

BSES Rajdhani Power Limited

BSES Bhawan, Nehru Place,

New Delhi - 110 019, India.

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Ref: RA/2020-21/01/A/ 483



Date: 11 February 2021

To,
The Secretary
Delhi Electricity Regulatory Commission
Viniyamak Bhavan, Shivalik
Malviya Nagar
New Delhi-110017

Sub: Power Purchase Adjustment Charges (PPAC) for Oct, Nov and Dec'20

Ref: Delhi Electricity Regulatory Commission (Business Plan) Regulations, 2019 and DERC's Tariff Order dated 28.08.2020

Dear Sir,

We refer to the Regulation 30 of Delhi Electricity Regulatory Commission (Business Plan) Regulations, 2019 which provides for mechanism for recovery of Power Purchase Cost Adjustment. The relevant extract is shown below:

"30. MECHANISM FOR RECOVERY OF POWER PURCHASE COST ADJUSTMENT CHARGES

The mechanism for recovery of Power Purchase Cost Adjustment Charges (PPAC) in terms of the Regulation 134 of the DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 from FY 2020-21 to FY 2022-23 of the Distribution Licensees shall be as follows:

....

(4) The treatment of PPAC computation as per the specified formula shall be as follows:

- a. *in case PPAC does not exceed 5% for any quarter, the Distribution Licensee may levy PPAC at 90% of computed PPAC with prior intimation to the Commission without going through the regulatory proceedings.*
- b. *in case PPAC exceeds 5% but does not exceed 10% for any quarter, the Distribution Licensee may levy PPAC of 5% and 75% of balance PPAC (Actual PPAC% - 5%) with prior intimation to the Commission without going through the regulatory proceedings.*
- c. *in case PPAC exceeds 10% for any quarter, the Distribution Licensee may levy PPAC as per sub-regulation (a) and (b) as above without going through the regulatory proceedings and shall file an*



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application for prior approval of the Commission for the differential PPAC claim (Actual PPAC% – 8.75%).

(5) The Distribution Licensee shall upload the computation of PPAC on its website before the same is levied in the consumers' electricity bills..."

Accordingly, and in accordance with Regulations 30 (4) above, we would like to intimate the Hon'ble Commission, that the PPAC of licensee for Oct, Nov and Dec of 2020 (Q3) is computed as 23.63% (details are as annexed herewith in **Annex-1**). Accordingly, BRPL in terms of the said Regulations, will levy 8.75% % (Capped as per Business Plan Regulations) on the bills of all consumers from the billing cycle w.e.f. 15th of Feb 2021 for a period of 3 months.

For the differential under-recovery, would be approaching the Hon'ble Commission through a petition in accordance with the Regulations.

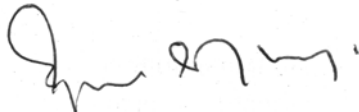
In view of the above, we shall upload PPAC computation on our web-site before the same is levied on the consumer's electricity bills.

The Power Purchase Audited statement and SLDC accounts as attached as **Annex-2** for reference.

Kindly acknowledge the receipt.

Thanking You,
Yours faithfully

For BSES Rajdhani Power Limited



Rajeev Chowdhury
Head- Regulatory Affairs

Encl: As above

Annex-1 - PPAC % Calculation for BRPL- Oct to Dec'20 #			
Sr No	Parameters	DERC's (methodology)	Source
1	A (in Kwh)	2,265,195,796	As per PPAC Qtr Audited Sheet*
2	B (in Kwh)	273,511,133	Calculated
3	C (in Rs./Kwh)	1.22	Calculated
4	D (Rs. Cr.)	295	As per PPAC Qtr Audited Sheet*
5	E (Rs. Cr.)	246	As per Tariff Order (Adj Special Rebate)
6	Z (in Kwh)	1,937,248,564	Calculated
7	Distribution Loss (%)	8.10%	As per DERC's Business Plan Regulations
8	Approved ABR (Rs./kwh)	6.95	As per Tariff Order
9	PPAC (nth Qtr) % = ((A-B)*C+(D-E)/((Z*(1-Distribution Loss in %/100))*ABR)	23.63%	Calculated
10	PPAC for Qtr (capped)	8.75%	Capped as per Regulations
A	Total unit procured in (n-1)th Qtr from power station having Long term PPA (in kwh) -(To be taken from bills of the Gencos issued to distribution licensee)		
B	Proportionate bulk sale of power from power station having long Term PPA (in Kwh) = Total unit Sold (Other than sold to direct consumer KWH) in (n-1) Qtr X A / Gross Power Purchase including short term power in (n-1)th Qtr (in Kwh)		
C	Actual average Power Purchase Cost (PPC) from power stations having long term PPAs in (n-1)th Qtr (Rs./ kWh) – Projected average Power Purchase Cost (PPC) from power stations having long term PPAs (Rs./ kWh) (from tariff order)		
D	Actual Transmission Charges paid in the (n-1)th Qtr		
E	Base Cost of Transmission Charges for (n-1)th Qtr= (Approved Transmission Charges/4)		
Z	[{(Actual Power purchase from Central Generating Stations having Long Term PPA in (n-1)th Qtr (in kwh) *(1- Interstate Transmission licensee losses in % /100)) *(1- Intrastate losses in %/100)- B] in kwh		
ABR	Average Billing Rate for the year (to be taken from the Tariff Order)		
	Approved Avg PPA base (Rs./kwh)	4.35	As per Tariff Order
	Approved Interstate Transmission licensee Loss (in %)	2.00%	As per Tariff Order
	Approved Intrastate Loss (in %)	0.92%	As per Tariff Order
	Distribution Loss (in %)	8.10%	As per DERC's Business Plan Regulations
	Approved ABR (Rs./kwh)	6.95	As per Tariff Order
	Total unit sold other than Direct Consumer (in kwh)	333,640,650	As per SLDC
	Gross power Purchase including short term power (in kwh)	2,763,183,312	As per SLDC
	Actual Power purchase from Central Generating Stations having Long Term PPA (in kwh)	1,695,412,665	As per PPAC Qtr Audited Sheet*
	Power from Delhi Gencos including BTPS (in kwh)	569,783,131	As per PPAC Qtr Audited Sheet*
	Actual Avg PPC (Rs./kwh)	5.58	As per PPAC Qtr Audited Sheet*

#As Special rebate has already adjusted in ARR of FY 2020-21 in Tariff Order dated 28.08.2020, accordingly it has not been considered in PPAC calculations.

*Above values are calculated based on Tariff Order dated 28.08.2020 excluding BTPS, Thyagraj, SECI Wind, Rajghat and IP station as they are not in Approved Base cost.