

**ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION
HYDERABAD**

Order Dated 26-03-2016

IN

O.P.No.14 of 2016

(SUO - MOTU)

Present: Sri Justice G. Bhavani Prasad, Chairman

Dr P. Raghu, Member

Sri P. Rama Mohan, Member

In the matter of: **Notification of Actual Fuel Price escalation and the variable cost to be paid from 01-04-2016 to 31-03-2017 in respect of the existing plants based on Non-Conventional Energy (NCE) sources in the State of Andhra Pradesh**

The Commission had issued a comprehensive (tariff) order in O.P.No.32 of 2014 in the matter of determination of variable cost for the period from 01-04-2014 to 31-03-2019 in respect of the existing plants based on Non-Conventional Energy (NCE) sources in the State of Andhra Pradesh on 16-05-2014.

The Commission, in the above said order, has preferred to determine the fuel price escalation in the case of Biomass based, Industrial waste based and Bagasse based NCE power plants, as per the fuel price indexation mechanism specified in the CERC RE Tariff Regulations, 2012 and the amendment thereto. Therefore it is required to compute fuel price escalation rates on an annual basis based on the indexation methodology and actual fuel price escalation to be notified by the Commission before the start of each financial year starting from 2015-16. Accordingly, the Commission has determined the fuel price escalation, fuel price and the consequent variable cost for FY2015-16 and notified on 02-04-2015.

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Now the Commission hereby notifies the following fuel price escalation, the fuel price and the consequent variable cost to be paid by AP Discoms for the financial year 2016-17:

Sl. No.	Type of the Power plant	Fuel Price for FY 2015-16 Rs. / MT	Computed Fuel Price escalation %	Fuel Price for FY 2016-17 Rs. / MT	Variable Cost for FY 2016-17 Rs. / per unit
1.	Biomass based	3056	-5.02	2902.60	4.37
2.	Industrial waste based	3056	-5.02	2902.60	4.37
3.	Bagasse based	1667	-5.02	1583.30	2.78

The Commission directs the AP Discoms to pay the above variable cost for the power purchased from Biomass based, Industrial waste based and Bagasse based NCE power plants in the State of Andhra Pradesh for the FY 2016-17.

Sd/-
(P. RAMA MOHAN)
MEMBER

(on leave)
(Dr.P.RAGHU)
MEMBER

Sd/-
(JUSTICE G. BHAVANI PRASAD)
CHAIRMAN