



**BSES Yamuna Power Limited**

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Ref: RA/BYPL/2020-21/07

Date: 08.05.2020

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

**Sub: Power Purchase Adjustment Charges (PPAC) for Jan, Feb, March of FY 2019-20**

**Ref:**

- 1) Hon'ble Commission Tariff Order for FY 19-20
- 2) Hon'ble DERC Business plan Regulation 2019

Dear Sir,

We refer to Regulation 30 of Delhi Electricity Regulatory Commission (Business Plan) Regulations, 2019 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 Licensee 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%).*

In accordance with Regulations 30 (4) b above, we would like to intimate the Hon'ble Commission, that the PPAC of licensee for Jan, Feb and March of FY 19-20 is computed as 8.87 % without IP station as annexed herewith in **Annex-1**.

Further The BPR 2019 was uploaded on website on December'19 and is in force from 1-4-2020. BYPL therefore are given to understand that any recovery of PPAC post 1-4-2020 would have to be in terms of the BPR 2019. This is evident from the following Regulation in the opening lines of Regulation 30 of the BPR 2019 which reads as under:-

**"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 Licensee shall be as follows:..."**

In the circumstances BYPL would, in terms of the BPR 2019 Clause 30 (b) , levy the PPAC for January, February and March of this year will levy 7.90% (being capped) (5% + 75% \* (8.87%-5%)) on the bills of all consumers from the billing cycle w.e.f. 15<sup>th</sup> of May. 2020 for a period of 3 months.


We are addressing this letter to the Hon'ble Commission, in terms of the said Regulation 30(4), and also in case there is any difference in the Commission understands of the BPR 2019, we may be intimated so in advance

We shall also 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 **Annexure-2** for reference.

Thanking You,  
Yours faithfully

**For BSES Yamuna Power Limited**

  
Rajul Agarwal  
Head (Regulatory)

Encl: As above

Annex-1 - PPAC % Calculation for BYPL- Jan-March (19-20)			
Sr No	Parameters	DERC's (methodology)	Source
1	A (in Kwh)	1,971,646,352	As per PPAC Qtr Audited Sheet
2	B (in Kwh)	584,984,249	Calculated
3	C (in Rs./Kwh)	0.74	Calculated
4	D (Rs. Cr.)	106.81	As per PPAC Qtr Audited Sheet
5	E (Rs. Cr.)	134.50	As per Tariff Order*
6	Z (in Kwh)	1340015207	Calculated
7	Distribution Loss (%)	10.50%	As per Business Plan
8	Approved ABR (Rs./kwh)	7.02	As per Tariff Order*
9	PPAC (nth Qtr) % = ((A-B)*C+(D-E)/((Z*(1-Distribution Loss in %/100)*ABR)	<b>8.87%</b>	Calculated
10	PPAC Self Claimed	<b>7.90%</b>	
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		
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		
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		
ABR	Average Billing Rate for the year (to be taken from the Tariff Order)		
Approved Avg PPA base (Rs./kwh)		3.48	As per Tariff Order*
Approved Interstate Transmission licensee		1.65%	As per Tariff Order*
Approved Intrastate Loss (in %)		0.92%	As per Tariff Order*
Total unit sold other than Direct Consumer (in kwh)		581,569,045	As per SLDC
Gross power Purchase including short term power (in kwh)		1,960,135,659	As per SLDC
Actual Power purchase from Central Generating Stations having Long Term PPA		1,743,785,247	As per PPAC Qtr Audited Sheet
Power from Delhi Gencos including BTPS (in kwh)		227,861,105	As per PPAC Qtr Audited Sheet
Actual Avg PPC (Rs./kwh)		4.22	As per PPAC Qtr Audited Sheet

\*Above values are calculated based on Tariff Order dated 31.07.2019