



**ANDHRA PRADESH
ELECTRICITY REGULATORY COMMISSION**
(Regulatory Commission for the States of Andhra Pradesh and Telangana)

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ABBREVIATIONS

A.P./AP	Andhra Pradesh
Act 2003	The Electricity Act, 2003 (Act No. 36 of 2003)
Act 2014	The Andhra Pradesh Reorganisation Act, 2014 (Act No. 6 of 2014)
APCPDCL	Central Power Distribution Company of Andhra Pradesh Limited
APEPDCL	Eastern Power Distribution Company of Andhra Pradesh Limited
APERC	Andhra Pradesh Electricity Regulatory Commission
APGENCO	Andhra Pradesh Power Generation Corporation Limited
APNPDCCL	Northern Power Distribution Company of Andhra Pradesh Limited
APSPDCL	Southern Power Distribution Company of Andhra Pradesh Limited
APSLDC	Andhra Pradesh State Load Dispatch Centre
APTRANSCO	Transmission Corporation of Andhra Pradesh Limited
ARR	Aggregate Revenue Requirement
ATE/APTEL	Appellate Tribunal for Electricity
CAG	Comptroller and Auditor General of India
CBR	APERC (Conduct of Business) Regulations, 1999
CEA	Central Electricity Authority
CERC	Central Electricity Regulatory Commission
CGRF	The Forum for Redressal of Consumer Grievances
DISCOM	Distribution Company/Distribution Licensee
ERC	Electricity Regulatory Commission
FOIR	Forum of Indian Regulators
FOR	Forum of Regulators
FY	Financial Year
G.O.	Government Order
GoAP	Government of Andhra Pradesh
GoT	Government of Telangana
HT	High Tension
I.A.	Interlocutory Application
IT	Information Technology
kV	Kilo-Volt
kWh	Kilo-Watt-hour
LAN	Local Area Network
LT	Low Tension
MW	Mega Watt
NCE	Non-Conventional Energy
NGO	Non-Governmental Organization
O.P.	Original Petition
SERC	State Electricity Regulatory Commission
TSERC	Telangana State Electricity Regulatory Commission
TSGENCO	Generation Corporation of Telangana Limited
TSTRANSCO	Transmission Corporation of Telangana Limited

CONTENTS

P R E F A C E	1
CHAPTER – I ORGANISATIONAL SETUP & ADMINISTRATION	2
1.1 The Commission	2
1.2 Functions and Duties of the Commission	5
1.3 Infrastructure	6
1.4 Staffing Position.....	7
1.5 Human Resource Development.....	10
1.6 State Advisory Committee (SAC).....	11
1.7 State Co-ordination Forum.....	12
1.8 Southern Electricity Regulators Forum (SERF)	12
1.9 Forum of Indian Regulators (FOIR)	13
1.10 Forum of Regulators (FOR) Meetings	14
1.11 South Asia Forum for Infrastructure Regulation	14
CHAPTER– II LICENCES, INVESTMENT APPROVALS, ETC	15
2.1 Licences/Exemptions	15
2.2 Investment approval – Transmission schemes.....	16
2.3 Power Purchase Agreements (PPAs)	16
CHAPTER– III TARIFFS & DIRECTIVES	17
3.1 Regulations for determination of Tariff	17
3.2 Transmission, Wheeling tariffs and SLDC charges for 3 rd Control Period	17
3.3 Determination of Pooled Cost.....	18
3.4 Other Matters related to Tariff.....	18
CHAPTER-IV LEGAL MATTERS & REGULATIONS	19
4.1 Legal matters	19
4.2 Orders passed by the Commission	20
CHAPTER-V CONSUMER ADVOCACY & RIGHT TO INFORMATION.....	22
5.1 Consumer Advocacy.....	22
5.2 Standards of Performance (SoP) of Discoms.....	22
5.3 The Forum for Redressal of Consumer Grievances (CGRF)	25
5.4 Vidyut Ombudsman	26
5.5 Consumer Assistance Cell in the Commission	27
5.6 Consumer Day.....	27

5.7	Consumer Participation in Regulatory Decision	27
5.8	Implementation of Right to Information Act, 2005	28
CHAPTER- VI ACCOUNTS & AUDIT		29
6.1	Grants- in-Aid	29
6.2	Capital Expenditure	29
6.3	Collection of annual fees from Licensees and for grant of exemptions	29
6.4	Books of Account and Other Records	29
6.5	Financial Statements	30
6.6	Audit of Accounts	30
Separate Audit Report of the Comptroller & Auditor General of India on the accounts of Andhra Pradesh Electricity Regulatory Commission, Hyderabad for the period from 01-04-2014 to 02-11-2014		31
Evaluation of Internal Control		34
<u>Annexures to Separate Audit Report 2014 - 15</u>		
Receipts and Payments Account for the year ended 2 nd November, 2014.....		35
Income and Expenditure Account for the year ended 2 nd November, 2014.....		37
Balance Sheet as on 2 nd November, 2014		38
Schedule-A		39
Schedule-B		39
Schedule-C		40
Schedule-D		40
Schedule-E		41
Schedule-G		42
Schedule-H		42
Schedule-K		42
Rates of Depreciation		43
Notes on Accounts 2014-15 (upto 02-11-2014).....		44

P R E F A C E

Parliament had enacted the Andhra Pradesh Reorganisation Act, 2014 (Act No. 6 of 2014) providing for reorganisation of the then existing State of Andhra Pradesh and for matters connected therewith and it received the assent of the President on 01-03-2014. The said Act came into force w.e.f. 02-06-2014, i.e., during FY 2014-15.

Section 92 of the Act No. 6 of 2014 deals with **‘Successor States to follow principles, guidelines, etc., issued by Central Government’** and states that *“The principles, guidelines, directions and orders issued by the Central Government, on and from the appointed day, on matters relating to coal, oil and natural gas, and power generation, transmission and distribution as enumerated in the Twelfth Schedule shall be implemented by the successor States”*. Further, in the Twelfth Schedule, under C. Power it was mandated that the existing Andhra Pradesh Electricity Regulatory Commission (APERC) shall function as a joint regulatory body for a period not exceeding six months within which time separate SERCs will be formed in the successor States. Accordingly, APERC existing in the combined State of Andhra Pradesh functioned as the joint regulatory body for the States of Telangana and Andhra Pradesh, in terms of the Act 6 of 2014 upto 02-11-2014. In exercise of the powers conferred u/s 181 of the Electricity Act, 2003 and other powers enabling it in this behalf, APERC notified Regulation No.3 of 2014 stating that the Commission shall function as the joint regulatory body for the states of Telangana and Andhra Pradesh for a period of six months w.e.f. 02-06-2014 or till separate State Electricity Regulatory Commissions commence functioning.

CHAPTER – I

ORGANISATIONAL SETUP & ADMINISTRATION

1.1 The Commission:

- 1.1.1 The Andhra Pradesh Electricity Regulatory Commission (“APERC” or “the Commission”) was constituted vide G.O.Ms. No. 65, Energy (Power III), dt. 31-03-1999 as an independent statutory body corporate with perpetual succession under the provisions of the Andhra Pradesh Electricity Reform Act, 1998 (herein after referred to as the Reform Act).
- 1.1.2 The Commission comprises of a Chairman and two Members, appointed by the Government of Andhra Pradesh (hereinafter referred to as GoAP) as per the selection procedure prescribed in the Reform Act. The Commission became operational w.e.f. 03-04-1999. Consequent to coming into force of the Electricity Act, 2003 (hereinafter referred to as the Act 2003) and in terms of 1st proviso to Section 82 thereunder, the erstwhile APERC continued to be the State Commission for the purposes of the Act 2003.
- 1.1.3 The Government of India enacted the Act 2003 consolidating the laws relating to generation, transmission, distribution, trading and use of electricity and generally for taking measures conducive to development of electricity industry; promoting competition therein; protecting interest of consumers and supply of electricity to all areas; rationalization of electricity tariff; ensuring transparent policies regarding subsidies; promotion of efficient and environmentally benign policies; constitution of Central Electricity Authority; Regulatory Commissions and establishment of Appellate Tribunal and for matters connected therewith or incidental thereto and the said Act 2003 came into force w.e.f. 10-06-2003. While repealing the three earlier enactments viz., the Indian Electricity Act, 1910; the Electricity (Supply) Act, 1948 and the Electricity Regulatory Commissions Act, 1998, the Act 2003 saved the provisions of the Reform Act, which are not inconsistent with the provisions of the Act 2003 and they will continue to apply in the State of Andhra Pradesh.
- 1.1.4 The Andhra Pradesh Reorganisation Act, 2014 (hereinafter referred to as the Act 2014), an Act of Parliament to provide for the reorganisation of the existing State of

Andhra Pradesh and for matters connected therewith, received the assent of the President of India on 01-03-2014. In exercise of the powers conferred by clause (a) of Section 2 of the Act 2014, the Central Government notified 02-06-2014 as the appointed day for the purposes of the said Act. The Act 2014 mandated that the existing APERC shall function as joint regulatory body for a period not exceeding six months within which time separate State Electricity Regulatory Commissions (SERCs) will be formed in the successor States, vide the Twelfth Schedule (C) (3) of the Act 2014.

- 1.1.5 In exercise of powers conferred in it u/s 181 of the Act 2003 and other powers enabling it in this behalf, the Commission notified APERC (Reorganisation) Regulation, 2014 [Regulation No. 3 of 2014] stating that it shall function as a joint regulatory body for the states of Telangana and Andhra Pradesh for a period of six (6) months or till separate SERCs commence functioning. It is further mentioned therein that all the notified regulations as well as supplementary regulations / amendments, rules, orders, proceedings, guidelines, memos, notifications, other instruments issued immediately before 02-06-2014 by the APERC for conduct of business and other matters shall fully & completely apply to the whole of the states of Telangana and Andhra Pradesh and shall similarly apply in relation to all matters falling within the jurisdiction of the Commission until they are altered, repealed or amended by the respective SERCs.

- 1.1.6 The details of present and the past Chairman and Members of the Commission is as under:

Present Commission

Dr.V.Bhaskar	Chairman	19-09-2013 to 24-10-2014
Sri R.Ashoka Chari	Member	03-05-2012 to 24-10-2014
Sri P.Rajagopal Reddy	Member	06-11-2013 to 24-10-2014

Past Chairman & Members

Sri G.P.Rao	Chairman	03-04-1999 to 02-04-2004
Sri A.V.Subba Rao	Member	03-04-1999 to 02-04-2002
Sri D.Lakshminarayana	Member	28-05-1999 to 28-04-2003
Sri K.Sreerama Murthy	Member	05-06-2002 to 03-06-2006
Sri Surinder Pal	Member	31-10-2003 to 16-06-2008

Sri K.Swaminathan	Chairman	05-08-2004 to 27-01-2008
Sri R.Radha Kishen	Member	16-06-2006 to 15-06-2011
Sri A.Raghotham Rao	Chairman	16-07-2008 to 24-04-2013
Sri C.R.Sekhar Reddy	Member	14-08-2008 to 13-08-2013
	Chairman I/c	25-04-2013 to 13-08-2013

- 1.1.7 Consequent to bifurcation of the erstwhile State of Andhra Pradesh and in exercise of the provisions of the Act 2014, the Government of Telangana (GoT) constituted SERC to be known as “Telangana State Electricity Regulatory Commission”, vide G.O.Ms. No. 3, Energy (Budget) Department, dt. 26-07-2014.
- 1.1.8 Similarly, in terms of the provisions of the Twelfth Schedule (C) (3) read with Section 82 of the Act 2003, the Government of the (residuary) State of Andhra Pradesh constituted SERC to be known as the Andhra Pradesh State Electricity Regulatory Commission, with one Chairman and two Members, vide G.O.Ms. No. 35, Energy (Power III) Department, dt. 01-08-2014. Subsequently, GoAP issued an amendment notifying that the Commission shall be called Andhra Pradesh Electricity Regulatory Commission, vide G.O.Ms. No. 11, Energy (Power III) Department, dt. 17-03-2015.
- 1.1.9. In exercise of the powers conferred under sub-section (2) of Section 84 of the Act 2003 and provisions contained in G.O. Ms. No. 35, Energy (Power.III) Department, dt.01-08-2014, GoAP appointed Sri. Justice G. Bhavani Prasad, Retired High Court Judge of erstwhile State of Andhra Pradesh as Chairman of the APERC for a term of five years with effect from the date he enters upon his office or till he attains the age of 65 years, whichever is earlier, vide G.O. Ms. No. 38, Energy (Power.III) Department, dt. 04-10-2014 and he was administered oath of office on 11-10-2014.
- 1.1.10 Consequent to constitution of separate SERCs for both the successor States and in order to divide assets and liabilities of the Joint Electricity Regulatory Commission, a joint meeting was convened on 29-10-2014 by the representatives comprising of (i) the Principal Secretary ^(FAC) to Government, Energy Department, GoT, (ii) the Secretary ^(FAC) to Government, Energy Department, GoAP, (iii) the Managing Director, APGENCO & Chairman and Managing Director ^(FAC), APTRANSCO and (iv) the Chairman and Managing Director TSGENCO & Chairman and Managing Director ^(FAC), TSTRANSCO. In the said meeting, various issues relating to provisional allotment of employees, division of office premises,

distribution of funds, vehicles, etc., to the two newly constituted SERCs were discussed and details of mutually agreed terms have been reduced into writing. In pursuance thereof, guidelines were issued provisionally dividing assets and liabilities between the TSERC and the APERC.

1.2 Functions and Duties of the Commission:

1.2.1. Section 86 (1) of the Act 2003 enumerates the functions of SERCs, namely:-

- a) determine the tariff for generation, supply, transmission and wheeling of electricity, wholesale, bulk or retail, as the case may be within the State:

Provided that where open access has been permitted to a category of consumers u/s 42, the State Commission shall determine only the wheeling charges and surcharge thereon, if any, for the said category of consumers;

- b) regulate electricity purchase and procurement process of distribution licensees including the price at which electricity shall be procured from the generating companies or licensees or from other sources through agreements for purchase of power for distribution and supply within the State;
- c) facilitate intra-State transmission and wheeling of electricity;
- d) issue licences to persons seeking to act as transmission licensees, distribution licensees and electricity traders with respect to their operations within the State;
- e) promote cogeneration and generation of electricity from renewable sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person, and also specify, for purchase of electricity from such sources, a percentage of the total consumption of electricity in the area of a distribution licensee;
- f) adjudicate upon the disputes between the licensees and generating companies and to refer any dispute for arbitration;
- g) levy fee for the purposes of this Act;
- h) specify State Grid Code consistent with the Grid Code specified under Clause (h) of subsection (1) of Section 79;
- i) specify or enforce standards with respect to quality, continuity and reliability of service by licensees;
- j) fix the trading margin in the intra-State trading of electricity, if considered, necessary;
- k) discharge such other functions as may be assigned to it under this Act.

1.2.2 Further, Section 86 (2) of the Act 2003 states that the Commission shall advise the State Government on all or any of the following matters, namely:-

- (i) promotion of competition, efficiency and economy in activities of the electricity industry;
- (ii) promotion of investment in electricity industry;

- (iii) reorganization and restructuring of electricity industry in the State;
- (iv) matters concerning generation, transmission, distribution and trading of electricity or any other matter referred to the Commission by the State Government.

1.2.3 Section 86 (3) of the Act 2003 mandates that the Commission shall ensure transparency while exercising its powers and discharging its functions.

1.2.4 Likewise, Section 86 (4) of the Act 2003 states that in discharge of its functions, the State Commission shall be guided by the National Electricity Policy, National Electricity Plan and Tariff Policy published under Section 3 of the Act.

1.3 Infrastructure:

1.3.1 **Office Building:** As a result of bifurcation of the State and w.e.f. 02-06-2014, APERC functioned as the joint regulatory body for the States of Andhra Pradesh and Telangana, in terms of Twelfth Schedule (C) (3) of the Act, 2014 and continued to occupy 4th & 5th Floors in the rented premises bearing D.No.11-4-660, Singareni Bhavan, Red Hills, Hyderabad 500 004, consisting of Court Hall for conducting hearings on petitions, Conference Hall for conducting meetings and library for access of records, information and literature.

1.3.2 **Local Area Network (LAN):** All the Desktop Computer systems installed in the Commission's office are connected through a Local Area Network (LAN) enabling for access to any reference information and sharing of data. LAN enables information access at various locations more so in Conference Hall during the meetings. The necessary peripheral hardware together with standard software items have also been provided in the office for increasing the efficacy and compatibility. The Commission has its own inbuilt software designed and maintained by in-house IT wing for easy identification and locating the movement of tappal received.

1.3.3 **Intranet:** The Commission intranet service is an endeavor to make information available to all the users. It provides access to websites of other SERCs & organizations, updates from SERCs, daily Newspaper clippings, daily Grid Reports, Hearing Schedule. All useful information is made available to the officers and staff of the Commission. It also houses IP Messenger, a user friendly application which helps

users communicate and transfer files, which makes sharing of information easy. It provides a means to house data for common use.

- 1.3.4 **Website (Internet):** The website of APERC has been in operation since 15-08-2000 with URL address www.aperc.gov.in. All acts, decisions and orders of the Commission are being uploaded in the website from time to time. The website is also used for announcing the dates of Public Hearings and Court Hearings being conducted by the Commission; Public Notices, Press Releases, Concept Papers, Proceedings, etc., issued by the Commission; Regulations notified by the Commission. It also provides information on CGRFs and Vidyut Ombudsman. Further, the details regarding Right to Information Act, 2005 are uploaded and regularly updated from time to time to provide transparency, easy access and wide publicity to consumers and other stakeholders.
- 1.3.5 **Library:** Various books, periodicals, law journals and other documents pertaining to the electricity sector as required from time to time were procured during the year.
- 1.3.6 **Daily Newspaper Clipping Service:** In order to keep the Commission abreast with the latest developments in the power sector within and outside the State, a daily newspaper clipping service is being maintained in the office and put up to the Commission for its perusal.

1.4 Staffing Position:

- 1.4.1 The Commission has been organized into five wings viz., Secretariat, Administration, Engineering, Law, and Tariff and is being supported by officers appointed by the Commission comprising of electrical engineers, economists, financial analysts, legal personnel, administrators and other required staff. The services of the Commission employees are governed by APERC (Method of Recruitment and Conditions of Service of Officers and Staff) Regulation, 1999 [Regulation No.3 of 1999] notified on 22-07-1999 read with its First Amendment Regulation notified on 25-04-2006 and supplementary Regulation notified on 30-07-2013.

1.4.2 The staffing position as on 02-11-2014 is as below:

Sl. No.	Designation	Sanctioned Strength	Filled in	Vacant	Name of the Incumbent as at 02-11-2014 S/Sri/Smt.
1	Commission Secretary	1	1	-	M.D.Manohar Raju (on deputation)
2	Director/Engineering	1	1	-	M.Satya Murthy (on contract)
3	Director/Law	1	-	1	-
4	Director/Tariff	1	-	1	-
5	Director/ Administration	1	-	1	C.Ramakrishna (on deputation as Vidyut Ombudsman for the States of Andhra Pradesh & Telangana)
6	Adviser to Commission	3	-	3	-
7	Joint Director/Engineering	1	1	-	K.Sreedhar Reddy
8	Joint Director/Law	1	1	-	Dr.A.Sreenivas
9	Joint Director / Planning & Power Procurement	1	1	-	P.Solomon Herme
10	Joint Director/Tariff (Economics)	1	1	-	Dr.P.Rama Rao
11	Joint Director/Tariff (Engineering)	1	-	1	-
12	Joint Director/Information Technology	1	1	-	Umakanta Panda
13	Deputy Director/ Transmission	1	-	1	-
14	Deputy Director/ Distribution	1	1	-	P.Murali Krishna (on deputation)
15	Deputy Director/ Planning & Power Procurement	1	-	1	-
16	Deputy Director/ Legal Procedure	1	-	1	-
17	Deputy Director/Law	1	1	-	N.Nagaraj
18	Deputy Director/ Tariff (Accounts & Financial Analysis)	1	-	1	-
19	Deputy Director/ Tariff (Economics)	1	-	1	-
20	Deputy Director/ Tariff (Engineering)	1	1	-	Antaryami Sahoo

Sl. No.	Designation	Sanctioned Strength	Filled in	Vacant	Name of the Incumbent as at 02-11-2014 S/Sri/Smt.
21	Deputy Director/ Information Technology	1	1	-	P.Sarada
22	Deputy Director/ Personnel	1	1	-	N.Bhanu Prakash
23	Deputy Director/ Pay & Accounts	1	1	-	B.Ramesh Babu
24	Deputy Director/ Consumer Assistance	1	-	1	
25	Executive Assistant to Commission Secretary	1	-	1	-
26	Personnel Officer	1	-	1	-
27	Accounts Officer	1	-	1	-
28	Private Secretary	3	3	-	S.Vilma Samuel S.John (on deputation) P.Marthiah (on deputation)
29	Security Officer	1	1	-	G.V.R.Yohendra Rao
30	Junior Personnel Officer	1	-	1	-
31	Cashier	1	-	1	-
32	Steno-cum-computer Operator	8	4	4	N.Sasikala P.V.Padmaja A.Lakshman Kumar V.V.R.Acharyulu
33	Personal Assistant	5	3	2	V.M.V.R.S.Sridhar G.Surya Kumari V.K.Ratnakar
34	Clerk-cum-computer Operator	7	5	2	G.Nataraju P.V.L.Sailaja P.Vijaya Lakshmi P.Amarnath B.Durga Prasad
35	Librarian	1	1	-	H.G.Geetha
36	Receptionist	1	1	-	G.Venkateswara Rao
37	Telephone Operator	2	1	1	I.Usha Rani
38	Messenger	1	1	-	M.Iqbal Ansari
39	Caretaker	1	1	-	M.Sudarsan
40	Driver	3	2	1	C.Laxminarayana A.Rahman
41	Office Subordinate	10	8	2	P.Ramakrishna Murthy

Sl. No.	Designation	Sanctioned Strength	Filled in	Vacant	Name of the Incumbent as at 02-11-2014 S/Sri.
					S.Srinivasa Rao
					Mohammed Ali
					P.Anil Chand
					G.Kumar
					P.Srinivasa Rao
					B.Srinivas
					Y.Damodar Rao
42	Security Guard	7	1	6	K.Ramu

- 1.4.3 The Commission continued to engage security staff, janitorial services and other housekeeping functions on outsourcing basis through a service provider in the interest of economy and efficiency.

1.5 Human Resource Development

- 1.5.1 Details of Training programmes attended by Officers and Staff of APERC during the period from 01-04-2014 to 02-11-2014:

Sl. No	Name of the Employee& Designation S/Sri	Details of the Program		
		Programme Name	Course Duration	Conducted By
1	V.M.V.R.S.Sridhar, Personnel Assistant	Budget Estimates 2014-15 (Vote on Account)	10 th April, 2014	Energy (Power-III), GoAP, Hyderabad
2	P.Solomon Herme, Joint Director (Planning & Power Procurement)	5 th Workshop on “Challenges and Issues in solar RPO/REC Framework and International Experience”	24 th April, 2014	MNRE, New Delhi
		Workshop on “Regulatory and Financial Barriers and Challenges in Power Generation from Biomass”	9 th June, 2014	MNRE, New Delhi
3	K.Hari Prasad, Deputy Director (Tariff Accounts & Financial Analysis)	International Energy and Environment Fair and Conference	24-26, April, 2014	The World Bank, South Asia Sustainable Development Energy, New Delhi.

Sl. No	Name of the Employee & Designation S/Sri/Smt.	Details of the Program		
		Programme Name	Course Duration	Conducted By
4	A.V.L.K.Jagannath Sarma, Deputy Director (Transmission)	5 th Workshop on “Challenges and Issues in solar RPO/REC Framework and International Experience”	24 th April, 2014	MNRE, New Delhi
		Workshop on “Forecasting, Balancing and Scheduling of Renewable Energy in India”	5-6, May, 2014	MNRE, New Delhi
5	Sri M.Satya Murthy, Director (Engineering)	Discussion on “Grid connected PV Rooftop: Issues and challenges”	2 nd May, 2014	MNRE, New Delhi
		Study tour on “Distribution Grid Management Challenges and Solutions – Large Scale Integration of Renewable Energy	2-7, June, 2014	Indo-German Energy Forum, Germany
6	H.G.Geetha, Librarian	Library Automation using Koha-Basic	30th June to 4th July, 2014	NISCAIR, New Delhi
7	L.Manohar Reddy, Director (Tariff)	Workshop on “Annual Revenue Requirement (ARR) and Annual Performance Review (APR)”	26-28, June, 2014	CUTS Institute for Regulation & Competition, New Delhi
8	P.Murali Krishna, Deputy Director (Tariff- Engg.)	Workshop on “Annual Revenue Requirement (ARR) and Annual Performance Review (APR)”	26-28, June, 2014	CUTS Institute for Regulation & Competition, New Delhi
9	Umakanta Panda, Joint Director (IT)	2 week e-Governance Leadership Programme	18-30 August, 2014	National Institute for Smart Government, Hyderabad
		Hybrid Cloud Redefined Conference	27th August, 2014	EMC, VMware, Hyderabad

1.6 State Advisory Committee (SAC):

- 1.6.1 In pursuance of the provisions contained in Section 87 of the Act 2003, the Commission notified APERC (Constitution of State Advisory Committee and its functioning) Regulation, 2004 [Regulation No. 2 of 2004] on 09-02-2004.
- 1.6.2 The State Advisory Committee was initially constituted with 18 members for three years, vide proceedings dt.11-01-2007 and lastly the erstwhile Commission

reconstituted SAC for the period from 01-10-2011 to 30-09-2014, vide proceedings dt.30-09-2011.

1.6.3 **Objects of SAC:** Section 88 of the Act 2003 states that the objects of the SAC shall be to advise the Commission on –

- (i) major questions of policy;
- (ii) matters relating to quality, continuity and extent of service provided by the licensees;
- (iii) compliance by licensees with the conditions and requirements of their licence;
- (iv) protection of consumer interest; and
- (v) electricity supply and overall standards of performance by utilities.

1.6.4 **SAC meetings:** During the period 01-04-2014 to 02-11-2014, SAC meetings have not been held.

1.7 **State Co-ordination Forum:**

1.7.1 In pursuance of the provisions of subsection (4) of section 166 of the Act, State Co-ordination Forum was constituted with 18 members by the GoAP vide G.O.Ms.No.15, dt.28.01.2004 read with G.O. Ms. No.119, dt.20-09-2004 for smooth and coordinated development of the power system in the State.

1.7.2 The following table depicts the date-wise State Co-ordination Forum meetings held so far. However, during the period 01-04-2014 to 02-11-2014 State Co-ordination Forum meetings have not been held.

Sl. No.	State Co-ordination Forum Meeting	Date
1	1 st Meeting of State Co-ordination Forum	16-Dec-2004
2	2 nd Meeting of State Co-ordination Forum	20-Aug-2004
3	3 rd Meeting of State Co-ordination Forum	02-Jun-2006
4	4 th Meeting of State Co-ordination Forum	23-Sep-2008
5	5 th Meeting of State Co-ordination Forum	30-Sep-2009
6	6 th Meeting of State Co-ordination Forum	18-Aug-2011
7	7 th Meeting of State Co-ordination Forum	30-Aug-2012
8	8 th Meeting of State Co-ordination Forum	22-Oct-2013

1.8 **Southern Electricity Regulators Forum (SERF):**

1.8.1 The Southern Electricity Regulators Forum (SERF) is a society registered under the provisions of Karnataka Societies Registration Act, 1960. The Forum was constituted

to understand and review issues specific to the Southern Region that shared similar characteristics and concerns. The Forum aims at an important coordinated role to address several issues confronting the Power Sector in order to bring in the reforms in the real terms. The Chairpersons of all the four Southern State ERCs would constitute the Executive Committee and the General Body Meeting of the Forum shall be held once in 3 months on a rotation basis. SERF meeting was not conducted during the period from 01-04-2014 to 02-11-2014.

1.8.2 **Meetings of SERF:** The following table shows details of SERF meetings held so far.

Sl. No.	SERF meeting	Date	Hosted by
1	1 st Meeting of SERF	21-Jun-2007	APERC at Hyderabad
2	2 nd Meeting of SERF	06-Nov-2007	KERC at Bangalore
3	3 rd Meeting of SERF	04-Jan-2008	KSERC at Tiruvananthapuram
4	4 th Meeting of SERF	17-Mar-2008	TNERC at Ooty
5	5 th Meeting of SERF	07-Mar-2009	APERC at Tirupati
6	6 th Meeting of SERF	08-May-2009	KERC at Madikeri
7	7 th Meeting of SERF	07-Aug-2009	KSERC at Alappuzha
8	8 th Meeting of SERF	08-Dec-2009	TNERC at Madurai
9	9 th Meeting of SERF	13-Nov-2010	APERC at Hyderabad
10	10 th Meeting of SERF	05-Jul-2011	KERC at Bangalore
11	11 th Meeting of SERF	12-Nov-2011	KSERC at Kollam
12	12 th Meeting of SERF	25-Jun-2012	APERC at Hyderabad

1.9 **Forum of Indian Regulators (FOIR):**

FOIR is a society registered under the Societies Registration Act, 1860 (Registration No.S.36509 dt.04-02-2000) to promote transparency in the working of regulatory bodies, protect consumer interest and develop consumer advocacy organizations, develop human and institutional capacities in regulatory bodies, utilities and other stakeholders, research the efficiency and effectiveness of independent regulation, provide an information base on regulatory law and practice and regulatory economics, collaborate with academic and research institutions, professional bodies and NGOs in India and internationally in areas of interest to the society. During the period 01-04-2014 to 02-11-2014, 15th Annual General Body meeting of FOIR was conducted at New Delhi on 26-06-2014. The Chairman and Members of the Commission attended the same.

1.10 Forum of Regulators(FOR) Meetings:

- 1.10.1 In order to coordinate the activities of CERC and SERCs, FOR has been constituted by the Government of India u/s 166(2) of the Act 2003, which is responsible for harmonization, co-ordination and ensuring uniformity of approach amongst the SERCs across the country and to achieve greater regulatory certainty in the electricity sector. During the period 01-04-2014 to 02-11-2014 the following FOR Meetings were held;

S.No.	FOR Meeting	Date	Attended By
1	40 th meeting of FOR at New Delhi	02-04-2014	Dr.V.Bhaskar, Chairman
2	41 st meeting of FOR at New Delhi	27-06-2014	Dr.V.Bhaskar, Chairman
3	42 nd meeting of FOR at New Delhi	27-08-2014	Dr.V.Bhaskar, Chairman

- 1.10.2 FOR working Group Meeting held on 22-8-2014 constituted FOR Sub-Group (II) from amongst the Members of FOR WG on “Power Supply Challenges & Way Forward” to examine issues connected with Feeder Segregation of Rural & Agricultural Loads and the Chairperson of the APERC as the Chairperson of the said Sub-Group (II) was required to facilitate the Working Group with their recommendations.

1.11 South Asia Forum for Infrastructure Regulation:

The South Asia Forum for Infrastructure Regulation (SAFIR) was established in May 1999 with the support of World Bank. SAFIR aims to provide high quality capacity building and training on infrastructure regulation & related topics, in South Asia and to stimulate research on the subject by building a network of regional and international institutions & individuals that are active in the field. It also aims at facilitating effective and efficient regulation of utility and infrastructure industries, initiate beneficial exchange of knowledge and expertise and set the trend of rapid implementation of global best practices.

CHAPTER–II

LICENCES, INVESTMENT APPROVALS, ETC

2.1 Licences/Exemptions:

2.1.1 APERC granted the following licenses under the provisions of the A.P.Electricity Reform Act, 1998 and the Corporation/Company concerned shall be deemed to be a licensee under the Act, 2003 in terms of the proviso to Section 14 there under. Further, the conditions contained in the licences issued to them under the A.P.Electricity Reform Act, 1998 Reform Act shall be deemed to have been specified u/s 16 of the Act 2003, vide APERC (Deemed Licence Conditions) Regulation, 2004.

- i) Licence No.1 of 2000 (Transmission and Bulk Supply Licence) to Transmission Corporation of Andhra Pradesh Limited with effect from 01.02.2000 for a period of 30 years.
- ii) Licence No.12 of 2000 to the Eastern Power Distribution Company of Andhra Pradesh Limited, with effect from 01-04-2001 for a period of 30 years, vide order dt. 29-12-2000 O.P. No. 646 of 2000.
- iii) Licence No.15 of 2000 to the Southern Power Distribution Company of Andhra Pradesh Limited, with effect from 01-04-2001 for a period of 30 years, vide order dt. 29-12-2000 in O.P. No. 645 of 2000.

2.1.2 In terms of provisions of the Electricity Act 2003, exemption from the application of provisions of Section 12 of the Electricity Act 2003 in respect of four (4) Rural Electric Co-operative Societies viz., Sircilla, Anakapalli, Kuppam, and Cheepurupalli was granted for a period of one year from 10-06-2004 to 09-06-2005, subject to terms and conditions of the licences earlier granted to them under the provisions of the Reform Act, vide Exemption Order No. 46, dt.15-06-2004 and is being extended from time to time, upto 31-03-2014. During FY 2014-15, the erstwhile Commission has extended the exemption in respect of the said four (4) RESCOs for further period of one year from 01-04-2014 to 31-03-2015, vide proceedings No.APERC / Secy / 50/ 2014, dt. 06-05-2014. Consequent to bifurcation of the State, except Sircilla RESCO, other three (3) RESCOs continue to be under the regulatory jurisdiction of the reconstituted APERC.

2.1.3 Exemption fee was collected from M/s Usha Kiran Movies Ltd., M/s Singareni Collieries Company Limited and Exhibition Society, Hyderabad towards renewal of the exemption granted to them earlier.

2.1.4 The erstwhile APERC amended the General Terms & Conditions of Supply vide proceedings No. APERC / Secy / 96/2015, dt. 31-05-2014.

2.2 Investment approval – Transmission schemes:

The Commission approved the investment of Rs.1937.83 crores during the period from 01-04-2014 to 02-11-2014 for the following schemes proposed by AP Transco:

Sl. No.	Scheme Name	Estimated Cost (Rs. crore)
1	Kalikiri 400 kV SS	217.66
2	Garividi 400 / 220 kV Substation	668.6
3	Erection of three (3) 125 MVAR Reactors in 400 kV Sub stations at Vemagiri, Kalapaka & Kurnool	47.49
4	Erection of 132/33 kV SS at Ramasamudram in Chittoor Dist	24.05
5	Erection of 132/33 kV SS at Chodavaram in Visakhapatnam Dist	20.84
6	Phase-II Wind Evacuation Scheme, 400 kV SS Hindupur, 220 kV Substations at Pampanurtanda & Penugonda and connected Lines	909.3
7	Erection of Third 400 kV ICTs & Manubolu & Chittoor	49.89
	Total	1937.83

2.3 Power Purchase Agreements (PPAs):

During the period from 01-04-2014 to 02-11-2014, the Commission granted consent for change of name of the developer in respect of 6.00 MW biomass power plant of M/s. NSL Renewable Power Pvt Ltd.

CHAPTER–III

TARIFFS & DIRECTIVES

3.1 **Regulations for determination of Tariff:**

3.1.1 The erstwhile APERC notified the following Regulations laying down the terms and conditions for determination of tariff under Multi-Year-Tariff (MYT) framework and accordingly, each generator / licensee has to file an application for approval of its Aggregate Revenue Requirement (ARR) and Filing for Proposed Tariff (FPT).

Regulation No.	Regulation Title	Date of publication in the A.P. Gazette
4 of 2005	APERC (Terms and Conditions for Determination of Tariff for Wheeling and Retail Sale of Electricity) Regulation, 2005. (as amended, vide Regulation No. 1 of 2014 mentioned below)	14-11-2005
5 of 2005	APERC (Terms and Conditions for determination of Transmission Tariff) Regulation , 2005	30-11-2005
1 of 2006	APERC (Levy and collection of fees and charges by State Load Despatch Centre) Regulation, 2006	27-07-2006
1 of 2008	APERC (Terms and conditions for determination of tariff for supply of electricity by a generating company to a distribution licensee and purchase of electricity by distribution licensees) Regulation, 2008 read with Fixation of Control Period notification dt. 01-02-2010	01-09-2008
1 of 2014	Terms and Conditions for Determination of Tariff for Wheeling and Retail Sale of Electricity (First Amendment) read with Principal Regulation 4 of 2005	07-03-2014

3.2 **Transmission, Wheeling tariffs and SLDC charges for 3rd Control Period:**

3.2.1 In exercise of powers vested in it under the Act 2003 and the Regulations made thereunder, the erstwhile APERC issued the following separate orders, all dt. 09-05-2014, for the 3rd control period (FY2014-15 to FY 2018-19) in respect of different tariffs / charges:-

- a) State Load Despatch Centre (SLDC) Annual Fee & Operating Charges, vide O.P.No. 61 of 2013;
- b) Transmission tariffs for Transmission Business of erstwhile APTRANSCO, vide O.P. No. 62 of 2013; and
- c) Wheeling tariffs for Distribution Business in respect of the then four DISCOMs, vide O.P.Nos. 64, 66, 68 & 70 of 2013.

3.3 Determination of Pooled Cost:

- 3.3.1 The Commission issued *suo-moto* order dt. 31-05-2014 in O.P.No.33 of 2014 determining the Pooled Cost of Power Purchase for FY 2013-14 to be considered for FY 2014-15 under the Renewable Power Purchase Obligation (Compliance by purchase of Renewable Energy/Renewable Energy Certificates) Regulations, 2012 [Regulation No.1 of 2012] as Rs.3.38/kWh and ordered that the difference between the provisional pooled cost of power purchase @3.28/kWh and the pooled cost now determined should be paid to the developers in six equal monthly instalments.

3.4 Other Matters related to Tariff:

- 3.4.1 The Commission in its order dt. 31-05-2014 passed in O.P. No 15 of 2009, determined tariff for APGENCO stations for the period from 01-04-2009 to 31-03-2014, i.e., Second Control period of FY 2009-10 to FY 2013-14.
- 3.4.2 The Commission in its order dt. 16-05-2014 passed in O.P.No. 32 of 2014, determined the variable costs in respect of Biomass, Bagasse and Industrial waste based power projects for the period from 01-04-2014 to 31-03-2019, i.e., Third Control period of FY 2014-15 to FY 2018-19.
- 3.4.3 The Commission in its order dt. 01-09-2014 passed in O.P.No. 41 of 2014, determined generation tariff (fixed charges) payable for the energy purchases from Sai Renewable Power Pvt. Ltd., in respect of its Industrial Waste based power project for the period from 08-04-2014 to 07-04-2024, i.e. from 11th-20th year of operation, which tariff is the generic tariff (fixed cost) for 11th-20th year of their operation and the erstwhile Commission also directed that the said fixed cost will be payable by other DISCOMs of the States of Andhra Pradesh & Telangana to all the Industrial Waste based NCE projects which have completed 10 years of operation.
- 3.4.4 The Commission in its order dt. 19-07-2014 passed in O.P.No. 11 of 2010 & 9 other cases determined fixed costs component of tariff in respect of different Biomass based power projects from 11th-20th year of their operation.
- 3.4.5 The Commission in its order dt. 23-08-2014 determined the fixed costs in respect of Mini Hydel power projects for 11th-25th year of their operation.

CHAPTER-IV

LEGAL MATTERS & REGULATIONS

4.1 Legal matters:

- 4.1.1 **Receiving Officer:** In terms of Regulation 12 of the APERC (Conduct of Business) Regulations, 1999 [Regulation No.2 of 1999], the Commission in its order dated 23-06-2004, designated the then Deputy Director (Law) as Receiving Officer and in his absence, the then Deputy Director (Legal Procedures) as the Receiving Officer. Procedure for process of petitions/objections/ applications received by the Receiving Officer is specified in the Proceedings No.Secy/02/2010 dt. 13-04-2010.
- 4.1.2 **Advocate on Record:** The Commission has appointed Sri K.V.Mohan as the Advocate on Record and Regular Counsel for the APERC to handle the work in respect of the appeals being preferred before the Hon'ble Supreme Court and before Hon'ble Appellate Tribunal for Electricity (APTEL) by or against the Commission, vide Proceedings No.APERC/Secy/No.26/2002, dt.24-04-2002 and No.APERC/Secy/No.06/2006, dt. 23-09-2006, respectively. The term of Advocate on Record was extended from time to time; (i) from 01-11-2012 to 31-12-2012, vide Proceedings No.APERC/Secy/D(L)/No.17 of 2012, dt 08-11-2012; (ii) from 01-01-2013 to 31-10-2013, vide Proceedings No. APERC/Secy/D(L)/No.1 of 2013, dt 18-01-2013; and (iii) from 01-11-2013 upto 31-10-2014, vide Proceedings dt. 25-10-2013.
- 4.1.3 **Standing Legal Counsel:** The Commission appointed Sri P.Srinivasa Rao, Advocate as Standing Legal Counsel to APERC on temporary basis until a permanent arrangement is made, vide Proceedings No.APERC/Secy/D(L)/No.6, dt. 15-06-2012. Terms & conditions of appointment and fee payable to the Standing Legal Counsel are modified in accordance with the APERC (Terms & Conditions of Appointment and Payment of Remuneration to Standing Counsel/Counsel) Regulation No.8 of 2013, vide Proceedings No.Secy/(Law)/463, dt. 07/11-03-2014.

4.2 Orders Passed by the Commission for the period from 01-04-2014 to 02-11-2014:

A number of Original Petitions (O.Ps.), Review Petitions (R.Ps.) and Interlocutory Applications (I.As.) are disposed by the Commission between the period from 01-04-2014 to 02-11-2014, as shown below:

Details of Orders passed by the erstwhile Commission

Sl No	Date of order	Particulars
1	04-04-2014	R.P. No. 5 of 2013 in Proceeding No. APERC / Secy / 154 / 2013 dt.08.08.2013 filed by 4 DISCOMs for recall of order passed by the Commission waiving 50% of penal charges for all consumers for whom Restriction & Control (R & C) measures
2	09-05-2014	O.P. No. 61 of 2013 filed by APTRNSCO for fixing Annual Fee and Operating charges for SLDC Business for the 3 rd control period FY 2014-15 to 2018-19.
3	09-05-2014	O.P.No. 62 of 2013 filed by APTRANSCO for approval of transmission charges and transmission loss percent for 3 rd control period of its transmission business.
4	09-05-2014	O.P. Nos. 64 , 66, 68, 70 of 2013 filed by DISCOMs for approval of ARR and Tariff Proposals for the wheeling charges distribution business for 3 rd control period.
5	15-05-2014	O.P. No. 75 of 2013 filed by M/s. GMR Hyderabad Airport Power Distribution Ltd for grant of Distribution License
6	16-05-2014	O.P. No. 32 of 2014 – Determination of variable cost for the period from 01-04-2014 to 31-03-2019 in respect of the existing plants based on NCE sources in the State of AP.
7	26-05-2014	O.P. No. 3 of 2014 – In the matter of application filed by M/s. Amara Raja Infra Pvt Ltd for grant of distribution license
8	31-05-2014	O.P. No. 15 of 2009 & I.A. Nos. 3 of 2010, 9 of 2011, 21 of 2013 & 36 of 2013 in O.P. No. 15 of 2015 between APGENCO and 4 DISCOMs – Approval of Tariff of APGENCO generating stations for the period from 01-04-2009 to 31-03-2014
9	31-05-2014	O.P. No. 33 of 2014 – Suo-motu – In the matter of determination of pooled cost of power purchased for FY 2013-14 to be considered for FY 2014-15 under the Renewable Power Purchase Obligation (Compliance purchase of Renewable Energy / Renewable Energy Certificates) Regulations, 2012 (Regulation No. 1 of 2012)
10	10-06-2014	O.P. No. 53 of 2013 between M/s. Vaayu (India) Power Corporation Pvt Ltd and APTRANSCO & 5 others – Petition filed for re-determination of tariff for wind energy projects from 01-05-2009 to 14-11-2012
11	19-07-2014	O.P. Nos. 11 of 2010, 18 of 2013, 19 of 2013, 48 of 2013, 49 of 2013, 57 of 2013, 23 & 30 of 2014, 24 of 2013 & 26 of 2014 – All these petitions relate to determination of fixed cost component of tariff in respect of different biomass based power project.
12	05-08-2014	O.P. Nos. 8 of 2011, 9 of 2012, 12 of 2012, 22 of 2014 & 25 of 2014 for determination of tariff to take effect on competition of 10 years from date of commissioning of the project of the respondents.
13	08-08-2014	O.P. No. 31 of 2013 between M/s. Hetero Wind Power Ltd and GoAP & 5 ors - Petition for wheeling charges and banking of power generated by captive power producers for captive consumption .

Sl No	Date of order	Particulars
14	11-08-2014	O.P. Nos. 14 of 25 of 2012 – Suo-motu – In the matter of withdrawing the draft PPA entered between DISCOMs and APGENCO
15	21-08-2015	O.P. No. 27 of 2012 between M/s. SLS Power Ltd and APSPDCL & APTRANSCO – Petition filed for determination of tariff
16	23-08-2014	O.P. No. 52 of 2013 between Singareni Collieries Company Ltd and APNPDCL – Petition filed for purported violations u/s 126 of Act, 2003 for unauthorized use of electricity
17	23-08-2014	Commission order dt. 23-08-2014 determining the fixed costs in respect of Mini hydel power projects for 11 th to 25 th year of their operation.
18	25-08-2014	O.P. No. 31 of 2014 between M/s. Nagarjuna Fertilizers and Chemicals Ltd Vs. APSLDC – In the matter of Renewable Power Purchase Obligation (Compliance Purchase of Renewable Energy / Renewable Energy Certificates) Regulations, 2012 (Regulation No. 1 of 2012)
19	01-09-2014	O.P. No. 41 of 2014 between APEPDCL and Sai Renewable Power Pvt Ltd – Petition filed for determination of generation tariff (fixed charges) payable for the energy purchases from the respondent's industrial waste based power project for the period from 08-04-2014 to 07-04-2024
20	20-09-2014	O.P. No. 22 of 2011 between APTRANSCO and GVK Industries Ltd (Phase-I) – Petition filed for issuing suitable directions to amend the PPA
21	29-09-2014	O.P. Nos. 4, 5, 6 & 17 of 2014 filed for challenging the respondents claim for line maintenance charges from the petitioners *

* Order passed by the Commission constituted vide G.O.Ms. No. 35 dt. 01-08-2014.

CHAPTER-V

CONSUMER ADVOCACY & RIGHT TO INFORMATION

5.1 Consumer Advocacy:

5.1.1 In discharge of its obligation to protect and to promote the interest of the consumers, the erstwhile Commission notified the following Regulations.

- APERC (Consumer's Right to Information) Regulations, 2000 [Regulation No.7 of 2000] notified on 04-09-2000.
- APERC (Establishment of Forum and Vidyut Ombudsman for redressal of grievances of consumers) Regulation, 2004 [Regulation No.1 of 2004] notified on 06-02-2004 read with its First Amendment Regulation notified on 01-10-2007.
- APERC (Licensees' Standards of Performance) Regulation, 2004 [Regulation No.7 of 2004] notified on 22-06-2004 read with its First Amendment Regulation notified on 19-08-2005 and Second Amendment Regulation notified on 08-08-2013.
- APERC (Appointment of Vidyut Ombudsman and Terms & Conditions of Service) Regulation, 2007 [Regulation No.2 of 2007] notified on 03.07.2007 read with its First Amendment Regulation notified on 19.06.2010.

5.1.2 As mentioned earlier, Joint Regulatory body adapted all the Regulations notified immediately before 02-06-2014 by the APERC, including the above mentioned Regulations and they continue to apply in respect of residuary State of Andhra Pradesh.

5.2 Standards of Performance (SoP) of Discoms:

5.2.1 In order to improve reliability and Quality of Supply (QoS) to be adhered to by the licensees, the Commission initially notified APERC (Standards of Performance) Regulations, 2000 [Regulation No.6 of 2000] on 04-09-2000, under section 9(2) and 54 of the Reform Act.

5.2.2 Subsequently, after coming into force of the Act 2003, the Commission on 22-06-2004 notified, APERC (Licensees' Standards of Performance) Regulation, 2004 duly repealing the Regulation No.6 of 2000. The said Regulation contained, (a) guaranteed SoP, being the minimum standards of service that a distribution licensee shall achieve to individual consumers; (b) overall Service Standards which the licensee shall seek to achieve in the discharge of obligation as a Licensee; and (c) compensation payable and manner of payment of compensation to consumers for non-compliance of the Standards in terms of provisions of Section 57 of the Act.

5.2.3 Subsequently, on 19-08-2005, the erstwhile Commission has notified, the APERC (Licensees' Standards of Performance First Amendment) Regulation, 2005. Later on, the Commission notified Second Amendment duly enhancing the compensation amounts payable to the consumers for non-compliance of the Standards in terms of the provisions of Section 57 of the Act 2003.

5.2.4 The following are the details of Citizen Charter / Guaranteed SoP and Compensation payable by DISCOMs in case of violation.

Sl. No.	Service Area	Time Standard	Compensation payable in case of violation of Standard	
			To individual consumer if the event affects a single consumer	To individual consumer if the event affects more than one consumer
1	Normal Fuse-off			
i	Cities and towns	Within 4 working hours	Rs.100 in each case of default	Rs.50 to each consumer affected
ii	Rural areas	Within 12 working hours		
2	Overhead Line/cable breakdowns			
i	Cities and towns	Within 6 hours	Rs.100 in each case of default	Rs.50 to each consumer affected
ii	Rural areas	Within 24 hours		
3	Underground cable breakdowns			
i	Cities and towns	Within 12 hours	Rs.100 in each case of default	Rs.50 to each consumer affected
ii	Rural areas	Within 48 hours		
4	Distribution Transformer failure			
i	Cities and towns	Within 24 hours	Rs.200 in each case of affected	Rs.100 to each consumer affected
ii	Rural areas	Within 48 hours		
5	Period of Scheduled Outage			
i	Maximum duration in a single stretch	Not to exceed 12 hours	Rs.200 in each case of default	Rs.100 to each consumer affected
ii	Restoration of supply	By not later than 6 PM		
6	Voltage fluctuations			
i	No expansion/enhancement of network involved	Within 10 days	Rs.100 for each day of default	Rs.50 to each consumer affected for each day of default
ii	Up-gradation of distribution system required	Within 120 days	Rs.200 for each day of default	Rs.100 to each consumer affected for each day of default

Sl. No.	Service Area	Time Standard	Compensation payable in case of violation of Standard	
			To individual consumer if the event affects a single consumer	To individual consumer if the event affects more than one consumer
iii	Erection of Substation	Within the time period as approved by the Commission	Rs.500 for each day of default	Rs.250 to each consumer affected for each day of default
7	Meter complaints			
i	Inspection and replacement of slow, fast/creeping, stuck-up meters	Inspection within 7 days in towns and cities and within 15 days in rural areas and replacement within 15 days thereafter.	Rs.100 for each day of default	Not Applicable
ii	Replace burnt meters if cause attributable to Licensee	Within 7 days		
iii	Replace burnt meters if cause attributable to consumer	Within 7 days of receiving payment from consumer		
8	Processing of application & intimation of relevant charges payable for new connection/sanction of additional load/Demand			
i	All cases - If Connection feasible from existing network for release of supply	Within 3 working days of receipt of application	Rs.100 for each day of default	Not Applicable
ii	If Network expansion/enhancement required to release supply			
a	Release of supply - Low Tension	Within 7 days of receipt of application	Rs.1000 for each day of default	Not Applicable
b	Release of Supply - High Tension 11 kV	Within 15 days of receipt of application	Rs.500 for each day of default	
c	Release of Supply - High Tension 33 kV	Within 30 days of receipt of application		
d	Release of Supply - Extra High Tension	Within 45 days of receipt of application		
9	Release of new connection/additional load upon payment of all charges			
i	All cases - If Connection feasible from existing network for release of supply	Within 30 days of receipt of application	Rs.100 for each day of default	Not Applicable
ii	Network expansion/enhancement required to release supply			
a	Release of supply - Low Tension	Within 30 days of receipt of prescribed charges	Rs.100 for each day of default	Not Applicable
b	Release of Supply - High Tension 11 kV	Within 60 days of receipt of prescribed charges	Rs.500 for each day of default	
c	Release of Supply - High Tension 33 kV	Within 90 days of receipt of prescribed charges		
d	Release of Supply - Extra High Tension	Within 180 days of receipt of prescribed charges		
	Erection of substation required for release of supply	Within the time period approved by the Commission	Rs.1000 for each day of default	
10	Transfer of ownership and conversion of services			
i	Title transfer of ownership	Within 7 days along-with necessary documents and prescribed fee, if any		

Sl. No.	Service Area	Time Standard	Compensation payable in case of violation of Standard	
			To individual consumer if the event affects a single consumer	To individual consumer if the event affects more than one consumer
ii	Change of category	Within 7 days along-with necessary documents and prescribed fee, if any	Rs.100 for each day of default	Not Applicable
iii	Conversion from LT 1-ph to LT3-ph and vice-versa	Within 30 days of payment of charges by the consumer		
iv	Conversion from LT to HT and vice-versa	Within 60 days of payment of charges by the consumer	Rs.200 for each day of default	
11	Resolution of complaints on consumer's bill			
i	If no additional information is required	Within 24 working hours of receipt of complaint	Rs.50 for each day of default	Not Applicable
ii	If additional information is required	Within 7 working days of receipt of complaint		
12	Reconnection of supply following disconnection due to non-payment of bills			
i	Cities and Towns	Within 4 working hours of production of proof of payment by consumer	Rs.100 in each case of default	Not Applicable
ii	Rural Areas	Within 12 working hours of production of proof of payment by consumer		
13	Wrongful disconnection of Service Connection/levy of reconnection charges without Disconnection			
i	Wrongful disconnection of service connection even after payment of electricity charges due		Rs.100 in each case of default	Not Applicable
ii	Levy of reconnection charges without actual physical disconnection			

5.3 **The Forum for Redressal of Consumer Grievances (CGRF):**

5.3.1 In terms of the provisions of Regulation No.1 of 2004, all the DISCOMs have established Consumer Grievances Redressal Forums (CGRFs). Each Forum shall consist of four Members, including Chairperson of the Forum. The DISCOM concerned appoints the Chairperson and two Members of its Forum on full time basis and the Commission nominates one independent Member who is familiar with consumer affairs.

5.3.2 In accordance with the provisions of the Regulation, the CGRFs shall decide the complaint expeditiously and shall communicate its decision to the Complainant within a period not exceeding forty five (45) days of the receipt of the complaint. The CGRFs shall give the reasons in support of its decisions.

5.3.4 **Review of quarterly & annual returns of CGRF:** The Commission reviewed the functioning of CGRFs from time to time.

5.4 Vidyut Ombudsman:

- 5.4.1 The institution of Vidyut Ombudsman was established in September 2005, vide Proceedings No.Secy/04, dt.19-09-2005 designating the then Director (Law) of the erstwhile Commission as ex-officio Vidyut Ombudsman for the State pending notification of the Regulation on the terms and conditions of service of Vidyut Ombudsman and his Staff. With effect from 18-11-2013, the Director (Admn.) of APERC is discharging the functions of Vidyut Ombudsman.
- 5.4.2 Any Complainant, if aggrieved by the non-redressal of the grievance by the Forum, may make a representation to the Vidyut Ombudsman within thirty (30) days from the date of the receipt of the decision of the Forum or from the date of the expiry of the period within which the Forum was required to take decision and communicate the same to the Complainant. However, the Vidyut Ombudsman may entertain an appeal after the expiry of the thirty (30) days period, if satisfied that there is sufficient cause for not filing it within that period.
- 5.4.3 The Vidyut Ombudsman shall decide the representation finally within three (3) months from the date of the receipt of the representation of the Complainant and in the event the representation is not decided within three months, the Vidyut Ombudsman shall record the reasons thereof, including the cost to be paid by the licensee in case the reasons for the delay is attributable to the licensee. In case the delay is for reasons attributable to the Complainant, the Vidyut Ombudsman may reject the representation. Further, the Vidyut Ombudsman may pass such interim orders as the Vidyut Ombudsman may consider appropriate pending the final decision on the representation.
- 5.4.4 The details of the grievances attended to by the Vidyut Ombudsman during the period from 01-04-2014 to 02-11-2014 are as shown below:

No. of Grievances outstanding at the close of previous year (2013-14)	59
No. of Grievances received during the period from 01-04-2014 to 02-11-2014	29
No. of Grievances disposed during the period from 01-04-2014 to 02-11-2014	39
No. of Grievances pending as on 02-11-2014	49
No. of Grievances pending which are older than two months during the period from 01-04-2014 to 02-11-2014	43
No. of sittings of Ombudsman during the period from 01-04-2014 to 02-11-2014	85

5.5 Consumer Assistance Cell in the Commission:

5.5.1 Consumer Assistance cell of the Commission guides and helps the consumers who approach the Commission for guidance on the redressal of their grievances pertaining to the consumer service. The written representations received from the Consumers were sent to the respective DISCOMs/CGRFs according to the stage of handling of the complaint. Also, assists the Commission in conduct of Public Hearings by compiling and summarizing both the written and oral suggestions/ comments of the stakeholders and the corresponding responses from the respective Licensees during the public hearings.

5.6 Consumer Day:

Since 2007, the formation day of APERC i.e., 3rd April, is being observed by all the DISCOMs across the state as 'Consumer Day'. On this day, the DISCOMs were making special arrangements for immediate redressal of complaints. All EROs, sub-EROs, Officers and Staff were made present to resolve the complaints on the spot. Apart from this, the DISCOMs were also conducting various Consumers' education programmes at offices of Corporate, CGRF, Zonal, Circle, Division and Sub-division levels on the following points.

- SoP specified by the Commission, emphasizing on the compensations payable by the Discoms, in case of non-compliance of the specified service with the stipulated time.
- Significance of Demand Side Management (DSM) measures to be observed in Agriculture Sector.
- The directives issued by the Commission in protection of interests of the consumers.
- Safety measures to be adopted on usage of various electrical appliances.
- Energy Conversation tips to be followed.

5.7 Consumer Participation in Regulatory Decision:

5.7.1 Consumer participation in Electricity Regulatory process is necessary and important to ensure transparency and accountability of the process. The Act requires the Commission to consult consumers on important policy and regulatory matters before arriving at any decision.

5.7.2 Regulatory matters were brought in the public domain through publication of Public Notice in daily newspapers, issuing Press Releases and also by placing the matter on the website of the Commission seeking suggestions/comments from the interested persons and stakeholders.

5.8 Implementation of Right to Information Act, 2005:

5.8.1 As per the various provisions of the RTI Act, the information sought for is being provided to the applicants. Apart from this activity, quarterly& annual reports are being sent to the Energy Department of GoAP.

CHAPTER-VI

ACCOUNTS & AUDIT

6.1 Grants- in-Aid:

The Andhra Pradesh Electricity Regulatory Commission is funded by the budgetary provisions of the State Government by way of Grants-in-Aid. During the year the Commission has received Rs.149.00 lakh as Grants-in-Aid towards Salaries (Rs.96.50 lakh) and Other Grants-in-aid (Rs.52.50 lakh) from Government of Andhra Pradesh and is being operated through a nationalized bank account.

6.2 Capital Expenditure:

No grant was, however, received from the State Government towards capital expenditure during the year. The assets of the Commission have been created from the Other Grants-in-Aid received from the State Government.

6.3 Collection of annual fees from Licensees and for grant of exemptions:

The Commission received an amount of Rs.10,46,57,830/- during the year towards Licence fee from Transmission Licensee (APTransco), the four (4) Distribution Licensees (APCPDCL, APEPDCL, APNPDCL and APSPDCL) and from four (4) Rural Electric Cooperative Societies (Anakapalle, Cheepurupalli, Sircilla and Kuppam RESCOs) and the same was remitted to the State Government.

6.4 Books of Account and Other Records:

The Commission is maintaining proper books of accounts and other relevant records as required u/s 104(1) of the Electricity Act, 2003.

6.5 Financial Statements:

The Commission prepared the following financial statements in accordance with the provisions of Para II (1) of Part-I of Schedule to Andhra Pradesh Electricity Reform Act, 1998.

- i) Receipts and Payments Account for the year ended 02-11-2014.
- ii) Income and Expenditure Account for the year ended 02-11-2014.
- iii) Balance Sheet as on 02-11-2014.

6.6 Audit of Accounts:

The Comptroller & Auditor General of India have audited the financial statements of the Commission in accordance with section 104(2) of the Electricity Act, 2003. The Audit Certificate-cum-Separate Audit Report containing the comments of the Comptroller & Auditor General of India (CAG) on the accounting treatment received vide letter No. AG(E&RSA)/ES-II(Power)/APERC/2016-17/4 dated 23-06-2016 is furnished hereunder.

**SEPARATE AUDIT REPORT OF THE COMPTROLLER & AUDITOR
GENERAL OF INDIA ON THE ACCOUNTS OF ANDHRA PRADESH
ELECTRICITY REGULATORY COMMISSION, HYDERABAD FOR
THE PERIOD FROM 01-04-2014 TO 02-11-2014**

1. We have audited the attached Balance Sheet of **Andhra Pradesh Electricity Regulatory Commission** (for combined State of Andhra Pradesh up to 01-06-2014 and as joint regulatory body for the States of Andhra Pradesh and Telangana thereafter) as at 02nd November 2014 and the Income and Expenditure Account, Receipts and Payments Account for the period from 01.04.2014 to 02.11.2014 under Section 19 (2) of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 read with Section 104 (2) of the Electricity Act, 2003. These financial statements are the responsibility of the APERC's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. This Separate Audit Report contains the comments of the Comptroller & Auditor General of India (CAG) on the accounting treatment only with regard to classification, conformity with the best accounting practices, accounting standards, disclosure norms, etc. Audit observations on financial transaction with regard to compliance with the Law, Rules and Regulations (Propriety and Regularity), efficiency-cum-performance aspects etc., if any, are reported through Inspection Reports / CAG's Audit Reports separately.
3. We have conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit includes examining, on a test basis, evidences supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall presentation of financial statements. We believe that our audit provides a reasonable basis for our opinion.

4. Based on the preliminary observations made by us, the accounts of the Commission have been revised. **Due to revision, the Expenditure is increased by Rs.9,54,816/- with consequential decrease in Capital Fund by similar amount.**

5. Based on our audit, we report that:

- i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- ii. The Balance Sheet and Income and Expenditure Account, Receipts and Payments Account dealt with by this report have been drawn up in the format approved by the Comptroller and Auditor General of India under provisions of Para II (1) of Part – I of schedule to Andhra Pradesh Electricity Reform Act, 1998.
- iii. In our opinion, proper books of accounts and other relevant records have been maintained by the APERC as required under section 104 (1) of the Electricity Act, 2003 in so far as it appears from our examination of such books.
- iv. We further report that:

Income and Expenditure Account

Income

Receipts of the Commission – Rs.15,64,17,725/-

(a) The above includes an amount of Rs. 2,38,37,757/- being the revenue received for the period prior to May 2014 and not remitted to the State Government. Prior to the formation of APERC Fund Rules (May 2014), all the receipts of the Commission were to be remitted to the Government and the receipts were not be used for the expenditure of the Commission. Hence, the amount should have been remitted to the Government Account.

The State Government frame the Fund Rules (under Section 103 of Electricity Act) instructing the Commission to constitute a 'Fund' duly crediting the revenues received forthwith, i.e., from May 2014 onwards. The Fund should be applied for its expenditure like Salaries and other expenditure.

The Commission constituted the 'Fund' in May 2014 but incorrectly credited the revenue of Rs. 2.38 crore received prior to May 2014 resulting in overstatement of 'Income' and 'Capital Fund' and understatement of 'Dues to Government' by Rs. 2.38 crore.

(b) As per the orders of CAG, the common format of accounts of autonomous organizations prescribed by the Committee of Experts would be applicable, in the interest of transparency and comparability, to all autonomous bodies governed by separate Acts of Parliament and where CAG is the sole auditor. However, the APERC did not follow the Format though it is functioning under Electricity Act, 2003 which was enacted by Parliament and CAG is sole auditor for APERC.

Grants-in-Aid:

(c) The Grants-in-Aid of Rs.1.49 crore received during the said period, APERC utilized the entire amount leaving Nil balance as unutilized grant as on 02-11-2014.

- v. Subject to our observations in the preceding paragraph, we report that the Balance Sheet and Income and Expenditure, Receipts and Payments Account dealt with by this report are in agreement with the books of accounts.
- vi. In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with the Accounting Notes, and subject to the significant matters stated above and other matters mentioned in the Annexure to this Separate Audit Report, give a true and fair view in conformity with accounting principles generally accepted in India.
 - a) In so far as it relates to the Balance Sheet of the state of affairs of the Andhra Pradesh Electricity Regulatory Commission as at 2nd November 2014; and
 - b) In so far as it relates to the Income and Expenditure Account of the surplus for the period from 01-04-2014 to 02-11-2014.

Place: Hyderabad
Date: 23-06-2016

Sd/-
(Lata Mallikarjuna)
Accountant General (E&RSA)

Evaluation of Internal Control

1.	Adequacy of Internal Audit System	The APERC appointed M/s.Ramachandram & Co, Chartered Accountant, Hyderabad as internal auditor w.e.f. 01-04-2007. Internal Audit Report for the accounts period has not been received
2	Adequacy of Internal Control system	The internal control system is adequate.
3	System of Physical Verification of Fixed Assets	There was proper system of physical verification of assets.
4	Regulatory in payment of statutory dues	The Commission is regular in payment of Statutory Dues applicable to them.
5	Delay in remittances of receipts into Government account.	The APERC had not remitted the receipts into the Government Account regularly. The unremitted amount of Rs.2.38 crore was credited to Fund Account after its formation in May 2014 contrary to the Government Orders.

Sd/-
Sr. Deputy Accountant General (ES-II)

ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION
RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 2nd November, 2014

Receipts	Current Year 2014-2015	Previous Year 2013-2014	Payments	Current Year 2014-2015	Previous Year 2013-2014
To Balance b/d			By Pay & Allowances to Chairman & Members		
a) Cash at Bank			a) Salaries	3537175	4423812
State Bank of India	30205833	24249953	b) Other Benefits		
Indian Overseas Bank	13370401	15265198	Water charges	1480	2931
Andhra Bank (Vidyut Ombudsman)	1312257		Electricity charges	55438	76332
b) Cash on Hand	15000	10000	Leased Accommodation	0	70558
To Grants-in-Aid			Security Guards charges	44323	0
a) Towards Revenue A/c	14900000	89405000	Newspaper charges	14941	22309
b) Towards Capital A/c			Perquisites Tax	421515	508912
c) Grants from FOIR		0	c) Travelling Expenses		
To Licence Fee	104657830	81478067	i) Overseas	29800	32671
To Licence Exemption Fee	2110118	2988671	ii) Domestic	254610	398600
To Loans			By Pension and Retirement benefits	856618	3815394
a) From Government			By Pay & Allowances to officers and staff		
b) From Others Specify			a) Salaries	31077494	47840632
To Sales			b) Wages	1127241	1449929
a) Sale of Publications			c) Other Benefits		
b) Sale of Assets		231406	Newspaper charges	3041	4799
c) Sale of Tender Documents			Transfer TA		0
d) Sale of Investments			d) Travelling Expenses		
To Interest Income			i) Overseas	21400	
a) Interest on Investments			ii) Domestic	163924	371708
b) Interest on Deposits	2152183	875070	e) Over Time		
c) Interest on Deposits (VO)	28071		f) Honorarium by hiring of Man Power		
To Recoveries towards Loans & Advances			By Pension and Retirement benefits (Staff)	61940	128588
a) Principal	256690	589940	By Contributory Pension Scheme	49218	
b) Interest	190763	153701	By LSC/PC	1674726	
To Recoveries for remittance			By Office Expenses		
a) Income Tax		101425	a) Printing & Stationery	470356	691566
b) Salary Recoveries	0	73712	b) Publication Expenses		
c) Contributory Pension Scheme	22574		c) Postage & Telegram charges	6381	30270
To Miscellaneous Receipts			d) Telephone Charges	395590	471585
a) Sale of Tariff Order	132410	50390	e) Electricity & Water Charges	1333009	1750266
b) Recruitment Fee		19000	f) Insurance, Rents & Taxes	4330594	7093071
c) Miscellaneous	827	29189	g) Petrol, Oil and Lubricants	247303	292501
d) Fee for filing petitions	1087750	11716500	By AMC & Other Miscellaneous Expenses	977949	1560911
e) Temporary Advance		102421	By Advertisement Expenses	224672	184352
To Refund of Deposits from BSNL	9000	0	By Training Expenses	157554	51765
To Travelling Allowance Advance	9000		By Hiring of Private Vehicles	1148573	1585675
To Terminal Benefits received from OERC		0	By Payment for Professional and Special Services	5651336	6346485
To Deposits from Unknown parties		44674	By Subscription & Membership	786977	1021171
To Unclaimed Cheques		120054	By Hospitality charges	169415	32338

Receipts	Current Year 2014-2015	Previous Year 2013-2014	Payments	Current Year 2014-2015	Previous Year 2013-2014
To Vidyut Ombudsman	4782000		By Receipts remitted to Government Account		98260725
To LSC/PC	289462		By Audit fee	449440	78320
			By Repairs & Maintenance Charges		
			a) Buildings	0	
			b) Vehicles	70031	38781
			By Capital Expenditure		
			Office Vehicles		
			Furniture (Office)	42000	132890
			Computers	0	546587
			Stabilizers	0	
			Air-Conditioners	193150	
			Refrigerator	0	
			Water Cooler	29550	29550
			Books	0	
			Telephone Instrument	0	
			Miscellaneous Assets	54478	145777
			Furniture (Commissioners)		
			Under Annexure - I	0	36000
			Under Annexure - II	0	201994
			By Deposits		
			a) Telephones	0	
			b) Temporary Advance	366447	1870541
			c) Travelling Allowance Advance	0	9000
			By Banker Charges		
			a) Interest		
			b) Collection		7189
			c) Commission etc.		
			By Loans & Advances to employees	555000	95000
			By Repayment of Loans		
			a) Government		
			b) Others		
			By I.Tax & other recoveries remitted to Govt.A/c	46480	100425
			By Salary Recoveries	28388	0
			By Vidyut Ombudsman	3036644	789743
			By Unclaimed Cheques	2452	
			By Funds transferred to TSERC		
			By Closing Balances		
			a) Cash on Hand	10000	15000
			b) Cash at Bank		
			State Bank of India	114683832	30205060
			Indian Overseas Bank	0	13370401
			Andhra Bank	669684	1312257
Total	175532169	227504371	Total	175532169	227504371

ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION

Income and Expenditure Account for the year ended 2nd November, 2014

Expenditure	Schedule	Current Year 2014-2015	Previous Year 2013-2014	Income	Schedule	Current Year 2014-2015	Previous Year 2013-2014
To Salaries	A	32334672	52725184	By Grants-in-Aid			
To Travelling Expenses	B	460334	812379	a) For Salaries		9650000	57905000
To Retirement Benefits	C	917508	3936801	b) Other Revenue Grants-in-aid		5250000	31500000
To Wages				By Receipts of the Commission		156417725	
To Overtime				By Interest on Cash at Bank		2180254	
To Training Expenses		157554	51765	By Interest on Loans and Advances		190763	
To Hiring of Man Power		1047330	1371465				
To Office Expenses	D	15657418	17308338				
To Repairs and maintenance		70031	38781				
To Staff Welfare Expenses							
To Loss on sale of assets / investments		74238	33161				
To Advertisement expenses		224672	184352				
To Depreciation	E	759675	841521				
To Bad Debts written off							
To Vidyut Ombudsman's Expenses		3036644	789743				
To Excess of Income over expenditure		118948666	11311510	By Excess of expenditure over income			
(Transferred to Capital account)				(Transferred to Capital account)			
Total		173688742	89405000	Total		173688742	89405000

ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION

Balance Sheet as on 2nd November, 2014

Liabilities	Schedule	Current Year 2014-2015	Previous Year 2013-2014	Assets	Schedule	Current Year 2014-2015	Previous Year 2013-2014
Funds				Fixed Assets	E		
(a) Capital funds		21866436	10554926	Gross Block		29593500	28659236
Add : Excess of income over expenditure		118948666	11311510	Less: Depreciation	(-)	23047622	22136470
Less: Excess of expenditure over income				Net Block		6545878	6522766
		140815102	21866436				
Reserves				Capital work in progress	E		
Loans from :	L			Investments	F		
(a) Government				Deposits and Advances	G	108009	237830
(b) from others				Loans and Advances to staff	H	958810	678024
Current Liabilities and Provisions				Accounts receivable	I		
To Deposits from Unknown parties			44674				
To Unclaimed Cheques			120054	Other current assets	J		
Due to Government (Receipts)			23837757	Cash and Bank Balances	K	115363516	44903491
Provisions for outstanding Expenses				Licence Fee outstanding		19135392	
Salaries		177392	2998127				
Travelling Expenses			9400				
Office Expenses			713107				
Hiring of manpower			79911				
Payment to SCCL (infra)			12917				
Due to Income Tax Dept.			101425				
Pension & Other Benefits			1050				
Recoveries towards Salary Deductions			48159				
Audit fee		777424	771680				
LSC/PC			1522800				
Contributory Pension Scheme			26724				
Due to APTS		341687	187890				
Total		142111605	52342111	Total		142111605	52342111

ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION

Annual Accounts 2014-15 (upto 02-11-2014)

Schedule - A

Salaries	Current Year 2014-2015	Previous Year 2013-2014
Salaries to Chairman & Members	3537175	4423812
Salaries to Officers & Staff	31077494	44363432
Other benefits to Chairman & Members	537697	681042
Other benefits to Officers & Staff	3041	4799
Total	35155407	49473085
Less: Pertaining to previous year	2998127	746028
Balance	32157280	48727057
Add: Outstanding liabilities for current year	177392	3998127
Total	32334672	52725184

Schedule - B

Particulars	Current Year 2014-2015	Previous Year 2013-2014
Travelling allowances to Chairman & Members		
(a) Overseas	29800	32671
(b) Domestic	254610	398600
Travelling allowances to Officers & Staff		
(a) Overseas	21400	0
(b) Domestic	163924	371708
Transfer T.A.		0
Total	469734	802979
Less: Pertaining to previous year	9400	0
Balance	460334	802979
Add: Outstanding for current year	0	9400
Total	460334	812379

ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION
Annual Accounts 2014-15 (upto 02-11-2014)
Schedule - C

Retirement benefits	Current Year 2014-2015	Previous Year 2013-2014
Contribution to Provident Fund		
Pension	918558	3943982
Gratuity		
Other benefits		
Total	918558	3943982
Less: Pertaining to previous year	1050	8231
Balance	917508	3935751
Add: Outstanding for current year		1050
Total	917508	3936801

Schedule - D

Sl. No	Office Expenses	Current Year 2014-2015	Previous Year 2013-2014
1	Printing & Stationery	545974	691566
2	Postage & Telegram charges	6381	30270
3	Telephone charges	395590	471585
4	Electricity & water charges	1333009	1750266
5	Insurance, Rents & Taxes	4330594	7093071
6	Petrol, Oil and Lubricants	247303	292501
7	Other miscellaneous expenditure	977949	1673425
8	Hiring of private vehicles	1148573	1585675
9	Payment of Professional & Special services	5651336	6346485
10	Subscription & Membership	786977	1021171
11	Hospitality charges	169415	32338
	Total	15593101	20988353
	Less: Pertaining to previous year	713107	4593122
	Balance	14879994	16395231
	Add: Outstanding for current year	777424	913107
	Total	15657418	17308338

ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION

Annual Accounts 2014-15 (upto 02-11-2014)

Schedule - E

Name of the Asset	Gross Block				Depreciation			Adjustments	As on 02-11-2014 (B)	Net Block
	Original cost	Additions during the year 2014-15	Deductions	Cost as on 01-04-2014 (A)	As on 01-04-2014	For the year 2014-15 (upto 02-11-2014)				(A-B)
						Existing stock	Current year's stock			
Cars	1604793			1604793	838293	90220			928513	676280
Furniture (Office)	3082476	42000	88188	3036288	2127696	112164	1253	48682	2192431	843857
Furniture (Commissioners)										
Annexure - I	36000			36000	15929	10652			26581	9419
Annexure - II	465994			465994	63714	35709			99423	366571
Computers	6735080			6735080	5702816	163396			5866212	868868
Air-Conditioners	1996399	193150		2189549	1000621	56120	2628		1059369	1130180
Stabilizers	54800			54800	37156	1541			38697	16103
Fax/Franking machine	123050			123050	11253	3459			14712	108338
Water cooler	50296	29550		79846	14889	1414	561		16864	62982
Ceiling Fans	74194			74194	44102	2086			46188	28006
EPABX	479671			479671	162164	13484			175648	304023
Court Hall Furniture	309630			309630	285833	11599			297432	12198
Televisions	101435	54478		155913	80244	9731	2444		92419	63494
10Kv UPS	299750			299750	193025	28754			221779	77971
Telephone Instruments	18600			18600	1196	523			1719	16881
Software	54000			54000	1568	6391			7959	46041
Audio system	1604871			1604871	22506	153952			176458	1428413
Dell Server	0	537847		537847	0	0	51594		51594	486253
Refrigerator	14990		14990	0	10205			10205	0	0
Franking machine	59280		59280	0	29333			29333	0	0
Public Address System (2008-09)	187965			187965	187965	0			187965	0
Wooden Partition (2008-09)	684968			684968	684968	0			684968	0
MS & Ceiling Mount Kit (2009-10)	45795			45795	45795	0			45795	0
Infrastructure (2009-10)	7862917			7862917	7862917	0			7862917	0
100 Mbps Switches (2009-10)	89000			89000	89000	0			89000	0
Projector	83232			83232	83232	0			83232	0
Software	2050680			2050680	2050680	0			2050680	0
Books	398331			398331	398331	0			398331	0
Servers 2 Nos.	174271			174271	174271	0			174271	0
Type writer	10375			10375	10375	0			10375	0
Modi Xerox	146090			146090	146090	0			146090	0
Total	28898933	857025	162458	29593500	22376167	701195	58480	88220	23047622	6545878

ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION

Annual Accounts 2014-15 (upto 02-11-2014)

Schedule - G

Deposits and Advances	Current Year 2014-2015	Previous Year 2013-2014
Deposits with Government		
Deposits with Private parties		
Advances to Government & Government Companies		
Advances to others		
Telephone Deposits	83009	92009
Tata cellular deposits	24000	24000
Advance for leased accommodation	0	0
Milk (APDDCF Ltd)	1000	1000
T.A.Advance	0	27600
Temp. Advance	0	93221
Total	108009	237830

Schedule - H

Loans & Advances	Current Year 2014-2015	Previous Year 2013-2014
Loans and Advances to Employees	958810	678024
Loans and Advances to contractors		
Other Loans & Advances		
Total	958810	678024

Schedule – K

Cash and Bank balances	Current Year 2014-2015	Previous Year 2013-2014
Cash on Hand		
Imprest	10000	15000
Balance with Banks		
State Bank of India	114683832	30205833
Indian Overseas Bank	0	13370401
Andhra Bank	669684	1312257
Total	115363516	44903491

ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION

Annual Accounts 2014-15 (upto 02-11-2014)

Depreciation on assets has been calculated as detailed below:

Depreciation calculated on Fixed assets in Straight Line Method as per the rates prescribed in the Schedule XIV of the Companies Act 1956

Sl.No.	Name of the Asset	Rate of Depreciation
1	Office vehicles	9.5%
2	Furniture (Office)	6.33%
3	Computers	16.21%
4	Stabilizers	4.75%
5	Air-Conditioners	4.75%
6	Refrigerator	4.75%
7	Ceiling Fans	4.75%
8	Fax Machine	4.75%
9	Typewriter	4.75%
10	Water Cooler	4.75%
11	Modi Xerox	4.75%
12	Books	15%
13	Software	20%
14	EPABX	4.75%
15	Projector	16.21%
16	Cell Phones	100%

Depreciation worked out on the furniture provided to the residences of Commissioners as per the rates prescribed in the Service Conditions of the High Court Judges.

Annexure - I 50%(SLM) (Straight Line Method)

Annexure - II 15%(WDM) (Written Down Value Method)

ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION

NOTES ON ACCOUNTS – 2014-15 (upto 02-11-2014)

- 1 The Accounts of the Commission are prepared on accrual basis except for Stamps, Stationery and other Petty Expenses.
- 2 Depreciation on the assets of the Commission (excluding the furnishing articles provided to the residences of the Chairman and Members of the Commission) is provided at the SLM rates specified in schedule XIV to the Companies Act, 1956.
- 3 Depreciation on the Furnishing Articles supplied to the Chairman and Members of the Commission is provided at 50 per cent on SLM in respect of articles falling under Annexure-I and 15 per cent on WDV method in respect of articles specified in Annexure-II in line with High Court Judges (Writing off, selling and utilization of Furnishing Articles) Rules, 1990.
- 4 As per the policy of the Commission, cent percent depreciation provided on capital items purchased at a time upto Rs.10,000/- during the Financial Year.
- 5 The Government of Andhra Pradesh has established "APERC Fund Rules, 2014" vide G.O.Ms.No.19 Energy Power (III) Department , dated 08-05-2014. Accordingly, Grants-in-Aid towards Salaries and Other Grants-in-Aid, the receipts of the Commission, amounts due to Government and other unclaimed amounts were transferred to APERC Fund Account and the entire expenditure of the Commission will be met from the said Fund Account.
- 6 As per XII Schedule of Andhra Pradesh Re-organisation Act, 2014, the existing APERC shall function as a Joint Regulatory Body for a period not exceeding six months from the appointed day (02-06-2014), within which, separate SERCs will be formed for both the successor States. Accordingly, TSERC and APERC were constituted on 26-07-2014 and 01-08-2014 respectively and separate accounts are being maintained for both the Commissions w.e.f. 03-11-2014.
- 7 As per the provisional guidelines, all payments up to 31-10-2014 will be met from the common pool (existing Fund) account and w.e.f. 03-11-2014 onwards, both the Commissions (APERC and TSERC) will decide about the balance payments to be made with mutual consultation.
- 8 All the assets shown in the balance sheet have been created from the Other Grants-in-Aid received from the Government.
- 9 The APERC Fund was created by the Government of erstwhile Andhra Pradesh in the month of May, 2014. It is not feasible to work out the amounts to be kept under this Head of Account due to bifurcation of the State and other establishment issues like distribution of Manpower between the APERC and TSERC and the same shall be created.
- 10 Re-grouping is made for the previous year figures wherever is required.

