

Draft

ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION

[Regulation of 2023]

**SECOND AMENDMENT TO THE ANDHRA PRADESH ELECTRICITY
REGULATORY COMMISSION (TERMS AND CONDITIONS FOR DETERMINATION
OF TARIFF FOR TRANSMISSION OF ELECTRICITY) REGULATION 5 OF 2005.**

Introduction:

The erstwhile APERC (Andhra Pradesh Electricity Regulatory Commission) of the undivided Andhra Pradesh State notified the Andhra Pradesh Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff for Transmission of Electricity) Regulation, 2005 (Regulation 5 of 2005) (hereinafter referred to as 'the Principal Regulation') under section 61 and 62 of the Electricity Act, 2003, specifying approach, framework, procedure, filings and principles for computation of Aggregate Revenue Requirement (ARR) and determination of Transmission Tariff which was published in the AP Extraordinary Gazette on 30.11.2005.

And the newly constituted APERC for the State of Andhra Pradesh, which came into existence w.e.f. 01.08.2014 post bifurcation of the undivided AP State, adopted the above Regulations, among others, vide APERC (Adaption) Regulation, 2014 (Regulation 4 of 2014). Subsequently, the new APERC notified the First amendment to the Principal Regulation in the AP Extraordinary Gazette on 16.02.2019 (Regulation 1 of 2019).

The Commission after reviewing the Principal Regulation and subsequent amendments carried out to the Andhra Pradesh Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff for Wheeling and Retail Sale of Electricity) Regulation, 2005 (Regulation 4 of 2005) and the Andhra Pradesh Electricity Regulatory Commission (Conduct of Business) Regulation, 1999, decides to amend the Principal Regulation.

Therefore, the Commission, in exercise of the powers conferred on it under sub-sections (zd), (ze), and (zf) of Section 181(2) read with Sections 61, 62 of the Electricity Act, 2003 (36 of 2003) and all other powers enabling it in that behalf, hereby amends the Principal Regulation as under:

1. Short title, commencement and interpretation

- (i)** This Regulation may be called the "The second amendment to the Andhra Pradesh Electricity Regulatory Commission (Terms and conditions for Determination of Tariff for Transmission of Electricity) Regulation, 2005.
- (ii)** This Regulation shall be applicable to any person engaged in the business of Intra -State Transmission of electricity, within the territory of the State of Andhra Pradesh.
- (iii)** This Regulation shall come into force from the date of its publication in the Andhra Pradesh Gazette.

2. Sub-clauses 8.1, 8.2, and 8.3 of the Principal Regulation shall be substituted with the following:

“8.1 The Transmission Licensee shall, along with the ARR & FPT petition, submit a statement on the status of compliance with directives, if any, issued by the Commission in its previous tariff order.

8.2 On submission of a complete application accompanied by all requisite information and particulars, the Transmission licensee shall, within 3 (three) working days of an intimation given to him, publish a notice in at least 1 (One) English daily newspaper in English language and 1 (One) Telugu daily newspaper in Telugu language having wide circulation in the area to which the application pertains, outlining the proposed ARR & tariffs, as the case may be, and such other matters as may be stipulated by the Commission, and invite suggestions and objections from the public:

Provided that the Transmission licensee shall make available a hard copy of the complete application to any interested party, at such locations and at such rates as may be stipulated by the Commission:

Provided further that the Transmission licensee shall also place on its website, in downloadable spreadsheet format showing detailed computations, the application made to the Commission along with all regulatory filings, information and documents in the manner stipulated by the Commission:

Provided further that the web link to the information mentioned in the second proviso above shall be easily accessible, archived for downloading and shall be prominently displayed on the Transmission Licensee's website.

Explanation - for the purpose of this Regulation, the term “downloadable spreadsheet format” shall mean one (or multiple, linked) spreadsheet software files containing all assumptions, formulae, calculations, software macros, and outputs forming the basis of the application.

8.3 The Commission shall, within 120 (one hundred and twenty) days from receipt of a complete application for tariff determination and after considering all suggestions and objections received from the public:

(a) issue a Tariff Order accepting the application with such modifications or such conditions as may be specified in that Order;

(b) reject the application for reasons to be recorded in writing if such application is not in accordance with the provisions of the Act and the rules and Regulations made thereunder or the provisions of any other law for the time being in force:

Provided that an applicant shall be given a reasonable opportunity of being heard before rejecting its application.

8.4 The Transmission Licensee shall publish the tariff approved by the Commission in at least 1 (One) English daily newspaper in English language and 1 (One) Telugu daily newspaper in Telugu language having wide circulation in the area of supply and shall place the approved tariff/tariff schedule on its website.

8.5 The tariffs so published shall be in force from the date specified in the said Order and shall unless amended or revised, continue to be in force for such period as may be stipulated therein. The Transmission Licensee shall raise the bills for the electricity transmitted or services rendered to its users in accordance with the notified tariff.”

3. Sub-clauses 10.6, 10.7, and 10.8 of the Principal Regulation shall be substituted with the following:

“10.6 Sharing of Gains/Losses due to variations in “controllable” items of the ARR: *The Transmission licensees shall present variations in each controllable item with detailed reasoning. The aggregate gain/loss of the nth control period (Actuals of 4 years and provisional for 5th year) in controllable*

items of Transmission Business shall be a pass-through in the ARR of (n+1) control period at the appropriate ratio for each item as decided by the Commission. However, the transmission Licensee shall submit the gains/losses in each controllable item of the Transmission Business for the previous financial year by 30th November of the current financial year through an annual performance petition. The gains/losses in the controllable items of ARR on account of factors that are beyond the control of the Transmission Licensee shall be passed-through to the consumers similar to the controllable items stated in clause 10.5 above.”

4. The following clauses shall be added after clause 25 of the Principal Regulation.

“26. Issue of orders and practice directions:

Subject to the provisions of the Electricity Act, 2003 and this Regulation, the Commission may, from time to time, issue orders and practice directions about the implementation of the Regulation and procedure to be followed and various matters which the Commission has been empowered by this Regulation to specify or direct.

27. Power to Remove difficulties:

If any difficulty arises in giving effect to any of the provisions of this Regulation, the Commission may, by a general or special order, do or undertake or direct the Licensees to do or undertake things which in the opinion of the Commission are necessary or expedient for removing the difficulties.

28. Power to Relax

The Commission may, by general or special order, for reasons to be recorded in writing and after giving an opportunity of hearing to the parties likely to be affected, relax or waive any of the provisions of these Regulations on its own motion or on an application made to it by any interested person. “

(By Order of the Commission)

Place: Hyderabad
Date: 14.07.2023


Commission Secretary (i/c)