

Comparison of Staff Paper based on BRPL, BYPL, TPDDL Petition for True up for FY 2012-13, APR FY 2013-14 and ARR for FY 2014-15

BACKGROUND

1.1 Three Distribution Licensees, BSES Rajdhani Power Limited (BRPL), BSES Yamuna Power Limited (BYPL) and Tata Power Delhi Distribution Limited (TPDDL) (herein after referred to as Utilities or DISCOMs), in the NCT of Delhi have filed Petition for approval of true up for FY 2012-13, and Annual Revenue Requirement (ARR) and Tariff determination for FY 2014-15 as per the MYT Regulations for the Second Control Period (FY 2012-13 to FY 2014-15) notified on December 2, 2011. The Commission had issued the MYT Orders for Generation, Transmission and Distribution Companies as per MYT Regulation, 2011 in July 2012.

In this document, the key elements of performance i.e., AT&C Losses, expenses and ARR as submitted by BRPL, BYPL and TDPPL for FY 2012-13 and FY 2014-15 in their respective petitions are compared with the figures approved by the Commission in its Orders.

TRUING UP FOR FY 2012-13

CATEGORY-WISE SALES FOR FY 2012-13

1.2 The Category-wise sales for FY 2012-13 as submitted by DISCOMs is given in Table below and is pictorially depicted in Figure 1:

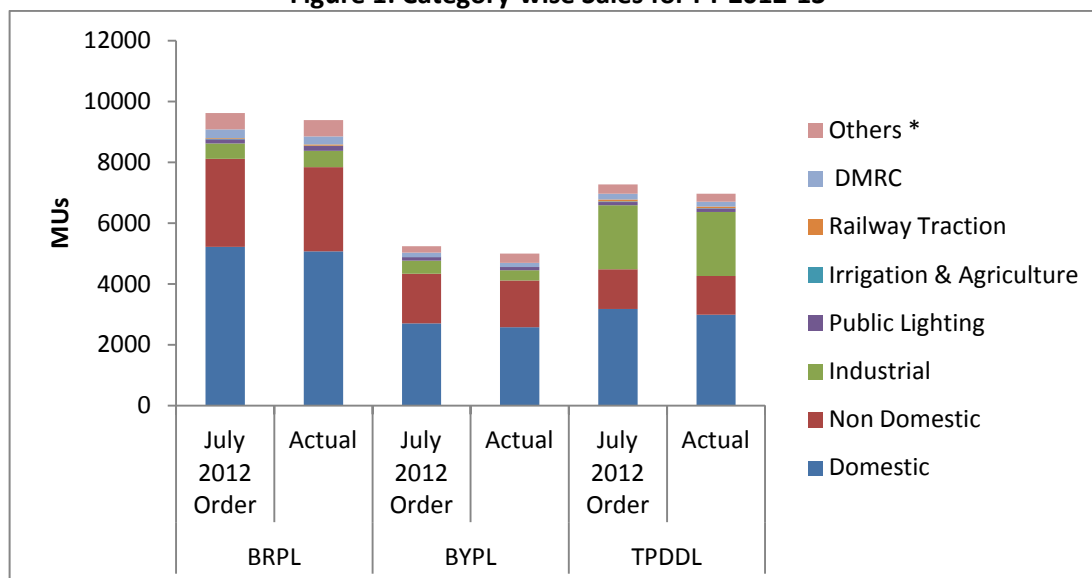
Table 1: Category-wise Sales for FY 2012-13 (MUs)

| Sl. No. | Category | BRPL | | BYPL | | TPDDL | |
|----------|--------------------------|-----------------|-------------|-----------------|-------------|-----------------|-------------|
| | | July 2012 Order | Actual | July 2012 Order | Actual | July 2012 Order | Actual |
| 1 | Domestic | 5224 | 5076 | 2710 | 2580 | 3183 | 2994 |
| 2 | Non Domestic | 2886 | 2759 | 1628 | 1540 | 1302 | 1270 |
| 3 | Industrial | 511 | 537 | 429 | 337 | 2102 | 2105 |
| 4 | Public Lighting | 137 | 158 | 114 | 105 | 103 | 109 |
| 5 | Irrigation & Agriculture | 15 | 17 | 0 | 0 | 18 | 13 |
| 6 | Railway Traction | 25 | 36 | 0 | 0 | 68 | 50 |
| 7 | DMRC | 280 | 269 | 150 | 127 | 190 | 160 |
| 8 | Others * | 545 | 536 | 212 | 313 | 302 | 268 |
| 9 | Total | 9622 | 9388 | 5244 | 5002 | 7269 | 6968 |

* Others include the categories (a) DIAL, (b) 11 KV(Worship/Hospitals), (c) DJB, (d) DVB Staff, (e) Enforcement, (f) Own Consumption, (g) Temporary. Others includes Zero Billing as well in case of BRPL

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Figure 1: Category-wise Sales for FY 2012-13



As may be observed from the above table 1 and figure 1, total actual energy sales has reduced across all three DISCOMs against the projected for FY 2012-13.

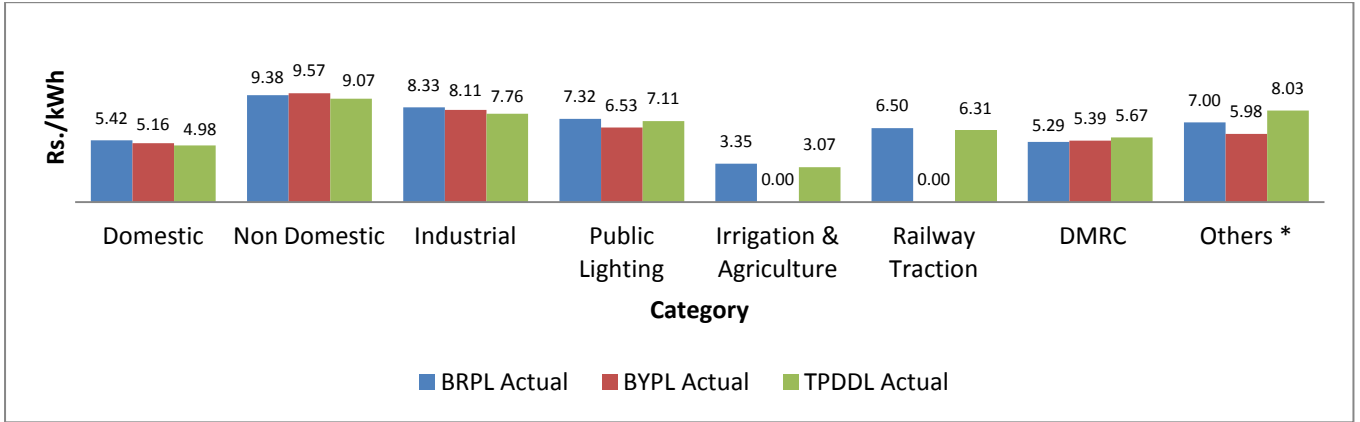
- 1.3 The Category-wise Average Billing Rate (in Rs/kWh) for FY 2012-13 as submitted by DISCOMs is given in table below and is pictorially depicted in Figure 2:

Table 2: Category wise ABR for FY 2012-13 (Rs/kWh)

| Sl. No. | Category | BRPL | | BYPL | | TPDDL | |
|---------|--------------------------|-----------------|--------|-----------------|--------|-----------------|--------|
| | | July 2012 Order | Actual | July 2012 Order | Actual | July 2012 Order | Actual |
| 1 | Domestic | 5.16 | 5.42 | 4.09 | 5.16 | 5.02 | 4.98 |
| 2 | Non Domestic | 8.31 | 9.38 | 7.45 | 9.57 | 8.53 | 9.07 |
| 3 | Industrial | 7.57 | 8.33 | 6.46 | 8.11 | 7.30 | 7.76 |
| 4 | Public Lighting | 6.82 | 7.32 | 5.60 | 6.53 | 6.86 | 7.11 |
| 5 | Irrigation & Agriculture | 2.68 | 3.35 | 1.94 | 0.00 | 2.76 | 3.07 |
| 6 | Railway Traction | 6.92 | 6.50 | 0.00 | 0.00 | 6.87 | 6.31 |
| 7 | DMRC | 5.06 | 5.29 | 4.04 | 5.39 | 5.16 | 5.67 |
| 8 | Others * | 7.36 | 7.00 | 7.35 | 5.98 | 7.65 | 8.03 |

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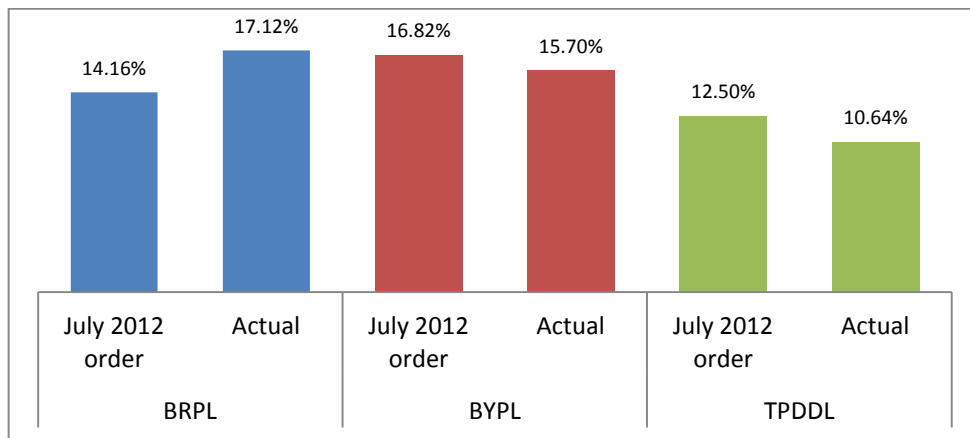
Figure 2b: Category-wise Actual ABR for FY 2012-13



AT&C LOSS FOR FY 2012-13

1.4 The AT&C Losses as submitted by DISCOMs for FY 2012-13 as against the targets approved by the Commission are pictorially depicted in figure 3 below:

Figure 3: AT & C Losses for FY 2012-13



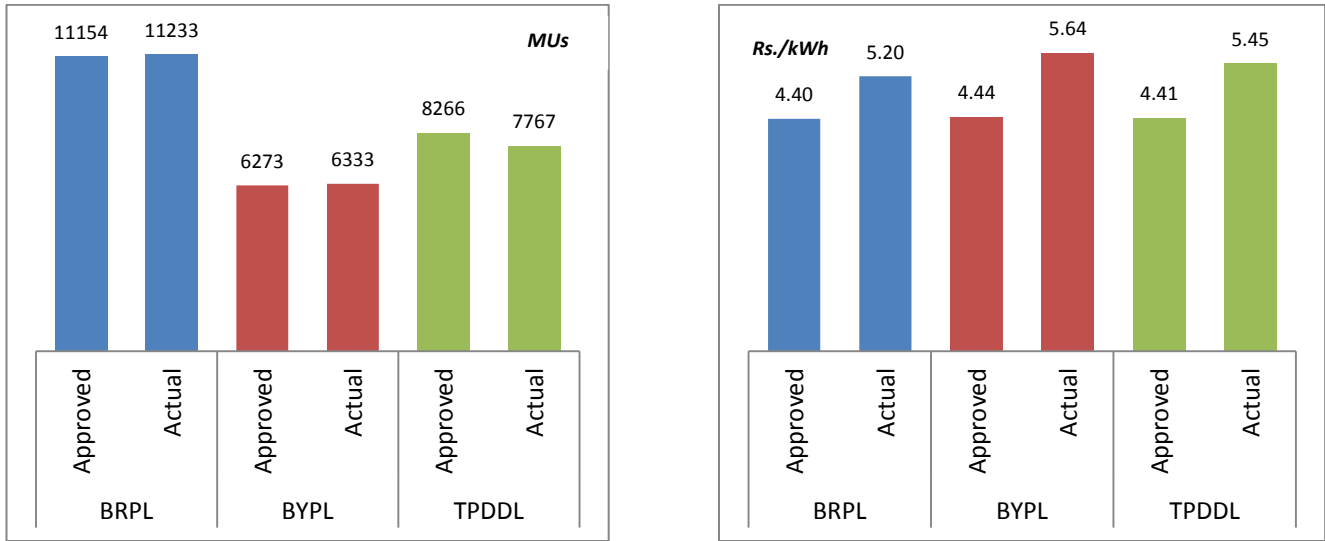
As may be observed from the above table, BYPL and TPDDL have over-achieved the AT&C loss target, while BRPL has under-achieved the AT&C loss target. The detailed reasons with respect to AT&C loss reduction target have been submitted by the DISCOMs in their respective petitions. Under achievement in the target for AT&C loss levels shall be on account of the Distribution Licensee.

POWER PURCHASE QUANTUM AND COST FOR FY 2012-13

1.5 The total net power purchase quantum and the average rate of power purchase as submitted by the DISCOMs for FY 2012-13 are as depicted in Figure 4 below.

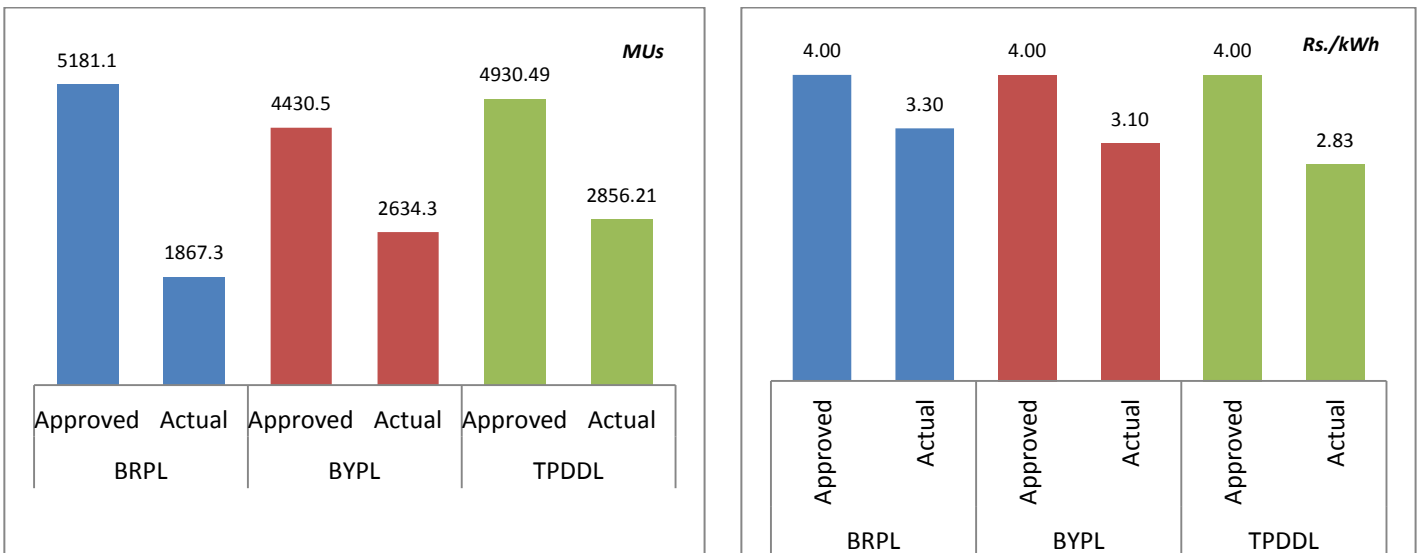
**Comparison of Staff Paper based on BRPL, BYPL, TPDDL Petition for True up
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Figure 4: Power Purchase Quantum and Cost for FY 2012-13



Based on the details submitted by the DISCOMs in the respective Petitions, it is observed that the average rate of power purchase has increased due to increase in power purchase cost of Central Generating Stations, increase in short term power purchase and reduction in average rate for sale of surplus power. The actual quantum and average rate for sale of the surplus power sold for FY 2012-13 are as depicted in Figure 5 below.

Figure 5: Sale of Surplus Power for FY 2012-13



O&M EXPENSES FOR FY 2012-13

1.6 The O&M Expenses for FY 2012-13 as submitted by DISCOMs are as given in table 3 below.

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Table 3: O&M Expenses for FY 2012-13

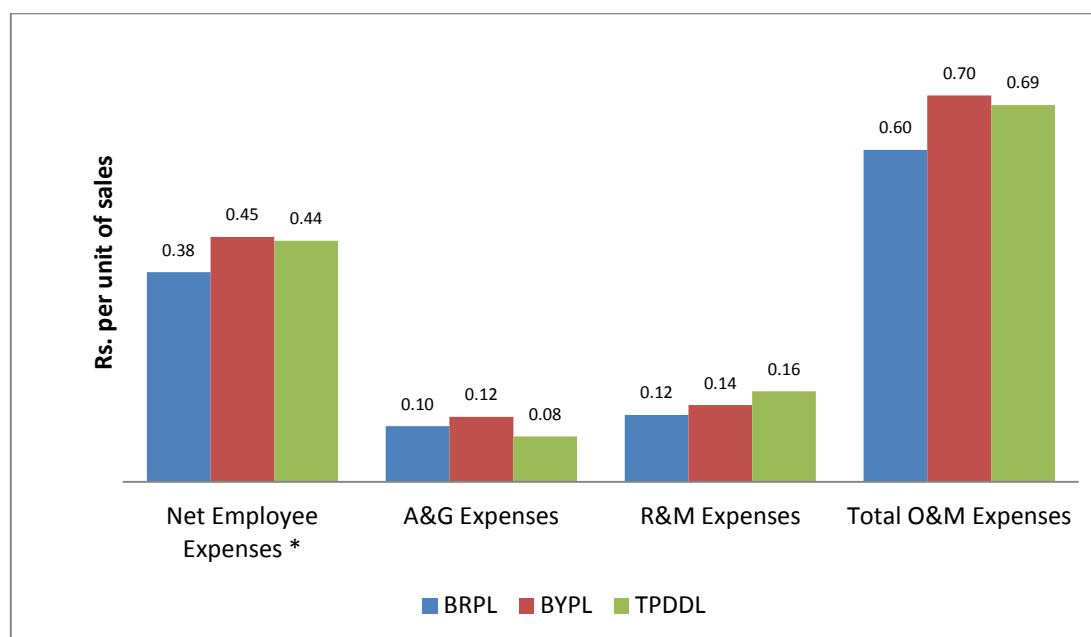
(Rs. Cr.)

| Sl. No. | Category | BRPL | | BYPL | | TPDDL | |
|----------|-------------------------------|-----------------|------------|-----------------|------------|-----------------|------------|
| | | July 2012 Order | Actual | July 2012 Order | Actual | July 2012 Order | Actual |
| 1 | Net Employee Expenses * | 263 | 359 | 211 | 223 | 249 | 306 |
| 2 | A&G Expenses | 88 | 95 | 70 | 59 | 45 | 58 |
| 3 | R&M Expenses | 114 | 114 | 52 | 70 | 96 | 115 |
| 4 | Total O&M Expenses | 465 | 568 | 334 | 352 | 390 | 479 |

* Include SVRS Pension

The comparison of employee expenses, A&G Expenses and R&M expenses per unit of sales for FY 2012-13 depicted in Figure 6 below.

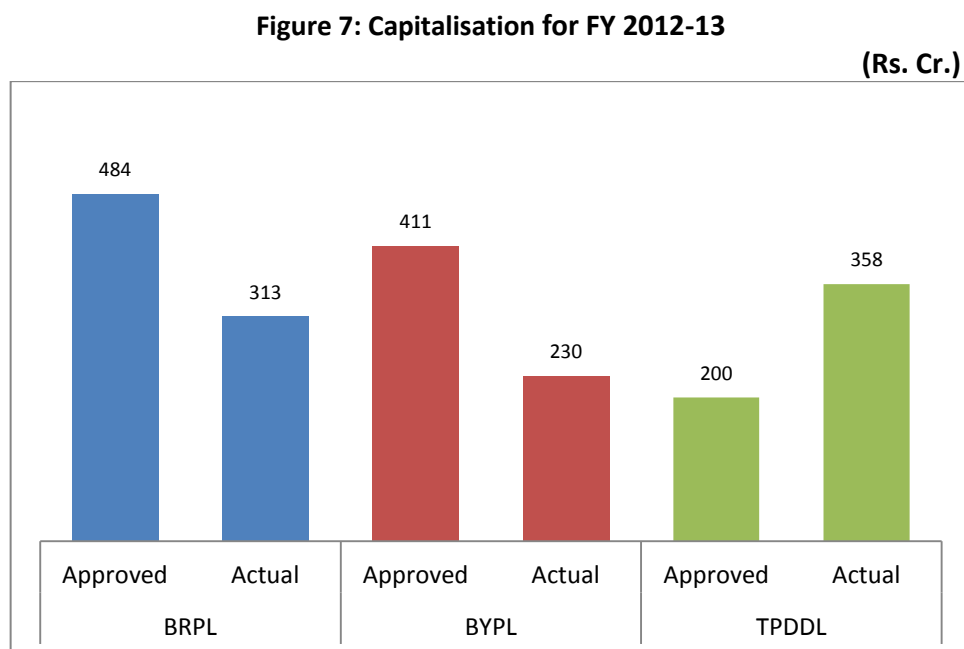
Figure 6: O&M Expenses per unit of sales for FY 2012-13



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CAPITALISATION FOR FY 2012-13

1.7 The actual capitalisation for FY 2012-13 as submitted by DISCOMs is as given in figure 7 below.



ARR AND REVENUE GAP/SURPLUS FOR FY 2012-13

1.8 The Annual Revenue Requirement, Revenue and Revenue Gap as submitted by DISCOMs along with percentage-wise break up of ARR submitted by DISCOMs, is as given in table 4 below.

Table 4: ARR, Revenue and Revenue Gap for FY 2012-13

(Rs. Cr.)

| Particulars | BRPL | | BYPL | | TPDDL | |
|---|------------------|--------|------------------|--------|------------------|--------|
| | July, 2012 Order | Actual | July, 2012 Order | Actual | July, 2012 Order | Actual |
| Cost of Power Purchase(including Arrears) | 4,339 | 5,138 | 2,443 | 3,084 | 3,170 | 3,693 |
| Intra-State transmission Charges | 253 | 323 | 164 | 242 | 169 | 292 |
| Intra-State transmission Charges | 300 | 381 | 180 | 248 | 192 | 231 |
| SLDC Fees and Charges* | - | - | - | - | 0 | 14 |
| Less: Normative Rebate** | - | - | - | - | - | 83 |
| O&M Expenses | 465 | 568 | 334 | 352 | 390 | 479 |

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| | | | | | | |
|--|--------------|---------------|--------------|---------------|--------------|--------------|
| Other statutory levies /New initiations | - | 65 | - | 50 | - | 6 |
| Depreciation | 160 | 161 | 141 | 127 | 127 | 141 |
| Loss on Retirement of Assets | - | 48 | - | 15 | - | - |
| Return on Capital Employed (RoCE) plus Supply Margin | 391 | 471 | 194 | 220 | 284 | 382 |
| Income Tax | 31 | 51 | 13 | 17 | 23 | 35 |
| Amount of CSD pertaining to DVB Era | - | 223 | - | 77 | - | - |
| Reversal of R&M Expenses (FY 07-08 to FY 11-12) | - | 68 | - | 19 | - | - |
| Reversal of Bad Debts(FY 07-08 to FY 11-12) | - | 16 | - | 11 | - | - |
| Difference on account of over dues | - | 0 | - | 0 | - | - |
| SVRS Pension | - | 0 | - | - | - | - |
| Fixed cost against Regulated power during FY 11-12 | - | 23 | - | 13 | - | - |
| Less: Non-Tariff Income | 125 | 108 | 79 | 71 | 74 | 73 |
| Less: Income from other business | - | 14 | - | 6 | - | - |
| Less: Interest on CSD | - | - | - | - | - | 22 |
| Annual Revenue Requirement | 5,814 | 7,415 | 3,388 | 4,399 | 4,282 | 5,095 |
| Revenue Available | 6,105 | 5,792 | 3,348 | 3,114 | 4,958 | 4,673 |
| Revenue (Gap)/Surplus | 290 | -1,623 | -40 | -1,285 | 676 | -421 |

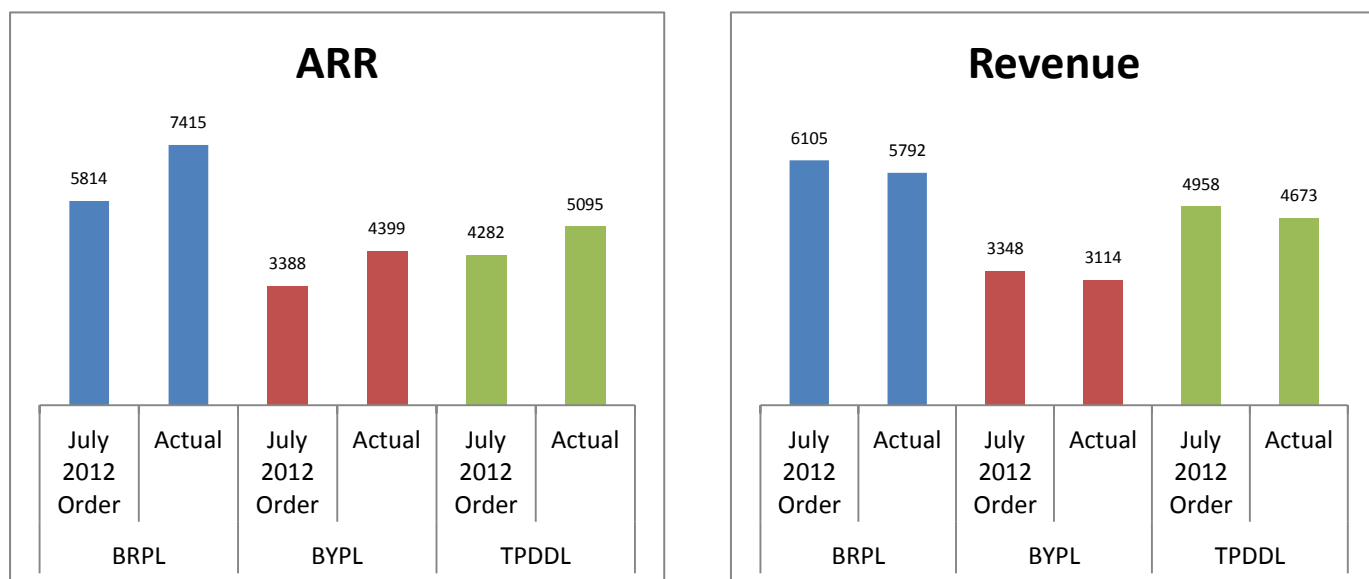
*The SLDC fees & charges have been included in the power purchase cost and transmission charges for BRPL and BYPL.

**The approved Normative Rebate for all the DISCOMs is included in the power purchase costs and transmission charges of the DISCOMs. TPDDL has indicated the normative rebate separately while BRPL and BYPL have submitted the actual power purchase cost and transmission charges for FY 12-13 after adjustment of such rebate.

Comparison of Staff Paper based on BRPL, BYPL, TPDDL Petition for True up for FY 2012-13, APR FY 2013-14 and ARR for FY 2014-15

Figure 8: ARR and Revenue for FY 2012-13

(Rs. Cr.)



ARR OF FY 2014-15

CATEGORY-WISE PROJECTED SALES FOR FY 2014-15

1.9 The Category-wise sales for FY 2014-15 as projected by DISCOMs are as given in table 5 below.

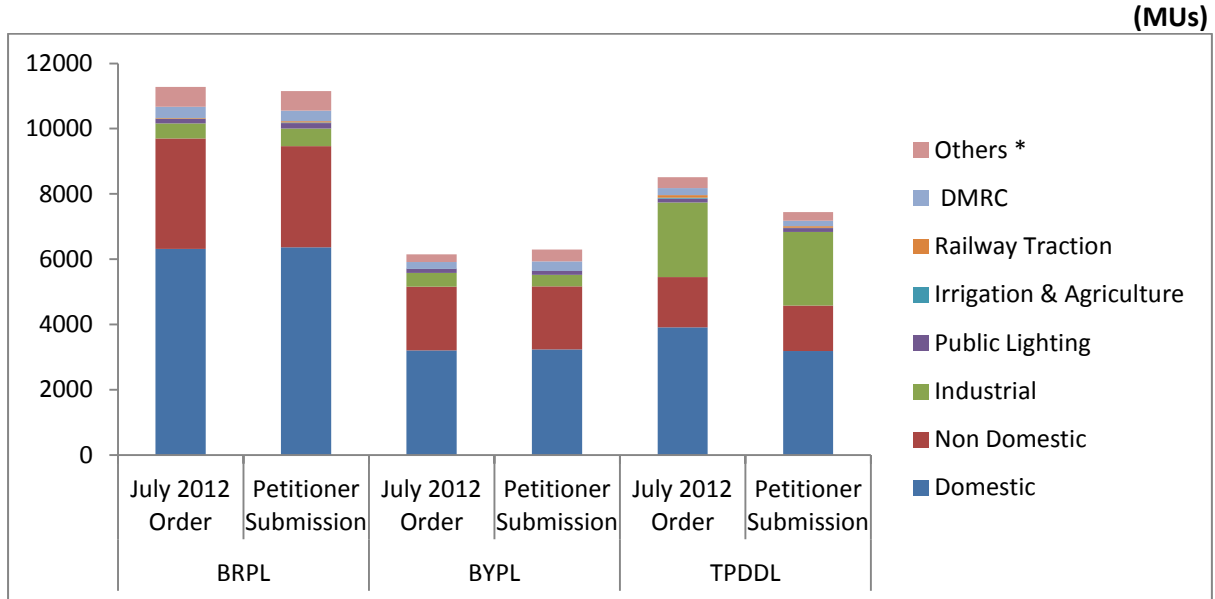
Table 5: Category-wise Sales for FY 2014-15 (MUs)

| Sl. No. | Sales (MU) | BRPL | | BYPL | | TPDDL | |
|---------|--------------------------|-----------------|-----------------------|-----------------|-----------------------|-----------------|-----------------------|
| | | July 2012 Order | Petitioner Submission | July 2012 Order | Petitioner Submission | July 2012 Order | Petitioner Submission |
| 1 | Domestic | 6320 | 6367 | 3205 | 3237 | 3913 | 3191 |
| 2 | Non Domestic | 3380 | 3100 | 1952 | 1931 | 1539 | 1386 |
| 3 | Industrial | 457 | 537 | 420 | 354 | 2290 | 2257 |
| 4 | Public Lighting | 136 | 174 | 135 | 122 | 120 | 116 |
| 5 | Irrigation & Agriculture | 11 | 18 | 0 | 0 | 23 | 13 |
| 6 | Railway Traction | 25 | 44 | 0 | 0 | 77 | 51 |
| 7 | DMRC | 340 | 321 | 200 | 290 | 220 | 170 |
| 8 | Others * | 607 | 607 | 238 | 361 | 336 | 261 |
| 9 | Total | 11277 | 11167 | 6150 | 6295 | 8518 | 7445 |

* Others include the categories (a) DIAL, (b) 11 KV(Worship/Hospitals), (c) DJB, (d) DVB Staff, (e) Enforcement, (f) Own Consumption, (g) Temporary.

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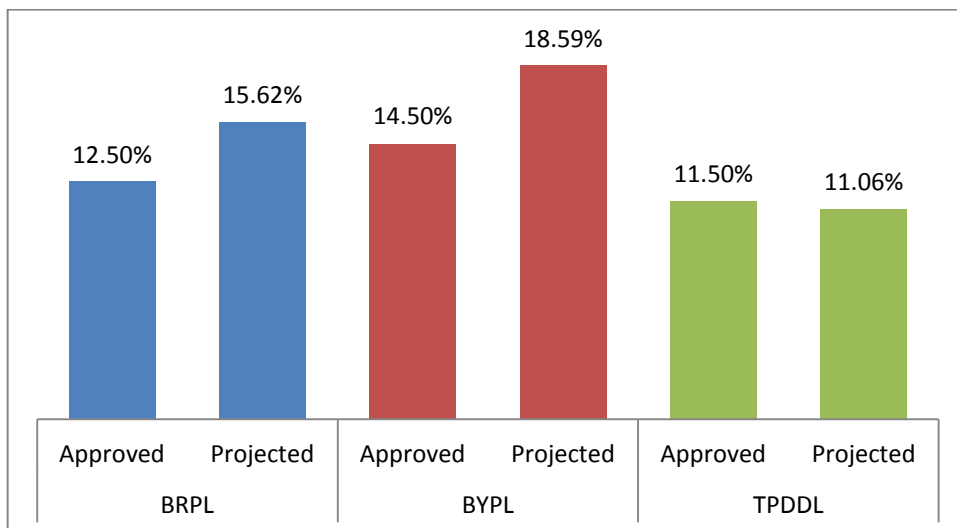
Figure 9: Category-wise Sales for FY 2014-15



AT&C LOSSES FOR FY 2014-15

1.10 The AT&C Losses as projected by DISCOMs for FY 2014-15 are pictorially depicted in figure 10 below.

Figure 10: AT&C Loss for FY 2014-15

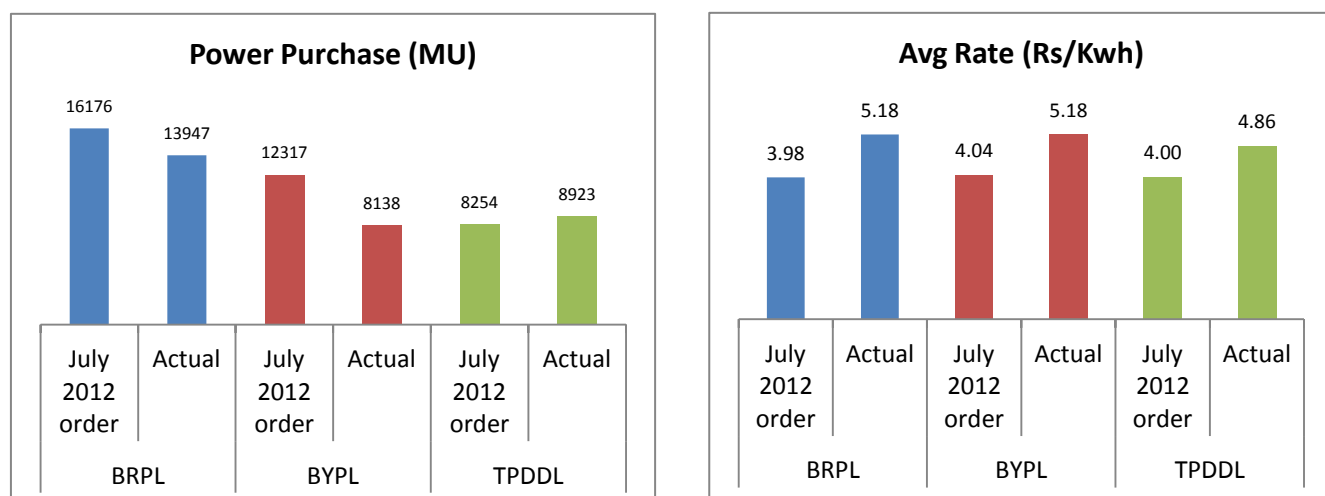


POWER PURCHASE QUANTUM AND COST FOR FY 2014-15

1.11 The total net power purchase quantum and the rate of power purchase as projected by the DISCOMs for FY 2014-15 is as shown in figure 11 below:

Comparison of Staff Paper based on BRPL, BYPL, TPDDL Petition for True up for FY 2012-13, APR FY 2013-14 and ARR for FY 2014-15

Figure 11: Power Purchase Quantum and Cost for FY 2014-15



O&M EXPENSES FOR FY 2014-15

1.12 The DISCOMs have projected the O&M Expenses for FY 2014-15 and the comparison of projected employee expenses, A&G expenses and R&M expenses per unit of projected sales is pictorially depicted in figure 12 below.

Figure 12: O&M Expenses per unit of sales as projected by DISCOMs for FY 2014-15

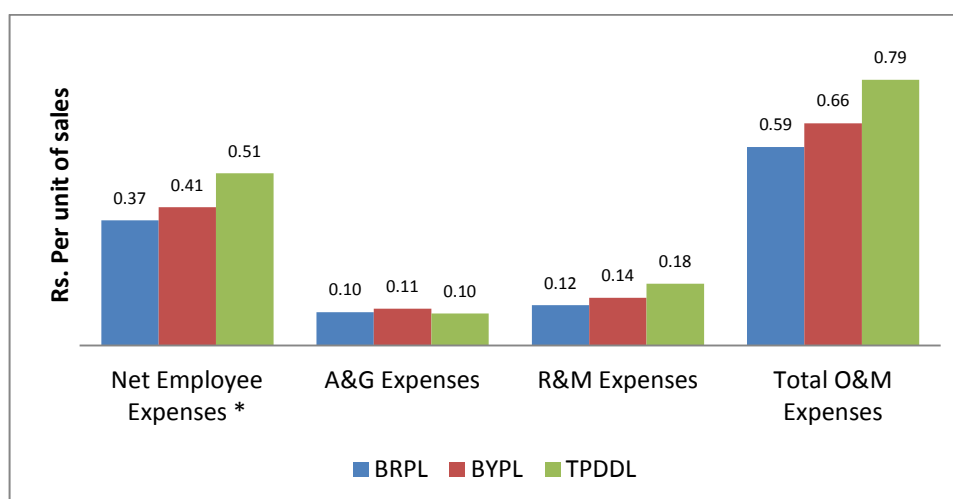


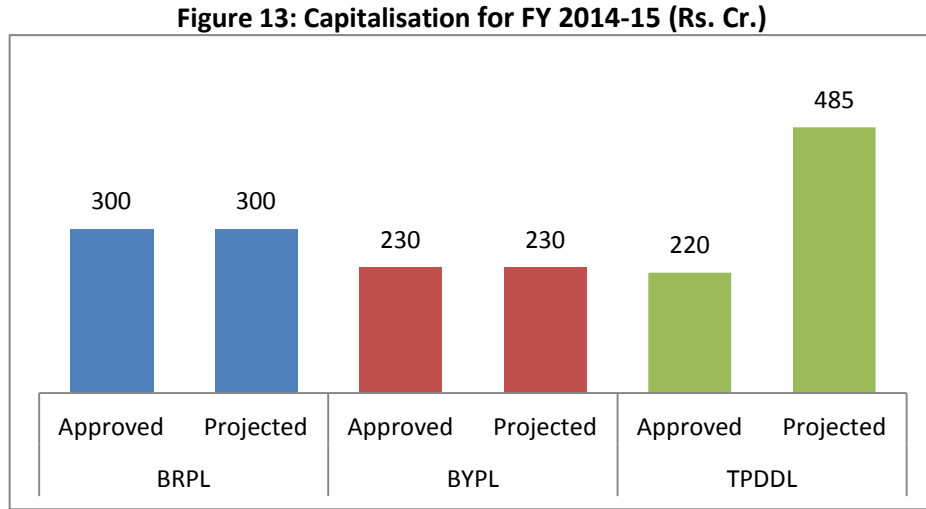
Table 6: O&M Expenses during FY 2014-15

| Sl. No. | Particulars | (Rs. Cr.) | | | | | |
|---------|-----------------------|------------|------------|------------|------------|------------|------------|
| | | BRPL | | BYPL | | TPDDL | |
| | | MYT Order | Projected | MYT Order | Projected | MYT Order | Projected |
| 1 | Net Employee Expenses | 295 | 417 | 238 | 260 | 279 | 383 |
| 2 | A&G Expenses | 103 | 111 | 61 | 69 | 53 | 71 |
| 3 | R&M Expenses | 134 | 134 | 89 | 89 | 107 | 137 |
| 4 | Total O&M Expenses | 532 | 662 | 388 | 418 | 439 | 591 |

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CAPITAL EXPENDITURE FOR FY 2014-15

1.13 The Capitalization projected by DISCOMs for FY 2014-15 is as given below:



ARR AND REVENUE FOR FY 2014-15

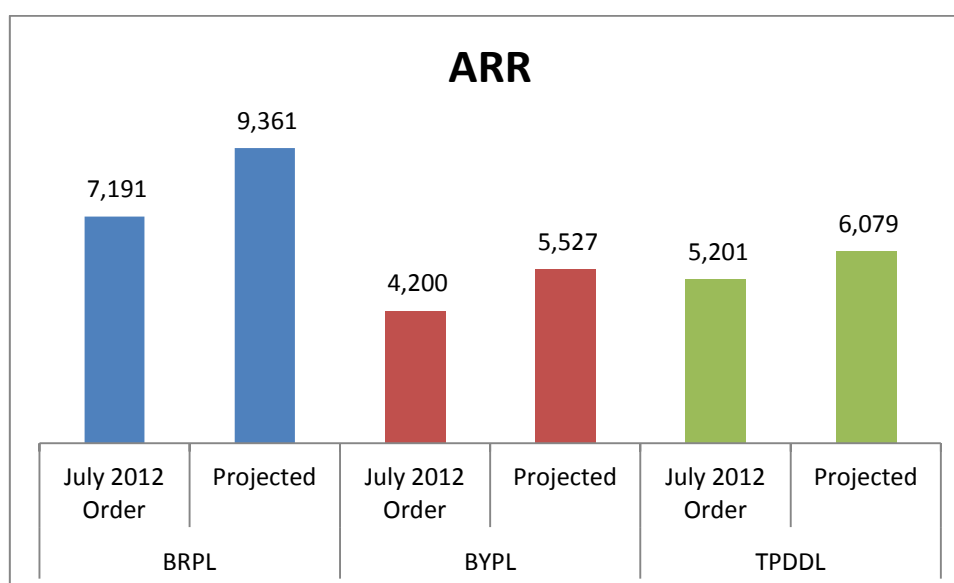
1.14 The Annual Revenue Requirement and Revenue as projected by DISCOMs for FY 2014-15 along with percentage-wise break up of ARR projected by DISCOMs, is as given below:

Table 7: ARR, Revenue and Revenue Gap for FY 2014-15 (Rs. Cr.)

| Particulars | BRPL | | BYPL | | TPDDL | |
|--|--------------|--------------|--------------|--------------|--------------|--------------|
| | MYT Order | Projected | MYT Order | Projected | MYT Order | Projected |
| Cost of Power Purchase (including Arrears) | 5,494 | 7,228 | 3,112 | 4,213 | 3,986 | 4,427 |
| Cost of REC purchase | - | 119 | - | 72 | | |
| Intra-State transmission Charges | 279 | 363 | 180 | 293 | 186 | 379 |
| Intra-State transmission Charges | 292 | 292 | 175 | 180 | 187 | 221 |
| SLDC Fees and Charges | | | | | 1 | - |
| Less: Normative Rebate | - | - | - | - | - | 101 |
| O&M Expenses | 532 | 662 | 388 | 418 | 439 | 591 |
| Other statutory levies /New initiations | - | 25 | - | - | - | 32 |
| Depreciation | 184 | 182 | 177 | 144 | 141 | 171 |
| AAD | 55 | 19 | - | - | | |
| Return on Capital Employed (RoCE) plus Supply Margin | 447 | 523 | 232 | 258 | 311 | 416 |
| Income Tax | 34 | 56 | 15 | 21 | 24 | 40 |
| Less: Non-Tariff Income | 125 | 108 | 79 | 71 | 74 | 74 |
| Less: Interest on CSD | - | - | | | - | 23 |
| Annual Revenue Requirement | 7,190 | 9,361 | 4,200 | 5,527 | 5,201 | 6,079 |

**Comparison of Staff Paper based on BRPL, BYPL, TPDDL Petition for True up
for FY 2012-13, APR FY 2013-14 and ARR for FY 2014-15**

Figure 14: Annual Revenue Requirement for FY 2014-15 (Rs.Cr.)



ACCUMULATED REGULATORY ASSETS UP TO FY 2013-14

1.15 The Accumulated Regulatory Assets up to FY 2013-14 including carrying cost as submitted by the DISCOMs is as given below:

Table 8: Accumulated Regulatory Assets up to FY 2013-14 (Rs. Cr.)

| Sl. No. | Particulars | BRPL | | BYPL | | TPDDL | |
|---------|--|-------------------|-------------------|------------------|------------------|------------------|------------------|
| | | FY 2012-13 | FY 2013-14 | FY 2012-13 | FY 2013-14 | FY 2012-13 | FY 2013-14 |
| 1 | Opening Balance of Regulatory Assets | (5508.2) | (11182.12) | (2995.70) | (6489.23) | | |
| 2 | Add: ATE judgments | (2953.61) | 0.00 | (1585.05) | 0.00 | | |
| 3 | Previous claims added in opening balance | (329.49) | 0.00 | (119.30) | 0.00 | | |
| 4 | Revised Opening balance | (8791.3) | (11182.12) | (4700.04) | (6489.23) | (3858.54) | (4777.33) |
| 5 | Amount of RA added during FY | (1293.15) | (1090.17) | (1165.98) | (1026.95) | (421.34) | (128.53) |
| 6 | RA recovery during the year | 298.46 | 540.59 | 158.92 | 269.49 | | |
| 7 | Closing balance | (9785.99) | (11731.7) | (5707.11) | (7219.68) | (4279.88) | (4901.87) |
| 8 | Rate of carrying cost | 15.03% | 15.03% | 15.03% | 15.03% | 12.13% | 12.13% |
| 9 | Carrying cost | (1396.13) | (1722.02) | (782.12) | (1030.26) | (493.45) | (586.63) |
| 10 | Grand Closing Balance | (11182.12) | (13453.72) | (6489.23) | (8249.94) | (4773.33) | (5488.50) |

**Comparison of Staff Paper based on BRPL, BYPL, TPDDL Petition for True up
for FY 2012-13, APR FY 2013-14 and ARR for FY 2014-15**

- 1.16 All the figures have been taken from the tariff petition submitted by the DISCOMs. In case of any discrepancy in the staff paper, the same may be referred from the original petition uploaded on the DERC website.