Tariff of the Month (INR/kWh) $=\frac{\sum_i^n E}{\sum_i^n C}=\frac{\sum_1^9 E}{\sum_1^9 C}=\frac{5148.73}{1997.50}=2.578$

i.e. (**Sum total amount to be paid under PSA for that particular month /sum total electricity supplied during that particular month**)

T-I to T-IX are projects commissioned after Electricity (Uniform Renewable Energy Tariff for Central Pool) Rules, 2022 comes into force

Continued Operation of Pool:

Let us say above scenario is in the Month M-4. In the beginning of M-5, additional capacity of 250 MW (T-X) is getting commissioned and to be included as a part of Pool. Accordingly considering generation during month M-5, tariff for the month M-5 will be calculated considering actual generation during the Month M-5 as per following:

Scheme	Capacity	Tariff-PPA	Tariff-PSA	Schedule Energy supplied during the Month	Amount to be paid to Project developers by IP under PPA	Amount to be paid to IP by EP under PSA
	(MW)	*(INR/kWh)*	*(INR/kWh)*	*(MU)*	*(Rs in Million)*	*(Rs in Million)*
		A	*(B=A+ Rs 0.07/kWh)*	*C*	*(D=A x C)*	*(E= B x C)*
T-I	2000	2.502	2.572	415.95	1040.70	1069.81
T-II	600	2.440	2.510	131.49	320.84	330.04
T-III	1200	2.585	2.655	248.34	641.96	659.34
T-IV	1150	2.540	2.610	234.63	595.97	612.39
T-V	480	2.613	2.683	95.97	250.72	257.44
T-VI	900	2.710	2.780	174.22	472.15	484.34
T-VIII	1200	2.502	2.572	258.60	646.92	665.03

T-IX	2000	2.372	2.442	438.30	1039.65	1070.33
T- X*	**250**	**2.17**	**2.24**	**56.61**	**122.85**	**126.81**
Total	**9780**			**2054.12**	**5131.76**	**5275.54**

*New addition to the pool in the Month M-5

Tariff of the Month (INR/kWh) = $\frac{\sum_1^9 E+E_{10}}{\sum_1^9 C+C_{10}} = \frac{5148.73+126.81}{1997.50+56.61} = \frac{5275.54}{2054.12} = 2.568$

i.e. (**Sum total of amount to be paid under PSA for that particular month /sum total electricity supplied during that particular month**)

T-I to T-X are projects commissioned after Electricity (Uniform Renewable Energy Tariff for Central Pool) Rules, 2022 comes into force.

- IP- Intermediary Procurer, EP- End Procurer

Annexure

Fuel and Power Purchase Adjustment Methodology

1. **Computation of Fuel and Power Purchase Adjustment Surcharge:**

(1)For these Rules "Fuel and Power Purchase Adjustment Surcharge" (FPPAS) means the increase in cost of power, supplied to consumers, due to change in Fuel cost, power purchase cost and transmission charges with reference to cost of supply approved by the State Commission

(2) FPPAS shall be calculated and billed to consumers, automatically, without going through regulatory approval process, on monthly basis, according to the formula, prescribed by the respective State Commission, subject to true up on annual basis as decided by the State Commission.

Provided that the automatic pass through shall be adjusted for monthly billing in accordance with these Rules.

(3) FPPAS shall be computed and charged by the Distribution licensee, in $(n+2)^{th}$ month, on the basis of actual variation, in cost of fuel and power purchase and Inter-State Transmission Charges for the power procured during the n^{th} month. For example, the FPPAS on account of changes in tariff for power supplied during the month of April of any financial year shall be computed and billed in the month of June of the same financial year.

Provided that in case the distribution licensee fails to compute and charge FPPAS within this time line, except in case of any force majeure condition, its right for recovery of costs on account of FPPAS shall be forfeited. In such cases, the right to recovery the FPPAS determined during true-up shall also be forfeited.

(4) The Distribution licensee may decide, FPPAS or part thereof, to be carried forward to the subsequent month in order to avoid any tariff shock to consumers, but the carry forward of FPPAS shall not exceed a maximum duration of two months. Such carry forward shall only be applicable, if the total FPPAS for a Billing Month, including any carry forward of FPPAS over the previous month(s) exceeds 20% of variable component of approved tariff. The carry forward shall be recovered in the same financial year. The

money recovered through FPPAS shall first be accounted towards the oldest carry forward portion of the FPPAS followed by the subsequent month(s).

(5) In case of carry forward of FPPAS, carrying cost at the rate of State Bank of India Marginal cost of Funds-based lending Rate (SBIMCLR) plus one hundred and fifty basis points shall be allowed till the same is recovered through tariff. This carrying cost shall be trued up in the year under consideration.

(6) Depending upon quantum of FPPAS, automatic pass through shall be adjusted such that,

(i) If FPPAS ≤5%, 95 % cost recoverable of computed FPPAS by distribution licensee shall be levied automatically using the formula.

(ii) If 5%< FPPAS ≤10%, 5% FPPAS recoverable by distribution licensee shall be levied onto the consumers, and the balance shall be recoverable up to 90% automatically using the formula.

(iii) If FPPAS >10%, 10% FPPAS recoverable by distribution licensee may be levied onto the consumers automatically using the formula, and the differential claim shall be recoverable after approval by the State Commission during true up.

(7) The revenue recovered on account of pass through FPPAS by the distribution licensee, shall be trued up later for the year under consideration. The true up for any financial Year shall be completed by 30th June of the next financial year.

(8) In case of excess revenue recovered for the year against the FPPAS, the same shall be recovered from the licensee at the time of trued up along with its carrying cost to be charged at 1.20 times of the carrying cost rate approved by the State Commission. The under recovery of FPPAS shall be allowed during true up, to be billed along with the automatic FPPAS amount. For example in the month of July, the automatic pass through component for the power supplied in May and additional FPPAS, if any, recoverable after true up for the month of April in previous financial year, shall be billed.

(9) The Distribution Licensee shall submit such details, in the stipulated formats, of the variation between expenses incurred and the FPPAS recovered, and the detailed computations and supporting documents, as required by the State Commission, during true up of the normal tariff.

(10) To ensure smooth implementation of the FPPAS mechanism and its recovery, distribution licensee shall ensure that the licensee billing system is updated to take this into account. A Unified Billing System shall be implemented to ensure that there is a uniform billing system irrespective of the billing and metering vendor through interoperability or use of open source software as available.

(11) The licensee shall publish all details including the FPPAS formula, calculation of monthly FPPAS and recovery of FPPAS (separately for automatic and approved portions) on its website and archive the same through a dedicated web address.

2. Computation of FPPAS:

(1) Formula:

$$\text{Monthly PPAC for nth Month (\%)} = \frac{(A-B)*C + (D-E)}{\{Z * (1- \text{Distribution losses in\%}/100)\} * ABR}$$

Where,

N^{th} month means the month in which billing of FPPAS component is done. This FPPAS is due to changes in tariff for the power supplied in $(n-2)^{th}$ month

A is Total units procured in $(n-2)^{th}$ Month (in kWh) from all Sources (To be taken from the bills of the GENCOs issued to distribution licensees)

B is Proportionate bulk sale of power from all Sources in $(n-2)^{th}$ Month. (in kWh) = {(Total bulk sale in (n-2) th Month) *A} (in kWh) / (Gross Power Purchase including short term power in (n-2)th month (in kWh) (to be taken from provisional accounts to be issued by SLDC by the 10th day of each month).

C is incremental Average Power Purchase Cost= Actual average Power Purchase Cost (PPC) from all Sources in (n-2) month (Rs./ kWh) (computed) - Projected average Power Purchase Cost (PPC) from all Sources (Rs./ kWh)- (from tariff order)

D = Actual Transmission Charges in the (n-2) th Month, (From the bills by Transco to Discom) (in Rs.)

E = Base Cost of Transmission Charges for (n-2)th Month. = (Approved Transmission Charges/12) (in Rs.)

Z = [{Actual Power purchased from Central Generating Stations having long/Medium/Short term PPA in (n-2) th Month. (in kWh)* (1 – Inter-state transmission losses in % /100) + Power purchased from other GENCOs(in kWh)}*(1 – Intra state losses in %) – B]/100 in kWh

ABR = Average Billing Rate for the year (to be taken from the Tariff Order in Rs/unit)

Distribution Losses (in %) = Target Distribution Losses (from Tariff Order)

Inter-state transmission Losses (in %) = 100* Approved Inter-state transmission losses in Tariff Order (kWh)/ Approved long term power purchase from central generating stations having long term PPA in the Tariff Order (kWh)

Intra - State Losses (in %) = As per Tariff Order

(2) The Power Purchase Cost shall exclude any charges on account of Deviation Settlement Mechanism (DSM).

(3) Other charges which include Ancillary Services and Security Constrained Economic Desptach (SCED) shall not be included in FPPAS and adjusted though the true-up approved by the State Commission.