

BSES-RAJDHANI POWER LIMITED
BSES BHAWAN, NEHRU PLACE, NEW DELHI – 110019
Website : www.bsesdelhi.com

PUBLIC NOTICE
REQUEST FOR PUBLIC RESPONSE
Petition for approval of ARR for Distribution (Wheeling and Retail Supply) Business for FY 2009-10

1. BSES Rajdhani Power Limited (hereinafter referred to as "BRPL") had filed the Petition on December 1, 2008 (further revised on December 15, 2008 as directed by the Hon'ble Commission) seeking revision in electricity tariffs for FY2009-10 in terms of the Delhi Electricity Regulatory Commission (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2007.
2. The salient features of the Petition are provided below:

Summary of ARR and Revenues for BRPL at existing Retail Supply Tariff (RST)

S. No	Particulars	Unit	2007-08	2008-09	2009-10
A	Energy Input	MU	9271.51	9142.21	9657.45
B	Sales	MU	6407.95	7050.32	7742.46
C	AT & C Loss for the year	%	27.17%	23.46%	20.23%
D	Expenditure other than Power Purchase Costs	Rs. Crores	459.71	545.05	593.58
E	Average Power Purchase Rate	paisa/kWh	279.5	288.9	313.4
F	Power Purchase costs	Rs. Crores	2591.62	2641.52	3026.70
G	Total Expenditure (D +F)	Rs. Crores	3051.34	3186.57	3620.28
H	RoCE (Return + interest)	Rs. Crores	153.05	201.83	251.74
I	Supply Margin	Rs. Crores	9.33	13.09	16.67
J	Truing up expense for previous years including carrying cost	Rs. Crores	404.47		
K	Less: Non-Tariff Income	Rs. Crores	66.36	69.68	73.17
L	Aggregate Revenue Requirement (G+H+I+J-K)	Rs. Crores	3,551.82	3,331.81	3,815.52
M	Amount Billed (net of E Tax)	Rs. Crores	2,766.88	3,073.27	3,379.32
N	Estimated Revenue Realisation based on existing Retail Supply Tariff (net of E-Tax)	Rs. Crores	2,890.60	3,015.82	3,326.63
O	Revenue Gap at existing Tariffs (L – N)	Rs. Crores	661.22	315.99	488.90
P	Carrying Cost during the Year	Rs. Crores	63.94	105.97	68.81
Q	Total Revenue Gap (Including Carrying Cost for FY 08 - FY 10)	Rs. Crores	1,704.5 *		

*Gap is without prejudice to BRPL's appeal pending before the ATE

Tariff proposal for meeting the Revenue gap for FY2009-10

The petitioner proposes to bridge the revenue gap as follows:

Sl. No.	Break-up of Revenue Gap	Rs. Cr.
1	Due to Expenses upto FY 2006-07 (Amount requested to be funded from GoNCTD)	537.81
2	Due to Expenses proposed upto FY 2008-09	677.79
3	Due to Expenses proposed in FY 2009-10	488.91

Recovery of Revenue Gap Upto FY 2006-07 – In terms of Policy Directions issued by GoNCTD and Delhi Electricity Regulatory Commission's (Commission) Order dated February 22, 2002, the revenue gap upto FY 2006-07 is to be adjusted through the Bulk Supply Tariff (BST). Due to change in mechanism of Power purchase with effect from April 1, 2007 i.e post Policy Direction Period, the Petitioner is not purchasing Power from DTL as bulk supply. The bridging of gap would not be possible through reduction in BST for future years and hence the revenue gap upto FY 2006-07 should ideally be bridged through GoNCTD support and should not be burdened on to the Petitioners Consumers. Thus, the Petitioner proposes that the Revenue gap of **Rs. 537.81** Crore to be bridged through GoNCTD support only.

Recovery of Revenue Gap Upto FY 2008-09 – Since the revenue gap w.r.t Uncontrollable expenses incurred prior to FY 2009-10 is non-recurring in nature, the proposal is to recover the expenses during FY 2009-10 by levying a one-time surcharge for one year only of **88.2 paise** per unit during FY 2009-10 to all Consumers excepting JJ Clusters and Domestic Lighting/Fan and Power Connections in Left out pockets & Villages.

Recovery of Revenue Gap for FY 2009-10 – The proposal is to recover the balance revenue gap on account of Uncontrollable factors during FY 2009-10 through uniform revision in tariff (both Fixed and Energy Charges) of **17.78%** in all Consumer categories excepting JJ Clusters and Domestic Lighting/Fan and Power Connections in Left out pockets & Villages.

The Cumulative Gap of Rs 1166.70 crores (Rs. 677.79 crores upto FY 08-09 and Rs. 488.91 crores during FY 09-10) would result in the tariff increase of 35.07%

In case Govt. support is not available, the Tariff would further increase by levying a one-time surcharge for one year only of **70 paise** per unit i.e. by 16.17% (i.e. from 35.07% to 51.24%) as indicated in the table below.

3. Category wise Tariff Proposal is given below:

Proposed Tariff Schedule of BRPL for FY 10			Existing Tariff FY09		Proposed Tariff for FY 2009-10					
					With Govt. Support for Past Period Expenses upto FY 06-07			Without Govt. Support for Past Period Expenses upto FY 06-07		
Category	Sub Category	Load	Fixed Charges	Energy Charges	Fixed Charges*	Energy Charges	% increase in Energy Charges from Current Charges#	Fixed Charges*	Energy Charges	% increase in Energy Charges from Current Charges \$
1.Domestic										
	1.1 JJ Cluster			175 Rs/mth		175 Rs/mth	0.00%		175 Rs/mth	0.00%
	1.2 Domestic Lighting/Fan and Power									
		Up to 2 kW								
		0-200 units	24 /mth	245 P/kWh	28 /mth	377 P/kWh	53.79%	28 /mth	447 P/kWh	82.37%
		201-400	24 /mth	395 P/kWh	28 /mth	553 P/kWh	40.12%	28 /mth	623 P/kWh	57.84%
		above 400	24 /mth	465 P/kWh	28 /mth	636 P/kWh	36.76%	28 /mth	706 P/kWh	51.81%
		2 - 5 kW								
		0-200 units	60 /mth	245 P/kWh	71 /mth	377 P/kWh	53.79%	71 /mth	447 P/kWh	82.37%
		201-400	60 /mth	395 P/kWh	71 /mth	553 P/kWh	40.12%	71 /mth	623 P/kWh	57.84%
		above 400	60 /mth	465 P/kWh	71 /mth	636 P/kWh	36.76%	71 /mth	706 P/kWh	51.81%
		Above 5 kW								
		0-200 units	12 /kW/mth	245 P/kWh	14 /kW/mth	377 P/kWh	53.79%	14 /kW/mth	447 P/kWh	82.37%
		201-400	12 /kW/mth	395 P/kWh	14 /kW/mth	553 P/kWh	40.12%	14 /kW/mth	623 P/kWh	57.84%
		above 400	12 /kW/mth	465 P/kWh	14 /kW/mth	636 P/kWh	36.76%	14 /kW/mth	706 P/kWh	51.81%
	1.3 Domestic Lighting /Fan and Power on 11 kV single delivery point for CGHS and other similar group housing complexes ¹	First 44.4%	12 /kW/mth	245 P/kWh	14 /kW/mth	377 P/kWh	53.79%	14 /kW/mth	447 P/kWh	82.37%
		Next 44.4%	12 /kW/mth	395 P/kWh	14 /kW/mth	553 P/kWh	40.12%	14 /kW/mth	623 P/kWh	57.84%
		Next 11.2%	12 /kW/mth	465 P/kWh	14 /kW/mth	636 P/kWh	36.76%	14 /kW/mth	706 P/kWh	51.81%
	1.4 Domestic Lighting/Fan and Power Connections in unelectrified Left Out Pockets.									
	Plot sizes:									
	i) up to 50 Sq. yds.			264 Rs/mth		264 Rs/mth	0.00%		264 Rs/mth	0.00%

	ii) between 50-100 Sq. yds.			384 Rs/mth		384 Rs/mth	0.00%		384 Rs/mth	0.00%
	iii) between 101-150 Sq. yds.			504 Rs/mth		504 Rs/mth	0.00%		504 Rs/mth	0.00%
	iv) between 151-200 Sq. yds.			699 Rs/mth		699 Rs/mth	0.00%		699 Rs/mth	0.00%
	v) more than 200 Sq. yds. only through installation of meters by Licensee									
2. Non Domestic										
	2.1.1 Non-Domestic (Low Tension)5–NDLT-I									
	a) Up to10 kW	upto 10 kW	50 /kW/mth	540 P/kWh	59 /kW/mth	724 P/kWh	34.12%	59 /kW/mth	794 P/kWh	47.08%
	b) > 10 kW to 100 kW	10 - 100 kW	50 /kW/mth	492 P/kWh	59 /kW/mth	668 P/kWh	35.71%	59 /kW/mth	738 P/kWh	49.94%
	2.1.2 Non-Domestic Light/Power on 11 kV Single Delivery Point for Commercial Complexes-NDLT-II		50 /kW/mth	492 P/kVAh	59 /kW/mth	665 P/kVAh	35.07%	59 /kW/mth	744 P/kVAh	51.24%
	2.2 Mixed Load (High Tension) >100kW-MLHT									
	a) Supply on 33 kV and above		150 /kVA/mth	495 P/kVAh	177 /kVA/mth	669 P/kVAh	35.07%	177 /kVA/mth	749 P/kVAh	51.24%
	b) Supply on 11 kV		150 /kVA/mth	495 P/kVAh	177 /kVA/mth	669 P/kVAh	35.07%	177 /kVA/mth	749 P/kVAh	51.24%
	c) Supply on LT (400 Volts)		200 /kVA/mth	569 P/kVAh	236 /kVA/mth	769 P/kVAh	35.07%	236 /kVA/mth	861 P/kVAh	51.24%
3. Industrial										
	3.1.1 Small Industrial Power < 100 kW-SIP									
	a) Up to10 kW	upto 10 kW	50 /kW/mth	505 P/kWh	59 /kW/mth	683 P/kWh	35.25%	59 /kW/mth	753 P/kWh	49.12%
	b) > 10 kW to 100 kW	10-100 kW	50 /kW/mth	440 P/kVAh	59 /kW/mth	594 P/kVAh	35.07%	59 /kW/mth	665 P/kVAh	51.24%
	3.1.2 Industrial Power (SIP) on 11 kV Single Delivery Point for Group of SIP Consumers		50 /kW/mth	375 P/kVAh	59 /kW/mth	507 P/kVAh	35.07%	59 /kW/mth	567 P/kVAh	51.24%
	3.2 Large Industrial Power>100 kW LIP									
	a) Supply on 33 kV and above		150 /kVA/mth	435 P/kVAh	177 /kVA/mth	588 P/kVAh	35.07%	177 /kVA/mth	658 P/kVAh	51.24%
	b) Supply on 11 kV		150 /kVA/mth	435 P/kVAh	177 /kVA/mth	588 P/kVAh	35.07%	177 /kVA/mth	658 P/kVAh	51.24%

	c) Supply on LT (400 Volts)		200 /kVA/mth	500 P/kVAh	236 /kVA/mth	675 P/kVAh	35.07%	236 /kVA/mth	756 P/kVAh	51.24%
4.Agriculture			12 /kW/mth	155 P/kWh	14 /kW/mth	271 P/kWh	74.70%	14 /kW/mth	341 P/kWh	119.87%
5.Mushroom Cultivation			24 /kW/mth	305 P/kWh	28 /kW/mth	447 P/kWh	46.71%	28 /kW/mth	517 P/kWh	69.66%
6.Public Lighting										
	6.1 Street Lighting		73 /Pointt/mth	465 P/kWh	86 /Pointt/mth	636 P/kWh	36.82%	86 /Pointt/mth	706 P/kWh	51.88%
	6.2 Signals & Blinkers			465 P/kWh		548 P/kWh	17.85%		618 P/kWh	32.91%
7.Railway Traction (Other than DMRC)			150 /kVA/mth	380 P/kVAh	177 /kVA/mth	513 P/kVAh	35.07%	177 /kVA/mth	575 P/kVAh	51.24%
8. DMRC										
	(220 kV)		75 /kVA/mth	300 P/kVAh	88 /kVA/mth	405 P/kVAh	35.07%	88 /kVA/mth	454 P/kVAh	51.24%
	(66 kV)		75 /kVA/mth	300 P/kVAh	88 /kVA/mth	405 P/kVAh	35.07%	88 /kVA/mth	454 P/kVAh	51.24%

Note: # Includes a one time surcharge of 88.2 paise per unit applicable for a period of one year during FY 2009-10, to amortise the Revenue gap during the period FY 2007-08 to FY 2008-09, to all Consumers, excepting JJ Clusters and Domestic Lighting/Fan and Power Connections in Left out pockets & Villages.

\$ Includes the following one time surcharge applicable for a period of one year during FY 2009-10:

1. 88.2 paise per unit to amortise the Revenue gap during the period FY 2007-08 to FY 2008-09, to all Consumers excepting JJ Clusters and Domestic Lighting/Fan and Power Connections in Left out pockets & Villages.
2. 70 paise per unit to amortise the Revenue gap upto FY 2006-07, to all Consumers excepting JJ Clusters and Domestic Lighting/Fan and Power Connections in Left out pockets & Villages.

* A uniform hike of about 17.78% has been proposed in the fixed charges.

Performance of BRPL during FY2007-08

- **Loss Reduction:**

The AT&C loss level has reduced from 29.92% to 27.17% during the year, which is a reduction of 2.75%, against the MYT minimum target level of 27.34%.

- **Theft control**

Theft collections have increased by 62% with Rs. 60 Crores collection during FY2007-08 as against Rs. 37 Crores during FY 2006-07.

- **Reliability**

BRPL has improved upon the Average System Availability Index (ASAI) during the period FY2007-08. It has gone up from 99.12% in FY 2006-07 to 99.61% in FY 2007-08.

- **Other Key Improvements**

Distribution Transformer installed for better load management (in Nos)	81
Transformation capacity added for better load management and improved reliability (in MVA)	42
New Customer Care Centers established	19
Breakdown and Response Time	
EHV Tripping Response Time(Hrs)	0.21
11kV Breakdowns Response Time(Hrs)	1.64
No Current Complaints (% Attended within 2 Hrs)	94.79%

4. The Commission, after having sought further information, has admitted the Petition on December 19, 2008 for further examination and hearing of the matter.

5. In accordance with the provisions of the Delhi Electricity Regulatory Commission Comprehensive (Conduct of Business) Regulations, 2001 notified by the Commission, the consumers and stakeholders are requested to submit the response on the above Petition. Responses may be sent to the Secretary of the Commission at the following address by **12.01.2009**. The responses may be submitted personally or by post to the Commission at the address given below. The responses can also be e-mailed to the Secretary, DERC at the e-mail address mentioned below

DELHI ELECTRICITY REGULATORY COMMISSION

Viniyamak Bhawan, C-Block, Shivalik,

Malviya Nagar, New Delhi - 110 017.

Email id: secyderc@nic.in

Telefax: 011-26673608

6. The Commission would hold public hearings with the responding stakeholders subsequently. The date of the public hearings shall be notified separately by the Commission.

7. A copy of the Petition can be purchased from the head-office of the Petitioner located at BSES Bhawan, Nehru Place, New Delhi -110019 on any working day from **23.12.2008 to 12.01.2009**, between 11a.m. and 4 p.m. on payment of Rs. 100/-, either by cash or by Demand Draft/Pay Order in favour of "BSES-Rajdhani Power Limited" payable at New Delhi.

8. The complete Petition is available at our website [<http://www.bsedelhi.com>] as well as the website of the Commission [<http://www.derc.gov.in>]. Copy of the Petition is available for inspection at our Head Office as well as the Commission's office at the addresses provided herewith, on any working day between 11 a.m. to 4 p.m.

For BSES Rajdhani Power Limited

Sd/-

Sushil Agrawal

Vice President – Audit & Corporate Affairs