

BSES

BSES Yamuna Power Limited

Shakti Kiran Building, Karkardooma,
Delhi - 110032, India
CIN : U40109DL2001PLC111525
Tel. : +91 11 4124 7111
Fax : +91 11 4124 9765
www.bsedelhi.com



Ref: RA/BYPL/2025-26/264

Date: 29 January 2025

To,
The Secretary
Delhi Electricity Regulatory Commission
Viniyamak Bhavan, Shivalik, Malviya Nagar
New Delhi-110017 :

**Sub: Power Purchase Adjustment Charges (PPAC) for October, November
and December, 2024**
**Ref: Delhi Electricity Regulatory Commission (Business Plan) Regulations,
2023 and Tariff Order dated 30.09.2021**

Sir,

We refer to Regulation 30 of Delhi Electricity Regulatory Commission (Business Plan) Regulations, 2023, which provides for the mechanism for recovery of Power Purchase Cost Adjustment (**PPAC**). The relevant extract of the above Regulation is reproduced below:

**"30. MECHANISM FOR RECOVERY OF POWER PURCHASE COST
ADJUSTMENT CHARGES**

*The mechanism for recovery of Power Purchase Cost Adjustment
Charges (PPAC) in terms of the Regulation 134 of the DERC
(Terms and Conditions for Determination of Tariff) Regulations,*



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2017 from FY 2023-24 to FY 2025-26 of the Distribution Licensees shall be as follows:

....

(4) The treatment of PPAC computation as per the specified formula shall be as follows:

- a) in case PPAC does not exceed 5% for any quarter, the Distribution Licensee may levy PPAC at 90% of computed PPAC with prior intimation to the Commission without going through the regulatory proceedings.
- b) in case PPAC exceeds 5% but does not exceed 10% for any quarter, the Distribution Licensee may levy PPAC of 5% and 75% of balance PPAC (Actual PPAC% - 5%) with prior intimation to the Commission without going through the regulatory proceedings.
- c) in case PPAC exceeds 10% for any quarter, the Distribution Licensee may levy PPAC as per sub-regulation (a) and (b) as above without going through the regulatory proceedings and shall file an application for prior approval of the Commission for the differential PPAC claim (Actual PPAC% - 8.75%).
- d) The Distribution Licensee shall file Petition only for their claim of PPAC.

(5) The Distribution Licensee shall upload the computation of PPAC on its website before the same is levied in the consumers' electricity bills prospectively..."

Accordingly, the PPAC for the period October- December, 2024 (i.e. Q3 of FY 2024 - 2025) is computed at 6.27%. Moreover, in terms of Rule 14 of Electricity Rules, 2005 (as amended by the Electricity (Amendment) Rules, 2022) our computed PPAC is 8.51%. The detailed computations are enclosed as **Annex - 1**. The other details such as the Power Purchase Audited statement and SLDC accounts are enclosed as **Annex - 2**.

Additionally, this Hon'ble Commission vide its Tariff Order dated 30.09.2021 for BYPL had considered a PPAC of 7.43% equivalent to Rs. 512.14 Cr. for meeting the revenue gap arising in the Annual Revenue Requirement (ARR) for FY 2021-22. The relevant extracts are under:

**“Table 4.71: Commission Approved: Revenue (Gap) for FY 2021-22
(Rs. Cr.)**

Sr. No.	Particulars	Amount
A	ARR	4461.43
B	Carrying Cost for FY 2021-22	280.15
C	PPAC Cost Subsumed	18.40
D	Revised ARR	4759.98
E	Revenue at Revised Tariff	4259.40
F	Revenue from PPAC	512.14
G	Total Revenue	4771.54
H	Revenue (Gap)/ Surplus	11.56

As it is evident from the above table, entire PPAC of 7.43% has been utilized to meet the fixed cost recovery forming part of ARR of FY 2021-22. In the past, the Hon'ble Commission has allowed PPAC including 7.43% along with other quarterly PPAC.

Further, the Petitioner has filed a petition before this Hon'ble Commission being Review Petition No. 67/2024 seeking review of Order dated 20.12.2024 in Petition No. 56/2024 pertaining to approval differential power purchase cost adjustment charges (PPAC) incurred during July to September, 2024. As on date, final Orders in the said Review Petition are awaited.

In view of the above, pending the above referred Review Petition before the Hon'ble Commission, the actual PPAC required for recovering of the Power Purchase Cost is 13.70% (i.e. 6.27%+ 7.43%) in terms of Regulations of the Hon'ble Commission and 15.94% (i.e. 8.51%+ 7.43%) in terms of Rule 14 of Electricity Rules, 2005 (as amended by the Electricity (Amendment) Rules, 2022).

In any event and without prejudice to the above, given that the Hon'ble Commission vide its Order dated 19.01.2024 has withdrawn its directions issued in para 2 of its earlier Order dated 21.07.23 for all DISCOMs including BYPL, BYPL will levy the suo-motto capped PPAC of 5.95% (in terms of DERC's Business Plan Regulations, 2023) on the bills of all consumers from the billing cycle w.e.f. 01.02.2025 for a period of 3 months.

For the balance/differential PPAC, we shall be filling a separate petition before Hon'ble Commission. In view of the above, we shall upload PPAC computation on our website before the same is levied on the consumers' electricity bills.

This is submitted for the kind information of the Hon'ble Commission.

Thanking you,
Yours sincerely,

For BSES Yamuna Power Limited


Sameer Singh
GM- Regulatory Affairs

Encl: As above

Annex-1 BYPL PPAC % Calculation for Oct - Dec – 24

Sr No	Parameters	DERC Methodology	As per MOP
1	A (in Kwh)	1,928.65	2,012.09
2	B (in Kwh)	319.91	343.84
3	C (in Kwh)	0.50	0.62
4	D (Rs. Cr.)	152.88	152.88
5	E (Rs. Cr.)	172.41	172.41
6	Z	1,554.50	1,611.58
7	Distribution Loss	7.54%	7.54%
8	ABR	6.68	6.68
9	Avg PPA base	3.54	3.54
10	PGCIL Loss	2.00%	2.00%
11	DTL Loss	0.92%	0.92%
12	Distribution Loss	7.54%	7.54%
13	Total unit sold other than Direct Consumer	343.84	343.84
14	Gross power Purchase	2,072.94	2,072.94
15	Avg PPC#	4.03	4.16
16	Base	3.54	3.54
16	PGCIL Losses	2.00%	2.00%
17	DTL Losses	0.92%	0.92%
18	Z	1,554.50	1,611.58
19	CGS	1,841.99	1,925.43
20	SGS	86.66	86.66
21	PPAC (nth Qtr) %= ((A-B)*C+(D-E)/ ((Z*(1- Distribution Loss in %/100)*ABR)	6.27%	8.51%

# Excluding the Cost and Quantum of Power Station whose cost is not approved in Base Cost	
A	Total unit procured in (n-1)th Qtr from power station having Long term PPA (in KWH) -(To be taken from bills of the Genco issued to Discom)
B	Proportionate bulk sale of power from power station having long Term PPA (in Kwh) = Total unit Sold(Other than sold to direct consumer KWH) in (n-1) Qtr/ Gross Power Purchase (Kwh) in (n-1) Qtr X A
C	Actual Avg PPC (n-1) Qtr from bill - Projected avg PPC base from Tariff order
D	Actual Transmission Charges
E	Approved Transmission Charges
Z	$\left[\left\{ \left(\text{Power purchase from CGS having LTPP} \right) \times \left(1 - \frac{\text{PGCIL loss in \%}}{100} \right) + \left(\text{PP from Delhi Genco including BTPS} \right) \right\} \times \left(1 - \frac{\text{DTL loss\%}}{100} \right) - B \right] \text{ in KWH}$
ABR	Average Billing Rate