

Retail Supply Tariffs 2016-17



**ORDER
on
Tariff for Retail Sale of Electricity
during FY2016-17**

31st March, 2016

**Andhra Pradesh
Electricity Regulatory Commission**
4th Floor, Singareni Bhavan, Red Hills, Lakdi-ka-pul, Hyderabad 500 004



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Retail Supply Tariff Order for FY2016-17

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In the areas of Supply of

**Southern Power Distribution Company of A.P. LTD. (APSPDCL) and
Eastern Power Distribution Company of A.P. LTD. (APEPDCL)**

31st March, 2016

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**ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION
HYDERABAD**

Present

Sri Justice G. Bhavani Prasad, Chairman

Dr. P. Raghu, Member

Sri P. Rama Mohan, Member

Dated 31st March, 2016

In the matter of

TARIFF DETERMINATION FOR RETAIL SALE OF ELECTRICITY DURING FY2016-17

in

O.P.No.1 of 2016

Eastern Power Distribution Company of Andhra Pradesh Limited (APEPDCL) and

O.P.No.2 of 2016

Southern Power Distribution Company of Andhra Pradesh Limited (APSPDCL)

The Aggregate Revenue Requirement (ARR) and Filing for Proposed Tariff (FPT) filed by Eastern Power Distribution Company of Andhra Pradesh Limited (APEPDCL or EPDCL), vide O.P.No.1 of 2016 and Southern Power Distribution Company of Andhra Pradesh Limited (APSPDCL or SPDCL), vide O.P.No.2 of 2016 in respect of their individual Retail Supply businesses for various consumer categories for FY2016-17 came up for consideration before the Commission. Upon following the procedure prescribed for determination of such tariff u/s 64 of the Electricity Act, 2003 (Central Act No.36 of 2003) and after careful consideration of the material available on record, the Commission in exercise of the powers vested in it under the said Central Act No.36 of 2003 and the APERC (Terms and Conditions for Determination of Tariff for Wheeling and Retail Sale of Electricity) Regulation, 2005 (Regulation No.4 of 2005); hereby passes this common order:

ORDER
CHAPTER - I
INTRODUCTION

- 1** Consequent to coming into force of the Andhra Pradesh Reorganization Act, 2014 (Central Act No.6 of 2014) (hereinafter referred to as the Reorganization Act) and in terms of the provisions of Section 92 of the said Act read with Schedule XII (C) (3) and Section 82 of the Electricity Act, 2003, the Government of Andhra Pradesh issued notification in G.O.Ms.No.35, Energy (Power III) Department, dt.01.08.2014 and constituted the Andhra Pradesh Electricity Regulatory Commission.

APERC (Adaptation Regulation), 2014

- 2** In exercise of the power conferred by Section 181 of the Electricity Act, 2003 (Central Act No.36 of 2003) and all other powers thereonto enabling, including those conferred by the Andhra Pradesh Electricity Reform Act, 1998 (State Act No.30 of 1998) and the Reorganization Act, the Commission issued APERC (Adaptation) Regulation, 2014 (Regulation No.4 of 2014) and notified that with effect from 01.08.2014, all regulations made by, all decisions, directions or orders of, and all the licenses and practice directions issued by the Commission in existence as on the date of G.O.Ms.No.35 dt.01.08.2014 referred to above, shall apply in relation to the State of Andhra Pradesh and shall continue to have effect until duly altered, repealed or amended. The said Regulation No.4 of 2014 was published in the Extraordinary Gazette of the State of Andhra Pradesh on 29.11.2014.

Antecedents of Tariff Determination for FY2016-17

- 3** Regulation No.4 of 2005 notified by the Commission, introduced Multi Year Tariff (MYT) framework and accordingly, each distribution licensee has to file ARR along with FPT with the Commission for determination of Tariff for(a) Distribution business (Wheeling Charges) and (b)Retail Supply Business, for a period of 5 years (called Control Period). The 3rd Control Period covers five years from FY2014-15 to FY2018-19.

- 4 With regard to determination of Retail Supply Tariff for the 3rd Control Period, the Licensees expressed their inability to submit filings for Retail Supply business for a period of 5 years from FY2014-15 to FY2018-19, as per MYT framework and instead sought the approval of the then Commission to file ARR and FPT on annual basis for the FY2014-15 citing certain reasons and the then Commission permitted the Licensees to file the ARRs and FPTs for retail supply business for FY2014-15. In view of the constraints/difficulties/uncertainties expressed by the Distribution licensees, this Commission permitted them to file ARRs and FPTs relating to retail supply business on annual basis for FY2015-16 also.

Filing Requirements and permission for Annual Filings

- 5 The Central Act No.36 of 2003 as well as the Regulation No.4 of 2005 mandate that a distribution licensee shall file for each of its licensed business an application, in such form and in such manner as specified and in accordance with the guidelines issued by the Commission, for each year of the Control Period, not less than 120 days before the commencement of the first year of the Control Period, for approval of the Commission. As the EPDCL and SPDCL (hereinafter jointly referred to as the 'Distribution Companies' or 'DISCOMs' or 'Licensees'), have to file their Aggregate Revenue Requirement (ARR) and Filings of Proposed Tariff (FPT) before 30.11.2015 under Regulation No.4 of 2005, the Commission brought the same to their notice by separate letters both dt. 09-11-2015.
- 6 By letter dt.17-11-2015, APSPDCL on its behalf and on behalf of APEPDCL requested that for the reasons mentioned therein, the requirements of multi-year filing for retail supply business should be waived and permission may be given for filing ARR and tariff petitions for retail supply business on an annual basis during the 3rd control period. As an alternate measure and given the significant nature of both supply and demand side uncertainties existing now, it was requested that the Commission may atleast allow the distribution licensees to file ARR and tariff petitions for retail supply business for FY2016-17 and the Commission may take a decision on the requirement of multi-year

retail supply filing for the remaining years in the control period at a later stage. In view of the uncertainties expressed by the distribution licensees, the Commission in its Procds. No.T-41/2015 dt.20-11-2015 permitted them to file ARR/Tariff Petitions relating to their retail supply businesses on annual basis for FY2016-17 and it was further stated that the request for waiving the requirement of multi-year filing for their Retail Supply Businesses will be examined by the Commission separately.

Extension of Time for Filings

7 In the application dt.28-11-2015, filed under Clause 59 of the APERC (Conduct of Business) Regulations, 1999 on behalf of both the Distribution Licensees, it was requested to extend time for filing petitions for ARRs upto 31-12-2015 by relaxing the requirement of such filing not less than 120 days before the commencement of the FY2016-17 as stipulated in Clause 6.1 of Regulation No.4 of 2005. After careful consideration of the same and keeping in view the mandatory provisions of the statutes, Rules, Regulations and the binding directions of the ATE, the Commission issued Procds. No.Dir(T)/Secy/F.No.T-41/21/2015 dt. 01-12-2015 permitting the distribution licensees to file ARR/tariff petitions relating to their Retail Supply Businesses for FY2016-17 by 31-12-2015. Further, it was made clear that in the event of any further delay in filing the Annual Revenue Requirement, the Commission may be compelled to initiate *suo-motu* proceedings for tariff determination in accordance with the directions of ATE in O.P. No. 1 of 2011 dt.11-11-2011.

ARR Filings for FY2016-17 and Public Notice

8 However, before the Commission proceeded to initiate *suo-motu* proceedings, Licensees filed separate applications for approval of their ARRs for FY2016-17 on 31-12-2015. They were admitted by the Commission and assigned O.P. Nos.1 of 2016 (APEPDCL) and 2 of 2016 (APSPDCL).

9 The Commission by its letter dated 02.01.2016 directed the Licensees to issue notifications intimating the general public on the ARRs submitted to the Commission. The Licensees published such notifications accordingly in their respective areas of

operation, in two Telugu and two English daily newspapers, for information and calling for views/objections/suggestions on the same from individuals, representatives of consumer organizations and other stakeholders. The filings were also published in the websites of the respective Licensees as well as the website of the Commission.

FPT Filings for FY2016-17, Public Notice and Public Hearings

- 10** Thereafter, on 18-01-2016, the Licensees submitted FPTs for their respective Retail Supply Businesses, including Cross Subsidy Surcharge (CSS) for various consumer categories for FY2016-17 (duly incorporating their respective ARR filed on 31-12-2015) and the same were taken on the file of the Commission as supplementary filings in their respective original petitions, i.e. O.P. Nos.1 of 2016 (APEPDCL) and 2 of 2016 (APSPDCL). The FPT schedules of the licensees were given wide publicity through Public Notices in two Telugu and two English daily newspapers on 20-01-2016 seeking views/objections/suggestions from the interested consumers/stakeholders by 20-02-2016 (as against 05-02-2016 mentioned earlier at the time of notifying ARRs and as per the 'Public Notice' published on 05-01-2016). In the said 'Public Notice' in respect of both the distribution licensees, their respective CSS schedules were also published. Consolidated ARR and FPT filings, including CSS for various consumer categories for FY2016-17 were also published in the respective websites of the licensees, as well as that of the Commission.

- 11** The Commission by its letter dated 01-02-2016, directed the licensees to issue notifications intimating the general public of the dates and venues of public hearings at 5 different places in the State of Andhra Pradesh (2 places in respect of APEPDCL and 3 places in respect of APSPDCL). The licensees published such notifications in their respective areas of operation in two (2) Telugu and two (2) English daily newspapers, informing that all the interested persons/associations/stakeholders/objectors who want to be heard in person/through authorized representatives may appear before the Commission during public hearings and submit their views/objections/suggestions in respect of ARR/tariff proposals of APDISCOMs, including on CSS for various consumer

categories for FY2016-17. In addition to the public hearings conducted in five (5) places within the areas of operation of EPDCL and SPDCL, the Commission also conducted public hearing at Hyderabad as specified in the published public notices, thereby providing a final opportunity to the stakeholders to submit their views/objections/suggestions, in writing as well as in person, on ARR and FPT filings of the two Licensees, for various consumer categories for FY2016-17.

12 APSPDCL and APEPDCL filed their Annual Revenue Requirements (ARR) and Tariff Proposals for Retail Supply Business for the FY2016-17 on 18-01-2016 before the Commission in which they also made a proposal for Cross Subsidy Surcharge determination for FY2016-17 with reference to the provisions of the National Tariff Policy 2006, which they referred to as avoided Cost Methodology. Subsequent to the said filing, the Ministry of Power resolution dated 28.01.2016 has been published in the Gazette of government of India promulgating the New National Tariff Policy. The revised Tariff Policy so notified by the Central Government is stated to take effect from the date of publication of the resolution in the Gazette of India. Therefore, APSPDCL and APEPDCL were informed by a letter vide Lr. No.APERC/Secy/D(Tariff)/F.No.41/2016, Dated:23-02-2016 that they are at liberty to file fresh proposals for determination of the Cross Subsidy Surcharge for FY2016-17 in accordance with such methodology as they deem fit and proper, as the National Tariff Policy 2006 which formed the basis of their earlier filings ceased to exist. APSPDCL and APEPDCL were also informed that if they come up with fresh filings, the determination of Cross Subsidy Surcharge for the Financial Year 2016-17 will be made in accordance with the prescribed procedure duly complying with all the necessary formalities independent of the other proposals made in the original filings.

13 Prior to conducting public hearings as mentioned above, the views of members of the State Co-ordination Forum were ascertained in its 2nd meeting held on 29-02-2016 in the office of the Commission at Hyderabad on the ARR/FPTs of the distribution licensees. Likewise, prior to the public hearings, the members of the State Advisory Committee

(SAC) were informed of the ARR/FPT filings of the distribution licensees for FY2016-17 and their views were ascertained in the meeting conducted on 15.03.2016, after public hearings.

Handling of the Views/Objections/Suggestions of Stakeholders

14 In pursuance of such Public Notices, 101 consumers, representatives of various consumer organizations, political parties and other stakeholders presented their written views/objections/suggestions prior to commencement of public hearings and the licensees provided their responses. The views/objections/suggestions expressed by the stakeholders and/or their representatives, in writing and/or in person and the replies provided by the licensees in writing and/or through oral responses during the public hearings held from 02.03.2016 to 14.03.2016, as mentioned above in respect of ARR and FPT filings of the Licensees and the views of the members of State Coordination Forum (SCF) & State Advisory Committee (SAC) have been duly referred to and considered in arriving at the appropriate conclusions in this Order, in so far as they relate to the determination of tariff for retail sale of electricity.

Notification calling for objections/suggestions/views

15 The Licensees caused the publication of public notices on the directions of the Commission, in two English and two Telugu daily newspapers on 05.01.2016 in respect of their respective ARRs and on 20.01.2016 in respect of their respective FPTs, informing the general public that the Licensees have filed before the Commission their ARR and Tariff proposals for Retail Supply Business for FY2016-17, including CSS schedule for various consumer categories for FY2016-17 and copies of their filings together with the supporting materials were made available in the Office of the Chief General Manager concerned of the respective Licensees at their Headquarters and also with all the Superintending Engineers of Operation circles and the filings were also made available on the websites of the Licensees and the Commission to facilitate inspection/perusal/purchase of the ARR filings and Tariff proposals by interested consumers and stakeholders who are at liberty to file their objections/suggestions/views on the same. The Government of Andhra Pradesh in its Energy, I&I Department

has also been informed so that the Government may make a statement before the Commission on the proposals of the Licensees at the public hearings.

Response to the Public Notices

16 In response to the public notices, the Commission received several objections/suggestions/views in writing and/or in person at its Office and during public hearings. The views/objections/ suggestions received reflected all shades of public opinion on the issues and questions involved including those of public utilities like Railways, Organizations of Industry, Trade, Consumers, Farmers, Employees, Labourers, Political Parties, Awareness Groups and Non-Governmental Social Activists as well as experienced and expert individuals acting in public interest. As directed by the Commission, the Licensees communicated their written replies to the views/objections/ suggestions received from various stakeholders and the concerned Chairman and Managing Director also orally responded to such views/objections/suggestions during public hearings.

Public Hearings

17 The Commission decided to conduct public hearings at the places of head quarters of the State, the Commission, APEPDCL, APSPDCL and also at Srikakulam and Anantapur, the most backward districts of North Coastal Andhra and Rayalaseema respectively to have the widest consultations possible and the benefit of maximum inputs in finalising the tariff for retail sale of electricity by APDISCOMs, including CSS for various consumer categories for FY2016-17. Accordingly, the public hearings were conducted as published in the public notices and as informed to the Licensees and the Government of Andhra Pradesh as follows:

Sl.No.	Name of Licensee	Venue/place of Public Hearing	Date of Public Hearing
1	APEPDCL	Office of the Superintending Engineer/Operation, Circle Office, APEPDCL, Opp: Margadarsi Chit Funds, G.T.Road, Srikakulam	02-03-2016 (Wednesday)
2	APEPDCL	Conference Hall, ATC Building, Corporate Office, APEPDCL, P&T Colony, Seethammadhara, Visakhapatnam – 530 013	03-03-2016 (Thursday)
3	APSPDCL	Conference Hall, Circle Office, O/o. SE / Operations / Anantapur	05-03-2016 (Saturday)
4	APSPDCL	Siddhartha Auditorium, Arts & Science College campus, Vijayawada	09-03-2016 (Wednesday)
5	APSPDCL	Conference Hall, APSPDCL, Corporate Office, Tirupati	10-03-2016 (Thursday)
6	Hyderabad	Court Hall of APERC, Hyderabad	14-03-2016 (Monday)

* **Timings:** 10.00 AM to 1.00 PM and 02.00 PM to 5.00 PM on all dates.

- 18** During the public hearings, the Chairman & Managing Director of the licensee concerned made a brief presentation on their filings. Then the participating stakeholders were heard in detail, apart from receiving all written representations presented by them. Then the Chairman & Managing Director of the Licensee concerned gave a detailed response to each of the issues/aspects raised by the stakeholders.

Summary of Filings

Sales and Power Purchase Requirement

- 19** The Licensees have forecasted/estimated the sales volume to different consumer categories during FY2016-17 at 50732.66 MU for the entire State, comprising of 33809.49 MU in respect of SPDCL and 16923.17 MU in respect of EPDCL in their respective areas of supply. For grossing up of sales with losses to arrive at the Power Purchase requirement, the licencees have adopted the following losses; a) Distribution losses: The distribution loss percentages considered by the Commission in the Retail Tariff order for FY2015-16 have been adopted after reducing the same by 5%; b)Transmission losses with in state: The transmission loss percentage of APTRANSCO at actuals (first half of FY2015-16) has been adopted; c) Losses outside the state: The same loss percentage as considered by the Commission in the Retail Tariff order for FY2015-16 has been adopted. The power purchase requirement for FY2016-17

computed in the above manner (by grossing up the sales volume forecast with applicable loss levels) is 57564.60MU comprising of 38481.11 MU in respect of SPDCL and 19083.49 MU in respect of EPDCL respectively in their areas of supply. The summary of sales, losses and power purchase requirement as per filings is given in the table below:

Table 1: Filings - Sales, Losses and Power Purchase Requirement (MU)

Item	Sales	Losses	Power purchase requirement
(1)	(2)	(3)	(4)
SPDCL	33809.49	4671.62	38481.11
EPDCL	16923.17	2160.32	19083.49
Total	50732.66	6831.94	57564.60

Availability, Dispatch and Surplus

20 Based on pre-arranged supply sources, both short and long term, the licensees have estimated the available energy during FY2016-17 at 66838.66 MU for the entire State, comprising of 45441.74 MU in respect of SPDCL and 21396.92 MU in respect of EPDCL. With the analysis of month wise power purchase requirement and availability, the Licensees' computations have led to surplus of availability at 9274.06 MU for the entire State during FY2016-17, comprising of 6960.63 MU surplus in respect of SPDCL and 2313.43 MU surplus in respect of EPDCL. The summary of power purchase requirement, availability, dispatch and surplus for each licensee and for the entire State as per filings is given in the table below:

Table 2: Filings: Power Purchase Requirement and Surplus (MU)

Item	SPDCL	EPDCL	TOTAL
(1)	(2)	(3)	(4)
Power Purchase Requirement	38481.11	19083.49	57564.60
Availability	45441.74	21396.92	66838.66
Dispatch	38481.11	19083.49	57564.60
Surplus / Deficit (-)	6960.63	2313.43	9274.06

Aggregate Revenue Requirement Items

- 21** The licensees have computed/estimated the power purchase cost during FY2016-17 at ₹22876.53 Cr for the entire State comprising of ₹15380.8 Cr in respect of SPDCL and ₹7495.73 Cr in respect of EPDCL with reference to their respective areas of supply. The licensees have computed the cost based on expected volume of dispatch for each month (depending on monthly sales volume), and fixed and variable costs applicable for each generation source/station for FY2016-17.
- 22** The licensees have computed/estimated the transmission cost at ₹986.33 Cr for the entire State during FY2016-17, comprising of ₹648.35 Cr in respect of SPDCL and ₹337.98 Cr in respect of EPDCL in accordance with the MYT Order for Transmission business for third control period as applicable for FY2016-17 (capacities and transmission charges to be paid to APTransco) with an upward revision in respect of SPDCL to account for expansion of its area of supply consequent to inclusion of Ananthapur and Kurnool districts in it.
- 23** The Licensees have computed/estimated the State Load Dispatch Centre (SLDC) cost at ₹34.99 Cr for the entire State during FY2016-17, comprising of ₹23 Cr in respect of SPDCL and ₹11.99 Cr in respect of EPDCL in accordance with the MYT Order for third control period as applicable for FY2016-17 (capacities, charges and fee for SLDC) with an upward revision in respect of SPDCL to account for expansion of its area of supply consequent to inclusion of Ananthapur and Kurnool districts in it.
- 24** The Licensees have considered the distribution cost at ₹3765.44 Cr for the entire State during FY2016-17, comprising of ₹2383.14 Cr in respect of SPDCL and ₹1382.3 Cr in respect of EPDCL in accordance with the MYT Order for third control period on wheeling charges as applicable for FY2016-17 (i.e. Distribution cost approved for FY2016-17) with an upward revision in respect of SPDCL to account for expansion of its area of supply consequent to inclusion of Ananthapur and Kurnool districts in it.

- 25** The Licensees have computed/estimated the costs associated with usage of PGCIL network and services of ULDC based on the information sought by the licensees from APTRANSCO, within and outside the State and to evacuate the power from Central Generating Stations (CGS) at ₹376.89 Cr for the entire State during FY2016-17, comprising of ₹242.89 Cr in respect of SPDCL and ₹134 Cr in respect of EPDCL.
- 26** The Licensees have computed the interest cost on consumers' security deposits held with Licensees at ₹257.53 Cr for the entire State during FY2016-17, comprising of ₹167.45 Cr in respect of SPDCL and ₹90.08 Cr in respect of EPDCL. The Licensees have computed these amounts while applying the interest cost of 9.50% on average of projected opening and closing balances of consumer security deposits (likely to be held with them during FY2016-17).
- 27** The Licensees have computed the supply margin for retail supply business at ₹18.28 Cr for entire State during FY2016-17, comprising of ₹13 Cr in respect of SPDCL and ₹5.28 Cr in respect of EPDCL. These amounts have been computed based on the approved Regulated Rate Base (RRB) as applicable to each licensee for FY2016-17 in accordance with the MYT Order for third control period on wheeling charges.
- 28** The Licensees have indicated a total true up of ₹3660.30 Cr relating to retail supply business for FY2014-15 for the entire State in their ARR/FPT filing for FY2016-17. This amount comprises ₹2066.40 Cr of true up of expenses for SPDCL and ₹1593.90 Cr of true up expenses for EPDCL. The Licensees have considered all the costs and revenue items relating to retail supply business for FY2014-15 to arrive at these amounts.
- 29** The Licensees have further indicated the true-up of expenses relating to retail supply business for FY2015-16 for an amount of ₹2760.16 Cr for the entire State, comprising of ₹2199.27 Cr in respect of SPDCL and ₹560.89 Cr in respect of EPDCL. The licensees have considered all the costs and revenue items relating to retail supply business for FY2015-16 on provisional basis to arrive at these amounts.

- 30** Regarding the treatment of true up of expenses relating to FY2014-15 and FY2015-16, the licensees have stated the following.

“The licensee has computed the revenue gap for FY14-15 and FY15-16, but it has not added this revenue deficit to the ARR for FY16-17 because the GoAP has given in principle approval to UDAY scheme floated by Gol. As per UDAY scheme, GoAP will take over 75% of DISCOM debt as on 30 September 2015 over two years - 50% of DISCOM debt will be taken over in 2015-16 and 25% in 2016-17. DISCOM debt not taken over by GoAP will be converted by the Banks / FIs into loans or bonds with interest rate not more than the bank’s base rate plus 0.1%. Alternately, this debt may be fully or partly issued by the DISCOM as GoAP guaranteed DISCOM bonds at the prevailing market rates which shall be equal to or less than bank base rate plus 0.1%.”

- 31** The Licensees are implementing energy conservation projects (replacing incandescent bulbs with LED bulbs and installation of solar pumpsets) in their respective areas of operation. The licensees proposed to include the total project cost as one time expenditure and included ₹107.18 Cr in ARR/FPT filings for FY2016-17. This amount comprises of ₹61.51 Cr to be paid by SPDCL and ₹45.67 Cr to be paid by EPDCL. The Licensees stated that the benefits of these measures have been factored in power purchase calculations.
- 32** With these ARR line items, as detailed above, the Licensees have computed/estimated the ARR at ₹28423.18 Cr for the entire State for FY2016-17, comprising of ₹18920.15 Cr in respect of SPDCL and ₹9503.03 Cr in respect of EPDCL in their respective areas of supply. The summary of ARR as per Licensees’ filings is given in the table below:

Table 3: Aggregate Revenue Requirement (ARR) / Cost Items (₹ Cr)

ARR Items	SPDCL	EPDCL	TOTAL
(1)	(2)	(3)	(4)
1. Transmission Cost	648.35	337.98	986.33
2. SLDC Cost	23.00	11.99	34.99
3. Distribution Cost	2,383.14	1382.30	3765.44
4. PGCIL Expenses	232.21	131.19	363.4
5. ULDC Charges	10.68	2.81	13.49
6. Network and SLDC Cost (1+2+3+4+5)	3297.39	1866.27	5163.66
7. Power Purchase Cost	15380.8	7495.73	22876.53
8. Interest on CSD	167.45	90.08	257.53
9. Supply Margin in Retail Supply Business	13	5.28	18.28
10. Other Costs, if any	61.51	45.67	107.18
11. Supply Cost (7+8+9+10)	15622.76	7636.76	23259.52
12. Aggregate Revenue Requirement(ARR) (6+11)	18920.15	9503.03	28423.18

Expected Revenue from Charges (ERC)

33 The Licensees have computed the Expected Revenue from Charges (ERC) in case they levy the existing/current tariff for retail sale of electricity during FY2016-17 on the forecast sales volume to different consumer categories in their respective areas of supply. The ERC computed in this manner is at ₹23275.66 Cr for the entire State, comprising of ₹14572.76 Cr in respect of SPDCL area of supply and ₹8702.9 Cr in respect of EPDCL area of supply.

34 The Revenue Gap (RG) i.e., the ARR in excess of ERC, for FY2016-17 has been computed by licensees at ₹5147.52 Cr for the entire State, comprising of ₹4347.39 Cr RG in respect of SPDCL and ₹800.13 Cr RG in respect of EPDCL. In short, the Licensees in the State will incur a total of ₹5147.52 Cr financial loss during FY2016-17 in the event of supplying the forecast sales volume of 50732.66 MU, without any external resources or tariff revision during FY2016-17. The summary of ARR, ERC and RG for each Licensee during FY2016-17 is given in the table below:

Table 4: Filings: ARR, ERC and (RG) for FY2016-17 (₹ Cr)

ARR Item	SPDCL	EPDCL	TOTAL
(1)	(2)	(3)	(4)
1. Aggregate Revenue Requirement	18920.15	9503.03	28423.18
2. Revenue from Sale of Energy	14493.43	8613.68	23107.12
3. Non-Tariff Income	79.33	89.22	168.55
4. Total Revenue (2 + 3)	14572.76	8702.9	23275.66
5. Revenue Gap (1-4)	4347.39	800.13	5147.52

Ways and means to handle the Revenue Gap

35 The Licensees have proposed to meet the estimated revenue gap of ₹5147.52 Cr during FY2016-17 through the following two sources;

- a) Increasing the tariff by four percent to all consumer categories except for groups A & B of LT-I(Domestic), LT-IV(Agro Based activity), LT-V (Agriculture), LT-VI(C) (NTR Sujala Padhakam), HT-I(B) (Energy Intensive Industries formerly Ferro Alloys), LT-III (Aqua Culture & Animal Husbandry), HT-I(C) (Aqua Culture and Animal Husbandry) and HT-II(B) (Religious Places) and increasing tariff to group C of LT domestic consumers by 2.5% to realize ₹783.02 Cr as additional revenue from tariff during FY2016-17, and
- b) Expecting that the remaining revenue gap of ₹4364.5 Cr will be met through subsidy from Government of Andhra Pradesh during FY2016-17.

36 With these two additional sources of revenue, the licensees in accordance with their ARR/FPT filings for FY2016-17 would be able to meet the estimated ARR of ₹28423.18 Cr during FY2016-17. The summary of ARR and revenue as per these computations is given in the table below:

Table 5: Filings: Revenue Requirement and Revenue Gap for FY2016-17 (₹ Cr)

Items	SPDCL	EPDCL	TOTAL
1. Aggregate Revenue Requirement	18920.15	9503.03	28423.18
2. Revenue at Current Tariff	14572.76	8702.9	23275.66
3. Tariff revision proposed	488.35	294.67	783.02
4. Government Subsidy	3859.04	505.46	4364.5
5. Revenue Gap (1-2-3-4)	0.00	0.00	0.00

37 The tariff schedule proposed by Licensees for FY2016-17 is given in the table below:

Table 6: Tariff for FY2015-16 and Proposed by Licensees for FY2016-17

Category	Units	Rates for FY2015-16		Rates for FY2016-17	
		Fixed/Demand Charges in ₹/ Month	Energy Charges ₹/Unit	Fixed/Demand Charges in ₹/ Month	Energy Charges ₹/Unit
LT Category					
LT Category - I: Domestic					
Group A: All Domestic consumers with annual consumption ≤ 600 kWh					
First 50 units	kWh		1.45		1.45
51-100 units	kWh		2.60		2.60
101 – 200 units	kWh		3.60		3.60
Above 200 units	kWh		6.70-8.80		6.90
Group B: All Domestic consumers with consumption (≤ 2400 and > 600 units)					
First 50 units	kWh		2.60		2.60
51-100 units	kWh		2.60		2.60
101 – 200 units	kWh		3.60		3.60
201 - 300 units	kWh		6.70-7.22		6.90
Above 300 units	kWh		7.75-8.80		7.75
Group C: All Domestic consumers with annual consumption > 2400 units					
First 50 units	kWh		2.60		2.67
51-100 units	kWh		3.25		3.33
101 – 200 units	kWh		4.88-5.63		5.39
201 - 300 units	kWh		6.70-7.22		7.07
301-400 units	kWh		7.75		7.94
401-500 units	kWh		8.27		8.48
Above 500 units	kWh		8.80		9.02

Category	Units	Rates for FY2015-16		Rates for FY2016-17	
		Fixed/Demand Charges in ₹/ Month	Energy Charges ₹/Unit	Fixed/Demand Charges in ₹/ Month	Energy Charges ₹/Unit
LT Category - II: Non- domestic/Commercial					
LT-II(A): Upto 50 Units/Month	kWh/kVAh	53/kW	5.40	55/kW	5.62
LT-II(B): Above 50 Units/Month					
0-50 units	kWh/kVAh	53/kW	6.63	55/kW	6.90
51-100 units	kWh/kVAh	53/kW	7.38	55/kW	7.68
101-300 units	kWh/kVAh	53/kW	8.54	55/kW	8.88
301-500 units	kWh/kVAh	53/kW	9.06	55/kW	9.42
Above 500 Units	kWh/kVAh	53/kW	9.59	55/kW	9.97
LT-II(C): Advertising Hoardings	kWh/kVAh	53/kW	11.58	55/kW	12.04
LT Category - III: Industry					
Industries	kWh/kVAh	53/kW	6.38	55/kW	6.64
Seasonal Industries (Off Season)	kWh/kVAh	53/kW	7.09	55/kW	7.37
Aquaculture & Animal Husbandry	kWh/kVAh	21/kW	4.63	21/kW	3.75
Sugarcane crushing	kWh/KVAh	21/kW	4.63	22/kW	4.82
Mushroom & Rabbit Farms	kWh/kVAh	53/kW	5.63	55/kW	5.86
Floriculture in Green House	kWh/kVAh	53/kW	5.63	55/kW	5.86
LT Category - IV: Cottage Industries					
Cottage Industries upto 10 HP@	kWh	20/kW	3.75	21/kW	3.90
Agrobased activity upto 10 HP@	kWh	20/kW	3.75	20/kW	3.75
LT Category - V: Agriculture					
LT-V(A): Agriculture with DSM Measures					
Corporate Farmers & IT Assesses	kWh	0	2.50	0	2.50
Wet Land Farmers (Holdings >2.5 acre)	kWh	* 525/HP/Year	0.50	* 525/HP/Year	0.50
Dry Land Farmers (Connections > 3 nos.)	kWh	* 525/HP/Year	0.50	* 525/HP/Year	0.50
Wet Land Farmers (Holdings <= 2.5 acre)	kWh	0	0	0	0
Dry Land Farmers (Connections <= 3 nos.)	kWh	0	0	0	0

Category	Units	Rates for FY2015-16		Rates for FY2016-17	
		Fixed/Demand Charges in ₹/ Month	Energy Charges ₹/Unit	Fixed/Demand Charges in ₹/ Month	Energy Charges ₹/Unit
LT-V(B): Agriculture without DSM Measures					
Corporate Farmers & IT Assesses	kWh	0	3.50	0	3.50
Wet Land Farmers (Holdings >2.5 acre)	kWh	* 1050/HP/Year	1.00	* 1050/HP/Year	1.00
Dry Land Farmers (Connections > 3 nos.)	kWh	* 1050/HP/Year	1.00	* 1050/HP/Year	1.00
Wet Land Farmers (Holdings <= 2.5 acre)	kWh	* 525/HP/Year	0.50	* 525/HP/Year	0.50
Dry Land Farmers (Connections <= 3 nos.)	kWh	* 525/HP/Year	0.50	* 525/HP/Year	0.50
Category LT-V(C): Others					
Salt farming units with CL up to 15HP \$	kWh	20/HP	3.70	20/HP	3.70
Rural Horticulture Nurseries upto 15HP \$	kWh	20/HP	3.70	20/HP	3.70
LT Category-VI: Street Lighting & PWS					
LT-VI(A): Street Lighting					
Panchayats	kWh	32/kW	5.64	33/kW	5.87
Municipalities	kWh	32/kW	6.16	33/kW	6.41
Municipal Corporations	kWh	32/kW	6.69	33/kW	6.96
LT-VI(B): PWS Schemes					
Panchayats	kWh/kVAh	32/HP	4.59	33/HP	4.77
Municipalities	kWh/kVAh	32/HP	5.64	33/HP	5.87
Municipal Corporations	kWh/kVAh	32/HP	6.16	33/HP	6.41
LT - VI(C) NTR Sujala Padhakam	kWh/kVAh	10/HP	4.00	10/HP	4.00
LT Category-VII: General					
LT-VII(A) – General Purpose	kWh/kVAh	21/KW	6.86	22/KW	7.13
LT-VII(B) – Religious Places	kWh	20/KW	4.70	21/KW	4.89
LT Category-VIII: Temporary Supply					
	kWh/kVAh	21/KW	9.90	22/KW	10.30

Category	Units	Rates for FY2015-16		Rates for FY2016-17	
		Fixed/Demand Charges in ₹/ Month	Energy Charges ₹/Unit	Fixed/Demand Charges in ₹/ Month	Energy Charges ₹/Unit
HT Categories					
HT-I: Industry					
HT-I(A): General					
132 KV and above	kVAh	₹371/kVA/Month of maximum demand recorded or 80% of CMD whichever is higher	5.15	₹386/kVA/Month of maximum demand recorded or 90% of CMD whichever is higher	5.36
33 KV	kVAh		5.57		5.79
11 KV	kVAh		6.02		6.26
Lights & Fans					
132 KV and above	kVAh		5.15		5.36
33 KV	kVAh		5.57		5.79
11 KV	kVAh		6.02		6.26
Industrial Colonies					
132 KV and above	kVAh		5.96		6.20
33 KV	kVAh		5.96		6.20
11 KV	kVAh		5.96		6.20
Seasonal Industries					
132 KV and above	kVAh	₹371/kVA/Month of maximum demand recorded or 80% of CMD whichever is higher	6.33	₹386/kVA/Month of maximum demand recorded or 90% of CMD whichever is higher	6.58
33 KV	kVAh		6.59		6.85
11 KV	kVAh		7.25		7.54
Time-of-Day Tariff (6 PM to 10 PM)					
132 KV and above	kVAh		6.20		6.45
33 KV	kVAh		6.62		6.88
11 KV	kVAh		7.07		7.35
HT-I(B): Energy Intensive Industries					
132 KV and above	kVAh		4.81		4.81
33 KV	kVAh		5.23		5.23
11 KV	kVAh		5.68		5.68
HT-I(C): Aquaculture & Animal Husbandry					
11 KV	kVAh	New category		Rs.21/kVA	3.75

Category	Units	Rates for FY2015-16		Rates for FY2016-17	
		Fixed/Demand Charges in ₹/ Month	Energy Charges ₹/Unit	Fixed/Demand Charges in ₹/ Month	Energy Charges ₹/Unit
HT-II(A): Others					
132 KV and above	kVAh	₹371/kVA/Month of maximum demand recorded or 80% of CMD whichever is higher	6.33	₹386/kVA/Month of maximum demand recorded or 90% of CMD whichever is higher	6.58
33 KV	kVAh		6.59		6.85
11 KV	kVAh		7.25		7.54
Time-of-Day Tariff (6 PM to 10 PM)					
132 kV and above	kVAh		7.38		7.68
33 kV	kVAh		7.64		7.95
11 kV	kVAh		8.30		8.63
HT-II(B): Religious Places					
11 kV	kVAh	New category		Rs.21/kVA	4.89
HT-III: Public Infrastructure & Tourism					
132 KV and above	KVAh	₹371/kVA/Month of maximum demand recorded or 80% of CMD whichever is higher	6.01	₹386/kVA/Month of maximum demand recorded or 90% of CMD whichever is higher	6.25
33 KV	KVAh		6.31		6.56
11 KV	KVAh		6.91		7.19
Time-of-Day Tariff (6 PM to 10 PM)					
132 KV and above	kVAh		7.06		7.34
33 KV	kVAh		7.36		7.65
11 KV	kVAh		7.96		8.28
HT-IV: Irrigation, Agriculture & CPWS					
Lift Irrigation & Agriculture	kVAh		5.64		5.60
CP Water Supply Schemes	kVAh		4.61		4.79
HT-V: Railway Traction					
132 Kv	kVAh		6.68		6.95
HT-VI: Townships & Residential Colonies	KVAh	₹53/kVA/ Month of Billing demand	5.96	₹ 55/kVA/Month of Billing demand	6.20
RESCOs					
Kuppam	Kwh		0.24		0.41
Anakapalli	KWh		1.38		1.53
Cheepurupalli	KWh		0.22		0.26

Category	Units	Rates for FY2015-16		Rates for FY2016-17	
		Fixed/Demand Charges in ₹/ Month	Energy Charges ₹/Unit	Fixed/Demand Charges in ₹/ Month	Energy Charges ₹/Unit
HT- VII: Green Power	kVAh		11.32		11.32
HT – VIII: Temporary		1.5 times of the Tariff of corresponding HT category		1.5 times of the Tariff of corresponding HT category	
<p>@ - Units which exceed 10 HP connected load shall be billed at tariff specified for LT-III Industrial category</p> <p>* -Equivalent flat rate of tariff</p> <p>§ - Units with connected load more than 15 HP shall be billed under LT –III Industrial Normal tariff</p> <p>Note: All other conditions are as per in the Chapter - XII of the Retail supply Tariff Schedule for FY2015-16.</p>					

Other proposals made by Licensees

38 The licensees have made other proposals in their ARR/FPT filings for FY2016-17 as described below:

- a. LT-I(domestic) category to be divided in to three groups i.e. 'A', 'B' & 'C' with group 'A' consumer having consumption up to 600 units per year, group B consumer up to 2400 units per year and group 'C' consumer above 2400 units per year. Separate slabs for each of the above groups.
- b. No tariff increase for groups A & B of LT-I (Domestic), LT-IV (B)(Agro Based activity), LT-V (Agriculture), LT-VI(C) (NTR Sujala Padhakam), HT-I(B) (Energy Intensive Industries formerly Ferro Alloys).
- c. A single sub-category under LT-III by the name of LT-III (Aqua culture & Animal Husbandry) for pisciculture/prawn culture and poultry farms along with reduction in Tariff. Further, HT-I services for Poultry Farms, Pisciculture, Prawn culture and Dairy Farms to be brought under a new sub-category i.e. HT- IC (Aquaculture & Animal Husbandry) with the tariff same as that of LT-III(Aqua culture & Animal Husbandry).
- d. Existing HT-III (Bus Stations, Railway Stations and Airports) category to be renamed as HT-III (Public Infrastructure & Tourism) which shall include Airports, Bus Stations, Railway Stations and eligible Tourism Infrastructure Projects as per the Andhra Pradesh Tourism Policy 2015.
- e. Tariff for HT IV (A) Govt. Lift Irrigation & Agriculture to be charged at Cost of Service (CoS).
- f. Creation of a new sub category called HT-II(B) (Religious Places) applicable for religious places currently being billed under HT-II. These would be charged the same tariff as that of LT-VII(B) (Religious places).

- g. Tariff increase for other categories as follows:
- 4% increase in Demand Charges, Energy Charges, and Time of Day tariff. No change in other components of tariff i.e. customer charges and minimum charges. 2.5% increase in energy charges for Domestic Group C.
- h. HT billing demand to be charged on the maximum demand recorded during the month or 90% of the contracted demand, whichever is higher, except for HT-VI Townships & Residential Colonies category.
- i. Providing high reliable/uninterrupted power supply to HT consumers at 33 kV and above in the cities/areas of Visakhapatnam, Kakinada, Rajahmundry, Krishnapatnam, Sri City and Tirupati from April 2016 with additional reliability charge of ₹0.25/ Unit w.e.f. October 2016 for all HT consumers at 33 kV and above in the above areas.
- j. Monthly billing for all rural domestic consumers who are currently being billed on a bi-monthly basis.
- k. Determination of cross subsidy surcharge based on methodology prescribed in Tariff Policy to be levied by licensees on consumers who opt for open access during FY2016-17. The licensees have also computed the cross subsidy surcharge for different HT consumer categories based on methodology prescribed in Tariff Policy and provided the relevant data/computations in ARR/FPT filings for FY2016-17.

Conclusion

- 39** The Commission has decided to consider the ARR/FPT filings made by the licensees, which are mentioned in brief in this Chapter, as the basis for determination of ARR and tariff for retail sale of electricity with due weight being given to views/objections/suggestions of stakeholders, as discussed in subsequent chapters of this order.

CHAPTER - II
STATEMENT OF GOVERNMENT OF ANDHRA PRADESH

40 On behalf of the Government of Andhra Pradesh, the Principal Secretary to Government/Energy, I&I Department stated before the Commission during public hearing at Hyderabad on 14-03-2016, as follows:

41 “All the Electricity utilities have performed exceptionally well during this year. The transmission and distribution utilities have reduced T&D losses from 10.97% in FY2014-15 to 10.37% in FY2015-16 (upto January 2016).

42 Number of consumers in Andhra Pradesh as on 31st January 2016 is 1.59 Crores, out of which, 15.2 Lakh are agriculture consumers. Both Discoms have been implementing HVDS for agriculture consumers in order to give them better quality of power. This has been done by reducing the length of conventional LT Lines.

43 APDiscoms are implementing DSM initiatives in domestic housing lighting, municipal street lights and agricultural pump-sets. The investment is made by EESL, a Public Company owned by Central PSUs of Power Sector under an ESCO Model. Under this program around 1.82 Cr. incandescent bulbs are replaced by energy efficient LEDs in the state as on February, 2016. So far 3.04 Lakh Street Lights have been replaced as against total target of 5.4 Lakh 214 no. pumpsets have been replaced with energy efficient pumpsets.

AP Government has taken several initiatives in encouraging Renewable Energy in the state. APDiscoms have signed PPAs for Solar power for 619 MW in 19 projects to be commissioned by April 2016. 4000MW capacity of Solar Parks are being developed in the state. NTPC is setting up 2 Solar Parks of 2000MW capacity in Anantapur and Kurnool Districts. APDiscoms plan to install 50,000 solar pump-sets in the next 5 years; 3024 solar pumpsets were already installed in the state so far.

- 44** Andhra Pradesh is the first state in the country to achieve 100% electrification to all villages in the state and the government envisages to supply power to the remaining Households in the State by June, 2016.
- 45** The Government is committed to the welfare of the farmers and will provide free power to all eligible agriculture consumers. Government will provide necessary support for this purpose.
- 46** The Government is committed to the cause of industrial development in the State and it is a matter of pride that the State of Andhra Pradesh has one of the lowest HT Industrial Tariffs in the Country. The Government aims to supply 24/7 quality and reliable and also provide high quality interruption free supply to high growth clusters in the state.
- 47** To conclude, the Government is committed to provide necessary financial assistance to power sector and subsidy to the utilities in accordance with the provisions of Section 65 of the Electricity Act, 2003. This would enable the Government to meet its objective of ensuring quality power supply to all consumers and also in extending necessary assistance to BPL families and farm sector”.

CHAPTER - III

OBJECTIONS, RESPONSES AND COMMISSION'S VIEWS

Delayed submission of ARR Proposals:

48 Sri Mummareddi Venugopala Rao, Senior Journalist & Convenor, Centre for Power Studies, Hyderabad; Sri Penumalli Madhu, State Secretary, Communist Party of India (Marxist), Andhra Pradesh Committee, Vijayawada; Sri Ch. Narasinga Rao, Secretariat Member, Communist Party of India; Dr. B. Ganga Rao, Secretary, Greater Visakha City Committee, Communist Party of India (Marxist); Sri Kandharapu Murali, Chittoor District Committee, Communist Party of India (Marxist) and Sri K. Lokanadham, District Secretary, Viskha District Committee, Communist Party of India (Marxist); Sri S. Ramesh, General Secretary, CITU, Visakhapatnam have stated that both the Discoms have not explained the reasons for delay in filing 'the proposed tariffs' and 'revenue with the proposed tariffs' with the Commission.

Sri K. Rajendra Reddy, President, Rashtriya Raithu Seva Samithi, Pakala, Chittoor Dist. has stated that according to section 64(3) of the Electricity Act, 2003, licensees have to file application for determination of tariff, One hundred and twenty days before the said tariffs come into force.

Discoms Response: The licensees have faced certain unavoidable circumstances in filing the ARR viz. delay in receipt of information on power / fuel availability, finalization of power purchase cost and due to additional time required for examining the UDAY scheme, which would have material impact on the overall ARR. The licensees also required additional time in analyzing the impact of various tariff options to have the least impact on the consumers with tariff hike.

Commission's View: The saving clause in Regulation No. 4 of 2005 enables the Commission to entertain the filings in the interests of both the Discoms and consumers and the Commission exercised its jurisdiction in this regard in public interest and interests of justice.

MYT Regulation not followed by Discoms:

49 Sri P. Narendranath Chowdary, Managing Director, The Andhra Sugars Limited, Kovvur, W.G.Dist, has stated that the present filings are not in accordance with MYT Regulations for the reason that they are on annual basis and not for the entire period as required under the Regulations.

Sri B. Vijaisagar, Chairman, Consumers Awareness and Research Centre, Kakinada has stated that the objective of ensuring reasonable certainty of power charges for customers for a period of three years as contemplated in Multi Year Tariff Regulations is totally ignored by APEPDCL.

Discoms Response: As per Regulation No. 4 of 2005, the licensee is required to file the Aggregate Revenue Requirement (ARR) for Retail Supply Business and Tariff proposal for the entire control period i.e., for the period from FY 2014-15 to FY 2018-19. However, AP Discoms requested the Commission to allow for submission of the ARR and Tariff filing for Retail Supply Business for FY 2016-17 on an yearly basis instead of the entire control period, and same was approved by the Commission vide Proceedings No. T-41/2015, Dt.20-11-2015.

Commission's view: The response of the Discoms adequately answers the issue raised.

Discoms' Submissions are unreasonable:

50 Sri Meesala Basavapunniah, President, Hire Working (Non-Trading) Rice Millers Association has stated that,

- i) "Discoms" are submitting unreasonable and unlawful profit and loss statements showing abnormal and unreasonable amounts and submitting proposals for enhancement of Electrical Tariffs indiscriminately as they like, in the pretext of covering the loss in every year submission since 2011-2012.
- ii) The statement of Discoms that they are suffering huge losses is not acceptable, even though they are enhancing and collecting high tariffs, levying unlawful charges and getting huge amounts from the Government in the name of subsidy.

- iii) The statement of "Discoms" showing the income from the present charges as Rs.23,275/- Crores is not acceptable and their profit and loss statements need to be checked, by experienced officials.
- iv) The A.R.R. proposals submitted for enhancement of Electrical Tariffs for the year 2016-2017 were submitted by violating the Act and Rules and therefore are not in order.
- v) Neither the "Discoms" nor APERC since the year 2012-13, have taken Sec.58, 59; 6th schedule of APES Act 1948 and Sec. 26(1)(3), Clause A,B,C of APERC Act 1998 read with Sec. 57, 57(A) of APES Act, 1948 into consideration, in ARR submissions. APERC is also accepting the unlawful proposals without proper observations and consequently putting the consumer at heavy loss.

Discoms Response: Aggregate Revenue Requirement (ARR) is being prepared with projections based on the actuals in the previous year(s), Power procurement (PPAs and Short term purchases), Distribution MYT Order, Transmission Tariff Order, SLDC Tariff Order etc. The Tariff proposals are being submitted after considering subsidy envisaged from GoAP.

The following are the reasons for loss / gain in the revenues in comparison to the relevant Tariff Orders.

- a) Change in sales mix: Change in the expected rain falls, change in the atmospheric conditions, change in the expected socio – economic conditions, etc. are some of the reasons for change in sales mix as compared to the approved sales mix in the Tariff Orders.
- b) Change in power purchase cost: The projections in respect of generators (having PPAs) are being made as per the approved PPAs. The actual PP Cost will be as per the actual payments made to the generators in accordance with the PPAs. During the periods of shortage of power, short term power purchases are being made, the actual cost of which will be as per the prevailing market rates.

- c) Changes in Transmission, PGCIL, ULDC & SLDC Charges: The projections in respect of interstate charges are being made as per the approved Transmission Tariff Order. The actual charges will be as per the actual payments made.
- d) Interest paid on consumer security deposit: Change in interest rate paid on consumer security deposits (rates are being approved by RBI). Based on the Annual Accounts, the losses / gains are being computed and true-up filings are being submitted to the Commission.

All the charges being collected are in accordance with the relevant Tariff Orders only.

With regard to the correctness of the accounts, all the Annual Accounts of the Discoms are being audited by CAG.

Commission's view: The Electricity Supply Act, 1948 was repealed by subsection 1 of Section 185 of the Electricity Act, 2003, save as otherwise provided in that Act. The Andhra Pradesh Electricity Reform Act, 1998 was saved only to the extent to which it is not inconsistent with the provisions of Section 185(3) of the Electricity Act, 2003. The filings are received and considered with reference to the presently existing statutory scenario. The profits or losses or tariffs or charges or amounts projected by the Discoms are thoroughly verified with reference to all available data and accepted only to the extent probalised to be correct and acceptable.

Objections on Discoms' sales forecast:

- 51** Sri Potluri Bhaskara Rao, Executive Director, Andhra Pradesh Chambers of Commerce and Industry Federation, Vijayawada; Sri O.L. Kantha Rao, Secretary, AP Spinning mills Association, Guntur and Sri Shiva Kumar, Vice Chairman, Spinning mills Association have stated that the growth forecast of over 13% in HT 11 kV and 33 kV and an over-all growth of 14.7% is in itself out of tune with the economic growth of 7 to 7.5% at the National level, but a growth of 49% in HT 132 kV is definitely unexplainable. The Commission is requested to direct the Discoms to revalidate their forecast proposals, since the sales forecast is the very basis of power purchase plans, the ARR and consequently, the tariff proposals.

Sri D.L.S. Prasad, Srinivasa Cotton & Oil Mills (P) Ltd., Guntur has stated that HT consumers account for 57.3% of the revenue and contribute to consumption of 38%, as seen from the Table. Any reduction in HT consumption, the resultant financial health needs no explanation.

Sl. No.	Category	Sales Forecast 2016-17 (MU)	Revenue (Rs. Crores)
1	HT 11 kV	2968	2106
2	HT 33 kV	4254	2745
3	HT 132 kV	5644	3436
4	Total (1+2+3)	12866	8307
5	Total Sales	33809	14493
6	Percentage (4/5)	38	57.3

With the present forecast, the revenue gaps will be too high for economic sustainability of the Discoms and hence it is necessary to validate the sales forecast.

Sri M. Thimma Reddy, Convenor, People's Monitoring Group on Electricity Regulation, Hyderabad has stated that AP Discoms' estimation of power requirement for the ensuing year (55,565 MU) is based on overestimation of consumption growth. In the case of SPDCL, over all estimated growth in consumption is double to that of the current year growth rate and in the case of H.T. supply it is more than three times.

Discoms Response: The sales are projected based on the actuals in the previous year(s) duly considering the Compounded Annual Growth Rate (CAGR) and expected future loads. The requirement of power to upcoming lift irrigation schemes, which is the major reason for high growth rate in HT, is computed as per the data provided by the irrigation department.

Commission's View: The sales forecast projected by the Discoms has been duly verified with the available data and the Commission also obtained independent data on its own wherever feasible like the data about lift irrigation obtained from the Irrigation Department of GoAP. The sales forecast projected has been accordingly reduced to reasonable and realistic levels.

Agriculture is excess supplied, un-metered and inflated demand projected by Discoms:

52 Sri M. Thimma Reddy, Convenor, People's Monitoring Group on Electricity Regulation, Hyderabad and Sri Y. Sambasiva Rao, CPI (ML) New Democracy, AP Secretariat Member, Vijayawada have stated that it has become a standard practice for the Discoms to project inflated agricultural demand and for the Commission to reduce the same and for the Discoms to show revised estimates of higher consumption for agriculture. Genuine criticism is being voiced every year that a part of transmission and distribution losses is being included in agricultural consumption. If the Commission reduces the projected sale of power to agricultural services during 2016-17, the projected revenue requirement and revenue gap would come down.

Metering all agricultural services would be an ideal measure to overcome this unreliable information. It would be easier to meter 1.5 lakh DTRs instead of 15 lakh agricultural services in the state.

Sri B.N. Prabhakar, President, Society for Water, Power & Natural resources conservation Awareness and Monitoring (SWAPNAM) has stated that as there is always a dispute between Discoms and public about the agricultural consumption in the State, the Commission may undertake a review through any third party or members of the Commission itself by making field visits at least one mandal in each district and record the following, which will be beneficial to Discoms, if higher capacity motors are found.

- Number of agricultural connections as per record of DISCOM in the section office.
- Actual connections available in the field and their capacities, to be recorded by the team on physical verification.

M/s Maharshi Alloys Pvt. Ltd., Hindupur have stated that Discoms are supplying unmetered free power to agriculture, over and above the estimates, without adhering to the orders passed by APERC and the burden is being passed on to the industries. The Commission should disallow such quantum of energy from the ARR calculation and the whole agriculture subsidy burden has to be borne by the Government.

Sri K. Rajendra Reddy, President, Rashtriya Raithu Seva Samithi, Pakala, Chittoor Dist. has stated that in the absence of meters there is a controversy regarding agricultural consumption. The Commission is requested to direct the Licensees to evolve a time bound plan for metering of all agricultural services.

Discoms Response: Agricultural sales are being estimated as per the ISI methodology approved by the Commission. The actual sales may vary from the projections due to reasons beyond the control of the licensees, viz. rainfall, climatic changes, marketing strategies, etc. The sales projection has no regard to the no. of agricultural services. All new services and DTRs are being released with meters.

Commission's View: The projected agricultural consumption being higher than the actual agricultural consumption is impliedly admitted by the Discoms themselves. But the agricultural consumption being not metered, an element of guess and estimate is becoming inevitable. The Commission kept the historical and physical data available regarding agricultural consumption in view in limiting the probable agricultural consumption in 2016-17 to the projected actual consumption in 2015-16. Any part of the transmission and distribution losses being disguised as agricultural consumption is not evidenced by any positive material. Hopefully, metering of all agricultural connections will materialize at least in the near future to avoid any suspicions.

No need to increase the tariffs if full subsidy is extracted from GoAP:

53 Sri K. Rajendra Reddy, President, Rashtriya Raithu Seva Samithi, Pakala, Chittoor Dist. has stated that as per the ARR of the APSPDCL, the allocated expenditure for LT-V category is Rs.4587.10 Crs. and the revenue computation for FY 2016-17 is Rs.62.82 Crs. As such, the net expenditure for LT-V will be Rs.4524.28 Crs. GoAP is expected to pay the licensee the entire expenditure in terms of Sec.65 of EA 2003.

But the licensee is envisaging Govt. subsidy as Rs.3859.04 Crs. only. As the deficit at current tariffs is only Rs.4347.39 Crs., and the licensee is entitled to get a subsidy of Rs.4524.28 Crs., there will be a revenue surplus of Rs.176.89 Crs. obviating the need for enhancing tariffs.

Sri V. Rambhoopal, District Secretary, CPM, Anantapur has stated that the tariffs need not be increased if the GoAP pays all the dues to Discoms.

Discoms Response: It is necessary to provide subsidized tariffs to certain group of consumers who cannot afford to pay at CoS. For certain group of consumers tariff is being fixed lesser than CoS, called as subsidized categories and for certain category of consumers tariff is being fixed at higher than CoS, called as subsidizing categories. After considering these cross subsidies between the categories under section 65 of EA 2003, the GoAP is providing tariff subsidies towards free power supply to agricultural and other category of consumers, the subsidy is being provided after considering cross subsidies from other subsidizing categories during the process of tariff design. Hence, the subsidy provision is at the discretion of the GoAP.

Commission's View: The extent of subsidy required from GoAP is a matter of arithmetical calculation on the conclusions of the Commission about the quantum of energy to be supplied to the subsidized categories and the GoAP expressed its willingness to provide the same under Section 65 of the Electricity Act, 2003. The Discoms did not project any dues of subsidy from GoAP. The projections in the budget proposals of GoAP for FY2016-17 are also kept in view in seeking the amount of subsidy required and any shortfall can be made good in the supplementary budget.

No need for hike if Govt. provides the subsidy envisaged by Discoms:

54 Sri Mummareddi Venugopala Rao, Senior Journalist & Convener, Centre for Power Studies, Hyderabad; Sri Penumalli Madhu, State Secretary, Communist Party of India (Marxist), Andhra Pradesh Committee, Vijayawada; Sri Ch. Narasinga Rao, Secretariat Member, Communist Party of India; Dr. B. Ganga Rao, Secretary, Greater Visakha City Committee, Communist Party of India (Marxist); Sri B. Tulasidas, Vijayawada; Sri Kandharapu Murali, Chittoor District Committee, Communist Party of India (Marxist) and Sri K. Lokanadham, District Secretary, Viskha District Committee, Communist Party of India (Marxist) and Sri Ch. Babu Rao, CPI (M), have stated that, against the projected revenue deficit of Rs.5148 Crore, the Discoms have envisaged a subsidy of Rs.4364 crore - Rs.3859.04 crore for SPDCL and Rs.506 crore for EPDCL - to bridge the revenue gap

after the proposed tariff hike. If the Government really provides the subsidy envisaged by the Discoms for the year 2016-17, with the reduction of their ARR and revenue gap that is likely to be determined by the Commission, probably there will be no need for tariff hike at all. On the contrary, there will be scope for reducing tariffs.

Sri B. Ramaswamy Reddy, Rtd. SE, APSEB, Cuddapah has stated that the projection of revenue deficit at Rs.5,148 Crore by Discoms has given scope for hike in tariffs and the proposal should be considered only after receiving a reply from GoAP on the subsidy assured, by which the hike will become moderate.

Sri Yellapu Suryanarayana, President and Sri Rasamsetty Rajababu, Secretary, Bharatiya Kisan Sangh have stated that the Government shall announce the subsidies to each sector before preparing ARRs and the Commission to fix the time limit for ARRs submission to the licensee, only after announcing the budget.

Discoms Response: Aggregate Revenue Requirement (ARR) is being prepared with projections based on the actuals in the previous year(s) Power procurement (PPAs), Short term purchases, Distribution MYT Order, Transmission Tariff order, SLDC Tariff order, etc., The Tariff proposals are being submitted after considering envisaged subsidy from Govt. of AP.

Commission's View: The reply to the preceding point holds good.

High revenue deficit and inflated claims by Discoms:

55 Sri Mummareddi Venugopala Rao, Senior Journalist & Convenor, Centre for Power Studies, Hyderabad; Sri Penumalli Madhu, State Secretary, Communist Party of India (Marxist), Andhra Pradesh Committee, Vijayawada; Sri Ch. Narasinga Rao, Secretariat Member, Communist Party of India; Dr. B. Ganga Rao, Secretary, Greater Visakha City Committee, Communist Party of India (Marxist); Sri B. Tulasidas, Vijayawada; Sri Kandharapu Murali, Chittoor District Committee, Communist Party of India (Marxist) and Sri K. Lokanadham, District Secretary, Viskha District Committee, Communist Party of India (Marxist), Sri Ch. Babu Rao, CPI (M) have stated the following.

The total revenue deficit and regulatory gap works out to a whopping Rs.11567.98 Crore for the three financial years from 2014-15 to 2016-17. The true up claim of Rs.4338 Crore for 2014-15 made by APSPDCL in its ARR projections for 2015-16 confirms that the Discom has been making inflated and impermissible claims in the light of the true up approved by the Commission for Rs.552 Crore for 2014-15 in the tariff order for 2015-16 and the present projection of an additional sum of Rs. 2066.40 Crore for the same financial year as regulatory gap, both of which work out to Rs.2618.40 Crore against Rs.4338 Crore claimed under true up earlier.

Discoms' Response: The licensee submits that the non increase of tariff in FY2014-15 and increase in power purchase cost in FY2014-15 are the main reasons for the high revenue gap of previous years. The Discoms submitted all the relevant data to the Commission along with ARR filings.

Commission's View: The acceptability of the revenue deficit projected was verified with reference to available data.

Power purchase cost proposals need to be verified:

56 Sri Potluri Bhaskara Rao, Executive Director, Andhra Pradesh Chambers of Commerce and Industry Federation, Vijayawada; Sri O.L. Kantha Rao, Secretary, AP Spinning mills Assosiation, Guntur; Sri D.L.S. Prasad, Srinivasa Cotton & Oil Mills (P) Ltd., Guntur and Sri Shiva Kumar, Vice Chairman, Spinning mills Assosiation have stated that the power purchase costs as given in the ARR proposal are 81.28% in respect of APSPDCL. The unit rate for AP Genco thermal power plants at Rs.5.14/ kWh is the second highest in the merit order of the purchase, next only to the market purchase at Rs.5.17/ kWh. There is a substantial difference of Rs.1.4/kWh with that of TS Genco (27% lower than AP Genco). Power purchase Cost from AP Genco is higher than NCE purchases. Considering that 18776 MU (28%) of the total purchases of 66,839 MU is from AP Genco, a critical re-validation of this procurement cost is called for. AP Genco stations are one of the most efficient in the Country. Is the higher efficiency at such a high cost? Is this financial prudence?

AP Genco thermal projects forms about 30% of the total requirement of the Discoms and it is extremely unfortunate that the consumers are expected to raise objections on the ARR even before the tariff of AP Genco is finalized. The Commission is requested to ensure that this anomaly will not arise for consumers to face.

Discoms Response: The power purchase cost contributes to 80% of the total expenditure. The actual power purchase cost during the H (1) of 2015-16 is considered for projections.

Commission's View: The financial prudence of AP Genco is not the subject matter of the present enquiry.

Follow Merit Order Dispatch for Power Procurement:

57 Mr. Rajesh K Mediratta, Director (Business Development), and Sri Naga Aditya Erranki, Indian Energy Exchange (IEX) have stated that the Discoms have estimated the power purchase cost (Rs.26,378 Cr.) without any consideration to cheaper electricity available on the Power Exchanges. The power procurement must be strategized on the basis of merit order stack. Discoms shall consider marginal cost of power purchases from all the sources while preparing their day-ahead dispatch schedule from Generators under long term PPA, Power Exchange Volume, Short term/Medium Term bilateral Contracts. IEGC specifies that power procurement should be on the basis of Merit Order Dispatch (MOD). Commission may direct the Discoms to adopt the MOD principle and shall be authorized to appoint an agency for audit of Discoms' records of their most optimal merit order dispatch.

Commission's Views: The Discoms may examine the feasibility and permissibility of the suggested course of action.

Why purchase of Excess NCE?

58 Sri Mummareddi Venugopala Rao, Senior Journalist & Convener, Centre for Power Studies, Hyderabad; Sri Penumalli Madhu, State Secretary, Communist Party of India (Marxist), Andhra Pradesh Committee, Vijayawada; Sri Ch. Narasinga Rao, Secretariat Member, Communist Party of India; Dr. B. Ganga Rao, Secretary, Greater Visakha City

Committee, Communist Party of India (Marxist); Sri Kandharapu Murali, Chittoor District Committee, Communist Party of India (Marxist) and Sri K. Lokanadham, District Secretary, Viskha District Committee, Communist Party of India (Marxist) and Sri Ch. Babu Rao, CPI (M); Sri S. Ramesh, General Secretary, CITU, Visakhapatnam have stated that the projected purchase of non-conventional energy works out to 9.79% of the projected sale out of which 2.88% is solar power. When the Discoms are obligated for purchase of only 5% of NCE out of their total sales, including 0.25% of solar power under Renewable Power Purchase Obligation (RPPO), purchase of an excess NCE of 2429MU at exorbitant tariffs imposes avoidable additional burden on the consumers and is unjustified.

There is no justification in APEPDCL's proposal for purchase of an additional 2056.06 MU of NCE (that too on long term basis) from 2016-17 to 2019-20, to meet its backlog under RPPO for the years from 2012-13 to 2015-16, when the actual purchase requirement of additional NCE to meet the back log is ranging from 422.65 MU in 2016-17 to 588.97MU in 2019-20.

Er. A. PunnaRao, F.I.E., Convenor, Praja Energy Audit Cell, Ashoknagar, Vijayawada has stated that the Discoms should be directed to limit the NCE power purchases to 5% only, as they have proposed to purchase 10.2% at high cost, which will burden the consumers.

Discoms Response: The licensees submit that the high average solar tariff is mainly due to the first phase of the JNNSM scheme where Discoms are obligated to procure power at around Rs.15 to 18 per unit, in order to encourage clean and environment friendly solar power. But, due to the proactive measures taken up, a healthy ecosystem is build up for the solar power within the state, resulting in the country's lowest tariff of Rs.4.63 per unit, during the recent solar tender. Encouraging renewable will also help in minimal environmental impact as compared to the conventional sources of power and attract manufacturing industries which helps the whole state.

The licensees submit that the RPPO obligation is more of a guideline to encourage renewables in the country which enables higher benefits in the long run due to inherent advantages like environment friendly technology and also the cost trajectory will become attractive over the years as technology advances, whereas the conventional power is becoming costly over the years.

Commission's View: The need for promoting green energy for environmental protection and the necessity to keep the power purchase cost at a reasonable level have to be delicately balanced. The ecological balance has to be maintained to avoid any catastrophe to humanity which cannot be measured only in monetary terms. National and State policies in this regard also have to be kept in view.

Views on Minimum Billing Demand:

59 Sri Potluri Bhaskara Rao, Executive Director, Andhra Pradesh Chambers of Commerce and Industry Federation, Vijayawada; Sri D.L.S. Prasad, Executive Member and Sri P. Kotireddy of All India Cotton Seed Crushers Association, Mumbai have stated that, increase of tariff and the minimum billing demand to 90% of CMD is a cut throat for the industry.

Sri K.V.Rao, General Manager – Projects and P&I, Coromandel International Limited, and Sri E. Dayanand, Joint General Manager, Essar Steel India Ltd., Visakhapatnam have stated that, increase in minimum billing demand will add to the cost without concurrent increase in production volume.

Sri R. Kishore, Deputy Manager, M/s Amara Raja Batteries Limited has stated that there will be adverse financial impact on the industries and it will become very difficult to compete with other state industries, if the minimum billing demand limit is increased.

Sri Surya Prakasa Rao, Former Director (Commercial), APCPDCL and Former Secretary, APERC has stated that the proposal to the increase minimum billing demand is a retrograde step.

Sri Y.V. Subba Rao, Managing Director, M/s RPP Limited, Hyderabad, Sri M. Ramachandra Rao, Managing Director, The Gowthami Solvent Oils Limited,

Hyderabad; and Sri G. Ganesh babu, Managing Director, Espar Pak Limited, Hyderabad on behalf of Shivani Power Spinners Ltd., Thirumala Hydel Power Projects Ltd., Sri Dhanalakshmi Cotton & Rice Mills Pvt. Ltd., Sri Jayalakshmi Powercorp Ltd., Sagar Power Ltd., Trident Power Systems Ltd., Akshay Profiles Ltd., SKJ Power Projects Ltd. have stated that the proposed increase of the minimum billing demand seriously affects the consumers insofar as they may like to source power under open access because of getting saddled with the demand charges whether or not power is availed from the licensee. The minimum billing demand may be retained at 80%.

Sri K.N.Rao, Factory Manager, ITC Limited, Chirala, M/s Bharathi Cement Corporation Pvt. Ltd., M/s Penna Cement Industries Ltd. have stated that there are States where the minimum billing demand is less than the existing 80%. Mere reference to two States, for increase, is not a sufficient reason. Any cogent reasoning or justification is not given for the proposal and the same may not be accepted. In fact, considering the diversity of loads recognized for system planning, there appears to be good reason and ground to reduce the minimum billing demand.

Sri Gopal Choudary, Learned Council has stated that the diversity factor of the engineering industries which is typically 50 to 60%, even in case of cluster of loads, is not being considered / applied while arriving at the billing demand limits. The fixed cost commitments of the Discoms towards the establishment of network are met by all the consumers in a diverse manner. The billing demand should be retained at 80% only.

Sri P. Narendranath Chowdary, Managing Director, The Andhra Sugars Limited, Kovvur, W.G.Dist, has stated that the proposed change of tariff minimum billing from 80% to 90% is unreasonable and aimed to increase the DISCOMS' revenue only but not for the welfare of consumers, since the industries may not consume power for tariff minimum due to plant operating conditions and product demand.

Smt. P. Vydehi, Secretary i/c, The Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry (FTACCI), Hyderabad and Shri Bhushan Rastogi, FAPCCI have stated that the proposal of increase in minimum billing demand is

unreasonable and will increase burden of industrial consumers in the present days of recession and high degree of volatility.

Sri Kothapalli Ramakrishnamraju, President, Resident welfare Association, Visakhapatnam has stated that, the proposed billing demand for HT Services shall be applied to all categories without discrimination.

Sri P.V. Subba Reddy, MUS Trust, Hyderabad has stated that the proposal for increase of minimum BMD to 90% is not correct when surplus power is estimated.

M/s Synergy Castings Ltd., have opposed the increase of minimum billing demand.

Discoms Response: To recover fixed cost of generators and network cost, the demand charges are being collected. Due to increase in the total quantum of fixed cost portion in both generation and network and in view of the improved and uninterrupted supply, the proposal for billing MD at 90% is justified. The States of Madhya Pradesh and Tamil Nadu are already implementing the same since 2012-13.

In the Tariff Order FY2015-16 the Commission has exempted billing demand to HT-VI Townships & Colonies. The same is proposed by the Discoms for FY 2016-17 with a view to give concessional tariff to HT category-VI.

Commission View: The objections received positive consideration from the Commission.

Not to increase energy charges for the subsidizing consumers:

60 Sri Potluri Bhaskara Rao, Executive Director, Andhra Pradesh Chambers of Commerce and Industry Federation, Vijayawada; Sri D.L.S. Prasad, Executive Member and Sri P. Kotireddy of All India Cotton Seed Crushers Association, Mumbai have stated that energy cost essentially depends on the power purchase cost which itself is well over 80% of the ARR. Even at the current tariffs HT consumers are bearing 57.3% of the revenue of the DISCOMS for a consumption of 38%. The mandate of National Tariff Policy for the tariff to be at $\pm 20\%$ of CoS has to be given serious thought by the Commission. At the bottom line, at least a downward trajectory in comparison to the previous years, will hopefully be seen by the cross subsidizing HT consumers.

Sri R. Kishore, Deputy Manager, M/s Amara Raja Batteries Limited has stated that proposed hike increases the financial burden on industries and also the promotion of new industries will become bleak. To safeguard the interests of consumers and to encourage the economy, it is requested to continue the existing tariff for the FY2016-17.

Sri Surya Prakasa Rao, Former Director (Commercial), APCPDCL and Former Secretary, APERC has stated that if the objective is to enhance revenues through increased sales of energy, rebate should be given to industries, considering the fact that they contribute high level of Cross-Subsidy. If the objective is to discourage setting up of Industries in those areas for any reason, then higher tariff may be justified as a deterrent.

Discoms Response: Average Cost to Serve (CoS) for the FY 2015-16 as approved by the Commission for the State was Rs 5.38/Unit, whereas, revised average Cost to Serve (CoS) for the current year is Rs 5.92/Unit. The State level CoS for the ensuing year i.e. FY2016-17 is estimated to be at Rs. 5.60/Unit. This implies an increase of Rs. 0.22/ Unit (4.05 % increase) when compared to approved average CoS. Also, the average CPI inflation in India was 5.41% year-on-year in November 2015. The licensees would like to propose a nominal increase in the tariffs to meet the increased costs.

Commission's View: The views have been kept in mind in limiting the increase in Energy charges to minimum possible levels.

Off-peak consumption to be incentivized:

61 Sri Potluri Bhaskara Rao, Executive Director, Andhra Pradesh Chambers of Commerce and Industry Federation, Vijayawada; Sri O.L. Kantha Rao, Secretary, AP Spinning mills Assosiation, Guntur; Sri D.L.S. Prasad, Executive Member and Sri P. Kotireddy of All India Cotton Seed Crushers Association, Mumbai and Sri Shiva Kumar, Vice Chairman, Spinning mills Association have stated that If TOD has a justification, by the same token a reduction in the base tariff is also called for during non peak hours. Major Industrialized States have a discount in their tariff for energy usage during non-peak hours. The HT consumers are at disadvantage in the competitive edge to Maharashtra and Gujarat, not only for new investments, but also for the existing industries. The

entire tariff proposals require rationalization, for the industries to exist in the State, besides growth, as contemplated by the Government of Andhra Pradesh.

Sri R. Kishore, Deputy Manager, M/s Amara Raja Batteries Limited has stated that the TOD tariff of Rs. 1/unit itself is an additional burden for industrial consumers. The percentage increase on the TOD tariff every year will increase the burden further on industrial consumers.

Smt. P. Vydehi, Secretary i/c, The Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry (FTACCI), Hyderabad and Shri Bhushan Rastogi, FAPCCI have stated that ToD tariff approved by the Commission is not only in contrast to the applicable scheme in other States but is also counter-productive to demand side management as it offers no incentive to consumers to shift their demand to off-peak periods.

M/s Synergy Castings Ltd., have opposed the levy of ToD.

Discoms Response: AP Discoms have extended ToD tariff to Industries to recover partial additional charges over and above the tariff applicable, to meet the expensive power. Further, for the consumers who cannot shift their demand/ requirement due to their nature of operation such as continuous loads, then AP Discoms may have to purchase from expensive sources to meet the demand.

Commission's View: While the proposal for any increase in Time of Day tariff did not receive acceptance from the Commission, the distribution companies may examine and take a view on incentivizing off-peak consumption, in future.

Reliability Charge is not acceptable:

62 Sri Potluri Bhaskara Rao, Executive Director, Andhra Pradesh Chambers of Commerce and Industry Federation, Vijayawada; Sri O.L. Kantha Rao, Secretary, AP Spinning mills Assosiation, Guntur and Sri D.L.S. Prasad, Executive Member, All India Cotton Seed Crushers Association, Mumbai, and Sri Shiva Kumar, Vice Chairman, Spinning mills Association have stated that the concept of reliability charge is not understood, when in fact, by any stretch of imagination the Discoms in fact are expected to be reliable in

terms of supply. The fact of the matter is all HT consumers, besides LT, have been long suffering consumers of electricity with power cuts, shortages, power blinks, and several other tribulations. Prima facie, the Commission is urged to straight away reject this hidden tariff. On the other hand, the Discoms should be asked to accept a penalty of 4% on the tariff finalized by APERC for unreliable services as and when recorded in the ABT meters on a basis that may be fixed by APERC.

Sri R. Kishore, Deputy Manager, M/s Amara Raja Batteries Limited has stated that the detailed conditions for uninterrupted power supply were not clearly defined in the proposal. The proposed refund of reliability charge based on percentage reduction of SAIDI (System Average Interruption Duration Index) is not specific. Option to avail reliable supply should be given to individual consumer and it cannot be implemented to all the consumers, as there will be financial burden. The licensee should supply power without any interruptions with the existing tariff itself. The present supply conditions are reasonably reliable for 132 kV and 33kV HT services.

Sri Surya Prakasa Rao, Former Director (Commercial), APCPDCL and Former Secretary, APERC has stated that the proposal to levy 25 paise / unit for the so called interruption-free supply is vague and not supported by any reasoning. Electricity Act permits reasonable classification of consumers based on the factors specified u/s 62(3), but such classification should have nexus to the objective sought to be achieved.

M/s Synergy Castings Limited have opposed the levy of Reliability Charges

Sri M.S.S. Sarma, AP Ferro Alloys Producers Association; Sri M.R. Prasad, Secretary General, AP Ferro Alloys Producers Association, Hyderabad and Sri Vijaya Gopal Reddy, Manish Reddy Ferro Alloy Industries have stated that introduction of Reliability charge is strictly opposed.

Sri R. Bhaskar, General Manager, DNW Department, Rashtriya Ispat Nigam Ltd., Visakhapatnam has stated that, the proposed reliability charge in addition to the HT tariff is incorrect and unjustifiable as it is the basic obligation of Discoms to provide

reliable and uninterrupted power to all their consumers and it cannot be claimed as an extra / special service to a special category.

Sri K.V.Rao, General Manager – Projects and P&I, Coromandel International Limited, Vishakhapatnam and Sri E. Dayanand, Joint General Manager, Essar Steel India Ltd., Visakhapatnam have stated that it is the obligation of any power distribution company to provide reliable and uninterrupted power to all the consumers.

Smt. P. Vydehi, Secretary i/c, The Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry (FTACCI), Hyderabad and Shri Bhushan Rastogi, FAPCCI have stated that levy towards uninterrupted power supply is speculative without any supporting cost analysis, scheme or plan.

Discoms Response: Interruption free power is viewed as one of the most important drivers for industrial growth. The licensees are targeting to bring down the System Average Interruption Duration Index (SAIDI) by 40% by March 2017 as compared to April 2016. In case the licensees fail to meet the target, the licensees shall refund the reliability charge as proposed in the Tariffs.

Commission's View: Reliability should be the basic feature of the public utilities and cannot be promoted as an extra virtue for which the consumers should be burdened with further charges.

Reliability to be maintained at 11 kV Level too:

63 Sri Kothapalli Ramakrishnamraju, President, Resident welfare Association, Visakhapatnam has stated that reliability charge at Rs. 0.50 per unit may be considered for the consumers of 33 kV and above since the uninterrupted supply is highly benefiting production with high profits. Providing reliable supply at 11 kV level, wherever feasible, may also be considered.

Discoms Response: The Discoms intends to roll out this initiative of providing high reliable / uninterrupted power supply to HT consumers at 33 kV and above in the following cities / areas from April 2016:

Visakhapatnam, Kakinada, Rajahmundry, Sri City, Krishnapatnam and Tirupati.

The aim of the Discoms is to provide uninterrupted power supply to all the consumers. Any how the suggestions are noted.

Commission's View: The suggestion received no consideration in view of the response to the preceding point.

Objections on grouping of Domestic Categories:

64 Sri Mummareddi Venugopala Rao, Senior Journalist & Convener, Centre for Power Studies, Hyderabad; Sri Penumalli Madhu, State Secretary, Communist Party of India (Marxist), Andhra Pradesh Committee, Vijayawada; Sri Ch. Narasinga Rao, Secretariat Member, Communist Party of India; Dr. B. Ganga Rao, Secretary, Greater Visakha City Committee, Communist Party of India (Marxist); Sri Kandharapu Murali, Chittoor District Committee, Communist Party of India (Marxist) and Sri K. Lokanadham, District Secretary, Viskha District Committee, Communist Party of India (Marxist) and Sri Ch. Babu Rao, CPI (M) have stated that though the Discoms claim that the groups are proposed "with no tariff change", their intention is to reduce cross-subsidy / subsidy. The Discoms should quantify the additional cross subsidy that accrues on account of the proposed hike. If the Government provides additional subsidy required, there will be no need to introduce the proposed three groups with tariff hikes proposed.

Sri Surya Prakasa Rao, Former Director (Commercial), APCPDCL and Former Secretary, APERC has stated that categorization of domestic Consumers into A, B and C groups based on previous year consumption appears to be misconceived and can be done on the basis of slabs of current month consumption adopting telescopic Tariff Structure, if the objective is to avoid tariff shock while crossing the slab.

Prof. G. Krishna Rao, (Retd. Professor, AU), Federation of Farmers Association has stated that the criterion for the proposed grouping is not understood, as about 40% consumers are in the consumption range of 100 – 300 units per month. The grouping has to be modified.

Sri Tirupathi Rao, District Committee Member, CPM, Srikakulam has stated that monthly consumption under group 'A' should be enhanced to 200 units per month instead of 50 units.

Sri M. Ramesh, District Secretary, TDP, Srikakulam has stated that there should be one slab up to 100 units and the slab of 50 to 100 units is to be removed.

Sri Kondapalli Vasudevarao, Editor and Publisher, Electricals Electronics & General Information magazine has stated that as per the details given by APEPDCL in the ARR proposals, there are about 25 lakhs of consumers who consume below 30 kWh (units) per month. As such, a new slab of 0-30 units at Rs. 1.45 per unit, and groups for 'below 100 units consumption' and '600 to 1200 units consumption' should be formed. Tariff hike proposed for certain categories are not uniform.

Sri Ramanayudu, District Secretary CPI, Tirupati has stated that free supply should be given up to a consumption of 50 units and Rs.1.45/unit should be charged up to 200 units.

Sri U. Bhaskara Rao, State president, Bharatiya Kishan Sangh (BKS) has stated that the tariff for the electricity consumption up to 200 units should be fixed as Rs. 1.45/-.

Sri V. Rambhoopal, District Secretary, CPM, Anantapur has stated that the proposed grouping would confuse the consumers and the group proposed for 201-300 units at Rs.6.90/unit would cause burden on consumers having consumption below 250 units.

Sri V. Venkatadri, Retd. Teacher has stated that levy of higher tariff for higher consumption is illegal. Consumption less than 300 units per month shall be considered as normal.

Sri B. Vijaisagar, Chairman, Consumers Awareness and Research Centre, Kakinada has stated that the tariff proposed for railways (traction) at Rs.6.68 ps. per unit is on par with domestic consumers using more than 250 units per month, and is not prudent.

Sri Kothapalli Ramakrishnamraju, President, Resident welfare Association, Visakhapatnam has stated that, APEPDCL's proposal of unit rates, with consumption

levels of <600 units, >600 to <2400 units, >2400 units respectively during last year, is no way justified since the buildings occupied by tenants may be vacated from time to time. The financial burden will be on the owner or the new tenant. Any tariff proposal for these categories shall only be based on the consumption of particular billing period in 2016-17, with the unit rates as proposed.

Sri Ch.V.V.S.Bapiraju, Secretary, Greater Visakhapatnam Municipal Corporation (GVMC), Visakhapatnam has stated that the three (3) consumer groups which have been categorized as “below 600 units”, “600 to 2400 units” and “greater than 2400” may be modified into two (2) groups as “below 1200 units” and “above 1200 units”.

Further he proposed the revised rates for the groups as follows.

Group A: Annual Consumption below 1200 units

0 – 100 units - Rs. 3.00/unit

101 – 200 units - Rs. 4.00/unit

201 – 800 units - Rs. 7.80/ unit

801 – 1200 units - Rs. 9.00/ unit

Group B: Annual Consumption above 1200 units

0 – 100 units - Rs. 4.00/unit

101 – 200 units - Rs. 5.00/unit

201 – 800 units - Rs. 8.80/unit

800 – 1200 units - Rs. 10.00/unit

Sri Yellapu Suryanarayana, President and Sri Rasamsetty Rajababu, Secretary, Bharatiya Kisan Sangh, have stated that the consumers are burdened unknowingly in the group billing method and as such it shall not be implemented in the tariff for 2016-17.

Sri P.V. Subba Reddy, MUS Trust, Hyderabad has stated that multiple categories complicate the tariff structure.

Sri V. Rambhoopal, District Secretary, CPM, Anantapur has stated that the proposed grouping would confuse the consumers.

Sri Katuru Hari kishore kumar Reddy, Bharatiya Kisan Sangh, AP of Paturu, Kovuru Mandal, Nellore Dist., Sri Gadagottu Srirambabu, State President, Bharatiya Kisan Sangh, Poluru, Prakasham Dist., Sri Poondla Srinivasula Reddy, District President, Daamaramadugu, Nellore Dist. Sri Addagada Satiskumar, Raashtra Yuva Pramukh, Bharatiya Kisan Sangh, Nagulapalem, Prakasham Dist., Sri Alturu Hari Sarvothama Reddy, Mandal President, Bharatiya Kishan Sangh, Damaramadugu Post, Nellore Dist., Sri Unnam Simhadri, State Organizing Committee member, Bharatiya Kishan Sangh, Ananta Sagaram, Prakasham Dist., have stated that the domestic consumers shall be formed into three (3) groups instead of the proposed four (4) groups for 2016-17. Grouping the consumers based on their last year (2015-16) consumption is inappropriate and unacceptable. The average consumption shall be considered based on the upper limit of the slab of the group but not on the lower limit. Considering the lower limit of the slab for arriving at the annual average consumption is a new hoax to deceive the consumers. Discoms shall give account copy to each consumer informing the units consumed, at the end of 2016-17 based on which grouping for 2017-18 can be done.

The following groups shall be formed for 2016-17.

Group - A:

0 – 50 units - Rate Rs. 1.45/unit
51-100 units – Rate Rs. 2.60/unit
Annual Average Consumption – 1200 units.

Group – B:

0 – 50 units - Rate Rs. 2.60/unit
51-100 units – Rate Rs. 2.90/unit
101-200 units – Rate Rs. 3.60/unit
Annual Average Consumption – 2400 units.

Group – C:

0 – 50 units - Rate Rs. 3.00/unit
51-100 units – Rate Rs. 4.00/unit
101-200 units – Rate Rs. 6.00/unit
201-300 units - Rate Rs. 7.50/unit
Annual Average Consumption – 3600 units.

Group – D:

0 – 50 units - Rate Rs. 3.00/unit

51-100 units – Rate Rs. 4.00/unit

101-200 units – Rate Rs. 6.00/unit

201-300 units - Rate Rs. 7.50/unit

301-400 units - Rate Rs. 8.00/unit

401-500 units - Rate Rs. 8.50/unit

Above 500 units – Rate Rs. 9.10/unit

- Telescopic method shall be strictly implemented in each group.

Sri Poliseti Chalapati has stated that consumption less than 400 units shall be charged at Rs. 2.60/-.

Er.T.V. Ramana Murty, Secretary General, Eastern Discom Power Engineer Association has stated that consumers have to be categorized into groups and tariffs shall be fixed as follows:

Category –I (Domestic):

0 – 100 units - Rs. 1.50/unit up to 1 kW only.

>100 units - Rs. 3.00/unit up to 10 kW

Category –II (Non- Domestic):

0 – 100 units - Rs. 6.00/unit, up to 1 kW without fridge.

>100 to 500 units - Rs. 8.00/unit, up to 5 kW with fridge.

>500 units – Rs. 10.00/unit, above 5 kW

Category –II (Hoardings):

Below 1 kW – Rs. 15.00/unit

1 kW to 3 kW – Rs. 20.00/unit

Above 3 kW to 5 kW – Rs. 25.00/unit

Above 5 kW – Rs. 30.00/unit

Category VII : General Purpose

VII (A) :

1) Govt. Schools and colleges : Rs. 7.00 / unit

2) Other than Govt. Schools, Colleges
and Hostels (Private) : Rs. 15.00 / unit

VII (B) : Religious Places

Under the control of Endowments Dept.:

- 1) Up to 5 kW : Rs. 5.00 / unit
- 2) Above 5 kW : Rs. 10.00 / unit

Others:

For all units : Rs. 12.00 / unit

Category VIII: Temporary

For all units : Rs. 15.00 / unit

HT V: Railway Traction

For all units : Rs. 8.00 / unit

Sri Y. Siddayyanayudu, President, District Farmer Federation, Diguvaagam, Chittoor Dist. has stated that Domestic tariffs should not be changed and uniform rates are to be fixed irrespective of the usage.

Sri Davuluri Narasimhulu Nayudu, Aadenapalli and Sri C. Chinnaswamy, Pakala Mandal, Chittoor Dist., have stated that tariffs shall not be increased every year.

Sri C.V. Mohan Rao, Secretary, Repalle Pattanabhivrudhi Sangham, Repalle, Guntur has stated that the proposed grouping methodology imposes high financial burden on middle class, SC and ST categories.

Sri S. Kesavulunaidu of Kanamakrindapalle (V), Sri K. Guruswamynaidu of Surinenipalli (V), Sri N. Muniratnamreddy, Ganugapenta, in Pakala Mandal, Chittoor Dist., Sri Bollineni Chandramoulinayudu, Sankhampalle in Pakala Mandal in Chittoor District have stated that it is not correct to propose grouping of the domestic consumers based on their consumption in the year 2015-16.

Sri A. Bhaskar Reddy, P.Kothakota, Chittoor Dist. has stated that the proposal for categorizing A, B and C groups of the domestic consumers has to be rejected and the existing categories shall be continued.

Sri K. Rajendra Reddy, President, Rashtriya Raithu Seva Samithi, Pakala, Chittoor Dist. has stated that the proposed grouping of consumer of LT-I based on last year consumption is not logical. Consumption for any consumer is not stable but variable and

as such grouping is not desirable, and last year practice may be continued. In LT-III itself there are six different sub categories, which should have been sub categorized as LT III (a), LT III (b), LT III (c), LT III (d), LT III (e) and LT III (f) for easy Identification and similarly in some other categories also.

Discoms Response: The licensees have projected the proposed revenue after grouping of domestic consumers based on actual consumption data for FY2014-15 and apportionment for FY2016-17. The revenue actually realized may certainly undergo a change with respect to the projected revenue and the same shall be factored in the True-Up of ARR for FY2017-18. If the proposed tariffs for the three groups are implemented, the additional revenue to APEPDCL is Rs. 14.95 Crores and to APSPDCL it is Rs.25.09 Crs., and is as follows.

Revenue impact due to proposed Tariff for the three Groups for the FY 2016-17

Domestic consumer Categories	APEPDCL		APSPDCL	
	No. of consumers	Total Revenue Impact due to proposed tariff (Rs. Crs)	No. of consumers	Total Revenue Impact due to proposed tariff (Rs. Crs)
Group A: Annual consumption ≤ 600 Units				
0-50	1425109	0.00	2468351	0.00
51-100	174375	0.00	624612	0.00
101-200	8870	0.00	63244	0.00
Above 200	439	0.00	2317	0.00
Group B: Annual consumption ≤ 2400 and ≥ 600 units				
0-50	401031	0.00	410264	0.00
51-100	1229406	0.00	1464478	0.00
101-200	807306	0.00	1336310	0.00
201-300	74846	0.00	131702	0.00
Above 300	14308	0.00	22059	0.00
Group C: Annual consumption >2400 units				
0-50	42774	1.71	44422	2.26
51-100	33378	2.01	35819	2.70
101-200	142616	2.45	179610	5.95
201-300	117974	2.68	188909	5.54
301-400	54254	2.67	88310	3.16
401-500	26284	1.37	43894	1.82
Above 500	29573	2.05	53537	3.66
Total	4582543	14.95	7157838	25.09

As the subsidy amount will be decided by Govt. of A.P., it is not under the purview of the Licensee.

Tariffs are independent of affordability / income level of consumers. Under the existing tariff regime, high-income consumers are likely to enjoy concessional tariffs intended for low-income consumers, in case their consumption during any month is reduced. Ex: If a consumer having an average consumption of 200 units/month consumes 30units/month, he will be charged at Rs. 1.45/- per unit.

To ensure power to all at affordable prices, tariff has been designed with certain class of consumer categories as subsidized categories and others as subsidizing categories.

Also grouping of domestic consumers on the basis of previous year consumption is aimed to address many of the issues prevailing in the existing slabs. This is a move towards a more rational tariff structure which ensures lowest tariffs to low-income consumers and higher tariffs for high-income in consumers irrespective of monthly consumption which is very dynamic.

In the new grouping method, no hike is proposed for the low income category consumers and thus they are benefited and 2.5% hike is proposed for the high income category consumers. The consumers that are coming under Groups A, B and C are 35%, 55% and 10% respectively. As such, only 10% of consumers are coming under the tariff hike.

However, revision of grouping and charges is in the purview of the Commission.

Commission's View: The proposed regrouping of the domestic consumers has been carefully examined duly taking into account the various well meaning suggestions received from the objectors in writing and/or during public hearings. The classification of the lower end consumers at A and B categories was revised increasing the maximum limits of consumption permissible in each category by 50% and 12.5% respectively which avoids any tariff shocks to poor and lower middle class consumers for any marginal increases in consumption in 2015-16. Rationalization and simplification of the categories of domestic consumers will help the consumers in the long run. Wherever tariffs are

proposed to change to the next level for every 100 units, average tariffs at that level are accepted and otherwise no increase in tariffs for domestic consumers is permitted.

Concessional Tariff for Sugar Cane Crushers and others:

65 Sri Jalagam Kumara Swamy, State Organising Secretary, Bharatiya Kisan Sangh, Vijayawada; Sri G. Krishnakumar, Lawyer and Legal Cell convenor, Bharatiya Kisan Sangh, Vuyyuru; Sri Medasaani Vijayabhaskar, President, Bharatiya Kisan Sangh; Sri Maddireddy Srinivasa Reddy, Kotharepudi, Krishna District and Sri Shirsham Venugopal Reddy, Chatray, Krishna Dist., have stated that minimum tariff, as for poultry farms, shall be fixed to sugar cane crushers, treating as agricultural machinery.

Sri Yellapu Suryanarayana, President and Sri Rasamsetty Rajababu, Secretary, Bharatiya Kisan Sangh, have stated that Sugar cane crushing shall be treated on par with agriculture or a sub-category with a tariff of Rs. 1/- per unit shall be formed.

Sri K. Rajendra Reddy, President, Rashtriya Raithu Seva Samithi, Pakala, Chittoor Dist. has stated that Sugarcane crushing, mushroom and rabbit forms, floriculture in green houses may also be considered along with aqua culture and animal husbandry for similar tariff as these activities also are agro based.

Both the sub groups in LT- IV may be merged into one category with a tariff of Rs.3.75/-. Under the changed circumstances agro based activities are to be defined and a complete list of activities, which the Licensee considers as agro based is to be provided. It is not justified to enhance tariff to LT VII (b), as the category itself was created after prolonged representations, with concessional tariff under special conditions.

Sri Katuru Hari kishore kumar Reddy, Bharatiya Kisan Sangh, AP of Paturu, Kovuru Mandal, Nellore Dist., Sri Gadagottu Srirambabu, State President, Bharatiya Kisan Sangh, Poluru, Prakasham Dist., Sri Poondla Srinivasula Reddy, District President, Daamaramadugu, Nellore Dist. Sri Addagada Satiskumar, Raashtra Yuva Pramukh, Bharatiya Kisan Sangh, Nagulapalem, Prakasham Dist., Sri Alturu Hari Sarvothama Reddy, Mandal President, Bharatiya Kishan Sangh, Damaramadugu Post, Nellore Dist., Sri Unnam Simhadri, State Organizing Committee member, Bharatiya Kishan Sangh,

Ananta Sagaram, Prakasham Dist., have stated that the Sugarcane juice extractor machines up to 10 HP shall be included in Category-IV, fixing the tariff at Rs.3.75/unit. The machines are used by the farmers for manufacturing Jaggery which is a small scale industry and related to Agriculture. As such, power supply to such machines shall also be given from agriculture feeders with the permission of DE/Operation.

Discoms Response: Sugar cane crushing is treated as agriculture related industry and the charges are levied accordingly.

Commission's view: The requests are considered to be deserving acceptance and relief is provided accordingly in respect of sugar cane crushing.

Consider one Category for LT-V:

66 Sri Katuru Hari kishore kumar Reddy, Bharatiya Kisan Sangh, AP of Paturu, Kovuru Mandal, Nellore Dist., Sri Gadagottu Srirambabu, State President, Bharatiya Kisan Sangh, Poluru, Prakasham Dist., Sri Poondla Srinivasula Reddy, District President, Daamaramadugu, Nellore Dist. Sri Addagada Satiskumar, Raashtra Yuva Pramukh, Bharatiya Kisan Sangh, Nagulapalem, Prakasham Dist. Sri Alturu Hari Sarvothama Reddy, Mandal President, Bharatiya Kishan Sangh, Damaramadugu Post, Nellore Dist., Sri Unnam Simhadri, State Organizing Committee member, Bharatiya Kishan Sangh, Ananta Sagaram, Prakasham Dist., have stated that, since Discoms have agreed that 90% farmers are following DSM methods, Only 'A' should be remained in LT-V category, 'B' and 'C' should be removed.

Discoms Response: Free power is to be given for those who are using DSM scheme. As such, LT V (A) and (B) are to be continued.

Commission's View: There appears no strong reason to disturb the present categorization.

Less tariff projected for M/s HNPCL:

67 Sri Sidharthadas, Vice President-Commercial, Hinduja National Power Corporation Limited, has stated that as per the submission to APPCC, the fixed and variable costs for FY2016-17 were projected at Rs. 2.67/ unit and Rs.1.89 / unit respectively. But AP

Discoms, in their ARR filed with APERC, have mentioned the fixed cost as Rs.2.16/unit and variable cost as Rs. 1.8/unit variable cost, which is incorrect.

The tariff for HNPCL project filed in ARR by APEPDCL & APSPDCL is grossly insufficient for the plant to recover its fixed and variable costs necessary to operate the plant and service its debt obligations. As such, amendment to the PPA in line with the MoA is under discussion which is expected to be completed shortly. The Discoms are requested to revise the fixed cost and variable costs of HNPCL project in the ARR to make them consistent with the tariff as projected.

Discoms Response: Since, the tariff for the first year of operation for the two units of HNPCL has not been determined by the Commission, the licensees have considered an indicative fixed cost of Rs.2.16/unit and indicative variable cost of Rs. 1.8/unit in the ARR filing of Retail Supply Business of FY2016-17.

Commission's View: The matter is pending determination before the Commission in its adjudicatory functions and hence no view is expressed. However, in O.P. No. 21 of 2015, the Commission has fixed an interim tariff of Rs. 3.61 per unit pending the final decision on the petition.

Objections of Railways:

68 Sri R.K. Sharma, Chief Electrical Distribution Engineer, South Central Railway, has stated the following.

- i. Railways are a bulk consumer and paying major amounts to DISCOMs. For the year 2015-16, the projected revenue of DISCOMs from railway traction alone is 21 % of total payments received under HT 132 kV & above category.
- ii. The proposed tariff at Rs.6.95 per kVAh will amount to an increase of 0.27 paise per unit (i.e. 4% increase) and is higher than 44.5% over the tariff proposed for HT-I (B) category.
- iii. National tariff policy Para 8.3 (2) states that "for achieving the objective that the tariff progressively reflects the cost of supply of electricity, the Appropriate Commission

would notify roadmap such that tariffs are brought within $\pm 20\%$ of the average cost of supply. The road map would also have intermediate milestones based on the approach of a gradual reduction in cross subsidy." The comparative variation of tariff proposed with respect to energy intensive industries is as given below.

Category	Supply availed At	Type of Industry	Organization	Effect on environment	Proposed Tariff for 2016-17	Variation over Avg. COS
HT-1(B)	132 kV	Power Intensive	Production oriented	--	Rs. 4.81	-14.3%
HT (V) Railway Traction	132 kV	Power Intensive	Public service	Energy efficient and eco friendly	Rs. 6.95	+23.9%

- iv. Railway traction is also power intensive and loads are for passenger & goods train services which are run round the clock. There is no distinction of peak to non-peak hours and most of the goods trains are run during night time which is off peak period forming base load of DISCOMs and supporting the grid stability. Apart from this, Railways maintain higher power factor. Contribution of Railways to economic and social developments of country far outweighs the advantages of HT-I (B). Railway pleads before the Commission to critically examine the preferential treatment / subsidy given to HT 1(B) which is unjustifiable and against basic principles of Electricity Act 2003 (Section 61). Railways are to be declared as Energy Intensive Industry and tariffs should be fixed on par with HT1-B.
- v. Railways are prompt in payment of energy bills to the Discoms and for which they certainly deserve some rebate/incentive. Reasonable rebate / incentive for prompt payment may be granted as done by other SERCs viz. MERC, OERC, MPERC etc.
- vi. The additional energy charges of Rs.0.25 per unit proposed to be levied from October 2016 as reliability charges for Railway traction HT-V category are not to be charged as already higher tariff is levied comparatively over other HT consumers.

- vii. As Railways have never been at default at any time, the Commission is requested to exempt Railways, from payment of Security deposit or to accept security deposit in the form of irrevocable letter of credit or unconditional bank guarantee (issued by a scheduled commercial bank/RBI) for better utilization of funds for maintenance and operation.
- viii. Due to discriminative policy of Discoms and over burdening, the timely-paying consumer like Railway has to look for other option like open access of power from grid. The Tariff to be brought down and to be made on par with other energy intensive industries.

Discoms Response: Unavoidable increase in power purchase cost has resulted in a significant revenue gap for FY2016-17 and a modest tariff increase of 4% over the existing tariff is proposed.

The category 'HT I (B)' is proposed to be renamed as 'HT I (B) Energy Intensive Industries', which shall offer concessional tariffs to specific types of Energy Intensive Industries with a view to attract investment in manufacturing sector in the State. Hence, Railways are not classified under the category.

Due to the high load factor of Railway Traction, Railways are exempted from paying any demand charges unlike other HT consumers.

As an essential service rendered to public transportation, Railway traction HT-V category is categorized separately over last several years and has been supplied uninterrupted power. There is no special treatment for Railway traction for supplying uninterrupted power.

Commission's View: As Railways are exclusively serving the public cause, and keeping in view the various issues raised, including comparable tariffs for Railway traction in other states, the Commission has considered it to be just, reasonable and necessary to maintain the Railway traction tariff at the existing level without any increase, with the fond hope that the resources so saved by the Railways will be spent on expansion of the

Railway services in the State of Andhra Pradesh. The comparative table given below will establish the justification for the decision of the Commission.

Railway traction tariff for 2015-16 at various States					
S. No.	State	Tariff			Status of Railway
		Demand (Rs./kVA)	Energy (Rs./Unit)	Equivalent single Part tariff with load factor 50% and 0.95 PF (Rs.)	
1	West Bengal	320	Winter – 4.15	5.09	
		320	Monsoon – 4.18	5.12	
		320	Summer – 4.20	5.14	
2	Chhattisgarh (kVAh)	350	4.25	5.22	
3	Gujarat	180	5.00	5.53	Open Access is availed at an average cost of Rs. 4.70
4	Kerala	250	4.80	5.53	
5	Uttarakhand (kVAh)	260	5.00	5.72	
6	Orissa	250	5.20	5.93	Open Access processing is under progress
7	Karnataka	180	5.55	6.08	
8	Madhya Pradesh	280	5.40	6.22	
9	Haryana (kVAh)	160	5.80	6.24	
10	Bihar	240	5.70	6.40	
11	Jarkhand	235	5.85	6.54	
12	AP (kVAh)	---	6.68	6.68	
13	Telangana (kVAh)	---	6.80	6.80	
14	Uttar Pradesh(kVAh)	280	6.35	7.13	Open Access processing is under progress
15	Delhi(kVAh)	150	6.80	7.22	
16	Tamilnadu	350	6.35	7.37	
17	Punjab(kVAh)	314	6.55	7.42	
18	Maharastra	---	8.46	8.46	Open Access is availed at average cost of Rs. 4.70

69 Sri Gopinath, Indus Towers, Hyderabad has stated the following:

Rationalized tariff and Industrial category for telecom towers:

The tariffs for consumers with flat load profile and high power factor requiring electricity on a continuous basis may be considered separately while determining the tariffs for the current year. The Commission is requested to kindly consider the enabling IT Policy of Andhra Pradesh government which directs for applicability of Industrial Tariff on Telecom Towers, and re-categorize telecom tower consumers in the state from 'Commercial' to an 'Industrial' category.

Discoms Response: The electricity consumer classification and categorization are made on the basis of end use of the electricity. Separate category based on the consumption pattern is not feasible. High power factor is not relevant as kVAh billing is under implementation. Tariff structure in the Tariff Orders issued by the Commission is exhaustive and covers all the activities. The telecom towers business is purely commercial in nature and it comes under existing LT- II category. Any relaxation in the tariff is not acceptable as it affects the Licensees' finances. However, DISCOM adopts Industrial Tariff to all those covered under IT policy.

Commission's View: The response of the Discoms is acceptable.

Inclusion of Telecom Towers in a redesigned ToD tariff scheme:

The provision of world class telecommunications infrastructure & information is the key to rapid economic and social development of the State. The Commission may kindly study and consider favorably for coverage of the Telecom Towers under a redesigned TOD tariff scheme in the State. The Commission may also consider making it optional for certain willing consumers.

Discoms Response: Such tariff structure is not proposed at present. Under the purview of the Commission.

Commission's View: The Discoms may study the feasibility of the suggestion and come back to the Commission with their views.

Implementation of Consolidated Billing & Roll out of AMR (Automatic Meter Reading) systems:

The Commission is requested to direct the utilities for supporting the proposal of installation of AMR meters and roll out of consolidated billing for large consumers with multiple connections. Such a measure would drive the efficiency of the Discoms by way of saving in meter reading and billing cost while also ensuring accuracy. For consumers such as Indus Towers operating telecom towers, each of which is billed separately, implementation of consolidated billing and AMR would be greatly beneficial.

Discoms Response: Consolidated collection facility is made available at present. LT AMR and billing facility is not available.

Commission's View: Under the purview of the Discoms.

Non-Conventional Energy is purchased at high Cost:

70 Sri Mummareddi Venugopala Rao, Senior Journalist & Convener, Centre for Power Studies, Hyderabad; Sri Penumalli Madhu, State Secretary, Communist Party of India (Marxist), Andhra Pradesh Committee, Vijayawada; Sri Ch. Narasinga Rao, Secretariat Member, Communist Party of India; Dr. B. Ganga Rao, Secretary, Greater Visakha City Committee, Communist Party of India (Marxist); Sri Kandharapu Murali, Chittoor District Committee, Communist Party of India (Marxist) and Sri K. Lokanadham, District Secretary, Viskha District Committee, Communist Party of India (Marxist) and Sri Ch. Babu Rao, CPI (M), have stated that the tariff for power to be purchased from biomass, including co-generation units of Rs.6.18 per unit is very high. GoAP is giving liberally a further sum of Rs. 1.50 per unit of biomass energy to developers from the public exchequer. The wind power tariff of Rs. 4.83 per unit without AD or Rs.4.25 per unit with AD is also higher.

The tariffs for solar power fixed for units of developers selected through contrived competitive bidding and approved by the Commission and tariffs for solar power proposed to be paid to NTPC through MoU route by the GoAP are relatively higher, compared to tariffs quoted in international competitive biddings and even by some of

the indigenous developers like Rs. 4.63 per unit quoted by Sun Edison to NTPC, and Rs.4.49 per unit quoted by Vikram Solar of Kolkata to Tirumala Tirupati Devasthanam.

When downward trends in tariffs for solar power are evident and are likely to come down further in the near future through competitive bidding with prices of solar panels coming down, the hasty actions of the Government of A.P. in forcing the Discoms to enter into long-term PPAs with private developers and public sector utilities like NTPC, to purchase solar power at higher tariffs, are not prudent. They become albatross round the neck of consumers, as the latter will have to continue to shell out higher tariffs for the entire period of PPAs, even when relatively cheaper power, both conventional and non-conventional, including solar power, would be available in the near future and during the period of PPAs.

The Commission ought to exercise its authority to put this unwarranted trend on hold without giving its approval to such questionable proposals, decisions and PPAs, thereby cautioning and restraining the Government and the Discoms to protect larger consumer interest by moving in a prudent and gradual manner, to take advantage of the trend of gradually decreasing prices for increased purchase of solar power.

Discoms Response: The existing PPAs entered by AP Discoms with Biomass developers are valid for a period of 20 years and are entitled for generic tariff determined by APERC from time to time. As such, these Biomass developers are being paid the tariff fixed by APERC. Besides, these Biomass developers are granted an additional tariff of Rs.1.50/unit by GoAP. It may be noted that APDISCOMs have been and are strongly contesting the unjustified tariff proposals of these developers at every forum (viz., APERC, High Court, APTEL & Hon'ble Supreme Court).

GoAP issued AP Solar Policy 2015 & AP wind Policy 2015 with an anticipated capacity addition of 4000 MW wind projects & 5000 MW of solar projects in the next five years. Consequent to the initiatives of the Go AP & GoI, AP Discoms entered into a PPA with M/s NTPC for a capacity of 250 MW (Solar park at Anantapur District, Phase – I) with a tariff @ 6.16/kWh which is yet to be approved by the Commission. Recently, APEPDCL

entered Power Sale Agreement (PSA) for 1000 MW with M/s NTPC for sale of bundled power at Gani, Kurnool District with a tariff @ Rs 4.63 (850 MW) which is second lowest in the country. These tariffs further reduce due to bundling of Thermal Power. The current grid connected solar tariff is in decreasing trend in India and further it is anticipated that the cost of solar power may further reduce in the 750 MW NP Kunta bidding. The cost of Solar power & wind power is constant for the entire agreement period of 25 years, except tariff of solar projects held in 2014 bidding whereas the cost of conventional power will increase from year to year due to escalation of fuel price.

At the time of entering into PPA, AP Discoms have taken the lowest tariff rate quoted by M/s NTPC. However, the PPA was sent to APERC for consent and approval of tariff.

Commission's View: The suggestions will be kept in view in appropriate proceedings that may come up before the Commission.

Cancel the PPAs of projects not completed in-time or persuade for lower tariff:

71 Sri Mummareddi Venugopala Rao, Senior Journalist & Convener, Centre for Power Studies, Hyderabad; Sri Penumalli Madhu, State Secretary, Communist Party of India (Marxist), Andhra Pradesh Committee, Vijayawada; Sri Ch. Narasinga Rao, Secretariat Member, Communist Party of India; Dr. B. Ganga Rao, Secretary, Greater Visakha City Committee, Communist Party of India (Marxist); Sri Kandharapu Murali, Chittoor District Committee, Communist Party of India (Marxist) and Sri K. Lokanadham, District Secretary, Viskha District Committee, Communist Party of India (Marxist) and Sri Ch. Babu Rao, CPI (M) have stated that most of the developers with whom the Discoms had entered into PPAs have not commissioned their units in time, as per the time schedules agreed to therein. Whether any penalties are levied and collected from the developers concerned as per the terms and conditions of the PPAs for their failure to commence generation and supply of solar power in time? Or, the Discoms have extended the time with the consent of the Commission.

The Commission is requested to direct the Discoms to cancel the PPAs of those developers who failed to adhere to the terms and conditions of the PPAs or impose a

condition that they should supply the solar power at the lowest tariff determined through competitive bidding.

The Commission is requested not to consider power from NTPC solar unit (with which Discoms have entered into a PPA on the directions of the State Government) for the purpose of ARR for 2016-17, without completing public hearing and issuing its order on O.P.No.26 of 2015.

Er. A. PunnaRao, F.I.E., Convenor, Praja Energy Audit Cell, Ashoknagar, Vijayawada has stated that the Discoms may be directed to impose and collect penalty from the developers of solar power who have not completed their units in time, as per the time schedules agreed in the PPAs.

Discoms Response: AP Discoms shall impose the penalties on the solar developers for non-commissioning of the projects within the stipulated time period as indicated in the PPA. However, at the request of Solar power developers, extension of timelines for commissioning of the projects for the PPAs entered with APSPDCL @Rs.6.49/unit was considered till 31.3.2016 based on the field report. These solar power developers have achieved the financial closure, ordered the equipment & modules for commissioning of their solar power plants, significant investment has already been made and projects are in advanced stage of commissioning. Further, it was also decided to encash the performance bank guarantees and also their PPAs deemed to be terminated without any further notice, who has not achieved the above timelines.

Commission's View: Discoms promised necessary remedial action in terms of PPAs.

What action has been taken on 'Corporate Power'?

72 Sri Mummareddi Venugopala Rao, Senior Journalist & Convener, Centre for Power Studies, Hyderabad; Sri Penumalli Madhu, State Secretary, Communist Party of India (Marxist), Andhra Pradesh Committee, Vijayawada; Sri Ch. Narasinga Rao, Secretariat Member, Communist Party of India; Dr. B. Ganga Rao, Secretary, Greater Visakha City Committee, Communist Party of India (Marxist); Sri Kandharapu Murali, Chittoor District Committee, Communist Party of India (Marxist) and Sri K. Lokanadham, District

Secretary, Viskha District Committee, Communist Party of India (Marxist) and Sri Ch. Babu Rao, CPI (M); Sri S. Ramesh, General Secretary, CITU, Visakhapatnam have stated that in the ARR it was stated that, "the licensees had also signed a PPA with Corporate Power for 150 MW, but the energy would not be available from the source due to non-allocation of transmission capacity by PGCIL". What action has been taken by the Discoms to complete, "examining the penalty to be levied on Corporate Power", as stated earlier, as per the provisions of the PPA and to impose and collect the same?

Discoms Response: As per the PPA the seller has to commence the supply from 16th June 2013 but not done till date. Lead procurer TSSPDCL formerly known as APCPDCL issued notice to seller with total liquidated damages of Rs.9,91,84,500/- up to 11.04.2014, for non commencement of supply as per Article 4.8.1 of the PPA from 16.06.2013. AP Discoms decided to collect the liquidated damages by invoking the Bank Guarantee. M/s Corporate Power Ltd. filed petition in O.P.No.1813 of 2013 at City Civil Court, Hyderabad and the Court issued interim direction. APEPDCL filed petition at High court.

The AP Discoms have approached the Hon'ble High Court of AP with a prayer, "Aggrieved by the decree & Order dated 20.08.2014 passed in Arb.OP.No.1813 by the court of the 3rd Additional chief Judge, CCC, Hyderabad". Hence, the issue is sub-Judice.

Commission's View: As the matter is sub judice, no view can be expressed.

Why high cost short-term power purchases when cheaper source is available?

73 Sri Mummareddi Venugopala Rao, Senior Journalist & Convener, Centre for Power Studies, Hyderabad; Sri Penumalli Madhu, State Secretary, Communist Party of India (Marxist), Andhra Pradesh Committee, Vijayawada; Sri Ch. Narasinga Rao, Secretariat Member, Communist Party of India; Dr. B. Ganga Rao, Secretary, Greater Visakha City Committee, Communist Party of India (Marxist); Sri Kandharapu Murali, Chittoor District Committee, Communist Party of India (Marxist) and Sri K. Lokanadham, District Secretary, Viskha District Committee, Communist Party of India (Marxist) and Sri Ch. Babu Rao, CPI (M), have stated that, Thermal Power Tech. Corporation India

Limited (TPCIL) with which the Discoms of AP and Telangana had signed a PPA for 500MW under long-term basis through case-1 bidding route for a period of 25 years and AP Discoms have been allocated a share of 46.11% (231 MW). The request of TPCIL for pre-ponement of Schedule delivery date from 1.4.2017 to 1.4.2015 due to early commissioning of their units (2x660 MW) is under consideration by Discoms. When such a "cheaper source" under a long-term PPA is available in advance for the year 2016-17, instead of the Discoms availing themselves of the opportunity to purchase the same, they are opting for short-term and bilateral purchases of 821.81 MU and high-cost solar power.

The Commission is requested to examine the desirability of purchasing TPCIL power from 2016-17 onwards and avoid short-term and bilateral purchases and high-cost solar power so as to reduce the cost of power purchase and give necessary direction to the Discoms.

Discoms Response: The Discoms are already procuring power available from TPCIL, but even after that, as there is a short term deficit of power in FY2015-16, short term power purchases were made. However, from June FY2016-17, the Discoms would not be procuring short term power.

As per the provisions of the PPA dt. 01.04.2013, the Commercial Operation Declaration (CoD) date can be rescheduled if both parties agreed mutually. Accordingly, the proposal submitted by M/s TPCIL for rescheduling the CoD date from 01.04.2017 to 20.04.2015 was approved by APPCC, as the tariff offered by M/s TPCIL is cheaper than the short term power purchase. Thus, M/s TPCIL are supplying power to Andhra Pradesh and Telangana states as per G.O.Ms.No.20, dt. 08.05.2014.

Commission's View: Discoms stated that they would not be procuring short term power since June 2016 and hence the question does not survive for consideration.

Maximum benefit must be extracted under UDAY:

74 Sri Mummareddi Venugopala Rao, Senior Journalist & Convener, Centre for Power Studies, Hyderabad; Sri Penumalli Madhu, State Secretary, Communist Party of India

(Marxist), Andhra Pradesh Committee, Vijayawada; Sri Ch. Narasinga Rao, Secretariat Member, Communist Party of India; Dr. B. Ganga Rao, Secretary, Greater Visakha City Committee, Communist Party of India (Marxist); Sri Kandharapu Murali, Chittoor District Committee, Communist Party of India (Marxist) and Sri K. Lokanadham, District Secretary, Viskha District Committee, Communist Party of India (Marxist) and Sri Ch. Babu Rao, CPI (M) have stated that as the GoAP has given approval in principle to Ujwal Discom Assurance Yojana (UDAY) the government and the Discoms should try to get maximum benefit out of it. The GoAP also should have insisted on the Gol to ensure supply of fuels like indigenous coal and natural gas as per allocations made to the power plants, before talking about increased supply of domestic coal.

The GoAP should have insisted on the Gol to ensure supply of natural gas as per allocations made to power plants and rationalize pricing of natural gas based on prudent capital and operational costs for exploration and supply plus reasonable profit.

Discoms Response: Regular pursuance was made by GoAP at Honourable Chief Minister level with Gol for augmentation of natural gas supplies to the gas based power plants in AP State. Further the gas allocation to the State shall be as per recommendations of the EGoM. EGoM in the last meeting on 23.08.2013 has provided some succor to power sector and has taken following decision:

“To maintain at 31.5 MMSCMD, the level of supplies of domestic gas to fertilizer sector and give the sector first priority in meeting the requirement of any shortfall below level of 31.5 MMSCMD from any additional production of NELP gas. The entire additional NELP gas production, available during the years 2013-14, 2014-15 & 2015-16 after meeting the supply level of 31.5 MMSCMD to fertilizer sector, to be supplied to the power sector.”

The natural gas pricing is being revised half yearly by DG PPAC under MoP & NG in accordance with “Natural Gas Pricing Guidelines, 2014” issued by Ministry of Petroleum and Natural Gas, Gol. The price of domestic natural gas for the period from 01.10.2015 to 31.03.2016 is US \$ 3.82 per MMBTU on GCV basis.

Commission's View: The Commission agrees with the objectors and Discoms on the need to extract maximum benefit from the central schemes.

UDAY scheme may burden Discoms with RPPO backlogs:

75 Sri Mummareddi Venugopala Rao, Senior Journalist & Convener, Centre for Power Studies, Hyderabad; Sri Penumalli Madhu, State Secretary, Communist Party of India (Marxist), Andhra Pradesh Committee, Vijayawada; Sri Ch. Narasinga Rao, Secretariat Member, Communist Party of India; Dr. B. Ganga Rao, Secretary, Greater Visakha City Committee, Communist Party of India (Marxist); Sri Kandharapu Murali, Chittoor District Committee, Communist Party of India (Marxist) and Sri K. Lokanadham, District Secretary, Viskha District Committee, Communist Party of India (Marxist) and Sri Ch. Babu Rao, CPI (M), have stated that in UDAY scheme, Discoms opting for the scheme will have to comply with the Renewable Purchase Obligation (RPPO) outstanding since 1st April 2012, within a period to be decided in consultation with MoP. This means that the Discoms have to purchase additional NCE at higher costs with retrospective effect, leading to increase in cost of power purchase. The GoAP should have insisted on the Gol to avoid such questionable conditions under UDAY scheme.

Discoms Response: UDAY scheme is a policy of the Govt. of India and has several advantages when compared to FRP schemes introduced during 2012-13. The scheme will be fully implemented on or before 31st March 2016.

Not under the purview of AP Discoms.

Commission's View: Hopefully the GoAP will extract all possible benefits from the central schemes.

RPPO targets are unrealistic:

76 Sri Mummareddi Venugopala Rao, Senior Journalist & Convener, Centre for Power Studies, Hyderabad; Sri Penumalli Madhu, State Secretary, Communist Party of India (Marxist), Andhra Pradesh Committee, Vijayawada; Sri Ch. Narasinga Rao, Secretariat Member, Communist Party of India; Dr. B. Ganga Rao, Secretary, Greater Visakha City Committee, Communist Party of India (Marxist); Sri Kandharapu Murali, Chittoor

District Committee, Communist Party of India (Marxist) and Sri K. Lokanadham, District Secretary, Viskha District Committee, Communist Party of India (Marxist) and Sri Ch. Babu Rao, CPI (M) have stated that the targets of RPPO fixed by the Commission for the Discoms in the united Andhra Pradesh periodically in the past tended to be subjective and unrealistic, as experience had confirmed. Without considering ground realities, reasonable possibilities and opportunities for availability of renewable energy at reasonable tariffs, fixing a target of percentage under RPPO turned out to be subjective and unrealistic, in the light of the repeated failures of the Discoms to achieve the same for the reasons beyond their control. The Discoms are under RPPO obligation to purchase renewable power, whereas the developers of RE units have no obligation to sell their power to the Discoms at the rates fixed by the Commission. Probably, such factors might have influenced the Commission not to impose any penalty on the Discoms for their repeated failure in achieving the targets of RPPO so far.

Discoms Response: Under the purview of the Commission.

Commission's View: Action by the Commission in this regard is governed by Regulation 1 of 2012.

RECs should be dispensed with:

- 77** Sri Mummareddi Venugopala Rao, Senior Journalist & Convener, Centre for Power Studies, Hyderabad; Sri Penumalli Madhu, State Secretary, Communist Party of India (Marxist), Andhra Pradesh Committee, Vijayawada; Sri Ch. Narasinga Rao, Secretariat Member, Communist Party of India; Dr. B. Ganga Rao, Secretary, Greater Visakha City Committee, Communist Party of India (Marxist); Sri Kandharapu Murali, Chittoor District Committee, Communist Party of India (Marxist) and Sri K. Lokanadham, District Secretary, Viskha District Committee, Communist Party of India (Marxist) and Sri Ch. Babu Rao, CPI (M) have stated that RPPO and the so-called Renewable Energy Certificates (REC) came into force as a part and parcel of the policy approaches and decisions of the Governments and orders of Regulators at different levels. The developers are setting up RE units and selling the power generated wherever they get

higher tariff; it is the profit-motive that is driving them and nothing else. The consumers have already been saddled with RE of higher tariffs for longer periods, with the kind of PPAs the Discoms had with private developers, as a result of the policies and decisions of the Governments and some of the orders given by regulators at different levels. For these reasons, among others, the Commission is requested to dispense with the arrangement of RECs totally and to reduce the percentage of NCE to be purchased by the Discoms under RPPO from the present five (5) per cent.

Discoms Response: The orders/directions of the Commission will be followed.

Commission's View: Action by the Commission in this regard is governed by Regulation 1 of 2012.

Adopt Competitive Bidding:

78 Sri Mummareddi Venugopala Rao, Senior Journalist & Convener, Centre for Power Studies, Hyderabad; Sri Penumalli Madhu, State Secretary, Communist Party of India (Marxist), Andhra Pradesh Committee, Vijayawada; Sri Ch. Narasinga Rao, Secretariat Member, Communist Party of India; Dr. B. Ganga Rao, Secretary, Greater Visakha City Committee, Communist Party of India (Marxist); Sri Kandharapu Murali, Chittoor District Committee, Communist Party of India (Marxist) and Sri K. Lokanadham, District Secretary, Viskha District Committee, Communist Party of India (Marxist) have stated that in the office memorandum on UDAY scheme, it is specifically stipulated that "to reduce the cost of power, States shall take steps for (i) prospective power purchase through transparent competitive bidding by Discoms..". There is every need to make it mandatory to adopt the process of competitive bidding or the method of inviting expression of interest, subject to further negotiations for reduction of tariffs quoted by the participating developers for purchasing renewable energy, in view of the emerging market trends of the competitive tariffs for renewable energy coming down gradually and tariffs of renewable energy becoming nearer to the tariffs of conventional energy, if not competitive with the latter. GoAP, obviously, at the behest of the GoI, has entered into MoU with NTPC for purchase of solar power agreeing to absolutely unreasonable

higher tariff in the PPA proposed arbitrarily by the central public sector utility, thereby leading to unwarranted increase in the cost of power purchase.

Discoms Response: The issue of Discoms' PPA with NTPC is being separately reviewed by the Commission and the licensees would take the necessary step as directed.

Commission's View: The views are noted.

ICB route Coal purchases clause to be made mandatory in PPAs:

79 Sri Mummareddi Venugopala Rao, Senior Journalist & Convener, Centre for Power Studies, Hyderabad; Sri Penumalli Madhu, State Secretary, Communist Party of India (Marxist), Andhra Pradesh Committee, Vijayawada; Sri Ch. Narasinga Rao, Secretariat Member, Communist Party of India; Dr. B. Ganga Rao, Secretary, Greater Visakha City Committee, Communist Party of India (Marxist); Sri Kandharapu Murali, Chittoor District Committee, Communist Party of India (Marxist) and Sri K. Lokanadham, District Secretary, Viskha District Committee, Communist Party of India (Marxist) and Sri Ch. Babu Rao, CPI (M) have stated that there is every need to adopt international competitive bidding for importing coal, giving opportunity to foreign producers of coal and its Indian suppliers also to participate in the bidding, without confining it to a few select central public sector entities as has been the practice so far. Are AP Genco and NTPC following international competitive bidding for importing coal? There is every need to incorporate a provision to this effect in the PPAs the Discoms had and will be having with APGENCO, NTPC etc. to ensure a fair deal to the consumers.

Discoms' Response: NTPC and AP Genco are procuring imported coal through International bidding process. And hence the process of procuring imported coal is transparent and fair. In case, the generator procures at higher costs, the power procurement from the generator might be denied as per merit order dispatch.

Commission's View: The reply of the Discoms is satisfactory.

Hypothetical escalations of variable costs of Genco:

80 Sri Mummareddi Venugopala Rao, Senior Journalist & Convener, Centre for Power Studies, Hyderabad; Sri Penumalli Madhu, State Secretary, Communist Party of India

(Marxist), Andhra Pradesh Committee, Vijayawada; Sri Ch. Narasinga Rao, Secretariat Member, Communist Party of India; Dr. B. Ganga Rao, Secretary, Greater Visakha City Committee, Communist Party of India (Marxist); Sri Kandharapu Murali, Chittoor District Committee, Communist Party of India (Marxist) and Sri K. Lokanadham, District Secretary, Viskha District Committee, Communist Party of India (Marxist) and Sri Ch. Babu Rao, CPI (M) have stated that for the year 2016-17 for variable costs for AP & TS Gencos and Central generating stations, the Discoms have considered 3% escalation over the actual variable costs during the first half year of 2015-16 though the Commission had rejected similar proposals of the Discoms made in the ARR proposals for the current and earlier financial years. There is no justification for such hypothetical escalation. Since international crude oil prices have come down drastically, the prices of natural gas, linked as they are to the same, are likely to come down further with the policy of the GoI to revise the same once in every six months. This also is likely to contribute to reduction of variable costs. Therefore, the Commission is requested to reject the proposal of the Discoms for 3% escalation in variable costs for 2016-17.

Dr. Krishna Murty, Federation of Farmers Association, Srikakulam has stated that high rates are proposed in ARRs for the power from gas stations when petroleum product rates are decreasing.

Discoms' Response: The licensees have considered a nominal increase in variable cost of 3% from the existing AP Genco, TS Genco and CGS stations considering the increase in domestic coal prices as well as the freight costs. Even in H1 of FY 2015-16, the actual variable costs were higher than the approved values resulting in an FCA adjustment.

Commission's View: The variable costs are assessed by the Commission on its own based on the average of the immediately preceding quarter.

Discoms deducted the dues from AP Transco?

81 Sri Mummareddi Venugopala Rao, Senior Journalist & Convener, Centre for Power Studies, Hyderabad; Sri Penumalli Madhu, State Secretary, Communist Party of India (Marxist), Andhra Pradesh Committee, Vijayawada; Sri Ch. Narasinga Rao, Secretariat

Member, Communist Party of India; Dr. B. Ganga Rao, Secretary, Greater Visakha City Committee, Communist Party of India (Marxist); Sri Kandharapu Murali, Chittoor District Committee, Communist Party of India (Marxist) and Sri K. Lokanadham, District Secretary, Viskha District Committee, Communist Party of India (Marxist) and Sri Ch. Babu Rao, CPI (M) have stated that the Discoms have considered the transmission costs for 2015-16 and 2016-17 as approved by the Commission in the transmission tariff order for the third control period from 2014-15 to 2018-19. The Commission, in its order in O.P.No.13 of 2015 dated 7.11.2015 on the true-up claims of AP Transco for the second control period, has directed it to refund a sum of Rs.271.34Crore to Discoms in the form of adjustment in the transmission charges that become payable by them during 2016-17 at 50% of the transmission charges that become payable each month, till such liability is totally discharged. Have the Discoms deducted that amount from the transmission costs considered by them for the year 2016-17? If not, the Commission is requested to deduct Rs.271.34 Crore from the transmission costs considered by the Discoms for the year 2016-17.

Discoms Response: The Discoms have already factored-in the adjustment of the Rs.271.34 Crores from the transmission cost in the ARR Filings.

Commission's View: The Discoms reply answers the objection.

Purchases at high cost and sale of surplus power at cheaper rates:

- 82** Sri Mummareddi Venugopala Rao, Senior Journalist & Convenor, Centre for Power Studies, Hyderabad; Sri Penumalli Madhu, State Secretary, Communist Party of India (Marxist), Andhra Pradesh Committee, Vijayawada; Sri Ch. Narasinga Rao, Secretariat Member, Communist Party of India; Dr. B. Ganga Rao, Secretary, Greater Visakha City Committee, Communist Party of India (Marxist); Sri Kandharapu Murali, Chittoor District Committee, Communist Party of India (Marxist) and Sri K. Lokanadham, District Secretary, Viskha District Committee, Communist Party of India (Marxist) and Sri Ch. Babu Rao, CPI (M) have stated that while projecting availability of surplus energy of 9274 MU for the year 2016-17, the Discoms have assumed that 800 MW (or

7.142MU) of surplus power can be sold through bilateral contracts and open market from June 2016 at an estimated average price of Rs. 4.90 per unit. They have also projected the average power purchase cost for 2016-17 @ Rs.3.97 per unit after considering revenue from sale of surplus energy. At the same time, the Discoms have proposed to purchase 575 MU against projected availability of 822 MU (may be under obligations of contracts they had already made for short-term purchases even without seeking consent of the Commission) from the market @ Rs.5.17 per unit, (they projected to purchase 2.335 MU from the market @ Rs.5.17 per unit during the second half of 2015-16).

What is the reason for proposing to sell surplus power @ Rs.4.90 per unit on an average and purchasing additional power from the market @ Rs.5.17 per unit on an average?

The Commission is requested to direct the Discoms to avail themselves of the power from available “cheaper source” and avoid purchase from market during 2016-17 and the Government to bear the additional financial burden that may arise as a result of cancellation of contracts for short-term purchases, if already entered into, or of purchasing such projected short-term power at higher cost and selling at lesser cost in the market during 2016-17. Since the Discoms are not seeking true up claims for the year 2015-16, it may be made clear to them that claims for true up 2015-16, if they make in future, will not be considered by the Commission.

Discoms Response: The licensees have projected the cost of power purchase from the existing short term power up to May 2016 as per the actual H1 FY2015-16 costs, whereas the revenue from sale of surplus power is projected to be available from June 2016 by considering the monthly market prices in FY2015-16 of the southern grid.

Commission’s View: The power purchase costs were revised keeping all the relevant factors in view.

What actions are taken on the PPAs whose validity is expired / going to expire:

a) GVK

83 Sri Mummareddi Venugopala Rao, Senior Journalist & Convenor, Centre for Power Studies, Hyderabad; Sri Penumalli Madhu, State Secretary, Communist Party of India (Marxist), Andhra Pradesh Committee, Vijayawada; Sri Ch. Narasinga Rao, Secretariat Member, Communist Party of India; Dr. B. Ganga Rao, Secretary, Greater Visakha City Committee, Communist Party of India (Marxist); Sri Kandharapu Murali, Chittoor District Committee, Communist Party of India (Marxist) and Sri K. Lokanadham, District Secretary, Viskha District Committee, Communist Party of India (Marxist) and Sri Ch. Babu Rao, CPI (M), have stated that,

As per the Discoms statement, the PPA with GVK Jegurupadu power project expired on 20.6.2015 and they had issued buyout notice. There is no share for TS Discoms upon expiry of the PPA, they have informed. When are the Discoms taking over GVK project under buyout? Did the Discoms finalize the buyout proposals and submit the same to the Commission, seeking its consent to take over the GVK project? Instead of doing so, why are the Discoms showing fixed and variable costs as payable to the generator? Even after more than six months of expiry of the PPA, how long the Discoms will allow the GVK project to generate and supply power to them and continue to pay higher tariffs under the existing manipulated terms and conditions of the most notorious PPA in the undivided Andhra Pradesh?

The Commission is requested to direct the Discoms to submit buyout proposals forthwith, if not already done so, and hold public hearing on the same and issue its order, as several issues relating to buyout need to be examined thoroughly to protect consumer interest and avoid scope for manipulations which give undue benefit to the private generator. Once the project is taken over by the Discoms, the existing manipulated terms and conditions in the PPA can and should be modified to ensure a fair deal to the consumers.

Sri D. Govinda Rao, District General Secretary, CITU, Srikakulam has stated that Discoms have paid Rs.70 Crores to GVK Power plant in the last 7 months @ Rs.10 Crores per month, unnecessarily.

Discoms Response: Fixed charges are being paid to M/s GVK as per the existing PPA provisions. The PPA dated 19.04.1996 of M/s GVK Industries Limited for sale of power generated from their 216 MW gas based power project located at Jegurupadu, East Godavari expired on 20.06.2015. The AP Discoms upon expiry of the PPA exercised buy-out option and issued the buy-out notice to M/s GVK on 19.06.2015 and sought approval of GoAP. The GoAP, vide letter dated 28.10.2015, approved the action taken in issuing buyout notice to M/s GVK as per the terms of PPA.

M/s GVK has been scheduling entire power only to AP Discoms w.e.f. 20.06.2015 i.e. on expiry of PPA, since TS Discoms had not exercised any of the options. As per Article 10.6.h of PPA, the obligation to the parties to provide and pay for the electrical energy generated by the power station in accordance with PPA shall not be terminated until the earlier of the date on which the sale of the Project by the Company to the AP Discoms is scheduled to be consummated in accordance with Schedule-A. Further, as per Article-13, the PPA shall terminate after (i) payment in full to the Company of the Buyout price and (ii) the transfer and assignment by the Company to the AP Discoms of its right, title and interest in the Project. Hence, the AP Discoms have been paying the Tariff to M/s GVK as per the terms of PPA. As per the terms of PPA, mutually agreed appraiser M/s Grant Thornton was appointed to evaluate the terminal value of the project and the appraiser estimated the value of M/s GVK power project at Rs.293.37 Crores and indicated the inventory cost at Rs.77.89 Crores (as on 31.12.2014). The process of finalization of buyout price and getting loan is under progress. The AP Discoms would acquire the power project on payment of total buyout price. After finalization of said process AP Discoms would approach the Commission for its approval.

Commission's View: The Discoms are stated to be taking the necessary action.

b) Spectrum

The Discoms have informed that the PPA with Spectrum project (SPGL) is going to expire on 18.4.2016 and are yet to decide for choosing the options of either renewal of PPA or buyout of the project. Hence, the projections are shown only up to 18.4.2016, they maintain. When, in the case of GVK project, the Discoms are showing projections for 2016-17, even after expiry of the PPA and issuance of buyout notice to the private generator, why are the projections are shown only up to expiry date of the PPA with Spectrum project? Did the Discoms get detailed reports from AP Power Coordination Committee and Grant Thornton India LLP on analysis of various options, including buyout option, and terminal value of Spectrum project, along with those of GVK project by February 2015? How long will it take for the Discoms to choose from available options for renewal of PPA or buyout or R&M of the Spectrum project?

Discoms Response: M/s SPGL power is being shared by AP & TS Discoms as per G.O.Ms.No.20 Dt.08.05.2014. Further, the PPA subsisting with M/s SPGL is going to expire by 18.04.2016. The AP Discoms are yet to decide for choosing the options either renewal of PPA or buyout of the project. Considering either of the cases AP Discoms have projected the power availability of 711 MUs from M/s SPGL for FY2016-17, considering 100% share of power and 40% PLF in line with other old gas-IPPs.

Commission's View: The Discoms may take expeditious action.

c) LANCO

The Discoms have informed that the existing PPA with Lanco Kondapally project expires on 1.1.2016. What are the options open to the Discoms to continue to get power from this project after expiry of the PPA and what do they propose to do?

Discoms Response: The licensees submit that the negotiations for the new PPA are under progress.

Commission's View: The negotiations for new PPA may be expedited.

Fixed charges are still being paid to LVS plant?

84 Sri Katuru Hari kishore kumar Reddy, Bharatiya Kisan Sangh, AP of Paturu, Kovuru Mandal, Nellore Dist., Sri Gadagottu Srirambabu, State President, Bharatiya Kisan Sangh, Poluru, Prakasham Dist., Sri Poondla Srinivasula Reddy, District President, Daamaramadugu, Nellore Dist., Sri Addagada Satiskumar, Raashtra Yuva Pramukh, Bharatiya Kisan Sangh, Nagulapalem, Prakasham Dist., Sri Alturu Hari Sarvothama Reddy, Mandal President, Bharatiya Kishan Sangh, Damaramadugu Post, Nellore Dist., Sri Unnam Simhadri, State Organizing Committee member, Bharatiya Kishan Sangh, Ananta Sagaram, Prakasham Dist., have stated that Discoms are implementing the PPA conditions of the Independent Power Producers (IPPs) even though it is a loss making. Fixed charges of Rs.39 Crores/Annum totaling to Rs. 420 Crores so far are paid to an IPP by name LVS as per the PPA.

Discoms Response: Fixed charges payment was done as per the PPA but stopped since 1.3.2013. The issue is before the Hon'ble High Court, at present.

Commission's view: The matter appeared to be sub judice and in any view fixed charges are not paid since 1.3.2013.

Confusion in projections of availability and dispatch:

85 Sri Mummareddi Venugopala Rao, Senior Journalist & Convener, Centre for Power Studies, Hyderabad; Sri Penumalli Madhu, State Secretary, Communist Party of India (Marxist), Andhra Pradesh Committee, Vijayawada; Sri Ch. Narasinga Rao, Secretariat Member, Communist Party of India; Dr. B. Ganga Rao, Secretary, Greater Visakha City Committee, Communist Party of India (Marxist); Sri Kandharapu Murali, Chittoor District Committee, Communist Party of India (Marxist) and Sri K. Lokanadham, District Secretary, Viskha District Committee, Communist Party of India (Marxist) and Sri Ch. Babu Rao, CPI (M), have stated that,

There seems to be confusion in projecting availability and dispatch of power during 2016-17 from gas-based private power projects. Even while claiming that projections were shown up to the date of expiry of the PPA in the case of Spectrum project, i.e., up

to 18.4.2016, the Discoms have shown availability of power from the gas-based IPPs as 3054 MU and dispatch of 3048 MU under projection for 2016-17 (at page 52 of ARR of SPDCL) and availability of 2007.38 MU and dispatch of 2003.49 MU from the four gas-based IPPs of GVK, Spectrum, Lanco and BSES during the same period (at page 150). Why this difference of about 1000 MU between the projections is made as above, and what is the factual position?

Discoms Response: The power availability and dispatch projected for FY16-17 from gas-based private power projects is 3054 MUs at the state level which includes APEPDCL as well as APSPDCL (As mentioned at page 52 of ARR of SPDCL) whereas the 2007.38MUs of power availability mentioned at Page no. 150 is the APSPDCL share (65.73% share).

Commission's View: The reply of Discoms is self explanatory.

Fixing tariffs prior to giving consent to PPAs is not correct:

86 Sri Mummareddi Venugopala Rao, Senior Journalist & Convenor, Centre for Power Studies, Hyderabad; Sri Penumalli Madhu, State Secretary, Communist Party of India (Marxist), Andhra Pradesh Committee, Vijayawada; Sri Ch. Narasinga Rao, Secretariat Member, Communist Party of India; Dr. B. Ganga Rao, Secretary, Greater Visakha City Committee, Communist Party of India (Marxist); Sri Kandharapu Murali, Chittoor District Committee, Communist Party of India (Marxist) and Sri K. Lokanadham, District Secretary, Viskha District Committee, Communist Party of India (Marxist) and Sri Ch. Babu Rao, CPI (M), have stated that,

Fixing adhoc tariff in the tariff orders for purchase of power from projects, without insisting on the Discoms and developers of concerned power plants to submit PPAs, holding public hearings and issuing orders thereon, by the Commission is not a desirable practice. When developers take two to three years for completion of their projects, there need not be any difficulty in entering into PPA with the Discoms and submit the same to the Commission for its consent in time. For example, the request of Hinduja project, which was selected through the MoU route, to the Commission to determine the capital cost of its 1040 MW project at Visakhapatnam and adhoc tariff, without

concluding its PPA with Discoms and submitting the same to the Commission for its consent after holding public hearing deserves to be rejected by the Commission. The Commission is requested to direct the Discoms and developers of projects concerned, including AP Genco, to submit their PPAs well before declaration of COD, holding public hearings and issue its orders thereon, determining tariff, etc.

Discoms Response: GoAP in its letter dated 26.12.2012 reiterated its interest in purchasing the 100% power from HNPCL's Power Project as already contemplated in the PPA dated 15.04.1998 entered into between erstwhile APSEB and HNPCL. Also, GoAP directed AP Discoms to enter into a continuation agreement to the PPA dated 15.04.1998 to this effect. In response, M/s HNPCL vide letter dated 14.01.2013 expressed its concurrence to supply 100% to A.P. at the Tariff to be determined by APERC under section 62 of EA, 2003.

Accordingly, AP Discoms have entered a Memorandum of Agreement (MoA) with HNPCL on 17.05.2013 with a view to purchase 100% power from HNPCL Power Project at the Tariff to be determined by APERC and to realign the PPA dated 15.04.1998 to the extent they may stand modified due to impact of change in laws/rules and regulatory standards guiding such power projects, post 1998. As such, the amendments to the PPA dated 15.04.1998 is almost completed. AP Discoms would sign the continuation agreement to the PPA dated 15.04.1998 with HNPCL at the earliest, and the same will be submitted before the Commission for approval.

Meanwhile HNPCL filed an application vide O.P.No. 21/2015 on 12.03.2014 before APERC for determination of Tariff based on the capital cost under clause 10 of Regulation 1 of 2008 of APERC and section 62 of EA, 2003. The same is under progress.

Commission's View: The Commission will keep the suggestions in mind.

What are the Distribution losses?

87 Sri Mummareddi Venugopala Rao, Senior Journalist & Convenor, Centre for Power Studies, Hyderabad; Sri Penumalli Madhu, State Secretary, Communist Party of India (Marxist), Andhra Pradesh Committee, Vijayawada; Sri Ch. Narasinga Rao, Secretariat

Member, Communist Party of India; Dr. B. Ganga Rao, Secretary, Greater Visakha City Committee, Communist Party of India (Marxist); Sri Kandharapu Murali, Chittoor District Committee, Communist Party of India (Marxist) and Sri K. Lokanadham, District Secretary, Viskha District Committee, Communist Party of India (Marxist) and Sri Ch. Babu Rao, CPI (M), have stated that,

The Discoms have been admitting that there is a lot of scope for further reducing distribution losses, both technical and commercial. The efforts of the Discoms for reducing distribution losses over the years have yielded substantial results and deserve appreciation. What are the latest distribution losses of both the Discoms in absolute terms and as a percentage Discom-wise and circle-wise?

Sri M. Krishna Murty, Chief Engineer (Rtd.), APEPDCL and Secretary, APSEB Retd. Officials Association Branch, Vizianagaram, has stated that the theoretical un-avoidable electrical consumption may be arrived per each circle taking average loads and average load currents on the system and declare before taking up any steps to reduce losses in the system. The energy consumed in EHT services shall be accounted by AP Transco only, for arriving at the system consumption in EHT lines.

Discoms' Response:

The distribution losses of the Discoms for 2014-15 are furnished below:

APEPDCL (upto Dec. 2015)		APSPDCL (FY2014-15)	
Circle	Distribution Losses (%)	Circle	Distribution Losses (%)
Srikakulam	7.51	Vijayawada	10.13
Vizianagaram	6.96	Guntur	10.33
Visakhapatnam	0.72	Ongole	10.58
Rajahmundry	6.28	Nellore	10.74
Eluru	6.64	Tirupati	11.25
		Kadapa	10.59
		Anantapur	10.59
		Kurnool	7.80
APEPDCL	4.70	APSPDCL	10.33

Commission's View: The Commission appreciates that the Transmission and Distribution losses of AP Discoms are one of the lowest in the country.

No need for grouping if purchase of high cost power is avoided:

88 Sri Mummareddi Venugopala Rao, Senior Journalist & Convener, Centre for Power Studies, Hyderabad; Sri Penumalli Madhu, State Secretary, Communist Party of India (Marxist), Andhra Pradesh Committee, Vijayawada; Sri Ch. Narasinga Rao, Secretariat Member, Communist Party of India; Dr. B. Ganga Rao, Secretary, Greater Visakha City Committee, Communist Party of India (Marxist); Sri Kandharapu Murali, Chittoor District Committee, Communist Party of India (Marxist) and Sri K. Lokanadham, District Secretary, Viskha District Committee, Communist Party of India (Marxist) and Sri Ch. Babu Rao, CPI (M), have stated that, there will be no need for increasing tariffs and introducing the A, B and C Groups if Discoms avoid purchase of costly power, including NCE and avail all opportunities to purchase relatively cheaper power taking advantage of various options available under UDAY scheme, etc. The Commission can reduce the revenue gap projected by the Discoms by making a realistic appraisal of the same, as it has been doing every year.

Discoms' Response: The Licensees would like to state that the views of a large spectrum of stakeholders have been examined while arriving at the tariff proposals for FY2016-17 and it has been their best effort to balance revenue pressure on one hand, and providing reasonable tariffs to various consumers in the State, on the other. The Government Subsidy is envisaged as Rs. 4,364 Cr. after factoring in revenue increase of Rs. 783 Cr. due to all tariff proposals. The approval for the same is under the purview of the Commission.

Commission's View: The views are kept in mind in appreciating the proposals of the Discoms.

Reimbursements from GoAP are pending:

89 Sri G.S. Rajeswara Rao, Vice President, CITU, Visakhapatnam has stated that huge amounts are pending for reimbursement from GoAP, leading to Discoms' financial crisis.

Discoms Response: Subsidies as announced by Govt. of AP are being released on monthly basis.

Commission's View: Response of Discoms is self explanatory.

Subsidized tariff to be proposed for Labour Intensive Industries:

90 Sri Mummareddi Venugopala Rao, Senior Journalist & Convener, Centre for Power Studies, Hyderabad; Sri Penumalli Madhu, State Secretary, Communist Party of India (Marxist), Andhra Pradesh Committee, Vijayawada; Sri Ch. Narasinga Rao, Secretariat Member, Communist Party of India; Dr. B. Ganga Rao, Secretary, Greater Visakha City Committee, Communist Party of India (Marxist); Sri Kandharapu Murali, Chittoor District Committee, Communist Party of India (Marxist) and Sri K. Lokanadham, District Secretary, Viskha District Committee, Communist Party of India (Marxist) and Sri Ch. Babu Rao, CPI (M) have stated that instead of proposing concessional tariffs below-cost of service to HT services, for whatever reason, if the Government wants to encourage them as a matter of policy, it should provide required subsidy to such categories or sub groups of consumers, the labour-intensive industries, especially small scale industries, for encouraging increased employment opportunities.

Discoms Response: The concessional tariff proposed to be offered to Energy Intensive Industries including PV Ingots & Cell Manufacturing, Poly-silicon industry and Aluminum industry is a prospective measure with the objective of attracting such industries in the State. Several global solar module manufacturers have already expressed interest in setting up large manufacturing facilities in the State but also have represented to have concessional tariffs. The objective of the licensees is to promote investments in these industries which will help in employment creation. In accordance with the Govt. policy to create employment in large scale by encouraging aqua culture, poultry farms and dairy farms in the State, the Discoms have proposed concessional tariff for these sectors.

The AP Discoms have proposed marginal increase on the existing tariffs so as to reduce burden on the consumers. The entire revenue deficit is proposed as envisaged subsidy from the Govt.

Commission's View: The suggestion may be examined by GoAP.

- 91** Sri Mummareddi Venugopala Rao, Senior Journalist & Convener, Centre for Power Studies, Hyderabad; Sri Penumalli Madhu, State Secretary, Communist Party of India (Marxist), Andhra Pradesh Committee, Vijayawada; Sri Ch. Narasinga Rao, Secretariat Member, Communist Party of India; Dr. B. Ganga Rao, Secretary, Greater Visakha City Committee, Communist Party of India (Marxist); Sri Kandharapu Murali, Chittoor District Committee, Communist Party of India (Marxist) and Sri K. Lokanadham, District Secretary, Viskha District Committee, Communist Party of India (Marxist) and Sri Ch. Babu Rao, CPI (M), have stated the following:

Continue bi-monthly billing:

The proposed monthly billing of all rural domestic consumers who are currently being billed on a bi-monthly basis will necessitate payment of additional sums in the form of minimum charges every month, instead of once in two months, thereby depriving themselves of the meager relief they are getting. The rural domestic consumers who pay minimum charges are obviously poor and certainly not better off than the categories of consumers to whom the Discoms have proposed to reduce tariffs or charge concessional tariffs.

Sri A. Bhaskar Reddy, P. Kothakota, Chittoor Dist. has stated that the Monthly billing proposed for LT I domestic services shall be cancelled and Bi-monthly billing shall be continued.

Sri P.V. Subba Reddy, MUS Trust, Hyderabad has stated that rural consumers do not have monthly cash flows like urban consumers. The billing, delivery and collection mechanism not being established as yet, it will put more operational constraints to the Discom itself.

Discoms Response: Keeping in view the level of affordability of consumers with average monthly consumption less than 50 Units / month, the Licensees have proposed no increase in tariff and such consumers shall continue to receive the benefit of subsidized tariff of Rs. 1.45 / Unit which is significantly below the Cost of Service which is Rs.5.60/Unit as per the filing. It is the licensees' view that, as the payments by the licensee to the generators is done on the monthly cycle, collecting the revenues also on a monthly billing would maintain cash flow and thereby avoiding short term loans. Furthermore, monthly billing is likely to act as a deterrent against power theft and may significantly reduce commercial loss.

Commission's View: Regulation 5 of 2004 provides for the option of monthly or bi-monthly billing.

Provide annual consumption details:

The Discoms are to be directed to provide details of annual consumption during FY2015-16 of each consumer along with the bill for April, 2016 to enable them to know from which group they are shifted to which new group and the additional tariff burden they have to bear.

Discoms Response: The licensees have projected the proposed revenue after grouping of domestic consumers based on actual consumption data for FY2014-15 and apportionment for FY2016-17. The revenue actually realized may certainly undergo a change with respect to the projected revenue and the same shall be factored as True-Up in the ARR for FY2017-18. As such, the Licensees are planning to provide details of total consumption during FY2015-16 along with the bill for April 2016 to each domestic consumer.

Commission's View: The suggestion has been accepted by the Discoms.

Drawbacks of LTII (A) and (B) are not considered:

The Discoms have talked about "draw backs" under the existing four groups under L.T domestic category to justify their proposal for introducing the three new groups. Similar "drawback" is evident, going by the yardstick the Discoms have adopted for re-

categorization of LT I domestic groups, in the existing LT II (A) and LT II (B) also and the Discoms are silent about that.

Discoms Response: The Licensees have proposed grouping of domestic consumers on the basis of previous year consumption with a view to address many of the issues prevailing in the existing slabs. The Licensees have proposed the regrouping of domestic consumers mainly to ensure that the subsidy is targeted only to the consumers who need it most. However, the Licensees have not proposed a similar exercise for LT II Non-Domestic / commercial for the FY 2016-17 and the same shall be looked into in the future.

Commission's View: The Discoms may look into the suggestion in future.

Consider running idle generators with alternate fuel:

Since international crude oil prices have come down drastically to about \$ 30 per barrel, the prices of Naphtha also must have come down. Instead of allowing units like LVS to continue to remain idle, it may be examined whether it is prudent to allow it to generate power with Naphtha and purchase the same. Similarly, it may be examined whether it is prudent to ask gas-based projects, with facilities for using alternative fuels like Naphtha (all the gas-based units are supposed to be having such facilities), with whom the Discoms had PPAs, to run their units with Naphtha and divert natural gas available to them to other gas-based units to enhance generation of power, at least during peak hours, and avoid purchase of costly short-term power.

Sri K. Rajendra Reddy, President, Rashtriya Raithu Seva Samithi, Pakala, Chittoor Dist. has stated that for nearly a decade LVS mini power plant is being paid fixed cost to the tune of Rs.27 crores annually, though, not a single unit was produced. LVS Books shall be verified as to whether the amount is being spent on up keep of the plant or not. In the background of declining petroleum prices including naphtha and HSD, power may be produced from this plant also. Further, the possibility to run gas based projects capable of using alternate fuels (like Naphtha) with Naphtha may be examined and the Natural

Gas being made available to them may be diverted to other gas based units to boost up power generation.

Discoms Response: Even though the international crude prices have come down, the variable cost of power produced from Naphtha is still higher than the other existing coal plants. The generation of power is done strictly on the basis of Merit Order Dispatch and any opportunity to produce from the cheaper fuel shall be evaluated on a daily basis.

Commission's View: Nothing to add to the response of the Discoms.

What about Penalties on Reliance thermal Project?

A.P. has an allocation of 1600 MW from the inter-state Reliance thermal power project at Krishnapatnam. Since availability of power is not shown under this project, it is obvious that the project could not be completed and no generation of power is taking place. As per the terms and conditions of the PPA, what steps are taken by the Discoms for collecting penalty from the project for delay in its implementation, generation and supply of power to them?

Dr. Krishna Murty, Federation of Farmers Association, Srikakulam has stated that action was not taken on M/s Reliance who went back from installing 4000 MW power plant at Krishnapatnam.

Discoms Response: Aggrieved to the order of Ld. Single Judge, M/s CAPL has filed an Appeal vide FAO (OS) 272/2012 on 03.07.2012 before Division Bench of Delhi High Court. The same is under sub judice. The validity of BGs are extended up to 31.01.2017 as per the Delhi High Court order dt. 01.12.2015. Further, the Hon'ble High Court directed the matter to be listed for Regular Hearing and adjourned the matter not to be taken till 22.04.2016.

In view of stoppage of Project construction works by M/s CAPL, procurers vide letter dated 15.03.2012 issued a termination notice to M/s CAPL, wherein it was claimed payment of Rs. 400 Crores towards liquidated damages within one week, else the BG of Rs. 300 Crores lying with the procurers shall be invoked. Aggrieved by the above termination notice, M/s CAPL filed a petition before Honourable Delhi High Court. The

Honourable Single Judge of Delhi High Court vide order dated 02.07.2012 has dismissed the petition filed by M/s CAPL. Aggrieved by the order of Single Judge, M/s CAPL has filed an Appeal vide FAO (OS) 272/2012 on 03.07.2012 before Division Bench of Delhi High Court and the same is under sub judice. Further, AP Discoms have filed an expeditious petition in the above appeal before division bench of Delhi High Court with a prayer either to take up the hearing in the matter of FAO (OS) 272/2012 or a direction may be given to extend the validity of BGs given by M/s CAPL since the BGs are going to be expired by 31.01.2016. The matter came up for hearing on 01.12.2015 and Honourable Delhi High Court in its order dt: 01.12.2015 directed CAPL to extend the validity of BGs for a period of one (1) year from the date of expiry. Accordingly, M/s CAPL has furnished the BGs duly extending for a period of one (1) year i.e. up to 31.01.2017.

Commission's View: Nothing to add to the response of the Discoms.

Are Short-term Purchases leading to backing down of long term PPA generators?

On the direction of the Govt., of A.P., the two Discoms had entered into agreements for purchasing short-term power during 2015-16 far exceeding their requirement. Since the Commission has rightly reduced requirement of short-term purchases to 757 MU against 16358 MU proposed by the Discoms for the year 2015-16 and, as admitted by the Discoms that they have to pay fixed cost (at Rs.1.72 per unit) for a quantum of 3307 MU, if they do not purchase that short-term power, were the generating units with whom they had long-term PPAs, asked to back down so that the Discoms can purchase such short-term power? If so, which units were asked to back down and what was the resultant reduction of generation and what are the costs per unit under backing down vis-a-vis the cost per unit of short-term purchases made?

Discoms Response: The Power Purchases of 2015-16, to the extent of 16358 MU was included in the corresponding ARR filed. LoI's were placed by AP Discoms for FY2015-16 and the ARR reflects the actual LoI's placed by AP Discoms. This was due to procurement of maximum power from the open market as neighbouring Telangana and Karnataka states have also floated tenders and also the CODs of Krishnapatnam and

Hinduja were not finalized and also keeping the issues in view of the sharing of power between AP and TS Discoms.

As the state is going to witness availability of huge quantum power from June-15 onwards, it was decided to finalize the possible quantum that can be retained and quantum that can be cancelled without any financial commitment to AP Discoms duly following merit order dispatches.

Accordingly, the following short term PPAs were cancelled.

State	Trader	Generator	Qty (MW)
Tamilnadu	IL& FS	IL& FS	500
A.P. CTU	PTC India Ltd.	Simhapuri	110
	PTC India Ltd.	Simhapuri	110
	PTC India Ltd.	Meenakshi Unit -1	110
	PTC India Ltd.	Meenakshi Unit -2	110
	Thermal Power tech	Thermal Powertech	300
Karnataka	PTC India Ltd.	Sathavahana	30
	JSWPTC	Munoli	10
Total:			1280

For cancellation of above PPAs, AP Discoms have not paid any penalties. The quantum tied up with the intra-state generators reduced to 70% (from 417.5 MW to 339 MW) with revised tariff from Rs.5.70/kWh to Rs.5.45/kWh and a quantum of 108 MW from Karnataka generators with revised tariff from Rs. 5.95/kWh to Rs.5.90/kWh. With the above reduction, APDISCOMs saved an amount of Rs.234.59 Crs as shown below.

A	Savings from Karnataka generators towards compensation	Rs. 87.44 Crs.
B	Savings from State generators towards compensation	Rs. 95.43 Crs.
C	Savings from State generators towards reduction in price	Rs. 51.72 Crs.
Total (Rs.) :		Rs. 234.59 Crs.

Though AP Discoms projected a compensation of Rs.571 Crores in the ARR filings, not even a single rupee was paid. Apart from this, there was a saving of Rs.234.59 Crores by cancelling LoIs.

APERC has allowed only 757 MU under short term purchases for the tariff year 2015-16. APERC has also allowed need based purchase by AP Discoms by stating that “the commission recognizes that part or full availability of energy estimated from some of the generating stations may not materialize due to factors such as delayed commissioning of new plants, non-availability of fuel and break down of power plants etc. In that case, the Discoms may approach the Commission for remedial measures to meet the shortfall in energy from alternative sources”. Since power supply – demand is a dynamic entity, AP Discoms followed prudent supply – demand management and in spite of it, and they had to purchase 7044 MU. The provision made by APERC was exhausted in the months of April & May 2015 itself. This is because of very scanty rainfall in the peak agricultural season and AP Discoms commitment to supply 24 X 7 quality power to all consumers. The total short term purchases and the reasons for purchasing them will be submitted to APERC at the end of the tariff year. The above facts were brought to the notice of GoAP for financial support and GoAP advised AP Discoms to approach APERC for the remedy.

Commission’s View: The savings affected by cancellation of some PPAs without paying any penalties are appreciated and hopefully the Discoms will maintain the same vigil in safeguarding public interest. The short term purchases in FY2015-16 over and above the permitted quantum will be examined on merits as and when placed before the Commission.

Why high rates are paid to private projects?

Contrary to the tariffs fixed by the Commission in its Tariff Order for FY2015-16 the Discoms are paying/showing higher tariffs to some of the private power projects as shown below:

Project	Energy (mu)	Cost per Unit (Rs.)	Paid (Rs.)
GVK	71.42	3.75	4.55
Spectrum	320.17	3.84	4.87
Lanco Kondapalli	311.19	3.57	3.61
Hinduja	3865.63	3.61	4.13

Though the Commission did not determine any availability of power from Vemagiri and Gautami projects, the Discoms have shown in the ARR submissions (page 147 of ARR of SPDCL) that they have been purchasing and paying very high tariffs for these two projects during 2015-16 as given below:

Vemagiri	98.77 MU	Rs.6.00 per unit
Gautami	31 MU	Rs.7.69 per unit

Why are the Discoms paying higher tariffs to these projects? During 2015-16, what are the quantum of power purchased from these projects and the amounts paid for the same so far?

Discoms Response: Regarding HNPCL, the Commission in its tariff order for FY2015-16 has considered Rs. 3.61 Paise per unit. The Unit-I (520 MW) of 1040 MW HNPCL Thermal Power Project was synchronized with the grid on 06.12.2015. Thereafter, the aforesaid unit has achieved the CoD on 11.01.2016. Since the entire infirm power was supplied to AP Discoms, the actual variable charge for generating the said power is being reimbursed to M/s HNPCL as per the prevailing regulations. After the APERC decided the adhoc tariff, the energy supplied after COD will be paid as per the orders that may be passed by APERC pending finalization of tariff payable to the said project.

The Commission directed the Discoms to stop procurement of power from the gas based IPPs using RLNG as and when the generation from major hydel stations picks up and/or a cheaper source of power from market sources becomes available. Accordingly AP Discoms have procured power from the gas based IPPs using RLNG to bridge the demand supply gap and also to meet the agricultural loads of both Telangana & AP.

AP Discoms purchased RLNG through GAIL for supply of power from IPPs for the period from 01.04.2015 to 30.04.2015 to bridge the demand supply gap during Rabi season and the details are given below.

Generator	Energy Purchased	Cost
M/s Vemagiri	65.89 MU	Rs. 239.54 Crores
M/s Gautami	47.16 MU	Rs. 362.83 Crores

M/s GAIL supplied RLNG @US \$13.38/MMBTU. At this rate, unit price was Rs.7.69. The requirement of power to AP at that time was 200 MW. At the request of Telangana Transco, the power generated with RLNG is around 400 MW. As per G.O.MS.No.20, Telangana share is 220 MW and AP share is 180 MW.

Commission's View: The response of the Discoms is noted.

Higher Fixed Costs projected for GVK, Spectrum and Lanco:

For the year 2016-17, the Discoms have shown higher fixed costs for GVK, Spectrum and Lanco kondapalli projects against the fixed costs determined by the Commission for the year 2015-16, as given below:

	For 2015-16 Fixed by Commission	For 2016-17 Shown by Discoms
GVK	Rs. 8.08 Crore	Rs. 81.42 Crore
Spectrum	Rs. 34.67 Crore	Rs. 74.64 Crore
Lanco Kondapalli	Rs. 28.03 Crore	Rs. 65.02 Crore

Instead of fixed costs coming down year by year, Why have the Discoms enhanced the fixed costs to be paid to the above three projects abnormally for the year 2016-17 against the fixed costs determined by the commission for 2015-16? Since the PPAs of these projects expired and no renewal of these PPAs has taken place with the consent of the Commission, on what basis the Discoms are proposing to purchase power from these projects, paying such higher fixed costs during 2016-17? It is to be noted here that, against a fixed cost of Rs.9.91 Crore determined by the Commission for BSES project for the year 2015-16, the Discoms have shown a reduced fixed cost of

Rs.4.48Crore for the year 2016-17. Are payments for deemed generation also being paid, if so, how much and to which projects after expiry of their PPAs?

Discoms Response: The PPA subsisting with M/s GVK expired on 20.06.2015. AP Discoms had issued buyout notice and M/s GVK are scheduling entire power only to AP Discoms w.e.f. 20.06.2015. In respect of M/s SPGL, power is sharing by AP & TS Discoms as per G.O.Ms.No.20, Dt.08.05.2014. Further, the PPA subsisting with M/s SPGL will expire by 18.04.2016. The AP Discoms are yet to decide whether to go for renewal of PPA or buyout of the project. Considering either of the cases AP Discoms have projected the power availability of 711 MUs from M/s SPGL for FY2016-17, considering 100% share of power and 40% PLF in-line with the other old gas-IPPs. The AP Discoms are under negotiation with Lanco Kondapalli for PPA extension. Hence, in all the three cases, only tentative power purchase costs (both fixed and variable) are considered as part of the ARR filings.

Commission's View: As the filings on power purchase costs (both fixed and variable) are stated by the Discoms to be only tentative, no further probe is necessary at this stage.

Who are seeking deletion of alternate fuel clause?

How many cases are pending and at what stage, seeking deletion of alternate fuel clause to avoid payment of fixed costs under the notorious provision of deemed generation, i.e. for power which is neither generated, nor purchased, nor consumed? Which project is claiming how much amount under deemed generation due to non-availability of natural gas both for conducting performance acceptance test and to declare commercial operation date, as well as for generation of power, and for which periods?

The Commission is requested,

- Not to allow higher tariffs being paid to the private projects during 2015-16 and not to allow purchase power during 2016-17 from GVK, Spectrum and Lanco Kondapalli, whose PPAs already expired, unless and until the Discoms finalize from the available

options of buy-out or R&M or renewal with the consent of the Commission after holding public hearings.

- To direct AP Transco not to provide transmission corridor to these projects to evacuate power being generated by them after expiry of their PPAs, unless and until they come to an agreement on these options with the Discoms and get consent of the Commission after undergoing the due process of holding public hearings on the same.
- To examine the issues, calling for files concerned, if necessary, and determine the legality or otherwise of the questionable actions and pinpoint the persons responsible and issue appropriate directives.
- To conduct a special public hearing or inquiry, if necessary, on the actions of abuse of authority by those concerned and take appropriate action to safeguard larger public interest.

Discoms Response: The following cases for seeking deletion of alternate fuel clause are pending in APERC.

- i) O.P.No.1 & 2 of 2014 filed by APDISCOMs against M/s Gautami & M/s GVK Extn. (Phase –II),
- ii) O.P.No.11 of 2015 filed by APDISCOMs against M/s Konaseema.

The following projects are claiming amounts under deemed generation.

- M/s GVK Extn. (Phase- II) for the period from 2006 to 2009 is claiming 892.92 Crs.
- M/s Gautami for the period from 2006 to 2009 is claiming 1478.94 Crs.
- M/s GMR Vemagiri for the period from 2006 to 2009 is claiming 447 Crs.
- M/s Konaseema for the period from 2006-2009 is claiming 1410 Crs.

The said claims are being stoutly contested and these are in sub judice.

Commission's View: The matters are sub judice and hence no views are expressed.

GoAP to be represented in public hearings:

92 Sri K. Rajendra Reddy, President, Rashtriya Raithu Seva Samithi, Pakala, Chittoor Dist. has stated that in public hearings, many issues related to Government are not being clarified. As such, the Commission is requested to use the good offices with GoAP to see that a representative, preferably a senior official of the power ministry, to be present during public hearings to clarify enquiries of the public if necessary.

Commission's View: The Principal Secretary, Department of Energy, GoAP, made a statement on behalf of the State Government during the public hearing at Hyderabad.

Regulation on Electrical Accidents:

93 Sri K. Rajendra Reddy, President, Rashtriya Raithu Seva Samithi, Pakala, Chittoor Dist. has stated that the Commission accepted the request for a regulation to deal with Electrical accident cases and compensation to the victims and in response to the notification of the Commission the public have submitted their suggestion /comments. The Commission is requested to make the draft regulation available to the public for comments and suggestions and public hearing may be conducted at the earliest and the concerned regulation may please be put into operation.

Commission's View: The request is noted and the Commission will attempt to evolve expeditiously, a regulatory framework for relief in cases of electrical accidents.

94 Sri K. Rajendra Reddy, President, Rashtriya Raithu Seva Samithi, Pakala, Chittoor Dist. has requested to provide the details regarding the subsidies intended to be provided by the GoAP during 2016-17.

Discoms Response: The envisaged tariff subsidy from the Govt. of A.P has been furnished in the ARR & Tariff filings. The decision on the tariff subsidy rests with the GoAP.

Commission's View: The subsidy offered to be provided by GoAP is mentioned in the tariff order.

95 Sri K. Rajendra Reddy, President, Rashtriya Raithu Seva Samithi, Pakala, Chittoor Dist. has stated that the details of category wise subsidy provided by the Government are to be given in the tariff order.

Discoms Response: Not under the purview of the DISCOM

Commission's View: The subsidy offered to be provided by GoAP is mentioned in the tariff order.

Re-introduce Directives Chapter in Tariff Order:

96 Sri K. Rajendra Reddy, President, Rashtriya Raithu Seva Samithi, Pakala, Chittoor Dist. has stated that the Commission has eliminated the chapter 'Directives' and confined the Tariff Order to tariff issues only from the tariff order of FY2015-16 on the contention that all the issues/complaints raised by the consumers in public hearing are answered personally to the concerned person and there is no need for publication of the same in tariff order. But the complaint/problem of an individual may have to be faced by other consumers also in future and the directive issued with respect to one complaint will be applicable in future complaints also and as such future complainants will have readymade solutions in the form of directive issued to the former complainant. The Commission is requested to reintroduce the chapter DIRECTIVES in the Tariff Order for FY2016-17.

Sri Yellapu Suryanarayana, President and Sri Rasamsetty Rajababu, Secretary, Bharatiya Kisan Sangh have stated that the Commission gave their valuable directives in the tariff orders up to 2013-14 without fail, with which consumers were able to know how far the licensee is implementing the directives of the commission. But it is not done later. The Commission is requested to declare the directives for the present year i.e. FY2016-17.

Discoms Response: The Commission has given the directives to be followed by the licensees, in the Tariff Order for the year 2014-15 also.

Commission's view: The suggestion is accepted.

Consumer member for CGRF:

97 Sri K. Rajendra Reddy, President, Rashtriya Raithu Seva Samithi, Pakala, Chittoor Dist. has stated that the consumer grievance redressal forum is constituted under sec. 42 of Electricity Act, 2003 for grievance redressal of electricity consumers. Provision is made in the act for a consumer representative in the forum to create confidence among consumers towards forum but the forum is functioning without consumer member for about a year and there is no response from the Commission even after repeated representation. Further, the forum is forced to function without sufficient staff since about 2 years. There is no response from the management for these deficiencies and as a result the consumers are deprived of quality services from the forum.

Sri Jalagam Kumara Swamy, State Organising Secretary, Bharatiya Kisan Sangh, Vijayawada and Sri T.V. Ramana Murthy, Eastern Power Diploma Engineers Association have stated that CGRF is to be strengthened and 4th member should be appointed.

Sri Yellapu Suryanarayana, President and Sri Rasamsetty Rajababu, Secretary, Bharatiya Kisan Sangh have stated that the CGRF (Consumers Grievances Redressal Forum) is not re-appointed even though it is 5 months since the tenure is over. The Commission shall appoint CGRF immediately so that justice is done to the consumers.

Sri Addagada Satiskumar, Raashtra Yuva Pramukh, Bharatiya Kisan Sangh, Nagulapalem, Prakasham Dist. has stated that Consumer affairs member shall be appointed immediately for the CGRF and it shall be strengthened by appointing sufficient staff.

Discoms Response: APERC issued Regulation No. 3 of 2016.

Commission's View: Regulation No. 3 of 2016 is being acted upon to make the appointments to CGRFs and Ombudsman.

Tariff Order in Telugu:

98 Sri K. Rajendra Reddy, President, Rashtriya Raithu Seva Samithi, Pakala, Chittoor Dist. has stated that Telugu Tariff Order to be provided to all those petitioners who have represented in Telugu, unlike last year.

Sri Yellapu Suryanarayana, President and Sri Rasamsetty Rajababu, Secretary, Bharatiya Kisan Sangh have stated that ARR books, Tariff Orders and all the documents on administration shall be printed in Telugu only.

Sri K. Guruswamynaidu of Surinenipalli (V) in Pakala Mandal in Chittoor District has stated that Telugu version of the Tariff Order shall be sent to those who have submitted their suggestions and views to APERC in Telugu language.

Sri N. Muniratnamreddy, Ganugapenta, Pakala Mandal, Chittoor Dist. has stated that Tariff Order shall be in Telugu only.

Discoms Response: Brief information on ARR is printed in Telugu and made available to the consumers. The Tariff Orders are also printed in Telugu by the Commission.

Commission's view: The copies of the Tariff Order will be sent to the objectors in the language in which the objections were received by the Commission. The Regulations of the Commission have almost been translated into Telugu.

Day time supply for Agriculture:

99 Sri Jayachandra, Tirupati, Sri N. Muniratnam Reddy, Pakala, Sri Y. Siddayyanayudu, President, District Farmer Federation, Diguvaamagam, Chittoor Dist. and Smt P. Bharathi, Eguvapalakur, Chittoor Dist. have stated that supply should be given to agriculture during day time.

Sri K. Rajendra Reddy, President, Rashtriya Raithu Seva Samithi, Pakala, Chittoor Dist. has stated that agricultural consumers are demanding for supply during day time since long time and the officials are replying that they are not in opposition to supply during day time alone, due to power shortage. As the power availability has improved and the State is in a position to sell excess power, the licensees are requested to make the power available to agricultural consumers during daytime only without interruptions.

Sri Jalagam Kumara Swamy, State Organising Secretary, Bharatiya Kisan Sangh, Vijayawada; Sri G. Krishnakumar, Lawyer and Legal Cell convenor, Bharatiya Kisan Sangh, Vuyyuru; Sri Medasaani Vijayabhaskar, President, Bharatiya Kisan Sangh;

Sri Maddireddy Srinivasa Reddy, Kotharepudi, Krishna District and Sri Shirsham Venugopal Reddy, Chatray, Krishna Dist. have stated that agriculture supply is given during night times even though there is power surplus situation in the State and qualitative supply is not being given for 7 hours at a stretch.

Sri Malladi Vishnuvardhan, President, Vijayawada Congress Committee; Sri Yellapu Suryanarayana, President and Sri Rasamsetty Rajababu, Secretary, Bharatiya Kisan Sangh, Sri Ramanayudu, District Secretary CPI, Tirupati have stated that Agricultural supply for 9 hours per day shall be given considering the power surplus situation in the state of AP at present.

Sri Nadendla Subrahmanyam Naidu, Kambalametta, Chittoor Dist. has stated that the farmers are not able to utilize the agriculture supply due to lack of information whenever supply timings are changed.

Discoms Response: EPDCL: In Srikakulam, Vizianagaram and Visakhapatnam districts, supply is being given for 7 hours between 4 AM to 7 PM, dividing the agricultural consumers into two (2) groups. Whereas in East and West Godavari districts, the consumers are divided into three (3) groups keeping in view the huge agriculture demand and availability of transmission capacity. One group is supplied during night time between 11 PM to 5 AM and the other two (2) between 5 AM and 7 PM, each for 7 hours a day, without fail. Further, the groups are changed every week. Uninterrupted supply for 7 hours is being given to the farmers as per the government guidelines and availability of power.

In **SPDCL**, at present, the availability of power and capacity of the network is not sufficient to extend supply to agricultural sector during day time.

Commission's view: The Discoms may consider the requests depending on the physical and technical feasibility.

Regulation 4 of 2013:

100 Sri K. Rajendra Reddy, President, Rashtriya Raithu Seva Samithi, Pakala, Chittoor Dist. has stated that cost of transformer is being collected ignoring the protest of consumers

of low tension. There is no transparency in estimations and service line charges are being charged as they like. If this trend is continued, consumers are likely to lose confidence towards the Commission. The Commission is requested to direct the licensees to return the cost of transformer collected from the consumers, ignoring sec. 24(b) of consumer protecting act.

Sri Katuru Hari kishore kumar Reddy, Bharatiya Kisan Sangh, AP of Paturu, Kovuru Mandal, Nellore Dist., Sri Gadagottu Srirambabu, State President, Bharatiya Kisan Sangh, Poluru, Prakasham Dist., Sri Poondla Srinivasula Reddy, District President, Daamaramadugu, Nellore Dist. Sri Addagada Satiskumar, Raashtra Yuva Pramukh, Bharatiya Kisan Sangh, Nagulapalem, Prakasham Dist. Sri Alturu Hari Sarvothama Reddy, Mandal President, Bharatiya Kishan Sangh, Damaramadugu Post, Nellore Dist., Sri Unnam Simhadri, State Organizing Committee member, Bharatiya Kishan Sangh, Ananta Sagaram, Prakasham Dist., Sri A. Venkatrami Reddy, Tirupati have stated that Discoms are collecting the cost of Distribution Transformer (DTR) as well as development charges from the LT consumers and Regulation 4 of 2013 is being implemented only for the consumers of 33/11 kV and above and LT consumers are neglected by the Discoms, causing farmers to suffer difficulties. It has to be properly implemented. Improvement of DTRs shall be taken up.

Discoms Response: Development charges and service line charges are being collected as per the Regulation No.4 of 2013 and amendments /orders of the Commission from time to time.

Commission's View: The Discoms may be believed to be stating the truth. Any contravention may be brought to the notice of the Commission along with the relevant documents and proof to enable necessary remedial action by the Commission.

Informative Booklet for Consumers

101 Sri K. Rajendra Reddy, President, Rashtriya Raithu Seva Samithi, Pakala, Chittoor Dist. has stated that Consumers are ignorant regarding rules, regulations, directives, orders and Acts, Even though there is a toll free number, spandana programme, forum,

ombudsman and above all, the Commission for grievance redressal, most of the consumers are not making use of these avenues due to ignorance of laws and the Commission has to explore all possibilities to take all the means available to the door steps of the consumers. A small booklet /pamphlet may be prepared incorporating in it all the avenues available to the consumers & how to make use of the same and may be distributed to each and every electricity consumer. Contravention of regulations must be viewed seriously and heavy penalties should be imposed to the defaulter.

Commission's View: The suggestion is welcome.

Validity of other than tariff matters in the Tariff Order:

102 Sri K. Rajendra Reddy, President, Rashtriya Raithu Seva Samithi, Pakala, Chittoor Dist. has stated that in terms of Sec 64 (6) of the Electricity Act, 2003 the Commission is requested to specify in the Tariff Order that, other than tariff matters mentioned in the tariff order will be in force till they are repealed by another order by the commission and the matter relating to tariffs will be in force for that Financial Year.

Commission's View: The suggestion itself contains the answer.

103 Sri Kothapalli Ramakrishnamraju, President, Resident welfare Association, Visakhapatnam has stated that aquaculture which is generally profitable shall be included under HT I (A) – General, fixing the minimum rate the Cost to Serve price i.e. Rs.5.13/kWh. and the proposal of reduced rates for LT-III: Pisciculture & Prawn culture, as per the Government direction, is not justified & not at all acceptable. The existing rates are very reasonable. The difference of the reduced rates shall be reimbursed by Govt., if still revised & accepted by the Commission.

Sri Katari Kesavulu Setty, Founder, Satyaspandana saamajika seva samsta, Tirupati has stated that the proposal for change of tariff from HT-IA to HT-IC in respect of Aquaculture, Poultry farms and Fish ponds should be dropped.

Sri Sampath Kumar, GMR Industries and Sri Paul Setty, AP Prawn farmers' welfare Association, Nellore has stated that the tariff for prawn culture shall be remained at Rs.3.70 /unit irrespective of the size of the farm.

Discoms Response: As per G.O.Ms.No.49, dated 09.12.2013 it was suggested that the tariff offered to poultry farms be equivalent to the average pooled power purchase cost. Further, the licensees have received representations from poultry farmers for similar concessions.

In addition, all HT services which are being billed at HT I Industrial tariff shall be billed at the same concessional tariff as LT services with the creation of a new sub category HT I (C) Aquaculture and Animal Husbandry.

Associations from the Pisciculture and prawn culture industry have submitted their request for concessional tariff at Rs.3.75 / Unit to GoAP with a view to keep these industries in AP competitive. The Government has then directed AP Discoms to consider providing concessional tariff to these industries.

Commission's view: The suggestions and the response of the Discoms are duly considered.

'Corporate Social Responsibility' burdens the consumers:

104 Sri K. Rajendra Reddy, President, Rashtriya Raithu Seva Samithi, Pakala, Chittoor Dist. has stated that APSPDCL has planned programs for Corporate Social Responsibility (CSR), under schedule- VII of the Act, which may involve huge finances which will ultimately have to be borne by the consumers, as the licensee states that, "Accordingly the budget shall be allocated for the implementation of these activities and achievement of targets set for each successive year, till the final completion of the project".

The Commission is requested to come to the rescue of the consumers by ordering the licensee not to venture any programs under CSR, till the licensee earns considerable profits annually.

Discoms Response: CSR will be applicable when the company earns profits. There are no profits earned during last three years. And hence, it is not mandatory to implement CSR and as such, not planned any programs.

Commission's View: The response of the Discoms is self explanatory.

AB Switches:

105 Sri K. Rajendra Reddy, President, Rashtriya Raithu Seva Samithi, Pakala, Chittoor Dist., Sri N. Muniratnam Reddy, Pakala have stated that AB Switches to all HVDS Transformers to be provided.

Sri Madhavareddy, District President, Bharatiya Kisan Sangh, Jammalamadugu has stated that accidents are occurring due to lack of AB switches.

Discoms Response: AB Switches will be provided.

Commission's View: The Discoms accepted the suggestions.

Failed/Burnt Transformers:

106 Sri K. Rajendra Reddy, President, Rashtriya Raithu Seva Samithi, Pakala, Chittoor Dist. has stated that Discoms have to replace failed / Stolen transformer within the time specified in SoP taking the responsibility of getting FIR themselves in terms of Directive No.16 of 2010-11.

Sri K. Rajendra Reddy, President, Rashtriya Raithu Seva Samithi, Pakala, Chittoor Dist. has stated that the Licensees should not charge the cost of transformer to release the service from LT Consumers in terms of regulation 4 of 2013 of APERC and to return the amount already collected by the Licensees.

Commission's View: The Discoms may consider the suggestion.

Start up Power for Solar Plants:

107 Sri B. Shyam Sunder Reddy, President, AP Solar Power Developers Association, Tirupati and Sri M. Balakrishna Reddy, Director, Vuddanda Solar Pvt. Ltd., Tirupati have stated that the principle of "netting off" being applied by the distribution licensee for some

generating stations will have to be made applicable to the solar generators etc., in the absence of a separate tariff category for start-up power.

The State Commission of Chhattisgarh has classified 'startup power' as a separate category and has specified tariff for this category of consumers with "HV-6: Start-Up Power Tariff" in their Tariff Order for FY2015-16. The State Commission of Punjab has classified startup power as a separate category as "Start-up Power for Generators / CPPs" fixing the tariff at 614 paise/kVAh. The State Commission of Jharkhand has issued an order on Start-up power for the Solar PV and Solar Thermal Power Generator with the provisions for Start-up power and Drawing power during shutdown.

The Commission is requested to kindly consider and pass such order/orders as it may deem fit for separate tariff for Startup Power for generators in the Tariff Order FY2016-17, levying only for energy consumed without charges for recorded maximum demand to maintain the auxiliaries in the power plant.

Discoms Response: The licensees would like to state that generators are currently billed under HT Industrial tariff as approved by the Commission for the provision of start-up power. The licensees have not proposed any change in this regard. Fixation of tariff for start-up power or Creation of a new category is under the purview of the Commission.

Commission View: The Discoms may take a considered view on the suggestion and inform the Commission.

Capacitor Surcharge shall be based on recorded PF:

108 M/s Viom networks Limited, Secunderabad have stated that Discoms are claiming by default 25% (as per the provision under LT-IV, LT VI(A), LT-VII(B) – Consumers with kWh based billing) on monthly energy charges even when the PF is > 0.95, if the Capacitors are not found or not working. The telecom towers equipment load is not Inductive, so by default the PF is good (> 0.95) at more than 50% of the sites and as such capacitors are installed at the sites where the PF is \leq 0.95. If the capacitors are installed by default at all sites, the PF goes to LEAD and impacts the electronic equipment and the energy meter also. Invoice copies and test certificates of capacitors are being insisted by

Discoms and at least 3 months time is taken to stop the capacitor surcharge, moreover the excess claim charges are not being paid back.

The commission is requested to make the capacitor surcharge applicable where the recorded average PF is less than 0.95.

Discoms Response: As per Terms and Conditions at Para (j), Page No.192 of Tariff Order 2015-16, LT consumers with kWh based billing shall pay capacitor surcharge at the rate of 25% of the billed amount, if capacitors are found defunct i.e. if the capacitor is in damaged condition / defective or found cease to function. The licensee is not taking any advantage by claiming 25% of monthly charges by default. During inspection, the inspecting officer checks the functioning of the capacitor and if found defective then only the capacitor surcharge will be levied. If any violation found by the consumers, it can be brought to the notice of next level officer and got the bill rectified.

Commission's View: The response of the Discoms is satisfactory.

Inconsistency in billing pattern:

109 M/s Viom networks Limited, Secunderabad have stated that there is no consistency in billing pattern (kWh/kVAh) by DISCOMS. The billing pattern is being continuously changed, on kWh basis for few months and on kVAh for the others, for the same services. Due to this inconsistency, the billed units are overlapped. The DISCOMS are not supplying quality power and not purchasing power on kVAh basis. Billing based on kVAh need to be reviewed and only to be adopted by mutual consent in which both Consumer and Discoms will not effect.

Discoms Response: Once the kVAh billing has been initiated to a particular service it is not possible to revert back to kWh billing. The main object of KVAh billing is to drive the consumer to reach unity power factor, thereby resulting in less consumer demand and less demand charges of the consumer. After 3 ½ years of introduction of KVAh billing, all the above expectations are met and the licensee has the view of “there is no need of return back to kWh billing”.

Commission View: The response of the Discoms is accepted.

Net-Off the demand attributable to Open Access:

110 Sri Y.V. Subba Rao, Managing Director, M/s RPP Limited, Hyderabad, Sri K. Madhusudan, Chairman & Managing Director, Sree Rayalaseema Green Power Ltd., Hyderabad; Sri M. Ramachandra Rao, Managing Director, The Gowthami Solvent Oils Limited, Hyderabad; Sri G. Ganesh babu, Managing Director, Espar Pak Limited, Hyderabad on behalf of Shivani Power Spinners Ltd., Thirumala Hydel Power Projects Ltd., Sri Dhanalakshmi Cotton & Rice Mills Pvt. Ltd., Sri Jayalakshmi Powercorp Ltd., Sagar Power Ltd., Trident Power Systems Ltd., Akshay Profiles Ltd., SKJ Power Projects Ltd.; and Sri K.N.Rao, Factory Manager, ITC Limited, Chirala, M/s Bharathi Cement Corporation Pvt. Ltd., M/s Penna Cement Industries Ltd. and The Director, Vedic Ispat Pvt. Ltd.; The Director, Shyam Ferrous Limited; M/s Laxmi Rolling and Strips Private Limited; Sri Sunil Kumar Jallan, Director, M/s A ONE Steels India Pvt. Ltd.; Director, M/s A ONE Ispat Pvt. Ltd.; Managing Director, M/s Azad Ispat India Private Limited; Director, M/s Meenakshi bright steel bars Private Limited; Director, M/s Maharshi Alloys Pvt. Ltd.; Mr. Vinod Agarwal, Director, Agarwal Induction Furnace Pvt. Ltd.; from Hindupur, Anantapur Dist., have stated that,

The concept of minimum billing demand is tantamount to double charging when open access is availed and transmission / wheeling charges are paid. To the extent the open access is availed, the demand charges are already included for the transmission / wheeling costs for the CMD. In addition, the transmission and wheeling charges paid is a charge for the second time. It is unjust and arbitrary. It is therefore necessary to provide that, where open access is availed, the demand attributable to open access shall be set off against the billing demand (whether it is 80% of CMD or the recorded demand) and the demand charges shall be applied only to the balance of the billing demand.

Discoms Response: The transmission and wheeling charges are being collected as per the prevailing CERC/APERC Regulations.

Commission's View: The Discoms may examine the justification for the suggestion and come up with their views on the necessity for any changes in the existing regulations.

Permit Purchase of Open Access Power when Captive/3rd party Generation is affected:

111 Sri P. Narendranath Chowdary, Managing Director, The Andhra Sugars Limited, Kovvur, W.G.Dist, has stated that the Commission may suggest AP Transco / DISCOMS to permit HT Consumers to purchase Open Access power over and above their contracted maximum demand subject to the system capability when the particular consumers' 3rd party power generation affected due to scheduled / unscheduled outages provided consumer is having wheeling agreements with AP Transco / DISCOMS for wheeling their share of power in their intrastate captive power plant.

Discoms Response: Under the purview of Hon'ble Commission.

Commission's view: The AP Transco and Discoms may examine the issue and communicate their views expeditiously.

How the Green Power Tariff is arrived at?

112 Sri Y.V. Subba Rao, Managing Director, M/s RPP Limited, Hyderabad, Sri M. Ramachandra Rao, Managing Director, The Gowthami Solvent Oils Limited, Hyderabad; Sri G. Ganesh babu, Managing Director, Espar Pak Limited, Hyderabad on behalf of Shivani Power Spinners Ltd., Thirumala Hydel Power Projects Ltd., Sri Dhanalakshmi Cotton & Rice Mills Pvt. Ltd., Sri Jayalakshmi Powercorp Ltd., Sagar Power Ltd., Trident Power Systems Ltd., Akshay Profiles Ltd., SKJ Power Projects Ltd.; and Sri K.N.Rao, Factory Manager, ITC Limited, Chirala have stated that the proposed a green power tariff at Rs 11.32 paise was introduced some time ago and has remained a non-starter ever since, as the tariff is arrived at by taking onerous approach without regard to the legislative mandate to promote renewables. However, it is not clear as to how this figure has been arrived at. The Discoms may provide the calculation and basis.

Discoms Response: In order to meet the requirements of the interested consumers having mandatory obligation for Green Energy, it is proposed to continue at the same level.

Commission's View: The Discoms may provide the calculation and basis as requested.

What is the CoS methodology?

113 Mr. Vinod Agarwal, Director, Agarwal Induction Furnace Pvt. Ltd. The Director, Vedic Ispat Pvt. Ltd.; The Director, Shyam Ferrous Limited; M/s Laxmi Rolling and Strips Private Limited; Sri Sunil Kumar Jallan, Director, M/s A ONE Steels India Pvt. Ltd.; Director, M/s A ONE Ispat Pvt. Ltd.; Managing Director, M/s Azad Ispat India Private Limited; Director, M/s Meenakshi bright steel bars Private Limited; Director, M/s Maharshi Alloys Pvt. Ltd.; from Hindupur, Anantapur Dist., and Sri K.N.Rao, Factory Manager, ITC Limited, Chirala, M/s Bharathi Cement Corporation Pvt. Ltd., M/s Penna Cement Industries Ltd., Sri Challa Gunarajan, on behalf of Maharshi Alloys Private Limited, Vedic Ispat Private Limited, A One Steel Private Limited, A One Ispat Private Limited, Shyam Ferrous Limited, Meenakshi Bright Bars Private Limited, RD Metals Private Limited, Sri Nayar, Tirupati Steel Cast Limited, Azad Steel Private Limited, Hindupur Steel Private Limited have stated that,

The write up on the cost of service filed does not sufficiently explain the methodology and the data filed does not show how each line item of the ARR is allocated to different categories of consumers and the basis thereof and how the cost of service of each category has been computed.

Sri Gopal Choudary, Learned Council, has stated that Discoms have given unclear description of methodologies with regard to Cost of Service (CoS). Application of the methodology is not evident from the work sheets given. A new model is said to have been created by the Discoms for arriving at CoS, but it needs scrutiny in respect of assumption of parameters, as the model is not a proven one.

Discoms Response: Cost of supply by the Discoms is based on Embedded Cost of Service methodology and is explained in the write-up submitted along with ARR filing and the information is furnished in the formats prescribed by APERC i.e., "CoS Input formats".

Commission's View: The power purchase cost has been allocated to different consumer categories based on Embedded Cost method. The average network cost has been added

to the Embedded Power purchase cost to arrive at total Cost of Service for each consumer category.

Increase in tariff not Justified:

114 Sri K.N.Rao, Factory Manager, ITC Limited, Chirala, M/s Bharathi Cement Corporation Pvt. Ltd., M/s Penna Cement Industries Ltd., have stated that the increase in tariff sought by the Discoms is not reasonable or justified. The write up and the data filed are not of a standard and/or satisfactory enough to comprehend the basis of the projections.

Discoms Response: Average Cost to Serve (CoS) for the FY2015-16 as approved by the Hon'ble Commission for the State was Rs 5.38/Unit. Whereas, revised average Cost to Serve (CoS) for the current year is Rs 5.92/Unit. The Licensees estimate the State level CoS for the ensuing year i.e. FY2016-17 to be at Rs. 5.60/Unit. This implies an increase of Rs. 0.22/ Unit (4.05 % increase) when compared to approved average CoS. The Aggregate Revenue Requirement for both the Discoms combined for FY2016-17 is projected to be Rs.28,423 Crs. and the projected revenue at current tariffs including non-tariff income is Rs.23,725 Crs. which results in a gap of Rs.5,148 Crs. Also, the average CPI inflation in India was 5.41% year-on-year in November 2015. The licensees would like to propose a nominal increase in the tariffs to meet the increased costs. Projections for FY2016-17 are done based on the actuals of FY2014-15 and are reasonable and justified.

Sri Jalagam Kumara Swamy, State Organising Secretary, Bharatiya Kisan Sangh, Vijayawada; Sri G. Krishnakumar, Lawyer and Legal Cell convenor, Bharatiya Kisan Sangh, Vuyyuru; Sri Medasaani Vijayabhaskar, President, Bharatiya Kisan Sangh; Sri Maddireddy Srinivasa Reddy, Kotharepudi, Krishna District and Sri Shirsham Venugopal Reddy, Chatray, Krishna Dist., have stated that the proposal of increase of electricity charges is not correct and is unacceptable.

Sri K. Ramesh, General Secretary, Forum of Consumer's Unified Services (FOCUS) and Sri V. Rambhoopal, District Secretary, CPM, Anantapur have stated that as fuel prices are

coming down worldwide and there is power surplus situation, reduction in tariffs is expected.

Discoms Response: The tariffs hike is proposed based on the consumer price index and Cost of Service. The inflation as recorded in November 2015 is 5.41. Accordingly, nominal hike of 4% is proposed. Further, only 2.5% hike is proposed for the domestic consumers.

Sri G.S. Rajeswara Rao, Vice President, CITU, Visakhapatnam has stated that the tariff hike is objectionable and the present tariff rates should be drastically reduced otherwise it will indirectly hike the prices of other consumer goods.

Sri Donepudi Shankar, Ex. Floor Leader, Vijayawada Municipal Corporation has stated that tariff should not be increased.

Discoms Response: To balance revenue pressure on one hand, and also as State level CoS increased Rs.0.22/unit compared to approved average CoS, proposed a nominal increase in the tariffs @ 4%.

Commission's view: The proposals and objections are examined on merits to arrive at reasonable tariff.

Levy of Penal Energy Charges when CMD exceeded is unlawful:

115 Sri Gopal Choudary, Learned Council; Sri Challa Gunarajan on behalf of Mahrshi Alloys Private Limited, Vedik Ispat Private Limited, A One Steel Private Limited, A One Ispat Private Limited, Shyam Ferrous Limited, Meenakshi Bright Bars Private Limited, RD Metals Private Limited, Sri Nayar, Tirupati Steel Cast Limited, Azad Steel Private Limited, Hindupur Steel Private Limited and Sri K.N.Rao, Factory Manager, ITC Limited, Chirala, M/s Bharathi Cement Corporation Pvt. Ltd., M/s Penna Cement Industries Ltd., have stated that levy of penal charges on energy when Recorded Demand exceeds the CMD by over 20%, is unlawful. The Hon'ble High Court had held in Vishnu Cements case [2009 (3) ALD 29] that demand and energy were two separate components and unrelated and that therefore the penal energy charges for exceeding the CMD was set aside. That was also referred and followed by the Hon'ble High Court in respect of the penal energy

charges sought to be levied for 2009-2010 also in WP 15410 of 2009 and batch. The provisions in the tariff for levy of penal energy charges for exceeding contracted demand should be dropped.

Sri P. Narendranath Chowdary, Managing Director, The Andhra Sugars Limited, Kovvur, W.G.Dist, has stated that Discoms are penalizing the entire billed Energy when the Recorded Maximum Demand (RMD) exceeds CMD by 120%. It was introduced to safeguard the grid during R & C period only. But the same is continued in the subsequent tariff years even though there is no power shortage. Only exceeded demand can be penalized.

Discoms Response: Penal charges are imposed in order to maintain grid discipline and to avoid overloading of the system network.

Commission's View: To curtail indiscipline among consumers by way of exceeding the contracted demand and to maintain grid discipline and to avoid burden on Transmission and Distribution system apart from revenue loss, the Commission imposed penalty on energy also as a deterrent measure.

The principle laid down in Vishnu Cements case [2009 (3) ALD 29] and W.P.15410 of 2009 and batch dated 20-08-2014 are duly followed in fixing "Energy Charges on Full Energy" in the event of the consumer exceeding the contracted demand in contrast with imposing "Energy Charges on Excess Energy" like in the Tariff Order 2009-10. The imposition of surcharges in the Tariff Orders from 2010-11 up to date is not the subject of challenge before any tribunal or court so far.

The R&C order is no way connected to the penalty clause mentioned in the Tariff Order 2010-11

Time of Day (TOD) Tariff

116 Sri Challa Gunarajan, on behalf of Mahrshi Alloys Private Limited, Vedik Ispat Private Limited, A One Steel Private Limited, A One Ispat Private Limited, Shyam Ferrous Limited, Meenakshi Bright Bars Private Limited, RD Metals Private Limited, Sri Nayar, Tirupati Steel Cast Limited, Azad Steel Private Limited, Hindupur Steel Private Limited;

Sri K.N.Rao, Factory Manager, ITC Limited, Chirala, M/s Bharathi Cement Corporation Pvt. Ltd., M/s Penna Cement Industries Ltd., have stated that the cost of service for the ToD period of 18:00 to 22:00 hrs is not shown to be any different from the cost of service during the rest of the periods as observed from the Discom filings. There is no valid reason or justification for continuing with the ToD tariff at a higher level. It is therefore submitted that the ToD tariff be deleted and all the energy round the clock be at the same tariff.

Sri Gopal Choudary, Learned Council has stated that ToD tariff is originally meant for recovering the high cost of short term power purchases to meet the peak demand and to encourage the consumers to drift their peak demands from peak period to off-peak periods. Shifting of peak demand saves infrastructure for the licensees. It is to be examined as to how far the ToD tariff has met its objectives, not from the revenue angle but from the point of dis-incentivising the demand at peak time. If ToD tariff has not served its purpose it must be dispensed with and other steps are to be undertaken.

Sri P. Narendranath Chowdary, Managing Director, The Andhra Sugars Limited, Kovvur, W.G.Dist, has stated that., ToD charges, introduced in the tariff year 2012-13 when there was power shortage, shall be removed, as there is surplus power now.

Discoms Response: The Time of Day (ToD) tariffs are being levied to meet peak power deficit which occurs during 18:00 Hrs to 22:00 Hrs in line with the 24x7 Power for All scheme. As such, a very nominal tariff increase of 4% is proposed for industrial category to meet the revenue gap and do not propose any rebate for non-peak hours.

Commission's View: The Time of Day tariff cannot be dispensed with in toto for the reason assigned by the Discoms while their request for increase of 4% of the same is not accepted.

Security Deposit is not meant for Working Capital and not the subject matter of tariff determination Process:

117 Sri Challa Gunarajan, on behalf of Mahrshi Alloys Private Limited, Vedik Ispat Private Limited, A One Steel Private Limited, A One Ispat Private Limited, Shyam Ferrous

Limited, Meenakshi Bright Bars Private Limited, RD Metals Private Limited, Sri Nayar, Tirupati Steel Cast Limited, Azad Steel Private Limited, Hindupur Steel Private Limited; Sri K.N.Rao, Factory Manager, ITC Limited, Chirala, M/s Bharathi Cement Corporation Pvt. Ltd., M/s Penna Cement Industries Ltd., have stated that Security Deposits from consumers are not intended to provide working capital to the licensees. The consumers have no obligation whatsoever to provide working capital to the licensees. The purpose of the security deposit is to secure the due payment of current bills by the consumers. Section 47(5) of EA 2003 provides that no security be taken if a prepayment meter is opted for. The security deposit now being paid is already more than a month's electricity charges and is in effect a pre-payment, more particularly when the licensee invariably resorts to disconnection for non-payment. The proposal for increase in security deposit may not be accepted.

Sri Surya Prakasa Rao, Former Director (Commercial), APCPDCL and Former Secretary, APERC has stated that the proposal to enhance Security Deposit amount to 2 and half months charges is unwarranted. Section 47 of EA, 2003 permits collection of deposit as a security against default and not for meeting working capital requirement.

Sri M.S.S. Sarma, AP Ferro Alloys Producers Association; Sri M.R. Prasad, Secretary General, AP Ferro Alloys Producers Association, Hyderabad and Sri Vijaya Gopal Reddy, Manish Reddy Ferro Alloy Industries have stated that Consumption deposit is in place to take care of non-payment of CC charges by a consumer at any time and this can be taken care of by providing either LC or BG in place of cash deposit.

Sri Gopal Choudary, Learned Council has stated that as per section 47 (1) of the EA 2003, the security deposit must be reasonable, should be determined by regulations and cannot be the subject matter of a tariff determination process.

Sri P. Narendranath Chowdary, Managing Director, The Andhra Sugars Limited, Kovvur, W.G.Dist, stated that the licensee's proposal for increase of security deposit duration from 60 days to 75 days for monthly billing consumers, and 90 days for bi-monthly billing consumers shall not be accepted.

Sri K.V.Rao, General Manager – Projects and P&I, Coromandel International Limited, Vishakhapatnam and Sri E. Dayanand, Joint General Manager, Essar Steel India Ltd., Vishakhapatnam have stated that the proposal of increasing the security deposit from the existing two months charges to 75 days charges to have leverage for working capital of Discom, is not acceptable.

Smt. P. Vydehi, Secretary i/c, The Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry (FTACCI), Hyderabad and Shri Bhushan Rastogi, FAPCCI have stated that the proposal of the licensee to increase the security deposit amount is to make up for the deficit in consumption deposit owing to the non-payment of the same by GoAP on account of agriculture consumers which is adversely affecting the working capital of the licensee. For the omissions and commissions of one consumer category the others may not be made responsible.

M/s Synergy Castings Limited, have opposed the increase of Security deposit period.

Sri R. Bhaskar, General Manager, DNW Department, Rashtriya Ispat Nigam Ltd., Vishakhapatnam has stated that, the proposal of APEPDCL to increase the duration of security deposit from the current two months to 75 days, to meet the increased working capital requirement, is incorrect and not to be allowed by the Commission.

Sri K. Rajendra Reddy, President, Rashtriya Raithu Seva Samithi, Pakala, Chittoor Dist. has stated that as the Discoms are getting monthly bills paid within 15 days after raising the bills, present security deposit of 60 days is sufficient. Further, Discoms are collecting additional security deposit consumption exceeds a specific level. The proposal of the Discoms to increase the security deposit to 75 days charges need not be accepted.

Sri P.V. Subba Reddy, MUS Trust, Hyderabad has stated that security deposit is not a source for working capital.

Sri P. Kotireddy, All India Cottonseed Crushers Association has stated that one month Bank Guarantee shall be accepted in lieu of Security Deposit.

Discoms Response: The consumer meter readings are taken at the end of the consumption month. Thereafter bills are served in a week. One month time is allowed for payment. Another week days are required to initiate action on defaulters. As such, about 74 days time is required in total. Hence, proposed for 75 days.

While the Power Purchase Cost contributes to nearly 80% of the total Retail ARR and subsidy contributes to more than 10% of the Retail ARR, payments to generators are being done on a monthly basis, the revenue cycle is nearly 2 months. Hence, the working capital requirement of the Distribution DISCOMs has increased significantly. The proposal of increase of Security Deposit from the current two month charges to 75 days charges in case of monthly billing while continuing with 3 months charges for bi-monthly billing would ensure that the Working Capital requirements of the DISCOMs are met and thereby avoiding any short term loans. Ready cash is required to meet the working capital as there is a gap between demand raised and receipt of collection. It will result in less cash inflows and to make alternative arrangements for meeting the other expenditures in emergencies.

Commission's View: Security deposit is governed by Regulation 6 of 2004 and any change in the quantum of deposit to 75 days charges is not feasible without any change in the Regulation.

Subsidized tariff for HT Category Poultry Sector:

118 Dr. V. Sundar Naidu, President, Andhra Pradesh Poultry Federation, Hyderabad; Sri G. Kodanda Ramaraju, Vijayawada and Dr. K. Somireddy, Convenor, AP Poultry Federation have stated that the subsidized rate benefit which was extended to LT-III Poultry category consumers is to be extended to HT-I category poultry sector units also. The feed mixing plants have pellet machine, high speed motors, panel boards, boiler for generating steam and invariably needs HT supply as the energy consumption is quite high. As HT-I category is not given any tariff concession, the entire poultry sector will be put in to heavy financial sufferings because of the increased operational cost. The Hatchery units and feed mixing plants should not be separated and be included in the HT-I (C) category.

Sri N. Nageswara Rao, Joint Secretary, AP Poultry Federation, Vijayawada has requested to fix HT tariff of Poultry sector on par with the Telangana govt. tariffs.

Sri D. Radhakrishna Reddy, AP State Prawn Farmers Welfare Association has stated that unit rate of Rs. 3.75 shall be fixed irrespective of the farm size. LT and HT shall be charged at the same rate for Hatcheries, Feed Manufacturing and Processing units.

Sri D. Sudhakar, All India Shrimp Hatcheries Association has requested that low tariff is to be fixed for hatcheries.

M/s Care well Investments Limited have stated that, a sub-category of HT shall be formed on par with that of LT Prawn Culture, irrespective of the contract load and with the same tariff of LT.

Discoms Response: As per G.O.Ms. No.49, dated 09.12.2013 it was suggested that the tariff offered to poultry farms be equivalent to the average pooled power purchase cost and Discoms have received representations from poultry farmers for similar concessions. Accordingly, uniform tariff is proposed for LT-III sub-categories of Pisciculture /Prawn culture and Poultry farms in a single sub category under the name 'Aquaculture & Animal Husbandry'. HT services for Poultry Farms, Pisciculture, Prawn culture and Dairy Farms are proposed to be billed under a new category HT I (C)- Aquaculture & Animal Husbandry with the same tariffs as proposed for LT services.

Hatchery units and Feed Mixing Plant comes under 'HT 1(A)-Industry' as Industrial purpose shall mean manufacturing, processing and/or preserving goods for sale.

Commission's View: Adequate relief is being provided to poultry sector including hatcheries and feed mixing plants on an overall view of all the relevant facts and circumstances.

Slash ToD tariff for Poultry farms:

119 Dr. V. Sundar Naidu, President, Andhra Pradesh Poultry Federation, Hyderabad has stated that the poultry farms invariably need supply for lighting from 6.00 PM to 10.00PM, the time at which the breeder birds and the egg laying birds eat feed and drink water. The birds will not take feed and drink water in darkness, resulting into

drastic egg production loss and for this reason the standard production of eggs are not derived, thus the hatchery will incur heavy loss and it is not economical to run the hatchery / breeding farm. As such, it is very essential to supply power to all the poultry sheds, Poultry Feed Mixing Plant during evening time. The time of day tariff is to be slashed to the poultry sector, considering as a special case.

Discoms Response: While determining the CoS, fixed cost of the power purchase is being allocated to each consumer category based on their coincident demand whereas, variable charges are allocated in proportion to their energy requirement. This includes expensive power purchases. As per the FY 16-17 ARR filings 57,565 MU has to be procured from market, at state level, at an estimated price of Rs. 3.97 per unit. But, in actual, short term power purchase price varies significantly depending on the time of the day, season etc. ToD tariff is extended to Industries to recover partial additional charges over and above the tariff applicable, to meet the cost of expensive power.

Further, for the consumers who cannot shift their demand / requirement due to their nature of operation such as continuous loads, Discoms may have to purchase from expensive sources, to meet the demand.

Commission's View: The reliefs otherwise granted to poultry sector safeguard its interests adequately and the Time of Day tariff is kept at the existing level.

What about the amount obtained from GoAP?

120 Sri B.N. Prabhakar, President, Society for Water, Power & Natural resources conservation Awareness and Monitoring (SWAPNAM) has stated that the DISCOMs have projected revenue gap of Rs.5147 Crs., the subsidy from the GoAP as Rs.4365 Cr. and hence proposed to increase the tariff to get additional revenue of Rs.782 Crs. The Commission, in the orders issued on the true-up of distribution business, stated that the GoAP has committed to take over the liabilities of Rs.4046.15 Cr. in respect of the Discoms and allowed only Rs.2413 Cr. as prudent expenditure. The balance amount of Rs.1633.15 Cr. must have been available with the Discoms.

Discoms Response: Under Financial Restructuring Plan (FRP), the DISCOMs issue bonds and the same is being taken over by the GoAP. The amount so considered to be taken over by the Govt. includes liabilities that arise due to various reasons, one of which is to be attributable to the true-ups from the distribution and retail supply business. And hence the entire amount taken over by the Govt. under FRP shall not be considered for pass on to the consumers.

Commission's View: The hypothetical availability of any such sum cannot be considered as physical availability of the same.

Where are the accounts of the bad and doubtful debts?

121 Sri B.N. Prabhakar, President, Society for Water, Power & Natural resources conservation Awareness and Monitoring (SWAPNAM) has stated that the Commission pointed out that the Discoms have included bad and doubtful debts to the extent of Rs.52.55 Cr by APSPDCL and Rs.5.96 Cr by APEPDCL and the same were not allowed as a part of true-up. But while filing the ARR for 2016-17, the Discoms have not filed any relevant information.

Discoms Response: The bad and doubtful debts, disallowed by the Commission, were included in the annual reports and FRP came into support, the DISCOM has not submitted reconsideration of the true-up order.

Commission's View: The issue has no relevance to Tariff fixation for FY 2016- 17.

Transmission and Distributions Losses to be reduced:

122 Sri P. Narendranath Chowdary, Managing Director, The Andhra Sugars Limited, Kovvur, W.G.Dist has stated that the Commission may direct AP Transco / DISCOMS for further reduction of Transmission / Distribution losses and see to reduce the tariff to that extent.

Discoms Response: The distribution losses of APEPDCL are being reduced gradually as shown below.

Parameter	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
% Losses	7.09	6.91	6.46	6.33	6.32	4.70

Commission's view: The progressive reduction of Transmission and Distribution losses of APTransco & APDiscoms is now a matter of National recognition and the Commission and the people of the State look forward for even a better performance.

Monitor Customer Service Centers:

123 Sri M. Krishna Murty, Chief Engineer (Rtd.), APEPDCL, Secretary, APSEB Retd. Officials Association Branch, Vizianagaram has stated that there is great deviation w.r.t. citizen charter in resolving consumer complaints. Regular review of complaints registered at call centers is to be done by entrusting the work to the CGM /Grievances cell. An officer of the rank of DE with five years experience in LT meters and HT meters may be included in the team for speedy disposal. Necessary feedback may be arranged about status of resolving consumer complaints to the consumer.

Sri B.N. Prabhakar, President, Society for Water, Power & Natural resources conservation Awareness and Monitoring (SWAPNAM) has stated that, Customer Service Centers (CSCs) established by Discoms have failed to render honest service and the public is forced to approach the concerned authorities before approaching or filing requisitions in the CSCs. The Commission may develop a monitoring mechanism to have regular feedback on functioning of these CSCs, collecting information / opinion from the public and doing surprise checks by contacting the public directly, with reference to the issues resolved to them and methods adopted, etc.

Discoms Response: Consumer complaints are being resolved within the time as per the citizen charter. The consumers have direct access to the customer centers and there is no need to approach any authorities before registering for a new application or a complaint. Any positive suggestions are welcome to improve the functioning of the CSCs. Any specific issues that came to notice of the objector may please be intimated to us for taking appropriate measures.

Commission's View: While Discoms will hopefully improve their customer services, Regulation 3 of 2016 is hoped to provide a better Consumer grievances redressal mechanism.

Increase of Demand Charges is detrimental for Industrial growth:

124 Sri Surya Prakasa Rao, Former Director (Commercial), APCPDCL and Former Secretary, APERC has stated that Increase of Demand Charges for HT consumers "across the board" is most un-scientific. High Demand Charge will not really boost the revenues of Discoms by any significant measure, while it will be detrimental for Industrial growth, if not be one of the causes for Industrial Sickness in the State, having got over the main cause of power cuts of past years. Surely Small Scale Industries (SSIs) need to be relieved from the burden of even the existing high Demand Charge let alone enhancement.

Discoms Response: The licensees have proposed a modest tariff increase of 4% over the existing tariff approved by the Commission for FY2015-16.

Commission's View: The cause of industrial growth, vital to the divided State of Andhra Pradesh is the primary consideration that guided the fixing of the power tariffs at reasonable levels.

Declaration of off-season:

125 Sri Potluri Bhaskara Rao, Executive Director, Andhra Pradesh Chambers of Commerce and Industry Federation, Vijayawada; Sri D.L.S. Prasad, Executive Member and Sri P. Kotireddy of All India Cotton Seed Crushers Association, Mumbai have stated that there are practical difficulties to declare off-season period due to the variations and fluctuations of the availability of raw material i.e. cotton seed. The commission is requested not to insist declaration of off-season period in the months of February and March and instead to accept declaration of off-season, one month in advance.

Sri Muniratnam Naidu, Chittoor, has stated that flexibility should be given in declaration of Off-season for the seasonal industries.

Discoms Response: The licensees would like to propose the following modifications

- The consumers can opt for modification in the period of season once in a year and shall give a declaration to the licensee at least one month prior to the commencement of the already declared season period. The minimum period of duration of Season shall not be less than four continuous months.
- There shall not be monthly minimum charges for HT season industries during off-season period.

But minimum charged can be levied during the season period that was declared by a consumer, if they fail to consume less than minimum energy on par with HT-I Industries (General). All general conditions of HT-I industry will apply to Seasonal industry during the season period.

Commission's View: The response of the Discoms is accepted.

T&D Loss target not achieved:

126 Sri M. Thimma Reddy, Convenor, People's Monitoring Group on Electricity Regulation, Hyderabad has stated that both the Discoms were not able to achieve the target set by the Commission in respect of T&D loss. What is more over the period situation in EPDCL is deteriorating. While T&D losses during 2013-14 stood at 7.89% it increased to 10.13% in 2015-16 higher than SPDCL. An improved performance on T&D losses front will help to bring down the quantum of power purchases and corresponding expenditure.

Discoms Response: The Commission had approved total T&D losses of 11.81% for EPDCL while the projection has been computed as 10.13% which is lower than the APERC target. Also, EPDCL T&D losses for 2015-16 are projected lower than SPDCL which are 12.18%. In fact for both DISCOMS, the projected T&D losses for 2015-16 are lower than the losses approved by the Commission. The total T&D losses of 10.13% during 2015-16 is after considering PGCIL losses while the value of 7.89% does not include PGCIL losses. Hence, these two numbers cannot be compared. The licensees would like to mention that the T&D losses are one of the lowest in the country and are gradually been reducing over the years. The licensees are putting all the efforts to bring down losses to less than 9% with increase in metered sales and other loss reduction measures.

Commission's View: The reply of the Discoms is satisfactory.

Reduce tariff for Grampanchayats, Municipalities:

127 Sri Ch.V.V.S.Bapiraju, Secretary, Greater Visakhapatnam Municipal Corporation (GVMC), Visakhapatnam has stated that, though subsidies are being given to Grampanchayats and Municipalities, they are facing financial struggles and requested to reduce the rates as follows:

LT VI (a) Street Lights

- 1) Grampanchayats – Rs. 5.80 (reduction of 0.07 paise)
- 2) Municipalities – Rs. 6.20 (reduction of 0.21 paise)
- 3) Corporations – Rs. 6.80 (reduction of 0.16 paise)

LT VI (b)

- 1) Grampanchayats – Rs. 4.70 (reduction of 0.07 paise)
- 2) Municipalities – Rs. 5.80 (reduction of 0.07 paise)
- 3) Corporations – Rs. 6.35 (reduction of 0.06 paise)

LT VI (c)

NTR Sujala scheme – Rs. 3.95 paise (reduction of 0.05 paise)

Discoms Response: Revision of grouping and charges, is in the purview of the Commission.

Commission's view: The suggestion is suitably considered.

Tariff for Religious places:

128 Sri Ch.V.V.S.Bapiraju, Secretary, Greater Visakhapatnam Municipal Corporation (GVMC), Visakhapatnam has stated that, the rates for religious places are to be increased as follows.

LT – VII (a) – Rs. 9.00 /unit

VIII (b) – Rs. 6.50 / unit

HT –II (b) – Rs. 6.50 / unit

Sri Jalagam Kumara Swamy, State Organising Secretary, Bharatiya Kisan Sangh, Vijayawada; Sri G. Krishnakumar, Lawyer and Legal Cell convenor, Bharatiya Kisan Sangh, Vuyyuru; Sri Medasaani Vijayabhaskar, President, Bharatiya Kisan Sangh; Sri Maddireddy Srinivasa Reddy, Kotharepudi, Krishna District; Sri Sheersham Venugopal Reddy, Chatray, Krishna Dist.; Sri K. Venkatrami Reddy, President, Law welfare Association, Srinivasapuram, Sri P. Ramachandraiah, Paccharlavaaripalli, Sri S. Narsimhulunaidu, Kotapalli, Kalluru, Chittoor Dist. have stated that the proposed tariff for religious places shall be decreased.

Sri Tirupathi Rao, District Committee Member, CPM, Srikakulam has stated that religious places shall be categorized into A, B, C groups with appropriate tariffs depending upon the income level.

Sri Yellapu Suryanarayana, President and Sri Rasamsetty Rajababu, Secretary, Bharatiya Kisan Sangh have stated that a special sub-category for religious places has to be created, fixing a tariff of Rs. 2/- per unit considering their low income particularly in rural areas.

NCS Charitable Trust, Vizianagaram have requested for lower tariff for temples and charitable trusts / societies.

Discoms Response: Revision of grouping and charges, is in the purview of the Commission.

Commission's view: All religious places are de-commercialized concerning energy tariffs and adequate relief is given to them.

Stringent actions required on Pilferage of Energy:

129 Sri Ch.V.V.S.Bapiraju, Secretary, Greater Visakhapatnam Municipal Corporation (GVMC), Visakhapatnam has stated that stringent actions should be taken for prevention of pilferage of electricity.

Sri B. Vijaisagar, Chairman, Consumers Awareness and Research Centre, Kakinada has stated that, as published in the Eenaadu daily on 20.01.2016, the revenue loss on

account of theft of electricity is about Rupees One Lakh Crores (Rs. 1,00,000 Crores) for the country as a whole and in proportion it would be Rs. 4000 Crores per annum for the state of Andhra Pradesh, which is eight times that of revenue deficit of Rs. 560 Crores shown by APEPDCL for 2015-2016. Two months revenue foregone by power Discoms only because of electricity theft, not to speak of Rs.1950 Crores of electricity charges left unrecovered by Discoms from Govt. Departments like Panchayats, Nagar Panchayats, Municipalities.

The Commission may please consider causing adequate publicity of the Modus-operandi of the countless techniques of theft of electricity in the news papers. Also it may be considered to give rewards to anyone of the public who would send information about the details of theft of power without disclosing his identity, but by some other mode of communication like mobile phone to a very high level authority in APERC.

Discoms Response: Detection of Pilferage of Energy (DPE) wing headed by an officer of the rank of Divisional Engineer is working in each district to curtail pilferage of electricity. Surprise inspections are also done by other Engineers of Discom. Theft cases under section 135 of Electricity Act, 2003 and malpractices under section 126 of the Act are booked. The following anti-theft measures were carried out by 5-Circles of DPE Wings in APEPDCL.

- 1) Theft prone areas were identified and conducted surprise raids for detecting theft.
- 2) Services were inspected on 11 kV feeder-wise where the energy losses are on high side in towns and MHQs.
- 3) Exceptional services like NIL consumption, abnormal low consumption, UDC, bill stopped, etc., were inspected.
- 4) Special focus was made on Category-II and other high value services during inspection and booked theft/malpractice and also proposed development charges for additional loads.

5) Early and evening hour's raids are conducted to detect direct tapping and loops in meters.

6) Seasonal industries were inspected and proposed development charges for additional loads.

7) Pole to pole and intensive inspections were conducted along with Operation & APTS wings.

8) Special Intensive Inspections are being conducted on high loss 11 kV feeders with inter-circle DPE wings.

Commission's view: While appreciating the action taken by the Discoms to prevent pilferage of energy, the need is continuous vigil.

Facility to pay bills through mobile phones:

130 Sri Ch.V.V.S.Bapiraju, Secretary, Greater Visakhapatnam Municipal Corporation (GVMC), Visakhapatnam has stated that facility for payment of bills through mobile phones to be provided.

Discoms Response: APEPDCL is making use of technology and developing software in every stage to ensure better services to the consumers. A Mobile App has been launched on 4th November 2015 to enable easy payment of bills by the consumers.

Commission's view: The Discoms are congratulated for providing the facility even before the demand is made.

131 Sri Meesala Basavapunniah, President, Hire Working (Non-Trading) Rice Millers Association has stated the following.

(1) L.T.- I and L.T.-II Categories

Action of the "Discoms" in dividing these two categories into sub-categories, placing number of slabs, fixing unit charges according to the slabs, and enhancing the rates high compared to the rates fixed in the year 2015-2016 is against the Act and Rules. Hence the submission must be rejected.

Discoms Response: In accordance with socio economic conditions, the slabs / sub-categories were created for low level income consumers and appropriate tariffs are proposed for consideration by the Honourable Commission.

Commission's view: A rational categorization in LT-I and LT-II is done.

(2) Customer charges:-

The customer charges proposed to be collected on each slab on each category and sub-category in different amounts for such long time is against to the Act and Rules. It has to be collected only on the category, but not on other sources. As such, it must be rejected for ever.

Sri Narasimuhulu Nayudu, Tirupati has stated that the minimum charges are collected unofficially.

Discoms Response: In accordance with the services required by the different consumer categories / slabs / loads / consumption, the customer charges are being levied as per the Tariff Order.

Commission's view: The Discoms claim to be following the Tariff Order.

(3) Collection of Fixed charge:-

The fixed charge was introduced in place of minimum charge which is to be collected when the sanctioned load of power is not utilized by the consumer. But it is being collected every month unlawfully.

All such amount is being paid to private companies like Sri Lord Venkateswara Swamy (LVS) generating Company unlawfully, unreasonably and unnecessarily.

As per the statement of the "Discoms", the collected amount is said to have been utilized for the development of power supply to the consumer. But nowhere the Discoms have shown such development.

This is very arbitrary and against to Law. Hence this charge must be repealed.

Discoms Response: The monthly electricity charge comprises mainly electricity consumption charges and fixed charges. The consumption charges will be computed based on the actual energy consumption and fixed charges are being computed based on the contracted load of the consumer.

The fixed charges are towards partial recoupment of capital expenditure incurred in infrastructure (distribution network) and fixed charges of the generators.

From 1-3-2013 onwards the payment of fixed charges to LVS Power Plant were stopped and the matter is subjudice at Hon'ble High Court.

Commission's view: The response of the Discoms is self explanatory.

(4) Fuel cost:-

Fuel cost being collected every month at the rate of Rs. 0.06 paise per unit is unlawful. This must be repealed as the charge was already included in unit charge fixation.

Discoms Response: No such fuel cost is being collected by the AP Discoms.

Commission view: The objection does not arise.

(5) Electricity duty (ED) Charge:-

It is unlawful to collect E.D. charge separately, when all these charges were included in the unit rate. How and on what rule this amount is being remitted into A.P. Government Accounts? This must be rejected for ever.

Discoms Response: Electricity Duty is being levied on energy consumption @ 6 paise per unit as per Andhra Pradesh Electricity Duty Act. The amount is being remitted to the Govt. of A.P.

Commission's view: The Electricity Duty is levied under a Statute with which the Commission cannot interfere.

(6) Collection of Capacitor Surcharge:

This is being collected in the name of LPF unlawfully though B.P.M.S.No.334, dt.26-12-1991 G.O. is in implementation till day. How and on what rule, this will be collected? This must be repealed.

Discoms Response: Levy of surcharge for Low Power Factor (LPF) was dispensed after introduction of kVAh billing. In case of LT consumers (except LT Cat-I, IV, VI (A), VII (B) not covered by kVAh billing) if during inspection, no capacitor is found or the capacitors already installed are found damaged or having defect or seized to function, such consumers shall liable to pay capacitor surcharge @ 25% of the monthly bill amount, as per the terms and conditions of supply notified by the AP Discoms.

Commission's view: The response of the Discoms is self explanatory.

(7) Back billing:

This is being collected against the error noticed in the meter indiscriminately even when the seals of the meter, put by the Discoms, are found intact and binding the consumer for such errors, unlawfully. Hence this also must be repealed.

Discoms Response: Back billing is done when the meters are found defective/ sluggish. These charges are collected for the consumption of consumers, which the meter failed to record. It is the duty of consumers to pay charges for the actual consumption, even if the meter failed to record due to defects.

Commission's view: The response of the Discoms is self explanatory.

(8) Meter testing charges:

This charge has to be collected from the consumer who challenge the error noticed in the meter, but not in other situations. But the officials are collecting the same in all other cases also. Hence suitable instruction may be issued.

Discoms Response: Meter testing charges are collected from consumers only when complaint is lodged by consumer to test his Meter and not in all cases. This is done as per the Tariff Order.

Commission's view: The reply of the Discoms answers the charge.

(9) Collection of security deposit:

The security deposit being collected on three (3) months total consumption, but at present the billing system is limited to two months period. Hence suitable orders may be issued to collect the same on two months total consumption only.

Discoms Response: As per APERC Regulation No.6 of 2004, Security Deposits are being collected.

In case of bi-monthly billed services, bills are being generated after complete two months of consumption and 30 days time is being given for payment without disconnection and hence the total period of three months is required for collection of C.C. Charges for these consumers and hence the security deposit is required for these consumers shall be computed for 90 days only.

Further the AP Discoms have submitted in the ARR and FPT proposal for FY 2016-17 to Hon'ble APERC to implement monthly billing of all rural domestic consumers who are currently being billed on a bi-monthly basis for increasing the Cash Flow.

Commission's view: The issue is governed by Regulation 6 of 2004.

(10) Proforma of agreement:-

The proforma of the one side agreement which is as per APES Act 1948 must be changed, as the new Act of APERC 1998 was brought into force.

Discoms Response: The Agreement formats provided in the GTCS notified by the AP Discoms and approved by the Honourable APERC are being used for making agreements with the consumers.

Commission's view: Requires no further clarification.

Other Issues:

132 (1) Providing capacitors:

Suitable capacitors must be provided at each transformer instead of substations to avoid interruptions in power supply and to avoid damages of consumer's electrical instruments.

Discoms Response: Providing of capacitors to the DTRs on LV side was carried out in urban areas. 183 Nos. 600 KVAR auto switched line capacitor units are fixed on high loss 11 kV feeders i.e. Agriculture feeders for power factor correction/improvement.

All the new Distribution Transformers erected are 5 Star rated amorphous core distribution transformers for reduction of no load and full load losses in LT distribution network.

The suggestion will be considered for implementation.

Commission's view: No Comments.

(2) Electrical Meters:

The present meters are showing abnormal readings and the consumer is bearing heavy burden and loss. Hence, suitable meters must be provided immediately.

Discoms Response: All the old meters are replaced with most accurate IRDA Port meters and these are being tested at NABL Accredited Labs.

Commission's view: No need for any further comment.

(3) Providing Jumpers:

Jumpers must be provided at each transformer and at each junction on electrical poles to avoid power cuts at the time of maintenance, repairs and at the time of attending the Fuse of calls etc.

Discoms Response: Air Break (AB) switches are provided to all the DTRs. Line AB Switches are provided at convenient locations. Jumpers are provided at cut points and at vertical formation.

Commission's view: No further comments.

(4) Monthly Meter readings:-

The private workers are not taking the monthly meter readings in time, but are taking as and when they like, and as a result the consumer is paying extra charges against the next slab rate and getting loss. The meter reading must be recorded in-time and the cost of the unit rate at next slab rate must be collected only for the excess units. But presently, the next slab rate is being collected for total units unlawfully. Hence, suitable orders must be issued in this regard.

Sri V. Jogarao, Electricity Consumer Service Association, Guntur has stated that meter readings are not taken in time (30 days).

Sri P.V. Subba Reddy, MUS Trust, Hyderabad has stated that billing schedule of 30 days is not adhered causing billing at higher slabs.

Discoms Response: Monthly meter readings are being taken on fixed dates as per the billing schedule.

LT

Every month 3rd to 11th ----- M1 (A1,B1)

Every month 13th to 21st ----- M2 (A2,B2)

Every month 15th to 24th ----- M (HVC)

HT

3rd party ---- 26th

Other than 3rd Party ----- 5th

The AP Discoms would take appropriate action to ensure that the readings are taken as per the schedule.

Commission's view: The assurance of the Discoms is noted.

(5) Conducting of consumer affairs and awareness meetings

The consumer affairs and awareness meetings must be conducted every month under the chairmanship of A.D.E., D.E., and S.E. within their jurisdiction by calling all the

consumer affairs councils to solve the problems and to create awareness among the consumption and saving of power as there is huge waste of power. The power is being wasted mostly in the Government Offices. Hence suitable orders may be issued in this regard, to ensure better service to the consumers.

The Unreasonable submission of Discoms must be examined by the Commission in the presence of senior and efficient persons who have knowledge in accounts to find out how and in what way the Discoms are getting such heavy loss.

Discoms Response: Every month the consumer affairs and awareness meetings are conducted by CMD/APEPDCL as detailed below:

- 1) Dial Your CMD
- 2) Spandana
- 3) SS meetings

Based on the Annual Accounts, the losses/gains are being computed and true up filings are being submitted to the Honorable Commission.

All the charges being collected are in accordance with the relevant Tariff Orders only.

With regard to the correctness of the accounts, it is to inform that, all the Annual Accounts of the Discom are being audited by internal statutory audit and CAG.

Commission's view: Consumers interests are a matter of priority for Discoms as well as the Commission. Regulation 3 of 2016 is an effort in that direction.

(6) It is also known that the "Discoms" are purchasing power from private generators at unacceptable higher rates and are showing such losses in the ARR.

Discoms Response: The APEPDCL is making all efforts to render better services to the consumers. Several Network strengthening and system improving works are also being carried out. To extend reliable supply to the consumers and to avoid interruptions special drive was conducted for PMI duly deputing senior level officers from Corporate Office.

Commission's view: Specific instances with necessary evidence alone can help the Commission in taking any action.

NOC for full-capacity of Captive power plant for OA:

133 Sri Rajendra Vohra, M/s Sarda Metals and Alloys, Vizianagaram Dist., has stated that, NOC for Open Access shall be granted for the full capacity of Captive power plants.

Discoms Response: NOC is issued as per the regulations of APERC/CERC.

Commission's View: No further comment.

SoP norms to be revised:

134 Sri Gangadhar, ADE(Retd.), APEPDCL has stated that the norms of Standards of Performance (SoP) are to be revised

Sri K. Rajendra Reddy, President, Rashtriya Raithu Seva Samithi, Pakala, Chittoor Dist. has stated that accelerated action may be initiated to revise the standards of performance which is essential for speedy and accurate justice to the consumers.

Sri Yellapu Suryanarayana, President and Sri Rasamsetty Rajababu, Secretary, Bharatiya Kisan Sangh have stated that the standards of performance (SoP) shall be amended from time to time by conducting public hearings as is being done in case of CGRF and Ombudsman.

Sri P.V. Subba Reddy, MUS Trust, Hyderabad has stated that the compensation is very nominal.

Discoms Response: Under the purview of APERC

Commission's View: The Commission takes note of the need to revise the Standards of Performance and action will be taken in due course.

Sri D.V. Lakshminarayana, Journalist, Guntur has stated that a minimum compensation of Rs.1000 should be paid to the consumer for violation of the rules for the consumer services irrespective of the date of complaint. Three times penalty should be imposed for violation of the standards of performance irrespective of the date of complaint, as the present mechanism of levying penalty is not giving good results.

Discoms Response: Under the purview of the Commission.

Commission's View: The views are noted.

Burnt Meters:

135 Sri D.V. Lakshminarayana, Journalist, Guntur has stated that Consumers are forced to pay for the burnt meters, irrespective of whether they are responsible or not, besides this they are also bearing the brunt of not having power supply for seven days. DISCOMs are not taking responsibility even to the extent of 5% of the total cases of burnt meters. As such it is requested that the time limit for replacement of burnt meters may be changed from 7 days to 1day.

Discoms Response: The required time limit is fixed by the Commission. 7 days time required to check and replace the meter after receipt of complaint.

Commission's View: The suggestions are noted.

RESCOs tariff not to be increased:

136 Smt. P. Prashanti, Deputy Collector and Managing Director (FAC) of the Cheepurupalli Rural Electric Cooperative Society Ltd (RESCO), Cheepurupalli, Vizianagarm Dist., has stated that BST rate to the RESCO has to be fixed by the Commission based on the ARR for the year 2016-17 submitted. RESCO should not be considered as a HT Service, as proposed by APEPDCL, as license has been issued by the Commission. The Commission is requested to allot 81 MU to the RESCO, keeping in view, the obligation to extend continuous supply to agriculture consumers during daytime and 24 hrs. Supply to all other categories.

Discoms Response: There is nominal and natural increase in tariff along with other categories.

Sri J. Prasada Rao, Project Engineer/ RESCO, Anakapalli has stated that the proposed tariff fixed at Rs.1.53/- is objectionable. The commission is requested to approve additional energy (MU) for FY 2016-17 keeping in view of the 15 % growth over last year.

Discoms Response: Discoms proposed nominal increase of 4% hike in tariff for FY2016-17 duly considering all the factors. Approval of additional energy is under the purview of the Commission.

Commission's View: The requests are appropriately considered.

RESCOs to be merged with Discoms:

137 Sri Katuru Hari kishore kumar Reddy, Bharatiya Kisan Sangh, AP of Paturu, Kovuru Mandal, Nellore Dist., Sri Gadagottu Srirambabu, State President, Bharatiya Kisan Sangh, Poluru, Prakasham Dist., Sri Poondla Srinivasula Reddy, District President, Daamaramadugu, Nellore Dist., Sri Addagada Satiskumar, Raashtra Yuva Pramukh, Bharatiya Kisan Sangh, Nagulapalem, Prakasham Dist., Sri Alturu Hari Sarvothama Reddy, Mandal President, Bharatiya Kishan Sangh, Damaramadugu Post, Nellore Dist., Sri Unnam Simhadri, State Organizing Committee member, Bharatiya Kishan Sangh, Ananta Sagaram, Prakasham Dist., have stated that RESCOs of Anakapalle, Cheepurupalli shall be merged with APEPDCL and Kuppam RESCO with APSPDCL as Discoms were at loss supplying them at much less than the average power purchase cost.

Er. T.V. Ramana Murty, Secretary General, Eastern Discom Power Engineers Association has stated that RESCOs shall be merged with Discoms or tariff equivalent to power generation / purchase cost is to be decided.

Discoms Response: Under the purview of Government of AP / APERC.

Commission's View: It is for the State Government to take a policy decision.

Deemed Consumption clause to be put in abeyance:

138 Sri M.S.S. Sarma, AP Ferro Alloys Producers Association: Sri M.R. Prasad, Secretary General, AP Ferro Alloys Producers Association, Hyderabad and Sri Vijaya Gopal Reddy, Manish Reddy Ferro Alloy Industries have stated that the deemed the condition of energy consumption is to be kept in abeyance, for two years.

Discoms Response: The Commission has already given directions on the representation of Ferro Alloy Industries, vide Lr. No.E-205/DD-Dist / 2016 dt.18.02.2016.

Commission's View: No further comment is needed.

Tariff for Ferro Alloys:

139 Sri M.S.S. Sarma, AP Ferro Alloys Producers Association, has stated that Ferro Alloys industry tariff may be fixed at bulk power supply cost plus Discom margin.

Sri Kothapalli Ramakrishnamraju, President, Resident welfare Association, Visakhapatnam has stated that, increase of tariff for HT I (B) – Ferro Alloy Industries shall be considered @4% on par with HT I (A).

Sri A. Ajasarma, Chief Secretary, Forum for Development of North Andhra has stated that the tariff for Ferro Alloys is to be reduced by 50%.

Discoms Response: The Commission has already given directions on the representation of Ferro Alloy Industries, vide Lr. No. E-205/DD-Dist / 2016 dt.18.02.2016.

Commission's View: Relief is positively considered by the State Government, the Discoms and the Commission.

Energy Intensive Industries:

140 The Director, Vedic Ispat Pvt. Ltd.; The Director, Shyam Ferrous Limited; M/s Laxmi Rolling and Strips Private Limited; Sri Sunil Kumar Jallan, Director, M/s A ONE Steels India Pvt. Ltd.; Director, M/s A ONE Ispat Pvt. Ltd.; Managing Director, M/s Azad Ispat India Private Limited; Director, M/s Meenakshi bright steel bars Private Limited; Director, M/s Maharshi Alloys Pvt. Ltd.; Mr. Vinod Agarwal, Director, Agarwal Induction Furnace Pvt. Ltd.; from Hindupur, Anantapur Dist. have stated that their steel plants are based on induction furnaces and their high contracted maximum loads, the energy consumption levels and huge bill payments made, justifies for considering them as "Energy Incentive Industries". The commission is requested to treat Induction furnace based industries under Energy Intensive Industry Category.

Sri Gopal Choudary, Learned Council has stated that there should be intelligible criteria to implement grouping/categorisation of consumers. Commission should not follow the principles of the government while fixing the tariff and GoAP should be one more

petitioner only. The differential treatment of the consumers can be based on their cross subsidy contribution. When the cost of input of the industries like Ferro Alloys, Steel Industry, Alaklies and Cement Industry involves major part as electricity, why only some are given incentives? The basis for deciding the Energy Incentive Industry category is not known and it appears to be as per GoAP directive.

Sri P. Narendranath Chowdary, Managing Director, The Andhra Sugars Limited, Kovvur, W.G.Dist, has stated that the commission may consider Chloro-Alkali Industries as power intensive industries on par with Ferro Alloys companies and direct Discoms to introduce load factor based tariff, incentive as they are paying huge amounts than other categories.

Sri Shiva Kumar, Vice Chairman, Spinning mills Association has stated that spinning mills are desirable consumers for the Discoms and must be included in Energy Intensive Category.

Discoms Response: With a view to enable rapid industrialization in the State, it is proposed to extend concessional tariffs to the industries (three more industries along with Ferro Alloys) which have the cost of electricity charges for more than 30% of the total production cost, under the category HT-I (B). Load factor based tariff was dispensed by the Commission. Tariff fixation under the purview of APERC.

Commission's View: Both the distribution companies are directed to constitute a committee of experts to identify the criteria/data based on which Energy Intensive Industries can be so classified to extend any concessions/benefits by the electricity industry so as to take a scientific and verifiable decision on such categorization. However, for the FY2016-17 the proposal of the Discoms in respect of the industries identified by them as Energy Intensive Industries is accepted as the said industries are prima facie Energy Intensive.

Adopt SBI PLR rate for interest:

141 Sri M.S.S. Sarma, AP Ferro Alloys Producers Association, Sri M.R. Prasad, Secretary General, AP Ferro Alloys Producers Association, Hyderabad; Sri Vijaya Gopal Reddy,

Manish Reddy Ferro Alloy Industries, Sri V.R. Raghuraman, Teamec Chlorates Limited have stated that the interest rate being charged @18% on delayed payments etc. is very high and it should be linked to SBI PLR rate.

Discoms Response: The delayed payment surcharges are collected as per the Tariff Orders only. However in order to ensure the Discom revenues in time, the delayed payment surcharges are collected at higher rates.

Commission's View: No need for any further comment.

ACD Surcharges to be waived off:

142 Sri M.S.S. Sarma, AP Ferro Alloys Producers Association, has stated that ACD surcharge for FY 2015-16 is to be completely waived off.

Discoms Response: ACD surcharges for 2015-16 are levied as per the Tariff Order 2015-16 in order to maintain discipline among the consumers.

Commission's View: No need for any further comment.

Unified tariff for Ferro Alloy Units at different voltage levels:

143 Sri M.S.S. Sarma, AP Ferro Alloys Producers Association, has stated that there should be a unified tariff for 33 kV and 132 kV levels otherwise the 33 kV level consumers are burdened.

Sri M.R. Prasad, Secretary General, AP Ferro Alloys Producers Association, Hyderabad; Sri Vijaya Gopal Reddy, Manish Reddy Ferro Alloy Industries have stated that the tariff difference between 33 kV and 132 kV consumers should be aligned to the difference in CoS of respective voltages thereby avoiding levy of higher cross subsidy on 33 kV consumers.

Smt. P. Vydehi, Secretary i/c, The Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry (FTACCI), Hyderabad and Shri Bhushan Rastogi, FAPCCI have stated that the tariff proposed for 33 kV HT-I consumers is disproportionate to their cost of service.

Discoms Response: As the losses are on higher side at lower voltages, the rates are proposed higher at 33 KV level.

Commission's View: The suggestion is noted.

Tariff hike is not acceptable:

144 Sri R. Bhaskar, General Manager, DNW Department, Rashtriya Ispat Nigam Ltd., Visakhapatnam has stated that the proposed hike in tariff is unjustified and is incorrect when, globally the price of coal and oil is drastically coming down, reportedly to a lowest of last 12 years and 30% reduction in coal price results in 75% reduction in power cost.

Sri P. Narendranath Chowdary, Managing Director, The Andhra Sugars Limited, Kovvur, W.G.Dist, has stated that the power charges increased by 6% in the year 2015 -16 and the present proposal to increase by another 4% makes the total hike 10% within a span of one year, which is unreasonable, unjustified and against the multi-year tariff policy and regulations.

Sri D. Govinda Rao, District General Secretary, CITU, Srikakulam has stated that the proposed tariff hike in power tariff burdens the common man, indirectly by way of increase in the prices of other commodities.

Sri P. Chandrapathi Rao, District President, BC welfare association, Srikakulam has stated that, tariffs should not be increased keeping in view common people.

Sri J.T. Rama Rao, Uttarandhra Political JAC, Visakhapatnam has stated that Tariff hike is not acceptable.

Sri Y. Kondayya, CPIML New Democracy, Visakhapatnam has stated that, any increase in tariff causes burden on general public and the proposed hike in slab system is not clear.

Sri P.V. Subba Reddy, MUS Trust, Hyderabad has stated that tariff increase every year is not fair as the state is power surplus.

Sri K.V.Rao, General Manager – Projects and P&I, Coromandel International Limited, Vishakhapatnam; Sri E. Dayanand, Joint General Manager, Essar Steel India Ltd.,

Visakhapatnam have stated that, proposal of increasing power tariff for the FY 2016-17 by 4% is unjustified as the major source for the power supply is from coal based thermal generation (approximately 52%) and the average variable cost of power generation at present is significantly lower.

Sri K.V. Rao, General Manager – Projects and P&I, Coromandel International Limited, Vishakhapatnam and Sri E. Dayanand, Joint General Manager, Essar Steel India Ltd., Visakhapatnam have stated that, the proposed increase in the power tariff may not be considered as justified. On the contrary there is a need to consider for reduction in the prevailing tariff.

Sri Eenam Ramanayya, Akhila Bharata Rythu Kooli Sangham, Visakhapatnam has that the proposed Tariff hike is strictly opposed and requested to examine the Govt. policies being implemented by Delhi State Govt.

Smt. P. Mani, CPI (M), Representative of BNR Colony, Visakhapatnam has stated that the tariff should be reduced to the extent possible since common man is not able to bear any further burden.

Sri B. Vijaisagar, Chairman, Consumers Awareness and Research Centre, Kakinada has stated that the ARR of Discoms may be deemed to wholly mis-leading and substantially manipulated and falsified with the motive of oppression and subjecting all classes of consumers to extreme and untold hardships and miseries by proposing increases in electricity charges.

Sri Yellapu Suryanarayana, President and Sri Rasamsetty Rajababu, Secretary, Bharatiya Kisan Sangh have stated that the licensee has expressed inability to decide the purchase cost and also GoAP has joined UDAY scheme announced by GoI, the tariff for the retail supply should not be increased.

Sri V. Mohankumar, Kothur (V), Chittoor Mandal has stated that hike in tariff is life threatening.

Discoms Response: Discoms' proposal is in view of the common man only. Even though the hike is reduced by 50% for tariff in Delhi, the price per units is around Rs. 2.00 where as the proposed tariff of AP Discoms is Rs.1.45 per unit. As per National Tariff Policy, subsidy is to be given for 30 units for BPL consumers. But Discoms are proposing subsidy for 50 units per month. Average Cost to Serve (CoS) for the FY 2015-16 as approved by the Commission for the State was Rs 5.38/Unit. Whereas, revised average Cost to Serve (CoS) for the current year is Rs 5.92/Unit. The Licensees estimate the state level CoS for the ensuing year i.e. FY 2016-17 to be at Rs. 5.60/Unit. This implies an increase of Rs. 0.22/ Unit (4.05 % increase) when compared to approved average CoS.

Also, the average CPI inflation in India was 5.41% year-on-year in November 2015. The licensees would like to propose a nominal increase in the tariffs to meet the increased costs.

Discoms proposed a nominal increase of 4% hike in tariff for FY 2016-17 duly considering all the factors. This is a move towards a more rational tariff structure which ensures lowest tariffs to low-income consumers and higher tariffs for high-income in consumers irrespective of monthly consumption which is very dynamic.

Commission's View: The Commission has taken a holistic view on a reasonable tariff structure keeping in view the different perceptions.

Collect Arrears:

145 Smt. P. Mani, CPI (M), Representative of BNR Colony, Visakhapatnam has stated that Collection of huge arrears from high class consumers is to be concentrated.

Discoms Response: Arrears will be collected duly conducting special drives.

Commission's View: Action by the Discoms is welcome.

Free power to Electricity Employees:

146 Sri P. Chandrapathi Rao, District President, BC welfare association, Srikakulam has stated that, free power, to the extent of some units at least, should be given to Electricity employees, as a privilege.

Discoms Response: The issue will be discussed at higher level at government.

Commission's View: The State Government may take a policy decision.

Why Imported Coal instead of Indigenous coal?

147 Sri Y. Kondayya, CPIML New Democracy has stated that imported coal is being used instead of locally produced coal for generation of power.

Discoms Response: Government of India through Central Electricity Authority fixed usage of imported coal for each State to preserve and duly matching domestic coal with consumption. So usage of imported coal is inevitable for all central, State Generators. Accordingly, AP Genco invited limited tenders from all Central Public Sector utilities and availed coal supply from successful bidder till 2013. Now AP Genco is taken up coal procurement under ICB (International Competitive Bidding). However the usage of imported coal is 4% of total requirement.

Commission's View: No further Comment.

Electrify the villages:

148 Sri Devarakonda Markendeyulu, Bharateeya Communist Party has stated that all un-electrified villages should be electrified immediately.

Discoms Response: SC colonies of 81 nos. with expenditure of Rs.1.5 Crs and ST habitations in ITDA area of 152 nos. with expenditure of Rs. 7.8 Crs. are electrified through conventional lines.

173 nos. habitations were completed under DDG scheme (with Solar) with an expenditure of Rs.37 Crs. 55 nos. in Visakhapatnam district are under progress.

Commission's View: The efforts of the Discoms for electrification of all unconnected habitations are appreciated.

Ensure sufficient subsidy:

149 Sri Ch. Venugopala Rao, Bharatiya Kisan Sang, Vijayawada has stated that, sufficient subsidy is to be ensured to agricultural category.

Discoms Response: As per the tariff order, subsidy is received from the Govt. towards agriculture category. For requirement of additional subsidy, letter will be addressed to GoAP.

Commission's View: Subsidy due to agricultural consumption for earlier years may be paid expeditiously by GoAP.

No. of Agriculture Pump sets:

150 Sri Ch. Venugopala Rao, Bharatiya Kisan Sang, Vijayawada has stated that details of no. of pump sets existing in APEPDCL, are not known.

Discoms Response: As on 31.01.2016 there are 2,31,714 Agriculture services existing in APEPDCL.

Commission's View: The information is furnished above.

Bills are not served in time:

151 Sri M. Ramesh, District Secretary, TDP, Srikakulam has stated that, bills are not served in time by the 3rd party agencies. The eventual late payments by the consumers are attracting penalty of Rs. 75/-. It should be reduced to Rs. 25/-.

Discoms Response: Discoms would take appropriate action to ensure that the readings are taken up as per the schedule.

Commission's View: The assurance of Discoms is noted.

152 Sri M. Ramesh, District Secretary, TDP, Srikakulam has stated that in the rural areas the minimum clearances from the lines are reduced due to formation of new roads at height and construction of new buildings. The poles should be replaced to avoid accidents.

Discoms Response: Suggestions are noted.

Commission's View: No further comment.

153 Sri M. Ramesh, District Secretary, TDP, Srikakulam has stated that subsidy should be given to industries improve the sector.

Discoms Response: In order to promote industrialization in AP, the Discoms have proposed concessional tariff to some of the industries.

Commission's View: The proposals of the Discoms are duly considered.

Conduct Public hearings at Mandal Head Quarters:

154 Dr. Krishna Murty, Federation of Farmers Association, Srikakulam; Sri Jalagam Kumaraswamy, BKS; Sri Tirupathi Rao, District Committee Member, CPM, Srikakulam; Sri Prabhakar, CPI (ML) New Democracy, Ananatpur and Sri Jayachandra, Tirupathi have stated that there was no wide publicity about the public hearings and hearings shall be conducted at Mandal Head quarters level.

Discoms Response: Under the purview of the Commission.

Commission's View: Publication of the public notice about public hearings in two English and two Telugu news papers having wide circulation in the State is sufficiently wide publicity and conducting public hearings at Mandal Headquarters will be examined.

Establish Mini Hydel Projects in Tribal Areas:

155 Sri Tirupathi Rao, District Committee Member, CPM, Srikakulam has stated that Mini hydel projects shall be established in tribal areas.

Discoms Response: Not under the purview of Discom.

Commission's View: It is a matter of State Policy.

Discoms are in deficit due to GoAP faults:

156 Sri D. Govinda Rao, District General Secretary, CITU, Srikakulam has stated that, Discoms are in deficit due to the Government faults.

Discoms Response: The increase in power purchase cost which contributes 80% of the ARR and also increased network cost resulted in deficit. Further, decrease in average revenue realization is due to sales mix.

Commission's View: No Comment.

Merchant Plants are allowed indiscriminately:

157 Sri D. Govinda Rao, District General Secretary, CITU, Srikakulam has stated that Merchant Power Plants are indiscriminately allowed and high prices are paid.

Discoms Response: No PPAs entered with the Merchant Plants however as per Electricity Act, 2003 Merchant power plants are at liberty to establish their plants anywhere. They are being paid as per the APERC approved rates.

Commission's View: No Comment.

Levy of reconnection charges without actual disconnection:

158 Sri Kondapalli Vasudevarao, Editor and Publisher, Electricals Electronics & General Information magazine; Sri Satyaprasad, Loksatta, Vijayawada have stated that, re-connection charges are being collected even though service is not disconnected physically.

Discoms Response: Re-connections charges are collected as per the Tariff order. If at all particular case is brought to the notice, action shall be initiated.

Commission's View: No further Comment.

Cottage Industries:

159 Sri A.D. Kamacharyulu, President, Akhila Bharateeya Viswakarma Parishad, Hyderabad has stated that much delay is taking place in sanctioning the subsidized connections for cottage farms. Permission up to 10 HP loads for the cottage industries is not being implemented and officers in some districts are unaware of the Commission orders. The tariff of Category IV is to be implemented up to 10 HP in all districts as the loads of cottage industries (Barbour shops) are generally not more than 2 HP (5 HP in some places but are very less in no.) and at the most each shop will have 2 to 3 machines. Further, all the machines are never loaded simultaneously as there will not be a huge demand in such industry.

Sri V. Jogarao, Electricity Consumers Service Association has stated that tariff for Barber shops shall be reduced.

Discoms Response: Load up to 10 HP is being permitted for the cottage industry units as per the tariff orders of honorable commission.

Commission's view: No Comment on 10 HP load. To help rural barbers the tariff for commercial category upto 100 units per month is not increased.

Sri A.D. Kamacharyulu, President, Akhila Bhaarateeya Viswakarma Parishad, Hyderabad has stated that Subsidy service connections are to be sanctioned within 30 days of the date of submitting application considering the inability of the entrepreneurs to pursue the issues for months together being daily wage earners. The permitted load shall be increased to 15 HP and the tariff may be reduced from Rs. 1.80 to as Rs. 1.00 per unit as is being implemented in the state of Tamilnadu.

Discoms Response: Matter is under the purview of the Commission.

Commission's view: The request is noted.

Levy of high penalties for late payments:

160 Sri Mutyala Jameel, State General Secretary, Bharatiya Kishan Sangh (BKS) has stated that from November 2015 onwards DISCOMs are imposing higher penalties if the bills are not paid within the stipulated time, even though there is no such provision in the tariff order.

Smt. P. Bharati, Eguvapalakur, Puthalapattu Mandal, Chittoor Dist., has stated that the domestic billing is not being done in telescopic method and Customer charges, Electricity duty, Fuel Surcharge, Late payment fee, Interest on Electricity duty, arrears are being levied absurdly. Penalties are being levied even if the payment is done on the very next day of the receipt of the bill.

Sri C.V. Mohan Rao, Secretary, Repalle Pattanabhivrudhi Sangham, Repalle, Guntur has stated that the customer charge per month should be Rs. 25/- , since there is no difference in the service rendered by the Discom, slab wise.

Discoms Response: Tariffs, as per the tariff order issued by the Commission, will be collected for the entire year. If the bills are not paid within the due date, penalty, as ordered by the Hon'ble Commission, has to be paid.

Commission's view: The suggestions are noted.

Fuse boxes used in HVDS scheme are of low quality:

161 Sri Mutyala Jameel, State General Secretary, Bharatiya Kishan Sangh (BKS) has stated that The fuse boxes used at the transformers in HVDS schemes are of low quality and posing danger. The doors of fuse boxes are getting detached and also due to rusting of the plugs the fuses are being by-passed, which is very dangerous.

Discoms Response: About 1,54,912 distribution transformers and associated equipment were inspected in the pre-monsoon inspection (PMI) and some defects were identified. 57% of the identified defects have been rectified by December 2015. It has been decided to take up the remaining rectification works from 1.03.2016.

Commission's view: The Discoms are taking remedial action.

Ex-gratia for accidents:

162 Sri Jalagam Kumara Swamy, State Organising Secretary, Bharatiya Kisan Sangh, Vijayawada; Sri G. Krishnakumar, Lawyer and Legal Cell convenor, Bharatiya Kisan Sangh, Vuyyuru; Sri Medasaani Vijayabhaskar, President, Bharatiya Kisan Sangh; Sri Maddireddy Srinivasa Reddy, Kotharepudi, Krishna District and Sri Shirsham Venugopal Reddy, Chatray, Krishna Dist., have stated that Compensation for electrocution shall be given on par with the general accidents.

Sri Mutyala Jameel, State General Secretary, Bharatiya Kishan Sangh (BKS) has stated that financial help should be given to the private helpers engaged by linemen, when accidents occur.

Sri U. Bhaskara Rao, State president, BKS has stated that although a sum of Rs. 4 Lacs is announced to be given to those who expire due to electrocution, APEPDCL is slack in conducting enquiries and in giving ex-gratia.

Sri B.N. Prabhakar, President, Society for Water, Power & Natural resources conservation Awareness and Monitoring (SWAPNAM) has stated that an ex-gratia of at least Rs. 5 to 6 lacks should be paid for the people died of electric shock.

Sri Yellapu Suryanarayana, President and Sri Rasamsetty Rajababu, Secretary, Bharatiya Kisan Sangh, have stated that the ex-gratia for electrocution shall be fixed as Rs. 5 Lakhs and Rs. 50,000/- for cattle. The commission may note that the ex-gratia has already been enhanced in Telangana State.

Sri P. Madhava Reddy, District President, Bharatiya Kisan Sangh, Jammalamadugu has stated that compensation is denied on the reason that department not responsible for certain accidents.

Smt. P. Bharati, Pakala, Chittoor Dist. has stated that compensation should be paid irrespective of the responsibility of the licensee.

Sri V. Rambhoopal, District Secretary, CPM, Ananatapur has stated that there is lot of delay in giving ex-gratia.

Sri Katuru Hari kishore kumar Reddy, Bharatiya Kisan Sangh, AP of Paturu, Kovuru Mandal, Nellore Dist., Sri Gadagottu Srirambabu, State President, Bharatiya Kisan Sangh, Poluru, Prakasham Dist., Sri Poondla Srinivasula Reddy, District President, Daamaramadugu, Nellore Dist., Sri Addagada Satiskumar, Raashtra Yuva Pramukh, Bharatiya Kisan Sangh, Nagulapalem, Prakasham Dist., Sri Alturu Hari Sarvothama Reddy, Mandal President, Bharatiya Kishan Sangh, Damaramadugu Post, Nellore Dist., Sri Unnam Simhadri, State Organizing Committee member, Bharatiya Kishan Sangh, Ananta Sagaram, Prakasham Dist., have stated that Compensation of Rs. 4 lakhs shall be paid for electrocution and Discoms shall claim the same in ARR.

Discoms Response: As per the orders of the Commission, compensation of Rs. 2,00,000/- for loss of human life, Rs. 20,000/- for loss of cattle and Rs. 4,000/- for loss of goat /sheep is being paid for accidents. Field level enquiry is being conducted and compensation is being released as soon as the relevant documents are furnished. Actions are taken on the responsible department employees.

Commission's view: The Commission will make efforts to evolve a proper regulatory regime for compensation for loss of life, limb or property due to electric shock.

Create awareness on conservation:

163 Sri U. Bhaskara Rao, State president, BKS has stated that Weekly meetings to be arranged for farmers and consumers to bring awareness on conservation of electricity.

Discoms Response: Substation committee meetings and farmer conferences are being organized to inculcate energy conservation.

Commission's view: The State Energy Conservation Mission is taking care of the same.

Suggestions:

164 Sri M. Krishna Murty, Chief Engineer (Rtd.), APEPDCL, Secretary, APSEB Retd. Officials Association Branch, Vizianazgaram has suggested the following.

Efficiency Improvement Methods for improving finance of DISCOM

a) Encouraging Roof Top Solar Units

Roof top solar units produce electricity at 440 volts system enabling delivery of units at LT system and thereby avoid all other system consumption. Thus the units to be purchased by DISCOM at 33kV and 132kV level are reduced. Suppose 10,000 roof top units are erected at Visakhapatnam, 50 MW of grid load is reduced which in turn results in further saving of units to be purchased.

Discoms Response:

- 1) 10 KW Roof top Solar Project were installed at ATC building and circuit house / Visakhapatnam during the year 2012.
- 2) Encouraging consumers for Solar Power generation and net metering by installing grid connected roof top Solar PV system by individual consumer with 30% subsidy on the project cost. 44 No's Solar Roof top units commissioned with a total capacity of 622 KW in APEPDCL.

b) Providing Solar Power to Substations for Lighting and For Breaker Operations

With 4nos. of 250W, 24 V solar panels along with 2KVA, 24V inverter and 12nos. 2V, 20AH conventional lead acid batteries, the sub-station lighting, indications and open /trip operation of breakers can be performed. The economics may be worked out taking a pilot study. All roof tops of offices and sub stations may be utilized for solar power generation. DISCOM can save many units by avoiding these from purchases.

Discoms Response: Suggestions noted.

c) Energy saving program involving existing employees

It is a recognized fact that energy saving is very urgent program to face shortage of power and to save earth from global warming due to CO₂ emission. Trained department employees may be involved for speedy results for getting accountable energy savings.

Sri Kothapalli Ramakrishnamraju, President, Resident welfare Association, Visakhapatnam has stated that, Many establishments like offices of Gol undertakings, GoAP are violating the energy conservation rules / guidelines / act in vogue. Licensee may be directed to educate through their vigilance/ electrical safety officers and to bring lapses to the notice of HODs / CVC etc. Licensee may organize counseling/ public participation during energy conservation week at sub-station level.

Discoms Response: As part of Energy Conservation week APEPDCL organized the following activities to create awareness on Energy Conservation, Energy Efficiency and Renewable Energy Sources i.e. Solar etc.,

- Rally is conducted for creating awareness
- Painting Competitions were conducted for School going children in Sub- Junior, Junior & Senior Categories on the Topic Energy Conservation & Solar Energy.
- Technical quiz conducted for school going children to create awareness on Energy Resources and Energy Conservation.
- Solar Expo conducted from 22nd to 24th August 2015 with Solar panel vendors and other energy efficient devices suppliers to promote Roof top solar Energy.

- Work shop conducted for creating awareness on Energy Conservation for general public and Engineering College Students.

Commission's view: The experienced suggestions may be appropriately adopted by the Discoms.

Tariff for temporary supply can be further increased:

165 Sri Kothapalli Ramakrishnamraju, President, Resident welfare Association, Visakhapatnam has stated that APEPDCL's proposal for temporary supply (LT VIII) is very low. Proposed demand charge of Rs. 22/kW/month is very low and it has to be revised on par with LT VI (A) & (B) i.e. Rs. 33/kW/Month.

Discoms Response: The temporary supply under LT VIII is considered as a special category since long time and proposed an increase in demand and energy charges by 4% on existing tariff.

Commission's view: The suggestion is noted.

Two Categories may be considered under LT-II non-domestic:

166 Sri Kothapalli Ramakrishnamraju, President, Resident welfare Association, Visakhapatnam has stated that the LT-II non domestic category may be separated into two categories (a) non domestic (b) commercial with specific definition of service. All commercial units like shopping malls, jewellery shops, whole shale dealers, shops with air conditioners etc. to be brought to the category of Commercial & minimum increase of unit rate shall be Rs.1.

Discoms Response: The consumers other than domestic are categorized as Non-domestic/ Commercial. The Discom finds no rationality in separating the category or creating a new category.

Commission's view: The suggestion is noted.

Separate Tariff Category for Defence / all Govt. Establishments:

167 Sri Kothapalli Ramakrishnamraju, President, Resident welfare Association, Visakhapatnam has stated that, Separate tariff category for HT shall be included for

Defence Establishments as existing in some states otherwise all Govt. establishments may also be considered for the same which may help increased revenue to the Licensee.

Discoms Response: Under the purview of the Commission

Commission's view: The suggestion is noted.

- 168** Sri Kothapalli Ramakrishnamraju, President, Resident welfare Association, Visakhapatnam has stated that, Un serviceable/defective service connections shall be replaced by APEPDCL and may be charged to the consumers instead of replacing by consumers, as per the electricity act and rules in vogue. This will help quality & income to Licensee and avoids inconvenience and is a major consumer welfare measure.

Discoms Response: Service wire shall be procured by the consumer. Services are being rendered by the Discom free of cost.

Commission's view: The suggestion is noted.

- 169** Sri Kothapalli Ramakrishnamraju, President, Resident welfare Association, Visakhapatnam has stated that, the total anticipated income, expenditure, subsidy expected from Govt., depreciation, all in cost rate per unit of previous year is to be considered for 2016-17 to arrive at the tariff rates without any budgetary deficit for APEPDCL.

Discoms Response: Discom has proposed nominal increase of 4% hike in tariff for FY 2016-17 duly considering all the factors.

Commission's view: The suggestion is noted.

- 170** Sri Yellapu Suryanarayana, President and Sri Rasamsetty Rajababu, Secretary, Bharatiya Kisan Sangh, have stated that the term "corporate farmers" must be clearly defined.

Discoms Response: The farmers who have joined the **Companies** registered under the Companies Act 1956, **Partnership firms** as per Indian Partnership Act 1932, **Societies** registered as per Society registration Act 1882 and **Registered trusts** as per Indian Trust Act 1882, are treated as Corporate farmers.

Commission's view: The definition of corporate farmer is explained by the Discoms.

- 171** Sri Yellapu Suryanarayana, President and Sri Rasamsetty Rajababu, Secretary, Bharatiya Kisan Sangh, have stated that the term "income tax payer" should be used instead of "income tax assessee".

Discoms Response: Under the purview of the Commission.

Commission's view: Not necessary. All those who are required by the Income Tax Act, 1961 to file their annual income tax returns are income tax assessees.

- 172** Sri Katuru Hari kishore kumar Reddy, Bharatiya Kisan Sangh, AP of Paturu, Kovuru Mandal, Nellore Dist., Sri Gadagottu Srirambabu, State President, Bharatiya Kisan Sangh, Poluru, Prakasham Dist., Sri Poondla Srinivasula Reddy, District President, Daamaramadugu, Nellore Dist., Sri Addagada Satiskumar, Raashtra Yuva Pramukh, Bharatiya Kisan Sangh, Nagulapalem, Prakasham Dist., Sri Alturu Hari Sarvothama Reddy, Mandal President, Bharatiya Kishan Sangh, Damaramadugu Post, Nellore Dist., Sri Unnam Simhadri, State Organizing Committee member, Bharatiya Kishan Sangh, Ananta Sagaram, Prakasham Dist., have stated that, in LT-V (A), only Farmer and Income tax assessee shall be kept and the remaining shall be removed. The financial burden on the government on account of this will be about Rs. 7 Crores only which is insignificant compared to Rs. 3188 Crores of agricultural subsidy.

Discoms Response: Under the purview of the Commission.

Commission's view: The suggestion is noted.

- 173** Sri Yellapu Suryanarayana, President and Sri Rasamsetty Rajababu, Secretary, Bharatiya Kisan Sangh have stated that bills, ranging from thousands to lacks of rupees, are raised to the farmers owning lands below the prescribed limits of 2 acre 50 cents, who are actually eligible for free power and this problem should be resolved, as many farmers are in hardships and are unable to pay the bills.

Discoms Response: Free power is being given to all the farmers who have lands below 2.5 Acres, as per the orders of the Commission.

Commission's view: Specific instances with necessary evidence may be brought to our notice.

Voltage-wise Tariff benefits to 220 kV Consumers:

174 Sri S. De Sarkar, Plant Head, Abhijeet Ferro Tech. Ltd., Visakhapatnam has stated that according to various provisions of the Electricity Act, 2003 the Tariff Policy and guidelines issues by other Commissions as well as APTEL, voltage tariff wise benefit to be provided to the Consumers connected to 220 kV, who certainly contribute much less towards losses as compared to the consumers connected to 132 kV level. 220 kV level also to be also indicated / included separately under HT (I) B for Ferro Alloy Units.

Discoms Response: Ferro Alloys consumers in A.P. were extended a preferential tariff over all other industrial consumers for quite a long time. Even now, the tariff is very less compared to similar consumers of other industries. Further, ToD charges and Demand charges are also not levied on Ferro Alloys consumers.

Regarding the voltage-wise tariff differentiation, it is to inform that M/s Abhijeet Ferro Alloys filed appeals in Hon'ble APTEL and Hon'ble Supreme Court to extend the same between 132 kV level and 220 kV level also.

The categorization of HT tariff under 3 voltage levels i.e. 11kV, 33kV & 132kV and above, is reasonable.

Ferro Alloys are retained at '132kV and above', treating as EHT consumers and the proposed tariff of Rs.4.81/unit is less than CoS as well as the tariff proposed for domestic consumers.

Commission's view: Needs no further comment.

Meters shall be fixed for Lift Irrigation schemes and DTRs:

175 Sri Katuru Hari kishore kumar Reddy, Bharatiya Kisan Sangh, AP of Paturu, Kovuru Mandal, Nellore Dist., Sri Gadagottu Srirambabu, State President, Bharatiya Kisan Sangh,

Poluru, Prakasham Dist., Sri Poondla Srinivasula Reddy, District President, Daamaramadugu, Nellore Dist., Sri Addagada Satiskumar, Raashtra Yuva Pramukh, Bharatiya Kisan Sangh, Nagulapalem, Prakasham Dist., Sri Alturu Hari Sarvothama Reddy, Mandal President, Bharatiya Kishan Sangh, Damaramadugu Post, Nellore Dist., Sri Unnam Simhadri, State Organizing Committee member, Bharatiya Kishan Sangh, Ananta Sagaram, Prakasham Dist., have stated the following.

- (i) Meters shall be fixed for lift irrigation schemes and DTRs under LT V category.

Discoms Response: Meters are being arranged for all the new connections of lift irrigation schemes. Necessary actions are taken to fix meters for DTRs.

- (ii) The Salt industry and Rural Horticulture nurseries up to 10 HP load shall be included in LT-IV category. The salt industry in 'C' shall be changed to LT-IV category. Salt is not agriculture but is an industry. Rural Horticulture Nurseries shall also be changed to LT-IV category.

- (iii) Lift irrigation schemes shall be included in LT-V (A). They are being supplied of power for 16 hours a day out of which 7 hours a day is free of cost. Over and above Rs. 3.50 / unit is being charged. But now the tariff may be fixed such that for consumption up to 1200 units/HP/Year is free of cost and thereafter Rs.3.50/unit for the consumption over and above, as provided for the same services in towns.

Discoms Response: Under the purview of Hon'ble Commission

Commission's view: The suggestions received the necessary attention of the Commission and further action will be taken.

Change of Agreement:

- 176** Sri Katuru Hari kishore kumar Reddy, Bharatiya Kisan Sangh, AP of Paturu, Kovuru Mandal, Nellore Dist., Sri Gadagottu Srirambabu, State President, Bharatiya Kisan Sangh, Poluru, Prakasham Dist., Sri Poondla Srinivasula Reddy, District President, Daamaramadugu, Nellore Dist., Sri Addagada Satiskumar, Raashtra Yuva Pramukh, Bharatiya Kisan Sangh, Nagulapalem, Prakasham Dist., Sri Alturu Hari Sarvothama Reddy, Mandal President, Bharatiya Kishan Sangh, Damaramadugu Post, Nellore Dist.,

Sri Unnam Simhadri, State Organizing Committee member, Bharatiya Kishan Sangh, Ananta Sagaram, Prakasham Dist., have stated the following:

- Whenever a consumer changes from HT to LT, the agreement change shall be accepted instead of cancellation.

Discoms Response: As the Terms and Conditions of LT and HT agreements are different, the agreement has to be cancelled and new agreement is to be entered.

- When sick industries changeover from HT to LT, only lighting load shall be considered but not the connected load.

Discoms Response: Service connection will be given according to the load to be utilized by the consumer.

Commission's view: Noted.

- 177** Sri Donga Nageswara Rao, District President, Bharatiya Kisansangh, Ambajipet, E.G.Dist. has stated that mono block pump sets are not given under solar pump sets scheme.

Discom's Response: As per the latest instructions of NREDCAP, actions have been taken, duly entrusting the works to contractors, to supply mono block pump sets to those who have paid the deposits.

Commission's View: Seen.

- 178** Dr. Krishna Murthy, Federation of Farmers Association, has stated that, Compensation is not being paid to the farmers / owners whose have lost lands / trees due to construction of EHT (765 kV) Lines. Most of the farmers are of small scale. There are discriminations in payment of compensations. Compensation should be rationally fixed after discussing with the respective farmers / owners only but not to be decided by other departments like horticulture, revenue etc. and should be on par with Central government guidelines. There shall be uniform guidelines for compensations.

Discoms Response:

The objection pertains to AP Transco.

Commission's View: The Commission requested GoAP recently for framing the rules / guidelines as per section 67 (3) of Electricity Act, 2003 governing the subject.

- 179** Dr. Krishna Murty, Federation of Farmers Association, Srikakulam has stated that there is difference in cost / unit for the AP Genco stations even existing in the same area.

Discoms Response: Charges are to be paid as per the approved contracted capacities. In this scenario the energy charges cannot be compared. However APEPDCL is paying the charges as per the Hon'ble APERC approved Tariff order.

Commission's View: Unit cost of the power plants existing in the same geographical area may differ due to their respective date /year of commissioning.

- 180** Sri K.V.Rao, General Manager – Projects and P&I, Coromandel International Limited, Vishakhapatnam; Sri E. Dayanand, Joint General Manager, Essar Steel India Ltd., Visakhapatnam have stated that both the fixed and variable costs have been indicated to be in the increasing trend when the cost of steam coal and oil has dropped drastically by almost 50% .

Discoms Response: The licensees have made every effort toward improvement of all efficiencies, including aggressive reduction in distribution losses. However, the unavoidable increase in power purchase cost has resulted in a significant revenue gap for FY2016-17.

The licensees have proposed a modest tariff increase of 4% over the existing tariff approved by the Hon'ble Commission for FY2015-16.

Commission's view: The Views are noted.

- 181** Smt. P. Vydehi, Secretary i/c, The Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry (FTACCI), Hyderabad and Shri Bhushan Rastogi, FAPCCI have stated that, insisting for minimum period of 1 year for de-ration of CMD for subsequent subsidiary agreements on the same connection is proving to be a burden on the consumers. The Commission is requested to do away with the insistence of Minimum Period and suitable directions in this regard may be issued to the licensees.

Further, they have prayed the Commission to,

- Disallow the power purchase cost in cases where the purchase has been projected at exorbitantly high price, not relatable to the incumbent market situations;
- Allow the PGCIL and ULDC expenses in accordance with the norms specified by the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations 2014;
- Disallow the interest on consumer security deposit claimed in excess of the existing bank rate of RBI, as such claim is extraneous to the Tariff Regulations;
- Re-adjust the level of subsidy from Govt. of Andhra Pradesh based on estimated consumption levels such that the cost of supplying subsidized power to select consumer categories is not borne by the other non-subsidized consumers in terms of adjustment of the revenue gap of FY 2016-17;
- Approve the ARR by considering the total subsidy of Rs. 1341.17 Crore over FY2016-17 period;
- Approve the ARR by applying the non-tariff incomes as earned by the Licensee in the past strictly in line with audited accounts.

Discoms' Response: Under the purview of the Commission

Commission's view: The suggestions are noted.

Single phase transformers should not be used:

182 Sri B. Ramaswamy Reddy, SE (Rtd.), APSEB, Cuddapah has requested that the Commission to give a directive to the Discoms to restore the old method of releasing service connections from LT 3 Phase 4 Wire distribution transformers only, as it is technically wrong and human lives are endangered, if single phase transformers are used for the purpose.

Discoms Response: Neutral wire is laid up to a length of 5 kM from the sub-station to connect to the Single Phase Transformers

Commission's view: The Discoms are requested to take necessary action to avoid the dangers projected by the objector in tune with the earlier directions of the Commission.

- 183** Sri P. Mallikarjuna Rao, President and other members of the Krishna Co-op. irrigation and agricultural improvement society Guntupalli, Vijayawada have submitted that the society consist of 1250 farmers owning lands from half an acre to 2.5 acres are not receiving subsidy from the Govt. in the form of free power supply due to non-inclusion in the list of the subsidy, by any department. The farmers are ready to pay the monthly customer charges on par with other agricultural farmers. The Commission is requested to instruct the concerned departments to include the small farmers in the subsidy list on par with 75000 agricultural consumers/farmers in Krishna district.

Discoms Response: The Billing of LI Schemes services are being done as per the provisions in the Tariff Order and as per the direction of the Commission. Providing subsidy as requested is not under the purview of the licensee.

Commission's Response: The representation has been duly considered.

Relax Limitation on HP for Rural Horticulture:

- 184** Sri P. Vijayakumar and Sri M. Sridhar Reddy, Hyderabad have stated that the limitation of 15 HP should be relaxed in 'LT-V (C) – Rural Horticulture Category', as motors of 20 to 30 HP capacity are required for water lifting in the upland areas of Godavari Districts.

Discoms Response: Under the purview of the Commission.

Commission's View: The Discoms may examine the feasibility of the request and comeback to the Commission with specific recommendations.

- 185** Sri Bollineni Chandramoulinayudu, Sankhampalle in Pakala Mandal, Sri Surineni Jayaramnayudu, Surnenivaripally, Pakala Mandal, Chittoor Dist., has stated that agricultural bills shall be separated from the domestic service bills. Life insurance facility shall be provided for the consumers along with the electricity bill.

Discoms Response: The Licensee is not providing Life Insurance.

Commission's View: Life insurance is not within the purview of the Commission.

- 186** Sri V.R. Raghuraman, Teamec Chlorates Limited has requested that the chlorate is a unique industry and requested for fixation of special tariff under HT I (B) and consideration under Power Intensive Industry Category.

Discoms Response: Will be examined.

Commission's View: Await the result of the examination by the Discoms. Also see the topic 'Energy Intensive Industries' (Para No.140)

- 187** Sri K. Gopalakrishna Reddy, Nellore has requested to enhance the contracted load limit for LT-II (56 kW/75 HP) on par with LT-II industry (75 kW /100HP). Further, he also requested to extend power supply to Function Halls under HT-VII (Green Power Category) without minimum charges.

Discoms Response: To promote sales under HT VII category, the licensees would like to propose to extend power supply to any consumer under-HT VII without reference to end use purpose. There shall not be minimum charges and Demand charges which will be useful to the consumers who have energy consumption at intervals particularly, function halls, Kalyanamandapams, etc.

Further, the licensees proposes to extend 100 HP/ 75 kW power supply to other than LT-III industrial categories. The Commission is requested to make necessary modifications in the Tariff Order 2016-17.

Commission's View: The issues relating to Function halls are duly considered.

CHAPTER - IV
SALES FOR FY2016-17

188 In this chapter, the Commission has examined the sales forecast made by the licensees and approved the sales volume for different consumer categories for each licensee separately for FY2016-17. The Commission has reckoned/examined/considered all the stakeholders' views/objections/suggestions expressed orally during public hearings and in writing to the extent they are relevant to the issue of electricity sales forecast for FY2016-17. The Commission has accepted the sales for two licensees at 49991 MU against 50733 MU estimated by licensees for FY2016-17 (less by 742 MU) as detailed hereunder:

Sales Forecast for FY2016-17

189 Licensees have used the modified trend approach for estimation of the sales for most of the consumers categories, in which the historical trends have been observed and modifications have been carried out on those observed trends based on subjective judgment. Licensees have estimated the sales to different consumer categories and then aggregated the total sales for FY2016-17 at 50733 MU for the State (consisting of 33809MU by SPDCL and 16923 MU by EPDCL). For FY2015-16, licensees have estimated the sales for complete year based on first half actual sales and estimated sale for second half at 44679 MU for the State (consisting of 29485 MU by SPDCL and 15194 MU by EPDCL). The growth in sales during FY2016-17 over FY2015-16 estimated sales works out to be about 14% (SPDCL by 15% and EPDCL by 11%). The sales volumes for major categories forecast for FY2016-17 as per licensees' filings and percentage of increase of sales forecast for FY2016-17 compared to actual estimates for FY2015-16 are given in the table below:

Table 7: Sales Forecast for FY2016-17 (MU)

Consumer Category		2015-16			2016-17			FY2016-17 over FY2015-16		
		SPDCL	EPDCL	Total	SPDCL	EPDCL	Total	SPDCL	EPDCL	Total
(1)		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
LT-I	Domestic	7099.72	4231.34	11331.06	7953.09	4766.50	12719.59	12.02%	12.65%	12.25%
LT-II	Non-Domestic	1585.17	778.91	2364.08	1763.12	874.72	2637.85	11.23%	12.30%	11.58%
LT-III	Industry	1596.78	733.01	2329.79	1813.53	837.85	2651.38	13.57%	14.30%	13.80%
LT-IV	Cottage Industries	38.17	2.16	40.33	41.52	2.36	43.88	8.77%	9.39%	8.80%
LT-V	Agriculture	8392.70	2281.16	10673.86	8720.67	2372.34	11093.01	3.91%	4.00%	3.93%
LT-VI	Street Ligting	526.59	229.49	756.08	537.42	238.13	775.55	2.06%	3.76%	2.58%
LT-VII	General	89.52	43.42	132.94	97.05	48.29	145.34	8.41%	11.22%	9.33%
LT-VIII	Tempoary	15.65	1.12	16.77	15.65	1.115	16.77	0.01%	-0.43%	-0.02%
HT-I	Industry	7818.59	5239.33	13057.92	8914.53	5956.44	14870.97	14.02%	13.69%	13.88%
HT-II	Others	655.19	590.02	1245.21	742.95	672.63	1415.57	13.39%	14.00%	13.68%
HT-III	Aviation	21.57	14.34	35.91	35.01	34.46	69.47	62.31%	140.34%	93.47%
HT-IV	Lift Irrigation	534.36	115.35	649.71	1973.91	135.35	2109.26	269.40%	17.34%	224.65%
HT-V	Railway Traction	768.79	648.29	1417.08	830.88	678.53	1509.40	8.08%	4.66%	6.52%
HT-VI	Townships	39.77	30.42	70.19	41.77	31.72	73.49	5.04%	4.28%	4.71%
HT-VII	Green Power	0.00	0.00	0.00	0.00	0.00	0.00			
HT-VIII	Tempoary	0.00	0.00	0.00	0.00	0.00	0.00			
HT-IX	RESCOs	301.96	256.44	558.40	328.40	272.72	601.12	8.76%	6.35%	7.65%
Total		29484.53	15194.80	44679.33	33809.49	16923.17	50732.66	14.67%	11.37%	13.55%

Limitations of Sales Forecast

190 The trend approach is more appropriate in estimation of sales to *general consumer categories* (consumer categories for which historical data is available for each consumer that can be aggregated for the entire consumer category). However, the trend method has limited use in estimation of sales to some *exceptional consumer categories* (consumer categories for which historical data for each consumer is not available for aggregation. Such/few large projects affect the trends in consumption/for supplies to persons who distribute electricity to end consumers). For LT-V: Agriculture where consumers are not metered thus, historical sales aggregation cannot be done for forecasting. Similarly, the sales estimation to HT-IV(A):Lift Irrigation category is sensitive to the operational aspects of existing projects and timing of upcoming new projects. In case of Rural Electric Supply Cooperatives (RESCOs), the sales estimate is dependent on the consumption trends in the supply areas of RESCOs and thus sales estimates made by the RESCOs are also to be reckoned in arriving at the gross sale to RESCOs for a year.

191 Despite all efforts in making the sales forecast and approval of sales to be nearest possible to the actuals, there may be significant variations in actual sales volume from the approved sales volumes. The Commission has found that the estimated sales for FY2015-16 (as included in the tariff filings for FY2016-17) are less than the approved sales in the tariff order for FY2015-16; estimated actual sales volume is 44679 MU against 47387 MU approved by the Commission for FY2015-16¹. This aspect warrants caution in estimation and approval of the sales volume that impinge upon the expenditure and revenues of the licensees. The sales volume approved by the Commission and estimated actuals as per the licensees for FY2015-16 are given in the table below:

Table 8: Sales Volume during FY2015-16, Tariff Order vs Actuals (MU)

Consumer Category		Tariff Order -FY2015-16			Estiamted Actuals - FY2015-16			Est. Actuals over Approvals		
		SPDCL	EPDCL	Total	SPDCL	EPDCL	Total	SPDCL	EPDCL	Total
(1)		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
LT-I	Domestic	6776.73	4325.65	11102.39	7099.72	4231.34	11331.06	4.77%	-2.18%	2.06%
LT-II	Non-Domestic	1442.33	739.57	2181.90	1585.17	778.91	2364.08	9.90%	5.32%	8.35%
LT-III	Industry	1377.22	853.04	2230.26	1596.78	733.01	2329.79	15.94%	-14.07%	4.46%
LT-IV	Cottage Industries	33.52	1.82	35.33	38.17	2.16	40.33	13.88%	18.87%	14.14%
LT-V	Agriculture	8020.16	1936.33	9956.49	8392.70	2281.16	10673.86	4.65%	17.81%	7.21%
LT-VI	Street Lighting	540.52	233.90	774.42	526.59	229.49	756.08	-2.58%	-1.89%	-2.37%
LT-VII	General	80.93	45.92	126.84	89.52	43.42	132.94	10.62%	-5.43%	4.81%
LT-VIII	Tempoary	1.04	0.74	1.78	15.65	1.12	16.77	1403.58%		839.81%
HT-I	Industry	10309.10	6600.25	16909.35	7818.59	5239.33	13057.92	-24.16%	-20.62%	-22.78%
HT-II	Others	674.33	654.86	1329.19	655.19	590.02	1245.21	-2.84%	-9.90%	-6.32%
HT-III	Aviation	72.09	15.13	87.22	21.57	14.34	35.91	-70.08%	-5.25%	-58.83%
HT-IV	Lift Irrigation	345.26	60.03	405.29	534.36	115.35	649.71	54.77%	92.15%	60.31%
HT-V	Railway Traction	830.02	732.54	1562.56	768.79	648.29	1417.08	-7.38%	-11.50%	-9.31%
HT-VI	Townships	46.50	34.36	80.86	39.77	30.42	70.19	-14.47%	-11.46%	-13.19%
HT-VII	Green Power	0.00	0.00	0.00	0.00	0.00	0.00			
HT-VIII	Tempoary	16.62	0.00	16.62	0.00	0.00	0.00			
HT-IX	RESCOs	310.13	275.98	586.10	301.96	256.44	558.40	-2.63%	-7.08%	-4.73%
Total		30876.49	16510.12	47386.60	29484.53	15194.80	44679.33	-4.51%	-7.97%	-5.71%

Sales Volume for FY2016-17

192 The Commission has accepted the licensees' forecast of sales for all general consumer categories except for LT-V: Agriculture, HT-IV(A):Lift Irrigation and HT-RESCOs

¹ Sales estimates for FY2015-16 are based on actual sales for the first half and estimated sales for the second half. The data on second half is more optimistic than the first half and by the end of the financial year, the actual sales volume would likely to be even less than the estimated sales volume.

(exceptional consumer categories) for FY2016-17 as the projected sales appear to be feasible and possible as the increase in sales is moderate compared with the estimated actual sales for FY2015-16. Further, minor variations in sales to general consumer categories do not pose significant threats to licensees' cost and revenues as the variations in costs and revenues, in normal course, cancel each other except in case of LT-I: Domestic and LT-IV: Cottage Industries consumer categories. For these two consumer categories, external subsidies and cross subsidies are present in the tariff determination; the expansion in sales beyond the approved volume may result in insufficiency of tariff revenue to meet the cost of higher sales. Since the Commission has approved the sales as proposed by licensees for these consumer categories, licensees are not exposed to such risk during FY2016-17 and they shall make attempts to adhere to sales volume approved in this Order.

Sales to LT-V: Agricultural Consumers:

193 As per the licensees' filings, about 1.59 million agricultural consumers are connected to LT network and the total connected load of these consumers is about 8.99 million HP during FY2016-17. Almost all these consumers are not individually metered which prohibits the computation of consumption by aggregation for this consumer category for any time period. Hence, some sort of consumption estimate is a necessity for any sales forecast and planning for power procurement. In this regard, the Commission in its earlier tariff order for FY2015-16 has instructed/directed the licensees to measure the agricultural consumption based on sample DTR methods suggested by Indian Statistical Institute, Hyderabad (ISI method) for FY2016-17². The actual consumption for three year period beginning with FY2012-13 and estimated consumption for FY2015-16 (first half actuals and second half estimates) for both licensees as per their filings are given in the table below:

² The Commission has elaborated the estimation methods for estimation of agricultural consumptions in Tariff Order for FY2015-16(OP 1&2 of 2015), Page.90, Paras 181-182.

Table 9: Consumption by LT-V: Agricultural Consumers-Historical Information (MU)

Year	SPDCL	EPDCL	Total
(1)	(2)	(3)	(4=2+3)
2012-13	4587.91	1528.41	6116.32
2013-14	5513.46	1752.45	7265.91
2014-15	8006.78*	2166.92	10173.70
2015-16	8392.70	2281.16	10673.86

- The significant increase in consumption is on account of addition of two districts, Anantapur and Kurnool, to SPDCL Supply Area.

194 M/s EPDCL, pending the estimation of consumption based on the method prescribed, has requested the Commission to accept the actual agricultural sales filed by the licensee based on old methodology in which the DTR meter readings, loads on DTRs and total HP capacity for each revenue mandal have been used in the estimation of the consumption. Assuming 4% growth rate during FY2016-17 over 2282.68 MU estimate for FY2015-16 with the consideration of a)7 hours supply and b)additional consumption due to release of 13300 new connections, EPDCL has projected the sale to this category of consumers at 2372.34 MU during FY2016-17.

195 M/s SPDCL has adopted the estimates for Anantapur and Kurnool based on ISI method for FY2015-16. For the remaining five districts, the company has adopted the old methodology in which the DTR meter readings, loads on DTRs and total HP capacity for each revenue mandal have been used in the estimation of the consumption while using the estimates based on new method wherever feasible³. The estimate made for FY2015-16 is at 8392.70 MU which is expected to increase by 3.91 percent to 8720.67MU during FY2016-17 while considering a)7 hours supply, b) additional consumption due to release of new connections and c)increase in consumption by existing pump sets.

196 The licensees could not progress in this direction to estimate consumption for the entire supply area for a complete 12 months period during FY2015-16. However, the licensees

³ The progress reported by SPDCL in measuring the consumption based in ISI method is satisfactory and SPDCL, in all probability, should be able to estimate the consumption based on this method for FY2017-18 in complete shape.

could reasonably estimate the consumption for FY2015-16 based on actuals for the first half and estimates based on historical information for the second half; the estimates for FY2015-16 are closer to actual consumption reported by licensees for FY2014-15. In the absence of any reliable estimate based on ISI method for a complete 12 month period, the Commission has accepted the sales volume for this category of consumers for FY2016-17 equivalent to sales estimates for FY2015-16 which are closer to actual consumption reported by licensees for FY2014-15 with a direction that;

The licensees shall complete the sales estimation to LT-V: Agricultural category based on ISI method for a period of 12 consecutive months beginning with FY2017-18. The licensees shall file a monthly progress report in this regard without fail.

- 197** The sales volume approved by the Commission for this consumer category is less by 419MU compared with the estimates made by the licenses for FY2016-17. The details of the sales estimates made by licensees and approved by the Commission for FY2016-17 are given in the table below:

Table 10: Sales Volume to LT-V: Agriculture during FY2016-17(MU)

Licensee/DISCOM	ARR Filings	APERC Approved	Difference
(1)	(2)	(3)	(4=3-2)
SPDCL	8720.67	8392.7	-327.97
EPDCL	2372.34	2281.16	-91.18
Total	11093.01	10673.86	-419.15

Sales to HT-IV: Lift Irrigation:

- 198** The sales projection to HT-IV: Lift Irrigation consumer category depends upon numerous factors such as water availability, new projects completion, etc., that determine the number of operating days under each scheme during a year. Though historical information is useful in projecting the consumption by the projects in operation, addition of new projects pose significant forecasting uncertainties with regard to volume of consumption. The licensees have projected 2014 MU consumption by this consumer category during FY2016-17 against the actual consumption of around 611 MU during FY2014-15 and estimated consumption of 650 MU during FY2015-16.

199 Licensees state that they have estimated the sales based on ongoing lift irrigation projects and projects that are likely to come up during FY2016-17. The Commission has written to Irrigation Department, Government of Andhra Pradesh and obtained the estimated consumption information for ongoing projects and new projects likely to be commissioned during FY2016-17. As per the information obtained from the Irrigation Department, Government of Andhra Pradesh, the total sale to this consumer category is placed at 1633 MU during FY2016-17. The sales approved to HT-IV(A): Lift irrigation are lower by 675 MU for SPDCL and higher by 322 MU for EPDCL for FY2016-17. The sales filed by the licensees and approved by the Commission for both licensees during FY2016-17 are given in the table below:

Table11: Sales Volume to HT-IV(A): Lift Irrigation during FY2016-17(MU)

Licensee/DISCOM	ARR Filings	APERC Approved	Difference
(1)	(2)	(3)	(4=3-2)
SPDCL	1863.20	1188.59	-674.60
EPDCL	122.64	444.56	321.92
Total	1985.84	1633.16	-352.68

200 The Commission also notes that the errors, if any, in estimation of sales on lower/higher side may not result in attendant problems with regard to cost and revenues of the licensees as the tariff for this consumer category is closer to cost of service⁴. Hence, variations in sales are expected to be associated with corresponding variations in costs and revenues which may result in only minor cost/revenue variations.

Sales to Rural Electric Supply Cooperative Societies (RESCOs)

201 Licensee have projected the sales to RESCOs for FY2016-17 who in turn distribute such purchases from licensees to the consumers connected to LT network in their respective supply areas. RESCOs also filed the applications with the Commission for determination of the bulk supply rate for their purchases from licensees during FY2016-17. In these applications, RESCO also estimated the sales to the consumers in their supply areas and

⁴ Licensees, in their filings, have proposed Rs.5.60/unit for this consumer category which is equal to cost of service during FY2016-17 (as per filings).

based on the estimated sales and losses, each RESCO estimated the power purchase requirement from licensees during FY2016-17. However, they differ from each other by a wide margin.

202 The sales volume projected by the licensees (601 MU) is lower compared with the power purchase requirement estimated by RESCOs (857 MU). However, both of these estimates are higher than the power purchase volume approved for the RESCOs during FY2015-16 (586 MU); the licensees' estimates are closer to the approved volumes for RESCOs during FY2015-16. The estimates made by RESCOs are significantly higher compared with the volumes approved for FY2015-16 for each of the two licensees.

203 In the background of varying estimates made by the Licensees and RESCOs, the Commission has;

a) computed category wise sales increase in approved sales volume for FY2016-17 over sales volume approved for FY2015-16 in each licensee area;

b) applied this increase over approved sales volume for each consumer category during FY2015-16 in RESCOs' supply areas to arrive at the sales volume in RESCO's supply areas FY2016-17 (SPDCL-Kuppam, EPDCL-Anakapalle and Chipurupalli)⁵ and

c) computed the power purchase requirement while grossing up the revised sales volume with applicable loss levels for each RESCO for FY2016-17

204 The revised power purchase requirement computed in the above manner for each RESCO has been approved as sales volume for the respective licensee during FY2016-17; sales to RESCOs are placed at 329 MU for SPDCL (to Kuppam RESCO) and 302 MU for EPDCL (to Anakapalle and Chipurupalli RESCOs) during FY2016-17 and the details are given in the Table below:

⁵ For temporary category, projections made by RESCOs have been taken into account as growth of sales for this consumer category in RESCOs' supply areas will be less the grown in licensees' supply areas.

Table 12: Sales Volume to RESCOs during FY2016-17 (MU)

Name of the RESCO	Approved by the Commission for FY2015-16	Power Purchase Requirement Estimated by RESCOs	Sales Volume Estimated by the Licensees	Sales Volume Approved for FY2016-17
(1)	(2)	(3)	(4)	(5)
Kuppam	310.13	529.01	328.40	329.48
Anakapalle	210.06	247.05	198.46	227.19
Chipuruapalli	65.89	81.00	74.26	74.85
Total	586.08	857.06	601.12	631.52

205 The Commission, in accordance with the above reasoning, has approved the sales volume at 32808 MU against 33809 MU filed by SPDCL and 17183 MU against 16923MU for EPDCL during FY2016-17. The sales volume approved for EPDCL is higher than the sales volume filed by licensee on account of higher sales volume approved for HT-IV (A): Lift Irrigation category based on data obtained from Government of Andhra Pradesh as explained earlier in this order. The sales volumes filed by the licensees and approved by the Commission for FY2016-17 for major consumer categories are given in the table below:

Table 13: Sales Volume for FY2016-17-Filed by Licensees and Approved by APERC (MU)

Consumer Category		Licensee Filings			APERC Approved			Approved over Filings		
		SPDCL	EPDCL	Total	SPDCL	EPDCL	Total	SPDCL	EPDCL	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
LT-I	Domestic	7953.09	4766.50	12719.59	7953.09	4766.50	12719.59	0.00%	0.00%	0.00%
LT-II	Non-Domestic	1763.12	874.72	2637.85	1763.12	874.72	2637.85	0.00%	0.00%	0.00%
LT-III	Industry	1813.53	837.85	2651.38	1813.53	837.85	2651.38	0.00%	0.00%	0.00%
LT-IV	Cottage Industries	41.52	2.36	43.88	41.52	2.36	43.88	0.00%	0.00%	0.00%
LT-V	Agriculture	8720.67	2372.34	11093.01	8392.70	2281.16	10673.86	-3.76%	-3.84%	-3.78%
LT-VI	Street Lighting	537.42	238.13	775.55	537.42	238.13	775.55	0.00%	0.00%	0.00%
LT-VII	General	97.05	48.29	145.34	97.05	48.29	145.34	0.00%	0.00%	0.00%
LT-VIII	Tempoary	15.65	1.12	16.77	15.65	1.12	16.77	0.00%		0.00%
HT-I	Industry	8914.53	5956.44	14870.97	8914.53	5956.44	14870.97	0.00%	0.00%	0.00%
HT-II	Others	742.95	672.63	1415.57	742.95	672.63	1415.57	0.00%	0.00%	0.00%
HT-III	Aviation	35.01	34.46	69.47	35.01	34.46	69.47	0.00%	0.00%	0.00%
HT-IV	Lift Irrigation	1973.91	135.35	2109.26	1299.30	457.28	1756.58	-34.18%	237.84%	-16.72%
HT-V	Railway Traction	830.88	678.53	1509.40	830.88	678.53	1509.40	0.00%	0.00%	0.00%
HT-VI	Townships	41.77	31.72	73.49	41.77	31.72	73.49	0.00%	0.00%	0.00%
HT-VII	Green Power	0.00	0.00	0.00	0.00	0.00	0.00			
HT-VIII	Tempoary	0.00	0.00	0.00	0.00	0.00	0.00			
HT-IX	RESCOs	328.40	272.72	601.12	329.48	302.04	631.52	0.33%	10.75%	5.06%
Total		33809.49	16923.17	50732.66	32808.00	17183.23	49991.23	-2.96%	1.54%	-1.46%

Conclusion on Sales Volume for FY2016-17

206 Licensees are expected to adhere to the 49991 MU sales volume approved in this Order category wise as the costs and revenues are finalized in this Order based on these sales volumes. Sales volume exceeding the approved sales volume may put the licensees' finances in jeopardy as tariff is less than the cost of service and cross subsidies and external subsidies are embedded into tariff only up to the approved sales volume. Sales volume short of approved sales volume for subsidizing consumers may also result in financial difficulties as anticipated cross subsidies are not realized to meet the cost in part for subsidized consumers as computed.

207 The Commission has observed that during FY2015-16, as per licensees' data included in the filings, it will be likely that sales to LT Consumer categories (most of them are subsidized) exceed the approved volume whereas the sales to HT Consumer categories will be less than the approved volumes (all are subsidizing) which will be an undesirable situation in which the licensees may not be able to recover the approved revenue requirement through tariffs as anticipated in the tariff order for FY2015-16. Hence, the licensees are directed that;

Licensees shall be vigilant and take appropriate remedial measures to adhere to the sales volume approved in this Order. The licensees, beginning with May 2016, shall file a summary monthly report for the preceding month with regard to actual sales volume and revenue of major consumer for FY2016-17 duly indicating the reasons for deviation from the tariff order and remedial measures taken/proposed to be taken thereof, if any.

208 The information on volume of sales as filed by the licensees and approved by the Commission for each of the existing tariff categories is given in the table below:

CHAPTER – V
POWER PURCHASE REQUIREMENT FOR FY2016-17

Introduction

209 The Commission in this Chapter has examined the power purchase requirement filed by the licensees for FY2016-17, considered the stakeholders' views/objections/suggestions relating to losses and power purchase requirement and determined the power purchase requirement for each licensee separately for FY2016-17.

Filings for FY2016-17

210 For arriving at the power purchase requirement, the Licensees grossed up the sales volumes with appropriate transmission and distribution losses which were arrived at in the following manner:

- a. For distribution losses, the Licensees adopted the % distribution losses considered by the Commission in the Retail Tariff Order for FY2015-16 (The Commission, in the Retail Tariff Order for FY2015-16, advanced the distribution loss target set for FY2018-19 in the wheeling tariff order for third control period to FY2015-16) after reducing the same by 5%.
- b. For losses in APTRANSCO network, the Licensees adopted the average of actual % losses during first half of FY2015-16 which is less than the target (3.95%) fixed by the Commission for the terminal year i.e. FY2018-19 in the Transmission tariff order for the third control period.
- c. For losses in the PGCIL network, the Licensees adopted the % loss considered by the Commission in the Retail Tariff Order for FY2015-16.

211 The power purchase requirement arrived at in the above manner is 57564.60 MU comprising of 38481.11 MU for SPDCL and 19083.49 MU for EPDCL respectively. The summary of sales, losses and power purchase requirements as per filings is given in the table below:

Table 15: Filings: Sales, Losses and Power Purchase Requirement (MU) for FY 2016-17

Item	Sales	Losses	Power Purchase requirement
(1)	(2)	(3)	(4)
SPDCL	33809.49	4671.62	38481.11
EPDCL	16923.17	2160.32	19083.49
TOTAL	50732.66	6831.94	57564.60

Determination of Power Purchase Requirement for FY2016-17

212 The Commission after considering a) existing loss levels; b) MYT target loss levels set for FY2016-17 & FY2018-19; c) loss levels adopted in the Retail tariff order for FY2015-16; d) views/objections/suggestions of various stakeholders; e) replacement of incandescent bulbs with LED bulbs; f) replacement of agricultural pump sets with solar pump sets and & energy efficient pump sets and g) various other energy conservation and loss reduction measures undertaken by the licensees, has determined the % transmission and distribution losses to be adopted in the Retail Tariff order for FY2016-17 in the following manner:

- a. The Commission has accepted the % distribution losses filed by the Licensees as they are below the loss targets set for the terminal year i.e. FY2018-19 in the wheeling tariff order for third control period and less than the loss levels adopted in the Retail Tariff order for FY2015-16.
- b. Similarly, for APTRANSCO network, the Commission accepted the % loss filed by the Licensees as the same is below the loss target set for the terminal year i.e. FY2018-19 in the transmission tariff order for 3rd control period and less than the loss level adopted in the Retail Tariff Order for FY2015-16. For PGCIL network, the loss percentage as filed by the Licensees is accepted as the same is closer to the actual value.

213 The % losses as filed by the Licensees, as approved in the Retail Tariff Order for FY2015-16, and as per the targets set for FY2016-17 & for the terminal year i.e. FY2018-19 of the third control period and as adopted now by the Commission in this order are tabulated below:

Table 16 : Losses - SPDCL

Network	Retail Order FY 2015-16	Filed by the Licensees	Loss target set for FY2016-17	Loss target set for FY2018-19	Adopted by the Commission in this order
(1)	(2)	(3)	(4)	(5)	(6)
Distribution-LT	5.00%	4.75%	5.50%	5.00%	4.75%
Distribution-11 KV	3.84%	3.65%	4.00%	3.84%	3.65%
Distribution-33 KV	3.80%	3.61%	3.96%	3.80%	3.61%
APTRANSCO	3.95%	3.34%	4.01%	3.95%	3.34%
PGCIL	3.57%	3.57%	-	-	3.57%

Table 17: Losses - EPDCL

Network	Retail Order FY2015-16	Filed by the Licensees	Loss target set for FY2016-17	Loss target set for FY2018-19	Adopted by the Commission in this order
(1)	(2)	(3)	(4)	(5)	(6)
Distribution-LT	4.99%	4.74%	5.00%	4.99%	4.74%
Distribution-11 KV	4.00%	3.80%	4.22%	4.00%	3.80%
Distribution-33 KV	3.39%	3.22%	3.39%	3.39%	3.22%
APTRANSCO	3.95%	3.34%	4.01%	3.95%	3.34%
PGCIL	3.57%	3.57%	-	-	3.57%

214 The results of the computations of the power purchase requirement for each of the licensees are tabulated below:

Table 18: Power Purchase (in MU), Voltage Wise sales (in MU) and Voltage Wise Loss (%)

DISCOM	Voltage	Loss	Voltage	Sales	LT	11kV	33kV	132kV
APEPDCL	L.T.	4.74%	L.T.	9050.12	9500.45	9875.72	10204.30	10556.90
PGCL Inj Share	11kV	3.80%	11kV	2320.98	-	2412.66	2492.94	2579.08
34.27%	33kV	3.22%	33kV	1981.82	-	-	2047.75	2118.51
PGCL Inj (MU)	132kV	3.34%	132kV	3830.30	-	-	-	3962.66
4475.60	PGCIL	3.57%	TOTAL	17183.23	9500.45	12288.39	14744.99	19217.15
Loss up to said voltage					4.74%	7.46%	9.44%	10.58%
						D. Loss(MU)	1392.07	
						T. Loss(MU)	641.85	
						PGCIL Loss(MU)	159.78	
Total Loss(MU) & % Loss including PGCIL							2193.70	11.32%
Total Power Purchase Requirement (MU)							19376.93	
DISCOM	Voltage	Loss	Voltage	Sales	LT	11kV	33kV	132kV
APSPDCL	L.T.	4.75%	L.T.	20614.09	21642.09	22461.95	23303.19	24108.41
PGCL Inj Share	11kV	3.65%	11kV	2938.01	-	3049.31	3163.51	3272.82
65.73%	33kV	3.61%	33kV	4240.64	-	-	4399.46	4551.48
PGCL Inj (MU)	132kV	3.34%	132kV	5015.26	-	-	-	5188.56
8584.23	PGCIL	3.57%	TOTAL	32808.00	21642.09	25511.25	30866.16	37121.28
Loss up to said Voltage					4.75%	7.68%	9.96%	11.62%
						D. Loss(MU)	3073.43	
						T. Loss(MU)	1239.85	
						PGCIL Loss(MU)	306.46	
Total Loss(MU) & % Loss including PGCIL							4619.74	12.34%
Total Power Purchase Requirement (MU)							37427.73	
DISCOM	Voltage	Loss	Voltage	Sales	LT	11kV	33kV	132kV
All Discoms	L.T.	4.75%	L.T.	29664.21	31142.53	32337.67	33507.49	34665.31
PGCL Inj Share	11kV	3.72%	11kV	5258.99	-	5461.97	5656.45	5851.90
100%	33kV	3.49%	33kV	6222.46	-	-	6447.22	6669.99
PGCL Inj (MU)	132kV	3.34%	132kV	8845.57	-	-	-	9151.22
13059.83	PGCIL	3.47%	TOTAL	49991.22	31142.53	37799.64	45611.15	56338.42
Loss up to said voltage					4.75%	7.61%	9.79%	11.27%
						D. Loss(MU)	4465.50	
						T. Loss(MU)	1881.70	
						PGCIL Loss(MU)	466.24	
Total Loss(MU) & % Loss including PGCIL							6813.44	11.99%
Total Power Purchase Requirement (MU)							56804.66	

215 The power purchase requirement for FY2016-17 has been reduced by 623 MU due to the adoption of lesser % of Transmission and Distribution Losses compared to the previous year. The power purchase requirement computed in the above manner is placed at 56804.66 MU for FY2016-17 which is lesser by about 760 MU compared to the power purchase requirement of 57564.60 MU filed by the Licensees for FY2016-17. The details of power purchase requirement filed by the licensees and approved by the Commission are given in the table below:

Table 19: Power Purchase Requirement during FY2016-17 (MU)

Licensee	As per Filings	Approved by APERC	Difference
(1)	(2)	(3)	(4)=(3)-(2)
SPDCL	38481.11	37427.73	-1053.38
EPDCL	19083.49	19376.93	293.44
Total	57564.60	56804.66	-759.94

CHAPTER - VI
POWER PURCHASE COST FOR FY2016-17

Introduction

216 In this Chapter, the Commission has determined the power purchase cost for FY2016-17 based on the power purchase requirement approved in Chapter-V while keeping in view the stakeholders' views/objections/suggestions as enumerated in Chapter-III and all other related aspects. The licensees have estimated the power purchase cost at ₹22876.53 Cr for a total power purchase requirement of 57564.60 MU from different sources. The details of power purchase cost filed by the licensees are given in the table below:

Table 20: Filings: Power Purchase Costs for FY2016-17

Source (1)	Purchase MU (2)	Cost (₹ Cr)				Avg ₹/unit (7)
		Fixed (3)	Variable (4)	Other (5)	Total (6)	
APGENCO/ TSGENCO						
Thermal	23634.52	4952.21	5989.34	275.54	11217.09	4.75
Hydel	3241.44	478.88	0.00	0.00	478.88	1.48
CGS	12436.63	1130.01	3090.18	32.28	4252.48	3.42
APGPCL	106.91	4.02	30.71	0.00	34.73	3.25
IPPs	3047.87	343.16	776.17	0.00	1119.33	3.67
NCE	4964.74	0.00	2539.09	0.00	2539.09	5.11
Others *	16699.64	3580.86	2856.26	2.58	6439.71	3.86
Short Term Purchases	574.55	0.00	296.98	0.00	296.98	5.17
Sales in the Market	-7141.70	0.00	-3501.76	0.00	-3501.76	4.90
TOTAL	57564.60	10489.14	12076.98	310.40	22876.53	3.97
*Hinduja, KSK Mahanadi, Thermal Powertech, Srivatsa and DBFOO						

Energy Availability for FY2016-17

217 The Licensees estimated the energy availability at 66838.66 MU from different generating stations and market during FY2016-17. The estimated energy availability is primarily from APGENCO & TSGENCO with long term contracts (25504.11 MU from thermal stations and 3241.44 MU from hydel stations), short term availability from market (821.81 MU) and CGS (12436.63 MU) and others such as Hinduja and Thermal Powertech (16699.64 MU) during FY2016-17.

218 The Commission has determined the energy availability from each generating station for every month during FY2016-17 after considering:

- a. Projections by the generators;
- b. Actual performance of the generating stations in the current financial year up to the end of January 2016;
- c. Availabilities projected by the Licensees in the ARR/FPT filings ;
- d. Availability of gas;
- e. Likely commissioning of new generation projects during FY2016-17;
- f. Views/suggestions/objections received and the response of the Licensees thereon;
- g. The share of Andhra Pradesh State in CGS as per the latest MOP/GoI notification in this regard;
- h. Share of AP in the Thermal & Hydel Stations of APGENCO and TSGENCO and
- i. 100% share for AP in Hinduja Power Plant and Damodaram Sanjeevaiah Power Plant.

219 With the reassessment of energy availability for each generating station, the Commission has revised the energy availability upwards by 965.92 MU from different generation sources (excluding market purchases) during FY2016-17. Significant increase in availability is observed from APGENCO & TSGENCO stations at 1229.58 MU. The details of total energy available to the Licensees during FY2016-17 are given in the table below:

Table 21: Energy Availability (MU) during FY2016-17 (Excluding Market Purchases)

Source	Filed by Licensee	Approved by APERC	Difference in Availability
(1)	(2)	(3)	(4) =(3)-(2)
APGENCO/TSGENCO			
Thermal	25504.11	26733.69	1229.58
Hydel	3241.44	3241.44	0
CGS	12436.63	12176.52	-260.11
APGPCL	116.50	112.94	-3.56
IPPs	3053.79	3053.79	0
NCE	4964.74	4964.74	0
Others *	16699.64	16699.64	0
TOTAL	66016.85	66982.77	965.92
*Hinduja, KSK Mahanadi, Thermal Powertech, Srivatsa and DBFOO			

Monthly Mapping of Power Purchase Requirement and Availability

- 220** Against the total power purchase requirement of 56804.66 MU for FY2016-17 as determined by the Commission in Chapter-V, the energy availability from different generation sources excluding market purchases has been placed at 66982.77 MU during FY2016-17.
- 221** The Commission, after considering the energy availability as per its revision, has mapped the month wise power purchase requirement against month wise available energy to each Licensee first and then surplus available energy from other licensee (D to D sales/purchases) in the merit order and arrived at monthly surplus/deficit for all the months of FY2016-17 for each licensee.

Central Dispatch FY2016-17

- 222** The available energy during each month from different stations estimated as above along with variable rates have been used for monthly merit order despatch of energy for FY2016-17. For arriving at the merit order despatch, the monthly energy availability from each generating station is stacked up in ascending order based on variable rates and despatched accordingly to meet the requirements of both the Licensees. Any shortfall in energy during some of the months (April'16 and May'16) due to availability of less energy is allowed to be met through short term purchases from the market. Similarly, any surplus energy available during the rest of the months is allowed to be sold in the market to reduce the overall power purchase costs.

Market Purchases

- 223** The Commission, based on the monthly mapping of requirement and availability, has found that the Licensees are short of meeting the energy requirement by 294.40 MU during April'16 and May'16 of FY2016-17. The Commission has allowed the Licensees to purchase the required 294.40 MU during the above months from the market at the maximum ceiling rate of ₹5.17/unit. This rate shall also be deemed as the maximum ceiling tariff determined under section 62 of Electricity Act, 2003 for short term power purchases to meet the unanticipated power shortages during FY2016-17.

224 The market purchases have been reduced from about 574.55 MU as per ARR/FPT filings to 294.40 MU during FY2016-17 that has led to a reduction of power purchase cost by about ₹144.84 Cr. After factoring the approved market purchase of 294.40 MU during FY2016-17, the total energy availability as per this Order is placed at 67277.20 MU against 66591.40 MU projected/estimated by the Licensees. The details are given in the table below:

Table 22: Energy Availability (MU) during FY2016-17 (Including Market Purchases)

Source	Filed by Licensees	Approved by APERC	Difference in Availability
(1)	(2)	(3)	(4) =(3)-(2)
APGENCO/TSGENCO			
Thermal	25504.11	26733.69	1229.58
Hydel	3241.44	3241.44	0
CGS	12436.63	12176.52	-260.11
APGPCL	116.50	112.94	-3.56
IPPs	3053.79	3053.79	0
NCE	4964.74	4964.74	0
Others *	16699.64	16699.64	0
Short Term	574.55	294.40	-280.15
TOTAL	66591.40	67277.20	685.80
*Hinduja, KSK Mahanadi, Thermal Powertech, Srivatsa and DBFOO			

Ceiling Price for Short Term Power Purchases

225 The maximum ceiling rate for short term purchases was pegged at ₹5.17/kWh as filed by the Licensees after considering:

- Maximum rates at which short term transactions took place through exchanges and bilateral purchases during the last one year in the country;
- Rates at which the short term purchases were made by the Licensees during the past one year;
- Rates prevalent in the southern region;

- d. Stringent conditions imposed by CERC on maintaining grid frequency and restriction on over drawal from the grid in the Deviation Regulations;
- e. Evacuation constraints between the Southern grid and rest of the grid in the country
- f. Short term purchase orders placed by the Licensees for FY2016-17.

Sale of Surplus Energy

226 The Licensees proposed to sell surplus energy of 7141.70 MU in the market at sale price of ₹4.90 per unit. The Commission feels that restricting the despatches to match the energy requirement by backing down the generation during surplus situation is not desirable due to the following reasons:

- a. Backing down will not have any impact on the fixed charges payable by the Licensees to the generators, thereby increasing the per unit cost of generation;
- b. The needy consumers in other states are deprived of the opportunity to purchase the surplus energy thereby affecting the economic growth of the country as a whole to certain extent;
- c. The Licensees lose the opportunity to reduce their Cost of Service by selling the surplus energy at remunerative prices and passing on the benefit to the consumers in the State and
- d. Backing down will reduce the efficiency of the thermal plants forcing them to consume more coal and oil per unit of energy generated.

Therefore, the Commission has decided to allow the Licensees to dispatch the available surplus energy and sell it in the market subject to the grid constraints, the demand in the market and economic benefit to the Licensees.

The Commission estimated the saleable surplus energy at 10472.51 MU against 7141.70MU proposed by the Licensees. However, the Commission has adopted a conservative sale price of ₹4.29 per unit for selling this energy as against a sale price of ₹4.90 per unit proposed by the Licensees, keeping in view the higher saleable surplus energy estimated by the Commission. The saving in power purchase cost estimated by the Commission due to sale of surplus energy is about ₹4492 Cr as against ₹3502 Cr filed by the Licensee.

Unexpected Slippage in Generation

227 During some months, part or full availability of energy estimated from some of the generating stations may not materialize due to factors like break down of power plants, non-availability of fuel and delay in commissioning of new power plants leading to a gap between demand and supply. In that case, the Licensees shall approach the Commission for remedial measures to meet the shortfall in energy from alternative sources.

Power Purchase: Fixed Costs for FY2016-17

228 The Licensees estimated the fixed cost for APGENCO and TSGENCO stations at ₹5431.09Cr for FY2016-17. For APGENCO stations, the Commission has adopted the fixed charges determined by it in the order dated 26.03.2016 in O.P.No.3 of 2016. For TSGENCO stations, the appropriate Commission is yet to determine the fixed charges for the third control period. Therefore, the Commission has provisionally adopted the latest fixed charges that were approved for these stations in the tariff order dated 31.05.2009 for the second control period in OP No. 15 of 2009. The fixed costs adopted above for TSGENCO stations are subject to the adjustments to be carried out as and when the appropriate Commission determines the fixed costs for these stations. The total fixed charges adopted by the Commission for APGENCO and TSGENCO Stations are ₹5318.59Cr.

229 The fixed costs of CGS have been computed based on the latest CERC tariff orders at ₹1300.40 Cr as against ₹1130.01 Cr estimated by the Licensees for FY2016-17. For IPPS, APGPCL and Srivatsa, the Commission after verification of PPAs and MOUs entered into by the Licensees, has provisionally admitted the fixed costs as filed by Licensees in their ARR/FPT filings.

230 For HNPCL (Hinduja Power Plant), the new power plant, the Commission determined the interim tariff of ₹3.61/unit payable by the Licensees to HNPCL in the order dated 01.03.2016 in O.P.No.21 of 2015. Hence, the same rate is adopted provisionally for short term procurement of power from this station for FY2016-17. This tariff is subject to adjustment if the Commission revises it subsequently. For Damodaram Sanjeevaiah

Thermal Power Station, the fixed costs filed by the Licensees are on higher side. Hence, the fixed rate filed for NTPC Kudigi power plant which has similar units as that of Damodarm Sanjeevaiah Thermal Power Station has been adopted provisionally pending determination of final tariff by the appropriate Commission.

- 231** The tariffs for both Thermal Powertech and KSK Mahanadi power plants were discovered through bid based route for which the APERC already gave approval. Hence, the fixed costs discovered through the bids were adopted. For procurement of 1000 MW power on DBFOO basis, the interim tariff that has been fixed for HNPCL by the Commission has been adopted provisionally.

Power Purchase: Variable Costs for FY2016-17

- 232** The variable rates have been estimated based on the rates filed by the Licensees and the average of the actual rates paid during the latest quarter i.e. third quarter of FY2015-16 for which data is available.

- 233** The variable rates estimated for different stations in the above manner for FY2016-17 have been multiplied with corresponding energy despatches to arrive at the variable costs for different stations.

Power Purchase: Incentives and Income Tax

- 234** In computing incentives for APGENCO/TSGENCO thermal stations, ₹0.25/kWh has been considered as per Regulation 1 of 2008 notified by the Commission. For CGS, CERC incentive rate of ₹0.5/kWh notified by CERC in the Tariff Regulation has been adopted. For IPPS, no incentives have been considered as the plants are likely to operate at low PLFs during FY2016-17 also. Income Tax is a pass through at actuals subject to the provisions of Regulations/PPAs and the actual payments made by the generators.

Power Purchase Costs for FY2016-17

- 235** Based on the above procedure, the Commission has computed the power purchase cost for the approved energy requirement of 56804.68 MU at ₹21150.77 Cr for FY2016-17, i.e. a total reduction of ₹1725.76 Cr on account of changes made by the Commission to

a) sales volumes; b) power purchase requirement; c) energy availability and d) fixed and variable costs and other charges of generating stations.

236 The power purchase costs and energy availabilities projected by the Commission are estimates only. The Commission is aware of the fact that actual values may differ from these projections. For some of the stations, the variations may be positive and for others, negative. The Commission has endeavored to minimize the effect of these variations on the projected purchase costs/energy availabilities to the extent possible.

237 The details of power purchase costs approved by the Commission are indicated in the tables below:

Table 23: Power Purchase Costs approved by APERC for all the Licensees for FY2016-17

Source	Power Purchase (MU)	Fixed Cost (₹ Cr)	Variable Cost (₹ Cr)	Incentive (₹ Cr)	Income Tax (₹ Cr)	Total Cost (₹ Cr)	Avg.Cost (₹/kWh)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
APGENCO/ TSGENCO							
Thermal	26733.69	4175.71	6939.66	3.17	-	11118.54	4.16
Hydel	3241.45	432.12	0.00	0.00	-	432.12	1.33
CGS	12176.52	1300.40	2332.62	15.20	-	3648.22	3.00
APGPCL	112.94	4.02	31.34	0.00	-	35.36	3.13
IPPs	3053.79	292.71	765.62	0.00	-	1058.33	3.47
NCE	4964.74	0.00	2427.49	0.00	-	2427.49	4.89
Srivathsa	38.14	1.73	11.19	0.00	-	12.92	3.39
Medium term purchase (KSK Mahanadi)	2295.64	360.42	509.63	0.00	-	870.05	3.79
Hinduja Plant	6082.77	1119.90	1076.65	0.00	-	2196.55	3.61
Thermal Powertech	1716.69	302.14	307.29	0.00	-	609.42	3.55
DBFOO (1000 MW)	6566.40	1208.94	1162.25	0.00	-	2371.19	3.61
Short term sources	294.40	0.00	152.20	0.00	-	152.20	5.17
D to D purchases	163.51	0.00	84.54	0.00	-	84.54	5.17
D to D sales	-163.51	0.00	-84.54	0.00	-	-84.54	5.17
Surplus energy sale	-10472.53	-1765.00	-2727.40	0.00	-	-4492.37	4.29
Pension liabilities of APGENCO	-	710.76	-	-	-	710.76	-
TOTAL	56804.66	8143.83	12988.56	18.37	0.00	21150.77	3.72

Table 24: EPDCL - Power Purchase Costs approved by APERC for FY2016-17

Source	Power Purchase (MU)	Fixed Cost (₹ Cr)	Variable Cost (₹ Cr)	Incentive (₹ Cr)	Income Tax (₹ Cr)	Total Cost (₹ Cr)	Avg.Cost (₹/kWh)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
APGENCO/ TSGENCO							
Thermal	9161.64	1431.02	2378.22	1.09	-	3810.32	4.16
Hydel	1110.84	148.09	0.00	0.00	-	148.09	1.33
CGS	4172.89	445.65	799.39	5.21	-	1250.24	3.00
APGPCL	38.70	1.38	10.74	0.00	-	12.12	3.13
IPPs	1046.53	100.31	262.38	0.00	-	362.69	3.47
NCE	170.20	0.00	77.39	0.00	-	77.39	4.55
Srivathsa	38.14	1.73	11.19	0.00	-	12.92	3.39
Medium term purchase (KSK Mahanadi)	786.72	123.51	174.65	0.00	-	298.17	3.79
Hinduja Plant	2084.57	383.79	368.97	0.00	-	752.76	3.61
Thermal Powertech	588.31	103.54	105.31	0.00	-	208.85	3.55
DBFOO (1000 MW)	2250.31	414.30	398.30	0.00	-	812.61	3.61
Short term sources	100.89	0.00	52.16	0.00	-	52.16	5.17
D to D purchases	163.51	0.00	84.54	0.00	-	84.54	5.17
D to D sales	0.00	0.00	0.00	0.00	-	0.00	0.00
Surplus energy sale	-2336.33	-393.76	-608.45	0.00	-	-1002.21	4.29
Pension liabilities of APGENCO	-	243.58	-	-	-	243.58	-
TOTAL	19376.93	3003.14	4114.77	6.30	0.00	7124.20	3.68

Table 25: SPDCL - Power Purchase Cost Approved by APERC for FY2016-17

Source	Power Purchase (MU)	Fixed Cost (₹ Cr)	Variable Cost (₹ Cr)	Incentive (₹ Cr)	Income Tax (₹ Cr)	Total Cost (₹ Cr)	Avg.Cost (₹/kWh)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
APGENCO/ TSGENCO							
Thermal	17572.05	2744.70	4561.44	2.08	-	7308.21	4.16
Hydel	2130.60	284.03	0.00	0.00	-	284.03	1.33
CGS	8003.63	854.75	1533.23	9.99	-	2397.97	3.00
APGPCL	74.23	2.64	20.60	0.00	-	23.24	3.13
IPPs	2007.25	192.40	503.24	0.00	-	695.64	3.47
NCE	4794.54	0.00	2350.11	0.00	-	2350.11	4.90
Srivathsa	0.00	0.00	0.00	0.00	-	0.00	0.00
Medium term purchase (KSK Mahanadi)	1508.93	236.90	334.98	0.00	-	571.88	3.79
Hinduja Plant	3998.20	736.11	707.68	0.00	-	1443.79	3.61
Thermal Powertech	1128.38	198.59	201.98	0.00	-	400.58	3.55
DBFOO (1000 MW)	4316.09	794.64	763.95	0.00	-	1558.58	3.61
Short term sources	193.51	0.00	100.04	0.00	-	100.04	5.17
D to D purchases	0.00	0.00	0.00	0.00	-	0.00	0.00
D to D sales	-163.51	0.00	-84.54	0.00	-	-84.54	5.17
Surplus energy sale	-8136.18	-1371.30	-2118.90	0.00	-	-3490.16	4.29
Pension liabilities of APGENCO	-	467.18	-	-	-	467.18	-
TOTAL	37427.73	5140.69	8873.81	12.07	0.00	14026.57	3.75

CHAPTER - VII

AGGREGATE REVENUE REQUIREMENT FOR FY2016-17

Introduction

238 In this Chapter, the Commission has determined the Aggregate Revenue Requirement (ARR) for FY2016-17 relating to retail supply business of SPDCL and EPDCL based on their respective filings as briefed in Chapter-I, approved sales volume as determined in Chapter-IV, power purchase requirement as determined in chapter-V and power purchase cost as determined in chapter VI and after reckoning the views/objections/suggestions relating to aspects of ARR expressed in writing and during public hearings as summarized in Chapter-III.

Transmission Cost

239 The Commission has examined conformity of the transmission cost filed by the licensee's vis-à-vis applicable MYT Order for transmission tariff and capacities for computation of transmission cost using the predetermined transmission tariff and approved capacities for FY2016-17. Licensees have computed the transmission cost for FY2016-17 in accordance with the MYT Order on transmission tariff for third control period at 1258 cr for FY2016-17⁶.

240 Prior to the filing of ARR by licensees, the Commission has issued the transmission cost true up order for 2nd MYT control period of five years according to which APTransco has to reimburse the true up amount of ₹271.34 Cr to SPDCL and EPDCL relating to second control period of five years⁷. Licensees have reduced the amounts, due to them respectively in accordance with said true up Order, SPDCL by ₹178.36 Cr and EPDCL by ₹92.98 Cr.

241 The net transmission cost computed in this manner works out to ₹986.36 Cr for both licensees put together and the Commission has accepted the computations made by

⁶ SPDCL has considered 17.45% of erstwhile CPDCL's transmission capacity to account for additional load due to merger Kurnool and Anantapur districts with it in accordance with AP Reorganization Act 2014.

⁷ APERC Order in O.P. No.13 of 2015.

licensees for FY2016-17 as these are in conformity with the MYT Order for 3rd Control Period and transmission cost true up order for 2nd MYT Period. The details of approved transmission cost are given in the table below:

Table 26: APERC - Transmission Cost for FY2016-17 (₹ Cr)

Item	SPDCL	EPDCL	Total
1. Transmission Capacity, MW	5541.00	3931.20	9472.20
2. Transmission Tariff(₹/kW/month)	91.36	91.36	91.60
3. Transmission Cost	607.47	430.99	1038.46
4. Addl. Transmission Cost on a/c of incl. of two districts	219.24	0.00	219.24
5. Total Transmission cost (3+4)	826.71	430.99	1257.70
6. Transmission True Up for 2nd CP	-178.36	-92.98	-271.34
7. Net Transmission Cost(5+6)	648.35	338.01	986.36

SLDC Cost

242 Licensees have computed the State Load Dispatch Centre (SLDC) cost for FY2016-17 payable to APTransco for using the services of SLDC in accordance with the Order on SLDC fee and charges for the 3rd MYT Control Period at ₹ 34.99 Cr. The Commission has accepted the computations made by licensees in this regard as the computations are in conformity with the MYT Order for the 3rd Control Period⁸.

Table 27: APERC - SLDC Cost for FY2016-17

Item	SPDCL	EPDCL	Total
1. Capacity, MW	5541.00	3931.20	9472.20
2. SLDC Annual Fee, (₹ /mw/year)	3533.18	3533.18	3533.18
3. SLDC Cost (1x2)(₹ Cr)	1.96	1.39	3.35
4. Addl. Cost on a/c of inclusions of two districts(₹ Cr)	0.71	0.00	0.71
5. Total Annual Fee (3+4)(₹ Cr)	2.66	1.39	4.05
6. SLDC Charge for FY2016-17 (₹ Cr)	2247.62	2247.62	2247.62
7. Charges per Year (₹ Cr)	14.94	10.60	25.55
8. Add. Charge on a/c of inclusion of two districts(₹ Cr)	5.39	0.00	5.39
9. Total Charges(7+8)(₹ Cr)	20.34	10.60	30.94
10. Total SLDC Cost(5+9)(₹ Cr)	23.00	11.99	34.99

Distribution Cost

⁸SPDCL has considered 17.45% of erstwhile CPDCL's transmission capacity to account for additional load due to merger Kurnool and Anantapur districts with it in accordance with AP Reorganization Act 2014.

243 Licensees have computed the distribution cost for FY2016-17 in accordance with the MYT Order for the 3rd control period. SPDCL has added 17.45% of the approved distribution cost of erstwhile CPDCL for FY2016-17 to account for additional supply area on account of inclusion of two districts in it, Anantapur and Kurnool, in pursuance of the AP Reorganization Act, 2014. The Commission has found that these calculations are in accordance with the said MYT Order and accordingly approved the distribution cost at ₹3765.44 Cr as filed by licensees for FY2016-17.

Table 28: Distribution Cost for FY2016-17 (₹ Cr)

Item	SPDCL	EPDCL	Total
1. Distribution Cost as per MYT Order for FY2016-17	1936.26	1382.30	3318.56
2. Distribution Cost for Anantapur and Kurnool Districts	446.88		446.88
3. Distribution Cost computed for FY2016-17 (1+2)	2383.14	1382.30	3765.44
4. Distribution Cost filed by licensees for FY2016-17	2383.14	1382.30	3765.44
6. Approved Distribution Cost for FY2016-17	2383.14	1382.30	3765.44

PGCIL and ULDC Cost

244 The Commission has examined the cost estimate made by licensees for FY2016-17 which is payable to Power Grid Corporation of India Limited (PGCIL) relating to transmission and dispatch charges on evacuation of the power from Central Generating Stations (CGS) and found that the estimates are in conformity with the existing rates. Accordingly, the Commission has accepted the PGCIL and ULDC cost at ₹376.89 Cr (₹242.89 Cr for SPDCL and ₹134.00 Cr for EPDCL) as filed by licensees for FY2016-17.

Power Purchase Cost

245 The Commission, after modification carried out to unit power purchase costs filed by licensees and reckoning the availability based on latest information as explained in Chapter-X, has computed the net power purchase cost at ₹21150.77 Cr (₹14026.57 Cr for SPDCL and ₹7124.20 Cr for EPDCL) which is less by ₹1725.76 Cr compared with the power purchase cost filed by licensees at ₹22876.53 Cr for FY2016-17.

Interest Cost on Security Deposits

246 Licensees have computed the interest cost on estimated average security deposits at 9.5% per annum. As per existing regulation that governs the rate to be paid on consumer security deposits, the licensees shall pay the bank rate announced by Reserve Bank of India (RBI)⁹. The bank rate at the end of February 2016 is 7.75% per annum. The Commission has recomputed the interest cost on security deposit at 7.75% and included ₹210.09 Cr in ARR against ₹257.53 Cr filed by licensees for FY2016-17. The details are given in the table below:

Table 29: APERC - Interest Cost on Security Deposits for FY2016-17(₹ Cr)

Item	SPDCL	EPDCL	Total
1. Opening Balance	1626.04	942.58	2568.62
2. Additions during the year	396.11	153.54	549.65
3. Deductions during the year	122.92	142.26	265.18
4. Closing Balance (1+2-3)	1899.23	953.86	2853.09
5. Average of Opening and Closing Balances (Ave. of 1+3)	1762.64	948.22	2710.86
6. Interest Rate per annum(%)	7.75	7.75	7.75
7. Interest Cost (5x6)	136.60	73.49	210.09

247 Licensees have included the cost of approved energy efficiency programs in ARR for FY2016-17 at ₹107.18 Cr. These amounts are for implementation of a) replacement of incandescent bulbs with LED bulbs and b) solar pump set program for which the Commission has already consented for implementation. Accordingly, the Commission has included ₹107.18 Cr (₹61.51 Cr for SPDCL and ₹45.67 Cr for EPDCL) as other expenses as filed by the licensees for FY2016-17.

ARR for FY2016-17

248 The Commission, in accordance with the above paragraphs, has approved the ARR at ₹26649.98 Cr against ₹28423.18 Cr filed by the Licensees which is less by ₹1773.20 Cr on account of approved power purchase cost and interest cost on security deposits being lower than the power purchase cost and interest cost on security deposits filed by licensees for FY2016-17. The details of ARR Items filed by licensees, approved by APERC

⁹APERC Regulation 6 of 2004.

and the variation of approved ARR over ARR filed for FY2016-17 are given in the table below:

Table 30: ARR for Retail Supply Business for FY2016-17 (₹ Cr)

Item	Filed by Licensees			Approved by APERC			Difference		
	SPDCL	EPDCL	STATE	SPDCL	EPDCL	STATE	SPDCL	EPDCL	STATE
01. Transmission Cost	648.35	337.98	986.34	648.35	337.98	986.34	0.00	0.00	0.00
02. SLDC Cost	23.00	11.99	34.99	23.00	11.99	34.99	0.00	0.00	0.00
03. Distribution Cost	2383.14	1382.30	3765.44	2383.14	1382.30	3765.44	0.00	0.00	0.00
04. PGCIL Expenses	232.21	131.19	363.40	232.21	131.19	363.40	0.00	0.00	0.00
05. ULDC Charges	10.68	2.81	13.49	10.68	2.81	13.49	0.00	0.00	0.00
06. Network and SLDC Cost (1+2+3+4+5)	3297.39	1866.27	5163.66	3297.39	1866.27	5163.66	0.00	0.00	0.00
07. Power Purchase / Procurement Cost	15380.80	7495.73	22876.53	14026.57	7,124.20	21150.77	-1354.23	-371.53	-1725.76
08. Interest on Consumer Security Deposits	167.45	90.08	257.53	136.60	73.49	210.09	-30.85	-16.59	-47.44
09. Supply Margin in Retail Supply Business	13.00	5.28	18.28	13.00	5.28	18.28	0.00	0.00	0.00
10. Other Costs, if any	61.51	45.67	107.18	61.51	45.67	107.18	0.00	0.00	0.00
11. Supply Cost (7+8+9+10)	15622.76	7636.76	23259.52	14237.69	7248.63	21486.32	-1385.07	-388.13	-1773.20
12. Aggregate Revenue Requirement (6+11)	18920.15	9503.03	28423.18	17535.08	9114.90	26649.98	-1385.07	-388.13	-1773.20

Conclusion

249 The Commission, after carrying out the prudent checks on sales estimate and ARR Items, has determined the ARR at ₹26649.98 Cr for both licensees as described in this chapter which forms the basis for determination of tariff for retail sale of electricity (i.e. the full cost recovery) with which the licensees would be able to recover the approved ARR during FY2016-17.

CHAPTER - VIII COST OF SERVICE

Introduction

250 The Commission, in this chapter, has computed the Cost of Service (CoS) for different consumer categories for each licensee based on ARR determined for FY2016-17 while considering the views/objections/suggestions of the stakeholders in this regard as explained in chapter-III.

Embedded Cost Method

251 The Commission intends to adopt a full scale CoS model based on embedded cost method in which the cost are functionalized into demand, energy and customer related. Subsequent to this, these functionalized costs are to be allocated to different consumer categories based on class load and coincidence factors, sales, consumer's contracted capacity, transmission contracted capacities of licensees, etc. Once the costs are allocated to different consumer categories, the unit cost of consumers which is known as CoS is computed through dividing the allocated cost with the expected sales to that consumer category.

Licensees' Filings

252 Licensees have filed the information in the form of embedded cost method while adopting the average method (taking the average of morning peak and evening peak). Based on average method, the licensees have computed the CoS for different consumer categories. The Commission found that the allocation of cost based on average methods distorts the cost allocation; for example agricultural consumers who consume during off evening peak shall be considered as consumers who use the capacity when it is idle, i.e. not used by others for whom the generation capacity is established. Similarly, the commercial category contributes to the evening peak and the consumption during the off evening peak will be low. If the average method is followed, the CoS for agriculture will be over stated and understated for Commercial consumers.

Method for FY2016-17

253 It is natural to expect system peak to occur during evening rather than morning in any normal electrical system. However, if supply is regulated for a particular consumer category (say agriculture) during the day with which a system peak occurs during morning, then that peak is not based on random choices of millions of consumers but on administered/discrete supplies made by licensees. Hence, such peak cannot adequately represents the consumers behavior and thus cannot be considered as choice to allocate costs. Thus any method other than evening peak for cost allocation distorts the allocations compared with the allocations based on naturally occurring evening system peak. Hence, the Commission has decided to allocate the cost based on coincident peak while using historical class load and coincident factors for allocating the approved ARR to different consumer categories.

254 In view of data and other data modelling problems associated with the capacity data¹⁰, the Commission has adopted a simplified embedded cost method for allocation of costs to different consumer categories for FY2016-17. In this method:

- a) Power purchase cost has been functionalized into demand and energy while considering the fixed component of power purchase cost as 'demand related' and variable component of power purchase cost as 'energy related'.
- b) The demand related cost has been allocated to different consumer categories based on coincident peak demand computed based on sales, load factor, coincidence factor and approved losses for FY2016-17.
- c) The energy related cost has been allocated to different consumer categories based on required energy input computed for this purpose depending upon the approved volume of sales and losses for FY2015-16.
- d) The network cost (consists of ARR net of total power purchase cost) has been allocated to different consumer categories based on proportion of sales volume of each consumer category to total sales volume.

¹⁰ Some of these problems are a) distribution of transmission assets between the two newly created states is yet to be finalized and b) assumption of additional distribution cost to SPDCL due to inclusion of Anantapur and Kurnool Districts. Hence, some sort of guess and estimate on the method of computation with regard to network cost has become necessary.

- e) The embedded cost for each consumer category has been computed by adding allocated (i) demand related cost (ii) energy related cost and (iii) network cost, as described above.
- f) The Cost of Service (CoS) per unit (average cost of supply) has been computed for each consumer category by dividing the allocated cost/ARR to each consumer category with the sales volume approved for that category during FY2016-17.

255 The Commission recognizes the limitations of this particular simplified model used in computing the cost of service in terms of limited data and data insufficiency and thus, the CoS cannot be simply related to the tariff fixed in this Tariff Order. At best, these CoS rates are guideposts for consumers and licensees for possible future direction of tariff for retail sale of electricity.

Conclusion

256 The CoS worked out for each consumer category has been used for the purpose of observing the cost and cross subsidy amounts to make decisions on tariff setting, for different consumer categories and to determine the tariff to recover the approved ARR for FY2016-17 in respect of each Licensee. The summary of these calculations for SPDCL and EPDCL is given in the tables below:

Table 31: SPDCCL - Cost of Service (CoS) for FY2016-17

Consumer Category	Sales (MU)	ARR/Cost Allocation (₹cr)				CoS (₹/Unit)
		Demand	Energy	Network	Total ARR/Cost	
LT Cat I - Domestic	7,953.11	2,040.43	2,283.29	850.51	5,174.24	6.51
LT Cat II - Non-domestic	1,763.12	479.51	512.75	188.55	1,180.80	6.70
LT Cat III (A & B) - Industrial	1,813.53	329.86	525.00	193.94	1,048.79	5.78
LT Cat IV - Cottage Industries & Dhobighats	41.52	7.80	12.18	4.44	24.41	5.88
LT Cat V - Irrigation and Agriculture	8,392.70	366.97	2,356.75	897.52	3,621.24	4.31
LT Cat VI - Local Bodies, St. Lighting & PWS	537.42	157.59	152.23	57.47	367.29	6.83
LT Cat VII - General Purpose	97.05	28.17	27.08	10.38	65.63	6.76
LT Cat VIII - Temporary	15.65	4.51	4.35	1.67	10.53	6.73
HT Cat I - Industry - General (11 kV)	1,804.40	278.25	464.52	192.96	935.74	5.19
HT Cat I - Industry - General (33 kV)	4,059.34	589.57	996.39	434.11	2,020.07	4.98
HT Cat I - Industry - General (220/132 kV)	3,050.79	371.00	744.00	326.25	1,441.25	4.72
HT Cat II - Industry - Other (11 kV)	643.95	101.10	160.12	68.86	330.08	5.13
HT Cat II - Industry - Other (33 kV)	108.61	17.02	26.66	11.61	55.30	5.09
HT Cat II - Industry - Other (220/132 kV)	25.40	3.34	6.19	2.72	12.25	4.82
HT Cat IV - Irrigation & Agriculture (11 kV)	120.58	13.99	30.33	12.90	57.21	4.74
HT Cat IV - Irrigation & Agriculture (33 kV)	1,178.72	135.43	289.32	126.05	550.80	4.67
HT Cat V - Railway Traction (EHT)	830.88	173.37	202.63	88.85	464.86	5.59
HT Cat VI - Colony Consumption	41.77	9.81	10.36	4.47	24.64	5.90
HT Rural Co-operatives (11 kV)	329.48	32.97	81.74	35.23	149.94	4.55
HT Rural Co-operatives (33 kV)	0.00	0.00	0.00	0.00	0.00	0.00
HT Temporary	0.00	0.01	0.00	0.00	0.01	0.00
Open Access - 33 kV	0.00	0.00	0.00	0.00	0.00	0.00
Open Access - 11 kV	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	32,808.02	5,140.69	8,885.88	3508.51	17,535.08	5.34

Table 32: EPDCL - Cost of Service (CoS) for FY2016-17

Consumer Category	Sales (MU)	ARR/Cost Allocation (₹cr)				CoS (₹/Unit)
		Demand	Energy	Network	Total ARR/Cost	
LT Cat I - Domestic	4,766.50	1,252.31	1,226.94	552.21	3,031.45	6.36
LT Cat II - Non-domestic	874.72	236.79	227.66	101.34	565.79	6.47
LT Cat III (A & B) - Industrial	837.85	153.29	220.37	97.07	470.73	5.62
LT Cat IV - Cottage Industries & Dhobighats	2.36	0.44	0.66	0.27	1.38	5.82
LT Cat V - Irrigation and Agriculture	2,281.16	112.97	572.78	264.28	950.02	4.16
LT Cat VI - Local Bodies, St. Lighting & PWS	238.13	82.68	76.19	27.59	186.45	7.83
LT Cat VII - General Purpose	48.29	15.32	14.39	5.59	35.31	7.31
LT Cat VIII - Temporary	1.12	0.32	0.35	0.13	0.80	7.14
HT Cat I - Industry - General (11 kV)	1,487.62	223.36	331.11	172.34	726.82	4.89
HT Cat I - Industry - General (33 kV)	1,487.90	218.69	325.19	172.38	716.26	4.81
HT Cat I - Industry - General (220/132 kV)	2,980.92	378.94	647.39	345.34	1,371.67	4.60
HT Cat II - Industry - Other (11 kV)	422.13	74.17	93.96	48.90	217.04	5.14
HT Cat II - Industry - Other (33 kV)	182.30	26.98	39.84	21.12	87.94	4.82
HT Cat II - Industry - Other (220/132 kV)	102.66	14.02	22.30	11.89	48.21	4.70
HT Cat IV - Irrigation & Agriculture (11 kV)	87.60	4.40	19.50	10.15	34.04	3.89
HT Cat IV - Irrigation & Agriculture (33 kV)	369.68	17.68	80.80	42.83	141.30	3.82
HT Cat V - Railway Traction (EHT)	678.53	152.13	147.36	78.61	378.10	5.57
HT Cat VI - Colony Consumption	31.72	7.09	7.06	3.68	17.82	5.62
HT Rural Co-operatives (11 kV)	302.04	31.54	67.23	34.99	133.76	4.43
HT Rural Co-operatives (33 kV)	0.00	0.00	0.00	0.00	0.00	0.00
HT Temporary	0.00	0.00	0.00	0.00	0.00	0.00
Open Access - 33 kV	0.00	0.00	0.00	0.00	0.00	0.00
Open Access - 11 kV	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	17,183.23	3,003.14	4,121.06	1990.70	9,114.90	5.30

Table 33: ALL DISCOMS - Cost of Service (CoS) for FY2016-17

Consumer Category	STATE					
	Sales(MU)	ARR/Cost Allocation (i cr)				CoS i/Unit
		Demand	Energy	Network	Total ARR/C	
LT Cat I - Domestic	12,719.61	3,294.26	3,509.25	1,402.72	8,206.23	6.45
LT Cat II - Non-domestic	2,637.85	716.65	740.19	289.89	1,746.73	6.62
LT Cat III (A & B) - Industrial	2,651.38	483.39	745.15	291.01	1,519.55	5.73
LT Cat IV - Cottage Industries & Dhobighats	43.88	8.25	12.83	4.71	25.79	5.88
LT Cat V - Irrigation and Agriculture	10,673.86	480.21	2,928.52	1,161.80	4,570.53	4.28
LT Cat VI - Local Bodies, St. Lighting & PWS	775.55	240.39	228.35	85.06	553.79	7.14
LT Cat VII - General Purpose	145.34	43.51	41.46	15.97	100.94	6.95
LT Cat VIII - Temporary	16.77	4.83	4.70	1.80	11.33	6.76
HT Cat I - Industry - General (11 kV)	3,292.02	501.82	795.43	365.31	1,662.56	5.05
HT Cat I - Industry - General (33 kV)	5,547.24	808.70	1,321.15	606.48	2,736.33	4.93
HT Cat I - Industry - General (220/132 kV)	6,031.71	750.21	1,391.07	671.60	2,812.88	4.66
HT Cat II - Industry - Other (11 kV)	1,066.08	175.35	254.01	117.77	547.12	5.13
HT Cat II - Industry - Other (33 kV)	290.90	44.02	66.49	32.73	143.24	4.92
HT Cat II - Industry - Other (220/132 kV)	128.06	17.37	28.49	14.61	60.47	4.72
HT Cat IV - Irrigation & Agriculture (11 kV)	208.18	18.40	49.81	23.04	91.25	4.38
HT Cat IV - Irrigation & Agriculture (33 kV)	1,548.40	153.21	369.99	168.88	692.08	4.47
HT Cat V - Railway Traction (EHT)	1,509.40	325.63	349.90	167.46	843.00	5.58
HT Cat VI - Colony Consumption	73.49	16.90	17.42	8.14	42.46	5.78
HT Rural Co-operatives (11 kV)	631.52	64.54	148.93	70.23	283.69	4.49
HT Rural Co-operatives (33 kV)	0.00	0.00	0.00	0.00	0.00	0.00
HT Temporary	0.00	0.01	0.00	0.00	0.01	0.00
Open Access - 33 kV	0.00	0.00	0.00	0.00	0.00	0.00
Open Access - 11 kV	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	49,991.25	8,147.65	13,003.12	5,499.21	26,649.98	5.33

CHAPTER - IX

REVENUE AND REVENUE GAP AT LICENSEES' PROPOSED TARIFF

Introduction

257 The Commission in this chapter has recomputed the revenue gap for FY2016-17 based on revised sales, ARR and total revenue from all sources, while taking the tariff as proposed by licensees for FY2016-17 as the basis. The tariff determination is an exercise to recover the approved revenue requirement through receipts/revenue from various streams with other non-tariff objectives such as energy conservation, cost reflection in tariffs, reduction of cross subsidies etc., so that the licensees are able to meet the expenditure. In short, the primary objective of tariff setting, as far as licensees are concerned, is to fix the tariff in such a manner that the approved revenue requirement will be recovered from the consumers for the tariff year/period.

Revenue from Tariffs and Other Sources

258 The licensees get the revenue from tariff in two ways namely consumption charges (such as energy, fixed, customer and minimum) and other sources (such as recoveries from power theft, interest income and other miscellaneous receipts) which are incidental to the main business and such non-tariff receipts would not be substantial. The Commission has approved the non-tariff income and income from other sources as filed by licensees for FY2016-17.

259 The licensees have computed/estimated the revenue from tariff (consumption charges and non-tariff income) as proposed by them on sales forecast/estimate of 50733MU made by them and arrived at the revenue gap at ₹5148 Cr for FY2016-17. Based on 49991 MU sales volume approved by the Commission, the revenue at the tariff proposed by licensees has been recomputed at ₹23863.47 Cr for FY2016-17 and these details are given in the table below:

Table 34: Revised Sales and Revenue for FY2016-17 (at the tariff proposed by licensees)

Consumer Category		Sales, mu			Revenue, ₹Cr.		
		SPDCL	EPDCL	Total	SPDCL	EPDCL	Total
LT-I	Domestic	7953.11	4766.50	12719.61	2969.44	1865.98	4835.43
LT-II	Non-domestic/Commercial	1763.12	874.72	2637.85	1689.90	852.70	2542.60
LT-III	Industry	1813.53	837.85	2651.38	1208.59	522.72	1731.31
LT-IV	Cottage Industries and Agrobased Activities	41.52	2.36	43.88	17.16	1.10	18.26
LT-V	Agriculture	8392.70	2281.16	10673.86	82.72	41.68	124.39
LT-VI	Street Lighting, PWS Schemes & NTR Sujala Padh	537.42	238.13	775.55	308.93	146.10	455.03
LT-VII	General Purpose and Religious Places	97.05	48.29	145.34	69.27	42.50	111.76
LT-VIII	Temporary Supply	15.65	1.12	16.77	16.15	1.17	17.32
HT-I	Industry	8914.53	5956.44	14870.97	6250.49	4131.53	10382.02
HT-II	Others	742.95	672.63	1415.57	695.30	756.19	1451.49
HT-III	Public Infrastructure and Tourism	35.01	34.46	69.47	28.57	28.71	57.28
HT-IV	Lift Irrigation and CPWS	1299.30	457.28	1756.58	726.22	256.01	982.23
HT-V	Railway Traction	830.88	678.53	1509.40	579.23	475.20	1054.42
HT-VI	Townships and Residential Colonies	41.77	31.72	73.49	26.64	20.65	47.29
HT-VII	Green Power	0.00	0.00	0.00	0.00	0.00	0.00
HT-VIII	Temporary Supply	0.00	0.00	0.00	0.00	0.00	0.00
HT-IX	RESCOs	329.48	302.04	631.52	14.20	38.44	52.64
Total		32808.02	17183.23	49991.25	14682.81	9180.66	23863.47

260 Based on the ARR approved by the Commission and revenue recomputed for FY2016-17¹¹, the revenue gap has been worked out at ₹2787 Cr for both licensees. It is to be noted that while SPDCL has the revenue deficit at ₹2852.28 Cr whereas EPDCL has the revenue surplus at ₹65.76 Cr for FY2016-17 at the tariff proposed by licensees and these details are given in the table below:

Table 35: Revenue Requirement and Revenue Gap for FY2016-17 (₹ Cr)

Item	Licensee		
	SPDCL	EPDCL	TOTAL
1. Aggregate Revenue Requirement	17535.08	9114.90	26649.98
2. Revenue from Tariff *	14682.80	9180.66	23863.47
3. Revenue Gap (1-2)	2852.28	-65.76	2786.52
*on sales approved by the Commission for FY2016-17 at the tariff proposed by licensees for FY2016-17.			

¹¹See Chapter-VII

261 To sum up, the revenue gap has been reduced by ₹ 2361 Cr as a result of determination of ARR based on revised sales and computation of revenue based on revised sales at the tariff proposed by licensees for FY2016-17 and these details are given in the table below:

Table 36: Revenue Gap for FY2016-17 (₹ Cr)

Revenue Gap	Licensee		
	SPDCL	EPDCL	TOTAL
1. As per Licensees' Filings	4347.39	800.12	5147.51
2. As per APERC Computations*	2852.28	-65.76	2786.52
3. Difference (1-2)	1495.11	865.88	2361.00
*on sales approved by the Commission for FY2016-17 at the tariff proposed by licensees for FY2016-17.			

CHAPTER - X

REFERENCE TARIFF SCHEDULE

Introduction

262 The Commission in this Chapter, after examination of the tariff proposed by the licensees for FY2016-17, stakeholders' views/objections/suggestions thereon and other aspects such as the revenue gap, cross subsidies and external subsidy availability, has prepared a Reference Tariff Schedule(RTS) as a prelude to determination of full cost recovery tariff in Chapter-XI. In this RTS, the Commission has incorporated the rates/charges as deemed fit considering all relevant aspects and recomputed the revenue gap for FY2016-17.

Rate Proposals for FY2016-17

263 The licensees have proposed to a) create some new consumer categories, b) exempt some consumer categories from the tariff hike, c) increase tariff by 2.5 percent for Group-C (more than 2400 units consumption/year) of LT-I: Domestic Consumer category and d) increase the energy and fixed charges by 4 percent for the rest of consumer categories. These tariff proposals are expected to result in additional revenue to the extent of ₹ 783 Cr during FY2016-17. The Commission having examined the stakeholders' views/objections/suggestions and the licensees' responses and the revenue gap of ₹ 2361 cr. for FY2016-17 computed in Chapter-IX, has decided to:

- a) exempt certain deserving consumer categories from the tariff hike proposed by the licensees, either in full or in part;
- b) reasonably restrict the hike in energy charges to an affordable 2% as against 4% proposed by the licensees for the remaining consumer categories and
- c) approve the hike in fixed charges at 4% as proposed by the licensees for the consumer categories for whom fixed charges are applicable except for those consumer categories which are specifically exempted.

New Consumer Categories

- 264** The Commission, in this Order, has created some new tariff categories based on proposals made by licensees and stakeholders' requests for FY2016-17. These consumer categories are;
- 265 Aquaculture and Animal Husbandry:** Licensees have proposed a new consumer category under LT-III: Industry titled Aquaculture and Animal Husbandry while merging the existing two sub categories, pisciculture/prawn culture, poultry farms and with dairy farms energy charge at ₹ 3.75/unit and fixed charges at ₹ 21/kW/Month. The Commission has accepted the licensees' proposal and created this consumer category for FY2016-17 at the tariff proposed by them without any modification. The title for this consumer category is Aquaculture and Animal Husbandry and is being made available at all HT voltages with the same tariff for FY2016-17.
- 266 Poultry Hatcheries and Poultry Feed Mixing Plants:** Based on representations made by the consumers and also the imminent need to have similarity of tariff for economic activities that belong to one sector, the Commission has created a new sub category titled "Poultry Hatcheries and Poultry Feed Mixing Plants" with energy charge of ₹ 4.75/unit and fixed charge of ₹ 55.12/kW/Month at LT and ₹ 385.84/kVA/Month at all HT Voltages for FY2016-17. It is further decided that to provide an option to the consumer to choose a separate connection for feed mixing plant in cases where poultry farming and feed mixing plants are under single connection without separate connection the entire consumption shall be billed at the tariff applicable for Poultry Hatcheries and Feed Mixing Plants.
- 267 Religious Places:** Licensees have proposed to create a new consumer category titled "Religious Places" with energy charge at ₹ 4.89/unit and fixed charge at ₹ 20.84/kVA/Month at 11 kV. If approved, these consumers would be shifted out from HT-II: Others category to this sub category with lower tariff. The Commission, having examined the proposal made by the licensees and after reckoning the views/objections/suggestions of the stakeholders, has created a new separate category

titled “Religious Places” at all voltages with the charges as proposed by licensees for FY2016-17. Accordingly, the Religious Places which are being billed under LT-VII(A): General(with CL >2 kW) at LT, and HT-II: Others at HT shall be billed under this separate tariff category for FY2016-17.

- 268 Function Halls/Auditoriums:** Based on consumer requests with regard to single part tariff for Function Halls/Auditoriums and also the field observations with regard to payment of electricity charges by users to the owners of Function Halls/Auditoriums and extensive operation of captive generation (which is uneconomical and polluting one), the Commission has decided to create a separate tariff category for Function Halls/Auditoriums with single part tariff, i.e. only energy charge in the place of two part (energy and fixed) tariff. Since this activity is commercial in nature and ₹ 11.32/unit energy charge is reasonably suggested by some stakeholders, the Commission has created a separate consumer category at both LT and HT with energy tariff of ₹ 11.32/unit for FY2016-17.
- 269 Energy Intensive Industries:** Licensees have proposed to create a new consumer category at HT titled “Energy Intensive Industries” while expanding HT-I(B) Ferro Alloy Units tariff category while including PV Ingots and Cell Manufacturing Units, Poly-Silicon Industry and Aluminum Industry without any change in the tariff and conditions. The Commission has approved the licensees’ proposal to create this new tariff category as proposed for FY2016-17, subject to further study of the clarification.
- 270 Public Infrastructure and Tourism:** Licensees have proposed to create a new consumer category at HT titled “Public Infrastructure and Tourism” while expanding HT-III: Airports, Bus Stations and Railway Stations tariff category while including Hotels, Resorts, Heritage Hotels, Amusement Parks, MICE Centers, Golf Courses, Wayside Amenities, Spiritual/Wellness centers and Museums. The Commission has approved the licensees’ proposal to create this new tariff category as proposed for FY2016-17.

LT-I: Domestic

271 The Commission, while approving the categorization of domestic consumers with expanded limits for classification into three groups (Group-A, Group-B and Group-C), has not accepted the proposal of licensees to increase energy charges by 2.5% over the current energy charges for Group-C domestic consumers to safeguard the interests of these consumers as the revenue is closer to costs for FY2016-17. With this measure, all domestic consumers are exempted from increase in tariff for FY2016-17, except marginal adjustments due to adoption of average tariff for every 100 units at five stages in the domestic tariff structure.

LT-II: Non-Domestic/Commercial

272 Licensees have proposed to increase the energy charge by 4 percent for this consumer category during FY2016-17. The Commission, with a view to protect the interests of small and petty traders, rural artisans, barber shops and other such small and tiny enterprises, has decided to exempt all the Non-Domestic/Commercial consumers with the consumption up to 100 units/month from the increase in energy charge for FY2016-17. For consumers with the consumption above 100 units/month, the Commission has approved energy charge hike by 2% against 4% hike proposed by licensees which should minimize the burden of cross subsidies on these consumers.

LT-III: Industry

273 Licensees have proposed to increase the energy charge by 4% for most of the sub categories of this consumer category during FY2016-17. The Commission has limited the energy charge hike to 2% instead of 4% and approved the proposed 4% hike in fixed charges for all sub categories of consumers except sugarcane crushing units. The reduction in proposed energy tariff hike should result in reduction of cross subsidy burden on these consumers during FY2016-17.

Sugarcane Crushing Units

274 The tariff for sugar cane crushing units has been reduced so as to be on par with other consumer categories for whom supply conditions are similar, i.e. receiving supplies from

rural/agricultural feeders. The Commission has reduced the energy charge to ₹ 3.75/unit (against existing ₹ 4.63/unit) while retaining the existing fixed charge of ₹ 21/kW/month for FY2016-17.

LT-IV: Cottage Industries and Agro Based Industries

275 Licensees have proposed to increase the tariff for cottage industries by 4% in both energy and fixed charges while retaining the current charges for agro based industries for FY2016-17. The Commission, with a view to protect the interest of rural artisans and traditional professionals such as goldsmiths, carpenters, blacksmiths, dhobighats, etc. has not accepted the proposed tariff hike for cottage industries and kept the current rates of ₹ 3.75/unit and ₹ 21/kW/Month unchanged for FY2016-17 also.

LT-V: Agriculture

276 Licensees have not proposed any increase in the tariff applicable to this category of consumers for FY2016-17. The Commission while reckoning the statement of Government of Andhra Pradesh with regard to subsidies payable by it for this consumer category, has included rates proposed by licensees in the reference tariff schedule for FY2016-17.

LT-VI: Street Lighting, PWS and NTR Sujala Padhakam

277 Licensees have proposed to increase the charges for Street Lighting and PWS by 4% in energy and fixed charges for FY2016-17 and kept charges unchanged for NTR Sujala Padhakam. The Commission has restricted the hike in energy charges to 2% for FY2016-17 for the first two categories. This measure should minimize the cross subsidization impact on these consumers during FY2016-17. The Commission also accepted the licensees' proposal of no change in tariff for NTR sujala Padhakam for FY2016-17.

LT-VII: General

278 Licensees have proposed to increase energy and fixed charges by 4% for LT-VII(A): General and LTVII(B):Religious Places(<=2kW load) for FY2016-17. The Commission has approved 2% increase in energy charges and 4% increase in fixed

charges for LT-VII(A):General. For LTVII(B):Religious Places(≤ 2 kW load), the Commission has not approved the tariff hike proposed by licensees and kept the rates unchanged for FY2016-17 to minimize the impact on small religious places that promote tranquility in society.

HT Consumer Categories: Energy and Demand Charges

279 Licensees have proposed 4% increase in both energy and demand charges for HT-I(A): Industry, HT-I:Seasonal Industries, HT-II:Others, HT-III:Public Infrastructure and Tourism and HT-VI:Townships and Residential Colonies. The Commission, after having examined the issue of cross subsidies, has approved only 2% increase in energy charges and 4% increase in demand charges for FY2016-17. This measure should lead to minimal payment of cross subsidies compared with the licensees' filings.

HT Consumer Categories: No Hike in Time of Day(ToD) Tariff

280 Licensees have proposed to increase the time of day (TOD) charges payable by some HT consumers by 4% during FY2016-17. The Commission after reckoning the views/objections/suggestions of the stakeholders has concluded that there is no need to increase TOD charges for FY2016-17 and thus not accepted the proposal. The Commission has kept the ToD charge at ₹ 1.05/unit for FY2016-17 without any increase for consumer categories for whom the ToD is applicable. This measure should lead to minimal payment of cross subsidies compared with the licensees' filings.

HT Railway Traction- No Hike in Energy Charge

281 Licensees have proposed to increase the energy charge for railway traction by 4% for FY2016-17. The Commission, after having examined the issue with regard to cross subsidies and pleadings made by railways, has decided not to accept the proposed rates for railway traction. Hence, there will be no increase in energy charge for railway traction during FY2016-17. This measure should lead to minimal payment of cross subsidies compared with the licensees' filings.

HT Lift Irrigation- Reduction in Energy Charge

282 Licensees have proposed to decrease the energy charge for this consumer category from ₹ 5.67/unit to ₹ 5.60/unit during FY2016-17. Since both the existing and proposed energy charges are lower than the cost of service for FY2016-17, the Commission has accepted the proposal of licensees to reduce the energy charge from ₹ 5.67/unit to ₹ 5.60/unit during FY2016-17 as an endeavor for reduction of cross subsidies.

Other Proposals: Minimum Demand Charges

283 Licensees have proposed to raise the minimum demand charges limit from 80% of the contracted demand to 90% of the contracted demand for HT consumer categories for whom demand charges at 80% of the contracted demand are applicable. The Commission with a view that it will lead to burden on consumers who are not operating due to reasons beyond their control and thus has not accepted the proposed change of billing demand from 80% to 90% of the contracted demand for FY2016-17.

Other Proposals: Hike in Consumption Deposit

284 Licensees have proposed to increase the consumption deposit from the current level of two months to 75 days equivalent consumption for FY2016-17. The Commission has decided not to accept the proposal made by the licensees as this proposal requires modification to the existing regulation that govern the payment of consumption deposit by consumers. Licensees may separately initiate appropriate regulatory steps in this direction, if they desire so.

Other Proposals: Cross Subsidy Surcharge

285 Licensees have proposed to levy cross subsidy surcharge for FY2016-17. As per the proposals, licensees have computed the cross subsidy surcharge based on principles laid down in Tariff Policy applicable as on date of filings. However, a new Tariff Policy has been announced on 28-01-2016 in which the relevant principles relating to computation of cross subsidy surcharge have undergone some changes. The Commission has already advised the licensees for resubmission of cross subsidy surcharge proposals based on

new Tariff Policy. Hence, the Commission has not determined the cross subsidy surcharge based on information included in ARR/FPT filings made by licensees for FY2016-17.

Other Proposals: Monthly Billing

286 Licensees have proposed to bill rural domestic consumers on monthly basis. This aspect is governed by the Regulations already issued and the licensees may follow the regulations for such billing.

Other Proposals: Levy of Reliability Charge

287 Licensees have proposed to levy a special charge on reliable supply during FY2016-17. The Commission, on consideration of the views/objections/suggestions of the stakeholders and also the duties of licensees, has concluded that reliability should be the basic feature of the public utilities and cannot be promoted as an extra virtue for which the consumers should be burdened with further charges. Hence, the Commission has not accepted for the levy of reliability charge as proposed by licensees for FY2016-17.

Others: Charges for Rural Electric Cooperatives (RESCOs)

288 The Commission has admitted the applications filed by RESCOs for determination of bulk supply rate to be paid by them to the licensees for energy drawn by them from licensees during FY2016-17. Pending finalization of the bulk supply rate by the Commission, the Commission has adopted the bulk supply rate applicable for FY2015-16 on provisional basis for FY2016-17. Appropriate adjustments will be carried out on determination of bulk supply rate for RESCOs for FY2016-17.

Reference Tariff Schedule (RTS)

289 The Commission, with the rates fixed above in this Chapter, has accordingly prepared a Reference Tariff Schedule (RTS) for FY2016-17. This tariff schedule reflects the well-considered view of the Commission with regard to charges/rates for all consumer categories after considering views/objections/suggestions of stakeholders, licensees'

proposed tariff and GoAP's willingness to provide subsidies under section 65 of the Electricity Act, 2003. The complete RTS for FY2016-17 is given below:

Reference Tariff Schedule for FY2016-17 (Rates/Charges as fixed by APERC for FY2016-17)				
Consumer Categories	Charges/Rates fixed by APERC			
	Fixed/Demand Charges per month		Energy Charge	
	₹/kVA	₹/HP/kW	Billing Unit	₹/Unit
(1)	(2)	(3)	(4)	(5)
Category-I Domestic (All)				
Group A: Consumption < =900 Units				
0-50			kWh	1.45
51-100			kWh	2.60
101-200			kWh	3.60
Above 200			kWh	6.90
Group B: Consumption (< =2700 and > 900 units)				
0-50			kWh	2.60
51-100			kWh	2.60
101-200			kWh	3.60
201-300			kWh	6.90
Above 300			kWh	7.75
Group C: Consumption >2700 units				
0-50			kWh	2.60
51-100			kWh	3.25
101-200			kWh	5.26
201-300			kWh	6.90
301-400			kWh	7.75
401-500			kWh	8.27
Above 500 units			kWh	8.80
Category II - Non-domestic/Commercial				
LT-II(A): 0-50 units	55.12	55.12/kW	kWh/kVAh	5.40
LT II (B): Above 50 Units/Month				
0-50	55.12	55.12/kW	kWh/kVAh	6.63
51-100	55.12	55.12/kW	kWh/kVAh	7.38
101-300	55.12	55.12/kW	kWh/kVAh	8.71
301-500	55.12	55.12/kW	kWh/kVAh	9.24
Above 500	55.12	55.12/kW	kWh/kVAh	9.78
LT II (C): Advertising Hoardings	55.12	55.12/kW	kWh/kVAh	11.81
LT III (D): Function Halls/Auditoriums			kWh/kVAh	11.32
Category III - Industry				
(i) Industry-General	55.12	55.12/kW	kWh/kVAh	6.51
(ii) Industry (Seasonal-Optional)	55.12	55.12/kW	kWh/kVAh	7.23
(iii) Aquaculture and Animal Husbandry	21.00	21.00/kW	kWh/kVAh	3.75
(iv) Sugarcane crushing	21.00	21.00/kW	kWh/kVAh	3.75

Reference Tariff Schedule for FY2016-17
(Rates/Charges as fixed by APERC for FY2016-17)

Consumer Categories	Charges/Rates fixed by APERC			
	Fixed/Demand Charges per month		Energy Charge	
	₹/kVA	₹/HP/kW	Billing Unit	₹/Unit
(v) Mushroom & Rabbit Farms	55.12	55.12/kW	kWh/kVAh	5.74
(vi) Floriculture in Green House	55.12	55.12/kW	kWh/kVAh	5.74
(vii) Poultry Hatcheries and Poultry Feed Mixing Plants	55.12	55.12/kW	kWh/kVAh	4.75
Category IV- Cottage Industries and Agrobased Activities				
(A)Cottage Industries		20.00/kW	kWh	3.75
(B)Agro Based Activities		20.00/kW	kWh	3.75
Category V – Agriculture				
Cat V(A) - Agriculture with DSM measures				
Corporate Farmers & IT Assesses			kWh	2.50
Wet Land Farmers (Holdings >2.5 acre)		₹525/HP/Year*	kWh	0.50
Dry Land Farmers (Connections > 3 nos.)		₹525/HP/Year*	kWh	0.50
Wet Land Farmers (Holdings <= 2.5 acre)		0.00	kWh	0.00
Dry Land Farmers (Connections <= 3 nos.)		0.00	kWh	0.00
Cat V(B)- Agriculture with out DSM measures				
Corporate Farmers & IT Assesses			kWh	3.50
Wet Land Farmers (Holdings >2.5 acre)		₹1050/HP/Year*	kWh	1.00
Dry Land Farmers (Connections > 3 nos.)		₹1050/HP/Year*	kWh	1.00
Wet Land Farmers (Holdings <= 2.5 acre)		₹525/HP/Year*	kWh	0.50
Dry Land Farmers (Connections <= 3 nos.)		₹525/HP/Year*	kWh	0.50
Cat V(C) – Others				
Salt farming units with Connected Load upto 15HP		20.00/HP	kWh	3.70
Rural Horticulture Nurseries with Connected Load upto 15HP		20.00/HP	kWh	3.70
Category VI - Street Lighting, PWS Schemes & NTR Sujala Padhakam				
VI(A) - Street Lighting				
Panchayats		33.28/kW	kWh	5.75
Municipalities		33.28/kW	kWh	6.28
Municipal Corporations		33.28/kW	kWh	6.82
VI(B) - PWS Schemes				
Panchayats		33.28/HP	kWh/kVAh	4.68
Municipalities		33.28/HP	kWh/kVAh	5.75
Municipal Corporations		33.28/HP	kWh/kVAh	6.28
VI(C) - NTR Sujala Padhakam				
		10/HP	kWh	4.00
Cat VII - General Purpose and Religious Places				
(A)-General Purpose				
	21.84	21.84/kW	kWh/kVAh	7.00
(B)Religious Places				
(i) - Religious Places (CL > 2kW)	21.84	21.84/kW	kWh/kVAh	4.89
(ii) - Religious Places (CL <=2 kW)		20.00/kW	kWh	4.70
Category VIII-Temporary Supply				
	21.84	21.84/kW	kWh/kVAh	10.10
HT Category at 11 kV				
HT-I(A) Industry-General	385.84/kVA		kVAh	6.14

Reference Tariff Schedule for FY2016-17
(Rates/Charges as fixed by APERC for FY2016-17)

Consumer Categories	Charges/Rates fixed by APERC			
	Fixed/Demand Charges per month		Energy Charge	
	₹/kVA	₹/HP/kW	Billing Unit	₹/Unit
Lights & Fans			kVAh	6.14
Industry-Colony consumption			kVAh	6.08
Industry (Seasonal-Optional)	385.84/kVA		kVAh	7.40
HT-I(A): Industry-General: Time-of-Day Tariff (6PM to 10PM)			kVAh	7.19
HT I (B): Energy Intensive Industries			kVAh	5.68
HT I (C): Aquaculture and Animal Husbandry	21.00/kVA		kVAh	3.75
HT I (D): Poultry Hatcheries and Poultry Feed Mixing Plants	385.84/kVA		kWh	4.75
HT-II – Others	385.84/kVA		kVAh	7.40
HT-II Others: Time-of-Day Tariff (6 PM to 10 PM)			kVAh	8.45
HT II (B): Religious Places	21.84/kVA		kVAh	4.89
HT II (C): Functional Halls/Auditoriums			kVAh	11.32
HT-III: Public Infrastructure and Tourism	385.84/kVA		kVAh	7.05
HT-III: Public Infrastructure and Tourism: Time-of-Day Tariff (6 PM to 10 PM)			kVAh	8.10
HT -IV A Govt Lift Irrigation			kVAh	5.60
HT -IV A Private Irrigation & Agriculture			kVAh	5.60
HT- IV B Composite Protected Water Supply Schemes(CPWS)			kVAh	4.70
HT-VI - Townships and Residential Colonies	55.12/kVA		kVAh	6.08
HT- VII Green Power			kVAh	11.32
HT-VIII Temporary Supply	**		kVAh	**
HT-IX- RESCOs***				
Anakapalle			kWh	1.38
Chipurupalli			kWh	0.22
Kuppam			kWh	0.24
HT Category at 33 kV				
HT-I(A) Industry-General	385.84/kVA		kVAh	5.68
Lights & Fans			kVAh	5.68
Industry-Colony consumption			kVAh	6.08
Industry (Seasonal-Optional)	385.84/kVA		kVAh	6.72
HT-I(A): Industry-General: Time-of-Day Tariff (6 PM to 10 PM)			kVAh	6.73
HT I (B): Energy Intensive Industries			kVAh	5.23
HT I (C): Aquaculture and Animal Husbandry	21.00/kVA		kVAh	3.75
HT I (D): Poultry Hatcheries and Poultry Feed Mixing Plants	385.84/kVA		kVAh	4.75
HT-II – Others	385.84/kVA		kVAh	6.72
HT-II Others: Time-of-Day Tariff (6 PM to 10 PM)			kVAh	7.77
HT II (B): Religious Places	21.84/kVA		kVAh	4.89
HT II (C): Functional Halls/Auditoriums			kVAh	11.32
HT-III: Public Infrastructure and Tourism	385.84/kVA		kVAh	6.44
HT-III: Public Infrastructure and Tourism: Time-of-Day			kVAh	7.49

Reference Tariff Schedule for FY2016-17 (Rates/Charges as fixed by APERC for FY2016-17)				
Consumer Categories	Charges/Rates fixed by APERC			
	Fixed/Demand Charges per month		Energy Charge	
	₹/kVA	₹/HP/kW	Billing Unit	₹/Unit
Tariff (6 PM to 10 PM)				
HT -IV A Govt Lift Irrigation			kVAh	5.60
HT -IV A Private Irrigation & Agriculture			kVAh	5.60
HT- IV B Composite Protected Water Supply Schemes(CPWS)			kVAh	4.70
HT-VI - Townships and Residential Colonies	55.12/kVA		kVAh	6.08
HT- VII Green Power			kVAh	11.32
HT-VIII Temporary Supply	**		kVAh	**
HT Category at 132 kV				
HT-I(A) Industry-General	385.84/kVA		kVAh	5.25
Lights & Fans			kVAh	5.25
Industry-Colony consumption			kVAh	6.08
Industry (Seasonal-Optional)	385.84/kVA		kVAh	6.46
HT-I(A): Industry-General: Time-of-Day Tariff (6 PM to 10 PM)			kVAh	6.30
HT I (B): Energy Intensive Industries			kVAh	4.81
HT I (C):Aquaculture and Animal Husbandry	21.00/kVA		kVAh	3.75
HT I (D): Poultry Hatcheries and Poultry Feed Mixing Plants	385.84/kVA		kVAh	4.75
HT-II – Others	385.84/kVA		kVAh	6.46
HT-II Others: Time-of-Day Tariff (6 PM to 10 PM)			kVAh	7.51
HT II (B): Religious Places	21.84/kVA		kVAh	4.89
HT II (C): Functional Halls/Auditoriums			kVAh	11.32
HT-III: Public Infrastructure and Tourism	385.84/kVA		kVAh	6.13
HT-III: Public Infrastructure and Tourism: Time-of-Day Tariff (6 PM to 10 PM)			kVAh	7.18
HT -IV A Govt Lift Irrigation			kVAh	5.60
HT -IV A Private Irrigation & Agriculture			kVAh	5.60
HT- IV B Composite Protected Water Supply Schemes(CPWS)			kVAh	4.70
HT-V – Railway Traction			kVAh	6.68
HT-VI - Townships and Residential Colonies	55.12/kVA		kVAh	6.08
HT- VII Green Power			kVAh	11.32
HT-VIII Temporary Supply	**		kVAh	**
TOTAL(LT + HT)				
*Equivalent flat Tariff. ** 1.5 times of tariff of corresponding HT Consumer Category.				
*** 2015-16 Tariff and this tariff will be marginally revised for FY2016-17 later.				

Revenue and Revenue Gap at Reference Tariff Schedule (RTS)

290 The Commission has recomputed the revenue from tariffs in accordance with the RTS at ₹ 23361 Cr (which is less by ₹502 Cr) compared to ₹23863 Cr revenue at tariffs proposed

by the licensees during FY2016-17. The revenue gap at the RTS will be ₹ 3289 Cr during FY2016-17 and if this revenue gap is not met either through increase in rates in RTS or from external subsidies, the licensees would incur financial loss to the tune of ₹ 3289 Cr. The details of revenue, ARR and revenue gap at RTS are given in the table below:

Table 37: Revenue and Revenue Gap at Reference Tariff Schedule for FY2016-17 (₹ Cr)

Consumer Category	Revenue, ₹ Cr.		
	SPDCL	EPDCL	Total
1. Revenue	14381.60	8978.97	23360.55
LT-I:Domestic	2872.29	1778.05	4650.34
LT-II:Non-domestic/Commercial	1653.38	834.26	2487.64
LT-III:Industry	1188.16	514.93	1703.09
LT-IV:Cottage Industries and Agrobased Activities	16.52	1.06	17.58
LT-V:Agriculture	82.72	41.68	124.38
LT-VI:Street Lighting, PWS Schemes & NTR SujalaPadhakam	303.26	143.51	446.78
LT-VII:General Purpose and Religious Places	67.90	41.78	109.67
LT-VIII:Temporary Supply	15.84	1.14	16.99
HT-I:Industry	6151.48	4080.16	10231.64
HT-II:Others	684.67	746.51	1431.18
HT-III:Public Infrastructure and Tourism	28.07	28.23	56.30
HT-IV:Lift Irrigation and CPWS	725.46	255.89	981.36
HT-V:Railway Traction	557.03	457.07	1014.09
HT-VI:Townships and Residential Colonies	26.14	20.27	46.41
HT-VII:Green Power	0.00	0.00	0.00
HT-VIII:Temporary Supply	0.00	0.00	0.00
HT-IX:RESCOs	8.68	34.44	43.11
2. ARR/Cost	17535.08	9114.90	26649.98
3. Revenue Gap(2-1)	3153.48	135.94	3289.42

CHAPTER – XI

FULL COST RECOVERY TARIFF DETERMINATION

Introduction

291 At the Reference Tariff Schedule (RTS) (as determined in Chapter – X of this Order), the licensees will not be able to recover ₹ 3289.42 Cr of the total approved ARR of ₹ 26649.98 Cr during FY2016-17. Hence, the Commission has endeavored to fix the tariff to recover the total approved ARR, i.e., the Full Cost Recovery Tariff Schedule (FCRTS) for FY2016-17 by considering the category wise revenue, revenue deficit/surplus and revising the charges/rates upwards from the charges/rates fixed in RTS to bridge the revenue gap of ₹ 3289.42 Cr.

Classification of Consumer Categories

292 All the consumer categories have been classified into “subsidizing” and “subsidized” as follows:

Subsidizing: Consumer categories for whom the revenues at RTS are more than the allocated costs during FY2016-17.

293 Subsidized: Consumer categories for whom the revenues at RTS are less than allocated costs during FY2016-17.

Allocation of Available Surplus

294 In Stage-1, the surplus available from all subsidizing consumer categories has been used to meet the deficit of subsidized consumers in full excluding the deficit of LT-V: Agricultural Consumers. In Stage-II, the remaining surplus has been allocated in full to LT-V: Agricultural Consumers. Even after allocation of the available surplus to LT-V : Agriculture, this consumer category has the total deficit of ₹ 3289.42 Cr comprising of ₹ 3153.48 Cr in SPDCL and ₹ 135.94 Cr in EPDCL during FY2016-17.

Revision of Charges/Rates for LT-V: Agriculture

295 To recover the remaining deficit of ₹ 3289.42 Cr the energy charges/rates for LT-V: Agriculture have been revised uniformly for all sub categories at ₹ 3.77/unit in SPDCL

and ₹ 0.68/unit in EPDCL with which the licensees will be able to recover the revenue requirement in full during FY2016-17.

- 296** These revised rates for LT-V: Agriculture have been substituted in RTS to make it as FCRTS with which the licensees will be able to recover the approved ARR in full during FY2016-17. The revenue at FCRTS, approved ARR and revenue gap for FY2016-17 are given in the table below:

Table 38: Revenue and Revenue Gap at FCRTS for FY2015-16 (₹ Cr)

Consumer Category		Revenue		
		SPDCL	EPDCL	Total
1. Revenue		17535	9114.90	26649.97
LT-I	Domestic	2872.29	1778.05	4650.34
LT-II	Non-domestic/Commercial	1653.38	834.26	2487.64
LT-III	Industry	1188.16	514.93	1703.09
LT-IV	Cottage Industries and Agrobased Activities	16.52	1.06	17.58
LT-V	Agriculture	3236.19	177.61	3413.81
LT-VI	Street Lighting, PWS Schemes & NTR Sujala Padhakam	303.26	143.51	446.78
LT-VII	General Purpose and Religious Places	67.90	41.78	109.67
LT-VIII	Temporary Supply	15.84	1.14	16.99
HT-I	Industry	6151.48	4080.16	10231.64
HT-II	Others	684.67	746.51	1431.18
HT-III	Public Infrastructure and Tourism	28.07	28.23	56.30
HT-IV	Lift Irrigation and CPWS	725.46	255.89	981.36
HT-V	Railway Traction	557.03	457.07	1014.09
HT-VI	Townships and Residential Colonies	26.14	20.27	46.41
HT-VII	Green Power	0.00	0.00	0.00
HT-VIII	Temporary Supply	0.00	0.00	0.00
HT-IX	RESCOs	8.68	34.44	43.11
2. ARR/Cost		17535.08	9114.90	26649.98
3. Revenue Gap(2-1)		0.00	0.00	0.00

- 297** The FCRTS determined by the Commission for FY2016-17 is given in the table below:

Full Cost Recovery Tariff Schedule for FY2016-17

(Rates/Charges as determined by APERC for FY2016-17)

Consumer Categories	Full Cost Recovery Rates / Charges		
	Fixed/Demand Charge per Month		Energy Charge ₹/unit
	₹/kVA	₹/HP/kW	SPDCL & EPDCL
(1)	(2)	(3)	(4)
Category-I Domestic (All)			
Group A: Consumption < =900 Units			
0-50			1.45
51-100			2.60
101-200			3.60
Above 200			6.90
Group B: Consumption (< =2700 and > 900 units)			
0-50			2.60
51-100			2.60
101-200			3.60
201-300			6.90
Above 300			7.75
Group C: Consumption >2700 units			
0-50			2.60
51-100			3.25
101-200			5.26
201-300			6.90
301-400			7.75
401-500			8.27
Above 500 units			8.80
Category II - Non-domestic/Commercial			
LT-II(A): 0-50 units	55.12	55.12/kW	5.40
LT II (B): Above 50 Units/Month			
0-50	55.12	55.12/kW	6.63
51-100	55.12	55.12/kW	7.38
101-300	55.12	55.12/kW	8.71
301-500	55.12	55.12/kW	9.24
Above 500	55.12	55.12/kW	9.78
LT II (C): Advertising Hoardings	55.12	55.12/kW	11.81
LT III (D): Function Halls/Auditoriums			11.32
Category III – Industry			
(i) Industry-General	55.12	55.12/kW	6.51
(ii) Industry (Seasonal-Optional)	55.12	55.12/kW	7.23
(iii) Aquaculture and Animal Husbandry	21.00	21.00/kW	3.75
(iv) Sugarcane crushing	21.00	21.00/kW	3.75
(v) Mushroom & Rabbit Farms	55.12	55.12/kW	5.74
(vi) Floriculture in Green House	55.12	55.12/kW	5.74
(vii) Poultry Hatcheries and Poultry Feed Mixing Plants	55.12	55.12/kW	4.75
Category IV- Cottage Industries and Agrobased Activities			
(A)Cottage Industries		20.00/kW	3.75
(B)Agro Based Activities		20.00/kW	3.75

Full Cost Recovery Tariff Schedule for FY2016-17

(Rates/Charges as determined by APERC for FY2016-17)

Consumer Categories	Full Cost Recovery Rates / Charges			
	Fixed/Demand Charge per Month		Energy Charge ₹/unit	
	₹/kVA	₹/HP/kW	SPDCL & EPDCL	
Category V – Agriculture				
Cat V(A) - Agriculture with DSM measures			SPDCL	EPDCL
Corporate Farmers & IT Assesses			3.77	0.68
Wet Land Farmers (Holdings >2.5 acre)			3.77	0.68
Dry Land Farmers (Connections > 3 nos.)			3.77	0.68
Wet Land Farmers (Holdings <= 2.5 acre)			3.77	0.68
Dry Land Farmers (Connections <= 3 nos.)			3.77	0.68
Cat V(B)- Agriculture with out DSM measures				
Corporate Farmers & IT Assesses			3.77	0.68
Wet Land Farmers (Holdings >2.5 acre)			3.77	0.68
Dry Land Farmers (Connections > 3 nos.)			3.77	0.68
Wet Land Farmers (Holdings <= 2.5 acre)			3.77	0.68
Dry Land Farmers (Connections <= 3 nos.)			3.77	0.68
Cat V(C) – Others				
Salt farming units with Connected Load upto 15HP		20.00/HP	3.77	0.68
Rural Horticulture Nurseries with Connected Load upto 15HP		20.00/HP	3.77	0.68
Category VI - Street Lighting, PWS Schemes & NTR Sujala Padhakam				
VI(A) - Street Lighting				
Panchayats		33.28/kW	5.75	
Municipalities		33.28/kW	6.28	
Municipal Corporations		33.28/kW	6.82	
VI(B) - PWS Schemes				
Panchayats		33.28/HP	4.68	
Municipalities		33.28/HP	5.75	
Municipal Corporations		33.28/HP	6.28	
VI(C) - NTR Sujala Padhakam		10/HP	4.00	
Cat VII - General Purpose and Religious Places				
(A)-General Purpose	21.84	21.84/kW	7.00	
(B)Religious Places				
(i) - Religious Places (CL > 2kW)	21.84	21.84/kW	4.89	
(ii) - Religious Places (CL <=2 kW)		20.00/kW	4.70	
Category VIII-Temporary Supply	21.84	21.84/kW	10.10	
HT Category at 11 kV			0.00	
HT-I(A) Industry-General	385.84/kVA		6.14	
Lights & Fans			6.14	
Industry-Colony consumption			6.08	
Industry (Seasonal-Optional)	385.84/kVA		7.40	
HT-I (A): Industry-General: Time-of-Day Tariff (6PM to 10PM)			7.19	
HT I (B): Energy Intensive Industries			5.68	
HT I (C): Aquaculture and Animal Husbandry	21.00/kVA		3.75	
HT I (D): Poultry Hatcheries and Poultry Feed Mixing Plants	385.84/kVA		4.75	

Full Cost Recovery Tariff Schedule for FY2016-17

(Rates/Charges as determined by APERC for FY2016-17)

Consumer Categories	Full Cost Recovery Rates / Charges		
	Fixed/Demand Charge per Month		Energy Charge ₹/unit
	₹/kVA	₹/HP/kW	SPDCL & EPDCL
HT-II – Others	385.84/kVA		7.40
HT-II Others: Time-of-Day Tariff (6 PM to 10 PM)			8.45
HT II (B): Religious Places	21.84/kVA		4.89
HT II (C): Functional Halls/Auditoriums			11.32
HT-III: Public Infrastructure and Tourism	385.84/kVA		7.05
HT-III: Public Infrastructure and Tourism: Time-of-Day Tariff (6PM to 10PM)			8.10
HT -IV A Govt Lift Irrigation			5.60
HT -IV A Private Irrigation & Agriculture			5.60
HT- IV B Composite Protected Water Supply Schemes(CPWS)			4.70
HT-VI - Townships and Residential Colonies	55.12/kVA		6.08
HT- VII Green Power			11.32
HT-VIII Temporary Supply	**		**
HT-IX- RESCOs			
Anakapalle			1.38
Chipurupalli			0.22
Kuppam			0.24
HT Category at 33 kV			
HT-I (A) Industry-General	385.84/kVA		5.68
Lights & Fans			5.68
Industry-Colony consumption			6.08
Industry (Seasonal-Optional)	385.84/kVA		6.72
HT-I (A): Industry-General: Time-of-Day Tariff (6PM to 10PM)			6.73
HT I (B): Energy Intensive Industries			5.23
HT I (C): Aquaculture and Animal Husbandry	21.00/kVA		3.75
HT I (D): Poultry Hatcheries and Poultry Feed Mixing Plants	385.84/kVA		4.75
HT-II - Others	385.84/kVA		6.72
HT-II Others: Time-of-Day Tariff (6 PM to 10 PM)			7.77
HT II (B): Religious Places	21.84/kVA		4.89
HT II (C): Functional Halls/Auditoriums			11.32
HT-III: Public Infrastructure and Tourism	385.84/kVA		6.44
HT-III: Public Infrastructure and Tourism: Time-of-Day Tariff (6PM to 10PM)			7.49
HT -IV A Govt Lift Irrigation			5.60
HT -IV A Private Irrigation & Agriculture			5.60
HT- IV B Composite Protected Water Supply Schemes(CPWS)			4.70
HT-VI - Townships and Residential Colonies	55.12/kVA		6.08
HT- VII Green Power			11.32
HT-VIII Temporary Supply	**		**
HT Category at 132 kV			
HT-I(A) Industry-General	385.84/kVA		5.25
Lights & Fans			5.25
Industry-Colony consumption			6.08
Industry (Seasonal-Optional)	385.84/kVA		6.46
HT-I(A): Industry-General: Time-of-Day Tariff (6PM to 10PM)			6.30

Full Cost Recovery Tariff Schedule for FY2016-17

(Rates/Charges as determined by APERC for FY2016-17)

Consumer Categories	Full Cost Recovery Rates / Charges		
	Fixed/Demand Charge per Month		Energy Charge ₹/unit
	₹/kVA	₹/HP/kW	SPDCL & EPDCL
HT I (B): Energy Intensive Industries			4.81
HT I (C): Aquaculture and Animal Husbandry	21.00/kVA		3.75
HT I (D): Poultry Hatcheries and Poultry Feed Mixing Plants	385.84/kVA		4.75
HT-II - Others	385.84/kVA		6.46
HT-II - Others: Time-of-Day Tariff (6 PM to 10 PM)			7.51
HT II (B): Religious Places	21.84/kVA		4.89
HT II (C): Functional Halls/Auditoriums			11.32
HT-III: Public Infrastructure and Tourism	385.84/kVA		6.13
HT-III: Public Infrastructure and Tourism: Time-of-Day Tariff (6 PM to 10 PM)			7.18
HT -IV A Govt Lift Irrigation			5.60
HT -IV A Private Irrigation & Agriculture			5.60
HT- IV B Composite Protected Water Supply Schemes(CPWS)			4.70
HT-V – Railway Traction			6.68
HT-VI - Townships and Residential Colonies	55.12/kVA		6.08
HT- VII Green Power			11.32
HT-VIII Temporary Supply	**		**
TOTAL(LT + HT)			
. ** 1.5 times of tariff of corresponding HT Consumer Category.			

298 In the absence of any external subsidization u/s 65 of the Electricity Act 2003, the licensees will have to charge the rates contained in the above FCRTS during FY2016-17 for retail sale of electricity to generate the revenue to meet the approved ARR for FY2016-17.

CHAPTER – XII

RETAIL SUPPLY TARIFF SCHEDULE

Communication to Government of Andhra Pradesh

299 The Commission has informed the Government of Andhra Pradesh (GoAP) on 28.03.2016 with regard to requirement of external subsidy of ₹ 3289.42 Cr (SPDCL – ₹ 3153.48 Cr and EPDCL – ₹ 135.94 Cr) for FY2016-17 towards subsidy to LT-V: Agricultural consumer category to maintain the rates as mentioned in Reference Tariff Schedule with all relevant calculations including the details of Full Cost Recovery Tariff Schedule for FY2016-17.

Provision of Subsidy by Government of Andhra Pradesh

300 The GoAP, in response to the letter from the Commission on 28-03-2016, has communicated its approval on 30-03-2016 for providing a sum of ₹ 3289.42 Cr (SPDCL – ₹ 3153.48 Cr and EPDCL – ₹ 135.94 Cr) towards subsidy for LT-V: Agricultural consumer category.

Determination of Tariff for Retail Sale of Electricity for FY2016-17

301 The Commission, in accordance with the decisions enumerated in earlier chapters and in accordance with and approval of GoAP for providing subsidy, hereby determines the Tariff for Retail Sale of Electricity (with charges/rates mentioned in Reference Tariff Schedule with minor modifications) with terms and conditions applicable with effect from 01-04-2016 to 31-03-2017 in respect of two distribution licensees (SPDCL and EPDCL) in the State of Andhra Pradesh and three Rural Electricity Co-operative Societies in the State, as hereunder:

TARIFF FOR RETAIL SALE OF ELECTRICITY DURING FY 2016-17
(Applicable with effect from 01-04-2016 to 31-03-2017 in respect of two Distribution Licensees (SPDCL and EPDCL) in the State of Andhra Pradesh).

Consumer Category	Energy Unit	Fixed Charge	Energy Charge
		(₹/Month)	(₹/Unit)
LT-I: DOMESTIC (Telescopic)			
Category-I Domestic			
Group A: Annual Consumption < =900 Units during FY 2015-16			
0-50	kWh		1.45
51-100	kWh		2.60
101-200	kWh		3.60
Above 200	kWh		6.90
Group B: Annual Consumption > 900 and < =2700 units during FY 2015-16			
0-50	kWh		2.60
51-100	kWh		2.60
101-200	kWh		3.60
201-300	kWh		6.90
Above 300	kWh		7.75
Group C: Annual Consumption >2700 units during FY 2015-16			
0-50	kWh		2.60
51-100	kWh		3.25
101-200	kWh		5.26
201-300	kWh		6.90
301-400	kWh		7.75
401-500	kWh		8.27
Above 500 units	kWh		8.80
LT-II NON DOMESTIC /COMMERCIAL			
LT-II (A): Upto 50 Units/Month	kWh/kVAh	55.12/kW	5.40
LTII(B): Above 50 Units/Month			
First 50	kWh/kVAh	55.12/kW	6.63
51-100	kWh/kVAh		7.38
101-300	kWh/kVAh		8.71
301-500	kWh/kVAh		9.24
Above 500	kWh/kVAh		9.78
LT II(C): ADVERTISEMENT HOARDINGS	kWh/kVAh	55.12/kW	11.81
LT II(D) Function Halls/ Auditoriums	kWh/kVAh	Nil	11.32
LT-III: INDUSTRY			
Industry (General)	kWh/kVAh	55.12/kW	6.51
Seasonal Industries (off season)	kWh/kVAh	55.12/kW	7.23
Aquaculture and Animal Husbandry	kWh/kVAh	21/kW	3.75
Sugarcane crushing	kWh/kVAh	21/kW	3.75
Mushroom & Rabbit Farms	kWh/kVAh	55.12/kW	5.74
Floriculture in Green House	kWh/kVAh	55.12/kW	5.74
Poultry Hatcheries & Poultry Feed mixing plants	kWh/kVAh	55.12/kW	4.75
LT-IV: COTTAGE INDUSTRIES & OTHERS			
a) Cottage Industries Upto 10 HP	kWh	20/kW	3.75

Consumer Category	Energy Unit	Fixed Charge	Energy Charge
		(₹/Month)	(₹/Unit)
b) Agro Based Activity upto 10 HP	kWh	20/kW	3.75
LT-V: AGRICULTURE			
LT-V(A): AGRICULTURE WITH DSM MESURES			
Corporate Farmers & IT Assesses	kWh		2.50
Wet Land Farmers (Holdings >2.5acre)	kWh	525/HP/Year*	0.50
Dry Land Farmers (Connections > 3 nos.)	kWh	525/HP/Year*	0.50
Wet land Farmers (Holdings ≤ 2.5 Acre)	kWh		0.00
Dry Land Farmers (Connections ≤ 3 nos.)	kWh		0.00
LT-V (B): AGRICULTURE WITHOUT DSM MEASURES			
Corporate Farmers & IT Assesses	kWh		3.50
Wet Land Farmers (Holdings >2.5acre)	kWh	1050/HP/Year*	1.00
Dry Land Farmers (Connections > 3 nos.)	kWh	1050/HP/Year*	1.00
Wet land Farmers (Holdings ≤ 2.5 Acre)	kWh	525/HP/Year*	0.50
Dry Land Farmers (Connections ≤ 3 nos.)	kWh	525/HP/Year*	0.50
LT-V (C): OTHERS			
Salt Farming units upto 15 HP	kWh	20/HP	3.70
Rural Horticulture Nurseries upto 15 HP	kWh	20/HP	3.70
LT-VI: STREET LIGHTING AND PWS			
LT-VI(A): STREET LIGHTING			
Panchayats	kWh	33.28/kW	5.75
Municipalities	kWh	33.28/kW	6.28
Municipal Corporations	kWh	33.28/kW	6.82
LT-VI(B): PWS SCHEMES			
Panchayats	kWh/kVAh	33.28/HP	4.68
Municipalities	kWh/kVAh	33.28/HP	5.75
Municipal Corporations	kWh/kVAh	33.28/HP	6.28
LT-VI(C): NTR Sujala Padhakam			
	kWh/kVAh	10/HP	4.00
LT-VII: GENERAL			
LT-VII(A): GENERAL PURPOSE			
	kWh/kVAh	21.84/kW	7.00
LT-VII(B): RELIGIOUS PLACES			
(i) RELIGIOUS PLACES (CL > 2 kW)	kWh	21.84/kW	4.89
(ii) RELIGIOUS PLACES (CL ≤ 2 kW)	kWh	20/kW	4.70
LT-VIII: TEMPORARY SUPPLY			
	kWh/kVAh	21.84/kW	10.10
HT-I: INDUSTRY			
HT-I(A): INDUSTRY GENERAL			
11 kV	kVAh	385.84/kVA	6.14
33 kV	kVAh	385.84/kVA	5.68
132 kV & Above	kVAh	385.84/kVA	5.25
INDUSTRIAL COLONIES			
11 kV	kVAh		6.08
33 kV	kVAh		6.08
132 kV & Above	kVAh		6.08
TIME OF DAY TARIFFS (6 PM to 10 PM)			
11 kV	kVAh		7.19
33 kV	kVAh		6.73
132 kV & Above	kVAh		6.30
SEASONAL INDUSTRIES (off season Tariff)			
11 kV	kVAh	385.84/kVA	7.40

Consumer Category	Energy Unit	Fixed Charge	Energy Charge
		(₹/Month)	(₹/Unit)
33 kV	kVAh	385.84/kVA	6.72
132 kV & Above	kVAh	385.84/kVA	6.46
HT-I(B): ENERGY INCENTIVE INDUSTRIES			
11 kV	kVAh		5.68
33 kV	kVAh		5.23
132 kV & Above	kVAh		4.81
HT-I(C): AQUA CULTURE AND ANIMAL HUSBANDRY			
	kVAh	21.00/kVA	3.75
HT-I(D): POULTRY HATCHERIES AND POULTRY FEED MIXING PLANTS			
	kVAh	385.84/kVA	4.75
HT-II Category			
HT II (A) Others			
11 kV	kVAh	385.84/kVA	7.40
33 kV	kVAh	385.84/kVA	6.72
132 kV & Above	kVAh	385.84/kVA	6.46
TIME OF DAY TARIFFS (6 PM to 10 PM)			
11 kV	kVAh		8.45
33 kV	kVAh		7.77
132 kV & Above	kVAh		7.51
HT II (B) Religious Places	kVAh	21.84/kVA	4.89
HT II (C) Function Halls/Auditoriums	kVAh	Nil	11.32
HT-III: PUBLIC INFRASTRUCTURE AND TOURISM			
11 kV	kVAh	385.84/kVA	7.05
33 kV	kVAh	385.84/kVA	6.44
132 kV & Above	kVAh	385.84/kVA	6.13
TIME OF DAY TARIFFS (6 PM to 10 PM)			
11 kV	kVAh		8.10
33 kV	kVAh		7.49
132 kV & Above	kVAh		7.18
HT-IV: Govt., LIFT IRRIGATION, AGRICULTURE AND CPWS			
Govt. and Private Lift Irrigation & Agriculture	kVAh	0	5.60
Composite Water Supply Schemes (CPWS)	kVAh	0	4.70
HT-V: RAILWAY TRACTION			
	kVAh	0	6.68
HT-VI: TOWNSHIPS AND RESIDENTIAL COLONIES			
	kVAh	55.12/kVA	6.08
HT-VII: GREEN POWER			
	kVAh	0	11.32
HT-VIII: TEMPORARY SUPPLY			
		1.5 times of corresponding HT Category	
RURAL ELECTRIC CO-OPERATIVES			
Anakapally	kWh	Separate order will be issued	
Chipurupally	kWh		
Kuppam	kWh		
* Equivalent flat rate tariff per year			
** The above determined rates for LT Cat-V agriculture are contingent on payment of subsidy as agreed by the Govt., of A.P., failing which, the rates contained in the full cost recovery tariff schedule will become operative.			

TERMS AND CONDITIONS

(Applicable with effect from 01-04-2016 to 31-3-2017 in respect of the two Distribution Licensees in the State of A.P.)

The LT Tariffs determined in PART 'A' and HT Tariffs determined in PART 'B' below are subject to the following general conditions.

The Tariffs are exclusive of Electricity duty payable as per the provisions of AP Electricity Duty Act, 1939.

PART 'A'

1. LT TARIFFS

System of Supply: Low Tension A.C., 50 Cycles, Three Phase Supply at 415 Volts and Single Phase supply at 240 Volts.

These tariffs are applicable for supply of Electricity to L.T. consumers with a contracted load of 75 kW/100 HP and below.

Whenever kVAh tariff is applicable, fixed charges shall be computed based on the recorded kVA or contracted load whichever is higher. In all such cases the tariff indicated as ₹/kW will be applied as ₹/kVA. As and when a consumer is billed on kVAh basis no capacitor surcharge shall be levied.

1.1 L.T. CATEGORY-I Domestic

Applicability

This tariff is applicable for supply of electricity for lights and fans and other domestic purposes in domestic premises. Domestic establishment / Premises is one which is used for dwelling/residential purpose.

Note: For domestic category, the households having a separate kitchen will be treated as a separate establishment.

The LT Domestic consumers are divided into three groups, viz., LT-I(A), LT-I(B), and LT-I (C). The sub category LT-I (A) shall be applicable to the consumers having consumption of 900 units and below during the previous tariff year. The sub category LT-I (B) shall be applicable to the consumers having consumption of above 900 units and up to 2700 units during the previous tariff year. The sub category LT-I(C) shall be applicable to the consumers having consumption of above 2700 units during the previous tariff year.

Consumers shall be billed for Electricity charges as shown below:	
Consumption during the previous Tariff Year	Energy Charge (₹ kWh)
Category-I Domestic	
Group A: Consumption < =900 Units	
0-50	1.45
51-100	2.60
101-200	3.60
Above 200	6.90
Group B: Consumption (> 900 and < =2700 units)	
0-50	2.60
51-100	2.60
101-200	3.60
201-300	6.90
Above 300	7.75
Group C: Consumption >2700 units	
0-50	2.60
51-100	3.25
101-200	5.26
201-300	6.90
301-400	7.75
401-500	8.27
Above 500 units	8.80
Monthly minimum charges:	
i) Single phase supply	
a) Contracted load up to 500 W	₹25/month
b) Contracted load above 500 W	₹50/month
ii) Three Phase Supply	₹150/month

1.2 L.T. CATEGORY–II Non-Domestic / Commercial

The L.T. Category-II- Non-domestic/ Commercial consumers are divided into four groups viz., LT-II (A), LT-II(B), LT-II(C) and LT-II (D).

1.2.1 L.T. Categories II(A) and II(B)

Applicability

- a) Consumers who undertake Non Domestic activity.
- b) Consumers who undertake Commercial activity.

- c) Consumers who do not fall in any other LT category i.e. LT-I, LT-II(C), LT-II(D), LT-III to LT-VII categories.
- d) Consumers who avail supply of energy for lighting, fans, heating, air conditioning and power appliances in Commercial or Non-Domestic premises such as shops, business houses, offices, public buildings, hospitals, hostels, hotels, choultries, restaurants, clubs, theatres, cinema halls, bus stations, railway stations, timber depots, photo studios, printing presses, etc.
- e) Educational Institutions run by individuals, Non-Government Organisations or Private Trusts and their student hostels are also classified under this category.

LT II (A) shall be applicable to the consumers having consumption of 50 units and below per month.

LT II (B) shall be applicable to the consumers having consumption of above 50 units per month.

Consumers shall be billed for Electricity charges as shown below:		
Consumer Category	Fixed charges (₹/kW/Month)	Energy Charge (₹/Unit) (kVAh/kWh)
LT-II: Non Domestic /Commercial		
LT II(A) : Up to 50 Units/Month	55.12	5.40
LT II(B): Above 50 Units / Month		
First 50	55.12	6.63
51-100		7.38
101-300		8.71
301-500		9.24
Above 500		9.78
Monthly minimum charges :		
Single Phase Supply		₹65/month
Three Phase Supply		₹200/month

1.2.2 L.T. CATEGORY–II(C) Advertising Hoardings

Applicability

Electricity supply availed through separate (independent) connections for the purpose of advertisements, hoardings and other conspicuous consumption such as external flood light, displays, neon signs at public places (roads, railway stations, airports etc.), departmental stores, commercial establishments, malls, multiplexes, theatres, clubs, hotels and other such entertainment/leisure establishments.

LT Category II(C): Advertising Hoardings		
Consumption	Fixed charges (₹/kW/Month)	Energy Charge (₹/kVAh/kWh)
For all kWh or kVAh units	55.12	11.81
Monthly minimum energy charges : ` 300 / month		

1.2.3 LT Category – II(D) Function Halls/Auditoriums

Applicability

This tariff is applicable to Function Halls/Auditoriums/Marriage Halls.

LT Category II (D) : Function Halls/Auditoriums/Marriage Halls		
Consumption	Fixed charges (₹/kW/Month)	Energy Charge (₹/kVAh/kWh)
For all kWh or kVAh units	Nil	11.32

1.3 LT CATEGORY-III Industry

Applicability

The tariffs are applicable for supply of electricity to Low Tension industrial consumers with a Contracted load of 75kW/100 HP and below. Industrial purpose shall mean, supply for purpose of manufacturing, processing and/or preserving goods for sale, but shall not include shops, business houses, offices, public buildings, hospitals, hotels, hostels, choultries, restaurants, clubs, theaters, cinemas, bus stations, railway stations and other similar premises, notwithstanding any manufacturing, processing or preserving goods for sale.

This tariff will also apply to:

- i. Water Works & Sewerage Pumping Stations operated by Government Departments or Co-operative Societies and pump sets of Railways, pumping of water by industries as subsidiary function and sewerage pumping stations operated by local bodies.
- ii. Workshops, flour mills, oil mills, saw mills, coffee grinders and wet grinders, ice candy units with or without sale outlets, Goshalas, grass cutting and fodder cutting units.
- iii. The Information Technology (IT) units identified and approved by the Consultative Committee on IT Industry (CCITI) constituted by GoAP.
- iv. News paper printing units.
- v. Poultry Hatcheries and Poultry Feed Mixing Plants.
- vi. Mushroom production units, Rabbit Farms other than those coming under LT Category-IV.
- vii. Floriculture in Green Houses.
- viii. Sugar cane crushing.
- ix. Aqua culture and Animal husbandry, such as Poultry Farms, Pisciculture, Prawn Culture and Dairy Farms etc.,

1.3.1 LT-III Industry

Description	Fixed charges (₹/kW/Month)	Energy Charge (₹/Unit) (kVAh/kWh)
i) Industry(General)	55.12	6.51
ii) Aqua Culture and Animal Husbandry	21	3.75
iii) Sugarcane crushing	21	3.75
iv) Poultry Hatcheries and Poultry Feed Mixing Plants	55.12	4.75
v) Mushroom & Rabbit Farms	55.12	5.74
vi) Floriculture in Green House	55.12	5.74
Notes:		
a) 1 HP = 0.75 kW		
b) For the purpose of billing, 1 kVA shall be treated as being equal to 1kW		
c) If the metering is on HT side, 1% of total energy consumed shall be deducted from recorded energy for the purpose of billing.		
d) No manufacturing / production certification shall be required, if the poultry farm has no in-house manufacturing activity such as feed mills. Poultry farms are exempted from general condition of 5 kW minimum loads for releasing the three phase supply.		
No monthly minimum energy charges		

1.3.2 LT-III Seasonal Industries

Where a consumer avails supply of energy under L.T. Category – III for manufacture of sugar or ice or salt, decorticating, seed processing, fruit processing, ginning and pressing, cotton seed oil mills, tobacco processing and re-drying and for such other industries or processes as may be approved by the Commission from time to time principally during certain seasons or limited periods in a year and his main plant is regularly closed down during certain months in a year, he shall be charged for the months during which the plant is shut down (which period shall be referred to as the off-season period) as follows:

LT Category - III Seasonal Industries	
Fixed charges on 30% of Contracted Load or Recorded Demand, whichever is higher (₹/kW/Month)	Energy Charge For all kWh or kVAh units (₹/kVAh/kWh)
55.12	7.23
No monthly minimum energy charges	

During seasonal period, the consumer shall be billed under LT-III Industry (General) category. If the metering is on HT side, 1% of total energy consumed shall be deducted from recorded energy for the purpose of billing.

1.4 LT CATEGORY-IV

1.4.1 LT – IV (A) Cottage Industries

Applicability

Applicable for supply of energy to Dhobighats & bonafide (as certified by D.E(Operations)) Small Cottage Industries specifically power looms, Carpentry, Blacksmithy, Kanchari, Goldsmithy, Shilpi, Pottery, Mochy, Phenoyl production units, Agarbathi production units, Wax Candle making units, Papads Manufacturing units, Leather (Chappals) making, Soap Industry, Plaster of Paris units, Laque toy making units, Pop Toys, Wood carving/toy making units, Pickles Manufacturing, Mango jelly units,

Adda leaf plate industry having connected load not exceeding 10 HP including incidental lighting in the premises.

L.T Category – IV (A): Cottage Industries	
Fixed charges (₹/kW/Month)	Energy Charge For all kWh units (₹/kWh)
₹20/- per month per kW of contracted load subject to a minimum of ₹30/- per month	3.75
Note: i) Units which exceed 10 HP connected load shall be billed at tariff specified for LT- III Industrial Category. ii) No minimum Energy charges.	

1.4.2 LT – IV (B) Agro based activities

Applicability

This tariff is applicable to bonafide (as certified by DE/Operations) small agro based industrial units covering Sisal fiber extraction co-operative units, Vermiculture, Sericulture, Mushroom growing, Rabbit farming, Sheep rearing, Emu birds farming, Apiculture (honey making), Chaff-cutting and Dairy farming activities with connected load upto 10 HP (including incidental lighting load).

L.T Category – IV (B): Agro Based Activities	
Fixed charges (₹/kW/Month)	Energy Charge For all kWh units (₹/kWh)
₹20/- per month per kW of contracted load subject to a minimum of ₹30/- per month	3.75
Note: i) Units which exceed 10 HP connected load shall be billed at tariff specified for LT – III Industrial Category. ii) No minimum energy charges.	

1.5. LT CATEGORY-V Agricultural

1.5.1 LT Category-V (A) – Agricultural with DSM Measures

Category	Purpose	Fixed charges	Energy Charge ₹/kWh
With DSM measures	Corporate Farmers & IT Assessee	0.00	2.50
	Wet Land Farmers (Holdings>2.5 acre)	* ₹ 525/HP/Year	0.50
	Dry Land Farmers (Connections>3 nos.)	* ₹ 525/HP/Year	0.50
	Wet Land Farmers (Holdings<=2.5 acre)	0	0
	Dry Land Farmers (Connections<=3nos.)	0	0
<ul style="list-style-type: none"> • No minimum energy charges. 			
* Equivalent flat rate tariff			

1.5.2 LT Category-V(B) Agricultural Without DSM Measures

Category	Purpose	Fixed charges	Energy Charge ₹/kWh
Without DSM measures	Corporate Farmers & IT Assessee	0	3.50
	Wet Land Farmers (Holdings >2.5 acre)	* ₹ 1050/HP/Year	1.00
	Dry Land Farmers (Connections>3 nos.)	* ₹ 1050/HP/Year	1.00
	Wet Land Farmers (Holdings<=2.5 acre)	* ₹ 525/HP/Year	0.50
	Dry Land Farmers (Connections<=3 nos.)	* ₹ 525/HP/Year	0.50
<ul style="list-style-type: none"> • No minimum energy charges. 			
* Equivalent flat rate tariff			

Note:

1.5.2 (a) For LT lift irrigation schemes, if supply is made beyond 7 hours per day, such additional consumption only shall be billed @ ₹3.50 per unit.

1.5.2 (b) In respect of all agricultural consumers, the DISCOMs shall workout actual energy consumed on the basis of per HP per annum for agricultural purpose and submit the same to the

Commission by 30-04-2016. This will enable the Commission to arrive at energy to be supplied at free of cost on annual basis and to issue bills by DISCOMs for payment of additional units consumed over and above free power supply units for the tariff year 2016-17.

1.5.3 LT Category – V(C) Others

Description	Fixed charges (₹/Month)	Energy Charge (₹/kWh)
Salt farming units with Connected Load upto 15 HP \$	20/HP	3.70
Rural Horticulture Nurseries with Connected Load upto 15HP \$	20/HP	3.70
\$ -Units with connected load more than 15 HP shall be billed under LT Category III – Industrial General tariff		
<ul style="list-style-type: none"> No minimum energy charges. 		

1.6 L.T. CATEGORY-VI Street Lighting, PWS Schemes and NTR Sujala Padhakam:

Applicability

Applicable for supply of energy for lighting on public roads, streets, through fare including parks, markets, cart-stands, taxi stands, bridges, PWS schemes in the Local Bodies viz., Panchayats / Municipalities/ Municipal Corporations and NTR Sujala Padhakam (Drinking water schemes notified by the Government of AP and/or concerned statutory authority). Metering is compulsory irrespective of tariff structure. The Composite Water Supply Schemes (CWSS) operated and/or maintained by local bodies (Panchayats, Municipalities and Corporations) shall be billed at LT-VI(B): PWS scheme tariff.

1.6.1 LT-VI (A) Street Lighting

Category	Fixed Charges /month	Energy Charges ₹/kWh
Panchayats	33.28/kW	5.75
Municipalities	33.28/kW	6.28
Municipal Corporations	33.28/kW	6.82
Minimum energy charges:		
Panchayats		₹2 per point per month
Municipalities/Corporations		₹6 per point per month

1.6.2 LT – VI (B) PWS Schemes

Category	Fixed Charge (₹/Month)	Energy Charge (₹/kVAh or kWh)
Panchayats	₹33.28/HP of contracted load subject to a minimum of ` 50/-	4.68
Municipalities	₹33.28/HP of contracted load subject to a minimum of ` 100/-	5.75
Municipal Corporations	₹33.28/HP of contracted load subject to a minimum of ` 100/-	6.28
<ul style="list-style-type: none">No minimum energy charges.		

1.6.3 LT – VI (C) NTR Sujala Padhakam

Energy Unit	Fixed Charge (₹/Month)	Energy Charge (₹/kVAh or kWh)
kWh/kVAh	10/HP	4.00
<ul style="list-style-type: none">No minimum energy charges.		

1.7 LT CATEGORY-VII

1.7.1 LT –VII (A) General Purpose

Applicability

Applicable for supply of energy to places of Crematoriums, Government Educational Institutions and Student Hostels run by Government agencies, Charitable Institutions i.e., Public charitable trusts and societies registered under the Societies Registration Act running educational and medical institutions on a no profit basis, recognized service institutions and registered old age homes.

Fixed Charges ₹/kW/month	Energy Charges ₹/kVAh or kWh
21.84	7.00
Minimum Energy charges	
Single Phase Supply	₹50 per month
Three Phase Supply	₹150 per month
Note: Tri vector meters shall be provided for all 10 kW and above services. Energy charges shall be billed on kVAh for all 10 kW & above services. For loads below 10 kW, energy charges shall be billed on kWh basis.	

1.7.2 L.T. CATEGORY-VII (B) Religious Places

Applicability

Applicable for supply of energy to places of worship such as Temples, Churches, Mosques and Gurudwaras.

Description	Fixed charges (₹/kW/Month)	Energy Charge (₹/Unit) (kVAh/kWh)
i) Upto 2 kW contracted load	20.00	4.70
ii) Above 2 kW contracted load	21.84	4.89
<ul style="list-style-type: none"> No minimum energy charges. 		

1.8 L.T. CATEGORY-VIII Temporary Supply

Fixed Charges ₹/kW/month	Energy Charges ₹/kVAh or kWh
21.84	10.10
Minimum energy charges	₹ 125 per kW or part thereof of contracted load for first 30 days or part thereof and ₹75 per kW or part thereof of contracted load for every subsequent period of 15 days or part thereof.
Note : a) Tri vector meters shall be provided for all 10 kW and above services. b) Energy charges shall be billed on kVAh for all 10 kW & above services. c) For loads below 10 kW, energy charges shall be billed on kWh basis.	

TERMS & CONDITIONS OF LT SUPPLY

2.1 General Conditions of LT Tariff

1. UP to 5 kW of Contracted Load supply will be extended on single phase only.
2. The Licensee shall have the right to classify or re-classify the category of supply of energy to any premises under an appropriate category of LT Tariff.

2.2 Additional Charges for delayed payment

- a) The C.C. bills shall be paid by the consumers within the due date mentioned in the bill, i.e. 15 days from date of the bill.
- b) In case of LT-I (all sub-groups), LT-II(A) and LT-IV, if payment is made after due date, the consumers are liable to pay, Delayed Payment Surcharge (DPS) per month at the rates given in table below.

LT-I(A)	₹10/month
LT-I(B), LT I(C), LT-II(A) & LT-IV	₹25/month

- c) In case of LT-II(B), LT-II(C), LT-II (D), LT-III, LT-VI and LT-VII, the Licensee shall levy Delayed Payment Surcharge (DPS) on monthly consumption charges only at the rate of 5paise/ `100/day calculated from the due date mentioned on the bill up to the date of payment or `150 whichever is higher. In case of grant of installments, the Licensees shall levy interest at the rate of 18% per annum on the outstanding amounts compounded annually and both (DPS and Interest) shall not be levied at the same time.
- d) If the C.C. bills amount is not paid within 15 days from the due date, the power supply is liable for disconnection.
- e) For re-connection of power supply after disconnection, the consumer has to pay reconnection charges. The re-connection charges shall not be collected without actual disconnection.

3 CATEGORY-WISE SPECIFIC CONDITIONS OF LT TARIFF

3.1 LT CATEGORY – I (Domestic)

- a) If electricity supplied in domestic premises is required to be used for non-domestic or commercial purposes, a separate connection should be taken for such loads under LT Category-II, failing which the entire supply shall be charged under LT Category-II tariff, apart from liability for penal charges as per the General Terms and Conditions of the Supply.
- b) For common services like Water supply, common lights in corridors and supply for lifts in multistoried buildings, consumers shall be billed electricity charges as follows:
 - i. At L.T. Category- LT-I(B) / LT-I(C), if the plinth area occupied by the domestic consumers is 50% or more of the total plinth area.
 - ii. At L.T. Category- II(B), if the plinth area occupied by the domestic consumers is less than 50% of the total plinth area.
- c) Single Point LT services released to residential complexes of State Government/Central Government Departments under specific orders of Licensee with Contracted Load/Connected Load in excess of 56kW/75HP shall be billed under LT-I Domestic tariff slab rate applicable based on the average monthly energy consumption per each authorized dwelling i.e., total energy consumption in the month divided by the number of such dwelling units, in the respective residential complexes.

The above orders are subject to the following conditions, namely:

- i) Orders are applicable to Police Quarters and other State/Central Government residential complexes specifically sanctioned by the Licensee.
- ii) Provided that, it is at the request of the designated officer, who shall give an unconditional undertaking that he will pay up the bill for C.C. charges to the Licensee irrespective of collection from the individual occupants.
- iii) The consumers shall be billed at the appropriate slab rate in tariff based on the average monthly consumption per dwelling unit in the complex.
- iv) Meter reading shall be taken monthly in all such cases.

- v) Customer charges calculated at corresponding rate applicable slab-wise per month for each dwelling unit shall be billed.
- d) Where an individual consumer seeks to avail supply for Domestic purpose with a connected load of above 56 kW/75 HP, such consumers may be given supply under this category subject to the following conditions.
 - i. The metering shall be provided by the DISCOMs on HT side of the distribution transformer.
 - ii. Meter reading shall be done monthly and the energy recorded in the HT metering shall be billed at tariff rates under LT I (C) Domestic.

3.2 LT CATEGORY – II Non-Domestic / Commercial

- (1) For loads 10 kW and above, a LT tri-vector meter shall be provided and energy charges shall be billed on kVAh.
- (2) For loads below 10 kW, the billing shall be based on kWh. The connected load shall not exceed the contracted load specified in the agreement as per sanction accorded for the service.
- (3) The fixed charges shall be computed based on contracted load or actual Recorded Demand whichever is higher.
- (4) For the purpose of billing, 1 kVA shall be treated as being equal to 1 kW.
- (5) In respect of the complexes having connected load of more than 56kW/75HP released under specific orders of Licensee for Single Point Bulk supply, where such complex is under the control of a specified organization/agency taking responsibility to pay monthly current consumption bills regularly and abide by the General Terms and Conditions of Supply, the billing shall be done at the highest slab tariff rate under LT-II(B). The energy shall be measured on the High Tension side of the transformer. In case, where energy measured on LT side of the transformer, 3% of the recorded energy during the month shall be added to arrive at the consumption on High Tension side of the transformer.

3.3 LT-III INDUSTRY CATEGORY

(1) The connected load shall not exceed the contracted load specified in the agreement as per sanction accorded for the service. The fixed charges shall be computed based on contracted Load or actual Recorded Demand whichever is higher. For the purpose of billing, 1kVA shall be treated as being equal to 1 kW.

(2) Sugar Cane Crushing

Sugar cane crushing operations will be allowed under existing agricultural connections with the specific permission from concerned DE (Operation).

(3) Metering and Load Conditions

- i. LT Tri-vector meter shall be provided for the consumers with contracted load of 15 kW/20 HP to 37.5 kW/50 HP.
- ii. For loads above 37.5 kW/50 HP to 75 kW/100 HP, the metering shall be provided on HT side of the Distribution Transformer.
- iii. Energy charges shall be billed on kVAh basis, for all consumers with contracted load of 15 kW/20HP and above. For loads below 15 kW/20 HP, billing shall be done based on kWh.
- iv. If the recorded demand of any service connection under this category exceeds the 75 kVA (1 kVA = 1 kW), such excess demand shall be billed at the demand charges prescribed under HT Category-I (11 kV supply).
- v. In cases where metering is provided on LT side of transformer (due to space constraints), 3% of the recorded energy during the month shall be added to arrive at the consumption on High Tension side of the transformer.

3.4 SEASONAL INDUSTRIES

- i. Consumers, classified as seasonal load consumers, who are desirous of availing the seasonal benefits shall specifically declare their season at the time of entering into agreement that their loads should be classified as seasonal loads.
- ii. The period of season shall not be less than 4(four) continuous months. However, consumer can declare longer seasonal period as per actuals.

- iii. Existing eligible consumers who have not opted earlier for availing of seasonal tariffs will also be permitted to opt for seasonal tariff on the basis of application to the concerned Divisional Engineer of the Licensee.
- iv. Consumer, who desires to have a change in the period classified as “season” declared by him, shall file a declaration at least a month before commencement of the season already declared by him. Change of season will be allowed once in a year only.
- v. The off-season tariff is not available to composite units having seasonal and other categories of loads.
- vi. Development charges as applicable to regular LT consumers shall be paid by the consumers for availing supply under the above said category with seasonal benefits. Consumers who have paid the development charges already as regular consumers need not pay the development charges.
- vii. Energy charges shall be billed on kVAh for all 15 kW & above services. For all loads below 15 kW, energy charges shall be billed on kWh.

3.5 LT CATEGORY-V Agriculture

- i. Agricultural consumers are permitted to use one lamp of 15 watts or three lamps of 5 watts each, near the main switch as pilot lamps.
- ii. Supply to the L.T Agricultural services will be suitably regulated as notified by Licensee from time to time.
- iii. The Farmers eligible for free supply under Dry Land as well as Wet Lands have to comply with the following Demand Side Management Measures (DSM) as applicable for his pumping system viz., submersible and surface pump sets, failing which they shall not be eligible for free supply.
- iv. DSM measures include frictionless foot valve, capacitor of adequate rating, HDPE or RPVC piping at suction and/or delivery and ISI marked mono-block or submersible pump-sets.
- v. Farmers in dry land areas shall not be eligible for free supply if they grow Paddy in second crop.

- vi. All new connections shall be given only with DSM measures implemented and with meters.

3.6 LT-CATEGORY VI: STREET LIGHTING & PWS

LT-VI(A) Street Lighting

- i. The cost of fittings shall be borne or paid for by Local bodies. The responsibility for maintenance including renewals and replacements rests with the Local bodies viz., Panchayats, Municipalities, Municipal Corporations.
- ii. Where the cost of fittings is borne by the Licensee, the first supply of filament lamps, fluorescent tubes, mercury vapour lamps including special type lamps along with their fittings will be made by the Licensee at its cost. In such cases, consumer (Local bodies) will have to pay fixed charges as in column (3) below. However, where the cost of fittings is borne by the consumer but maintenance is done by the Licensee, the consumer will have to pay fixed charges as in Column (4) below:

Sl.No	Fittings for	Fixed charges per month where the cost of fittings is borne by Licensee (₹)	Fixed charges per month where the cost of fittings is borne by the Local Body but maintenance by Licensee (₹)
(1)	(2)	(3)	(4)
1	Ordinary Filament Lamp	2	1
2	Fluorescent Lamp 40 W Single Fixture	7	4
3	Fluorescent Lamp 40 W Double Fixture	8	4
4	M.V. Lamps 80 W Fixture	12	6
5	M.V. Lamps 125 W Fixture	15	8
6	M.V Lamps 250 W Fixture	45	23
7	M.V. Lamps 400 W Fixture	50	25

- iii. The replacement of filament lamps, fluorescent tubes, mercury vapour and other special type of lamps will be done by the Local Body at its cost. However, in urban areas till such time the Municipalities and Corporations make their own arrangements for such replacements, the Licensee may, if the consumer so

desires, carry out the replacement provided the Local Body supplies the lamps and tubes. The consumer will in such cases be billed labour charges at the rate of ₹ 2 per replacement. However, in rural areas, such replacement of bulbs supplied by the Local Body will be made by the Licensee without collecting labour charges. For this purpose, the area coming under Gram Panchayat shall constitute 'Rural Area'.

- iv. Additional charges: Every local body shall pay an additional charge equivalent to any tax or fee levied by it under the provisions of any law including the Corporation Act, Municipalities Act or Gram Panchayat Act on the poles, Lines, Transformers and other installations erected in its area.

3.7 LT-CATEGORY-VIII Temporary Supply

- (1) Requests for temporary supply of energy cannot normally be considered unless there is a clear notice of at least one week in the case of domestic and three months in case of other types of supply. If supply is required at a short notice, in addition to the charges mentioned below, an urgency charge, as specified in 4.5 (h) is also to be paid.
- (2) Estimated cost of the works means the cost of works for making necessary arrangements for supplying energy including the cost of distribution lines, switchgear, metering equipment, etc., as may be worked out on the basis of standards and norms prescribed by the Licensee, from time to time plus cost of dismantling the lines and other works when the supply is no more required less the cost of retrievable material.
- (3) (a) Estimated cost of the works as mentioned in para (2) above shall be paid by the consumer in advance. After the works are dismantled and retrievable materials returned to stores, a bill for the actual amount payable by the consumer shall be prepared and the difference would be collected from or refunded to the consumer, as the case may be. No development charge shall be collected for temporary supply.

(b) In addition to the aforesaid charges payable by consumers availing temporary supply, they shall pay hire charges at 2% on cost of retrievable material per month or part thereof, for the duration of temporary supply. These charges will be claimed along with the consumption bills.

(4) (a) The consumer requiring supply on temporary basis shall be required to deposit in advance, in addition to the estimated cost of works mentioned in 3(a), the estimated consumption charges at the rate stipulated in Tariff Order for Temporary supply, and worked out on the basis for use of electricity by the consumer for 6 hours per day for a period of 2 months in case the supply is required for more than 10 days. If the period of temporary supply is for 10 days or less, the advance consumption charges for the actual period requisitioned shall be paid.

(b) The bill for electricity consumed in any month shall be prepared at the tariff applicable plus hire charges as mentioned in 3(b) above. The consumers have to pay month CC charges regularly during the period of availing temporary supply and the estimated energy consumption deposit shall be adjusted with the last month consumption and the balance, if any, shall be refunded.

(c) In the case of consumers requiring temporary supply for the purposes of Cinema, the estimated energy charges for a minimum period of 3 months shall have to be deposited by the consumers subject to the condition that the consumer shall pay every month energy and other miscellaneous charges for the preceding month and the amount deposited by him in advance shall be adjusted with the last month consumption and the balance amount shall be refunded.

(d) In the event of estimated energy charges deposited by the consumer having been found insufficient, the consumer shall deposit such additional amount, as may be demanded by the Licensee failing which the Licensee may discontinue the supply of electricity.

(5). **Estimated Cost of Works and Estimated energy charges**

These charges shall be paid in advance by the consumer in accordance with the procedure prescribed above.

(6). **Regular consumers requiring temporary additional supply**

In case where consumers availing regular supply of energy require additional supply for temporary period, the additional supply shall be given as a temporary service under a separate connection and charged as such in accordance with the above procedure.

4 OTHER CHARGES IN LT

I. Service Connection Charges

The service connection charges shall be collected as per the Regulations issued by the Commission from time to time.

Service connection wires for L.T. Category – V Irrigation and Agricultural purposes shall be laid collecting an amount of ₹ 25/- per HP of contracted load towards service connection charges.

II. Reconnections

(a) Low Tension Services.	
LT-1 (A) (Overhead)	₹ 25
Other LT Services (Overhead)	₹ 75
Services with Under Ground cable	₹ 200

III. Testing

(a) Installations	LT
The first test and inspection of a new installation or of an extension to an existing installation	Nil
Charges payable by the consumer in advance for each subsequent test and/or inspection if found necessary owing to any fault in the installation or to non-compliance of the conditions of supply	₹ 20
(b) Meters	
LT	
A.C. Single Phase Energy meter	₹ 100
A.C. Three Phase Energy meter	₹ 300
LT Tri Vector meter	₹ 2000

IV. Service calls

(a) Charges for attendance of Fuse man for Low Tension Consumers	
i) Replacing of Licensee's cut out fuses	Nil
ii) Replacing of consumer's fuses	₹3/-
(b) Charges for attendance of Fuse man/Wireman at the consumer's premises during any function or temporary illumination provided a Fuse man / Wireman can be spared for such work	₹100/- for each day or part thereof.
(C) Charges for infructuous visit of Licensee employees to the consumer's premises	₹25/- for each visit when there is no defect in Licensee's equipment

V. Miscellaneous Charges

(a) Application Registration Fees	
(i) For LT Agricultural & Domestic	₹25
(ii) For all other LT Categories	₹50
(b) Revision of estimates	₹10
(C) Fee for re-rating of consumer's installation at the request of the consumer. This does not include the additional charges payable by the consumer for increasing his connected load in excess of the contracted load, as provided in General Terms and Conditions of Supply.	₹20
(d) Resealing of	
(i) L.T. Meter Cut outs in the consumer's Premises	₹5
(ii) M.D. Indicator meters and other apparatus in the consumer's premises for all other LT categories.	₹100
The aforesaid charges do not include the additional charges payable by the consumer for breaking the seals	
(e) For changing meter only at the request of the consumer (where it is not necessitated by increase in demand permanently)	₹25
(f) For changing or moving a meter board	Actual cost of material and labour plus 25% supervision charges on cost of materials and labour
(g) Customer Charges	
Consumer Category	₹ / month
LT-I Domestic (Units / month)	
0 – 50	25
51 – 100	30

101 – 200	35
201 – 300	40
>300	45
LT-II (A) & LT-II (B): Non-Domestic / Commercial (Units / month)	
0 – 50	30
51 – 100	35
>100	40
LT-II (C) Advertising Hoardings	45
LT-II (D) Function Halls / Auditoriums	45
LT-III Industry upto 20 HP	50
LT-III Industry 21 – 50 HP	200
LT-III Industry 51 – 100	750
LT-VII General Purpose	40
LT-VIII-Temporary Supply	40
All other LT categories	30
(h) Urgency charges for temporary supply at short notice	₹100
(i) Special rates chargeable for theft/pilferage and malpractice cases	
As per the General Terms and Conditions of Supply (GTCS) approved by the Commission from time to time.	
(j) Supervision/Inspection & checking Charges for all LT categories.	₹100

VI. Miscellaneous works in LT

The charges for any work which the Licensee may be required to undertake for the consumer and which is not included in the foregoing schedule, shall be the actual cost of labour and material plus 25% on cost of labour and material to cover overhead charges. The aforesaid charges shall be paid by the consumer in advance.

VII. Power factor apparatus and capacitor surcharge for LT

- (1) Every LT consumers not provided with tri vector meters, except LT-I Domestic, using induction motors and/or welding transformers shall install shunt capacitors of the rating specified by the Licensees in the General Terms and Conditions of Supply (GTCS) approved by the Commission from time to time. In case the rated capacity of the induction motor or welding transformer fails in between the steps of the stipulated ratings, the capacitors suitable for the next higher step shall be installed by the consumer.

- (2) The failure on part of the consumer with the above requirement shall be treated as violation of the general terms and conditions of supply and the Licensee can terminate the contract and collect the sum equivalent to the minimum charges for the balance initial period of agreement, apart from disconnection of supply as provided in the General Terms and Conditions of Supply.
- (3) In the case of LT consumers (except LT Domestic, LT-IV, LT-V, LT-VI (A), LT-VII (B)) not covered by kVAh billing, if during inspection, no capacitor is found, or the capacitors already installed are found damaged or having defect or ceased to function, such consumer shall be liable to pay capacitor surcharge @25% of the monthly bill amount, as per the terms and conditions of supply notified by the Licensee.
- (4) LT consumers, except LT-I Domestic and LT-V Agriculture, who are provided with metering capable of measuring active and reactive power under the orders of the Commission, shall maintain their power factor preferably in between 0.95 lag and 0.95 lead in the interest of the system security. The consumers should not maintain the power factor on leading side less than 0.95. If any consumer maintain the power factor less than 0.95 lead for a period of 2 consecutive months, it must be brought back in the range of (+) or (-) 0.95 within a period of 3 months failing which without prejudice to such other rights as having accrued to the Licensee or any other right of the Licensee the supply to the consumer may be discontinued. However, for the purpose of billing leading kVAh shall be blocked.

PART 'B'

5 HT TARIFFS

These tariffs are applicable for supply of electricity to H.T. consumers having loads with a contracted demand of 70 kVA and above and/or having a contracted load exceeding 56 kW/75 HP.

5.1. HT CATEGORY – I (Industry)

Applicability

This tariff is applicable for supply to all H.T. consumers using electricity for industrial purpose. Industrial purpose shall mean manufacturing, processing and/or preserving goods for sale, but shall not include shops, Business Houses, Offices, Public Buildings, Hospitals, Hotels, Hostels, Choultries, Restaurants, Clubs, Theatres, Cinemas, Printing Presses, Photo Studios, Research & Development Institutions, Airports, Bus Stations, Railway Stations and other similar premises (The enumeration above is illustrative but not exhaustive) notwithstanding any manufacturing, processing or preserving goods for sale.

This tariff will also apply to:

- i. Water Works & Sewerage Pumping Stations operated by Government Departments or Co-operative Societies and pump sets of Railways, pumping of water by industries as subsidiary function and sewerage pumping stations operated by local bodies.
- ii. Workshops, flour mills, oil mills, saw mills, ice candy, ice manufacturing units with or without sale outlets.
- iii. The Information Technology (IT) units identified and approved by the Consultative Committee on IT industry (CCITI) constituted by GoAP.
- iv. Newspaper printing units.
- v. Poultry Hatcheries and Poultry Feed Mixing plants.
- vi. Aqua Culture and Animal Husbandry, such as Poultry Farms, Pisi Culture and Prawn Culture.

5.1.1 HT-I (A) INDUSTRY General

DEMAND CHARGES & ENERGY CHARGES		
Voltage of Supply	Demand Charges ₹ / kVA/month of Billing Demand	Energy Charges ₹/kVAh *
132 kV and above	385.84	5.25
33 kV	385.84	5.68
11 kV	385.84	6.14

* ₹ 1.05 kVAh Time of Day Tariff is leviable on energy consumption during the period from 06:00 PM to 10:00 PM, in addition to the normal energy charges at respective voltages.

5.1.2 HT-I (B) Energy Incentive Industries

Applicability

This tariff is applicable to Ferro Alloy Industries, PV ingots and cell manufacturing units, Poly Silicon Industry and Aluminum Industry.

Demand charges & Energy charges		
Voltage of Supply	Demand Charges ₹ / kVA/month	Energy Charges ₹/kVAh
132 kV and above	Nil	4.81
33 kV	Nil	5.23
11 kV	Nil	5.68

5.1.3 HT- I(C): Aqua Culture and Animal Husbandry

Applicability

This tariff is applicable to Aqua Culture and Animal Husbandry, such as Poultry Farms, Pisi Culture, Prawn Culture and Dairy Farms etc.,

Demand Charges ₹ /kVA/month	Energy Charges ₹ /kVAh
21	3.75

5.1.4 HT- I (D): Poultry Hatcheries and Poultry Feed Mixing Plants

Applicability

This tariff is applicable to Poultry Hatcheries and Poultry Feed Mixing Plants

Demand Charges ₹ /kVA/month	Energy Charges ₹ /kVAh
385.84	4.75

5.1.5 Colony Consumption

a) The consumption of energy exclusively for the residential colony/township in a month, separately metered with meters installed by the consumer and tested and sealed by the Licensee shall be billed at ₹ 6.08 per kVAh.

b) In case segregation of colony consumption has not been done, 15% of the total energy consumption shall be billed at ₹ 6.08 per kVAh and the balance kVAh shall be charged at the corresponding energy tariff under HT Category-I.

c) Wherever possible, colonies of industry shall be given a separate HT service under HT Category-VI: Townships and Residential Colonies.

5.1.6 Rates for Seasonal Industries coming under HT-I (A)

Where a consumer avails supply of energy for manufacture of sugar or ice or salt, decorticating, ginning and pressing, cotton seed oil mills, seed processing, fruit processing, tobacco processing and re-drying and for such other industries or processes as may be approved by the Commission from time to time principally during certain seasons or limited periods in a year and his main plant is regularly closed down during certain months, he shall be charged for the months during which the plant is shut down (which period shall be referred to as the off-season period) as follows.

Demand Charges and Energy Charges:		
Voltage of Supply	Demand Charges ₹ / kVA/month of Billing Demand #	Energy Charges ₹/kVAh
132 kV and above	385.84	6.46
33 kV	385.84	6.72
11 kV	385.84	7.40
# Based on the Recorded Maximum Demand or 30% of the Contracted Demand whichever is higher.		
<ul style="list-style-type: none"> No minimum energy charges 		

During season period, billing shall be done as per HT-I (A) Industry - General tariffs.

5.2 HT CATEGORY-II:

5.2.1 HT II (A): Others

Applicability

This tariff is applicable to all H.T. consumers other than those covered under HT Categories I, II (B) and III to VII:

DEMAND CHARGES & ENERGY CHARGES		
Voltage of Supply	Demand Charges ₹ / kVA/month of Billing Demand	Energy Charges ₹/kVAh *
132 kV and above	385.84	6.46
33 kV	385.84	6.72
11 kV	385.84	7.40
* ₹1.05/ kVAh Time of Day Tariff is leviable on energy consumption during the period from 06:00 PM to 10:00 PM, in addition to the normal energy charges at respective voltages.		

Note: In respect of Government controlled Auditoriums and Theatres run by Public Charitable Institutions for purpose of propagation of art and culture which are not let out with a profit motive and in respect of other Public Charitable Institutions rendering totally free service to the general public, the overall kVAh rate (including customer charges) may be limited to the tariff rates under L.T. Category-VII (A) General purpose, in specific cases as decided by the Licensee.

5.2.2 HT II (B): Religious Places

Applicability

This tariff is applicable for supply of energy to places of worship such as Temples, Churches, Mosques and Gurudwaras.

Demand Charges ₹ /kVA/month	Energy Charges ₹ /kVAh
21.84	4.89

5.2.3 HT II (C): Function Halls / Auditoriums

Applicability

This tariff is applicable to Function Halls/Auditoriums/Marriage Halls.

Demand Charges ₹ /kVA/month	Energy Charges ₹ /kVAh
NIL	11.32

5.3 HT CATEGORY-III: Public Infrastructure and Tourism

Applicability

This tariff is applicable to Airports, Railway Stations, Bus Stations, Hotels (3 stars or above category), Resorts (3 star or above category), Heritage Hotels (Heritage basic, Heritage Classic, Heritage Grand), Amusement Parks, MICE Centers, Golf Courses, Botanical Gardens, Urban/Rural Haats, Tourism and Hospitality training Institutes, Wayside Amenities, Spiritual/Wellness centers and Museums.

Demand Charges & Energy Charges		
Voltage of Supply	Demand Charges ₹ / kVA/month of Billing Demand	Energy Charges ₹/kVAh *
132 kV and above	385.84	6.13
33 kV	385.84	6.44
11 kV	385.84	7.05
* ₹1.05/ kVAh Time of Day (ToD) Tariff is leviable on energy consumption during the period from 06:00 PM to 10:00 PM, in addition to the normal energy charges at respective voltages.		

5.4 HT CATEGORY-IV Irrigation & CPWS

5.4.1 HT-IV (A): Lift Irrigation and Agriculture

Applicability

This tariff is applicable to Lift Irrigation Schemes managed by Government of A.P. and for consumers availing HT supply for irrigation and agricultural purposes.

Demand Charges ₹ /kVA/month	Energy Charges ₹ /kVAh
NIL	5.60
No minimum energy charges	

5.4.2 H.T.-IV (B) – Composite Protected Water Supply Schemes

Applicability

The tariff is applicable to energy consumption by H.T. services pertaining to Composite Protected Water Supply (PWS) Schemes in rural areas. The composite PWS schemes shall be as defined and modified by the Commission from time to time.

Demand Charges ₹ /kVA/month	Energy Charges ₹ /kVAh
NIL	4.70
Minimum energy charges: : ₹300/kVA/Year	

5.5 H.T. CATEGORY-V – Railway Traction

Applicability

This tariff is applicable to all H.T. Railway Traction Loads.

Demand Charges ₹ /kVA/month	Energy Charges ₹ /kVAh
NIL	6.68

5.6 H.T. CATEGORY-VI – Townships and Residential Colonies

Applicability

This tariff is applicable exclusively for

(i) Townships and Residential Colonies of Cooperative Group Housing Societies, who own the premises and avail supply at single point for making electricity available to the members of such Society residing in the same premises at HT.

(ii) Any person who avails supply at single point at HT for making electricity available to his employees residing in contiguous premises, the supply in all cases being only for domestic purposes, such as lighting, fans, heating etc., provided that the connected load for common facilities such as non-domestic purpose in residential area, street lighting and water supply etc., shall be within the limits specified hereunder:

Water Supply & Sewerage and Street Light put together	10% of total connected load
Non-domestic/Commercial General purpose put together	10% of total connected load

Demand Charges & Energy Charges		
Voltage of Supply	Demand Charges ₹ / kVA/month	Energy Charges ₹/kVAh
All voltages	55.12	6.08

5.7 HT CATEGORY-VII – Green Power

Applicability

Green Power Tariff is applicable to all consumers who wish to avail power from non-conventional sources of energy voluntarily, and show their support to an environmental cause.

Demand Charges ₹ /kVA/month	Energy Charges ₹ /kVAh
NIL	11.32

Notes:

- i. The Tariff shall be an optional Tariff and can be extended to any consumer without reference to end use purpose
- ii. A consumer shall be entitled to Renewable Energy Certificates (RECs) as may be admissible.
- iii. No minimum energy charges shall be levied under this category.

5.8 H.T. CATEGORY VIII – Temporary

Demand Charges & Energy Charges		
Voltage of Supply	Demand Charges ₹ / kVA/month	Energy Charges ₹/kVAh
132 kV and above	1.5 Times of the corresponding HT consumer category	1.5 Times of the corresponding HT consumer category
33 kV		
11 kV		

5.9 Rural Electric Co-operative Societies

Demand Charges & Energy Charges		
Voltage of Supply	Demand Charges ₹ / kVA/month	Energy Charges ₹/kWh
Anakapally	Tariff order for Rural Electric Co-Operative Societies will be issued separately.	
Chipurupally		
Kuppam		
i) Rescos, being a Licensee, shall, as far as possible maintain a power factor of ± 0.95 at their drawal points.		
ii) No penal charges shall be made applicable.		
iii) Customer charge is not applicable.		

6. H.T. SUPPLY – General Conditions:

6.1 Voltage of Supply

The voltage at which supply has to be availed by:

(i) HT consumers, seeking to avail supply on common feeders shall be:

For Total Contracted Demand with the Licensee and all other sources	
Upto 1500 kVA	11 kV or 33 kV
1501 kVA to 5000 kVA	33 kV
Above 5000 kVA	132 kV or 220 kV as may be decided by Company

(ii) HT consumers seeking to avail supply through independent (Dedicated) feeders from the substations where transformation to required voltage takes place shall be:

For Total Contracted Demand with the Licensee and all other sources.	
Capacity	Supply Voltage
Upto 3000 kVA	11 kV or 33 kV
3001 kVA to 5000 kVA	33 kV
5001 kVA to 20,000 kVA	33 kV or above
Above 20,000 kVA	132 kV or 220 kV as may be decided by Company
The relaxations are subject to the fulfillment of following conditions:	
i) The consumer shall pay full cost of the service line including take off arrangements at substation.	
ii) In case of HT-I, HT-II and HT-III consumer categories, for whom the voltage wise tariff is applicable, the Licensee shall levy the tariff as per the actual supply voltage.	

6.2 Voltage Surcharge

H.T. consumers who are now getting supply at voltage different from the declared voltages and who want to continue taking supply at the same voltage will be charged as per the rates indicated below:

Sl.No	Contracted Demand with Licensee	Voltage at which supply should be availed (in kV)	Voltage at which consumer is availing supply (in kV)	Rates % extra over the normal rates	
				Demand Charges	Energy Charges
(A) For HT consumers availing supply through common feeders					
1.	1501 to 5000	33	11	12%	10%
2.	Above 5000	132 or 220	33 or below	12%	10%
(B) For HT Consumers availing supply through independent feeders					
1	3001 to 10000 kVA	33	11	12%	10%
Note:					
i) In case of consumers who are having supply arrangements from more than one source, CMD with the Licensee or RMD, whichever is higher shall be the basis for levying voltage surcharge.					
ii) The Voltage Surcharge is applicable to only existing services and DISCOMs shall not release new services with Voltage Surcharge.					

6.3 Maximum Demand

The maximum demand of supply of electricity to a consumer during a month shall be twice the largest number of kilo-volt-ampere hours (kVAh) delivered at the point of supply to the consumer during any consecutive 30 minutes in the month. However, for the consumers having contracted demand above 4000 kVA the maximum demand shall be four times the

largest number of kilo-volt-ampere-hours (kVAh) delivered at the point of supply to the consumer during any consecutive 15 minutes in the month.

6.4 Billing Demand

The Billing demand shall be the maximum demand recorded during the month or 80% of the contracted demand whichever is higher, except HT-VI category i.e., Townships & Residential Colonies. For HT-VI category the minimum billing condition of 80% of the contracted demand shall not be applicable.

6.5 Monthly Minimum Charges

Every consumer whether he consumes energy or not shall pay monthly minimum charges calculated on the billing demand plus energy charges specified for each category in this part to cover the cost of a part of the fixed charges of the Licensee.

6.6 Additional Charges for Maximum Demand in excess of the Contracted Demand:

If in any month the Recorded Maximum Demand (RMD) of the consumer exceeds his contracted demand with Licensee, the consumer will pay the following charges on excess demand and energy.

RMD over CMD	Demand Charges on Excess Demand	Energy Charges on full Energy
100 to 120%	2 times of normal charge	Normal
Above 120% and up to 200%	2 times of normal charge	1.15 times of normal charge
More than 200%	2 times of normal charge	1.20 times of normal charge

In case of Category-HT-V (Railway Traction), the energy charges shall be computed at 1.05 times of normal charges on the entire consumption if RMD exceeds 120% of Contracted Demand.

6.7 Additional Charges for delayed payment

The Licensees shall charge the Delayed Payment Surcharge (DPS) per month on monthly consumption charges only at the rate of 5 paise/ ₹ 100/day or ₹ 550 whichever is higher. In case of grant of installments, the Licensee shall levy interest at the rate of 18% per annum on the outstanding amounts, compounded annually and both shall not be levied at the same time.

6.8 Customer charges

Every HT Consumers shall pay customer charges as applicable to them, in addition to demand and energy charges billed.

6.9 Maintenance of Power Factor at consumer end

HT consumers, who are provided with metering capable of measuring active and reactive power under the orders of the Commission, shall maintain their power factor preferably in between 0.95 lag and 0.95 lead in the interest of the system security. The consumers should not maintain the power factor leading side less than 0.95. If any consumer maintain the power factor less than 0.95 lead for a period of 2 consecutive months, it must be brought back in the range of + of – 0.95 within a period of 3 months failing which without prejudice to such other rights as having accrued to the licensee or any other right of the Licensee the

supply to the consumer maybe discontinued. However, for the purpose of billing, leading kVAh shall be blocked.

7. HT SUPPLY Specific conditions

7.1 HT-I (A) Industry General

- i) The billing demand shall be the maximum demand recorded during the month or 80% of the contracted demand whichever is higher.
- ii) Energy charges will be billed on the basis of actual energy consumption or 50 kVAh per kVA of billing demand, whichever is higher.

7.2 HT-I (B) Energy Intensive Industries

Guaranteed energy off-take at 6701 kVAh per kVA per annum on Average Contracted Maximum Demand or Average Actual Demand whichever is higher. The energy falling short of 6701 kVAh per kVA per annum will be billed as deemed consumption.

7.3 HT-I (C) Aqua Culture & Animal Husbandry

Energy charges will be billed on the basis of actual energy consumption or 40 kVAh/ kVA per Month of Contracted Demand, Whichever is higher.

7.4 HT I (A) Seasonal Industry

- i. Consumers, classified as seasonal load consumers, who are desirous of availing the seasonal benefits shall specifically declare their season at the time of entering into agreement that their loads should be classified as seasonal loads.
- ii. The period of season shall not be less than 4 (four) continuous month. However, consumer can declare longer seasonal period as per their actual requirement.
- iii. Consumer, who desires to have a change in the period classified as “season” declared by him, shall file a revised declaration at least a month before commencement of already declared season period. Change of season period will be allowed once in a year only.
- iv. Existing eligible consumers who have not opted earlier for seasonal tariffs will also be permitted to opt for seasonal tariff on the basis of application to the concerned Divisional Engineer of the Licensee.
- v. The off-season tariff is not available to composite units having seasonal and other categories of loads.
- vi. The off-season tariff is also not available for such of those units who have captive generation exclusively for process during season and who avail supply for Licensee for miscellaneous loads and other non-process loads.
- vii. Development charges as applicable to regular HT consumers shall be paid by the consumers for availing supply under the above said category with seasonal benefits. Consumers who have paid the development charges already as regular consumers need not pay the development charges.

7.5 HT Category-II (A) and HT II (B)

- i. The billing demand shall be the Maximum Demand Recorded during the month or 80% of the contracted demand, whichever is higher.
- ii. Energy charges will be billed on the basis of actual Energy consumption or 25 kVAh per kVA of Billing Demand, whichever is higher.

7.6 HT Category-III Public Infrastructure and Tourism

- 1) The billing demand shall be the maximum demand recorded during the month or 80% of the contracted demand whichever is higher.
- 2) Energy charges will be billed on the basis of actual energy consumption or 50 kVAh per kVA of billing demand whichever is higher.

7.7 HT-IV Lift Irrigation, Agriculture and CPWS

The metering is mandatory for categories IV A & B

7.8 HT Category-V Railway Traction

Energy charges will be billed on the basis of actual energy Consumption or 32 kVAh per kVA per month of Contracted Demand whichever is higher.

7.9 HT Category-VI Townships and Residential Colonies

- 1) The billing demand shall be the recorded maximum demand during the month.
- 2) Energy Charges will be billed on the basis of actual consumption or 25 kVAh per kVA of Contracted Demand, whichever is higher.
- 3) The above provisions shall not in any way affect the right of a person residing in the housing unit sold or leased by such Cooperative Group Housing Society, to demand supply of electricity directly from the distribution licensee of the area.

7.10 HT Temporary Supply

- (a) Requests for temporary supply of energy cannot normally be considered unless there is a clear notice of three months.
- (b) Estimated cost of the works means the cost of works for making necessary arrangements for supplying energy including the cost of distribution lines, switchgear, metering equipment, etc., as may be worked out on the basis of standards and norms prescribed by the Licensee, from time to time plus cost of dismantling the lines and other works when the supply is no more required less the cost of retrievable material.
- (c) (i) Estimated cost of the works as mentioned in para (b) above shall be paid by the consumer in advance. After the works are dismantled and retrievable materials returned to stores, a bill for the actual amount payable by the consumer shall be prepared and the difference would be collected from or refunded to the consumer, as the case may be. No development charges shall be collected for temporary supply.

(ii) In addition to the aforesaid charges payable by consumers availing temporary supply, they shall pay hire charges at 2% on cost of retrievable material per month or part thereof, for the duration of temporary supply. These charges will be claimed along with the consumption bills.

- (d) (i) The consumer requiring supply on temporary basis shall be required to deposit in advance, in addition to the estimated cost of works mentioned in para (c) (i) the estimated consumption charges at the rate stipulated in Tariff Order for Temporary supply, and worked out on the basis for use of electricity by the consumer for 6 hours per day for a period of 2 months in case the supply is required for more than 10 days. If the period of temporary supply is for 10 days or less, the advance consumption charges for the actual period requisitioned shall be paid.
- (ii) The bill for electricity consumed in any month shall be prepared at the tariff applicable plus hire charges as mentioned in para (c)(ii) above. The consumers have to pay monthly CC charges regularly during the period of availing temporary supply and the estimated energy consumption deposit shall be adjusted with the last month consumption and the balance if any shall be refunded.
- (iii) In the case of consumers requiring temporary supply for the purposes of Cinema, the estimated energy charges for a minimum period of 3 months shall have to be deposited by the consumer subject to the condition that the consumer shall pay every month energy and other miscellaneous charges for the preceding month and the amount deposited by him in advance shall be adjusted with the last month consumption and the balance amount shall be refunded.
- (iv) In the event of estimated energy charges deposited by the consumer having been found insufficient, the consumer shall deposit such additional amount, as may be demanded by the Licensee failing which the Licensee may discontinue the supply of electricity.
- (e) For new connections: Temporary supply at High Tension may be made available by the Licensee to a consumer, on his request subject to the conditions set out herein. Temporary supply shall not ordinarily be given for a period exceeding 6 (six) months. In case of construction projects, temporary supply can be extended for a period of 3 years. The electricity supplied to such consumers shall be charged at the rates of HT Temporary Category.
- (f) Existing consumers requiring temporary supply or temporary increase in supply: If any consumer availing regular supply of electricity at High Tension requires an additional supply of electricity at the same point for a temporary period, the temporary additional supply shall be treated as a separate service and charged at the rates of HT Temporary Category, subject to the following conditions.
- i) The contracted demand of the temporary supply shall be the billing demand for that service. The recorded demand for the regular service shall be arrived at by deducting the billing demand for the temporary supply from the maximum demand recorded in the month.
- ii) The total energy consumed in a month including that relating to temporary additional supply, shall be apportioned between the regular and temporary supply in proportion to the respective billing demands.

8 OTHER CHARGES FOR H.T

8.1 Service Connection Charges

The service connection charges shall be collected as per the Regulations issued by the Commission from time to time.

8.2 Reconnection

High Tension Services	Charges
11 kV	₹ 1000
33 kV	₹ 2000
132/220 kV	₹ 3000

8.3 Testing

(a) Installations	Charges
The first test and inspection of a new installation or of an extension to an existing installation.	Nil
Charges payable by the consumer in advance for each subsequent test and/or inspection if found necessary owing to any fault in the installation or to non-compliance of the conditions of supply	₹200
(b) HT Meters	₹3000
(c) Transformer Oils	
First sample of oil	₹100
Additional sample of oil of the same equipment received at the same time	₹150

8.4 Miscellaneous Charges

(a) Application Registration Fees	₹100
(b) For changing meter only at the request of the consumer (where it is not necessitated by increase in Demand permanently)	₹ 10
(c) For changing or moving a meter board	Actual cost of material and labour plus 25% supervision charges on cost of materials and labour.
(d) Customer Charges	
HT Consumer categories upto 33 kV	₹ 1125/month
HT Consumer categories above 33 kV	₹ 2250/month
(e) Urgency charges for temporary supply at short notice	₹ 100
(f) Special rates chargeable for theft/pilferage and malpractice cases	As per the General Terms and conditions of Supply (GTCS) approved by the Commission from time to time
(g) Supervision / Inspection & checking charges	₹ 600

8.5 Miscellaneous works in HT

- 302** The charges for any work which the Licensee may be required to undertake for the consumer and which is not included in the foregoing schedule, shall be the actual cost of labour and material plus 25% on cost of labour and material to cover overhead charges. The aforesaid charges shall be paid by the consumer in advance.
- 303** The payment of subsidy amounts indicated in the beginning of this chapter must be made by the Government of Andhra Pradesh to the Licensees in monthly installments, in advance.
- 304** The above determined rates for LT-V: Agriculture category are contingent on payment of subsidy as agreed by the GoAP., failing which, the rates contained in the full cost recovery tariff schedule will become operative.
- 305** The rates indicated in the Retail Supply Tariff Schedule for FY 2016-17, together with the terms and conditions prescribed there under shall be applicable in the areas of operation of 2 (two) Distribution Companies viz., Eastern Power Distribution Company of A.P. Limited (APEPDCL) and Southern Power Distribution Company of A.P. Limited (APSPDCL) w.e.f. 01-04-2016 to 31-03-2017.
- 306** Before concluding, the extra-ordinary cooperation from all the personnel of the licensees, including through providing the vast information and data required for analysing and examining all the issues involved satisfactorily, needs a special mention. Similarly, the overwhelming response from all the categories of consumers, who spoke through their individual and representative participants orally or through written representations during the public hearings or otherwise, strengthened the hands of the Commission in serving the cause of the electricity industry and its consumers in the State more efficiently and enthusiastically. The Government of Andhra Pradesh and its Energy Department are natural partners in the whole exercise and likewise, the friends from the print, audio and visual media have been a source of strength for the Commission, more so, in all its public hearings. Last but not the least the untiring efforts of the officers and the staff of the Andhra Pradesh Electricity Regulatory Commission

need to be applauded. The commitment of the Commission, its officers and staff to the cause of preservation of electricity industry in the State, while equally protecting the genuine interests of the every power consumer in the State is reiterated by the remarkable hard work of the personnel of the Commission. We find no adequate vocabulary to express our gratitude to each of those who contributed to the fruitful conclusion of the tariff exercise.

This order is signed on 31st day of March, 2016

Sd/-
P. RAMA MOHAN
MEMBER

Sd/-
P. RAGHU
MEMBER

Sd/-
G. BHAVANI PRASAD
CHAIRMAN

ANNEXURE – 01
Public Notice of ARRs

BEFORE THE HONOURABLE
ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION (APERC)

D.No.11-4-660, 4th Floor, Singareni Bhavan, Red Hills, HYDERABAD 500 004

S/D SOUTHERN POWER DISTRIBUTION COMPANY OF ANDHRA PRADESH LIMITED (APSPDCL)

E/D EASTERN POWER DISTRIBUTION COMPANY OF ANDHRA PRADESH LIMITED (APEPDCL)

PUBLIC NOTICE

1. Notice is hereby given to all that the Southern Power Distribution Company of A.P. Ltd. (APSPDCL) holding Distribution and Retail Supply License No. 15/2000 has on 31-12-2015, filed before the Andhra Pradesh Electricity Regulatory Commission (APERC) the Aggregate Revenue Requirement (ARR) for its Retail supply business for the FY 2016-17. These filings have been taken on record by the Hon'ble Commission in O.P No. 2 of 2016.
2. Copies of the filings are available in the Office of the Chief General Manager (Operation) of the Southern Power Distribution Company's headquarters at 19-13-65/A, Vidyut Nilayam, Srinivasapuram, Tirupati-517503 and all Superintending Engineers, in-charge of Operation Circles of the Distribution Company at- Vijayawada, Guntur, Ongole, Nellore, Tirupati, Kadapa, Anantapur & Kurnool. Interested persons may inspect/ peruse the said ARR and take note thereof during office hours at any of the said offices free of charge. These proposals are also available on www.apspdcl.in and the same may also be accessed at www.aperc.gov.in. A copy of these filings, can be obtained from the above offices from the date of publication on payment of Rs.100/- (by way of cash in person/ D.D. drawn in favour of the Accounts Officer/ CPR/APSPDCL/ Tirupati). Also a summary of ARR in English or Telugu can be separately obtained on payment of Rs. 10/- (by way of cash in person/ D.D. drawn in favour of the Accounts Officer/ CPR/ APSPDCL/ Tirupati).
3. Objections/suggestions if any, on the ARR filings proposed by the Distribution Company, together with supporting material may be sent to the Chief General Manager (Operation) of the Southern Power Distribution Company's headquarters at 19-13-65/A, Vidyut Nilayam, Srinivasapuram, Tirupati-517503 in person or through Registered Post so as to reach on or before 05-02-2016 by 5 PM. A copy of the same must also be filed with the Commission Secretary, APERC at the address mentioned above. The objections/suggestions should be duly signed and should carry full name and postal address of the person(s) sending the objections/suggestions. If the objections/suggestions are filed on behalf of any organization or any category of consumers, it should be so mentioned. If the objector also wants to be heard in person, it may also be specifically mentioned accordingly. The objection/ suggestion should accompany the following statement as an overleaf-

Name & full address of the Objector	Brief details of Objection (s) / Suggestion(s)	Objections against Proposals of APSPDCL	Whether copy of objection & proof of delivery at Licensee's office enclosed (Yes/No)	Whether Objector wants to be heard in person (Yes/No)
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4. The ARR schedule for Retail Supply Business proposed by the Licensee for FY: 2016-17 is given below:

Sl. No.	Particulars	2016-17 (Projections) (Rs. Crs)
1	Transmission Cost	648.35
2	SLDC Cost	23.00
3	Distribution Cost	2,363.14
4	PGCIL Expenses	232.21
5	ULDC Charges	10.68
6	Network and SLDC Cost (1+2+3+4+5)	3,297.39
7	Power Purchase / Procurement Cost	15,380.80
8	Interest on Consumer Security Deposits	167.45
9	Supply Margin in Retail Supply Business	13.00
10	Other Costs	61.51
11	Supply Cost (7+8+9+10)	15,622.76
12	Aggregate Revenue Requirement (6+11)	18,920.15
13	Total Revenue (14+15)	14,572.76
14	Revenue from Current Tariffs (Net of incentives)	14,493.43
15	Non - Tariff Income	79.33
16	Revenue Deficit(-) / Surplus(+) at Current Tariff (13-12)	- 4,347.39

5. After perusing the objections/suggestions received in response to this notice the Hon'ble Commission may invite such persons, as it considers appropriate and conduct hearings on dates to be notified by the Commission

Date : 05th Jan, 2016
Place : Tirupathi

CHAIRMAN & MANAGING DIRECTOR
SOUTHERN POWER DISTRIBUTION COMPANY OF A.P. LTD.

PUBLIC NOTICE

1. Notice is hereby given to all that the Eastern Power Distribution Company of A.P. Ltd. (APEPDCL) holding Distribution and Retail Supply License No. 12/2000 has on 31-12-2015 filed before the Andhra Pradesh Electricity Regulatory Commission (APERC) the Aggregate Revenue Requirement (ARR) for its Retail supply business for the FY 2016-17. These filings have been taken on record by the Hon'ble Commission in O.P No. 1 of 2016.
2. Copies of the filings are available in the Office of the Chief General Manager (Comml,RA&PP) of the Eastern Power Distribution Company's headquarters at P&T Colony, Seethammadhara, Visakhapatnam - 530013 and all Superintending Engineers, in-charge of Operation Circles of the Distribution Company at- Srikakulam, Vizianagaram, Visakhapatnam, Rajahmundry and Eluru. Interested persons may inspect/ peruse the said ARR and take note thereof during office hours at any of the said offices free of charge. These proposals are also available on www.aeasternpower.com and the same may also be accessed at www.aperc.gov.in. A copy of these filings, can be obtained from the above offices from the date of publication on payment of Rs.100/- (by way of cash in person/ D.D. drawn in favour of the Pay Officer/ APEPDCL/ Visakhapatnam). Also a summary of ARR in English or Telugu can be separately obtained on payment of Rs. 10/- (by way of cash in person/ D.D. drawn in favour of the Pay Officer/ APEPDCL/ Visakhapatnam).
3. Objections/suggestions if any, on the ARR filings proposed by the Distribution Company, together with supporting material may be sent to the Chief General Manager (Comml,RA&PP) of the Eastern Power Distribution Company's headquarters at P&T Colony, Seethammadhara, Visakhapatnam - 530013 in person or through Registered Post so as to reach on or before 05-02-2016 by 5 PM. A copy of the same must also be filed with the Commission Secretary, APERC at the address mentioned above. The objections/suggestions should be duly signed and should carry full name and postal address of the person(s) sending the objections/suggestions. If the objections/suggestions are filed on behalf of any organization or any category of consumers, it should be so mentioned. If the objector also wants to be heard in person, it may also be specifically mentioned accordingly. The objection/ suggestion should accompany the following statement as an overleaf-

Name & full address of the Objector	Brief details of Objection (s) / Suggestion (s)	Objections against Proposals of APEPDCL	Whether copy of objection & proof of delivery at Licensee's office enclosed (Yes/No)	Whether Objector wants to be heard in person (Yes/No)
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4. The ARR schedule for Retail Supply Business proposed by the Licensee for FY: 2016-17 is given below:

Sl. No.	Particulars	2016-17 (Projections) (Rs. Crs)
1	Transmission Cost	337.98
2	SLDC Cost	11.99
3	Distribution Cost	1,382.30
4	PGCIL Expenses	131.19
5	ULDC Charges	2.81
6	Network and SLDC Cost (1+2+3+4+5)	1,866.27
7	Power Purchase / Procurement Cost	7,495.73
8	Interest on Consumer Security Deposits	90.08
9	Supply Margin in Retail Supply Business	5.28
10	Other Costs	45.67
11	Supply Cost (7+8+9+10)	7,636.76
12	Aggregate Revenue Requirement (6+11)	9,503.03
13	Total Revenue (14+15)	8,702.90
14	Revenue from Current Tariffs (Net of incentives)	8,613.68
15	Non - Tariff Income	89.22
16	Revenue Deficit(-) / Surplus(+) at Current Tariff (13-12)	- 800.13

5. After perusing the objections/suggestions received in response to this notice the Hon'ble Commission may invite such persons, as it considers appropriate and conduct hearings on dates to be notified by the Commission

Date : 05th Jan, 2016
Place : Visakhapatnam

CHAIRMAN & MANAGING DIRECTOR
EASTERN POWER DISTRIBUTION COMPANY OF A.P. LTD.

గౌరవనీయ ఆంధ్రప్రదేశ్ ఎలక్ట్రిసిటీ రెగ్యులేటరీ కమిషన్ (APERC) వారి సమక్షములో

డోర్ నెం.11-4-660, 4వ అంతస్తు, సింగరేణి భవన్, రెవెన్యూ, హైదరాబాద్-500004.



సదరు సీనియర్ డిస్ట్రిబ్యూషన్ కంపెనీ ఆఫ్ ఆంధ్రప్రదేశ్ లిమిటెడ్

బహిరంగ ప్రకటన

1. ఇందుమూలంగా ఎనియనీడిసిఎల్ పరిధిలోని యావస్థానికీ తెలియజేయునది ఏమనగా ప్రభుత్వ యాజమాన్యంలోని డిస్ట్రిబ్యూషన్ మరియు రిటైల్ సప్లయ లైసెన్స్ నెం. 15/2000 కలిగి ఉన్న పంచీ సన్న "సదరు సీనియర్ డిస్ట్రిబ్యూషన్ కంపెనీ ఆఫ్ ఆంధ్రప్రదేశ్ లిమిటెడ్ (ఎనియనీడిసిఎల్)", 2016-17 ఆంధ్రప్రదేశ్ రిటైల్ సప్లయ వ్యాపారమునకు గాను సమగ్ర ఆదాయ అవశ్యకత సమాచారాన్ని (ఎఆర్ఆర్)ను తే. 31.12.2015న ఆంధ్రప్రదేశ్ ఎలక్ట్రిసిటీ రెగ్యులేటరీ కమిషన్ (ఎపిఈఆర్సీ) వారికి సమర్పించడమైనది. ఈ ప్రతిపాదనలను గౌరవనీయులైన కమిషను వారిచే ఓ.పి.నెం. 02/2016గా సమారు చేయబడినది.

2. పైన 1వ పేరాలో పేర్కొన్న ఫైలింగ్ ప్రకటన ద్వీ జనరల్ మేనేజర్ (ఆపరేషన్) "సదరు సీనియర్ డిస్ట్రిబ్యూషన్ కంపెనీ ఆఫ్ ఆంధ్రప్రదేశ్ లిమిటెడ్ (ఎనియనీడిసిఎల్)" ప్రధాన కార్యాలయం, డోర్ నెం. 19-13-65/వి, శ్రీనివాసపురం, తిరువానూరు రోడ్డు, తిరుపతి-517503 మరియు విజయవాడ, గుంటూరు, ఒంగోలు, వెల్దురు, తిరుపతి, కడప, అనంతపురం మరియు కర్నూలు నర్సిపల్లో ఉన్న మూసలించెండింగ్ ఇంజనీరు వారి కార్యాలయం వద్ద లభ్యమవుతాయి. ఆసక్తి గల వారు ఈ ఎఆర్ఆర్ ప్రతిపాదనలను కార్యాలయ పనిచేసేలో ఉదితంగా పరిశీలించవచ్చు. ఈ ప్రతిపాదనలను డిస్ట్రిబ్యూషన్ కంపెనీ వారి వెబ్సైట్ www.apercdcl.in లో లభించును మరియు వీటిని www.aperc.gov.in వెబ్సైట్లో పరిశీలించవచ్చును. జనవరి 05వ తేదీ 2016 నుండి ప్రతి కాపీ ఒక్కొక్కటి రూ. 100/- (వ్యక్తిగతంగా సగటు రూపినా / ఎ.ఐ.సి.సి.ఎల్) ఎనియనీడిసిఎల్, తిరుపతి వారి పేరున డి.డి రూపినా చెల్లించిన మీదట ఈ ఫైలింగ్స్ పైన తెలిపిన కార్యాలయాల నుండి పొందవచ్చును. ఈ ఎఆర్ఆర్ ఫైలింగ్ యొక్క సంక్షిప్త సమాచారం ప్రభుత్వం ఇంగ్లీష్ లోను లేదా తెలుగులో ప్రతి ఒక్కొక్కటి రూ. 10/- (వ్యక్తిగతంగా సగటు రూపినా / ఎ.ఐ.సి.సి.ఎల్), వారి పేరున డి.డి రూపినా) కొప్పు చెల్లించి పై వివరించిన కార్యాలయంలో పొందవచ్చును.

3. డిస్ట్రిబ్యూషన్ కంపెనీ ప్రతిపాదించిన సమగ్ర ఆదాయ అవశ్యకత సమాచారం (ఎ.ఆర్.ఆర్)పై నూచనలు/అభ్యంతరాలు ఏవైనా ఉంటే వాటిని సహజంగా వెబ్సైట్లో ఇతరవది ఫిబ్రవరి 05వ తేదీ 2016 సా.పూ. 6.00 గంట లోపుగా అంటే విధంగా రిజిస్టర్ డోన్స్ ద్వారా లేదా వ్యక్తిగతంగా గాని సదరు అభ్యంతరాల ప్రకటనల ఎనియనీడిసిఎల్ కార్యాలయంలోని బీప్ జనరల్ మేనేజర్ (ఆపరేషన్) "సదరు సీనియర్ డిస్ట్రిబ్యూషన్ కంపెనీ ఆఫ్ ఆంధ్రప్రదేశ్ లిమిటెడ్ (ఎనియనీడిసిఎల్)" ప్రధాన కార్యాలయం, డోర్ నెం. 19-13-65/వి, శ్రీనివాసపురం, తిరువానూరు రోడ్డు, తిరుపతి-517503 గారికి పంపుతూ, అట్లు పంపిన రుబుపును కమిషన్ సెక్రటరీ, ఎనియనీడిసిఎల్ పైన తెలిపిన చిరునామాకు పంపగలరు. సదరు అభ్యంతరాలు/సలహాలు నివేదికలు నివేదించు వారి సంకంక (అ) ఫైల్ చేయవచ్చు (బి) మరియు ఫోన్ చేయవచ్చు (సి) పొందుపరచవచ్చును. ఏదైనా సన్న లేదా ఏదైనా వినియోగదారుల సంఖ్యల తరువున అభ్యంతరాలు లేదా నూచనలు ఇవ్వబడినట్లయితే ఆ విషయం కూడా నివేదికలో స్పష్టకరించవలెను. తమ వాదనలను గాని/అభ్యంతరాలను గాని వ్యక్తి గతంగా విన్నవించుకోవలెనుకంటే ప్రత్యేకంగా పేర్కొనవలెను. అభ్యంతరాలు/ సలహాల వివరాలను ఈ క్రింద తెలుపబడిన పద్ధితో పొందుపరచి ఇతరపరచవలెను.



ఈస్టర్న్ సీనియర్ డిస్ట్రిబ్యూషన్ కంపెనీ ఆఫ్ ఆంధ్రప్రదేశ్ లిమిటెడ్

బహిరంగ ప్రకటన

1. ఇందుమూలంగా ఎనియనీడిసిఎల్ పరిధిలోని యావస్థానికీ తెలియజేయునది ఏమనగా ప్రభుత్వ యాజమాన్యంలోని డిస్ట్రిబ్యూషన్ మరియు రిటైల్ సప్లయ లైసెన్స్ నెం. 12/2000 కలిగి ఉన్న పంచీ సన్న "ఈస్టర్న్ సీనియర్ డిస్ట్రిబ్యూషన్ కంపెనీ ఆఫ్ ఆంధ్రప్రదేశ్ లిమిటెడ్ (ఎనియనీడిసిఎల్)", 2016-17 ఆంధ్రప్రదేశ్ రిటైల్ సప్లయ వ్యాపారమునకు గాను సమగ్ర ఆదాయ అవశ్యకత సమాచారాన్ని (ఎఆర్ఆర్)ను తే. 31.12.2015న ఆంధ్రప్రదేశ్ ఎలక్ట్రిసిటీ రెగ్యులేటరీ కమిషన్ (ఎపిఈఆర్సీ) వారికి సమర్పించడమైనది. ఈ ప్రతిపాదనలను గౌరవనీయులైన కమిషను వారిచే ఓ.పి.నెం. 01/2016గా సమారు చేయబడినది.

2. పైన 1వ పేరాలో పేర్కొన్న ఫైలింగ్ ప్రకటన ద్వీ జనరల్ మేనేజర్ (కన్జ్యూయర్, ఆర్.ఎ.సి & పి.సి.) "ఈస్టర్న్ సీనియర్ డిస్ట్రిబ్యూషన్ కంపెనీ ఆఫ్ ఆంధ్రప్రదేశ్ లిమిటెడ్ (ఎనియనీడిసిఎల్)", ప్రధాన కార్యాలయం, సి.టి.కాంపి, సీతమ్మధార, విశాఖపట్నం - 530013 మరియు శ్రీకాకుళం, విజయనగరం, విశాఖపట్నం, రాజమండ్రి మరియు ఏలూరు నర్సిపల్లో ఉన్న మూసలించెండింగ్ ఇంజనీరు వారి కార్యాలయం వద్ద లభ్యమవుతాయి. ఆసక్తి గల వారు ఈ ఎఆర్ఆర్ ప్రతిపాదనలను కార్యాలయ పనిచేసేలో ఉదితంగా పరిశీలించవచ్చు. ఈ ప్రతిపాదనలను డిస్ట్రిబ్యూషన్ కంపెనీ వారి వెబ్సైట్ www.apercestempower.com లో లభించును మరియు వీటిని www.aperc.gov.in వెబ్సైట్లో పరిశీలించవచ్చును. జనవరి 05వ తేదీ 2016 నుండి ప్రతి కాపీ ఒక్కొక్కటి రూ. 100/- (వ్యక్తిగతంగా సగటు రూపినా / పి ఆర్ సీ సి) ఎనియనీడిసిఎల్, విశాఖపట్నం వారి పేరున డి.డి రూపినా చెల్లించిన మీదట ఈ ఫైలింగ్స్ పైన తెలిపిన కార్యాలయాల నుండి పొందవచ్చును. ఈ ఎఆర్ఆర్ ఫైలింగ్ యొక్క సంక్షిప్త సమాచారం ప్రభుత్వం ఇంగ్లీష్ లోను లేదా తెలుగులో ప్రతి ఒక్కొక్కటి రూ. 10/- (వ్యక్తిగతంగా సగటు రూపినా / పి ఆర్ సీ సి, ఎనియనీడిసిఎల్, విశాఖపట్నం వారి పేరున డి.డి రూపినా) కొప్పు చెల్లించి పై వివరించిన కార్యాలయంలో పొందవచ్చును.

3. డిస్ట్రిబ్యూషన్ కంపెనీ ప్రతిపాదించిన సమగ్ర ఆదాయ అవశ్యకత సమాచారం (ఎ.ఆర్.ఆర్)పై నూచనలు/అభ్యంతరాలు ఏవైనా ఉంటే వాటిని సహజంగా వెబ్సైట్లో ఇతరవది ఫిబ్రవరి 05వ తేదీ 2016 సా.పూ. 5.00 గంట లోపుగా అంటే విధంగా రిజిస్టర్ డోన్స్ ద్వారా లేదా వ్యక్తిగతంగా గాని సదరు అభ్యంతరాల ప్రభుత్వం ఎనియనీడిసిఎల్ కార్యాలయంలోని బీప్ జనరల్ మేనేజర్ (కన్జ్యూయర్, ఆర్.ఎ.సి & పి.సి.) "ఈస్టర్న్ సీనియర్ డిస్ట్రిబ్యూషన్ కంపెనీ ఆఫ్ ఆంధ్రప్రదేశ్ లిమిటెడ్ (ఎనియనీడిసిఎల్)", ప్రధాన కార్యాలయం, సి.టి. కాంపి, సీతమ్మధార, విశాఖపట్నం - 530013 గారికి పంపుతూ, అట్లు పంపిన రుబుపును కమిషన్ సెక్రటరీ, ఎనియనీడిసిఎల్ పైన తెలిపిన చిరునామాకు పంపగలరు. సదరు అభ్యంతరాలు/సలహాలు నివేదికలు నివేదించు వారి సంకంక (అ) ఫైల్ చేయవచ్చు (బి) మరియు ఫోన్ చేయవచ్చు (సి) పొందుపరచవచ్చును. ఏదైనా సన్న లేదా ఏదైనా వినియోగదారుల సంఖ్యల తరువున అభ్యంతరాలు లేదా నూచనలు ఇవ్వబడినట్లయితే ఆ విషయం కూడా నివేదికలో స్పష్టకరించవలెను. తమ వాదనలను గాని/అభ్యంతరాలను గాని వ్యక్తి గతంగా విన్నవించుకోవలెనుకంటే ప్రత్యేకంగా పేర్కొనవలెను. అభ్యంతరాలు/ సలహాల వివరాలను ఈ క్రింద తెలుపబడిన పద్ధితో పొందుపరచి ఇతరపరచవలెను.

అభ్యంతరం ద్వారాని పేరు & ఫైల్ చేయవచ్చు చిరునామా	అభ్యంతరం / సలహా సంక్షిప్త వివరాలు	ఎనియనీడిసిఎల్ ప్రతిపాదనల మీద అభ్యంతరాలు	ఎనియనీడిసిఎల్ కార్పొరేట్ కార్యాలయం నుండి అభ్యంతర ప్రతిని పంపిన యాజమాన్య ఇతరపరచడమైనది (అవును/కాదు)	అభ్యంతరం ద్వారాని వ్యక్తిగతంగా విన్నవించబడుతున్న చిరునామా (అవును/కాదు)
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అభ్యంతరం ద్వారాని పేరు & ఫైల్ చేయవచ్చు చిరునామా	అభ్యంతరం / సలహా సంక్షిప్త వివరాలు	ఎనియనీడిసిఎల్ ప్రతిపాదనల మీద అభ్యంతరాలు	ఎనియనీడిసిఎల్ కార్పొరేట్ కార్యాలయం నుండి అభ్యంతర ప్రతిని పంపిన యాజమాన్య ఇతరపరచడమైనది (అవును/కాదు)	అభ్యంతరం ద్వారాని వ్యక్తిగతంగా విన్నవించబడుతున్న చిరునామా (అవును/కాదు)
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4. 2016-17 ఆర్థిక సంవత్సరమునకు వినియోగదారులకు రిటైల్ వంచిత కేసం ప్రతిపాదించిన ఎఆర్ఆర్ ఈ క్రింది షెడ్యూల్లో పొందుపరచడమైనవి.

క్రమ సంఖ్య	వివరాలు	2016-17 (అంచనా) (రూ.కోట్లు)
1	ట్రాన్స్ మిషన్ ఖర్చు	648.35
2	ఎస్.ఎల్.డి.సి. ఖర్చు	23.00
3	పంచీ ఖర్చు	2,383.14
4	పి.టి.సి.ఐ.ఎల్. ఖర్చు	232.21
5	యు.ఎల్.డి.సి. ఖర్చులు	10.68
6	నెట్ వర్క్ మరియు ఎస్.ఎల్.డి.సి. వ్యయం	3,297.39
7	విద్యుత్ కొనుగోలు ఖర్చు	15,380.80
8	వినియోగదారుల ధరావత్తు మీద వడ్డీ	167.45
9	రిటైలు నరఫరా వ్యాపారంలో నరఫరా మార్జిన్	13.00
10	ఇతర ఖర్చులు	61.51
11	నరఫరా వ్యయం	15,622.76
12	సమగ్ర ఆదాయ అవశ్యకత	18,920.15
13	మొత్తం రాబడి	14,572.76
14	ప్రస్తుత ధరల వద్ద రాబడి (ప్రోత్సాహకాలను తీసివేయగా)	14,493.43
15	ధరలు కొనుగోలు ఇతరత్రా రాబడి	79.33
16	ప్రస్తుత ధరల వద్ద రాబడి లోటు (-) / మిగులు (+)	-4,347.39

4. 2016-17 ఆర్థిక సంవత్సరమునకు వినియోగదారులకు రిటైల్ వంచిత కేసం ప్రతిపాదించిన ఎఆర్ఆర్ ఈ క్రింది షెడ్యూల్లో పొందుపరచడమైనవి.

క్రమ సంఖ్య	వివరాలు	2016 -17 (అంచనా) (రూ.కోట్లు)
1	ట్రాన్స్ మిషన్ ఖర్చు	337.98
2	ఎస్.ఎల్.డి.సి. ఖర్చు	11.99
3	పంచీ ఖర్చు	1,382.30
4	పి.టి.సి.ఐ.ఎల్. ఖర్చు	131.19
5	యు.ఎల్.డి.సి. ఖర్చులు	2.81
6	నెట్ వర్క్ మరియు ఎస్.ఎల్.డి.సి. వ్యయం	1,866.27
7	విద్యుత్ కొనుగోలు ఖర్చు	7,495.73
8	వినియోగదారుల ధరావత్తు మీద వడ్డీ	90.08
9	రిటైలు నరఫరా వ్యాపారంలో నరఫరా మార్జిన్	5.28
10	ఇతర ఖర్చులు	45.67
11	నరఫరా వ్యయం	7,636.76
12	సమగ్ర ఆదాయ అవశ్యకత	9,503.03
13	మొత్తం రాబడి	8,702.90
14	ప్రస్తుత ధరల వద్ద రాబడి (ప్రోత్సాహకాలను తీసివేయగా)	8,613.68
15	ధరలు కొనుగోలు ఇతరత్రా రాబడి	89.22
16	ప్రస్తుత ధరల వద్ద రాబడి లోటు (-) / మిగులు (+)	-800.13

5. ఈ ప్రకటనకు ప్రతిస్పందనగా వచ్చిన అభ్యంతరాలు / సలహాల పరిశీలించిన పిమ్మట వాటిలో యొగ్యంగా పరిగణించినట్టి అభ్యంతరాలు/సలహాలను కమిషన్ వారు ఐతరంగ విధారణ నిమిత్తమై ప్రకరించబడతాయి లేదా అస్వీకరించబడతాయి.

తేదీ : 05-01-2016
 స్థలం : తిరుపతి

సదరు సీనియర్ డిస్ట్రిబ్యూషన్ కంపెనీ ఆఫ్ ఆంధ్రప్రదేశ్ లిమిటెడ్

5. ఈ ప్రకటనకు ప్రతిస్పందనగా వచ్చిన అభ్యంతరాలు / సలహాల పరిశీలించిన పిమ్మట వాటిలో యొగ్యంగా పరిగణించినట్టి అభ్యంతరాలు/సలహాలను కమిషన్ వారు ఐతరంగ విధారణ నిమిత్తమై ప్రకరించబడతాయి లేదా అస్వీకరించబడతాయి.

తేదీ : 05-01-2016
 స్థలం : విశాఖపట్నం

ఈస్టర్న్ సీనియర్ డిస్ట్రిబ్యూషన్ కంపెనీ ఆఫ్ ఆంధ్రప్రదేశ్ లిమిటెడ్

ANNEXURE – 03

List of persons who submitted views/objections/suggestions

S.No.	Name and Address of the Objector	Objection related to
1	Sri. Ch.V.V.S.Bapiraju, Secretary, Greater Visakhapatnam Municipal Corporation, Tenneti Bhavanamu, Asilimetta Junction, Visakhapatnam- 530 002.	APEPDCL
2	Sri. Meesala Basavapunniah, President, Andhra Pradesh State Hire Working (Non Trading) Rice Millers Association, Panchalavarapuvari Street, 9th Ward, Repalle-522265.	APEPDCL & APSPDCL
3	Dr.A.D.Kaamacharyulu, President, Andhra Pradesh State, Akila Bharatiya Viswakarma Parishad, D.No. 10-7-34/1, Rangreejupet, Rajahmundry- Central Office at Hyderabad.	APEPDCL & APSPDCL
4	Sri. Mutyala Jamilu, Ambajipeta, East Godavari District - 533 214	APEPDCL
5	Sri. U.Bhaskara Rao, Bharatiya Kisan Sangh, State Vice-President, Bandarulanka, Amalapuram.	APEPDCL
6	Sri. B.Vijai Sagar, Chairman, Consumers Awareness and Research Centre, Kakinada.	APEPDCL
7	Sri. M.Krishna Murthy, Chief Engineer (Retd.), APEPDCL, Secretary, APSEB Retd. Officials Association Branch, Vizianagaram	APEPDCL
8	Sri. Jalagam Kumara Swamy, D.No. 26-16-1, Vuyyuru Zamindar Street, Gandhinagar, Vijayawada - 520 003.	APEPDCL & APSPDCL
9	Sri. Kothapalli Ramakrishnam Raju, President, Resident Welfare Association, D.No. 65-1-126/4, Srinivasa Nagar (West), Near Coromandel Gate, 46th Ward, Visakhapatnam - 530 011	APEPDCL
10	Sri. Yellapu Suryanarayana, S/o. Veera Swamy, State Vice- President, Bharatiya Kisan Sangh, Chinnimpeta (P.O.) Siripuram, S.O. Prathipadu, East Godavari District - 533 432	APEPDCL
11	Sri. Rasamsetti Rajababu, S/o. Krishna, District Secretary, East Godavari, Bharatiya Kisan Sangh, Peddasankarlapudi Village, Prathipadu Mandalam, East Godavari - 533 432	APEPDCL
12	Sri. P.Narendranath Chowdary, Managing Director, The Andhra Sugars Limited, Kovvur - 534 350, W.G. Dist.	APEPDCL
13	Sri. M.R.Prasad, Secretary General, A.P.Ferro Alloys Producers' Association, 308, Nirmal Towers, Dwarakapuri Colony, Punjagutta, Hyderabad - 500 082	APEPDCL & APSPDCL
14	Sri. R.Bhaskar, General Manager, DNW Department, Visakhapatnam Steel Plant, Visakhapatnam - 530 031	APEPDCL
15	Sri. S De Sarkar, Plant Head, Abhijeet Ferrotech Limited, Plot No. 50 & 51, APSEZ, Atchutapuram, Visakhapatnam - 531 011.	APEPDCL
16	Sri Katuru Harikishore Kumar Reddy, S/o. Ramakrishna Reddy, Paaturu Post, Kovuru Mandalam, SPSR District.	APEPDCL & APSPDCL
17	Sri. K.V. Rao, General Manager-Projects and P&I, Coromandel International Limited, Post Box No. 1116, Sriharipuram, Malkapuram Post, Visakhapatnam - 530 011.	APEPDCL
18	Sri. E.Dayanand, Jt.General Manager, Essar Steel India Ltd., Near Flyover, Scindia Road, Visakhapatnam – 530 004.	APEPDCL
19	Sri. Ravuri Rama Rao, S/o. Seshagiri Rao and three (3) others, Narayana Puram.	APEPDCL
20	Secretary (i/c), The Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry, Federation House, FAPCCI Marg, Red Hills, Hyderabad - 500 004.	APEPDCL & APSPDCL
21	The Managing Director(FAC), Cheeurupalli RESCO, No.V.R.300, Cheepurupalli, Vizianagaram District.	APEPDCL
22	Sri. D.Ramaswami Reddy, 21/72, Trunk Road, Opp. Collector's Office, Cuddapah - 516 001.	APSPDCL
23	Federation of Farmers Associations, Andhra Pradesh, H.No.1-191, Railway Wagon Work Shop Road, Guntupalli - 521 241, Ibrahimpatnam Mandal, Krishna District.	APSPDCL
24	M/s. Shritirupati Steel cast Ltd., Factory: Plot No. 58, APIIC, Gollapuram Industrial Park, Hindupuram – 515 2011 Regd. Office: Bengaluru.	APSPDCL
25	M/s. Vedik Ispat Pvt. Ltd., Works: Plot No.30, APIIC, Gollapuram Industrial Park, Hindupuram Mandal, Anantapur District, Corporate Office: Bengaluru.	APSPDCL

S.No.	Name and Address of the Objector	Objection related to
26	M/s. Shyam Ferrous Limited, Sy.No.67/2, Devarapalli (V), Hindupur (M) - 515 211, Anantapur District.	APSPDCL
27	Repalle Consumers' Council, Regd. No. 51/87, Repalle, Guntur District., represented by its President	APSPDCL
28	M/s. Laxmi Rolling and Strips Private Limited, # 54, Bommasandra Industrial Area, Bengaluru - 560 099.	APSPDCL
29	M/s. A One Steels India Pvt. Ltd., Factory : Survey No. 15, Manesamudram, Hindupuram – 515 201Corp. Office, Bengaluru.	APSPDCL
30	M/s. A One Ispat Pvt. Ltd., 14(Part), APIIC, Industrial Park, Gollapuram Village, Hindupuram – 515 201, Anantapur District. Regd. Office: Bengaluru	APSPDCL
31	M/s. Azad Ispat India Private Limited, APIIC, Growth Centre, Gollapuram Village, Hindupuram Mandal, Ananthapur (Dist.).	APSPDCL
32	M/s. Meenakshi Bright Steel Bars Private Limited, Works: Plot No. 54, IDA, Thumukunta, Hindupuram – 551 211, Anantapur District, Regd. Office: Bengaluru.	APSPDCL
33	M/s. Mahrshi Alloys (Pvt.) Ltd., Works: Moda Village, Madhuragiri Road, Hindupuram – 515 212, Regd. Office: Bengaluru.	APSPDCL
34	M/s. Agarwal Induction Furnance (Pvt.) Ltd., 137/1, Gollapuram Village, Hindupuram Mandal, Anantapur District – 515 211.	APSPDCL
35	Sri. Ch.Subrahmanya Sastry, D.No. 5-35-6, 4/14, Brodipet, Guntur - 522 002.	APSPDCL
36	Sri. D.V.Lakshminarayana, Journalist, 4/14, Brodipet, Guntur – 522 002.	APSPDCL
37	Sri. Saruvuri Kesavulu Naidu, S/o. Chalamaiah Naidu, Tanamakrindapalle, Peddagorpadu, B.P.O., Paakala Mandalam, Chittoor District.	APSPDCL
38	Sri. Rayapati Adikesavulu Naidu, S/o. Ramaiah Naidu, Neladanipalle, Paakala Mandalam, Chittoor District.	APSPDCL
39	Sri. Palakuri Subramanayam Yadhva, S/o. P.Changaiah, D.No.48/23, Surinenivaripalli, Pakalamandalam - 517 112, Chittoor District.	APSPDCL
40	Sri. Kakarla Guruswamy Naidu, (Vanadri), 2-33/1, Surinenipalli, Pakalanmandalam - 517 112, Chittoor District	APSPDCL
41	Sri. B.Yerraiah, Utuvanka, Daamacheruvu Panchayathi, Paakalamandalam, Chittoor District.	APSPDCL
42	Sri. Nachukuru Muniratnam Reddy, 2-104, Ganuga Penta, Peddaramapuram, B.P.O., Pakalamandalam - 517 112, Chittoor District.	APSPDCL
43	Sri. Y.Siddaiyah Naidu, President, District Rythu Samakhya, Diguvamaagam, Tavanampalli Mandalam, Chittoor District.	APSPDCL
44	Sri. K.Venkatrama Reddy, President, Nyaya Samkshema Samithi, Srinivasapuram, (Via) Kalluru - 517 113, Chittoor District.	APSPDCL
45	Sri. P.Ramachandraiah, S/o. Gangaiah, Pacharlavaripalli, H/o. Venkata Daasarapalli, M.K.Palli (Post), (Via) Kalluru - 517 113, Chittoor District.	APSPDCL
46	Sri. S.Narasimhulu Naidu, S/o. Chengama Naidu, Kotipalli,H/o. Kalluru - 517 113, Pulicherlamandalam, Chittoor District.	APSPDCL
47	Sri. G.Krishna Kumar, Advocate, Legal cell Convener and Secretary, Bharatiya Kisan Sangh, D.No. 3-94, Vuyyuru, Krishna District.	APSPDCL
48	Sri. A.Ramanaidu, S/o. Munaswamy Naidu, Cherlopalli Village, Pudhipatla (Post), Tirupati Rural, Chittoor District.	APSPDCL
49	Sri. K.Rajendra Reddy, President, Rashtriya Raithu Seva Samithi, P.Kothakota Village & Post, (Via) Pakala, Chittoor District - 517 112.	APSPDCL
50	Sri. P.Mallikarjuna Rao & Others, The Krishna Co-op. Irrigation & Agricultural Improvement	APSPDCL

S.No.	Name and Address of the Objector	Objection related to
	Society, No.H.1791, Tummalapalem, Guntupalli, Krishna District.	
51	Sri. Davuluri Narasimhulu Naidu, Adenapalli Village, Srinivasapuram, Paakala Mandalam, Chittoor District.	APSPDCL
52	Sri. C.Chinna Sai, S/o. C.Kondaiah, D.No. 5/299, Main Road, Pakala Village & Post, Chittoor District.	APSPDCL
53	P.Bharathi, Eguvapalakur (V), Diguva Palakur (P) – 517 124, Puthulapattu Mandalam, Chittoor District.	APSPDCL
54	Repalle Pattanabhivrudhi Sangham, Repalle - 522 265, Guntur Dist. Rep. by its Secretary Sri C.V.Mohan Rao.	APSPDCL
55	Sri. Bollineni Chandramouli Naidu, S/o. B.Ramanaidu, Sankampalli (Village & Post), Pakala Mandalam, Chittoor District.	APSPDCL
56	Sri. Surineni Jayaram, S/o. Guravaiah Naidu, Surnenivarepalli (Village), Pakala Mandalam & Post, Chittoor District.	APSPDCL
57	Sri. V.Mohan Kumar, Kothur Village, Diguvaamakampalli (Post), Chittoor Mandalam and District.	APSPDCL
58	Sri. A.Bhaskar Reddy, Karinapalli, Chittoor District.	APSPDCL
59	Sri. R.Kishore, Deputy Manager (Electrical), Amara Raja Batteries Limited, Karakambadi - 517 520, Tirupati.	APSPDCL
60	Sri. Gadagottu Srirambabu, S/o. Kotaiah Chowdary, Poluru (Post), Yaddanapudi Mandalam, Prakasam District.	APSPDCL
61	Sri. Pundla Srinivasula Reddy, S/o. Ramana Reddy, Damaramadugu (Post), Buchireddypalem Mandalam, SPSR Nellore District.	APSPDCL
62	Sri. Addagada Satish Kumar, S/o. A.Venkatrao, Nagulapalem (Post) - 523 169, Parchuru Mandalam, Prakasam District.	APSPDCL
63	Sri. Alturu Harisarvothama Reddy, S/o. Bhakta Vasthala Reddy, Damaramadugu (Post), Buchireddypalem Mandalam, SPSR Nellore District.	APSPDCL
64	Sri. Unnam Simhadri, S/o. Narasaiah, Ananthasagaram (Post), Kandukuru Mandalam, Prakasam District.	APSPDCL
65	Sri. Nadella Subrahmanyam Naidu, S/o.N.Krishnama Naidu, Kambala Mitta (Village), Koddeapalle (Post), Pakala Mandalam, Chittoor District.	APSPDCL
66	Sri. Medasani Vijaya Bhaskar, President, Bharathiya Kisan Sangh, Krishna District.	APSPDCL
67	Sri. Maddireddy Srinivasa Reddy, S/o. Kesava Reddy, Kotharepudi (Village), A.Koduru Mandalam, Krishna District.	APSPDCL
68	Sri. Seersham Venugopala Reddy, S/o. Satyanarayana, Chatraye (Village & Mandalam), Krishna District.	APSPDCL
69	Sri. M.Jayaram Naidu, Thellagundlapalli (Village), Pantrampalli (Post), T.V.Palli (Mandalam), Chittoor District.	APSPDCL
70	Sri. D.L.S.Prasad, Executive Member, All India Cottonseed Crushers' Association (A.P. unit) and Srinivasa Cotton & Oil Mills Pvt. Ltd., Varagaani, Pedanandipadu Mandalam, Guntur District.	APSPDCL
71	Sri. M.Balakrishna, Director, Vuddanda Solar Power Private Limited, Hotel Bliss, No.45, Renigunta Road, Near Ramanuja Circle, Tirupati - 517 501.	APSPDCL
72	Sri. B.Shyam Sundar Reddy, President, A.P.Solar Power Developers Associations, No.15-103/4A, Padmavathi Nagar, Tirupati - 517 502	APSPDCL
73	Sri. M.Venugopala Rao, Sr. Journalist & Convener, Centre for Power Studies, H.No. 7-1-408 to 413, Flat No.203, Sri Sai Darsan Residency, Balkampet Road, Ameerpet, Hyderabad - 500 016.	APEPDCL & APSPDCL
74	Sri. Penumalli Madhu, Secretary, Communist Party of India (Marxist), Andhra Pradesh Committee, H.No. 27-30-3, Akulavari Street, Governorpet, Vijayawada - 520 002.	APEPDCL & APSPDCL

S.No.	Name and Address of the Objector	Objection related to
75	Sri. Ch.Narasingarao, S/o. Ch. Kotaiah, A.P.State Secretariat Member, Communist Party of India (Marxist), NPR Bhavan, H.No. 28-6-8, Jagadamba Junction, Visakhapatnam - 530 020.	APEPDCL & APSPDCL
76	Dr.B.Ganga Rao, Secretary, Communist Party of India (Marxist), Greater Visakha City Committee, 9-33-4, Pithapuram Colony, Kalabharathi Road, Maddilapalem, Visakhapatnam -3.	APEPDCL & APSPDCL
77	Sri. B.Tulasidas, S4-Devi Towers, Sambamurthy Road, Gandhi Nagar, Vijayawada - 520 003.	APEPDCL & APSPDCL
78	Er. A.Punna Rao, Convenor, Praja Energy Audit Cell, 59-2-1, 1 st Lane, Ashok Nagar, Vijayawada - 520 010.	APEPDCL & APSPDCL
79	Sri. Kandharapu Murali, S/o. K.Siddaiah, State Committee Member, CPI (M), Chittoor District Committee, M.B.Bhavan, Yasoda Nagar, Tirupati - 517 501.	APEPDCL & APSPDCL
80	Sri. K.Lokanadham, District Secretary, CPI (M), NPR Bhavan, H.No. 28-6-8, Jagadamba Junction, Visakhapatnam - 530 020.	APEPDCL & APSPDCL
81	Dr.V.Sundar Naidu, President, A.P.Poultry Federation, 3-5-823, 2 nd floor, Hyderabad Business Centre, Hyderguda, Hyderabad - 500 029.	APEPDCL & APSPDCL
82	Sri. Y.V.Subba Rao, Managing Director, RPP Ltd., Muppala, Guntur District-522 408, Regd. Office. Hyderabad.	APEPDCL & APSPDCL
83	Sri. K.Madhusudan, Chairman & Managing Director, Sree Rayalseema Green Energy Limited, Corp. Office "Sreenilayam", Station Road, Gooty R.S. - 515 401, Anantapur District.	APEPDCL & APSPDCL
84	Sri Sidhartha Das, Vice President- Commercial, Hinduja National Power Corporation Ltd., Regd. Office: C/o. Gulf Oil Corporation Limited, Post Bag No. 1, Kukatpally, Sanathnagar I.E., Hyderabad - 500 018.	APEPDCL & APSPDCL
85	Sri. M.Thimma Reddy, Convenor, People's Monitoring Group on Electricity Regulation,139, Kakatiya Nagar, Hyderabad - 500 008.	APEPDCL & APSPDCL
86	Sri. M.Ramachandra Rao, Managing Director, The Gowthami Solvent Oils Ltd., Regd. Office: Post Box No. 7, Pydiparru, Tanuku - 534 211, W.G. District.	APEPDCL & APSPDCL
87	Sri. G.Nagesh Babu, Managing Director, Espark Pak Limited, 6-3-347/17/5, Dwarakapuri Colony, Punjagutta, Hyderabad - 500 082.	APEPDCL & APSPDCL
88	Sri. O.L.Kantha Rao, Secretary, A.P.Spinning Mills Association, Sai Plaza, 1 st Floor, Above Bank of India, 1 st Line Chandramouli Nagar, Guntur.	APEPDCL & APSPDCL
89	M/s. Viom Networks Limited, 4 th Floor, Gowra Plaza, D.No. 1-8-304-307/381/444, Sardar Patel Road, Begumpet, Secunderabad - 500 003.	APEPDCL & APSPDCL
90	Sri. S.Surya Prakasa Rao, Former Director (Commercial)/APCPDCL and Former Secretary / APERC, 105, Ashok Chandra Enclave, 11-4-660, Red Hills, Hyderabad - 500 004.	APEPDCL & APSPDCL
91	Sri. Y.Sambasiva Rao, C.P.I. ML New Democracy, Secretariat Member A.P., H.No. 53-4-40/1, Crishthurajapuram, Vijayawada - 520 008.	APEPDCL & APSPDCL
92	Sri. P.V.Subba Reddy, MUS Trust, Hyderabad.	APEPDCL & APSPDCL
93	M/s. Society for WAter, Power & Natural resources conservation Awareness and Monitoring, Regd. No. 153/2007, 201, Imperial Manor, Greenlands, Hyderabad - 500 016.	APEPDCL & APSPDCL
94	M/s. Bharathi Cement Corporation Pvt. Ltd. & Penna Cement Industries Ltd., Subhodya Apartments, Boggulakunta, Abids, Hyderabad - 500 001.	APEPDCL & APSPDCL
95	Sri. KN Rao, Factory Manager, ITC LIMITED Agri Business Division -ILTD, Post Box No.1, Chirala - 523 157.	APEPDCL & APSPDCL
96	Sri. Binu Gopinath, Energy Controller, Indus Towers Ltd., Survey No. 133, 4-51, 8 th Floor, SLN Terminus, Besides Botanical Gardens, Gachibowli, Hyderabad - 500 032.	APEPDCL & APSPDCL
97	M/s. Maharshi Alloys Private Ltd & 9 others, rep. by Sri. Challa Gunaranjan, Subhodya Apartments, Boggulakunta, Abids, Hyderabad-500 001.	APEPDCL & APSPDCL
98	Sri. M.Sreedhar Reddy, D.No. 2-1-174 & 175, Flat No. 504, Rajputh Residency, Nallakunta, Hyderabad - 500 044.	APEPDCL & APSPDCL
99	Sri. P.Vijaya Kumar, 203, Annapurna Residency, LIC Colony, Mehdiapatnam, Hyderabad - 500 028.	APEPDCL & APSPDCL

S.No.	Name and Address of the Objector	Objection related to
100	Andhra Pradesh Chambers of Commerce and Industry Federation 40-1-144, 3rd Floor, Corporate Building, M.G.Road, Vijayawada - 520 010 rep. by its Executive Director Sri. Potluri Bhaskar Rao.	APEPDCL & APSPDCL
101	South Central Railways, Head Quarters Office, Electrical Branch, Rail Nilayam, 4 th Floor, Secunderabad – 500 071 rep. by its Chief Electrical Distribution Engineer Sri R.K.Sharma.	APEPDCL & APSPDCL

ANNEXURE – 04

Station wise, Monthwise availability of energy (MU) for FY2016-17 as per Filing

	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Total
	APGENCO & TSGENCO												
Thermal													
Dr. NTPS Stage-I,II&III	324.87	335.86	297.29	282.14	278.84	263.00	308.90	307.20	335.86	335.86	303.37	335.86	3709.03
Dr.NTPS Stage-IV	128.06	132.41	128.06	132.41	132.41	128.06	132.41	128.06	68.30	132.41	119.52	132.41	1494.52
RTPP Stage-I	105.88	109.38	105.88	82.93	109.38	105.88	109.38	79.39	109.38	109.38	98.80	109.38	1235.04
RTPP Stage-II	105.88	109.38	105.88	109.38	109.38	79.39	109.38	105.88	82.93	109.38	98.80	109.38	1235.04
RTPP Stage-III	52.94	54.69	52.94	54.69	28.24	52.94	54.69	52.94	54.69	54.69	49.40	54.69	617.52
KTPS-ABC	181.86	187.92	166.83	179.84	165.06	174.28	133.72	168.61	179.34	187.92	171.25	187.92	2084.55
KTPS-V	131.86	136.26	131.86	136.26	136.26	98.90	68.13	98.90	136.26	136.26	123.07	136.26	1470.28
KTPS-VI	128.10	132.37	64.05	132.37	132.37	128.10	132.37	128.10	132.37	132.37	119.56	132.37	1494.52
KTPP-I	128.10	132.37	128.10	132.37	132.37	128.10	132.37	128.10	132.37	68.32	119.56	132.37	1494.52
RTS-B	15.75	16.28	7.88	16.28	16.28	15.75	16.28	15.75	16.28	16.28	14.70	16.28	183.79
Damodaram Sanjeevaiah Thermal Power Plant-I	430.85	445.21	430.85	445.21	445.21	430.85	445.21	430.85	445.21	445.21	402.80	445.21	5242.66
Damodaram Sanjeevaiah Thermal Power Plant-II	430.85	445.21	430.85	445.21	445.21	430.85	445.21	430.85	445.21	445.21	402.80	445.21	5242.66
Total Thermal	2165.00	2237.33	2050.47	2149.09	2131.00	2036.10	2088.05	2074.62	2138.20	2173.28	2023.64	2237.33	25504.11
Machkund PH AP Share	13.71	13.02	10.44	12.57	12.98	13.80	13.99	12.52	12.32	13.44	12.29	12.81	153.89
Tungabhadra PH AP Share	1.21	0.22	0.07	3.54	10.16	10.75	9.51	7.92	6.41	6.71	5.08	4.80	66.39
USL PH	37.47	30.82	28.72	37.81	36.88	30.22	31.35	29.61	35.65	44.04	46.08	56.72	445.38
LSR PH	97.80	83.48	70.88	88.59	92.46	90.64	90.83	79.60	85.51	102.96	103.84	117.01	1103.60
Donkarayi Canal PH	8.21	6.43	4.70	6.23	7.60	7.95	8.46	7.61	8.71	10.46	10.49	11.47	98.30
SRBPH	66.46	23.50	12.88	25.03	246.08	266.51	125.37	60.07	28.45	47.19	55.72	87.98	1045.25
NSRCPH	1.60	0.00	0.00	0.59	13.24	26.15	32.43	28.76	20.84	12.98	6.50	3.69	146.76
Small hydel (PABRPH)	0.03	0.08	0.08	0.08	1.34	1.15	1.01	0.97	0.48	0.17	0.34	0.26	5.98
Mini Hydel (Chittipeta PH)	0.13	0.00	0.07	0.38	0.30	0.33	0.07	0.05	0.28	0.39	0.28	0.37	2.62
N'sagar Tail Pond PH	4.95	4.95	4.95	10.89	17.82	17.82	17.82	24.75	24.75	24.75	14.85	4.95	173.25
Total Hydro	231.57	162.51	132.79	185.70	438.85	465.32	330.84	251.85	223.40	263.08	255.47	300.06	3241.44
Total APGENCO & TSGENCO	2396.57	2399.84	2183.25	2334.79	2569.86	2501.42	2418.89	2326.47	2361.60	2436.36	2279.10	2537.40	28745.54

	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Total
NTPC													
NTPC (SR)	155.17	201.38	181.56	170.29	149.89	191.82	198.24	193.82	201.38	201.38	181.84	201.38	2228.15
NTPC (SR) Stage-III	48.39	50.00	48.39	49.56	49.56	5.29	26.62	47.94	50.00	50.00	45.15	50.00	520.92
Talcher Stage-II	118.73	122.64	93.55	92.46	101.18	116.09	121.27	117.36	121.27	122.64	110.73	122.64	1360.56
NTPC Simhadri Stage-I	271.59	278.50	271.59	278.50	225.94	156.31	278.50	269.74	278.50	278.50	260.98	280.35	3129.02
NTPC Simhadri Stage-II	114.20	117.11	114.20	67.67	117.11	113.43	117.11	113.43	117.11	117.11	109.74	117.89	1336.10
NTPC Kudigi	0.00	0.00	0.00	0.00	0.00	37.75	39.01	37.75	39.01	39.01	35.24	78.03	305.80
Total NTPC	708.07	769.63	709.28	658.48	643.69	620.70	780.76	780.05	807.28	808.64	743.68	850.28	8880.55
NLC TS-II													
Stage-I	14.51	18.37	25.00	27.01	24.49	26.93	27.26	28.27	27.43	28.02	27.51	22.23	297.02
Stage-II	46.85	39.06	23.37	47.30	44.96	49.19	48.86	50.53	49.08	33.16	36.17	33.83	502.36
Total NLC	61.36	57.43	48.37	74.31	69.45	76.12	76.12	78.79	76.51	61.18	63.68	56.06	799.38
NPC													
NPC-MAPS	10.37	10.69	10.37	10.69	10.69	10.37	10.69	7.07	6.79	11.43	9.96	10.69	119.84
NPC-Kaiga units I & II	34.53	35.68	34.53	35.68	35.68	34.53	35.68	34.53	17.84	35.68	33.39	35.68	403.41
NPC-Kaiga units III & IV	33.54	34.75	16.77	34.75	34.75	33.54	34.75	33.54	34.75	34.75	31.43	34.75	392.10
NPC-Kudamkulam	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total NPC	78.45	81.12	61.68	81.12	81.12	78.45	81.12	75.15	59.38	81.86	74.78	81.12	915.36
CGS-New													
Bundled power under JVNSM	28.72	31.62	28.06	25.99	27.46	28.21	30.26	30.43	31.52	31.62	28.70	31.65	354.25
Vallur Thermal Power Plant	46.19	47.77	46.19	47.77	47.77	30.82	36.93	36.47	47.77	47.77	43.11	47.77	526.34
NTPL-Tuticorin Plant	85.12	87.91	85.12	88.04	88.04	85.12	79.95	51.58	54.10	88.17	79.42	88.17	960.75
Total CGS	1007.91	1075.48	978.7	975.71	957.53	919.42	1085.14	1052.47	1076.56	1119.24	1033.37	1155.05	12436.58
NPC													
APGPCL-I	2.61	2.69	2.61	2.69	2.69	2.61	2.64	2.61	2.69	2.69	2.43	2.69	31.66
APGPCL-II	6.98	7.21	6.98	7.21	7.22	6.98	7.21	6.98	7.21	7.11	6.52	7.21	84.84
Total APGPCL	9.59	9.91	9.59	9.91	9.91	9.59	9.86	9.59	9.91	9.80	8.95	9.91	116.50
GVK CCPP Phase-I	59.78	61.77	59.78	61.77	61.77	59.78	61.77	59.78	61.77	61.77	55.79	61.77	727.27
Spectrum Power Generation	58.49	60.44	58.49	60.44	60.44	58.49	60.44	58.49	60.44	60.44	54.59	60.44	711.67
Lanco Kondapalli Power	104.17	107.65	104.17	107.65	107.65	104.17	107.65	104.17	107.65	104.17	97.22	107.65	1263.95
BSES Plant	28.84	29.80	28.84	29.80	29.80	28.84	29.80	28.84	29.80	29.80	26.92	29.80	350.90
Total IPPS	251.28	259.66	251.28	259.66	259.66	251.28	259.66	251.28	259.66	256.18	234.52	259.66	3053.79

	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Total
NCE													
NCE - Bio-Mass	15.15	23.50	29.44	28.81	31.60	31.60	31.60	31.60	28.81	29.44	23.50	15.15	320.20
NCE – Bagasse	9.39	1.99	0.60	0.00	0.00	0.00	3.28	8.44	12.05	20.63	21.74	20.42	98.54
NCE - Industrial & Municipal waste based power	1.48	2.85	2.11	3.01	3.33	3.20	3.44	4.26	2.75	2.61	2.49	1.79	33.32
NCE - Wind Power	9.62	46.49	427.61	544.29	519.45	486.68	110.67	98.14	111.02	107.99	192.05	257.38	2911.38
NCE - Mini Hydel	6.11	4.93	5.56	5.82	5.30	5.30	13.55	15.13	14.21	13.04	12.50	12.00	113.45
NCE-NCL Energy	0.00	0.00	0.00	0.63	3.89	3.89	5.74	5.10	3.59	2.01	0.00	0.00	24.85
NCE-Solar	75.66	90.43	136.01	117.88	128.88	128.88	138.26	124.50	109.08	122.86	151.35	139.22	1463.01
Total NCE	117.41	170.18	601.33	700.44	692.45	659.54	306.54	287.16	281.51	298.58	403.63	445.96	4964.74
Others													
Srivathsa Power Project	3.13	3.23	3.13	3.23	3.23	3.13	3.23	3.13	3.23	3.23	3.02	3.23	38.14
KSK Mahanadi	98.00	101.26	155.26	219.62	219.62	212.53	219.62	212.53	219.62	219.62	198.36	219.62	2295.64
Hinduja Thermal Plant	214.23	221.54	557.00	576.00	576.00	557.00	576.00	557.00	576.00	576.00	520.00	576.00	6082.77
Thermal Powertech Plant	141.10	145.80	141.10	145.80	145.80	141.10	145.80	141.10	145.80	145.80	131.69	145.80	1716.69
DBFOO(1000 MW)	0.00	0.00	648.00	669.60	669.60	648.00	669.60	648.00	669.60	669.60	604.80	669.60	6566.40
Total others	456.45	471.83	1504.49	1614.25	1614.25	1561.76	1614.25	1561.76	1614.25	1614.25	1457.87	1614.25	16699.64
Other Short Term Sources	407.59	414.22	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	821.81
TOTAL MARKET	407.59	414.22	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	821.81
Total (From All Sources)	4646.81	4801.14	5528.64	5894.75	6103.66	5903.00	5694.33	5488.73	5603.48	5734.42	5417.45	6022.24	66838.66

ANNEXURE – 05
Station wise, Monthwise availability of energy (MU) for FY2016-17 as per APERC

	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Total
APGENCO & TSGENCO													
Thermal													
Dr. NTPPS Stage-I,II&III	375.31	387.93	345.02	324.82	325.24	302.52	356.38	354.27	387.93	387.93	362.69	387.93	4298.00
Dr.NTPPS Stage-IV	145.87	150.56	145.87	150.56	150.56	145.87	150.56	145.87	72.93	150.56	141.18	150.56	1700.95
RTPP Stage-I	114.22	117.99	114.22	89.46	117.99	114.22	117.99	85.64	117.99	117.99	106.58	117.99	1332.28
RTPP Stage-II	114.22	117.99	114.22	117.99	117.99	85.64	117.99	114.22	89.46	117.99	106.58	117.99	1332.28
RTPP Stage-III	57.11	59.00	57.11	59.00	30.46	57.11	59.00	57.11	59.00	59.00	53.29	59.00	666.16
KTPS-ABC	184.35	191.12	167.42	182.09	165.72	175.89	130.73	169.68	181.53	191.12	172.50	191.12	2103.27
KTPS-V	136.90	141.88	136.90	141.88	141.88	99.55	64.70	99.55	141.88	141.88	126.94	141.88	1515.85
KTPS-VI	138.50	143.48	63.80	143.48	143.48	138.50	143.48	138.50	143.48	143.48	128.54	143.48	1612.24
KTPP-I	138.50	143.48	138.50	143.48	143.48	138.50	143.48	138.50	143.48	68.78	128.54	143.48	1612.24
RTS-B	16.09	16.68	7.28	16.68	16.68	16.09	16.68	16.09	16.68	16.68	14.92	16.68	187.27
Damodaram Sanjeevaiah Thermal Power Plant - I	426.24	440.45	426.24	440.45	440.45	426.24	440.45	426.24	440.45	440.45	398.49	440.45	5186.59

	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Total
Damodaram Sanjeevaiah Thermal Power Plant - II	426.24	440.45	426.24	440.45	440.45	426.24	440.45	426.24	440.45	440.45	398.49	440.45	5186.59
Total Thermal	2273.55	2351.02	2142.81	2250.35	2234.40	2126.37	2181.89	2171.92	2235.27	2276.33	2138.74	2351.02	26733.69
Machkund PH AP Share	13.71	13.02	10.44	12.57	12.98	13.80	13.99	12.52	12.32	13.44	12.29	12.81	153.89
Tungabadra PH AP Share	1.21	0.22	0.07	3.54	10.16	10.75	9.51	7.92	6.41	6.71	5.08	4.80	66.39
USL PH	37.47	30.82	28.72	37.81	36.88	30.22	31.35	29.61	35.65	44.04	46.07	56.73	445.37
LSR PH	97.80	83.49	70.87	88.59	92.46	90.64	90.83	79.60	85.51	102.96	103.84	117.01	1103.59
Donkarayi Canal PH	8.21	6.43	4.70	6.23	7.60	7.95	8.46	7.60	8.70	10.45	10.49	11.47	98.31
SRBPH	66.46	23.50	12.89	25.04	246.08	266.52	125.37	60.06	28.45	47.18	55.72	87.98	1045.26
NSRCPH	1.60	0.00	0.00	0.58	13.24	26.15	32.43	28.76	20.84	12.98	6.49	3.69	146.77
PABR PH	0.03	0.08	0.08	0.08	1.34	1.16	1.01	0.97	0.49	0.17	0.34	0.27	6.00
Chettipeta PH	0.13	0.00	0.07	0.38	0.30	0.33	0.07	0.05	0.28	0.39	0.28	0.37	2.62
N'sagar Tail Pond Dam PH	4.95	4.95	4.95	10.89	17.82	17.82	17.82	24.75	24.75	24.75	14.85	4.95	173.25
Total Hydro	231.57	162.51	132.79	185.69	438.85	465.33	330.85	251.84	223.40	263.07	255.46	300.08	3241.45
Total APGENCO & TSGENCO	2505.12	2513.53	2275.61	2436.04	2673.25	2591.71	2512.74	2423.76	2458.67	2539.40	2394.20	2651.10	29975.14
	NTPC												
NTPC (SR)	157.98	205.02	184.84	173.37	152.61	195.29	201.83	197.33	205.02	205.02	185.13	205.02	2268.46
NTPC (SR) Stage-III	50.30	51.99	50.30	51.53	51.53	5.50	27.67	49.85	51.99	51.99	46.94	51.99	541.57

	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Total
Talcher Stage-II	126.16	130.31	99.40	98.24	107.52	123.36	128.86	124.71	128.86	130.31	117.66	130.31	1445.72
NTPC Simhadri Stage-I	271.59	278.50	271.59	278.50	225.94	156.31	278.50	269.74	278.50	278.50	260.98	280.35	3129.02
NTPC Simhadri Stage-II	124.81	127.99	124.81	73.95	127.99	123.96	127.99	123.96	127.99	127.99	119.94	128.84	1460.20
NTPC Kudigi	0.00	0.00	0.00	0.00	0.00	37.75	39.01	37.75	39.01	39.01	35.24	78.03	305.80
Total NTPC	730.84	793.81	730.94	675.60	665.57	642.18	803.87	803.34	831.37	832.82	765.89	874.54	9150.77
	NLC TS-II												
Stage-I	25.41	26.28	25.49	26.20	26.04	24.07	11.76	11.36	15.39	24.62	23.59	25.96	266.16
Stage-II	46.90	48.40	47.01	36.24	30.50	29.00	41.57	34.86	37.31	48.08	43.60	47.97	491.43
Total NLC	72.31	74.67	72.50	62.44	56.54	53.06	53.33	46.22	52.70	72.70	67.19	73.93	757.60
	NPC												
NPC-MAPS	9.76	10.07	9.76	10.07	10.07	9.76	10.07	9.42	4.75	6.83	9.37	10.07	109.99
NPC-Kaiga units I & II	32.23	33.30	32.23	33.30	33.30	32.23	33.30	32.23	16.65	33.30	31.17	33.30	376.56
NPC-Kaiga units III & IV	31.44	32.57	15.72	32.57	32.57	31.44	32.57	31.44	32.57	32.57	29.45	32.57	367.45
NPC-Kudamkulam	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total NPC	73.43	75.93	57.72	75.93	75.93	73.43	75.93	73.09	53.97	72.69	70.00	75.93	854.00
	CGS- New												
Vallur Thermal Power Plant	43.09	44.57	43.09	44.57	44.57	28.75	34.45	34.02	44.57	44.57	40.21	44.57	491.01
NTPL- Tuticorin Plant	81.79	84.47	81.79	84.59	84.59	81.79	76.82	49.56	51.98	84.72	76.31	84.72	923.14
Total CGS	1001.47	1073.45	986.04	943.13	927.20	879.22	1044.41	1006.23	1034.59	1107.50	1019.60	1153.69	12176.52
	APGPCL												
APGPCL-I	2.12	2.19	2.12	2.19	2.19	2.12	2.15	2.12	2.19	2.19	1.99	2.19	25.79
APGPCL-II	7.17	7.41	7.17	7.41	7.41	7.18	7.41	7.17	7.41	7.30	6.69	7.41	87.14
Total APGPCL	9.29	9.60	9.29	9.60	9.60	9.30	9.56	9.29	9.60	9.50	8.68	9.60	112.94

	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Total
	IPPs												
GVK CCPP Phase-I	59.78	61.77	59.78	61.77	61.77	59.78	61.77	59.78	61.77	61.77	55.79	61.77	727.27
Spectrum Power Generation	58.49	60.44	58.49	60.44	60.44	58.49	60.44	58.49	60.44	60.44	54.59	60.44	711.67
Lanco Kondapalli Power	104.17	107.65	104.17	107.65	107.65	104.17	107.65	104.17	107.65	104.17	97.22	107.65	1263.95
BSES Plant	28.84	29.80	28.84	29.80	29.80	28.84	29.80	28.84	29.80	29.80	26.92	29.80	350.90
Total IPPS	251.28	259.66	251.28	259.66	259.66	251.28	259.66	251.28	259.66	256.18	234.52	259.66	3053.79
	NCE												
NCE - Bio-Mass	15.15	23.50	29.44	28.81	31.60	31.60	31.60	31.60	28.81	29.44	23.50	15.15	320.20
NCE - Bagasse	9.39	1.99	0.60	0.00	0.00	0.00	3.28	8.44	12.05	20.63	21.74	20.42	98.54
NCE - Industrial & Municipal Waste based power	1.48	2.85	2.11	3.01	3.33	3.20	3.44	4.26	2.75	2.61	2.49	1.79	33.32
NCE - Wind Power	9.62	46.49	427.61	544.29	519.45	486.68	110.67	98.14	111.02	107.99	192.05	257.38	2911.38
NCE - Mini Hydel	6.11	4.93	5.56	5.82	5.30	5.30	13.55	15.13	14.21	13.04	12.50	12.00	113.45
NCE-NCL Energy	0.00	0.00	0.00	0.63	3.89	3.89	5.74	5.10	3.59	2.01	0.00	0.00	24.85
NCE-Solar	75.66	90.43	136.01	117.88	128.88	128.88	138.26	124.50	109.08	122.86	151.35	139.22	1463.01
Total NCE	117.41	170.18	601.33	700.44	692.45	659.54	306.54	287.16	281.51	298.58	403.63	445.96	4964.74

	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Total
	Others												
Srivathsa Power Project	3.13	3.23	3.13	3.23	3.23	3.13	3.23	3.13	3.23	3.23	3.02	3.23	38.14
KSK Mahanadi	98.00	101.26	155.26	219.62	219.62	212.53	219.62	212.53	219.62	219.62	198.36	219.62	2295.64
Hinduja Thermal Plant	214.23	221.54	557.00	576.00	576.00	557.00	576.00	557.00	576.00	576.00	520.00	576.00	6082.77
Thermal Powertech Plant	141.10	145.80	141.10	145.80	145.80	141.10	145.80	141.10	145.80	145.80	131.69	145.80	1716.69
DBFOO(1000 MW)	0.00	0.00	648.00	669.60	669.60	648.00	669.60	648.00	669.60	669.60	604.80	669.60	6566.40
Total others	456.45	471.83	1504.49	1614.25	1614.25	1561.76	1614.25	1561.76	1614.25	1614.25	1457.87	1614.25	16699.64
Total (From All Sources)	4341.02	4498.26	5628.04	5963.12	6176.41	5952.81	5747.16	5539.48	5658.28	5825.41	5518.51	6134.26	66982.77

ANNEXURE – 06
Energy Despatch as per approval of APERC for FY2016-17 (MU)

Generating Station	Variable Rate (Rs/KWh)	Energy Despatch (MU)												
		Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Total
NCE - Bio-Mass	6.18	15.15	23.5	29.44	28.81	31.6	31.6	31.6	31.6	28.81	29.44	23.5	15.15	320.20
NCE – Bagasse	4.33	9.39	1.99	0.6	0	0	0	3.28	8.44	12.05	20.63	21.74	20.42	98.54
NCE - Industrial & Municipal waste	6.15	1.48	2.85	2.11	3.01	3.33	3.2	3.44	4.26	2.75	2.61	2.49	1.79	33.32
NCE - Wind Power	4.40	9.62	46.49	427.61	544.29	519.45	486.68	110.67	98.14	111.02	107.99	192.05	257.38	2911.38
NCE - Mini Hydel	2.30	6.11	4.93	5.56	5.82	5.3	5.3	13.55	15.13	14.21	13.04	12.5	12	113.45
NCE-NCL Energy	1.67	0	0	0	0.63	3.89	3.89	5.74	5.1	3.59	2.01	0	0	24.85
NCE-Solar	5.84	75.66	90.43	136.01	117.88	128.88	128.88	138.26	124.50	109.08	122.86	151.35	139.22	1463.01
NPC-MAPS	2.08	9.76	10.07	9.76	10.07	10.07	9.76	10.07	9.42	4.75	6.83	9.37	10.07	109.99
NPC-Kaiga units I &II	3.03	32.23	33.30	32.23	33.30	33.30	32.23	33.30	32.23	16.65	33.30	31.17	33.30	376.56
NPC-Kaiga units III & IV	3.03	31.44	32.57	15.72	32.57	32.57	31.44	32.57	31.44	32.57	32.57	29.45	32.57	367.45
MACHKUND PH AP Share	0.00	13.71	13.02	10.44	12.57	12.98	13.80	13.99	12.52	12.32	13.44	12.29	12.81	153.89
TUNGBHADRA PH AP Share	0.00	1.21	0.22	0.07	3.54	10.16	10.75	9.51	7.92	6.41	6.71	5.08	4.80	66.39
USL PH	0.00	37.47	30.82	28.72	37.81	36.88	30.22	31.35	29.61	35.65	44.04	46.07	56.73	445.37
LSR PH	0.00	97.80	83.49	70.87	88.59	92.46	90.64	90.83	79.60	85.51	102.96	103.84	117.01	1103.59
DONKARAYI Canal PH	0.00	8.21	6.43	4.70	6.23	7.60	7.95	8.46	7.60	8.70	10.45	10.49	11.47	98.31
SRBPH	0.00	66.46	23.50	12.89	25.04	246.08	266.52	125.37	60.06	28.45	47.18	55.72	87.98	1045.26
NSRCPH	0.00	1.60	0.00	0.00	0.58	13.24	26.15	32.43	28.76	20.84	12.98	6.49	3.69	146.77

Generating Station	Variable Rate (Rs/KWh)	Energy Despatch (MU)												
		Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Total
PABR PH	0.00	0.03	0.08	0.08	0.08	1.34	1.16	1.01	0.97	0.49	0.17	0.34	0.27	6.00
Chettipeta PH	0.00	0.13	0.00	0.07	0.38	0.30	0.33	0.07	0.05	0.28	0.39	0.28	0.37	2.62
N'sagar Tail pond PH	0.00	4.95	4.95	4.95	10.89	17.82	17.82	17.82	24.75	24.75	24.75	14.85	4.95	173.25
Talcher Stage-II	1.01	126.16	130.31	99.40	98.24	107.52	123.36	128.86	124.71	128.86	130.31	117.66	130.31	1445.72
KTPS-V	1.55	136.90	141.88	136.90	141.88	141.88	99.55	64.70	99.55	141.88	141.88	126.94	141.88	1515.85
KTPS-ABC	1.69	184.35	191.12	167.42	182.09	165.72	175.89	130.73	169.68	181.53	191.12	172.50	191.12	2103.27
Hinduja Thermal Plant	1.77	214.23	221.54	557.00	576.00	576.00	557.00	576.00	557.00	576.00	576.00	520.00	576.00	6082.77
DBFOO(1000 MW)	1.77	0.00	0.00	648.00	669.60	669.60	648.00	669.60	648.00	669.60	669.60	604.80	669.60	6566.40
Thermal Powertech Plant	1.79	141.10	145.80	141.10	145.80	145.80	141.10	145.80	141.10	145.80	145.80	131.69	145.80	1716.69
NTPC (SR) Stage-III	1.79	50.30	51.99	50.30	51.53	51.53	5.50	27.67	49.85	51.99	51.99	46.94	51.99	541.57
NTPC Simhadri Stage-I	1.82	271.59	278.50	271.59	278.50	225.94	156.31	278.50	269.74	278.50	278.50	260.98	280.35	3129.02
Vallur Thermal Power Plant	1.87	43.09	44.57	43.09	44.57	44.57	28.75	34.45	34.02	44.57	44.57	40.21	44.57	491.01
NTPC (SR)	1.87	157.98	205.02	184.84	173.37	152.61	195.29	201.83	197.33	205.02	205.02	185.13	205.02	2268.46
Kudigi	1.89	0.00	0.00	0.00	0.00	0.00	37.75	39.01	37.75	39.01	39.01	35.24	78.03	305.80
NTPC Simhadri Stage-II	2.11	124.81	127.99	124.81	73.95	127.99	123.96	127.99	123.96	127.99	127.99	119.94	128.84	1460.20
Damodaram Sanjeevaiah Thermal Power Plant - I	2.20	426.24	440.45	426.24	440.45	440.45	426.24	440.45	426.24	440.45	440.45	398.49	440.45	5186.59
Damodaram Sanjeevaiah Thermal Power Plant - II	2.20	426.24	440.45	426.24	440.45	440.45	426.24	440.45	426.24	440.45	440.45	398.49	440.45	5186.59
KSK Mahanadi	2.22	98.00	101.26	155.26	219.62	219.62	212.53	219.62	212.53	219.62	219.62	198.36	219.62	2295.64
NTPL-Tuticorin plant	2.28	81.79	84.47	81.79	84.59	84.59	81.79	76.82	49.56	51.98	84.72	76.31	84.72	923.14
NLC Stage-I	2.33	25.41	26.28	25.49	26.20	26.04	24.07	11.76	11.36	15.39	24.62	23.59	25.96	266.16
Lanco Kondapalli Power	2.35	104.17	107.65	104.17	107.65	107.65	104.17	107.65	104.17	107.65	104.17	97.22	107.65	1263.95
Generating Station	Variable	Energy Despatch (MU)												

	Rate (Rs/KWh)	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Total
BSES Plant	2.35	28.84	29.80	28.84	29.80	29.80	28.84	29.80	28.84	29.80	29.80	26.92	29.80	350.90
NLC Stage-II	2.39	46.90	48.40	47.01	36.24	30.50	29.00	41.57	34.86	37.31	48.08	43.60	47.97	491.43
KTPP-I	2.50	138.50	143.48	138.50	143.48	143.48	138.50	143.48	138.50	143.48	68.78	128.54	143.48	1612.24
GVK CCPP Phase-I	2.54	59.78	61.77	59.78	61.77	61.77	59.78	61.77	59.78	61.77	61.77	55.79	61.77	727.27
APGPCL-II	2.72	7.17	7.41	7.17	7.41	7.41	7.18	7.41	7.17	7.41	7.30	6.69	7.41	87.14
KTPS-VI	2.82	138.50	143.48	63.80	143.48	143.48	138.50	143.48	138.50	143.48	143.48	128.54	143.48	1612.24
Spectrum Power Generation	2.83	58.49	60.44	58.49	60.44	60.44	58.49	60.44	58.49	60.44	60.44	54.59	60.44	711.67
Srivathsa Power Project	2.93	3.13	3.23	3.13	3.23	3.23	3.13	3.23	3.13	3.23	3.23	3.02	3.23	38.14
APGPCL-I	2.96	2.12	2.19	2.12	2.19	2.19	2.12	2.15	2.12	2.19	2.19	1.99	2.19	25.79
Dr.NTTPS Stage-IV	3.02	145.87	150.56	145.87	150.56	150.56	145.87	150.56	145.87	72.93	150.56	141.18	150.56	1700.95
RTS-B	3.10	16.09	16.68	7.28	16.68	16.68	16.09	16.68	16.09	16.68	16.68	14.92	16.68	187.27
Dr. NTTPS Stage-I,II&III	3.20	375.31	387.93	345.02	324.82	325.24	302.52	356.38	354.27	387.93	387.93	362.69	387.93	4298.00
RTPP Stage-I	3.79	114.22	117.99	114.22	89.46	117.99	114.22	117.99	85.64	117.99	117.99	106.58	117.99	1332.28
RTPP Stage-II	3.79	114.22	117.99	114.22	117.99	117.99	85.64	117.99	114.22	89.46	117.99	106.58	117.99	1332.28
RTPP Stage-III	3.79	57.11	59.00	57.11	59.00	30.46	57.11	59.00	57.11	59.00	59.00	53.29	59.00	666.16
Surplus energy sales	4.29	0.00	0.00	-1322.48	-1161.09	-1490.60	-1304.45	-733.20	-936.44	-866.77	-967.47	-738.75	-951.25	-10472.51
Short term Sources	5.17	117.03	177.37	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	294.40
D to D Purchases	5.17	96.53	63.25	0.00	0.00	0.00	3.74	0.00	0.00	0.00	0.00	0.00	0.00	163.51
D to D sales	5.17	-96.53	-63.25	0.00	0.00	0.00	-3.74	0.00	0.00	0.00	0.00	0.00	0.00	-163.51
Total (From All Sources)	-	4458.06	4675.63	4305.56	4802.03	4685.81	4648.35	5013.96	4603.04	4791.50	4857.94	4779.76	5183.01	56804.66

ANNEXURE – 07

Approved Station/Source wise Power Purchase Costs for FY2016-17 - APSPDCL

Generating Station	Energy (MU)	Fixed cost (₹ Cr)	Variable cost (₹ Cr)	Incentive (₹ Cr)	IT (₹ Cr)	Total cost (₹ Cr)	Per unit cost (₹/kWh)
USL PH	292.74	108.14	0.00	0.00	0.00	108.14	1.00
LSR PH	725.39						
DONKARAYI Canal PH	64.62						
MACHKUND PH AP Share	101.15	15.06	0.00	0.00	0.00	15.06	1.04
TUNGBHADRA PH AP Share	43.64						
NSRCPH	96.47	11.62	0.00	0.00	0.00	11.62	1.20
SRBPH	687.05	110.19	0.00	0.00	0.00	110.19	1.60
NCE-NCL Energy	12.43	0.00	2.07	0.00	0.00	2.07	1.67
Talcher Stage-II	950.27	71.49	95.98	2.95	0.00	170.42	1.79
NPC-MAPS	72.29	0.00	15.04	0.00	0.00	15.04	2.08
KTPS-V	996.37	62.65	154.44	0.75	0.00	217.83	2.19
NCE - Mini Hydel	75.15	0.00	17.28	0.00	0.00	17.28	2.30
KTPS-ABC	1382.48	100.23	233.64	1.33	0.00	335.20	2.42
NTPC (SR)	1491.06	84.14	278.83	4.94	0.00	367.91	2.47
BSES Plant	230.64	4.48	54.20	0.00	0.00	58.68	2.54
NTPC (SR) Stage-III	355.98	33.56	63.72	0.17	0.00	97.45	2.74
N'sagar Tail pond PH	113.88	31.72	0.00	0.00	0.00	31.72	2.79
Chettipeta PH	1.72	0.49	0.00	0.00	0.00	0.49	2.86
NTPC Simhadri Stage-I	2056.71	215.90	374.32	0.00	0.00	590.22	2.87
NLC Stage-I	174.95	12.00	40.76	0.00	0.00	52.76	3.02
NPC-Kaiga units I &II	247.51	0.00	75.00	0.00	0.00	75.00	3.03
NPC-Kaiga units III & IV	241.53	0.00	73.18	0.00	0.00	73.18	3.03
APGPCL-II	57.28	2.00	15.58	0.00	0.00	17.58	3.07
NLC Stage-II	323.02	22.07	77.20	0.00	0.00	99.27	3.07
Lanco Kondapalli Power	830.80	65.01	195.24	0.00	0.00	260.24	3.13
APGPCL-I	16.95	0.64	5.02	0.00	0.00	5.66	3.34
Thermal Powertech Plant	1128.38	198.59	201.98	0.00	0.00	400.58	3.55
DBFOO(1000 MW)	4316.09	794.64	763.95	0.00	0.00	1558.58	3.61
Hinduja Thermal Plant	3998.20	736.11	707.68	0.00	0.00	1443.79	3.61
Spectrum Power Generation	467.78	41.49	132.38	0.00	0.00	173.87	3.72
KSK Mahanadi	1508.93	236.90	334.98	0.00	0.00	571.88	3.79
NTPC Simhadri Stage-II	959.79	162.13	202.52	0.00	0.00	364.65	3.80
Dr. NTPS Stage-I,II&III	2825.08	198.83	904.02	0.00	0.00	1102.47	3.90
RTS-B	123.09	12.01	38.16	0.00	0.00	50.17	4.08
KTPP-I	1059.72	179.28	264.93	0.00	0.00	444.21	4.19

NTPC-Kudigi	201.00	46.43	37.99	0.00	0.00	84.42	4.20
GVK CCPP Phase-I	478.03	81.42	121.42	0.00	0.00	202.84	4.24
Vallur Thermal Power Plant	322.74	75.22	60.35	1.93	0.00	137.50	4.26
Surplus energy sales	-8136.18	-1371.25	-2118.90	0.00	0.00	-3490.16	4.29
Dr.NTTPS Stage-IV	1118.04	142.73	337.65	0.00	0.00	480.21	4.30
NCE - Bagasse	55.92	0.00	24.21	0.00	0.00	24.21	4.33
NCE - Wind Power	2911.38	0.00	1281.01	0.00	0.00	1281.01	4.40
NTPL - Tuticorin plant	606.78	131.81	138.35	0.00	0.00	270.16	4.45
KTPS-VI	1059.72	178.63	298.84	0.00	0.00	477.47	4.51
Damodaram Sanjeevaiah Thermal Power Plant - I	3409.14	787.03	750.01	0.00	0.00	1537.52	4.51
Damodaram Sanjeevaiah Thermal Power Plant - II	3409.14	787.03	750.01	0.00	0.00	1537.52	4.51
RTPP Stage-I	875.70	81.13	331.89	0.00	0.00	412.87	4.71
Short term Sources	193.51	0.00	100.04	0.00	0.00	100.04	5.17
D to D sales	-163.51	0.00	-84.54	0.00	0.00	-84.54	5.17
RTPP Stage-II	875.70	128.81	331.89	0.00	0.00	460.55	5.26
RTPP Stage-III	437.87	86.34	165.95	0.00	0.00	252.18	5.76
NCE-Solar	1453.12	0.00	848.47	0.00	0.00	848.47	5.84
NCE - Industrial & Municipal waste	11.77	0.00	7.24	0.00	0.00	7.24	6.15
NCE - Bio-Mass	274.78	0.00	169.82	0.00	0.00	169.82	6.18
PABR PH	3.94	6.80	0.00	0.00	0.00	6.80	17.25

ANNEXURE – 08

Approved Station/Source wise Power Purchase Costs for FY2016-17 - APEPDCL

Generating Station	Energy(MU)	Fixed cost (₹ Cr)	Variable cost (₹ Cr)	Incentive (₹ Cr)	IT (₹ Cr)	Total cost (₹ Cr)	Per unit cost (₹/kWh)
USL PH	152.63	56.38	0.00	0.00	0.00	56.38	1.00
LSR PH	378.20						
DONKARAYI Canal PH	33.69						
MACHKUND PH AP Share	52.74	7.85	0.00	0.00	0.00	7.85	1.04
TUNGBHADRA PH AP Share	22.75						
NSRCPH	50.30	6.06	0.00	0.00	0.00	6.06	1.20
SRBPH	358.21	57.45	0.00	0.00	0.00	57.45	1.60
NCE-NCL Energy	12.43	0.00	2.07	0.00	0.00	2.07	1.67
Talcher Stage-II	495.45	37.27	50.04	1.54	0.00	88.85	1.79
NPC-MAPS	37.69	0.00	7.84	0.00	0.00	7.84	2.08
KTPS-V	519.48	32.66	80.52	0.39	0.00	113.57	2.19
NCE - Mini Hydel	38.30	0.00	8.81	0.00	0.00	8.81	2.30
KTPS-ABC	720.79	52.26	121.81	0.70	0.00	174.77	2.42
NTPC (SR)	777.40	43.87	145.37	2.58	0.00	191.82	2.47
BSES Plant	120.25	2.34	28.26	0.00	0.00	30.60	2.54
NTPC (SR) Stage-III	185.60	17.49	33.22	0.09	0.00	50.81	2.74
N'sagar Tail pond PH	59.37	16.54	0.00	0.00	0.00	16.54	2.79
Chettipeta PH	0.90	0.26	0.00	0.00	0.00	0.26	2.86
NTPC Simhadri Stage-I	1072.32	112.57	195.16	0.00	0.00	307.73	2.87
NLC Stage-I	91.21	6.25	21.25	0.00	0.00	27.51	3.02
NPC-Kaiga units I &II	129.05	0.00	39.10	0.00	0.00	39.10	3.03
NPC-Kaiga units III & IV	125.93	0.00	38.16	0.00	0.00	38.16	3.03
APGPCL-II	29.86	1.04	8.12	0.00	0.00	9.16	3.07
NLC Stage-II	168.41	11.51	40.25	0.00	0.00	51.76	3.07
Lanco Kondapalli Power	433.16	33.89	101.79	0.00	0.00	135.68	3.13
APGPCL-I	8.84	0.34	2.62	0.00	0.00	2.95	3.34
Srivathsa Power Project	38.14	1.73	11.19	0.00	0.00	12.92	3.39
Thermal Powertech Plant	588.31	103.54	105.31	0.00	0.00	208.85	3.55
DBFOO(1000 MW)	2250.31	414.30	398.30	0.00	0.00	812.61	3.61
Hinduja Thermal Plant	2084.57	383.79	368.97	0.00	0.00	752.76	3.61
Spectrum Power Generation	243.89	21.63	69.02	0.00	0.00	90.65	3.72
KSK Mahanadi	786.72	123.51	174.65	0.00	0.00	298.17	3.79
NTPC Simhadri Stage-II	500.41	84.53	105.59	0.00	0.00	190.12	3.80
Dr. NTPS Stage-I,II&III	1472.92	103.67	471.34	0.00	0.00	574.80	3.90

RTS-B	64.18	6.26	19.89	0.00	0.00	26.16	4.08
KTPP-I	552.51	93.47	138.13	0.00	0.00	231.60	4.19
NTPC-Kudigi	104.80	24.21	19.81	0.00	0.00	44.02	4.20
GVK CCPP Phase-I	249.23	42.45	63.31	0.00	0.00	105.76	4.24
Vallur Thermal Power Plant	168.27	39.22	31.47	1.00	0.00	71.69	4.26
Surplus energy sale	-2336.33	-393.76	-608.45	0.00	0.00	-1002.21	4.29
Dr.NTTPS Stage-IV	582.92	74.41	176.04	0.00	0.00	250.37	4.30
NCE - Bagasse	42.62	0.00	18.45	0.00	0.00	18.45	4.33
NTPL -Tuticorin plant	316.36	68.73	72.13	0.00	0.00	140.86	4.45
KTPS-VI	552.51	93.13	155.81	0.00	0.00	248.94	4.51
Damodaram Sanjeevaiah Thermal Power Plant - I	1777.44	410.34	391.04	0.00	0.00	801.63	4.51
Damodaram Sanjeevaiah Thermal Power Plant - II	1777.44	410.34	391.04	0.00	0.00	801.63	4.51
RTPP Stage-I	456.57	42.30	173.04	0.00	0.00	215.26	4.71
Short term Sources	100.89	0.00	52.16	0.00	0.00	52.16	5.17
D to D purchases	163.51	0.00	84.54	0.00	0.00	84.54	5.17
RTPP Stage-II	456.57	67.16	173.04	0.00	0.00	240.12	5.26
RTPP Stage-III	228.29	45.01	86.52	0.00	0.00	131.48	5.76
NCE - Industrial & Municipal waste	21.55	0.00	13.25	0.00	0.00	13.25	6.15
NCE - Bio-Mass	45.42	0.00	28.07	0.00	0.00	28.07	6.18
NCE-Solar	9.89	0.00	6.73	0.00	0.00	6.73	6.80
PABR PH	2.06	3.55	0.00	0.00	0.00	3.55	17.25

ANNEXURE – 9

Approved Station/Source wise Power Purchase Costs for FY2016-17 - All DISCOMs

Generating Station	Energy(MU)	Fixed cost (₹ Cr)	Variable cost (₹ Cr)	Incentive (₹ Cr)	IT (₹ Cr)	Total cost (₹ Cr)	Per unit cost (₹/kWh)
USL PH	445.37	164.52	0.00	0.00	0.00	164.52	1.00
LSR PH	1103.59						
DONKARAYI Canal PH	98.31						
MACHKUND PH AP Share	153.89	22.92	0.00	0.00	0.00	22.92	1.04
TUNGBHADRA PH AP Share	66.39						
NSRCPH	146.77	17.68	0.00	0.00	0.00	17.68	1.20
SRBPH	1045.26	167.64	0.00	0.00	0.00	167.64	1.60
NCE-NCL Energy	24.85	0.00	4.15	0.00	0.00	4.15	1.67
Talcher Stage-II	1445.72	108.76	146.02	4.49	0.00	259.27	1.79
NPC-MAPS	109.99	0.00	22.88	0.00	0.00	22.88	2.08
KTPS-V	1515.85	95.31	234.96	1.14	0.00	331.41	2.19
NCE - Mini Hydel	113.45	0.00	26.09	0.00	0.00	26.09	2.30
KTPS-ABC	2103.27	152.49	355.45	2.03	0.00	509.97	2.42
NTPC (SR)	2268.46	128.01	424.20	7.52	0.00	559.73	2.47
BSES Plant	350.90	6.82	82.46	0.00	0.00	89.28	2.54
NTPC (SR) Stage-III	541.57	51.05	96.94	0.26	0.00	148.25	2.74
N'sagar Tail pond PH	173.25	48.26	0.00	0.00	0.00	48.26	2.79
Chettipeta PH	2.62	0.75	0.00	0.00	0.00	0.75	2.86
NTPC Simhadri Stage-I	3129.02	328.47	569.48	0.00	0.00	897.95	2.87
NLC Stage-I	266.16	18.25	62.02	0.00	0.00	80.27	3.02
NPC-Kaiga units I &II	376.56	0.00	114.10	0.00	0.00	114.10	3.03
NPC-Kaiga units III & IV	367.45	0.00	111.34	0.00	0.00	111.34	3.03
APGPCL-II	87.14	3.04	23.70	0.00	0.00	26.74	3.07
NLC Stage-II	491.43	33.58	117.45	0.00	0.00	151.03	3.07
Lanco Kondapalli Power	1263.95	98.90	297.03	0.00	0.00	395.93	3.13
APGPCL-I	25.79	0.98	7.63	0.00	0.00	8.61	3.34
Srivathsa Power Project	38.14	1.73	11.19	0.00	0.00	12.92	3.39
Thermal Powertech Plant	1716.69	302.14	307.29	0.00	0.00	609.42	3.55
DBFOO(1000 MW)	6566.40	1208.94	1162.25	0.00	0.00	2371.19	3.61
Hinduja Thermal Plant	6082.77	1119.90	1076.65	0.00	0.00	2196.55	3.61
Spectrum Power Generation	711.67	63.12	201.40	0.00	0.00	264.52	3.72
KSK Mahanadi	2295.64	360.42	509.63	0.00	0.00	870.05	3.79
NTPC Simhadri Stage-II	1460.20	246.66	308.10	0.00	0.00	554.76	3.80
Dr. NTPS Stage-I,II&III	4298.00	302.50	1375.36	0.00	0.00	1677.27	3.90
RTS-B	187.27	18.27	58.05	0.00	0.00	76.32	4.08

KTPP-I	1612.24	272.75	403.06	0.00	0.00	675.81	4.19
NTPC-Kudigi	305.80	70.64	57.80	0.00	0.00	128.44	4.20
GVK CAPP Phase-I	727.27	123.87	184.73	0.00	0.00	308.60	4.24
Vallur Thermal Power Plant	491.01	114.44	91.82	2.93	0.00	209.19	4.26
Surplus energy sale	-10472.51	-1765.02	-2727.36	0.00	0.00	-4492.37	4.29
Dr.NTTPS Stage-IV	1700.95	217.14	513.69	0.00	0.00	730.58	4.30
NCE - Bagasse	98.54	0.00	42.67	0.00	0.00	42.67	4.33
NCE - Wind Power	2911.38	0.00	1281.01	0.00	0.00	1281.01	4.40
NTPL - Tuticorin plant	923.14	200.54	210.48	0.00	0.00	411.02	4.45
KTPS-VI	1612.24	271.76	454.65	0.00	0.00	726.41	4.51
Damodaram Sanjeevaiah Thermal Power Plant - I	5186.59	1197.37	1141.05	0.00	0.00	2339.15	4.51
Damodaram Sanjeevaiah Thermal Power Plant - II	5186.59	1197.37	1141.05	0.00	0.00	2339.15	4.51
RTPP Stage-I	1332.28	123.43	504.93	0.00	0.00	628.13	4.71
Short term Sources	294.40	0.00	152.20	0.00	0.00	152.20	5.17
D to D purchases	163.51	0.00	84.54	0.00	0.00	84.54	5.17
D to D sales	-163.51	0.00	-84.54	0.00	0.00	-84.54	5.17
RTPP Stage-II	1332.28	195.97	504.93	0.00	0.00	700.67	5.26
RTPP Stage-III	666.16	131.35	252.47	0.00	0.00	383.66	5.76
NCE-Solar	1463.01	0.00	855.20	0.00	0.00	855.20	5.85
NCE - Industrial & Municipal waste	33.32	0.00	20.49	0.00	0.00	20.49	6.15
NCE - Bio-Mass	320.20	0.00	197.88	0.00	0.00	197.88	6.18
PABR PH	6.00	10.35	0.00	0.00	0.00	10.35	17.25

ANNEXURE – 10

Station wise fixed costs of APGENCO/TSGENCO for FY 2016-17	
Station Name/Item	Fixed Charges
Sileru complex	164.52
NSRCPH	17.68
SRBPH	167.64
PABR PH	10.35
Chettipeta PH	0.75
KTPS-ABC	152.49
KTPS-V	95.31
RTS-B	18.27
Dr.NTTPS-I, II &III	302.50
RTPP-I	123.43
RTPP-II	195.97
Dr.NTTPS-IV	217.14
KTPP-I	272.75
RTPP-III	131.35
KTPS-VI	271.76
DSTPP-I	1197.37
DSTPP-II	1197.37
N'Sagar Tail pond PH*	48.26
Interstate Power	22.92
Additional Interest on Pension Bonds	710.76
Total	5318.59
*Availability considered for full FY 2016-17.	