



**From**  
The Secretary, APERC  
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Singareni Bhavan,  
Hyderabad – 500 004

**To**  
The Principal Secretary,  
Energy, Infrastructure & Investment,  
Government of AP,  
Secretariat, Hyderabad – 500 022.

**Lr. No. E- 229 / JD(Engg.)/ 2016-1 Dated 03 /08/2016**

Sir,

Sub: Request for free power supply by private Lift Irrigation consumers.

\* \* \*

1) During the public hearing held at Vijayawada on 09-03-2016, consumer groups of Lift Irrigation (LI) schemes made a representation before the Commission seeking free power supply. The GoAP is providing free source of water required for irrigation under LI schemes owned and maintained by it, to all farmers without any limitation on land holdings, even if otherwise the individual farmer is an income tax assesses or a corporate farmer. The Government of Andhra Pradesh is paying the tariff @ Rs. 5.60 per unit on behalf of farmers for all LI schemes owned and maintained by it. The Government is also providing free power supply to all agricultural consumers under Low Tension supply, except IT assesses and corporate farmers. Whereas private LI schemes owned by societies or other legal persons or groups of consumers, apart from bearing the infrastructure cost of LI schemes, are also maintaining them and have to pay power tariff @ Rs. 5.60 per unit.

2) The Consumers of private LI schemes submitted that they also be given free power supply on par with other farmers who are under LI schemes owned by Government of AP., or individual farmers getting free power supply directly for their motor pump sets.

To show justification of the proposal, the details of "The Krishna Co-operative Irrigation & Agricultural Improvement Society", Krishna Dist, are furnished hereunder as an illustrative example.

Total number of farmers (Society members) :	1181
Members having less than 3 acres of land :	1037
Total land cultivated under the society :	1983 acres

3) The consumption details of LI schemes for the year 2015-16 under Government of AP and Private Societies are furnished below:

**APSPDCL:**

Description	Capacity	Units	Amount (Rs.)
HT Government	457406	207696322	126,19,56,919
Total Govt.			<b>126,19,56,919</b>
HT Private	63145	37413396	24,35,94,910
LT	835.5	228461	9,96,518
Total Private		37641857	<b>24,45,91,428</b>

**APEPDCL**

Description	Units	Amount (Rs.)
HT Government	99171370	59,83,72,781
Total Govt.		<b>59,83,72,781</b>
HT Private	846974	55,27,126
LT	426048	11,89,357
Total Private	1273022	<b>67,16,483</b>

4) From the above, it is evident that the government is paying Rs. 186 crs per annum towards HT LI schemes under Government of Andhra Pradesh. The non government LI schemes (HT+LT) in both the DISCOMs are consuming around 40 MU per annum. The corresponding revenue is around Rs. 25.50 crs.


5) Under bore well cultivation, around 0.5 acres of land can be cultivated for each HP capacity of pump set. Whereas under LI cultivation, for each Horse Power capacity, 5 acres of wet crops or 12 to 13 acres of dry crops can be cultivated. The agricultural production capacity and quantity also increase in the same scale.

6) It is evident that per acre energy consumption under LI will be less compared to individual pump sets and yields higher agricultural production. Since, private LI

schemes are established and maintained by the land owners, the financial burden on the government for providing irrigation facilities to lands cultivated under such schemes will be reduced to that extent and it is always better to encourage such private LI schemes. If free power is extended to all private LI schemes in the state, the additional burden will be around Rs. 25.50 crs to be paid to DISCOMs towards compensation.

7) In view of higher energy efficiency in LI schemes vis-à-vis individual pump sets, it is preferable to encourage LI schemes to achieve increased ayacut under cultivation, higher food production and consequent economic growth including increased employment opportunities for all those involved in such cultivation. Therefore, Commission requests the Government of AP, to consider giving free power supply to all private Lift Irrigation Schemes on par with other agricultural consumers and extend subsidy under Section 65 of the Electricity Act, 2003.

Yours faithfully,

  
5.12.2016  
Secretary (I/c)

Copy to:

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