



**TATA POWER-DDL**

TPDDL/REGULATORY/2022-23/PMG/110  
May 06, 2022

Office of the Chief (Regulatory, Legal & PM)

**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 Q4 of FY 2021-22.**

Ref: Tata Power-DDL letter no. TPDDL/REGULATORY/2022-23/PMG/40 dated 22.04.2022.

Dear Sir,

We write this letter in continuation to our earlier letter no. TPDDL/REGULATORY/2022-23/PMG/40 dated 22.04.2022 regarding the levy of Power Purchase Cost Adjustment Charges (PPAC) pertaining to Q4 of FY 2021-22.

The Hon'ble Tribunal had stayed the Tariff Order dated 30.09.2021 vide its Order dated 21.01.2022 in A 213 of 2018, A 332/2021 and A 334/2021. Therefore, as an interim measure we had calculated the PPAC for Q4 of FY 2021-22 in accordance with the Methodology, Power Purchase Cost and Average Billing Rate specified in Tariff Order dated 28.08.2020.

Since the filing of last PPAC claim letter, there have been certain developments impacting the computation, levy of PPAC by Tata Power-DDL. The Hon'ble Tribunal vide daily order dated 29.04.2022 has clarified that the stay on Tariff Order dated 30.09.2021 is applicable for the issues of Service tax and AT&C losses and not respecting any other subject. The same is reproduced below for your kind reference:

*"We have heard the learned counsel on both sides. A consensus has emerged in terms of which the stay order against the orders under challenge in appeal nos. 332/2021 and 334/2021 would need to be modified so as to be enforced only qua the issues of service tax and AT&C losses and not respecting any other subject. We clarify accordingly. The said stay order will be read as suitably modified in terms of these observations. The application (IA614/2022) is disposed of."*

Therefore, we now have recalculated the PPAC for Q4 of FY 2021-22 in accordance with the Methodology, Power Purchase Cost and Average Billing Rate specified in Tariff Order dated 30.09.2021. The PPAC claim based on power purchase bills for the period Quarter 4 (Jan 2022 to Mar 2022) of FY 2021 has been **recalculated** and it comes out to **9.70%**. The calculations have been detailed in **Annexure-1** enclosed with the letter and the same is being uploaded on our website.

Accordingly, in line with the DERC (Business Plan) Regulations, 2019, we shall be levying PPAC of **8.52%** from 26.04.2022 for next 3 months. For the balance PPAC of **1.18%** i.e. (**9.70% - 8.52%**), we shall be filing the petition before the Hon'ble Commission.

As intimated vide our letter no. TPDDL/REGULATORY/2022-23/03/07 dated 05.04.2022 and as per the discussion in the meeting with Hon'ble Commission on 07.04.2022, we are not considering the refund of STOA transmission charges provided by DTL in the calculations of PPAC. Also,

**TATA POWER DELHI DISTRIBUTION LIMITED**

(A Tata Power and Delhi Government Joint Venture)

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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 24<sup>th</sup> December 2020.

We hope that the Hon'ble Commission's intent is the same and in case our interpretation is different from that of the Hon'ble Commission, we would request you to kindly confirm the same.

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

**Power Purchase Adjustment Charges (PPAC) (in %age) for Jan 2022 to Mar 2022:**

PPAC Computations		UoM	Scenario	Remarks
Actual	Long Term ISGS	MUs	2213.5	
Actual	Long Term Genco	MUs	250.5	
Actual	CSGS	Rs. Cr.	980	Net off rebate of 1.5% on CSGS including Bawana, 2.5% on NPCIL and 2% on Delhi Gencos.
Actual	Genco	Rs. Cr.	261.6	
Actual	Transmission amount	Rs. Cr.	254.9	
Actual	Short term sales	MUs	-410.5	
Actual	Short term purchase	MUs	189.4	
Approved	PGCIL losses	%age	2.00%	
Approved	DTL losses	%age	0.92%	
Approved	Distribution Losses	%age	7.80%	
Approved	Power Purchase Cost	Rs./kWh	4.49	After net off rebate over the approved base cost of Rs. 4.56/- per unit As per Tariff order for FY 2021-22
Approved	Average Billing Rate	Rs./kWh	7.04	
Calculation	Actual Power Purchase cost from Long Term Sources	Rs./kWh	5.04	
A	Total units procured from long term PPAs	MUs	2464	
B	Proportionate Bulk Sale of Power	MUs	-381.2	
C	Difference in base and actual PPC	Rs./kWh	0.55	
D	Actual Transmission Cost	In Rs. Cr	254.9	
E	Base Transmission charges	In Rs. Cr	241.6	Net off rebate of 1.5% over the approved Transmission cost of Rs. 151.92 cr. (PGCIL) for the quarter and 2% over the approved Transmission cost of Rs. 87.48 cr. (DTL) for the quarter.
Z	Units on which PPAC shall be applicable	MUs	2016.21	
PPAC		%age	9.70%	

**Accordingly, Auto levy of PPAC as per above is computed as 8.52% for Q4 of FY 2021-22.**

