



MADHYA PRADESH POWER MANAGEMENT CO. LTD.

CIN: U40109MP2006SGC018637 (A Government of Madhya Pradesh Undertaking)

Regd. Office: Shakti Bhawan, Rampur Jabalpur Madhya Pradesh INDIA 482 008

Tel:0761-2661111, 2660500, Fax: 0761 - 2661696,

Website: www.mppmcl.com email: md@mppmcl.com

No. CGM (RM)/FPPAS/23-24/495

/Jabalpur/Dated 22/12/2023

To

1. The Managing Director
M.P. Paschim KVV Co. Ltd.
G.P.H Compound, Polo Ground,
Indore (M.P)
2. The Managing Director
M.P. Madhya KVV Co. Ltd.
Bijli Nagar Colony, Nishtha Parisar, Govindpura,
Bhopal (M.P)
3. The Managing Director
M.P. Poorv KVV Co. Ltd.
Block No.7, Ground Floor, Shakti Bhawan,
Jabalpur (M.P)

C.G.M. (IT) MPPMCL, JBP.

Letter R. No. 770

Date 26/12/2023

Sub: - Fuel & Power Purchase Adjustment Surcharge (FPPAS) for the Month of Dec-2023.

Ref: - First Amendment to MPERC (Terms and Conditions for Determination GM of Tariff for Supply and Wheeling of Electricity and Methods and Principles for Fixation of Charges) (1st Amendment) Regulation, 2021 {ARG-at 35(III) (i) of 2023}

As per the formula specified under MPERC Regulations cited under reference, the FPPAS for the month of December-2023 has been calculated as (-) 1.72 % (minus 1.72%). The **Sub Clause (ze) (A) of Amendment to Regulation 4** of the MPERC (Terms and Conditions for determination of tariff for Supply and Wheeling of Electricity and Methods and Principles for Fixation of Charges (1st Amendment) Regulations, 2021, provides as under:

"Fuel and Power Purchase Adjustment Surcharge" (FPPAS) shall mean the increase in cost of power, supplied to consumers, due to change in Fuel cost, power purchase cost with reference to cost of supply approved by the Commission."

It is clarified by the MPERC that FPPAS is to be levied, in case there is an increase in cost of power supplied to consumers. due to change in Fuel cost. power purchase cost with reference to cost of supply approved by the Commission. The

Chief General Manager (Revenue Management):- Block no.15, First floor, Shakti Bhawan, Rampur, Jabalpur 482008,
Email:Shailendra.saxena@mppmcl.com, cgmrm@mppmcl@gmail.com


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Commission has further clarified that, in case there is no such increase in cost of power, FPPAS is not to be levied. Regulation 9.9 lays down clearly that excess revenue received against FPPAS shall have to be returned by the licensee along with its carrying cost. Thus, in case FPPAS is in the negative, the advantage accruing to the licensee on account of reduced cost of Fuel/ power purchase has to be passed on to the consumers.

Accordingly, the negative FPPAS may be adjusted against the positive FPPAS in the coming months and no FPPAS i.e. zero percent FPPAS is to be billed to the consumers on energy charge for one month commencing 24th December-2023 in accordance with the Regulations and as decided by the competent authority. A detailed calculation sheet is attached herein for your reference and uploading the same on the website of the company to comply with provisions of the Regulations.

Encl.: As above

(Shailendra Saxena)
 Chief General Manager (RM)
 MPPMCL JABALPUR

Copy to: -

1. OSD, Energy Deptt, GoMP, Bhopal
2. The Secretary, MPERC, Metro Plaza, Bittan market, Arera Colony, Bhopal wrt the Commission's clarification letter No MPERC/RE/2023 /2372 Bhopal Dated: 20.10.2023
3. PS to MD.MPPMCL. Jabalpur.
4. The Chief General Manager, Commercial (Conv.)/(Non-Conv.) MPPMCL
5. Chief Financial Officer, MPPMCL, Jabalpur
6. Director (Commercial) / CGM (Commercial) MPPoKVVCL / MPMaKVVCL / MPPaKVVCL, Jabalpur/Bhopal/Indore- A copy of FPPAS calculation sheet is enclosed for uploading on the Company's website.
7. The CGM (IT) MPPMCL, Jabalpur -

A copy of FPPAS calculation sheet is enclosed for uploading on the Company's website.

Encl.: As above


 Chief General Manager (RM)
 MPPMCL, Bhopal

**Formula for Computation of Fuel and Power Purchase Adjustment Surcharge
as per the Regulations, 2021 {ARG-35(III) (i) of 2021}**

$$\text{Monthly FPPAS for } n^{\text{th}} \text{ Month (\%)} = \frac{(A-B)*C}{\{Z*(1-\frac{\text{Distribution losses in \%}}{100})\}*ABR} *100$$

Where,

- “Nth” - Month means the month in which billing of fuel and power purchase adjustment surcharge component is done. This fuel and power purchase adjustment surcharge is due to changes in tariff for the power supplied in (n – 2)th month;
- “A” - Total units procured from all sources (n – 2)th Month (in kWh) including Long-term, Medium-term and Short-term Power purchases (To be taken from the bills issued to Distribution Licensee);
- “B” - Bulk sale of power out of total units procured (as per A) in (n – 2)th Month (in kWh) = (to be taken from provisional accounts to be issued by State Load Dispatch Centre in each month);
- “C” - Incremental Average Power Purchase Cost in Rs./kWh=D-E
- “D” - Actual Average Power Purchase cost (PPC) for procurement of A-B units in (n – 2)th Month (Rs./kWh) (computed)
- “E” - Projected Average Power Purchase Cost (PPC) from all sources (Rs./kWh) (from Retail Supply Tariff Order of respective year).
- “Z” - = [{Actual Power purchased from all the sources outside the State in (n – 2)th Month (in kWh) * (1 – Inter-state transmission losses in % /100) + Actual Power purchased from all the sources within the State (in kWh)} *(1 – Intra-state losses in %/100) – B] in kWh
- “ABR” - = Average Billing Rate for the year (to be taken from the Tariff Order in ₹/kWh)
- “Distribution Loss (in %)” = Normative Distribution Losses as given in table under Regulation 26.1
- “Inter-state transmission Losses (in %)” = As per Tariff Order

Calculation of monthly fuel and power purchase adjustment surcharge and recovery of fuel and power purchase adjustment surcharge (separately for automatic and approved portions) for the month of Nov-2023.

FPPAS Computation as per the Formula Specified in First Amendment of MPERC MYT Regulations, 2021 dated 17th Feb 2023				
Sr.No.	Particulars	UoM	(N-2)th Month	Oct-23
			Nth month	Dec-23
1	Total Units procured in (n-2) month from all Sources	kWh	A	9,161,227,411
2	Bulk Sale of Power out of total units procured (As per A) in (n-2)th month Taken from provisional accounts issued by SLDC	kWh	B	254,539,185
3	Net units	kWh	A-B	8,906,688,226
4	Incremental Average Power Purchase Cost	Rs./kWh	C	(0.09)
5	Distribution Loss as per the Tariff Order	%		15.45
6	Z Factor			8,481,411,541
7	ABR as per the Tariff Order	Rs./kWh	ABR	6.79
8	Monthly FPPCA for the Month of Dec-23 (%)	%	$((A-B)*C)/((Z*(1-Dist.\%/100)*ABR))*100$	-1.72
C	Incremental Average Power Purchase Cost	Rs./kWh	C=D-E	(0.09)
9	Actual Average Power Purchase Cost for procurment of A-B units in (n-2)th Month-Computed	Rs./kWh	D	3.54
10	Projected Average Power Purchase Cost from All sources -As per Tariff Order	Rs./kWh	E	3.63
D	Actual Average Power Purchase Cost (Rs/KWh)		$D= (Cost\ of\ A- Income\ of\ B) / (A-B)$	3.54
11	Actual Power Purchase Cost for procurment of A	Rs	a	32900874426
12	Income from Power Sale of B	Rs	b	1405300749
13	Incremental/Net Power Purchase Cost	Rs	(a-b)	31495573677
14	Power procurement Quantum as per A	Kwh	A	9161227411
15	Power Sale Quantum as per B	Kwh	B	254539185
16	Net Units (A-B)	Kwh	(A-B)	8906688226
17	ABR for the Year (Taken from Tariff Order for FY 23)	Rs./kWh		6.79
18	Inter-state Transmission Losses as per TO FY 23	%	6	3.52
	Z			8,481,411,541

**FPPAS Computation as per the Formula Specified in First Amendment of MPERC MYT Regulations, 2021
dated 17th Feb 2023**

Sr.No.	Particulars	UoM	(N-2)th Month	Oct-23
			Nth month	Dec-23
19	Actual Power Purchased from all sources outside the State in (n-2)th Month	kWh	5	5,378,278,395
20	Inter-state Transmission Losses	%	6	3.52
21	Power Purchased from all sources with in State	kWh	7	3,782,949,017
22	Intra-state Transmission Losses	%	8	2.63
23	Power Sale Quantum as per B	kWh	B	254,539,185
	Distribution Loss as per the Tariff Order FY 23	%	Avg	15.45
1	EZ	%		15.50
2	CZ	%		16.50
3	WZ	%		14.50