



TATA POWER-DDL

TPDDL/REGULATORY/2021-22/PMG/03/405 Office of the Chief (Regulatory, Legal & PM)
Jan 25, 2022

The Secretary

Delhi Electricity Regulatory Commission,
Viniyamak Bhawan, C-Block, Shivalik,
Malviya Nagar,
New Delhi –110 017.

Subject: Submission of revised proposal for levy of Power Purchase Cost Adjustment Charges (PPAC) pertaining to Q3 of FY 2021-22.

Ref: Tata Power-DDL letter no. TPDDL/REGULATORY/2021-22/PMG/03/395 dated 19.01.2022.

Dear Sir,

We write this letter in continuation to our earlier letter no. TPDDL/REGULATORY/2021-22/PMG/03/395 dated 19.01.2022. Since the filing of last PPAC claim letter, there have been certain developments impacting the computation, levy of PPAC by Tata Power DDL.

With the Hon'ble Tribunal granting stay on Tariff Order dated 30.09.2021 vide its Order dated 21.01.2022 (enclosed as **Annexure-2**) in A 213 of 2018, A 332/2021 and A 334/2021, it is pertinent to bring to your kind attention that the last Tariff Order for Tata Power-DDL dated 28.08.2020 comes in force till further orders from Hon'ble Tribunal. The said development of stay order dated 21.01.2022 is within knowledge of the Hon'ble Commission.

Therefore, as an interim measure we have recalculated the PPAC for Q3 of FY 2021-22 in accordance with the Methodology, Power Purchase Cost and Average Billing Rate specified in Tariff Order dated 28.08.2020.

Further, pursuant to common judgment dated 17.01.2021 of the Hon'ble Delhi High Court passed in WP (C) No. 4167/2020, WP (C) No.10026/2020 (on interpretation of Tata Power-DDL's rights in terms of Regulation 17 of the CERC Tariff Regulations 2019 and PPA expiry post 25 years from CoD), Tata Power-DDL has availed its legal remedies as per law. Thus the issue for Dadri-I power purchase cost continues to remain under litigation already initiated by Tata Power-DDL pursuant to Hon'ble Delhi High Court's aforesaid orders. Tata Power-DDL is not presently considering any claim for Dadri –I payments in PPAC computations owing to the continuance of Legal proceedings in the said matter. Tata Power-DDL shall seek the claims for Dadri-I plant in PPAC/True up petitions, subject to any interim orders passed in the litigation on Dadri-I by Appropriate forum/court/Tribunal or in the event payments are made under protest to NTPC or the Dadri-I litigation attaining finality, as the case may be. Also, SLDC SCED credit amount has not been considered in line with Hon'ble Commission's letter F.3 (635)/ Tariff- Engg/DERC/2020-21/6938/2195 dated 24th December 2020.

The PPAC claim based on power purchase bills for the period Quarter 3 (Oct 2021 to Dec 2021) of FY 2021-22 pursuant to above submissions now comes out to 7.34%. The calculations have been detailed in Annexure-1 enclosed with the letter and the same is being uploaded on our website. The Hon'ble Commission is requested to take cognizance of this communication as our PPAC claim for Q3 of FY 2021-22 instead of aforesaid communication dated 19.01.2022.

TATA POWER DELHI DISTRIBUTION LIMITED

(A Tata Power and Delhi Government Joint Venture)

Corporate Office : NDPL House Hudson Lines Kingsway Camp Delhi - 110 009

Website : www.tatapower-ddl.com CIN No. : U40109DL2001PLC111526

Accordingly, in line with the DERC (Business Plan) Regulations, 2019, we shall be levying PPAC of **6.76%** from the next billing cycle due from 26th Jan 2022 for the next 3 months. For the balance PPAC of **0.58%** i.e. (**7.34%** - **6.76%**), we shall be filing the petition before the Hon'ble Commission.

We hope the Hon'ble Commission finds the above in order.

Yours Sincerely,
For **Tata Power Delhi Distribution Ltd.**

For Manish Jain

Peyush Tandon
Chief (Regulatory, Legal & Power Management)

Encl: As mentioned above.

Annexure-1

A. Power Purchase Adjustment Charges (PPAC) (in %age) for Oct 2021 to Dec 2021:

PPAC Computations		UoM	Scenario	Remarks
Actual	Long Term ISGS	MUs	2286.8	
Actual	Long Term Genco	MUs	288.0	
Actual	CSGS	Rs. Cr.	1081.9	Net off rebate of 1.5% on CSGS including Bawana, 2.5% on NPCIL and 2% on Delhi Gencos.
Actual	Genco	Rs. Cr.	285.7	
Actual	Transmission amount	Rs. Cr.	194.7	
Actual	Short term sales	MUs	-397.4	
Actual	Short term purchase	MUs	55.9	
Approved	PGCIL losses	%age	2.00%	
Approved	DTL losses	%age	0.92%	
Approved	Distribution Losses	%age	7.80%	
Approved	Power Purchase Cost	Rs./kWh	4.88	After net off rebate over the approved base cost of Rs. 4.96/- per unit As per Tariff order for FY 2020-21
Approved	Average Billing Rate	Rs./kWh	7.26	
Calculation	Actual Power Purchase cost from Long Term Sources	Rs./kWh	5.31	
A	Total units procured from long term PPAs	MUs	2574.8	
B	Proportionate Bulk Sale of Power	MUs	-388.9	
C	Difference in base and actual PPC	Rs./kWh	0.43	
D	Actual Transmission Cost	In Rs. Cr	194.7	
E	Base Transmission charges	In Rs. Cr	185.8	Net off rebate of 1.5% over the approved Transmission cost of Rs. 106.58 cr. (PGCIL) for the quarter and 2% over the approved Transmission cost of Rs. 82.50 cr. (DTL)
Z	Units on which PPAC shall be applicable	MUs	2116.8	
PPAC		%age	7.34%	

Accordingly, Auto levy of PPAC as per above is computed as 6.76% for Q3 of FY 2021-22.

IN THE APPELLATE TRIBUNAL FOR ELECTRICITY
(Appellate Jurisdiction)

COURT-II

APPEAL NO. 213 OF 2018 & IA NO. 736 OF 2021
APPEAL NO. 332 OF 2021 & IA NO. 1980 OF 2021&
APPEAL NO. 334 OF 2021 & IA NO. 1971 OF 2021

Dated: 21st January, 2022

Present: Hon'ble Mr. Justice R. K. Gauba, Officiating Chairperson
Hon'ble Mr. Sandesh Kumar Sharma, Technical Member

In the matters of:

APPEAL NO. 213 OF 2018 & IA NO. 736 OF 2021

Tata Power Delhi Distribution Ltd Appellant(s)
Versus
Delhi Electricity Regulatory Commission Respondent(s)
Counsel for the Appellant(s) : Mr. Sajan Poovayya, Sr. Adv.
Mr. Rahul Kinra
Mr. Amit Kapur
Mr. Anupam Varma
Mr. Nikhil Sharma
Mr. Ashutosh Kumar Srivastava
Mr. Akshat Shrivastava
Mr. Aditya Gupta
Mr. Aditya Ajay
Counsel for the Respondent(s) : Mr. Sujit Ghosh for R-1

APPEAL NO. 332 OF 2021 & IA NO. 1980 OF 2021

Tata Power Delhi Distribution Ltd Appellant(s)
Versus
Delhi Electricity Regulatory Commission Respondent(s)
Counsel for the Appellant(s) : Mr. Amit Kapur
Mr. Anupam Varma
Mr. Rahul Kinra
Mr. Aditya Gupta
Mr. Aditya Ajay
Counsel for the Respondent(s) : Mr. Sujit Ghosh for R-1

APPEAL NO. 334 OF 2021 & IA NO. 1971 OF 2021

Tata Power Delhi Distribution Ltd Appellant(s)
Versus
Delhi Electricity Regulatory Commission Respondent(s)
Counsel for the Appellant(s) : Mr. Sajan Poovayya, Sr. Adv.
Mr. Shri Venkatesh
Mr. Tushar Srivastava
Mr. Ashutosh Kumar Srivastava

Mr. Suhael Buttan
Mr. Anant Singh
Mr. Siddharth Joshi
Mr. Jatin Ghuliani
Mr. Rishub Kapur
Mr. Abhishek Nangia
Mr. Mehak Verma
Ms. Simran Saluja
Mr. Nihal Bhardwaj
Mr. Jayant Bajaj
Mr. Isnain Muzamil
Ms. Neha Das

Counsel for the Respondent(s) : Mr. Sujit Ghosh for R-1

ORDER

These matters have been taken up by video conference mode on account of pandemic conditions, it being not advisable to hold physical hearing.

The Appeal No. 332/2021 challenges the Order passed by DERC *suo motu* on 29.09.2021, modifying its earlier order dated 04.02.2021 passed in Appeal No. 213 of 2018, pursuant to directions given by this Tribunal by orders dated 11.03.2020, 18.08.2020, 22.09.2020, 26.11.2020 and 06.01.2021 in Appeal No. 213 of 2018, the genesis being in Judgement dated 30.09.2019 in Appeal No. 246 of 2014. The Commission thereafter proceeded to pass an Order on 30.09.2021, it being described as the consequential Tariff Order in the matter of true-up for Financial Year 2019-20 and determination of ARR for the year 2021-22. The said subsequent order dated 30.09.2021 is under challenge by Appeal no. 334 of 2021. On present impression, it appears that the net result of the Orders dated 29.09.2021 and 30.09.2021 essentially is that the Commission has consciously declined to abide by the directions of this Tribunal in the previous rounds, as reiterated by the aforementioned series of order passed on the file of Appeal No. 213 of 2018, which seems to be a course not permissible.

We had heard the learned counsel for the parties in these matters on earlier dates. Mr. Sujit Ghosh, Advocate representing the Respondent Commission did not then have complete instructions vis-à-vis Appeal No. 213/2018. He now informs us that he has been instructed to appear in all these three matters. He wished to read out the submissions of DERC from a written note, prepared by him on instructions, and we allowed the same to be taken down verbatim (as read out), as under:

"We respectfully and humbly submit that the earlier orders of the Hon'ble Tribunal have been complied with by the Respondent Commission to the best of its understanding, wisdom and competence. However, it appears that the

Hon'ble Tribunal prima facie is not satisfied with the compliance and we respectfully take the observations in our stride and bow down to it. The Respondent Commission is willing to relook and re-examine the issues raised in line with the command and directions issued by this Hon'ble Tribunal once again with all earnestness and open mind, to examine if there is any oversight, mistake or misunderstanding of law and there is ambiguity in our interpretation and the Commission as a responsible statutory institution feels obliged and under duty in law to make amendments in the order dated 29.09.2021. The Commission is a statutory body created under the Electricity Act 2003 comprising of responsible officers, officials and duty is cast upon it to carry out directions, orders passed by the Hon'ble Tribunal which has also been constituted under the same Act. However, we make humble request that sufficient time of two months may be granted to us to seriously examine our earlier orders in holistic, positive and legal perspective. We humbly submit that due care will be taken that orders of this Hon'ble Tribunal are complied with to its entire satisfaction."

Given the indication that the Respondent Commission is inclined to visit the matter yet again, bearing in mind the contentions which have been urged before us particularly by the two latter captioned Appeals, we grant the time as requested for the purpose, in the hope that thereby the controversy can be put to rest.

The operation of the impugned orders dated 29.09.2021 and 30.09.2021 shall remain stayed till further orders.

The Commission will make a report of the result of the fresh consideration, as offered and assured, by an affidavit of the Secretary, to be submitted well in advance before the next date.

Be listed on 25.03.2022.

**(Sandesh Kumar Sharma)
Technical Member (Electricity)**

**(Justice R. K. Gauba)
Officiating Chairperson**

tpd/TP