



ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION

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From

The Secretary (I/c),
#11-4-660, 4th Floor, APERC,
Singareni Bhavan,
Hyderabad – 500 004

To

The Chairman & Managing Director
APEPDCL, P&T Colony,
Seethammadhara, Visakhapatnam

The Chairman & Managing Director
APSPDCL, D.No:19-13-65/A,
Srinivasapuram, Tiruchanoor Road,
Tirupati – 517 503

Lr. No. E-229/ DD-Dist / 2015, Dated 05/ 02/2016

Sir,

Sub: Extension of power Supply to Agriculture Consumers in Urban feeders.

Ref: 1.CGM/Opn//APSPDCL/TPT/RAC/F:9/2016 Dated: 16-01-2016.
2. Lr.No. APERC /E-229/DD-Dist /2016 Dated: 16-12-2015.
3. CP/CGRF/APSPDCL/TPT/F-9/D.No. 69/15 Dated 01-12-2015.

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1. M/s APSPDCL issued circulars to charge commercial tariff for agricultural consumers who are fed by urban feeders. Further, the DISCOM mentioned that if power supply is to be availed under agriculture category by the agriculture consumers in urban feeders, the consumer has to pay full cost of line from Substation to consumer point.
2. In this regard, the Commission sought explanation vide letter cited in reference (2) mentioning under what statutory provisions or Regulations or Rules or any other manner, the CGM is authorized legally or factually to issue such communications.
3. In response, vide letter cited in reference (1), the CGM submitted that;
 - (i) If Power supply is extended to agricultural consumers on urban feeders, the agricultural consumers may consume energy for all 24/7 hrs, as power is made available throughout the day.
 - (ii) The agricultural sales quantities were arrived considering 7 hrs supply and the Commission is also estimating the Agl sales considering 7 hrs supply only. The Government of AP is providing subsidy for the approved Agl sales in the Tariff Order.

- (iii) If, power supply is made available to Agl consumers on 24/7 basis the consumption limit will exceed the (tariff order) approved Agl sales. To limit the agricultural consumption to the extent of Tariff Order approved sales, with the approval of the DISCOM, circulars dated 31-01-2015 and 23-11-2015 were issued.
4. The distribution company being a licensee shall follow the Regulations, Tariff Order and Directions issued by the Commission from time to time. The distribution licensee is entitled to collect such tariffs as determined by the commission under section 62 of the Electricity Act, 2003 and cannot charge commercial tariff for agricultural consumers. It is a clear violation of tariff order provisions.
5. Under section 43 of the Electricity Act, 2003 the distribution licensee has obligation to extend power supply to a consumer who makes an application requiring supply of electricity for their premises. Since the Government of AP is providing subsidy for 1200 units per HP per annum, the DISCOMs are directed;

“to extend power supply to all agriculture services under urban feeders under agricultural category by providing a three phase meter and supply free power upto 1200 units per HP per annum and issue bills for the consumption above 1200 units per HP per annum and charge at the rate of Cost of Service (CoS) tariff determined by the Commission. The Cost of Service tariff determined by the Commission for agriculture category for FY 2015-16 is Rs. 4.42 per unit. The DISCOMs shall levy relevant CoS tariff for the future years as determined by the Commission in the ensuing tariff orders.”

Yours faithfully


Secretary (i/c)