

BSES

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Ref: RA/BYPL/2026-27/18

10 April 2026

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

Sub: Power Purchase Adjustment Charges (PPAC) for January, February and March, 2026

Ref: Extension of Delhi Electricity Regulatory Commission (Business Plan) Regulations, 2023 dated 27.03.2026 and Tariff Order dated 30.09.2021

Dear Sir,

We write to you with reference to Regulation 30 of Delhi Electricity Regulatory Commission (Business Plan) Regulations, 2023 (**BPR, 2023**), which provides for the mechanism for recovery of Power Purchase Cost Adjustment (**PPAC**). As your goodself may be aware, in terms of the Notification of the Hon'ble Commission dated 27.03.2026, BPR, 2023 stands extended till FY 2026-27. The relevant extract of the said Notification is reproduced below:

"1) All parameters of the DERC (Business Plan) Regulations, 2023 applicable for FY 2025-26 are hereby extended for the period FY 2026-27, except for the Distribution Loss Targets and Targets for Renewable Purchase Obligation. These regulations shall be applicable from 1/04/2026. "

Separately, Regulation 30 of BPR, 2023 is reproduced 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,

Page 1 of 4

2017 from FY 2023-24 to FY 2025-26 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 application for prior approval of the Commission for the differential PPAC claim (Actual PPAC% - 8.75%).
- d) The Distribution Licensee shall file Petition only for their claim of PPAC.

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

Accordingly, without prejudice to our objections to the extension of BPR, 2023 for FY 2026-27, the PPAC for the period Jan-Mar, 2026 (i.e. Q4 of FY 2025 - 2026) is computed at 19.85%. Moreover, in terms of Rule 14 of Electricity Rules, 2005 (as amended by the Electricity (Amendment) Rules, 2022) our computed PPAC is 23.25%. The detailed computations are enclosed as **Annex - 1**. The other details such as the Power Purchase Audited statement and SLDC accounts are enclosed as **Annex - 2**.

Further, it is respectfully submitted that since the issuance of the last Tariff Order 30.09.2021, several new generating stations have been commissioned. Although these generating stations have been duly approved by this Hon'ble Commission and factored into the Central Electricity Authority's resource adequacy assessment, they did not form part of the tariff computations under Tariff Order dated 30.09.2021. These newly commissioned generating stations, some of which entail a substantial fixed cost component, have materially impacted BYPLs overall power purchase cost as Hon'ble Commission in past has not been allowing the cost from these new Generating Station. Accordingly, BYPL respectfully prays that the power procurement from such generating stations be considered for the purposes of PPAC computation.

Additionally, this Hon'ble Commission vide its Tariff Order dated 30.09.2021 for BYPL had considered a PPAC of 7.43% equivalent to Rs. 512.14 Cr. for meeting the revenue gap arising in the Annual Revenue Requirement (ARR) for FY 2021-22. The relevant extracts are under:

"Table 4.71: Commission Approved: Revenue (Gap) for FY 2021-22 (Rs. Cr.)"

Sr. No.	Particulars	Amount
A	ARR	4461.43
B	Carrying Cost for FY 2021-22	280.15
C	PPAC Cost Subsumed	18.40
D	Revised ARR	4759.98
E	Revenue at Revised Tariff	4259.40
F	Revenue from PPAC	512.14
G	Total Revenue	4771.54
H	Revenue (Gap)/ Surplus	11.56

As it is evident from the above table, entire PPAC of 7.43% has been utilized to meet the fixed cost recovery forming part of ARR of FY 2021-22. In the past, the Hon'ble Commission has allowed PPAC including 7.43% along with other quarterly PPAC.

In view of the above, the actual PPAC required for recovering of the Power Purchase Cost is 28.69 % (i.e. 19.85% + 1.41% + 7.43%) in terms of Regulations of the Hon'ble Commission and 30.68% (i.e. 23.25% + 7.43%) in terms of Rule 14 of Electricity Rules, 2005 (as amended by the Electricity (Amendment) Rules, 2022).

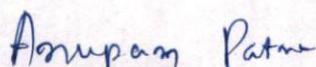
Further, given that the Hon'ble Commission vide its Order dated 19.01.2024 has withdrawn its directions issued in para 2 of its earlier Order dated 21.07.23 for all DISCOMs including BYPL, accordingly, BYPL will levy the suo-moto capped PPAC of 8.75% on the bills of all consumers from the billing cycle w.e.f. 10.04.2026 for a period of 3 months.

For the balance/differential PPAC, we shall be filing a separate petition before Hon'ble Commission. In view of the above, we shall upload PPAC computation on our website before the same is levied on the consumers' electricity bills.

The above is submitted for the kind information of the Hon'ble Commission and is being issued without prejudice to our existing challenge to BPR, 2023 and further without prejudice to our right to challenge the extension of BPR, 2023.

Thanking you,
Yours sincerely,

For BSES Yamuna Power Limited


Anupam Patra

Head – Regulatory Affairs

Encl: As above

Annex-1 BYPL PPAC % Calculation for Jan - Mar - 26

Sr No	Parameters	DERC Methodology	DERC Methodology (Considering All Plants)	As per MOP (Considering All Plants)
1	A (in Kwh)	1,861.29	2,026.18	2,266.45
2	B (in Kwh)	525.43	571.98	603.27
3	C (in Kwh)	0.62	0.74	0.93
4	D (Rs. Cr.)	247.81	247.81	247.81
5	E (Rs. Cr.)	172.41	172.41	172.41
6	Z	1,283.02	1,396.58	1,598.59
7	Distribution Loss	7.33%	7.33%	7.33%
8	ABR	6.68	6.68	6.68
9	Avg PPA base	3.54	3.54	3.54
10	PGCIL Loss	2.00%	2.00%	2.00%
11	DTL Loss	0.92%	0.92%	0.92%
12	Total unit sold other than Direct Consumer (Provisional figure)	603.27	603.27	603.27
13	Gross power Purchase	2,137.03	2,137.03	2,137.03
14	Avg PPC	4.15	4.28	4.47
15	CGS	1,802.44	1,967.33	2,207.60
16	SGS	58.85	58.85	58.85
17	PPAC (nth Qtr) % = $\frac{(A-B)*C+(D-E)}{(Z*(1-\text{Distribution Loss in \%}/100)*ABR}$ (I)	19.85%	21.26%	23.25%
18	PPAC considered by the Commission vide Tariff Order dated 30/09/2021 for meeting the Revenue Gap. (II)	7.43%	7.43%	7.43%
19	Total PPAC (III=I+II)	27.28%	28.69%	30.68%
20	PPAC to be levied in terms of Regulation 30 of DERC's BPR, 2023	8.75%		
A	from bills of the Genco issued to Discom)			
B	Sold (Other than sold to direct consumer KWH) in (n-1) Qtr/ Gross Power Purchase (Kwh) in (n-1) Qtr			
C	Actual Avg PPC (n-1) Qtr from bill - Projected avg PPC base from Tariff order			
D	Actual Transmission Charges			
E	Approved Transmission Charges			
Z	including BTPS} *(1-DTL loss%/100)- B) in KWH			
ABR	Average Billing Rate			