



Delhi Electricity Regulatory Commission

Viniyamak Bhawan, 'C' Block, Shivalik, Malviya Nagar, New Delhi – 17.

No. F.11(2047)/DERC/2022-23/7575

Petition No. 66/2022

In the matter of: Petition regarding levy of Power Purchase Adjustment Cost (PPAC) quarter of April 2022 to June, 2022 (Q1) for FY 2022-23.

New Delhi Municipal Council.

.... Petitioner

Coram:

Hon'ble Dr. A. K. Ambasht, Member

Appearance:

1. Mr. Tushar Sanu, Adv. NDMC
2. Ms. Ankita Bhadoria, Adv. NDMC

ORDER

(Date of Order: 01.06.2023)

1. The instant Petition have been filed by New Delhi Municipal Council (NDMC) seeking permission to Levy Power Purchase Adjustment Cost (hereinafter called PPAC) and consequently recover the differential PPAC pertaining to the quarter April' 2022 to June' 2022 (Q1) for FY 2022-23 in accordance with law including but not limited to the DERC (Business Plan) Regulations, 2019. The petitioner has prayed the following:
 - i. Take on record that the Petitioner/NDMC would levy a PPAC of 8.75% for the Quarter April, 2022 to June 2022, on the bills of all consumers for a period of three months in terms of the extant Regulations and the Petitioner's letter dated 22.09.2022;
 - ii. Permit the Petitioner/NDMC to levy the balance PPAC @ 66.43% (i.e. 75.18%-8.75%) Quarter April 2022 to June, 2022 on the bills of all consumers for a period of three months in accordance with terms of the Business Plan Regulations, 2019;

Petitioner's Submissions

2. The Petitioner has submitted that as per Regulation 30 of the Business Plan Regulations, 2019, the PPAC for the period from April 2022 to June, 2022 works out to 75.18%. The Commission vide its Order dated 30/09/2022 bearing No. F.3(677)/Tariff-Engg./DERC/2021-22/7442 considered the PPAC for Q4 FY 2021-22 & Q1 FY 2022-23 as 38.74% & 75.18%, respectively. Accordingly, the Commission has decided vide its Order dated 30/09/2022 that 22.18% PPAC on provisional basis to

be levied by the Petitioner instead of @8.75% w.e.f. 01.10.2022 till further orders. The balance PPAC will be claimed after approval of the Commission through a separate or through the true up process at the timing of filing ARR & Tariff Petition for FY 2023-24.

3. Further, in accordance with the Business Plan Regulations, 2019 the Petitioner will levy a PPAC of 8.75% on the bills of consumers 'for a period of 3 months'. For the differential i.e. 66.43% (i.e. 75.18% - 8.75%), the Petitioner is filing the present Petition for seeking approval of the Commission for the period from April 2022 to June, 2022 (Q1) for FY 2022-23.

Commission Analysis

4. The Commission vide its Order dated 30/09/2022, after analysing the impact of steep increase in Gas prices for Q1 (April' 22-June' 22) & Q2 (July' 22- September' 22), which impacted Energy Charge Rate (ECR) for Gas based stations, allowed NDMC to levy PPAC of 22.18% against their ongoing 8.75% on provisional basis w.e.f. 01/10/2022.
5. Further, the Commission vide its Order 9/01/2023 in Petition No. 54/2022 allowed NDMC to recover 5.82% of balance PPAC for Q4 of FY 2021-22 for a period of 3 months from the date of issuance of the Order over and above the existing PPAC of 22.18% and revised PPAC to 28.00%. Thereafter, the Commission vide its Order dated 16/03/2023, based on the representation of the DISCOMs, decided to continue PPAC applicable as on 15/03/2023 till 30/06/2023 which was 28.00% for NDMC.
6. In view of above, it is evident that the Commission had allowed NDMC to recover PPAC of 22.18% which further increased to 28.00% for longer period as against their claim of 75.18% for three months. Accordingly, no additional PPAC is approved for the said period and surplus/deficit, if any, will be allowed with carrying cost, on verification of Power Purchase and Transmission Bills, in True-up of relevant Financial Year.
7. With the above directions, the Petition is disposed of.

Sd/-
(Dr. A.K. Ambasht)
Member