



# Andhra Pradesh Electricity Regulatory Commission

Vidyut Niyantana Bhavan, Adjacent to 220/132/33/11 KV AP Carbides SS,  
Dinnedevarapadu Road, Kurnool - 518 002, Andhra Pradesh.

## TARIFF ORDER

27<sup>th</sup> September, 2024

## WHEELING TARIFFS FOR DISTRIBUTION BUSINESS

In the supply areas of

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

A.P. Central Power Distribution Corporation LTD.  
(APCPDCL)

Eastern Power Distribution Company of A.P. LTD.  
(APEPDCL)



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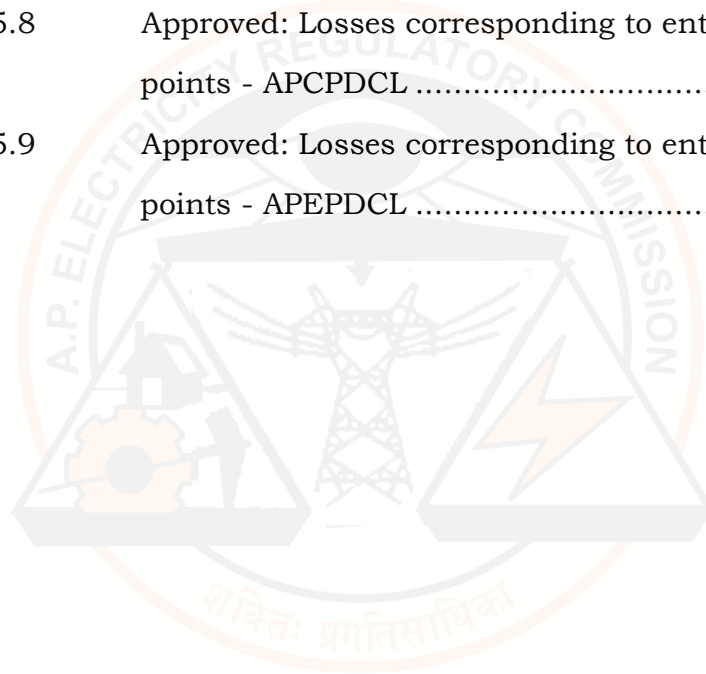
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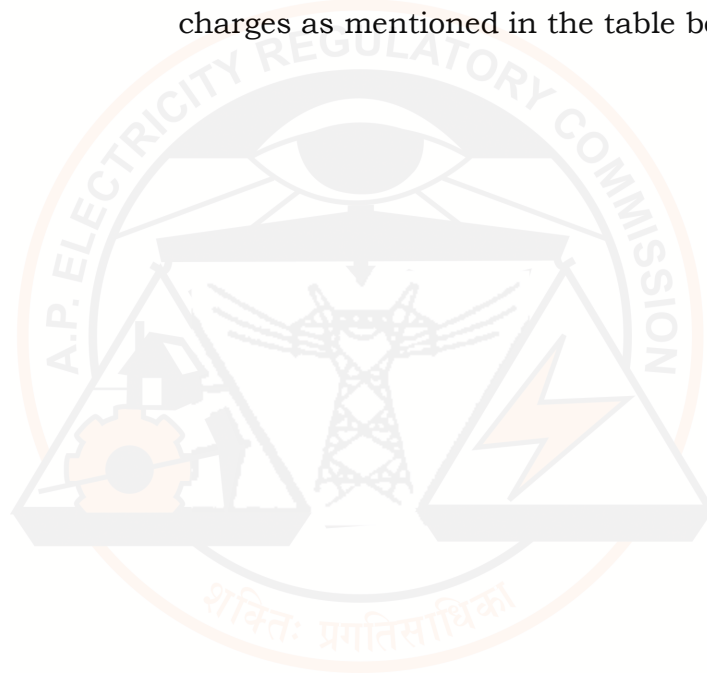




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## From the Chairman's Desk



Yet another stupendous task is performed by the Commission in the form of the MYT Order for Distribution Companies relating to the 5th control period. This Order is the sixth one in the sequence, preceded by the RST Order for DISCOMS for FY 2024-25, Orders relating to the 5th control period on Resource plan for APTRANSCO & DISCOMS, MYT Order for Transmission Tariffs, MYT Order for APSLDC, and MYT Order for APGENCO. The Commission could perform these herculean tasks in a time-bound manner by utilising the limited in-house resources without involving outside consultants. In this context, I place my appreciation for the indefatigable efforts of Sri D.Ramanaiah Setty, Joint Director Tariff, and Sri A.V.L.K.Jagannadha Sarma, Deputy Director Tariff.

I would like to take this opportunity to refer to this Order's salient features below briefly.

1. For the first time since the enactment of the Electricity Act 2003, the Andhra Pradesh Electricity Regulatory Commission (APEREC) has determined wheeling charges for using the distribution network on a per-unit (kWh) basis, a significant departure from the traditional per-kVA (Demand) basis. These charges, which are now uniform and similar to the retail supply tariffs, come with a fifty per cent concession for domestic consumers, public utilities, and government institutions. This strategic move is expected to encourage the integration of Solar Rooftop Installations at lower voltage levels, paving the way for a more sustainable energy future.
2. The licensee shall promptly notify the Commission of all investments by 31 March of every year regarding the proposed investment plan for a subsequent financial year, together with the estimated cost of such investment schemes. The licensees were directed to submit the cost data annually on or before the 31st of December for the succeeding financial year and shall obtain approval from the Commission. The approved cost data shall be published on their websites. Further, to provide a uniform framework and to evolve an integrated approach for strengthening the Distribution System in the State, DISCOMS were directed to follow the document "Electricity Distribution Network

Planning Criteria 2023” prepared by the Central Electricity Authority under the guidance of the Ministry of Power.

3. DISCOMS and APTRANSCO were directed to submit their views and action plans within two months from the date of this Order on managing power factor/voltage levels in the power system as per the Grid Standards using the inverters’ capability of the wind and solar power plants in the State. The Commission hopes that this will significantly reduce their investments.
4. The DISCOMS were directed to follow the “Bureau of Energy Efficiency (Manner and Intervals for Conduct of Energy Audit in Electricity Distribution Companies) Regulations, 2021” vide Notification No. 18/1/BEE/DISCOM/2021 dated 06.10.2021, and amendment issued thereof on 28.10.2022 for calculation of network losses and the Central Electricity Authority (CEA) methodology by a letter dated 30.06.2023 on for calculating AT&C losses, The quarterly reports on AT&C losses shall be submitted to the Commission.
5. The Commission allowed the provisions regarding P&G Trusts in employees' expenses concerning APSEB employees as per the statutory scheme, protecting their interests.
6. The Commission has taken a proactive stance on public safety, allocating Rs.15 crores per year to each DISCOM to address public complaints on damaged poles, leaning poles, loose spans, etc., in rural areas. This allocation, made in the larger interest of the public, underscores our unwavering commitment to preventing electrical accidents and ensuring the public's safety. DISCOMS were also directed to submit quarterly compliance reports to the Commission to ensure transparency and accountability.

Before parting, I would like to acknowledge the unstinted cooperation extended by the esteemed members of the Commission Sri Thakur Rama Singh and Sri P.V.R. Reddy.

**Yours sincerely,**

Sd/-

**( JUSTICE C.V.NAGARJUNA REDDY)**

**CHAIRMAN**

**ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION  
KURNOOL**

**FRIDAY, THE TWENTY SEVENTH DAY OF SEPTEMBER,  
TWO THOUSAND AND TWENTY-FOUR**

**Present**

**Justice C.V. Nagarjuna Reddy, Chairman  
Sri. Thakur Rama Singh, Member  
Sri. P.V.R. Reddy, Member**

In the matter of

**Determination of Wheeling Tariffs for Distribution Business  
for the 5<sup>th</sup> Control Period  
(FY 2024-25 to FY 2028-29)**

in

**O.P.No.74 of 2023  
Southern Power Distribution Company of Andhra Pradesh Limited (APSPDCL)  
O.P.No.75 of 2023  
Andhra Pradesh Central Power Distribution Corporation Limited (APCPDCL)  
O.P.No.76 of 2023  
Eastern Power Distribution Company of Andhra Pradesh Limited (APEPDCL)**

**... Applicants**

The Aggregate Revenue Requirements (ARRs) and Filings for Proposed Tariff (FPTs) for the Wheeling business of the Southern Power Distribution Company of Andhra Pradesh Limited (APSPDCL) in O.P.No.74 of 2023, Andhra Pradesh Central Power Distribution Corporation Limited (APCPDCL) in O.P.No. 75 of 2023 and the Eastern Power Distribution Company of Andhra Pradesh Limited (APEPDCL) in O.P.No.76 of 2023 ( all the three companies hereinafter referred to as “**DISCOMS**” or “**Licensees**” in respect of their Distribution business for the 5<sup>th</sup> Control Period (FY2024-25 to FY2028-29) came up for consideration before the Commission. Upon following the procedure prescribed for determination of such tariff under Section 64 of the Electricity Act, 2003 (Central Act 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 36 of 2003, the Andhra Pradesh Electricity Reform Act, 1998 (State Act 30 of 1998) and the APERC Terms and Conditions for determination of Tariff for Wheeling and Retail Sale of Electricity Regulations, 2005 (Regulation 4 of 2005) as amended from time to time, hereby passes the following:

**COMMON ORDER****CHAPTER – I****INTRODUCTION**

2. Consequent on coming into force of the Andhra Pradesh Reorganization Act, 2014 (Central Act 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 the notification in G.O.Ms.No.35, Energy (Power- III) Department, dt.01.08.2014 and constituted the Andhra Pradesh Electricity Regulatory Commission.
3. The Eastern Power Distribution Company of Andhra Pradesh Ltd. (APEPDCL) and the Southern Distribution Company of Andhra Pradesh Ltd. (APSPDCL), the Applicants are the holders of the Distribution Licenses (License Nos.12/2000 and 15/2000 respectively) issued by Andhra Pradesh Electricity Regulatory Commission (APERC) which is the State Electricity Regulatory Commission for the State of Andhra Pradesh under relevant provisions of the Electricity Act, 2003.

**APERC (Adaptation) Regulation, 2014**

4. In exercise of the powers conferred by Section 181 of the Electricity Act, 2003 (Central Act No.36 of 2003) and all other powers thereunto enabling, including those conferred by the Andhra Pradesh Electricity Reform Act, 1998 (State Act No.30 of 1998) and the A.P. Reorganization Act, 2014, the Commission issued APERC (Adaptation) Regulation, 2014 (Regulation 4 of 2014) and notified that with effect from 01.08.2014, all regulations made, all decisions, directions or orders, 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 to the State of Andhra Pradesh and shall continue to have effect until duly altered, repealed or amended. Regulation 4 of 2014 was published in the Extraordinary Gazette of the State of Andhra Pradesh on 29.11.2014.
5. The Govt. of AP has formed a separate DISCOM in the name of AP Central Power Distribution Corporation Limited (APCPDCL) to serve three erstwhile districts of Krishna, Guntur and Prakasam, duly carving out from the existing APSPDCL. The APCPDCL has commenced operations with effect from 1st April 2020. APERC granted a Distribution licence to APCPDCL (1 of 2020) vide letter No. E-265/DD-Dist/2019, Dt 31.03.2020. As required, the combined ARR of the Distribution business approved for APSPDCL for the 4th control period (FY 2019-20 to FY 2023-24) has been split between APSPDCL & APCPDCL for the four years covering FY 2020-21 to FY 2023-24. APCPDCL has filed ARR for Distribution business for the 5th control period for the first time.

**Statutory provisions, Filing requirements and permission**

6. Section 62 (C), read with Section 64(3) of the Electricity Act, 2003, stipulates that the Commission shall determine the tariff for the wheeling of electricity.
7. Regulation 4 of 2005, notified by the Commission, introduced the Multi-Year Tariff (MYT) framework. Accordingly, distribution licensees have to file ARRs along with FPTs with the Commission to determine the Tariff for their Distribution business for five years (called the Control Period). The fifth Control Period covers five years from FY 2024-25 to FY 2028-29.
8. The Central Act, 36 of 2003, and the Regulation 4 of 2005 (Principal Regulation) and amendments made thereto mandate that the distribution licensees shall file for their licensed business an application in such form and in such manner as specified and following the guidelines issued by the Commission for the Control Period, not less than 120 days before the commencement of the first year of the Control Period, for approval of the Commission. The licensees have to file their Aggregate Revenue Requirement (ARR) and Filings of Proposed Tariff (FPT) before 30.11.2023 as per Regulation 4 of 2005 for the 5th control period.

**ARR Filings, Public Notice, Public Hearings and SAC meeting**

9. Accordingly, DISCOMS filed the Aggregate Revenue Requirement (ARR) & Proposed Wheeling Tariffs for their Distribution business regarding the 5th Control Period (FY 2024-25 to FY 2028-29) before the Commission on 30<sup>th</sup> November 2023. The ARRs & proposals for Wheeling Tariffs for their Distribution business for the 5th control period filed by the DISCOMS have been taken on record by the Commission and were assigned O.P. Nos. 74 of 2023, 75 of 2023, and 76 of 2023 for APSPDCL, APCPDCL & APEPDCL, respectively. The filings and the computation sheets in Excel submitted by the DISCOMS were uploaded on the Commission's website. By letter dated 07.12.2023, the Commission directed the DISCOMS to issue a public notice in the Telugu language in two Telugu daily newspapers and in the English language in two English daily newspapers incorporating a summary of their ARRs & Wheeling Tariff proposals for the 5<sup>th</sup> Control Period that were submitted to the Commission, for information and calling for views/objections/suggestions on the same from individuals, representatives of consumer organisations and other stakeholders. The last date for receipt of objections has been communicated as on or before 05.00 PM of 08.01.2024. The DISCOMS were directed to upload the filings and computations in Excel sheets that were submitted to the Commission on their websites and to make available the copies of the same at their respective corporate offices and also at offices of the Executive Engineer/Divisional Engineer for sale at the nominal rate of Rs.100 per copy and summary of the filings at a rate of Rs.10 per copy. The DISCOMS were also directed to permit the interested person(s) to peruse the ARR & Proposals for

wheeling Tariff and take notes thereof during office hours at any of the said offices free of charge.

10. Further, the Commission decided to conduct public hearings on the filings of all three DISCOMS through video conference on January 29th, 30th, and 31st, 2024. The DISCOMS were therefore directed to publish the date and timings, the manner and procedure of conducting public hearings through video conference, and the link for live streaming the event in the same public notice on filings for the benefit of the public.
11. In compliance with the directions of the Commission, the DISCOMS caused the publication of public notices in their respective areas of operation in the Telugu Language in two (2) Telugu daily newspapers ('Sakshi' and 'Eenadu' newspapers on 10.12.2023 and in the English Language in two (2) English daily newspapers ('The HINDU' and 'The Hans India' newspapers on 10.12.2023)- (Annexure-A1 & A2) incorporating a summary of their ARRs, proposed Wheeling Tariff for various consumer categories FY 2023-24 & other details as directed, inviting views/objections/ suggestions on these filings. It was also informed in the public notice that all the interested persons/associations/stakeholders/objectors who want to be heard in person/through authorised representatives may appear before the Commission during the public hearings through video conference. The filings & computations in Excel sheets were also uploaded on the websites of the DISCOMS.
12. The Commission, vide its letter dated 09.01.2024, communicated the schedule of public hearings through video conference to the Energy Department/ Government of Andhra Pradesh and required the presence of a responsible officer from GoAP in the public hearings to make a statement before the Commission on the filings of the DISCOMS and on any subsidies the Government of Andhra Pradesh intends to provide under Section 65 of the Electricity Act, 2003 to various consumer categories for FY 2024-25.

### **Response to the Public Notice**

13. In response to the public notices, the Commission received several objections/ suggestions/views in writing through emails and/or in person at its Office and through video conference during the public hearings. The views/objections /suggestions received reflected all shades of public opinion on the issues and questions involved, including responses from 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 the public interest. As directed by the Commission, the DISCOMS sent their written replies to the views/objections/suggestions received before the due date from various stakeholders.



**Public Hearings**

14. The Commission conducted public hearings through video conference in the presence of all the CMDs and the officers concerned of the DISCOMS at the Conference Hall, Visakhapatnam, from 10.30 AM onwards on 29.01.2024, 30.01.2024, and 31.01.2024, to have the widest consultations possible and also the benefit of maximum inputs in finalising the wheeling tariffs for 5<sup>th</sup> Control Period. Names of the stakeholders to be heard day-wise as per seriatum were hosted on the Commission's Website well in advance.
15. The DISCOMS have made uninterrupted video conference arrangements at every Executive Engineer's operation office in each district, having given wide publicity through print and electronic media about public hearings and participation facilities to the public for submitting their views/objections/suggestions to the Commission on their ARR & Wheeling Tariffs, and CSS proposals. The public hearings were conducted from 10.30 AM to 4.30 PM (with a lunch break of one hour) or till all the objectors were fully heard on all three days. The Chairman & Managing Director of each DISCOM made a brief presentation on their filings at the beginning of the first day. Then, the stakeholders who registered for participation in the public hearings as per the seriatim published day-wise on the Commission's website were heard in detail apart from receiving all written representations presented during the three days of the public hearing. The Commission also heard the views/objections/suggestions from persons who had not registered to speak for the public hearings but appeared during public hearings through video conference after hearing the registered objectors every day. At the end of the third day, the Chairman & Managing Director of the DISCOMS concerned gave a detailed response to each of the views/objections /suggestions presented by the objectors during the three days of the hearings. The representative of GoAP also presented the Government's response to the proposals of the DISCOMS and the public views.
16. After the public hearings, the Commission held a meeting of the State Advisory Committee (SAC) on 13.02.2024 in the Corporate Office of APSPDCL at Tirupati. The members' views on DISCOMS's ARRs and FPTs were elicited. DISCOMS's CMDs were also invited to the SAC meeting as special invitees.
17. The views/objections/suggestions expressed by the stakeholders and/or their representatives (Annexure-B), in writing and/or in person through video conference and the replies furnished by the DISCOMS in writing and/or through oral responses during the public hearings held at Visakhapatnam and the views expressed by the members of the State Advisory Committee (SAC) in the SAC meeting on the filings of the DISCOMS, have been carefully considered by the Commission while arriving at the conclusions in this Order.

## Summary of Filings

18. The summary of the filings of Distribution Business for the 5th Control Period covering FY 2024-25 to FY 2028-29 is detailed briefly in the paragraphs infra:

## Loss Trajectory

19. The licensees are stated to have undertaken various steps, such as strengthening the network infrastructure, adding network elements, and vigorously conducting Energy Audit visits to reduce the losses and monitor them closely.
20. Based on the historical performance and the loss reduction measures carried out in their supply areas, the licensees have projected the network losses at various voltage levels from FY 2024-25 to FY2028-29 as given below:

**Table No.1.1**

**Filings: Distribution Losses of APSPDCL**

Voltage Level	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
LT	5.07%	5.06%	5.04%	5.03%	5.02%
11 kV	3.30%	3.29%	3.29%	3.28%	3.27%
33 kV	3.19%	3.18%	3.18%	3.17%	3.16%

**Table No.1.2**

**Filings: Distribution Losses of APCPDCL**

Voltage Level	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
LT	3.73%	3.72%	3.71%	3.70%	3.69%
11 kV	3.16%	3.15%	3.15%	3.14%	3.13%
33 kV	3.11%	3.10%	3.10%	3.09%	3.08%

**Table No.1.3**

**Filings: Distribution Losses of APEPDCL**

Voltage Level	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
LT	3.42%	3.41%	3.40%	3.40%	3.39%
11 kV	3.39%	3.38%	3.37%	3.36%	3.35%
33 kV	3.34%	3.33%	3.32%	3.31%	3.30%

## Capital Investment Plan

21. The licensees are stated to have prepared detailed capital investment plans for the 5<sup>th</sup> Control Period based on a comprehensive analysis of the state of the existing network loading conditions and the expected future loading of the network during each year of the Control Period based on the projected load growth. The table below provides the

licensees' projected Capital Expenditure (including ongoing schemes) from FY 2024-25 to FY 2028-29.

**Table No.1.4**

**Filings: DISCOM-Wise Capital Expenditure for 5th CP (Rs. Crore)**

<b>DISCOMS</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>Total</b>
APSPDCL	4,506	5,701	4,079	2,760	3,041	<b>20,087</b>
APCPDCL	3,254	1,942	1,251	1,375	1,496	<b>9,318</b>
APEPDCL	4,312	4,461	2,493	2,665	2,939	<b>16,870</b>
<b>Total</b>	<b>12,072</b>	<b>12,104</b>	<b>7,823</b>	<b>6,800</b>	<b>7,476</b>	<b>46,275</b>

**O&M expenses**

22. Licensees are stated to have adopted the method adopted by the Commission in the MYT order for the 4<sup>th</sup> Control Period to project O&M expenses. O&M costs consist of Employee expenses (EE), Administrative and General (A&G) expenses, and Repair and Maintenance (R&M) Expenses.

**Employee expenses (EE) and Administrative & General (A&G) expenses**

23. In the MYT order for the 3<sup>rd</sup> & 4<sup>th</sup> Control Periods, the Commission projected EE and A&G expenses based on the norms linked to number of Substations (SS), Line Length (Circuit KM), Number of consumers and Number of DTRs. The methodology for projecting employee expenses is that for the base year, actual employee expenses are allocated to Substations, Line length, DTRs and Consumers in the ratio of 49%: 21%: 10%:20%. Accordingly, the norms of Employee expenses per Substation, Employee expenses per circuit km of line length, Employee expenses per DTR and Employee expenses per Consumer are arrived at. The norms arrived at the base year were projected with index factor and multiplied with the projected Substations, Line length, DTRs and Consumers of respective years of the control period to arrive at the EE & AG expenses. The Same methodology is stated to have been adopted for projecting A&G expenses by the licensees.

**Repair and Maintenance (R&M) Expenses**

24. In the 4<sup>th</sup> Control Period, the Commission approved the cost of Repairs and maintenance (R&M) as 2.05% of the opening balance of Gross Fixed Assets (GFA) pertaining to the year of consideration in line with the Norm set in the 3<sup>rd</sup> control period.
25. APCPDCL and APEPDCL have considered 2.05% of GFA for Repairs and maintenance. APSPDCL has taken 2.53% based on the actual R&M expenditure incurred during FY2018-23. SPDCL further stated that the wages of the outsourcing employees deployed in Substations for operation and maintenance services have increased. The

methodology is stated to have factored both inflationary adjustment and the addition of new offices/ employees due to load growth.

26. Accordingly, the summary of O&M projections with a break-up is shown in the tables below:

**Table No.1.5**

**Filings: Summary of O&M Expenses Projections of APSPDCL for 5th CP  
(Rs. Crore)**

Parameter	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Employee Cost(Net)	2,584	2,673	2,973	3,187	3,392
A&G Cost	142	156	171	188	206
R&M Cost	583	831	1079	1231	1361
<b>Total O&amp;M Expenses(Net)</b>	<b>3,309</b>	<b>3,660</b>	<b>4,222</b>	<b>4,605</b>	<b>4,959</b>

**Table No.1.6**

**Filings: Summary of O&M Expenses Projections of APCPDCL for 5th CP  
(Rs. Crore)**

Parameter	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Employee Cost(Net)	1,326	1,449	1,581	1,728	1,889
A&G Cost	56	61	67	73	80
R&M Cost	224	275	346	429	505
<b>Total O&amp;M Expenses(Net)</b>	<b>1,606</b>	<b>1,784</b>	<b>1,994</b>	<b>2,230</b>	<b>2,473</b>

**Table No.1.7**

**Filings: Summary of O&M Expenses Projections of APEPDCL for 5th CP  
(Rs. Crore)**

Parameter	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Employee Cost	2,431	2,765	3,120	3,512	3,953
A&G Cost	151	172	194	219	246
R&M Cost	253	311	443	572	636
<b>Total O&amp;M Expenses</b>	<b>2,835</b>	<b>3,248</b>	<b>3,757</b>	<b>4,303</b>	<b>4,836</b>

**Return on Capital Employed**

27. The licensees are stated to have computed the RoCE as provided in Clause 15 of Regulation 4 of 2005, which specifies that the RoCE be calculated by multiplying the Regulated Rate Base (RRB) by the Weighted Average Cost of Capital (WACC). For RRB computation, licensees are stated to have considered the loans from IPDS, DDUGJY and WB as loans and not as grants. Licensees are stated to have considered the cost

of debt as the weighted average of the debt rates for the ongoing loans and projected loans. Accordingly, the RoCE estimations by the DISCOMS are shown in the tables below:

**Table No.1.8****Filings: RoCE of APSPDCL for 5<sup>th</sup> CP (Rs. Crore)**

<b>Particulars</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>
Regulated Rate Base	8,031	11,411	14,522	17,468	19,318
WACC	10.00%	10.92%	11.01%	11.09%	11.10%
Return on Capital Employed	803	1246	1,598	1,937	2,144

**Table No.1.9****Filings: RoCE of APCPDCL for 5<sup>th</sup> CP (Rs. Crore)**

<b>Particulars</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>
Regulated Rate Base	4,744	6,863	9,807	12,723	14,301
WACC	11.60%	11.90%	12.10%	12.20%	12.30%
<b>Return on Capital Employed</b>	<b>550</b>	<b>816</b>	<b>1,191</b>	<b>1,552</b>	<b>1,752</b>

**Table No.1.10****Filings: RoCE of APEPDCL for 5<sup>th</sup> CP (Rs. Crore)**

<b>Particulars</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>
Regulated Rate Base	3,848	7,288	12,190	15,032	15,994
WACC	10.29%	10.60%	11.82%	11.88%	11.93%
<b>Return on Capital Employed</b>	<b>396</b>	<b>772</b>	<b>1,441</b>	<b>1,786</b>	<b>1,909</b>

**Depreciation**

28. The depreciation for the particular asset class every year is stated to have been calculated using the formula given below.

Depreciation for the year = (Opening balance of the gross fixed assets for the year – Fully Depreciated Assets till previous year) \* Rate of depreciation.

The Depreciation rates as per Ministry of Power guidelines are stated to have been adopted. The depreciation rates adopted are given below:

**Table No.1.11****Filings: Depreciation Rates**

Asset Class	Rate of Depreciation	
	CPDCL & EPDCL	SPDCL
Buildings and Other Civil Works	3.34%	3.02%
Lines, Cables & Network	5.28 %	7.84%
Meters and Metering Equipment	5.28 %	12.77%
Office Equipment	6.33 %	12.77%
Plant & Machinery	5.28 %	7.84%
Furniture & Fixtures	6.33%	12.77%
Vehicles	9.50 %	33.40%
Computers and IT Equipment	15.00%	12.77%
Intangible assets (Software, Goodwill etc.)	15.00%	20.00%
Battery Chargers	-	33.40%
Capacitor Banks	-	5.27%

29. The total depreciation for the year is stated to have been calculated by adding the yearly depreciation of each asset class. Accordingly, the Depreciation estimated by the licensees is shown in the tables below:

**Table No.1.12****Filings: Depreciation of APSPDCL for 5th CP (Rs. Crore)**

Particulars (Rs. Cr.)	FY	FY	FY	FY	FY
	2024-25	2025-26	2026-27	2027-28	2028-29
Opening Balance of assets	19,931	26,081	32,946	38,947	44,095
Asset Additions during the Year	6,150	6,865	6,001	5,148	3,408
Fully Depreciated assets during the year	433	584	1,057	865	561
Depreciation During the Year	1,170	1,661	2,186	2,583	2,934

**Table No.1.13****Filings: Depreciation of APCPDCL for 5th CP (Rs. Crore)**

Particulars (Rs. Cr.)	FY	FY	FY	FY	FY
	2024-25	2025-26	2026-27	2027-28	2028-29
Opening Balance of assets	10911	13393	16878	20946	24610
Asset Additions during the Year	2482	3485	4067	3664	1740
Fully Depreciated assets during the year	259	339	463	814	579
Depreciation During the Year	457	573	736	925	1075

**Table No.1.14****Filings: Depreciation of APEPDCL for 5th CP (Rs. Crore)**

Particulars (Rs. Cr.)	FY	FY	FY	FY	FY
	2024-25	2025-26	2026-27	2027-28	2028-29
Opening Balance of assets	12,347	15,183	21,595	27,915	31,022
Asset Additions during the Year	2,835	6,412	6,320	3,108	3,234
Fully Depreciated assets during the year	155.57	142.82	202.81	325.29	351.28
Depreciation During the Year	503	643	974	1,296	1,443

30. In all, the Aggregate Revenue Requirement (ARR) for each year of the 5<sup>th</sup> Control Period projected by the DISCOMS is shown in the tables below.

**Table No.1.15****Filings: Projected Revenue Requirement of APSPDCL for 5<sup>th</sup> Control Period (Rs. Crs.)**

<b>Particulars</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>Total</b>
O&M Charges (Net)	3,309	3,660	4,222	4,605	4,959	<b>20,755</b>
Depreciation	1,170	1,661	2,186	2,583	2,934	<b>10,534</b>
Advance Against Depreciation	0	0	0	0	0	<b>0</b>
Taxes on Income	60	85	108	129	143	<b>525</b>
Other Expenditure	25	26	27	28	29	<b>135</b>
Special Appropriations	0	0	0	0	0	<b>0</b>
Total Expenditure	4,563	5,432	6,543	7,346	8,065	<b>31,949</b>
Less: IDC and expenses capitalised*	274	366	331	285	173	<b>1429</b>
Less: O&M expenses capitalized	0	0	0	0	0	<b>0</b>
Net Expenditure	4,289	5,066	6,212	7,061	7,892	<b>30,520</b>
Add Return on Capital Employed	803	1,246	1,598	1,937	2,144	<b>7728</b>
Total Distribution ARR	5,092	6,312	7,810	8,998	10,036	<b>38,248</b>
Less: Wheeling Revenue from Third Party/Open Access/NTI (if any)	602	810	1,010	1,162	1,264	<b>4848</b>
<b>Revenue Requirement (Net transferred to Retail Supply Business)</b>	<b>4,490</b>	<b>5,503</b>	<b>6,801</b>	<b>7,836</b>	<b>8,771</b>	<b>33,401</b>

**Table No.1.16****Filings: Projected Revenue Requirement of APCPDCL for 5<sup>th</sup> Control Period (Rs.Crs.)**

<b>Particulars (Rs. Crs)</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>Total</b>
O&M Charges (Net)	1,606	1,784	1,994	2,230	2,473	<b>10,087</b>
Depreciation	457	573	736	925	1,075	<b>3,766</b>
Advance Against Depreciation	0	0	0	0	0	<b>0</b>
Taxes on Income	29	42	61	79	88	<b>299</b>
Other Expenditure	20	20	21	22	22	<b>105</b>
Special Appropriations	0	0	0	0	0	<b>0</b>
Total Expenditure	2,112	2,420	2,811	3,256	3,659	<b>14,258</b>
Less: IDC and expenses capitalised*	240	416	449	315	140	<b>1560</b>
Less: O&M expenses capitalized	0	0	0	0	0	<b>0</b>
Net Expenditure	1,872	2,004	2,362	2,940	3,519	<b>12,697</b>
Add Return on Capital Employed	550	816	1,191	1,552	1,752	<b>5861</b>

<b>Particulars (Rs. Crs)</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>Total</b>
Total Distribution ARR	2,422	2,819	3,553	4,492	5,271	<b>18,557</b>
Less: Wheeling Revenue from Third Party/Open Access/NTI (if any)	261	275	290	308	325	<b>1459</b>
<b>Revenue Requirement (Net transferred to Retail Supply Business)</b>	<b>2,161</b>	<b>2,545</b>	<b>3,263</b>	<b>4,185</b>	<b>4,946</b>	<b>17,100</b>

**Table No.1.17****Filings: Projected Revenue Requirement of APEPDCL for 5th Control Period (Rs. Crs.)**

<b>Particulars</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>Total</b>
O&M Charges	2835	3248	3757	4303	4836	<b>18,979</b>
Depreciation	503	643	974	1,296	1,443	<b>4,859</b>
Advance Against Depreciation	0	0	0	0	0	<b>0</b>
Taxes on Income	34	64	107	132	140	<b>477</b>
Other Expenditure	5	5	5	6	6	<b>27</b>
Special Appropriations	0	0	0	0	0	<b>0</b>
Total Expenditure	3377	3960	4843	5736	6424	<b>24,340</b>
Less: IDC and expenses capitalised*	136	318	413	236	109	<b>1212</b>
Less: O&M expenses capitalized	474	491	274	293	323	<b>1855</b>
Net Expenditure	2,767	3,151	4,156	5,207	5,992	<b>21,273</b>
Add Return on Capital Employed	396	772	1441	1786	1909	<b>6304</b>
Total Distribution ARR	3,163	3,923	5,597	6,993	7,901	<b>27,577</b>
Less: Non-Tariff Income (NTI), Wheeling Revenue from Third Party/Open Access (if any)	300	310	321	331	343	<b>1605</b>
<b>Revenue Requirement (Net transferred to Retail Supply Business)</b>	<b>2,863</b>	<b>3,613</b>	<b>5,277</b>	<b>6,662</b>	<b>7,558</b>	<b>25,973</b>

**Wheeling Charges**

31. The licensees have computed wheeling charges year-wise, voltage wise based on the total demand anticipated at each voltage level for that year. The licensees have first arrived at the contracted demand at each voltage. For this purpose, the licensees have captured the historical Contracted Demand of 33 kV and 11 kV. For projecting the contracted demand on the LT side, the coincident demand of the LT category has been considered due to the high diversity factor in LT connected load and the restricted supply given to agricultural consumers. Considering the historical growth of the above, the licensees have projected



the Contracted Demand of 33 kV and 11kV and Coincident demand of LT for each year of the 4<sup>th</sup> control period as shown in the table given below:

**Table No: 1.18**  
**Filings: Voltage Wise Wheeling Demand in MVA**

Voltage	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
<b>APSPDCL</b>					
<b>33 kV</b>	707	743	781	821	864
<b>11 kV</b>	593	849	888	929	973
<b>LOW TENSION</b>	2,165	2,277	2,394	2,518	2,648
<b>APCPDCL</b>					
<b>33 kV</b>	329	345	361	382	400
<b>11 kV</b>	559	594	627	670	711
<b>LOW TENSION</b>	1,641	1,718	1,798	1,882	1,969
<b>APEPDCL</b>					
<b>33 kV</b>	495	518	543	570	598
<b>11 kV</b>	699	731	765	801	840
<b>LOW TENSION</b>	2,202	2,368	2,542	2,731	2,935

32. The licensees have arrived at the total demand at each voltage level by adopting the following method considering the loss trajectory as filed:

- i) The Demand at 33 KV contributed from all voltages was computed by adding up the following:
  - Grossed up 33 kV Contracted Demand with 33 kV losses;
  - Grossed up 11 kV Contracted Demand with 11 kV losses and further by 33 kV losses;
  - Coincident Demand of LT grossed up with LT, 11kV and 33 kV losses.
- ii) The Demand at 11 kV contributed from all the voltages was computed by adding the following:
  - Grossed up 11 kV Contracted Demand with 11 kV losses;
  - Coincident Demand of LT grossed up with LT and 11kV losses.
- iii) The Demand at LT is the estimated Coincident demand of LT plus grossed up with LT losses.

Accordingly, the total wheeling input demands at 33kV, 11 kV and LT voltages computed by the licensees are given in the table below:

**Table No: 1.19**  
**Filings: Total wheeling Input Demand in MVA.**

Voltage	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
<b>APSPDCL</b>					
At 33 kV from all Voltages	4236	4448	4672	4909	5160
At 11 kV from all Voltages	3358	3525	3702	3889	4087
At LT Voltages	2398	2522	2652	2789	2933
<b>APCPDCL</b>					
At 33 kV from all Voltages	2752	2890	3031	3189	3348
At 11 kV from all Voltages	2337	2456	2575	2709	2845
At LT Voltages	1705	1784	1867	1954	2045
<b>APEPDCL</b>					
At 33 kV from all Voltages	3702	3942	4197	4472	4768
At 11 kV from all Voltages	3083	3293	3515	3754	4012
At LT Voltages	2280	2451	2632	2827	3038

33. The estimated net ARR is stated to be apportioned among three voltage classes. The Employee and A&G expenses are allocated based on the number of consumers, DTRs, substations and line lengths. The R&M expenses, depreciation, RoCE Taxes & other expenses are allocated based on assets utilisation at the respective voltage levels. The Voltage wise apportionment of net ARR-Distribution as estimated by the Licensees for the 5th control period is shown below:

**Table No: 1.20**  
**Filings: APDISCOMs-Voltage Wise net Dist ARR (Rs Crs) Apportionment**

Voltage	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
<b>APSPDCL</b>					
<b>33 kV</b>	74	112	160	201	234
<b>11 kV</b>	983	1170	1414	1596	1753
<b>LOW TENSION</b>	3376	3450	4244	5258	6076
<b>Total</b>	<b>4507</b>	<b>5525</b>	<b>6831</b>	<b>7873</b>	<b>8813</b>
<b>APCPDCL</b>					
<b>33 kV</b>	33	41	57	79	96
<b>11 kV</b>	462	543	693	886	1050
<b>LOW TENSION</b>	1667	1960	2513	3220	3800
<b>Total</b>	<b>2162</b>	<b>2544</b>	<b>3263</b>	<b>4185</b>	<b>4946</b>

Voltage	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
<b>APEPDCL</b>					
<b>33 kV</b>	38	55	98	139	160
<b>11 kV</b>	563	695	983	1218	1363
<b>LOW TENSION</b>	2262	2863	4196	5304	6035
<b>Total</b>	<b>2863</b>	<b>3613</b>	<b>5277</b>	<b>6661</b>	<b>7558</b>

34. The licensees have computed the wheeling tariffs in terms of Rs./kVA/month for each year of the control period using the apportioned net ARR with estimated contracted /coincident demands in kVA at 33 kV, 11 kV and LT as per the formulae as given below:

Wheeling tariffs at 33kV (Rs./kVA/month)	$\frac{\text{ARR apportioned to 33 kV}}{\text{Total Contracted Demand at 33kV}} * 12$
Wheeling tariffs at 11kV (Rs./kVA/month)	$\frac{\text{ARR apportioned to 11 kV}}{\text{Total Contracted Demand at 11kV}} * 12$
Wheeling tariffs at LT (Rs./kVA/month)	$\frac{\text{ARR apportioned to LT}}{\text{Total Contracted Demand at LT}} * 12$

35. Accordingly, the Licensees have proposed the wheeling charges, as shown in the tables below, to recover their estimated ARR for the Distribution Business.

**Table No.1.21**

**Filings: Wheeling Charges for Long Term OA Agreements of APSDCL for 5th CP**

Voltage Level	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
33 kV (Rs./kVA/Month)	83.17	119.6	162.45	193.84	214.42
11 kV (Rs./kVA/Month)	964.49	1,098.20	1,268.28	1,367.17	1,431.84
LT (Rs./kVA/Month)	1,262.89	1,477.11	1,740.13	1,911.89	2,041.81

**Table No.1.22**

**Filings: Wheeling Charges for Long Term OA Agreements of APCPDCL for 5th CP**

Voltage Level	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
33 kV (Rs./kVA/Month)	83.02	98.96	130.68	172.08	199.53
11 kV (Rs./kVA/Month)	688.51	762.41	920.11	1,101.45	1,230.81
LT (Rs./kVA/Month)	846.4	950.87	1,165.04	1,426.30	1,608.03

**Table No.1.23****Filings: Wheeling Charges for Short Term OA Agreements of APCPDCL for 5th CP**

<b>Voltage Level</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>
33 kV (Rs./Unit)	0.12	0.14	0.18	0.24	0.28
11 kV (Rs./Unit)	0.96	1.06	1.28	1.53	1.71
LT (Rs./Unit)	1.18	1.32	1.62	1.98	2.23

**Table No.1.24****Filings: Wheeling Charges for Long Term OA Agreements of APEPDCL for 5th CP**

<b>Voltage Level</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>
33 kV (Rs./kVA/Month)	64.26	88.99	151.2	203.54	222.33
11 kV (Rs./kVA/Month)	671.48	792.75	1,070.82	1,267.28	1,352.28
LT (Rs./kVA/Month)	855.8	1,007.51	1,375.28	1,618.62	1,713.85

**Table No.1.25****Filings: Wheeling Charges for Short Term OA Agreements of APEPDCL for 5th CP**

<b>Voltage Level</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>
33 kV (Rs./Unit)	0.09	0.12	0.21	0.28	0.31
11 kV (Rs./Unit)	0.93	1.10	1.49	1.76	1.88
LT (Rs./Unit)	1.19	1.40	1.91	2.25	2.38

**Billing Methodology:**

36. The billing methodology proposed by DISCOMS for collecting wheeling charges from OA consumers is given below.
- A consumer drawing energy at the 33kV level of the licensees' network would have to pay the wheeling charges for 33 kV.
  - A consumer drawing energy at the 11 kV level of the licensees' network would have to pay the wheeling charges of 11 kV.
  - A consumer drawing energy at the LT level of the licensees' network would have to pay the wheeling charges for LT.
37. The DISCOMS have stated that as per section 2 (75) of the Electricity Act, 2003, "wheeling" means the operation whereby the distribution system and associated facilities of a transmission licensee or distribution licensee, as the case may be, are used by another person for the conveyance of electricity on payment of charges to be determined under section 62. That since all the consumers, including those connected to the EHT

network (132kV & above), are in the fold of the APDISCOMs and drawl of consumers from Open Access sources, i.e. Third Party Generators / Traders or Exchanges are included in the DISCOM drawls, the wheeling service is supposed to be provided by the DISCOMs only. The DISCOMs are already paying Transmission Charges for their peak drawl, including intra-state and inter-state open access transactions. That as per clause 18 of APERC Open Access Regulation regarding payment terms & conditions, the Distribution Licensee has to invoice a User in respect of the Open Access charges. By stating the above, DISCOMs requested the Commission to indicate applicable charges and losses for transmission in the present wheeling tariffs Order of the Discom for the convenience of the consumers.

**Views/Objections/Suggestions:**

38. The objections in brief received from Sri. M. Venugopala Rao, senior journalist, and Sri. Ch. Babu Rao, the DISCOMs's responses and the Commission's views and its conclusions are detailed below.

(i) Public hearings were conducted on 18.08.2023 by the Commission on the resource plans submitted by DISCOMs for the 5th and 6th control periods, and orders were reserved. The proposals of the licensee for the 5th control period, as approved by the Commission, need to be factored in the MYT of Distribution business for the 5th control period. Interested stakeholders were constrained from making their submissions on the subject petitions without examining the Commission's orders on the proposals and plans of the licensee for the 5th control period.

**APEPDCL Reply:** The matter is in the purview of APERC

**Commission's View:** The Order on the Resource Plan is delayed due to an analysis of huge data pertaining to the last seven years; however, after considering all the suggestions, the Commission issued the common order on 27<sup>th</sup> June 2024 regarding the Load Forecast and Resource Plans filed by AP Transco and the three DISCOMs in the State. As per the Regulations in force, the approved quanta in the Resource Plan have been adopted to determine the transmission charges for the 5th control period in the present order.

(ii) underlining the need for dispensing with the system of MYT, the Commission may review the performance of the licensees relating to the MYT orders given by the Commission, as well as their true-up/true-down claims on an annual basis and issue its orders, after holding public hearings. In the immediate and long-term context, such annual exercises would facilitate corrections, if required, annually, based on what is determined by the Commission in the MYT orders vis the actual performance of the licensees for the FY concerned. It will also facilitate avoidance of accumulation of claims of true-up/true-down for a control period of five years. Such an exercise will also facilitate considering the licensees' actual performance during the control period

concerned while examining their MYT proposals and issuing MYT orders for the next control period.

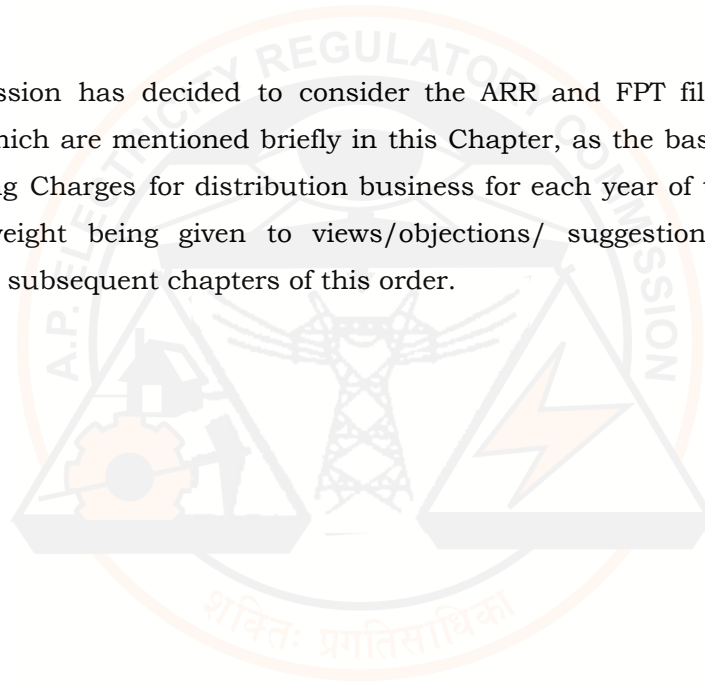
**Discom's Reply:** Under the purview of APERC.

**Commission's View:**

Tariff determination on a multi-year basis has been envisaged in the Electricity Act and the Tariff Policy to give the concerned stakeholders certainty and regulatory clarity on the tariffs. Since infrastructure creation in the sector has larger lead times, planning the system in advance is always preferable. However, to review annually, as opined by the objectors, the Regulations have been amended. Hence, it is imperative now for the licensees to file Annual Performance Petitions before the Commission every year, and the Commission will process them as per the procedure prescribed by its Regulations.

**Conclusion:**

39. The Commission has decided to consider the ARR and FPT filings submitted by the licensees, which are mentioned briefly in this Chapter, as the basis for determining ARR and Wheeling Charges for distribution business for each year of the 5th Control Period, with due weight being given to views/objections/ suggestions of stakeholders, as discussed in subsequent chapters of this order.



## CHAPTER - II INVESTMENTS

40. In this chapter, the Commission has examined the investments proposed by the licensees in their ARR & FPT filings for the 5<sup>th</sup> Control Period. The Commission, while examining their investment proposals for the 5<sup>th</sup> control period, has reckoned/considered all the views/objections/suggestions expressed by the stakeholders in writing and during public hearings,
41. The DISCOMs have submitted an annual investment plan for the 5<sup>th</sup> control period as per their MYT petitions, as shown below:

**Table No.2.1**  
**Annual investment plan for the 5<sup>th</sup> control period**

DISCOM	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	Total
SPDCL	4,506	5,701	4,079	2,760	3,041	<b>20,088</b>
CPDCL	3254	1942	1251	1376	1496	<b>9319</b>
EPDCL	4312	4461	2493	2665	2939	<b>16870</b>
<b>Total</b>	<b>12,072</b>	<b>12,104</b>	<b>7,823</b>	<b>6,801</b>	<b>7,476</b>	<b>46,277</b>

42. The DISCOMs stated that the investment proposals were as filed for the Resource plan for the 5<sup>th</sup> control period.

### Views/Objections/Suggestions

Sri. Ch. Babu Rao & others have stated that compared to the capital investment approved for the 4<sup>th</sup> control period, the projected capital expenditure for the 5<sup>th</sup> control period is higher by 341.56%. The DISCOMs should have submitted their actual capital expenditure for the 4<sup>th</sup> control period, with reasons for variations and subsequent approvals, if any, given by the Commission for additional capital investment during the control period. It would have facilitated a realistic appraisal of the requirements of the DISCOMs for their investment plans for the 5<sup>th</sup> control period. That compared to the growth rates of energy required and peak demand at the State level for the 5<sup>th</sup> control period, the growth rate of projected capital investment is abnormally high.

DISCOMs Response: Furnished the data.

### Commission's Decision:

The three DISCOMs have filed their Load Forecast and Resource Plan for the 5<sup>th</sup> & 6<sup>th</sup> control periods covering FY 2024-29 (5<sup>th</sup> Control Period) and FY 2029-34 (6<sup>th</sup> Control Period). It is observed that there is a deviation in the Investment Plan submitted by DISCOMs in the Resource Plan Filings done in April 2023 and MYT ARR filings done in

November 2023. The summary of total investment plans proposed by the DISCOMs in the Resource Plan filings is shown below:

**Table No.2.2**  
**Investment Plan proposed by APDISCOMs in the filings for the Resource Plan for the 5<sup>th</sup> Control Period**

Sl. No.	Item	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	Total
<b>APSPDCL</b>							
1	Ongoing Schemes	2,716	3,795	1,986	429	430	<b>9,356</b>
2	Development of the network to commensurate with the projected demand:	1,391	1,527	1,704	1,910	2,153	<b>8,685</b>
3	Other Investment	354	367	381	396	442	<b>1940</b>
<b>4</b>	<b>Total Investment</b>	<b>4,461</b>	<b>5,689</b>	<b>4,071</b>	<b>2735</b>	<b>3025</b>	<b>19,981</b>
<b>APCPDCL</b>							
1	Ongoing Schemes	2,763	1,297	251	251	251	<b>4,813</b>
2	Development of the network to commensurate with the projected demand:	2,564	2,371	225	225	225	<b>5,610</b>
3	Other Investment	112	111	121	132	144	<b>619</b>
<b>4</b>	<b>Total Investment</b>	<b>5,439</b>	<b>3,779</b>	<b>597</b>	<b>608</b>	<b>620</b>	<b>11,042</b>
<b>APEPDCL</b>							
1	Ongoing Schemes	747	864	923	1039	1152	<b>4,725</b>
2	Development of the network to commensurate with the projected demand:	1,609	1,813	1,952	2,100	2,348	<b>9,822</b>
3	Other Investment	153	222	240	264	290	<b>1169</b>
<b>4</b>	<b>Total Investment</b>	<b>2,509</b>	<b>2,899</b>	<b>3,115</b>	<b>3403</b>	<b>3790</b>	<b>15,716</b>
<b>Three DISCOMs-Total</b>		<b>12,409</b>	<b>12,367</b>	<b>7,783</b>	<b>6746</b>	<b>7435</b>	<b>46,739</b>

It is pertinent to extract the relevant clauses of Regulation 4 of 2005 on the Resource & Investment plans submitted by DISCOMS. Clauses 9 & 16 of Regulation 4 of 2005 are extracted herein.

*“9. RESOURCE PLAN*

*9.1 The Distribution Licensee shall file for Commission’s approval a Resource Plan on 1\* April of the year preceding the first year of Control Period. The Resource Plan shall, inter alia, contain ‘the Sales Forecast, Load Forecast, Power Procurement Plan and a Distribution Plan (Capital Investment Plan) consistent with the requirements of the Commission’s Guidelines on Load Forecast and Resource Plan (Distribution Plan and Power Procurement Plan) as amended from time to time:*



*Provided that the Resource Plan for the first Control Period may be filed along with the Multi-year filings for ARR of the first Control! Period.*

*9.2 The Commission shall approve the Resource Plan as per the Guidelines on Load Forecast, Resource Plan (Distribution Plan and. Power Procurement Plan) and the Distribution Licensee shall adopt them in the Multi-Year and Annual filings for the Control Period.*

## *16. INVESTMENT PLAN*

*16.1 The Commission shall adopt the Capital Investment Plan approved as part of the Resource Plan in terms of clause 9 of this Regulation for the purpose of determining the Regulated Rate Base (RRB) at the commencement of the Control Period:*

*Provided that for the first Control Period, the Distribution Licensee shall file its Capital Investment Plan for the Control Period as part of its Multi-Year Filings for Commission's approval.*

*16.2 The Distribution Licensee shall seek. approval for individual schemes in the Capital Investment Plan at least 90 days before undertaking the investment in accordance with the Guidelines on Investment Approval. The individual schemes/ projects submitted by the Distribution Licensee for Commission's approval must provide complete details, including those relating to the cost and capitalisation for each year of the Control Period.*

*16.3 The Commission may provide corrections in the ARR of the Distribution Licensee for subsequent years of the Control Period to the extent of deviation from the investments approved as part of the Capital Investment Plan. The Distribution Licensee shall justify the deviations beyond 10 per cent for each individual scheme/project and any other material deviations from the. Capital Investment Plan including introduction of, or substitution of existing schemes/projects by, new scheme/project (s).*

As the Resource Plan Order was not approved by the Commission by the time of filings for multi-year tariffs for the 5th CP, the DISCOMS filed the same investment plans with some deviations as stated above. However, vide Chapter V of the common order dated 27th June 2024 issued by this Commission on the Load Forecast & Resource Plans of AP Transco & DISCOMs, the Commission has approved the capital investment plan for DISCOMs for the 5th control period after considering all objections with detailed reasoning. The objections above have already been considered while approving the Resource Plan Order. Therefore, in accordance with clause 6.1 of Regulation 4 of 2005, the same is adopted as an approved capital investment plan to determine the tariff for the 5th Control Period. The details of

investments approved by the Commission in the Resource Plan for the 5th control period are given in the table below:

**Table No.2.3**  
**Approved investments for the 5th Control Period**

Sl. No.	Item	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	Total
<b>APSPDCL</b>							
1	Ongoing Schemes	2,323	3,490	1,681	124	125	<b>7,743</b>
2	Development of the network to commensurate with the projected demand:	735	812	869	1,017	1,173	<b>4,607</b>
3	Other Investment	40	40	40	40	40	<b>200</b>
<b>4</b>	<b>Total Investment</b>	<b>3,098</b>	<b>4,342</b>	<b>2,590</b>	<b>1,181</b>	<b>1,338</b>	<b>12,550</b>
<b>APCPDCL</b>							
1	Ongoing Schemes	2,390	1,153	107	107	107	<b>3,864</b>
2	Development of the network to commensurate with the projected demand:	399	462	498	562	625	<b>2,547</b>
3	Other Investment	24	24	24	24	24	<b>120</b>
<b>4</b>	<b>Total Investment</b>	<b>2,813</b>	<b>1,639</b>	<b>629</b>	<b>693</b>	<b>756</b>	<b>6,531</b>
<b>APEPDCL</b>							
1	Ongoing Schemes	2,420	1,197	95	95	95	<b>3,901</b>
2	Development of the network to commensurate with the projected demand:	834	976	1,000	1,175	1,234	<b>5,219</b>
3	Other Investment	40	40	40	40	40	<b>200</b>
<b>4</b>	<b>Total Investment</b>	<b>3,294</b>	<b>2,213</b>	<b>1,135</b>	<b>1,310</b>	<b>1,369</b>	<b>9,320</b>
<b>Three DISCOMs-Total</b>		<b>9,205</b>	<b>8,194</b>	<b>4,354</b>	<b>3,184</b>	<b>3,463</b>	<b>28,401</b>

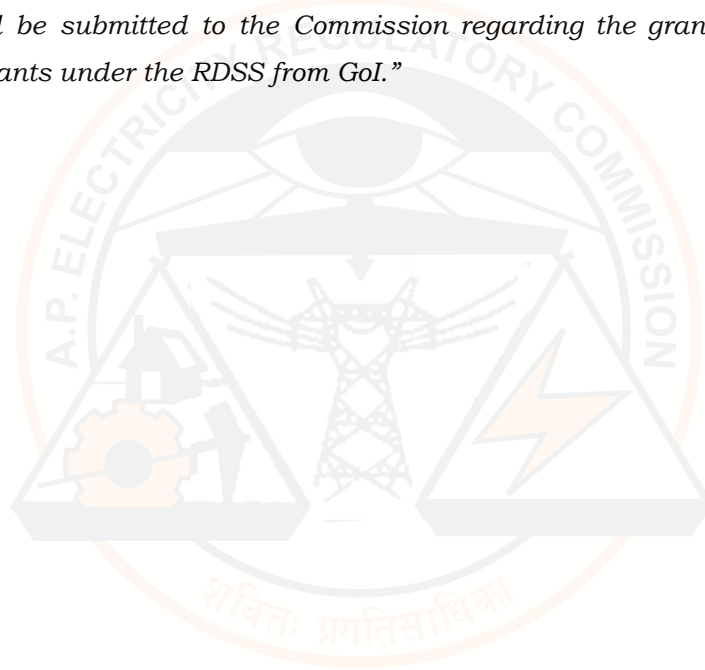
43. **The above-approved investments are lump sums each year for the 5th control period. However, the DISCOMS shall comply with clause 16.2 of Regulation 4 of 2005 regarding each scheme. The licensees may take appropriate action if there is any deviation beyond 10 per cent from the approved investments as per clause 16.3 of Regulation No. 4 of 2005.**
44. **The attention of the licensees is also drawn to clause 37 (ii) of Regulation No. 10 of 2013, which reads as follows:**

*“The licensee shall promptly notify the Commission of all the investments by 31<sup>st</sup> March of every year pertaining to the Distribution System which the licensee proposes to implement for subsequent financial year together with relevant details in brief, including the estimated cost of such investment schemes, which are in line with the investment plan. The licensee shall furnish to the Commission such further details and clarifications as to the investments proposed, as the Commission may require from time to time.”*

**The licensees are directed to comply with the above regulation forthwith.**

45. **The Commission has observed inordinate delays in implementing and completing the works/schemes. This time overrun increases the cost of basic materials and labour and results in a higher incidence of interest during construction. The overall completed cost of the project exceeds the approved value. This additional cost imposes a burden on the end consumers. Hence, the DISCOMs are instructed to adhere strictly to the project implementation schedule.**
46. To provide a uniform framework and guidelines for Distribution Utilities/DISCOMs and to evolve an integrated approach for strengthening the Distribution System in the country, a document on “Electricity Distribution Network Planning Criteria 2023” has been prepared by the Central Electricity Authority under the guidance of Ministry of Power. This document was prepared after a detailed consultation with DISCOMs. It is based on the inputs provided by the Distribution Companies considering the existing status of the distribution system in their area of operation. **Therefore, DISCOMS shall comply with the planning criteria mentioned in the above document to develop its distribution network as per the investments approved in this Order.**
47. It may be noted that about 4000 MW solar/4000 MW wind generation capacity is connected at various voltage levels in the DISCOMS and Transco Network. Significantly, inverters' reactive power compensation functionality in these solar/wind plants can be utilised during solar/wind energy generation and non-generation hours (evenings and nights) to manage voltage levels/power factors as per Grid Standards. This makes them a viable alternative to capacitor banks traditionally used by DISCOMS to improve power factors and lower their investments required for reactive power management in the network. Further, reactive power compensation can facilitate the integration of more renewable energy sources into the given network while enhancing the grid's power quality. **Therefore, DISCOMS in-coordination with APTRANSCO shall submit their views and action plan on this aspect within two months from the date of this Order.**
48. **Further, the Commission's conclusions drawn in the Distribution ( Capital Investment) plan chapter in the Resource Plan Order dated 27.06.2024 are reiterated herein below for reporting compliance.**

*“DISCOMs shall note that the investments approved above are only a roadmap for the next five years, and specific scheme-wise approvals are to be obtained from the Commission as per the investment guidelines and applicable regulations. The Commission will examine the cost of various elements with reference to the cost data to be approved by the Commission from time to time as per clause 9 of Regulation 4 of 2013 before granting approval. The licensees are hereby directed to submit the cost data annually on or before the 31st of December for the succeeding financial year and shall obtain approval from the Commission. The approved cost data shall be published on their websites. Further, the actuals may vary with the above-approved investments. At the end of each financial year, the DISCOMS shall submit the actual investments incurred vis a vis the approved investments and shall justify variations. In respect of the schemes sponsored by the GoAP, like Agl. smart meters for DBT, the DISCOMS shall submit the amount spent and the amount received from the GoAP through half-yearly reports till the completion of the said works. Also, the half-yearly reports shall be submitted to the Commission regarding the grants received against the estimated grants under the RDSS from GoI.”*



## CHAPTER – III

### DISTRIBUTION LOSS TRAJECTORY

49. In this chapter, the Commission has examined the Distribution Loss trajectory proposed by the licensees in their ARR & FPT filings for the 5<sup>th</sup> Control Period. While examining the loss trajectory for the 45<sup>th</sup> Control Period, the Commission has reckoned/considered all the views/objections/suggestions expressed by the stakeholders in writing and during public hearings to the extent they are relevant to the subject matter.
50. The loss percentage proposed is based on the estimated energy handled. The network losses arrive at LT, 11kV and 33kV voltage levels are the percentages in total input for that respective voltage level for each year of the Control Period. The Loss trajectories filed by licensees are shown in the tables below:

**Table No: 3.1**  
**Filings: APDISCOMs Distribution Loss Trajectory**

<b>Voltage Level</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>
<b>APSPDCL</b>					
LT	5.07%	5.06%	5.04%	5.03%	5.02%
11 kV	3.30%	3.29%	3.29%	3.28%	3.27%
33 kV	3.19%	3.18%	3.18%	3.17%	3.16%
<b>APCPDCL</b>					
LT	3.73%	3.72%	3.71%	3.70%	3.69%
11 kV	3.16%	3.15%	3.15%	3.14%	3.13%
33 kV	3.11%	3.10%	3.10%	3.09%	3.08%
<b>APEPDCL</b>					
LT	3.42%	3.41%	3.40%	3.40%	3.39%
11 kV	3.39%	3.38%	3.37%	3.36%	3.35%
33 kV	3.34%	3.33%	3.32%	3.31%	3.30%

**Determination of loss trajectory:**

51. The Commission found that the loss trajectory filed for the Resource plan and the MYT by the DISCOMS are the same. The Commission examined the following points while approving the loss trajectory in the Resource plan for the DISCOMS.
- The loss levels achieved by the licensees in the 4<sup>th</sup> Control Period up to Aug-23 of FY24 against the targets fixed by the Commission.
  - The existing network's capacity, the capital works in progress, and the investments proposed to be approved in this order.
  - Loss reduction measures being followed and proposed by the licensees, viz., implementation of RDSS for Loss Reduction, such as installation of Smart Meters, Modernisation, Augmentation of Power Transformers, Installation of star-rated DTRs,

and Erection of line capacitor banks.

Having adopted the Investment plan for MYT as per the Resource Plan for the 5th control period by following Regulation 4 of 2005, the Commission found no reason to deviate from the same even in adopting the loss trajectory approved in the Resource plan for the determination of multi-year tariff for the 5th control period. Hence, the Commission adopted the network loss trajectory as per the Resource Plan Order dated 27.06.24, as shown in the tables below.

**Table No: 3.2**

**Approved: APDISCOMs Distribution Loss Trajectory**

<b>Voltage Level</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>
<b>APSPDCL</b>					
LT	4.13%	4.12%	4.11%	4.10%	4.09%
11 kV	3.06%	3.05%	3.04%	3.03%	3.02%
33 kV	2.99%	2.98%	2.97%	2.96%	2.95%
<b>APCPDCL</b>					
LT	3.73%	3.72%	3.71%	3.70%	3.69%
11 kV	3.06%	3.05%	3.04%	3.03%	3.02%
33 kV	2.99%	2.98%	2.97%	2.96%	2.95%
<b>APEPDCL</b>					
LT	3.42%	3.41%	3.40%	3.40%	3.39%
11 kV	3.39%	3.38%	3.37%	3.36%	3.35%
33 kV	2.74%	2.73%	2.72%	2.71%	2.70%

**Energy Saving Certificates**

52. The Commission notes that three licensees are designated consumers as per the Energy Conservation Act, 2011 (52 of 2001) under the Perform, Achieve and Trade (PAT) scheme. The Bureau of Energy Efficiency (BEE), with approval of the Ministry of Power, Government of India, notified the regulations viz. “Bureau of Energy Efficiency (Manner and Intervals for Conduct of Energy Audit in Electricity Distribution Companies) Regulations, 2021” vide Notification No. 18/1/BEE/DISCOM/2021 dated 06.10.2021, and amendment issued thereof on 28.10.2022. The extant regulations specify the key aspects of energy accounting and auditing for electricity distribution companies. These regulations have been issued under the ambit of the Energy Conservation Act 2001, with an overall objective to reduce inefficiencies and losses in the distribution sector. **Therefore, the DISCOMs are directed to calculate the network losses following the above Regulations and their amendments, if any. The quarterly report, as submitted to BEE, shall hereafter be submitted to the Commission.** Further, CEA issued a letter dated 30.06.2023 on the methodology for calculating AT&C losses, which was amended by a letter on 08.12.2023. **Hence, DISCOMS shall prepare the AT&C losses reports based on the CEA methodology, and quarterly reports on AT&C losses shall be submitted to the Commission hereafter.**

**CHAPTER-IV**  
**AGGREGATE REVENUE REQUIREMENT**

53. In this chapter, while examining the DISCOMS' Aggregate Revenue Requirement for the 5th control period, the Commission has reckoned/considered all the views/objections/suggestions expressed by the stakeholders in writing and during public hearings to the extent they are relevant to the subject matter. The net ARR claimed by each DISCOM is shown in the tables below.

**Table No. 4.1**

**Filings: Net ARR Claimed by the DISCOMS**

<b>Company</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>Total</b>
<b>APSPDCL</b>	4,491.06	5,501.37	6,800.02	7,834.70	8,769.87	<b>33,397.02</b>
<b>APCPDCL</b>	2161.32	2544.61	3262.68	4184.86	4946.42	<b>17099.88</b>
<b>APEPDCL</b>	2862.78	3612.99	5276.91	6661.81	7558.10	<b>25972.59</b>

54. The Commission notified two amendments (Regulation 5 of 2024 and Regulation 6 of 2024) to the Andhra Pradesh Electricity Regulatory Commission (Terms & Conditions for determination of Tariff for Wheeling & Retail Sale of Electricity) Regulation (Regulation 4 of 2005) on 07.02.2024 after the licensees' filings and the completion of the public hearing process on the petitions filed by the DISCOMs. The Commission has evaluated the wheeling ARR of the DISCOMs following the latest amendments that were notified.
55. As per the 5th Amendment issued on 07.02.2024 to Regulation 4 of 2005 by the Commission, the total distribution cost of DISCOM is to be segregated into two components. One is the distribution cost attributable to the network business, and the other is the cost attributable to the Supply Business in the ratios mentioned below in the absence of actual segregation ratios. The following table shows the allocation ratios specified in the Regulation.

**Table No. 4.2**

**Allocation ratios between Wires Business and Retail Supply Business.**

<b>Particulars</b>	<b>Distribution / Wires Business (%)</b>	<b>Retail Supply Business (%)</b>
Power Purchase Expenses	0%	100%
Intra-State, Inter-State Transmission & LDC Charges	0%	100%
Employee Expenses	60%	40%
Administration & General Expenses	30%	70%

<b>Particulars</b>	<b>Distribution / Wires Business (%)</b>	<b>Retail Supply Business (%)</b>
Repair & Maintenance Expenses	90%	10%
Depreciation	90%	10%
Interest on Long-term Capital Loan	100%	0%
Interest on Working Capital	10%	90%
Interest on consumer security deposits	0%	100%
Bad Debts Written off	0%	100%
Income Tax	90%	10%
Contingency reserves, if any	100%	0%
Return on Equity/Business margin	90%	10%

Accordingly, each licensee's component-wise Distribution ARR is evaluated first and split into two components, one attributable to Wheeling activity and the other to Retail supply activity. The gross revenue requirement of the Distribution business consists of the following cost elements.

- A) O&M costs;
  - Employee Expenses.
  - Administration & General Expenses
  - Repair & Maintenance Expenses
- B) Interest on Long-term Capital Loan
- C) Return on Equity/Business margin
- D) Interest on working capital
- E) Interest on Working Capital
- F) Depreciation
- G) Income Tax
- H) Any Other relevant expenditure if any
- I) Contingency reserves, if any

#### **A. Determination of O&M Costs**

56. The operation and maintenance (O&M) costs shall comprise mainly the following.

- i. Employee Expenses.
- ii. Administration & General Expenses
- iii. Repair & Maintenance Expenses

The DISCOMS filings, objections and suggestions and the Commission's decision on each item above are detailed hereunder.



**(i) & (ii) Employee Expenses and A&G Expenses**

57. The DISCOMS stated that Employee expenses (EE) and Administrative and General (A&G) expenses are projected based on the norms linked to Number of Substations (SS), line length (Circuit KM), Number of consumers and Number of DTRs following the methodology approved by the Commission in the earlier MYT Orders. APSPDCL and APEPDC stated that based on the Audited data from FY2018-19, Employee expenses (EE) and Administrative and General (A&G) expenses were allocated to Substations, Line length, DTRs and Consumers in the ratio of 49%:21%:10%:20% respectively and arrived at actual norms for FY19, FY20. The average of these norms has been taken as norms for FY2020-21. APCPDCL stated that the average of the ratios for the three years between FY2020-21 and FY2022-23 has been considered as the norm for FY2020-21. All three DISCOMS stated that the norms arrived at for FY2020-21 have been escalated with an indexation factor ( APSPDCL & APCPDCL -5.65% and APEPDCL -5.37%) for each subsequent year of FY21 and accordingly for each year of the 5th control period. The projected norms have been multiplied with the projected network elements, i.e. Number of Substations (SS), line length (Circuit KM), Number of consumers and Number of DTRs to arrive at the Employee expenses (EE) and Administrative and General (A&G) expenses for the respective years of the 5th Control period. Further, APSPDCL stated that a provision for P&G trust was created towards the pension liability of APSEB origin employees for 26% share up to FY 2028-29 and 100% share after FY 2028-29, as per the actuarial report of Universal actuaries, Mumbai as shown below has been added to arrive at the final EE and A&G expenses.

	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>Total</b>
APSPDCL- Provision for Pension, Gratuity and EL	876.22	800	917.55	932.10	914.70	<b>4,441</b>

Accordingly, the tables below show the norms, network elements, and EE and A&G expenses as per the filings for each DISCOM.

**Table No: 4.3****Filings: Norms for Employee Expenses**

<b>Item</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>
<b>APSPDCL</b>					
Rs. per Substation	5,111,869	5,400,690	5,705,829	6,028,208	6,368,802
Rs. per Line (ckt.km)	10,607	11,207	11,840	12,509	13,216
Rs. per DTR	2,675	2,826	2,986	3,155	3,333
Rs. per Consumer	442	467	493	521	551
<b>APCPDCL</b>					
Rs. per Substation	65,89,788	69,62,111	73,55,470	77,71,054	82,10,119
Rs. per Line (ckt.km)	15,291	16,155	17,068	18,032	19,051
Rs. per DTR	4,504	4,759	5,028	5,312	5,612
Rs. per Consumer	484	512	540	571	603
<b>APEPDCL</b>					
Rs. per Substation	1,03,50,794	1,09,06,632	1,14,92,318	1,21,09,456	1,27,59,733
Rs. per Line (ckt.km)	27,076	28,530	30,062	31,676	33,377
Rs. per DTR	7,709	8,123	8,559	9,019	9,503
Rs. per Consumer	600	633	667	702	740

**Table No: 4.4****Filings: Norms for A&G Expenses**

<b>Item</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>
<b>APSPDCL</b>					
Rs. per Substation	4,26,096	4,50,171	4,75,605	5,02,477	5,30,867
Rs. per Line (ckt.km)	881	931	984	1,039	1,098
Rs. per DTR	225	237	251	265	280
Rs. per Consumer	37	39	41	43	46
<b>APCPDCL</b>					
Rs. per Substation	2,77,670	2,93,359	3,09,934	3,27,445	3,45,945
Rs. per Line (ckt.km)	641	677	716	756	799
Rs. per DTR	190	200	212	224	236
Rs. per Consumer	21	22	23	24	26
<b>APEPDCL</b>					
Rs. per Substation	6,47,649	6,82,428	7,19,075	7,57,689	7,98,377
Rs. per Line (ckt.km)	1,677	1,767	1,862	1,962	2,067
Rs. per DTR	477	503	530	558	588
Rs. per Consumer	37	39	41	43	46

**Table No: 4.5****Filings: Network Elements**

Item	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
<b>APSPDCL</b>					
No. of Substation	1,662	1,751	1,846	1,944	2,050
Length of Line (ckt.km)	318,443	324,206	330,294	336,768	343,679
No. of DTRs	713,893	725,223	737,163	749,903	763,483
No. of Consumers	7,448,377	7,677,866	7,912,921	8,153,736	8,400,506
<b>APCPDCL</b>					
No. of Substation	995	1040	1086	1136	1189
Length of Line (ckt.km)	180162	184004	187912	192090	196490
No. of DTRs	294091	300131	306261	312791	319681
No. of Consumers	5432289	5560296	5691462	5825885	5963636
<b>APEPDCL</b>					
No. of Substation	1,207	1,341	1,480	1,623	1,776
Length of Line (ckt.km)	175,377	181,516	187,816	194,266	201,151
No. of DTRs	316,715	326,615	336,685	347,045	358,105
No. of Consumers	7,701,451	8,205,196	8,500,146	8,807,146	9,126,760

**Table No: 4.6****Filings: Employee Expenses (Rs. Cr.)**

FY/DISCOM	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	Total
APSPDCL-net	2,584	2,673	2,973	3,187	3,392	<b>14,809</b>
APCPDCL-net	1,326	1,449	1,581	1,728	1,889	<b>7,973</b>
APEPDCL-net	2,431	2,765	3,120	3,512	3,953	<b>15,781</b>

**Table No: 4.7****Filings: Administration & General Expenses (Rs. Cr.)**

FY/DISCOM	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	Total
APSPDCL	142	156	171	188	206	<b>863</b>
APCPDCL	56	61	67	73	80	<b>337</b>
APEPDCL	151	172	194	219	246	<b>982</b>

**Views/Objections/Suggestions**

**Sri. M. Venugopala Rao & others** have stated that compared to their O&M expenses for the last year of the 4<sup>th</sup> control period (2023-24), the projected O&M requirements

of the DISCOMs for the last year of the 5<sup>th</sup> control period (2028-29) are higher by 67.57% for SPDCL, 58.99% for CPDCL and 95.38% for EPDCL. Since the components of O&M expenditure are being determined on a normative basis, they need to be revised downwards as per relevant factors of capital investments to be approved by the Commission and assets approved to be created.

**SPDCL & CPDCL's Response:** The O&M expenses are arrived at after considering factors such as inflation, pay and wage revision, future provisions for pensions of APSEB-originating employees, capital expenditures, and previous year's expenses.

**EPDCL's Reply:** O&M Expenses are projected over the next five years from Rs.2489 crores to Rs.4836 Crores with year-on-year increments ranging from 12 % to 15 % based on norms fixed by the Commission in the 3rd and 4th Control period in the ratio of 49% Substation, 21% Line of Length, 10% DTRs, and 20% Consumers with inflated factor of 5.37%. Further, the O&M expenditure incurred during the 4th Control Period is Rs.9828 Crores, and the projected O&M expenses are based on actuals of the previous 5 years (FY19 to FY23), duly applying the inflation factor.

**Commission's decision:**

**As** per Clause 6.3 (a) of Regulation 4 of 2005, *"The Operation and Maintenance (O&M) costs which include employee-related costs, repair & maintenance costs and administrative & general costs, estimated for the Base Year and the year prior to the Base Year in complete detail, together with the forecast for each year of the Control Period based on the norms proposed by the Distribution Licensee including indexation and other appropriate mechanisms..."* The Commission has examined the DISCOMS's estimation and methodology for arriving at the EE and A&G costs. The licensees have arrived at the norms based on the methodology followed by the Commission in the MYT wheeling tariff order for the previous control periods. Hence, the methodology has been accepted in toto. The APSPDCL has not included the provisions towards P&G trusts in its norms, whereas the other two DISCOMS have included the same when arriving at them. These provisions are statutory. If these are not allowed now, it will have substantial True up implications on consumers in future and it is not desirable. Referring to this Commission's decision in the True-up Order dated 30.03.2022 for the Distribution Business for the 3rd control period for admitting these provisions is relevant and extracted herein below.

*" L. The Comptroller & Auditor General's (C&AG) office letters dated 29.01.2019 & 01.07.2019 addressed to the Principal Secretary to Government, Energy, Infrastructure & Investment Department, GoAP, and the Secretary to Government, Energy, Infrastructure & Investment Department, GoAP respectively, have pointed out that during the audit of the all PSUs for Generation, Transmission, and Distribution for the financial year 2017-18, it was noticed that the PSUs did not make a provision of Rs.15,321.10 Cr. for the liabilities mentioned in respect of APSEB origin employees and*

*thus profit/loss was over/understated by the said PSUs. The C&AG pointed out further that in view of the revision of pay scales/pension w.e.f. 1st April 2018, there should be a substantial increase in the liability, without which the accounts of the companies do not reflect the true and correct picture. The C&AG also pointed out that non-provisioning has a long-term impact on the financial health of the organisation as well as it may adversely affect the interest of the employees who are in service /retired and they may not get adequate compensation if sufficient funds are not made available. The observations of the C&AG are also mentioned in the audited books of accounts of the DISCOMs.*

*M. In this regard, it is also pertinent to note the judgment of the Apex Court in West Bengal Electricity Regulatory Commission Vs. CESC Limited (2002) 8 SCC 715, wherein it has been held that the employees' cost prudently incurred needs to be reimbursed to the utility. The Hon'ble APTEL followed the said judgment of the APEX Court in its Order dated 24.03.2015 in Appeal Nos. 55 of 2003, 77 of 2013, 194 of 2013, 259 of 2012, 63 of 2013, 143 of 2013, 158 of 2013, and 43 of 2014.*

*N. Therefore, in the light of the above, the Commission is of the opinion that it is legally imperative for the licensees to make appropriate provision for payment of pension and retirement benefits and transfer the required amounts to meet this expenditure, to the appropriate trust. Though the O&M expenses are controllable items, the liability of payment of pension undoubtedly falls in the realm of uncontrollable factors. Therefore, the Commission is of the opinion that the additional expenditure incurred by the licensees under this item is liable to be passed on to the consumers in toto.”*

Following the above decision, the Commission decides to allow the provisions towards P&G Trusts in EE expenses. Accordingly, based on the costs incurred in audited books of accounts, the EE norms have been revised for the base year FY2023-24 for all three DISCOMS. However, the norms regarding A&G expenses as filed by DISCOMS have been finalised after verification of the actual A&G expenses for previous years. The EE and A&G norms of the base year have been escalated with an indexation factor of 5.65 as arrived at by the DISCOMS based on the WPI & CPI for each year of the 5th control period. Thereafter, the norms in each year of the 5th control period are multiplied with corresponding network elements approved by the Commission in the Resource Plan order dated 27.06.24, as the investment plan for this MYT is adopted as per the same Order as per Regulation 4 of 2005 and arrived at EE and A&G expenses for each year of the 5th control period.

Accordingly, the tables below show the norms, network elements, and EE and A&G expenses as arrived at by the Commission for each DISCOM.

**Table No: 4.8**  
**Approved: Norms for Employee Expenses**

Item	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
<b>APSPDCL</b>					
Rs. per Substation	7,512,148	7,936,585	8,385,002	8,858,754	9,359,274
Rs. per Line (ckt.km)	16,304	17,225	18,198	19,226	20,312
Rs. per DTR	4,966	5,246	5,543	5,856	6,187
Rs. per Consumer	549	580	613	648	684
<b>APCPDCL</b>					
Rs. per Substation	6,475,981	6,841,873	7,228,439	7,636,846	8,068,328
Rs. per Line (ckt.km)	13,849	14,632	15,459	16,332	17,255
Rs. per DTR	4,640	4,902	5,179	5,472	5,781
Rs. per Consumer	520	550	581	613	648
<b>APEPDCL</b>					
Rs. per Substation	9,228,382	9,749,785	10,300,648	10,882,635	11,497,504
Rs. per Line (ckt.km)	23,810	25,155	26,577	28,078	29,665
Rs. per DTR	9,262	9,786	10,339	10,923	11,540
Rs. per Consumer	639	675	713	753	796

**Table No: 4.9**  
**Approved: Norms for A&G Expenses**

Item	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
<b>APSPDCL</b>					
Rs. per Substation	433,165	457,639	483,495	510,813	539,674
Rs. per Line (ckt.km)	902	953	1,007	1,064	1,124
Rs. per DTR	316	334	353	373	394
Rs. per Consumer	35	37	39	41	43
<b>APCPDCL</b>					
Rs. per Substation	227,148	239,981	253,540	267,865	283,000
Rs. per Line (ckt.km)	687	726	767	810	856
Rs. per DTR	264	279	295	311	329
Rs. per Consumer	32	33	35	37	39
<b>APEPDCL</b>					
Rs. per Substation	636,383	672,339	710,326	750,459	792,860
Rs. per Line (ckt.km)	1,647	1,740	1,839	1,943	2,052
Rs. per DTR	469	496	524	553	584
Rs. per Consumer	36	38	40	43	45

**Table No: 4.10**  
**Approved: Network Elements**

Item	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
<b>APSPDCL</b>					
No. of Substation	1712	1826	1949	2077	2214
Length of Line (ckt.km)	3,15,844	3,18,937	3,22,025	3,25,493	3,29,296
No. of DTRs	7,27,066	7,34,086	7,41,036	7,48,906	7,57,556
No. of Consumer	74,48,377	76,77,866	79,12,921	81,53,736	84,00,506
<b>APCPDCL</b>					
No. of Substation	1012	1074	1137	1205	1276
Length of Line (ckt.km)	1,78,971	1,81,081	1,83,237	1,85,535	1,87,959
No. of DTRs	3,05,490	3,09,110	3,12,810	3,16,750	3,20,910
No. of Consumer	54,32,289	55,60,296	56,91,462	58,25,885	59,63,636
<b>APEPDCL</b>					
No. of Substation	1093	1206	1322	1441	1567
Length of Line (ckt.km)	1,79,111	1,82,941	1,86,604	1,90,755	1,94,815
No. of DTRs	3,24,018	3,30,778	3,37,178	3,44,528	3,51,638
No. of Consumer	77,01,451	82,05,196	85,00,146	88,07,146	91,26,760

**Table No: 4.11**  
**Approved: Employee Expenses (Rs. Cr.)**

FY/DISCOM	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	Total
APSPDCL	2571.24	2829.33	3116.20	3432.54	3784.67	<b>15733.98</b>
APCPDCL	1327.53	1456.85	1597.57	1753.92	1925.81	<b>8061.68</b>
APEPDCL	2227.20	2513.46	2812.34	3143.55	3511.71	<b>14208.26</b>

**Table No: 4.12**  
**Approved: Administration & General (A&G) Expenses (Rs. Cr.)**

FY/DISCOM	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	Total
APSPDCL	151.59	166.75	183.59	202.15	222.80	<b>926.88</b>
APCPDCL	60.56	66.16	72.23	78.94	86.30	<b>364.20</b>
APEPDCL	142.17	160.73	180.25	201.89	225.98	<b>911.01</b>

**iii) Repairs & Maintenance Expenses**

58. The DISCOMS have projected R&M expenses for each year of the 5<sup>th</sup> Control period based on a certain percentage of Gross Fixed Assets (GFA). APSPDCL stated that it had considered the average of the actual percentage of R&M in the opening GFA for

the past five years for future projections, which is at 2.53 % of the GFA. In addition, it has considered Rs 50 Crores towards enhanced wages of outsourced employees each year and 730 Crores for five years towards the recovery of smart meters cost. APCPDCL & APEPDCL have stated that they projected the R&M expenses as 2.05% of the year's opening balance of the Gross Fixed Assets (GFA) for each year of the 5th control period as considered by the Commission in MYT Orders for the 3rd and 4th control periods. Accordingly, the R&M expenditure as per filings for each DISCOM is shown in the table below.

**Table No: 4.13****Filed: Repairs & Maintenance Expenses (R&M) (Rs. Cr.)**

<b>FY/DISCOM</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>Total</b>
APSPDCL	583	831	1079	1231	1361	<b>5,085</b>
APCPDCL	224	275	346	429	505	<b>1,779</b>
APEPDCL	253	311	443	572	636	<b>2,215</b>

**Commission's decision:** The Commission carefully examined each DISCOM's R&M projections. The APSPDCL claimed expenditures related to the enhanced wage revision of outsourced employees and smart meters in addition to the norm. The other two DISCOMS claimed R&M expenses based on the norm fixed by the Commission in previous MYT Orders. The smart meters cost claimed by APSPDCL has already been approved in the investment plan, and hence, it does not deserve to be included in the R&M cost. Accordingly, the Commission is not inclined to consider the same.

Regarding the enhanced wages of the outsourced employees, the other two DISCOMS are meeting the same within the norm. Hence, there is no merit in the APSPDCL claim; accordingly, the Commission is not inclined to consider the same. Therefore, following the decision of the Commission in earlier MYT Orders, the Commission is inclined to approve the R&M costs as 2.05 per cent of the opening GFA approved in this Order for each year of the 5th control period. The R&M costs approved for each DISCOM are shown in the table below.

**Table No: 4.14****Approved: Repairs & Maintenance Expenses (R&M) (Rs. Cr.)**

<b>FY/DISCOM</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>Total</b>
APSPDCL	360.18	449.33	549.57	663.74	712.89	2735.71
APCPDCL	219.79	263.23	316.01	352.73	403.34	1555.10
APEPDCL	254.17	307.91	361.24	417.62	455.51	1796.45

Based on the above discussion, the O&M costs approved by the Commission vis a vis filing of the DISCOMS are shown in the tables below.



**Table No: 4.15**  
**Fillings Vs Approved: O&M Costs ( Rs.in Cr.) - APSPDCL**

<b>FY</b>	<b>Employee Expenses</b>	<b>Admin &amp; General</b>	<b>Repairs &amp; Maintenance (R&amp;M)</b>	<b>Total O&amp;M</b>
<b>Fillings-Net</b>				
2024-25	2,583.88	142.27	582.56	<b>3,308.71</b>
2025-26	2,672.59	156.02	831.41	<b>3,660.02</b>
2026-27	2,972.52	171.21	1078.62	<b>4,222.35</b>
2027-28	3,186.92	187.86	1230.63	<b>4,605.41</b>
2028-29	3,391.68	206.37	1361.05	<b>4,959.10</b>
<b>Total for the 5th CP</b>	<b>14,807.59</b>	<b>863.73</b>	<b>5,084.27</b>	<b>20,755.59</b>
<b>Approved-Gross</b>				
2024-25	2,571.24	151.59	360.18	<b>3,083.01</b>
2025-26	2,829.33	166.75	449.33	<b>3,445.40</b>
2026-27	3,116.20	183.59	549.57	<b>3,849.36</b>
2027-28	3,432.54	202.15	663.74	<b>4,298.43</b>
2028-29	3,784.67	222.8	712.89	<b>4,720.36</b>
<b>Total for the 5th CP</b>	<b>15,733.98</b>	<b>926.88</b>	<b>2,735.71</b>	<b>19,396.56</b>
<b>Diff: Approved-Filled</b>	<b>926.39</b>	<b>63.15</b>	<b>-2,348.56</b>	<b>-1,359.03</b>

**Table No: 4.16**  
**Fillings Vs Approved: O&M Costs ( Rs.in Cr.) - APCPDCL**

<b>FY</b>	<b>Employee Expenses</b>	<b>Admin &amp; General</b>	<b>Repairs &amp; Maintenance (R&amp;M)</b>	<b>Total O&amp;M</b>
<b>Fillings-Net</b>				
2024-25	1,326.00	56	224	<b>1,606.00</b>
2025-26	1,449.00	61	275	<b>1,785.00</b>
2026-27	1,581.00	67	346	<b>1,994.00</b>
2027-28	1,728.00	73	429	<b>2,230.00</b>
2028-29	1,889.00	80	505	<b>2,474.00</b>
<b>Total for the 5th CP</b>	<b>7,973.00</b>	<b>337</b>	<b>1779</b>	<b>10,089.00</b>
<b>Approved-Gross</b>				
2024-25	1,327.53	60.56	219.79	<b>1,607.89</b>
2025-26	1,456.85	66.16	263.23	<b>1,786.24</b>
2026-27	1,597.57	72.23	316.01	<b>1,985.81</b>
2027-28	1,753.92	78.94	352.73	<b>2,185.59</b>
2028-29	1,925.81	86.30	403.34	<b>2,415.45</b>
<b>Total for the 5th CP</b>	<b>8,061.68</b>	<b>364.20</b>	<b>1,555.10</b>	<b>9,980.98</b>
<b>Diff: Approved-Filled</b>	<b>88.68</b>	<b>27.20</b>	<b>-223.90</b>	<b>-108.02</b>

**Table No: 4.17**  
**Fillings Vs Approved: O&M Costs ( Rs.in Cr.) - APEPDCL**

<b>FY</b>	<b>Employee Expenses</b>	<b>Admin &amp; General</b>	<b>Repairs &amp; Maintenance (R&amp;M)</b>	<b>Total O&amp;M</b>
<b>Fillings-Gross</b>				
2024-25	2,431.00	151	253	<b>2,835.00</b>
2025-26	2,765.00	172	311	<b>3,248.00</b>
2026-27	3,120.00	194	443	<b>3,757.00</b>
2027-28	3,512.00	219	572	<b>4,303.00</b>
2028-29	3,953.00	246	636	<b>4,835.00</b>
<b>Total for the 5th CP</b>	<b>15,781.00</b>	<b>982</b>	<b>2215</b>	<b>18,978.00</b>
<b>Approved-Gross</b>				
2024-25	2,227.20	142.17	254.17	<b>2,623.54</b>
2025-26	2,513.46	160.73	307.91	<b>2,982.10</b>
2026-27	2,812.34	180.25	361.24	<b>3,353.83</b>
2027-28	3,143.55	201.89	417.62	<b>3,763.05</b>
2028-29	3,511.71	225.98	455.51	<b>4,193.20</b>
<b>Total for the 5th CP</b>	<b>14,208.26</b>	<b>911.01</b>	<b>1,796.45</b>	<b>16,915.72</b>
<b>Diff: Approved-Filled</b>	<b>-1,572.74</b>	<b>-70.99</b>	<b>-418.55</b>	<b>-2,062.28</b>

**Finalisation of Gross Fixed Assets (GFA) and Regulated Rate Base (RRB)**

59. Finalising the Gross Fixed Assets is the prelude to determining the RoCE ( Interest on Long-term Capital Loan & Return on Equity/Business margin ). The DISCOMS stated that the capital investment plan filed for the Resource plan, capitalisation of assets for each year based on historical actual capitalisation trends, Interest during Construction (IDC) at a weighted average interest cost of the previous year's average Capital Works-in-Progress for the year, and the Operational and Maintenance (O&M) Expenses capitalised at 11% of capital expenditure incurred for the year had been considered for arriving at the GFA. They stated that the working capital and RRB were computed as per Regulation 4 of 2005. The details of the opening balance of GFA, Working capital for the year and Regulated Rate Base as filed by the DISCOMs for the 5th control period are shown in the table below.

**Table No: 4.18**  
**Filings: GFA, Working Capital and RRB**

Item (Rs Crs)	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
<b>APSPDCL</b>					
Gross Fixed Assets-O/B	26081.27	32945.98	38946.93	44095.10	47503.47
Working Capital	317.03	357.26	389.26	409.08	441.14
Regulated Rate Base-RRB	8031	11411	14522	17468	19318
<b>APCPDCL</b>					
Gross Fixed Assets-O/B	13394	16879	20946	24610	26350
Working Capital	164	166	178	198	220
Regulated Rate Base-RRB	4745	6863	9807	12722	14300
<b>APEPDCL</b>					
Gross Fixed Assets-O/B	15182	21594	27914	31022	34256
Working Capital	267	308	366	427	479
Regulated Rate Base-RRB	3848	7287	12188	15030	15993

#### Views/Objections/Suggestions

**Sri. M. Venugopala Rao & others** have stated that the DISCOMs have shown the value of asset additions during the 5<sup>th</sup> control period to the tune of Rs.64,922 crore, compared to the projected capital investment of Rs.46,274 crore, the value of projected asset additions during the 5<sup>th</sup> control period is higher by 40.29%. It implies that the backlog of the 4<sup>th</sup> control period is also going to be included in the asset additions during the 5<sup>th</sup> control period. It has various implications. In such a case, the capital investment should be less than what is approved by the Commission for the 4<sup>th</sup> control period. The wheeling charges fixed for that control period would be higher. The projected works under capital investment for the 4<sup>th</sup> control period also must have been inflated or have not been required at the projected level for the same control period. If the projected works under approved capital cost are required during the 4<sup>th</sup> control period, it is clear that there has been a deficiency in creating required assets during the same control period. It also indicates that there would be a true-down for the 4<sup>th</sup> control period unless there has been cost escalation exceeding the capital and non-capital expenditures approved by the Commission. Given the above, there is a need for an effective and transparent prudence check of prices for materials and expenses projected for the 5<sup>th</sup> control period.

**SPDCL's Reply:** The projected asset additions during the 5<sup>th</sup> control period are higher due to the implementation of schemes such as RDSS involving smart prepaid metering for consumers and systems, loss reduction, system strengthening, the agl

DBT scheme, etc., in addition to the regular capital investment to cater to load growth.

**CPDCL's Reply:** Approved capital expenditure works for the 4<sup>th</sup> control period is Rs.24,162Cr, spilled over to the 5<sup>th</sup> Control period's asset additions. At the same time, the 5<sup>th</sup> control period projected capital expenditure works of Rs.46,274Cr are being capitalised in the proposed 5<sup>th</sup> control period itself.

**EPDCL's Reply:** In the 4<sup>th</sup> Control Period, Actual Capital Investment was Rs.5649.26 crores, against the Commission-approved capital investment of Rs.4309 Crores. Capital Investment also includes new schemes.

**Commission's decision.**

The Commission prudently examined the filings of the DISCOMS. If the actual investment and capitalisation are less than the approved values in a control period, the excess costs allowed will be trued down under the provisions of the extant Regulations. Accordingly, the Commission, in its RST Order for FY2024-25, caused trued down Rs 1200 crores and 500 crores for the Distribution Business of three DISCOMS and APTRANSCO, respectively, of the 4<sup>th</sup> control period covering FY 2019-24. The Commission observed that capitalisation of investment is slow in the DISCOMs, leading to higher interest during construction (IDC). Depreciation cannot be claimed unless the asset is capitalised and put into commercial operation. The lead time for constructing 33/11kV Substations, sub-transmission (33kV), or distribution (11 kV & LT) lines is less than a year. Therefore, owing to the shorter gestation period of distribution projects, unlike in generation or transmission sectors, capitalisation shall be at a faster rate. Considering all the above factors and adopting the capital investment plan approved in the Resource Plan Order dated 27.06.24, as stated in Chapter II of this order, the capitalisation schedule is approved accordingly. The O&M cost capitalisation has been done using the DISCOMS' methodology. However, the IDC cost capitalisation at a weighted average interest cost of the year's average Capital Works-in-Progress for the year is considered. The consumer contributions, grants and fully appreciated assets filed by the DISCOMs have been taken. The working capital is computed as per the 6<sup>th</sup> amendment to APERC Regulation 4 of 2005, issued in February 2024. Based on the aforementioned decisions, the Commission approves the GFA, Working capital and RRB, whose details are shown in Annexures C1 to C9. The summary of the opening balance of GFA, Working capital for the year and Regulated Rate Base approved by the Commission for the 5<sup>th</sup> control period are shown in the table below.

**Table No: 4.19**  
**Approved: GFA, Working Capital and RRB**

Item (Rs Crs)	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
<b>APSPDCL</b>					
Gross Fixed Assets-O/B	17569.64	21918.47	26808.32	32377.66	34775.10
Working Capital	579.44	647.63	807.06	994.64	1092.68
Regulated Rate Base-RRB	5648	7971	11149	14014	15238
<b>APCPDCL</b>					
Gross Fixed Assets-O/B	10721.39	12840.32	15415.33	17206.35	19675.18
Working Capital	285.55	352.15	441.68	498.42	572.78
Regulated Rate Base-RRB	4700	6419	8060	9570	10753
<b>APEPDCL</b>					
Gross Fixed Assets-O/B	12398.38	15019.99	17621.67	20371.49	22220.16
Working Capital	470.81	571.27	687.01	788.94	879.95
Regulated Rate Base-RRB	4381	6122	7782	8864	9230

**B. Interest on Long Term Capital Loan & C. Return on Equity/Business Margin and D. Interest on working capital.**

60. The licensees are entitled to claim the Return on Capital Employed (RoCE) as per Regulation 4 of 2005. The amount claimed is expected to meet the Cost of Debt, Return on Equity and interest on the working capital of the distribution business. The Regulated Rate Base (RRB) is multiplied by the weighted average cost of capital (WACC) to arrive at RoCE. The DISCOMs have claimed RoCE as per Regulation 4 of 2005. They considered capital structure, i.e. 75:25 Debt: Equity Ratio, 14% Return on Equity and different interest rates on debt based on their loan portfolios for computation of WACC. As per the latest amendment issued to Regulation 4 of 2005, Interest on long-term capital Loans and Return on Equity / Business Margin are to be evaluated separately for the segregation of assets between the Supply Business and Distribution/Wires Business. As such, the details on interest on Long Term Capital Loans extracted from RoCE computation of the DISCOMS filings are shown in the table below:

**Table No: 4.20****Filings: Regulated Rate Base, Interest on Debt & Interest Expenses-Rs Crs**

<b>FY/DISCOM</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>Total</b>
<b>APSPDCL</b>						
Regulated Rate Base (RRB)-Rs Crs	8031	11411	14522	17468	19318	
Rate of Interest on Debt (%)	8.67%	9.89%	10.01%	10.12%	10.13%	
Interest on Long-Term Capital Loan-Rs Crs	522	846	1090	1326	1468	<b>5,252.00</b>
<b>APCPDCL</b>						
Regulated Rate Base (RRB)-Rs Crs	4745	6863	9807	12722	14300	
Rate of Interest on Debt (%)	10.80%	11.20%	11.50%	11.60%	11.70%	
Interest on Long-Term Capital Loan-Rs Crs	384	576	846	1107	1255	<b>4,168</b>
<b>APEPDCL</b>						
Regulated Rate Base (RRB)-Rs Crs	3848	7287	12188	15030	15993	
Rate of Interest on Debt (%)	9.05%	9.46%	11.10%	11.17%	11.24%	
Interest on Long-Term Capital Loan-Rs Crs	261	517	1015	1259	1348	<b>4,400</b>

**Views/Objections/Suggestions**

Sri. M. Venugopalarao & Others stated that the DISCOMs have shown interest rates on loans differently and at a higher level. The weighted average interest rates shown for the 5<sup>th</sup> control period by SPDCL range from 9.75% to 10.12%, those of CPDCL range from 10.8% to 11.7% and those of EPDCL range from 9.08% to 11.24%. Though the DISCOMs highlight “financial assistance” from the GoI under the Revamped Distribution Sector Scheme (RDSS), subject to achieving targets of operational performance by the DISCOMs within the stipulated time, the rate of interest being charged on loans granted by PFC and REC Limited is as high as 12.15% on some of the loans granted by them. In other words, whatever “financial assistance” the DISCOMs may get from GoI under RDSS, a considerable part of it is taken back in the form of higher interest rates charged by its entities, PFC and REC. Therefore, the Commission may re-examine the projected interest rates and

realistically determine that they are in tune with the interest rates prevailing in the market. The Commission may also direct the DISCOMs to swap loans with high interest rates for fresh loans at relatively lower interest rates to the extent available.

**SPDCL's Reply:** The loan interest rates are determined based on various factors, such as financial performance, risk profile, and the prevailing market conditions at the time of loan procurement. Additionally, the rates charged by financial institutions like PFC and REC Ltd are determined based on their policies, market dynamics, and risk assessment. The figures presented in our submission reflect the average rates for the 5th control period, considering each loan agreement's specific terms and conditions. While DISCOMs indeed benefit from financial assistance under RDSS, it's essential to understand that interest rates charged by external entities like PFC and REC Limited are subject to their independent evaluation of risk associated with lending. The rates are not solely influenced by the quantum of assistance received by DISCOMs from the Government of India. APSPDCL will optimise its debt portfolio by considering options such as loan swapping as suggested, with due consideration for feasibility and availability of lower-interest rate alternatives.

**CPDCL's Reply:** All the possible steps will be taken to swap higher interest rates for loans to the extent of a possible lower interest rate by consulting with other financial institutions.

**EPDCL's Reply:** Most borrowings are taken from central government agencies, i.e., PFC and REC, and interest rates are projected as per their offers. Also, efforts are continuously made to reduce the interest burden, duly negotiating with the Financial Institutes and exploring the possibility of swapping loans from higher to lower interest rates.

**Commission's Decision:**

After examining the replies to the objections, the Commission notes that the interest rates will depend on several factors, such as the borrower's financial performance, market conditions, time of loan sanction & tenure of the loan, etc. The DISCOMS have projected the interest rates based on their weighted average of the loan portfolio. However, weighing the objection, the interest rates proposed by the APSPDCL, which are the lowest compared to the other two DISCOMS projections, have been adopted for all three DISCOMS. The Debt-equity ratio adopted is 75:25, as filed by the DISCOMs. Accordingly, Interest expenditure on Long Term Loans computed by the Commission on approved 75 per cent RRB in this Order is shown in the table below;

**Table No: 4.21****Approved: Regulated Rate Base, Interest on Debt & Interest Expenses-Rs Crs**

<b>FY/DISCOM</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>Total</b>
<b>APSPDCL</b>						
Regulated Rate Base (RRB)-Rs Crs	5,648	7,971	11,149	14,014	15,238	
Rate of Interest on Debt (%)	8.67%	9.89%	10.01%	10.12%	10.13%	
Interest on Long Term Capital Loan-Rs Crs	367.25	591.28	837.04	1063.69	1157.68	4016.94
<b>APCPDCL</b>						
Regulated Rate Base (RRB)-Rs Crs	4700	6419	8060	9570	10753	
Rate of Interest on Debt (%)	8.67%	9.89%	10.01%	10.12%	10.13%	
Interest on Long Term Capital Loan-Rs Crs	305.62	476.11	605.13	726.39	816.93	2930.18
<b>APEPDCL</b>						
Regulated Rate Base (RRB)-Rs Crs	4,381	6,122	7,782	8,864	9,230	
Rate of Interest on Debt (%)	8.67%	9.89%	10.01%	10.12%	10.13%	
Interest on Long-Term Capital Loan-Rs Crs	284.84	454.10	584.27	672.81	701.28	2697.30

**Return on Equity / Business Margin:**

As stated in interest on a long-term capital loan supra, the Return on Equity extracted from RoCE computations is shown in the table below.

**Table No: 4.22****Filings: Return on Equity/Business Margin**

<b>FY/DISCOM</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>Total</b>
APSPDCL	281.10	399.38	508.27	611.37	676.14	<b>2,476.26</b>
APCPDCL	130.04	166.06	240.19	343.23	445.27	<b>1324.79</b>
APEPDCL	134.66	255.03	426.58	526.05	559.74	<b>1,902.06</b>



**Commission's Decision:**

In the previous MYT Orders of the Commission, the Return on Equity for the Distribution / Wires business has been considered to be 14%. A 2% return on equity is regarded as the Retail Supply margin aggregating to a total Return on Equity of 16% for DISCOM. As per clause 15.1 of Regulation 4 of 2005, Return on Equity shall be determined at the beginning of the Control Period after considering CERC norms, the Licensee's proposals, previous years D/E mix, risks associated with distribution & supply business, market conditions and other relevant factors. After carefully considering the factors, the Commission decided to allow a total return on equity of 15.5% following the CERC Tariff Regulations 2024 for the 5th control period. Accordingly, the approved Return on Equity component for the entire distribution business for the 5th control is shown in the table below;

**Table No: 4.23**  
**Approval: Return on Equity/Business Margin**

<b>FY/DISCOM</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>Total</b>
APSPDCL	218.86	308.89	432.04	543.06	590.46	<b>2093.30</b>
APCPDCL	182.13	248.73	312.34	370.85	416.66	<b>1530.71</b>
APEPDCL	169.75	237.23	301.57	343.50	357.68	<b>1409.72</b>

Working capital has already been included in the RRB, so interest on working capital is not determined separately.

**F. Depreciation:**

61. The licensees computed depreciation for the full year on the Opening balance of Gross Fixed Assets (GFA) after deducting fully depreciated assets until the previous year at the depreciation rates specified by the MoP (APSPDCL) and rates notified by CERC (APCPDCL & APEPDCL). APCPDCL stated in the writeup that they have considered MoP rates for depreciation calculation but have used CERC rates in computations. The GFA and depreciation filed by the licensees are shown in the table below:

**Table No: 4.24**  
**Filings: GFA and Depreciation (Rs. Cr.)**

<b>FY/DISCOM</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>Total</b>
<b>APSPDCL</b>						
GFA	19931.24	26081.30	32946.00	38946.93	44095.09	<b>162,000.56</b>
Depreciation	1169.52	1661.37	2186.15	2583.32	2934.23	<b>10,534.59</b>
<b>APCPDCL</b>						
GFA	10911.42	13393.24	16878.25	20945.60	24609.84	<b>86,738.35</b>
Depreciation	456.52	573.16	735.99	925.27	1074.98	<b>3,765.92</b>

<b>FY/DISCOM</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>Total</b>
<b>APEPDCL</b>						
GFA	12347.3	15182.53	21594.9	27914.58	31022.4	<b>108,061.71</b>
Depreciation	503.02	642.59	973.56	1295.84	1442.69	<b>4,857.70</b>

### Views/Objections/Suggestions

Sri. M. Venugopalarao & Others have stated that for the 5<sup>th</sup> control period, while SPDCL and CPDCL have adopted the depreciation rates as per the guidelines of the Ministry of Power, GoI, EPDCL has adopted the same as per the rates notified by CERC. The Commission may consider the rates of depreciation of MoP, GoI, or CERC, whichever are lower, to reduce the burden of frontloading the tariff.

**SPDCL's Reply:** Since its incorporation, it has followed the depreciation rates as per the Ministry of Power, GoI guidelines. The adoption of lower rates of depreciation, MoP, GoI, or CERC, is within the purview of the Hon'ble APERC.

**CPDCL's Reply:** Under the Purview of APERC

**EPDCL's Reply:** Since FY2020-21, APEPDCL has changed its Depreciation Method from MOP to CERC-notified rates, resulting in lower Depreciation than the MOP methodology.

### Commission's Decision

The gross fixed assets estimated by the licensees for FY 2023-24 base year based on their audited accounts for FY 2022-23 were taken as the base for projecting the gross fixed assets for subsequent years in the 5<sup>th</sup> control period. The opening value of assets for each year of the Control Period has been arrived at, considering approved capitalisation schedules and GFA of the previous year. APSPDCL has applied a depreciation rate of 12.77% on Meters/Metering equipment, and since they have a significant portion of Agl DBT metering in the plan, the resultant depreciation is higher. As per Regulation 4 of 2005, Depreciation can not be allowed on the assets created from the consumer contributions and grants. However, the DISCOMs have included the portion of Consumer/Grants contributed assets in the GFA while estimating the depreciation and an equivalent amount stated to be is taken as a component in Non-Tariff income to set off against the gross ARR. Even though this practice may be as per Accounting Standards, the computation of depreciation is not as per Regulation. The Commission decides to compute the Depreciation as per the rates notified in CERC Tariff Regulations as being followed from time to time including in the previous MYT Order since they are lower than the depreciation rates notified by MoP. Accordingly, the Commission computed the Depreciation duly deducting the depreciation corresponding to Assets funded out of Consumer

Contributions and Grants. The GFA & Depreciation of each Licensee are given in the table below:

**Table No: 4.25**  
**Approved: GFA and Depreciation (Rs. Cr.)**

<b>FY/DISCOM</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>Total</b>
<b>APSPDCL</b>						
GFA	17569.64	21918.47	26808.32	32377.66	34775.10	
Depreciation	549.42	673.60	889.64	1194.15	1335.27	<b>4642.07</b>
<b>APCPDCL</b>						
GFA	10721.39	12840.32	15415.33	17206.35	19675.18	
Depreciation	299.33	385.40	497.70	576.40	670.51	<b>2429.34</b>
<b>APEPDCL</b>						
GFA	12398.38	15019.99	17621.67	20371.49	22220.16	
Depreciation	272.32	363.91	470.18	572.27	616.49	<b>2295.17</b>

#### **G. Income Tax:**

62. The licensees have adopted different Minimum Alternate Tax (MAT) rates for estimating the provision of Income Tax in the 5th control period. APSPDCL has considered 17.47%, APCPDCL-15%, and APEPDCL-20 %. The income tax has been estimated based on the return on equity portion of RoCE.

**Table No: 4.26**  
**Filings: Income Tax**

<b>FY/DISCOM</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>Total</b>
APSPDCL	60.00	85.00	108.00	129.00	143.00	<b>525.00</b>
APCPDCL	29.30	42.39	60.57	78.59	88.33	<b>299.18</b>
APEPDCL	33.67	63.77	106.66	131.53	139.95	<b>475.57</b>

#### **Views/Objections/Suggestions**

Sri. M. Thimma Reddy, Sri Venugopalarao and others stated that the DISCOMs have shown different income tax rates. The amounts of RoE claimed by the DISCOMs and the income tax rates they show make it clear that they can afford to pay and bear the income tax without passing it through to the consumers. Therefore, the Commission may dispense with this obnoxious and iniquitous arrangement by recording valid reasons in writing for deviating from the applicable regulation or by incorporating a clause in the applicable regulation that income tax on RoE and other taxable income of the licensees shall be borne by them only and shall not be allowed as a pass-through to be collected from consumers, directly or indirectly.

**SPDCL's Reply:** Computed taxes on income at 17.47% of RoE, including surcharges. As income taxes are legitimate expenses under the regulatory regime, they shall be received from the consumers.

**CPDCL's Reply:** Computed taxes on income at 15% of RoE. As income taxes are legitimate expenses under the regulatory regime, they shall be received from the consumers.

**EPDCL's Reply:** As per APERC regulations 4 of 2005, income tax is one of the Distribution cost items and is computed on RoE by applying a 20% ad-hoc rate for computation as per the prevailing practice.

**Commission's Decision:**

Reasonable return on equity (RoE) is essential for the regulated entities to retain their interests in the business. If the burden of income tax is thrown on the licensees, which they ought to bear from their RoE, it may hamper the overall sustainability of the business and equity requirement for future network expansion. Further, the Tax is an uncontrollable item of the ARR and will be Trued up/down based on actuals at the end of each year. The experience shows that it was trued down and passed on to the consumers 100 per cent. Hence, there is no need to deviate from the Regulation. Therefore, considering the Regulation and all these factors, the Commission decides to allow the income tax as an exclusive ARR item as per its Regulation on the equity portion of the Regulated Rate Base (RRB) uniformly for three DISCOMS at 15% on RoE. The details of taxes estimated by the licensees and approved by the Commission are given in the table below:

**Table No: 4.27**

**Approved: APDISCOMS-Income Tax**

<b>FY/DISCOM</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>Total</b>
APSPDCL	32.83	46.33	64.81	81.46	88.57	314.00
APCPDCL	27.32	37.31	46.85	55.63	62.50	229.61
APEPDCL	25.46	35.58	45.24	51.52	53.65	211.46

**H. Other Expenses:**

63. APSPDCL and APCPDCL have not shown reasons for claiming other expenses, but APEPDCL stated that Other expenses include miscellaneous losses, write-offs, etc. The DISCOMS' claims under the other expenses head are shown in the table below.

**Table No: 4.28**  
**Filings: Other Expenses**

<b>FY/DISCOM</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>Total</b>
APSPDCL	25.50	26.20	27.00	27.80	28.70	<b>135.20</b>
APCPDCL	19.85	20.44	21.06	21.69	22.34	<b>105.38</b>
APEPDCL	5.15	5.30	5.46	5.63	5.80	<b>27.34</b>

### **Commission's Decision**

Proper repairs and maintenance of equipment and lines are critical for ensuring supply reliability and security and, most importantly, reducing electrical accidents. Further, many complaints/ suggestions were received on damaged poles, leaning poles, loose spans, etc., in rural areas during the public consultation while finalising the Retail Supply Tariff order every year. The electrical accidents are also due to inadequate clearances of the DISCOMS' lines & equipment from the consumers's residences and public roads. Since the licensees have not shown any specific details towards other expenses, the Commission decides to allow uniformly 15 crores every year for each DISCOMS to attend the works which prevent electrical accidents in the larger interest of the public on top priority every year and **accordingly, the DISCOMS are directed to submit quarterly reports to the Commission on due compliance of the above entrusted task.**

**Table No: 4.29**  
**Approved: Other Expenses**

<b>FY/DISCOM</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>Total</b>
APSPDCL	15.00	15.00	15.00	15.00	15.00	<b>75.00</b>
APCPDCL	15.00	15.00	15.00	15.00	15.00	<b>75.00</b>
APEPDCL	15.00	15.00	15.00	15.00	15.00	<b>75.00</b>

### **Non-Tariff Income**

64. The licensees have proposed non-tariff income based on historical actuals with a 3% escalation. Non-tariff income in the distribution business generally includes Fines and penalties from suppliers and contractors, supervision charges, sale of tender documents, rentals from contractors, and other miscellaneous items. All the licensees have included "withdrawal from consumer contribution towards depreciation on fixed assets" in the Non-Tariff income. The non-tariff income filed by the DISCOMS is shown in the table below.

**Table No: 4.30**  
**Filings: Non-Tariff Income**

<b>FY/DISCOM</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>Total</b>
APSPDCL	602.00	811.00	1011.00	1163.00	1266.00	<b>4853.00</b>
APCPDCL	260.95	274.74	290.42	307.64	324.82	<b>1458.57</b>
APEPDCL	300.23	310.19	320.55	331.32	342.54	<b>1604.83</b>

**Commission's Decision**

The Commission examined the items covered in Non-tariff income. The item “ withdrawal from consumer contribution towards depreciation on fixed assets” is the major one on the list. As per Regulation 4 of 2005, Depreciation can not be allowed on the assets created from consumer contributions and grants. However, the DISCOMs have included the portion of assets from the Consumer contributions & Grants contributed in the GFA while estimating the depreciation. An equivalent amount is stated to be taken as a component in Non-Tariff income to set off against the gross ARR. The Commission computed the depreciation supra after deducting the depreciation corresponding to the consumer contributions and grants. Therefore, excluding the same, the Commission approves the non-tariff income as per filings for each DISCOM as shown in the table below.

**Table No: 4.31**  
**Approved: Non-Tariff Income**

<b>FY/DISCOM</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>Total</b>
APSPDCL	60.00	62.00	64.00	65.00	68.00	<b>319.00</b>
APCPDCL	17.21	17.73	18.26	18.81	19.37	<b>91.38</b>
APEPDCL	19.20	20.17	20.89	21.37	12.59	<b>94.22</b>

**Net Aggregate Revenue Requirement:**

65. Based on the Discussion supra, the net ARR requirement for each DISCOM estimated by the Commission is shown in the tables below.

**Table No: 4.32**  
**Approved: Net ARR (Rs Crs) -APSPDCL**

<b>Parameter</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>Total</b>
Employee Cost	2571.24	2829.33	3116.20	3432.54	3784.67	<b>15733.98</b>
Admin & General Expenses	151.59	166.75	183.59	202.15	222.80	<b>926.88</b>
Repairs & Maintenance	360.18	449.33	549.57	663.74	712.89	<b>2735.71</b>

Parameter	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	Total
Depreciation	549.42	673.60	889.64	1194.15	1335.27	<b>4642.07</b>
Interest on Debt	367.25	591.28	837.04	1063.69	1157.68	<b>4016.94</b>
Return on Equity	218.86	308.89	432.04	543.06	590.46	<b>2093.30</b>
Provision for Income Tax	32.83	46.33	64.81	81.46	88.57	<b>314.00</b>
Special Appropriation	0.00	0.00	0.00	0.00	0.00	<b>0.00</b>
Others	15.00	15.00	15.00	15.00	15.00	<b>75.00</b>
Total expenditure	<b>4266.37</b>	<b>5080.51</b>	<b>6087.87</b>	<b>7195.79</b>	<b>7907.33</b>	<b>30537.87</b>
LESS: O&M & IDC Expenses Capitalized	660.55	874.72	615.49	273.22	250.81	<b>2674.79</b>
<b>Gross ARR</b>	<b>3605.82</b>	<b>4205.79</b>	<b>5472.39</b>	<b>6922.56</b>	<b>7656.52</b>	<b>27863.08</b>
<b>Less: Wheeling Revenue from Third Party /Open Access and NTI</b>	<b>60.00</b>	<b>62.00</b>	<b>64.00</b>	<b>65.00</b>	<b>68.00</b>	<b>319.00</b>
<b>Net ARR</b>	<b>3545.82</b>	<b>4143.79</b>	<b>5408.39</b>	<b>6857.56</b>	<b>7588.52</b>	<b>27544.08</b>

Table No: 4.33

Approved: Net ARR (Rs Crs) -APCPDCL

Parameter	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	Total
Employee Cost	1327.53	1456.85	1597.57	1753.92	1925.81	<b>8061.68</b>
Admin & General Expenses	60.56	66.16	72.23	78.94	86.30	<b>364.20</b>
Repairs & Maintenance	219.79	263.23	316.01	352.73	403.34	<b>1555.10</b>
Depreciation	299.33	385.40	497.70	576.40	670.51	<b>2429.34</b>
Interest on Debt	305.62	476.11	605.13	726.39	816.93	<b>2930.18</b>
Return on Equity	182.13	248.73	312.34	370.85	416.66	<b>1530.71</b>
Provision for Income Tax	27.32	37.31	46.85	55.63	62.50	<b>229.61</b>
Special Appropriation	0.00	0.00	0.00	0.00	0.00	<b>0.00</b>
Others	15.00	15.00	15.00	15.00	15.00	<b>75.00</b>
Total expenditure	<b>2437.29</b>	<b>2948.79</b>	<b>3462.82</b>	<b>3929.87</b>	<b>4397.05</b>	<b>17175.82</b>
LESS: O&M & IDC Expenses Capitalized	537.89	443.76	260.67	227.45	159.29	<b>1629.07</b>
<b>Gross ARR</b>	<b>1899.40</b>	<b>2505.02</b>	<b>3202.15</b>	<b>3702.42</b>	<b>4237.76</b>	<b>15546.75</b>
<b>Less: Wheeling Revenue from Third</b>	<b>17.21</b>	<b>17.73</b>	<b>18.26</b>	<b>18.81</b>	<b>19.37</b>	<b>91.38</b>

Parameter	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	Total
<b>Party / Open Access and NTI</b>						
<b>Net ARR</b>	<b>1882.19</b>	<b>2487.29</b>	<b>3183.89</b>	<b>3683.61</b>	<b>4218.39</b>	<b>15455.37</b>

Table No: 4.34

**Approved: Net ARR (Rs Crs) -APEPDCL**

Parameter	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	Total
Employee Cost	2227.20	2513.46	2812.34	3143.55	3511.71	<b>14208.26</b>
Admin & General Expenses	142.17	160.73	180.25	201.89	225.98	<b>911.01</b>
Repairs & Maintenance	254.17	307.91	361.24	417.62	455.51	<b>1796.45</b>
Depreciation	272.32	363.91	470.18	572.27	616.49	<b>2295.17</b>
Interest on Debt	284.84	454.10	584.27	672.81	701.28	<b>2697.30</b>
Return on Equity	169.75	237.23	301.57	343.50	357.68	<b>1409.72</b>
Provision for Income Tax	25.46	35.58	45.24	51.52	53.65	<b>211.46</b>
Special Appropriation	0.00	0.00	0.00	0.00	0.00	<b>0.00</b>
Others	15.00	15.00	15.00	15.00	15.00	<b>75.00</b>
<b>Total expenditure</b>	<b>3390.91</b>	<b>4087.91</b>	<b>4770.09</b>	<b>5418.15</b>	<b>5937.30</b>	<b>23604.37</b>
LESS: O&M & IDC Expenses Capitalized	542.59	455.67	289.06	251.73	246.73	<b>1785.79</b>
<b>Gross ARR</b>	<b>2848.32</b>	<b>3632.24</b>	<b>4481.03</b>	<b>5166.42</b>	<b>5690.57</b>	<b>21818.58</b>
<b>Less: Wheeling Revenue from Third Party /Open Access and NTI</b>	<b>19.20</b>	<b>20.17</b>	<b>20.89</b>	<b>21.37</b>	<b>12.59</b>	<b>94.22</b>
<b>Net ARR</b>	<b>2829.12</b>	<b>3612.07</b>	<b>4460.14</b>	<b>5145.05</b>	<b>5677.98</b>	<b>21724.36</b>

66. The difference between each item of ARR filed and approved by the Commission for each DISCOM are shown in the tables below.



**Table No: 4.35**  
**Net ARR - (Rs Crs)- APSPDCL**

<b>Parameter</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>Total</b>
<b>Filing : O &amp; M Gross *</b>	<b>3,804.32</b>	<b>4,287.18</b>	<b>4,671.09</b>	<b>4,908.98</b>	<b>5,293.66</b>	<b>22,965.23</b>
<b>Approved :O &amp; M Gross*</b>	<b>3,083.01</b>	<b>3,445.40</b>	<b>3,849.36</b>	<b>4,298.43</b>	<b>4,720.36</b>	<b>19,396.56</b>
<b>Diff ( Approved - Fillings)</b>	<b>-721.31</b>	<b>-841.78</b>	<b>-821.73</b>	<b>-610.55</b>	<b>-573.30</b>	<b>-3,568.67</b>
<b>Filing:O&amp;M Costs-Net</b>	<b>3,308.71</b>	<b>3,660.02</b>	<b>4,222.35</b>	<b>4,605.41</b>	<b>4,959.10</b>	<b>20,755.59</b>
<b>Approved:O&amp;M Costs-Net</b>	<b>2,742.23</b>	<b>2,967.78</b>	<b>3,564.46</b>	<b>4,168.52</b>	<b>4,573.18</b>	<b>18,016.17</b>
<b>Diff ( Approved - Fillings)</b>	<b>-566.48</b>	<b>-692.24</b>	<b>-657.89</b>	<b>-436.89</b>	<b>-385.92</b>	<b>-2,739.42</b>
Filing:Employee Cost-Gross	3,053.63	3,265.16	3,396.82	3,473.59	3,707.05	<b>16896.25</b>
Approved: Employee Cost-Gross	2571.24	2829.33	3116.20	3432.54	3784.67	<b>15733.98</b>
Diff ( Approved - Fillings)	-482.38	-435.83	-280.62	-41.05	77.61	<b>-1162.27</b>
Filing:Admin & General Expenses-Gross	168.13	190.61	195.65	204.76	225.56	<b>984.71</b>
Approved:Admin & General Expenses-Gross	151.59	166.75	183.59	202.15	222.80	<b>926.88</b>
Diff ( Approved - Fillings)	-16.54	-23.87	-12.06	-2.61	-2.75	<b>-57.84</b>
Filing:Repairs & Maintenance	582.56	831.41	1078.62	1230.63	1361.05	<b>5084.27</b>
Approved:Repairs & Maintenance	360.18	449.33	549.57	663.74	712.89	<b>2735.71</b>
Diff ( Approved - Fillings)	-222.38	-382.08	-529.05	-566.89	-648.16	<b>-2,348.56</b>
Filing:Depreciation	1,169.52	1,661.37	2,186.15	2,583.32	2,934.23	<b>10,534.59</b>

<b>Parameter</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>Total</b>
Approved: Depreciation	549.42	673.60	889.64	1194.15	1335.27	<b>4642.07</b>
<b>Diff ( Approved - Fillings)</b>	<b>-620.10</b>	<b>-987.77</b>	<b>-1296.51</b>	<b>-1389.17</b>	<b>-1598.96</b>	<b>-5892.52</b>
<b>Filing:Return on Capital Employed (RoCE)</b>	<b>803.33</b>	<b>1245.78</b>	<b>1598.52</b>	<b>1937.17</b>	<b>2143.84</b>	<b>7728.64</b>
<b>Approved:Return on Capital Employed (RoCE)</b>	<b>586.11</b>	<b>900.17</b>	<b>1269.07</b>	<b>1606.75</b>	<b>1748.14</b>	<b>6110.24</b>
<b>Diff ( Approved - Fillings)</b>	<b>-217.22</b>	<b>-345.60</b>	<b>-329.44</b>	<b>-330.42</b>	<b>-395.70</b>	<b>-1618.40</b>
Filing: Provision for Income Tax	60.00	85.00	108.00	129.00	143.00	<b>525.00</b>
Approved: Provision for Income Tax	32.83	46.33	64.81	81.46	88.57	<b>314.00</b>
<b>Diff ( Approved - Fillings)</b>	<b>-27.17</b>	<b>-38.67</b>	<b>-43.19</b>	<b>-47.54</b>	<b>-54.43</b>	<b>-211.00</b>
Filing:Special Appropriation	0	0	0	0	0	<b>0</b>
Approved: Special Appropriation	0.00	0.00	0.00	0.00	0.00	<b>0.00</b>
<b>Diff ( Approved - Fillings)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Filing: Others	25.50	26.20	27.00	27.80	28.70	<b>135.20</b>
Approved:Others	15.00	15.00	15.00	15.00	15.00	<b>75.00</b>
<b>Diff ( Approved - Fillings)</b>	<b>-10.50</b>	<b>-11.20</b>	<b>-12.00</b>	<b>-12.80</b>	<b>-13.70</b>	<b>-60.20</b>
<b>Filing:Total Expenditure</b>	<b>5,367.06</b>	<b>6,678.37</b>	<b>8,142.02</b>	<b>9,282.70</b>	<b>10,208.87</b>	<b>39,679.02</b>
<b>Approved: Total Expenditure</b>	<b>4266.37</b>	<b>5080.51</b>	<b>6087.87</b>	<b>7195.79</b>	<b>7907.33</b>	<b>30537.87</b>
<b>Diff ( Approved - Fillings)</b>	<b>-1100.69</b>	<b>-1597.86</b>	<b>-2054.14</b>	<b>-2086.92</b>	<b>-2301.54</b>	<b>-9141.15</b>

<b>Parameter</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>Total</b>
Filing:LESS: IDC & O&M Expenses Capitalized	274	366	331	285	173	<b>1429</b>
Approved: LESS: O&M Expenses Capitalized	660.55	874.72	615.49	273.22	250.81	<b>2674.79</b>
<b>Diff ( Approved - Fillings)</b>	<b>386.55</b>	<b>508.72</b>	<b>284.49</b>	<b>-11.78</b>	<b>77.81</b>	<b>1245.79</b>
<b>Filing:Net Expenditure</b>	<b>5,093.06</b>	<b>6,312.37</b>	<b>7,811.02</b>	<b>8,997.70</b>	<b>10,035.87</b>	<b>38,250.02</b>
<b>Approved: Net Expenditure</b>	<b>3605.82</b>	<b>4205.79</b>	<b>5472.39</b>	<b>6922.56</b>	<b>7656.52</b>	<b>27863.08</b>
<b>Diff ( Approved - Fillings)</b>	<b>-1,487.25</b>	<b>-2,106.58</b>	<b>-2,338.63</b>	<b>-2,075.14</b>	<b>-2,379.35</b>	<b>-10,386.94</b>
<b>Less: Wheeling Revenue from Third Party /Open Access and NTI</b>	<b>602.00</b>	<b>811.00</b>	<b>1011.00</b>	<b>1163.00</b>	<b>1266.00</b>	<b>4853.00</b>
<b>Less: Wheeling Revenue from Third Party /Open Access and NTI</b>	<b>60.00</b>	<b>62.00</b>	<b>64.00</b>	<b>65.00</b>	<b>68.00</b>	<b>319.00</b>
<b>Diff ( Approved - Fillings)</b>	<b>-542.00</b>	<b>-749.00</b>	<b>-947.00</b>	<b>-1098.00</b>	<b>-1198.00</b>	<b>-4534.00</b>
<b>Filing: Net ARR</b>	<b>4,491.06</b>	<b>5,501.37</b>	<b>6,800.02</b>	<b>7,834.70</b>	<b>8,769.87</b>	<b>33,397.02</b>
<b>Approved:Net ARR</b>	<b>3545.82</b>	<b>4143.79</b>	<b>5408.39</b>	<b>6857.56</b>	<b>7588.52</b>	<b>27544.08</b>
<b>Diff ( Approved - Fillings)</b>	<b>-945.25</b>	<b>-1357.58</b>	<b>-1391.63</b>	<b>-977.14</b>	<b>-1181.35</b>	<b>-5852.94</b>

**Table No: 4.36**  
**Net ARR - (Rs Crs)- APCPDCL**

<b>Parameter</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>Total</b>
<b>Filing : O &amp; M Gross *</b>	<b>1,964.00</b>	<b>1,999.00</b>	<b>2,132.00</b>	<b>2,381.00</b>	<b>2,639.00</b>	<b>11,115.00</b>
<b>Approved :O &amp; M Gross*</b>	<b>1,607.89</b>	<b>1,786.24</b>	<b>1,985.81</b>	<b>2,185.59</b>	<b>2,415.45</b>	<b>9,980.98</b>
<b>Diff ( Approved - Fillings)</b>	<b>-356.11</b>	<b>-212.76</b>	<b>-146.19</b>	<b>-195.41</b>	<b>-223.55</b>	<b>-1,134.02</b>
<b>Filing:O&amp;M Costs-Net</b>	<b>1,606.00</b>	<b>1,785.00</b>	<b>1,994.00</b>	<b>2,230.00</b>	<b>2,474.00</b>	<b>10,089.00</b>
<b>Approved:O&amp;M Costs-Net</b>	<b>1,298.46</b>	<b>1,605.95</b>	<b>1,916.62</b>	<b>2,109.36</b>	<b>2,332.29</b>	<b>9,262.68</b>
<b>Diff ( Approved - Fillings)</b>	<b>-307.54</b>	<b>-179.05</b>	<b>-77.38</b>	<b>-120.64</b>	<b>-141.71</b>	<b>-826.32</b>
Filing:Employee Cost-Gross	1,669.49	1,654.35	1,713.39	1,872.88	2,047.30	<b>8,957.41</b>
Approved: Employee Cost-Gross	1,327.53	1,456.85	1,597.57	1,753.92	1,925.81	<b>8,061.68</b>
Diff ( Approved - Fillings)	-341.96	-197.50	-115.82	-118.96	-121.48	<b>-895.73</b>
Filing:Admin & General Expenses-Gross	70.51	69.65	72.61	79.12	86.70	<b>378.59</b>
Approved:Admin & General Expenses-Gross	60.56	66.16	72.23	78.94	86.30	<b>364.20</b>
Diff ( Approved - Fillings)	-9.94	-3.49	-0.38	-0.18	-0.40	<b>-14.39</b>
Filing:Repairs & Maintenance	224	275	346	429	505	<b>1,779.00</b>
Approved:Repairs & Maintenance	219.79	263.23	316.01	352.73	403.34	<b>1,555.10</b>
Diff ( Approved - Fillings)	-4.21	-11.77	-29.99	-76.27	-101.66	<b>-223.90</b>
Filing:Depreciation	456.52	573.16	735.99	925.27	1074.98	<b>3,765.91</b>

<b>Parameter</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>Total</b>
Approved: Depreciation	299.33	385.40	497.70	576.40	670.51	<b>2,429.34</b>
<b>Diff ( Approved - Fillings)</b>	<b>-157.19</b>	<b>-187.76</b>	<b>-238.29</b>	<b>-348.86</b>	<b>-404.47</b>	<b>-1,336.57</b>
<b>Filing:Return on Capital Employed (RoCE)</b>	<b>550.36</b>	<b>815.57</b>	<b>1190.79</b>	<b>1552.05</b>	<b>1752.14</b>	<b>5860.91</b>
<b>Approved:Return on Capital Employed (RoCE)</b>	<b>487.75</b>	<b>724.84</b>	<b>917.46</b>	<b>1097.25</b>	<b>1233.59</b>	<b>4460.89</b>
<b>Diff ( Approved - Fillings)</b>	<b>-62.60</b>	<b>-90.73</b>	<b>-273.33</b>	<b>-454.80</b>	<b>-518.55</b>	<b>-1,400.01</b>
Filing: Provision for Income Tax	29.30	42.39	60.57	78.59	88.33	<b>299.18</b>
Approved: Provision for Income Tax	27.32	37.31	46.85	55.63	62.50	<b>229.61</b>
<b>Diff ( Approved - Fillings)</b>	<b>-1.98</b>	<b>-5.08</b>	<b>-13.72</b>	<b>-22.96</b>	<b>-25.83</b>	<b>-69.57</b>
Filing:Special Appropriation	0.00	0.00	0.00	0.00	0.00	<b>0.00</b>
Approved: Special Appropriation	0.00	0.00	0.00	0.00	0.00	<b>0.00</b>
<b>Diff ( Approved - Fillings)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Filing: Others	19.85	20.44	21.06	21.69	22.34	<b>105.38</b>
Approved:Others	15.00	15.00	15.00	15.00	15.00	<b>75.00</b>
<b>Diff ( Approved - Fillings)</b>	<b>-4.85</b>	<b>-5.44</b>	<b>-6.06</b>	<b>-6.69</b>	<b>-7.34</b>	<b>-30.38</b>
<b>Filing:Total Expenditure</b>	<b>2,661.96</b>	<b>3,235.78</b>	<b>4,002.17</b>	<b>4,807.79</b>	<b>5,411.19</b>	<b>20,118.89</b>
<b>Approved: Total Expenditure</b>	<b>2437.29</b>	<b>2948.79</b>	<b>3462.82</b>	<b>3929.87</b>	<b>4397.05</b>	<b>17175.82</b>
<b>Diff ( Approved - Fillings)</b>	<b>-224.67</b>	<b>-286.99</b>	<b>-539.35</b>	<b>-877.92</b>	<b>-1014.14</b>	<b>-2943.07</b>

Parameter	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	Total
Filing:LESS: IDC & O&M Expenses Capitalized	239.70	416.44	449.07	315.29	139.95	<b>1560.44</b>
Approved: LESS: O&M Expenses Capitalized	537.89	443.76	260.67	227.45	159.29	<b>1629.07</b>
<b>Diff ( Approved - Fillings)</b>	<b>298.20</b>	<b>27.33</b>	<b>-188.39</b>	<b>-87.84</b>	<b>19.34</b>	<b>68.63</b>
<b>Filing:Net Expenditure</b>	<b>2,422.27</b>	<b>2,819.34</b>	<b>3,553.10</b>	<b>4,492.50</b>	<b>5,271.24</b>	<b>18,558.45</b>
<b>Approved: Net Expenditure</b>	<b>1899.40</b>	<b>2505.02</b>	<b>3202.15</b>	<b>3702.42</b>	<b>4237.76</b>	<b>15546.75</b>
<b>Diff ( Approved - Fillings)</b>	<b>-522.87</b>	<b>-314.32</b>	<b>-350.95</b>	<b>-790.08</b>	<b>-1,033.48</b>	<b>-3,011.70</b>
<b>Less: Wheeling Revenue from Third Party /Open Access and NTI</b>	<b>260.95</b>	<b>274.74</b>	<b>290.42</b>	<b>307.64</b>	<b>324.82</b>	<b>1458.57</b>
<b>Less: Wheeling Revenue from Third Party /Open Access and NTI</b>	<b>17.21</b>	<b>17.73</b>	<b>18.26</b>	<b>18.81</b>	<b>19.37</b>	<b>91.38</b>
<b>Diff ( Approved - Fillings)</b>	<b>-243.74</b>	<b>-257.01</b>	<b>-272.16</b>	<b>-288.83</b>	<b>-305.45</b>	<b>-1367.19</b>
<b>Filing: Net ARR</b>	<b>2,161.32</b>	<b>2,544.61</b>	<b>3,262.68</b>	<b>4,184.86</b>	<b>4,946.42</b>	<b>17099.88</b>
<b>Approved:Net ARR</b>	<b>1882.19</b>	<b>2487.29</b>	<b>3183.89</b>	<b>3683.61</b>	<b>4218.39</b>	<b>15455.37</b>
<b>Diff ( Approved - Fillings)</b>	<b>-279.13</b>	<b>-57.31</b>	<b>-78.79</b>	<b>-501.25</b>	<b>-728.03</b>	<b>-1644.52</b>

**Table No: 4.37**  
**Net ARR - (Rs Crs)- APEPDCL**

<b>Parameter</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>Total</b>
<b>Filing : O &amp; M Gross</b>	<b>2,835.20</b>	<b>3,248.26</b>	<b>3,757.31</b>	<b>4,303.38</b>	<b>4,835.57</b>	<b>18,979.72</b>
<b>Approved :O &amp; M Gross</b>	<b>2,623.54</b>	<b>2,982.10</b>	<b>3,353.83</b>	<b>3,763.05</b>	<b>4,193.20</b>	<b>16,915.72</b>
<b>Diff ( Approved - Fillings)</b>	<b>-211.66</b>	<b>-266.16</b>	<b>-403.48</b>	<b>-540.33</b>	<b>-642.37</b>	<b>-2,064.00</b>
<b>Filing:O&amp;M Costs-Net</b>	<b>2,361.20</b>	<b>2,757.26</b>	<b>3,483.31</b>	<b>4,010.38</b>	<b>4,512.57</b>	<b>17,124.72</b>
<b>Approved:O&amp;M Costs-Net</b>	<b>2,261.20</b>	<b>2,738.67</b>	<b>3,228.98</b>	<b>3,619.06</b>	<b>4,042.72</b>	<b>15,890.63</b>
<b>Diff ( Approved - Fillings)</b>	<b>-100.00</b>	<b>-18.59</b>	<b>-254.33</b>	<b>-391.32</b>	<b>-469.85</b>	<b>-1,234.09</b>
Filing:Employee Cost-Gross	2431.20	2765.26	3120.31	3512.38	3953.57	<b>15,782.72</b>
Approved: Employee Cost-Gross	2227.20	2513.46	2812.34	3143.55	3511.71	<b>14,208.26</b>
Diff ( Approved - Fillings)	-204.00	-251.80	-307.97	-368.83	-441.86	<b>-1,574.46</b>
Filing:Admin & General Expenses-Gross	151.00	172.00	194.00	219.00	246.00	<b>982.00</b>
Approved:Admin & General Expenses-Gross	142.17	160.73	180.25	201.89	225.98	<b>911.01</b>
Diff ( Approved - Fillings)	-8.83	-11.27	-13.75	-17.11	-20.02	<b>-70.99</b>
Filing:Repairs & Maintenance	253.00	311.00	443.00	572.00	636.00	<b>2,215.00</b>
Approved:Repairs & Maintenance	254.17	307.91	361.24	417.62	455.51	<b>1,796.45</b>
Diff ( Approved - Fillings)	1.17	-3.09	-81.76	-154.38	-180.49	<b>-418.55</b>
Filing:Depreciation	503.02	642.59	973.56	1295.84	1442.69	<b>4,857.71</b>

<b>Parameter</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>Total</b>
Approved: Depreciation	272.32	363.91	470.18	572.27	616.49	<b>2,295.17</b>
<b>Diff ( Approved - Fillings)</b>	<b>-230.70</b>	<b>-278.68</b>	<b>-503.38</b>	<b>-723.57</b>	<b>-826.20</b>	<b>-2,562.54</b>
<b>Filing:Return on Capital Employed (RoCE)</b>	<b>395.81</b>	<b>772.40</b>	<b>1441.35</b>	<b>1785.93</b>	<b>1908.62</b>	<b>6,304.11</b>
<b>Approved:Return on Capital Employed (RoCE)</b>	<b>454.59</b>	<b>691.33</b>	<b>885.84</b>	<b>1016.31</b>	<b>1058.95</b>	<b>4,107.02</b>
<b>Diff ( Approved - Fillings)</b>	<b>58.78</b>	<b>-81.07</b>	<b>-555.51</b>	<b>-769.62</b>	<b>-849.67</b>	<b>-2,197.09</b>
Filing: Provision for Income Tax	33.67	63.77	106.66	131.53	139.95	<b>475.57</b>
Approved: Provision for Income Tax	25.46	35.58	45.24	51.52	53.65	<b>211.46</b>
<b>Diff ( Approved - Fillings)</b>	<b>-8.21</b>	<b>-28.18</b>	<b>-61.42</b>	<b>-80.00</b>	<b>-86.30</b>	<b>-264.12</b>
Filing:Special Appropriation	0.00	0.00	0.00	0.00	0.00	<b>0.00</b>
Approved: Special Appropriation	0.00	0.00	0.00	0.00	0.00	<b>0.00</b>
<b>Diff ( Approved - Fillings)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Filing: Others	5.15	5.30	5.46	5.63	5.80	<b>27.34</b>
Approved:Others	15.00	15.00	15.00	15.00	15.00	<b>75.00</b>
<b>Diff ( Approved - Fillings)</b>	<b>9.85</b>	<b>9.70</b>	<b>9.54</b>	<b>9.37</b>	<b>9.20</b>	<b>47.66</b>
<b>Filing:Total Expenditure</b>	<b>3,772.85</b>	<b>4,732.32</b>	<b>6,284.35</b>	<b>7,522.31</b>	<b>8,332.63</b>	<b>30,644.46</b>
<b>Approved: Total Expenditure</b>	<b>3390.91</b>	<b>4087.91</b>	<b>4770.09</b>	<b>5418.15</b>	<b>5937.30</b>	<b>23,604.37</b>
<b>Diff ( Approved - Fillings)</b>	<b>-381.95</b>	<b>-644.40</b>	<b>-1514.25</b>	<b>-2104.16</b>	<b>-2395.33</b>	<b>-7,040.09</b>



<b>Parameter</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>Total</b>
Filing:LESS: IDC & O&M Expenses Capitalized	609.85	809.13	686.89	529.18	431.99	<b>3,067.04</b>
Approved: LESS: O&M Expenses Capitalized	542.59	455.67	289.06	251.73	246.73	<b>1,785.79</b>
<b>Diff ( Approved - Fillings)</b>	<b>-67.26</b>	<b>-353.46</b>	<b>-397.83</b>	<b>-277.45</b>	<b>-185.26</b>	<b>-1,281.25</b>
<b>Filing:Net Expenditure</b>	<b>3,163.00</b>	<b>3,923.19</b>	<b>5,597.46</b>	<b>6,993.13</b>	<b>7,900.64</b>	<b>27,577.42</b>
<b>Approved: Net Expenditure</b>	<b>2848.32</b>	<b>3632.24</b>	<b>4481.03</b>	<b>5166.42</b>	<b>5690.57</b>	<b>21818.58</b>
<b>Diff ( Approved - Fillings)</b>	<b>-314.69</b>	<b>-290.94</b>	<b>-1,116.43</b>	<b>-1,826.71</b>	<b>-2,210.07</b>	<b>-5,758.84</b>
<b>Less: Wheeling Revenue from Third Party /Open Access and NTI</b>	<b>300.23</b>	<b>310.19</b>	<b>320.55</b>	<b>331.32</b>	<b>342.54</b>	<b>1,604.83</b>
<b>Less: Wheeling Revenue from Third Party /Open Access and NTI</b>	<b>19.20</b>	<b>20.17</b>	<b>20.89</b>	<b>21.37</b>	<b>12.59</b>	<b>94.22</b>
<b>Diff ( Approved - Fillings)</b>	<b>-281.03</b>	<b>-290.02</b>	<b>-299.66</b>	<b>-309.95</b>	<b>-329.95</b>	<b>-1,510.61</b>
<b>Filing: Net ARR</b>	<b>2,862.77</b>	<b>3,613.00</b>	<b>5,276.91</b>	<b>6,661.81</b>	<b>7,558.10</b>	<b>25,972.59</b>
<b>Approved:Net ARR</b>	<b>2829.12</b>	<b>3612.07</b>	<b>4460.14</b>	<b>5145.05</b>	<b>5677.98</b>	<b>21,724.36</b>
<b>Diff ( Approved - Fillings)</b>	<b>-33.66</b>	<b>-0.92</b>	<b>-816.77</b>	<b>-1516.76</b>	<b>-1880.12</b>	<b>-4,248.23</b>

**Net ARR attributable to Wires Business:**

67. As per the 5th amendment issued in february-2024 to the APERC Regulation 4 of 2005, the net ARR of distribution business has to be apportioned between Wires Business and Retail Supply Business as per clause 5 which is mentioned supra The net ARR attributable to wires business for each DISCOM estimated by the Commission which is the basis for determining wheeling chargers are shown in the tables below.

**Table No: 4.35****Approved Net ARR-Wheeling Business (Rs Crs)-APSPDCL**

<b>Parameter</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>Total</b>
Employee Cost	1542.75	1697.60	1869.72	2059.52	2270.80	<b>9440.39</b>
Admin & General Expenses	45.48	50.02	55.08	60.64	66.84	<b>278.06</b>
Repairs & Maintenance	324.16	404.40	494.61	597.37	641.60	<b>2462.14</b>
Depreciation	494.48	606.24	800.67	1074.73	1201.74	<b>4177.86</b>
Interest on Debt	367.25	591.28	837.04	1063.69	1157.68	<b>4016.94</b>
Return on Equity	196.97	278.00	388.83	488.75	531.41	<b>1883.97</b>
Provision for Income Tax	29.55	41.70	58.32	73.31	79.71	<b>282.60</b>
Special Appropriation	0.00	0.00	0.00	0.00	0.00	<b>0.00</b>
Others	15.00	15.00	15.00	15.00	15.00	<b>75.00</b>
<b>Total expenditure</b>	<b>3015.63</b>	<b>3684.24</b>	<b>4519.28</b>	<b>5433.03</b>	<b>5964.79</b>	<b>22616.96</b>
LESS: O&M Expenses Capitalized	660.55	874.72	615.49	273.22	250.81	<b>2674.79</b>
<b>Gross ARR</b>	<b>2355.08</b>	<b>2809.52</b>	<b>3903.79</b>	<b>5159.80</b>	<b>5713.97</b>	<b>19942.16</b>
<b>Less: Wheeling Revenue from Third Party /Open Access and NTI</b>	<b>60.00</b>	<b>62.00</b>	<b>64.00</b>	<b>65.00</b>	<b>68.00</b>	<b>319.00</b>
<b>Net ARR</b>	<b>2295.08</b>	<b>2747.52</b>	<b>3839.79</b>	<b>5094.80</b>	<b>5645.97</b>	<b>19623.16</b>

**Table No: 4.36****Approved Net ARR-Wheeling Business (Rs Crs) - APCPDCL**

<b>Parameter</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>Total</b>
Employee Cost	796.52	874.11	958.54	1052.35	1155.49	<b>4837.01</b>
Admin & General Expenses	18.17	19.85	21.67	23.68	25.89	<b>109.26</b>
Repairs & Maintenance	197.81	236.90	284.41	317.46	363.01	<b>1399.59</b>

Parameter	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	Total
Depreciation	269.40	346.86	447.93	518.76	603.46	<b>2186.40</b>
Interest on Debt	305.62	476.11	605.13	726.39	816.93	<b>2930.18</b>
Return on Equity	163.92	223.86	281.10	333.77	375.00	<b>1377.64</b>
Provision for Income Tax	24.59	33.58	42.17	50.07	56.25	<b>206.65</b>
Special Appropriation	0.00	0.00	0.00	0.00	0.00	<b>0.00</b>
Others	15.00	15.00	15.00	15.00	15.00	<b>75.00</b>
<b>Total expenditure</b>	<b>1791.02</b>	<b>2226.27</b>	<b>2655.94</b>	<b>3037.48</b>	<b>3411.01</b>	<b>13121.73</b>
LESS: O&M Expenses Capitalized	537.89	443.76	260.67	227.45	159.29	<b>1629.07</b>
<b>Gross ARR</b>	<b>1253.13</b>	<b>1782.51</b>	<b>2395.27</b>	<b>2810.03</b>	<b>3251.72</b>	<b>11492.66</b>
<b>Less: Wheeling Revenue from Third Party /Open Access and NTI</b>	<b>17.21</b>	<b>17.73</b>	<b>18.26</b>	<b>18.81</b>	<b>19.37</b>	<b>91.38</b>
<b>Net ARR</b>	<b>1235.92</b>	<b>1764.78</b>	<b>2377.01</b>	<b>2791.22</b>	<b>3232.35</b>	<b>11401.28</b>

Table No: 4.37

## Approved Net ARR-Wheeling Business (Rs Crs)-APEPDCL

Parameter	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	Total
Employee Cost	1336.32	1508.08	1687.40	1886.13	2107.03	<b>8524.96</b>
Admin & General Expenses	42.65	48.22	54.07	60.57	67.79	<b>273.30</b>
Repairs & Maintenance	228.75	277.12	325.12	375.85	409.96	<b>1616.80</b>
Depreciation	245.09	327.51	423.17	515.04	554.84	<b>2065.65</b>
Interest on Debt	284.84	454.10	584.27	672.81	701.28	<b>2697.30</b>
Return on Equity	152.77	213.51	271.41	309.15	321.91	<b>1268.75</b>
Provision for Income Tax	22.92	32.03	40.71	46.37	48.29	<b>190.31</b>
Special Appropriation	0.00	0.00	0.00	0.00	0.00	<b>0.00</b>
Others	15.00	15.00	15.00	15.00	15.00	<b>75.00</b>
<b>Total expenditure</b>	<b>2328.34</b>	<b>2875.56</b>	<b>3401.16</b>	<b>3880.92</b>	<b>4226.10</b>	<b>16712.08</b>
LESS: O&M Expenses Capitalized	542.59	455.67	289.06	251.73	246.73	<b>1785.79</b>
<b>Gross ARR</b>	<b>1785.75</b>	<b>2419.89</b>	<b>3112.09</b>	<b>3629.19</b>	<b>3979.37</b>	<b>14926.29</b>
<b>Less: Wheeling Revenue from Third Party /Open Access and NTI</b>	<b>19.20</b>	<b>20.17</b>	<b>20.89</b>	<b>21.37</b>	<b>12.59</b>	<b>94.22</b>
<b>Net ARR</b>	<b>1766.55</b>	<b>2399.72</b>	<b>3091.20</b>	<b>3607.82</b>	<b>3966.78</b>	<b>14832.07</b>

**CHAPTER - V****DETERMINATION OF WHEELING CHARGES**

68. In this chapter, the Commission proposes determining the wheeling charges based on the approved net ARR in the previous chapter attributable to DISCOMS's wires business. While deciding wheeling charges for the 5th control period, the Commission has considered all the views/objections/suggestions expressed by the stakeholders in writing and during public hearings to the extent they are relevant to the subject matter.

69. The wheeling charges proposed by the licensees at different voltage levels for the recovery of their estimated Distribution Business's ARR are given in the tables below:

**Table No.5.1****Filings: Wheeling Charges for Long Term OA Agreements of APSPDCL for 5th CP**

<b>Voltage Level</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>
33 kV (Rs./kVA/Month)	83.17	119.6	162.45	193.84	214.42
11 kV (Rs./kVA/Month)	964.49	1,098.20	1,268.28	1,367.17	1,431.84
LT (Rs./kVA/Month)	1,262.89	1,477.11	1,740.13	1,911.89	2,041.81

**Table No.5.2****Filings: Wheeling Charges for Long Term OA Agreements of APCPDCL for 5th CP**

<b>Voltage Level</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>
33 kV (Rs./kVA/Month)	83.02	98.96	130.68	172.08	199.53
11 kV (Rs./kVA/Month)	688.51	762.41	920.11	1,101.45	1,230.81
LT (Rs./kVA/Month)	846.4	950.87	1,165.04	1,426.30	1,608.03

**Table No.5.3****Filings: Wheeling Charges for Short Term OA Agreements of APCPDCL for 5th CP**

<b>Voltage Level</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>
33 kV (Rs./Unit)	0.12	0.14	0.18	0.24	0.28
11 kV (Rs./Unit)	0.96	1.06	1.28	1.53	1.71
LT (Rs./Unit)	1.18	1.32	1.62	1.98	2.23

**Table No.5.4****Filings: Wheeling Charges for Long Term OA Agreements of APEPDCL for 5th CP**

<b>Voltage Level</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>
33 kV (Rs./kVA/Month)	64.26	88.99	151.2	203.54	222.33
11 kV (Rs./kVA/Month)	671.48	792.75	1,070.82	1,267.28	1,352.28
LT (Rs./kVA/Month)	855.8	1,007.51	1,375.28	1,618.62	1,713.85

**Table No.5.5****Filings: Wheeling Charges for Short Term OA Agreements of APEPDCL for 5th CP**

<b>Voltage Level</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>
33 kV (Rs./Unit)	0.09	0.12	0.21	0.28	0.31
11 kV (Rs./Unit)	0.93	1.10	1.49	1.76	1.88
LT (Rs./Unit)	1.19	1.40	1.91	2.25	2.38

**Billing Methodology:**

70. The billing methodology proposed by DISCOMS for collecting wheeling charges from OA consumers is given below.

- A consumer drawing energy at the 33kV level of the licensees' network would have to pay the wheeling charges for 33 kV.
- A consumer drawing energy at the 11 kV level of the licensees' network would have to pay the wheeling charges of 11 kV.
- A consumer drawing energy at the LT level of the licensees' network would have to pay the wheeling charges for LT.

71. DISCOMS have requested the Commission to indicate applicable charges and losses for transmission business in the present wheeling tariffs Order of the DISCOMS for consumers' easy reference.

**Views/Objections/Suggestions**

72. Several objectors having Generating stations, mostly RE plants and undertaking intra-state Wheeling / Third-party sale of electricity, have requested that energy-based wheeling charges may be determined instead of capacity-based ones. That levy of Capacity based Distribution tariff on NCE sources like Solar, Wind and Mini Hydel power plants, for which the PLF is around 20% to 25%, amounts to 4 to 5 times the conventional power plant tariff compared with energy-based tariff. Levy of distribution tariff based on capacity contracted may not be the correct approach, and it is not just. That MERC has fixed wheeling charges per unit. The KERC has also adopted a similar procedure like the MERC method.

A P Textile Mills Association stated that because of the infirm nature of wind / hydel energy generation, the installed capacity of such generating stations is never fully reached. The CUF of wind generation is of the order of 20% to 25%. The CUF of the hydel generation is ordinarily around 30%, but it may be substantially less during droughts. The levy of wheeling charges on the installed capacity is an unjust extortion. It is equivalent to a levy of a high and unjust charge on much of the capacity known and expected to be idle. This issue requires urgent and remedial action. That the Commission may consider the levy of wheeling charges on wind/hydel LTOA based on the actual average demand for each month computed based on the energy injected during the month. Alternatively, the wheeling charge for wind/hydel generation, irrespective of whether it is LTOA or STOA, may be on a reasonable and fair per kWh basis applied on the number of units actually injected from time to time.

Indian Energy Exchange Limited (IEX) stated that the short-term open access is granted to the consumers based on the spare capacity available in the system which would have remained unutilized otherwise. Therefore, capacity allocated to short term open access improves the utilization of existing network sources and increases the efficiency of the State Licensee. That the STOA consumers are the first to be curtailed in the event of any constraint. Therefore, most states typically prescribe wheeling charges in Rs/ kWh for short-term open-access transactions. Therefore, the Commission may determine and approve a levy of wheeling charges for short-term open access transactions uniformly in Rs/ kWh for all distribution licensees.

**Commission's Decision:**

73. Hitherto, the Commission followed the methodology adopted by DISCOMS in their filings to determine a contracted demand-based wheeling tariff. Several stakeholders have requested that wheeling tariffs be specified in terms of energy per unit for the reasons explained thereto. The DISCOMS have also proposed wheeling tariffs in energy per unit for STOA consumers, maintaining the demand-based wheeling tariffs for LTOA consumers. The relevant Regulation issued by the Commission has not prescribed any methodology for determining the wheeling charges. Clause 20 of Regulation 4 of 2005 states that the Commission shall determine the full cost tariffs for the wheeling of electricity to enable the Distribution Licensee to recover the ARR approved by the Commission. The Electricity (Amendment) Rules, 2024, issued by the Government of India, prescribed the determination of wheeling charges in terms of the Rupees per unit. As per section 181 (1) of the Electricity Act 2003 ( for short "**the Act**" ), the State Commissions may, by notification, make Regulations consistent with the provisions of the Act and Rules generally to carry out the provisions of the Act. The APERC Green Energy Open Access (GEOA) regulation (Regulation 3 of 2024) permits Open Access to DISCOMs' network by an entity/consumer who has a

contracted demand/ sanctioned load of 100 KW or more either through a single connection or multiple connections aggregating to 100 KW or more located in the same electricity division of a distribution licensee. This entails open access even to a small consumer of 1 KW contracted load connected to the LT network. As per the APERC Grid Interactive Solar Rooftop Photovoltaic System under Gross/Net Metering (Regulation 4 of 2023), the consumers covered in group net metering are required to pay wheeling charges. The levy of wheeling charges on a per kVA basis makes it difficult & cumbersome for the utilities. Further, determining Wheeling charges in terms of Rupees per unit obviates the requirement of considering the coincident demand at LT instead of contracted demand as was done for two other higher voltages, 11kV & 33kV, which is causing a huge disparity of wheeling charges at LT voltage level in particular compared to the higher voltages among the DISCOMS as can be seen from the filings. Therefore, the Commission decides to determine wheeling charges in terms of Rupees per unit instead of Rs/kVA/Month.

The Commission observes that given the variations in voltage-wise Assets and energy consumption mix among the three DISCOMS, the resultant wheeling charges, as computed by the Commission on a unit basis, are also different for different DISCOMS in the State. Variations in the voltage-wise wheeling charges across the DISCOMS are also inconsistent. The Commission further observes that third-party wheeled energy at 33 kV & below is only around 1100 MU, which is only about 2% of overall energy handled by the DISCOM network, and there is no OA wheeling in LT as of now. For the first time, the wheeling charges are determined on a per-unit basis instead of a contracted demand basis. As such, the Commission is of the view that it is appropriate not to discriminate the network usage charges among the DISCOMS and make it uniform across all the DISCOMS in similar lines of Retail Supply Tariffs & FPPCA, for the promotion of RE, in particular at lower voltage levels in the best interest of all the all stakeholders and the larger public. Accordingly, the Commission has combined the assets and energy handled by three DISCOMS to determine wheeling tariffs for open-access users. The Commission slightly modified the methodology, replacing the kVA with the sales at each voltage level. The wheeling ARR is divided into two components. The first component consists of employees' and A&G expenses (Human Assets), and the second component consists of the remaining part of the ARR, which is linked to the physical assets of the DISCOMS. The wheeling ARR attributable to the physical asset is shared among the consumers, each voltage-wise, based on the actual asset utilisation. The Wheeling ARR attributable to Employee & Admin expenses (human assets) is shared based on the number of consumers and their sales at each voltage level in the total consumers and sales handled by the wheeling network. The sales and consumer mix are given equal weightage. The computations are shown in Annexures D1 to D6.

74. The wheeling charges and losses in kind to be collected from the Open Access Users are shown in the table below.

**Table No: 5.6****Approved: Wheeling Tariffs (Rs./KWH) - Three DISCOMs**

Voltage	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
<b>33 kV (Rs./KWH)</b>	0.32	0.38	0.47	0.53	0.55
<b>11 kV (Rs./KWH)</b>	0.62	0.79	1.00	1.17	1.22
<b>LT (Rs./KWH)</b>	1.09	1.35	1.73	2.02	2.14

**Table No: 5.7****Approved: Losses corresponding to entry and exit points - APSPDCL**

Drawn at ↓	Supply at														
	FY 2024-25			FY 2025-26			FY 2026-27			FY 2027-28			FY 2028-29		
	LT	11kV	33kV	LT	11kV	33kV	LT	11kV	33kV	LT	11kV	33kV	LT	11kV	33kV
LT	4.13 %	7.60 %	10.9 2%	4.12 %	7.58 %	10.8 8%	4.11 %	7.56 %	10.8 5%	4.10 %	7.53 %	10.8 1%	4.09 %	7.51 %	10.7 8%
11kV	7.60 %	3.06 %	6.34 %	7.58 %	3.05 %	6.31 %	7.56 %	3.04 %	6.29 %	7.53 %	3.03 %	6.27 %	7.51 %	3.02 %	6.25 %
33 kV	10.9 2%	6.34 %	2.99 %	10.8 8%	6.31 %	2.98 %	10.8 5%	6.29 %	2.97 %	10.8 1%	6.27 %	2.96 %	10.7 8%	6.25 %	2.95 %

**Table No: 5.8****Approved: Losses corresponding to entry and exit points - APCPDCL**

Drawn at ↓	Supply at														
	FY 2024-25			FY 2025-26			FY 2026-27			FY 2027-28			FY 2028-29		
	LT	11kV	33kV	LT	11kV	33kV	LT	11kV	33kV	LT	11kV	33kV	LT	11kV	33kV
LT	3.73 %	7.15 %	10.4 6%	3.72 %	7.13 %	10.4 2%	3.71 %	7.11 %	10.3 9%	3.70 %	7.09 %	10.3 5%	3.69 %	7.06 %	10.3 2%
11kV	7.15 %	3.06 %	6.34 %	7.13 %	3.05 %	6.31 %	7.11 %	3.04 %	6.29 %	7.09 %	3.03 %	6.27 %	7.06 %	3.02 %	6.25 %
33 kV	10.4 6%	6.34 %	2.99 %	10.4 2%	6.31 %	2.98 %	10.3 9%	6.29 %	2.97 %	10.3 5%	6.27 %	2.96 %	10.3 2%	6.25 %	2.95 %



**Table No: 5.9**  
**Approved: Losses corresponding to entry and exit points - APEPDCL**

Drawn at ↓	Supply at														
	FY 2024-25			FY 2025-26			FY 2026-27			FY 2027-28			FY 2028-29		
	LT	11kV	33kV	LT	11kV	33kV	LT	11kV	33kV	LT	11kV	33kV	LT	11kV	33kV
LT	3.42 %	7.17 %	10.1 9%	3.41 %	7.15 %	10.1 6%	3.40 %	7.13 %	10.1 3%	3.40 %	7.12 %	10.1 0%	3.39 %	7.10 %	10.0 7%
11kV	7.17 %	3.39 %	6.42 %	7.15 %	3.38 %	6.40 %	7.13 %	3.37 %	6.38 %	7.12 %	3.36 %	6.36 %	7.10 %	3.35 %	6.34 %
33 kV	10.1 9%	6.42 %	2.74 %	10.1 6%	6.40 %	2.73 %	10.1 3%	6.38 %	2.72 %	10.1 0%	6.36 %	2.71 %	10.0 7%	6.34 %	2.70 %

**Note on Wheeling Tariffs and Distribution losses:**

- i) All distribution system users shall pay wheeling charges and bear losses in kind, as shown above. However, the Domestic Consumers and institutions/consumers covered under categories IV A, B ( only govt institutions) and C ( Religious Places) of the RST Order shall pay 50 per cent of the charges. The Commission will review these concessional charges every year at the time of the annual performance review of the DISCOMS.
- ii) The wheeling charges and losses in kind are fixed (based on Entry and Exit points) for each year and apply from 1<sup>st</sup> April to 31<sup>st</sup> March of the respective financial years of the 5th control period. However, vide APERC proceedings dated 01.04.2024, the Commission directed that the Wheeling Tariffs that were determined by the Commission for FY2023-24 in MYT Orders for the 4th CP will continue to be applicable for all Open Access users from 01.04.2024 as an interim measure, till the Commission issues the final Orders. Therefore, the Wheeling Charge and Loss in Kind fixed for FY2024-25 year of the 5th Control Period would apply prospectively from the 1st October 2024 for FY2024-25. Further, the wheeling tariffs/charges are to be levied as per terms and conditions approved by the Commission from time to time.
- iii) The distribution licensees shall deliver the quantum of energy given to it for wheeling, reduced by the distribution losses as approved in this order based on entry and exit points.
- iv) If the entry and exit points have the same voltage, the wheeling charges corresponding to that voltage shall be collected. If the entry and exit points are at different voltages, the wheeling charges corresponding to the lowest voltage shall be collected.

- v) The wheeling tariffs payable shall be based on the energy drawn at the exit point, and energy losses to be borne shall be related to the energy injected at the entry point and the energy drawn at the exit point.
- vi) If the wheeling involves the transmission of electricity through the transmission system of a transmission licensee, the consumer or the supplier, as the case may be, also has to pay the applicable transmission charges and transmission losses in kind. The transmission charges schedule is shown in Annexures E1 & E2 as requested by the DISCOMS for easy reference by all stakeholders. The Transmission system is considered to be involved in the wheeling of electricity in the following cases:
  - (a) The Entry/Exit point is connected to the EHT system, and the Exit/Entry point is at any Discom.
  - (b) The Entry and Exit points are located in different DISCOMs.  
If the wheeling of electricity is through the distribution system of more than one distribution licensee, the wheeling tariffs/charges shall be payable to the distribution licensee of the area where the electricity is delivered.
- vii) The other conditions applicable for levying and collecting these charges shall be as per the provisions of the Andhra Pradesh Electricity Regulatory Commission Terms and Conditions of Open Access to Intra-state Transmission and Distribution networks (Regulation No.2 of 2005) and the Interim Balancing and Settlement Code (Regulation 2 of 2006), and other Relevant Regulations as amended from time to time.

75. **The DISCOMs are directed to submit a monthly report to the Commission on the levy of wheeling charges, duly including the details of Voltage level, number of Consumers availed of Wheeling service, category of consumers, and amounts levied.** Further, as per the amendments issued to Regulation 4 of 2005. the DISCOMS shall claim the net ARR attributable to the Distribution Business as determined by the Commission in this order after setting off the expected revenue from open access users as per the charges determined supra towards the Distribution Cost in the ARR of Retail Supply Business, and the balance amount from the total net ARR of the Distribution Business shall be claimed for the supply business.

76. If the actual recovery of revenue is less than the actual cost by more than 10 percent, the DISCOMs may file the details with the Commission seeking a remedy for under recovery of the cost in accordance with the procedure prescribed by APERC Regulation 4 of 2005 and its amendments in Annual Performance Petition. The

Commission, upon examination of these details may pass an appropriate Order or show the ways and means to address issue of the under recovery of the cost.

77. In terms of the decisions/directions issued supra, the OPs are disposed of.

**Sd/-**

**P.V.R Reddy**  
**Member**

**Sd/-**

**Justice C.V. Nagarjuna Reddy**  
**Chairman**

**Sd/-**

**Thakur Rama Singh**  
**Member**



ANNEXURE - A1

The Hindu, The Hans india (AP Edition) Dt:10.12.2023

BEFORE THE HONOURABLE ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION (APERC) D.No. 11-4-660, 4th Floor, Singareni Bhavan, Red Hills, Hyderabad- 500 004.

Southern Power Distribution Company of AP Limited (APSPDCL) PUBLIC NOTICE. 1. Notice is hereby given to all that the Distribution Licensee viz., Southern Power Distribution Company of AP Limited (APSPDCL) holding a Distribution and Retail Supply License No. 15/2000, has filed before the Andhra Pradesh Electricity Regulatory Commission (APERC) on 30-11-2023, the Aggregate Revenue Requirement (ARR), Tariff and Cross Subsidy (CSS) proposals for its Retail Supply Business for FY 2024-25 and the ARR & tariff for the Distribution Business for the 5th Control Period (FY2024-25 to FY2028-29). The filings for the Retail Supply Business for FY2024-25 and the Distribution Business for the 5th Control Period have been taken on the record by the Hon'ble Commission in O.P.No. 71 of 2023 and O.P.No. 74 of 2023 respectively.

Andhra Pradesh Central Power Distribution Corporation Limited (APCPDCL) PUBLIC NOTICE. 1. Notice is hereby given to all that the Distribution Licensee viz., Andhra Pradesh Central Power Distribution Corporation Limited (APCPDCL) holding a Distribution and Retail Supply License No. 1/2000, has filed before the Andhra Pradesh Electricity Regulatory Commission (APERC) on 30-11-2023, the Aggregate Revenue Requirement (ARR), Tariff and Cross Subsidy (CSS) proposals for its Retail Supply Business for FY 2024-25 and the ARR & tariff for the Distribution Business for the 5th Control Period (FY2024-25 to FY2028-29). The filings for the Retail Supply Business for FY2024-25 and the Distribution Business for the 5th Control Period have been taken on the record by the Hon'ble Commission in O.P.No. 72 of 2023 and O.P.No. 75 of 2023 respectively.

Eastern Power Distribution Company of AP Limited (APEPDC) PUBLIC NOTICE. 1) Notice is hereby given to all that the Distribution Licensee viz., Eastern Power Distribution Company of AP Limited (APEPDC) holding a Distribution and Retail Supply License No. 1/2000, has filed before the Andhra Pradesh Electricity Regulatory Commission (APERC) on 30-11-2023, the Aggregate Revenue Requirement (ARR), Tariff and Cross Subsidy (CSS) proposals for its Retail Supply Business for FY 2024-25 and the ARR & tariff for the Distribution Business for the 5th Control Period (FY2024-25 to FY2028-29). The filings for the Retail Supply Business for FY2024-25 and the Distribution Business for the 5th Control Period have been taken on the record by the Hon'ble Commission in O.P.No. 73 of 2023 and O.P.No. 76 of 2023 respectively.

Table with 2 columns: S.No., Particulars. Summary of ARR for FY 2024-25. Includes Transmission Cost, SLD Cost, Distribution Cost, PCCIL Expenses, UDC Charges, Network and SLD Cost, Power Purchase, Interest on Consumer Security Deposits, Supply Margin, Other Costs, and Additional Interest on pension bonds.

Table with 2 columns: S.No., Particulars. Summary of ARR for FY 2024-25. Includes Transmission Cost, SLD Cost, Distribution Cost, PCCIL Expenses, UDC Charges, Network and SLD Cost, Power Purchase, Interest on Consumer Security Deposits, Supply Margin, Other Costs, and Additional Interest on pension bonds.

Table with 2 columns: S.No., Particulars. Summary of ARR for FY 2024-25. Includes Transmission Cost, SLD Cost, Distribution Cost, PCCIL Expenses, UDC Charges, Network and SLD Cost, Power Purchase, Interest on Consumer Security Deposits, Supply Margin, Other Costs, and Additional Interest on pension bonds.

Table with 2 columns: Category, Consumer Category. Proposed Full Cost Recovery Tariff for FY 2024-25. Lists categories like DOMESTIC, Industrial, Commercial, and various sub-categories with their respective tariffs.

Table with 2 columns: Category, Consumer Category. Proposed Full Cost Recovery Tariff for FY 2024-25. Lists categories like DOMESTIC, Industrial, Commercial, and various sub-categories with their respective tariffs.

Table with 2 columns: Category, Consumer Category. Proposed Full Cost Recovery Tariff for FY 2024-25. Lists categories like DOMESTIC, Industrial, Commercial, and various sub-categories with their respective tariffs.

Table with 2 columns: Category, Consumer Category. Proposed Cross Subsidy Surcharges for FY 2024-25. Lists surcharges for various categories like Domestic, Industrial, Commercial, and others.

Table with 2 columns: Category, Consumer Category. Proposed Cross Subsidy Surcharges for FY 2024-25. Lists surcharges for various categories like Domestic, Industrial, Commercial, and others.

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Table with 2 columns: Category, Consumer Category. Proposed Full Cost Recovery Tariff for FY 2024-25. Lists categories like DOMESTIC, Industrial, Commercial, and various sub-categories with their respective tariffs.

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Table with 2 columns: Category, Consumer Category. Proposed Full Cost Recovery Tariff for FY 2024-25. Lists categories like DOMESTIC, Industrial, Commercial, and various sub-categories with their respective tariffs.

Table with 2 columns: Category, Consumer Category. Proposed Full Cost Recovery Tariff for FY 2024-25. Lists categories like DOMESTIC, Industrial, Commercial, and various sub-categories with their respective tariffs.

Place : Tirupathi Date : 10.12.2023 CHAIRMAN & MANAGING DIRECTOR SOUTHERN POWER DISTRIBUTION COMPANY OF A.P. LTD. Place : Vijayawada Date : 10.12.2023 CHAIRMAN & MANAGING DIRECTOR A.P. CENTRAL POWER DISTRIBUTION CORPORATION LTD. Place : Visakhapatnam Date : 10.12.2023 CHAIRMAN & MANAGING DIRECTOR EASTERN POWER DISTRIBUTION COMPANY OF A.P. LTD.

Full Cost Recovery tariff for all HT Categories are same as Energy Charges for EPDCL, APCDCL & CPDCL

ANNEXURE - A2

SAKSHI (AP Edition) dt:10.12.2023

డోర్ నెం.11-4-660, 4వ అంతస్తు, సింగరేణి భవన్, రెడ్డిపాట్, హైదరాబాద్-500 004.

ఆంధ్రప్రదేశ్ సరఫరా పరిషత్ డిస్ట్రిబ్యూషన్ కార్యక్రమ రివిజన్

కాస్టర్ పరిషత్ డిస్ట్రిబ్యూషన్ కంపెనీ ఆఫ్ ఆంధ్రప్రదేశ్ రివిజన్

సరఫరా పరిషత్ డిస్ట్రిబ్యూషన్ కంపెనీ ఆఫ్ ఆంధ్రప్రదేశ్ రివిజన్

వివరాలు: విద్యుత్ సరఫరా పరిషత్ డిస్ట్రిబ్యూషన్ కంపెనీ ఆఫ్ ఆంధ్రప్రదేశ్ డిస్ట్రిబ్యూషన్ కార్యక్రమ రివిజన్...

వివరాలు: విద్యుత్ సరఫరా పరిషత్ డిస్ట్రిబ్యూషన్ కంపెనీ ఆఫ్ ఆంధ్రప్రదేశ్ డిస్ట్రిబ్యూషన్ కార్యక్రమ రివిజన్...

వివరాలు: విద్యుత్ సరఫరా పరిషత్ డిస్ట్రిబ్యూషన్ కంపెనీ ఆఫ్ ఆంధ్రప్రదేశ్ డిస్ట్రిబ్యూషన్ కార్యక్రమ రివిజన్...

Table with 4 columns: Tariff Category, Description, Current Rate, Proposed Rate. Includes categories like Domestic, Industrial, Commercial, etc.

ఆర్థిక సంవత్సరం 2024-25 నకు విద్యుత్ సరఫరా వ్యాజ్యం కొరత ప్రకటించడం కొరత పైదాఖ్య ద్వారా తెలుపబడినది

Main table with 4 columns: Tariff Category, Description, Current Rate, Proposed Rate. Includes categories like Domestic, Industrial, Commercial, etc.

Summary table with 4 columns: Tariff Category, Description, Current Rate, Proposed Rate. Includes categories like Domestic, Industrial, Commercial, etc.

**ANNEXURE - B****LIST OF OBJECTORS**

<b>S.No.</b>	<b>Name of the Objectors</b>
1	Sri M.Venugopala Rao, Senior Journalist & Convener, Centre for Power Studies
2	Sri Ch Baburao, CPI(M) State Secretariat Member AP Committee
3	Sri Meesala Basavapunnaiiah, President, Andhra Pradesh State Hire Working (Non-trading) Rice millers Association
4	Sri M Thimma Reddy
5	Sri Arcotrajmohan Raja, President/General Secretary, A.P. UNITED CITIZENS FORUM (Anantapur)
6	Sri B Shyamsunder Reddy, Solar Power Developers Welfare Association
7	Bandaru Energies Pvt Ltd (BEPL)
8	Sri Chakra Cement LTD, Solar Power Division
9	Sri Subramanya Solar Power Projects LLP
10	SMALL HYDRO POWER DEVELOPERS ASSOCIATION
11	Sri U M Kumar, Secretary, AP Textile Mills Association
12	B G Channappa Class-i Contractor, # 135/A-35, 9th main, R M V Extension, Sadashivanagar, Bangalore - 560080
13	Vignatha Solar Private Limited, power One Mall, D.No.11-355/1, opp Siri company, Ashok Nagar, Kanuru, Vijayawada - 520007
14	Ushodaya Enterprises Pvt Ltd
15	Sri P. Narendra Chowdary The Andhra Sugars Limited
16	Sri Gopal Reddy, Hetero Labs Ltd.
17	Rain CII (Vizag) Ltd.,
18	Smt Gaurav Maheshwari, Indian Energy Exchange Limited (IEX)
19	Vuddanda Solar Power
20	Tirumala Tirupati Devasthanam
21	Varshini Exim Pvt. Ltd.
22	Kanti Brothers Oil
23	Artria Power

**ANNEXURE - C1****APSPDCL-Capital Works in Progress (CWIP)-Approved**

Sl.No	Particulars	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
1	<b>Opening balance of CWIP</b>	<b>4278.55</b>	<b>3688.28</b>	<b>4015.14</b>	<b>1651.28</b>	<b>708.07</b>
2	<b>Add: New Investment</b>	<b>3098.00</b>	<b>4342.00</b>	<b>2590.00</b>	<b>1181.00</b>	<b>1338.00</b>
	<b>Add: Capitalisation*</b>					
3	Expenses Capitalised	340.78	477.62	284.90	129.91	147.18
4	Interest During Construction	319.77	397.10	330.59	143.31	103.63
5	<b>Total expenses capitalised</b>	<b>660.55</b>	<b>874.72</b>	<b>615.49</b>	<b>273.22</b>	<b>250.81</b>
6	<b>Less : Investment Capitalised</b>	<b>4348.83</b>	<b>4889.85</b>	<b>5569.34</b>	<b>2397.44</b>	<b>1785.37</b>
	<b>Closing balance of CWIP</b>	<b>3688.28</b>	<b>4015.14</b>	<b>1651.28</b>	<b>708.07</b>	<b>511.52</b>

**ANNEXURE - C2****APSPDCL-Regulated Rate Base (RRB)-APERC Approved**

Sl.No	Particulars	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
1	<b>Assets</b>	<b>21918</b>	<b>26808</b>	<b>32378</b>	<b>34775</b>	<b>36560</b>
2	OCFA-Opening Balance	17570	21918	26808	32378	34775
3	Additions	4349	4890	5569	2397	1785
4	<b>Depreciation</b>	<b>9,261</b>	<b>9,934</b>	<b>10,824</b>	<b>12,018</b>	<b>13,353</b>
5	Opening Balance	8,711	9,261	9,934	10,824	12,018
6	Additions	549	674	890	1,194	1,335
7	<b>Consumer Contributions</b>	<b>6,408</b>	<b>8,476</b>	<b>9,267</b>	<b>9,004</b>	<b>8,670</b>
8	Opening Balance	4,971	6,408	8,476	9,267	9,004
9	Additions	1437	2068	791	-263	-334
10	Change in Rate Base.	1181.20	1074.13	1944.35	733.15	392.05
11	Working Capital	579.44	647.63	807.06	994.64	1092.68
12	Regulated Rate Base:	5648	7971	11149	14014	15238
13	Cost of Debt (%)	8.67%	9.89%	10.01%	10.12%	10.13%
14	Return on Equity (%)	15.50%	15.50%	15.50%	15.50%	15.50%
15	WACC (%)	10.38%	11.29%	11.38%	11.47%	11.47%
16	ROCE	586.11	900.17	1269.07	1606.75	1748.14

**ANNEXURE - C3****GFA: APSPDCL - Approved**

<b>Sl.No</b>	<b>Asset Particulars</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>
1	<b>Land &amp; land rights</b>	<b>15.87</b>	<b>29.67</b>	<b>49.12</b>	<b>81.03</b>	<b>101.22</b>
2	<b>Buildings</b>	<b>252.62</b>	<b>330.99</b>	<b>423.81</b>	<b>557.40</b>	<b>637.73</b>
3	<b>Other civil works</b>	<b>93.07</b>	<b>130.76</b>	<b>180.42</b>	<b>261.44</b>	<b>308.90</b>
	<b>Plant &amp; Machinery</b>					
4	Plant and Machinery - 33 kV	1157.48	1618.29	2190.09	2889.70	3266.72
5	Plant and Machinery - 11 kV	7974.18	8845.30	9739.42	10764.78	10780.27
6	Plant and Machinery - LT	376.96	820.95	1348.79	2022.65	2655.40
7	Metering Equipments	1802.29	2661.68	3311.84	3864.24	4145.61
8	Others	550.46	583.86	614.79	676.08	680.72
	<b>Line Cable Network</b>					
9	Line Cable Network - 33 kV	593.81	958.86	1476.21	2068.30	2371.58
10	Line Cable Network - 11 kV	1840.55	2409.15	3212.77	4153.58	4555.55
11	Line Cable Network - LT	2624.21	3134.07	3771.95	4473.81	4688.20
12	<b>Others</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
13	Vehicles	4.50	4.50	4.46	4.56	4.32
14	Furniture & Fixtures	17.26	26.71	32.08	33.92	32.18
15	Office Equipment	77.11	111.92	137.56	157.53	164.98
16	Computers & IT Equipment	110.34	167.25	228.59	280.36	297.96
17	<b>Low Value Assets</b>	<b>1.88</b>	<b>2.44</b>	<b>2.69</b>	<b>2.74</b>	<b>2.60</b>
18	<b>Merger Assets - Balance</b>	<b>34.56</b>	<b>32.94</b>	<b>31.90</b>	<b>32.59</b>	<b>30.91</b>
19	<b>INTANGIBLE ASSETS:</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
20	<b>Software</b>	<b>42.48</b>	<b>49.14</b>	<b>51.85</b>	<b>52.97</b>	<b>50.25</b>
21	<b>Goodwill</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
	<b>Total</b>	<b>17569.64</b>	<b>21918.47</b>	<b>26808.32</b>	<b>32377.66</b>	<b>34775.10</b>



**ANNEXURE - C4****APCPDCL-Capital Works in Progress (CWIP)-Approved**

Sl.No	Particulars	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
1	<b>Opening balance of CWIP</b>	<b>2457.14</b>	<b>3689.10</b>	<b>3196.86</b>	<b>2295.52</b>	<b>747.13</b>
2	<b>Add: New Investment</b>	<b>2813</b>	<b>1639</b>	<b>629</b>	<b>693</b>	<b>756</b>
	<b>Add: Capitalisation*</b>					
3	Expenses Capitalised	309.43	180.29	69.19	76.23	83.16
4	Interest During Construction	228.46	263.47	191.48	151.22	76.13
5	<b>Total expenses capitalised</b>	<b>537.89</b>	<b>443.76</b>	<b>260.67</b>	<b>227.45</b>	<b>159.29</b>
6	<b>Less : Investment Capitalised</b>	<b>2118.93</b>	<b>2575.00</b>	<b>1791.02</b>	<b>2468.84</b>	<b>1286.64</b>
	<b>Closing balance of CWIP</b>	<b>3689.10</b>	<b>3196.86</b>	<b>2295.52</b>	<b>747.13</b>	<b>375.78</b>

**ANNEXURE - C5****APCPDCL - Regulated Rate Base (RRB)-APERC Approved**

Sl.No	Particulars	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
1	<b>Assets</b>	<b>12840</b>	<b>15415</b>	<b>17206</b>	<b>19675</b>	<b>20962</b>
2	OCFA-Opening Balance	10721	12840	15415	17206	19675
3	Additions	2119	2575	1791	2469	1287
4	<b>Depreciation</b>	<b>4,915</b>	<b>5,300</b>	<b>5,798</b>	<b>6,374</b>	<b>7,045</b>
5	Opening Balance	4,616	4,915	5,300	5,798	6,374
6	Additions	299	385	498	576	671
7	<b>Consumer Contributions</b>	<b>2,832</b>	<b>3,075</b>	<b>3,211</b>	<b>3,354</b>	<b>3,504</b>
8	Opening Balance	2,370	2,832	3,075	3,211	3,354
9	Additions	462	243	136	143	150
10	Change in Rate Base.	678.80	973.30	578.66	874.72	233.06
11	Working Capital	285.55	352.15	441.68	498.42	572.78
12	Regulated Rate Base:	4700	6419	8060	9570	10753
13	Cost of Debt (%)	8.67%	9.89%	10.01%	10.12%	10.13%
14	Return on Equity (%)	15.50%	15.50%	15.50%	15.50%	15.50%
15	WACC (%)	10.38%	11.29%	11.38%	11.47%	11.47%
16	ROCE	487.75	724.84	917.46	1097.25	1233.59

**ANNEXURE - C6****GFA O/B: APCPDCL - Approved**

<b>Sl.No</b>	<b>Asset Particulars</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>
	<b>TANGIBLE ASSETS:</b>					
1	<b>Land &amp; land rights</b>	<b>3.92</b>	<b>10.32</b>	<b>19.39</b>	<b>29.22</b>	<b>40.39</b>
2	<b>Buildings</b>	<b>105.82</b>	<b>125.75</b>	<b>151.25</b>	<b>173.89</b>	<b>207.47</b>
3	<b>Other civil works</b>	<b>86.60</b>	<b>101.83</b>	<b>122.03</b>	<b>140.29</b>	<b>167.45</b>
	<b>Plant &amp; Machinery</b>					
4	Plant and Machinery - 33 kV	844.97	1070.66	1341.28	1538.84	1790.47
5	Plant and Machinery - 11 kV	4170.40	4803.50	5587.39	6087.04	6843.95
6	Plant and Machinery - LT	359.73	470.53	607.53	685.17	756.74
7	Metering Equipments	851.18	1060.55	1301.29	1497.08	1770.07
8	Others	190.58	363.02	606.11	821.91	1029.02
9	<b>Line Cable Network</b>					
10	Line Cable Network - 33 kV	496.92	612.78	758.55	870.73	1016.99
11	Line Cable Network - 11 kV	1869.58	2251.05	2682.86	2958.28	3353.56
12	Line Cable Network - LT	1563.48	1784.70	2046.47	2215.96	2500.22
13	<b>Others</b>	<b>0.55</b>	<b>0.58</b>	<b>0.60</b>	<b>0.58</b>	<b>0.59</b>
14	Vehicles	3.03	3.06	3.00	2.78	2.77
15	Furniture & Fixtures	3.99	4.35	4.82	5.16	5.85
16	Office Equipment	42.61	42.61	41.75	38.80	38.99
17	Computers & IT Equipment	119.04	125.72	131.58	131.72	141.53
18	<b>Low Value Assets</b>	<b>0.81</b>	<b>0.80</b>	<b>0.76</b>	<b>0.68</b>	<b>0.66</b>
19	<b>Air Conditioner</b>	<b>0.50</b>	<b>0.49</b>	<b>0.47</b>	<b>0.42</b>	<b>0.41</b>
20	<b>Merger Assets - Balance</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
21	<b>INTANGIBLE ASSETS:</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
22	<b>Software</b>	<b>7.63</b>	<b>8.04</b>	<b>8.18</b>	<b>7.80</b>	<b>8.03</b>
23	<b>Goodwill</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
	<b>Total</b>	<b>10721.39</b>	<b>12840.32</b>	<b>15415.33</b>	<b>17206.35</b>	<b>19675.18</b>

**ANNEXURE - C7****APEPDCL - Capital Works in Progress (CWIP)-Approved**

<b>Sl.No</b>	<b>Particulars</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>
1	<b>Opening balance of CWIP</b>	<b>864.04</b>	<b>2079.02</b>	<b>2146.01</b>	<b>820.25</b>	<b>532.31</b>
2	<b>Add: New Investment</b>	<b>3294</b>	<b>2213</b>	<b>1135</b>	<b>1309</b>	<b>1368</b>
	<b>Add: Capitalisation*</b>					
3	Expenses Capitalised	362.34	243.43	124.85	143.99	150.48
4	Interest During Construction	180.25	212.24	164.21	107.74	96.25
5	<b>Total expenses capitalised</b>	<b>542.59</b>	<b>455.67</b>	<b>289.06</b>	<b>251.73</b>	<b>246.73</b>
6	<b>Less : Investment Capitalised</b>	<b>2621.61</b>	<b>2601.68</b>	<b>2749.82</b>	<b>1848.67</b>	<b>1671.97</b>
	<b>Closing balance of CWIP</b>	<b>2079.02</b>	<b>2146.01</b>	<b>820.25</b>	<b>532.31</b>	<b>475.08</b>

**ANNEXURE - C8****APEPDCL - Regulated Rate Base (RRB)-APERC Approved**

<b>Sl.No</b>	<b>Particulars</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>
1	<b>Assets</b>	<b>15020</b>	<b>17622</b>	<b>20371</b>	<b>22220</b>	<b>23892</b>
2	OCFA-Opening Balance	12398	15020	17622	20371	22220
3	Additions	2622	2602	2750	1849	1672
4	<b>Depreciation</b>	<b>5,457</b>	<b>5,821</b>	<b>6,291</b>	<b>6,863</b>	<b>7,480</b>
5	Opening Balance	5,185	5,457	5,821	6,291	6,863
6	Additions	272	364	470	572	616
7	<b>Consumer Contributions</b>	<b>4,794</b>	<b>5,468</b>	<b>6,222</b>	<b>7,064</b>	<b>8,004</b>
8	Opening Balance	4,163	4,794	5,468	6,222	7,064
9	Additions	631	674	754	842	940
10	Change in Rate Base.	859.15	781.89	762.82	217.20	57.74
11	Working Capital	470.81	571.27	687.01	788.94	879.95
12	Regulated Rate Base:	4381	6122	7782	8864	9230
13	Cost of Debt (%)	8.67%	9.89%	10.01%	10.12%	10.13%
14	Return on Equity (%)	15.50%	15.50%	15.50%	15.50%	15.50%
15	WACC (%)	10.38%	11.29%	11.38%	11.47%	11.47%
16	ROCE	454.59	691.33	885.84	1016.31	1058.95

**ANNEXURE - C9****GFA O/B: APEPDCL - Approved**

<b>Sl.No</b>	<b>Asset Particulars</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>
	<b>TANGIBLE ASSETS:</b>					
1	<b>Land &amp; land rights</b>	<b>95.76</b>	<b>116.01</b>	<b>136.11</b>	<b>157.36</b>	<b>171.63</b>
2	<b>Buildings</b>	<b>344.52</b>	<b>417.37</b>	<b>489.67</b>	<b>566.08</b>	<b>617.45</b>
3	<b>Other civil works</b>	<b>96.62</b>	<b>117.05</b>	<b>137.33</b>	<b>158.76</b>	<b>173.16</b>
	<b>Plant &amp; Machinery</b>					
4	Plant and Machinery - 33 kV	667.86	809.07	949.22	1097.34	1196.92
5	Plant and Machinery - 11 kV	4065.46	4925.08	5778.18	6679.85	7286.04
6	Plant and Machinery - LT	116.35	140.95	165.37	191.17	208.53
7	Metering Equipments	1288.36	1560.78	1831.13	2116.87	2308.98
8	Others	0.00	0.00	0.00	0.00	0.00
	<b>Line Cable Network</b>					
9	Line Cable Network - 33 kV	694.02	840.76	986.39	1140.32	1243.80
10	Line Cable Network - 11 kV	2391.27	2896.90	3398.68	3929.04	4285.60
11	Line Cable Network - LT	2401.52	2909.32	3413.25	3945.88	4303.96
	<b>Others</b>					
12	Vehicles	3.47	4.20	4.93	5.70	6.22
13	Furniture & Fixtures	34.59	41.91	49.16	56.84	61.99
14	Office Equipment	50.26	60.88	71.43	82.57	90.07
15	Computers & IT Equipment	134.46	162.90	191.12	220.94	240.99
16	<b>Low Value Assets</b>	<b>0.07</b>	<b>0.09</b>	<b>0.11</b>	<b>0.12</b>	<b>0.13</b>
17	<b>Merger Assets - Balance</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
18	<b>INTANGIBLE ASSETS:</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
19	<b>Software</b>	<b>8.01</b>	<b>9.70</b>	<b>11.38</b>	<b>13.16</b>	<b>14.35</b>
20	<b>Goodwill</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
21	<b>Right to Use of Asset EC</b>	<b>5.77</b>	<b>6.99</b>	<b>8.21</b>	<b>9.49</b>	<b>10.35</b>
	<b>Total</b>	<b>12398.38</b>	<b>15019.99</b>	<b>17621.67</b>	<b>20371.49</b>	<b>22220.16</b>

**ANNEXURE - D1****APDISCOMs-Voltage Wise Asset Base (Rs Crs)-Approved**

<b>Voltage</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>
33kV	7,836	10,622	13,431	15,649	16,729
11kV	31,302	36,257	41,175	43,919	45,995
LT	10,639	12,967	15,351	17,102	18,690
<b>Total</b>	<b>49,778</b>	<b>59,845</b>	<b>69,956</b>	<b>76,670</b>	<b>81,414</b>

**ANNEXURE - D2****33 kV Asset Base (Rs Crs)-Voltage Wise Apportionment**

<b>Voltage</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>
33kV	1,068	1,505	1,959	2,332	2,548
11kV	964	1,278	1,657	1,975	2,157
LT	5,804	7,838	9,815	11,343	12,023
<b>Total</b>	<b>7,836</b>	<b>10,622</b>	<b>13,431</b>	<b>15,649</b>	<b>16,729</b>

**ANNEXURE - D3****11kV Asset Base (Rs Crs)-Voltage Wise Apportionment**

<b>Voltage</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>
11kV	4,456	5,089	5,928	6,470	6,943
LT	26,847	31,168	35,247	37,449	39,052
<b>Total</b>	<b>31,302</b>	<b>36,257</b>	<b>41,175</b>	<b>43,919</b>	<b>45,995</b>

**ANNEXURE - D4****LT Asset Base (Rs Crs) -Voltage Wise Apportionment**

<b>Voltage</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>
LT	10,639	12,967	15,351	17,102	18,690
<b>Total</b>	<b>10,639</b>	<b>12,967</b>	<b>15,351</b>	<b>17,102</b>	<b>18,690</b>

**ANNEXURE - D5****APDISCOMs:Total Asset Base-Usage Apportionment**

<b>Voltage</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>
33kV	1,068	1,505	1,959	2,332	2,548
11kV	5,419	6,367	7,585	8,445	9,101
LT	43,291	51,972	60,412	65,894	69,765
<b>Total</b>	<b>49,778</b>	<b>59,845</b>	<b>69,956</b>	<b>76,670</b>	<b>81,414</b>

**ANNEXURE - D6****APDISCOMs -Voltage Wise Wheeling ARR (Rs Crs) Allocation -Approved**

<b>Voltage</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>
33kV	270	345	464	574	645
11kV	454	597	824	1,043	1,176
LT	4,573	5,970	8,020	9,877	11,024
<b>Total</b>	<b>5,298</b>	<b>6,912</b>	<b>9,308</b>	<b>11,494</b>	<b>12,845</b>

**ANNEXURE - D7****Approved: APDISCOMs Sales + Wheeling Energy (MU) -5th CP Resource Plan**

<b>Voltage</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>
33kV	41,937	44,140	46,468	48,928	51,529
11 KV	7,304	7,573	8,209	8,909	9,673
LT	8,404	9,143	9,921	10,775	11,708
<b>Total</b>	<b>57,645</b>	<b>60,856</b>	<b>64,597</b>	<b>68,612</b>	<b>72,910</b>

**ANNEXURE - D8****APDISCOMs-Wheeling Charges -Approved**

<b>Voltage</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>
<b>33 kV (Rs./KWH)</b>	0.32	0.38	0.47	0.53	0.55
<b>11 kV (Rs./KWH)</b>	0.62	0.79	1.00	1.17	1.22
<b>LT (Rs./KWH)</b>	1.09	1.35	1.73	2.02	2.14

**ANNEXURE - E1****TRANSMISSION TARIFF SCHEDULE**

<b>Financial Year</b>	<b>Net ARR (Rs.Cr.)</b>	<b>Peak Demand (MW)</b>	<b>Transmission Charge/Rate (Rs./kW/Month)</b>	<b>Average Transmission Loss (%)</b>
(1)	(2)	(3)	(4)	(5)
2024-25	3170.30	14,610	180.83	2.75%
2025-26	3636.38	15,600	194.25	2.75%
2026-27	4035.01	16,663	201.80	2.70%
2027-28	4390.36	17,793	205.62	2.70%
2028-29	4762.55	19,019	208.67	2.70%

**ANNEXURE - E2**

**The RE developers shall pay the Transmission charges as mentioned in the table below**

<b>Parameter</b>	<b>Unit</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>
<b>OA Demand</b>	MW	355	376	400	422	457
<b>OA Energy</b>	MU	2,090	2,211	2,3342	2,478	2,613
<b>Net ARR attributed to OA</b>	INR Crores	77	88	97	104	114
<b>Tr. charges for RE Open Access</b>	Rupees per Unit	0.37	0.40	0.42	0.42	0.44