

**GUJARAT ELECTRICITY REGULATORY COMMISSION
(GERC)**



Tariff Order

Truing up for FY 2021-22 & FY 2022-23

and

Determination of ARR

&

Tariff for FY 2024-25

For

Deendayal Port Authority (DPA)

Case No. 2370 of 2024

31st March 2025

6thFloor, GIFT ONE, Road 5C, GIFT CITY
Gandhinagar-382335 (Gujarat), INDIA
Phone: +91-79-23602000 Fax: +91-79-23602054/55
E-mail: gerc@gercin.org: Website www.gercin.org



सत्यमेव जयते

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GANDHINAGAR

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ABBREVIATIONS

A&G	Administrative and General Expenses
ARR	Aggregate Revenue Requirement
CAPEX	Capital Expenditure
CERC	Central Electricity Regulatory Commission
DISCOM	Distribution Company
DPA	Deendayal Port Authority
EA	Electricity Act, 2003
FPPPA	Fuel and Power Purchase Price Adjustment
FY	Financial Year
GERC	Gujarat Electricity Regulatory Commission
GFA	Gross Fixed Asset
GoG	Government of Gujarat
HT	High Tension
IoWC	Interest on Working Capital
kV	kilo Volt
kVA	kilo Volt Ampere
kVAh	kilo Volt Ampere hour
kWh	kilo Watt hour
KW	Kilo Watt
LT	Low Tension
LU	Lakh Units
MCLR	Marginal Cost of Funds based Lending Rate
MUs	Million Units
MW	Mega Watt
MYT	Multi-Year Tariff
O&M	Operations and Maintenance
p.a.	Per Annum
PPA	Power Purchase Agreement
R&M	Repairs and Maintenance
SBI	State Bank of India
SLDC	State Load Despatch Centre



**Before the Gujarat Electricity Regulatory Commission at
Gandhinagar**

Case No. 2370 of 2024

Date of the Order: 31st March 2025

CORAM

Anil Mukim, Chairman

Mehul M. Gandhi, Member

S. R. Pandey, Member

ORDER



1. Background and Brief History

1.1 Background

Deendayal Port Authority (formerly Kandla Port Trust) (hereinafter referred to as “DPA” or the “Petitioner”), a Distribution Licensee, has filed Petitions under Section 62 of the Electricity Act, 2003, read in conjunction with the Gujarat Electricity Regulatory Commission (Multi-Year Tariff) Regulations, 2016 (hereinafter referred to as the “GERC (MYT) Regulations, 2016”), for True up of FY 2021-22 & FY 2022-23 and Determination of ARR & Tariff for FY 2024-25, on 01.07.2024.

In the present case, the True up year(s) is FY 2021-22 and FY 2022-23, and the ensuing year is FY 2024-25. The GERC (MYT) Regulations, 2016, which has been notified on 29th March, 2016 were in force till 31st March, 2021. The applicability of GERC (Multi Year Tariff) Regulations, 2016 were extended vide Suo-Motu Order No. 2140 of 2022 dated 20.10.2022 and made applicable for tariff year 2023-24.

Further, the Commission, vide Order in Suo-Motu Petition No. 2264 of 2023 dated 05.12.2023, has further extended the applicability of GERC (Multi Year Tariff) Regulations, 2016 for another year and directed the utilities/licensees to file tariff petitions for FY 2024-25 based on principles and methodology as provided in the GERC (Multi- Year Tariff) Regulations, 2016 and also approved the extension of time up to 12.01.2024.

The DPA submitted the Petition for truing up for the FY 2021-22 & FY 2022-23 and determination of ARR and tariff for FY 2024-25 on 01.07.2024

After technical validation of the Petition, it was registered on 03.07.2024 as Case No. 2370 of 2024 and as provided under Regulation 29.1 of the GERC (MYT) Regulations, 2016, the Commission has proceeded with this Tariff Order.

1.2 Deendayal Port Authority

The Petitioner has submitted that Deendayal Port is one of the major ports in India under Ministry of Shipping and Waterways, Government of India. The Deendayal



Port is located on the Gulf of Kutch on the north-western coast of India and is the No. 1 Port in India and the main activity is to facilitate trade for cargo handling operations.

The license for supply of electricity was granted to DPA by the Chief Commissioner of Kutch under the Indian Electricity Act, 1910. Consequent to the enactment of the Electricity Act, 2003 (EA 2003), DPA has become a deemed Distribution Licensee under the EA 2003 and is required to file Petition before the Commission under Section 62 of the EA 2003 for determination of tariff. The distribution system of the Petitioner comprises one 66 kV Substation fed by double circuit overhead lines from GETCO 220 kV Substation at Anjar and fifteen 11 kV Substations in the licence area. In addition, the Petitioner has commissioned Wind power project with capacity of 10.2 MW for own use and is presently consuming the entire power generated from wind power turbines.

1.3 Commission's Order for approval of Truing Up of FY 2021-22 & FY 2022-23 and Determination of Tariff of FY 2024-25.

The Petitioner has filed the present Petition for Truing up for FY 2021-22 and FY 2022-23 and for Determination of ARR & Tariff for FY 2024-25 (Case No. 2370 of 2024) under the provisions of Act and Regulations issued by the Commission along with the other guidelines and directions issued by the Commission from time to time.

The Commission, in the Order dated 31st March, 2023, observed that the Petitioner has filed the Truing-up for FY 2021-22 on the basis of provisional accounts for FY 2021-22. As per GERC (MYT) Regulations 2016, the Truing-up exercise has to be based on Audited Accounts. Therefore, the Commission directed the Petitioner to file the petition for Truing-up for FY 2021-22 based on Audited Accounts at the earliest. The Petitioner, accordingly, has now filed the petition for truing up for FY 2021-22 and FY 2022-23 based on the audited accounts for FY 2021-22 and FY 2022-23 along with auditor's reports for the respective financial year. Accordingly, the Commission has considered truing up for FY 2021-22 and FY 2022-23 in this order



in terms of GERC (MYT) Regulations 2016.

1.4 Background of the present Petition

Regulation 16.2 (iii) of the GERC (MYT) Regulations, 2016 provides for the Truing up for previous year's Expenses and Revenue based on audited accounts vis-à-vis the approved forecast and categorization of variation in performance as those caused by factors within the control of the applicant (controllable factors) and those caused by factors beyond the control of the applicant (uncontrollable factors).

Regulation 16.2 (vi) of the GERC (MYT) Regulations, 2016 provides for annual determination of tariff for the Generating Company, Transmission Licensee, SLDC, Distribution Wire Business and Retail Supply Business, for each financial year, within the Control Period, based on the approved forecast and results of the Truing up exercise.

The Commission vide Order in Suo-Motu Petition No. 2264 of 2023 dated 5th December, 2023 directed all the concerned utilities to file the tariff application for approval of true-up for FY 2022-23, Approval of Aggregate Revenue Requirement (ARR) and Determination of Tariff for FY 2024-25 based on principles and methodology as provided in the GERC (Multi-Year Tariff) Regulations, 2016 on or before 12th January, 2024. DPA has filed the present Petition on 28.06.2024. DPA has filed Petition for Truing up of FY 2021-22 & FY 2022-23 and for determination of ARR & Tariff for FY 2024-25 in line with the provisions of Act and Regulations issued by the Commission along with the other guidelines and directions issued by the Commission from time to time.

1.5 Registration of the Current Petition and Public Hearing Process

The Petitioner submitted the current Petition for Truing up for FY 2021-22 & FY 2022-23 and determination of ARR & Tariff for FY 2024-25 on 01.07.2024. The petition was registered as Case no. 2370 of 2024 on 03.07.2024 and as provided under Regulation 29.1 of the GERC (MYT) Regulations, 2016, the Commission has proceeded with this Tariff Order.



In accordance with Section 64 of the Electricity Act, 2003, DPA was directed to publish its tariff application in the newspapers to ensure public participation. Accordingly, Public Notices were published, by the Petitioner, inviting objections/ suggestions from stakeholders on the petition of Truing up for FY 2021-22 & FY 2022-23 and determination of ARR & Tariff for FY 2024-25 filed by DPA in the following newspapers:

Table 1-1 : List of Newspapers in which Public Notice was published.

Sl. No.	Name of Newspaper	Language	Date of Publication
1	Times of India	English	06.08.2024
2	Divya Bhashkar	Gujarati	06.08.2024

The Petitioner has also placed the Public Notice and the Petitions on its website (www.deendayalport.gov.in) for inviting objections and suggestions on the petition from interested parties and stakeholders on or before 28th August, 2024.

The Commission also placed the Petitions and additional details received from the Petitioner on its website (www.gercin.org) for information and study for all the stakeholders.

The Commission as well as the Petitioner has not received any objections / suggestions on the Petition in Case No. 2370 of 2024.

1.6 Approach of this Order

The GERC (MYT) Regulations, 2016, provide for “Truing up” of the previous year and determination of Tariff for the ensuing year.

As per Clause 1.2 & 1.4 of the GERC (MYT) Regulations, 2016, the Commission has specified that the MYT framework will be applicable from 1st April, 2016 onwards.

DPA has approached the Commission with the present Petition for “Truing up” of FY 2021-22 & FY 2022-23 and determination of ARR & Tariff for FY 2024-25. DPA has submitted the audited accounts for FY 2021-22 and FY 2022-23.

The Commission, in accordance with the provisions of the GERC (MYT) Regulations 2016, has considered truing up for FY 2021-22 and FY 2022-23 based on the Audited



Annual Accounts.

Determination of ARR & Tariff for FY 2024-25 has been carried out as per the principles and methodology specified in the GERC (MYT) Regulations, 2016.

1.7 Contents of this Order

The Order is divided into **Ten Chapters** as detailed under: -

1. The **First Chapter** provides a brief background regarding the Petitioner, the Petitions on hand and approach adopted in this Order.
2. The **Second Chapter** outlines the summary of DPA's Petitions.
3. The **Third Chapter** deals with Truing up for FY 2021-22.
4. The **Fourth Chapter** deals with Truing up for FY 2022-23
5. The **Fifth Chapter** details the Determination of ARR for the FY 2024-25.
6. The **Sixth Chapter** deals with the Determination of Tariff for FY 2024-25.
7. The **Seventh Chapter** deals with the Compliance of Directives.
8. The **Eighth Chapter** deals with FPPPA Charges.
9. The **Nineth Chapter** deals with Determination of the Wheeling Charges and Cross- Subsidy Surcharge.
10. The **Tenth Chapter** deals with the Tariff Philosophy and Tariff Proposal.



2. Summary of DPA's Petition

2.1 Introduction

This Chapter deals with highlights of the Petition as submitted by DPA for Truing up for FY 2021-22 & FY 2022-23 and determination of ARR & Tariff for FY 2024-25.

2.2 True-up for FY 2021-22

A summary of the Truing-up for FY 2021-22 based on audited accounts compared with the approved ARR for FY 2021-22 in the Tariff Order dated 4th September, 2021 is presented in the Table below along with the item-wise Gain/Loss computations as submitted by DPA:

Table 2-1 : True-up Proposed for FY 2021-22

(Rs. Lakh)					
Sr. No.	Particulars	Approved in the Tariff Order	Actual Claimed	Gains / (Losses) due to Controllable factor	Gains / (Losses) due to Uncontrollable factor
1	Power Purchase Expenses	1264.10	1458.46	-	(194.36)
2	Operation & Maintenance Expenses	284.31	575.54	(291.23)	-
3	Depreciation	241.27	261.09	-	(19.69)
4	Interest & Finance Charges	-	-	-	-
5	Interest on Security Deposit	-	-	-	-
6	Interest on Working Capital	10.97	17.92	(6.95)	-
7	Return on Equity	196.27	216.20	-	(19.93)
8	Income Tax	-	-	-	-
9	Aggregate Revenue Requirement (ARR)	1996.92	2529.08	(298.18)	(233.98)
10	Less: Non-Tariff Income	20.75	148.08	-	(127.33)
11	Net ARR	1976.17	2381.01	(298.18)	(106.66)

2.3 Revenue Gap/ (Surplus) for FY 2021-22

DPA has proposed to pass on 1/3rd of total gain/(loss) on account of controllable factors and complete pass through of gain/(loss) on account of the uncontrollable factors as per the mechanism specified in the GERC (MYT) Regulation, 2016. Adjusting



these to the net Aggregate Revenue Requirement, DPA has arrived at the Revised Aggregate Revenue Requirement for FY 2021-22.

The Table below summarizes the proposed ARR and revenue gap claimed by DPA for Truing up of FY 2021- 22.

Table 2-2 : Revenue Gap/ (Surplus) claimed by DPA for FY 2021-22

(Rs. Lakh)		
Sr. No	Particulars	Actuals claimed
1	ARR originally approved for FY 2021-22	1976.17
2	Less: Gain/(Loss) on account of Uncontrollable factors to be passed on to Consumer	(106.66)
3	Less: Gain/(Loss) on account of Controllable factor to be passed on to Consumer (1/3 rd of Total Gain/(Loss))	(99.39)
4	Revised ARR for FY 2021-22 (1 - 2 - 3)	2182.22
5	Revenue from Sale of Power	2354.83
6	Revenue Gap/ (Surplus) after treating gains/(losses) due to Controllable/ Uncontrollable factors (4 - 5)	(172.61)

2.4 True-up for FY 2022-23

A summary of the ARR for Truing-up for FY 2022-23 based on Provisional accounts compared with the approved ARR for FY 2022-23 in the Tariff Order dated 31st March 2022 is presented in the Table below along with the item-wise Gain/Loss computations as submitted by DPA:

Table 2-3 : True-up Proposed for FY 2022-23

(Rs. Lakh)					
Sr. No.	Particulars	Approved in the Tariff Order	Actual Claimed	Gains / (Losses) due to Controllable factor	Gains / (Losses) due to Uncontrollable factor
1	Power Purchase Expenses	2356.62	2047.02	-	309.60
2	Operation & Maintenance Expenses	506.50	368.27	138.23	-
3	Depreciation	276.01	261.09	-	14.92
4	Interest & Finance Charges	2.95		-	2.95
5	Interest on Security Deposit			-	-
6	Interest on Working Capital	25.53	29.26	(3.73)	-
7	Return on Equity	224.43	216.20		8.23
8	Income Tax			-	-



Sr. No.	Particulars	Approved in the Tariff Order	Actual Claimed	Gains / (Losses) due to Controllable factor	Gains / (Losses) due to Uncontrollable factor
9	Aggregate Revenue Requirement	3392.05	2921.20	134.50	335.70
10	Less: Non-Tariff Income	15.30	48.18	-	(32.88)
11	Net ARR	3376.75	2873.02	134.50	302.82

2.5 Revenue Gap/ (Surplus) for FY 2022-23

DPA has proposed to pass on 1/3rd of total gain/(loss) on account of controllable factors and complete pass through of gain/(loss) on account of the uncontrollable factors as per the mechanism specified in the GERC (MYT) Regulation, 2016. Adjusting these to the net Aggregate Revenue Requirement, DPA has arrived at the Revised Aggregate Revenue Requirement from FY 2022-23.

The Table below summarizes the proposed ARR and revenue gap claimed by DPA for Truing up of FY 2022- 23.

Table 2-4 :Revenue Gap/ (Surplus) claimed by DPA for FY 2022-23

(Rs. Lakh)		
Sr. No.	Particulars	Actuals claimed
1	ARR originally approved for FY 2022-23	3376.75
2	Less: Gain/(Loss) on account of Uncontrollable factors to be passed on to Consumer	302.82
3	Less: Gain/(Loss) on account of Controllable factor to be passed on to Consumer (1/3 rd of Total Gain/(Loss))	44.83
4	Revised ARR for FY 2022-23 (1 - 2 - 3)	3029.10
5	Revenue from Sale of Power	2672.06
6	Revenue Gap/(Surplus) after treating gains/(losses) due to Controllable/ Uncontrollable factors (4 - 5)	357.04

2.6 Aggregate Revenue Requirement (ARR) for FY 2024-25

DPA has also sought approval for Aggregate Revenue Requirement for FY 2024-25 as per GERC (MYT) Regulations, 2016. DPA has submitted the Aggregate Revenue Requirement as under:



Table 2-5 :Aggregate Revenue Requirement projected by DPA for FY 2024-25

		(Rs. Lakh)
Sr. No.	Particulars	Projected for FY 2024-25
1	Power Purchase Expenses	2884.01
2	O&M Expenses	393.49
2.1	Employee Cost	90.46
2.2	Repair & Maintenance Cost	165.62
2.3	Administration & General Charges	137.41
3	Depreciation	261.09
4	Interest & Finance Charges	--
5	Interest on Working Capital	49.78
6	Interest on Security Deposit	-
7	Total Revenue Expenditure	3588.37
8	Return on Equity	216.20
9	Income Tax	-
10	Aggregate Revenue Requirement	3804.57
11	Less: Non-Tariff Income	48.18
12	Net Aggregate Revenue Requirement	3756.39

2.7 Revenue Gap/(Surplus) for FY 2024-25

Based on the projected ARR for FY 2024-25 given in the Table above, the estimated Revenue Gap projected by DPA for FY 2024-25 at existing tariff, is shown in the following Table:

Table 2-6 : Estimated Revenue Gap/(Surplus) of DPA for FY 2024-25

	(Rs. Lakh)
Consumer Category	Projected by DPA
Aggregate Revenue Requirement	3756.39
Add: Revenue Gap/(Surplus) after True up of FY 2021-22	(172.62)
Add: Revenue Gap/(Surplus) after True up of FY 2022-23	357.04
Total Aggregate Revenue Requirement	3940.81
Revenue with Existing Tariff	3833.56
Revenue Gap/(Surplus) with Existing Tariff	107.25

2.8 Proposed Tariff for FY 2024-25

DPA has projected a Revenue Gap of Rs.107.25 lakh for FY 2024-25, with respect to the projected revenue requirement and the revenue with existing retail supply tariff. This translates to a possible average tariff increase of around 2.7%, if the tariffs are increased across the board.



However, considering that some categories are subsidising, while some categories are subsidised, and the Distribution Licensee is required to reduce the cross-subsidies over a period of time, DPA has not proposed any changes in retail tariffs for FY 2024-25, as the increase is very minimal. DPA proposes to continue with the existing tariff.

2.9 DPA's Prayers to the Commission

DPA has made the following prayers to the Commission:

1. To admit the Petition for True-up of FY 2021-22 & FY 2022-23 and approval of ARR and Tariff for FY 2024-25 as per the provisions of GERC MYT Regulations 2016;
2. To approve the truing up and Revenue Gap/(Surplus) for FY 2021-22 & FY 2022-23 and recovery of the same through tariff of FY 2024-25, as proposed by DPA;
3. To approve the ARR for FY 2024-25 and its recovery through tariff as proposed by DPA;
4. To approve Retail Supply Tariff for FY 2024-25 and the Tariff schedule, as proposed by DPA;
5. To approve necessary reliefs sought by the Petitioner in the Petition;
6. Condone any inadvertent delay, omissions, errors, short comings and permit DPA to add/change/modify/alter this filing and make further submissions as may be required at a future date; and
7. Pass such Order and further Orders as deemed fit and proper in the facts and circumstances of the case.

3. Truing up for FY 2021-22

3.1 Introduction

This Chapter deals with the Truing up for FY 2021-22.

The expenses and revenue of DPA for FY 2021-22 presented for true-up are based on the audited annual accounts for FY 2021-22 and the principles adopted by the Commission as per the GERC (MYT) Regulations, 2016. The ARR so arrived has been compared with that approved by the Commission vide its Order dated 4th September, 2021.

3.2 Energy Sales to Consumers

Petitioner's Submission

The Petitioner had submitted actual category-wise energy sales data of FY 2021-22 as per audited accounts has been compared against the data approved by the Commission in its Order dated 4th September, 2021 for consideration in ARR of FY 2021-22. DPA has submitted that the sales to LT categories is declining in NRGP and LTMD categories due to decline in seasonal consumer energy consumption due to Corona lockdown from the impact of COVID-19, whereas the sales to LT categories in RGP, Streetlight and Temporary connection have increased. HT sales are higher than approved for FY 2021-22.

The actual category wise sales for FY 2021-22 were 284.49 LUs as against the approved sales of 263.87 LUs.

DPA has submitted the comparison of actual category wise sales of DPA against that approved by the Commission vide its Multi Year Tariff Order in the Table below:

Table 3-1 : Energy Sales for FY 2021-22 as submitted by DPA (LUs)

Category	FY 2021-22	
	Approved in the Order dated 04.09.2021	Actual claimed
RGP	5.31	5.78
NRGP	24.15	20.67
LTMD	37.06	20.45
Streetlights	10.92	24.98
Temporary	2.46	7.63
HT	183.98	204.99
Total Sales	263.87	284.49

Commission's Analysis

The overall actual energy sales as submitted by the Petitioner for FY 2021-22 is near to the level of total energy sales approved in the Tariff Order. Actual energy sales under LTMD category have declined by around 45% compared to the energy sales approved and similarly the actual sales under NRGP category have decreased by around 14% vis-à-vis approved for FY 2021-22. The energy sales have increased for the Street Lights category by around 129% and for the HT category have increased by around 11%.

Considering that the 'actual' category-wise sales as per the audited accounts for FY 2021-22, the Commission has reviewed the above submissions and found them to be satisfactory. Accordingly, the energy sales for FY 2021-22 are approved as follows:

Table 3-2 :Energy Sales approved for FY 2021-22 (LUs)

Category	FY 2021-22		
	Approved in the Order dated 04.09.2021	Actual claimed	Approved in Truing up
RGP	5.31	5.78	5.78
NRGP	24.15	20.67	20.67
LTMD	37.06	20.45	20.45
Streetlights	10.92	24.98	24.98
Temporary	2.46	7.63	7.63
HT	183.98	204.99	204.99
Total Sales	263.87	284.49	284.49

The Commission approves energy sales of 284.49 LUs for Truing up for FY 2021-22.



3.3 Distribution Losses

Petitioner's Submission

The Commission had approved the distribution loss levels for DPA at 5.00% for FY 2021-22 in the Tariff Order dated 4th September, 2021. DPA has submitted that 100% metering was not achieved in FY 2021-22, and around 15% of the sales are assessed. Based on the assessment of sales, the distribution loss works out to 5.00% for the purpose of true-up for FY 2021-22. It is submitted that DPA would be in a position to submit the data regarding actual distribution losses from true-up of FY 2022-23.

In the present Petition, DPA has considered the distribution loss of 5.00% for FY 2021-22 against the distribution loss of 5.00% approved by the Commission vide its Order dated 4th September, 2021.

Table 3-3 : Distribution Losses for FY 2021-22 submitted by DPA (%)

Particulars	FY 2021-22	
	Approved in the Order dated 04.09.2021	Actual claimed
Distribution Losses	5.00%	5.00%

Commission's Analysis

The Commission had approved Distribution Loss of 5.00% for FY 2021-22 in the Tariff order dated 4th September 2021.

The Commission in its data gaps has asked to provide the basis for consideration of distribution loss of 5.00% for FY 2021-22. In response to the Commission's query, DPA stated that in FY 2021-22, most of the revenue-based consumers were billed based on their actual electricity consumption.

The Commission observes that even after its assurance to provide 100% metering and directives in the earlier Tariff Orders, the 100% metering has not been completed by the Petitioner. In view of the above the Commission is approving the



distribution loss at 5.00% as approved for FY 2021-22 in the Tariff Order dated 04.09.2021.

Table 3-4 : Distribution loss approved for FY 2021-22 (%)

Particulars	FY 2021-22		
	Approved in the Order dated 04.09.2021	Actual claimed	Approved in Truing up
Distribution Losses	5.00%	5.00%	5.00%

The Commission approves Distribution Losses of 5.00% for Truing up for FY 2021-22.

3.4 Energy Requirement

Petitioner's Submission

The Petitioner has calculated the total energy requirement by grossing up of actual energy sales with the actual distribution losses. The actual energy requirement of DPA for FY 2021-22 is higher than that approved by the Commission in the Tariff Order dated 4th September, 2021 owing to higher actual energy sales as compared to approved energy sales value.

There is also incident of losses on account of inter-State transmission loss on the units purchased from Power Exchanges and intra-State transmission losses on the units purchased from the own Wind generation plants as well as the UI units. The effective transmission loss on the entire quantum of power purchase translates to 4.15%, which includes inter-State as well as intra-State transmission loss. Hence, DPA has incurred power purchase expenses for purchase of 312.43 LU and has received net 299.47 LU at its periphery.

The gross energy requirement at Discom boundary for subsequent sale to the consumers for FY 2021-22 is 312.43 LUs as compared to 281.85 LUs as approved by the Commission.



Table 3-5 :Energy Requirement for FY 2021-22 as submitted by DPA (LUs)

Sr. No.	Particulars	FY 2021-22	
		Approved in the Order dated 04.09.2021	Actual claimed
1	Energy Sales	263.87	284.49
2	Distribution Losses (%)	5.00%	5.00%
3	Distribution Losses	13.89	14.97
4	Total Energy Requirement	277.76	299.47
5	Transmission Losses (%)	-	4.15%
6	Transmission Losses	4.09	12.97
7	Total Energy Requirement to be purchased	281.85	312.43

Commission's Analysis

The actual energy requirement as reported by the Petitioner for FY 2021-22 is higher than the energy requirement approved in the Tariff Order dated 4th September, 2021.

In data gaps query, the Commission has sought clarification regarding basis for consideration of Transmission loss as 4.15% for 2021-22.

The Commission has also observed that as per the audited accounts the net UI drawal is at 25.84 LU and total quantum of units procured is at 313.69 LU against which the Petitioner has considered net UI drawal at 24.58 LU and total purchases at 312.43 LU. In its reply dated 11.12.2024, DPA has submitted that the actual net UI drawal is at 25.84 LU and total energy purchases as 313.69 LU.

The actual Energy Requirement is higher than that approved in the Tariff Order dated 4th September, 2021, due to higher actual Sales. The actual Energy Requirement being the sum of Energy Sales, Distribution Losses and Transmission Losses works out to 313.69 LUs for FY 2021-22. The Commission has considered the sales and energy purchases as submitted by the Petitioner for FY 2021-22 and considered the distribution loss at 5.00% as approved in the Tariff Order dated 4th September, 2021. However, considering the sales of 284.49 LU, energy purchases of 313.69 LU and distribution loss @ 5%, the transmission loss works out to 4.53% for FY 2021-22.

The energy requirement for FY 2021-22 has been computed by grossing up the sales



with the Distribution Losses and Transmission Losses and accordingly approves the Energy Requirement in Truing up for FY 2021-22 as shown in the Table below:

Table 3-6 : Energy Requirement for FY 2021-22 considered by the Commission (LUs)

Sr. No.	Particulars	FY 2021-22		
		Approved in the Order dated 04.09.2021	Actual claimed	Approved in Truing up
1	Energy Sales	263.87	284.49	284.49
2	Distribution Losses (%)	5.00%	5.00%	5.00%
3	Distribution Losses	13.89	14.97	14.97
4	Total Energy Requirement	277.76	299.47	299.47
5	Transmission Losses (%)		4.15%	4.53%
6	Transmission Losses	4.09	12.97	14.22
7	Total Energy Requirement to be purchased	281.85	312.43	313.69

3.5 Power Purchase Cost

Petitioner's Submission

DPA has submitted that power purchase cost of DPA for FY 2021-22 comprises purchase from PGVCL, own wind generation plants, Indian Energy Exchange, and net purchase from Unscheduled Interchange. Power purchase from PGVCL is Nil and primarily Fixed Charges were payable for the contracted capacity till September 2021. The Contract Demand with PGVCL in FY 2021-22 was 2500 kVA. The PPA with PGVCL has not been extended since September 2021, thereby resulting in significant cost savings in the power purchase cost. DPA has submitted that Purchase from own Wind generation plants have been considered at the average rate of Rs. 3.20/kWh.

DPA has submitted that as per GERC (Procurement of Energy from Renewable Sources) Regulations, 2010 and its Amendment in 2018, the Renewable Purchase Obligation (RPO) target for FY 2021-22 is 8.00% for Solar, 8.25% for Non-Solar and 0.75% for Others (Biomass, Small Hydro, Bagasse, MSW). The combined RPO target is 17.00%. DPA has submitted that it has not purchased any Solar Power or RE power from Others (Biomass, Small Hydro, Bagasse, MSW), the quantum of purchase from Wind (Non-Solar) is 34% of the total power purchase quantum. Thus, the actual Non-Solar RPO achieved is far in excess of the RPO target specified by the Commission for



Non-Solar power. Further, the Petitioner has requested to the Commission to set-off the over-achievement of Non-Solar RPO against the under-achievement of Solar targets as a special case considering the significantly higher over-achievement against the Non-Solar RPO target.

DPA has submitted that the actual power purchase quantum is higher than the approved quantum on account of the higher actual sale. However, DPA has been able to reduce the power purchase cost also, in per unit terms, with the lower power drawal from PGVCL.

The UI charges have also been managed at lower levels. DPA has overdrawn 57.57 LU and underdrawn 31.73 LU under Unscheduled Interchange (UI), resulting in net drawal of 24.58 LU and UI & other charges of Rs.156.27 lakh. The average rate works out to Rs.4.49/kWh through UI, which is slightly higher than the overall average rate of Rs.4.48/kWh approved for FY 2021-22 in the Tariff Order.

The overall average rate of power purchase for FY 2021-22 works out to Rs. 4.66/kWh, as compared to the rate of Rs. 4.48/kWh approved in the Tariff Order dated 4th September 2021.

Table 3-7 : Power Purchase Cost for FY 2021-22 as submitted by DPA (Rs. Lakh)

Particulars	FY 2021-22					
	Approved in the Order dated 04.09.2021			Actual claimed		
	Quantum (LU)	Cost (Rs. Lakh)	Rate (Rs/kWh)	Quantum (LU)	Cost (Rs.Lakh)	Rate (Rs/ kWh)
Power Purchased from PGVCL	41.56	395.13	9.51		52.74	
Wind Farm	115.63	370.02	3.20	107.98	345.54	3.20
Power Exchange	124.67	498.67	4.00	179.87	903.91	5.02
Transmission Charges, UI, SLDC Charges		0.28		24.58	156.27	6.35
TOTAL	281.85	1264.10	4.48	312.43	1458.46	4.66

Further, the Petitioner submitted that the variation in power purchase costs is considered as Uncontrollable as per the GERC MYT Regulations, 2016. The computation of gain/(loss) in power purchase costs due to uncontrollable factors



are shown as summarised in the Table below:

Table 3-8 : Gains/ (Losses) on account of Power Purchase Cost in the Truing up for FY 2021-22

Particulars	FY 2021-22 (Rs. Lakh)			
	Approved in the Order dated 04.09.2021	Actual claimed	Gains/(Losses) due to controllable factors	Gains/(Losses) due to Uncontrollable factors
Power Purchase cost	1264.10	1458.46	-	(194.36)

Commission Analysis

DPA has submitted the actual power purchase cost incurred for FY 2021-22, which is verified from the Audited Annual Accounts.

It is observed that the actual power purchase cost is higher/increased by around 15% compared to the power purchase cost approved in the Tariff Order for FY 2021-22.

The Commission has directed the Petitioner to submit the source-wise monthly power purchase bills for verification. In response to the query, the monthly source wise invoices under long term PPA were submitted by DPA and which were verified by the Commission. Hence, the Commission approves the power purchase cost for the period from FY 2021-22, as shown in the Table below:

Table 3-9 : Power Purchase Cost for FY 2021-22 approved by the Commission (Rs. Lakh)

Particulars	FY 2021-22								
	Approved in the Tariff Order			Actual claimed			Approved in Truing up		
	Qtm. (LUs)	Cost (Rs. Lakh)	Rate (Rs/ kWh)	Qtm. (LUs)	Cost (Rs. Lakh)	Rate (Rs/ kWh)	Qtm. (LUs)	Cost (Rs. Lakh)	Rate (Rs/ kWh)
Power Purchased from PGVCL	41.56	395.13	9.51		52.74			52.74	
Wind Farm	115.63	370.02	3.20	107.98	345.54	3.20	107.98	345.54	3.20
Power Exchange	124.67	498.67	4.00	179.87	903.91	5.02	179.87	903.91	5.02
Transmission Charges, UI, SLDC Charges		0.28		24.58	156.27	6.35	25.84	156.27	6.05
Less: DPS amount paid to PGVCL									
TOTAL	281.85	1264.10	4.48	312.43	1458.46	4.66	313.69	1458.46	4.65



As per the GERC (MYT) Regulations 2016, power purchase is considered as uncontrollable and accordingly variation in power purchase cost is considered as pass through into the ARR in truing up FY 2021-22.

In view of the aforementioned Regulatory provisions, the gain/(loss) in power purchase costs due to uncontrollable factors are shown as summarised in the Table below:

Table 3-10 : Gains/ (Losses) on account of Power Purchase Cost in the Truing up for FY 2021-22

Particulars	FY 2021-22 (Rs. Lakh)				
	Approved in the Order dated 04.09.2021	Actual claimed	Approved in Truing up	Gains/(Losses) due to controllable factors	Gains/(Losses) due to Uncontrollable factors
Power Purchase cost	1264.10	1458.46	1458.46	-	(194.36)

3.6 Capital Expenditure, Capitalization and Sources of Funding

Petitioner's Submission

The Petitioner has submitted that the Commission, in the Tariff Order dated 4th September 2021, had approved Capital Expenditure and Capitalization of Rs.299.48 lakh for FY 2021-22, based on DPA's proposals. However, actual capital expenditure and capitalisation is Nil for FY 2021-22.

The Petitioner has submitted the capital expenditure for FY 2021-22 as summarised in the Table below:

Table 3-11 : Capital Expenditure submitted by DPA for FY 2021-22 (Rs. Lakh)

Particulars	FY 2021-22	
	Approved in the Tariff Order	Actual claimed
Capital Investment	619.91	--
Capitalisation	299.48	--



Commission's Analysis

The Petitioner has not claimed capital expenditure and capitalisation for FY 2021-22 in truing up. It is observed from the audited annual accounts for FY 2021-22, the DPA has not incurred any expenditure for capital works and no capitalisation/asset additions are made during FY 2021-22. Accordingly, the Commission based on audited annual accounts for FY 2021-22 has considered Nil capex and capitalisation in truing up for FY 2021-22.

Table 3-12 : Capex and Capitalization approved for FY 2021-22 (Rs. Lakhs)

Particulars	FY 2021-22		
	Approved in the Tariff Order	Actual Claimed	Approved in Truing up
Capital expenditure	619.91	--	--
Capitalisation	299.48	--	--

3.7 Operation and Maintenance (O&M) Expenses

Petitioner's Submission

The Petitioner has submitted that its O&M expenses comprise the following heads:

- Employee Expenses, comprising salaries and wages of only those employees who are directly involved in the Distribution business;
- Repair & Maintenance (R&M) expenses, which are incurred towards the day-to-day upkeep of the distribution network for supplying reliable and quality power and reducing distribution losses;
- Administrative & General (A&G) expenses comprising of vehicle hiring cost, travelling expenses, telephone and other communication expenses, advertisement, consultant fees, licence fees, etc.

The Petitioner has claimed the actual O&M cost for FY 2021-22, as shown in the following Table:



Table 3-13 : O&M Expenses submitted by DPA for FY 2021-22 (Rs. Lakh)

Sr. No.	Particulars	FY 2021-22	
		Approved in the Tariff Order	Actual claimed
1	Employee Expenses	64.01	61.74
2	Repair and Maintenance Expenses	178.89	357.49
3	Administration and General Expenses	41.42	156.30
4	Operation & Maintenance Expenses	284.31	575.54

DPA has requested the Commission to approve O&M expenses for FY 2021-22 and pass on the variation in the ARR as controllable factor as mentioned in Table below:

Table 3-14 : Gains/(loss) of O&M Cost for FY 2021-22 as submitted by DPA (Rs. Lakh)

Particulars	FY 2021-22			
	Approved in the Tariff Order	Actual claimed	Gain/(Loss) due to Controllable Factor	Gain/(Loss) due to Uncontrollable Factor
Total O&M Expenses	284.31	575.54	(291.23)	-

Commission's Analysis

The Commission has verified the actual O&M expenses claimed by the Petitioner to be the same as the amounts reported in the Audited Annual Accounts. The total actual O&M expenses claimed for FY 2021-22 are at Rs.575.54 lakhs which is not in much variation with the total actual O&M expenses approved (Rs.554.02 lakh) in truing up for FY 2020-21.

The Commission, based on the audited annual accounts, approves the total actual O&M expenses for FY 2021-22 as shown in the Table below:

Table 3-15 : O&M Expenses approved for FY 2021-22 (Rs. Lakhs)

Sr. No.	Particulars	FY 2021-22		
		Approved in the Tariff Order	Actual claimed	Approved in truing up
1	Employee Expenses	64.01	61.74	61.74
2	Repair and Maintenance Expenses	178.89	357.49	357.49
3	Administration and General Expenses	41.42	156.30	156.30
4	Operation & Maintenance Expenses	284.31	575.54	575.53



As per the GERC (MYT) Regulations 2016, O&M expenses are considered as controllable factor and accordingly the gain/(loss) in O&M expenses due to controllable factors are shown as summarised in the Table below:

Table 3-16 : Gains/ (Losses) on account of O&M expenses approved for FY 2021-22 in Truing up

Particulars	FY 2021-22 (Rs. Lakh)				
	Approved in the Tariff Order	Actual claimed	Approved in truing up	Gains/(Losses) due to controllable factors	Gains/(Losses) due to Uncontrollable factors
O&M Expenses	284.31	575.54	575.53	(291.22)	

3.8 Depreciation

Petitioner's Submission

The Petitioner has submitted that the opening balance of Gross Fixed Assets (GFA) for FY 2021-22, equal to the closing GFA approved by the Commission in the true-up for FY 2020-21. It is submitted no asset addition has been done during FY 2021-22. Depreciation is computed under straight-line method by applying the asset class-wise rate of depreciation in accordance with the GERC MYT Regulations 2016. It is also submitted that depreciation booked in the Accounts of DPA for FY 2021-22 has been computed in accordance with the provisions of the Major Port Trust Act, 1963, and hence, is different from the depreciation computed in accordance with the GERC MYT Regulations, 2016. However, for the purposes of truing up for FY 2021-22, depreciation computed and considered in accordance with the GERC MYT Regulations, 2016.

The asset class-wise Opening GFA considered based on above rationale for FY 2021-22, are as shown in the Table below:

Table 3-17 : Asset addition as submitted by DPA for FY 2021-22 (Rs. Lakh)

Particulars	FY 2021-22		
	Opening GFA	Addition to GFA	Closing GFA
Land & Land Rights	89.13	--	89.13
Buildings	319.20	--	319.20



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Particulars	FY 2021-22		
	Opening GFA	Addition to GFA	Closing GFA
Plant & Machineries	1411.43	--	1411.43
Lines & Cable Net Works	3322.02	--	3322.02
Furniture & Fixtures & Electrical Lightings	2.85	--	2.85
Office Equipment	3.00	--	3.00
Total	5147.64	--	5147.64

The Petitioner submitted the Depreciation calculated for FY 2021-22 as per the below Table:

Table 3-18 : Depreciation submitted by DPA for FY 2021-22 (Rs. Lakh)

Particulars	FY 2021-22		
	Approved in the Tariff Order	Actual claimed	Deviation Gain/(Loss)
Opening Gross Block	4523.35	5147.64	
Addition During Year	299.48		
Closing Gross Block	4822.23	5147.64	
Average GFA	4552.35	5147.64	
Depreciation for the year	241.27	261.09	(19.69)
Average Depreciation Rate	5.29%	5.07%	

DPA has requested the Commission to approve the depreciation for FY 2021-22 as mentioned above and pass the variation in approved ARR as controllable factor as shown in the Table below:

Table 3-19 : Gains/(loss) on account of Depreciation for FY 2021-22 as claimed by DPA

Particulars	FY 2021-22			
	Approved in the Tariff Order	Actual claimed	Gain/(Loss) due to Controllable Factor	Gain/(Loss) due to Uncontrollable Factor
Depreciation	241.27	261.09	-	(19.69)

Commission's Analysis

The Commission had approved the closing Gross Block of Rs. 5145.14 lakhs in the true-up Order of FY 2020-21 but in the current Petition the Petitioner has considered the opening GFA as Rs. 5147.64 lakhs due to the variation of Rs. 2.50 lakhs in its opening GFA for Plant & Machinery.

It is pertinent to state that the Commission had approved closing value of Plant &



Machinery at Rs.1408.93 lakhs in truing up for FY 2020-21 and the same shall be considered by the petitioner as opening value of Plant & Machinery for FY 2021-22, however has considered Rs.1411.43 lakhs as opening value of Plant & Machinery for FY 2021-22 in the petition and claimed ARR parameters in true up for FY 2021-22.

The Commission had directed the Petitioner to furnish the details and reasons for variation in Plant & Machinery. DPA has not submitted the details and reasons in support of the variation in the GFA.

In the absence of the information, the Commission is compelled to consider the opening GFA at Rs.5145.14 lakhs for FY 2021-22 based on the closing GFA approved in true up for FY 2020-21 against Rs.5147.64 lakhs claimed by the petitioner in truing up for FY 2021-22.

It is observed from the audited accounts for FY 2021-22, the depreciation is at Rs.177.65 crore and weighted average rate of depreciation works out to 3.45% $((177.65/5147.64)*100)$. The Commission had directed the Petitioner to furnish the reasons for claiming depreciation at Rs.261.09 crore along with supporting computations. The petitioner has reported that *“depreciation has been claimed based on computation of depreciation as assets in accordance with depreciation schedule of the GERC Tariff Regulations 2016”*. DPA has requested to approve depreciation of Rs.216.09 lakhs as claimed in truing up for FY 2021-22.

DPA has submitted the Asset register for FY 2021-22. The Commission, considering the year of commissioning of asset and rate of depreciation as per MYT Regulations, 2016 and has computed the depreciation for FY 2021-22. It is observed that most of the assets have attained cumulative depreciation of 90% of the value of assets by FY 2021-22. As per the Asset-wise depreciation computations, the depreciation works out to Rs.151.28 lakhs for FY 2021-22 and the same was intimated to the petitioner for their elucidations. However, the petitioner has not submitted any clarification / information on the subject except stating that *“depreciation has been claimed based on computation of depreciation on assets in accordance with depreciation schedule of the GERC Tariff Regulations 2016”*.



The Commission, as deliberated above, has computed the asset-wise depreciation considering the year of commissioning of the assets and rate of depreciation specified in the GERC (MYT) Regulations, 2016 as shown in the Table below:

Table 3-20: Depreciation approved by the Commission for FY 2021-22**(Rs. Lakh)**

Sr. No.	Particulars	FY 2021-22		
		Approved in the Tariff Order	Actual Claimed	Approved in Truing up
1	Gross Block at the beginning of the year	4523.35	5147.64	5145.14
2	Less: Value of land	299.48	--	89.13
3	Net depreciable assets (1-2)			5056.01
4	Addition during the year			
5	Net depreciable assets at the end of the year (3+4)			5056.01
6	Average depreciable assets (3+5)/2	4822.83	5147.64	5056.01
7	Depreciation	241.27	261.09	151.28
8	Average rate of depreciation	5.16%	5.07%	2.99%

3.9 Interest & Finance Expenses

Petitioner's Submission

The Petitioner has submitted that normative opening loan for FY 2021-22 is considered as per normative closing loan approved by the Commission for FY 2020-21 in truing up. The loan repayment has been considered equal to the depreciation computed for the respective year. As there is no actual loan in case of DPA, the interest rate has been considered based on the Reserve Bank of India (RBI) Bank Rate plus 200 basis points, as specified in the GERC MYT Regulations, 2016, i.e., Bank Rate of 4.65% as on April 1, 2021 plus 200 basis points, equalling 6.65%. As there is no actual loan, there are no actual financing charges.

The Petitioner has submitted the calculation of Interest & Finance Charges as per Regulation 38 of the GERC (MYT) Regulations, 2016 for FY 2021-22 as shown in the Table below:



Table 3-21 : Interest & Finance Charges submitted by DPA for FY 2021-22 (Rs. Lakh)

Particulars	FY 2021-22	
	Approved in the Tariff Order	Actual Claimed
Opening Loan	-	-
Loan Addition	-	--
Loan Repayment	209.64	260.96
Closing Loan	-	--
Average Loan	-	--
Total Interest	-	--
Average Interest Rate	-	--

The Petitioner has further submitted that the Interest expenses are categorised as uncontrollable expenses as per the provisions of the GERC MYT Regulations, 2016 and accordingly, the comparison of Interest expenses approved by the Commission with the actual Interest expenses of DPA as shown in the Table below:

Table 3-22 : Gains/ (Losses) on account of Interest Expenses as submitted by DPA for FY 2021-22

Particulars	Approved in the Tariff Order	Actual claimed	(Rs. Lakh)	
			Gains/ (Losses) due to controllable factors	Gains/(Losses) due to Uncontrollable factors
Interest Expenses	-	-	-	-

Commission's Analysis

The Commission has approved normative closing loan of Rs.166.47 lakhs in truing up for FY 2020-21 in order dated 31.03.2022. However, the petitioner has considered normative opening loan as "Nil". The Petitioner was directed to furnish the reasons for not considering the opening loan. The petitioner has submitted that there has been no addition to normative loan as there has been no addition to GFA, however, no specific reply / clarification on the query has been submitted by the petitioner.

The Commission has considered the normative opening loan for FY 2021-22 at Rs.166.47 lakhs same as the normative closing loan approved in the true-up for FY 2020-21 in Order dated 31.03.2022.

Since Capitalisation / asset addition during FY 2021-22 is considered at Nil, as such



addition to loan is also considered as Nil.

The Commission in terms of GERC (MYT) Regulations 2016 has considered the Rate of interest on loan based on the RBI Bank Rate of 4.65% (as on April 1, 2021) plus 200 basis points (2%) equating to 6.65% and Repayment of loan equal to the depreciation allowed for FY 2021-22 in truing up.

The computation of interest expenses approved by the Commission for FY 2021-22 is shown in the Table below:

Table 3-23 : Interest expenses approved by the Commission for FY 2021-22 (Rs. Lakh)

Particulars	FY 2021-22		
	Approved in the Tariff Order	Actual Claimed	Approved in Truing up
Opening Loan	-	-	166.47
Loan Addition	-	-	-
Loan Repayment	209.64	260.96	151.28
Closing Loan	-	-	15.19
Average Loan	-	-	90.83
Rate on interest			6.65%
Interest on normative loan	-	-	6.04

3.10 Interest on Security Deposit

Petitioner's Submission

The Petitioner has submitted that, as per audited annual accounts no actual interest is paid on the Consumer Security Deposits in FY 2021-22. Hence, in line with the approach adopted by Commission in previous truing up Orders, DPA has not claimed any interest on Consumer Security Deposits in the truing up for FY 2021-22.

Commission's Analysis

The Commission has considered Nil interest on Consumers Security Deposit for FY 2021-22 in truing up as no interest is paid to the consumers during FY 2021-22.

3.11 Return on Equity

Petitioner's Submission

DPA has considered closing equity balance of FY 2020-21 approved in the true-up

Order dated 31st March 2022 as opening equity balance for FY 2021-22. DPA has submitted that there is no addition or reduction in the equity as there is no change in GFA in 2021-22. DPA has computed the Return on Equity considering a rate of return at 14% as per GERC (MYT) Regulations, 2016 as shown below:

Table 3-24 : Return on Equity submitted by DPA for FY 2021-22

Sr. No.	Particulars	FY 2021-22	
		Approved in the tariff order	Actual claimed
1	Opening Equity Capital	1357.00	1544.29
2	Equity Addition during the Year	89.94	--
3	Closing Equity	1446.84	1544.29
4	Average Equity	1401.92	1544.29
5	Rate of Return on the Equity	14.00%	14.00%
6	Return on Equity	196.27	216.20

DPA submitted that as per the provisions of the GERC (MYT) Regulations 2016, RoE is categorised as uncontrollable and accordingly, the comparison of RoE approved by the Commission with the actual RoE of DPA as shown in the Table below:

Table 3-25 : Gains/ (Losses) on account of RoE in the Truing up for FY 2021-22

Particulars	Approved in the Tariff order	Actual claimed	Gains/(Losses) due to controllable factors	(Rs. Lakh)
				Gains/(Losses) due to Uncontrollable factors
Return on Equity	196.27	216.20	-	(19.93)

Commission's Analysis

The Commission had approved closing equity of Rs.1516.80 lakh in truing up for FY 2020-21 in Tariff order dated 31.03.2022. However, DPA has claimed opening equity at Rs.1544.29 lakh even though it is stated that opening equity for FY 2021-22 is considered same as closing equity approved in truing up for FY 2020-21.

The Petitioner was directed to furnish the reasons along with details for claiming higher opening equity (Rs.1544.29 lakh). In response, DPA has submitted that *considering GFA of Rs.5147.64 lakh as on 31.03.2022 as per audited accounts, the equity works out to Rs.1544.29 lakh and accordingly the same has been claimed in*



the petition for true up of FY 2021-22.

The Commission has considered the opening equity at Rs.1516.80 crore for FY 2021-22 same as the closing equity approved for FY 2020-21 in the true-up Order dated 31.03.2022. Equity addition during the year is considered as Nil since no asset additions are made during FY 2021-22. The rate of RoE is considered at 14% for FY 2021-22 in accordance with the applicable GERC (MYT) Regulations, 2016. The RoE has been computed on the average equity in each year, in accordance with the applicable the GERC (MYT) Regulations, 2016, as shown in the Table below:

Table 3-26 : RoE approved by the Commission for FY 2021-22 (Rs. Lakh)

Particulars	FY 2021-22		
	Approved in the Tariff Order	Actual Claimed	Approved in Truing up
Opening Equity Capital	1357.00	1544.29	1516.80
Equity Addition during the Year	89.84	-	-
Closing Equity	1446.84	1544.29	1516.80
Average Equity	1401.92	1544.29	1516.80
Rate of Return on the Equity	14.00%	14.00%	14.00%
Return on Equity	196.27	216.20	212.35

3.12 Income Tax

Petitioner's Submission

The Petitioner has submitted that the actual Income Tax paid/payable for FY 2021-22 is Nil and hence, not claimed in truing up.

Commission's Analysis

As the actual Income Tax for FY 2021-22 has been Nil, the Commission has considered Nil Income Tax for FY 2021-22 in truing up.

3.13 Non-Tariff Income (NTI)

Petitioner's Submission

The Petitioner has submitted that Non-Tariff Income comprises interest on security deposit with PGVCL, savings bank interest, supervision charges, meter connection charges, etc. DPA has considered the actual Non-Tariff Income of Rs.148.08 lakh for



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FY 2021-22, in accordance with the Audited Annual Accounts, as shown in the Table below:

Table 3-27: Non-Tariff Income claimed by DPA for FY 2021-22

Sr. No.	Particulars	FY 2021-22 (Rs. Lakh)	
		Approved in the Tariff Order	Actual Claimed
1	Interest on Security Deposit with PGVCL		15.11
2	Meter Connection charges		0.87
3	Surcharge Charges		7.77
4	Supervision Charges		94.37
5	Pro-rata charges		29.04
6	Registration charges		0.21
7	Saving Bank Interest		0.70
	Total	20.75	148.08

DPA submitted that as per the provisions of the GERC MYT Regulations, 2016, Non-Tariff Income is categorised as uncontrollable and accordingly, the comparison of Non-Tariff Income approved by the Commission with the actual Non-Tariff Income of DPA shows a gain of Rs.127.33 lakh as shown in the Table below:

Table 3-28 : Gains/ (Losses) on account of Non-Tariff Income in the Truing up for FY 2021-22

Particulars	Approved	Actual	Gains/(Losses) (Rs. Lakh)	
			Gains/(Losses) due to controllable factors	Gains/(Losses) due to Uncontrollable factors
Non-Tariff Income	20.75	148.08	-	(127.33)

Commission's Analysis

The Commission has verified the actual Non-Tariff Income from the Audited Accounts and accepted the Non-Tariff Income for the period from FY 2021-22 as submitted by the Petitioner as shown in the Table Below:

Table 3-29 : Non-Tariff Income approved by the Commission for FY 2021-22

Particulars	FY 2021-22 (Rs. Lakh)		
	Approved in the Tariff Order	Actual Claimed	Approved in Truing up
Non-Tariff Income	20.75	148.08	148.08



3.14 Interest on Working Capital

Petitioner's Submission

DPA has calculated working capital requirement on actual value of these components in accordance with GERC MYT Regulations, 2016, as amended from time to time.

In line with the First Amendment to the GERC MYT Regulations, 2016 dated 2nd December, 2016, the rate of interest considered is the weighted average of the 1-year MCLR of the StateBank of India (SBI) during the year plus 250 basis points. This rate works out to 9.50%. Also, as per these Regulations, one month of receivables are to be considered for calculation of interest on working capital. Also amount held as security deposit from consumers under clause (a) and clause (b) of sub-section (1) of Section 47 of the Electricity Act, 2003, except the security deposit held in the form of Bank Guarantees is to be deducted from it.

The Petitioner has submitted the calculation of normative Interest on Working Capital (IoWC) for FY 2021-22, in accordance with the applicable GERC (MYT) Regulations, as shown in the following Table:

Table 3-30 : Interest on Working Capital submitted by DPA for FY 2021-22 (Rs. Lakh)

Sr. No.	Particulars	FY 2021-22		
		Approved in the Tariff Order	Actual claimed	Deviation
1	O&M Expenses	23.69	47.96	
2	Maintenance Spares	45.23	51.48	
3	Receivables	164.68	202.88	
4	Less: Consumer Security Deposit	126.55	113.69	
5	Total Working Capital	107.06	188.63	
6	Interest Rate	10.25%	9.50%	
7	Interest on Working Capital	10.97	17.92	(6.95)

DPA has submitted that in the Tariff Order for FY 2020-21, the Commission had not allowed normative interest on Working Capital to DPA under the premise that in the truing up exercise for the previous years, the Commission had not been able to verify the receivables and O&M expenses. However, for FY 2020-21, the Receivables as well as the O&M expenses have been considered as per the duly audited Accounts



and can be verified. DPA requested to the Commission to allow the normative Interest on Working Capital in accordance with the provisions of the GERC MYT Regulations, 2016.

DPA has requested to allow variation from approved figures as uncontrollable factor in order to allow full pass through of Interest of Working Capital in True-up. Accordingly, DPA has considered deviation in the actual vis-à-vis the approved expenses towards interest on working capital as uncontrollable.

Table 3-31: Gains/(Loss) on account of Interest on Working Capital submitted by DPA for FY 2021-22

Particulars	FY 2021-22			
	Approved in the Tariff Order	Actual claimed	Gain/(Loss) due to Controllable Factor	Gain/(Loss) due to Uncontrollable Factor
Interest on Working Capital	10.97	17.92	(6.95)	

(Rs. Lakh)

Commission's Analysis

The Commission has reviewed the working capital requirement considering the component wise values approved in preceding sections.

Regarding the rate of interest on working capital, the Commission vide notification no.7 of 2016 dated 2nd December, 2016 has amended its Regulation 40.4 (b) of the GERC (MYT) Regulations, 2016 as given under:

“Interest shall be allowed at a rate equal to the State Bank Base Rate (SBBR) /1-year State Bank of India (SBI) Marginal Cost of Funds Based Lending Rate (MCLR) / any replacement thereof by SBI for the time being in effect applicable for 1 year period, as may be applicable as on 1st April of the financial year in which the petition is filed plus 250 basis points:

Provided that at the time of Truing up for any year, interest on working capital shall be allowed at a rate equal to the weighted average State Bank Base Rate



(SBBR) / 1-year State Bank of India (SBI) Marginal Cost of Funds Based Lending Rate (MCLR) / any replacement thereof by SBI for the time being in effect applicable for 1 year period, as may be applicable prevailing during the financial year plus 250 basis points.”

In line with the above proviso to Regulation 40.4 (b), the Commission has considered the weighted average State Bank of India (SBI) Marginal Cost of Funds Based Lending Rate (MCLR) of 1 year Tenor. The weighted average SBI MCLR (1 year tenor) is worked out to 7.00% for FY 2021-22 and the rate of interest on working capital is calculated to 9.50% (7.00%+2.50% (i.e. 250 basis points)) for FY 2021-22.

As per Note 6 of the audited annual accounts for FY 2021-22, the consumers security deposits are at Rs.113.69 lakh and accordingly the same is considered and reduced from the total working capital requirement in terms of the GERC (MYT) Regulations 2016.

The Commission based on the norms in as specified in the GERC (MYT) Regulations 2016 has considered the interest on working capital as shown in the table below:

Table 3-32 : Interest on Working Capital approved for FY 2021-22

(Rs. Lakh)

Particulars	FY 2021-22		
	Approved in the Tariff Order	Actual Claimed	Approved in Truing up
O&M Expenses	23.69	47.96	47.96
Maintenance Spares	45.23	51.48	51.45
Receivables	164.68	202.88	189.35
Less: Consumers' Security Deposit	126.55	113.69	113.69
Total Working Capital requirement	107.05	188.63	175.07
Interest Rate	10.25%	9.50%	9.50%
Interest on Working Capital	10.97	17.92	16.63

3.15 Revenue from Sale of Power

Petitioner's Submission

The Petitioner has submitted that the actual revenue from sale of electricity for FY 2021-22 as Rs.2354.83 lakh, as per Audited Accounts.



Commission’s Analysis

The Commission has verified the actual revenue from sale of power from the Audited Accounts for FY 2021-22 as submitted by the Petitioner and approves the same.

Accordingly, the Commission has considered revenue from sale of power as Rs.2354.83 lakh for FY2021-22 in truing up.

3.16 Summary of ARR for FY 2021-22

Petitioner’s Submission

Based on the above analysis, the Petitioner has submitted the Aggregate Revenue Requirement (ARR) for FY 2021-22.

Based on the methodology prescribed in the GERC (MYT) Regulations, 2016, DPA has classified various heads of expenses as Controllable & Uncontrollable.

DPA proposes to pass on a sum of 1/3rd of total gain/(loss) on account of controllable factors, i.e., Rs. (99.39) lakh and total gain(loss) on account of uncontrollable factors, i.e. Rs.106.66 lakh to the consumers. Adjusting these to the net ARR, DPA has computed the Revised ARR for FY 2021-22 at Rs.2182.22 lakh. Considering the actual Revenue of Rs.2354.83 lakh, total Revenue (Gap)/Surplus of DPA after truing up for FY 2021-22 after treatment of gain/(loss) due to controllable/uncontrollable factors is computed at Rs.172.61 lakh.

The following Table summarizes net gain/ (loss) to DPA for FY 2021-22 on account of controllable & uncontrollable factors:

Table 3-33 : ARR submitted by DPA for FY 2021-22

Sr. No.	Particulars	FY 2021-22			
		Approved in the Tariff Order	Actual Claimed	Gains / (Losses) due to Controllable factor	Gains / (Losses) due to Uncontrollable factor
1	Power Purchase Expenses	1264.10	1458.46		(194.36)
2	Operation & Maintenance Expenses	284.31	575.54	(291.23)	
2.1	Employee Cost	64.01	61.74	2.26	

(Rs. Lakh)



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Sr. No.	Particulars	FY 2021-22			
		Approved in the Tariff Order	Actual Claimed	Gains / (Losses) due to Controllable factor	Gains / (Losses) due to Uncontrollable factor
2.2	Repair & Maintenance Cost	178.89	357.49	(178.61)	
2.3	Administration & General Charges	41.42	156.30	(114.88)	
3	Depreciation	241.27	260.96		(19.69)
4	Interest & Finance Charges				
5	Interest on Security Deposit				
6	Interest on Working Capital	10.97	17.92	(6.95)	
7	Return on Equity	196.27	216.20		(19.93)
8	Income Tax				
9	Aggregate Revenue Requirement	1996.92	2529.08	(298.18)	(233.98)
10	Less: Non-Tariff Income	20.75	148.08		(127.33)
11	Net ARR	1976.17	2381.01	(298.18)	(106.66)

Commission's Analysis

The ARR approved by the Commission for FY 2021-22, based on the individual components of the ARR as discussed in the earlier paragraphs, is shown in the Table below:

Table 3-34 : ARR approved by the Commission for FY 2021-22**(Rs. Lakh)**

Sr. No.	Particulars	FY 2021-22				
		Approved in the Tariff Order	Actual Claimed	Approved in truing up	Gains / (Losses) due to controllable factor	Gains / (Losses) due to Uncontrollable factor
1	Power Purchase Expenses	1264.10	1458.46	1458.46		(194.36)
2	Operation & Maintenance expenses	284.31	575.54	575.53	(291.23)	
2.1	Employee Cost	64.01	61.74	61.74	2.27	



Sr. No.	Particulars	FY 2021-22				
		Approved in the Tariff Order	Actual Claimed	Approved in truing up	Gains / (Losses) due to controllable factor	Gains / (Losses) due to Uncontrollable factor
2.2	Repair & Maintenance Cost	178.89	357.49	357.49	(178.61)	
2.3	Administration & General charges	41.42	156.30	156.30	(114.88)	
3	Depreciation	241.27	260.96	151.28		89.99
4	Interest & Finance Charges			6.04		(6.04)
5	Interest on Security Deposit					
6	Interest on Working Capital	10.97	17.92	16.63	(5.66)	
7	Return on Equity	196.27	216.20	212.35		(16.08)
8	Income Tax					
9	Aggregate Revenue Requirement	1996.92	2529.08	2420.29	(296.88)	(126.49)
10	Less: Non-Tariff Income	20.75	148.08	148.08		(127.33)
11	Net ARR	1976.17	2381.01	2272.21	(296.88)	0.84

3.17 Revenue Gap/ (Surplus) for FY 2021-22

Petitioner's Submission

DPA has proposed to pass on a sum of 1/3rd of total gain/(loss) on account of controllable factors and full pass through of the uncontrollable factors as per the mechanism specified in the GERC (MYT) Regulation, 2016. Adjusting these to the net Aggregate Revenue Requirement, DPA has arrived at the Revised Aggregate Revenue Requirement from FY 2021-22.

This revised Aggregate Revenue Requirement is compared against the revised income under various heads including revenue from sale of power and other income.

Accordingly, DPA has submitted the Revenue Gap/(Surplus) for FY 2021-22, after



considering the sharing of Gains/(Losses) due to controllable and uncontrollable factors, as shown in the Table below:

Table 3-35 : Revenue Gap/(Surplus) claimed by DPA for FY 2021-22

Sr. No	Particulars	(Rs. Lakh)
		2021-22 Actual Claimed
1	ARR originally approved	1976.17
2	Less: Gain/(Loss) due to Uncontrollable Factors to be passed on to Consumer	(106.66)
3	Less: Gain/(Loss) due to Controllable Factor to be passed on to Consumer	(99.39)
4	Revised ARR	2182.22
5	Revenue from Sale of Power	2354.83
6	Revenue Gap/(Surplus)	(172.61)

Commission's Analysis

The Commission has scrutinized the revised ARR and revenue Gap/(surplus) claimed by DPA. Accordingly, the workings of the consolidated Revenue Gap / (Surplus) for FY 2021-22 approved by the Commission is shown below:

Table 3-36 : Revenue Gap/(Surplus) approved by Commission for FY 2021-22

Sr. No	Particulars	(Rs. Lakh)	
		2021-22 Actual Claimed	Approved in Truing up
1	ARR originally approved	1976.17	1976.17
2	Less: Gain/(Loss) due to Uncontrollable Factors to be passed on to Consumer	(106.66)	0.84
3	Less: Gain/(Loss) due to Controllable Factor to be passed on to Consumer	(99.39)	(98.96)
4	Revised ARR	2182.22	2074.29
5	Revenue from Sale of Power	2354.83	2354.83
6	Revenue Gap/(Surplus)	(172.61)	(280.54)

The Commission, accordingly, approves the Trued-up Revenue Surplus of Rs.280.54 lakh for FY 2021-22. This Trued-up Surplus along with carrying cost is considered by the Commission for Determination of ARR for FY 2024-25.



4. Truing up for FY 2022-23

4.1 Introduction

This Chapter deals with the Truing up for FY 2022-23.

The expenses and revenue of DPA for FY 2022-23 presented for true-up are based on the audited annual accounts for FY 2022-23 and the principles adopted by the Commission as per the GERC (MYT) Regulations, 2016. The ARR so arrived has been compared with that approved by the Commission vide its Order dated 31st March 2022.

4.2 Energy Sales to Consumers

Petitioner's Submission

The Petitioner had submitted actual category-wise energy sales data of FY 2022-23 as per audited accounts of FY 2022-23 which has been compared against the data approved by the Commission in its Order dated 31.03.2022 for consideration in ARR of FY 2022-23. DPA has submitted that the sales to LT categories in NRGP, streetlight and temporary connections have increased and sales under RGP category consumers have decreased over the approved sales. Sales under LTMD and HT categories is not realised as anticipated.

The actual category wise sales for FY 2022-23 were 348.47 LUs as against the approved sales of 489.47 LUs.

DPA has submitted the comparison of actual category wise sales of DPA against that approved by the Commission vide its Tariff Order in the Table below:

Table 4-1: Energy Sales for FY 2022-23 as submitted by DPA (LUs)

Category	FY 2022-23	
	Approved in the Tariff Order	Actual claimed
RGP	7.32	3.12
NRGP	25.22	28.35
LTMD	34.45	30.38



Category	FY 2022-23	
	Approved in the Tariff Order	Actual claimed
Streetlights	9.79	11.59
Temporary	8.62	9.70
HT	404.08	265.32
Total Sales	489.47	348.47

Commission's Analysis

The overall actual energy sales as submitted by the Petitioner for FY 2022-23 have declined by around 29% compared to the energy sales approved in the Tariff Order dated 31.03.2022.

Actual energy sales under LTMD category have declined by around 12% and HT sales by around 34% compared to the energy sales approved. Similarly, actual sales under RGP category have decreased by around 57% vis-à-vis approved for FY 2022-23.

Considering that the 'actual' category-wise sales are actual sales as per the audited annual accounts for FY 2022-23, the Commission has reviewed the above submissions and found them to be satisfactory. Accordingly, the energy sales for FY 2022-23 are approved as follows:

Table 4-2 : Energy Sales approved for FY 2022-23 (LUs)

Category	FY 2022-23		
	Approved in the Tariff Order	Actual claimed	Approved in Truing up
RGP	7.32	3.12	3.12
NRGP	25.22	28.35	28.35
LTMD	34.45	30.38	30.38
Streetlights	9.79	11.59	11.59
Temporary	8.62	9.70	9.70
HT	404.08	265.32	265.32
Total Sales	489.47	348.47	348.47

The Commission approves energy sales of 348.47 LUs for Truing up for FY 2022-23.

4.3 Distribution Losses

Petitioner's Submission

The Commission had approved the distribution loss levels for DPA at 5.00% for



FY 2022-23 in the Tariff Order dated 31.03.2022.

DPA has submitted that 100% metering to all consumers in its area of supply was not achieved in FY 2022-23 and around 15% of the sales are assessed. Based on the assessment of sales, distribution loss works out to 5.00% for the purpose of true-up for FY 2022-23. It is submitted that DPA would be in a position to submit the data regarding actual distribution losses from true-up of FY 2023-24.

DPA has considered the distribution loss of 5.00% for FY 2022-23 against the distribution loss of 5.00% approved by the Commission vide its Order dated 31.03.2022.

Table 4-3 : Distribution Losses for FY 2022-23 submitted by DPA (%)

Particulars	FY 2022-23	
	Approved in the Tariff Order	Actual claimed
Distribution Losses	5.00%	5.00%

Commission's Analysis

The Commission had approved Distribution Loss of 5.00% for FY 2022-23 in the Tariff order dated 31.03.2022.

The Commission in its data gaps has asked to provide the basis for consideration of distribution loss of 5.00% for FY 2022-23. In response to the Commission's query, DPA stated in FY 2022-23, most of the revenue-based consumers were billed based on their actual electricity consumption.

The Commission observes that even after its assurance to provide 100% metering and directive in the earlier Tariff Orders, 100% metering has not been completed by the Petitioner. In the absence of energy accounting and audit, measuring the actual distribution loss in the system is not feasible.

In view of the above the Commission is approving the distribution loss at 5.00% as approved for FY 2022-23 in the Tariff Order.

Table 4-4 : Distribution loss approved for FY 2022-23 (%)

Particulars	FY 2022-23		
	Approved in the Tariff Order	Actual claimed	Approved in Truing up
Distribution Losses	5.00%	5.00%	5.00%

The Commission approves Distribution Losses of 5.00% for Truing up for FY 2022-23.

4.4 Energy Requirement

Petitioner's Submission

The Petitioner has calculated the total energy requirement by grossing up of actual energy sales with the actual distribution losses. The actual energy requirement of DPA for FY 2022-23 is less than that approved by the Commission in the Tariff Order dated 31.03.2022 owing to lower energy sales as compared to approved energy sales value.

DPA has submitted that the energy requirement, shown tallies with the power drawl as per SLDC. The energy balance and energy requirement for FY 2022-23 are as shown in the table below:

Table 4-5 : Energy Requirement for FY 2022-23 as submitted by DPA (LUs)

Sr. No.	Particulars	FY 2022-23	
		Approved in the Tariff Order	Actual claimed
1	Energy Sales	489.47	348.47
2	Distribution Losses (%)	5.00%	5.00%
3	Distribution Losses	25.76	17.42
4	Total Energy Requirement	515.23	365.89
5	Transmission Losses (%)	4.15%	4.15%
6	Transmission Losses	22.31	15.18
7	Total Energy Requirement to be purchased	537.54	381.07

Commission's Analysis

The actual energy requirement as reported by the Petitioner for FY 2022-23 is lower than the energy requirement approved in the Tariff Order dated 31.03.2022.

The Commission has observed that as per audited accounts (Note 8), the energy purchases are at 383.03 LU, however, the petitioner has considered 381.07 LU (Table 5.3 of the petition) for computing energy balance and accordingly the Transmission



loss is computed at 4.15% for 2022-23. On a query, DPA has submitted that actual energy procurement is at 383.03 LU for FY 2022-23. It is also reported that the transmission loss of 4.15% is considered based on the approved level.

The actual Energy Requirement is lower than that approved in the Tariff Order dated 31.03.2022, due to decrease in actual Sales. The actual Energy Requirement being the sum of Energy Sales, Distribution Losses and Transmission Losses works out to 383.03 LUs for FY 2022-23. The Commission has considered the sales as submitted by the Petitioner for FY 2022-23 and considered the distribution loss at 5.00% as approved in the Tariff Order dated 31.03.2022. Considering the actual energy requirement at 383.03 LU, the transmission loss works out to 4.47% (17.14 LU) instead of 4.15% computed by DPA.

The energy requirement for FY 2022-23 has been computed by grossing up the sales with the Distribution Losses and Transmission Losses and accordingly approves the Energy Requirement at 383.03 LUs in Truing up for FY 2022-23 as shown in the Table below:

Table 4-6 : Energy Requirement for FY 2022-23 considered by the Commission

Sr. No.	Particulars	FY 2022-23 (LU)		
		Approved in the Tariff Order	Actual claimed	Approved in Truing up
1	Energy Sales	489.47	348.47	348.47
2	Distribution Losses (%)	5.00%	5.00%	5.00%
3	Distribution Losses (4-1)	25.76	17.42	17.42
4	Total Energy Requirement	515.23	365.89	365.89
5	Transmission Losses (%)	4.15%	4.15%	4.47%
6	Transmission Losses (7-4)	22.31	15.18	17.14
7	Total Energy Requirement to be purchased	537.54	381.07	383.03

4.5 Power Purchase Cost

Petitioner's Submission

DPA has submitted that power purchase cost of DPA for FY 2022-23 comprises purchase from own wind generation plants, Indian Energy Exchange and Unscheduled Interchange. DPA has submitted that Purchase from own Wind



generation plants have been considered at the average rate of Rs. 3.20/kWh.

DPA has submitted that as per GERC (Procurement of Energy from Renewable Sources) Regulations, 2010 and its Amendment in 2018, the Renewable Purchase Obligation (RPO) target for FY 2022-23 is 8.00% for Solar, 8.25% for Non-Solar and 0.75% for Others (Biomass, Small Hydro, Bagasse, MSW). The combined RPO target is 17.00%. DPA has submitted that it has not purchased any Solar Power or RE power from Others (Biomass, Small Hydro, Bagasse, MSW), the quantum of purchase from Wind (Non-Solar) is 37% of the total power purchase quantum. Thus, the actual Non-Solar RPO achieved is far in excess of the RPO target specified by the Commission for Non-Solar power. Further, the Petitioner has requested to the Commission to set-off the over-achievement of Non-Solar RPO against the under-achievement of Solar targets as a special case considering the significantly higher over-achievement against the Non-Solar RPO target.

DPA has submitted that the actual power purchase quantum is lower than the approved quantum on account of the lower actual sales.

DPA has overdrawn 68.81 LU and underdrawn 12.67 LU under Unscheduled Interchange (UI), resulting in net drawal of 56.14 LU, with the UI & other charges of Rs.48.98 lakh. The average rate works out to Rs.8.73/kWh through UI.

Table 4-7 : Power Purchase Cost for FY 2022-23 as submitted by DPA

Particulars	FY 2022-23					
	Approved in the Tariff Order			Actual claimed		
	Quantum (LU)	Cost (Rs. Lakh)	Rate (Rs/kWh)	Quantum (LU)	Cost (Rs. Lakh)	Rate (Rs/kWh)
Wind Farm	151.79	485.74	3.20	141.99	454.37	3.20
Power Exchange	385.75	1870.88	4.85	184.90	1100.27	5.95
Transmission Charges, UI, SLDC Charges				56.13	489.89	8.73
TOTAL	537.54	2356.62	4.38	383.03	2047.02	5.34

Further, the Petitioner submitted that the variation in power purchase costs is considered as Uncontrollable as per the GERC MYT Regulations, 2016. The



computation of gain/(loss) in power purchase costs due to uncontrollable factors are shown as summarised in the Table below:

Table 4-8 : Gains/ (Losses) on account of Power Purchase Cost in the Truing up for FY 2022-23

Particulars	FY 2022-23 (Rs. Lakh)			
	Approved in the Tariff Order	Actual claimed	Gains/(Losses) due to controllable factors	Gains/(Losses) due to Uncontrollable factors
Power Purchase cost	2356.62	2047.02	-	309.60

Commission Analysis

DPA has submitted the actual power purchase cost incurred for FY 2022-23, which is verified from the Audited Annual Accounts and found as Rs.2047.02 lakhs.

The actual power purchase cost for FY 2022-23 is lower compared to the approved in the Tariff Order dated 31.03.2022 consequent to lower sale of power to consumers. The Petitioner was directed to submit the source-wise monthly power purchase bills for verification. In response to the Commission's query, the monthly source wise invoices under long term PPA were submitted by DPA and were verified. The Commission, accordingly, approves the power purchase cost for FY 2022-23, as show in the Table below:

Table 4-9 : Power Purchase Cost for FY 2022-23 approved by the Commission

Particulars	FY 2022-23								
	Approved in the Tariff Order			Actual Claimed			Approved in Truing up		
	Qtm. (LUs)	Cost (Rs. Lakh)	Rate (Rs/ kWh)	Qtm. (LUs)	Cost (Rs. Lakh)	Rate (Rs/ kWh)	Qtm. (LUs)	Cost (Rs. Lakh)	Rate (Rs/ kWh)
Wind Farm	151.79	485.74	3.20	141.99	454.37	3.20	141.99	454.37	3.20
Power Exchange	385.75	1870.88	4.85	184.90	1102.75 *	5.95	184.90	1102.75	5.95
Transmission Charges, UI, SLDC Charges				56.13	489.90	8.73	56.13	489.90	8.73
TOTAL	537.54	2356.62	4.38	383.03	2047.02	5.34	383.03	2047.02	5.34

* DPA has reported as 1100.27 which is corrected and depicted as 1102.75 based on audited accounts



The overall average rate of power purchase for FY 2022-23 works out to Rs. 5.34/kWh, as compared to the rate of Rs.4.38/kWh approved in the Tariff Order dated 31.03.2022.

As per the GERC (MYT) Regulations 2016, power purchase is considered as uncontrollable and accordingly variation in power purchase cost is considered as pass through in to the ARR in truing up FY 2022-23.

In view of the aforementioned regulatory provisions, the gain/(loss) in power purchase costs due to uncontrollable factors are shown as summarised in the Table below:

Table 4-10 : Gains/ (Losses) on account of Power Purchase Cost in the Truing up for FY 2022-23

Particulars	FY 2022-23 (Rs. Lakh)				
	Approved in the Tariff Order	Actual claimed	Approved in true up	Gains/ (Losses) due to controllable factors	Gains/(Losses) due to Uncontrollable factors
Power Purchase cost	2356.62	2047.02	2047.02	-	309.60

4.6 Capital Expenditure, Capitalisation and Sources of Funding

Petitioner's Submission

The Petitioner has submitted that the Commission, in the Tariff Order dated 31.03.2022, had approved Capital Expenditure and Capitalization of Rs.529.34 lakh for FY 2022-23, based on DPA's proposals. However, actual capital expenditure and capitalisation is Nil for FY 2022-23.

The Petitioner has submitted the capital expenditure for FY 2022-23 as summarised in the Table below:

Table 4-11 : Capital Expenditure submitted by DPA for FY 2022-23

Particulars	FY 2022-23 (Rs. Lakh)	
	Approved in the Tariff Order	Actual claimed
Capital Investment	529.34	--
Capitalisation	529.34	--



Commission's Analysis

The Commission has approved capital expenditure of Rs.807.39 lakhs and capitalisation of Rs.529.34 lakh for FY 2022-23 in the Tariff order dated 31.03.2022. The Petitioner has not claimed capital expenditure and capitalisation for FY 2022-23 in truing up. It is observed from the audited annual accounts for FY 2022-23, the DPA has not incurred any expenditure for capital works and no capitalisation/asset additions are made during FY 2022-23. Accordingly, the Commission based on audited annual accounts for FY 2022-23 has considered Nil capex and capitalisation in truing up for FY 2022-23.

Table 4-12 : Capex and Capitalization approved for FY 2022-23

Particulars	FY 2022-23		
	Approved in the Tariff Order	Actual Claimed	Approved in Truing up
Capital expenditure	807.39	--	--
Capitalisation	529.34	--	--

(Rs. Lakhs)

4.7 Operation and Maintenance (O&M) Expenses

Petitioner's Submission

The Petitioner has submitted that its O&M expenses comprise the following heads:

- Employee Expenses, comprising salaries and wages of only those employees who are directly involved in the Distribution business;
- Repair & Maintenance (R&M) expenses, which are incurred towards the day-to-day upkeep of the distribution network for supplying reliable and quality power and reducing distribution losses;
- Administrative & General (A&G) expenses comprising of vehicle hiring cost, travelling expenses, telephone and other communication expenses, advertisement, consultant fees, licence fees, etc.

The Petitioner has claimed the actual O&M cost for FY 2022-23, as shown in the following Table:



Table 4-13 : O&M Expenses submitted by DPA for FY 2022-23

(Rs. Lakh)

Sr. No.	Particulars	FY 2022-23	
		Approved in the Tariff Order	Actual claimed
1	Employee Expenses		70.13
2	Repair and Maintenance Expenses		137.40
3	Administration and General Expenses		160.74
4	Operation & Maintenance Expenses	506.50	368.27

DPT has requested the Commission to approve O&M expenses for FY 2022-23 and pass on the variation in the ARR as controllable factor as mentioned in Table below:

Table 4-14 : Gains/(loss) of O&M Cost for FY 2022-23 as submitted by DPA

(Rs. Lakh)

Particulars	FY 2022-23			
	Approved in the Tariff Order	Actual claimed	Gain/(Loss) due to Controllable Factor	Gain/(Loss) due to Uncontrollable Factor
O&M Expenses	506.50	368.27	138.23	-

Commission's Analysis

The Commission has verified the actual O&M expenses claimed by the Petitioner to be the same as the amounts reported in the Audited Annual Accounts for FY 2022-23. The total actual O&M expenses claimed for FY 2022-23 are less than the total normative O&M expenses (Rs.506.50 lakh) approved for FY 2022-23 in Tariff order dated 31.03.2022.

The Commission, based on the audited annual accounts, approves the total actual O&M expenses for FY 2022-23 as shown in the Table below:

Table 4-15 : O&M Expenses approved for FY 2022-23

(Rs. Lakhs)

Sr. No.	Particulars	FY 2022-23		
		Approved in the Tariff Order	Actual claimed	Approved in truing up
1	Employee Expenses		70.13	70.13
2	Repair and Maintenance Expenses		137.40	137.40
3	Administration and General Expenses		160.74	160.74
4	Operation & Maintenance Expenses	506.50	368.27	368.27



As per the GERC (MYT) Regulations 2016, O&M expenses are considered as controllable factor and accordingly the gain/(loss) in O&M expenses due to controllable factors are shown as summarised in the Table below:

Table 4-16 : Gains/ (Losses) on account of O&M expenses approved for FY 2022-23 in Truing up

Particulars	FY 2022-23 (Rs. Lakh)				
	Approved in the Tariff Order	Actual claimed	Approved in truing up	Gains/(Losses) due to controllable Factors	Gains/(Losses) due to Uncontrollable factors
O&M expenses	506.50	368.27	368.27	138.23	

4.8 Depreciation

Petitioner's Submission

The Petitioner has submitted that the opening balance of Gross Fixed Assets (GFA) for FY 2022-23, equal to the closing GFA approved by the Commission in the true-up for FY 2021-22. It is submitted no asset addition has been done during FY 2022-23. Depreciation is computed under straight-line method by applying the asset class-wise rate of deprecation in accordance with the GERC MYT Regulations 2016. The asset class-wise Opening GFA considered based on above rationale for FY 2022-23, are as shown in the Table below:

Table 4-17 : Asset addition as submitted by DPA for FY 2022-23

(Rs. Lakh)

Particulars	FY 2022-23		
	Opening GFA	Addition to GFA	Closing GFA
Land & Land Rights	89.13	--	89.13
Buildings	319.20	--	319.20
Plant & Machineries	1411.43	--	1411.43
Lines & Cable Net Works	3322.02	--	3322.02
Furniture & Fixtures & Electrical Lightings	2.85	--	2.85
Office Equipment	3.00	--	3.00
Total	5147.64	--	5147.64

The Petitioner submitted the Depreciation calculated for FY 2022-23 as per the below Table:



Table 4-18 : Depreciation submitted by DPA for FY 2022-23

(Rs. Lakh)

Particulars	FY 2022-23		
	Approved in the Tariff Order	Actual claimed	Deviation Gain/(Loss)
Opening Gross Block	5168.13	5147.64	
Addition During Year	529.34		
Closing Gross Block	5697.47	5147.64	
Average GFA	5432.80	5147.64	
Depreciation for the year	276.01	261.09	(14.92)
Average Depreciation Rate	5.08%	5.07%	

DPA has requested the Commission to approve the depreciation for FY 2022-23 as mentioned above and pass the variation in approved ARR as controllable factor as shown in the Table below:

Table 4-19 : Gains/(loss) on account of Depreciation for FY 2022-23 as claimed by DPA

Particulars	FY 2022-23 (Rs. Lakh)			
	Approved in the Tariff Order	Actual claimed	Gain/(Loss) due to Controllable Factor	Gain/(Loss) due to Uncontrollable Factor
Depreciation	276.01	261.09	-	14.92

Commission's Analysis

The Commission had approved the closing depreciable assets at Rs.5056.01 lakhs (excluding value of land) in the true-up FY 2021-22 in this order and the same is considered as opening depreciable assets for FY 2022-23. It is observed from the audited annual accounts for FY 2022-23, the DPA has not incurred any expenditure for capital works and no capitalisation/asset additions are made during FY 2022-23. Accordingly, the Commission based on audited annual accounts for FY 2022-23 has considered capitalisation as Nil in truing up for FY 2022-23.

The Commission, from the assets register submitted by DPA, observes that most of the assets have attained cumulative depreciation of 90% of the value of assets by FY 2021-22. The Commission, considering the year of commissioning of asset and rate of depreciation as per Regulations, has computed the depreciation for FY 2022-23.

The depreciation has been computed for the FY 2022-23 on the average of opening



and closing value of depreciable assets in accordance with the rates specified in the GERC (MYT) Regulations, 2016 as shown in the Table below:

Table 4-20 : Depreciation approved by the Commission for FY 2022-23

(Rs. Lakh)

Particulars	FY 2022-23		
	Approved in the Tariff Order	Actual Claimed	Approved in Truing up
Depreciable assets at the beginning of the year	5168.13	5147.64	5056.01
Addition during the year	529.34	--	--
Depreciable assets at the end of the year	5697.47	5147.64	5056.01
Average GFA	5432.80		
Depreciation	276.01	261.09	127.94
Average rate of depreciation	5.08%	5.07%	2.53%

4.9 Interest & Finance Expenses

Petitioner's Submission

The Petitioner has submitted that normative opening loan for FY 2022-23 is considered as per normative closing loan approved by the Commission for FY 2021-22 in truing up. The loan repayment has been considered equal to the depreciation computed for the respective year. As there is no actual loan in case of DPA, the interest rate has been considered based on the Reserve Bank of India (RBI) Bank Rate plus 200 basis points, as specified in the GERC MYT Regulations, 2016, i.e., Bank Rate of 4.65% as on April 1, 2021 plus 200 basis points, equalling 6.65%. As there is no actual loan, there are no actual financing charges.

The Petitioner has submitted the calculation of Interest & Finance Charges as per Regulation 38 of the GERC (MYT) Regulations, 2016 for FY 2022-23 as shown in the Table below:

Table 4-21 : Interest & Finance Charges submitted by DPA for FY 2022-23

(Rs. Lakh)

Particulars	FY 2022-23	
	Approved in the Tariff Order	Actual claimed
Opening Loan	-	-
Loan Addition	370.54	--



Deendayal Port Authority (DPA)
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Particulars	FY 2022-23	
	Approved in the Tariff Order	Actual claimed
Loan Repayment	276.01	261.09
Closing Loan	94.52	--
Average Loan	47.26	--
Weighted average rate of interest	6.25%	
Total Interest	2.95	--

The Petitioner has further submitted that the Interest expenses are categorised as uncontrollable expenses as per the provisions of the GERC MYT Regulations, 2016 and accordingly, the comparison of Interest expenses approved by the Commission with the actual Interest expenses of DPA shows a gain as shown in the Table below:

Table 4-22 : Gains/ (Losses) on account of Interest Expenses as submitted by DPA for FY 2022-23

(Rs. Lakh)				
Particulars	Approved in the Tariff Order	Actual claimed	Gains/ (Losses) due to controllable factors	Gains/(Losses) due to Uncontrollable Factors
Interest Expenses	2.95	-	-	2.95

Commission's Analysis

The Commission has approved normative closing loan at Rs.15.19 lakh in truing up for FY 2021-22 in this order. Capitalisation/asset addition during FY 2022-23 is considered at Nil as such addition to loan is also considered as Nil.

The Commission in terms of GERC (MYT) Regulations 2016 has considered the Rate of interest on loan based on the RBI Bank Rate of 4.65% plus 200 basis points (2%) equating to 6.65% and Repayment of loan equal to the depreciation allowed for FY 2022-23 in truing up.

The computation of interest expenses approved by the Commission for FY 2022-23 is shown in the Table below:



Table 4-23 : Interest expenses approved by the Commission for FY 2022-23

(Rs. Lakh)

Particulars	FY 2022-23		
	Approved in the Tariff Order	Actual Claimed	Approved in Truing up
Opening Loan	-	-	15.19
Loan Addition	370.54	-	-
Loan Repayment	276.01	261.09	127.94
Closing Loan	94.52	-	-
Average Loan	47.26	-	7.60
Rate on interest	6.25%	-	6.65%
Interest on normative loan	2.95	-	0.51

4.10 Interest on Security Deposit

Petitioner's Submission

The Petitioner has submitted that, as per audited annual accounts no actual interest is paid on the Consumer Security Deposits in FY 2022-23. Hence, in line with the approach adopted by Commission in previous truing up Orders, DPT has not claimed any interest on Consumer Security Deposits in the truing up for FY 2022-23.

Commission's Analysis

The Commission has considered Nil interest on Consumers Security Deposit for FY 2022-23 in truing up as no interest is paid to the consumers during FY 2022-23.

4.11 Return on Equity

Petitioner's Submission

DPA has considered closing equity balance of FY 2021-22 approved in the true-up in this order as opening equity balance for FY 2022-23. DPA has submitted that there is no addition or reduction in the equity as there is no change in GFA in 2022-23. DPA has computed the Return on Equity considering a rate of return at 14% as per GERC (MYT) Regulations, 2016 as shown below:

Table 4-24 : Return on Equity submitted by DPA for FY 2022-23

(Rs. Lakh)

Sr. No.	Particulars	FY 2022-23	
		Approved in the tariff order	Actual claimed
1	Opening Equity Capital	1523.70	1544.29



Deendayal Port Authority (DPA)

Truing up for FY 2021-22 & FY 2022-23 and Determination of ARR & Tariff for FY 2024-25

Sr. No.	Particulars	FY 2022-23	
		Approved in the tariff order	Actual claimed
2	Equity Addition during the Year	158.80	--
3	Closing Equity	1682.50	1544.29
4	Average Equity	1603.10	1544.29
5	Rate of Return on the Equity	14.00%	14.00%
6	Return on Equity	224.43	216.20

DPA submitted that as per the provisions of the GERC (MYT) Regulations 2016, RoE is categorised as uncontrollable and accordingly, the comparison of RoE approved by the Commission with the actual RoE of DPA shows a gain as shown in the Table below:

Table 4-25 : Gains/ (Losses) on account of RoE in the Truing up for FY 2022-23

(Rs. Lakh)

Particulars	Approved in the Tariff order	Actual claimed	Gains/(Losses) due to controllable factors	Gains/(Losses) due to Uncontrollable factors
Return on Equity	224.43	216.20	-	8.23

Commission's Analysis

The Commission had approved closing equity of Rs.1516.80 crore in truing up for FY 2021-22 in this order and accordingly considered the opening equity same as the closing equity approved for FY 2021-22 in this order. Equity addition during the year is considered as Nil since no asset additions are made during FY 2022-23. The rate of RoE is considered at 14% for FY 2022-23 in accordance with the applicable GERC (MYT) Regulations, 2016. The RoE has been computed on the average equity in each year, in accordance with the applicable the GERC (MYT) Regulations, 2016, as shown in the Table below:

Table 4-26 : RoE approved by the Commission for FY 2022-23

(Rs. Lakh)

Particulars	FY 2022-23		
	Approved in the Tariff Order	Actual Claimed	Approved in Truing up
Opening Equity Capital	1523.70	1544.29	1516.80
Equity Addition during the Year	158.80	--	-
Closing Equity	1682.50	1544.29	1516.80
Average Equity	1603.10	1544.29	1516.80
Rate of Return on the Equity	14.00%	14.00%	14.00%



Particulars	FY 2022-23		
	Approved in the Tariff Order	Actual Claimed	Approved in Truing up
Return on Equity	224.43	216.20	212.35

4.12 Income Tax

Petitioner's Submission

DPA has submitted that the actual Income Tax paid/payable for FY 2022-23 is Nil and hence, not claimed in truing up.

Commission's Analysis

As per the audited accounts, the actual Income Tax expenses for FY 2022-23 has been Nil, accordingly the Commission has considered Nil Income Tax for FY 2022-23 in truing up.

4.13 Non-Tariff Income (NTI)

Petitioner's Submission

The Petitioner has submitted that Non-Tariff Income comprises interest on security deposit with PGVCL, savings bank interest, supervision charges, meter connection charges, etc. DPA has considered the actual Non-Tariff Income of Rs.48.18 lakh for FY 2022-23 based on the Audited Annual Accounts, as shown in the Table below:

Table 4-27 : Non-Tariff Income claimed by DPA for FY 2022-23

(Rs. Lakh)

Sr. No.	Particulars	FY 2022-23	
		Approved in the Tariff Order	Actual Claimed
1	Interest on Security Deposit with PGVCL		15.11
2	Meter Connection charges		0.62
3	Surcharge Charges		10.10
4	Supervision Charges		14.65
5	Pro-rata charges		6.50
6	Registration charges		0.06
7	Saving Bank Interest		1.13
	Total	15.30	48.18

DPA submitted that as per the provisions of the GERC MYT Regulations, 2016, Non-Tariff Income is categorised as uncontrollable and accordingly, the comparison of



Non-Tariff Income approved by the Commission with the actual Non-Tariff Income of DPT shows a gain as shown in the Table below:

Table 4-28 : Gains/ (Losses) on account of Non-Tariff Income in the Truing up for FY 2022-23

(Rs. Lakh)				
Particulars	Approved	Actual	Gains/(Losses) due to controllable factors	Gains/(Losses) due to Uncontrollable factors
Non-Tariff Income	15.30	48.18	-	32.88

Commission's Analysis

The Commission has verified the actual Non-Tariff Income from the Audited Accounts and accepted the Non-Tariff Income for FY 2022-23 as submitted by the Petitioner as shown in the Table Below:

Table 4-29 : Non-Tariff Income approved by the Commission for FY 2022-23

(Rs. Lakh)			
Particulars	FY 2022-23		
	Approved in the Tariff Order	Actual Claimed	Approved in Truing up
Non- Tariff Income	15.30	48.18	48.18

4.14 Interest on Working Capital

Petitioner's Submission

DPT has calculated working capital requirement on actual value of these components in accordance with GERC MYT Regulations, 2016, as amended from time to time.

In line with the First Amendment to the GERC MYT Regulations, 2016 dated 2nd December, 2016, the rate of interest considered is the weighted average of the 1-year MCLR of the StateBank of India (SBI) during the year plus 250 basis points. This rate works out to 9.60%. Also, as per these Regulations, one month of receivables are to be considered for calculation of interest on working capital. Also amount held as security deposit from consumers under clause (a) and clause (b) of sub-section (1) of Section 47 of the Electricity Act, 2003, except the security deposit held in the form of Bank Guarantees is to be deducted from it.



The Petitioner has submitted the calculation of normative Interest on Working Capital (IoWC) for FY 2022-23, in accordance with the applicable GERC (MYT) Regulations, as shown in the following Table:

Table 4-30 : Interest on Working Capital submitted by DPA for FY 2022-23

(Rs. Lakh)

Sr. No.	Particulars	FY 2022-23	
		Approved in the Tariff Order	Actual claimed
1	O&M Expenses	42.21	32.11
2	Maintenance Spares	51.68	51.48
3	Receivables	281.40	222.67
4	Less: Consumer Security Deposit	106.56	
5	Total Working Capital	268.72	304.80
6	Interest Rate	9.50%	9.60%
7	Interest on Working Capital	25.53	29.26

DPT has submitted that interest on working capital is categorized as a controllable expense and accordingly has considered deviation in the actual vis-à-vis the approved expenses towards interest on working capital as given in the table below:

Table 4-31 : Gains/(Loss) on account of Interest on Working Capital submitted by DPA for FY 2022-23

(Rs. Lakh)

Particulars	FY 2022-23			
	Approved in the Tariff Order	Actual claimed	Gain/(Loss) due to Controllable Factor	Gain/(Loss) due to Uncontrollable Factor
Interest on Working Capital	25.53	29.26	(3.73)	

Commission's Analysis

The Commission has reviewed the working capital requirement considering the component wise values approved in preceding sections.

Regarding the rate of interest on working capital, the Commission vide notification no.7 of 2016 dated 2nd December, 2016 has amended its Regulation 40.4 (b) of the GERC (MYT) Regulations, 2016 as given under:

“Interest shall be allowed at a rate equal to the State Bank Base Rate (SBBR) /1-year



State Bank of India (SBI) Marginal Cost of Funds Based Lending Rate (MCLR) / any replacement thereof by SBI for the time being in effect applicable for 1 year period, as may be applicable as on 1st April of the financial year in which the petition is filed plus 250 basis points:

Provided that at the time of Truing up for any year, interest on working capital shall be allowed at a rate equal to the weighted average State Bank Base Rate (SBBR) / 1-year State Bank of India (SBI) Marginal Cost of Funds Based Lending Rate (MCLR) / any replacement thereof by SBI for the time being in effect applicable for 1 year period, as may be applicable prevailing during the financial year plus 250 basis points."

In line with the above proviso to Regulation 40.4 (b), the weighted average SBI MCLR (1 year tenor) is worked out to 7.80% for FY 2022-23 and the rate of interest on working capital works out to 10.30% (7.80%+2.50% (i.e. 250 basis points)) for FY 2022-23.

However, the petitioner DPA has claimed rate of interest at 9.60% on working capital in true up for FY 2022-23 and accordingly, the rate of interest is considered at 9.60% and interest on working capital is approved in true up for FY 2022-23.

As per Note 6 of the audited annual accounts for FY 2022-23, the consumers security deposits are at Rs.132.17 lakh and accordingly the same is considered and reduced from the total working capital requirement in terms of the MYT Regulations 2016.

The Commission based on the norms in as specified in the MYT Regulations 2016 has considered the interest on working capital as shown in the table below:

Table 4-32 : Interest on Working Capital approved by the Commission for FY 2022-23

(Rs. Lakh)

Particulars	FY 2022-23		
	Approved in the Tariff Order	Actual Claimed	Approved in Truing up
O&M Expenses	42.21	32.11	30.69
Maintenance Spares	51.68	51.48	50.56
Receivables	281.40	222.67	227.07
Less: Consumers' Security Deposit	106.56		132.17



Particulars	FY 2022-23		
	Approved in the Tariff Order	Actual Claimed	Approved in Truing up
Total Working Capital requirement	268.72	304.80	176.15
Rate of interest	9.50%	9.60%	9.60%
Interest on Working Capital	25.53	29.26	16.91

4.15 Revenue from Sale of Power

Petitioner's Submission

The Petitioner has submitted that the actual revenue from sale of electricity as Rs.2672.06 lakh, as per the Audited Annual Accounts for FY 2022-23.

Commission's Analysis

The Commission has verified actual revenue from sale of power from the Audited Annual Accounts for FY 2022-23 as submitted by DPA and approves the same.

Accordingly, the Commission has considered revenue from sale of power at Rs.2672.06 lakh for FY2022-23 in truing up.

4.16 Summary of ARR for FY 2022-23

Petitioner's Submission

Based on the above analysis, the Petitioner has submitted the Aggregate Revenue Requirement (ARR) for FY 2022-23.

Based on the methodology prescribed in the GERC (MYT) Regulations, 2016, DPA has classified various heads of expenses as Controllable & Uncontrollable.

DPA proposes to pass on a sum of 1/3rd of total gain/(loss) on account of controllable factors, i.e., Rs.44.83 lakh and total gain/(loss) on account of uncontrollable factors, i.e. Rs.302.82 lakh to the consumers. Adjusting these to the net ARR, DPA has computed the Revised ARR at Rs.3029.10 lakh for FY 2022-23. Considering the actual Revenue of Rs.2672.06 lakh and after treatment of gain/(loss) due to controllable/uncontrollable factors is computed, total Revenue Gap/(Surplus) is at Rs.357.04 lakh after truing up for FY 2022-23.



The following Table summarizes net gain/ (loss) to DPA for FY 2022-23 on account of controllable & uncontrollable factors:

Table 4-33 : ARR submitted by DPA for FY 2022-23

Sr. No.	Particulars	FY 2022-23			
		Approved in the Tariff Order	Actual Claimed	Gains / (Losses) due to Controllable factor	Gains / (Losses) due to Uncontrollable Factor
1	Power Purchase Expenses	2,356.62	2,047.02		309.60
2	Operation & Maintenance Expenses	506.50	368.27	138.23	
3	Depreciation	276.01	261.09		14.92
4	Interest & Finance Charges	2.95	-		2.95
5	Interest on Security Deposit	-	-	-	-
6	Interest on Working Capital	25.53	29.26	(3.73)	
7	Return on Equity	224.43	216.20		8.23
8	Income Tax	-	-	-	-
9	Aggregate Revenue Requirement	3,392.05	2,921.84	134.50	335.70
10	Less: Non-Tariff Income	15.30	48.18		(32.88)
11	Net ARR	3,376.75	2,873.66	134.50	302.82

Commission's Analysis

The ARR approved by the Commission for FY 2022-23, based on the individual components of the ARR as discussed in the earlier paragraphs, is shown in the Table below:

Table 4-34 : ARR approved by the Commission for FY 2022-23

Sr. No.	Particulars	FY 2022-23				
		Approved in the Tariff Order	Actual Claimed	Approved in truing up	Gains / (Losses) due to controllable factor	Gains / (Losses) due to Uncontrollable factor
1	Power Purchase Expenses	2356.62	2047.02	2047.02		309.60
2	Operation & Maintenance expenses	506.50	368.27	368.27	138.23	



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Sr. No.	Particulars	FY 2022-23				
		Approved in the Tariff Order	Actual Claimed	Approved in truing up	Gains / (Losses) due to controllable factor	Gains / (Losses) due to Uncontrollable factor
3	Depreciation	276.01	261.09	127.94		148.07
4	Interest & Finance Charges	2.95		0.51		2.44
5	Interest on Security Deposit					
6	Interest on Working Capital	25.53	29.26	16.91	8.62	
7	Return on Equity	224.43	216.20	212.35		12.08
8	Income Tax					
9	Aggregate Revenue Requirement	3392.05	2921.20	2773.00	146.85	472.19
10	Less: Non-Tariff Income	15.30	48.18	48.18		(32.88)
11	Net ARR	3376.75	2873.02	2724.82	146.85	505.07

4.17 Revenue Gap/ (Surplus)

DPA has proposed to pass on a sum of 1/3rd of total gain/(loss) on account of controllable factors and full pass through of the uncontrollable factors as per the mechanism specified in the GERC (MYT) Regulation, 2016. Adjusting these to the net Aggregate Revenue Requirement, DPA has arrived at the Revised Aggregate Revenue Requirement from FY 2022-23.

This revised Aggregate Revenue Requirement is compared against the revised income under various heads including revenue from sale of power and other income. DPA has submitted the Revenue Gap/(Surplus) for FY 2022-23, after considering the sharing of Gains/(Losses) due to controllable and uncontrollable factors, as shown in the Table below:



Table 4-35 : Revenue Gap/(Surplus) claimed by DPA for FY 2022-23

Sr. No	Particulars	(Rs. Lakh)
		FY 2022-23 Actual Claimed
1	ARR originally approved	3376.75
2	Less: Gain/(Loss) due to Uncontrollable Factors to be passed on to Consumer	302.82
3	Less: Gain/(Loss) due to Controllable Factor to be passed on to Consumer	44.83
4	Revised ARR	3029.10
5	Revenue from Sale of Power	2672.06
6	Revenue Gap/(Surplus)	357.04

Commission's Analysis

The Commission has scrutinized the revised ARR and revenue Gap/(surplus) claimed by DPA. Accordingly, the workings of the consolidated Revenue Gap for FY 2022-23 approved by the Commission is shown below:

Table 4-36 : Revenue Gap/(Surplus) approved by Commission for FY 2022-23

Sr.No	Particulars	(Rs. Lakh)	
		FY 2022-23 Actual Claimed	Approved in Truing up
1	ARR originally approved	3376.75	3376.75
2	Less: Gain/(Loss) due to Uncontrollable Factors to be passed on to Consumer	302.82	505.07
3	Less: Gain/(Loss) due to Controllable Factor to be passed on to Consumer	44.83	48.95
4	Revised ARR	3029.10	2822.73
5	Revenue from Sale of Power	2672.06	2672.06
6	Revenue Gap/(Surplus)	357.04	150.67

The Commission, accordingly, approves the Trued-up Revenue Gap of Rs.150.67 lakh for FY 2022-23. This Trued-up Gap is considered by the Commission for Determination of Tariff for FY 2024-25.



5. Determination of ARR for FY 2024-25

5.1 Introduction

This Chapter deals with the determination of ARR for FY 2024-25.

The Commission has issued Suo-Motu Order No.2264 of 2023 dated 05.12.2023 and directed generating companies, SLDC, licensees and utilities to file their tariff applications for approval of true-up for FY 2022-23 and for approval of Annual ARR and determination of Tariff for FY 2024-25 on or before 12.01.2024 based on the principles and methodologies as provided in the GERC (MYT) Regulations, 2016 and as amended thereof.

DPA has accordingly submitted that it has worked out the estimated ARR for FY 2024-25 based on the GERC (MYT) Regulations, 2016 in line with the directions of the Commission in the Suo-Motu Order No.2264 of 2023 dated 05.12.2023.

5.2 Energy Sales

Petitioner's Submission

The Petitioner has estimated the sales for various consumer categories considering the actual category-wise sales for FY 2023-24. primarily based on the pending consumer applications and ongoing discussions with certain HT consumers, DPA expects that the HT sales in FY 2024-25 are likely to be higher than the estimated HT sales in FY 2023-24. The no of consumers and connected load for FY 2024-25 has been considered based on the actual data for the month of September 2023.

DPA has requested to approve the projected sales for FY 2024-25 and deviation if any from the projected sales shall be claimed at the time of truing up for the year. The category-wise energy sales projected by the Petitioner are shown in the Table below:

Table 5-1 : Energy Sales for FY 2024-25 as submitted by DPA (LU)

Sr. No.	Consumer Category	FY 2022-23 (Actual)	FY 2023-24 (Estimated)	FY 2024-25 (Projected)
1	RGP	3.12		
2	NRGP	28.35		
3	LTMD	30.38	6.38	6.38
4	Street Lights	11.59	87.94	87.94
5	Temporary	9.70	9.73	9.73
6	HT	265.32	211.79	472.79
7	Total	348.47	315.85	577.85

Commission's Analysis

The Petitioner has projected the total sales at 577.85 LU for FY 2024-25. Sales of HT category is projected at 472.79 LU for FY 2024-25 with an expected increase by around 123% over the 211.79 LUs estimated for FY 2023-24.

In response to a query, DPA has submitted that, due to inadvertent error, sales for RGP (7.02 LU) and NRGP (25.87 LU) categories were not considered in the petition.

The total sales projected by DPA for FY 2024-25 is as given below:

Sr. No.	Consumer Category	FY 2024-25 (Revised Projections)
1	RGP	7.02
2	NRGP	25.87
3	LTMD	6.38
4	Street Lights	87.94
5	Temporary	9.73
6	HT	473.79
7	Total	610.73

The Commission has noted the category-wise sales projected by the Petitioner for FY 2024-25.

The Commission is of the view that the Licensee is in the best position to judge the sales growth, especially in this case, on account of the expected addition of new consumers having large loads. Hence, the Commission approves the category-wise sales as projected by the Petitioner, as shown in the Table below.

Table 5-2 : Energy Sales approved by the Commission for FY 2024-25 (LUs)

Particulars	Revised Energy Sales projected by DPA	Approved in this Order
Energy Sales	610.73	610.73



5.3 Distribution Losses

Petitioner's Submission

The Petitioner has submitted that proper assessment of Distribution Losses would be possible once the metered sales data is available from FY 2022-23 and beyond. In the absence of better-quality data at this stage, DPA has considered the Distribution Losses as 5.00% for projecting the energy requirement for FY 2024-25. The real level of Distribution Losses shall be submitted to the Commission at the time of true-up for FY 2024-25. Further, the Transmission Losses (inter-State plus intra-State) have been considered at the same levels as in FY 2022-23, i.e., 4.15%.

Commission's Analysis

The Commission is of the view that proper determination of Distribution Losses will be possible only after authentic sales data based on actual metering and billing is made available. However, on account of lack of any data, the Commission has provisionally considered the Distribution Losses and Transmission losses as submitted by the Petitioner for FY 2024-25, as shown in the Table below:

Table 5-3 : Distribution Losses approved for FY 2024-25 (%)

Particulars	FY 2024-25	
	DPA Petition	Approved in this Order
Distribution Losses	5.00%	5.00%
Transmission losses	4.15%	4.15%

The Commission directs the Petitioner to take up the metering process & proper estimation of distribution loss with utmost urgency and complete the process as soon as possible and maintain the proposed timelines, so that the next Petition is based on actual metered sales data.

5.4 Energy Requirement

Petitioner's Submission

The Petitioner submitted that it has projected the energy requirement by grossing up the projected sales with the projected Distribution Losses and Transmission losses for FY 2024-25, as shown in the Table below:



Table 5-4 : Energy Requirement for FY 2024-25 as submitted by DPA (LU)

Sr. No.	Particulars	FY 2024-25
1	Energy Sales	577.85
2	Distribution Losses (%)	5.00%
3	Distribution Losses	30.41
4	Energy Requirement at DISCOM boundary	608.26
5	Transmission Losses (%)	4.15%
6	Transmission Losses	26.34
7	Total Energy Requirement to be purchased	634.60

Commission's Analysis

As stated earlier, the Commission has considered the category-wise sales, Distribution and Transmission losses as submitted by the Petitioner for FY 2024-25. In response to a query, DPA has submitted that, due to inadvertent error, sales for RGP (7.02 LU) and NRGP (25.87 LU) categories were not considered in the petition. Accordingly, the total sales were revised to 610.73 LU as deliberated under Commission's analysis in paragraph 5.2 above

The energy requirement for FY 2024-25 has been considered by grossing up the sales with the Distribution and Transmission Losses, as shown in the Table below:

Table 5-5 : Energy Requirement approved by the Commission for FY 2024-25 (LUs)

Sr. No.	Particulars	FY 2024-25	
		Projected by DPA	Approved in this Order
1	Energy Sales	577.85	610.73*
2	Distribution Losses (%)	5.00%	5.00%
3	Distribution Losses	30.41	32.14
4	Energy Requirement at DISCOM boundary	608.26	642.87
5	Transmission Losses (%)	4.15%	4.15%
6	Transmission Losses	26.34	27.84
7	Total Energy Requirement to be purchased	634.60	670.71

* Revised Sales

5.5 Power Purchase Cost

Petitioner's Submission

The Petitioner has submitted that it has not renewed the PPA for purchase of power



from PGVCL with effect from September 2021 and has discontinued power purchase from PGVCL.

DPA has since then been meeting its entire power requirement through its own Wind Generation sources and balance from Power Exchanges. Accordingly, DPA proposes to meet its entire energy requirement in FY 2024-25 through the own Wind Generation sources and Power Exchanges.

5.5.1 Power Purchase Sources

a) Wind Power

The Petitioner submitted that it has tied-up capacity of 14.4 MW of own Wind Generation Capacity, which will be available for the full FY 2023-24. Additionally, 4.2 MW is proposed to be commissioned which would be available for FY 2024-25. DPA would be meeting around 65% - 70% of its power requirement in FY 2024-25 through its own Wind Generation Plants. DPA has considered average CUF of 25% for projection of energy generation.

Further, DPA submitted that DPA will be able to absorb only around 80% of the Wind generation at the time of generation, and the balance 20% energy will be injected into the grid but will not be available to DPA, in the absence of banking facility. Hence, only 80% of the units generated by the Wind Generation plants has been considered to meet the power purchase requirement of DPA.

DPA has submitted that the rate of power purchase from the Wind Generation plants has been considered as Rs. 3.20/ kWh based on the existing arrangement.

b) Power Exchange

The Petitioner has projected to meet the additional power requirement from Power Exchanges after considering purchase from own Wind Generation plants to the maximum extent possible. The rate for purchase from Power Exchanges has been estimated as Rs. 5.96/kWh inclusive of all additional costs such as energy charges, trading margin, duties, taxes, etc. and is the same rate for FY 2022-23. The

estimated rate also includes the inter-State and intra-State Transmission Charges of around Rs.0.70/kWh.

c) Renewable Purchase Obligation (RPO)

The Petitioner submitted that the Commission has specified the RPO target for FY 2024-25 through GERC (Procurement of Energy from Renewable Sources) (Third Amendment) Regulations, 2022. Accordingly, DPA has considered the RPO target of 8.55% for Wind, 11.25% for Solar and 0.10% of Hydro power purchase obligation and other sources like Biomass, Bagasse & Bio-fuel based cogeneration, MSW and Small/Mini/Micro Hydro total minimum quantum of purchase to 0.80%. The combined RPO target thus, works out to 20.70% for FY 2024-25.

As compared to the above RPO target, the projected purchase from Wind Generation plants in FY 2024-25 translates to RPO of around 51.35%, which is far in excess of the Wind RPO target of 8.55%, as well as the combined RPO target of 20.70%. DPA has requested to the Commission to allow DPA to meet its RPO in a combined manner, rather than increasing the costs by procuring additional Solar RE power and other RE power or Renewable Energy Certificates (RECs).

The summary of the power purchase costs claimed by the Petitioner for FY 2024-25 is shown in the Table below:

Table 5-6 : Power Purchase as submitted by DPA for FY 2024-25

Sr. No.	Particulars	FY 2024-25		
		Qtm. (LUs)	Cost (Rs. Lakh)	Rate (Rs/ kWh)
1	Wind Power Plant	325.87	1042.79	3.20
2	Power Exchange	308.73	1841.22	5.96
3	Total	634.60	2884.01	4.54

Commission's Analysis

The Commission sought details from the Petitioner regarding the supporting documents (like PPA) for the power purchase cost for FY 2024-25.

a) Wind Power



The Commission notes that the Petitioner has requested to consider power purchase from wind power plants at the rate of Rs.3.20/kWh.

The Commission notes that in the previous tariff Order, the Commission has considered the rate of Rs. 3.20 per unit as proposed by the Petitioner for purchase of power from its 10.2 MW Wind Power Project. Therefore, the Commission considers rate of Rs. 3.20 per unit as proposed by the Petitioner for purchase of power from 10.2 MW Wind Power Project for FY 2024-25.

As regard to rate of power purchase from additional Wind Capacity available from FY 2023-24 (4.2 MW) and proposed capacity available FY 2024-25 (4.2 MW) is concerned, it is to note that the Commission in order No.05 of 2024 dated 31st August 2024 had determined the levelized tariff for the Wind energy generating projects at Rs.3.17/kWh (for the projects not availing the benefits of Accelerated Depreciation) for the project capacity below threshold limit (below 10 MW). The effective date of order is from 06.06.2022 to 31.03.2027 and the tariff shall be applicable to Wind Power Projects commissioned on or after 06.06.2022. Therefore, while directing the Petitioner to submit the details and proper justifications for rate of power purchase from additional wind power project capacity (i.e. 4.2 MW + 4.2 MW) at the time of truing up, the Commission finds it more appropriate to consider the rate of power purchase for additional capacity of 4.20 MW available from 2023-24 and proposed another 4.20 MW capacity available in FY 2024-25 at Rs. 3.17 per unit as per the Wind Tariff Order dated 31.08.2024 on provisional basis.

Further, the Petitioner for projection purposes has considered the CUF of 25% for all the wind power plants. DPA has also submitted that it is able to absorb around 80% of the wind power generated at the time of generation and balance energy (20%) is injected into the grid and is not available to DPA.

The Commission, considering the petitioner's submission of CUF and utilisation of power has computed the power purchase and cost for purchase of power from wind

projects as given below:

Capacity (MW)	CUF	Generation kWh	utilisation of power (%)	Power utilised (kWh)	Av. Tariff (Rs/kWh)	Total cost (Rs.)	Remarks
10.20	25%	22338000	80%	17870400	3.20	57185280	To end of FY 2022-23
4.20	25%	9198000	80%	7358400	3.17	23326128	Capacity addition in FY 2023-24
4.20	25%	9198000	80%	7358400	3.17	23326128	Capacity addition in FY 2024-25
18.60		40734000		32587200	3.19	103837536	

b) Power Exchange

The Petitioner has proposed to fulfil its remaining power requirement, after utilizing the power purchased from the Wind Power Plant, from the Power Exchanges. The Petitioner has considered the rate of purchase from Power Exchanges as Rs.5.96/kWh (including Transmission and other costs such as trading margin, duties and taxes, etc.) for FY 2024-25 at the same rate of FY 2022-23.

The Commission further observed that as per IEX, the average price of the DAM market for FY 2023-24 was Rs.5.257/kWh. Accordingly, the Commission allows to procure the required quantum of power through Power Exchange DAM at the rate of Rs.5.58/kWh (including power exchange charges and trading margin, etc.). The Commission while approving the projected power purchase cost, subject to truing up, directs DPA to make payment of trading margin after prudence check.

The Commission has considered the Power Purchase per unit rate as Rs.5.58/kWh for Power purchase from exchange for FY 2024-25 which is considered for other licensees also i.e. SEZs.

c) Renewable Purchase Obligation

It is noted that the Petitioner is presently procuring and proposes to procure non-



solar RE power much in excess of the non-Solar RPO target. The Petitioner is required to comply with the RPO Regulations and Commission’s directives in this regard from time to time.

The summary of the provisionally considered power purchase quantum and costs for FY 2024-25 are shown in the Table below:

Table 5-7 : Power Purchase Quantum and Cost for FY 2024-25

Sr. No.	Particulars	DPA Petition			Approved in this Order		
		Qtm. (LUs)	Cost (Rs. Lakh)	Rate (Rs/kWh)	Qtm. (LUs)	Cost (Rs. Lakh)	Rate (Rs/kWh)
1	Wind Farm	325.87	1042.79	3.20	325.87	1038.38	3.19
2	Power Exchange/IEX	308.73	1841.22	5.96	344.84	1924.21	5.58
3	TOTAL	634.60	2884.01	4.54	670.71	2962.58	4.42

5.6 Operation and Maintenance (O&M) Expenses

Petitioner’s Submission

The O&M expenses comprise Employee Cost, R&M Expenses, and A&G Expenses.

The Petitioner has submitted that under normal circumstances, the Commission would have revised the O&M norms based on analysis of actual O&M expenses of FY 2020-21 or FY 2021-22, while framing the GERC MYT Regulations for the next Control Period and allowed appropriate escalation rate for future years including FY 2024-25. However, due to unavoidable circumstances, there is a delay in framing the GERC MYT Regulations for the next Control Period, and hence, the applicability of the GERC MYT Regulations, 2016 has been extended to include FY 2024-25 also.

The actual O&M expenses of DPA are significantly higher due to the higher level of outsourcing and greater focus towards consumer service and supply of quality power. Considering the fact that there is around 2% increase in O&M expenses from FY 2021-22 to FY 2022-23, it is appropriate that O&M expenses for FY 2024-25 be escalated twice by 2% to arrive at the projected figures.

The O&M expenses projected by the Petitioner for FY 2024-25 is shown in the Table below:



Table 5-8 : O&M Expenses for FY 2024-25 as submitted by DPA (Rs. Lakh)

Particulars	FY 2024-25
Employee Expenses	90.46
R&M Expenses	165.62
A&G Expenses	137.41
Total O&M Expenses	393.49

Commission's Analysis

Regulations 86.2 and 94.8 of the GERC (MYT) Regulations, 2016 specify the method of allowing normative O&M Expenses for the MYT Control Period, as reproduced below:

"86.2 Operation and Maintenance expenses:

- a) The Operation and Maintenance expenses shall be derived on the basis of the average of the actual Operation and Maintenance expenses for the three (3) years ending March 31, 2015, subject to prudence check by the Commission.*
- b) The average of such operation and maintenance expenses shall be considered as operation and maintenance expenses for the financial year ended March 31, 2014 and shall be escalated year on year at the escalation factor of 5.72% to arrive at operation and maintenance expenses for subsequent years up to FY 2021-22..."*

The Commission notes that FY 2024-25 was not part of the earlier control period (FY 2016- 17 to FY 2020-21) and it was rather proposed to be the fourth year of the next Control Period starting FY 2021-22. While the notification of the new Tariff Regulations for the next Control Period was delayed by the Commission on account of circumstances and reasons beyond the control of the Commission, for the purpose of application of the norms for the FY 2024-25 as per the existing GERC (MYT) Regulations, 2016, the FY 2024-25 is being treated at par with the third year of the control period. Accordingly, the allowable O&M expenses for the FY 2024-25 have been computed by the Commission in line with the provisions of the Regulation 86.2 of GERC (MYT) Regulations, 2016 by considering the average actual O&M expenses for FY 2019-20 to FY 2022-23 which have been considered as the O&M



expenses for the FY 2021-22 ending 31st March 2022 and escalated year on year to arrive at the allowable O&M expenses for FY 2024-25.

The O&M expenses approved in truing up for FY 2019-20 to FY 2022-23 has been considered and average O&M expenses of Rs.460.42 lakh is arrived and same is considered as base value of O&M expenses for FY 2022-23, and escalated at the rate of 5.72%, for projecting the O&M expenses for FY 2024-25, in accordance with the GERC (MYT) Regulations, 2016 as given below.

Financial year		Approved in truing up	
2019-20		343.85	
2020-21		554.02	
2021-22		575.54	
2022-23		368.27	
Total		1841.68	
Average O&M expenses		460.42	base value for FY 2022-23
	Base value	Escalation factor %	
FY 2022-23	460.42	5.72%	486.76
FY 2023-24	486.76	5.72%	514.60
FY 2024-25	514.60	5.72%	544.03

Following the principle and methodology adopted in previous tariff order (i.e. for FY 2023-24), the O&M expenses are worked out at Rs.544.03 lakh. However, the petitioner has projected O&M expenses of Rs.393.49 lakhs for FY 2024-25.

It may be observed that the O&M expenses have decreased substantially during FY 2022-23 over the O&M expenses approved for FY 2021-22 and also compared to FY 2020-21. It may be construed that the O&M expenses for FY 2020-21 and FY 2021-22 includes one time payments of which the petitioner has not furnished the details to neutralize the effect of one time payments and to calculate the normative O&M expenses for FY 2024-25.

In view of the deliberations as above, the Commission approves normative O&M expenses for FY 2024-25 as projected by the petitioner, as shown in the Table below:



Table 5-9 : Normative O&M Expenses provisionally approved for FY 2024-25

Particulars	(Rs. Lakh)	
	FY 2024-25	
	DPA Petition	Approved in this Order
O&M Expenses	393.49	393.49

5.7 Capital Expenditure, Capitalization and Sources of Funding

Petitioner's Submission

DPA has submitted that the capex and capitalisation projected for FY 2024-25 is Nil.

Commission's Analysis

The Commission has considered the Capital Expenditure and Capitalisation as Nil for FY 2024-25 based on the submissions made by the DPA.

5.8 Depreciation

Petitioner's Submission

The Petitioner submitted that it has claimed depreciation at the rates specified in the GERC (MYT) Regulations, 2016. The Petitioner has considered the closing value of GFA for FY 2022-23 as opening value of GFA for FY 2023-24 and closing of FY 2023-24 as opening value of GFA for FY 2024-25. The asset addition has been considered as Nil for FY 2024-25. The Depreciation projected by the Petitioner for FY 2024-25 is shown in the Table below:

Table 5-10: Depreciation projected by DPA for FY 2024-25

Sr. No.	Particulars	(Rs. Lakh)
		FY 2024-25
1	Opening GFA	5147.63
2	Addition During the Year	--
3	Closing GFA	5147.63
4	Average GFA	5147.63
5	Depreciation for the year	261.09
6	Average Rate of Depreciation	5.07%

Commission's Analysis

The Commission has considered the closing depreciable Assets (excluding land value) approved in Truing-up for FY 2021-22 as opening depreciable Assets for



FY 2022-23. Asset additions during FY 2022-23, FY 2023-24 and FY 2024-25 is considered as Nil based on the submissions made by the petitioner. As such there is no change in the closing value of depreciable Assets approved in truing up for FY 2022-23 and the opening value of depreciable GFA considered for FY 2024-25.

As deliberated under “Commission’s analysis” in paragraph 3.8 of this order, the Commission, considering the year of commissioning of asset and rate of depreciation as per Regulations, has computed the depreciation for FY 2024-25. As per the Asset-wise depreciation computations, the depreciation works out to Rs.101.99 lakhs for FY 2024-25 and the same is intimated to the petitioner for their elucidations. However, the petitioner has not submitted any information on the subject except stating that “*depreciation has been claimed based on computation of depreciation as assets in accordance with depreciation schedule of the GERC Tariff Regulations 2016*”.

In view of the above, the Commission provisionally approves the depreciation for FY 2024-25 as shown in the Table below:

Table 5-11 : Depreciation computed by the Commission for FY 2024-25

(Rs. Lakh)

Sr. No.	Particulars	FY 2024-25	
		DPA Petition	Approved in this Order
1	Opening depreciable Assets	5147.63	5056.01
2	Addition During the Year	--	--
3	Closing depreciable Assets	5147.63	5056.01
4	Average depreciable Assets	5147.63	5056.01
4	Depreciation for the year	261.09	101.99
5	Average Rate of Depreciation	5.07%	2.02%

5.9 Interest Expenses

Petitioner’s Submission

The Petitioner has submitted that the computation of the Interest on normative loan has been done as per Regulation 38 of the GERC MYT Regulations, 2016.

The closing balance of normative loan portfolio for FY 2022-23 as calculated has



been considered as opening balance of FY 2023-24. There is no addition of normative loan as there is no addition to GFA. Normative repayment has been considered equal to the depreciation computed for the year. Interest on loan has been calculated on the average normative loan for the year.

The rate of interest has been considered normatively in accordance with the GERC MYT Regulations, 2016, as 4.65%, i.e., RBI Bank Rate as on 1st April 2022 (4.65%) plus 200 basis points, in the absence of actual loans on the books of DPA. Finance Charges have been projected as Nil, considering that no actual loans are proposed to be taken.

The Petitioner has projected the Interest & Finance Charges for FY 2024-25 as shown in the Table below:

Table 5-12: Interest & Finance Charges submitted by DPA for FY 2024-25

(Rs. Lakh)		
Sl. No.	Particulars	FY 2024-25
1	Opening Loans	--
2	Loan Additions during the Year	--
3	Repayment during the Year	261.09
4	Closing Loans	--
5	Average Loans	--
6	Rate of Interest	6.65%
7	Interest on Loan	--

Commission's Analysis

The Commission has considered the closing loan for FY 2022-23 as Nil after considering the repayment of loan equivalent to depreciation allowed for the FY 2022-23. Further, during FY 2022-23 and FY 2023-24 there are no additions to assets and consequently no Debt Equity is approved for the respective years. As such, no loan is available to arrive at the opening loan for the FY 2024-25. The Loan addition has been considered as Nil for FY 2024-25 as there is no addition to GFA.

The repayment equivalent to depreciation as approved for FY 2024-25 has been considered. The computation of interest expenses approved by the Commission for



FY 2024-25 is shown in the Table below:

Table 5-13 : Interest Expenses approved by the Commission for FY 2024-25

Particulars	DPA Petition	Approved in this Order
(Rs. Lakh)		
Interest on Normative Loan		
Opening Loan	--	--
Addition of Loan due to Capitalisation during the Year	--	--
Less: Repayment	261.09	101.99
Closing Loan	--	--
Average Loan	--	--
Rate of Interest (%)	6.65%	6.65%
Interest Expenses	--	--

5.10 Return on Equity (RoE)

Petitioner's Submission

The Petitioner has considered the closing balance of normative equity for FY 2022-23 as opening balance of FY 2023-24. Addition of normative equity is considered as Nil as there is no capitalisation during FY 2023-24 and FY 2024-25.

The rate of Return in Equity (RoE) has been considered as 14%, in accordance with the GERC (MYT) Regulations, 2016. The RoE submitted by the Petitioner for FY 2024-25 is shown in the Table below:

Table 5-14 : Return on Equity submitted by DPA for FY 2024-25

Sl. No.	Particulars	FY 2024-25
(Rs. Lakh)		
1	Opening Equity	1544.29
2	Equity Addition during the Year	--
3	Closing Equity	1544.29
4	Average Equity	1544.29
5	Rate of Return on Equity	14%
6	Return on Equity	216.20

Commission's Analysis

The Commission has considered the closing balance of Equity for FY 2022-23 as approved in the Truing-up Order for FY 2022-23 as opening balance for FY 2023-24 and the addition of Equity for FY 2023-24 is considered as Nil as there is no



capitalisation during FY 2023-24.

Accordingly, the closing balance of Equity for FY 2023-24 thus worked out, has been considered as opening normative Equity for FY 2024-25. The equity addition for FY 2024-25 has been considered as Nil, since there is no addition/capitalisation during FY 2024-25.

The rate of RoE has been considered as 14% in accordance with the GERC (MYT) Regulations, 2016. The computation of RoE by the Commission for FY 2024-25 is shown in the Table below:

Table 5-15 : RoE approved by the Commission for FY 2024-25

(Rs. Lakh)

Sr. No.	Particulars	FY 2024-25	
		DPA Petition	Approved in this Order
1	Opening Equity	1544.29	1516.80
2	Addition to Equity	--	--
3	Closing Equity	1544.29	1516.80
4	Average Equity	1544.29	1516.80
5	RoE at 14%	216.20	212.35

5.11 Interest on Security Deposit

Petitioner's Submission

The Petitioner submitted that it has not projected any interest on Consumer Security Deposits for FY 2024-25. The actual interest paid on the Consumer Security Deposits shall be claimed at the time of truing up for FY 2024-25.

Commission Analysis

The Commission has not considered Interest on Consumer Security Deposit for FY 2024-25 since the Petitioner has not projected any interest on Consumer Security Deposits for FY 2024-25. Interest on consumer SD shall be considered based on actuals at the time of truing up for of FY 2024-25 as reported through the Audited Annual Accounts and in accordance with the provisions of the GERC (MYT) Regulations, 2016.

5.12 Income Tax

Petitioner's Submission

The Petitioner submitted that it has not projected any Income Tax for FY 2024-25. The actual Income Tax paid/payable for the licensed electricity business of DPA, if any, shall be claimed at the time of truing up for FY 2024-25.

Commission Analysis

The Commission has considered the provisional Income Tax as Nil for FY 2024-25.

5.13 Non-Tariff Income

Petitioner's Submission

The Petitioner submitted that Non-Tariff Income for FY 2024-25 comprises savings bank interest, supervision charges, meter connection charges, etc. DPA has considered the Non-Tariff Income for FY 2024-25 at the same level as actuals of FY 2022-23. However, interest on PGVCL deposit has not been considered, as the PPA with PGVCL has not been extended, and the interest will no longer be payable by PGVCL.

Table 5-16 : Other Income submitted by DPA for FY 2024-25

		(Rs. Lakh)
Sl. No.	Particulars	FY 2024-25
1	Meter Connection Charges	0.62
2	Surcharge Charges	10.11
3	Supervision Charges	14.65
4	Pro-rata charges	6.50
5	Registration Charges	0.06
6	Saving Bank Interest	1.13
7	Total	48.18

Commission's Analysis

The Commission approves the Non-Tariff Income equal as projected by the Petitioner, as shown in the Table below:

Table 5-17 : Non-Tariff Income approved by the Commission for 2024-25

		(Rs. Lakh)
Particulars	DPA Petition	Approved in this Order
Non-Tariff Income	48.18	48.18



5.14 Interest on Working Capital

Petitioner's Submission

The Petitioner submitted that it has computed the normative working capital requirement in accordance with the GERC MYT Regulations, 2016, as amended from time to time.

In line with the First Amendment to the GERC (MYT) Regulations, 2016 dated 2nd December, 2016, the rate of interest considered is the 1-year MCLR of SBI as on 1st April 2021 plus 250 basis points. This rate works out to 9.60%. As per these Regulations, one month of receivables are to be considered for calculation of interest on working capital. Also amount held as security deposit from consumers under clause (a) and clause (b) of sub-section (1) of Section 47 of the Electricity Act, 2003, except the security deposit held in the form of Bank Guarantees is to be deducted from it. The IoWC submitted by the Petitioner for FY 2024-25 is shown in the Table below:

Table 5-18 : Interest on Working Capital submitted by DPA for FY 2024-25

		(Rs. Lakh)
Sl. No.	Particulars	FY 2024-25
1	O&M expenses	32.11
2	Maintenance Spares	51.48
3	Receivables	362.16
4	Less: Consumer Security Deposit	--
5	Total Working Capital	446.42
6	Interest Rate (%)	9.60%
7	Interest on Working Capital	49.78

Commission's Analysis

The Commission has recomputed the components of working capital, in line with the methodology as specified in the GERC (MYT) Regulations, 2016 using the component as approved in preceding sections of this Order.

The Commission has noted that DPA has considered revenue from sale of power at existing tariff for calculation of working capital requirement. The Commission has considered approved Aggregate Revenue Requirement for calculation of working



capital requirement. Security deposits from consumers is considered at Rs.132.17 lakhs based on the value depicted in the final accounts of DPA for FY 2022-23.

As per the GERC (MYT) Regulations 2016, the rate of interest on working capital to be considered is 11.15% (SBI MCLR at 8.65% as on 01.04.2024 plus 250 basis points). However, the petitioner has projected the rate of interest at 9.60% and accordingly the same (9.60%) is considered and interest on working capital has been computed as per the provisions of the GERC (MYT) Regulations, 2016.

The normative interest on working capital approved by the Commission for FY 2024-25 is shown in the Table below:

Table 5-19 : Interest on Working Capital approved for FY 2024-25

Sl. No.	Particulars	FY 2024-25	
		DPA Petition	Approved in this Order
1	O&M expenses	32.11	32.79
2	Maintenance Spares	51.48	50.56
3	Receivables	362.16	303.89
4	Less: Consumer Security Deposit	--	132.17
5	Working Capital requirement (1+2+3-4)	446.42	255.07
6	Interest Rate (%)	9.60%	9.60%
7	Interest on Working Capital (5*6)	49.78	24.49

5.15 Aggregate Revenue Requirement

Petitioner's Submission

The Petitioner submitted the Summary of ARR projected for FY 2024-25 as shown in the Table below:

Table 5-20 : Summary of ARR projected by DPA for FY 2024-25

Sr. No.	Particulars	FY 2024-25
1	Power Purchase Expenses	2884.01
2	O&M Expenses	393.49
3	Depreciation	261.09
4	Interest & Finance Charges	--
5	Interest on Working Capital	49.78
6	Interest on Security Deposit	--
7	Total Revenue Expenditure	3588.37



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Sr. No.	Particulars	FY 2024-25
8	Return on Equity	216.20
9	Income Tax	-
10	Aggregate Revenue Requirement	3804.57
11	Non-Tariff Income	48.18
12	Total Revenue (10-12)	3756.39

Commission's Analysis

The ARR computed by the Commission for FY 2024-25, based on the individual components of the ARR as discussed in the earlier paragraphs, is shown in the Table below:

Table 5-21 : ARR approved by the Commission for FY 2024-25

(Rs. Lakh)

Sr. No.	Particulars	FY 2024-25	
		DPA Petition	Approved in this Order
1	Power Purchase Expenses	2884.01	2962.58
2	Operation & Maintenance Expenses	393.49	393.49
2.1	Employee Cost	90.46	90.46
2.2	R&M Cost	165.62	165.62
2.3	A&G Cost	137.41	137.41
3	Depreciation	261.09	101.99
4	Interest & Finance charges	--	--
5	Interest on Security Deposit	--	--
6	Interest on Working Capital	49.78	24.49
7	Total Revenue expenditure (1 to 6)	3588.37	3482.55
8	Return on Equity Capital	216.20	212.35
9	Income Tax	--	--
10	Aggregate Revenue Requirement (7+8+9)	3804.57	3694.90
11	Less: Non-Tariff Income	48.18	48.18
12	Net Aggregate Revenue Requirement (10-11)	3756.39	3646.72

The Commission, accordingly, approves the ARR for FY 2024-25 as given in the table above.



6. Determination of Tariff for FY 2024-25

6.1 Introduction

This chapter deals with the determination revenue gap at existing tariff for FY 2024-25. The Petitioner has proposed to retain the existing retail tariff (i.e. tariff applicable for FY 2023-24) for FY 2024-25 also, based on the projected Revenue Gap for FY 2024-25.

6.2 Trued up net Revenue Gap / (Surplus) of FY 2021-22 and FY 2022-23

The Commission has approved **revenue Gap/(Surplus) of (Rs.280.54) lakh** for FY 2021-22 and **revenue Gap/(Surplus) of Rs.150.67 lakh** for FY 2022-23 in true up.

Regulation 21.6 (c) of the MYT Regulations, 2016 specify that carrying cost is to be allowed on the amount of revenue gap / (surplus) for the period from the date on which such gap / (surplus) has become due, calculated on the simple interest basis at the weighted average SBI Base Rate for the relevant year, i.e. the year for which Revenue Gap/(Surplus) is determined. The weighted average SBI Base rate is 7% and 7.8% for FY 2021-22 and FY 2022-23, respectively.

The Commission has considered carrying cost in terms of regulation 21.6 (c) on the revenue gap/(Surplus) as detailed in the Table below:

Table 6-1: Carrying cost on Approved Revenue Gap/(Surplus) of FY 2021-22 & FY 2022-23

Sl. No.	Particulars	FY 2021-22	FY 2022-23
1	Revenue Gap/(Surplus) approved in true up for FY 2021-22	(280.54)	
2	Revenue Gap/(Surplus) approved in true up for FY 2022-23		150.67
3	Interest on revenue surplus of FY 2021-22 [(Wt. average SBI Base Rate 7.48%) for FY 2022-23, FY 2023-24 and FY 2024-25	(58.91)	
4	Interest on revenue gap of FY 2022-23 [(Wt. average SBI Base Rate 8.53%) for FY 2023-24 and FY 2024-25		23.50
	Total gap/(Surplus) with interest	(339.45)	174.17

The Commission, accordingly, carried forward and adjusted the revenue Gap / (surplus) of FY 2021-22 and FY 2022-23 along with carrying cost into the ARR for FY 2024-25

6.3 Projected Revenue Gap for FY 2024-25 with Existing Tariff

The Petitioner has projected the revenue for FY 2024-25 as under:

Total Revenue for FY 2024-25

The Petitioner has projected the revenue from sale of electricity based on the projected sales for FY 2024-25 and applicable category-wise tariff, as shown in the Table below:

Table 6-2 : Total Revenue at existing tariff for FY 2024-25 as submitted by DPA
(Rs. Lakh)

Sl. No.	Particulars	FY 2024-25
1	Revenue from Existing Tariff	3833.56
2	Revenue from FPPPA charges	
3	Total Revenue	3833.56

Total Revenue Gap/(Surplus) at existing Tariff

Based on the above, the Petitioner has projected the Revenue Gap/(Surplus) for FY 2024-25 at existing tariff, as shown in the Table below:

Table 6-3 : Revenue Gap/(Surplus) projected by DPA for FY 2024-25

(Rs. Lakh)

Particulars	FY 2024-25
ARR of FY 2024-25	3756.39
Add: Revenue Gap/(Surplus) after True up of FY 2021-22	(172.62)
Add: Revenue Gap/(Surplus) after True up of FY 2022-23	357.04
Total Aggregate Revenue Requirement	3940.81
Revenue from sales with existing tariff	3833.56
Revenue Gap/(Surplus)	107.25

Commission's Analysis

The Petitioner has projected revenue from sale of electricity at existing tariffs for FY 2024-25 at Rs.3833.56 lakh as given below:



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Sr. No.	Consumer Category	Sales (LU)	Total Revenue (Rs. Lakh)	Average realisation (Rs/kWh)
1	RGP			
2	NRGP			
3	LTMD	6.39	39.45	6.17
4	Street Lights	87.94	46.70	0.53
5	Temporary	9.73	574.21	59.01
6	HT	473.79	3173.20	6.70
7	Total	577.85	3833.56	6.63

In response to a query, the petitioner has furnished the energy sales data in respect of RGP (7.02 LU) and NRGP (25.87 LU) category of consumers for FY 2024-25, however, the information relating to revenue to be realised from these two categories has not been provided. The Commission, in the absence of revenue data has computed the revenue from RGP and NRGP consumers duly considering the actual rate of average realisation for FY 2021-22.

Sr. No.	Consumer Category	Sales (LU)	Total Revenue (Rs. Lakh)	Average realisation (Rs/kWh)
1	RGP	7.02	35.53	5.06
2	NRGP	25.87	193.45	7.48

Further, it can be observed from the table above, the average realisation from Temporary category of consumers is projected at Rs.59.01/kWh by the DPA. The average realisation from this category of consumers during FY 2021-22 and FY 2022-23 is at Rs.13.19/kWh and Rs.12.78/kWh respectively as given below:

Year	Consumer Category	Sales (units)	Total Revenue (Rs)	Average realisation (Rs/kWh)
2021-22	Temporary	762581	1,00,59,595	13.19
2022-23	Temporary	970123	1,23,93,830	12.78

DPA was directed to furnish the Revised form 11 for FY 2024-25 showing the no. of consumers, connected load, etc., however no information is received. The Commission opines the revenue projected by the DAP under Temporary category of consumers is abnormally very high and not appropriate to consider such high



revenue from this category. As such, the Commission has considered the actual trued up average rate of realisation of Rs.13.19/kWh of FY 2021-22 for projecting the revenue, duly considering the sales as projected by DPA, from temporary category for FY 2024-25. The Commission has computed the projected revenue from temporary category consumers for FY 2024-25 as given below:

Consumer Category	Sales (LU)	Total Revenue (Rs.)	Average realisation (Rs.)
Temporary	973000	12835339.37	13.19

In respect of other categories of consumers (i.e. LTMD, Street lights and HT), the Commission has considered the revenue as projected by the Petitioner.

The Commission as deliberated above, has considered the total revenue from sale of power for FY 2024-25 as detailed hereunder:

Sr. No.	Consumer Category	Sales (LU)	Total Revenue (Rs. Lakh)	Average realisation (Rs/kWh)
1	RGP	7.02	35.53	5.06
2	NRGP	25.87	193.45	7.48
3	LTMD	6.39	39.45	6.17
4	Street Lights	87.94	46.70	0.53
5	Temporary	9.73	128.35	13.19
6	HT	473.79	3173.20	6.70
7	Total	610.74	3616.69	5.92

As deliberated in the earlier Chapter, the Commission has computed the ARR for FY 2024-25, based on the available data. Accordingly, the Commission has calculated the Revenue Gap/ (Surplus) for FY 2024-25 based on existing tariffs in the following Table:

Table 6-4 : Provisional Revenue Gap/(Surplus) computed by the Commission for FY 2024-25

Particulars	(Rs. Lakh)	
	DPA Petition	Approved in this Order
ARR of FY 2024-25	3756.39	3646.72
Add: Revenue Gap/(Surplus) after True up of FY 2021-22 along with carrying cost	(172.62)	(339.45)
Add: Revenue Gap/(Surplus) after True up of	357.04	174.17



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Particulars	DPA Petition	Approved in this Order
FY 2022-23 along with carrying cost		
Total	3940.81	3481.44
Less: Revenue from sale of power	3833.56	3616.69
Revenue Gap/ (Surplus) for FY 2024-25	107.25	(135.25)

Thus, the Commission arrives at revenue surplus of Rs. 135.25 Lakh for FY 2024-25 as against revenue gap of Rs. 107.25 Lakhs projected by the Petitioner.



7. Compliance of Directives

7.1 Introduction

The Commission had given certain directives to the Petitioner in earlier Orders. The Petitioner has submitted the status of compliance of earlier directives which were provided in the Tariff Order for FY 2022-23. On review of the status of compliance of the directives submitted by the Petitioner, it was noted that some directives have been complied, and some are yet to be complied. The Commission has decided to give fresh directives clubbing earlier uncompiled directives in this tariff order.

7.2 Directives given in this Tariff order for FY 2024-25

7.2.1 Directive 1: Metering of consumers

The Petitioner, during the process of tariff order for FY 2022-23 had submitted that they have completed 100% Consumer Metering and 97% own departmental metering and only High Masts in the licence area are remaining to be metered. However, in the tariff petition for FY 2024-25, it has submitted that 100% metering was not achieved in FY 2022-23 and the category-wise sales are based on actual meter readings for 85% of the consumption and around 15% of the sales are assessed.

DPA has made contradict statements on the metering arrangements provided to measure the energy consumption and energy accounting. In the absence of 100% metering of consumption by consumers and department, the energy accounting and the energy losses of the utility cannot be measured accurately.

The Commission directs the petitioner to complete the 100% consumer metering and also the departmental consumption points and submit the energy accounting and energy losses with full particulars on quarterly basis for review and record.

7.2.2 Directive 2: Assessment of Distribution Losses

In spite of repeated directives for filing of actual data relating to distribution losses year on year through tariff orders, DPA is not making any efforts to extract the actual data on distribution losses. In the absence of actual data, the distribution losses are being allowed at 5% as projected by DPA in the true-up/tariff orders, year on year, from FY 2011-12 onwards. The Commission opines that allowing distribution losses at 5% is not appropriate without any reduction in the targets.

Hence, the DPA is directed to provide appropriate energy meters at all interface points, at various voltage levels, to measure the energy input and energy output of DPA network for proper energy accounting/audit to measure the transmission losses and distribution losses accurately.

7.2.3 Directive 3: Filing of Tariff Petition

DPA is directed to file the Tariff Petition as per the stipulated timelines in terms of the GERC MYT Regulations 2024 duly incorporating all the information in the formats prescribed under the GERC MYT Regulations 2024. DPA has filed the true up petition for FY 2022-23 and submitted the final accounts for FY 2022-23 without audit report, as such True up of FY 2022-23 could not be done in terms of Regulations.

The Commission directs the petitioner to avoid delay in finalization and audit of annual accounts. The true up petition for any year should invariably be filed with audited annual accounts together with audit report on the accounts.

7.2.4 Directive 4: RPO compliance

DPA is achieving wind RPO target only.

The Commission directs the petitioner to fulfil its RPO compliance in accordance with the RPO targets notified by the Commission in GERC (Procurement of energy from Renewable Sources) Regulations 2022 and subsequent amendments.

7.2.5 Rate for purchase of power from additional wind capacity available from FY 2023-24 (4.2 MW) and FY 2024-25 (4.2 MW).



The Petitioner has stated that in addition to existing 10.2 MW Wind Power Project, it has set up additional wind power project capacity available from FY 2023-24 (4.2 MW) and FY 2024-25 (4.2 MW). The Petitioner has not submitted any supporting documents/ details / justifications for consideration of rate of power purchase from this additional capacity. In absence of supporting documents/ details / justifications, it is not feasible to accurately determine the transfer price of wind power available to the Petitioner from this additional capacity of 8.4 MW.

Accordingly, the Commission directs the Petitioner to submit the supporting documents/ details / justifications for determining the transfer price of power available from Additional Wind capacity stated to be available from FY 2023-24 (4.2 MW) and FY 2024-25 (4.2 MW).

7.2.6 The Petitioner is directed to scrupulously follow the provisions of applicable Regulations / Order of the Commission as amended from time to time.

8. Fuel and Power Purchase Price Adjustment

8.1 Fuel and Power Purchase Price Adjustment (FPPPA)

The Commission last issued the Tariff Order for the Petitioner vide its Tariff Order dated 31st March 2023 in Case No.2169 of 2022. In this Tariff Order, the Commission approved the below formula for FPPPA charges for the Petitioner DPA:

Formula

$$FPPPA = [(PPCA - PPCB)] / [100 - Loss in \%]$$

Where,

PPCA = is the average power purchase cost per unit of delivered energy (including transmission cost), computed based on the operational parameters approved by the Commission or principles laid down in the Power Purchase Agreements in Rs./kWh for all the generation sources as approved by the Commission while determining ARR and who have supplied power in the given quarter and transmission charges as approved by the Commission for transmission network calculated as total power purchase cost billed in Rs. Million divided by the total quantum of power purchase in Million Units made during the quarter.

PPCB = is the approved average base power purchase cost per unit of delivered energy (including transmission cost) for all the generating stations considered by the Commission for supplying power to the company in Rs. /kWh and transmission charges as approved by the Commission calculated as the total power purchase cost approved by the Commission in Rs. Million divided by the total quantum of power purchase in Million Units considered by the Commission.

Loss in % = is the weighted average of the approved level of Transmission and Distribution losses (%) for Petitioner applicable for a particular quarter or actual weighted average in Transmission and Distribution losses (%) for Petitioner of the previous year for which true up have been done by the Commission, whichever is lower.

Petitioner Submission:

DPA has submitted that based on the projected energy requirement and the power purchase from various sources projected for FY 2024-25, DPA has projected the average power purchase cost as Rs.4.54/kWh for FY 2024-25. Further the DPA has not projected any revenue based on FPPPA charges and has considered the Base FPPPA as “Zero”. In case of variation in the power purchase cost as compared to the cost approved by the Commission, DPA shall recover such variation from the consumers through the FPPPA mechanism prescribed by the Commission.

Commission’s Analysis:

The Commission has approved Power Procurement expenses considering rate of Rs.4.42 per unit for FY 2024-25. The Petitioner shall levy FPPPA to the consumers in accordance with the FPPPA Formula detailed above over and above the base tariff. The significant quantum of purchase from the Wind Power Plant would reduce the average power purchase cost of the Petitioner and the benefit should be passed on to the consumers through Adjustments in FPPPA. The information regarding FPPPA recovery and the FPPPA charged shall be kept on the website of the Petitioner. For any increase in FPPPA, worked out on the basis of above formula, beyond ten (10) Paise per kWh in a quarter, prior approval of the Commission shall be necessary and only on approval of such additional increase by the Commission, the FPPPA can be billed to consumers. FPPPA calculations shall be submitted to the Commission within one month from end of the relevant quarter.



9. Wheeling Charges and Cross Subsidy Surcharge

9.1 Wheeling Charges

Petitioner's Submission

DPA has segregated its ARR into wire and supply component in accordance with allocation matrix provided in regulation 86 of GERC (MYT) Regulations, 2016. The segregated ARR for wheeling business and supply business is tabulated below:

Table 9-1 : Segregation of ARR into Wires and Retail Supply Business for FY 2024-25

(Rs. Lakh)				
Sr. No.	Particulars	Total DPA	Wires Business	Supply Business
1	Power Purchase Expenses	2884.01	-	2,884.01
2	Employee Expenses	90.46	54.28	36.18
3	R&M Expenses	137.41	123.67	13.74
4	A&G Expenses	165.62	82.81	82.81
5	Depreciation	260.96	234.86	26.10
6	Interest & Finance Charges	0.00	-	-
7	Return on Equity	216.20	194.58	21.62
8	Contingency Reserve		-	-
9	Provision of Tax/Tax paid		-	-
10	Interest on Security Deposit		-	-
11	Interest on Working Capital	49.95	5.00	44.95
12	Provision for Bad Debts		-	-
13	Less: Non-Tariff Income	48.18	4.82	43.36
14	Net ARR	3756.28	690.38	3065.90

Commission's Analysis

The Commission, in order to compute the wheeling charges and cross subsidy surcharge, has considered the allocation matrix between the wires and retail supply business as per GERC MYT Regulations, 2016. The allocation matrix and the basis of allocation of various cost components of the ARR as per GERC (MYT) Regulations, 2016 are shown below:



Table 9-2 : Allocation Matrix for segregation to Wires and Retail Supply Business as per GERC

Sr. No.	Particulars	Wires Business (%)	Retail Supply Business (%)
1	Power Purchase Expenses	0	100
2	Intra-State Transmission Charges	0	100
3	Employee Expenses	60	40
4	Administration and General Expenses	50	50
5	Repairs and Maintenance Expenses	90	10
6	Depreciation	90	10
7	Interest on Long Term Loan Capital	90	10
8	Interest on Working Capital	10	90
9	Interest on Consumer Security Deposit	10	90
10	Bad Debt Written Off	0	100
11	Income Tax	90	10
12	Contribution to Contingency Reserve	100	0
13	Return on Equity	90	10
14	Non-Tariff Income	10	90

Based on the above allocation, the approved ARR for wires business and retail supply business are computed as shown below.

Table 9-3: Segregation of ARR into Wires and Supply Business approved for FY 2024-25

(Rs. Lakh)

Sr. No.	Particulars	ARR approved for FY 2024-25	Wires Business	Retail Supply Business
1	Power Purchase Expenses	2962.58	-	2962.58
2	Employee Expenses	90.46	54.28	36.18
3	R&M Expenses	165.62	149.06	16.56
4	A&G Expenses	137.41	68.71	68.71
5	Depreciation	101.99	91.79	10.20
6	Interest & Finance Charges	-	-	-
7	Return on Equity	212.35	191.12	21.24
8	Contingency Reserve		-	-
9	Provision of Tax/Tax paid		-	-
10	Interest on Security Deposit		-	-
11	Interest on Working Capital	24.49	2.45	22.04
12	Provision for Bad Debts		-	-
13	Less: Non-Tariff Income	48.18	4.82	43.36
14	Net ARR	3646.72	552.58	3094.14

9.2 Determination of Wheeling Charges



Petitioner's Submission

In FY 2024-25 a total of 608.26 LUs would be input at 11 kV level in DPA network. Accordingly, the wheeling charges of FY 2024-25 have been calculated in accordance with projected ARR of wheeling Business as per below table:

Table 9-4 : Projected Proposed Wheeling Charge at 11 kV by the Petitioner

Sr. No.	Particulars	Units	Amount
1	ARR for the Wires Business	Rs. Lakh	690.38
2	Energy Input at 11 kV	Lakh Units	608.26
3	Proposed Wheeling Charges at 11 kV	Rs./kWh	1.13

Commission's Analysis

The Commission has determined the ARR of the Wires Business for FY 2024-25 in earlier Section. To determine the Wheeling Charges the ARR is divided by the sales handled by the DPA. Based on the above, the wheeling charges are approved as given in the Table below:

Table 9-5 : Wheeling Charges approved by the Commission for DPA for FY 2024-25

Particulars	UoM	Amount
Total ARR of wires business	Rs. Lakh	552.48
Energy Input	LU	642.87
Wheeling Charges	Rs./kWh	0.86

The Wheeling Loss applicable to the Petitioner's licensed area will be 5%, which is the Distribution Loss approved for FY 2024-25 in the present Order.

9.3 Cross-Subsidy Surcharge

Petitioner's Submission

In line with approach adopted by the Commission in previous Order CSS has been determined based on the Formula stipulated in the revised Tariff Policy notified by Ministry of Power on January 28, 2016, as reproduced below:

$$S = T - [C/(1-L/100) + D + R]$$



where,

S is the surcharge

T is the tariff payable by the relevant category of consumers, including reflecting the Renewable Purchase Obligation

C is the per unit weighted average cost of power purchase by the Licensee, including meeting the Renewable Purchase Obligation

D is the aggregate of transmission, distribution and wheeling charge applicable to the relevant voltage level

L is the aggregate of transmission, distribution and commercial losses, expressed as a percentage applicable to the relevant voltage level

R is the per unit cost of carrying regulatory assets..."

DPA has computed the CSS for HT Category, i.e., the category eligible for Open Access, in accordance with the above formula, for FY 2024-25, as shown in the following Table:

Table 9-6: Proposed CSS by the Petitioner for FY 2024-25

Particulars	Amount
T - Tariff for HT Category	6.70
C - Wt. avg. power purchase cost	4.54
D - Wheeling Charges (Rs./kWh)	1.03
L - Aggregate T&D Loss (%)	5%
S - Cross Subsidy Surcharge (Rs./kWh)	0.88

Commission's Analysis

The APTEL in its judgement on the issue of formula for calculation of Cross-subsidy has endorsed the use of the formula depicted in the Tariff Policy. The Central Government has issued the National Tariff Policy, 2016. According to this policy, the formula for Cross Subsidy Surcharge is as under:

$$S = T - [C / (1 - L/100) + D + R]$$

where,

S is the surcharge

T is the tariff payable by the relevant category of consumers, including reflecting the Renewable Purchase Obligation

C is the per unit weighted average cost of power purchase by the Licensee, including meeting the Renewable Purchase Obligation

D is the aggregate of transmission, distribution and wheeling charge applicable to the relevant voltage level

L is the aggregate of transmission, distribution and commercial Losses, expressed as a percentage applicable to the relevant voltage level

R is the per unit cost of carrying regulatory assets

The cross-subsidy surcharge based on the above formula is worked out as shown in the Table below:

Table 9-7 : Cross Subsidy Surcharge approved for FY 2024-25

Particulars	Amount
T- Tariff for HT category (Rs/kWh)	6.70
C - Wt. Avg. Power Purchase Cost (Rs/kWh)	4.42
D - Wheeling Charges (Rs / kWh)	0.86
L - Aggregate T&D Loss (%)	5.00%
S - Cross Subsidy Surcharge (Rs/kWh)	1.19

$$S = 6.70 - [4.42/(1-5\%) + 0.86 + 0.00] = 1.19 \text{ Rs/kWh}$$

According to Rule 13 of the Electricity (Amendment) Rules, 2022 notified by Ministry of Power, Government of India, the surcharge determined by the State Commission shall not exceed 20% of the Average Cost of Supply.

The Average Cost of Supply (ACoS) works out to Rs.5.97/kWh for FY 2024-25 and 20% of ACoS is calculated at Rs.1.19/kWh.

The Commission, in accordance with the Electricity (Amendment) Rules 2022 has determined the Cross-Subsidy Surcharge at Rs.1.19/kWh for FY 2024-25.

10. Tariff Philosophy and Tariff Proposal

10.1 Introduction

This Chapter discusses the tariff proposal and changes suggested in the tariff structure for FY 2024-25 by the Petitioner and the Commission's final decision on the same.

10.2 Tariff Proposal

Petitioner's Submission:

DPA has projected a Revenue Gap of Rs.107.25 lakh for FY 2024-25, with respect to the projected revenue requirement and the revenue with existing retail supply tariff. DPA has not proposed to revise the energy charges applicable to various consumer categories to meet the revenue gap and proposed to continue with the existing tariff. DPA has stated that the actual ARR and revenue will be presented during the true up for FY 2024-25.

DPA has not proposed any change in the Fixed/Demand Charges applicable for the respective consumer categories and the Fixed/Demand Charges approved by the Commission for FY 2023-24 are proposed to be retained in FY 2024-25.

DPA submitted that the Base FPPPA has been considered as zero, and the Energy Charges have been unchanged. If the Base FPPPA is fixed at any other level, then the proposed Energy Charges will have to be reduced to that extent, so that the same amount of revenue is earned.

Based on projected sales & retail tariff, revenue from sale of power is computed for FY 2024-25 as shown in the Table below:

Table 10-1 : Projected Revenue for FY 2024-25 with existing tariff

Consumer Category	Projected (Rs. Lakh)
RGP	--
NRGP	--

Deendayal Port Authority (DPA)
Truing up for FY 2021-22 & FY 2022-23 and Determination of ARR & Tariff for FY 2024-25

Consumer Category	Projected (Rs. Lakh)
LTMD	39.45
Street Lights	46.70
Temporary	574.21
HT	3173.20
Total	3833.56

Based on the above, the estimated revenue gap/(surplus) for FY 2024-25 including revenue gap of FY 2021-22 and FY 2022-23, is as outlined in the table below:

Table 10-2 : Revenue Gap/(Surplus) projected by DPA for FY 2024-25

(Rs. Lakh)		
Sr. No.	Particulars	FY 2024-25 (Projected)
1	Aggregate Revenue Requirement	3756.39
2	Add: Revenue Gap/ (Surplus) from True up of FY 2021-22	(172.62)
3	Add: Revenue Gap/ (Surplus) from True up of FY 2022-23	357.04
4	Total Aggregate Revenue Requirement	3940.81
5	Revenue with existing Tariff	3833.56
6	Revenue Gap/ (Surplus) with existing Tariff	107.25

The category-wise cross-subsidy proposed by DPA for FY 2024-25 with respect to the cross-subsidy based on existing tariffs, as a percentage of the ACoS, is shown in the Table below:

Table 10-3 : Proposed Cross-Subsidy Reduction (%)

Category	Projected ACOS (Rs/kWh)	Average Billing Rate (Rs/kWh)		Ratio of ABR to ACOS (%)	
		Existing Tariff	Proposed Tariff	Existing Tariff	Proposed Tariff
LTMD	6.75	6.18	6.18	92%	92%
Street Lights	6.75	4.80	4.80	71%	71%
Temporary	6.75	6.53	6.53	97%	97%
HT	6.75	6.70	6.70	99%	99%

Commission's Analysis

The Commission observed that DPA has projected a revenue gap of Rs.107.25 Lakhs in FY 2024-25 and not proposed any changes in the retail tariffs for FY 2024-25 and requested to retain the existing tariffs i.e. Tariffs notified in the Tariff order dated 31.03.2024.



Deendayal Port Authority (DPA)
Truing up for FY 2021-22 & FY 2022-23 and Determination of ARR & Tariff for FY 2024-25

The Commission based on the analysis has approved ARR of Rs.3646.72 lakh for FY 2024-25 and after considering the trued-up revenue surplus and revenue gap of FY 2021-22 and FY 2022-23 has arrived at the revenue requirement for FY 2024-25 as given hereunder:

Particulars	(Rs. Lakhs)	
	Projected by DPA	Approved by the Commission
Aggregate Revenue Requirement	3756.39	3646.72
Add: Revenue Gap/(Surplus) approved in true up for FY 2021-22 with carrying cost	(172.62)	(343.49)
Add: Revenue Gap/(Surplus) approved in true up for FY 2022-23 with carrying cost	357.04	176.37
Total Revenue Requirement for FY 2024-25	3940.81	3479.60

The Commission has computed the revenue at existing tariff (without considering FPPPA) at Rs.3616.69 lakh for FY 2024-25 and after considering the revenue requirement and revenue at existing tariffs, the revenue gap/(surplus) for FY 2024-25 is as depicted below:

Particulars	(Rs. Lakhs)	
	Projected by DPA	Approved by the Commission
Total Revenue Requirement for FY 2024-25	3940.81	3479.60
Less: Revenue with existing tariff	3833.56	3616.69
Revenue Gap/(Surplus) for FY 2024-25	107.25	(137.08)

Since the projected revenue requirement for FY 2024-25 resulted in *surplus* of Rs.137.08 Lakhs, the Commission has accepted the proposal of DPA and the existing Tariff both fixed and demand charges notified in the Tariff Order for FY 2023-24 are retained for FY 2024-25.

The Commission, in respect of other Distribution Licensee has approved Green Power Tariff at Rs.1.00/kWh over and above the tariff applicable for respective category of consumers for FY 2024-25. Following the similar approach, the Commission decide the Green Power Tariff for FY 2024-25 for DPA as under:

- Green Power Tariff of Rs 1.00/kWh, which is over and above the normal tariff of the respective category as per Tariff Order, be levied to the consumers



opting for meeting their demand of green energy.

- All consumers (Extra High Voltage, High Voltage and Low Voltage) shall be eligible for opting RE power on payment of Green Power Tariff.
- This option can be exercised by consumer giving billing cycle notice to the Distribution Licensee in writing before commencement of billing period.



COMMISSION'S ORDER

The Commission approves the Aggregate Revenue Requirement (ARR) for DPA for FY 2024-25, as shown in the Table below:

Approved ARR for DPA for FY 2024-25

Sr. No.	Particulars	Amount (Rs. Lakh)
1	Power Purchase Expenses	2962.58
2	Operation & Maintenance Expenses	393.49
3	Depreciation	101.99
4	Interest & Finance Charges	0.00
5	Interest on Working Capital	24.49
6	Interest on Security Deposit	0.00
7	Total Revenue Expenditure	3482.55
8	Return on Equity	212.35
9	Income Tax	
10	Aggregate Revenue Requirement	3694.90
11	Less: Other Income	48.18
12	Net Aggregate Revenue Requirement	3646.72

Sd/-
S. R. Pandey
Member

Sd/-
Mehul M. Gandhi
Member

Sd/-
Anil Mukim
Chairman

Place: Gandhinagar
Date: 31/03/2025

Annexure: Tariff Schedule

TARIFF FOR SUPPLY OF ELECTRICITY AT LOW TENSION, HIGH TENSION AND EXTRA HIGH TENSION

GENERAL CONDITIONS

1. The tariff figures indicated in this tariff schedule are the tariff rates payable by the consumers of Deendayal Port Authority.
2. These tariffs are exclusive of Electricity Duty, tax on sale of electricity, taxes and other charges levied by the Government or other competent authorities from time to time which are payable by the consumers, in addition to the charges levied as per the tariff.
3. All these tariffs for power supply are applicable to only one point of supply.
4. The charges specified are on monthly basis. The Distribution Licensee may decide the period of billing and adjust the tariff rate accordingly.
5. Except in cases where the supply is used for the purpose for which the Distribution Licensee has permitted a lower tariff, the power supplied to any consumer shall be utilized only for the purpose for which supply is taken and as provided for in the Tariff Order.
6. The various provisions of the GERC (Licensee's Power to Recover Expenditure incurred in providing supply and other Miscellaneous Charges) Regulations, 2005, except Meter Charges, will continue to apply.
7. Conversion of Ratings of electrical appliances and equipment from kilowatt to B.H.P., or vice versa, will be done, when necessary, at the rate of 0.746 kilowatt equal to 1 B.H.P.
8. The billing of fixed charges, based on contracted load or maximum demand, shall be done in multiples of 0.5 (one half) Horse Power or kilo Watt (HP or kW) as the case may be. The fraction of less than 0.5 shall be rounded off to next 0.5. The billing of energy charges will be done for one complete one kilo-watt-hour (kWh).
9. The Connected Load for the purpose of billing will be taken as the maximum load connected during the billing period.



10. The fixed charges, minimum charges, demand charges, and the slabs of consumption of energy for energy charges mentioned shall not be subject to any adjustment on account of existence of any broken period within billing period arising from consumer supply being connected or disconnected any time within the duration of the billing period for any reason.
11. Contract Demand shall mean the maximum kW / kVA for the supply of which the Licensee undertakes to provide to the consumer from time to time.
12. Fuel Cost and Power Purchase Adjustment Charges shall be applicable in accordance with the Formula approved by the Gujarat Electricity Regulatory Commission from time to time.
13. Payment of penal charges for usage in excess of contract demand / connected load for any billing period does not entitle the consumer to draw in excess of contract demand / connected load as a matter of right.
14. The payment of power factor penalty does not exempt the consumer from taking steps to improve the power factor to the levels specified in the Regulations notified under the Electricity Act, 2003 and the Licensee shall be entitled to take any other action deemed necessary and authorized under the Act.
15. Delayed Payment Charges for all consumers:
 - No Delayed Payment Charges shall be levied if the bill is paid within ten days from the date of billing (excluding the date of billing).
 - Delayed Payment Charges will be levied at the rate of 15% per annum for the period commencing from the due date till the date of payment if the bill is paid after due date.
 - For Government dues, the Delayed Payment Charges will be levied at the rate provided under the relevant Electricity Duty Act.
16. Green Power Tariff
 - Green Power Tariff of Rs. 1.00/kWh, which is over and above the normal tariff of the respective category as per Tariff Order, be levied to the consumers opting for meeting their demand of green energy.
 - All consumers (Extra High Voltage, High Voltage and Low Voltage) shall be eligible for opting RE power on payment of Green Power Tariff.

- This option can be exercised by consumer giving billing cycle notice to the Distribution Licensee in writing before commencement of billing period.



PART- I

SCHEDULE OF TARIFF FOR SUPPLY OF ELECTRICITY AT LOW AND MEDIUM VOLTAGE

1. RATE: RGP

This tariff is applicable for supply of electricity to residential premises and pumping stations run by local authorities.

- Single-phase supply- Aggregate load up to 6 kW
- Three-phase supply- Aggregate load above 6 kW

1.1. FIXED CHARGE PER MONTH

Range of Connected Load: (Other than BPL consumers)

(a)	Up to and including 2 kW	Rs. 15/- per month
(b)	Above 2 and up to 4 kW	Rs. 25/- per month
(c)	Above 4 and up to 6 kW	Rs. 45/- per month
(d)	Above 6 kW	Rs. 70/-per month

For BPL household consumers:

Fixed Charges	Rs. 5/- per month
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PLUS

1.2. ENERGY CHARGE: FOR THE TOTAL MONTHLY CONSUMPTION:

(For Other than BPL consumers)

(a)	First 50 units	390 Paise per Unit
(b)	Next 50 Units	440 Paise per Unit
(c)	Next 150 Units	515 Paise per Unit
(d)	Above 250 Units	615 Paise per Unit

1.3. ENERGY CHARGE: FOR THE TOTAL MONTHLY CONSUMPTION: FOR THE CONSUMERS BELOW POVERTY LINE (BPL)**

(a)	First 50 units	150 Paise per Unit
(b)	For the remaining units	Rate as per RGP

*** The consumer who wants to avail the benefit of the above tariff has to produce a copy of the Card issued by the authority concerned at the sub-division office of the Distribution Licensee. The concessional tariff is only for 50 units per*

month.

1.4. MINIMUM BILL

Payment of fixed charges as specified in 1.1 above.

2. RATE: NON-RGP

This tariff is applicable to the services for the premises, which are not covered in any other tariff categories and having an aggregate load up to and including 40 kW.

2.1. FIXED CHARGES PER MONTH

(a)	Up to & including 10 kW	Rs. 50/- per kW/month
(b)	Above 10 kW and up to 40 kW	Rs. 75/- per kW/month

PLUS

2.2. ENERGY CHARGES: FOR THE TOTAL MONTHLY CONSUMPTION

(a)	Up to & Including 10 kW	515 Paise per Unit
(b)	Above 10 and up to 40 kW	550 Paise per Unit

2.3. MINIMUM BILL (excluding meter charges)

Payment of fixed charges as specified in 2.1 above.

3. RATE: LTMD

This tariff is applicable to the services for the premises, which are not covered in any other tariff categories and having aggregate load above 40 kW and up to 100 kW.

This tariff shall also be applicable to consumers belonging to the category- 'Rate: Non-RGP', i.e., those who opt for being charged in place of 'Rate: Non-RGP' tariff.

3.1. FIXED CHARGE:

(a)	For billing demand up to Contract Demand	
	(i) For first 40 kW of billing demand	Rs. 85/-per kW per month
	(ii) Next 20 kW of billing demand	Rs. 130/-per kW per month



	(iii) Above 60 kW of billing demand	Rs. 200/- per kW per month
(b)	For billing demand in excess of the Contract Demand	Rs. 250/- per kW per month

PLUS

3.2. ENERGY CHARGE:

For the entire consumption during the month	555 Paise per Unit
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3.3. BILLING DEMAND

The billing demand shall be highest of the following and to be rounded to the next full kW:

- a) Eighty-five percent of the Contract Demand
- b) Actual maximum demand registered during the month
- c) 15 kW

3.4. MINIMUM BILL

Fixed/Demand Charges every month based on the billing demand.

4. RATE- SL (Street Lights)

4.1 Tariff for Street Light for Local Authority and Industrial Estates:

This tariff includes the provision of maintenance, operation and control of the street lighting system.

4.2 ENERGY CHARGES:

For all the units consumed during the month	480 Paise per Unit
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4.3 Minimum Charges:

The minimum energy charges for a consumer with more than 50 street lights within a village or an industrial estate, as the case may be, shall be equivalent to 2200 units per annum per kilo watt hour of the connected load during the year.

4.4 Renewal and Replacements of Lamps:

The consumer shall arrange for renewal, maintenance and replacement of lamps,

associated Fixture, connecting wire, disconnecting device, switch including time switch, etc., at his cost by the person authorised by him in this behalf under Rule-3 of the Indian Electricity Rules, 1956 / Rules issued by CEA under the Electricity Act, 2003.

5. **RATE- TMP (Temporary)**

This tariff is applicable to services of electricity supply for temporary period at low voltages.

5.1 **FIXED CHARGE**

Fixed Charge per Installation	Rs. 15 per kW per Day
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5.2 **ENERGY CHARGE**

For all units consumed during the month:	595 Paise per Unit
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5.3 **MINIMUM CHARGES**

Fixed Charges would be as given in Para 5.1 above.

6. **RATE- LT ELECTRIC VEHICLE (EV) CHARGING STATIONS**

This tariff is applicable to consumers who use electricity exclusively for Electric Vehicle Charging installations. Other consumers can use their regular electricity supply for charging electric vehicle under same regular category i.e. RGP, LTMD, NON-RGP, etc. as the case may be.

6.1 **FIXED CHARGE**

Fixed Charges per installation	Rs. 25 per installation per Month
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6.2 **ENERGY CHARGE**

For all units consumed during the month	410 Paise per Unit
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PART - II

**TARIFFS FOR SUPPLY OF ELECTRICITY AT HIGH TENSION
(3.3 KV AND ABOVE, 3-PHASE 50 HERTZ), AND EXTRA HIGH TENSION**

The following tariffs are available for supply at high tension for large power services for contract demand not less than 100 kVA

7. RATE- HTP-1

This tariff will be applicable for supply of electricity to HT consumers contracted for 100 kVA and above.

7.1 DEMAND CHARGES:

7.1.1 For billing demand up to contract demand

(a)	For the first 500 kVA of billing demand	Rs. 125/- per kVA per month
(b)	For next 500 kVA of billing demand	Rs. 250/- per kVA per month
(c)	For billing demand in excess of 1000 kVA	Rs. 335/- per kVA per month

7.1.2 For billing Demand in Excess of Contract Demand

For billing demand in excess over the contract demand	Rs. 425 per kVA per month
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PLUS

7.1.3 ENERGY CHARGES

For entire consumption during the month		
(a)	Up to 500 kVA of billing demand	555 Paise per unit
(b)	For billing demand above 500 kVA and up to 2500 kVA	580 Paise per Unit
(c)	For billing demand above 2500 kVA	595 Paise per Unit

PLUS

7.1.4 TIME OF USE CHARGES

For energy consumption during the two peak periods, viz., 0700 Hrs to 1100 Hrs and 1800 Hrs. to 2200 Hrs.		
(a)	For Billing Demand up to 500 kVA	50 Paise per unit
(b)	For billing demand above 500 kVA	90 Paise per Unit



7.2 Billing Demand:

The billing demand shall be the highest of the following:

- a) Actual maximum demand established during the month
- b) Eighty-five percent of the Contract Demand
- c) One hundred kVA

7.3 MINIMUM BILLS:

Payment of “demand charges” based on kVA of billing demand.

7.4 POWER FACTOR ADJUSTMENT CHARGES:

7.4.1 Penalty for poor Power Factor:

- a) The power factor adjustment charges shall be levied at the rate of 1% on the total amount of electricity bills for the month under the head “Energy Charges”, arrived at using tariff as per para 7.2 of this schedule, for every 1% drop or part thereof in the average power factor during the month below 90% up to 85%
- b) In addition to the above clause, for every 1% drop or part thereof in average power factor during the month below 85% at the rate of 2% on the total amount of electricity bill for that month under the head “Energy Charges”, arrived at using tariff as per para 7.2 of this schedule, will be charged.

7.4.2 Power Factor Rebate

If the power factor of the consumer’s installation in any month is above 95%, the consumer will be entitled to a rebate at the rate of 0.5% (half percent) in excess of 95% power factor on the total amount of electricity bill for that month under the head “Energy Charges”, arrived at using tariff as per para 7.2 of this schedule, for every 1% rise or part thereof in the average power factor during the month above 95%.

7.5 MAXIMUM DEMAND AND ITS MEASUREMENT:

The maximum demand in kW or kVA, as the case may be, shall mean an average



kW/kVA supplied during consecutive 15 minutes period of maximum use.

7.6 CONTRACT DEMAND:

The Contract Demand shall mean the maximum kW/kVA for the supply, of which the supplier undertakes to provide facilities from time to time.

7.7 REBATE FOR SUPPLY AT EHV:

On Energy charges:		Rebate @
(a)	If supply is availed at 33/66 kV	0.5%
(b)	If supply is availed at 132 kV and above	1.0%

8. RATE- HT ELECTRIC VEHICLE (EV) CHARGING STATIONS

This tariff is applicable to consumers who use electricity exclusively for Electric Vehicle Charging installations.

Other consumers can use their regular electricity supply for charging electric vehicle under same regular category i.e. HTP-I, as the case may be.

8.1 DEMAND CHARGE

(a)	For billing demand up to the contract demand	Rs. 25/- per kVA per Month
(b)	For billing demand in excess of contract demand	Rs. 50/- per kVA per Month

8.1 ENERGY CHARGE

For all units consumed during the month:	400 Paise per Unit
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8.2 Billing Demand

The billing demand shall be the highest of the following:

- a) Actual maximum demand established during the month
- b) Eighty-five percent of the Contract Demand
- c) One hundred kVA

