



**ANDHRA PRADESH
ELECTRICITY REGULATORY COMMISSION**

D.No.11-4-660, 4th Floor, Singareni Bhavan,
Red Hills, Hyderabad - 500 004

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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)
APEPDCL	Eastern Power Distribution Company of Andhra Pradesh Limited
APERC	Andhra Pradesh Electricity Regulatory Commission
APGENCO	Andhra Pradesh Power Generation Corporation Limited
APSPDCL	Southern Power Distribution Company of Andhra Pradesh Limited
APSLDC	Andhra Pradesh State Load Dispatch Centre
APTRANSCO	Transmission Corporation of Andhra Pradesh Limited
ATE	Appellate Tribunal for Electricity
CAG	Comptroller and Auditor General of India
CEA	Central Electricity Authority
CERC	Central Electricity Regulatory Commission
CGRF	Consumer Grievances Redressal Forum
DISCOM	Distribution Company/Distribution Licensee
FOIR	Forum of Indian Regulators
FOR	Forum of Regulators
FY	Financial Year
G.O.	Government Order
GoAP	Government of Andhra Pradesh
HT	High Tension
I.A.	Interlocutory Application
IT	Information Technology
kV	Kilo-Volt
LAN	Local Area Network
LT	Low Tension
MW	Mega Watt
NCE	Non-Conventional Energy
NGO	Non-Governmental Organization
O.P.	Original Petition
PPA	Power Purchase Agreement
SAC	State Advisory Committee
SERC	State Electricity Regulatory Commission

CHAPTER-I

ORGANISATIONAL SETUP & ADMINISTRATION

1.1 The Commission:

- 1.1.1 The Government of India enacted the Electricity Act, 2003 (Central Act 36 of 2003, hereinafter referred to as 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 (CEA); 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 Andhra Pradesh Electricity Reform Act, 1998 which are not inconsistent with the provisions of the Act 2003 and they will continue to apply in the State of Andhra Pradesh.
- 1.1.2 In terms of the provisions of the Schedule XII (c) (3) of the Andhra Pradesh Reorganisation Act, 2014 (Central Act 6 of 2014, hereinafter referred to as the Act 2014) read with Section 82 of the Act 2003, the Government 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.

1.1.3 The names of the incumbent Chairman & Members of the Commission are shown below:

Present Commission		
Sri Justice G.Bhavani Prasad	Chairman	since 11-10-2014 onwards
Dr. P.Raghu	Member	since 11-02-2015 onwards
Sri P.Rama Mohan	Member	since 11-02-2015 onwards

1.2 Functions and Duties of the Commission:

1.2.1. Section 86 (1) of the Electricity 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 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 the Act;
- h) specify State Grid Code consistent with the Grid Code specified under clause (h) of sub-section (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 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 that 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, 2003.

1.3 Infrastructure:

1.3.1 **Office Building:** The Commission continued to occupy 4th Floor in the rented premises bearing D.No.11-4-660, Singareni Bhavan, Red Hills, Hyderabad – 500 004.

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 efficiency and compatibility. The Commission has its own inbuilt software designed & maintained by in-house IT wing, viz., Tappal Movement, etc., for easy identification and locating the movement of Tappal received.

- 1.3.3 **Intranet:** With an endeavour to make information available to all users, computers available in the office of the Commission are connected through intranet. It provides access to daily Newspaper clippings, Hearing Schedule, etc. All useful information is thus made available to the officers and staff of the Commission, which helps users communicate and transfer files and makes sharing of information easy.
- 1.3.4 **Website (Internet):** The website of APERC has been in operation 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 Clippings:** In order to keep the Commission abreast with the latest developments in the power sector within and outside the State, newspaper clippings are being collected daily and put up to the Commission for its perusal.

1.4 Notification of Regulation:

- 1.4.1 In exercise of powers conferred under Sections 61, 66, 86 (1) (e) and 181 of the Electricity Act, 2003 and all other powers enabling it in this behalf and after previous publication, the Commission notified the APERC Renewable Power Purchase Obligation (Compliance by purchase of Renewable Energy / Renewable Energy Certificates) Regulations, 2017 and the same was published in Andhra Pradesh Gazette on 31-03-2017.

1.5 Staffing Position:

- 1.5.1. The Commission has been organized into five wings viz., Secretariat, Administration, Engineering, Law & 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.

1.5.2. The officers and staff who are regular employees of the Commission are assigned duties as shown below:

Sl.No.	Name of the employee	Designation
1	C.Ramakrishna	Director / Administration
2	Dr. A.Sreenivas	Joint Director / Law Addl. Charge as Secretary
3	Dr. P.Rama Rao *	Joint Director / Tariff – Economics Addl. Charge as Director / Tariff
4	Sri K.Sreedhar Reddy	Joint Director / Engineering Addl. Charge as Dy. Director / Transmission (work pertaining to Transmission)
5	Sri P.Solomon Herme	Joint Director / PIng & Power Procurement Addl. Charge as Dy. Director / Transmission (work pertaining to PPP) and Dy. Director / Consumer Assistance.
6	Sri B.Ramesh Babu	Deputy Director / Pay & Accounts Addl. Charge as Dy. Director / Personnel and SPIO under RTI Act, 2005
7	Sri G.V.R.Yohendra Rao	Private Secretary
8	Smt N.Sasikala	Private Secretary
9	Smt P.V.Padmaja	Private Secretary
10	Sri V.V.R.Acharyulu	Private Secretary
11	Sri V.M.V.R.S.Sridhar	Junior Personnel Officer
12	Smt P.Vijaya Lakshmi	Cashier
13	Smt P.V.L.Sailaja	Steno-cum-Computer Operator
14	Sri G.Nataraju	Steno-cum-Computer Operator
15	Smt G.Surya Kumari	Steno-cum-Computer Operator
16	Sri V.K.Ratnakar	Steno-cum-Computer Operator
17	Smt I.Usha Rani	Personnel Assistant
18	Sri G.Venkateswara Rao	Clerk- cum-Computer Operator
19	Sri M.Sudarsan	Receptionist
20	Sri P.Ramakrishna Murthy	Messenger
21	Sri K.Ramu	Messenger
22	Sri S.Srinivasa Rao	Caretaker

* Dr.P.Rama Rao, Joint Director / Tariff – Economics and who was holding additional charge as Director / Tariff expired on 24-03-2017.

- 1.5.3 After completion of deputation as Vidyut Ombudsman for the State of Andhra Pradesh, Director (Administration) reported to duty in the Commission on 08-09-2016 AN.
- 1.5.4 The services of Sri P.Murali Krishna, Superintending Engineer / IPC / APTRANSCO, who is working on deputation in the post of Joint Director (Tariff - Engineering) in the Commission are extended for a further period of one year, with effect from 28-01-2017.
- 1.5.5 The services of Sri M.S.Vidya Sagar, Assistant Divisional Engineer / APTRANSCO, who is working on deputation in the post of Deputy Director (Planning & Power Procurement) in the Commission, are extended for a further period of one year with effect from 17-02-2017.
- 1.5.6 The term of Sri M.Satya Murthy, who was appointed as consultant (full time) ended on 06-06-2016 AN.
- 1.5.7 In order to make necessary arrangements for translation of Tariff Orders, Rules, other Orders and Regulations related to Electricity sector from English to Telugu, the Commission in its proceedings dt. 01-02-2017 renewed the appointment of Sri D.S.V. Prasad, retired Additional Secretary to Government, Law Department of the erstwhile Andhra Pradesh as Translator (Consultant). However, the Commission terminated his appointment as consultant w.e.f. 25-03-2017 AN.
- 1.5.8 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.

1.6 Human Resource Development:

1.6.1 Details of Training programmes attended by Officers and Staff of APERC during the FY 2016-17 is as given below:

Sl. No.	Name of the Employee & Designation S/Sri	Details of the Program		
		Programme Name	Course Duration	Conducted by
1	Dr.A.Sreenivas, Joint Director (Law)	Capacity Building Programme on “Electricity Law, Reforms and Practice”	1-3 September, 2016	TERI Campus in Vasant Kunj, New Delhi
		Energy Subsidy Reforms	7-9 November, 2016	AP Human Resources Development Institute, Bapatla
2	Dr.P.Rama Rao, Joint Director (Tariff Economics)	Energy Subsidy Reforms	7-9 November, 2016	AP Human Resources Development Institute, Bapatla
3	K.Sreedhar Reddy, Joint Director (Engg.)	Energy Subsidy Reforms	7-9 November, 2016	AP Human Resources Development Institute, Bapatla
4	P.Solomon Herme, Joint Director (P&PP)	Workshop for PAT Cycle-II for Electricity Distribution Companies	23 rd May, 2016	Bureau of Energy Efficiency (Ministry of Power, GoI), Bangalore
		Regional Round Table Conference on “Creation of Institutional Framework for Penalty and its Adjudication for PAT Mechanism”	22 nd June, 2016	Bureau of Energy Efficiency (Ministry of Power, GoI), Tiruvananthapuram, Kerala
		Wind-Solar Hybrid Summit	11 th November, 2016	FirstView Group, Chennai
5	P.Murali Krishna, Joint Director / Tariff-Engg.	10 th Capacity Building / Training Programme for officers of SERCs	13-15 October, 2016	Conducted by FOR IIT Kanpur, (Noida Campus, Uttar Pradesh) International Component at Singapore
			17-19 October, 2016	

1.7 State Advisory Committee (SAC):

1.7.1 Four (4) meetings of the SAC, constituted as required under Section 87 (1) of the Act, 2003 read with Regulation No. 2 of 2014, vide notification dt. 31-12-2014 of the Commission with the Hon’ble Chairman of the Commission as the Ex-Officio Chairman of SAC were held during this period. The objectives of the SAC are 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.

1.7.2 7th meeting of State Advisory Committee: APERC discussed the following agenda points during the meeting held on 19-08-2016.

- i) Working of reforms in the Electricity Industry and the Electricity Act, 2003 Suggestions for implementation.
- ii) Perform, Achieve and Trade (PAT) Cycle-II – Inclusion of Electricity Distribution Companies.
- iii) Merits of Renewable Energy Certificates (RECs) Mechanism in promoting Renewable Energy.
- iv) Any other points with the permission of the Chairman.

1.7.3 8th meeting of the State Advisory Committee: APERC discussed the following agenda points during the joint meeting of SAC (8th) and the State Coordination Forum (3rd) held on 26-10-2016.

- i) Load Forecasts, Resource Plans (Distribution Plan & Power Procurement Plan for the DISCOMs and the Transmission Plan for APTRANSCO) & State Electricity Plan for the State of Andhra Pradesh – Need and Scope.
- ii) Simplification of Tariff Structure / Reduction of Tariff Categories of Consumer.
- iii) Grid Integration and stability vis-à-vis the proposed huge capacity additions from different sources of power generation.
- iv) Management of surplus power without backing down and beneficial disposal of surplus power.
- v) RPPO Regulation and REC Mechanism – Merits and Demerits – Suggestions for improvement.
- vi) PAT Scheme.
- vii) The Electricity Industry and the Statutory Frame Work - Reforms - Performance and future roadmap.
- viii) Any other subject with the permission of the Chairman.

1.7.4 9th meeting of the State Advisory Committee: APERC discussed the following agenda points during the joint meeting of SAC (9th) and the State Coordination Forum (4th) held on 23-01-2017.

- i) Views of the members on Annual Revenue Requirement for FY 2017-18.
- ii) Filing of Proposed Tariffs (FPT) for various consumer categories for

FY 2017-18 or Suo-Motu action by APERC.

iii) All issues incidental and ancillary to the above.

iv) Any other points with the permission of the Chairman.

1.7.5 10th meeting of the State Advisory Committee: APERC discussed the following agenda points during the joint meeting of SAC (10th) and the State Coordination Forum (5th) held on 08-03-2017:

i) Views of the Members on Annual Revenue Requirement for FY 2017-18.

ii) Filings for proposed Tariff (FPT) for various consumer categories for FY 2017-18 or suo-motu action by APERC.

iii) All issues incidental and ancillary to the above.

v) Any other points with the permission of the Chairman.

1.8 State Co-ordination Forum:

1.8.1 In exercise of the powers conferred under sub-section (4) of Section 166 of the Electricity Act, 2003 the Government of Andhra Pradesh reconstituted “State Co-ordination Forum” with the Chairman, APERC as Chairman of the Forum and the Chairman & Managing Director, APTRANSCO as the Member Convenor for smooth and coordinated development of the power system in the State.

1.8.2 Agenda points of 3rd, 4th and 5th State Coordination Forum meetings held jointly with 8th, 9th and 10th SAC meetings respectively are mentioned in paras 1.7.3, 1.7.4 and 1.7.5.

1.9 Constitution of a committee in each district of the State

1.9.1 Under Section 166 (5) of the Electricity Act, 2003, it is a mandatory requirement to constitute a committee in each District of the State of Andhra Pradesh (a) to coordinate and review the extension of electrification in each district; (b) to review the quality of power supply and consumer satisfaction; and (c) to promote energy efficiency and its conservation. In exercise of such powers, the Government of Andhra Pradesh issued notification dt. 28-01-2004 constituting district committees for all the districts of the State with the following composition.

1	Collector and District Magistrate	Chairperson
2	Superintending Engineer (Operation)	Member Convenor
3	Chief Executive Engineer, Zilla Parishad	Member
4	Additional Superintendent of Police	Member
5	All Divisional Engineers (Operation in District)	Member
6	District Panchayat Officer	Member
7	Executive Engineer, Roads & Buildings Department	Member
8	Commissioner, Municipal Corporation / Municipalities in the District	Member
9	General Manager, District Industries Centre	Member
10	Joint Director, Agriculture Department	Member
11	Representative from Domestic Consumer Organization	Member
12	Representative from Agriculture Consumer Organization	Member
13	Representative from Industrial Consumer Organization	Member

1.9.2 As functioning of District Committees with a truly representative character will be of valuable assistance in improving the functioning of the power sector and that the Commission will have the benefit of views of District Committees with field level experience in tackling various issues arising in its regulatory role over the electricity industry in the State, the Commission requested the Government of Andhra Pradesh in its Energy, I & I Department to constitute such Committees and to make them functional.

1.10 Southern Electricity Regulators Forum (SERF)

1.10.1 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 Southern State Electricity Regulatory Commissions constitute the Executive Committee and the General Body Meeting of the Forum shall be held once in 3 months on a rotation basis.

1.10.2 SERF meetings held during the FY 2016-17 are shown below:

Sl.No.	SERF meeting	Date & Place	Hosted by
1	14 th Meeting of SERF	05-08-2016 Hyderabad	Telangana State Electricity Regulatory Commission
2	15 th Meeting of SERF	10-02-2017 Kochi	Kerala State Electricity Regulatory Commission

1.11 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. To discuss the aspects of regulatory development in the electricity sector in various states, the following FOIR meetings were conducted during FY 2016-17:

Sl.No.	FOIR Meeting	Date	Attended By
1	17 th Annual General Body Meeting and 'Workshop / Research Conference for the Chairpersons and Members of Regulatory Commissions / Authorities'	24-06-2016 Puducherry	Dr.P.Raghu, Member Sri P. Rama Mohan, Member
2	FOIR 'Workshop / Research Conference for the Chairpersons and Members of Regulatory Commissions / Authorities'	2 nd - 4 th February, 2017 Goa	Sri Justice G.Bhavani Prasad, Chairman Dr. P.Raghu, Member Sri P.Rama Mohan, Member

1.12 Forum of Regulators (FOR):

1.12.1 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. The following FOR meetings were conducted during FY 2016-17:

Sl.No.	FOR Meeting	Date & Place	Attended by
1	54 th Meeting	07-04-2016 to 09-04-2016 at Varanasi	-
2	55 th Meeting	22-07-2016, CERC's Conference Hall, New Delhi	-
3	56 th Meeting	30-09-2016, CERC's Conference Hall, New Delhi	Chairman
4	57 th Meeting	16-12-2016 at Raipur, Chhattisgarh	Chairman

1.12.2 Chairman attended a meeting convened by FOR on 29-09-2016 at New Delhi on "Follow up of Uday Scheme" and during the meeting, presentation of Uday Scheme featuring the State of Rajasthan was made.

1.12.3 FOR endorsed draft Model Regulations for Forecasting, Scheduling and Deviation Settlement of Wind & Solar generating stations at the State level. Given the variation in technical and commercial frameworks from State to State and to build capacity at the State level, Chairperson, FOR decided to form a "Technical Committee for Implementation of Framework on Renewables at the State Level" under the Chairmanship of Member CERC, Shri A.S.Bakshi. Member (Technical) of APERC is one of the Members of the Technical Committee.

1.12.4 The details of the Technical Committee during FY 2016-17 are shown below:

Particulars	Date	Place
4 th Meeting	01-06-2016	New Delhi
5 th Meeting	15-07-2016	New Delhi
6 th Meeting	22-08-2016	New Delhi
7 th Meeting	04-11-2016	New Delhi
8 th Meeting	02-12-2016	New Delhi
9 th Meeting	29-12-2016	New Delhi
10 th Meeting	20-01-2017	Kolkatta
11 th Meeting	28-03-2017	Chennai

1.12.5 Sri P.Murali Krishna, Joint Director (Tariff-Engineering) is nominated as the representative from APERC in place of Sri M.Satya Murthy, Consultant (full time) to the sub-group under the “Technical Committee for Implementation of Framework on Renewables at the State Level” for the State of Andhra Pradesh.

1.13 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.

1.13.1 The Commission has nominated Director (Administration) as Nodal officer to SAFIR.

1.14 The Andhra Pradesh Works of Licensees Rules, 2007

1.14.1 As the Government of Andhra Pradesh did not specifically authorize any officer to exercise the powers and perform the functions and duties under the Andhra Pradesh Works of Licensees Rules, 2007, the Commission addressed the State Government on 05-11-2016 to authorize an officer by an order of the State Government and to direct that the works of Licensees in the State have to be taken up in strict compliance of the Rules. The State Government issued G.O.Ms.No.6, Energy, Infrastructure & Investment (Power-III) Department, dt. 06-03-2017 appointing the District Collector to exercise the powers and perform the functions and duties under the Andhra Pradesh Works of Licensees Rules, 2007 made under G.O.Ms.No. 24, Energy (PR-II) Department, dt. 27-02-2007. The State Government further directed that any works of licensees in the State of Andhra Pradesh will have to be taken-up and executed in strict compliance of the said statutory rules. Under the said Rules, all owners or occupiers of any building or land affected by any works of a licensee can take recourse to the protection of these Rules for safeguarding their rights and interests in their properties including their right to compensation, etc.

1.14.2 Copies of the Government Order have been forwarded to all the District Collectors in the State of Andhra Pradesh informing them the State Government has directed that any works of licensees in the State of Andhra Pradesh shall have to be taken up and executed in compliance of statutory rules made under the Andhra Pradesh Works of Licensees Rules, 2007. Copies of the Government Order have also been forwarded to APTRANSCO, APEPDCL and APSPDCL with a direction to circulate a copy of the same to all the officers in their respective organisations upto the level of Assistant Engineer / Additional Assistant Engineer.

1.15 Translation into vernacular language printing of booklets

1.15.1 All the regulations notified by the Commission have been translated into Telugu and booklets of each of the regulations containing English as well as the Telugu text have been printed. In all 27 booklets have been printed and copies of the same have been forwarded to utilities of the power sector in the State free of cost with instructions to supply them to officers concerned within their respective organisations for creating awareness. Similarly, Practice Directions, Orders, etc., issued by the Commission, Works of Licensees Rules, 2006 (Issued by the Government of India) and the Andhra Pradesh Works of Licensees Rules, 2007 have been also been translated into Telugu and printed booklets of the same containing English as well as Telugu text have been forwarded to the utilities for supply to the officers concerned.

1.15.2 Copies of the booklets are also made available in the office of the Commission for supply to the interested persons / stakeholders / consumers for supply at nominal rates, with the Commission bearing upto 80% the cost of printing of the booklets.

1.16 Vidyut Ombudsman and Independent Members of CGRFs

1.16.1 In terms of Regulation No. 3 of 2016, the Commission appointed Sri N.Basavaiah, District Judge (Retd) as the Vidyut Ombudsman for the State of Andhra Pradesh. Likewise, Sri A.Jagadeesh Chandra Rao and Sri D.Dharma Rao, Retd. District Judges are appointed as Chairpersons of Consumer Grievances Redressal Forums of APSPDCL and APEPDCL respectively. With the appointment of Sri D.Subba Rao, Member (Technical), Sri A.Sreenivasulu Reddy, Member (Finance) and Dr. R.Surendra Kumar as Independent Member to the APSPDCL and Sri K.Balaji, Member (Accounts), Sri P.V.Ramana Rao, Member (Technical) and Sri Balaji Prasad Pandey as Independent Member to the APEPDCL respectively, the CGRFs have commenced functioning in

terms of Regulation No. 3 of 2016.

- 1.16.2 In compliance of the directions of the Commission, APDISCOMs have also designated an officer each, not below the rank of Chief General Manager as Nodal Officer for the purpose of consumer assistance as required under the Regulation No. 3 of 2016

1.17 Legal Literacy Campaign

- 1.17.1 In order to spread legal awareness among electricity consumers in the State of Andhra Pradesh, the Commission has requested the Hon'ble Acting Chief Justice and Patron-in-Chief & Executive Chairman of the Andhra Pradesh State Legal Services Authority (APSLSA), to consider to make the spread of awareness about electricity laws, rules, regulations and rights and obligations of the consumers, part of the legal literacy programmes the authority undertakes and to permit the functionaries in the power sector to participate in such legal literacy programmes of the State Legal Services Authority, the District Legal Services Authorities (DLSAs) and the Mandal Legal Services Committees (MLSCs).
- 1.17.2 The Hon'ble Acting Chief Justice Sri Justice Ramesh Ranganathan has been pleased to accord permission to the DLSAs in the State to co-ordinate with the Vidyut Ombudsman and the Consumer Grievances Redressal Fora of the Andhra Pradesh State, while conducting legal literacy programmes and to spread awareness about the electricity laws, regulations and rights and obligations of the consumers. Permission is also accorded to the Chairmen, DLSAs to associate the officials and members of electricity institutions in the awareness programmes like seminars, workshops, etc. Accordingly, APSLSA issued instructions informing all the DLSAs to take necessary steps in spreading legal awareness and to issue instructions to all the concerned, including MLSCs in the district concerned to co-ordinate with electricity institutions and associate with them in creating awareness among the consumers.
- 1.17.3 The Government of Andhra Pradesh in its Energy, Infrastructure & Investment Department; the Chairmen & Managing Directors of APTRANSCO, APSPDCL & APEPDCL; the Managing Directors of RESCOs; Vidyut Ombudsman, Chairpersons of CGRFs have all been informed to instruct their officers and functionaries concerned in their respective organisations, including the Assistant Engineers / Additional Assistant Engineers to associate and co-ordinate with the respective Legal Services Authority at different levels and to participate in the legal literacy programmes including awareness

programmes and other programmes like seminars, symposia, workshops, etc., spreading awareness about the electricity laws, rules, regulation, right and obligations of the consumers / stakeholder through such programmes.

1.17.4 On 28-01-2017, the Hon'ble Acting Chief Justice and Patron-in-Chief & Executive Chairman, APSLSA launched the "State-wide Legal Literacy Campaign for Electricity Consumers" in the office of the Chief Engineer, APSPDCL at Vijayawada. The programme which is primarily intended to make consumers / stakeholder aware of their rights and obligations in the power sector and at the same time develop an attitude of commitment and service in the functionaries of the power sector was presided over by the Chairman, APERC. On this occasion, a pamphlet on "Legal Literacy Campaign for Electricity Consumers" was released in public interest by the Commission.

CHAPTER-II
LICENCES, INVESTMENT APPROVALS, ETC

2.1 Licences/Exemptions:

2.1.1 APERC granted the following licenses under the provisions of the Reform Act 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 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 three (3) Rural Electric Co-operative Societies viz., Anakapalli, Cheepurupalli and Kuppam 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. The exemption granted is being extended from time to time and was renewed upto 31-03-2017. During FY 2016-17, the Commission has extended the exemption in respect of the said three (3) RESCOs for further period of one year from 01-04-2016 to 31-03-2017, vide proceedings No.APERC /Secy/10/2016, dt. 30-03-2016.

2.1.3 Commission addressed a letter to Principal Secretary, Energy, Infrastructure & Investment, Government of AP, requesting free power supply to Lift Irrigation consumers to achieve increased ayacut under cultivation, higher food production and consequent economic growth including increased employment opportunity for all those

involved in such agricultural activity, vide Letter dated Lr.No. E-229, JD (Engg.)/2016-1, dt. 03-08-2016.

- 2.1.4. Commission issued directions to DISCOMs to Implement the Regulation No. 4 of 2013 Recovery of Expenditure vide Lr.No. APERC/E-202/DD-Dist/2016, dt. 09-09-2016.
- 2.1.5 Commission issued order dated 04-06-2016 in O.P.No. 17 of 2016 for implementation of Domestic Efficient Fans Programme (DEFP) in Krishna District (APSPDCL area) as part of Demand Side Management (DSM) measures with the financial assistance of M/s. Energy Efficiency Services Limited (EESL), New Delhi.
- 2.1.6 Commission issued order dated 26-11-2016 in O.P.No. 22 of 2016 for implementation of Domestic Efficient Fans Programme (DEFP) in APEPDCL area (except Narasapuram Revenue Division, W.G. Dist) as part of Demand Side Management (DSM) measures with the financial assistance of M/s. Energy Efficiency Services Limited (EESL), New Delhi.
- 2.1.7 Commission issued order dated 07-12-2016 in O.P.No. 25 of 2016 for implementation of Domestic Efficient Fans Programme (DEFP) in Seven Districts of APSPDCL area as part of Demand Side Management (DSM) measures with the financial assistance of M/s. Energy Efficiency Services Limited (EESL), New Delhi.

2.2 Investment approval – Transmission schemes:

The Commission approved investment to the extent of Rs. **3807.09** crs during the period from **01-04-2016 to 31-03-2017** for the following schemes proposed by AP Transco:

Sl.No	Investment Name	Estimated Cost Crs.
1	Erection of 400/220/132 kV SS at Chervi, Rachagunneri and Yerpedu	680.95
2	Erection of 132/33 kV SS at Amarapuram in Ananthapur Dist	41.01
3	Erection of 132/33 kV SS at Taticherla in Ananthapur Dist	33.60
4	Erection of 132/33 kV SS at Anumalapalle in Prakasam Dist	40.07
5	Erection of 132/33 kV SS at Kalasapadu in YSR Dist	55.82
6	Erection of 132/33 kV SS at Srikakulam Town in Srikakulam Dist	24.84
7	Erection of 132/33 kV SS at Penumur in Chittoor Dist	45.17
8	Erection of 132/33 kV SS at Brahmamgari mattam in YSR Dist	31.49
9	Erection of 132/33 kV SS at Chodavaram in Visakhapatnam Dist	24.96
10	Erection of 132/33 kV SS at Ramasamudram in Chittoor Dist	29.18

11	Erection of 132/33 kV SS at C. Orampadu in YSR Dist	23.37
12	Erection of 132/33 kV SS at Kallurapalli in SPSR Nellore Dist	48.07
13	Implementation of SAP -ERP package in APTRANSCO	80.00
14	Erection of 132/33 kV SS at Rudravaram	28.17
15	Erection of 132/33 kV SS at Pachikapalem in Chittoor Dist	47.85
16	Erection of 132/33 kV SS at Veldurthy in Guntur Dist	31.83
17	Erection of 132/33 kV SS at Narsapuram in Krishna Dist	42.84
18	Erection of 132/33 kV SS at Mudigubba at Anantapur Dist	42.69
19	Erection of 132/33 kV SS at Jaggampeta in E.G.Dist	40.51
20	Erection of 132/33 kV SS at Mylavaram in Krishna Dist	45.34
21	Erection of 132/33 kV SS at Sattilite City in Kadapa Dist	51.65
22	Erection of 132/33 kV SS at Gangavaram in Prakasam Dist	41.47
23	Erection of 132/33 kV SS at Chinnarikatla in Prakasam Dist	46.29
24	Erection of 132/33 kV SS at Mummidivaram in E.G.Dist	44.29
25	Erection of 132/33 kV SS at Gollpallem in E.G.Dist	35.80
26	Erection of 132/33 kV SS at T. Sundupalli in YSR Dist	41.71
27	Dr. NTPPS, 800 MW (Stage V) Power plant Power Evacuation	215.83
28	Erection of 400 kV SS at Eluru and connected transmission network at capital Region	404.76
29	Erection of 400/220/132 kV SS at Gudivada Investment scheme at Capital Region	876.49
30	Erection of 400/220 kV SS at Chilakaluri peta Capital Region	433.84
31	Erection of 220/132/33 kV SS at Racharlapadu in SPSR Nellore Dist	121.80
32	Stringing of 2nd circuit from 132 kV SS at Medrametla to 132 kV SS at Kanigiri and making LILO to 220 kV SS Podili	33.64
33	Erection of 132 kV DC line for making of LILO of 2nd circuit of 132 kV Chilakaluripeta -Vinukonda 220 kV SS at Narasaraopet in Guntur Dist	21.76
	Total	3807.09

2.3 Power Purchase Agreements (PPAs):

The Commission has accorded conditional consent / consent u/s 21(4)(b) of the Reform Act, for the following PPAs of Discoms for purchase of 2240.30 MW power from various NCE projects:

I. List of PPAs consented during the FY 2016-17

S. No.	Name of the Developer	Capacity (MW)	Type	Date of conditional consent /consent
1	M/s KCT Renewable Energy Private Ltd.	20.40	Wind	19-04-2016
2	M/s KCT Renewable Energy Private Ltd.	18.70	Wind	19-04-2016
3	M/s Mytrah Vayu (Krishna) Private Ltd.	8.00	Wind	19-04-2016
4	M/s Poly Solar Parks Pvt. Ltd.	24.00	Wind	22-04-2016
5	M/s JED Solar Parks Pvt. Ltd.	24.00	Wind	22-04-2016
6	M/s Animala Wind Power Private Ltd.	60.00	Wind	28-04-2016
7	M/s Hetero Wind Power (Pennar) Private Ltd.	10.50	Wind	28-04-2016
8	M/s Hetero Wind Power (Pennar) Private Ltd.	6.00	Wind	28-04-2016
9	M/s Sterling Agro Industries Ltd.	8.80	Wind	28-04-2016
10	M/s Mytrah Vayu (Indravathi) Private Ltd.	65.10	Wind	29-04-2016
11	M/s Sandla Wind Project Pvt. Ltd	50.40	Wind	03-05-2016
12	M/s Hetero Wind Power (Pennar) Private Ltd.	24.00	Wind	03-05-2016
13	M/s TSSS Infotech Infra Pvt. Ltd.	2.40	Wind	03-05-2016
14	M/s Saptagir Camphor Ltd.	0.80	Wind	03-05-2016
15	M/s Wood side Fashions Ltd.	2.10	Wind	04-05-2016
16	M/s Ushodaya Enterprises Pvt. Ltd.	4.20	Wind	05-05-2016
17	M/s Mangalam Fashions Ltd.	2.10	Wind	06-05-2016
18	M/s Sterling Agro Industries Ltd.	3.20	Wind	07-05-2016
19	M/s Amrit Bottlers Private Limited	0.80	Wind	07-05-2016
20	M/s Eenadu Television Private Ltd.	2.10	Wind	07-05-2016
21	M/s Manoj Agarwalla	2.10	Wind	07-05-2016
22	M/s Satya Narayan Doot	2.10	Wind	11-05-2016
23	M/s Om Prakash Soni	2.10	Wind	11-05-2016
24	M/s Annapurna Renewables Ltd.	7.50	Poultry Litter / Industrial Waste	13-05-2016
25	M/s Dinesh Enterprises	2.10	Wind	13-05-2016
26	M/s Imperial Arts	2.10	Wind	13-05-2016
27	M/s Jai Bharat Gum & Chemicals	2.10	Wind	13-05-2016
28	M/s Rajasthan Gum Pvt. Ltd.	8.40	Wind	13-05-2016
29	M/s Shri Nath Gum & Chemicals	2.10	Wind	17-05-2016
30	M/s Levelstate Systems Pvt. Ltd.	2.10	Wind	17-05-2016
31	M/s Sai Pet Preforms	2.10	Wind	18-05-2016
32	M/s High Tech Systems and Service Ltd.	2.10	Wind	19-05-2016
33	M/s Prince Art Exporter	4.20	Wind	21-05-2016
34	M/s Kaushaliya Devi Doot	2.10	Wind	21-05-2016
35	M/s Renew Wind Energy (Shivpur) Pvt. Ltd.	44.10	Wind	21-05-2016
36	M/s Chimique (India) Ltd.	2.10	Wind	21-05-2016
37	M/s Orange Anantapur Wind Power Pvt. Ltd.	100.00	Wind	21-05-2016

38	M/s Guttaseema Wind Energy Company Private Limited	80.00	Wind	25-05-2016
39	M/s Shree Ram Industries	4.20	Wind	04-06-2016
40	M/s The KTM Jewellery Limited	1.60	Wind	07-06-2016
41	M/s Mytrah Vayu (Tungabhadra) Private Ltd.	99.30	Wind	07-06-2016
42	M/s Mytrah Vayu (Krishna) Private Ltd.	2.40	Wind	07-06-2016
43	M/s ZR Renewable Energy Pvt. Ltd.	16.00	Wind	28-06-2016
44	M/s Waneep Solar Pvt. Ltd.	25.00	Solar(Amended PPA)	29-06-2016
45	M/s Solarsys Energy Pvt. Ltd.	30.00	Solar (Amended PPA)	29-06-2016
46	M/s Ostro Anantapur Private Limited	100.00	Wind	30-06-2016
47	M/s Renew Wind Energy (Shivpur) Pvt. Ltd.	39.90	Wind	30-06-2016
48	M/s Mytrah Vayu (Tungabhadra) Private Ltd.	100.60	Wind	11-07-2016
49	M/s Nile Ltd.	2.00	Wind (Amended PPA)	30-07-2016
50	M/s Axis Wind Farms (MPR Dam)	100.00	Wind	08-09-2016
51	M/s Ostro AP Wind Pvt. Ltd.	98.70	Wind	27-09-2016
52	M/s Vayuputhra Energy (P) Ltd.	20.00	Wind	03-10-2016
53	M/s Ostro Andhra Wind Pvt. Ltd.	98.70	Wind	03-10-2016
54	M/s Renew Wind Energy (Shivpur) Pvt. Ltd.	4.20	Wind	17-10-2016
55	M/s Vayu Urja Bharat Pvt. Ltd.	120.00	Wind	17-10-2016
56	M/s Kanhur Wind Power Pvt. Ltd.	19.20	Wind	17-10-2016
57	M/s NATCO Power Pvt. Ltd.	1.60	Wind	21-10-2016
58	M/s Danu Wind Park Pvt. Ltd.	22.40	Wind	21-10-2016
59	M/s Fujin Wind Parks Pvt. Ltd.	46.00	Wind	25-10-2016
60	M/s Aeolus Wind Parks Pvt. Ltd.	50.60	Wind	25-10-2016
61	M/s Jai Bharat Gum & Chemicals Ltd.	2.10	Wind	25-10-2016
62	M/s Helios Infratech Pvt. Ltd.	100.80	Wind	25-10-2016
63	M/s Renew Wind Energy (Shivpur) Pvt. Ltd.	31.50	Wind	25-10-2016
64	M/s KPR Industries Ltd.	2.10	Wind (Amended PPA)	03-11-2016
65	M/s RBA Properties Ltd.	2.10	Wind	07-11-2016
66	M/s Skeiron Renewable Energy Amidyala Ltd.	226.80	Wind	07-11-2016
67	M/s Animala Wind Power Private Ltd.	30.00	Wind	17-11-2016
68	M/s Saipuram Wind Energies Pvt. Ltd.	105.00	Wind	17-11-2016
69	M/s Tata Power Renewable Energy Limited	100.00	Wind	17-11-2016
70	M/s Danu Wind Park Pvt. Ltd.	23.00	Wind	07-01-2017
71	M/s Vishnu Vidyut India Ltd.	7.50	Biomass	27-01-2017
Total		2240.30		

II. Regulations / Orders:

1. The Commission issued Order dated 13-03-2017 notifying actual fuel price escalation and the variable cost to be paid from 01-04-2017 to 31-03-2018 in respect of the existing plants based on Non-conventional Energy Sources in the State of Andhra Pradesh.
2. The Commission issued Order dated 30-03-2017 notifying the generic preferential tariff applicable from 01-04-2017 to 31-03-2018 in respect of Wind Power Projects in the State of Andhra Pradesh pursuant to Regulation 6 of Regulation 1 of 2015.
3. The Commission issued APERC Renewable Power Purchase (Compliance by purchase of Renewable Energy / Renewable Energy Certificates) Regulation, 2017 dated 31-03-2017.

CHAPTER-III

TARIFFS

3.1 Power Purchase Price Determination for RESCOs during FY 2016-17

The Commission issued order dt. 04-04-2016 in O.P. Nos. 4, 5 & 6 of 2016 determining the Power Purchase Price to be paid by the three (3) RESCOs for FY 2016-17 to the distribution licensees.

3.2 Review in the matter of True-up of Transmission Business for the 2nd Control Period

After constitution of the Commission for the residual State of Andhra Pradesh, APTRANSCO filed an application for True-up of expenses relating to transmission business for 2nd control period FY2009-10 to FY2013-14 in O.P. No.13 of 2015. Subsequently, APTRANSCO filed review petition requesting the Commission to allow relaxation for sum of Rs.187 Crs. towards Return on Capital Employed, Income Tax and carrying cost for the erstwhile State of Andhra Pradesh. After careful consideration of the matter, the Commission in its order dated 26-08-2016 dismissed R.P.No.2 of 2016 in O.P. No. 13 of 2015.

3.3 Determination of Surcharge and Additional Surcharge

3.3.1 The Commission in its order dt. 19-11-2016 determined Surcharge and Additional Surcharge under Sections 39, 40 and 42 of the Electricity Act, 2003 for FY 2005-06 to FY 2012-13 and FY 2015-16.

3.3.2 The Commission in its order also dt. 19-11-2016 determined Surcharge and Additional Surcharge under Sections 39, 40 and 42 of the Electricity Act, 2003 for FY 2016-17.

3.4 Retail Supply Tariff determination for FY 2017-18:

The Commission issued Tariff Order for Retail Supply Businesses of APSPDCL and APEPDCL for FY2017-18 on 31-03-2017 in O.P. Nos. 28 and 29 of 2016 along with Cross Subsidy Surcharge after conducting public hearings.

CHAPTER-IV

LEGAL MATTERS

4.1 Legal matters:

4.1.1 **Receiving Officer:** Joint Director (Law) continues to be entrusted with duties and responsibilities as Receiving Officer for the purposes of the APERC (Conduct of Business) Regulations, 1999 [Regulation No.2 of 1999] and the procedure for process of petitions/objections/ applications received by the Receiving Officer specified in the Proceedings No.Secy/02/2010 dt. 13-04-2010, continues to apply in terms of the APERC (Adaptation) Regulation, 2014.

4.1.2 **Advocate on Record:** Sri K.V.Mohan, New Delhi continues to be 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 by or against the Commission.

4.1.3 **Standing Legal Counsel:** Sri P.Srinivasa Rao, Advocate continues as the Standing Legal Counsel to APERC and fee payable to the Standing Legal Counsel, vide Proceedings No.Secy/(Law) 463, dt. 07/11-03-2014, continues to apply in terms of the APERC (Adaptation) Regulation, 2014.

4.2 Orders Passed by the Commission during FY 2016-17:

4.2.1 A number of Original Petitions (O.Ps.), Review Petitions (R.Ps.) and Interlocutory Applications (I.As.) were disposed by the Commission during the period from 01-04-2016 to 31-03-2017, as shown below:

Sl.No.	Date of Order & Case No.	Description of the Order
1	04-04-2016	Order in O.P. Nos. 4, 5 & 6 of 2016 - Power purchase price determination for FY 2016-17 of (i) The Kuppam Rural Electric Cooperative Society Ltd., (ii) The Anakapalle Rural Electric Cooperative Society Ltd., and (iii) The Cheepurupalli Rural Electric Cooperative Society Ltd.
2	06-04-2016	Order in I.A. No. 21 of 2015 in O.P. No. 1 of 2012; I.A. No. 22 of 2015 in O.P. No. 1 of 2013; I.A. No. 23 of 2015 in O.P. No. 3 of 2012; I.A. No. 24 of 2015 in O.P. No. 2 of 2013 and I.A. No. 1 of 2016 in O.P. No. 4 of 2011 – Petitions filed by A.P. Ferro Alloys Producers Association & others in respect of deemed consumption charges

3	07-04-2016	Order in O.P.No.35 of 2014 & I.A. No.8 of 2014 – Petition filed by RVK Energy Pvt. Ltd., for refund of line and bay connection maintenance expenses
4	30-04-2016	Order passed in I.A. No. 3 of 2016 in O.P. No. 3 of 2016 - Application filed by APSPDCL in respect of dues to APGENCO
5	30-04-2016	Order passed in I.A. No. 4 of 2016 in O.P. No. 3 of 2016 - Application filed by APEPDCL in respect of dues to APGENCO
6	11-05-2016	Order passed in I.A. No. 6 of 2016 in O.P. No. 17 of 2016 Petition filed by APSPDCL in respect of implementation of Domestic Efficient Fans Programme (DEFP) in the area of operation of APSPDCL under Demand Side Management (DSM) Programme. Interlocutory Application allowed
7	28-05-2016	Order passed in R.P. No. 19 of 2015 - Petition filed by APEPDCL seeking review of the order dt. 05-06-2015 passed by the Commission in O.P. No. 19 of 2014
8	03-06-2016	Order passed in O.P. No. 12 of 2010 by the Member, APERC and Adjudicating Officer – in the matter of enquiry into non-compliance of backing down instructions of APSLDC by GVK Power & Infrastructure Ltd (Stage-I) & GVK Industries Ltd (Stage-I)
9	03-06-2016	Order passed in O.P. No. 13 of 2010 by the Member, APERC and Adjudicating Officer – in the matter of enquiry into non-compliance of backing down instructions of APSLDC by Gautami Power Ltd.
10	03-06-2016	Order passed in O.P. No. 14 of 2010 by the Member, APERC and Adjudicating Officer – in the matter of enquiry into non-compliance of backing down instructions of APSLDC by GVK Power & Infrastructure Ltd (Phase -II)
11	04-06-2016	Order passed in O.P. No. 17 of 2016 - Petition filed by APSPDCL seeking approval for implementation of Domestic Efficient Fans Programme under Demand Side Management Programme
12	04-06-2016	Order passed in O.P. No. 26 of 2015 - Petition filed by APSPDCL & APEPDCL seeking approval of long term PPA and regulation of price for purchase of solar power from National Thermal Power Corporation Ltd.
13	04-06-2016	Order passed in R.P. No. 3 of 2015 – Petition filed by ITC Ltd. seeking review of the Commission's order dated 15.04.2015 in O.P. No. 8 of 2015
14	04-06-2016	Order passed in R.P. No. 4 of 2015 – Petition filed by The Andhra Sugars Ltd seeking review of the Commission's order dated 15.04.2015 in O.P. No. 8 of 2015
15	04-06-2016	Order passed in R.P. No. 5 of 2015 – Petition filed by Synergies Castings Ltd seeking review of the Commission's order dated 15-04-2015 in O.P. No. 8 of 2015
16	04-06-2016	Order passed in R.P. No. 6 of 2015 – Petition filed by M/s. Vedik Ispat Pvt Ltd seeking review of the Commission's order dated 15-04-2015 in O.P. No. 8 of 2015
17	04-06-2016	Order passed in R.P. No. 7 of 2015 – Petition filed by M/s. Mahrishi Alloys Pvt Ltd seeking review of the Commission's order dated 15-04-2015 in O.P. No. 8 of 2015
18	04-06-2016	Order passed in R.P. No. 8 of 2015 – Petition filed by Andhra Spinning Mills Association seeking review of the Commission's order dated 15-04-2015 in O.P. No. 8 of 2015
19	04-06-2016	Order passed in R.P. No. 9 of 2015 – Petition filed by M/s. Deccan Cements Ltd seeking review of the Commission's order dated 15-04-2015 in O.P. No. 8 of 2015

20	04-06-2016	Order passed in R.P. No. 10 of 2015 – Petition filed by M/s. Sree Rayalaseema Alkalies and Allied Chemicals Ltd seeking review of the Commission's order dated 15-04-2015 in O.P. No. 8 of 2015
21	04-06-2016	Order passed in R.P. No. 14 of 2015 – Petition filed by Shri Tirupati Steel Cast Ltd seeking review of the Commission's order dated 15-04-2015 in O.P. No. 8 of 2015
22	04-06-2016	Order passed in R.P. No. 15 of 2015 – Petition filed by M/s. Espar Pak Ltd seeking review of the Commission's order dated 15-04-2015 in O.P. No. 8 of 2015
23	04-06-2016	Order passed in R.P. No. 16 of 2015 – Petition filed by M/s. RPP Ltd seeking review of the Commission's order dated 15-04-2015 in O.P. No. 8 of 2015
24	04-06-2016	Order passed in R.P. No. 17 of 2015 – Petition filed by M/s. Akshay Profiles Pvt Ltd and others seeking review of the Commission's order dated 15-04-2015 in O.P. No. 8 of 2015
25	04-06-2016	Order passed in R.P. No. 18 of 2015 – Petition filed by Sree Rayalaseema Green Energy Ltd seeking review of the Commission's order dated 15-04-2015 in O.P. No. 8 of 2015
26	04-06-2016	Order passed in R.P. No. 1 of 2016 – Petition filed by M/s. Dalmia Cement Bharat Ltd., seeking review of the Commission's order dated 15-04-2015 in O.P. No. 8 of 2015
27	18-06-2016	Order passed in O.P. No. 33 of 2015 – Petition filed by M/s. Indo National Ltd for direction to facilitate Energy Banking facility by APSPDCL for 1 MW Grid Interactive Solar P.V. Power Plant installed at the factory premises for captive use
28	18-06-2016	Order passed in O.P. No. 68 of 2012 & R.P. No. 4 of 2013 – Petitions filed by Axis Wind Energy Ltd., for framing guidelines determining evacuation policy and wheeling charges for captive generation or sale to third parties and the Review Petition filed by Axis Energy Ventures (India) Pvt. Ltd & others for review of the order in O.P. No. 13 of 2012 dated 15-11-2012
29	18-06-2016	Order passed in O.P. No. 8 of 2016 - Petition filed by M/s. PMC Power Pvt. Ltd for determination of tariff for the 11 th year to 20 th year of operation in respect of its mini-hydel power project in compliance with judgment dated 20-01-2016 of the Hon'ble ATE in Appeal No. 268 of 2014
30	18-06-2016	Order passed in O.P. No. 9 of 2016 - Petition filed by M/s. Bhavani Hydro Power Projects Pvt. Ltd for determination of tariff for the 11 th year to 20 th year of operation in respect of its mini-hydel power project in compliance with judgment dated 20-01-2016 of the Hon'ble ATE in Appeal No. 268 of 2014
31	18-06-2016	Order passed in O.P. No. 10 of 2016 - Petition filed by M/s. NCL Industries Ltd for determination of tariff for the 11 th year to 20 th year of operation in respect of its mini-hydel power project in compliance with judgment dated 20-01-2016 of the Hon'ble ATE in Appeal No. 268 of 2014
32	06-08-2016	Order passed in O.P. No. 12 of 2015 – Petition filed by Indira Power Pvt Ltd., seeking declaration that its 700 kWp Solar PV power plant is entitled to draw power without a High Tension Service Connection with Contacted Minimum Demand of 70 kVA & for other reliefs
33	06-08-2016	Order passed in O.P. No. 7 of 2016 – Petition filed by M/s. Rain CII Carbon (Vizag) Ltd seeking exemption from Renewable Power Purchase Obligation

34	26-08-2016	Order passed in R.P. No. 2 of 2016 - Petition filed by APTRANSCO for review of on certain issues in the True-up of Transmission Business for 2nd control period (FY 2009-10 to FY 2013-14) order dt. 07-11-2015 passed by the Commission in O.P. No. 13 of 2015
35	08-09-2016	Common Order passed in O.P.No. 27 of 2015 and O.P.No. 18 of 2016 (i) Sammera Paper Industry Ltd., Vs. APEPDCL and to direct the respondent to purchase power generated by it and to pay the generic tariff fixed by the Commission and (ii) APEPDCL Vs. M/s. Vishnu Vidyut India Ltd., to pass appropriate orders on the representation of respondents 7.5 MW Bio-mass based power plant for long term PPA with the Petitioner
36	24-09-2016	Order passed in O.P No. 55 of 2014 & batch – Petitions filed RPP Ltd & others in respect of billing on reactive power surcharge on reactive power drawn by the Mini-Hydel projects of the petitioners
37	28-09-2016	Order passed in O.P. No. 12 of 2008 & batch (34 matters) on the question of jurisdiction of the Commission in the pending petitions
38	15-10-2016	Order passed in O.P. No. 20 of 2016 & IA. Nos. 7 & 8 of 2016 Petition filed by M/s. ACME Jaisalmer Solar Power Pvt. Ltd., seeking extension of COD for actual delay of 70 days.
39	19-10-2016	Order passed in R.P. No. 3 of 2016 – Petition filed by TSNPDCL & TSSPDCL seeking review of the Commission order dt. 28-09-2016 in O.P. No. 12 of 2008 & batch to delete the sentence in para 11 of the order of Hon'ble Member
40	19-11-2016	Order passed in O.P. No. 11 of 2016 – Petition filed by Sarvaraya Sugars Ltd in the matter of Line Maintenance Charges
41	19-11-2016	Order passed in the matter of determination of Cross Subsidy Surcharge for FY 2005-06 to FY 2012-13 and FY 2015-16
42	19-11-2016	Order passed in O.P. Nos. 15 & 16 of 2016 - Petitions filed by APSPDCL & APEPDCL for determination of Cross Subsidy Surcharge and Additional Surcharge for FY 2016-17
43	26-11-2016	Further orders passed on the petition filed by NCL Industries Ltd., in O.P. No. 10 of 2016
44	26-11-2016	Order passed in O.P. No. 22 of 2016 - Petition filed by APEPDCL seeking approval of the Commission for implementation of Domestic Efficient Fans Programme in its area of operation in the State of A.P., (except Narasapuram Revenue Division of West Godavari District) under Demand Side Management Programme
45	07-12-2016	Order passed in O.P. No. 25 of 2016 - Petition filed by APSPDCL seeking approval for implementation of Domestic Efficient Fans Programme in the seven districts (viz., Guntur, Prakasam, SPSR Nellore, Chittoor, Kadapa, Anantapur & Kurnool) of APSPDCL in the State of Andhra Pradesh under Demand Side Management programme
46	17-12-2016	Order passed in O.P. No. 23 of 2016 – Permitting APEPDCL to withdraw the main petition
47	21-01-2017	Order passed in I.A. No. 2 of 2017 in O.P.No. 4 of 2011 – Petition filed by M/s. VBC Industries Ltd (Formerly Bharat Alloys and Energy Ltd) – Petition dismissed as withdrawn
48	18-02-2017	Order passed in O.P (SR) No. 4 of 2016 – Petition filed by REI Power Bazaar Pvt. Ltd., is dismissed as withdrawn
49	18-02-2017	Order passed in O.P (SR) No. 30 of 2016 – Petition filed by Weizmann Ltd., under Section 64 (1) r/w Section 62 (1) (a), 61 and 86 of the Electricity Act, 2003 seeking determination of tariff for supply of electricity generated by the petitioner from its 7.5 MW wind power project to APSPDCL, is rejected

50	18-02-2017	Order passed in O.P (SR) No. 31 of 2016 – Petition filed by Weizmann Ltd., under Section 86 (1) (f) of the Electricity Act, 2003 r/w APERC Conduct of Business Regulations, 1999 for non-payment of monthly power bills against APPCC, TSPCC, APSPDCL & TSSPDCL, is declined to be accepted and refused under Regulation 12 of the APERC (Conduct of Business) Regulations, 1999
51	25-02-2017	Order passed in I.A. No. 1 of 2017 in O.P.No. 1 of 2013 – Application filed for revisiting the conditions stipulated in the Retail Supply Tariff Order for FY 2013-14 for Category of HT-1 (B) in respect of deemed consumption charges of Sudaram Alloys Ltd., allowed
52	13-03-2017	Suo-motu order passed in O.P. No. 10 of 2017 - In the matter of notification of Actual Fuel Price escalation and the variable cost to be paid from 01-04-2017 to 31-03-2018 in respect of the existing plants based on NCE sources in the State of Andhra Pradesh

CHAPTER-V

CONSUMER ADVOCACY & RIGHT TO INFORMATION

5.1 Consumer Advocacy:

5.1.1 As already mentioned, the APERC Consumer Grievances Redressal Forum, Vidyut Ombudsman and Consumer Assistance Regulation, 2016 [Regulation No.3 of 2016] came into force during FY 2015-16. In discharge of its obligation to protect and to promote the interest of the consumers, the Commission continues to be guided by the APERC (Consumer's Right to Information) Regulations, 2000 [Regulation No.7 of 2000], the APERC (Licensees' Standards of Performance) Regulation, 2004 [Regulation No. 7 of 2004] and other regulations concerned as amended from time to time.

5.2 Standards of Performance (SoP) of Discoms:

5.2.1 APERC (Licensees' Standards of Performance) Regulation, 2004 as amended from time to time contains provisions relating to (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, 2003.

5.2.2 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
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		
c	Release of Supply - High Tension 33 kV	Within 30 days of receipt of application	Rs.500 for each day of default	Not Applicable
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		
e	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	Rs.100 for each day of default	Not Applicable
ii	Change of category	Within 7 days along-with necessary documents and prescribed fee, if any		
iii	Conversion from LT 1-ph to LT 3-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:

5.3.1 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 **Review of quarterly & annual Returns of CGRF:** Consumer Grievances Redressal Forums established by APEPDCL and APSPDCL continued to function and the Commission reviewed the details like number/nature of grievances reported in the Quarterly returns & Annual returns furnished by them. The details of the grievances attended to by the CGRFs during 2016-17 are shown below:

Sl. No.	Subject	CGRF/ APEPDCL	CGRF/ APSPDCL
1	No. of Grievances outstanding as on 01-04-2016	285	234
2	No. of Grievances received during the year (2016-17)	411	364
3	No. of Grievances disposed during the year (2016-17)	537	277
4	No. of Grievances pending as on 31-03-2017	159	321
5	No. of Grievances pending which are older than two months during the year (2016-17)	56	280
6	No. of sittings of CGRFs during year (2016-17)	62	35
7	No. of cases in which compensation are awarded in the year (2016-17)	15	01
8	Total amount of Compensations awarded in the year (2016-17)	Rs.1,58,800/-	Rs.7,300/-

5.4 Vidyut Ombudsman:

5.4.1 Sri N.Basavaiah, District Judge (Retd.) was appointed to discharge the functions of Vidyut Ombudsman for the state of Andhra Pradesh and assumed charge on 08-09-2016.

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 During the year 2016-17, the Commission reviewed the details like number of grievances reported in the Quarterly returns furnished by the Vidyut Ombudsman. The details of the grievances attended to by the Vidyut Ombudsman for the year 2016-17 are as shown below:

No. of Grievances outstanding as on 01-04-2016	23
No. of Grievances received during the year (2016-17)	48
No. of Grievances disposed during year (2016-17)	48
No. of Grievances pending as on 31-03-2017	23
No. of Grievances pending which are older than two months during the year (2016-17)	15
No. of sittings of Ombudsman during the year (2016-17)	63

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 Participation in Regulatory Decision:

5.6.1 Consumer participation in Electricity Regulatory process is necessary and important to ensure transparency and accountability of the process. The Act 2003 requires the Commission to consult consumers on important policy and regulatory matters before arriving at any decision.

5.6.2 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.

5.6.3 **Public Hearings:** In discharge of its functions, the Commission conducted several public hearings during FY 2017-18. At the Public Hearings, apart from the registered objectors, the persons/organizations who had turned up at the venue directly were also heard and their petitions/suggestions were also considered.

Date	Venue	Petition Number	Subject	No. of Objectors Registered
27-02-2017	Office of the Superintending Engineer/Operation/ Circle Office, APEPDCL/ Vidyut Bhavan/ Dasannapeta, Vizianagaram	O.P. No. 29 of 2017	Tariff filings made by APEPDCL	
28-02-2017	New conference Hall, District Collectorate, Ameenapet, Eluru, West Godavari District			
01-03-2017	Conference Hall, 1 st Floor, O/o SE/Operation (Vidyut Bhavan)/ APSPDCL, Sangandi Gunta, Ponnuru Road, Guntur	O.P. No. 28 of 2017	Tariff filings made by APSPDCL	
02-03-2017	Conference Hall, 2 nd Floor, O/o SE/Operation (Vidyut Bhavan)/ APSPDCL, Near RTC Bus Stand, Kurnool			
03-03-2017	Conference Hall, Corporate Office, (Vidyut Nilayam), APSPDCL, Behind Srinivasamandapams, Sreenivasapuram, Tiruchanoor Road, Tirupati.			
06-03-2017	Court Hall of APERC, D.No. 11-4-660, 4 th Floor, Singareni Bhavan, Red Hills, Lakdikapul, Hyderabad	O.P. Nos. 28 & 29 of 2016	Tariff filings made by APSPDCL & APEPDCL	

5.7 Implementation of Right to Information Act, 2005:

- 5.7.1 The Commission designated Joint Director (Engg.) and Deputy Director (Pay & Accounts) as the Appellate Authority and State Public Information Officer respectively, for the purposes of the Right to Information Act, 2005.
- 5.7.2 As per the various provisions of the RTI Act, the information sought for was provided to the applicants and quarterly & annual returns were sent to the Government of Andhra Pradesh, in its Energy, I&I Department.

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.3.48 crore as Grants-in-Aid towards Salaries (Rs.2.73 crore) and Other Grants-in-Aid (Rs.0.75 crore) 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 has received an amount of Rs.7,52,98,680/- during the year towards Licence fee from Transmission Licensee (APTransco), the two (2) Distribution Licensees (APEPDCL and APSPDCL) and from three (3) Rural Electric Cooperative Societies (Anakapalle, Cheepurupalli, and Kuppam RESCOs).

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 Section 104 (1) of the Electricity Act, 2003.

- i) Receipts and Payments Account for the year ended 31-03-2017.
- ii) Income and Expenditure Account for the year ended 31-03-2017.
- iii) Balance Sheet as on 31-03-2017.

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. PAG(Audit)/AP/ES(Power)/APERC/2017-18/6 dated 27-09-2017 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 YEAR ENDED 31st MARCH, 2017.

1. We have audited the attached Balance Sheet of **Andhra Pradesh Electricity Regulatory Commission (APERC)** as at 31st March, 2017 and the Income and Expenditure Account, Receipts and Payments Account for the year ended 31st March, 2017 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 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, Income and Expenditure Account and Receipts & Payments Account dealt with by this report have been drawn up in the format approved by the Committee of Experts formed by Central Government.
- 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:

Comments on Accounts:

(A) Balance Sheet – Nil

(B) Income and Expenditure Account – Nil

(C) Receipts and Payments Account – Nil

(D) Accounting Policies – Nil

(E) General – Nil

(F) Grants-in-Aid

Out of the Grants-in-Aid of Rs.3.48 crore received during the said period, APERC utilized the entire amount leaving Nil balance as unutilized grant as on 31-03-2017.

- 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 31st March, 2017;
- and
- b) In so far as it relates to the Income and Expenditure Account of the surplus for the year ended 31st March, 2017.

For and on behalf of
the Comptroller and Auditor General of India

Place: Hyderabad
Date: 27-09-2017

Sd/-
Principal Accountant General (Audit)

Annexure

Evaluation of Internal Controls

1	Adequacy of Internal Audit System	There was no internal audit system in the Commission
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	Regularity 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.	There were no delays in remittances to Government Account.

Sd/-

Sr. Deputy Accountant General (ES)

ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION

BALANCE SHEET AS AT 31st MARCH, 2017

LIABILITIES	Schedule	Current Year 2016-17	Previous Year 2015-16
		₹	₹
Capital Fund	1	111953344	65122432
Current Liabilities and Provisions	2	89707518	69694954
Total		201660862	134817386
ASSETS			
Fixed assets	3	3694457	4273036
Investment - others	4	24500	30500
Current Assets, Loans and Advances	5	197941905	130513850
Total		201660862	134817386

INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2017

INCOME	Schedule	Current Year 2016-17	Previous Year 2015-16
		₹	₹
Grants	6	34800000	30000000
Fees	7	80378779	86949509
Interest Earned	8	13844809	1632539
TOTAL (A)		129023588	118582048
EXPENDITURE			
Establishment Expenses	9	63917256	53335348
Other Administrative Expenses	10	15931244	16282370
Depreciation	3	1095849	1393087
Loss on sale of assets			28193
TOTAL (B)		80944349	71038998
Balance being excess of Income over Expenditure (A-B) Transfer to Capital Fund Account		48079239	47543050

ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION

Schedule - 1

Capital Fund	Current Year 2016-17	Previous Year 2015-16
	₹	₹
Balance at the beginning of the year (01-04-2016)	65122432	17579382
Deduct : Funds transferred to TSERC	1248327	
Add : Contribution towards Capital Fund		
Add : Balance of net Income transferred from the Income and Expenditure Account	48079239	47543050
Balance as at 31-03-2017	111953344	65122432

Schedule - 2

Current Liabilities & Provision	Current Year 2016-17	Previous Year 2015-16
	₹	₹
A) Current Liabilities		
1. Statutory Liabilities		
a) Overdue		
b) Others	24240	24240
2. Other Current Liabilities		
Due to TSERC	85864	15644
APTS	170844	170844
Salaries	443167	688117
Travelling Expenses	13628	24085
Office Expenses	483718	523330
Wages	184649	147286
Total (A)	1406110	1593546
B) Provisions		
1. Retirement Benefits	87901408	67901408
2. Others (Specify)		
Audit Fee	400000	200000
Total (B)	88301408	68101408
Total (A + B)	89707518	69694954

ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION

Schedule - 3

Fixed Assets

Description	Gross Block				As on 01-04-2016	Depreciation				Net Block	
	Original Cost/ Valuation as at beginning of the year 01-04-2016	Additions during the year	Deductions during the year	Cost/ Valuation at the year end 31-03-2017		For the year 2016-17				As at the current year end 31-03-2017	As at the previous year end 31-03-2016
					Existing Stock as on 01-04-2016	On additions during the year	On deductions during the year	Total up to the year end 31-03-2017			
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Cars	649793			649793	431289	32776			464065	185728	218504
Furniture (Office)	2455733			2455733	1050368	102936			1153304	1302429	1405365
Furniture (Commissioners)											
Annexure - I	269240			269240	40920	134624			175544	93696	228320
Annexure - II	643051	86880		729931	74728	85250	2735		162713	567218	568323
Computers	1639020	352050		1991070	1287495	210916	71796		1570207	420863	351525
Air-Conditioners	945969			945969	520624	63802			584426	361543	425345
Stabilizers	14000			14000	13414	469			13883	117	586
Digital Franking machine	123050			123050	36602	12967			49569	73481	86448
Water cooler	29550			29550	8252	4260			12512	17038	21298
Ceiling Fans	32573			32573	21959	1061			23020	9553	10614
EPABX	247052			247052	58485	28285			86770	160282	188567
Court Hall Furniture	309630			309630	299100	1053			300153	9477	10530
10Kv UPS	299750	30840		330590	247240	13128	2978		263346	67244	52510
Software (Tally)	54000			54000	40094	8344			48438	5562	13906
Audio system	936507			936507	672072	158662			830734	105773	264435
Dell Server	537847			537847	210375	81868			292243	245604	327472
Televisions	80800			80800	18050	12550			30600	50200	62750
Projector	95100			95100	58562	21923			80485	14615	36538
Cell Phones		47500		47500			43466		43466	4034	0
Public Address System (2008-09)	187965			187965	187965				187965	0	0
Wooden Partition (2008-09)	684968			684968	684968				684968	0	0
MS & Ceiling Mount Kit (2009-10)	45795			45795	45795				45795	0	0
Infrastructure (2009-10)	7862917			7862917	7862917				7862917	0	0
100 Mbps Switches (2009-10)	89000			89000	89000				89000	0	0
Software	2050680			2050680	2050680				2050680	0	0
Servers 2 Nos.	174271			174271	174271				174271	0	0
Total	20458261	517270		20975531	16185225	974874	120975		17281074	3694457	4273036

ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION

Schedule - 4

Investments - Others	Current Year 2016-17	Previous Year 2015-16
	₹	₹
Deposits		
(A) Security Deposits		
(B) Petrol Account		
(C) Telephone Account		
BSNL	24500	30500
(D) Fdrs other than sweep a/c		
Total	24500	30500

Schedule - 5

Sl. No.	Current Assets, Loans & Advances	Current Year 2016-17	Previous Year 2015-16
		₹	₹
A	Current Assets		
1	Cash Balance in hand (including cheque/ drafts and imprest)	10000	10000
2	Bank Balance		
	a) With Scheduled Banks		
	In Current A/c		
	State Bank of India (including Auto Sweep)	195250323	129382889
	Andhra Bank (including Auto Sweep)	425657	863436
3	Receivable from APSPDCL towards share of expenditure for the O/o Vidyut Ombudsman	2125000	
	Total - A	197810980	130256325
B	Loans, Advances and other Assets		
1	Loans		
	a) Staff	130925	257525
	b) Others (specify)		
	Total - B	130925	257525
	Total (A+B)	197941905	130513850

ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION

Schedule - 6

Sl. No.	Grants	Current Year 2016-17	Previous Year 2015-16
		₹	₹
1	State Government		
	Grants-in-Aid towards Salaries	27300000	20000000
	Other Grants-in-Aid	7500000	10000000
	Total	34800000	30000000

Schedule - 7

Sl. No.	Fees	Current Year 2016-17	Previous Year 2015-16
		₹	₹
1	Annual Licence Fee	74577160	71363650
2	Licence Exemption Fee	721520	90000
3	Fee for filing petitions	815250	10951850
4	Others (Specify)		
	Sale of Tariff Order	1980	2465
	Miscellaneous Receipts	12869	1544
	Discoms (Share of VO's Expenses)	2125000	4540000
5	Receivable from APSPDCL towards share of expenditure for the office of the VO	2125000	
	Total	80378779	86949509

Schedule - 8

Sl. No.	Interest Earned	Current Year 2016-17	Previous Year 2015-16
		₹	₹
1	On Term Deposits		
	Others (Sweep A/c)		
	State Bank of India (including Auto Sweep)	13775027	1540146
	Andhra Bank (including Auto Sweep)	31352	43419
2	On Loans		
	a) Employees/Staff	38430	48974
	b) Others		
	Total	13844809	1632539

ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION

Schedule - 9

Sl. No.	Establishment Expenses	Current Year 2016-17	Previous Year 2015-16
		₹	₹
1	Salaries & Wages		
	i) Pay & Allowances to Chairman & Members		
	Salaries	5833932	5296248
	Medical Expenses	96483	116182
	Water Charges	23514	12700
	Electricity charges	90385	105684
	Newspaper Charges	20625	19080
	Perquisite Tax	791462	589597
	Rent free Accommodation	90000	388207
	Leave Travel Concession	543360	315142
	ii) Pay and Allowances to Officers and Staff		
	Salaries	31452523	23583998
	Medical Expenses	152383	132138
	Leave Travel Concession	37342	3976
	Encashment of Earned Leave	466904	519586
	Wages	2117436	1611702
	Other Allowances	28064	33174
	Newspaper Charges	2921	6010
	LSC/PC	1594494	898277
	iii) Pension & Retirement Benefits	783015	775027
	Add: Provision for Outstanding Expenses		
	Salaries	443167	688117
	Wages	184649	147286
	Retirement Benefits	20000000	20000000
	Less: Expenses pertains to 2015-16	835403	2006783
	Expenditure for 2016-17	63917256	53235348

ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION

Schedule - 10

Sl. No.	Other Administrative Expenses	Current Year 2016-17	Previous Year 2015-16
		₹	₹
1	Electricity Charges	815151	823174
2	Water charges	45792	90734
3	Newspaper charges	28005	20901
4	Insurance, Rents and Taxes	3281421	3468398
5	Repairs to Motor Car	64301	72857
6	Petrol, Oil & Lubricants	84388	119793
7	Repairs & Re-modelling of Office	7959	92979
8	Postage, Telephone and Communication charges	413514	342183
9	Printing and Stationery	928965	459936
10	Travelling and Conveyance Expenses	794975	790773
11	Other Miscellaneous Expenses	254397	466637
12	Hiring of Private Vehicles	1833466	1776453
13	Hiring of Photocopying Charges	97953	78108
14	Payment for Professional & Special Services	1070953	1704671
15	Hospitality Charges	28600	94291
16	SAC Expenses	90321	74002
17	Public Hearing Expenses	18650	806500
18	Subscription and Membership	1267925	1317290
19	Expenditure on Training	41563	61950
20	Audit Fee	98030	193510
21	Advertisement Expenses	65184	
22	Banker Charges	633	
23	Vidyut Ombudsman's Expenses	4187166	4382966
24	Annual Maintenance Charges		
	Computers	233848	94394
	UPS		2624
	EPABX	16078	5057
	Miscellaneous Items	12075	11798
	Add: Provision for Outstanding Expenses		
	Travelling and Conveyance Expenses	13628	24085
	Office Expenses	483718	523330
	Audit Fee	200000	100000
	Less: Expenses pertains to 2015-16	547415	1617024
	Expenditure for 2016-17	15931244	16382370

ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION

Schedule - 11 SIGNIFICANT ACCOUNTING POLICIES

2016-17

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 rates specified in the Income Tax Act and other items as determined by the Commission under Written Down Value Method.
3. Depreciation on the Furnishing Articles supplied to the residences of Chairman and Members of the Commission is provided at 50 percent on Straight Line Method in respect of articles falling under Annexure - I and 15 percent on Written Down Value 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, items purchased at a time upto Rs.10,000/- under Fixed Assets treated as Other Miscellaneous Expenses 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 were transferred to APERC Fund Account and the entire expenditure of the Commission will be met from the said Fund Account.
6. All the assets shown in the balance sheet have been created from the Other Grants-in-Aid received from the Government.
7. The Annual Accounts prepared based on the common format of Accounts of Autonomous Organisations as prescribed by the Committee of Experts.
8. Re-grouping of Accounts has been carried out where ever the Commission is felt necessary.

ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION

RECEIPTS & PAYMENTS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2017

RECEIPTS	Current Year 2016-17	Previous Year 2015-16	PAYMENTS	Current Year 2016-17	Previous Year 2015-16
	₹	₹		₹	₹
I. Opening Balances			I. Expenses		
a) Cash in hand	10000	10000	a) Establishment Expenses		
b) Bank Balances			i) Pay & Allowances to Chairman & Members		
In current accounts			Salaries	5833932	5296248
State Bank of India (including Auto Sweep)	129382889	69452508	Medical Expenses	96483	116182
Andhra Bank (including Auto Sweep)	863436	662983	Water Charges	23514	12700
II. Grants Received			Electricity charges	90385	105684
From State Government	34800000	30000000	Newspaper Charges	20625	19080
III. Interest Received			Perquisite Tax	791462	589597
a) On Bank deposits			Rent free Accommodation	90000	388207
State Bank of India	13845247	1540146	Leave Travel Concession	543360	315142
Andhra Bank	31352	43419	ii) Pay and Allowances to Officers and Staff		
b) Loans, Advances etc.	38430	48974	Salaries	31452523	23453819
IV. Other Income (Specify)			Medical Expenses	152383	132138
Licence Fee	74577160	71363650	Leave Travel Concession	37342	3976
Licence Exemption Fee	721520	90000	Encashment of Earned Leave	466904	519586
Fee for Filing Petitions	815250	10951850	Other Allowances	28064	33174
Sale of Tariff Order	1980	2465	Newspaper Charges	2921	6010
Miscellaneous Receipts			LSC/PC	1594494	898277
APERC	8834	1544	Wages	2117436	1578261
Vidyut Ombudsman	4035		iii) Pension & Retirement Benefits	783015	515393
V. Any other receipts (give details)			b) Administrative Expenses		
i) Recoveries towards Loans & Advances (Principal)			Electricity Charges	815151	749403
a) Motor Cycle/Car Advance	111900	67900	Water charges	45792	82905
b) Computer Advance	12000	12000	Newspaper Charges	28005	20901
c) Educational Advance	9000		Insurance, Rents and Taxes	3281421	3468398
d) Festival Advance		100	Repairs to Motor Car	64301	72857
VI. AMC from TSERC		34379	Petrol, Oil & Lubricants	84388	119793
VII. Sale of Assets		101200	Repairs & Re-modelling of Office	7959	92979
VIII. Refund of Deposits			Postage, Telephone and Communication charges	413514	291494
Telephones	6000	21000	Printing and Stationery	928965	393416
APDDCF		1000	Travelling and Conveyance Expenses	794975	790773
IX. Refund of Advances			Other Miscellaneous Expenses	254397	466637
Tour Advance		8000	Hiring of Private Vehicles	1833466	1775653
X. DISCOMS (for VO's expenses)	2125000	4540000	Hiring of Photocopying Charges	97953	78108
			Payment for Professional & Special Services	1070953	1704004

			Hospitality Charges	28600	94291
			SAC Expenses	90321	74002
			Public Hearing Expenses	18650	806500
			Subscription and Membership	1267925	1317290
			Expenditure on Training	41563	61950
			Audit Fee	98030	193510
			Advertisement Expenses	65184	
			Banker Charges	633	
			Annual Maintenance Charges		
			Computers	233848	94394
			UPS		2624
			EPABX	16078	3807
			Miscellaneous Items	12075	11798
			II. Expenditure on Fixed Assets		
			Residential Furniture to Commissioners		
			Annexure - I		269240
			Annexure - II	86880	425981
			Office Furniture		367303
			Computers	352050	147000
			Air-Conditioners		33400
			Stabilizers/UPS	30840	
			Telephone Instrument	47500	
			Miscellaneous Items		81700
			III. Other Payments		
			Loans & Advances (Staff)		
			Educational Advance		9000
			Festival Advance	6300	
			Payments to TSERC	1248327	6229242
			Vidyut Ombudsman Account	4187166	4382966
			IV. Closing Balances		
			a) Cash in hand	10000	10000
			b) Bank Balances		
			In current accounts		
			State Bank of India (including Auto Sweep)	195250323	129382889
			Andhra Bank (including Auto Sweep)	425657	863436
TOTAL	257364033	188953118	TOTAL	257364033	188953118