

A. Introduction

- 1.1 New Delhi Municipal Council (NDMC), the Distribution Licensee, has filed its Petition for Approval of True up for FY 2016-17 and ARR for FY 2018-19.
- 1.2 This Executive Summary contains the summary of the Petition filed by NDMC for True up for FY 2016-17 (based on audited accounts) and ARR and Tariff of FY 2018-19 (based on projections).
- 1.3 The Commission shall true-up the ARR for FY 2016-17 as per MYT Regulations, 2011, after prudence check.
- 1.4 ARR and Tariff for FY 2018-19 shall be based on the provisions of Delhi Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff) Regulations, 2017, which broadly has the following components:
 - a. Power Purchase Cost including transmission charges
 - b. Operation and Maintenance (O&M) expenses
 - i. Employee Expenses
 - ii. Administrative & General Expenses
 - iii. Repair & Maintenance Expenses
 - c. Return on Capital Employed
 - d. Depreciation
 - e. Income Tax.
 - f. Non-tariff Income, etc.
- 1.5 Depreciation and RoCE shall be trued up based on the actual capital expenditure and actual capitalization vis-à-vis capital investment plan (capital expenditure and capitalization) approved by the Commission - Controllable parameters.
- 1.6 Variation in revenue / expenditure on account of uncontrollable sales / power purchase respectively – Uncontrollable parameters.
- 1.7 The figures of various components in the executive summary have been extracted from the Petitions filed by NDMC for ease of understanding to various stakeholders however the complete Petition is also available on DERC website <http://www.derc.gov.in/>

B. TRUE UP OF FY 2016-17

- 1.8 NDMC has submitted that Energy Sales for FY 2016-17 as 1312.44 MU based on actual as follows:

Table 1: Energy Sales for FY 2016-17 (MU)

Sl. No	Consumer Category	Actual
1	Domestic	256.22
2	Non Domestic	245.97
3	Mixed Load	748.28
4	Small Industrial Power	0.05
5	Public Lighting	8.58
6	Others	11.51
7	DMRC	41.84
	Total	1312.44

- 1.9 The AT&C loss along-with Distribution Loss and Collection Efficiency for FY 2016-17 sought by NDMC is as follows:

Table 2: AT&C Loss for FY 2016-17 (%)

Sl. No.	Particulars	Actual
1	AT&C Loss	15.67%
2	Distribution Loss	12.97%
3	Collection Efficiency	96.89%

- 1.10 The Power Purchase Quantum and Cost submitted by NDMC for FY 2016-17 is as follows:

Table 3: Power Purchase Quantum for FY 2016-17 (MU)

Sl. No	Particulars	Actual
1	Power Purchase from Central Stations	423.83
2	Interstate Transmission Losses	14.83
3	Net Power Purchase from Central Stations	409.00
4	Power Purchase from State Stations	958.12
5	Power Purchase from Short Term Sources	265.09
6	Power Purchase from Renewable Sources	0.62
7	Gross Power Purchase	1,632.84
8	Intra State Transmission Loss	10.32
9	Net Power Available at NDMC Periphery	1,622.52
10	Sale of Surplus Power	114.51
11	Net Power available for Retail sales	1,508.01

Table 4: Power Purchase Cost for FY2016-17 (Rs. Crore)

Sl. No	Particulars	Actual
1	Gross Power Purchase Cost	769.18
2	Cost of Short term and Renewable Purchase	
3	Less Revenue from Sale of Power	33.70
4	Rebate on Power Purchase Cost	14.71
5	Net Power Purchase Cost	720.77

Executive Summary NDMC- True up FY17 & ARR FY19

Sl. No	Particulars	Actual
6	Intrastate Transmission Charges	27.00
7	Intrastate Transmission Charges including SLDC	39.47
8	Total Transmission Charges	66.47
9	Rebate on Transmission Charges	1.33
10	Net Transmission Charges	65.14
11	Total Power Purchase Cost for True-up	785.91

1.11 The O&M Expenses as considered by NDMC during FY 2016-17 is as follows:

Table 5: O&M Expenses for FY 2016-17 (Rs. Crore)

Sl. No	Particulars	Actual
1	Employee Expenses	219.52
2	A&G Expenses	10.24
3	R&M Expenses	55.83
4	Gross O&M Expenses	
5	Efficiency Factor	-
6	Less: Efficiency Improvement	-
7	Net O&M Expenses	285.59

1.12 NDMC has submitted that they are exempted from paying the Income Tax, therefore claim for such tax liabilities has not been proposed in the Petition.

1.13 The ARR claimed during FY 2016-17 is tabulated below:

Table 6: ARR for FY 2016-17 as submitted by NDMC (Rs. Crore)

Sl. No	Description	Actual
1	Cost of Power purchase, including T&D Losses	735.48
2	Inter-state Transmission charges	27.00
3	Intra-state Transmission charges (Including SLDC charges)	39.47
	Rebate on Timely payments	-16.04
4	Net Operation & Maintenance (O&M)	285.59
5	Depreciation	32.69
6	Administrative Dept. & Civil Eng. Dept.	45.37
7	RoCE	65.72
8	Income Tax	-
9	Less: Non-Tariff Income	2.13
10	Aggregate Revenue Requirement	1,213.15

1.14 The Revenue Surplus/(Gap) for FY 2016-17 is as follows:

Table 7: Revenue (Gap) for FY 2016-17 (Rs. Crore)

Sl. No	Particulars	Actual
1	ARR	1,213.15
2	Revenue Available Towards ARR	1,091.15
3	Revenue (Gap)/Surplus	-122.00

Executive Summary NDMC- True up FY17 & ARR FY19

C. Aggregate Revenue Requirement for FY 2018-19

Table 8: Category-wise Energy Sales for FY 2018-19 (MU)

Consumer Category	2016-17	2017-18	YOY growth rate FY 2017-18 over FY 2016-17	Escalation rate used for Projection sales in FY 19	FY 2018-19 Projections
Domestic	256.22	267.32	4.33%	2%	272.66
Non Domestic	994.25	1057.19	6.33%		1078.34
Industrial	0.05	0.05	1.45%		0.05
Public Lighting	8.58	7.78	-9.37%		7.93
DMRC supply Voltage wise	41.84	60.89	45.52%		62.11
Temporary Supply	11.51	11.74	-		11.97
Total	1312.44	1404.96	6.15%		1433.06

1.15 The AT&C Loss, Distribution Loss & Collection Efficiency for FY 2018-19 are as follows:

Table 9: AT&C Loss, Distribution Loss & Collection Efficiency for FY 2018-19

Sl. No.	Particulars	FY 2018-19
1	Distribution Loss	10.00%
2	Collection Efficiency	99.00%
3	AT&C losses	10.90%

1.16 The Energy Requirement for FY 2018-19 is as follows:

Table 10: Energy Requirement Projections for FY 2018-19

Sl. No.	Particulars	FY 2018-19
	Energy Requirement	
1	Energy Sales (MU)	1433.06
2	Distribution Loss (%)	10.00%
3	Distribution Loss (MU)	159.23
4	Energy Required at Distribution Periphery (MU)	1592.33

1.17 The Energy Balance for FY 2018-19 is as follows:

Table 11: Energy Balance Projections for FY 2018-19 (in MU)

Sl. No.	Particulars	FY 2018-19
A	Energy Requirement	
1	Energy Sales	1,433.06
2	Distribution Loss (%)	10.00%
3	Distribution Loss (MU)	159.27
4	Energy Required at Distribution Periphery	1,592.33
B	Energy Availability	
1	Power Purchase from CGS outside the State	498.23

Executive Summary NDMC- True up FY17 & ARR FY19

Sl. No.	Particulars	FY 2018-19
2	Power Purchase from within the State	1,034.89
3	Renewable Energy Procurement for Non-Solar RPO (including MSW)	9.35
4	Renewable Energy Procurement for Solar RPO	
5	Purchase/ (Sale) from Short Term and Bilateral Sources	76.76
6	Gross Power Purchase Quantum	1,619.22
7	DTL Transmission losses (%)	26.89
8	Energy Available	1,592.33

1.18 The O&M Expenses projected for FY 2018-19 is as follows:

Table 12: O&M Expenses Projected for FY 2018-19 (Rs. Crore)

Sl. No.	Particulars	FY 2018-19
1	Employee Expenses	154.68
2	A & G	11.42
3	R & M	62.27
4	O&M Expenses	228.38

1.19 The Non Tariff Income for FY 2018-19 is as follows:

Table 13: Projected Non-Tariff Income for FY 2018-19 (Rs. Crore)

Non-Tariff Income	FY 2018-19
Total	2.37

1.20 The projected ARR & Revenue Gap for FY 2018-19 is as follows:

Table 14: Projected ARR & Revenue Gap for FY 2018-19 (Rs. Crore)

Sl. No.	Particulars	FY 2018-19
1	Cost of power purchase, including T&D Losses	809.20
2	Inter-State Transmission charges	29.94
3	Intra-state Transmission charges including SLDC charges	43.77
	Rebate on Timely Payments	-17.66
4	Net Operation & Maintenance (O&M)	228.38
5	Depreciation	40.04
6	Administrative Dept. & Civil Engg. Dept	45.37
7	RoCE	65.51
8	Income Tax	-
9	Aggregate Revenue Requirement	1244.55
10	Less: Non-Tariff Income	2.37
11	Aggregate Revenue Requirement (9 - 10)	1242.17
12	Revenue at Existing Tariff	1180.99
13	Revenue (Gap)/Surplus for FY 2018-19 (11 - 12)	(61.19)
14	Revenue (Gap)/Surplus for FY 2017-18	(36.51)
15	Revenue (Gap)/Surplus for FY 2016-17	(122.00)
16	Total Revenue Gap to be adjusted in ARR FY 2018-19	(219.70)

Executive Summary NDMC- True up FY17 & ARR FY19

Sl. No.	Particulars	FY 2018-19
2	Power Purchase from within the State	1,034.89
3	Renewable Energy Procurement for Non-Solar RPO (including MSW)	9.35
4	Renewable Energy Procurement for Solar RPO	
5	Purchase/ (Sale) from Short Term and Bilateral Sources	76.76
6	Gross Power Purchase Quantum	1,619.22
7	DTL Transmission losses (%)	26.89
8	Energy Available	1,592.33

1.18 The O&M Expenses projected for FY 2018-19 is as follows:

Table 12: O&M Expenses Projected for FY 2018-19 (Rs. Crore)

Sl. No.	Particulars	FY 2018-19
1	Employee Expenses	154.68
2	A & G	11.42
3	R & M	62.27
4	O&M Expenses	228.38

1.19 The Non Tariff Income for FY 2018-19 is as follows:

Table 13: Projected Non-Tariff Income for FY 2018-19 (Rs. Crore)

Non-Tariff Income	FY 2018-19
Total	2.37

1.20 The projected ARR & Revenue Gap for FY 2018-19 is as follows:

Table 14: Projected ARR & Revenue Gap for FY 2018-19 (Rs. Crore)

Sl. No.	Particulars	FY 2018-19
1	Cost of power purchase, including T&D Losses	809.20
2	Inter-State Transmission charges	29.94
3	Intra-state Transmission charges including SLDC charges	43.77
	Rebate on Timely Payments	-17.66
4	Net Operation & Maintenance (O&M)	228.38
5	Depreciation	40.04
6	Administrative Dept. & Civil Engg. Dept	45.37
7	RoCE	65.51
8	Income Tax	-
9	Aggregate Revenue Requirement	1244.55
10	Less: Non-Tariff Income	2.37
11	Aggregate Revenue Requirement (9 - 10)	1242.17
12	Revenue at Existing Tariff	1180.99
13	Revenue (Gap)/Surplus for FY 2018-19 (11 - 12)	(61.19)
14	Revenue (Gap)/Surplus for FY 2017-18	(36.51)
15	Revenue (Gap)/Surplus for FY 2016-17	(122.00)
16	Total Revenue Gap to be adjusted in ARR FY 2018-19	(219.70)