

Record of proceedings dated 29-11-2017

I.A. No. 8 of 2017 in O.P. Nos.28 & 29 of 2016

APSPDCL & APEPDCL Vs M/s. Lanco Kondapalli Power Pvt. Ltd & M/s. Spectrum
Power Generation Ltd

Public hearing on Petition u/s 62 (4), 86 (1) (b) of the Electricity Act, 2003 r/w
Regulation 55 of the APERC (Conduct of Business) Regulations, 1999 seeking
permission to procure power from respondents

Sri K. Surendra Babu, CE / Comml / APPCC representing the applicants / petitioners / APDISCOMs, Sri T. Naveen Chowdary, learned counsel representing Sri Challa Gunaranjan on behalf of M/s. Lanco Kondapalli Power Pvt. Ltd., Sri T. Uma Shankar, learned counsel & Sri S. Srinivasa Rao, Vice President representing M/s. Spectrum Power Generation Ltd., are present.

Orders pronounced (vide separate order)

“59. Therefore,--

- (a) the Applicants/Petitioners shall cause the circumstances and persons responsible for presenting an incorrect picture relating to respondents 1 and 2 and Godavari Gas Power Plant in the Aggregate Revenue Requirement (ARR) of FY 2017-18 duly identified in accordance with the prescribed procedure and take necessary corrective measures to prevent recurrence of any such events in future;
- (b) the Applicants/Petitioners are permitted to procure power from the 1st respondent at a fixed cost of Rs.0.96 ps and variable cost of Rs.2.33 ps making a total of Rs.3.29 ps per unit during the FY 2017-18;

- (c) the Applicants/Petitioners are permitted to procure power from the 2nd respondent at a single part tariff of Rs.3.31 ps per unit during the FY 2017-18.
- (d) the Applicants/Petitioners are permitted to procure power from Godavari Gas Power Plant at a fixed cost of Rs.0.79 ps and a variable cost of Rs.2.20 ps per unit during the FY 2017-18;
- (e) the above short term purchase of power shall be strictly following the principle of merit order dispatch and the Applicants/Petitioners shall not be liable for any obligations to pay any fixed charges or penalty or otherwise if they do not purchase power from these three plants;
- (f) there shall be no payment of fixed charges for deemed generation and no reworking of fixed charges based on actual generation in respect of these short term purchases;
- (g) the consideration and conclusions herein are purely confined only to the short term purchases for FY 2017-18 and no other issue or matter;
- (h) within two months, on expiry of financial year 2017-18, the Applicants/Petitioners shall place before the Commission material to substantiate that these short term purchases did not impose any additional burden on the distribution companies or the consumers due to any payment to any generators permitted in the merit order dispatch, due to these short term purchases.

60. The Interlocutory Application is ordered accordingly, without costs”.

Sd/-
MEMBER/PRM

Sd/-
MEMBER/PR

Sd/-
CHAIRMAN