

ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION
4th Floor, Singareni Bhavan, Red Hills, Hyderabad – 500 004

Dated: 07-01-2015

Present:

Justice Sri. G. Bhavani Prasad, Chairman

O.P.No.47 of 2014

Between:

Bollineni Castings and Steel Limited

... Petitioner

A N D

Southern Power Distribution Company of Andhra Pradesh Limited ... Respondent

Counsel for the petitioner : Sri. Challa Gunaranjan, Advocate

Counsel for the respondent : Sri. P. Shiva Rao, Advocate

ORDER

A petition under Section 64 (1) r/w Sections 62 (1) (a), 61 and 86 of the Electricity Act, 2003 for determination of tariff for supply of electricity generated by the petitioner from its 7.5 MW bio mass based power project to the respondent under the Power Purchase Agreement dated 16-02-2002 for the period since the commencement of the 11th year following the commercial operation date of the project.

2. The petitioner gave the background for the request in the petition and the basis for its claims under various parameters relating to fixed cost, variable cost and other parameters, while requesting for determination of the tariff from 23-10-2013 and also interim tariff pending orders in the petition.

3. When the petition came up for hearing before the Commission, Sri Challa Gunaranjan, learned counsel for the petitioner placed a copy of the order of this Commission in O.P.No.11/2010 and batch dated 19-07-2014 for consideration and submitted that this Commission in the said common order exhaustively dealt with the issue of determination of tariff in respect of biomass based power projects which have completed 10 years of operation. The said common order discloses that the Commission determined the fixed cost payable for biomass power projects for 11th to 20th year of operation per unit at Rs.1.25 Ps. to Rs.1.89 Ps.

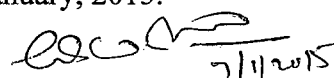
progressively which tariff was exclusive of income tax and minimum alternate tax. The Commission also stated that the tariff is applicable only to 80% PLF and the distribution companies were further directed to pay incentive of Rs.0.50 Ps. per unit generation of electricity above 80% PLF to all such developers apart from reimbursing the electricity duty paid by such developers. Sri Challa Gunaranjan invited specific attention to the direction of the Commission stating the order to be a generic order and obligating the distribution companies to pay for the 11th – 20th year period of their operation. the said fixed cost to all biomass based non conventional energy projects which complete 10 years irrespective of whether they have approached the Commission or not, for such determination.

4. Thus, it is clear that the subject matter of this petition is governed by the said common order and Sri G.V. Brahmananda Rao, learned counsel representing Sri P. Shiva Rao, learned standing counsel for the respondent stated in all fairness that the respondent has no counter to the petition and the common order will apply to the facts of the present case.

5. While there is no specific information as to whether the said common order dated 19-07-2014 is the subject matter of any pending review petition or appeal or any other judicial proceeding, it is not in dispute that the common order continues to be operative and in force as on today. Consequently this petition has to be disposed of in terms of the said common order subject to any further orders that may be passed in any such review or appeal or other judicial proceedings, if any, arising against the said common order.

6. Therefore, this petition is ordered directing the respondent to pay the fixed cost tariff for the 11th-20th year of the operation of the biomass based non conventional energy project of the petitioner as fixed by the common order in O.P.No.11/2010 and batch dated 19-07-2014 of the Andhra Pradesh Electricity Regulatory Commission, subject to any further orders that may be passed in review or appeal or any other judicial proceeding against the said common order. The parties shall bear their own costs.

This order is corrected and signed on this the 7th day of January, 2015.


(JUSTICE G. BHAVANI PRASAD)
CHAIRMAN