



**ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION**  
**4<sup>th</sup> & 5<sup>th</sup> Floors, Singareni Bhavan, Red Hills, Hyderabad 500 004**

RP (SR) No.32 of 2012  
in  
O.P. No.4 of 2012

Dated: 13.02.2013

**Present**

Sri A.Raghotham Rao, Chairman  
Sri C.R.Sekhar Reddy, Member  
Sri R.Ashoka Chari, Member

Between:

Central Power Distribution Company of Andhra Pradesh Limited  
(APCPDCL)

... Petitioner

AND

---NIL---

...Respondent

This petition has come up for hearing on 15.12.2012 in the presence of Sri P.Shiva Rao, Advocate for the petitioner, the Commission passed the following:

**O R D E R**

The Review Petition has filed under section 49 of the Andhra Pradesh Electricity Regulatory Commission (Business Rules of the Commission) Regulation 1999, seeking reconsideration of certain issues in the Retail Supply Business Tariff Order for FY 2012-13, dated 30.03.2012.

2. The issues identified by the licensee for reconsideration are shown hereunder.

I) Creation of Separate Category for Aviation activity at Airports.

In this Tariff Order for FY 2012-13, the Commission has created a separate category for the Aviation activity at Airports under HT-III-(AVIATION ACTIVITY AT AIRPORTS) with composite tariff as per the Hon'ble ATE order in Appeal No.12 of 2011 dated 22.07.2012. In this regard it is to clarify the following issues:

- a) Without having proper definition of Aviation Activities at Airports, it is not possible to segregate the loads.
- b) It is not feasible to have two meters of different categories under one service.
- c) The Hon'ble ATE in its order dated 22.07.2011 stated that "(d) The State Commission could have differential tariff for the aviation as well as for the purely commercial activities, such as shops, restaurant, etc., at the airport. However, if it is not feasible to have separate metering arrangements for the aviation activities and purely commercial activities, then the State Commission could re-categorize the appellant in a separate category other than HT Commercial II and determine the composite tariff for aviation and the commercial activities of the Appellant".
- d) But the Hon'ble Commission has not arrived a differential Tariff for purely commercial activity as HT-II includes other public utility services also such as Govt. Offices, bus stations, railway stations, etc and all others which do not fall in Categories HT-I, II, IV, V & VI hence HT-II is not a purely commercial category. In order to implement the Hon'ble ATE order the Commission could have created two separate categories one for purely commercial activities and the other for the activities other than the commercial which are now under HT-II (Others) duly determining the Tariffs for these

categories. Then only the differential Tariff has to be arrived.

- e) The Commission issued a separate category for the Aviation activity at Airports, in the Tariff Order for FY 2012-13 dt. 30.03.2012 which is contrary to the orders of Hon'ble Supreme Court and thus deserves to be modified accordingly.
- f) Number utilities by suffixing industry may approach either licensee or Commission for issuing a separate category which is technically not viable and economically not feasible, hence which cannot be considered as an industrial activity.
- g) Hence it is the Commission is requested to review the above points.

II) Delayed payment of bills.

The licensees shall charge the delayed payment surcharge (DPS) per month at the rate of 1.5% of Bill amount or Rs.550 for HT Category, whichever is higher. In case of grant of instalments at 18% per annum compounded annually and the two shall not be levied at the same time. Hence the Commission is requested to include the clause of 1.5% of bill amount for the remaining categories also i.e., for LT-I(A), LT-I(B), LT-II(A), LT-IV along with LT-II(C), LT-V & LT-VIII which are now proposed.

III) Deduction of Energy Charges for LT – III

The Commission has mentioned to deduct 1% and 1.5% of total energy consumed from recorded energy for the purpose of billing if metering is done on HT side for the categories LT-III (A) and III (B) respectively. But it is to submit that this

will make lot of complexity in the process of billing. Hence it is requested to delete the clause.

IV) Variation in NCE Cost Adjustment

In the Tariff Order issued by the Commission, the additional power purchase cost is worked out for NCE surplus / deficit Licensees on the surplus / deficit energy at Rs.0.7442/kWh, which is the difference between NCE purchase rate of Rs.2.8343/kWh and Rs.3.5785/kWh (sum of average fixed cost and marginal variable cost of station taken in D to D energy transfer pricing) and this amount has been included in the power purchase cost. It is requested to consider the power purchase cost of CPDCL after NCE cost adjustment as Rs.12595.4 cr rather than Rs.12592.22 cr.

V) Deletion of HT-IV (B) Agriculture category.

- a) If the consumers move from LT-V category to HT-IV(B), supply has to be arranged @ zero tariff and the consumer who is paying electricity charges under LT-V need not pay any charges in HT-IV (B).
- b) There is no limitation for no. of connections and area of cultivation per each service under HT-IV (B) Agricultural category as classified under LT-V(A) – Agriculture category.
- c) It is considered extending supply beyond (>) 7 hrs for individual HT Consumer under HT Cat-IV(B) without any restrictions of hours of supply, load and No. of connections the system network may not support due to over loading on EHT & 33 / 11 kV Substations.
- d) In view of the above, it is requested to delete the HT-IV (B) Agriculture Category.

3. In the aforesaid facts and circumstances the applicant requests that the Commission may please to

- a) Take the accompanying petition of APCPDCL on record.
- b) Consider and accept the review petition.
- c) Pass such order, as the Commission may deem fit and proper in the facts and circumstances of the case.

4. Now, the point for consideration is, whether the petition for review is to be accepted for consideration?

5. The petitioner mainly projected that creation of special category for Aviation category at Airports without any proper definition of aviation activities at the Airports is not correct. The bifurcation of aviation under commercial in the Tariff order is erroneously made and the same is liable to be reviewed.

6. It appears M/s. GMR has filed I.A. No.3/2012 in O.P.4/2012 for bifurcation of aviation and commercial activities. The Commission has passed an interim order in the I.A. tentatively at the ratio of 61:39%. In the above said I.A. inspections were made both by the officials of APCPDCL and officials of the Commission and both parties of the petitioners have filed their working sheets for consideration. The said I.A. is reserved for orders.

7. M/s. GMR has filed an appeal against the tariff order. The Hon'ble ATE issued a direction to the Commission to put the aviation operations in a separate category but not in commercial category. Against that order, the petitioner herein preferred an appeal to the Hon'ble Supreme Court and the said matter is admitted and posted for hearing along with the matter pertaining to Mumbai Airport case.

8. Now, the petitioner wants to review the tariff order by putting separate aviation category in airports along with some other categories viz., by ordering to delete HT-Cat-IV(B) Agricultural category. The petitioner has also requested to take up **collective action** by reviewing the tariff order as pointed out in the petition itself. It is also requested to deduct the energy charges for LT-III, variation in NCE cost adjustment, etc.

9. The separate category for aviation activity at airports and a formula for charging the consumption at airports by segregating the aviation related and other activities, was evolved by the Commission after detailed consideration at the time of issue of Tariff order, keeping in view the directions on the subject issued by Hon'ble ATE from time to time. The other points raised by the petitioner also were examined at the time of issue of Tariff order based on public hearings. Therefore, the request made by the petitioner at this stage to review the tariff order cannot be entertained.

10. Hence, we are of the considered opinion that the petition filed by the petitioner for reviewing the tariff order cannot be entertained and the petition filed by the petitioner is liable to be rejected.

11. In the result, this petition is rejected.

This order is corrected and signed on this 13<sup>th</sup> day of February, 2013.

**Sd/-**  
**(R.ASHOKA CHARI)**  
**MEMBER**

**Sd/-**  
**(C.R.SEKHAR REDDY)**  
**MEMBER**

**Sd/-**  
**(A.RAGHOTHAM RAO)**  
**CHAIRMAN**