

ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION  
HYDERABAD

Order Dated 15-03-2018

IN

O.P.No.6 of 2018  
(SUO - MOTU)

Present

Sri. Justice G. Bhavani Prasad, Chairman  
Dr.P.Raghu, Member  
Sri. P. Rama Mohan, Member

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In the matter of: Notification of Actual Fuel Price escalation and the variable cost to be paid from 01-04-2018 to 31-03-2019 in respect of the existing plants based on Non-Conventional Energy (NCE) sources in the State of Andhra Pradesh

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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, FY2016-17 and FY2017-18 notified on 02-04-2015, 26-03-2016 and 13-03-2017 respectively.

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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 2018-19, by making use of New Series: Base 2011-12 for the Whole Sale Price Index (All Commodities and High Seed Diesel).

Sl.No.	Type of the Power Plant	Fuel Price for FY2017-18 ₹/MT	Computed Fuel Price escalation %	Fuel Price for FY2018-19 ₹/MT	Variable Cost for FY2018-19 ₹/Unit
1	Biomass Based	2930.3	9.08	3196.4	4.81
2	Industrial Waste Based	2930.3	9.08	3196.4	4.81
3	Bagassee Based	1598.4	9.08	1743.6	3.07

The Commission directs the AP Discoms to pay the above variable cost for the power purchased from Biomass based, Industrial Waste Based and Bagassee Based NCE Power Plants in the State of Andhra Pradesh for the FY2018-19.

Sd/-  
**(P.RAMA MOHAN)**  
MEMBER

Sd/-  
**Dr.P.RAGHU**  
MEMBER

Sd/-  
**JUSTICE G.BHAVANI PARASAD**  
CHAIRMAN