,899.21
8% Deficit Revenue Surcharge					511.05
Total					6,388.16

1.32 Based on the submission given for fixation of AT&C loss trajectory for next control period, the proposed AT&C loss level for FY 2017-18 given by TPDDL is as below:

Table 25: Proposed AT&C Loss level along with Distribution Loss Level and Collection Efficiency

Category	2017-18
Distribution Loss Level	9.85%
Collection Efficiency	99.00%
AT&C Loss Level	10.75%

1.33 The following table shows the actual power purchase cost submitted by TPDDL for FY 2017-18:

Table 26: Power Purchase Cost for FY 2017-18

Energy Balance of FY 2017-18			
Particulars	Projected		
	Energy MU	Amt Rs Cr	Rate Rs/unit
Power from CSGS	11134.87	4533.76	4.07
Power from SGS	695.54	758.18	10.90
Short Term Power Purchase	500.00	200.00	4.00
RPO obligation to be met through purchase from renewable sources	222.10	121.85	5.49
RPO obligation to be met through purchase of REC		78.09	
TOTAL Purchase	12,552.52	5,691.88	4.53
Transmission losses (Intra state & Interstate)	(531.37)		
Transmission charges		1049.12	
Transmission charges on towards		200.00	

Energy Balance of FY 2017-18			
Particulars	Projected		
	Energy MU	Amt Rs Cr	Rate Rs/unit
Pension Trust Payment			
Total Purchase with Tx	12021.15	6941.00	5.77
Less: Short Term surplus power sale	(2,537.33)	(685.08)	2.70
Net Power Purchase Cost	9,483.82	6,255.92	6.60
Less- Normative Rebate		116.69	
Power Purchase Cost for the year	9,483.82	6,139.23	6.47
Add: RPO obligation for previous years		50.00	
Total Power Purchase Cost including RPO obligations		6,189.23	

1.34 The O&M Expenses as considered by TPDDL for FY 2017-18 is tabulated below:

Table 27: O&M Expenses for FY 2017-18 (Rs. Cr.)

Particulars	Amount
Employees Expenses	486.71
A&G Expenses	91.53
R&M Expenses	176.14
Total	754.39

1.35 The Capital investment plan for FY 2017-18 is tabulated below:

Table 28: Capital Investment Plan for FY 2017-18 (Rs. Cr.)

Budget Head	S No.	Sub-category	Planned Estimate
			FY 2017-18
DISTRIBUTION LOSS REDUCTION	a	BRANCH FEEDER MONITORING SYSTEM	1.20
	b	LOSS MANAGEMENT AT DT TERMINATION	0.45
	c	METER REPLACEMENT (DISTRIBUTION)	15.75
	d	METER REPLACEMENT (SMART METERS)	8.90
	e	REACTIVE POWER COMPENSATION	0.12
DISTRIBUTION LOSS REDUCTION Total			26.42
QUALITY IMPROVEMENT	a	AUTOMATION IMPLEMENTATION	10.96
	b	NEW TECHNOLOGY	1.32
	c	PROTECTION & TESTING	1.26
	d	SAFETY RELATED	9.53
	e	11 SICK CABLE REPLACEMENT	5.00
	f	EHV SYSTEM IMPROVEMENT SCHEMES	109.82
	g	11 kV SYSTEM IMPROVEMENT SCHEMES	5.00
QUALITY IMPROVEMENT Total			142.89
LOAD GROWTH	a	NEW GRID SUBSTATIONS EXCLUDING DEPOSIT WORKS	10.00
	b	66 & 33 KV ADDITION/AUGMENTATION OF BAYS/TRANSFORMERS	5.00

Budget Head	S No.	Sub-category	Planned Estimate	
			FY 2017-18	
	c	66 & 33 KV LINES & CABLES		34.50
	d	11 KV SYSTEM AUGMENTATION		85.00
	e	NEW METERS (DISTRIBUTION)		36.45
	f	NEW METERS (SMART METERS)		4.49
LOAD GROWTH Total				175.44
INFRASTRUCTURE DEVELOPMENT	a	ADMINISTRATION SUPPORT		14.83
	b	CIVIL		1.00
	c	INFORMATION TECHNOLOGY		8.42
	d	DATA SECURITY & SAFETY		0.50
INFRASTRUCTURE DEVELOPMENT Total				24.75
Grand Total				369

1.36 The Non-Tariff Income estimated by TPDDL for FY 2017-18 is tabulated below:

Table 29: Non-Tariff Income (Rs. Cr)

Sl. No.	Particulars	FY 2017-18
A	Non-Tariff Income	71.14
B	Interest on Consumer Security Deposit	44.78
C	Impact of Open Access	26.36
	Total Non-Tariff Income including open access charges	142.28

1.37 The summary of ARR requirement submitted by TPDDL is tabulated below:

Table 30: Aggregate Revenue Requirement (Rs. Cr)

Sl. No.	Particular	FY 2017-18		
		Total ARR	Wheeling ARR	Retail ARR
A	Cost of Power Purchase	6,189.23	-	6,189.23
B	O&M Expenses (Net of expenses capitalized)	754.39	438.18	316.21
B.1	Add:- New Initiative	35.27	-	35.27
B.2	Total O&M Expenses	789.66	438.18	351.48
C	Depreciation	204.37	147.54	56.83
D	Return on Capital Employed	486.90	340.87	146.02
E	Income Tax	151.98	106.40	45.58
F	Sub-Total	7,822.13	1,032.99	6,789.13
G	Less: Non-Tariff Income/ Interest on consumer security deposit	142.28	28.46	113.82
H	Sub-Total	142.28	28.46	113.82
J	Annual Revenue Requirement	7,679.85	1,004.53	6,675.31

1.38 The Computation of Closing Revenue Gap as submitted by TPDDL is tabulated below:

Table 31: Cumulative Revenue Gap till FY 2017-18 (Rs. Cr.)

Sl. No.	Particular	FY 2017-18 Estimated
A	Opening Revenue Gap	(9,255.65)
B	Revenue (Gap)/Surplus for the year	(1,355.57)
C	Closing Revenue (Gap)	(10,611.23)
D	Carrying Cost Rate	12.50%
E	Carrying Cost	(1,241.68)
F	Recovery of carrying cost from 8% Deficit Revenue Recovery Surcharge	505.94
G	Closing Revenue Gap (including carrying cost)	(11,346.96)