

**SOUTHERN POWER DISTRIBUTION COMPANY OF A.P. LIMITED**

**19-13-65/A, Vidyut Nilayam, Srinivasapuram, Tirupati ([www.apspdcl.in](http://www.apspdcl.in))**

**From**

The Executive Director,  
RAC & IPC, APSPDCL, 19-13-65/A,  
Vidyut Nilayam, Srinivasapuram,  
Tirupati – 517501.

**To**

The Secretary,  
APERC, #11-4-660,  
Singareni Bhavan, Red Hills,  
Lakdi-ka-pul, Hyderabad.

**Lr No. ED/RAC&IPC/SPDCL/TPT/GM/RAC/F:FPPCA/D.No.379/2022 dt.30-06-2022**

Sir,

Sub:- APSPDCL/Tirupati – Application for pass through of Fuel & Power Purchase Cost Adjustment (FPPCA) for 4<sup>th</sup> quarter for FY 2021-22 (Jan'22 to Mar'22) in Rs./unit as per Regulation No.4 of 2021 – Submitted – Regarding.

Ref:- Regulation No.4 of 2021

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The licensee is herewith submitting 1 No. application for pass through of Fuel & Power Purchase Cost Adjustment (FPPCA) for 4<sup>th</sup> quarter for FY 2021-22 (Jan'22 to Mar'22) in Rs./unit for approval / orders of the Honourable Commission please.

Encl : Application in Original (6 sets)

Yours faithfully,

  
Executive Director 30/6  
RAC & IPC

**BEFORE THE HONOURABLE ANDHRA PRADESH ELECTRICITY  
REGULATORY COMMISSION**

At its office at 4th Floor, Singareni Bhavan, Red Hills, Hyderabad-500 004

File No. /2022

Case No. /2022

**IN THE MATTER OF:**

Filing of application for pass through of Fuel & Power Purchase Cost Adjustment (FPPCA) for 4<sup>th</sup> quarter for FY 2021-22 (January'22 to March'22) in Rs./unit as per Second amendment to APERC Regulation No.4 of 2005 (Terms and conditions for determination of tariff on Wheeling and Retail Sale of Electricity) Regulation No.4 of 2021.

**AND**

**IN THE MATTER OF:**

**Southern Power Distribution Company of A.P Limited (APSPDCL)**

- Applicant

**MOST RESPECTFULLY SHOWETH THE SUBMISSION**

**The APSPDCL humbly submits the following:**

- 1) This filing is made by APSPDCL as per Regulation No.4 of 2021(Second amendment to the APERC Regulation No.4 of 2005 (Terms and conditions for determination of tariff on Wheeling and Retail Sale of Electricity).
- 2) The Clause Nos.3 & 4 of Regulation No.4 of 2021 reads as follows.

**Clause 3 : Sub-clause 12.4 in the Principal Regulation shall be substituted with the following:**

"The Distribution Licensee shall be entitled to recover from or refund to the consumers, as the case may be, the FPPCA(Fuel and Power Purchase Cost Adjustment) as approved by the Commission from time to time either suo motu or based on the filings made by the Distribution Licensee."

**Clause 4 : The following sub-clause shall be inserted after sub-clause 12.4 in the Principal Regulation.**



#### **"12.5. FPPCA (Fuel and Power Purchase Cost Adjustment)**

Within two months from the end of every quarter, the Distribution Licensee shall file an application for FPPCA for that quarter before the Commission. The filing shall be accompanied by purchase details source-wise for the quarter along with the monthly breakups duly certified by the auditor as per the format annexed to this Regulation. If the Distribution Licensee is unable to file the FPPCA within two months, it may file the same within a further grace period of up to one month. After examining the request of the Distribution Licensee, the Commission may entertain the claims, if it is satisfied with the reasons submitted by the Distribution Licensee for the delay in the filings. For any wrong information furnished by Distribution Licensee, penalties will be levied on it by the Commission.

The Commission, after a prudent check of the filings and due public consultation process, will issue an order determining the FPPCA for that quarter in accordance with the following formula.

Formula:  $FPPCA = (APPC - BPPC) / (100 - \text{Loss in } \%)$

Where,

FPPCA = Fuel & Power Purchase Cost Adjustment in Rs/unit up to 4 decimal places

APPC = The actual weighted average power purchase cost per unit of energy, which shall be arrived at as the actual total power purchase cost (including the transmission & scheduling costs) in Rs. Million that is allowed by the Commission after prudent check for the quarter for which the Distribution Licensee is seeking 'FPPCA divided by the actual quantum of power purchases in Million Units made by the Distribution Licensee from the sources approved by the Commission for that quarter.

BPPC = The base weighted average power purchase cost per unit of energy, which shall be arrived at as the total power purchase cost approved by the Commission in Rs. Million (including the transmission & scheduling costs) in the RS TO (Retail Supply Tariff Order) for the quarter for which the Distribution Licensee is seeking 'FPPCA divided by the total quantum of energy in Million Units approved by the Commission in the RS TO for the Distribution Licensee for that Charter.

Loss in % = The weighted average Transmission and Distribution losses (%) approved by the Commission for the Distribution Licensee for the quarter for which the Distribution Licensee is seeking 'FPPCA' or actual



weighted average Transmission and Distribution losses (%) for the corresponding quarter of the previous year for that Distribution Licensee, whichever is lower.

- 3) As per Clause No.4 of the Regulation, the licensee is enclosing statement of the Station wise energy dispatched, fixed cost, variable cost, incentive, income tax etc., in the format appended to the Regulation for 4<sup>th</sup> quarter of FY 2021-22 (January'22 to March'22) (Annexure-I). Power purchase cost certified by the auditors for the 4<sup>th</sup> quarter of FY 2021-22 is herewith enclosed (Annexure-II)

- 4) The computation of FPPCA is as follows :

Actual Weighted average Power Purchase Cost per unit of energy (APPC) :

$$\text{Actual Power purchase cost / Actual energy dispatch} = 3509.31 \text{ Crs. / } 6726.79 \text{ MU} \\ = \text{Rs.5.22 / unit}$$

Base Weighted average Power Purchase Cost per unit of energy (BPPC) :

$$\text{Approved Power purchase cost / Approved energy dispatch} = 3146.58 \text{ Crs. / } 7392.57 \text{ MU} \\ = \text{Rs.4.26 / unit}$$

Approved T&D Loss for the 4<sup>th</sup> quarter of FY 2021-22 = 10.68%

Actual loss % for corresponding quarter of last year (Jan'21 to Mar'21) = 10.08%

Lower of the T&D Loss (above two rows) = 10.08%

$$\text{FPPCA (Rs./Unit)} = (\text{APPC} - \text{BPPC}) / (100 - \text{Loss in \%}) \text{ (Rs./Unit)} \\ = (5.22 - 4.26) / (100\% - 10.08\%) \\ = 1.0682$$

Note : For FY 2020-21, the D to D settlements were carried out on yearly basis only and not on quarterly basis. Hence the T&D loss computed for the entire year is considered for the quarter.

- 5) The licensee proposes to levy the amounts in 3 equal instalments.
- 6) The FPPCA is proposed to be passed through on all categories of consumers. The licensee will claim the FPPCA amount of free power categories (Agriculture) from the Govt. of A.P.
- 7) Further, it is humbly submitted that, the licensee could not file the FPPCA application within 2 months' time frame stipulated by the Honourable APERC as there is slight delay in compilation of accounts for the power purchase for the quarter as the additional liability arisen on account of recent judgment of the Honourable High Court of A.P. in the matter of review of PPAs is to be taken into

account as well. But, the licensee is filing the application within the grace period as per Regulation No.4 of 2021. Hence the licensee requests to take the above reason into consideration and condone the delay in filing the FPPCA application.

In the above circumstances, the licensee humbly prays the Honourable Commission:

- i. To take the above FPPCA proposal for 4<sup>th</sup> quarter of FY 2021-22 (January'22 to March'22) of APSPDCL on record and treat it as complete
- ii. Grant suitable opportunity to APSPDCL within a reasonable time frame to file additional material information that may be subsequently available
- iii. Consider and approve application for Fuel & Power Purchase Cost Adjustment (FPPCA) for 4<sup>th</sup> quarter of FY 2021-22 (January'22 to March'22) of APSPDCL as above.
- iv. To condone the delay in filing FPPCA application for the reasons submitted.
- v. To pass such order as the Honourable Commission may deem fit and proper in the facts and circumstances explained above.

SOUTHERN POWER DISTRIBUTION COMPANY OF ANDHRA PRADESH LIMITED

(APPLICANT)

Through

Place: Tiruapti  
Date : 30-06-2022

  
Executive Director  
RAC & IPC



**BEFORE THE HONOURABLE ANDHRA PRADESH ELECTRICITY  
REGULATORY COMMISSION**  
At its office at 4th Floor, Singareni Bhavan, Red Hills, Hyderabad-500 004

File No. /2022

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**IN THE MATTER OF:**

Filing of application for pass through of Fuel & Power Purchase Cost Adjustment (FPPCA) for 4<sup>th</sup> quarter of FY 2021-22 (January'22 to March'22) in Rs./unit as per Second amendment to APERC Regulation No.4 of 2005 (Terms and conditions for determination of tariff on Wheeling and Retail Sale of Electricity) Regulation No.4 of 2021.

**AND**

**IN THE MATTER OF:**

Southern Power Distribution Company of A.P Limited (APSPDCL)

- Applicant

**Affidavit**

I, Tsunduru Vanaja, D/o of Late Sri T.G. Sanjeeva Rao, aged about 59 years, residing at Tirupati, the deponent named above do hereby solemnly affirm and state on oath as under:-

1. That the deponent is the Executive Director, RAC & IPC of Southern Power Distribution Company of AP duly authorized by APSPDCL to make this affidavit on its behalf and the deponent is acquainted with the facts deposed below,

2. I, Tsunduru Vanaja, the deponent named above do hereby verify that the contents of the affidavit and those of the accompanying petition are true to my personal knowledge and verify that no part of this affidavit is false and nothing material has been concealed.

  
DEPONENT  
EXECUTIVE DIRECTOR  
RAC & IPC  
APSPDCL :: TIRUPATI

**VERIFICATION:**

I, the above named Deponent solemnly affirm at Tirupati on this 30<sup>th</sup> day of June, 2022 that the contents of the above affidavit are true to my knowledge, no part of it is false and nothing material has been concealed there from.

  
DEPONENT  
EXECUTIVE DIRECTOR  
RAC & IPC  
APSPDCL :: TIRUPATI

Solemnly affirmed and signed before me.

  
COMPANY SECRETARY  
APSPDCL :: TIRUPATI.