

To,  
The Commission Secretary,  
Andhra Pradesh Electricity Regulatory Commission,  
#11-4-660, 4<sup>th</sup> Floor, Singareni Bhavan, Red Hills, Hyderabad 500 004  
Email ID: [commn-secy@aperc.gov.in](mailto:commn-secy@aperc.gov.in)

Date: 09.03.2020

**Sub: Views, proposals and suggestions on Andhra Pradesh Electricity Regulatory Commission (APERC) (Terms and Conditions of Open Access Regulation 2 of 2005.**

Dear Sir,

As a background, Amplus Solar is a market leader in providing energy solutions through on-site/off-site rooftop and ground mount solar energy solutions to industrial and commercial consumers. Amplus Solar owns and manages a portfolio of operational and under construction solar plants of 1000+ MW, serving more than 180 customers at over 275 locations under its brand 'Amplus Solar' and 'M+ Solar'.

Amplus Solar is a member of PETRONAS (Petroliam Nasional Berhad) Group, Malaysia and is headquartered in Gurugram and having offices in various locations. Amplus has a portfolio of 180+ commercial and Industrial clients across diverse vertical including manufacturing, aerospace and defence, automotive, FMCG, consumer durables, pharma, food processing, retail chains, educational institutes, hospital and healthcare etc.

The document setting out comments and suggestions on the public notice dated 17.02.2020 is enclosed herewith as **Annexure - 1.**

We request the Hon'ble Commission to kindly consider the comments and suggestions while issuing the final regulations to facilitate the development of renewable energy market in the State of Andhra Pradesh for overall growth and development.

Yours Sincerely,

Authorised Signatory



(For, Amplus Andhra Power Pvt. Ltd.)

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12/3/2020



### **Annexure - 1**

#### **Views, Comments and Suggestion on proposed 2<sup>nd</sup> Amendment to "Reg 2 of 2005 "**

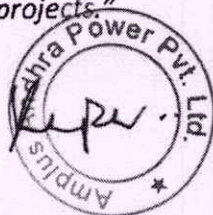
#### **1. Solar Policy '15 Regulation No & Year: Open Access, Regulations 2 of 2005 and it's amendment 1 of 2016**

In view of the incentives provide by the Govt. of Andhra Pradesh through Solar Policy's 2015, APERC issued Reg 1 of 2016 providing certain incentives in respect of the following items / parameters (which come under the purview of the APERC and require amendments to the existing Regulation) to the Solar Power and Wind Power Projects commissioned during the operative periods of the policies viz., from 12-02-2015 to 11-02-2020 in respect of Solar Power Projects and from 13-02-2015 to 12-02-2020 in respect of Wind Power Projects in the State of Andhra Pradesh.

With the proposed amendments i.e. Second Amendment to APERC (Terms and Conditions of Open Access) Regulation No.2 of 2005 , following clauses/section which provide the incentives for open access charges under the APERC (Terms and Conditions of Open Access) Regulation No.2 of 2005 are being removed.

#### **Amendment to Para 17.1 Principal Regulation: -**

- (i) The following *proviso* shall be added as second *proviso* to Para 17.1 (i)
  - (a) *"Provided further that the Transmission and Wheeling charges shall be exempted for wheeling of power generated from such Solar and Wind Power Projects and for such operative periods as mentioned in G.O.Ms.No.8, Dated 12-02-2015 and G.O.Ms.No.9, Dated 13-02-2015 respectively for only captive use / third party sale within the State."*
- (i) The following *proviso* shall be added as third *proviso* after the above *proviso* to Para 17.1 (i)
  - (b) *"Provided also that the Distribution losses shall be exempted for such Solar Power Projects and for such operative period as mentioned in G.O.Ms.No.8, Dated 12-02-2015 injecting at 33 kV or below irrespective of voltage-level of the delivery point within the Discom for such projects."*
- (iii) The following *proviso* shall be added as third *proviso* after the above *proviso* to Para 17.1 (i)
  - c) *"Provided further that the Cross Subsidy Surcharge and additional surcharge shall be exempted for third party sale if the source of power is from such Solar Power Projects set up within the State as mentioned in G.O.Ms.No.8, Dated 12-02-2015 for a period of five (5) years from the date of commissioning of such projects."*





### **Our Comments and Suggestions:**

As a common practice, Developers in AP considered/calculated the ROI of the projects by considering the incentives provided in Govt. Policies and Regulation issued by APERC. Amplus Andhra Power Pvt. Ltd. has also set-up a 2 MW (Off-site) project under which was commissioned in Dec 2017 and was developed within the operative period of the AP solar policy 2015 viz., from 12-02-2015 to 11-02- 2020 in respect of Solar Power Projects and from 13-02-2015 to 12-02-2020 in respect of Wind Power Projects in the State of Andhra Pradesh.

Considering the above policies (Solar and Wind Policies 2015) APERC has issued the Reg. 1 of 2016 providing the following incentives for specific period as mentioned in policy.

### **Relevant Clauses of the AP Solar Policy, 2015**

#### **A. Transmission and Distribution charges for wheeling of Power: (i) Para 4.a of Solar Power Policy, 2015**

*Transmission and distribution charges shall be exempted for wheeling of power generated from Solar Power Projects for only captive use/third party sale within the State for period of 10 Years.*

#### **B. Distribution Losses : Para 4 (b) of Solar Power Policy, 2015**

*Distribution losses shall be exempted only for Solar Power Projects injecting at 33 KV or above irrespective of voltage-level of the delivery point within the Discom for period of 10 Years.*

#### **C. Open Access Para 4(d) of Solar Power Policy, 2015 and Para 8(d) of Wind Power Policy, 2015 Intra-state Open Access clearance for the whole tenure of the project or 25 years whichever is earlier will be granted as per the APERC Regulations amended from time to time. In the absence of any response or intimation from the Nodal Agency to the generator within 21 days, then such application shall be deemed open access.**

#### **D. Cross Subsidy Surcharge Para 4 (f) of Solar Power Policy, 2015 Cross Subsidy Surcharge shall be exempted for third party sale provided the source of power is from Solar Power Projects setup within the State for a period of five (5) years from the date of Commissioning of the SPP.**

### **Reg. 1 of 2016: Amendment to Para 17.1 Principal Regulation: -**

- (ii) The following proviso shall be added as second proviso to Para 17.1 (i)





- (c) *"Provided further that the Transmission and Wheeling charges shall be exempted for wheeling of power generated from such Solar and Wind Power Projects and for such operative periods as mentioned in G.O.Ms.No.8, Dated 12-02-2015 and G.O.Ms.No.9, Dated 13-02-2015 respectively for only captive use / third party sale within the State."*
- (ii) The following proviso shall be added as third proviso after the above proviso to Para 17.1 (i)
- (d) *"Provided also that the Distribution losses shall be exempted for such Solar Power Projects and for such operative period as mentioned in G.O.Ms.No.8, Dated 12-02-2015 injecting at 33 kV or below irrespective of voltage-level of the delivery point within the Discom for such projects."*
- (iii) The following proviso shall be added as third proviso after the above proviso to Para 17.1 (i)
- d) *"Provided further that the Cross Subsidy Surcharge and additional surcharge shall be exempted for third party sale if the source of power is from such Solar Power Projects set up within the State as mentioned in G.O.Ms.No.8, Dated 12-02-2015 for a period of five (5) years from the date of commissioning of such projects."*

In view of the above, we request the Hon'ble APERC to contemplate before issuing the Amendment to the existing OA Regulations (2 of 2005 and 1 of 2016) in light of the legitimate expectation & promissory estoppel and allow the incentives in place as per AP Solar Policy and Reg. 1 of 2016 for the projects commissioned during the operative period of Solar and Wind policies 2015 and not to consider the amendments retrospectively.

