

**SOUTHERN POWER DISTRIBUTION COMPANY OF A.P. LIMITED**  
19-13-65/A, Vidyut Nilayam, Srinivasapuram, Tirupati ([www.apspdcl.in](http://www.apspdcl.in))

**From**

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

**To**

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

Lr No. ED/RAC&Plg./SPDCL/TPT/GM/RAC/F: /D.No.163/2021 dt. 12-04-2021

Sir,

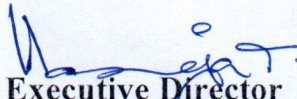
Sub:- APSPDCL/Tirupati – Seeking approval of the Honourable Commission for collection of Distribution Transformer Cost including erection wherever dedicated DTR is provided from all the consumers except agriculture consumers by modification of clause 8 (4) in the Regulation No. 04 of 2013 –  
Petition - Submitted – Regarding.

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The licensee is herewith submitting 1 No. petition filed Seeking approval of the Honourable Commission for collection of Distribution Transformer Cost including erection wherever dedicated DTR is provided from all the consumers except agriculture consumers by modification of clause 8 (4) in the Regulation No. 04 of 2013.

Yours faithfully,

Encl : 1) Petition in Original (6 sets)  
2) Online payment particulars  
for Rs.10,000 /-

  
**Executive Director**  
**RAC & Plg**

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

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

File No.           /2021

Case No.           /2021

IN THE MATTER OF:

Seeking approval of the Honourable Commission for collection of Distribution Transformer Cost including erection wherever dedicated DTR is provided from all the consumers except agriculture consumers by modification of clause 8 (4) in the Regulation No. 04 of 2013 .

AND

IN THE MATTER OF:

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

- Petitioner

**MOST RESPECTFULLY SHOWETH THE SUBMISSION**

The APSPDCL humbly submits the following:

The licensee humbly requests the Hon'ble APERC to kindly consider for Modification of clause 8 (4) in the Regulation No. 04 of 2013 .

1. It is to submit that Hon'ble APERC in Regulation No. 4 of 2013 has provided Specific Provision for collection of DTR cost and Development charges in Clauses 8(3)& 8 (4) respectively and the same are extracted below:

Clause 8(3) of Regulation No.4 of 2013 as follows:

“The Distribution Licensee shall recover full cost of transformer in case of Commercial complexes, Apartments and Multi-storeyed buildings where a dedicated transformer is provided while extending new LT service connections. In such cases, the Distribution Licensee is not entitled to collect development charges and shall own the transformer and maintain it. The Distribution Licensee shall not extend power supply to any consumer from the dedicated transformer other than the consumer who has borne the full cost of the transformer.”

Clause 8(4) of Regulation No.4 of 2013 as follows:

“In case of LT supply, the responsibility of erection of distribution transformer lies with the Distribution Licensee and shall not charge cost of transformer to any consumer except those consumers mentioned in para 3 above and levy only development charges.”

2. From the above clauses, the Distribution Licensee is not entitled to collect distribution transformer cost except from Commercial complexes, Apartments and Multi-storeyed buildings.
3. The Distribution Licensee is authorized to recover from an applicant requiring supply of electricity, expenses on normative basis towards part of upstream network cost that the Distribution Licensee has already incurred or to be incurred in extending power supply to the applicant in accordance with the Clause 8.1 & 8.2 in of the above Regulation.
4. The no. of services released, development charges collected and expenditure incurred on erection of DTRs in estimates with DTRs provided services except agriculture is given below:

S. No.	Services released, Development charges collected and Expenditure on DTR erection except agriculture						
	Particulars	Unit	APSPDCL ( 5 Districts)				Total
			2017-18	2018-19	2019-20	2020-21 (upto Dec)	
1	No.of services released	Nos.	17557	10881	11359	9569	49366
2	Contracted Load released	KW	347062	195858	113704	87174	743798
3	Development charges collected	Rs. Cr.	15.11	8.76	6.47	4.31	34.65
4	Total expenditure incurred on DTRs	Rs. Cr.	71.95	56.02	41.22	21.02	190.21
5	Total expenditure incurred by APSPDCL (Burden) (4-3)	Rs. Cr.	56.84	47.26	34.75	16.71	155.56

5. Hence it is evident that the cost recovered from the consumer by way of development charges is very less compared to the expenditure on erecting new distribution transformers. Rs. 155.56 Crores is the additional burden incurred by APSPDCL towards providing of distribution transformer from the FY 2017-18 to FY 2020-21 (upto Dec'20).
6. The DTR cost and the DTR structure cost is variable from time to time due to inflation on Material cost, labour cost etc.

7. The licensee is erecting appropriate matching capacity DTRs to the load capacity. In this kind of arrangement all the loads above 15 kW (20 HP) are provided with a dedicated distribution transformer which facilitates improved voltage and there by reduces power consumption and ensure equipment safety.
8. By providing appropriate matching capacity dedicated distribution transformer, the consumer is benefited by improved availability and reliability of power supply due to no LT line.
9. Further, as per the Tariff conditions specified in the Retail Supply Tariff Order, for LT Industrial loads of 50 HP (37.5 kW) and above are to be provided with HT TVR Metering invariably. This condition mandates a dedicated DTR to be provided for each and every service so released.
10. As shown in the above Table, the recovery of cost in the form of development charges from the services provided with DTRs is only 18.22% of its cost. Thus it is to submit that, the provision of recovery of part of fixed charge through development charges is not sufficient, though the balance and other infrastructure costs are being allowed in the form of fixed charge in the tariff under Section 45 of the Electricity, Act 2003, but, in order to recoup the additional burden as explained supra, the collection of DTR cost from the relevant consumers only may be proper and just, instead of through tariff hike from all consumers

**In the above circumstances, the licensee humbly prays the Honorable Commission:**

- i. To consider for Modification of clause 8 (4) in the Regulation No. 04 of 2013 to enable the Discom to recoup the DTR Cost and erection arrangements from all the prospective LT consumers except agricultural whenever dedicated DTR is erected .
- ii. To pass such order as the Honourable Commission may deem fit and proper in the facts and circumstances explained above.

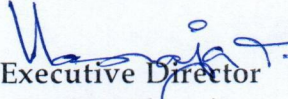
**SOUTHERN POWER DISTRIBUTION COMPANY OF ANDHRA PRADESH LIMITED**

**(APPLICANT)**

Through

Place: Tiruapti

Date : / 2-04-2021

  
Executive Director  
RAC & Planning

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

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**IN THE MATTER OF:**

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**AND**

**IN THE MATTER OF:**

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

- Petitioner

**Affidavit**

I, Tsunduru Vanaja, D/o of Late Sri T.G. Sanjeeva Rao, aged about 58 years, residing at Tirupati, the deponent named above do hereby solemnly affirm and state on oath as under:-

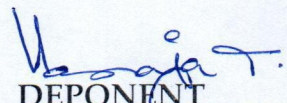
1. That the deponent is the Executive Director, RAC & Planning of Southern Power Distribution Company of AP duly authorized by APSPDCL to make this affidavit on its behalf and the deponent is acquainted with the facts deposed below,

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

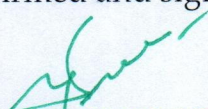
  
DEPONENT  
EXECUTIVE DIRECTOR  
RAC & PLANNING  
APSPDCL :: TIRUPATI

**VERIFICATION:**

I, the above named Deponent solemnly affirm at Tirupati on this...<sup>12<sup>th</sup></sup>...day of April, 2021 that the contents of the above affidavit are true to my knowledge, no part of it is false and nothing material has been concealed there from.

  
DEPONENT  
EXECUTIVE DIRECTOR  
RAC & PLANNING  
APSPDCL :: TIRUPATI

Solemnly affirmed and signed before me.

  
COMPANY SECRETARY  
APSPDCL :: TIRUPATI.