



**ORDER
OF THE
WEST BENGAL ELECTRICITY REGULATORY
COMMISSION**

IN CASE NO:

FPPCA – 62 / 12 – 13

**IN RE APPLICATION OF THE DURGAPUR
PROJECTS LIMITED FOR
FUEL & POWER PURCHASE COST
ADJUSTMENT (FPPCA) FOR
THE FINANCIAL YEAR 2011- 2012.**

DATE: 31.07.2013



CHAPTER – 1 INTRODUCTION

1.1 In terms of regulation 2.8.7 of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011, as amended (hereinafter referred to as the “Tariff Regulations”), The Durgapur Projects Limited (in short “DPL”) submitted its Fuel and Power Purchase Cost Adjustment (in short “FPPCA”) application on 27.12.2012 for ascertaining the fuel and power purchase costs admissible to DPL for the financial year 2011-12. Such admissible fuel and power purchase costs were to be worked out with reference to the actual quantum of energy sold to its own consumers and to other licensee(s) during the concerned adjustment period applying the formula given hereunder. The regulation 2.1.15 of the Tariff Regulations has, however, provided for dealing with aforesaid application of DPL as enunciated and specified by the Commission in Schedule – 7A to the Tariff Regulations on the basis of normative parameters as were used in the tariff order for 2011 – 2012.

1.2 The applicable formula for the determination of FPPCA is as under:

$$\text{“FPPC (In Rs.)} \quad = \quad \{FC + (PPC - C_D) + (\pm A)\}$$

Where –

- i) The adjustment period for fuel and power purchase cost will normally be on annual basis, if not otherwise decided by the Commission.
- ii) FPPC: Re-determined Fuel and Power Purchase Cost against application of FPPCA.
- iii) FC: Fuel cost of own generation as per normative parameters fixed by the Commission or on actual basis in absence of any norm and UHV range as may be allowed under regulation 5.8 commensurate with actual level of energy sales to own consumers and / or licensee during the adjustment period in accordance with the following methodology:



Order on FPPCA of DPL for the year 2011-12

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- t = Norms of Transmission and Distribution loss in % considered for sale of power from licensee to licensee
- d = Norms of distribution loss in %
- E_O = Admitted Energy for own consumption by licensee,
- E_{SL} = Energy sale to other licensee in MU
- E_{SC} = Energy sale to consumer in MU
- Fuel-Cost = Fuel cost at generation bus of own generating stations
= Cost determined on the basis of normative parameters of SHR and oil consumption rate against actual level of energy sent out plus normative auxiliary energy consumption.
- FC_{IUC} = Per unit of Fuel Cost at distribution input
= Fuel-Cost ÷ Actual overall energy available at input of the distribution system which includes power purchase from different services.
- FC_{Adm_d} = Admitted Fuel Cost for sale to licensee
= $\frac{E_{SL}}{(1 - t \times 0.01)} \times FC_{IUC}$
- FC_{Adm_C} = Admitted Fuel Cost for sale to consumer
= $\frac{E_{SC} + E_O}{(1 - d \times 0.01)} \times FC_{IUC}$
- FC = FC_{Adm_d} + FC_{Adm_C}
- iv) PPC (Rs.): Total cost incurred including the cost for fuel for power purchase from different sources commensurate with actual level of energy sales during the adjustment period.
- v) C_D (Rs.): Cost disallowable by the Commission as per following methods:



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Let	d	=	Norms of distribution loss in %
	t	=	Norms of Transmission and Distribution loss in % considered for sale of power from licensee to licensee
	E_g	=	Actual energy sent out in MU from own generating station
	E	=	Excess amount of auxiliary energy consumption in MU,
	E_P	=	Total energy purchased in MU
	E_O	=	Admitted Energy for own consumption by licensee
	E_{SC}	=	Energy sale to consumer in MU
	E_{SL}	=	Energy sale to other licensee in MU
	E_{Adm}	=	Admitted amount of energy entitled for purchase
		=	$\frac{E_{SC} + E_O}{(1 - d \times 0.01)} + \frac{E_{SL}}{(1 - t \times 0.01)} - E - E_g$
	E_E	=	Excess energy purchased = $E_P - E_{Adm}$
	C_D	=	$E_E \times EP_{Avg}$

When EP_{Avg} = Average cost of power purchase.

- vi) A: Adjustment, if any, to be made in the current period to account for any claim due to excess / shortfall in recovery of fuel and power purchase cost in the past adjustment period based on directions / orders of the Commission. (+A) shall be considered as the amount to be recovered from consumer and purchaser of electricity under the purview of the Commission when the licensee has already incurred such expenses. (-A) shall be considered as the amount to be refunded to the consumer and purchaser of electricity under the purview of the Commission because such amount of less expenses has been incurred by the licensee against any prior period adjustment.
- vii) Such re-determined fuel and power purchase cost (FPPC) of the licensee will be further adjusted for gain sharing as per Schedule – 9B



Order on FPPCA of DPL for the year 2011-12

for the parameters related to fuel cost to the extent it has impact in the fuel cost.”

- 1.3 DPL is a multi unit company fully owned by the Government of West Bengal. Besides functioning as a distribution licensee, it runs a thermal generating station, a coke oven plant and water works. Part of the generation of electricity at the generating station is being utilized by other sister units. The energy balance as was considered at the time of fixing tariff for the year 2011 – 2012 and as it came in actual were as under:

SI No	Particulars	As per Tariff Order	As per Actual
Sources			
(a)	Gross Generation	4187.500	1766.703
	Less: Auxiliary consumption	387.128 (9.24%)	191.511 (10.84%)
(b)	Ex-bus generation	3800.372	1575.192
(c)	Purchase of power during the year	112.473	183.651
(d)	Unscheduled Interchange (net)	0.000	101.349
(e)	Total energy available [(b)+(c)+(d)]	3912.845	1860.192
Utilization			
(f)	Sale of power to WBSEDCL at Bus	1295.347	138.354
(g)	Own consumption and Inter Plant transfer (15.95 MU + 31.474 MU)	27.820	47.424
(h)	Energy available for local sale [(e)-(f)-(g)-(h)]	2589.678	1674.414
(i)	Sale to consumers (including supply to WBSEDCL in 11 kV)	2447.246	1582.253
(j)	Distribution Loss (as a %age on quantum available for local sale)	142.432(5.50%)	92.161 (5.50%)

- 1.4 The schedule – 9B to the Tariff Regulations, 2011 contains provisions for sharing the gains derived by the licensee, if any, on account of its better performances over the operating and fuel consumption norms set by the Commission for the concerned year. The operational parameters which are to be considered for such sharing the gains accrued to the licensees are:

- i) Oil consumption rate,
- ii) Rate of Auxiliary Consumption,
- iii) Gross Station Heat Rate,



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- 1.5 Before ascertaining the amount of admissible fuel and power purchase cost as well as the amount of gains to be shared, if any, with the consumers and other licensees under the provisions of the Tariff Regulations explained in earlier paragraph, it needs to view the actual performances of DPL in regard to above three fuel consumption efficiency parameters.

Actual quantum of oil consumption as per the audited accounts during the year 2011 – 2012 came to 12128.91 KL for generation of 1766.703 MU. The rate of oil consumption, thus, came to more than 6.87 ml/kWh as against 1.89 ml/kWh allowed in the tariff order. The actual rate of auxiliary consumption came to 10.84% as against norm set for 9.30%. DPL has, however, asked for additional 0.5% over the normative rate towards consumption for lighting of plant premises and for running of exhauster fans. This is not admissible as such types of consumptions are to be covered out of the normative rate of auxiliary consumption as considered. As per the computations shown in the Annexure 1A, actual station heat rate achieved during the year came to 3459.849 Kcal/kWh as against norm of 2747.00 Kcal/kWh. DPL, thus, did not succeed in making improvement in any of the operational parameters. No gain, therefore, accrued to it for sharing with the consumers and other licensees.

- 1.6 The norm for distribution loss of DPL for the year 2011 – 2012 was considered 5.50% in the tariff order. As it comes out from the energy balance drawn by us under paragraph 1.4 above, the actual rate of distribution loss experienced by it on the quanta of sales to consumers including sales to West Bengal State Electricity Distribution Company Limited (in short “WBSEDCL”) in 11 KV works out to 5.50%. Thus, there was no improvement in distribution loss. No gain, therefore, was derived from it.



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- 1.7 The amount of fuel and power purchase cost that can be allowed to DPL, after carrying out the necessary adjustments towards cost disallowable, if any, is being taken up in the next chapter.



ANNEXURE - 1A COMPUTATION OF ACTUAL AVERAGE STATION HEAT RATES ACHIEVED IN 2011 -2012

SI No	Particulars	Unit	Value
1	Generation (Actual)	MU	1766.703
2	Consumption of Oil (As per audited accounts)	KL	12128.910
3	Consumption of Coal (As per audited accounts)	MT	1621078.81
4	GCV of Oil (Actual as given)	Kcal/Lit	9427.000
5	Heat value of Coal (Actual as given)	Kcal/Kg	3700.120
6	Heat from Oil (2X4/1000)	M.Kcal	114339.235
7	Heat from Coal (3X5/1000)	M.Kcal	5998186.126
8	Total Heat used (6+7)	M.Kcal	6112525.361
9	Station Heat Rate achieved (8/1)	Kcal/kWh	3459.849



CHAPTER – 2 COMPUTATION OF THE ALLOWABLE AMOUNT OF FUEL & POWER PURCHASE COST

2.1 The Commission now proceeds to determine the fuel and power purchase costs allowable to DPL in terms of the formula in this regard as referred to in paragraph 1.2 in the earlier chapter.

2.2 F.C.: FUEL COST:

2.2.1 Fuel cost of own generation is to be allowed as per normative parameters fixed by the Commission, or on actual basis in absence of any norms, and heat value of coal as may be allowed under regulation 5.8.1 of the Tariff Regulations, commensurate with actual level of energy sales to own consumers and / or licensees during the adjustment period. The fuel costs allowed to DPL for the year 2011 – 2012 for its generating stations were based on the weighted average fuel consumption norms in respect of Units III to VI and Unit VII as under:

Particulars	Unit	Norms
Station Heat Rate	Kcal/Kwh	2747.00
Specific Oil Consumption	MI/Kwh	1.89
GCV (Gross Calorific Value) of Oil	Kcal/Lit.	8787.00
Heat value of Coal	Kcal/Kg	3967.00
Transit loss of Coal	%	0.50
Auxiliary Consumption	%	9.24

2.2.2 The weighted average calorific values of coal and oil are, however, variable factors for assessing the quantity of coal and oil requirements and depend on the actual grade mix of their use in the power stations. Moreover, the declared Heat Value of each grade of coal varies between ranges. The weighted average heat value of coal for generating station consisting of five units of DPL, as considered in the tariff order for the year 2011 – 2012, was based on declared minimum heat value of the proposed grade mix of use. The weighted average heat value of coal with actual grade mix of coal used, as per audited data and claimed by DPL, i.e.,



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3700.120 Kcal/Kg, is found admissible as the same is higher than the minimum average heat value of 3615.98 Kcal/Kg computed in terms of regulation 5.8.1 of the Tariff Regulations. The computations shown in Annexure – 2A in this regard may be referred to. The Gross Calorific Value (in short “GCV”) of oil was considered as 8787.000 Kcal/lit at the time of fixing tariff for the concerned year. The GCV of oil as claimed by DPL based on actual consumption as per audited accounts came to 9427.00 Kcal/lit and the same is admitted.

2.2.3 The weighted average price of coal and oil, as per Note 13(1) of audited annual accounts 2011 – 2012 of DPL, came to Rs. 2146.92 per M.T. and Rs. 44074.69 per K.L. respectively. The above prices are inclusive of freight charges.

2.2.4 The admissible amount of fuel cost for generation has been computed and shown in Annexure – 2B. The computations therein are based on normative rate of auxiliary consumption, station heat rate, oil consumption rate and transit loss of coal. The variable factors, i.e., UHV of Coal, GCV of Oil, price of Coal and that of Oil are considered at actuals. The computed fuel cost of generation of electricity for sales to own consumers, WBSEDCL and others including inter plant transfer works out to Rs. 29086.56 lakh.

2.3 PPC: POWER PURCHASE COST:

2.3.1 The total quanta of actual purchase and the cost incurred as per the audited accounts came to 285.000 MU and Rs. 10472.61 Lakh respectively. The quanta of purchase were from WBSEDCL, RPG, IEX & UI. Average power purchase cost thus works out at 367.46 paise / kWh.

2.4 FUEL AND POWER PURCHASE COST:

2.4.1 In terms of the FPPCA formula as referred to in paragraph 1.2, the admissible fuel and power purchase cost of DPL works out as under. This admissible



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amount is subject to disallowance of a part of such cost on account of excess auxiliary consumption in the power plant and excess distribution loss:

SI No	Factor Notation	Nomenclature	Unit	Value
1	t	Norms of Transmission and Distribution loss considered for sale of power to licensee	%	0.000
2	d	Norms of distribution loss for sale to consumers	%	5.500
3	E _O	Energy for own consumption	MU	15.950
4	E _{SL}	Energy sale to licensee and interplant transfer [(f)+(g) of table in paragraph 1.3]	MU	169.828
5	E _{SC}	Energy sale to consumer [vide (i) of table in paragraph 1.3]	MU	1582.253
6	Fuel Cost	Fuel cost for generation on normative parameters (Refer Annexure – 2B)	Rs. in Lakh	29086.56
7	FC _{IUC}	Per unit Fuel Cost at distribution input for sale to consumers (Refer A below)	Paise/kWh	156.363
8	FC _{Adm_d}	Admissible Fuel Cost for sale to WBSEDCL and inter plant transfer (Refer B(ii) below)	Rs. in Lakh	2655.48
9	FC _{Adm_C}	Admissible Fuel Cost for sale to consumer (Refer B(i) below)	Rs. in Lakh	26444.42
10	FC	Admissible fuel cost (8+9)	Rs. in Lakh	29099.90
11	PPC	Power Purchase Cost (vide para 2.3)	Rs. in Lakh	10472.61
12	FC + PPC	Admissible Fuel and Power Purchase Cost (10+11)	Rs. in Lakh	39572.51

A. Fuel Cost per Unit (kWh) at Distribution Input		Unit	Amount
(i)	Fuel Cost for sale to consumers (As per Annexure – 2B)	Rs. in Lakh	29086.56
(ii)	Energy sent out from own generation for the consumers and licensee [(b) of table in paragraph 1.3]	MU	1575.192
(iii)	Power Purchase (vide paragraph 2.3.1)	MU	285.00
(iv)	FC _{IUC} [(i)/{(ii)+(iii)}]	Paise/kWh	156.363
B. Admissible Fuel Cost for sale to Consumers and Licensee		Unit	Amount
(i)	$\frac{E_{SC} + E_O}{(1 - d \times 0.01)} \times FC_{IUC} = \frac{1582.253 \text{ MU} + 15.950 \text{ MU}}{0.945} \times 156.363 \text{ paise/kWh}$	Rs. in Lakh	26444.42
(ii)	$\frac{E_{SL}}{(1 - t \times 0.01)} \times FC_{IUC} = \frac{169.828 \text{ MU}}{1} \times 156.363 \text{ paise/kWh}$	Rs. in Lakh	2655.48



Order on FPPCA of DPL for the year 2011-12

2.5 C_D : COST DISALLOWABLE:

2.5.1 Factor C_D, as referred to in the FPPCA formula mentioned in paragraph 1.2 in the earlier chapter, stands for cost as to be found disallowable by the Commission as per methodology specified in the FPPCA formula.

2.5.2 In accordance with methodologies, as specified in FPPCA formula, the amount of cost disallowable works out as under:

Sl. No.	Factor Notation	Nomenclature	Unit	Value
1	E _{SC}	Quanta of energy sold to consumers	MU	1582.253
2	E _O	Energy allowable for own consumption	MU	15.950
3	d	Normative distribution loss	%	5.500
4	-	$\frac{E_{SC} + E_O}{(1 - d \times 0.01)}$	MU	1691.22
		$\frac{1582.253+15.950}{0.945}$		
5	E _{SL}	Quanta of energy sold to licensee and interplant transfer	MU	169.828
6	t	Normative T&D loss for E _{SL}	%	0.00
7	-	$\frac{E_{SL}}{(1 - t \times 0.01)}$	MU	169.828
8	E	Auxiliary consumption in excess of norms (Refer A below)	MU	28.268
9	E _g	Energy sent out from own generating station net of UI	MU	1575.192
10	E _{Adm}	Purchase of energy admitted [(4)+(7)-(8)-(9)]	MU	257.588
11	E _P	Total energy purchased	MU	285.00
12	E _E	Excess energy purchased (E _P - E _{Adm})	MU	27.412
13	EP _{Avg}	Average power purchase cost	Paise/kWh	367.46
14	C _D	Cost disallowed (E _E x EP _{Avg})	Rs. in Lakh	1007.28

A. Excess Auxiliary Consumption:		Unit	Amount
(i)	Actual Gross Generation	MU	1766.703
(ii)	Actual Auxiliary Consumption	MU	191.511
(iii)	Normative rate of Auxiliary Consumption	%	9.240
(iv)	Auxiliary Consumption at normative rate	MU	163.243
(v)	Auxiliary Consumption in excess of norms	MU	28.268



2.6 (±) A: PRIOR PERIOD'S ADJUSTMENTS:

2.6.1 Factor A in the referred FPPCA formula signifies the adjustment, if any, to be made in the current period to account for any excess / shortfall in the recovery of fuel and power purchase cost for the past period. Being aggrieved by the tariff order dated 9 June 2004 of the Commission relating to the financial years 2002 – 2003, 2003 – 2004 and 2004 – 2005, DPL filed an appeal before the Hon'ble High Court, Calcutta, numbered as AST 1134 of 2004. As the case is still sub-judice, DPL could not claim FPPCA for the aforesaid period. No prior period adjustment, if any, in this regard has been claimed by DPL presently. Such adjustment is, therefore, taken as nil.

2.7 Computations of the aggregate allowable amount of fuel and power purchase cost:

2.7.1 Based on the analyses done in the foregoing paragraphs, the amount of allowable fuel and power purchase cost for DPL for the year 2011 – 2012 works out as under:

Rs in lakh		
SI No	Particulars/Factors	As admitted
1	FC: Fuel cost (10 of table in para 2.4.1)	29099.90
2	PPC: Power purchase cost (11 of table in para 2.4.1)	10472.61
3	C _D : Cost disallowable (para 2.5.1)	(-) 1007.28
4	±A :Adjustment relating to earlier period	0.00
5	Allowable fuel and purchase cost = FC+(PPC - C _D)+(± A)	38565.23

2.8 Benefits for savings in Distribution Loss:

2.8.1 As referred in paragraph 1.7, DPL could not achieve any gains from distribution loss and the same is treated as nil.



Order on FPPCA of DPL for the year 2011-12

- 2.9 Summing up the findings stated above, the amount of fuel and power purchase cost allowed to DPL for the year 2011 – 2012 are as under:

Particulars	Cost (Rs. in Lakh)
Fuel and Power Purchase cost as computed in para 2.7 above.	38565.23
Additional amount on account of savings in rate of distribution loss.	0.00
Re-determined Fuel and Power Purchase cost	38565.23



ANNEXURE - 2A

COMPUTATION OF HEAT VALUE OF COAL BASED ON MINIMUM OF DECLARED HEAT VALUE

GRADE OF COAL	GRADEWISE CONSUMPTION	DECLARED MINIMUM UHV OF THE GRADE (K.CAL/KG)	PRODUCT (K.CAL/KG) 4 = (2X3)
(1)	(2)	(3)	(8)
A	1888.40	6200.00	11708080.00
B	107898.53	5600.00	604231768.00
C	276589.74	4940.00	1366353315.60
D	346284.58	4200.00	1454395236.00
E	6350.58	3361.00	21344299.38
F	341930.09	2400.00	820632216.00
WIII	2489.02	2363.00	5881554.26
MCL - Washed	191349.51	2400.00	459238824.00
G4	6520.16	5600.00	36512896.00
G5	37621.13	4940.00	185848382.20
G6	91225.13	4940.00	450652142.20
G7	12603.70	4200.00	52935540.00
G9	43225.89	3360.00	145238990.40
G13	57947.65	1300.00	75331945.00
MCL-Washed	77646.82	1300.00	100940866.00
TOTAL	1601570.93		5791246055.04
Average			3615.98
Actual			3700.12
Allowable			3700.12

**ANNEXURE – 2B**

SI No	Particulars	Unit	Overall
1	Ex-Bus Generation	MU	1575.192
2	Rate of Auxiliary Consumption	%	9.300
3	Auxiliary consumption on ex-bus generation	MU	161.514
4	Admissible Generation for sale (1+3)	MU	1736.706
5	Station Heat Rate (Normative)	Kcal/kWh	2747.000
6	Total Heat Required (4x5)	M.Kcal	4770731.382
7	Specific Oil consumption (Normative)	ml/kWh	1.890
8	Oil consumption (4x7)	KL	3282.374
9	Average GCV of Oil (Actual)	K.cal/lit	9427.000
10	Heat from oil (8x9)/1000	M.Kcal	30942.940
11	Heat from coal (6-10)	M.Kcal	4739788.442
12	Average UHV of coal	K.cal/Kg	3700.120
13	Coal consumption (11/12) x1000	MT	1280982.358
14	Coal requirement at 0.50% transit loss (Normative)	MT	1287419.455
15	Average price of oil (Actual)	Rs/KL	44074.69
16	Average price of coal	Rs/MT	2146.92
17	Cost of oil (8x15)/100000	Rs / lakh	1446.70
18	Cost of coal (14x16)/100000	Rs / lakh	27639.86
19	Cost of Fuel (17+18)	Rs / lakh	29086.56



CHAPTER – 3 ORDER

- 3.1 The analyses in the earlier chapter show that the aggregate amount of fuel and power purchase cost that can be allowed to DPL for the year 2011 – 2012 comes to Rs 38565.23 lakh.
- 3.2 The Commission decides, in terms of regulation 2.8.7.1 of the Tariff Regulations, to consider this amount of Rs. 38565.23 lakh allowable towards fuel and power purchase cost along with the Annual Performance Review for the year 2011 – 2012 or that for any other ensuing year or through a separate order, as may be decided by the Commission.
- 3.3 DPL is to take a note of this order.

Sd/-
(SUJIT DASGUPTA)
MEMBER

Sd/-
(PRASAD RANJAN RAY)
CHAIRPERSON

DATED: 31.07.2013



ORDER

OF THE

**WEST BENGAL ELECTRICITY
REGULATORY COMMISSION**

IN CASE NO. FPPCA – 62 / 12- 13

**IN RE APPLICATION OF THE DURGAPUR PROJECTS
LIMITED ON COMMISSION'S ORDER DATED
31.07.2013 IN CASE NO: FPPCA – 62 / 12 – 13 ON FUEL
AND POWER PURCHASE COST ADJUSTMENT FOR
THE YEAR 2011 – 2012 IN TERMS OF SECTION 94 OF
THE ELECTRICITY ACT, 2003.**

PRESENT:

SRI PRASADRANJAN RAY, CHAIRPERSON

SRI SUJIT DASGUPTA, MEMBER

DATE: 11.09.2013

In re application of the Durgapur Projects Limited on Commission's Order dated 31.07.2013 in Case No. FPPCA – 62 / 12 – 13 on Fuel and Power Purchase Cost Adjustment for the year 2011 – 2012 in terms of section 94 of the Electricity Act, 2003.

Noting by Office or Advocate	Sl. No.	Date	Office notes, reports orders or proceedings with signature
		11.09.2013	<p style="text-align: center;"><u>ORDER</u></p> <p>1.0 The Commission issued an order dated 31.07.2013 in case no. FPPCA – 62 / 12 – 13 determining the Fuel and Power Purchase Cost of the Durgapur Projects Limited (In short 'DPL') for the financial year 2011 – 2012 in terms of regulation 2.8.7 of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011 (hereinafter referred to as the Tariff Regulations) and the formulae specified in Schedule – 7A to the Tariff Regulations.</p> <p>2.0 DPL on 02.09.2013 made submission vide no. DPL/COM/2013/ST/1857 dated 27.08.2013 referring some anomalies in the order dated 31.07.2013 of the Commission.</p> <p>3.0 One of the anomalies as pointed out by DPL is that in paragraph 1.5 of chapter 1 at page 6, the normative rate of auxiliary consumption is specified as 9.30% which is found in order as per operating norms specified in Schedule – 9A to the Tariff Regulations, whereas in paragraph 2.2.1 at page 9 and also in paragraph 2.5.2 at page 12, the auxiliary consumption (AEC) was taken as 9.24%.</p> <p>4.0 The Commission finding merit in the submission of DPL decides to review the decision of the Commission and to recalculate the admissible fuel and power purchase cost as follows:</p>

- 4.1 The Commission finds that the rate of normative auxiliary consumption of 9.30% as specified in paragraph 1.5 of the order is in order as per operating norms specified in Schedule – 9A to the Tariff Regulations.
- 4.2 The Commission finds that though the rate of normative auxiliary consumption is specified as 9.24% in the table under paragraph 2.2.1, but in computation of allowable fuel cost for the year 2011 – 2012 for DPL's generating stations in respect of Units III to VII, the Commission considered the rate of auxiliary consumption as 9.30% as it is shown in Annexure – 2B. Thus, the Commission considers it to amend the value of rate of auxiliary consumption in percentage in the last row of table under paragraph 2.2.1 at page 9 of the order as 9.30% having no effect in the computed fuel cost of Rs. 29086.56 lakh as mentioned in paragraph 2.2.4 at page 10 as per computation shown in Annexure – 2A.
- 4.3 The Commission finds the other anomaly in computation of cost disallowable in paragraph 2.5.2 in page 12 of the order and decides to recalculate the cost disallowed as follows:

Sl. No.	Factor Notation	Nomenclature		Unit	Value
1	E_{SC}	Quanta of energy sold to consumers		MU	1582.253
2	E_0	Energy allowable for own consumption		MU	15.950
3	d	Normative distribution loss		%	5.500
4	-	$E_{SC} + E_0$	1582.253+15.950	MU	1691.22
		$(1 - d \times 0.01)$	0.945		
5	E_{SL}	Quanta of energy sold to licensee and interplant transfer		MU	169.828

In re application of the Durgapur Projects Limited on Commission's Order dated 31.07.2013 in Case No. FPPCA – 62 / 12 – 13 on Fuel and Power Purchase Cost Adjustment for the year 2011 – 2012 in terms of section 94 of the Electricity Act, 2003.

6	t	Normative T&D loss for E_{SL}	%	0.00
7	-	$\frac{E_{SL}}{(1 - t \times 0.01)}$	MU	169.828
8	E	Auxiliary consumption in excess of norms (Refer A below)	MU	27.208
9	E_g	Energy sent out from own generating station net of UI	MU	1575.192
10	E_{Adm}	Purchase of energy admitted [(4)+(7)-(8)-(9)]	MU	258.648
11	E_P	Total energy purchased	MU	285.000
12	E_E	Excess energy purchased ($E_P - E_{Adm}$)	MU	26.352
13	EP_{Avg}	Average power purchase cost	Paise/kWh	367.46
14	C_D	Cost disallowed ($E_E \times EP_{Avg}$)	Rs. in Lakh	968.33

A. Excess Auxiliary Consumption:		Unit	Amount
(i)	Actual Gross Generation	MU	1766.703
(ii)	Actual Auxiliary Consumption	MU	191.511
(iii)	Normative rate of Auxiliary Consumption	%	9.300
(iv)	Auxiliary Consumption at normative rate	MU	164.303
(v)	Auxiliary Consumption in excess of norms	MU	27.208

4.4 The Commission finds that the cost disallowed (C_D) as considered in the computation of aggregate allowable amount of fuel and power purchase cost in paragraph 2.7.1 in page no. 13 will be Rs. 968.33 lakh instead of Rs. 1007.28 lakh as considered in the order. Thus, there is an excess cost amounting to Rs. 38.95 lakh (Rs. 1007.28 lakh – Rs. 968.33 lakh) disallowed in the order and that the amount of Rs. 38.95 lakh is further allowable to DPL over the amount of Rs. 38565.23 lakh as allowed towards fuel and power purchase cost for 2011 – 2012 in paragraphs 3.1 and 3.2 of the order.

5.0 The Commission in terms of section 94 of the Electricity Act, 2003 decides that the recoverable amount of Rs. 38.95 lakh shall be adjusted with the amount of Aggregate Revenue Requirement for the year 2013-14 or that for any

In re application of the Durgapur Projects Limited on Commission's Order dated 31.07.2013 in Case No. FPPCA – 62 / 12 – 13 on Fuel and Power Purchase Cost Adjustment for the year 2011 – 2012 in terms of section 94 of the Electricity Act, 2003.

			<p>other ensuing year or through a separate order, as may be decided by the Commission. The decision of the Commission in this regard will be given in the tariff order of DPL for the year 2013-14 or any ensuing year or in a separate order.</p> <p>Sd/- (SUJIT DASGUPTA) MEMBER</p> <p>Sd/- (PRASADRANJAN RAY) CHAIRPERSON</p> <p>Dated : 11.09.2013</p>
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