

## Facts about Delhi power

Since 2002:

- Customer base of Delhi discoms has increased by 80% from 24.51 lakh to over 42 lakh
- Power demand has increased by nearly 100% - from 2879 MW to 5642 MW
- Cost of buying power has increased by around 300%, a cost on which discoms have no control
- Retail tariff has risen by around 65%.
- The non cost reflective retail tariff has led to a huge build up of future receivables (regulatory assets) to the tune of over Rs 19,500 crore, impacting the sustainability of operations for the Delhi discoms.

## Tariff Comparison

Delhi's power tariffs continue to be lower than those of NCR towns and other Metros. Moreover, NCR towns have regular load shedding, ranging from a minimum of 4-8 hours, depending upon the season and power availability.

Power back-up supplied by diesel generators costs a minimum of Rs 15 per unit after the recent hike in diesel tariffs. After factoring in the load shedding impact, the average Delhi consumer pays much less than his/her counterpart pays in neighboring townships.

### Delhi Vs Metros

| Units/Month | Delhi | Kolkata | Bangalore | Mumbai |
|-------------|-------|---------|-----------|--------|
| 200         | 2.7*  | 5.6     | 3.9       | 4.3    |

### Delhi Vs Other States

| Units/Month | Delhi | MP  | Rajasthan | Tamil Nadu |
|-------------|-------|-----|-----------|------------|
| 200         | 2.7*  | 4.8 | 4.8       | 4.0        |

### Delhi Vs NCR Towns

| Units/Month | Delhi | Gurgaon/ Faridabad | Noida |
|-------------|-------|--------------------|-------|
| 200         | 2.7*  | 4.9                | 3.5   |

\*includes government subsidy of Rs 1 upto 200 units

## Components of Power Cost

Due to lack of cost reflective tariffs, revenues of Delhi discoms (as per the approved DERC tariff) are insufficient to meet their operating and other expenses. Normally, around 80% of a discom's revenue should be towards power purchase, an uncontrollable expense. But in the case of BRPL, it has become 90%. This, along with the increasing interest cost, has led to its expenditure becoming a whopping 115% as a percentage of its total revenue in 2012-2013.

- Currently, 100% of BRPL' revenue goes to meet power purchase and interest costs. Discoms not recovering costs, leave alone any return
- Distribution companies (discoms) in Delhi are only responsible for distribution of power generated from various generating stations, spread across the country
- Delhi discoms buy virtually all electricity from central and state government owned entities, through long term PPA's, at rates determined by the Central and State regulators
- Discoms in Delhi buy power from government owned entities in states like West Bengal, MP, Jharkhand, Uttarakhand, UP, Himanchal Pradesh, Delhi, Chhattisgarh, Rajasthan, Jammu & Kashmir, etc

