

Draft

ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION

[Regulation No. of 2025]

**Seventh Amendment to the Andhra Pradesh Electricity Regulatory
Commission (Terms and Conditions for Determination of Tariff for Wheeling
and Retail Sale of Electricity) Regulation, 2005 (Regulation No. 4 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 Wheeling and Retail Sale of Electricity) Regulation, 2005 (Regulation No. 4 of 2005) (hereinafter referred to as 'the Principal Regulation') which was published in the AP Extraordinary Gazette on 14.11.2005.

And the newly constituted APERC for the residual State of Andhra Pradesh, which came into existence w.e.f. 01.08.2014, post bifurcation of the undivided AP State, adopted the above Regulation, among others, vide APERC (Adaption) Regulation, 2014 (Regulation No.4 of 2014). Subsequently, the new APERC notified the first (Regulation No. 1 of 2014), second (Regulation No. 4 of 2021), third (Regulation No. 2 of 2022), fourth (Regulation No. 2 of 2023), fifth (Regulation No. 1 of 2024) and sixth (Regulation No. 2 of 2024) amendments to the Principal Regulation in the AP Extraordinary Gazette on 07.03.2014, 02.07.2021, 29.04.2022, 29.03.2023, 09.02.2024 and 09.02.2024 respectively.

Whereas the Government of Andhra Pradesh released the Integrated Clean Energy (ICE) Policy, 2024 on 16.10.2024 which aims to establish Andhra Pradesh as a leader in clean energy, focusing on attracting investments and promoting sustainable development. This policy targets achieving 50% cumulative electric power capacity from non-fossil fuel sources by 2030 and net-zero emissions by 2047 in AP.

Key aspects of the policy are:

- Focus on the entire value chain, which includes renewable energy (RE) manufacturing projects, which are crucial for achieving ambitious targets.
- Harnessing the RE potential in the State, which has significant potential in solar, wind, and hybrid energy sources, along with pumped storage projects.
- The democratisation of energy generation by supporting self-sufficiency in energy through schemes like PM Surya Ghar Yojana and PM KUSUM.
- The Anticipated Investment of approximately Rs.10 lakh crores, and the creation of around 7,50,000 direct and indirect jobs.
- Promotion of Green Hydrogen in the State, making it a global hub for the export of Green Hydrogen.

- Promotion of investments by simplifying processes, offering incentives for clean energy and RE manufacturing projects, and imparting skills in RE technologies.
- Promotion of a circular economy and reduction of the cost of production by including RE manufacturing projects.
- Aligning the policy with the Government of India's schemes.
- Development of Renewable Economic Zones (REZs) and Renewable Energy Manufacturing Zones (REMZs).
- Support for various clean energy technologies, including solar power, wind power, wind-solar hybrid power, green hydrogen and its derivatives, biofuels, energy storage (including Pumped Storage Power (PSP) and Battery Energy Storage Systems), mini and small hydro projects, and electric mobility charging infrastructure.
- Establishment of a University for Green Energy & Circular Economy (UGC) and a Clean Energy Knowledge & Skill Development Center (CEKSDC).
- Single window clearance for projects.

To successfully implement the aforementioned policy, the Government of Andhra Pradesh (GoAP), acting through the Special Chief Secretary/Energy Department, and invoking Section 108 of the Electricity Act, 2003, addressed a letter to the Commission. In the Letter, the GoAP proposed the following amendments to the Principal Regulation and requested the Commission to incorporate the same.

- A. *“Provided also that distribution/wheeling charges payable for such Clean Energy Projects and for such operative period as mentioned in GO.Ms.No. 37, dated 30.10.2024 shall be paid for the applicable number of blocks for the scheduled capacity. Clean Energy Projects includes Solar, Wind, Wind-Solar Hybrid, BESS, PSPs, mini and small hydro, Green Hydrogen and its derivatives, Biofuels and EV charging infrastructure.”*
- B. *“Provided also that the Distribution/Wheeling charges shall be exempted for such Clean Energy Projects and for such operative period as mentioned in GO.Ms.No.37, dated 30.10.2024, injection or drawl of power at the same voltage-level of the delivery point within the Discom for such projects. ”*
- C. *“Electric Vehicles/Charging Stations to include Time-of-Day (ToD) and Dynamic tariff mechanisms specifically for Charge Point Operators (CPOs). The Maximum Ceiling Tariff (MCT) for EV end-consumers shall be capped at INR 15 per unit or as decided by this Commission.”*

After thoroughly examining the amendment proposed by the GoAP under Section 108 of the Electricity Act, 2003 and other relevant aspects, including the promotion of efficient and environmentally benign policies as envisaged in the preamble of the Electricity Act, 2003, 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 and

86(1)(e) of the Electricity Act, 2003 (36 of 2003) and all other powers enabling it in that behalf, hereby amends the Principal Regulation as follows.

1. Short Title, Extent, and Commencement

- i. This Regulation shall be called the Seventh Amendment to the Andhra Pradesh Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff for Wheeling and Retail Sale of Electricity) Regulation, 2005 (Regulation No. 4 of 2005).
- ii. This Regulation shall extend to the whole of the State of Andhra Pradesh.
- iii. This Regulation shall come into force on the date of its publication in the Andhra Pradesh Gazette.

2. The following definition shall be inserted as Clause 2.i.(q).

“Charge Point Operator or CPO” means any individual/entity operating the Electrical Vehicle Charging Station.”

3. The following text shall be added as a first proviso to Clause 20.1 of the Principal Regulation.

"Provided that the Distribution/Wheeling charges shall be exempted for such Clean Energy Projects and for such operative period as mentioned in GO.Ms.No.37, dated 30.10.2024, for injection and drawl of power at the same voltage level of DISCOM network within the DISCOM. "

4. The following text shall be added as a second proviso to Clause 20.1 of the Principal Regulation.

“Provided further that the Electric Vehicles/Charging Stations shall have Time-of-Day (ToD) and Dynamic tariff mechanisms specifically for Charge Point Operators (CPOs) as determined by APERC in the Retail Supply Tariff Orders every year. The per kWh tariff for the end-consumers of Electric Vehicles shall be as determined by APERC in the Retail Supply Tariff Orders every year or Rs.15 whichever is less.”

(By Order of the Commission)

Place : Kurnool
Date: 26.03.2025.

Sd/- 26/03/2025
P.Krishna
Commission Secretary (i/c)