To
The Secretary
A.P. Electricity Regulatory Commission
4th floor, Singareni Bhavan, Red Hills
Hyderabad - 500 004

August 16, 2019

Respected Sir,

Sub : Submission of views and suggestions in application filed by AP Discoms – APSPDCL and APEPDCL - seeking approval for true-up for retail supply business for 2014-15 to the tune of Rs.861 crore pertaining to the increase in power purchase costs, etc.. in O.P.No.50 of 2019

With reference to your public notice dated 27.7.2019, inviting views, objections and suggestions on the subject petition, I am submitting the following points for the consideration of the Hon'ble Commission:

1. APSPDCL and APEPDCL, being independent entities should have submitted their true-up applications separately. However, a common application is filed by both the Discoms for the years 2014-15, claiming revenue true-up of Rs.861 crore for the year 2014-15. These claims include power purchase costs not considered by the Hon'ble Commission for the year 2014-15 to the tune of Rs.311 crore and costs disallowed by the Commission for the year 2015-16 to the tune of Rs.414 crore. The Commission had already approved true up of Rs.958 crore provisionally in the retail supply order for the year 2015-16. The claims of the Discoms include a carrying cost of Rs.410 crore at an interest rate of 12% considering FY 2019-20 as the year of approval. Whatever be the true-up amounts that the Hon'ble Commission is going to permit, its impact on consumers should be confined to the respective true-up amounts of the Discom concerned. It should not be an average for the entire State. While a sum of Rs.87 crore has to be trued down for APEPDCL, a sum of Rs.948 crore is claimed by SPDCL under true up for the year 2014-15 and 2015-16. The benefit of true down should accrue to consumers of APEPDCL and the same cannot be adjusted for true up of SPDCL.

2. While the affidavit filed by the Discoms claims that their claims for true-up pertain tothe year 2014-15, at page 7, the Discoms have claimed true-up for the year 2015-16 also, without giving details pertaining to the same. It is strange that the Hon'ble Commission has issued public notice, inviting objections and suggestions in the subject issue, without directing the Discoms to submit the detailed information required for their claims for 2015-16 also and incorporating the same in their subject application. We request the Hon'ble Commission to direct the Discoms to file the required details for additional true-up for the year 2015-16 separately. At page 8, the Discoms have dishonestly claimed that the claimed true-up amount of Rs.861 crore is for retail supply business for the year 2014-15.

3. The Discoms have requested the Commission to consider the true up amount computed by them based on the audited annual accounts for the year 2014-15. When were the accounts of the Discoms for the year 2014-15 audited? What are the findings in the audit report? A copy of the audit report needs to be submitted to the Commission and the same be provided to us. Simply because the accounts are audited, the additional amounts claimed now under true up for the year 2014-15 by the Discoms cannot be treated as uncontrollable and permissible. The justification and permissibility for the same need to be examined.

4. The Discoms have maintained that fixed costs to the tune of Rs.85.08 crore, income tax of Rs.11.21 crore and other costs of Rs.214.43 crore were not considered earlier. The reasons for the same need to be explained by the Discoms to examine whether such higher payments are justified or not. That apart, fixed cost being fixed in nature, it cannot increase for purchase of the quantum of power approved by the Commission. Therefore, the moot point is whether the Discoms backed down capacities of the stations of AP Genco and paid fixed charges therefor. If so, what were the quantum of power backed down by the Discoms and fixed charges paid therefor to AP Genco and other thermal stations, if any?

5. We request the Hon'ble Commission to determine the amounts taken over or to be taken over by GoAP from the debts of the Discoms for the year 2014-15 under UDAY and deduct the same from their true-up claims. In the subject petition, the Discoms have claimed that GoAP has taken over 100% of FRP bonds (Rs.2,546.15 crore) and 75% of working capital loans (Rs.8461.75 crore) under UDAY. When were these sums taken over by GoAP under UDAY? Does it require more than four years tosort out issues claimed to have been the reasons for delay in filing the subject petition for true up?

6. The contention of the Discoms that it is difficult to estimate quantum of variation in power purchase cost taken over by UDAY scheme. It implies that a part of variation in power purchase cost can be claimed both under UDAY and true up.

7. Carrying cost claimed by the Discoms to the tune of Rs.410 crore under true-up for the years 2014-15 and 2015-16 is not permissible. We request the Hon'ble Commission to reject the claim for carrying cost. The Discoms have to submit their true-up claims in time and the consumers should not be penalised for delay caused by the Discoms in submitting the same, whatever be the reasons therefor. Therefore, the question of taking into consideration the carrying cost to be incurred by the licensee in the future till the complete true-up is recovered does not arise. The implication in the contention of the Discoms is that the amounts claimed by them under true up fully or partly may be treated as regulatory asset for a specific period of time to be recovered in a phased manner. It is strange that the Discoms have contended that regulation of power between AP and TS in 2017 is one of the reasons for delay in filing the true up petition for 2014-15. What has the so-called regulation of power between the two States in 2017 to do with true up claims for the year 2014-15?

8. **We request the Hon'ble Commission to provide us an opportunity to make further submissions in person during the public hearing after receiving responses of the Discoms to our above-mentioned submissions and studying and analysing the same.**

Thanking you,

Yours sincerely,

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Convener, Centre for Power Studies
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   APSPDCL, Tirupati

Filed Sri. R. Shiv Kumar, in OP. 50/2019 & IA. No. 14 & 15/2019 (True-up) 16

The Federation of Andhra Pradesh

Chambers of Commerce and Industry

(FAPCCI)

Preliminary Statement of Objections On the

Petitions for Determination of True up for Retail Supply Business for FY 2014-15, FY 2016-17 & FY 2017-18 in accordance with the "Andhra Pradesh Electricity Regulatory Commission (Terms And Conditions for Determination of Tariff for Wheeling and Retail Sale of Electricity) Regulation No.4 of 2005 and amendments thereof"

by the

Southern Power Distribution Company of AP Ltd.

(APSPDCL)

&

Eastern Power Distribution Company of AP Ltd.

(APEPDCL)

August, 2019

Andhra Pradesh Electricity Regulatory Commission
1929
17 AUG 2019
Hyderabad

PRELIMINARY STATEMENT OF OBJECTIONS BY FAPCCI

The Industrial consumers account for about 24% & 37% of the total energy sales and contribute about 38% & 46% to the total revenue from tariffs in APSPDCL & APEPDCL respectively as in 2019-20. These consumers, duly represented by the Federation of Andhra Pradesh Chambers of Commerce and Industry ('Objector' or 'FAPCCI'), have been repeatedly raising the issue of non-filing of true up details by the AP distribution companies before the Hon'ble APERC for past many years. The discoms on the other hand have justified the delayed filings of such details citing some or the other frivolous reasons. The consumers firmly believe that such delay in filing of true up accounts reflects the conduct of AP discoms wherein they sought a meagre tariff hike (or NIL tariff hike) during the initial tariff proceedings of relevant year and have now come up with claims of significant revenue deficits during the years. The tariff revisions implemented by the Hon'ble APERC in the past years were largely in line with AP discoms' proposals, as depicted below:

FY	Tariff revision by APERC against the proposal by AP discoms
2016-17	• hike in energy charges was allowed to 2% as against 4% proposed by the licensees • hike in fixed charges was approved at 4% as proposed by the licensees
2017-18	hike in energy charges was approved at 3% to 4%, in line with licensees' proposal of 3.79%
2018-19	no tariff hike

Despite the aforesaid tariff revisions in line with the proposals of discoms, the discoms have now (after considerable delay) come up with the true up filings for FY 2014-15, FY 2016-17 and FY 2017-18 and have claimed significant revenue gaps to the tune of Rs. 861 cr., Rs. 11,144 cr. and Rs. 3,257 cr. in FY 2014-15, FY 2016-17 and FY 2017-18 respectively. The cumulative gap claimed by the discoms i.e. Rs. 15,262 cr. is almost 50% of the ARR allowed by Hon'ble APERC in FY 2019-20. On a per unit basis, this gap is tantamount to an impact of around Rs. 2.52/kWh on the average cost of the discoms based on the sales approved during FY 2019-20.

The claims of discoms are outrageous and are liable to be rejected on many counts. FAPCCI strongly objects to the true up claims of discoms for FY 2014-15, FY 2016-17 and FY 2017-18 respectively (herein after referred to as the 'True-up Petitions' or 'Petitions') and prays that the same may be rejected *in limine*, in the interest of justice and equity.

The preliminary objections to the Petitions are narrated herein below:

1. Requirement of Data in excel format for all the tables given in the Petitions

The Petition is not backed by any workings or data in tariff excel formats prescribed by the Tariff Regulations. We request the Petitioners to submit relevant excel files used in preparing the true up Petitions for FY 2014-15, FY 2016-17 and FY 2017-18. This will help the consumers as well as Hon'ble Commission in understanding their claims in a better way.

2. Plant Availability Factor (PAF) of all the generating stations

Since Annual Fixed Charges are to be allowed in proportion to availability declared by the generating stations, we request the AP discoms to submit Plant availability factor data for all the stations.

It is also pointed out that there appears to be an anomaly in the claim of AFC for SDSTPS – I. For instance, the fixed cost of SDSTPS – I for FY 2017-18 is approved to be Rs.1,782.20 cr. which is to be recovered against a normative availability of 80%. Based on 56.72% availability as submitted by the discoms in FY 2017-18, the recoverable fixed cost works out to be Rs. 1,263.57 cr. and not Rs.1,403.92 cr. as claimed in the true up Petition for FY 2017-18.

3. No basis provided for claiming 'incentives' and 'other costs'

The Petitioners have not submitted the basis for claiming 'incentives' and 'other costs'. The Hon'ble Commission is requested to direct the discoms to furnish the detailed workings of incentives and other costs.

4. Claims to be approved based on Audited Accounts only

There are cost items claimed by the Petitioner which they have not incurred in the corresponding years viz. fixed cost claim of SDSTPS- I.

The truing up exercise is to be undertaken strictly based on the audited costs and revenues of the Petitioner companies. If there are any monies not recovered in time by the Petitioner due to no fault of the consumers, the same ought not to be allowed in those years.

5. Reconciliation of Actual Power Purchase cost and Revenue with Audited Accounts

The Actual Power Purchase cost and Actual Revenue in the true up filings for FY 2016-17 and FY 2017-18 are not in accordance with audited accounts of discoms for respective years. The Petitioner is required to submit the reconciliation towards the same.

6. Carrying cost

The Petitioners are required to submit true up Petitions for a financial year strictly in terms of the Andhra Pradesh Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff for Wheeling and Retail Sale of Electricity) First Amendment Regulation, 2014 ('Tariff Regulations'), which provide as below:

> *b. Since the complete information of cost actually incurred relating to previous year will not be available at the time of filing of ARR for a particular tariff year, the Licensee may include provisional cost variation for the previous year in ARR filings which will be subject to final correction by the Commission as and when final accounts for that year become available.*

Thus, the final truing up exercise is to be conducted as and when the audited accounts are ready. The annual reports with audited accounts of the Petitioner companies were available on the following dates:

	APSPDCL	APEPDCL
Annual Reports 2014-15	29th Feb 2016	4th Dec 2015
Annual Reports 2016-17	16th Oct 2017	23rd Dec 2017
Annual Reports 2017-18	31st Oct 2018	27th Nov 2018

Needless to say, had the truing up exercise been conducted as per these timelines, the Commission would have taken note of increasing gap every year and would have taken/suggested measures to curb the trend of increase in inefficiency of the Licensees. Delaying the filing of true up Petition and claiming the carrying cost on the gap incurred in previous years would put undue and unjustifiable burden on the consumers.

7. Disallowance of excess power purchased by the Distribution Companies based on Merit Order Dispatch

According to the methodology indicated in Tariff Regulations, the power purchase quantum to be considered for each discom for truing up should be the least of-

1. Actual power purchase quantity procured by the discoms for its consumers and
2. Power purchase quantity computed based on actual sales except LT Agriculture sales. LT Agriculture sales will be limited to Tariff Order quantity. These aggregated sales will be grossed up with approved losses for the relevant year in the MYT Orders.

The Power purchase cost calculated based on this methodology requires the Petitioners to not consider the total quantum of power purchased in actuals. For FY 2016-17, part of short term power purchased and part of power purchased from Hinduja IPP has not been considered and in FY 2017-18, UI quantum has not been considered. The Petitioner should submit the justification based on which power purchase cost has been considered for truing up. The Commission should take this into account and disallow the purchase of power with higher variable cost based on Merit Order Dispatch.

PRAYERS

The Objector most respectfully prays that this Hon'ble Commission may be pleased to:

A. Consider the above preliminary objections filed by the Objector;

B. Permit the Objector to make additional submissions and produce additional details and documentations during the course of the Public Hearings to be organized in the state, in the interest of justice and equity.

C. Pass necessary orders as may be deemed appropriate in the facts and circumstances of the case in the interest of justice;

Date: August 2019

Place: Hyderabad

OBJECTOR

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The Secretary
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Thanking you,

Yours sincerely,

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Copies to :

1. **Chief General Manager (RAC)**
   APSPDCL, Tirupati

COMMUNIST PARTY OF INDIA (MARXIST)

ANDHRA PRADESH COMMITTEE

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Phone: 0891-2706678, E-mail: cpimvizag@gmail.com, chnrao33@gmail.com

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APSPDCL, Tirupati

COMMUNIST PARTY OF INDIA (MARXIST)

ANDHRA PRADESH COMMITTEE

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Vijayawada,
Date: 18th August, 2019.

To
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7. Carrying cost claimed by the Discoms to the tune of Rs.410 crore under true-up for the years 2014-15 and 2015-16 is not permissible. We request the Hon'ble Commission to reject the claim for carrying cost. The Discoms have to submit their true-up claims in time and the consumers should not be penalised for delay caused by the Discoms in submitting the same, whatever be the reasons therefor. Therefore, the question of taking into consideration the carrying cost to be incurred by the licensee in the future till the complete true-up is recovered does not arise. The implication in the contention of the Discoms is that the amounts claimed by them under true up fully or partly may be treated as regulatory asset for a specific period of time to be recovered in a phased manner. It is

strange that the Discoms have contended that regulation of power between AP and TS in 2017 is one of the reasons for delay in filing the true up petition for 2014-15. What has the so-called regulation of power between the two States in 2017 to do with true up claims for the year 2014-15?

8. We request the Hon'ble Commission to provide us an opportunity to make further submissions in person during the public hearing after receiving responses of the Discoms to our above-mentioned submissions and studying and analysing the same.

Thanking you,

Yours sincerely,

(PENUMALLI MADHU)
State Secretary

Copy to

1. **Chief General Manager**
   P&MM&IPC
   APSPDCL, Tirupati
2. **Chief General Manager**
   RAC, PP&Projects-III
   APEPDCL, Visakhapatnam

To
The Secretary
A.P. Electricity Regulatory Commission
4th floor, Singareni Bhavan, Red Hills
Hyderabad - 500 004

August 19, 2019

Respected Sir,

Sub : Submission of views and suggestions in application filed by AP Discoms – APSPDCL and APEPDCL - seeking approval for true-up for retail supply business for 2014-15 to the tune of Rs.861 crore pertaining to the increase in power purchase costs, etc.. in O.P.No.50 of 2019

With reference to your public notice dated 27.7.2019, inviting views, objections and suggestions on the subject petition, I submit the following for the consideration of the Hon'ble Commission. I request that the delay in submission may please be condoned and to take this in to consideration.

1. APSPDCL and APEPDCL, being independent entities should have submitted their true-up applications separately. However, a common application is filed by both the Discoms for the years 2014-15, claiming revenue true-up of Rs.861 crore for the year 2014-15. These claims include power purchase costs not considered by the Hon'ble Commission for the year 2014-15 to the tune of Rs.311 crore and costs disallowed by the Commission for the year 2015-16 to the tune of Rs.414 crore. The Commission had already approved true up of Rs.958 crore provisionally in the retail supply order for the year 2015-16. The claims of the Discoms include a carrying cost of Rs.410 crore at an interest rate of 12% considering FY 2019-20 as the year of approval. Whatever be the true-up amounts that the Hon'ble Commission is going to permit, its impact on consumers should be confined to the respective true-up amounts of the Discom concerned. It should not be an average for the entire State. While a sum of Rs.87 crore has to be trued down for APEPDCL, a sum of Rs.948 crore is claimed by SPDCL under true up for the year 2014-15 and 2015-16. The benefit of true down should accrue to consumers of APEPDCL and the same cannot be adjusted for true up of SPDCL.

2. While the affidavit filed by the Discoms claims that their claims for true-up pertain tothe year 2014-15, at page 7, the Discoms have claimed true-up for the year 2015-16 also, without giving details pertaining to the same. It is strange that the Hon'ble Commission has issued public notice, inviting objections and suggestions in the subject issue, without directing the Discoms to submit the detailed information required for their claims for 2015-16 also and incorporating the same in their subject application. We request the Hon'ble Commission to direct the Discoms to file the required details for additional true-up for the year 2015-16 separately. At page 8, the Discoms have dishonestly claimed that the claimed true-up amount of Rs.861 crore is for retail supply business for the year 2014-15.

3. The Discoms have requested the Commission to consider the true up amount computed by them based on the audited annual accounts for the year 2014-15. When were the accounts of the Discoms for the year 2014-15 audited? What are the findings in the audit report? A copy of the audit report needs to be submitted to the Commission and the same be provided to us. Simply because the accounts are audited, the additional amounts claimed now under true up for the year 2014-15 by the Discoms cannot be treated as uncontrollable and permissible. The justification and permissibility for the same need to be examined.
4. The Discoms have maintained that fixed costs to the tune of Rs.85.08 crore, income tax of Rs.11.21 crore and other costs of Rs.214.43 crore were not considered earlier. The reasons for

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the same need to be explained by the Discoms to examine whether such higher payments are justified or not. That apart, fixed cost being fixed in nature, it cannot increase for purchase of the quantum of power approved by the Commission. Therefore, the moot point is whether the Discoms backed down capacities of the stations of AP Genco and paid fixed charges therefor. If so, what were the quantum of power backed down by the Discoms and fixed charges paid therefor to AP Genco and other thermal stations, if any?

5. We request the Hon'ble Commission to determine the amounts taken over or to be taken over by GoAP from the debts of the Discoms for the year 2014-15 under UDAY and deduct the same from their true-up claims. In the subject petition, the Discoms have claimed that GoAP has taken over 100% of FRP bonds (Rs.2,546.15 crore) and 75% of working capital loans (Rs.8461.75 crore) under UDAY. When were these sums taken over by GoAP under UDAY? Does it require more than four years tosort out issues claimed to have been the reasons for delay in filing the subject petition for true up?

6. The contention of the Discoms that it is difficult to estimate quantum of variation in power purchase cost taken over by UDAY scheme. It implies that a part of variation in power purchase cost can be claimed both under UDAY and true up.

7. Carrying cost claimed by the Discoms to the tune of Rs.410 crore under true-up for the years 2014-15 and 2015-16 is not permissible. We request the Hon'ble Commission to reject the claim for carrying cost. The Discoms have to submit their true-up claims in time and the consumers should not be penalised for delay caused by the Discoms in submitting the same, whatever be the reasons therefor. Therefore, the question of taking into consideration the carrying cost to be incurred by the licensee in the future till the complete true-up is recovered does not arise. The implication in the contention of the Discoms is that the amounts claimed by them under true up fully or partly may be treated as regulatory asset for a specific period of time to be recovered in a phased manner. It is strange that the Discoms have contended that regulation of power between AP and TS in 2017 is one of the reasons for delay in filing the true up petition for 2014-15. What has the so-called regulation of power between the two States in 2017 to do with true up claims for the year 2014-15?

8. We request the Hon'ble Commission to provide us an opportunity to make further submissions in person during the public hearing after receiving responses of the Discoms to our above-mentioned submissions and studying and analysing the same.

Thanking you,

Yours sincerely,

B Tulasi das
S4- Devi Towers,
Sambamurty Road,
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Copies to :

1. Chief General Manager (RAC)
   APSPDCL, Tirupati
2. Chief General Manager (RAC)
   APEPDCL, Visakhapatnam.

Admn.	For Perusal
Engg.	Secretary 19/8/19
Law	Member / PRM 19/8/19
	Member / PR
Tariff	Chairman

From: **Sreekumar N** sreekumar@prayaspune.org
Subject: DISCOM True-up petitions
Date: August 16, 2019 at 7:52 PM
To: Commission Secretary APERC commn-secy@aperc.gov.in
Cc: Ann Josey ann@prayaspune.org

August 16, 2019

Dear Sir

We are studying the true-up petitions submitted by AP DISCOMs for FY 15, 17 and 18. On first look, the petitions do not seem to have all the details and we wish to request DISCOMs to provide some more information, as well as make some comments on the petitions.

We are sorry, for not being to make the submission and attend the public hearing scheduled for 17/8/19. We shall make our submission by 19/8/19. We request you to kindly take it on record.

Thanking you

Yours truly

Sreekumar N and Ann Josey

--

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"Together, make a difference: anywhere,everywhere; anytime,everytime"

1035
19/8/19

To
The Secretary
A.P. Electricity Regulatory Commission
4th floor, Singareni Bhavan, Red Hills
Hyderabad - 500 004

September 6, 2019

Respected Sir,

Sub : Submission of views and suggestions on true-up claims of AP Discoms in O.P. No.50 of 2019 for 2014-15, in I.A.No.14 of 2019 in O.P.Nos.1&2 of 2016 for 2015-16 and 2016-17 and in I.A.No.15 of 2019 in O.P.Nos.28& 29 of 2016 for 2017-18

Further to our submissions dated August 16, 2019 on the subject issues and in response to the direction given by the Hon'ble Commission, we are submitting the following points for its consideration:

During the public hearing on 17.8.2019, the Hon'ble Commission directed that "both Sri M. Venugopala Rao, learned objector and Sri P. Shiva Rao, learned Standing Counsel for the petitioners are requested to examine within what time limits the petitioners can approach this Commission for a true-up or there are no limitations of time at all for such an exercise and submit on the next date of hearing." In response to the direction of the Hon'ble Commission, we are submitting our views hereunder:

1. In the tariff order for retail supply of electricity for the year 2019-20, the Hon'ble Commission stated that "the Commission grants liberty to file true-up for FY 2016-17, FY 2017-18 and FY 2018-19 through appropriate applications/petitions at the earliest, if they are entitled otherwise for the same. Such petitions or applications, if filed, will be determined independently on merits in accordance with law and as per the prescribed procedure" (page 210 and para 332). When the Hon'ble Commission permitted the Discoms to file their true up claims for the last three financial years "at the earliest," the question of time limits for filing the same did not figure in the observations made by the Hon'ble Commission in the tariff order for the current financial year in response to the requests of the Discoms. Having already granted liberty to file true-up claims by the Discoms accordingly, now that the Hon'ble Commission wants to examine within what time limit they can approach it for a true-up or whether there are no limitations of time at all is indicative of inquisitive change in the approach of the Commission. Barring change of Government in Andhra Pradesh after the recent elections to the Legislative Assembly and the kind of adverse reactions coming from the highest authorities in the new Government on what transpired in the power sector in the State during the earlier regime, no other reason is discernible warranting such a change in the approach of the Hon'ble Commission - within a span of about six months - when it had already given liberty to the Discoms in the tariff order for 2019-20 to file their true-up claims at the earliest and when it wanted to know limitations of time for filing true-up claims by the Discoms in its directions given to Sri P Shiva Rao garu and me on the 17th

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August, 2019. This direction of the Commission is in the nature of questioning the very liberty it had granted to the Discoms to file their true-up claims "at the earliest" for the said three years. In other words, the Hon'ble Commission should have examined the issue of limitation before granting liberty to the Discoms to file their true-up claims for the said three years accordingly. If the Commission had considered the issue of limitation while granting liberty to the Discoms to file their true-up claims for the said three years, it should have made it public by giving the reasons for the same.

2. Regulation No.4 of 2005 of APERC says: "The Distribution Licensee shall be eligible to claim variations in "uncontrollable" item in the ARR for the year preceding the relevant year of the Control Period depending on the availability of data as per actual with respect to effect of uncontrollable items:
"Provided that the Commission shall allow the financing cost on account of the time gap between the time when the true-up becomes due and when it is actually allowed and the corrections shall not be normally revised" (Clause 10(5)).

3. Regulation No.1 of 2014 of APERC says in the introduction: "Given that the quantum of variation of power purchase cost for each year may be high the Commission considers that the recovery of such cost variation should also be undertaken annually along with annual Retail Supply Tariff filings.
"In the present context of annual filings for Retail Supply Business and non-availability of any provision for periodic adjustment of Power Purchase Cost variation, an annual true-up is desirable to ensure an equitable burden on both licensees and consumers. Accordingly, the Commission proposes to permit the licensees to include the variation in power purchase cost for a tariff year as an item cost in the succeeding year's ARR relating to Retail Supply Business." Further it says: 2(12.5) True-up for Retail Supply Business
a. "The Distribution Licensee shall include the power purchase cost variation over the previous year Power Purchse cost in the Tariff Order as expense (in the event of incurring excess cost)/rebate (in case of cost saving) in the ARR as special item with relevant details. To arrive the power purchase cost variation, the least of the following power purchase quantity is to be considered:
   i) Actual power purchase quantity procured by the Discoms for its consumers.
   ii) Power purchase quantity computed based on actual sales except LT Agriculture sales. LT Agricultural sales will be limited to Tariff Order quantity. These aggregated sales will be grossed up with approved losses for the relevant year in the MYT orders.

b. Since the complete information of cost actually incurred relating to previous year will not be available at the time of filing of ARR for a particular tariff year, the Licensee may include provisional cost variation for the previous year in ARR filings which will be subject to final correction by the Commission as and when final accounts for that year become available.
c. The Licensee shall also include in the ARR the amounts to be collected on final basis being the difference between the cost incurred based on audited annual

accounts report and costs provisionally approved by the Commission in the Tariff Order for the year immediately preceding the previous year."

4. There is nothing on record to show that the Hon'ble Commission directed the Discoms to file their true-up claims in time, as per the applicable regulations, or questioning them as to why they were delaying submission of the same. The regulations make it clear that the Discoms have to file claims for true-up provisionally for the previous year while filing ARR for the next year. They have to file their final true-up claims as and when final accounts for the year concerned become available. It needs to be examined when final accounts for the years concerned relating to the subject true-up claims were audited and available. Even then, the regulations do not contain any cautionary provisions that, if the Discoms do not submit their final true-up claims as and when audited accounts are available, delayed submission of such claims would not be considered by the Commission. Here, it has to be noted that, if the Discoms do not submit claims for true-down when the audited accounts show additional revenue to them, it is the interest of the consumers of power that would be affected. Therefore, whether true-up or true-down, if the Discoms do not submit their claims for the same in time as per applicable regulations, the Commission can consider the same suo motu and issue its order. Clause 12(4) of Regulation No.4 of 2005 says: "the Distribution Licensee shall be entitled to recover or shall refund, as the case may be, the charges on account of Fuel Surcharge Adjustment as approved by the Commission from time to time, suo-motu or based on the filing made by the Distribution Licensee, as the Commission may deem fit." This principle should be applicable in the case of true-up or true-down also. In the case of true-up, it is to avoid accumulation of true-up amounts and carrying costs thereon. In the case of true-down, it is to protect larger consumer interest by ensuring redemption of what is due to them from the Discoms. Nothing is made public as to why the Hon'ble Commission has not taken up true-up or true-down requirements suo motu, when the Discoms have not submitted the same in time as per applicable regulations.

5. In Civil Appeal Nos. 6036, 6061, 6138 of 2012, 9304 of 2013 and 6835 of 2015 between A.P. Power Coordination Committee and others Vs. Lanco Kondapalli Power Ltd. and others, the Hon'ble Supreme Court held in its order dated 16.10.2015 that "Held, special adjudicatory role envisaged under Section 86(1)(f) of Act, also appeared to be for speedy resolution so that a vital developmental factor electricity and its supply was not adversely affected by delay in adjudication of even ordinary civil disputes by civil court. Evidently, in absence of any reason or justification, legislature did not contemplate to enable a creditor who had allowed period of limitation to set in, to recover such delayed claims through Commission. Hence, a claim coming before Commission could not be entertained or allowed if it was barred by limitation prescribed for an ordinary suit before civil court. But in appropriate case, a specified period might be excluded on account of principle underlying salutary provisions like Section 5 or 14 of Limitation Act. Such limitation upon Commission on account of this decision would be only in respect of its judicial power under clause (f) of Sub-section (1) of Section 86 of Electricity Act,

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2003 and not in respect of its other powers or functions which might be administrative or regulatory." Obviously, the subject claims of the Discoms for true-up come under the regulatory powers and functions of the Hon'ble Commission. Therefore, the claims of the Discoms for true-up do not attract the provisions of the Limitation Act.

6. Section 8.0 of tariff policy of the Ministry of Power, GoI, dated 28th January, 2016, says, inter alia, that "appropriate Commission should mandate Distribution Licensee to undertake load forecasting every year and to publish and submit to the Commission their short, medium and long-term power procurement plans to meet the load." The Hon'ble Commission did not exercise its authority in that direction before giving its consents/approvals to PPAs the Discoms had with developers of power plants for purchasing unwarranted and high cost power. It further mandates that "all power purchase costs need to be considered legitimate unless it is established that the merit order principle has been violated or power has been purchased at unreasonable rates" (Section 8.1(7)). Nothing has been made public in this regard during the last five years.

7. True-up is a variant of fuel surcharge adjustment (FSA). While claims of true-up are for a period of one year, FSA claims were for a period of three months (for a short period, for one month), as has been the practice over the years. After APERC dispensed with FSA when Sri C R Sekhar Reddy garu was the incharge Chairman, incidentally, after I made the suggestion in view of failure of the Discoms to submit the same within time limits, true-up came into force. The Amendment Regulation No.1 of 2003 has been repealed vide Regulation No.2 of 2013 and the provision empowering the Commission to authorize the levy of Fuel Surcharge Adjustment has been deleted. When the Discoms did not submit FSA claims periodically, despite our repeated requests to the then APERC under the chairmanship of Sri Swaminathan garu to direct the Discoms to file FSA claims in time, making it clear that abnormal delay would not be permitted and that claims would not be considered, there was no response from the Commission. After general elections, the Discoms filed FSA claims belatedly on which APERC issued its orders permitting FSA claims when Sri Raghotham Rao garu was the Chairman. Those orders were challenged in the Hon'ble High Court. The Hon'ble High Court, in its order dated 29.7.2011 in WP Nos. 18212 of 2010 and Batch and 128 of 2011 and Batch between India Cements Ltd. and others Vs. Chairman, APERC, Hyderabad, and others held that "though the petitioners contend that the right of DISCOMs to claim FSA stood forfeited, but it is their admitted case that as per the original Tariff Order, they are required to pay FSA, which is extra. FSA is nothing but the additional expenditure incurred by the DISCOMs and sought to be recovered from the petitioners. Even though the petitioners contend that the Commission has no power whatsoever to condone the delay and revive a time-barred claim, having regard to the provisions of Regulation 59, I am of the considered opinion that the Commission, is entitled to extend the time prescribed in the Regulations, which has already expired, for sufficient reason by passing a reasoned order in that regard." The Court pointed out that "as per Condition No. 4 of Regulation 45-B

APTRANSCO (DISCOMs) must file with the Commission all information required for calculation of the Fuel Surcharge Adjustment within 30 days of the end of the respective quarter, failing which they will forfeit any future claims on this account for such quarter." The FSA claims were filed before APERC for the four quarters of the financial year 2008- 09, after lapse of nearly one year and ten months. While setting aside the orders of APERC on the claims of the Discoms for FSA, on the ground that the Commission did not hold public hearing on the FSA claims and violated the principles of natural justice, among others, Justice Sri S V Ramana garu directed that "it is open to the licensees i.e. DISCOMs to file applications afresh claiming FSA, and if any such applications are filed by the licensees, the Commission shall consider and decide them in accordance with law, and in the light of the observations made by this Court recorded hereinabove, and pass appropriate orders, expeditiously." The Hon'ble Judge held that "determination of FSA falls within the realm of executive/quasi-judicial function rather than legislative function and consequently principles of natural justice have to be complied with" and elaborated the reasons therefor.

8. The concluding observations made by Justice Ramana garu are noteworthy: "As noted in the earlier part of the judgment, the Commission was specifically created to ensure objectivity and transparency in the regulation of generation, distribution and transmission of electricity. The institution of the Commission was created since the previous regulatory model where the State Government was the sole regulator turned out to be an abject failure. It was expected that the Commission, which would be independent of the Government would bring about transparency and objectivity with respect to regulation of electricity. The Commission was specifically obligated to consider the interest of the licensees and the consumers. The Commission has been made an independent and autonomous body to ensure that there is no State interference in exercise of its functions. Since the Commission is not accountable either to the Legislature or the Government, the Commission has to ensure that it protects the interests of all the stakeholders and acts in a transparent manner. Since the Commission is an autonomous body, the Government has to take utmost care while appointing the Chairman and Members and ensure that persons with requisite qualifications, having competence and expertise, who can discharge the functions of the Commission in accordance with the provisions of the Electricity Act, 2003 and the object for which the Commission was created, are appointed." The judgement was widely hailed then. Needless to say, apart from requisite qualifications, competence and expertise, the Government has to take care while appointing the Chairman and Members and ensure that persons with professional integrity, intellectual honesty and moral courage are appointed to protect the interests of all the stakeholders, especially of the unorganised consumers of power at large.

9. After the Discoms filed their FSA claims afesh as directed by the Hon'ble High Court, the Commission held public hearings and issued its orders. In view of many practical difficulties faced by different categories of consumers in paying FSA amounts as determined and permitted by APERC after abnormal delay, legal

litigations challenging the orders of APERC went on for a long time and up to the highest court of the country. The Hon'ble Supreme Court dismissed the appeals against the orders of APERC on FSA claims of the Discoms in its order dated 5.7.2016 in civil appeal No.5542 of 2016 and many other civil appeals. The Hon'ble Supreme Court concluded : " In our opinion, the challenge made by the Appellants is unworthy of acceptance. Fuel surcharge is really a surcharge levied to meet increased cost of generation and purchase of electricity and the scope cannot be circumscribed by its nomenclature. Thus the formula in Regulation 45B and the FSA determined by the Commission would take into consideration various factors which result in the increased cost of generation and purchase of electricity. 43. The appeals are found to be devoid of merits and are hereby dismissed. The Appellants are directed to make the deposit along with interest; if no other rate is prescribed at the rate of 8 per cent per annum, and other charges for delay, as may be permissible to recover within a period of one month from today. In addition, the Respondents are at liberty to take coercive steps to recover the amount." The implication in upholding the orders issued by APERC on delayed submissions of FSA claims is that delay in submission of such claims is no valid ground for not considering the same.

10. In its tariff order on retail sale of electricity for the year 2017-18, the Hon'ble Commission observed: "The Commission is making every effort to exercise its regulatory jurisdiction to prevent purchase of power at any cost higher than required" (page 93 and para 89). It further observed: "Within the limitations of its jurisdiction, the Commission is attempting to check the transparency, accountability and acceptability of the power purchases. Illustratively, the decrease in short term purchases may be indicative of such greater vigilance by the Commission (Page 97 and para 94). The Hon'ble Commission maintained that "the Licensees, under no circumstances, shall procure energy from Stations/Sources other than those approved in this order unless and otherwise permitted by the Commission. Further, Licensees are also directed not to procure energy over and above the quantum indicated against each Station/Source unless and otherwise approved by the Commission or ratified by the Commission in case of unavoidable emergencies (The licensees should be able to satisfy the Commission about the nature of the emergency), The licensees shall not back down generation from other Stations to accommodate generation from Hinduja, Damodaram Sanjeevaih Plants and DBFOO. Violation of the above directions of the Commission will be viewed very seriously and appropriate action will be initiated against the officers/persons responsible for violation under the provisions of the Electricity Act, 2003, AP Electricity Reform Act, 1998, and Rules and Regulations made thereunder in accordance with the prescribed procedure" (page 182 and para 212). Till date, nothing is made public on procurement of energy over and above the quantum indicated against each station/source approved by the Commission and whether the Discoms have sought and got approval/ratification from the Commission. If not, what action the Hon'ble Commission has taken on the people concerned for such dereliction and violation of its directions also is not made public.

11. In its tariff order on retail sale of electricity for the year 2018-19, the Hon'ble Commission observed: "There cannot be two opinions about the indispensable necessity to minimize the revenue deficit in all possible ways and the estimated increase in power purchase cost and average cost of service should be avoided by taking recourse to all possible measures" (Page 23 and para 50). The Commission further observed: "The distribution licensees shall ensure any inevitable requirement for short term purchase of power from sources other than approved in the merit order despatch should be met only after ensuring the price to be the lowest available among all possible sources at that particular time, on which verifiable information should be placed before the Commission expeditiously from time to time at least once in a month to enable a regular check" (Page 53 and para 80). The Commission maintained that "Regularization also may be a facet of Regulation and the Commission can only say that time alone will decide the prudence or imprudence of its decisions on merits in accordance with law and the Commission firmly believes that any irreparable damage to larger consumer interest on long term basis has not happened because of its consents, approvals and orders.....The regulatory oversight, monitoring and insistence on observing financial prudence by the Commission obviously protected larger consumer interest which will have long term impact. With continued vigilance and constructive criticism from public spirited experts in power sector like Sri M Venugopal Rao, Sri M Thimma Reddy and others, the appreciation for whose selfless services the Commission wishes to place on record, the Commission hopes to inculcate more financial and operational discipline in the power sector so as to provide satisfactory and quality services to all the consumers/stakeholders" (Pages 81-82 and para 88). The factual matrix that has emerged in the form of the subject true-up claims for an abnormal amount of Rs.15,262 crore exposes the hollowness of the self-congratulatory assertions of the Commission that its regulatory oversight, monitoring and insistence on observing financial prudence by the Discoms protected larger consumer interest and that any irreparable damage to larger consumer interest on long term basis has not happened because of its consents, approvals and orders. Moreover, these disastrous consequences will have long-term impact for many years to come. The subject true-up claims of the Discoms have shown that reality cannot be covered up for long and that time has already come to decide the prudence or imprudence of the decisions of the Commission.

12. The Commission maintained that "from a state of invariable annual increase of tariffs, some progress could be achieved since establishment of this Commission to achieve some discipline, some reduction in power purchase cost and some accountability which helped in the DISCOMs being able to venture to suggest no increase in tariffs in FY 2018-19. If the process of self introspection and self improvement continues at a desirable level, the possibility of reduction in tariffs progressively from the next financial year may become a distinct possibility" (Page 140 and para 122 of tariff order for 2018-19). What a wonderful foresight! We have made it clear in our submissions on ARR for 2018-19 and 2019-20 that the Discoms have not proposed tariff hikes in the pre-election period at the behest of the GoAP to subserve the political expediency of the party-in-power to hoodwink the

electorate that there are no additional burdens on them. The Discoms have yet to file their true-up claims for 2018-19. What would be the true-up claims of the Discoms for the year 2019-20 also will be known during the next financial year when they are supposed to submit the same. The possibility of reduction in tariffs progressively from 2019-20 will be a mirage in view of impending accumulated burdens in the form of true-up and revenue gap for the year 2020-21 that would be known in the submissions on ARR and tariff proposals to be submitted by the Discoms by the end of November next. The disastrous consequences again confirm that there has been no honest self-introspection on the part of the authorities concerned, despite our detailed and repeated submissions over the years cautioning about the impending disaster.

13. The Commission directed the Discoms that "During some months, part or full availability of energy estimated from some of the generating stations/sources may not materialize due to factors like break down of power plants, non-availability of fuel etc. leading to a gap between demand and supply. In that case, the Licensees shall approach the Commission for remedial measures to meet the shortfall in energy from alternative sources. If any shortfall is observed in any time block for various reasons, in all such cases the licensees may procure the shortfall energy through Power Exchanges, Intra-day mechanisms but with a price not exceeding the average power purchase cost determined in this Order under simultaneous intimation to the Commission. All such details of purchases shall be furnished to the Commission fortnightly in the form of a statement for periodical ratification" (page 240 and para 211 of tariff order for 2018-19). Here, too, till date, nothing is made public on procurement of shortfall energy and whether the Discoms have sought and got approval/ratification from the Commission. If not, what action the Hon'ble Commission has taken on the people concerned for such dereliction and violation of its directions also is not made public.

14. In the tariff order for retail supply of electricity for the year 2019-20, the Hon'ble Commission directed the Discoms that "the details of backing down and fixed costs during 2017-18 and 2018-19 (after completion of the Financial Year) be furnished by the DISCOMs to the esteemed objectors direct under intimation to the Commission. Similar information regarding FY 2019-20 be similarly furnished soon after the respective events" (page 56 and para 74). Till date, the Discoms have not complied with the directive of the Commission. Even this direction has come from the Commission belatedly, though we have been requesting it to direct the Discoms to submit details of backing down and fixed costs paid therefor and provide us the same in view of determination of availability of substantial surplus power every year over the last five years by the Commission. All these years the Hon'ble Commission did not bother about examining the same details, while giving its approvals/consents to power purchase agreements the Discoms had, of course, at the behest of GoAP, with different developers, especially of wind and solar power, indiscriminately and much to the detriment of larger consumer interest on a long-term basis, as we have repeatedly asserted before the Commission during public hearings over the years.

15. The Commission informed that "the Principal Secretary, Energy, Government of Andhra Pradesh is being addressed by the Commission to obtain the considered opinion of the learned Advocate General of Andhra Pradesh to advise on the legal feasibility and possibility of reviewing the Power Purchase Agreements in force and restricting the period of force of such Power Purchase Agreements to five years or any other period in respect of existing or future Agreements. On receipt of such advice, appropriate future course of action can be evolved" (page 139 and para 184 of tariff order for 2019-20). Though the Commission had written a letter dated 27.2.2019 to the Principal Secretary, department of energy, GoAP, to seek and submit the considered legal opinion of the learned Advocate General of Andhra Pradesh, no such opinion seems to have been received by the Commission so far. Over the years, during public hearings and in our voluminous written submissions filed before the Hon'ble Commission, we have repeatedly made it clear that in view of availability of substantial surplus power determined by the Commission, and the Discoms exceeding their obligations under RPPO, it is imprudent to enter into long-term PPAs, especially with wind and solar power units, to meet temporary shortage for power during some days or seasonally with disastrous consequences and that such shortages during peak hours can be met through purchases from power exchanges or competitive biddings for short-term seasonal requirements. All our rational criticism and constructive suggestions fell on the deaf ears of the authorities concerned and the Commission. It is strange that the Hon'ble Commission is now seeking the considered legal opinion of the learned Advocate General of A.P. on legal feasibility and possibility of reviewing the Power Purchase Agreements in force and restricting the period of force of such Power Purchase Agreements to five years or any other period in respect of existing or future Agreements. This belated realisation on the part of the Hon'ble Commission shows its failures of commission and omission in not considering the same issue before giving its approvals/consents to the PPAs the Discoms had with high-cost and must-run power plants and other private power plants for purchasing unwarranted power on long-term basis. Moreover, irrespective of the considered legal advice of the learned Advocate General of A.P., as a regulatory Commission, with a legal luminary and retired judge of the High Court as its Chairman, the Commission has all the competence to take its view on the issue on which it has sought the legal advice of the learned Advocate General and evolve appropriate future course of action. If the Advocate General gives the opinion that the PPAs in force cannot be reviewed and their term cannot be restricted to five years or any other period, the Hon'ble Commission can simply close the file. If the learned Advocate General gives his opinion positively and if the Commission proceeds to evolve appropriate future course of action, the generators who are parties to such PPAs can stall that process by getting stay orders or interim orders from Courts of law and APTEL, as is happening in such other cases. In such an eventuality, too, the Commission has to stop its regulatory process. Having caused irreparable damage to larger consumer interest on a long-term basis by giving inappropriate consents/approvals to the long-term PPAs the Discoms had with public sector units and private developers, especially of wind and solar power plants, to purchase unwarranted, high-cost and must-run-basis power, with all the

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disastrous consequences, the initiative of the Hon'ble Commission at the eleventh hour for seeking legal advice of the learned Advocate General of A.P. on the said issue to evolve appropriate future course of action, apparently in consumer interest, lacks sincerity of purpose.

16. The magnitude of the disastrous consequences, for which the imprudent decisions taken by the Chandrababu Naidu government in forcing or permitting the Discoms to enter into long-term PPAs to purchase unwarranted and high-cost power, and the inappropriate approvals/consents given by the Hon'ble Commission, among others, are responsible, can be understood from the following facts, among others:

a) The GoAP has given annual subsidy for power as follows:

Year	Subsidy (in Rs.crores)
2014-15	3188.00
2015-16	3186.00
2016-17	3289.42
2017-18	3700.00
2018-19	6030.17
2019-20	7064.27

b) Under UDAY scheme of 2014-15, the GoAP has taken over 75% of working capital loans to the tune of Rs.8461.75 crore and 100% of FRP bonds to the tune of Rs.2546.15 crore, according to the submissions of the Discoms on the subject claims.

c) The Hon'ble Commission has permitted tariff hikes for the years from 2015-16 to 2017-18.

d) The Hon'ble Commission had permitted claims of the Discoms for provisional true up for 2015-16 of Rs.958 crore earlier and another Rs.108.88 crore on 2.2.2019.

e) The Hon'ble Commission has already given its approval for additional subsidy from the GoAP for additional power supplied to agriculture by the Discoms as per claims made by them earlier to the tune of Rs.414.06 crore for 2015-16 and Rs.480.76 crore for 2016-17. Applications of AP Discoms for the year 2018-19, seeking additional subsidy for supply of additional power to agriculture - Rs.660.90 crore for APSPDCL and Rs.54.33 crore for APEPDCL – are pending before the Commission.

f) The Discoms have claimed that they would submit their claims for true-up for distribution business separately.

g) Going by the present trend, the true-up claims to be submitted by the Discoms for the year 2018-19 may run into thousands of crores of Rupees.

17. In his letter dated July 25, 2019, addressed to the Prime Minister, Chief Minister of A.P. Sri Y S Jaganmohan Reddy commented: "In our State, Consumer interest and Government interest were compromised and wrong calculations were filed before APERC leading to fixation of high tariffs. To ensure that the unreasonably high tariffs continue, the previous Government went to the extent of manipulating the functioning of APERC and also amending the Electricity Act, 2003 by passing a bill to that effect. This amendment was essentially to ensure that the person who was at the helm of the Commission at the time when high tariff PPAs were approved, during previous Government's regime continues in office. The previous Government was fearful that if a new person took charge as the Chairman of the Commission, the true rates would be discovered. Our first step was to introduce an amendment bill to restore the legal position to what was envisaged by the framers of the act." The Chief Minister also pointed out that "We inherited a troubled sector facing issues such as unpaid dues to generators by DISCOMS to the tune of about Rs. 20,000 crores; accumulated DISCOM losses of about Rs.15,000 crores; DISCOMs with exhausted borrowing limits; increased annual revenue gap from around Rs. 3,000 cr to Rs. 7,000 cr in last 3 years due to high cost renewable energy purchases; and unavoidable payment of fixed-costs to thermal power generators to accommodate the high cost renewable power, to name a few of the challenges we are facing. This has essentially resulted from ill-conceived long term tie up with renewable energy developers for purchase of power at prohibitively high tariffs, with total disregard to the existing power purchase arrangements and the energy demand supply situation."

The CM further explained : "Under the garb of compliance with Renewable Power Purchase Obligations (RPPO) mandating renewable energy consumption of 5%-11%, AP procured about 23% of high cost renewable power, putting heavy burden on the State. It is surprising to know that out of the 3,494 MW of wind energy generation capacity, about 63% of the wind power capacity tie-up was with three developers alone (Greenko, Renew and Mytrah), at exorbitant tariffs. It is a matter of common knowledge that with technological advancements, the energy efficiency would increase significantly, leading to tariff reductions. Therefore it was be a crime to execute high tariff PPAs for purchase of energy beyond what was mandated by the RPPO or what was necessitated by the energy demand supply situation, as it had the potential to drain the finances of the utilities in the long run.

"Wind energy within and in excess of RPPO was purchased at the high tariff package of Rs. 4.84/kWh along with income tax and electricity duty reimbursements. Thermal energy was readily available under long term agreements at Rs. 4.2/ kWh (fixed cost of about Rs. 1.1/ kwh + variable cost of about Rs. 3.1/ kwh), however this was backed down to accommodate renewable energy. In accordance with the terms of agreements with thermal power generators, the utility had to pay the fixed cost irrespective of whether or not the power from such source was consumed. Therefore, the effective cost of wind power purchased has come to Rs. 5.94/kwh (Rs. 4.84/kWh + Rs. 1.1/kwh). Beyond RPPO, there was no mandate and despite the fact that power available through thermal sources at Rs.4.2/kWh, wind energy was procured at Rs. 5.94/kWh to benefit

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h) Revised revenue gap and claims of true-up for the year 2019-20 to be submitted by the Discoms provisionally in the ARR submissions for 2020-21 and revenue gap for 2020-21 also may run into thousands of crores of Rupees.

i) The hefty true-up claims made by the Discoms to the tune of Rs.15,262 crore for the subject three years are in addition to all these. These claims confirm the veracity of our submissions made before the Commission repeatedly that the Discoms have been inflating demand for power, deflating availability of power and surplus power and showing lesser revenue gap annually. They also confirm the regulatory failure of the Commission in not considering our submissions to verify factual position by taking all relevant information into account. This statistical legerdemain is intended to show contrived reduction of need for subsidy from the Government, or need for tariff hike, or both, to hoodwink the people of the State.

j) The expert committee on power appointed by GoAP, in its report submitted in July, 2019, has estimated that the excess outgo during the three years of 2016-17, 2017-18 and 2018-19 (provisional) on account of purchasing solar and wind power beyond RPPO obligation as Rs.2655 crore. The committee has estimated payment of fixed cost for backing down thermal power in order to purchase wind and solar power during the same three-year period as Rs.1731 crore.

k) As per a presentation made by the Secretary, department of energy, to the Government of A.P. at a meeting on 17th June, 2019, as on 31ST May, 2019, GoAP has to pay UDAY dues of Rs.637 crore, agricultural subsidy of Rs.3939 crore and HoD dues of Rs.5828 crore to the Discoms. The Discoms have dues of power purchase to the tune of Rs.18,735 crore. While the claims of power purchase dues of the Discoms are for Rs.11,596 crore, total true-up claims are Rs.33,770 crore for the period from 2014-15 to 2018-19. The additional cost of NCE over thermal power is Rs.1361 crore for 2017-18 and Rs.2384 crore for 2018-19.

l) As per the directions of APTEL in O.P.No.5 of 2019 to APERC not to permit the Discoms to withdraw their petitions and not to hold public hearings in matters relating to PPAs between the Discoms and NTPC (for 250 MW plus 750 MW of solar power) and the Discoms and SECI (for 750 MW of solar power), if consents are given by APERC, the avoidable additional burdens on the consumers or need for additional subsidy from GoAP, or both, will increase further.

m) As and when additional power is available from HNPCL, Simhapuri and four new gas-based power projects, the burden of backing down and the resultant payment of fixed costs therefor will continue to increase further.

private developers by paying Rs. 1.74/kWh extra, majority of these undue gains going to only the three developers. Wind energy has become available at prices between Rs. 2/kWh and Rs.3/kWh, which is evident from the GTIVNL bid of Rs.2.43/kWh in December 2017 and also in the neighbouring State of Tamil Nadu with comparable wind yields much lower feed-in tariffs were prevalent all through, even before 2017. Had these rates been contemplated, wind power would have been available at much lower tariffs. However wind power is being purchased at Rs. 5.94/kwh, causing enormous loss to the State." The Chief Minister further clarified that "Similarly, solar energy was purchased in excess of RPPO at costs up to Rs. 6.99/kWh. The effective cost of this solar power after adding Rs. 1.1/kwh back down fixed cost of available thermal plants has been about Rs. 8.09/kWh. Power available through thermal power stations at Rs. 4.2/kWh was procured up to Rs. 8.09/kWh to facilitate solar power producers by paying Rs. 3.89/kWh extra. Even with respect to purchase within RPPO, power was purchased at Rs. 8.09/kWh. It is widely known that solar energy has been available at prices between Rs. 2/kWh and Rs.3/kWh, which is evident from the SECI bid of Rs.2.44/kWh in Rajasthan. Power which was available at an effective cost of Rs.3.54 (Rs.2.44/kWh + Rs. 1.1/kwh) was purchased at Rs. 8.09/kwh paying an excess of Rs. 4.21/kWh."

"The power utilities of my State, under the directives of the previous governrment, purchased renewable power within and beyond the RPPO at prohibitively high tariffs knowing very well that they would cause a loss of about Rs.3,000 crores every year, that would continue for the next 22 years of the PPA period. If these prices are compared with the lowest rates prevalent in the country, the losses on account of these purchases will translate to about Rs 4,000 crores per year. Even on the most conservative basis, the loss caused to the State exchequer owing to the policies of the previous Government is about Rs.5,500 crores during the last three years," the Chief Minister of A.P. clarified.

18. The burden of the disastrous consequences, which will continue for several years, is so enormous that it cannot be imposed on the consumers; nor can the GoAP bear it; nor can the Discoms absorb the burden. As a result, the Discoms have huge accumulated dues to generators and suppliers of power and are unable to find a way out of the chaos. In other words, orderly development of the power sector is derailed.

19. Any attempt to reject the petitions of the Discoms for true-up on the untenable ground of delay in submitting the same to the Commission bristles with serious implications. First, in such an eventuality, the Discoms will become bankrupt, unless the GoAP comes to their rescue. Second, power sector will continue to be in doldrums. Third, it avoids scope for making detailed submissions before APERC about the reasons for the accumulated burdens, whose wrong policies, decisions, directions and consents/approvals have been responsible for the same and the need for taking corrective measures to rectify the same to the extent possible and evolve a correct course of future action to avoid repetition of such mega blunders with disastrous consequences. Fourth, it will provide an escape route to the people whose

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decisions and consents were responsible for the disastrous consequences, without any responsibility and accountability. Fifth, even if it looks like protecting the interests of the consumers at large by rejecting the subject claims, in practice, it will affect the interests of the consumers by debilitating the Discoms and affecting their operations seriously to serve the consumers, to the extent their claims are due to uncontrollable factors and permissible; it will not be in the interest of the consumers.

20. After receiving responses of the Discoms to our submissions, we request the Hon'ble Commission to permit us to make further submissions.

Thanking you,

Yours sincerely,

M. Venugopala Rao
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Convener, Centre for Power Studies
H.No.1-100/MP/101, FlatNo.101,
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Copies to :

1. Chief General Manager (RAC), APSPDCL, Tirupati
2. CMD, APEPDCL, Visakhapatnam.

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The Federation of Andhra Pradesh Chambers of Commerce and Industry

FAPCCI/Energy/2019-20 06th September, 2019

To
The Secretary
APERC
11-4-660, 4th Floor,
Singareni Bhavan,
Red Hills Road, Khairatabad,
Hyderabad, Telangana 500004

Dear Sir,

Sub: Objections/Comments on the petition for determination of true up for retail supply business for FY 2014-15, 2016-17 and 2017-18 – reg.

Referring to the subject cited, we are hereby filing our objections on the true up petitions filed by APSPDCL and APEPDCL for FY 2014-15, 2016-17 and 2017-18 for your consideration.

We request you to provide an opportunity to present our objections in person before the Honorable commission at the time of hearing.

Thanking you,

Yours sincerely,

For FAPCCI

T. Sujatha

Address: The Federation of Andhra Pradesh Chambers of Commerce and Industry (FAPCCI)
O/o 54-16-1/2 -A, Central Excise Colony 3rd floor, Gunadala, Vijayawada, Andhra Pradesh - 520004
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Andhra Pradesh Electricity Regulatory Commission
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The Federation of Andhra Pradesh Chambers of Commerce and Industry (FAPCCI)

Statement of Objections

on the

Petitions for Determination of True up for Retail Supply Business for FY 2014-15, FY 2016-17 & FY 2017-18 in accordance with the "Andhra Pradesh Electricity Regulatory Commission (Terms And Conditions for Determination of Tariff for Wheeling and Retail Sale of Electricity) Regulation No.4 of 2005 and amendments thereof" by the

Southern Power Distribution Company of AP Ltd.

(APSPDCL)

&

Eastern Power Distribution Company of AP Ltd.

(APEPDCL)

As Retail Supply Licensee

September, 2019

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THE STATEMENT OF OBJECTIONS BY THE OBJECTOR

1 STATEMENT OF OBJECTIONS

The distribution licensees namely **Southern Power Distribution Company of A.P. limited** (hereinafter referred to as the 'APSPDCL' or 'AP discom' or 'Petitioner' or 'distribution company' or 'Licensee') and **Eastern Power Distribution Company of A.P. Limited** (hereinafter referred to as the 'APEPDCL' or 'AP discom' or 'Petitioner' or 'distribution company' or 'Licensee') have filed the True-up Petitions for the Retail Supply Business for FY 2014-15, FY 2016-17 and FY 2017-18 purportedly in accordance with the Andhra Pradesh Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff for Wheeling and Retail Sale of Electricity) Regulation No.4 of 2005 and its First Amendment notified in 2014 namely Regulation No. 1 of 2014 (hereinafter collectively referred to as 'Tariff Regulations').

The Statement of Objections is herein being filed on behalf of **'The Federation of Andhra Pradesh Chambers of Commerce and Industry (FAPCCI)'**, an Association which was started in 1917 as a Chamber of Commerce and currently has around 3000 members, having its office at Vijaywada, A.P., India; represented by its Secretary (hereinafter called the 'Objector'). The main function of the FAPCCI is to promote and protect the interests of trade, commerce and industry.

The Objector has thoroughly gone through the claims and submissions of the Petitioner companies and has found several anomalies that should be of grave concern to the stakeholders. The Objector strongly objects to the claims of Licensees in the present True-up Petitions for the Retail Supply Business for FY 2014-15, FY 2016-17 and FY 2017-18 (herein after referred to as the 'Tariff Petitions' or 'Petitions' or 'Subject Petitions') and prays that the True-up Application may be rejected *in limine*, in the interest of justice and equity.

The brief facts, propositions, analysis, grounds for the above prayer of the Objector are narrated in subsequent sections.

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2 LACK OF INFORMATION IN TARIFF FILINGS

A. Excel formats for tables given in the Petition

APSPDCL and APEPDCL have submitted a pdf write-up in respect of their True up claims. The claims are neither backed by detailed rationale nor supported by the excel workings, which are pertinently required for any stakeholder to understand and analyse them. By not furnishing the detailed workings, the Petitioners intend to thwart the objectives of transparency and wide consumer participation in the process. This also makes the entire process a futile exercise wherein the stakeholders have been provided minimal information to deliberate upon.

It is also pointed out that there is no information as far as truing up of distribution costs are concerned. The Petitioner has neither given any justifications, nor cited any reasons for not filing distribution true up even after five years have elapsed.

B. Plant Availability Factor (PAF) of all the generating stations

Fixed cost recovery of thermal generating stations is based on the availability declared by them i.e. Plant Availability Factor (PAF). However, AP Discoms have not mentioned the PAF achieved by the thermal power plants for which it has claimed the true up costs. This aspect of clarity in PAF is all the more important considering the fact that in many instants, the fixed cost claimed by the Petitioners are the same as approved by Hon'ble APERC in the retail Tariff Order though the energy despatch has gone down severely. For instance, the fixed cost claim in APGENCO Thermal and the energy despatch from the station during FY 2016-17 is depicted below:

APGENCO Thermal	As per Petitioner's claim in FY 2016-17			
	Approved	Actual	Deviation	% Deviation
Energy Despatch (MU)	9,330	6,298	-3,032	-32%
Fixed cost (Rs. Cr.)	970	966	-4	-0.41%

Thus, while the energy despatched is less by 32%, the claim of fixed costs is almost the same. The reasons for lower despatch need to be clearly spelt out by the discoms since

the fixed cost recovery is linked to PAF of station, and if the PAF was upto normative level, the significantly lower level of despatch is beyond anyone comprehension.

Similarly, no basis has been provided for calculation of incentives and 'other costs' claimed in the petition. By depicting the data to claim such elements, the discoms can infact assist the consumers and Hon'ble Commission to rectify any inadvertent error that may have crept in while making their claims. This would also preserve the sanctity of true up exercise.

For instance, it is observed that fixed cost of SDSTPS – I for FY 2017-18 is approved at Rs.1,782.20 Crs for 80% availability. Therefore, for 56.72% availability, the fixed cost would work out to be Rs. 1,263.57 Crs and not Rs.1,403.92 Crs as claimed in the true up petition for FY 2017-18. Similar anomalies can be rectified if all the data pertinent to truing up exercise is furnished by the Discoms.

3 OBJECTIONS ON TRUE-UP CLAIMS

A. True up or True down?

The Petitioner has submitted that there was lower power purchase and lower T&D loss in FY 2016-17 and FY 2017-18 than that approved by Hon'ble APERC in the respective Tariff Orders. It is seen that the overall energy despatch was lower by around 7% and 1% in FY 2016-17 and FY 2017-18 respectively and T&D loss was 10.75% and 11.31% against 11.99% and 11.50% approved respectively for FY 2016-17 and FY 2017-18.

It is noticed that the actual agriculture sales as claimed by the Petitioners against that approved by the Commission are lower by 995 MUs in FY 2016-17 and are at the same level in FY 2017-18. At the same time, the losses in FY 2017-18 have been reported at 11.31% against a relatively low level of loss at 10.75% in FY 2016-17. The sales reported by the discoms seem suspicious since they are not correlating to the T&D loss levels. Typically high agriculture sales in any year follow with high T&D losses (owing to the metering issues). However, in the present case in FY 2017-18, when agriculture sales are reported lower than FY 2016-17 by almost 800 MUs, the T&D loss has been claimed at a higher level by almost 50 percent points i.e. 0.50% in the same year i.e. FY 2017-18.

Notwithstanding the above, the lower energy requirement and T&D loss should have resulted in a true-down of costs rather than the true up as claimed by Licensees in the instant Petitions.

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B. FY 2014-15:

The Petitioners, in their True-up Petition for FY 2014-15 have submitted that they cannot file the true up claim for FY 2014-15 due to state bifurcation and non-availability of costs of its generating stations. Thereafter, the Petitioners have estimated their true up claim to the tune of Rs. 684 Cr. based on the P&L of FY 2014-15. They have also claimed additional power purchase costs of Rs. 310.71 Cr, which were purportedly *not considered in finalized audited accounts since that bills for these costs for FY 2014-15 were received after audited accounts were finalized*. The Petitioners have also claimed Rs. 413.85 Cr., which apparently was already disallowed by Hon'ble Commission in the True-up Order for FY 2015-16. There is an additional true up claim of Rs. 958 Cr. for which the Petitioner claims that the same has been provisionally allowed as true up of FY 2014-15 in the Retail Tariff Order of FY 2015-16.

Based on the above, the Petitioners have claimed a total amount of Rs. 861 Cr. (incl. carrying cost) towards truing up of FY 2014-15.

The aforesaid claim of Petitioners is objectionable for the following key reasons:

1. The claim of Rs. 684 Cr. is completely arbitrary and lacks rationale for the simple reason that the power purchase cost considered to estimate the true up amount is based on the Audited Accounts (incurred in actual) which however may not be a prudent expenditure. The prudence check of such power purchase cost can only be conducted by Hon'ble APERC once the details of the same are furnished by the discoms.

2. The claim of Rs. 310.71 Cr. is an entirely new claim and has never been mentioned earlier by the discoms (not even during the truing up filings of FY 2015-16). Nonetheless, the same cannot be considered by Hon'ble Commission in absence of any basis.

3. The claim of Rs. 413.85 Cr. has already been disallowed by Hon'ble Commission since the same is stated to have been covered by the Uday scheme.

4. The provisional true up amount of Rs. 958 Cr. has already been considered by Hon'ble APERC in the retail Tariff Order dated 23.3.2015 of FY 2015-16

It also goes without saying that the carrying cost cannot be allowed on any of the claims of Petitioner since the claim itself has been made after considerable time has elapsed.

C. FY 2016-17 and FY 2017-18

The power purchase cost claimed by the Petitioners is Rs.25,455.13 Cr. and Rs. 25,916.71 Cr. in FY 2016-17 and FY 2017-18 respectively. It is around 13% higher than that allowed by Hon'ble APERC in the respective Tariff Orders while the energy despatched during the years reduced by 7% and 1% in FY 2016-17 and FY 2017-18 respectively.

i. Power purchase cost of TSGENCO stations

It is observed that the fixed cost claimed by the AP discoms for TSGENCO stations is not in accordance with that approved by Hon'ble Telangana State Electricity Regulatory Commission (TSERC) in MYT order dated 5.6.2017 for 3rd control period for TSGENCO stations for FY 2014-19.

For instance, the fixed cost approved for FY 2016-17 for KTPS ABC is Rs.540.95 Crs of which AP's share comes at Rs. 249.23 Crs. However, AP Discoms have claimed the fixed cost of Rs.340.11 Crs in the present true up claim for FY 2016-17. Similar anomalies are observed in case of other TSGENCO stations as well.

Similarly, the Petitioners have not given any basis for claim of 'other costs' to the tune of Rs.396.05 Crs for TSGENCO for FY 2016-17. Even if the said claims pertain to the additional pension liability of TSGENCO stations, the same have been allowed at Rs. 569.63 Crs. by Hon'ble TSERC, of which AP share comes at Rs. 262.66 Crs. only.

For FY 2017-18, the discoms have submitted that there was regulation of power from all TSGENCO stations to AP and all APGENCO stations to TS from 11th June, 2017 onwards. It is pointed out that in such a situation the Petitioners should have clearly come out with the power procured from APGENCO & TSGENCO stations to justify its claims of fixed costs and pension liabilities from each. The discoms have nowhere stated the share or quantum of power procured from the two, which makes it even more difficult to check the prudence of its claims towards fixed cost and pension liabilities. Even otherwise, it is pointed out that the claim towards pension liabilities of TSGENCO stations, purportedly labelled as 'other costs' appears to be extraneous to what has been allowed by Hon'ble TSERC in the MYT Order dated 5.6.2017.

ii. Power purchase from CGS

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Several discrepancies are noted in the claims of fixed cost for the Central Generating Stations.

For NTPC Ramagundam Stage I and II, the fixed cost approved by Hon'ble CERC for FY 2016-17 was Rs. 976.47 Crs and considering that their share to AP Discoms is 14.92%, the Annual Fixed Cost payable for the station comes at Rs.145.68 Crs and not Rs.159.16 Crs as claimed in the Petition. Infact this cost is also recoverable only when the PAF of the station was upto its normative level.

Also, the variable cost approved for FY 2016-17 for Central generating Stations is Rs.2,332,63 Crs and the claim as per actuals in this petition is Rs.3,153.31 Crs, which is significantly higher than the approved cost. The Petitioners are requested to provide supporting documents for the same for better interpretation of increasing costs.

Another astounding claim pertains to the fixed cost of Simhadri Stage-I thermal power station. The discoms have claimed Rs. 442.97 Cr. towards the fixed cost liability of Simhadri Stage-I in FY 2017-18. It is noticed from the Tariff Order issued by Hon'ble CERC for the said station that a cost of Rs. 646 Cr. has been allowed by the CERC in FY 2017-18, which corresponds to an AP share of Rs. 297 Cr. only.

Similar discrepancies are observed in other CGS claims of FY 2016-17 and FY 2017-18.

iii. Power purchase from IPPs- Gas

The Petitioners have procured 1278 MUs from GVK Extension, Vemagiri, GMR Rajahmundry and Lanco Kondapalli plants.

Plant	Power purchase MUs	Variable cost Rs Crs	Variable cost Rs/kWh
GVK Ext	34	15.8	4.65
Vemagiri	132	61.26	4.64
GMR Rajahmundry	639	297.59	4.66
Lanco Kondapalli	473	219.67	4.64

Power from these stations have been procured purportedly without any approval of Hon'ble Commission. It is also noted that the fixed cost claimed against these stations is much more than that allowed by Hon'ble Commission in the Tariff Order for FY 2016-17. There is absolutely no rationale provided by the Petitioner for the said claim.

Further, the average power purchase cost of the power procured from the gas based power plants mentioned in the table above is Rs. 4.65/kWh, even higher than the average power purchase cost of short term power for FY 2016-17 viz. Rs. 3.32/kWh.

Needless to say, the Commission must restrict the fixed cost of power purchase from the above mentioned plants to the rate approved in the Tariff Order.

iv. SDSTPS Additional Cost for FY 2015-16 and FY 2016-17

The Petitioners have claimed additional fixed costs to be paid for SDSTPS on account of its Tariff Order issued by Hon'ble Commission on 2.3.2019. It is pointed out that the said costs have been claimed by the discoms in the present Petition despite the fact that the same are not incurred in the respective years.

The fixed cost claim in true up of FY 2016-17 is to the tune of Rs.1767.12 Crs. and in FY 2017-18, it is to the tune of Rs. 947 Cr. Since the Order for the said station has been issued by Hon'ble Commission on 2.3.2019, the payments for the same would have to be made at a much later stage. These costs have not been incurred in FY 2016-17 or FY 2017-18 and ought not to be allowed by Hon'ble Commission in the instant true up exercise.

Notwithstanding the above, it is pointed out that the fixed cost approved by APERC in the Order dated 2.3.2019 for SDSTPS plant for FY 2015-16 is Rs.1443.25 Crs and for FY 2016-17 is Rs. 1795.86 Crs. The claim of fixed costs by Petitioners based on actual availability for FY 2015-16 and FY 2016-17 as given in the Petition is not proportionate to the costs approved by the Commission.

It is also noted that in the Order of the Commission issued on 2.3.2019 determining the fixed cost for SDSTPS, it was directed to APGENCO to file a separate Petition considering normative availability as 85% of plant's capacity instead of 80% for full recovery of fixed charges and provision of incentive to the generator. However, neither APGENCO nor the discoms have come up with any Petition or any details in respect of the same.

It is for the same reasons that the additional variable cost claimed for FY 2015-16 and FY 2016-17 in the truing up of FY 2016-17 merits disallowance, since the same have not been incurred during the respective years.

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v. Power purchase from Short term market:

The Petitioners have tied up significant quantum of power (MW) and based on the submissions of discoms, Hon'ble commissioned had projected a surplus of more than 10,000 MUs of power in the Tariff Order for FY 2016-17. It is also pertinent to mention that the discoms have been simultaneously trying to impose additional surcharge on the open access consumers of state in the garb of stranded capacity with them owing to increase in open access sales.

The present submissions of discoms vindicate the objections been raised consistently by the Objector Association on the 'power surplus' claim of discoms. The Petitioners have procured significantly high power from the short term market. This situation would have become more alarming had there been no open access sales. In such a case, the discoms would have had no option but to meet the demand through short term power procurement done at average rates of Rs.4.54- 4.68 per unit.

In FY 2017-18, the average power purchase price of power procured from short term market was Rs.2.64/unit. Hon'ble Commission, in the Tariff Order for FY 2017-18 had given a directive that the Petitioners should procure energy over and above the quantum indicated against each station/source unless and otherwise approved by the Commission or ratified by the Commission in case of unavoidable emergencies. <u>It is not clear from the submissions of the Petitioner if the aforesaid directive has been adhered to.</u>

<u>POWER PURCHASE AS PER OBJECTOR'S ASSESSMENT</u>

Based on the aforesaid issues pointed out by Objector, the allowable power purchase cost has been worked out below:

<u>2016-17</u>

	Fixed Cost (Rs. Cr.)		
Source	Approved	Actual	Allowable
APGENCO Thermal	970	966	966
APPDCL	2,395	824	824
TSGENCO Thermal	811	1,016	911
APGENCO Hydel	432	394	394
CGS	1,300	1,182	1,119
APGPCL	4	5	5
IPPs-Gas	293	260	167
NCE	0	0	0
IPPs-Others	2,993	604	604
Market Purchases	0	1	1
Sale of surplus power	-1,765	0	0

	Fixed Cost (Rs. Cr.)		
Source	Approved	Actual	Allowable
SDSTPS- Addnl. cost	0	1,767	0
Total	**7,433**	**7,019**	**4,992**
Tx charges	1388	1532	1,532
Total	**8,821**	**8,551**	**6,524**

	Variable Cost (Rs. Cr.)		
	Approved	Actual	Allowable
APGENCO Thermal	3,151	2,115	2,115
APPDCL	2,282	2,109	2,109
TSGENCO Thermal	1,506	1,845	1,845
APGENCO Hydel	0	0	0.00
CGS	2,333	3,153	3,153
APGPCL	31	21	20.8
IPPs-Gas	766	1,281	1,281
NCE	2,427	2,276	2,276
IPPs-Others	3,067	1,889	1,889
Market	152	796	796.38
Sale of surplus	-2,727	-29	-29.43
SDSTPS- addnl cost	0	618	0
Total	**12,988**	**16,074**	**15,456**

	Other Cost (Rs. Cr.)		
	Approved	Actual	Allowable
APGENCO	711	525	525
TSGENCO	3	419	286
CGS	15	-128	-128
NCE	0	13	13
Total	**729**	**830**	**696**

Summary of costs allowable in FY 2016-17:

	As per Petitioners' claim			Objector's Assessment	
	Approved	Actual	Variance	Allowable	Allowable variance
Fixed cost	8,821	8,551	-269	6,524	-2,297
Variable cost	12,989	16,074	3,086	15,456	2,467
Others	729	830	101	696.29	-33
Total	**22,539**	**25,455**	**2,918**	**22,676**	**137**

2017-18

	Fixed Cost (Rs. Cr.)		
Source	Approved	Actual	Allowable
APGENCO Thermal	965	1,787	1,787
APPDCL	0	457	457
TSGENCO Thermal	845	177	177
APGENCO Hydel	439	451	451
CGS	1,082	1,267	1,122
APGPCL	5	11	11
IPPs-Gas	26	91	91
NCE	0	0	0
IPPs-Others	664	574	574
Market Purchases	0	50	50
Sale of surplus power			0
SDSTPS- Addnl. cost	0	947	0
Total	**4,026**	**5,812**	**4,721**
Tx charges	1740	1881	1,882
Total	5,766	7,693	6,602

	Variable Cost (Rs. Cr.)		
	Approved	Actual	Allowable
APGENCO Thermal	2,288	4,582	4,582
APPDCL	2,664	1,170	1,170
TSGENCO Thermal	1,581	433	433
APGENCO Hydel	0	0	0
CGS	2,930	3,678	3,678
APGPCL	27	36	36
IPPs-Gas	73	576	576
NCE	4,906	4,503	4,503
IPPs-Others	2,508	2,093	2,093
Market	80	838	838
Sale of surplus	0	-647	-647
SDSTPS- addnl cost			0
Total	**17,057**	**17,262**	**17,262**

	Other Cost (Rs. Cr.)		
	Approved	Actual	Allowable
APGENCO	387	684	684
TSGENCO	4	50	5
CGS	17	0	0
NCE	0	217	217
Total	**408**	**961**	**906**

Summary of costs allowable in FY 2017-18:

	As per Petitioners' claim			Objector's Assessment	
	Approved	Actual	Variance	Allowable	Allowable variance
Fixed cost	5,766	7,693	1,928	6,602	836
Variable cost	17,057	17,262	205	17,262	205
Others	408	961	553	905.51	498
Total	**23,231**	**25,916**	**2,686**	**24,769**	**1,538**

vi. Revenue side truing up

Besides the power purchase expense truing up, the Petitioners have also claimed the true up on account of revenue from sale of power. The Petitioners have claimed Rs. 5352 Cr. and Rs. 21 Cr. on the revenue side truing up.

It is noteworthy that the Petitioners have themselves stated that the said claims are beyond the scope of existing Tariff Regulations. As per Petitioners' submissions, *"the Petitioners have written to a letter (Lr.No.CGM/Opn/SPDCL/TPT/RAC/F.Regn.4/D.No.12/16 dated 15-01-2017) to the Honourable Commission seeking amendment to the Regulation 4 of 2005 (seeking allowing variation of agricultural sales, allowing deviation in technical losses, allowing revenue true-up etc.)".*

Thus, no truing up on account of revenue can be considered when the inclusion of the same is yet to be adjudicated upon by Hon'ble APERC in the aforesaid Petition filed by the discoms.

vii. Carrying Cost

The Petitioners are required to submit true up Petitions for a financial year strictly in terms of the Andhra Pradesh Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff for Wheeling and Retail Sale of Electricity) First Amendment Regulation, 2014 ('Tariff Regulations'), which provide as below:

> *b. Since the complete information of cost actually incurred relating to previous year will not be available at the time of filing of ARR for a particular tariff year, the Licensee may include provisional cost variation for the previous year in ARR filings which will be subject to final correction by the Commission as and when final accounts for that year become available.*

Thus, the final truing up exercise is to be conducted as and when the audited accounts are ready. The annual reports with audited accounts of the Petitioner companies were available on the following dates:

	APSPDCL	APEPDCL
Annual Reports 2014-15	29th Feb 2016	4th Dec 2015
Annual Reports 2016-17	16th Oct 2017	23rd Dec 2017
Annual Reports 2017-18	31st Oct 2018	27th Nov 2018

Needless to say, had the truing up exercise been conducted as per these timelines, the Commission would have taken note of increasing gap every year and would have taken/suggested measures to curb the trend of increase in inefficiency of the Licensees. Delaying the filing of true up Petition and claiming the carrying cost on the gap incurred in previous years would put undue and unjustifiable burden on the consumer.

D. Summary of True up as per Objector's Assessment

Based on the above deliberations, and as worked out in terms of the Tariff Regulation, the summary of True up for FY 2014-15, FY 2015-16 and FY 2017-18 as per Objector's assessment is depicted below:

FY 2016-17		Total True-up claimed (Rs. Cr)			Allowable True-up as per Objector's assessment (Rs. Cr)		
S.N	Particulars	EPDCL	SPDCL	State	EPDCL	SPDCL	State
A	Expense True-up	885	1,695	2,580	-68	-131	-200
B	Revenue True-up	1,292	4,060	5,352	0	0	0
C	Total	**2,177**	**5,755**	**7,932**	**-68**	**-131**	**-200**
D	Carrying Cost @ Interest Rate of 12%*	881	2,330	3,211	0	0	0
E	**Total true-up**	**3,058**	**8,085**	**11,143**	**-68**	**-131**	**-200**

FY 2017-18		Total True-up claimed (Rs. Cr)			Allowable True-up as per Objector's assessment (Rs. Cr)		
S.N	Particulars	EPDCL	SPDCL	State	EPDCL	SPDCL	State
A	Expense True-up	942	1,634	2,576	522	905	1,427
B	Revenue True-up	-596	617	21	0	0	0
C	Total	**346**	**2,251**	**2,597**	**522**	**905**	**1,427**
D	Carrying Cost @ Interest Rate of 12%*	88	573	661	0	0	0
E	**Total true-up**	**434**	**2,824**	**3,258**	**522**	**905**	**1,427**

(Rs. Cr.)

FY	Petitioner's claim	Allowable as per Objector's Assessment	Proposed disallowance
2014-15	861	0	861
2016-17	11,143	-200	11,343
2017-18	3,258	1,427	1,831
Total	**15,262**	**1,227**	**14,035**

Therefore, as per the Objector's assessment, not more than Rs. 1,227 Cr. is allowable to AP discoms.

PRAYERS

The Objector most respectfully prays that this Hon'ble Commission may be pleased to:

A. Consider the above Objection Statement filed by the Objector;

B. Declare that the Petition filed by the Petitioner is opposed to and ultra vires the Andhra Pradesh Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff for Wheeling and Retail Sale of Electricity) Regulations, 2005 and its amendments thereof;

C. Approve the True up for FY 2014-15, FY 2016-17 and FY 2017-18 as prayed and assessed by the Objector in the detailed Objections Statement;

D. Direct the Petitioner to submit the source wise details of the power purchase cost being claimed for FY 2014-15, FY 2016-17 and FY 2017-18 and publish the copies of the energy bills;

E. Disallow the excessive fixed costs claims without backed by the PAF values for generating stations;

F. Disallow the power purchase cost in cases where the purchase has been made at a price exceeding the ceiling price approved in the respective year's Tariff Order;

G. Disallow the truing up of other expenses/revenue as such claims are extraneous to the Tariff Regulations;

H. Direct the licensees to submit the Statement of gain and loss against each controllable item as required under Regulation 10.6.

I. Pass necessary orders as may be deemed appropriate in the facts and circumstances of the case in the interest of justice

J. Permit the Objector to participate and make additional submission and produce additional details and documentations during the course of the Public Hearing, in the interest of justice and equity.

Date: September 2019
6/9/19

Place: Hyderabad

OBJECTOR

EASTERN POWER DISTRIBUTION COMPANY OF A.P. LIMITED
CORPORATE OFFICE :: VISAKHAPATNAM

From

The Chief General Manager ,
PPA, RA & QC,
APEPDCL, Corporate Office,
Seethammadhara,
Visakhapatnam – 530013.

To

Sri. M. Venugopala Rao,
Senior Journalist & Convener,
Centre for Power Studies,
H.No.7-1-408 to 413, F 203,
Sri Sai Darsan Residency,
Balkampet Road, Ameerpet,
Hyderabad – 500 016.
Email : vrmummareddi@gmail.com

Lr.No.CGM/PPA, RA&QC/EPDCL/VSP/RAC/F:True-Up/D.No. 188 /19, dt. 04 -10-2019

Sir,

Sub: APEPDCL – RAC – Replies to the Objections received on True-up petition filed by APDISCOMS on Retails Supply Business for 2014-15 - Regarding.

Ref: Your Objection letter dated. 16-08-2019

****

We are in receipt of your suggestion/ objections on True-up petition filed by APDISCOMS on Retails Supply Business for 2014-15 and the same is herewith acknowledged with thanks. Para wise replies of APEPDCL are as follows:

Para No /Brief Issue	Response
1. APSPDCL and APEPDCL, being independent entities should have submitted their true-up applications separately. However, a common application is filed by both the Discoms for the years 2014-15, claiming revenue true-up of Rs.861 crore for the year 2014-15. These claims include power purchase costs not considered by the Hon'ble Commission for the year 2014-15 to the tune of Rs.311 crore and costs disallowed by the Commission for the year 2015-16 to the tune of Rs.414 crore. The Commission had already approved true up of Rs.958 crore provisionally in the retail supply order for the year 2015-16. The claims of the Discoms include a carrying cost of Rs.410 crore at an interest rate of 12% considering FY 2019-20 as the year of approval. Whatever be the true-up amounts that the Hon'ble Commission is going to permit, its impact on consumers should be confined to the respective true-up amounts of the Discom concerned. It should not be an average for the entire State. While a sum of Rs.87 crore has to be trued down for APEPDCL, a sum of Rs.948 crore is claimed by SPDCL under true up for the year	It is to inform that, (in view of the uniform nature of Retail Supply Tariffs across the state independent of the service area of the distribution licensees, the DISCOMs are proposing to impose the burden of per unit True-Up also on uniform basis across the State. Further Power Purchase cost which constitutes around 80% of the entire expenditure of Distribution business is being incurred centrally to optimize the procurement cost and reduce the transaction costs. Even in the True-Up exercise, Power purchase cost variation is major element and so the DISCOMs have proposed for uniform levy of per unit True-up across the State.)

Andhra Pradesh Electricity Regulatory Commission
05 OCT 2019
Hyderabad

Para No /Brief Issue	Response
2014-15 and 2015-16. The benefit of true down should accrue to consumers of APEPDCL and the same cannot be adjusted for true up of SPDCL.	
2. While the affidavit filed by the Discoms claims that their claims for true-up pertain tothe year 2014-15, at page 7, the Discoms have claimed true-up for the year 2015-16 also, without giving details pertaining to the same. It is strange that the Hon'ble Commission has issued public notice, inviting objections and suggestions in the subject issue, without directing the Discoms to submit the detailed information required for their claims for 2015-16 also and incorporating the same in their subject application. We request the Hon'ble Commission to direct the Discoms to file the required details for additional true-up for the year 2015-16 separately. At page 8, the Discoms have dishonestly claimed that the claimed true-up amount of Rs.861 crore is for retail supply business for the year 2014-15.	Disallowed costs pertaining to True-Up claim for the year 2015-16 by APERC are being requested to be allowed through this petition, for the consideration of the Hon'ble APERC.
3. The Discoms have requested the Commission to consider the true up amount computed by them based on the audited annual accounts for the year 2014-15. When were the accounts of the Discoms for the year 2014-15 audited? What are the findings in the audit report? A copy of the audit report needs to be submitted to the Commission and the same be provided to us Simply because the accounts are audited, the additional amounts claimed now under true up for the year 2014-15 by the Discoms cannot be treated as uncontrollable and permissible. The justification and permissibility for the same need to be examined.	For FY 2014-15, the true-up claim cannot be field as per the methodology specified in the Regulation 1 of 2014, since the retail supply tariff order for that year has not been issued by the Hon'ble APERC. Copy of the Annual Report, which contains audited annual accounts of the DISCOMs are being placed in their respective websites and in public domain for the information of the interested persons. Examining of permissibility of the True-up claims based on the audited annual accounts of the DISCOMsis within the purview of the Hon'ble APERC, and it is humbly requested to consider the same.
4. The Discoms have maintained that fixed costs to the tune of Rs.85.08 crore, income tax of Rs.11.21 crore and other costs of Rs.214.43 crore were not considered earlier. The reasons for the same need to be explained by the Discoms to examine whether such higher payments are justified or not. That apart, fixed cost being fixed in nature, it cannot increase for purchase of the quantum of power approved by the Commission. Therefore, the moot point is whether the Discoms backed down capacities of the stations of AP Genco and paid fixed charges therefor. If so, what were the quantum of power backed down by the Discoms	Fixed charges would be claimed based on the plant availability factor for the target year. Even in the instances of backing down of the plant, fixed charges have to be paid since the plant is ready to generate upon the dispatch instruction, but is not put into service, in view of low demand or Merit order conditions. As the backing down details sought are pertaining to older period, the same will be furnished shortly.

Para No /Brief Issue	Response
and fixed charges paid therefor to AP Genco and other thermal stations, if any?	
5. We request the Hon'ble Commission to determine the amounts taken over or to be taken over by GoAP from the debts of the Discoms for the year 2014-15 under UDAY and deduct the same from their true-up claims. In the subject petition, the Discoms have claimed that GoAP has taken over 100% of FRP bonds (Rs.2,546.15 crore) and 75% of working capital loans (Rs.8461.75 crore) under UDAY. When were these sums taken over by GoAP under UDAY? Does it require more than four years tosort out issues claimed to have been the reasons for delay in filing the subject petition for true up?	As per Clause 1.2(a) of the MoU, GoAP agreed to take over 75% of working capital term loan of Rs.8461.75 Crs. and 100% FRP bonds of Rs.2546.15 Crs. of the APDISCOMs outstanding as on 30th September, 2015. Accordingly GoAP issued G.o.Ms.No.27, Energy Infrastructure & Investment (Power-I) Department, dt.26-07-2016. **Outstanding loans as on 30-09-2015** Capex Loans: 3712.49 Working capital Loans: 8461.76 FRP Bonds Liability: 2546.15 **Total: 14720.40** Out of the total outstanding loans of Rs.14720.40 Crs. as on 30-09-2015, GoAP has accorded approval for takeover of 75% of working loans (Rs.6346.32 Crs.) and 100% of FRP bonds (Rs.2546.15 Crs.) **EPDCL / SPDCL / Total** Against 100% FRP Bonds: 1205.95 / 1340.20 / **2546.15** Against 75% working capital loan: 2094.53 / 4251.79 / **6346.32** **Total: 3300.48 / 5591.99 / 8892.47** As on date GoAP has taken over loans as given below: **EPDCL / SPDCL / Total** Against 100% FRP Bonds: 904.46 / 1005.23 / **1909.69** Against 75% working capital loan: 2094.53 / 4251.79 / **6346.32** **Total: 2998.99 / 5257.02 / 8256.01** It is difficult to estimate quantum of variation in power purchase cost taken over by the UDAY scheme. The Hon'ble Commission is requested to treat such amounts /loans pertaining to PP cost as covered in the UDAY scheme, as per the prevailing regulations.

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Para No /Brief Issue	Response
6. The contention of the Discoms that it is difficult to estimate quantum of variation in power purchase cost taken over by UDAY scheme. It implies that a part of variation in power purchase cost can be claimed both under UDAY and true up.	The Hon'ble Commission is requested to treat such amounts /loans pertaining to PP cost as covered in the UDAY scheme, as per the prevailing regulations.
7. Carrying cost claimed by the Discoms to the tune of Rs.410 crore under true-up for the years 2014-15 and 2015-16 is not permissible. We request the Hon'ble Commission to reject the claim for carrying cost. The Discoms have to submit their true-up claims in time and the consumers should not be penalised for delay caused by the Discoms in submitting the same, whatever be the reasons therefor. Therefore, the question of taking into consideration the carrying cost to be incurred by the licensee in the future till the complete true-up is recovered does not arise. The implication in the contention of the Discoms is that the amounts claimed by them under true up fully or partly may be treated as regulatory asset for a specific period of time to be recovered in a phased manner. It is strange that the Discoms have contended that regulation of power between AP and TS in 2017 is one of the reasons for delay in filing the true up petition for 2014-15. What has the so-called regulation of power between the two States in 2017 to do with true up claims for the year 2014-15?	For the reasons beyond in the control of the DISCOMs, the True-Up claims have been submitted with a delay and carrying cost also has been claimed. The Hon'ble Commission is requested to condone the delay and approve the True-Up claim including carrying costs.
8. We request the Hon'ble Commission to provide us an opportunity to make further submissions in person during the public hearing after receiving responses of the Discoms to our above-mentioned submissions and studying and analysing the same.	Within the purview of the Hon'ble APERC

Yours faithfully

Chief General Manager
PPA, RA & QC
APEPDCL::VISAKHAPATNAM

Copy submitted to

The Secretary, APERC, 4TH Floor, 11-4-660, Singareni Bhavan, Red Hills, Hyderabad-500004.

EASTERN POWER DISTRIBUTION COMPANY OF A.P. LIMITED
CORPORATE OFFICE :: VISAKHAPATNAM

From

The Chief General Manager,
PPA, RA & QC,
APEPDCL, Corporate Office,
Seethammadhara,
Visakhapatnam – 530013.

To

Sri. Penumalli Madhu,
State Secretary,
H.No.27-28-12, CPI(M),
State Committee Office,
Yamalavari Street, Governorpet,
Vijayawada – 500 002

Lr.No.CGM/PPA, RA&QC/EPDCL/VSP/RAC/F:True-Up/D.No. 189 /19, dt. 04-10-2019

Sir,

Sub: APEPDCL – RAC – Replies to the Objections received on True-up petition filed by APDISCOMS on Retails Supply Business for 2014-15 - Regarding.

Ref: Your Objection letter dated. 18-08-2019

****

We are in receipt of your suggestion/ objections on True-up petition filed by APDISCOMS on Retails Supply Business for 2014-15 and the same is herewith acknowledged with thanks. Para wise replies of APEPDCL are as follows:

Para No /Brief Issue	Response
1. APSPDCL and APEPDCL, being independent entities should have submitted their true-up applications separately. However, a common application is filed by both the Discoms for the years 2014-15, claiming revenue true-up of Rs.861 crore for the year 2014-15. These claims include power purchase costs not considered by the Hon'ble Commission for the year 2014-15 to the tune of Rs.311 crore and costs disallowed by the Commission for the year 2015-16 to the tune of Rs.414 crore. The Commission had already approved true up of Rs.958 crore provisionally in the retail supply order for the year 2015-16. The claims of the Discoms include a carrying cost of Rs.410 crore at an interest rate of 12% considering FY 2019-20 as the year of approval. Whatever be the true-up amounts that the Hon'ble Commission is going to permit, its impact on consumers should be confined to the respective true-up amounts of the Discom concerned. It should not be an average for the entire State. While a sum of Rs.87 crore has to be trued down for APEPDCL, a sum of Rs.948 crore is claimed by SPDCL under true up for the year	It is to inform that, in view of the uniform nature of Retail Supply Tariffs across the state independent of the service area of the distribution licensees, the DISCOMs are proposing to impose the burden of per unit True-Up also on uniform basis across the State. Further Power Purchase cost which constitutes around 80% of the entire expenditure of Distribution business is being incurred centrally to optimize the procurement cost and reduce the transaction costs. Even in the True-Up exercise, Power purchase cost variation is major element and so the DISCOMs have proposed for uniform levy of per unit True-up across the State.

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Para No /Brief Issue	Response
2014-15 and 2015-16. The benefit of true down should accrue to consumers of APEPDCL and the same cannot be adjusted for true up of SPDCL.	
2. While the affidavit filed by the Discoms claims that their claims for true-up pertain to the year 2014-15, at page 7, the Discoms have claimed true-up for the year 2015-16 also, without giving details pertaining to the same. It is strange that the Hon'ble Commission has issued public notice, inviting objections and suggestions in the subject issue, without directing the Discoms to submit the detailed information required for their claims for 2015-16 also and incorporating the same in their subject application. We request the Hon'ble Commission to direct the Discoms to file the required details for additional true-up for the year 2015-16 separately. At page 8, the Discoms have dishonestly claimed that the claimed true-up amount of Rs.861 crore is for retail supply business for the year 2014-15.	Disallowed costs pertaining to True-Up claim for the year 2015-16 by APERC are being requested to be allowed through this petition, for the consideration of the Hon'ble APERC.
3. The Discoms have requested the Commission to consider the true up amount computed by them based on the audited annual accounts for the year 2014-15. When were the accounts of the Discoms for the year 2014-15 audited? What are the findings in the audit report? A copy of the audit report needs to be submitted to the Commission and the same be provided to us. Simply because the accounts are audited, the additional amounts claimed now under true up for the year 2014-15 by the Discoms cannot be treated as uncontrollable and permissible. The justification and permissibility for the same need to be examined.	For FY 2014-15, the true-up claim cannot be field as per the methodology specified in the Regulation 1 of 2014, since the retail supply tariff order for that year has not been issued by the Hon'ble APERC. Copy of the Annual Report, which contains audited annual accounts of the DISCOMs are being placed in their respective websites and in public domain for the information of the interested persons. Examining of permissibility of the True-up claims based on the audited annual accounts of the DISCOMsis within the purview of the Hon'ble APERC, and it is humbly requested to consider the same.
4. The Discoms have maintained that fixed costs to the tune of Rs.85.08 crore, income tax of Rs.11.21 crore and other costs of Rs.214.43 crore were not considered earlier. The reasons for the same need to be explained by the Discoms to examine whether such higher payments are justified or not. That apart, fixed cost being fixed in nature, it cannot increase for purchase of the quantum of power approved by the Commission. Therefore, the moot point is whether the Discoms backed down capacities of the stations of AP Genco and paid fixed charges therefor. If so, what were the quantum of power backed down by the Discoms	Fixed charges would be claimed based on the plant availability factor for the target year. Even in the instances of backing down of the plant, fixed charges have to be paid since the plant is ready to generate upon the dispatch instruction, but is not put into service, in view of low demand or Merit order conditions. As the backing down details sought are pertaining to older period, the same will be furnished shortly.

Para No /Brief Issue	Response
and fixed charges paid therefor to AP Genco and other thermal stations, if any?	
5. We request the Hon'ble Commission to determine the amounts taken over or to be taken over by GoAP from the debts of the Discoms for the year 2014-15 under UDAY and deduct the same from their true-up claims. In the subject petition, the Discoms have claimed that GoAP has taken over 100% of FRP bonds (Rs.2,546.15 crore) and 75% of working capital loans (Rs.8461.75 crore) under UDAY. When were these sums taken over by GoAP under UDAY? Does it require more than four years tosort out issues claimed to have been the reasons for delay in filing the subject petition for true up?	As per Clause 1.2(a) of the MoU, GoAP agreed to take over 75% of working capital term loan of Rs.8461.75 Crs. and 100% FRP bonds of Rs.2546.15 Crs. of the APDISCOMs outstanding as on 30th September, 2015. Accordingly GoAP issued G.o.Ms.No.27, Energy Infrastructure & Investment (Power-I) Department, dt.26-07-2016.

	Outstanding loans as on 30-09-2015
Capex Loans	3712.49
Working capital Loans	8461.76
FRP Bonds Liability	2546.15
Total	**14720.40**

Out of the total outstanding loans of Rs.14720.40 Crs. as on 30-09-2015, GoAP has accorded approval for takeover of 75% of working loans (Rs.6346.32 Crs.) and 100% of FRP bonds (Rs.2546.15 Crs.).

	EPDCL	SPDCL	Total
Against 100% FRP Bonds	1205.95	1340.20	**2546.15**
Against 75% working capital loan	2094.53	4251.79	**6346.32**
Total	**3300.48**	**5591.99**	**8892.47**

As on date GoAP has taken over loans as given below:

	EPDCL	SPDCL	Total
Against 100% FRP Bonds	904.46	1005.23	**1909.69**
Against 75% working capital loan	2094.53	4251.79	**6346.32**
Total	**2998.99**	**5257.02**	**8256.01**

It is difficult to estimate quantum of variation in power purchase cost taken over by the UDAY scheme.

The Hon'ble Commission is requested to treat such amounts /loans pertaining to PP cost as covered in the UDAY scheme, as per the prevailing regulations.

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Para No /Brief Issue	Response
6. The contention of the Discoms that it is difficult to estimate quantum of variation in power purchase cost taken over by UDAY scheme. It implies that a part of variation in power purchase cost can be claimed both under UDAY and true up.	The Hon'ble Commission is requested to treat such amounts /loans pertaining to PP cost as covered in the UDAY scheme, as per the prevailing regulations.
7. Carrying cost claimed by the Discoms to the tune of Rs.410 crore under true-up for the years 2014-15 and 2015-16 is not permissible. We request the Hon'ble Commission to reject the claim for carrying cost. The Discoms have to submit their true-up claims in time and the consumers should not be penalised for delay caused by the Discoms in submitting the same, whatever be the reasons therefor. Therefore, the question of taking into consideration the carrying cost to be incurred by the licensee in the future till the complete true-up is recovered does not arise. The implication in the contention of the Discoms is that the amounts claimed by them under true up fully or partly may be treated as regulatory asset for a specific period of time to be recovered in a phased manner. It is strange that the Discoms have contended that regulation of power between AP and TS in 2017 is one of the reasons for delay in filing the true up petition for 2014-15. What has the so-called regulation of power between the two States in 2017 to do with true up claims for the year 2014-15?	For the reasons beyond in the control of the DISCOMs, the True-Up claims have been submitted with a delay and carrying cost also has been claimed. The Hon'ble Commission is requested to condone the delay and approve the True-Up claim including carrying costs.
8. We request the Hon'ble Commission to provide us an opportunity to make further submissions in person during the public hearing after receiving responses of the Discoms to our above-mentioned submissions and studying and analysing the same.	Within the purview of the Hon'ble APERC

Yours faithfully

Chief General Manager
PPA, RA & QC
APEPDCL::VISAKHAPATNAM

Copy submitted to

The Secretary, APERC, 4TH Floor, 11-4-660, Singareni Bhavan, Red Hills, Hyderabad-500004.

EASTERN POWER DISTRIBUTION COMPANY OF A.P. LIMITED
CORPORATE OFFICE :: VISAKHAPATNAM

From

The Chief General Manager,
PPA, RA & QC,
APEPDCL, Corporate Office,
Seethammadhara,
Visakhapatnam – 530013.

To

Sri. A. Punnarao
D.No.59-2-1, 1st Lane,
Ashoknagar,
Vijayawada – 520 010

Lr.No.CGM/PPA, RA&QC/EPDCL/VSP/RAC/True-Up/D.No. 187 /19, dt. 04 -10-2019

Sir,

Sub: APEPDCL – RAC – Replies to the Objections received on True-up petition filed by APDISCOMS on Retails Supply Business for 2014-15 - Regarding.

Ref: Your Objection letter dated. 17-08-2019

We are in receipt of your suggestion/ objections on True-up petition filed by APDISCOMS on Retails Supply Business for 2014-15 and the same is herewith acknowledged with thanks. Para wise replies of APEPDCL are as follows:

Para No /Brief Issue	Response
1. APSPDCL and APEPDCL, being independent entities should have submitted their true-up applications separately. However, a common application is filed by both the Discoms for the years 2014-15, claiming revenue true-up of Rs.861 crore for the year 2014-15. These claims include power purchase costs not considered by the Hon'ble Commission for the year 2014-15 to the tune of Rs.311 crore and costs disallowed by the Commission for the year 2015-16 to the tune of Rs.414 crore. The Commission had already approved true up of Rs.958 crore provisionally in the retail supply order for the year 2015-16. The claims of the Discoms include a carrying cost of Rs.410 crore at an interest rate of 12% considering FY 2019-20 as the year of approval. Whatever be the true-up amounts that the Hon'ble Commission is going to permit, its impact on consumers should be confined to the respective true-up amounts of the Discom concerned. It should not be an average for the entire State. While a sum of Rs.87 crore has to be trued down for APEPDCL, a sum of Rs.948 crore is claimed by SPDCL under true up for the year	It is to inform that, in view of the uniform nature of Retail Supply Tariffs across the state independent of the service area of the distribution licensees, the DISCOMs are proposing to impose the burden of per unit True-Up also on uniform basis across the State. Further Power Purchase cost which constitutes around 80% of the entire expenditure of Distribution business is being incurred centrally to optimize the procurement cost and reduce the transaction costs. Even in the True-Up exercise, Power purchase cost variation is major element and so the DISCOMs have proposed for uniform levy of per unit True-up across the State.

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Para No /Brief Issue	Response
2014-15 and 2015-16. The benefit of true down should accrue to consumers of APEPDCL and the same cannot be adjusted for true up of SPDCL.	
2. While the affidavit filed by the Discoms claims that their claims for true-up pertain to the year 2014-15, at page 7, the Discoms have claimed true-up for the year 2015-16 also, without giving details pertaining to the same. It is strange that the Hon'ble Commission has issued public notice, inviting objections and suggestions in the subject issue, without directing the Discoms to submit the detailed information required for their claims for 2015-16 also and incorporating the same in their subject application. We request the Hon'ble Commission to direct the Discoms to file the required details for additional true-up for the year 2015-16 separately. At page 8, the Discoms have dishonestly claimed that the claimed true-up amount of Rs.861 crore is for retail supply business for the year 2014-15.	Disallowed costs pertaining to True-Up claim for, the year 2015-16 by APERC are being requested to be allowed through this petition, for the consideration of the Hon'ble APERC.
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4. The Discoms have maintained that fixed costs to the tune of Rs.85.08 crore, income tax of Rs.11.21 crore and other costs of Rs.214.43 crore were not considered earlier. The reasons for the same need to be explained by the Discoms to examine whether such higher payments are justified or not. That apart, fixed cost being fixed in nature, it cannot increase for purchase of the quantum of power approved by the Commission. Therefore, the moot point is whether the Discoms backed down capacities of the stations of AP Genco and paid fixed charges therefor. If so, what were the quantum of power backed down by the Discoms	Fixed charges would be claimed based on the plant availability factor for the target year. Even in the instances of backing down of the plant, fixed charges have to be paid since the plant is ready to generate upon the dispatch instruction, but is not put into service, in view of low demand or Merit order conditions. As the backing down details sought are pertaining to older period, the same will be furnished shortly.

Para No /Brief Issue	Response
and fixed charges paid therefor to AP Genco and other thermal stations, if any?	
5. We request the Hon'ble Commission to determine the amounts taken over or to be taken over by GoAP from the debts of the Discoms for the year 2014-15 under UDAY and deduct the same from their true-up claims. In the subject petition, the Discoms have claimed that GoAP has taken over 100% of FRP bonds (Rs.2,546.15 crore) and 75% of working capital loans (Rs.8461.75 crore) under UDAY. When were these sums taken over by GoAP under UDAY? Does it require more than four years tosort out issues claimed to have been the reasons for delay in filing the subject petition for true up?	As per Clause 1.2(a) of the MoU, GoAP agreed to take over 75% of working capital term loan of Rs.8461.75 Crs. and 100% FRP bonds of Rs.2546.15 Crs. of the APDISCOMs outstanding as on 30th September, 2015. Accordingly GoAP issued G.o.Ms.No.27, Energy Infrastructure & Investment (Power-I) Department, dt.26-07-2016.

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It is difficult to estimate quantum of variation in power purchase cost taken over by the UDAY scheme.

The Hon'ble Commission is requested to treat such amounts /loans pertaining to PP cost as covered in the UDAY scheme, as per the prevailing regulations.

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Para No /Brief Issue	Response
6. The contention of the Discoms that it is difficult to estimate quantum of variation in power purchase cost taken over by UDAY scheme. It implies that a part of variation in power purchase cost can be claimed both under UDAY and true up.	The Hon'ble Commission is requested to treat such amounts /loans pertaining to PP cost as covered in the UDAY scheme, as per the prevailing regulations.
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8. We request the Hon'ble Commission to provide us an opportunity to make further submissions in person during the public hearing, after receiving responses of the Discoms to our above-mentioned submissions and studying and analysing the same.	Within the purview of the Hon'ble APERC

Yours faithfully

Chief General Manager
PPA, RA & QC
APEPDCL::VISAKHAPATNAM

Copy submitted to

The Secretary, APERC, 4TH Floor, 11-4-660, Singareni Bhavan, Red Hills, Hyderabad-500004.

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EASTERN POWER DISTRIBUTION COMPANY OF A.P. LIMITED
CORPORATE OFFICE – VISAKHAPATNAM

From

The Chief General Manager,
PPA, RA & QC,
APEPDCL, Corporate Office,
Seethammadhara,
Visakhapatnam – 530013.

To

Sri. Ch Narasingaro,
State Secretariat Member,
Communist Party of India (Marxist),
N.P.R Bhawan, H.No. 28-6-8,
Yallammathota, Jagadamba Jn.,
Email: chnrao33@gmail.com

Lr.No.CGM/PPA, RA&QC/EPDCL/VSP/RAC/F:True-Up/D.No. 186 /19, dt. 04 -10-2019

Sir,

Sub: APEPDCL – RAC – Replies to the Objections received on True up petition filed by APDISCOMS on Retails Supply Business for 2014-15 - Regarding.

Ref: Your Objection letter dated 17-08-2019

***

We are in receipt of your suggestion/ objections on True-up petition filed by APDISCOMS on Retails Supply Business for 2014-15 and the same is herewith acknowledged with thanks. Para wise replies of APEPDCL are as follows:

Para No /Brief Issue	Response
1. APSPDCL and APEPDCL, being independent entities should have submitted their true-up applications separately. However, a common application is filed by both the Discoms for the years 2014-15, claiming revenue true-up of Rs.861 crore for the year 2014-15. These claims include power purchase costs not considered by the Hon'ble Commission for the year 2014-15 to the tune of Rs.311 crore and costs disallowed by the Commission for the year 2015-16 to the tune of Rs.414 crore. The Commission had already approved true up of Rs.958 crore provisionally in the retail supply order for the year 2015-16. The claims of the Discoms include a carrying cost of Rs.410 crore at an interest rate of 12% considering FY 2019-20 as the year of approval. Whatever be the true-up amounts that the Hon'ble Commission is going to permit, its impact on consumers should be confined to the respective true-up amounts of the Discom concerned. It should not be an average for the entire State. While a sum of Rs.87 crore has to be trued down for APEPDCL, a sum of Rs.948 crore is claimed by SPDCL under true up for the year 2014-15 and 2015-16. The benefit of true down	It is to inform that, in view of the uniform nature of Retail Supply Tariffs across the state independent of the service area of the distribution licensees, the DISCOMs are proposing to impose the burden of per unit True-Up also on uniform basis across the State. Further Power Purchase cost which constitutes around 80% of the entire expenditure of Distribution business is being incurred centrally to optimize the procurement cost and reduce the transaction costs. Even in the True-Up exercise Power purchase cost variation is major element and so the DISCOMs have proposed for uniform levy of per unit True-up across the State.

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Total	**2998.99**	**5257.02**	**8256.01**

It is difficult to estimate quantum of variation in power purchase cost taken over by the UDAY scheme.

The Hon'ble Commission is requested to treat such amounts /loans pertaining to PP cost as covered in the UDAY scheme, as per the prevailing regulations.

Para No /Brief Issue	Response
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Yours faithfully

Chief General Manager
PPA, RA & QC
APEPDCL::VISAKHAPATNAM

Copy submitted to

The Secretary, APERC, 4TH Floor, 11-4-660, Singareni Bhavan, Red Hills, Hyderabad-500004.

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SOUTHERN POWER DISTRIBUTION COMPANY OF A.P. LIMITED

19-13-65/A, Vidyut Nilayam, Srinivasapuram, Tirupati (www.apspdcl.in)

From
The Chief General Manager,
RAC, APSPDCL, 19-13-65/A,
Vidyut Nilayam, Srinivasapuram,
Tirupati – 517501.

To
Sri B.Tulasidas,
S4- Devi Towers,
Sambamurty Road,
Vijayawada-03.

Lr No. CGM/RAC/SPDCL/TPT/RAC/F.True-up /D.No. 472 /19 dt. 07 -10-2019

Sir,

Sub:- APSPDCL/TPT – RAC – Replies to the objections on True-up filings for FY 2014-15 - Furnished - Regarding.

Ref:- Party's Objection received dt.06-09-2019

***

In response to the objection received vide reference cited, the replies to the objections on True-up filings for FY 2014-15 are as follows :

Para No /Brief Issue	Response
1. APSPDCL and APEPDCL, being independent entities should have submitted their true-up applications separately. However, a common application is filed by both the Discoms for the years 2014-15, claiming revenue true-up of Rs.861 crore for the year 2014-15. These claims include power purchase costs not considered by the Hon'ble Commission for the year 2014-15 to the tune of Rs.311 crore and costs disallowed by the Commission for the year 2015-16 to the tune of Rs.414 crore. The Commission had already approved true up of Rs.958 crore provisionally in the retail supply order for the year 2015-16. The claims of the Discoms include a carrying cost of Rs.410 crore at an interest rate of 12% considering FY 2019-20 as the year of approval. Whatever be the true-up amounts that the Hon'ble Commission is going to permit, its impact on consumers should be confined to the respective true-up amounts of the Discom concerned. It should not be an average for the entire State. While a sum of Rs.87 crore has to be trued down for APEPDCL, a sum of Rs.948 crore is claimed by SPDCL under true up for the year 2014-15 and 2015-16. The benefit of true down should accrue to consumers of APEPDCL and the same cannot be adjusted for true up of SPDCL.	It is to inform that, in view of the uniform nature of Retail Supply Tariffs across the state independent of the service area of the distribution licensees, the DISCOMs are proposing to impose the burden of per unit True-Up also on uniform basis across the State. Further Power Purchase cost which constitutes around 80% of the entire expenditure of Distribution business is being incurred centrally to optimize the procurement cost and reduce the transaction costs. Even in the True-Up exercise, Power purchase cost variation is major element and so the DISCOMs have proposed for uniform levy of per unit True-up across the State.

Andhra Pradesh Electricity Regulatory Commission
2327
10 OCT 2019

Para No /Brief Issue	Response
2. While the affidavit filed by the Discoms claims that their claims for true-up pertain tothe year 2014-15, at page 7, the Discoms have claimed true-up for the year 2015-16 also, without giving details pertaining to the same. It is strange that the Hon'ble Commission has issued public notice, inviting objections and suggestions in the subject issue, without directing the Discoms to submit the detailed information required for their claims for 2015-16 also and incorporating the same in their subject application. We request the Hon'ble Commission to direct the Discoms to file the required details for additional true-up for the year 2015-16 separately. At page 8, the Discoms have dishonestly claimed that the claimed true-up amount of Rs.861 crore is for retail supply business for the year 2014-15.	Disallowed costs pertaining to True-Up claim for the year 2015-16 by APERC are being requested to be allowed through this petition, for the consideration of the Hon'ble APERC.
3. The Discoms have requested the Commission to consider the true up amount computed by them based on the audited annual accounts for the year 2014-15. When were the accounts of the Discoms for the year 2014-15 audited? What are the findings in the audit report? A copy of the audit report needs to be submitted to the Commission and the same be provided to us. Simply because the accounts are audited, the additional amounts claimed now under true up for the year 2014-15 by the Discoms cannot be treated as uncontrollable and permissible. The justification and permissibility for the same need to be examined.	For FY 2014-15, the true-up claim cannot be filed as per the methodology specified in the Regulation 1 of 2014, since the retail supply tariff order for that year has not been issued by the Hon'ble APERC. Copy of the Annual Report, which contains audited annual accounts of the DISCOMs are being placed in their respective websites and in public domain for the information of the interested persons. Examining of permissibility of the True-up claims based on the audited annual accounts of the DISCOMsis within the purview of the Hon'ble APERC, and it is humbly requested to consider the same.
4. The Discoms have maintained that fixed costs to the tune of Rs.85.08 crore, income tax of Rs.11.21 crore and other costs of Rs.214.43 crore were not considered earlier. The reasons for the same need to be explained by the Discoms to examine whether such higher payments are justified or not. That apart, fixed cost being fixed in nature, it cannot increase for purchase of the quantum of power approved by the Commission. Therefore, the moot point is whether the Discoms backed down capacities of the stations of AP Genco and paid fixed charges therefor. If so, what were the quantum of power backed down by the Discoms and fixed charges paid therefor to AP Genco and other thermal stations, if any?	Fixed charges would be claimed based on the plant availability factor for the target year. Even in the instances of backing down of the plant, fixed charges have to be paid since the plant is ready to generate upon the dispatch instruction, but is not put into service, in view of low demand or Merit order conditions. As the backing down details sought for pertain to older years, the same will be furnished shortly.
5. We request the Hon'ble Commission to determine the amounts taken over or to be taken over by	As per Clause 1.2(a) of the MoU, GoAP agreed to take over 75% of working capital term loan of

Para No /Brief Issue	Response
GoAP from the debts of the Discoms for the year 2014-15 under UDAY and deduct the same from their true-up claims. In the subject petition, the Discoms have claimed that GoAP has taken over 100% of FRP bonds (Rs.2,546.15 crore) and 75% of working capital loans (Rs.8461.75 crore) under UDAY. When were these sums taken over by GoAP under UDAY? Does it require more than four years to sort out issues claimed to have been the reasons for delay in filing the subject petition for true up?	Rs.8461.75 Crs. and 100% FRP bonds of Rs.2546.15 Crs. of the APDISCOMs outstanding as on 30th September, 2015. Accordingly GoAP issued G.o.Ms.No.27, Energy Infrastructure & Investment (Power-I) Department, dt.26-07-2016. Outstanding loans as on 30-09-2015 Capex Loans: 3712.49 Working capital Loans: 8461.76 FRP Bonds Liability: 2546.15 **Total: 14720.40** Out of the total outstanding loans of Rs.14720.40 Crs. as on 30-09-2015, GoAP has accorded approval for takeover of 75% of working loans (Rs.6346.32 Crs.) and 100% of FRP bonds (Rs.2546.15 Crs.). EPDCL / SPDCL / Total Against 100% FRP Bonds: 1205.95 / 1340.20 / 2546.15 Against 75% working capital loan: 2094.53 / 4251.79 / 6346.32 **Total: 3300.48 / 5591.99 / 8892.47** As on date GoAP has taken over loans as given below: EPDCL / SPDCL / Total Against 100% FRP Bonds: 904.46 / 1005.23 / 1909.69 Against 75% working capital loan: 2094.53 / 4251.79 / 6346.32 **Total: 2998.99 / 5257.02 / 8256.01** It is difficult to estimate quantum of variation in power purchase cost taken over by the UDAY scheme. The Hon'ble Commission is requested to treat such amounts /loans pertaining to PP cost as covered in the UDAY scheme, as per the prevailing regulations.
6. The contention of the Discoms that it is difficult to estimate quantum of variation in power purchase cost taken over by UDAY scheme. It implies that a part of variation in power purchase cost can be claimed both under UDAY and true up.	The Hon'ble Commission is requested to treat such amounts /loans pertaining to PP cost as covered in the UDAY scheme, as per the prevailing regulations.
7. Carrying cost claimed by the Discoms to the tune of Rs.410 crore under true-up for the years 2014-15 and 2015-16 is not permissible. We request the Hon'ble Commission to reject the claim for carrying cost. The Discoms have to submit their true-up claims in time and the consumers should	For the reasons beyond in the control of the DISCOMs, the True-Up claims have been submitted with a delay and carrying cost also has been claimed. The Hon'ble Commission is requested to condone the delay and approve the True-Up claim including carrying costs.

Para No /Brief Issue	Response
not be penalised for delay caused by the Discoms in submitting the same, whatever be the reasons therefor. Therefore, the question of taking into consideration the carrying cost to be incurred by the licensee in the future till the complete true-up is recovered does not arise. The implication in the contention of the Discoms is that the amounts claimed by them under true up fully or partly may be treated as regulatory asset for a specific period of time to be recovered in a phased manner. It is strange that the Discoms have contended that regulation of power between AP and TS in 2017 is one of the reasons for delay in filing the true up petition for 2014-15. What has the so-called regulation of power between the two States in 2017 to do with true up claims for the year 2014-15?	
8. We request the Hon'ble Commission to provide us an opportunity to make further submissions in person during the public hearing after receiving responses of the Discoms to our above-mentioned submissions and studying and analysing the same.	Within the purview of the Hon'ble APERC

Yours faithfully,

Chief General Manager
RAC :: APSPDCL

Copy submitted to the Secretary, APERC, 11-4-660, 4th Floor, Singareni Bhavan, Red Hills, Lakdikapul, Hyderbad-04

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SOUTHERN POWER DISTRIBUTION COMPANY OF A.P. LIMITED

19-13-65/A, Vidyut Nilayam, Srinivasapuram, Tirupati (www.apspdcl.in)

From
The Chief General Manager,
RAC, APSPDCL, 19-13-65/A,
Vidyut Nilayam, Srinivasapuram,
Tirupati – 517501.

To
Sri A.Punna Rao,
59-2-1, 1st Lane,
Ashok Nagar,
Governorpet, Vijayawada-10

Lr No. CGM/RAC/SPDCL/TPT/RAC/F.True-up /D.No. 448 /19 dt. 4 -10-2019

Sir,

Sub:- APSPDCL/TPT – RAC – Replies to the objections on True-up filings for FY 2014-15 Furnished - Regarding.

Ref:- Party's Objection received dt.06-09-2019

***

In response to the objection received vide reference cited, the replies to the objections on True-up filings for FY 2014-15 are as follows :

Para No /Brief Issue	Response
1. APSPDCL and APEPDCL, being independent entities should have submitted their true-up applications separately. However, a common application is filed by both the Discoms for the years 2014-15, claiming revenue true-up of Rs.861 crore for the year 2014-15. These claims include power purchase costs not considered by the Hon'ble Commission for the year 2014-15 to the tune of Rs.311 crore and costs disallowed by the Commission for the year 2015-16 to the tune of Rs.414 crore. The Commission had already approved true up of Rs.958 crore provisionally in the retail supply order for the year 2015-16. The claims of the Discoms include a carrying cost of Rs.410 crore at an interest rate of 12% considering FY 2019-20 as the year of approval. Whatever be the true-up amounts that the Hon'ble Commission is going to permit, its impact on consumers should be confined to the respective true-up amounts of the Discom concerned. It should not be an average for the entire State. While a sum of Rs.87 crore has to be trued down for APEPDCL, a sum of Rs.948 crore is claimed by SPDCL under true up for the year 2014-15 and 2015-16. The benefit of true down should accrue to consumers of APEPDCL and the same cannot be adjusted for true up of SPDCL.	It is to inform that, in view of the uniform nature of Retail Supply Tariffs across the state independent of the service area of the distribution licensees, the DISCOMs are proposing to impose the burden of per unit True-Up also on uniform basis across the State. Further Power Purchase cost which constitutes around 80% of the entire expenditure of Distribution business is being incurred centrally to optimize the procurement cost and reduce the transaction costs. Even in the True-Up exercise, Power purchase cost variation is major element and so the DISCOMs have proposed for uniform levy of per unit True-up across the State.

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4. The Discoms have maintained that fixed costs to the tune of Rs.85.08 crore, income tax of Rs.11.21 crore and other costs of Rs.214.43 crore were not considered earlier. The reasons for the same need to be explained by the Discoms to examine whether such higher payments are justified or not. That apart, fixed cost being fixed in nature, it cannot increase for purchase of the quantum of power approved by the Commission. Therefore, the moot point is whether the Discoms backed down capacities of the stations of AP Genco and paid fixed charges therefor. If so, what were the quantum of power backed down by the Discoms and fixed charges paid therefor to AP Genco and other thermal stations, if any?	Fixed charges would be claimed based on the plant availability factor for the target year. Even in the instances of backing down of the plant, fixed charges have to be paid since the plant is ready to generate upon the dispatch instruction, but is not put into service, in view of low demand or Merit order conditions. As the backing down details sought for pertain to older years, the same will be furnished shortly.
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Para No /Brief Issue	Response
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Para No /Brief Issue	Response
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Yours faithfully,

Chief General Manager
RAC :: APSPDCL

Copy submitted to the Secretary, APERC, 11-4-660, 4th Floor, Singareni Bhavan, Red Hills, Lakdikapul, Hyderbad-04

SOUTHERN POWER DISTRIBUTION COMPANY OF A.P. LIMITED

19-13-65/A, Vidyut Nilayam, Srinivasapuram, Tirupati (www.apspdcl.in)

From
The Chief General Manager,
RAC, APSPDCL, 19-13-65/A,
Vidyut Nilayam, Srinivasapuram,
Tirupati – 517501.

To
Sri CH. Narasinga Rao,
State Secretary Member,
NPR Bhavan, H.No.28-6-8,,
Yallammathota, Jagadamba Jn.,
Visakhapatnam-20

Lr No. CGM/RAC/SPDCL/TPT/RAC/F.True-up /D.No. 465/19 dt. 04-10-2019

Sir,

Sub:- APSPDCL/TPT – RAC – Replies to the objections on True-up filings for FY 2014-15 - Furnished - Regarding.

Ref:- Party's Objection received dt.06-09-2019

***

In response to the objection received vide reference cited, the replies to the objections on True-up filings for FY 2014-15 are as follows :

Para No /Brief Issue	Response
1. APSPDCL and APEPDCL, being independent entities should have submitted their true-up applications separately. However, a common application is filed by both the Discoms for the years 2014-15, claiming revenue true-up of Rs.861 crore for the year 2014-15. These claims include power purchase costs not considered by the Hon'ble Commission for the year 2014-15 to the tune of Rs.311 crore and costs disallowed by the Commission for the year 2015-16 to the tune of Rs.414 crore. The Commission had already approved true up of Rs.958 crore provisionally in the retail supply order for the year 2015-16. The claims of the Discoms include a carrying cost of Rs.410 crore at an interest rate of 12% considering FY 2019-20 as the year of approval. Whatever be the true-up amounts that the Hon'ble Commission is going to permit, its impact on consumers should be confined to the respective true-up amounts of the Discom concerned. It should not be an average for the entire State. While a sum of Rs.87 crore has to be trued down for APEPDCL, a sum of Rs.948 crore is claimed by SPDCL under true up for the year 2014-15 and 2015-16. The benefit of true down should accrue to consumers of APEPDCL and the same cannot be adjusted for true up of SPDCL.	It is to inform that, in view of the uniform nature of Retail Supply Tariffs across the state independent of the service area of the distribution licensees, the DISCOMs are proposing to impose the burden of per unit True-Up also on uniform basis across the State. Further Power Purchase cost which constitutes around 80% of the entire expenditure of Distribution business is being incurred centrally to optimize the procurement cost and reduce the transaction costs. Even in the True-Up exercise, Power purchase cost variation is major element and so the DISCOMs have proposed for uniform levy of per unit True-up across the State.

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Para No /Brief Issue	Response
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Yours faithfully,

Chief General Manager
RAC :: APSPDCL

Copy submitted to the Secretary, APERC, 11-4-660, 4th Floor, Singareni Bhavan, Red Hills, Lakdikapul, Hyderbad-04

SOUTHERN POWER DISTRIBUTION COMPANY OF A.P. LIMITED
19-13-65/A, Vidyut Nilayam, Srinivasapuram, Tirupati (www.apspdcl.in)

From
The Chief General Manager,
RAC, APSPDCL, 19-13-65/A,
Vidyut Nilayam, Srinivasapuram,
Tirupati – 517501.

To
Sri P.Madhu,
State Secretary, H.No.27-28-12, CPI (M),
State Committee office,
Yamalavari Street,
Governorpet, Vijayawada-2

Lr No. CGM/RAC/SPDCL/TPT/RAC/F.True-up /D.No. 462/19 dt. 4 -10-2019

Sir,

Sub:- APSPDCL/TPT – RAC – Replies to the objections on True-up filings for FY 2014-15 - Furnished - Regarding.

Ref:- Party's Objection received dt.06-09-2019

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In response to the objection received vide reference cited, the replies to the objections on True-up filings for FY 2014-15 are as follows :

Para No /Brief Issue	Response
1. APSPDCL and APEPDCL, being independent entities should have submitted their true-up applications separately. However, a common application is filed by both the Discoms for the years 2014-15, claiming revenue true-up of Rs.861 crore for the year 2014-15. These claims include power purchase costs not considered by the Hon'ble Commission for the year 2014-15 to the tune of Rs.311 crore and costs disallowed by the Commission for the year 2015-16 to the tune of Rs.414 crore. The Commission had already approved true up of Rs.958 crore provisionally in the retail supply order for the year 2015-16. The claims of the Discoms include a carrying cost of Rs.410 crore at an interest rate of 12% considering FY 2019-20 as the year of approval. Whatever be the true-up amounts that the Hon'ble Commission is going to permit, its impact on consumers should be confined to the respective true-up amounts of the Discom concerned. It should not be an average for the entire State. While a sum of Rs.87 crore has to be trued down for APEPDCL, a sum of Rs.948 crore is claimed by SPDCL under true up for the year 2014-15 and 2015-16. The benefit of true down should accrue to consumers of APEPDCL and the same cannot be adjusted for true up of SPDCL.	It is to inform that, in view of the uniform nature of Retail Supply Tariffs across the state independent of the service area of the distribution licensees, the DISCOMs are proposing to impose the burden of per unit True-Up also on uniform basis across the State. Further Power Purchase cost which constitutes around 80% of the entire expenditure of Distribution business is being incurred centrally to optimize the procurement cost and reduce the transaction costs. Even in the True-Up exercise, Power purchase cost variation is major element and so the DISCOMs have proposed for uniform levy of per unit True-up across the State.

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2. While the affidavit filed by the Discoms claims that their claims for true-up pertain tothe year 2014-15, at page 7, the Discoms have claimed true-up for the year 2015-16 also, without giving details pertaining to the same. It is strange that the Hon'ble Commission has issued public notice, inviting objections and suggestions in the subject issue, without directing the Discoms to submit the detailed information required for their claims for 2015-16 also and incorporating the same in their subject application. We request the Hon'ble Commission to direct the Discoms to file the required details for additional true-up for the year 2015-16 separately. At page 8, the Discoms have dishonestly claimed that the claimed true-up amount of Rs.861 crore is for retail supply business for the year 2014-15.	Disallowed costs pertaining to True-Up claim for the year 2015-16 by APERC are being requested to be allowed through this petition, for the consideration of the Hon'ble APERC.
3. The Discoms have requested the Commission to consider the true up amount computed by them based on the audited annual accounts for the year 2014-15. When were the accounts of the Discoms for the year 2014-15 audited? What are the findings in the audit report? A copy of the audit report needs to be submitted to the Commission and the same be provided to us. Simply because the accounts are audited, the additional amounts claimed now under true up for the year 2014-15 by the Discoms cannot be treated as uncontrollable and permissible. The justification and permissibility for the same need to be examined.	For FY 2014-15, the true-up claim cannot be filed as per the methodology specified in the Regulation 1 of 2014, since the retail supply tariff order for that year has not been issued by the Hon'ble APERC. Copy of the Annual Report, which contains audited annual accounts of the DISCOMs are being placed in their respective websites and in public domain for the information of the interested persons. Examining of permissibility of the True-up claims based on the audited annual accounts of the DISCOMsis within the purview of the Hon'ble APERC, and it is humbly requested to consider the same.
4. The Discoms have maintained that fixed costs to the tune of Rs.85.08 crore, income tax of Rs.11.21 crore and other costs of Rs.214.43 crore were not considered earlier. The reasons for the same need to be explained by the Discoms to examine whether such higher payments are justified or not. That apart, fixed cost being fixed in nature, it cannot increase for purchase of the quantum of power approved by the Commission. Therefore, the moot point is whether the Discoms backed down capacities of the stations of AP Genco and paid fixed charges therefor. If so, what were the quantum of power backed down by the Discoms and fixed charges paid therefor to AP Genco and other thermal stations, if any?	Fixed charges would be claimed based on the plant availability factor for the target year. Even in the instances of backing down of the plant, fixed charges have to be paid since the plant is ready to generate upon the dispatch instruction, but is not put into service, in view of low demand or Merit order conditions. As the backing down details sought for pertain to older years, the same will be furnished shortly.
5. We request the Hon'ble Commission to determine the amounts taken over or to be taken over by	As per Clause 1.2(a) of the MoU, GoAP agreed to take over 75% of working capital term loan of

Para No /Brief Issue	Response
GoAP from the debts of the Discoms for the year 2014-15 under UDAY and deduct the same from their true-up claims. In the subject petition, the Discoms have claimed that GoAP has taken over 100% of FRP bonds (Rs.2,546.15 crore) and 75% of working capital loans (Rs.8461.75 crore) under UDAY. When were these sums taken over by GoAP under UDAY? Does it require more than four years to sort out issues claimed to have been the reasons for delay in filing the subject petition for true up?	Rs.8461.75 Crs. and 100% FRP bonds of Rs.2546.15 Crs. of the APDISCOMs outstanding as on 30th September, 2015. Accordingly GoAP issued G.o.Ms.No.27, Energy Infrastructure & Investment (Power-I) Department, dt.26-07-2016. Outstanding loans as on 30-09-2015 Capex Loans: 3712.49 Working capital Loans: 8461.76 FRP Bonds Liability: 2546.15 Total: 14720.40 Out of the total outstanding loans of Rs.14720.40 Crs. as on 30-09-2015, GoAP has accorded approval for takeover of 75% of working loans (Rs.6346.32 Crs.) and 100% of FRP bonds (Rs.2546.15 Crs.). EPDCL / SPDCL / Total Against 100% FRP Bonds: 1205.95 / 1340.20 / 2546.15 Against 75% working capital loan: 2094.53 / 4251.79 / 6346.32 Total: 3300.48 / 5591.99 / 8892.47 As on date GoAP has taken over loans as given below: EPDCL / SPDCL / Total Against 100% FRP Bonds: 904.46 / 1005.23 / 1909.69 Against 75% working capital loan: 2094.53 / 4251.79 / 6346.32 Total: 2998.99 / 5257.02 / 8256.01 It is difficult to estimate quantum of variation in power purchase cost taken over by the UDAY scheme. The Hon'ble Commission is requested to treat such amounts /loans pertaining to PP cost as covered in the UDAY scheme, as per the prevailing regulations.
6. The contention of the Discoms that it is difficult to estimate quantum of variation in power purchase cost taken over by UDAY scheme. It implies that a part of variation in power purchase cost can be claimed both under UDAY and true up.	The Hon'ble Commission is requested to treat such amounts /loans pertaining to PP cost as covered in the UDAY scheme, as per the prevailing regulations.
7. Carrying cost claimed by the Discoms to the tune of Rs410 crore under true-up for the years 2014-15 and 2015-16 is not permissible. We request the Hon'ble Commission to reject the claim for carrying cost. The Discoms have to submit their true-up claims in time and the consumers should	For the reasons beyond in the control of the DISCOMs, the True-Up claims have been submitted with a delay and carrying cost also has been claimed. The Hon'ble Commission is requested to condone the delay and approve the True-Up claim including carrying costs.

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Para No /Brief Issue	Response
not be penalised for delay caused by the Discoms in submitting the same, whatever be the reasons therefor. Therefore, the question of taking into consideration the carrying cost to be incurred by the licensee in the future till the complete true-up is recovered does not arise. The implication in the contention of the Discoms is that the amounts claimed by them under true up fully or partly may be treated as regulatory asset for a specific period of time to be recovered in a phased manner. It is strange that the Discoms have contended that regulation of power between AP and TS in 2017 is one of the reasons for delay in filing the true up petition for 2014-15. What has the so-called regulation of power between the two States in 2017 to do with true up claims for the year 2014-15?	
8. We request the Hon'ble Commission to provide us an opportunity to make further submissions in person during the public hearing after receiving responses of the Discoms to our above-mentioned submissions and studying and analysing the same.	Within the purview of the Hon'ble APERC

Yours faithfully,

Chief General Manager
RAC :: APSPDCL

Copy submitted to the Secretary, APERC, 11-4-660, 4th Floor, Singareni Bhavan, Red Hills, Lakdikapul, Hyderbad-04

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SOUTHERN POWER DISTRIBUTION COMPANY OF A.P. LIMITED.

19-13-65/A, Vidyut Nilayam, Srinivasapuram, Tirupati (www.apspdcl.in)

From
The Chief General Manager,
RAC, APSPDCL, 19-13-65/A,
Vidyut Nilayam, Srinivasapuram,
Tirupati – 517501.

To
Sri M.Venugopala Rao,
Senior Journalist and
Convener of Centre for Power Studies,
H.No.7-1-408 to 413, F 203,
Sri Sai Darsan Residency,
Balkampet Road, Ameerpet,
Hyderabad-16

Lr No. CGM/RAC/SPDCL/TPT/RAC/F.True-up /D.No. 461 /19 dt. 04 -10-2019

Sir,

Sub:- APSPDCL/TPT – RAC – Replies to the objections on True-up filings for FY 2014-15 - Furnished - Regarding.

Ref:- Party's Objection received dt.06-09-2019

***

In response to the objection received vide reference cited, the replies to the objections on True-up filings for FY 2014-15 are as follows :

Para No /Brief Issue	Response
1. APSPDCL and APEPDCL being independent entities should have submitted their true-up applications separately. However, a common application is filed by both the Discoms for the years 2014-15, claiming revenue true-up of Rs.861 crore for the year 2014-15. These claims include power purchase costs not considered by the Hon'ble Commission for the year 2014-15 to the tune of Rs.311 crore and costs disallowed by the Commission for the year 2015-16 to the tune of Rs.414 crore. The Commission had already approved true up of Rs.958 crore provisionally in the retail supply order for the year 2015-16. The claims of the Discoms include a carrying cost of Rs.410 crore at an interest rate of 12% considering FY 2019-20 as the year of approval. Whatever be the true-up amounts that the Hon'ble Commission is going to permit, its impact on consumers should be confined to the respective true-up amounts of the Discom concerned. It should not be an average for the entire State. While a sum of Rs.87 crore has to be trued down for APEPDCL, a sum of Rs.948 crore is claimed by SPDCL under true up for the year 2014-15 and 2015-16. The benefit of true down	It is to inform that, in view of the uniform nature of Retail Supply Tariffs across the state independent of the service area of the distribution licensees, the DISCOMs are proposing to impose the burden of per unit True-Up also on uniform basis across the State. Further Power Purchase cost which constitutes around 80% of the entire expenditure of Distribution business is being incurred centrally to optimize the procurement cost and reduce the transaction costs. Even in the True-Up exercise, Power purchase cost variation is major element and so the DISCOMs have proposed for uniform levy of per unit True-up across the State.

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Para No /Brief Issue	Response
should accrue to consumers of APEPDCL and the same cannot be adjusted for true up of SPDCL.	
2. While the affidavit filed by the Discoms claims that their claims for true-up pertain tothe year 2014-15, at page 7, the Discoms have claimed true-up for the year 2015-16 also, without giving details pertaining to the same. It is strange that the Hon'ble Commission has issued public notice, inviting objections and suggestions in the subject issue, without directing the Discoms to submit the detailed information required for their claims for 2015-16 also and incorporating the same in their subject application. We request the Hon'ble Commission to direct the Discoms to file the required details for additional true-up for the year 2015-16 separately. At page 8, the Discoms have dishonestly claimed that the claimed true-up amount of Rs.861 crore is for retail supply business for the year 2014-15.	Disallowed costs pertaining to True-Up claim for the year 2015-16 by APERC are being requested to be allowed through this petition, for the consideration of the Hon'ble APERC.
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4. The Discoms have maintained that fixed costs to the tune of Rs.85.08 crore, income tax of Rs.11.21 crore and other costs of Rs.214.43 crore were not considered earlier. The reasons for the same need to be explained by the Discoms to examine whether such higher payments are justified or not. That apart, fixed cost being fixed in nature, it cannot increase for purchase of the quantum of power approved by the Commission. Therefore, the moot point is whether the Discoms backed down capacities of the stations of AP Genco and paid fixed charges therefor. If so, what were the quantum of power backed down by the Discoms and fixed charges paid therefor to AP Genco and other thermal stations, if any?	Fixed charges would be claimed based on the plant availability factor for the target year. Even in the instances of backing down of the plant, fixed charges have to be paid since the plant is ready to generate upon the dispatch instruction, but is not put into service, in view of low demand or Merit order conditions. As the backing down details sought for pertain to older years, the same will be furnished shortly.

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5. We request the Hon'ble Commission to determine the amounts taken over or to be taken over by GoAP from the debts of the Discoms for the year 2014-15 under UDAY and deduct the same from their true-up claims. In the subject petition, the Discoms have claimed that GoAP has taken over 100% of FRP bonds (Rs.2,546.15 crore) and 75% of working capital loans (Rs.8461.75 crore) under UDAY. When were these sums taken over by GoAP under UDAY? Does it require more than four years to sort out issues claimed to have been the reasons for delay in filing the subject petition for true up?	As per Clause 1.2(a) of the MoU, GoAP agreed to take over 75% of working capital term loan of Rs.8461.75 Crs. and 100% FRP bonds of Rs.2546.15 Crs. of the APDISCOMs outstanding as on 30th September, 2015. Accordingly GoAP issued G.o.Ms.No.27, Energy Infrastructure & Investment (Power-I) Department, dt.26-07-2016. Outstanding loans as on 30-09-2015 Capex Loans: 3712.49 Working capital Loans: 8461.76 FRP Bonds Liability: 2546.15 Total: 14720.40 Out of the total outstanding loans of Rs.14720.40 Crs. as on 30-09-2015, GoAP has accorded approval for takeover of 75% of working loans (Rs.6346.32 Crs.) and 100% of FRP bonds (Rs.2546.15 Crs.). EPDCL / SPDCL / Total Against 100% FRP Bonds: 1205.95 / 1340.20 / 2546.15 Against 75% working capital loan: 2094.53 / 4251.79 / 6346.32 Total: 3300.48 / 5591.99 / 8892.47 As on date GoAP has taken over loans as given below: EPDCL / SPDCL / Total Against 100% FRP Bonds: 904.46 / 1005.23 / 1909.69 Against 75% working capital loan: 2094.53 / 4251.79 / 6346.32 Total: 2998.99 / 5257.02 / 8256.01 It is difficult to estimate quantum of variation in power purchase cost taken over by the UDAY scheme. The Hon'ble Commission is requested to treat such amounts /loans pertaining to PP cost as covered in the UDAY scheme, as per the prevailing regulations.
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Para No /Brief Issue	Response
carrying cost. The Discoms have to submit their true-up claims in time and the consumers should not be penalised for delay caused by the Discoms in submitting the same, whatever be the reasons therefor. Therefore, the question of taking into consideration the carrying cost to be incurred by the licensee in the future till the complete true-up is recovered does not arise. The implication in the contention of the Discoms is that the amounts claimed by them under true up fully or partly may be treated as regulatory asset for a specific period of time to be recovered in a phased manner. It is strange that the Discoms have contended that regulation of power between AP and TS in 2017 is one of the reasons for delay in filing the true up petition for 2014-15. What has the so-called regulation of power between the two States in 2017 to do with true up claims for the year 2014-15?	requested to condone the delay and approve the True-Up claim including carrying costs.
8. We request the Hon'ble Commission to provide us an opportunity to make further submissions in person during the public hearing after receiving responses of the Discoms to our above-mentioned submissions and studying and analysing the same.	Within the purview of the Hon'ble APERC

Yours faithfully,

Chief General Manager
RAC :: APSPDCL

Copy submitted to the Secretary, APERC, 11-4-660, 4th Floor, Singareni Bhavan, Red Hills, Lakdikapul, Hyderbad-04

Federation of Andhra Pradesh Chambers of Commerce and Industry (FAPCCI)

Empowering Industry, Commerce & Trade

Registered under the Companies Act, 2013

REGD OFFICE :O/o 54-16-1/2 -A, Central Excise Colony 3rd floor, Road No-1, Gunadala, Vijayawada - 520008 Andhra Pradesh

Tel Fax : 0866 2452256 e-mail : info.vijayawada@fapcci.in info@fapcci.in

CIN U85300AP2019NPL112312

Admn.	For Perusal
Engg.	Secretary
Law	Member / PRM
Tariff	Member / PR
	Chairman

FPACCI/Energy/2019-20

November 13, 2019

The Secretary,
APERC
11-4-660, 4th Floor
Singareni Bhavan,
Red Hills, Hyderabad

Sub: Replies to the objections/comments on the petition for determination of True-Up for Retail Supply Business for FY 2014-15, 2016-17, 2017-18 filed by FAPCCI - reg

Referring to the subject cited, this is to inform that we have filed our objections on True-Up Petitions of APSPDCL and APNPDCL on September 6, 2019 before the Hon'ble Commission, but have not received replies on our objections from the DISCOMs so far.

In the absence of response/ replies of the DISCOMs, no meaningful arguments can be taken place as we do not have the necessary information to justify our objection.

Request the Hon'ble Commission to direct the DISCOMs to send replies to our objections.

Thanking you

Yours sincerely,
For FAPCCI

T. Sujatha
Deputy CEO

Andhra Pradesh Electricity Regulatory Commission
2518
13 NOV 2019
Hyderabad.

Federation of Andhra Pradesh Chambers of Commerce and Industry (FAPCCI)

Empowering Industry, Commerce & Trade
Registered under the Companies Act, 2013

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CIN U85300AP2019NPL112312

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FAPCCI/Energy/2019-20

13th November, 2019

The Secretary
APERC
11-4-660, 4th Floor,
Singareni Bhavan,
Red Hills Road, Khairatabad,
Hyderabad, Telangana 500004

Dear Sir,

Sub: Objections/Comments on the petition for determination of True Up for Retail Supply Business for FY 2014-15, 2016-17 and 2017-18 – reg.

Referring to the subject cited, we have submitted our preliminary objections on the True Up petitions filed by APSPDCL and APEPDCL for FY 2014-15, 2016-17 and 2017-18 on 06th September and subsequently have added few more observations. We are hereby submitting our revised objections for your consideration.

We request you to provide an opportunity to present our objections in person before the Honorable commission at the time of hearing.

Thanking you,

Yours sincerely,

For FAPCCI

T. Sujatha
Dy. CEO

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The Federation of Andhra Pradesh Chambers of Commerce and Industry (FAPCCI)

Statement of Objections

on the

Petitions for Determination of True up for Retail Supply Business for FY 2014-15, FY 2016-17 & FY 2017-18 in accordance with the "Andhra Pradesh Electricity Regulatory Commission (Terms And Conditions for Determination of Tariff for Wheeling and Retail Sale of Electricity) Regulation No.4 of 2005 and amendments thereof" by the

Southern Power Distribution Company of AP Ltd.

(APSPDCL)

&

Eastern Power Distribution Company of AP Ltd.

(APEPDCL)

As Retail Supply Licensee

06th **September, 2019**

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THE STATEMENT OF OBJECTIONS BY THE OBJECTOR

1 STATEMENT OF OBJECTIONS

The distribution licensees namely **Southern Power Distribution Company of A.P. limited** (hereinafter referred to as the 'APSPDCL' or 'AP discom' or 'Petitioner' or 'distribution company' or 'Licensee') and **Eastern Power Distribution Company of A.P. Limited** (hereinafter referred to as the 'APEPDCL' or 'AP discom' or 'Petitioner' or 'distribution company' or 'Licensee') have filed the True-up Petitions for the Retail Supply Business for FY 2014-15, FY 2016-17 and FY 2017-18 purportedly in accordance with the Andhra Pradesh Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff for Wheeling and Retail Sale of Electricity) Regulation No.4 of 2005 and its First Amendment notified in 2014 namely Regulation No. 1 of 2014 (hereinafter collectively referred to as 'Tariff Regulations').

The Statement of Objections is herein being filed on behalf of **'The Federation of Andhra Pradesh Chambers of Commerce and Industry (FAPCCI)'**, an Association which was started in 1917 as a Chamber of Commerce and currently has around 3000 members, having its office at Vijaywada, A.P., India; represented by its Secretary (hereinafter called the 'Objector'). The main function of FAPCCI is to promote and protect the interests of trade, commerce and industry in the state of Andhra Pradesh.

The Objector has thoroughly gone through the claims and submissions of the Petitioner companies and has found several anomalies that should be of grave concern to the stakeholders. The Objector strongly objects to the claims of Licensees in the present True-up Petitions for the Retail Supply Business for FY 2014-15, FY 2016-17 and FY 2017-18 (herein after referred to as the 'Tariff Petitions' or 'Petitions' or 'Subject Petitions') and prays that the True-up Applications may be rejected *in limine,* in the interest of justice and equity.

The brief facts, propositions, analysis, grounds for the above prayer of the Objector are narrated in subsequent sections.

2 INCONSISTENT SUBMISSIONS

Uday scheme-

The discoms have submitted the following reasons for filing the true up Petitions with considerable delay:

> *"The Petitioners have put their best efforts in trying to file the every year true-up petition with the next year ARR filings. However, due to certain factors that are not under the control of the Petitioners, true-up filing has delayed. Some of the reasons for delay in filing the true-up for the respective years are –*
>
> *a) Payment of fixed charges due to AP Reorganization Act*
> *b) Take-over of FRP Bonds and Working capital loans under UDAY scheme in September 2015*
> *c) Regulation of power between AP and TS in 2017"*

Notably, similar reasons were cited by the discoms in past few years during their ARR filings. Reasons for not filing true up of 2015-16 and 2016-17 as submitted by the discoms in their Tariff filing for FY 2017-18 are reproduced below:

> *"As per Regulation 1 of 2014, Licensee is entitled to claim true-up for Retail supply business on an annual basis - subject to deviations related to power purchase cost and interest cost for previous years. However,* ***under UDAY Scheme Government of Andhra Pradesh has taken over short term liabilities as on September 30th 2015 which would have material impact on True-up for FY 2015- 16. Hence, Licensee humbly requests the Honourable Commission to provide additional time to file True-up for FY 2015-16 and provisional True-up for FY 2016-17." (Emphasis Supplied)***

While the discoms have repeatedly cited Uday scheme as the reason for not filing the true up claims in timely manner, they have nowhere shown in the present Petition as to how the Uday scheme has impacted their outstanding liabilities or financial position or how did it prevent them from filing these Petitions within the prescribed timeline.

True up communicated earlier-

Hon'ble APERC had recorded the following submission of APSPDCL in page 29 of the Tariff Order for FY 2018-19:

> *Discoms Response: As per APERC Regulation No.4 of 2005, true up of power purchase cost variations is permitted annually. Remaining items such as O&M Costs, Distribution cost etc. are allowed to be trued up during MYT filing only. In view of the delay associated with finalization of annual audited accounts for FY2016-17, APEPDCL could*

> *not file the true up requirements for FY2016-17. **The revenue deficit of APSPDCL for FY2016-17 is `1890 Cr**. The revenue deficit for FY2017-18 upto December 2017 is `70 Cr. Hence the projected revenue deficit for FY2016-17 and FY2017-18 is likely to be `2000 Cr. The true up petition for FY2016-17 and FY2017-18 will be filed at the earliest. (**Emphasis Supplied**)*

Against the earlier estimated deficit of only Rs. 1,890 Cr., APSPDCL has now claimed a total true up claim of Rs. 5,755 Cr. in FY 2016-17. Besides depicting the vagueness and inconsistency in claims, it also reflects the conduct of discoms in so far as the accuracy of submissions goes.

3 LACK OF DATA/INFORMATION IN TARIFF FILINGS

A. Excel formats for tables given in the Petition

APSPDCL and APEPDCL have submitted a pdf write-up in respect of their True up claims. The claims are neither backed by detailed rationale nor supported by the excel workings, which are pertinently required for any stakeholder to understand and analyse them. By not furnishing the detailed workings, the Petitioners intend to thwart the objectives of transparency and wide consumer participation in the process. This also makes the entire process a futile exercise wherein the stakeholders have been provided minimal information to deliberate upon.

It is also pointed out that there is no information as far as truing up of distribution costs are concerned. The Tariff Regulations clearly provide for sharing of gains on account of variations in the 'controllable parameters' of ARR. The relevant clause 10.6 of the Regulation in this regard is extracted below:

> *10.6 Sharing of gains and losses on variations in "controllable" items of ARR;- The Distribution Licensee in its annual filings during the Control Period shall present gains and losses for each controllable item of the Aggregate Revenue Requirement. A statement of gain and loss against each controllable item will be presented after adjusting for any variations on account of uncontrollable factors.*

The Petitioner has neither given any justifications, nor cited any reasons for not filing distribution true up even after five years have elapsed.

B. Plant Availability Factor (PAF) of all the generating stations

Fixed cost recovery of thermal generating stations is based on the availability declared by them i.e. Plant Availability Factor (PAF). However, AP Discoms have not mentioned the PAF achieved by the thermal power plants for which it has claimed the true up costs. This aspect of clarity in PAF is all the more important considering the fact that in many instants, the fixed cost claimed by the Petitioners are the same as approved by Hon'ble APERC in the retail Tariff Order though the energy despatch has severely gone down. For instance, the fixed cost claim for APGENCO Thermal stations and the energy despatch from the stations during FY 2016-17 is depicted below:

APGENCO Thermal	As per Petitioner's claim in FY 2016-17			
	Approved	Actual	Deviation	% Deviation
Energy Despatch (MU)	9,330	6,298	-3,032	-32%
Fixed cost (Rs. Cr.)	970	966	-4	-0.41%

Thus, while the energy despatched is less by 32%, the claim of fixed costs is almost the same. The reasons for lower despatch need to be clearly spelt out by the discoms since the fixed cost recovery is linked to PAF of station, and if the PAF was upto normative level, the significantly lower level of despatch is beyond anyone's comprehension.

Similarly, no basis has been provided for calculation of incentives and 'other costs' claimed in the petition. By depicting the data to claim such elements, the discoms can infact assist the consumers and Hon'ble Commission to rectify any inadvertent error that may have crept in while making their claims. This would also preserve the sanctity of true up exercise.

For instance, it is observed that fixed cost of SDSTPS – I for FY 2017-18 is approved at Rs.1,782.20 Crs for 80% availability. Therefore, for 56.72% availability, the fixed cost would work out to be Rs. 1,263.57 Crs and not Rs.1,403.92 Crs as claimed in the true up Petition for FY 2017-18.

Similar anomalies can be rectified if all the data pertinent to truing up exercise is furnished by the Discoms.

4 OBJECTIONS ON TRUE-UP CLAIMS

A. True up or True down?

The Petitioner has submitted that there was lower power purchase and lower T&D loss in FY 2016-17 and FY 2017-18 than that approved by Hon'ble APERC in the respective Tariff Orders. It is seen that the overall energy despatch was lower by around 7% and 1% in FY 2016-17 and FY 2017-18 respectively and T&D loss was 10.75% and 11.31% against 11.99% and 11.50% approved respectively for FY 2016-17 and FY 2017-18.

It is noticed that the actual agriculture sales as claimed by the Petitioners against that approved by the Commission are lower by 995 MUs in FY 2016-17 and are at the same level in FY 2017-18. At the same time, the T&D losses in FY 2017-18 have been reported at 11.31% against a relatively low level of loss at 10.75% in FY 2016-17. The agriculture sales reported by the discoms seem suspicious since they are not correlating to the T&D loss levels. Typically high agriculture sales in any year are followed up with high T&D losses (owing to the metering issues). However, in the present case in FY 2017-18, when agriculture sales are reported lower than FY 2016-17 by almost 800 MUs, the T&D loss has been claimed at a higher level by almost 50 percent points i.e. 0.50% in the same year i.e. FY 2017-18.

Notwithstanding the above, the lower energy requirement and T&D loss should have resulted in a true-down of costs rather than the true up as claimed by Licensees in the instant Petitions.

B. FY 2014-15:

The Petitioners, in their True-up Petition for FY 2014-15 have submitted that they cannot file the true up claim for FY 2014-15 due to state bifurcation and non-availability of costs of its generating stations. Thereafter, the Petitioners have estimated their true up claim to the tune of Rs. 684 Cr. based on the P&L of FY 2014-15. They have also claimed additional power purchase costs of Rs. 310.71 Cr, which were purportedly *not considered in finalized audited accounts since that bills for these costs for FY 2014-15 were received after audited accounts were finalized*. The Petitioners have also claimed Rs. 413.85 Cr., which apparently was already disallowed by Hon'ble Commission in the True-up Order for FY 2015-16. There is an additional true up claim of Rs. 958 Cr. for which the Petitioner claims that the same has been provisionally allowed as true up of FY 2014-15 in the Retail Tariff Order of FY 2015-16.

Based on the above, the Petitioners have claimed a total amount of Rs. 861 Cr. (incl. carrying cost) towards truing up of FY 2014-15.

The aforesaid claim of Petitioners is objectionable for the following key reasons:

1. The claim of Rs. 684 Cr. is completely arbitrary and lacks rationale for the simple reason that the power purchase cost considered by the Petitioners to estimate the true up amount is based on the Audited Accounts which however may not be a prudent expenditure. The prudence check of such power purchase cost can only be conducted by Hon'ble APERC once the details of the same are furnished by the discoms.

2. The claim of Rs. 310.71 Cr. is an entirely new claim and has never been mentioned earlier by the discoms (not even during the truing up filings of FY 2015-16). Nonetheless, the same cannot be considered by Hon'ble Commission in absence of any basis.

3. The claim of Rs. 413.85 Cr. has already been disallowed by Hon'ble Commission since the same is stated to have been covered by the Uday scheme.

4. The provisional true up amount of Rs. 958 Cr. has already been considered by Hon'ble APERC in the retail Tariff Order dated 23.3.2015 of FY 2015-16.

It is also pointed out that Audited Accounts for FY 2016-17 clearly reveal that the discoms have been provided Grants-in-Aid by the GoAP to the tune of Rs. 5,257 Cr. and Rs. 2,998 Cr. for APSPDCL and APEPDCL respectively. Such aid is inclusive of 75% of the working capital loans as on 30.9.2015. It goes without saying that any excess liability on account of power purchase has already been made good by the GoAP under Uday scheme.

It is also submitted that the carrying cost cannot be allowed on any of the claims of Petitioner since the claim itself has been made after considerable time has elapsed.

C. FY 2016-17 and FY 2017-18

The power purchase cost claimed by the Petitioners is Rs.25,455.13 Cr. and Rs. 25,916.71 Cr. in FY 2016-17 and FY 2017-18 respectively. It is around 13% higher than that allowed by Hon'ble APERC in the respective Tariff Orders while the energy despatched during the years reduced by 7% and 1% in FY 2016-17 and FY 2017-18 respectively.

i. Power purchase cost of TSGENCO stations

It is observed that the fixed cost claimed by the AP discoms for TSGENCO stations is not in accordance with that approved by Hon'ble Telangana State Electricity Regulatory Commission (TSERC) in MYT order dated 5.6.2017 for 3rd control period for TSGENCO stations for FY 2014-19.

For instance, the fixed cost approved for FY 2016-17 for KTPS ABC is Rs.540.95 Crs, of which AP's share comes at Rs. 249.23 Crs. However, AP Discoms have claimed the fixed cost of Rs.340.11 Crs in the present true up claim for FY 2016-17. Similar anomalies are observed in case of other TSGENCO stations as well.

Similarly, the Petitioners have not given any basis for claim of 'other costs' to the tune of Rs.396.05 Crs for TSGENCO for FY 2016-17. Even if we assume that the said claims pertain to the additional pension liability of TSGENCO stations, the same have been allowed at Rs. 569.63 Crs. by Hon'ble TSERC in the MYT Order dated 5.6.2017, of which AP share comes at Rs. 262.66 Crs. only.

For FY 2017-18, the discoms have submitted that there was regulation of power from all TSGENCO stations to AP and all APGENCO stations to TS from 11th June, 2017 onwards. It is pointed out that in such a situation the Petitioners should have clearly come out with the power procured from APGENCO & TSGENCO stations upto such day i.e. 11th June, 2017 to justify its claims of fixed costs and pension liabilities from each. The discoms have nowhere stated the share or quantum of power procured from the two, which makes it even more difficult to check the prudence of its claims towards fixed cost and pension liabilities. Even otherwise, it is pointed out that the claim towards pension liabilities of TSGENCO stations, purportedly labelled as 'other costs' appears to be extraneous to what has been allowed by Hon'ble TSERC in the MYT Order dated 5.6.2017.

ii. Power purchase from CGS

The fixed cost claim of AP discoms for the CGS ought to be in accordance with the cost approved by Hon'ble CERC in the Tariff Orders and based on the PAF achieved by them. However, several discrepancies are noted in the claims of fixed cost of CGS submitted by the discoms.

For NTPC Ramagundam Stage I and II, the fixed cost approved by Hon'ble CERC for FY 2016-17 was Rs. 976.47 Crs and considering that their share to AP Discoms is 14.92%, the Annual Fixed Cost payable for the station comes at Rs.145.68 Crs and not Rs.159.16

Crs as claimed in the Petition. Infact this cost is also recoverable only when the PAF of the station was upto its normative level.

Also, the variable cost approved for FY 2016-17 for Central generating Stations is Rs.2,332,63 Crs and the claim as per actuals in this petition is Rs.3,153.31 Crs, which is significantly higher than the approved cost. The Petitioners should have provided supporting documents for the same for better interpretation of increasing costs.

Another astounding claim pertains to the fixed cost of Simhadri Stage-I thermal power station. The discoms have claimed Rs. 442.97 Cr. towards the fixed cost liability of Simhadri Stage-I in FY 2017-18. It is noticed from the Tariff Order issued by Hon'ble CERC for the said station that a cost of Rs. 646 Cr. has been allowed by the CERC in FY 2017-18, which corresponds to an AP share of Rs. 297 Cr. only.

Similar discrepancies are observed in other CGS claims of FY 2016-17 and FY 2017-18. The Objector has factored in the said discrepancies while working out the true up amount allowable to the discoms.

iii. Power purchase from IPPs- Gas

The Petitioners have procured 1278 MUs from GVK Extension, Vemagiri, GMR Rajahmundry and Lanco Kondapalli plants.

Plant	Power purchase MUs	Variable cost Rs Crs	Variable cost Rs/kWh
GVK Ext	34	15.8	4.65
Vemagiri	132	61.26	4.64
GMR Rajahmundry	639	297.59	4.66
Lanco Kondapalli	473	219.67	4.64

Power from these stations have been procured purportedly without any approval of Hon'ble Commission. It is also noted that the fixed cost claimed against these stations is much more than that allowed by Hon'ble Commission in the Tariff Order for FY 2016-17. There is absolutely no rationale provided by the Petitioner for the said claim.

Further, the average power purchase cost of the power procured from the gas based power plants mentioned in the table above is Rs. 4.65/kWh, even higher than the average power purchase cost of short term power for FY 2016-17 viz. Rs. 3.32/kWh.

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Needless to say, the Commission must restrict the fixed cost of power purchase from the above mentioned plants to the rate approved in the Tariff Order.

iv. SDSTPS Additional Cost for FY 2015-16 and FY 2016-17

The Petitioners have claimed additional fixed costs to be paid for SDSTPS on account of its Tariff Order issued by Hon'ble Commission on 2.3.2019. It is pointed out that the said costs have been claimed by the discoms in the present Petition despite the fact that the same are not incurred in the respective years.

The fixed cost claim in true up of FY 2016-17 is to the tune of Rs.1767.12 Crs. and in FY 2017-18, it is to the tune of Rs. 947 Cr. Since the Order for the said station has been issued by Hon'ble Commission on 2.3.2019, the payments for the same would have to be made at a much later stage. These costs have not been incurred in FY 2016-17 or FY 2017-18 and ought not to be allowed by Hon'ble Commission in the instant true up exercise.

Notwithstanding the above, it is pointed out that the fixed cost approved by APERC in the Order dated 2.3.2019 for SDSTPS plant for FY 2015-16 is Rs.1443.25 Crs and for FY 2016-17 is Rs. 1795.86 Crs. The claim of fixed costs by Petitioners based on actual availability for FY 2015-16 and FY 2016-17 as given in the Petition is not proportionate to the costs approved by the Commission.

It is also noted that in the Order of the Commission issued on 2.3.2019 determining the fixed cost for SDSTPS, it was directed to APGENCO to file a separate Petition considering normative availability as 85% of plant's capacity instead of 80% for full recovery of fixed charges and provision of incentive to the generator. However, neither APGENCO nor the discoms have come up with any Petition or any details in respect of the same.

It is for the same reasons that the additional variable cost claimed for FY 2015-16 and FY 2016-17 in the truing up of FY 2016-17 merits disallowance, since the same have not been incurred during the respective years.

v. Power purchase from Short term market:

The Petitioners have tied up significant quantum of power (MW) and based on the submissions of discoms in the Tariff filings of respective years, Hon'ble Commission had projected a surplus of more than 10,000 MUs of power in the Tariff Order for FY 2016-17.

It is also pertinent to mention that the discoms have been simultaneously trying to impose additional surcharge on the open access consumers of state in the garb of stranded capacity with them owing to increase in open access sales. Whereas now it is clear from their own submissions, that sufficient energy (MU) is not available with them to meet the requirements of industrial consumers.

The present submissions of discoms vindicate the objections been raised consistently by the Objector Association on the 'power surplus' claim of discoms. The Petitioners have procured significantly high power from the short term market. This situation would have become more alarming had there been no open access sales. In such a case, the discoms would have had no option but to meet the demand through short term power procurement done at average rates of Rs.4.54- 4.68 per unit or to implement load restriction measures.

In FY 2017-18, the average power purchase price of power procured from short term market was Rs.2.64/unit. Hon'ble Commission, in the Tariff Order for FY 2017-18 had given a directive that the Petitioners should procure energy over and above the quantum indicated against each station/source unless and otherwise approved by the Commission or ratified by the Commission in case of unavoidable emergencies. It is not clear from the submissions of the Petitioner if the aforesaid directive has been adhered to.

POWER PURCHASE AS PER OBJECTOR'S ASSESSMENT

Based on the aforesaid issues pointed out by Objector, the allowable power purchase cost has been worked out below:

2016-17

	Fixed Cost (Rs. Cr.)		
Source	**Approved**	**Actual**	**Allowable**
APGENCO Thermal	970	966	966
APPDCL	2,395	824	824
TSGENCO Thermal	811	1,016	911
APGENCO Hydel	432	394	394
CGS	1,300	1,182	1,119
APGPCL	4	5	5
IPPs-Gas	293	260	167
NCE	0	0	0
IPPs-Others	2,993	604	604
Market Purchases	0	1	1
Sale of surplus power	-1,765	0	0
SDSTPS- Addnl. cost	0	1,767	0
Total	**7,433**	**7,019**	**4,992**

	Fixed Cost (Rs. Cr.)		
Source	Approved	Actual	Allowable
Tx charges	1388	1532	1,532
Total	**8,821**	**8,551**	**6,524**

	Variable Cost (Rs. Cr.)		
	Approved	Actual	Allowable
APGENCO Thermal	3,151	2,115	2,115
APPDCL	2,282	2,109	2,109
TSGENCO Thermal	1,506	1,845	1,845
APGENCO Hydel	0	0	0.00
CGS	2,333	3,153	3,153
APGPCL	31	21	20.8
IPPs-Gas	766	1,281	1,281
NCE	2,427	2,276	2,276
IPPs-Others	3,067	1,889	1,889
Market	152	796	796.38
Sale of surplus	-2,727	-29	-29.43
SDSTPS- addnl cost	0	618	0
Total	**12,988**	**16,074**	**15,456**

	Other Cost (Rs. Cr.)		
	Approved	Actual	Allowable
APGENCO	711	525	525
TSGENCO	3	419	286
CGS	15	-128	-128
NCE	0	13	13
Total	**729**	**830**	**696**

Summary of costs allowable in FY 2016-17:

	As per Petitioners' claim			Objector's Assessment	
	Approved	Actual	Variance	Allowable	Allowable variance
Fixed cost	8,821	8,551	-269	6,524	-2,297
Variable cost	12,989	16,074	3,086	15,456	2,467
Others	729	830	101	696.29	-33
Total	**22,539**	**25,455**	**2,918**	**22,676**	**137**

2017-18

	Fixed Cost (Rs. Cr.)		
Source	**Approved**	**Actual**	**Allowable**
APGENCO Thermal	965	1,787	1,787
APPDCL	0	457	457
TSGENCO Thermal	845	177	177
APGENCO Hydel	439	451	451
CGS	1,082	1,267	1,122
APGPCL	5	11	11
IPPs-Gas	26	91	91
NCE	0	0	0
IPPs-Others	664	574	574
Market Purchases	0	50	50
Sale of surplus power			0
SDSTPS- Addnl. cost	0	947	0
Total	**4,026**	**5,812**	**4,721**
Tx charges	1740	1881	1,882
Total	5,766	7,693	6,602

	Variable Cost (Rs. Cr.)		
	Approved	**Actual**	**Allowable**
APGENCO Thermal	2,288	4,582	4,582
APPDCL	2,664	1,170	1,170
TSGENCO Thermal	1,581	433	433
APGENCO Hydel	0	0	0
CGS	2,930	3,678	3,678
APGPCL	27	36	36
IPPs-Gas	73	576	576
NCE	4,906	4,503	4,503
IPPs-Others	2,508	2,093	2,093
Market	80	838	838
Sale of surplus	0	-647	-647
Total	**17,057**	**17,262**	**17,262**

	Other Cost (Rs. Cr.)		
	Approved	Actual	Allowable
APGENCO	387	684	684
TSGENCO	4	60	5
CGS	17	0	0
NCE	0	217	217
Total	**408**	**961**	**906**

Summary of costs allowable in FY 2017-18:

	As per Petitioners' claim			Objector's Assessment	
	Approved	Actual	Variance	Allowable	Allowable variance
Fixed cost	5,766	7,693	1,928	6,602	836
Variable cost	17,057	17,262	205	17,262	205
Others	408	961	553	905.51	498
Total	**23,231**	**25,916**	**2,686**	**24,769**	**1,538**

vi. Revenue side truing up

Besides the power purchase expense truing up, the Petitioners have also claimed the true up on account of revenue from sale of power. The Petitioners have claimed Rs. 5352 Cr. and Rs. 21 Cr. on the revenue side truing up.

It is noteworthy that the Petitioners have themselves stated that the said claims are beyond the scope of existing Tariff Regulations. As per Petitioners' submissions, "*the Petitioners have written to a letter (Lr.No.CGM/Opn/SPDCL/TPT/RAC/F.Regn.4/D.No.12/16 dated 15-01-2017) to the Honourable Commission seeking amendment to the Regulation 4 of 2005 (seeking allowing variation of agricultural sales, allowing deviation in technical losses, allowing revenue true-up etc.)*".

Thus, no truing up on account of revenue can be considered when the inclusion of the same is yet to be adjudicated upon by Hon'ble APERC in the aforesaid Petition filed by the discoms.

However, even while going through the claims of discoms towards revenue side truing up, it is noticed that the Petitioners have submitted the revenue on realised basis rather than

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considering the same on billed/accrual basis. Since ARR is prepared on accrual basis, the revenue from operations and non-tariff revenue to the discoms ought to be considered on accrual basis. Considering the same, it is observed from the Audited Accounts that the discoms have actually billed revenue much in excess of what has been submitted by them, as shown below:

Revenue for 16-17 (Cr)				
S.N	**Particulars**	**EPDCL**	**SPDCL**	**State**
A	Tariff and Non-Tariff Revenue (Without Subsidy) as per Petitioners' claim	8,299	12,526	20,825
B	Revenue as per Objector's Assessment (in Audited accounts)	8,584	13,493	22,077
C = B-A	**Revenue understated by Discoms**	**285**	**967**	**1,252**
Revenue for 17-18 (Cr)				
S.N	**Particulars**	**EPDCL**	**SPDCL**	**State**
A	Actual Tariff and Non-Tariff Revenue (Without Subsidy)	9,866	14,177	24,043
B	Revenue as per Audited accounts (in Audited accounts)	10,120	16,333	26,453
C = B-A	**Revenue understated by Discoms**	**254**	**2,156**	**2,410**

Thus, the discoms have understated the revenue by a total of Rs. 1,252 Cr. and Rs. 2,410 Cr. in FY 2016-17 and FY 2017-18 respectively.

vii. Carrying Cost

The Petitioners are required to submit true up Petitions for a financial year strictly in terms of the Andhra Pradesh Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff for Wheeling and Retail Sale of Electricity) First Amendment Regulation, 2014 ('Tariff Regulations'), which provide as below:

> *b. Since the complete information of cost actually incurred relating to previous year will not be available at the time of filing of ARR for a particular tariff year, the Licensee may include provisional cost variation for the previous year in ARR filings which will be subject to final correction by the Commission as and when final accounts for that year become available.*

Thus, the final truing up exercise is to be conducted as and when the audited accounts are ready. The annual reports with audited accounts of the Petitioner companies were available on the following dates:

	APSPDCL	APEPDCL
Annual Reports 2014-15	29th Feb 2016	4th Dec 2015
Annual Reports 2016-17	16th Oct 2017	23rd Dec 2017
Annual Reports 2017-18	31st Oct 2018	27th Nov 2018

Needless to say, had the truing up exercise been conducted as per these timelines, the Commission would have taken note of increasing gap every year and would have taken/suggested measures to curb the trend of increase in inefficiency of the Licensees. Delaying the filing of true up Petition and claiming the carrying cost on the gap incurred in previous years would put undue and unjustifiable burden on the consumer.

Accordingly, the Hon'ble Commission ought not to allow carrying costs on any of the claims of Petitioners.

D. Summary of True up as per Objector's Assessment

Based on the above deliberations, and as worked out in terms of the Tariff Regulation, the summary of True up for FY 2014-15, FY 2015-16 and FY 2017-18 as per Objector's assessment is depicted below:

	FY 2016-17	Total True-up claimed (Rs. Cr)			Allowable True-up as per Objector's assessment (Rs. Cr)		
S.N	Particulars	EPDCL	SPDCL	State	EPDCL	SPDCL	State
A	Expense True-up	885	1,695	2,580	-68	-131	-200
B	Revenue True-up	1,292	4,060	5,352	0	0	0
C	Total	**2,177**	**5,755**	**7,932**	**-68**	**-131**	**-200**
D	Carrying Cost @ Interest Rate of 12%*	881	2,330	3,211	0	0	0
E	**Total true-up**	**3,058**	**8,085**	**11,143**	**-68**	**-131**	**-200**

	FY 2017-18	Total True-up claimed (Rs. Cr)			Allowable True-up as per Objector's assessment (Rs. Cr)		
S.N	Particulars	EPDCL	SPDCL	State	EPDCL	SPDCL	State
A	Expense True-up	942	1,634	2,576	522	905	1,427
B	Revenue True-up	-596	617	21	0	0	0
C	Total	**346**	**2,251**	**2,597**	**522**	**905**	**1,427**
D	Carrying Cost @ Interest Rate of 12%*	88	573	661	0	0	0
E	**Total true-up**	**434**	**2,824**	**3,258**	**522**	**905**	**1,427**

(Rs. Cr.)

FY	Petitioner's claim	Allowable as per Objector's Assessment	Proposed disallowance
2014-15	861	0	861
2016-17	11,143	-200	11,343
2017-18	3,258	1,427	1,831
Total	**15,262**	**1,227**	**14,035**

Therefore, as per the Objector's assessment, not more than Rs. 1,227 Cr. is allowable to AP discoms.

PRAYERS

The Objector most respectfully prays that this Hon'ble Commission may be pleased to:

A. Consider the above Objection Statement filed by the Objector;

B. Declare that the Petition filed by the Petitioner is opposed to and ultra vires the Andhra Pradesh Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff for Wheeling and Retail Sale of Electricity) Regulations, 2005 and its amendments thereof;

C. Approve the True up for FY 2014-15, FY 2016-17 and FY 2017-18 as prayed and assessed by the Objector in the detailed Objections Statement;

D. Direct the Petitioner to submit the source wise details of the power purchase cost being claimed for FY 2014-15, FY 2016-17 and FY 2017-18 and publish the copies of the energy bills;

E. Disallow the excessive fixed costs claims without backed by the PAF values for generating stations;

F. Disallow the power purchase cost in cases where the purchase has been made at a price exceeding the ceiling price approved in the respective year's Tariff Order;

G. Disallow the truing up of other expenses/revenue as such claims are extraneous to the Tariff Regulations;

H. Direct the licensees to submit the Statement of gain and loss against each controllable item as required under Regulation 10.6.

I. Pass necessary orders as may be deemed appropriate in the facts and circumstances of the case in the interest of justice

J. Permit the Objector to participate and make additional submission and produce additional details and documentations during the course of the Public Hearing, in the interest of justice and equity.

Date: ..... September 2019

Place: Hyderabad

OBJECTOR

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EASTERN POWER DISTRIBUTION COMPANY OF A.P. LIMITED
CORPORATE OFFICE :: VISAKHAPATNAM

Admin	For Perusal
Engg.	Secretary
Law	Member / PRM
Tariff	Member / PR
	Chairman

From

The Chief General Manager,
PPA, RA & QC,
APEPDCL, Corporate Office,
Seethammadhara,
Visakhapatnam – 530013.

To

Sri. B.Tulasi Das
S4 – Devi Tower
Sambamurty Road,
Vijayawada – 520 003.

DD | TEngg

Lr.No.CGM/PPA, RA&QC/EPDCL/VSP/RAC/F:True-Up/D.No. 209 /19, dt. 12-11-2019

Sir,

Sub: APEPDCL – RAC – Replies to the Objections received on True-up petition filed by APDISCOMS on Retails Supply Business for 2014-15 - Regarding.

Ref: Your Objection letter dated. 16-08-2019

****

We are in receipt of your suggestion/ objections on True-up petition filed by APDISCOMS on Retails Supply Business for 2014-15 and the same is herewith acknowledged with thanks. Para wise replies of APEPDCL are as follows:

Para No /Brief Issue	Response
1. APSPDCL and APEPDCL, being independent entities should have submitted their true-up applications separately. However, a common application is filed by both the Discoms for the years 2014-15, claiming revenue true-up of Rs.861 crore for the year 2014-15. These claims include power purchase costs not considered by the Hon'ble Commission for the year 2014-15 to the tune of Rs.311 crore and costs disallowed by the Commission for the year 2015-16 to the tune of Rs.414 crore. The Commission had already approved true up of Rs.958 crore provisionally in the retail supply order for the year 2015-16. The claims of the Discoms include a carrying cost of Rs.410 crore at an interest rate of 12% considering FY 2019-20 as the year of approval. Whatever be the true-up amounts that the Hon'ble Commission is going to permit, its impact on consumers should be confined to the respective true-up amounts of the Discom concerned. It should not be an average for the entire State. While a sum of Rs.87 crore has to be trued down for APEPDCL, a sum of Rs.948 crore is claimed by SPDCL under true up for the year 2014-15 and 2015-16. The benefit of true down should accrue to consumers of APEPDCL and the same cannot be adjusted for true up of SPDCL.	It is to inform that, in view of the uniform nature of Retail Supply Tariffs across the state independent of the service area of the distribution licensees, the DISCOMs are proposing to impose the burden of per unit True-Up also on uniform basis across the State. Further Power Purchase cost which constitutes around 80% of the entire expenditure of Distribution business is being incurred centrally to optimize the procurement cost and reduce the transaction costs. Even in the True-Up exercise, Power purchase cost variation is major element and so the DISCOMs have proposed for uniform levy of per unit True-up across the State.

Andhra Pradesh Electricity Regulatory Commission
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29 NOV 2019
Hyderabad.

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Para No /Brief Issue	Response
2. While the affidavit filed by the Discoms claims that their claims for true-up pertain tothe year 2014-15, at page 7, the Discoms have claimed true-up for the year 2015-16 also, without giving details pertaining to the same. It is strange that the Hon'ble Commission has issued public notice, inviting objections and suggestions in the subject issue, without directing the Discoms to submit the detailed information required for their claims for 2015-16 also and incorporating the same in their subject application. We request the Hon'ble Commission to direct the Discoms to file the required details for additional true-up for the year 2015-16 separately. At page 8, the Discoms have dishonestly claimed that the claimed true-up amount of Rs.861 crore is for retail supply business for the year 2014-15.	Disallowed costs pertaining to True-Up claim for the year 2015-16 by APERC are being requested to be allowed through this petition, for the consideration of the Hon'ble APERC.
3. The Discoms have requested the Commission to consider the true up amount computed by them based on the audited annual accounts for the year 2014-15. When were the accounts of the Discoms for the year 2014-15 audited? What are the findings in the audit report? A copy of the audit report needs to be submitted to the Commission and the same be provided to us. Simply because the accounts are audited, the additional amounts claimed now under true up for the year 2014-15 by the Discoms cannot be treated as uncontrollable and permissible. The justification and permissibility for the same need to be examined.	For FY 2014-15, the true-up claim cannot be field as per the methodology specified in the Regulation 1 of 2014, since the retail supply tariff order for that year has not been issued by the Hon'ble APERC. Copy of the Annual Report, which contains audited annual accounts of the DISCOMs are being placed in their respective websites and in public domain for the information of the interested persons. Examining of permissibility of the True-up claims based on the audited annual accounts of the DISCOMsis within the purview of the Hon'ble APERC, and it is humbly requested to consider the same.
4. The Discoms have maintained that fixed costs to the tune of Rs.85.08 crore, income tax of Rs.11.21 crore and other costs of Rs.214.43 crore were not considered earlier. The reasons for the same need to be explained by the Discoms to examine whether such higher payments are justified or not. That apart, fixed cost being fixed in nature, it cannot increase for purchase of the quantum of power approved by the Commission. Therefore, the moot point is whether the Discoms backed down capacities of the stations of AP Genco and paid fixed charges therefor. If so, what were the quantum of power backed down by the Discoms and fixed charges paid therefor to AP Genco and other thermal stations, if any?	Fixed charges would be claimed based on the plant availability factor for the target year. Even in the instances of backing down of the plant, fixed charges have to be paid since the plant is ready to generate upon the dispatch instruction, but is not put into service, in view of low demand or Merit order conditions. As the backing down details sought are pertaining to older period, the same will be furnished shortly.

Para No /Brief Issue	Response
5. We request the Hon'ble Commission to determine the amounts taken over or to be taken over by GoAP from the debts of the Discoms for the year 2014-15 under UDAY and deduct the same from their true-up claims. In the subject petition, the Discoms have claimed that GoAP has taken over 100% of FRP bonds (Rs.2,546.15 crore) and 75% of working capital loans (Rs.8461.75 crore) under UDAY. When were these sums taken over by GoAP under UDAY? Does it require more than four years tosort out issues claimed to have been the reasons for delay in filing the subject petition for true up?	As per Clause 1.2(a) of the MoU, GoAP agreed to take over 75% of working capital term loan of Rs.8461.75 Crs. and 100% FRP bonds of Rs.2546.15 Crs. of the APDISCOMs outstanding as on 30th September, 2015. Accordingly GoAP issued G.o.Ms.No.27, Energy Infrastructure & Investment (Power-I) Department, dt.26-07-2016.

	Outstanding loans as on 30-09-2015
Capex Loans	3712.49
Working capital Loans	8461.76
FRP Bonds Liability	2546.15
Total	**14720.40**

Out of the total outstanding loans of Rs.14720.40 Crs. as on 30-09-2015, GoAP has accorded approval for takeover of 75% of working loans (Rs.6346.32 Crs.) and 100% of FRP bonds (Rs.2546.15 Crs.).

	EPDCL	**SPDCL**	**Total**
Against 100% FRP Bonds	1205.95	1340.20	**2546.15**
Against 75% working capital loan	2094.53	4251.79	**6346.32**
Total	**3300.48**	**5591.99**	**8892.47**

As on date GoAP has taken over loans as given below:

	EPDCL	**SPDCL**	**Total**
Against 100% FRP Bonds	904.46	1005.23	**1909.69**
Against 75% working capital loan	2094.53	4251.79	**6346.32**
Total	**2998.99**	**5257.02**	**8256.01**

It is difficult to estimate quantum of variation in power purchase cost taken over by the UDAY scheme.

The Hon'ble Commission is requested to treat such amounts /loans pertaining to PP cost as covered in the UDAY scheme, as per the prevailing regulations.

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Para No /Brief Issue	Response
6. The contention of the Discoms that it is difficult to estimate quantum of variation in power purchase cost taken over by UDAY scheme. It implies that a part of variation in power purchase cost can be claimed both under UDAY and true up.	The Hon'ble Commission is requested to treat such amounts /loans pertaining to PP cost as covered in the UDAY scheme, as per the prevailing regulations.
7. Carrying cost claimed by the Discoms to the tune of Rs.410 crore under true-up for the years 2014-15 and 2015-16 is not permissible. We request the Hon'ble Commission to reject the claim for carrying cost. The Discoms have to submit their true-up claims in time and the consumers should not be penalised for delay caused by the Discoms in submitting the same, whatever be the reasons therefor. Therefore, the question of taking into consideration the carrying cost to be incurred by the licensee in the future till the complete true-up is recovered does not arise. The implication in the contention of the Discoms is that the amounts claimed by them under true up fully or partly may be treated as regulatory asset for a specific period of time to be recovered in a phased manner. It is strange that the Discoms have contended that regulation of power between AP and TS in 2017 is one of the reasons for delay in filing the true up petition for 2014-15. What has the so-called regulation of power between the two States in 2017 to do with true up claims for the year 2014-15?	For the reasons beyond in the control of the DISCOMs, the True-Up claims have been submitted with a delay and carrying cost also has been claimed. The Hon'ble Commission is requested to condone the delay and approve the True-Up claim including carrying costs.
8. We request the Hon'ble Commission to provide us an opportunity to make further submissions in person during the public hearing after receiving responses of the Discoms to our above-mentioned submissions and studying and analysing the same.	Within the purview of the Hon'ble APERC

Yours faithfully

Chief General Manager
PPA, RA & QC
APEPDCL::VISAKHAPATNAM

Copy submitted to
The Secretary, APERC, 4TH Floor, 11-4-660, Singareni Bhavan, Red Hills, Hyderabad-500004.

Federation of Andhra Pradesh Chambers of Commerce and Industry (FAPCCI)

Empowering Industry, Commerce & Trade
Registered under the Companies Act, 2013
REGD OFFICE :O/o 54-16-1/2 -A, Central Excise Colony 3rd floor, Road No-1, Gunadala, Vijayawada - 520008 Andhra Pradesh
Tel Fax : 0866 2452256 e-mail : info.vijayawada@fapcci.in info@fapcci.in

CIN U85300AP2019NPL112312

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FAPCCI/Energy/2019-20

December 6, 2019

The Secretary,
APERC
11-4-660, 4th Floor
Singareni Bhavan,
Red Hills, Hyderabad

Sub: Replies to the objections/comments on the petition for determination of True-Up for Retail Supply Business for FY 2014-15, 2016-17, 2017-18 filed by FAPCCI - reg
Ref: Letter submitted on November 13, 2019 to Hon'ble Commission

Referring to the subject cited, this is to inform that we have filed our objections on True-Up Petitions of APSPDCL and APNPDCL on September 6, 2019 before the Hon'ble Commission, but have not received replies on our objections from the AP DISCOMs so far. we have submitted a letter to Hon'ble Commission about non-receipt of replies from DISCOMs on November 13 but to no results till today

We reiterate that in the absence of response/ replies of the DISCOMs, no meaningful arguments on our objections can take place as we do not have the necessary information to justify our objection.

Request the Hon'ble Commission to direct the DISCOMs to send replies to our objections.

Thanking you

Yours sincerely,
For FAPCCI

T. Sujatha
Deputy CEO

Andhra Pradesh Electricity Regulatory Commission
2736
-6 DEC 2019
Hyderabad.

Federation of Andhra Pradesh Chambers of Commerce and Industry (FAPCCI)

Empowering Industry, Commerce & Trade
Registered under the Companies Act, 2013
REGD OFFICE :O/o 54-16-1/2 -A, Central Excise Colony 3rd floor, Road No-1, Gunadala, Vijayawada - 520008 Andhra Pradesh
Tel Fax : 0866 2452256 e-mail : info.vijayawada@fapcci.in info@fapcci.in

CIN U85300AP2019NPL112312

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FPACCI/Energy/2019-20

November 13, 2019

The Secretary,
APERC
11-4-660, 4th Floor
Singareni Bhavan,
Red Hills, Hyderabad

Sub: Replies to the objections/comments on the petition for determination of True-Up for Retail Supply Business for FY 2014-15, 2016-17, 2017-18 filed by FAPCCI - reg

Referring to the subject cited, this is to inform that we have filed our objections on True-Up Petitions of APSPDCL and APNPDCL on September 6, 2019 before the Hon'ble Commission, but have not received replies on our objections from the DISCOMs so far.

In the absence of response/ replies of the DISCOMs, no meaningful arguments can be taken place as we do not have the necessary information to justify our objection.

Request the Hon'ble Commission to direct the DISCOMs to send replies to our objections.

Thanking you

Yours sincerely,
For FAPCCI

T. Sujatha
Deputy CEO

To
The Secretary
A.P. Electricity Regulatory Commission
4th floor, Singareni Bhavan, Red Hills
Hyderabad - 500 004

February 14, 2020

Respected Sir,

Sub : Submission of views and suggestions on true-up claims of AP Discoms in O.P. No.50 of 2019 for 2014-15, in I.A.No.14 of 2019 in O.P.Nos.1&2 of 2016 for 2015-16 and 2016-17 and in I.A.No.15 of 2019 in O.P.Nos.28& 29 of 2016 for 2017-18

Further to our submissions dated August 16, 2019 and 6.9.2019 on the subject issues and in response to the replies of APSPDCL dated 4.10.2019, we are submitting the following points for the consideration of the Hon'ble Commission:

1. The reasons given by the Discom for proposing uniform levy of per unit true-up across the State are untenable. After the Hon'ble Commission determines revenue requirement and revenue gap of the Discoms, uniformity in retail supply tariff to the same category/slab of consumers in both the AP Discoms is being maintained with variation in subsidy being provided by GoAP to each Discom. Subsidy is being given by GoAP depending on the revenue gap of each Discom. Similarly, additional subsidy required by the Discoms for additional supply of power to agriculture, i.e., exceeding the requirement determined by the Commission in the annual tariff order, is being provided on the basis of requirement of each Discom based on additional power supplied to agriculture. In the case of true-up, no subsidy is being provided by GoAP. Even though retail supply tariff to each category/slab of consumers is uniform throughout the State and even though procurement of power is centralised to optimize the procurement cost and reduce the transaction costs, as contended by the Discoms, that is no justification for imposing uniform levy of per unit true-up across the State for the following reasons, among others:

a) When two independent Discoms (hereafter, three Discoms after formation of APCDCL) are there, their costs of service to different categories of consumers are different. Similarly, cross subsidies being determined by the Commission are also different. Tariffs to different categories/slabs of consumers are also different. Uniformity of tariff to same category/slab of consumers is being maintained for both the Discoms not by the methodologies being adopted by the Commission for determination of tariffs, but by the quantum of subsidy being given by GoAP to each Discom.

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b) Costs of power purchase by each Discom also are different to the extent certain power generating units are supplying power to a Discoms under PPAs in force. For example wind and solar power units allocated entirely to a Discom. Similarly, some other smaller units like Srivastha and LVS units are allocated exclusively to a Discom.

c) Even in the cases of thermal and big hydel power projects allocated to both the Discoms in the decided ratios, wheeling charges and line losses may be different depending on the distance and kv levels covered for evacuating that power. To that extent, total power purchase cost per unit, even it is supplied by the same generating unit, may be different for both the Discoms.

d) Under the neo-liberal reforms initiated in the early 1990s in the power sector, it was widely propagated by the protagonists of the reforms that unbundling of the erstwhile APSEB and formation of different Discoms - four independent Discoms in the then undivided Andhra Pradesh - that there would be competition among the Discoms and consumers can benefit from the better run Discom. Experience has confirmed that it has become a myth.

e) Apart from power purchase cost, depending on consumer mix, a Discom with a relatively larger chunk of cross subsidising consumers naturally tends to be better off in terms of revenue required. Also, the Discom with relatively lesser percentage of transmission and distribution losses tends to be better off. On the whole, a Discom, which is more efficient by different parameters of performance, can reduce its revenue requirement and revenue gap and ensure relatively lower tariffs to its consumers compared to the tariffs applicable to the same category/slab of consumers in other Discoms in the State. However, going by the variations in the quantum of subsidy being provided by GoAP to each Discom, the consumers of better run Discom are not getting any additional benefit on account of the efficiency of that Discom. Reforms and competition, if any, have failed to ensure benefit of efficiency to the consumers of better run Discom.

f) In the case of true-up, when per unit true-up is different to each Discom, since GoAP is not providing any subsidy, in all fairness, per unit true-up should be different to different Discoms. Also, they should be different to same category/slab of consumers of different Discoms depending on permissible true-up claims of each Discom.

g) Since no cross subsidy is being allowed by the Commission for true-up, the principle

of equity is given a go-by in determining per unit true-up. In other words, uniformity in per unit true-up is depriving the subsidised consumers of the benefit of cross subsidy and Government's subsidy. Moreover, such uniformity in per unit true-up is resulting in subsidised consumers providing cross subsidy to subsidising consumers to certain extent.

h) In the name of uniformity in the entire State, consumers of a better run Discom are being not only deprived of benefits of better efficiency of the Discom but also penalised in view of imposition of higher per unit true-up on them. In other words, they are being forced to subsidise consumers of relatively lesser efficient Discoms.

i) If uniformity in per unit true-up is to be ensured, the Hon'ble Commission should determine per unit true-up to different categories/slabs of consumers of different Discoms by factoring cross subsidy in proportion to the retail supply tariffs applicable to them. So also, GoAP should provide additional subsidy to ensure uniformity in per unit true-up to different categories/slabs of consumers to keep per unit true-up of other Discoms on par with better run Discom with lowest per unit true-up. Determining uniform per unit true-up for the entire State and to all categories/slabs of consumers, without cross subsidy and Government's subsidy, is nothing but penalising the consumers of better run Discom or, in other words, penalising the consumers of such a Discom for the latter's relatively better efficiency!

j) In view of such irrationalities and failures to ensure benefits of efficiency to consumers of relatively better run Discom, we have suggested earlier merger of all the Discoms in the State into one to ensure equity to all the consumers in the entire State.

k) We have repeatedly brought such regulatory irrationalities to the notice of the Hon'ble Commission in the past but to no avail. We request the Hon'ble Commission to re-examine the issue, give a piece of appropriate advice to GoAP and take appropriate decisions to ensure benefits of better efficiency to the consumers of the Discom concerned or equity to all the consumers in the entire State.

l) For whose requirements additional power is being purchased is another moot point. When power-intensive industries consume more power exceeding their contracted demand, they have to pay penalties. Contrary to that, such consumers are being given load factor incentives, i.e., for consuming more power. If additional power is to be purchased at higher costs for meeting their demand, and if they get load factor

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incentive, too, the burden is being imposed on all the consumers in the form of true-up claims of the Discoms. The sum required for load factor incentive cannot be determined in advance. When the Discoms project hefty revenue gap and when the Government has to bear hefty subsidy to avoid tariffs to a larger extent, providing for load factor incentive is imprudent. Moreover, making provision for load factor incentive by the Hon'ble Commission, on its own, without any such proposal coming from GoAP or the Discoms, is exceeding its jurisdiction. It is much more so when the Discoms seek withdrawal of load factor incentive unilaterally provided by the Commission earlier. Whether it is subsidy or its variant incentive, it is for the Government to decide and pay, not for the Commission. The Hon'ble Commission has to determine cost of service to each category of consumers, and then determine tariffs based thereon after making provision for cross subsidy, and finalize the tariffs after taking into account subsidy the Government agrees to provide to categories/slabs of consumers of its choice. It is open to the Hon'ble Commission to determine the percentage of cross subsidy. Achieving higher load factor means the industries concerned are using more power to meet growing demand for their products or services. As a result, they achieve higher turnover and profits. Then, what for load factor incentives are intended? In the past, when surplus power was available in the undivided Andhra Pradesh, in order to dissuade power-intensive industries from going in for open access, load factor incentive was proposed by the power utilities of GoAP. In the implementation of load factor incentive scheme, manipulations took place causing additional loss to the Discoms and undue benefit to industries running into hundreds of crores of Rupees every year and the scheme was withdrawn. Already, time-of-the-day tariffs for the industries are in force to encourage them to consume more power during off peak hours and discourage them from consuming more power during peak hours. Load factor incentive scheme, unrelated to ToD, defies logic. Simply because load factor incentive scheme introduced, in a legally untenable way, by the earlier Commission is there, that cannot provide any justification for continuing an illegality, as well as an imprudent decision. Such a questionable scheme needs to be discontinued. This experience shows need for taking a holistic view after considering all relevant factors before taking any decision.

m) For the years 2014-15, 2016-17 and 2017-18, the claims of the Discoms capacity charges payable to generators due to outage or shortage of supply would be reduced proportionately as per the provisions of the PPA needs to be examined. The Discoms have to give details of capacity charges reduced due to outage or shortage of supply, plat-wise and year-wise.

n) The Discoms have made mutually contradictory by contending that the main reason for deficiency in supply is less availability declaration by the concerned generator

owing to shortage of coal and payment of capacity charges are made accordingly, on the one hand, and payment of fixed charges made for backing down thermal units, on the other. Discoms have given details of backing down and fixed charges paid for the same for the year 2017-18 only. They have to furnish similar details for the other years pertaining to true-up claims. The Discoms have simply stated that backing down details pertaining to older years will be furnished shortly. In view of the mutually contradictory contentions of the Discoms, their submission that most of the thermal generating stations were falling short of expected generation due to shortage of coal needs to be substantiated with facts relating to availability of coal and lesser availability of coal during specific periods, plant-wise and year-wise.

1. The contention of the Discoms that the weighted average cost for short-term procurement of power is contained well below the price approved by the Hon'ble Commission in annual retail supply tariff order cannot justify their paying charges much higher than the upper limit imposed by the Commission for the following reasons, among others:

a) The very purpose of imposing upper limit on price to be paid for purchasing additional power through exchanges or under short-term arrangement is to restrain the Discoms from purchasing such power at higher rates. The upper limit of price determined by the Commission generally tends to be very much liberal, as experience has confirmed repeatedly. Whatever benefit that accrues on account of purchasing additional power at prices much lower than the upper limit determined by the Commission should not be frittered away by purchasing a part of additional power at prices higher than such upper limit, even in the name of avoiding power cuts or ensuring continuous supply of power. It would ensure undue benefits to suppliers of such high-cost power at the cost of consumers and leave scope for manipulations for vested interests. It is a gross misinterpretation to presume, by implication or otherwise, that the Discoms can purchase additional power at prices higher than the upper limit determined by the Commission, if the weighted average cost is contained below or on par with the upper limit of price determined by the Commission. The true-up claims of the Discoms for additional power purchased at prices exceeding the upper limit fixed by the Commission should be rejected.

b) For technical or unavoidable reasons, load shedding or power cuts are being imposed for specific periods. When such is the case, there is no justification in the implied contention of the Discoms that they can purchase additional power at prices far exceeding the upper limit determied by the Commission, all in the name of ensuring continuous supply of power. What is the quantum of additional power purchased by the Discoms at prices higher than the upper limit imposed by the Commission and what would have been the duration of power cuts, if such additional power was not purchased, for the supply of power in the entire State?

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c) In their replies given to our submissions on their ARR and tariff proposals for the year 2020-21, the Discoms have informed that in many instances they have noticed that there is a direct correlation between the erroneous over-estimation of VRE generation by the generator/QCA and the price of power in the power exchange. They have contended that when the VRE generation is falling short of the excess prediction by the VRE generators, the Discoms are forced to purchase from power exchanges at higher prices. There is no mechanism to check the collusion between the VRE generators and the power exchanges, the Discoms have maintained. There is no guarantee that the VRE generators have not colluded with the power exchange owner and artificially over-estimated the VRE generation which results in sudden spikes in demand at particular times of the day, they have argued. It shows scope for manipulating prices. The best way to stop such manipulations is not to purchase additional power at such manipulated higher prices.

2. The Discoms have maintained that they have taken every possible step to sell the surplus power available at their disposal. They have further contended that if the prevailing price is lesser than the marginal variable cost of the generating station at that instant, it is not commercially prudent to opt for sale of power. What is the quantum of surplus power available and how much was sold, at what cost and the profit earned or loss incurred, year-wise, pertaining to the years for which true-up claims are made by the Discoms?

3. The Discoms have replied that increase in variable cost is due to increase in basic price, fuel cost adjustment levied by the coal/gas companies and increased freight charges levied by the Railways and other transportation agencies. The details and their veracity need to be examined relating to the claims of the Discoms. How orders for transportation of coal were given to "other transportation agencies" and whether there was scope for transportation of coal at lesser cost by giving orders to transportation agencies other than the ones to which such orders were given and whether manipulations had taken place in the process need to be examined thoroughly in view of serious allegations about manipulations in selecting private transportation agencies, ignoring public sector agencies, for transportation of coal need to be examined thoroughly. I request the Hon'ble Commission to examine and consider the letter dated 8.2.2016 addressed to the then Secretary, department of energy, GoAP, by Dr E A S Sarma garu, former Secretary, Ministry of Power, GoI. Copy of the letter is enclosed.

4. The Discoms have pointed out that during certain instances in the grid operations, thermal power stations are backed down to accommodate renewable energy sources which have been conferred "must run" status and that during the period of backing down, the thermal generating stations have to be compensated for fixed cost payment, if they confirm the availability, as per the provisions of the PPAs.

Regarding sale of surplus power available with the Discoms, they have maintained that prevailing price in the short-term market at the time of surplus availability is the criteria for selling power outside and that if the prevailing price is lesser than the marginal variable cost of the generating station at that instant, it is not commercially prudent to opt for sale of power. As per the data furnished by SPDCL, during 2017-18, 6912.34 MU was backed down and a sum of Rs.871.70 crore was paid towards fixed charges therefor. Not a single unit of non-conventional energy was backed down during the same year. Thermal power stations of AP Genco, CGSs, some private companies and even Godavari Gas Power Plant were backed down. As per merit order dispatch, power stations other than hydel and NCE have to be backed down, starting with the station with highest variable cost. As incorporated in the respective PPAs, there are technical limitations for backing down - the percentage of capacity to be backed down and the number of orders to be issued by the SLDC for backing down each station in a year. After such limits are exhausted, then the turn of NCE units comes for backing down to maintain required grid frequency and grid safety as per state grid code. During hearings before the Hon'ble Commission a few days back, the learned counsel for the Discoms, Sri P Shiva Rao garu, has admitted that NCE units are being backed down without any discrimination. The situation of backing down must-run NCE units confirms availability of abnormal quantum of surplus power and the resultant heavy burdens on the consumers. Moreover, the projection of need for purchasing power in the market, even in the face of availability of abnormal quantum of surplus power, obviously, to meet peak demand, confirms that solar and wind power cannot meet peak demand and as such, purchases from wind and solar units, when power is available from base-load thermal units, are unwarranted. In other words, for meeting peak deficit, if any, instead of opting for purchases in the market and short-term purchases through competitive biddings, the Discoms, at the behest of GoAP, continued to bungle by entering into long-term PPAs with power projects, especially with wind and solar power projects, for purchasing unwarranted and high-cost power which cannot meet peak demand. There is not even a single instance of the Hon'ble Commission rejecting consent to any PPA on the valid grounds that that power is not required, its cost is not competitive, relatively cheaper power is available from other sources and the Discoms have already far exceeded their obligations to purchase NCE under renewable power purchase obligation order issued by the Commission during the last six years. In other words, the disastrous consequences are an outcome of the imprudent decisions taken by GoAP, the long-term PPAs entered into by the Discoms for purchase of unwarranted and high-cost power and the consents given to the same by the Hon'ble Commission. About 90% to 95% of backing down is on account of purchasing VRE, as informed by the Discoms in their replies on submissions on ARR and tariff proposals for the year 2020-21 given to Prayas energy group, and it shows how irrational and arbitrary the

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way in which long-term PPAs with NCE developers, especially of wind and solar power, are entered into by the Discoms to purchase unwarranted and high-cost power indiscriminately and consents to the same given by the Hon'ble Commission without due diligence. These are commercially imprudent and avoidable. The moot point is – are the consumers to be penalised for these failures of commission and omission of GoAP, the Discoms and APERC in the form of paying higher tariffs for NCE, on the one hand, and hefty fixed charges for backing down thermal power, on the other, while the authorities responsible for the same go scot free? A lion's share of true-up claims of the Discoms is the disastrous outcome of these failures of commission and omission of the authorities concerned.

5. I request the Hon'ble Commission to take the above submissions and my earlier submissions into consideration before taking a decision in the subject matter.

Thanking you,

Yours sincerely,

M. Venugopala Rao
Senior Journalist &
Convener, Centre for Power Studies
H.No.1-100/MP/101, FlatNo.101,
Monarch Prestige, Journalists' Colony,
Gopanpally, Serilingampally Mandal &
Municipality,
Ranga Reddy district- 500 032

Copies to :

1. Chief General Manager (RAC), APSPDCL, Tirupati
2. CMD, APEPDCL, Visakhapatnam.

1.36

E.A.S.Sarma

14-40-4/1 Gokhale Road

Maharanipeta

Visakhapatnam 530002

Mobile: 919866021646

Email: eassarma@gmail.com

To

Shri Ajay Jain

Secretary (Energy)

Govt of AP

Dear Shri Jain,

Subject:- APGENCO indirectly overcharging electricity consumers in the State as a result of imprudence in conceding higher coal import and transportation charges

In the past, I had brought to the State government's notice the fact that the existing contracts under which APGENCO was importing coal had become outdated in the face of the sharply declining coal prices in the global markets. Apparently, the State government has not acted on my letters.

I understand that APGENCO has similarly been paying very high coal transportation charges by patronising a few favourite contractors for the last several years. From the information I have, it appears that the unit rail-sea-rail freight being paid by APGENCO is three times that being paid by the Telangana GENCO to the Shipping Corporation of India (SCI). Even after negotiating with the contractors recently, APGENCO has been able to secure only a marginal reduction (see the enclosed Eenadu report) in the freight cost.

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Why is APGENCO reluctant to approach the PSU, the Shipping Corporation of India (SCI)?

Apart from the point of view of the electricity consumers, there is also the question of propriety in these transactions.

I would request the State government to get this investigated thoroughly and take corrective steps, in addition to ascertaining the vigilance angle, if any, in order to safeguard the public interest.

Regards,

Yours sincerely,

E A S Sarma

Visakhapatnam

8-2-2016

M. Venugopal Rao

in OP No 50/2019 & batch

138-146

Imported coal for Andhra Pradesh thermal power plants- Suspected connivance and over-invoicing

EAS Sarma 12:00 PM (3 hours ago)

to chiefsecretary-ap, CS, Energy, Ajeya, Solomon, dcbi, ed-del-rev, bcc: me

E.A.S.Sarma
14-40-4/1 Gokhale Road
Maharanipeta
Visakhapatnam 530002
Mobile: 91-9866021646
Email: eassarma@gmail.com

To

Smt Nilam Sawhney
Chief Secretary
Govt of AP

Dear Smt Sawhney,

My letters dated 24-1-2018, & 13-6-2019 addressed to CBI and others refer. Copies of the same are enclosed.

I have not received any response from the State govt so far to my letters.

For sometime, I have been requesting the State govt and the Central investigating agencies to look into the possibility of serious irregularities in the case of import of coal by APGENCO. My fears are corroborated now by the fact that CBI has filed FIRs against some PSUs and private companies as evident from the enclosed news reports.

The latest reports of CBI investigation refer to coal imported by APGENCO in 2010. Apparently, a PSU, namely, National Consumers Cooperative Federation (NCCF) was directly involved in it. APGENCO had imported coal even before 2010 and continues to import coal even now in large quantities. I feel that APGENCO's own officers as well as some senior State officials were also involved in the coal import scam all through, as I have been alerting the State govt time and again. This needs to be investigated by the State investigating agencies urgently, in consultation with the Central agencies such as CBI and ED.

In this connection, the following aspects need to be scrutinised.

Andhra Pradesh Electricity Regulatory Commission
616
14 FEB 2020
Hyderabad

1. In the case of the FIR filed by CBI against NCCF officials, it is possible that both APGENCO officials and some senior officers of the State govt are also simultaneously involved. Had they exercised due diligence in scrutinising the tender process, they could have sensed the irregularity and prevented the same. The fact that they remained silent makes them suspect.
2. The reasons that persuaded APGENCO to resort to such large coal imports in 2010, also prior to that year and even subsequent to that year, in preference to getting coal from CIL and Singareni, need to be investigated. Did they resort to excessive imports to benefit some private companies?
3. Apart from the tender irregularities, it is known that many companies having coal mines in Indonesia and elsewhere had deliberately over-invoiced coal supplies to APGENCO and others. CBI and ED are investing this separately. What is the role of the officers of APGENCO in this? Had APGENCO ever tried to approach CBI/ED to safeguard its own interests?
4. At one stage, private generating companies in AP had asked APGENCO to supply them coal from its own stocks and it appears that APGENCO had obliged them but, in turn, resorted to importing coal. This implies a two-fold impropriety committed by APGENCO, benefitting not only private generating companies in AP but also private coal suppliers of coal imported from Indonesian and other sources.
5. It appears that junior officers of APGENCO had raised objections in many of these cases but it was the seniors who overruled them to benefit some private companies. this needs an investigation.
6. As a result of this coal import scam, it is the electricity consumers in AP who have had to bear the extra cost for no fault of theirs. If the investigations establish irregularities/ improprieties committed by the public functionaries in AP, amounts equivalent to the cost differential should be recovered from them along with a deterrent penalty and reimbursed to the electricity consumers. Of course, those responsible should also be prosecuted.

I request the State govt to order an independent investigation urgently, place the findings of the same in the public domain and compensate the electricity consumers appropriately.

I am marking a copy of this mail to CBI and ED.

Regards,

Yours sincerely,

E A S Sarma
17-1-2020

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CONFIDENTIAL

Central Bureau of Investigation
Economic Offences Unit - VII
Economic Offences-III,
4th Floor, 'A' Wing, CBI Headquarters
C.G.O.Complex, Lodhi Road,
New Delhi-110003

No. 34/CA-03/2018/EOU-VII

Dated 07/06/2019

To

Shri E.A.S. Sarma,
14-04-4/1, Gokhle Road,
Maharanipeta, Visakhapatnam-530002.

Sub: Complaint regarding over-invoicing of imported coal – reg.

Sir,

Please refer to your complaint dated 24.01.2018 sent by email addressed to the Director, CBI pertaining to import of coal by PSUs of AP.

In this regard, it is intimated that Govt. of Andhra Pradesh has withdrawn general consent u/s 6 of DSPE Act vide order dated 08.11.2018. As such, CBI is not legally competent to enquire/investigate the matter relating to your complaint in the State of AP.

This is for your kind information please. This issue with the approval of competent authority.

Yours faithfully,

7/6/2019

Supdt. of Police
CBI, EOU-VII/EO-III
New Delhi

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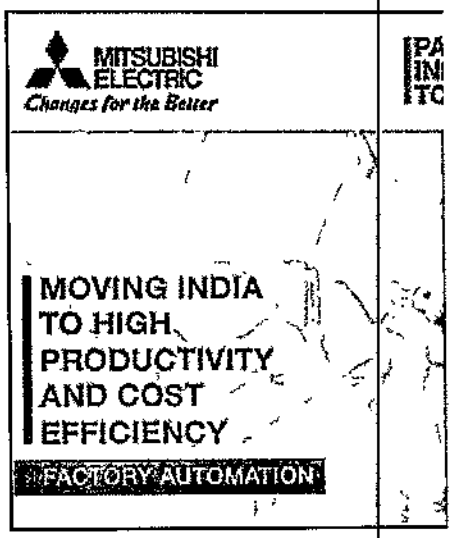
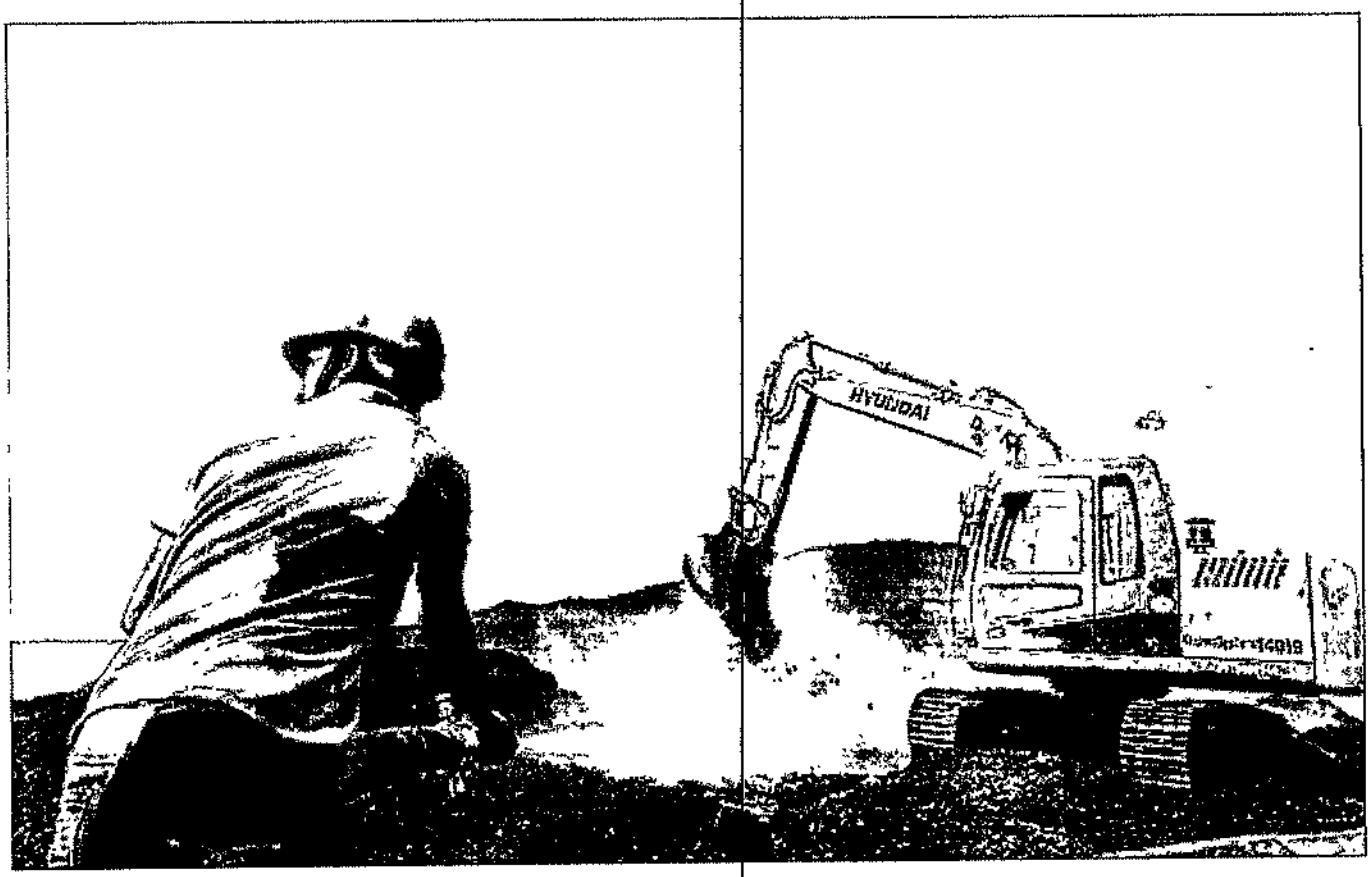
Business Standard

Home › Companies

CBI books Adani Enterprises, NCCF ex-officials in coal supply contract case

By Shrimi Choudhary | New Delhi | Last Updated at January 16 2020 21:38 IST





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The CBI enquiry revealed that negotiations were held by senior officials of NCCF after the tender process to give 'undue favour' to Adani Enterprises

The Central Bureau of Investigation (CBI) on Wednesday registered a first information report against Gautam Adani-led Adani Enterprises, two former executives of National Cooperative Consumers' Federation of India (NCCF), and others, for criminal conspiracy and corruption in awarding the contract for supply of imported coal to an Andhra Pradesh-based power company.

The matter dates back to 2010, when Andhra Pradesh Power Generation Corporation (APGENCO) had floated a tender for the supply of 600,000 metric tonnes of coal on free-on-rail destination basis to Dr Narla Tata Rao Thermal Power Station, Vijayawada, and Rayalseema Therma Power Plant, Kadapa, from any port.

Following the tender notice, NCCF called for bids. That July, NCCF received bids from six entities — Adani Enterprises, Vyom Trade Links, Maheshwari Brothers, Coal Swarana Projects, Gupta Coal India and Kyori Oremen.

Only three bidders quoted the NCCF margins, which were rejected by the NCCF's Delhi head office, as they were not found to have fulfilled tender conditions. The other three, including Adani, had not quoted any margin.

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Instead of cancelling Adani Enterprises' bid, the NCCF management informed it about the offer margin of NCCF through its representative Munish Sehgal. According to the CBI report, Sehgal was present at the NCCF office at the time. Adani, subsequently, informed the branch manager of NCCF that it agreed to pay minimum service charge of 2.25 per cent to NCCF.

The CBI enquiry revealed that negotiations were held by senior officials of NCCF after the tender process to give "undue favour" to Adani Enterprises. CBI added that Adani had not qualified when the tender was opened at NCCF's Hyderabad Branch.

Virender Singh, then chairman of NCCF, New Delhi, and GP Gupta, the then NCCF managing director, had favoured Adani Enterprises, the CBI alleged in the report.

"It is prima facie evident that when the bids were being processed at NCCF head office, the representative of Adani Enterprises was informed about the rejection of those bidders who had not submitted the NCCF margin quote and also that Maheswari Brothers had quoted 2.25 per cent margin," CBI said in the report.

The committee overruled the two conditions laid down in the notice and instead of disqualifying Adani Enterprises, made undue favours, CBI said. It added in the report that the decision to award the work to Maheswari and Adani was taken by NCCF's top management.

Additionally, the CBI report also highlighted links between Adani Enterprises and Vyom (another bidder).

According to the central agency, Adani Enterprises gave an unsecured loan of Rs 16.81 crore to Vyom Trade in 2008-09. The guarantee of both companies were issued by the same bank (State Bank of India), and at the same time.

Therefore, it was prima facie apparent that Adani presented Vyom as a proxy company in this particular tender and Vyom withdrew its offer on very flimsy grounds, CBI said in the report. In a letter to NCCF, Vyom wrote that since working hours were over and the time available was too short, it would be difficult to offer its price for onward submission.

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A file photo of CBI headquarters in Delhi. (Mint)

CBI files criminal case against Adani Enterprises

2 min read . Updated: 16 Jan 2020, 11:00 PM IST
Shaswati Das

The CBI added that Virender Singh and GP Gupta had favoured Adani Enterprises in getting the contract

CBI move comes amid mounting scrutiny on Adani's Carmichael project from environmentalists

Topics
CBI | Adani Enterprises

The Central Bureau of Investigation (CBI) has filed a criminal case against Adani Enterprises Ltd for colluding with officials of the National Cooperative Consumers' Federation (NCCF) to unfairly win a contract for supplying coal to an Andhra Pradesh government-owned company.

The agency named former NCCF chairman Virender Singh, its

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then managing director G.P. Gupta and former senior adviser S.C. Singhal in the first information report (FIR). Adani Enterprises and the NCCF officials were booked under the Prevention of Corruption Act.

CBI's latest move comes amid mounting scrutiny on Adani's Carmichael project in Australia from Greta Thunberg and other environmental activists. The project in the Galilee Basin of Queensland is facing fresh attacks from environmentalists as Australia suffers catastrophic bushfires that have killed 28 people and caused massive devastation to wildlife and the environment.

In the FIR, India's federal investigation agency alleged that Singh and Gupta favoured Ahmedabad-based Adani Enterprises in getting the contract when Andhra Pradesh Power Generation Corp. Ltd floated the tender in 2010 for the supply of 600,000 tonnes of coal.

The probe agency also alleged that Adani Enterprises used a proxy company to get the supply contract. NCCF had received bids from six companies—Adani Enterprises, Maheswari Brothers Coal Ltd, Vyom Trade Links Pvt. Ltd, Swarna Projects Pvt. Ltd, Gupta Coal India Ltd and Kyori Oremin Ltd.

"Post tender negotiation was done by senior officials of NCCF to give undue favour to Adani Enterprises Ltd despite it not qualifying the tender (terms)," the agency's FIR said. "Instead of cancelling the bid of Adani Enterprises Ltd, the senior management of NCCF conveyed the offer margin to the company through one of its representatives, Munish Sehgal, who was sitting in the NCCF head office. It is prima facie evident that when the bids were being processed at the NCCF head office in Delhi, a representative of Adani Enterprises was informed regarding their imminent rejection due to non-submission of NCCF margin, and also that MBCL (Maheswari Brothers), the eligible bidder, quoted 2.25% margin."

CBI, which is likely to soon issue summons to those named in the FIR, has further alleged that Adani Enterprises gave an unsecured loan of ₹16.81 crore to Vyom Trade Links in 2008-09. Bank guarantees of Adani Enterprises and Vyom Trade Links were also issued by "the same branch of the State Bank of India and at the same time".

An Adani Enterprises spokesperson said the subject matter is an "old one", adding that the company has complied with the process, formalities and relevant laws for the coal supply.

"The company has not done anything wrong in supply of coal. It's a preliminary investigation report only. The company shall respond to the same and shall also put forth the factual position to the authority," the spokesperson added.

Topics

CBI | Adani Enterprises

RELATED STORIES

CBI registers fresh case in coal scam pertaining to 1998 Kilhoni block allotment

1 min read 05 Jan 2020

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SOUTHERN POWER DISTRIBUTION COMPANY OF A.P. LIMITED
19-13-65/A, Vidyut Nilayam, Srinivasapuram, Tirupati (www.apspdcl.in)

From
The Chief General Manager,
RAC, APSPDCL, 19-13-65/A,
Vidyut Nilayam, Srinivasapuram,
Tirupati – 517501.

To
R. Shiv Kumar,
A.P. Spinning Mills Association,
Sai Plaza, Ist Floor,
1st Line Chandra Mouli Nagar,
Guntur-522007

Lr No. CGM/RAC/SPDCL/TPT/RAC/F: /D.No. 627 /2019 dt. 23-12-2019

Sub: - APSPDCL- RAC – Balance Sheet statements for FY2014-15 to FY2018-19– Communicated - Reg.

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As per the Directions of the Hon'ble Chairman, APERC, Hyderabad the Balance Sheet statements for FY 2014-15 to FY 2018-19 pertaining to APSPDCL is here with enclosed. The soft copies of the Annual Reports for FY 2014-15 to FY2018-19 were also sent to your e-mail (shivkumarr@hotmail.com) on 21.12.2019.

Encl:- As above

Yours Faithfully

23/12/19

Chief General Manager
RAC

Copy submitted to the Secretary, APERC, 11-4-660, 4th Floor, Singareni Bhavan, Red Hills, Hyderabad

D:\2019-20\Lr to Shiv Kumar.docx

BALANCE SHEET AS AT 31ST MARCH, 2015

Amount in R.

Particulars	Note No	Figures as at the end of current reporting period 2014-15	Figures as at the end of previous reporting period 2013-14
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	3587153090.00	3587153090.00
(c) Reserves and Surplus	2	-60768292740.00	-35856208907.00
(2) Non-Current Liabilities			
(a) Long-term borrowings	3	89334084490.00	60834937819.00
(b) Other Long term liabilities	4	13658496281.00	11180651780.00
(c) Long term provisions	5	12867025440.00	6492527403.00
(3) Current Liabilities			
(a) Short-term borrowings	6	9350108221.00	6121055950.00
(b) Trade payables	7	40321221584.00	22318287369.00
(c) Other current liabilities(including current maturities of Long term debt)	8	9098935631.00	4447156489.00
(d) Short-term provisions	9	1831046713.00	903112552.00
Total		119279778710.00	80028673545.00
II. Assets			
(1) Non-current assets			
(a) Fixed assets(Net)			
(i) Tangible assets	10	47121023692.00	32012541596.00
(ii) Intangible assets	10	812830.00	1024998.00
(iii) Capital work-in-progress	10	18031493908.00	13760768316.00
(b) Non-current investments	11	2867285834.00	2060905000.00
(c) Long term loans and advances	12	8425362338.00	1627194434.00
(2) Current assets			
(a) Inventories	13	1845296044.00	1589362628.00
(b) Trade receivables	14	27325558557.00	22185839983.00
(c) Cash and cash equivalents	15	4916701498.00	4104704409.00
(d) Short-term loans and advances	16	917506090.00	195877822.00
(e) Other current assets	17	7828737919.00	2495454359.00
Total		119279778710.00	80028673545.00
Other Notes	26		
Statement of Accounting Policies	27		

As per our report of even date
For M/s Ramraj & Co.
Chartered Accountants.
Firm No.002839S

For and on behalf of the Board

H.Y.DORA
Chairman & Managing Director

SYED BILAL BASHA
Director (Finance)

CA.M.C.VENKATANATH
Partner
Membership No.210007
Date : 02-11-2015
Place : Tirupati

A.VENU GOPAL
Chief General Manager/E&C

B.V.S.PRAKASH
Company Secretary

SOUTHERN POWER DISTRIBUTION COMPANY OF A.P. LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2016

Amount in Rs.

Particulars	Note No.	Figures as at the end of current reporting period 2015-16	Figures as at the end of previous reporting period 2014-15
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	3,587,153,090	3,587,153,090
(b) Reserves and Surplus	2	(92,975,679,492)	(60,768,292,740)
(2) Non-Current Liabilities			
(a) Long-term borrowings	3	73,466,905,674	89,334,084,491
(b) Other Long term liabilities	4	18,704,552,007	13,658,496,281
(c) Long term provisions	5	10,338,771,140	12,867,025,440
(3) Current Liabilities			
(a) Short-term borrowings	6	8,564,955,789	9,350,108,221
(b) Trade payables	7	65,320,472,641	40,321,221,584
(c) Other current liabilities (including current maturities of Long term debt)	8	48,486,527,641	9,098,935,631
(d) Short-term provisions	9	1,284,896,789	1,831,046,713
Total		**136,778,555,278**	**119,279,778,711**
II. Assets			
(1) Non-current assets			
(a) Fixed assets(Net)			
(i) Tangible assets	10	58,771,293,014	47,121,023,692
(ii) Intangible assets	10	912,536	812,830
(iii) Capital work-in-progress	10	16,168,468,483	19,369,154,500
(b) Non-current investments	11	2,867,285,834	2,867,285,834
(c) Long term loans and advances	12	15,651,586,612	8,523,766,867
(2) Current assets			
(a) Inventories	13	581,797,522	507,635,452
(b) Trade receivables	14	17,546,589,987	12,360,915,691
(c) Cash and cash equivalents	15	5,433,867,499	4,916,701,498
(d) Short-term loans and advances	16	823,409,774	819,101,561
(e) Other current assets	17	18,933,344,015	22,793,380,786
Total		**136,778,555,278**	**119,279,778,711**

As per our report of even date
For M/s Komandoor & Co.,LLP
Chartered Accountants.
Firm No. 001420S/S200034

For and on behalf of the Board

H.Y.DORA
Chairman & Managing Director

SYED BILALBASHA
Director (Finance)

T. NAGENDRANADH
Partner
Membership No. 226246
Date : 02-08-2016
Place Tirupati

A. VENU GOPAL
Chief General Manager / E&C

B.V/S PRAKASH
Company Secretary

APSPDCL

Save Energy ... Save Power...

SOUTHERN POWER DISTRIBUTION COMPANY OF A.P. LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2017

₹ in Crore

Particulars	Note No.	Figures as at the end of current reporting period 2016-17	Figures as at the end of previous reporting period 2015-16
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	358 72	358.72
(b) Reserves and Surplus	2	(5,718,61)	(9.297 57)
(2) Non-Current Liabilities			
(a) Long-term borrowings	3	9,143 54	7,346.69
(b) Other Long term liabilities	4	2,089.69	1,870.46
(c) Long term provisions	5	706 25	1,051.69
(3) Current Liabilities			
(a) Short-term borrowings	6	867 02	856 50
(b) Trade payables	7	8 363 55	6,632.05
(c) Other current liabilities (including current maturities of Long term debt)			
(d) Short-term provisions	8	2,380 03	4,848.65
	9	130.28	128.49
Total		18,320.47	13,695.66
II. Assets			
(1) Non-current assets			
(a) Fixed assets(Net)			
(i) Tangible assets	10	6,304 22	5,877.13
(ii) Intangible assets	10	0.07	0.09
(iii) Capital work-in-progress	10	2,348.60	1,616.85
(b) Non-current investments	11	286.73	286 73
(c) Long term loans and advances	12	302.77	182.10
(2) Current assets			
(a) Inventories	13	93 42	58 18
(b) Trade receivables	14	2 730 66	1 754.66
(c) Cash and cash equivalents	15	505 31	543 39
(d) Short-term loans and advances	16	3,574 00	1,483.21
(e) Other current assets	17	2 174.68	1,893 33
Total		18,320.47	13,695.66

As per our report of even date
For M/s Komandoor & Co.,LLP
Chartered Accountants.
Firm No. 001420S/S200034

For and on behalf of the Board

H.Y.Dora
(Chairman & Managing Director)
Place: Tirupati

Pulla Reddy
Director / Tech & HRD

T. NAGENDRANADH
Partner
Membership No. 226246
Date : 10-08-2017
Place : vijayawada

A. VENUGOPAL
Chief General Manager / E&C

B.V.S. PRAKASH
Company Secretary

SOUTHERN POWER DISTRIBUTION COMPANY OF A.P.LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2018

Particulars	Note No	Figures as at the end of current reporting period 2017-18 ₹ in crore	Figures as at the end of previous reporting period 2016-17 ₹ in crore
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	358.72	358.72
(b) Reserves and Surplus	2	(5,112.58)	(5,718.61)
(2) Non-Current Liabilities			
(a) Long-term borrowings	3	9,905.01	9,143.54
(b) Other Long term liabilities	4	2,398.84	2,089.69
(c) Long term provisions	5	749.56	706.25
(3) Current Liabilities			
(a) Short-term borrowings	6	1,327.07	867.02
(b) Trade payables	7	19,789.40	8,363.55
(c) Other current liabilities(including current maturities of Long term debt)	8	3,558.63	2,380.03
(d) Short-term provisions	9	132.23	130.28
Total		27,006.88	18,320.48
II. Assets			
(1) Non-current assets			
(a) Fixed assets(Net)			
(i) Tangible assets	10	6,816.74	6,304.22
(ii) Intangible assets	10	0.16	0.07
(iii) Capital work-in-progress	10	3,346.31	2,348.60
(b) Non-current investments	11	286.93	286.73
(c) Long term loans and advances	12	320.55	302.77
(2) Current assets			
(a) Inventories	13	78.73	93.42
(b) Trade receivables	14	3,821.73	2,729.20
(c) Cash and cash equivalents	15	617.88	506.76
(d) Short-term loans and advances	16	8,120.12	3,574.00
(e) Other current assets	17	3,697.74	2,174.69
Total		27,006.88	18,320.48

As per our report of even date
For M/s Komandoor & Co.,LLP
Chartered Accountants,
Firm No. 001420S/S200034

Nagendranadh Tadikonda
Partner
Membership No.226246
Date : 20.08.2018
Place : TIRUPATI

KOMANDOOR & CO. LLP REG.No. 001420S/S200034 HYDERABAD CHARTERED ACCOUNTANTS

For and on behalf of the Board

M.M. NAYAK, IAS
Chairman & Managing Director

K.SITHARAMARAJU,IRAS
Director/Finance

A.VENUGOPAL
Chief General Manager/E&C

CS.B.V.S.PRAKASH
Company Secretary

SOUTHERN POWER DISTRIBUTION COMPANY OF A.P.LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2019

Particulars	Note No	Figures as at the end of current reporting period 2018-19	Figures as at the end of current reporting period 2017-18
		₹ in crore	₹ in crore
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	358.72	358.72
(b) Reserves and Surplus	2	(12,539.46)	(5,112.58)
(2) Non-Current Liabilities			
(a) Long-term borrowings	3	9,402.68	9,905.01
(b) Other Long term liabilities	4	2,558.81	2,298.84
(c) Long term provisions	5	1,648.79	631.[illegible]
(3) Current Liabilities			
(a) Short-term borrowings	6	1,774.44	1,327.07
(b) Trade payables	7	23,618.35	13,789.40
(c) Other current liabilities(including current maturities of Long term debt)	8	6,245.04	3,676.89
(d) Short-term provisions	9	151.54	137.23
Total		**33,218.91**	**27,006.88**
II. Assets			
(1) Non-current assets			
(a) Fixed assets(Net)			
(i) Tangible assets	10	8,221.17	6,816.[illegible]
(ii) Intangible assets	10	1.94	0.16
(iii) Capital work-in-progress	10	3,457.94	3,346.31
(b) Non-current investments	11	287.43	286.93
(c) Long term loans and advances	12	304.47	320.95
(2) Current assets			
(a) Inventories	13	65.24	78.75
(b) Trade receivables	14	4,566.22	3,821.[illegible]
(c) Cash and cash equivalents	15	427.04	517.[illegible]
(d) Short-term loans and advances	16	7,685.41	8,120.12
(e) Other current assets	17	8,202.05	3,697.74
Total		**33,218.91**	**27,006.88**

As per our report of even date
For M/s.Komandoor & Co.,LLP
Chartered Accountants.
Firm No. 001420S/S200034

Nagendranadh Tadikonda
Partner
Membership No 226246
Date : 21.10.2019
Place : TIRUPATI

KOMANDOOR & CO. LLP 0014205/ S200034 TIRUPATI CHARTERED ACCOUNTANTS

For and on behalf of the Board

H.HARANATHA RAO
Chairman & Managing Director

K.VN.CHAKRADHAR BABU,IAS
Director

V.V. GOPALA KRISHANA MURTHY
Chief General Manager/R&C

B.V.S.PRAKASH
Company Secretary

OP No 50/19

SOUTHERN POWER DISTRIBUTION COMPANY OF A.P. LIMITED

19-13-65/A, Vidyut Nilayam, Srinivasapuram, Tirupati (www.apspdcl.in)

From
The Chief General Manager,
RAC, APSPDCL, 19-13-65/A,
Vidyut Nilayam, Srinivasapuram,
Tirupati – 517501.

To
Sri M.Venugopala Rao,
Senior Journalist and
Convener of Centre for Power Studies,
H.No.1-100/MP/101, Monarch Prestige,
Journalists' Colony, Gopanpally,
Serilingampally Mandal, Hyderabad.

Lr No. CGM/RAC/SPDCL/TPT/GM/RAC/F.True-up/D.No.250/20 dt.09-03-2020

Sir,

Sub :- APSPDCL/TPT – RAC – Replies to objections raised by Sri M.Venugopala Rao, Senior Journalist and Convener of Centre for Power Studies, Hyderabad on True-up - Regarding.

Ref:- Party's representation received dt.17-12-2019

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Referring to the objections raised by Sri M.Venugopala Rao, Senior Journalist and Convener of Centre for Power Studies, Hyderabad on true-up filings, the reply is furnished as hereunder.

1. APSPDCL and APEPDCL, being independent entities should have submitted their true-up applications separately. However, a common application is filed by both the Discoms for the year 2018-19, claiming revenue true-up of Rs.4341.95 crore - Rs.1538.20 crore for EPDCL and Rs.2803.75 crore for SPDCL - with expense true-up of Rs. 3989.61 crore, and revenue true-down of Rs.112.88 crore with a carrying cost of Rs.465.21 crore at an interest rate of 12% considering FY 2019-20 as the year of approval. Whatever be the true-up amounts the Hon'ble Commission is going to approve, its impact on consumers should be confined to the respective true-up amounts of the Discom concerned. It should not be an average for the entire State.

Reply : In A.P. Power purchase activity is being carried out on a combined manner by both DISCOMs. This is to ensure uniform scrutiny of the Power Purchase bills and to achieve efficiency gains in procurement. In so far as True-up petitions are concerned, DISCOM wise allocation statement is presented in the petition. However the Hon'ble APERC is going to approve the impact of true-up amounts confined to the respective DISCOM and is not an average for the entire State.

2. Against the energy despatch of 60,843 MU approved by the Hon'ble Commission for the year 2018-19, the Discoms have shown that they have procured 61,678 MU, i.e., there is a higher purchase of power by 835 MU. However, they have shown payment of fixed charges of Rs.8005 crore against Rs.8349 crore approved by the Commission. But, they have shown payment of variable charges of Rs.22,227 crore against Rs.17,576 crore approved by the Commission. Overall, they have shown that cost of power purchase increased by Rs.4311 crore. Compared to 9223.28 MU approved by the Commission, the Discoms have shown purchase of only 6469.54 MU from SDSTPS stages I & II of APPDCL. Similarly, the Discoms have shown purchase of 12,939.38 MU only from the central generating stations against the

Andhra Pradesh Electricity Regulatory Commission ★ Hyderabad ★
917
12 MAR 2020

quantum of 14,750.04 MU approved by the Commission. They have purchased 800.20 MU only from KSK Mahanadi against 2500.01 MU approved by the Commission. The Discoms have stated that there was less procurement from APPDCL thermal stations to the extent of 2754 MU due to the reasons attributable to coal and logistics, without specifically explaining what those reasons attributable to coal and logistics are. They have not given any explanation about lesser purchase of power from CGSs and KSK Mahanadi. Did the Discoms claim and collect liquidated damages from the power stations concerned for lesser supply of power as per the terms and conditions in their respective PPAs, wherever applicable?

Reply : The objector's question whether the DISCOMs claim & collect liquidated damages from the power stations concerned for lesser supply of power as per the terms & conditions in their respective PPAs, wherever applicable, it is to state that, fixed costs are paid as per the terms of the PPA and for every percentage point decrease in the Plant availability factors, proportionate amount of fixed charges is reduced.

3. The Discoms have submitted that from market sources a quantum of 5544 MU has been procured out of which 3295 MU is through swapping arrangement from other States such as Punjab, Delhi and Haryana during the period November, 2018 to March, 2019 with a condition to return the power during June to September, 2019. At the same time, in the annexures, the Discoms have shown that for swapping of energy of 3295.27 MU, they have incurred a cost of Rs.1244.97 crore and for purchasing 1817.42 MU from short-term sources they have incurred a cost of Rs.1207.07 crore. They have not shown from whom they have purchased the balance of 432.89 MU. The Discoms have failed to give details pertaining to the kind of procedure they followed for purchasing 2249 MU from the market, per unit cost and quantum of power from different sources. It needs to be clarified by the Discoms whether additional purchases on such a higher scale were made by them without seeking prior consent of the Hon'ble Commission, both in terms of quantum and cap for tariffs to be paid, and the procedure to be adopted for such purchases to ensure competitive tariffs. Since the Discoms had not sought and got permission of the Hon'ble Commission for purchasing additional power from the market sources, maximum cap of tariff and the procedure to be adopted for competitive bidding for such purchases, it reflects "executive arrogance" of the powers-that-be who handled such purchases from Vidyuth Soudha. It is a negation of the directions given periodically by the Hon'ble Commission on additional power purchases to be made by the Discoms and reflects recklessness of the powers-that-be that they need not seek prior permission of the Commission for such purchases and their contempt for regulatory requirements and questionable approach that the Commission would or should give its consent to such purchases as and when they seek.

Reply : Additional short term purchases made by the APDISCOMs are within the ambit of regulatory framework. Procurement is through transparent process of competitive bidding in the Exchanges.

4. Though they have purchased lesser quantum of power from the central generating stations compared to the quantum approved by the Commission, the Discoms have claimed that they have paid higher fixed charges to Talcher stage II, NTPC Simhadri stage II and to AP Genco projects of Dr NTTPS stages I to IV and RTPP stages I to III. Fixed charges being fixed in nature, they cannot increase for purchase of the quantum of power approved by the Commission, certainly not for purchasing lesser quantum of power compared to the quantum approved by the Commission. Therefore, the moot point is whether the Discoms backed down capacities of the CGSs and stations of AP Genco and paid fixed charges therefor. If so, what

are the quantum of power backed down and the fixed charges paid therefor by the Discoms to CGSs and AP Genco?

Reply : As rightly commented by the objector, fixed charges are constant irrespective of the quantum of procurement of power. Even in the instances of backing down of the thermal projects pertaining to Central Sector, State Sector or IPPs, the fixed charges are to be paid as per their availability. APDISCOMs are paying the fixed charges as per the PPA commitment and generation tariff orders issued by the APERC in respect of AP Genco projects & other PPA approved projects and CERC in respect of CGS Stations.

Actual payments towards the fixed charges could be more than the approved quantum in Retail Supply Tariff Order (RSTO), for the following reasons.

- **CGS stations fixed cost is as per the determination of CERC and additional fixed cost is payable for additional / subsequent capitalisations, if any , approved by the Hon'ble CERC.**
- **In respect of State generating stations also, Hon'ble APERC determines fixed costs of the generating stations separately in generation tariff orders and the DISCOMs are obligated to pay the fixed charges as per the determination of Hon'ble APERC.**
- **In some instances, in retail supply tariff exercise Hon'ble APERC is cutting down the fixed costs of generating stations in commensurate with the allowed dispatch, which is resulting in short approval of fixed costs than the costs that are supposed to be incurred.**

5. The Discoms have shown that they have purchased 12,772.20 MU of NCE against 12,622.59 MU approved by the Commission for the year 2018-19 and paid an additional sum of Rs.107.17 crore. Did the Discoms back down thermal power in order to purchase high-cost and must-run non-conventional energy of 12,772.20 MU, far exceeding their obligations under RPPO, and pay fixed charges for such backing down? If so, what are the costs per unit of NCE purchased, unit-wise, and per unit cost of power from thermal stations backed down, station-wise?

Reply : The details on Station wise backing down carried out and the costs associated with such backing down for FY 2018-19, are enclosed

6. The Discoms have submitted that the weighted variable cost for 2018-19 increased by Rs.0.71 per unit from Rs.2.89 per unit approved by the Commission to Rs.3.60 per unit due to increase in fuel and transportation cost than the level approved in the tariff order and purchase of power from external sources to make good the shortage of power due to unavailability of fuel to the full extent as approved in the tariff order. The Discoms have to submit details of the factors mentioned by them as reasons for increase in variable costs station-wise and the same need to be examined thoroughly.

Reply :

- **As submitted in the true up petition submitted before the Hon'ble APERC, the Commission approved Rs. 2.89per unit as the weighted average variable costs for FY 2018-19. The actual weighted average per unit variable cost is observed to be Rs 3.6 per unit and the variation is about Rs 0.7 per unit.**
- **Summary of source wise/plant wise variable cost was presented in the petition.**

- **The increase in per unit variable cost in respect of AP Genco stations including that of SDSTPS is around 0.8 to 0.9/Unit followed by APGPCL and CGS Stations.**
- **The variation is mainly on account of increase in Fuel & transportation cost than the level approved in the Tariff Order.**
- **External purchase from the market was carried out to the extent of 5500 MU at a cost of Rs 5/Unit to make good the shortage of power due to unavailability of fuel to the full extent as approved in the Tariff Order.**

7. We request the Hon'ble Commission to determine the amounts taken over or to be taken over by the GoAP from the debts of the Discoms for the year 2018-19 under UDAY and deduct the same from their true-up claims. In the subject petition, the Discoms have not given the details of taking over their debt by GoAP under UDAY during 2018-19.

Reply : Will be submitted later

8. As per Regulation No.4 of 2005, cost of power purchase is being treated as "uncontrollable." When the Discoms, obviously, at the behest or permission of the GoAP, enter into PPAs for purchase of unwarranted and high-cost power indiscriminately, leading to availability of impermissible quantum of surplus power with attendant disastrous consequences of backing down such surplus capacity to the extent they cannot sell the same and paying fixed charges for backing down, and the Hon'ble Commission giving its consents to the same, without examining and determining the need for such power to meet demand, the so-called power purchase cost, which, in this case, is virtually cost for non-purchase of power, are the consumers to be penalised for the failures of commission and omission of the GoAP, the Discoms and the Commision, all under the sweeping regulation of treating cost of power purchase as "uncontrollable"? What is the responsibility, as well as accountability, of the GoAP, the Discoms and the Commission for committing such costly blunders and causing harm to larger consumer interest on a long-term basis? In O.P.No.66 of 2019, the Discoms have admitted belatedly that Rs.5000 crore losses are adding due to high cost renewable energy purchases every year. It is imperative to review such failures of commission and omission periodically based on factual position and fix responsibility for such disastrous consequences. This is a disastrous consequence of the irresponsibility of the powers-that-be for their vested interests and undue benefit to developers at the cost of consumers of power, when such questionable PPAs are entered into and consents to the same given by the Commission. In the light of these disastrous consequences, there is every need for amending the said regulation to treat cost of power purchase as "uncontrollable" subject to reasonable conditionalities, which should ensure accountability of GoAP, the Discoms and the Commission. We request the Hon'ble Commission to initiate necessary move to amend the said regulation after holding public hearing on the same.

Reply : The DISCOMs inform that at the time of entering into Power Purchase Agreements with Variable Renewable Energy (VRE) i.e Wind & Solar, the DISCOMs could not foresee the consequences that may emerge in integration of large quantity of VRE power and the financial burden that would be caused to the DISCOMs in dispatching the VRE power almost 1/4th of their demand.

Even the highest technical body like CEA also could not visualise such adverse consequences to the DISCOMs due to large addition/dispatch of VRE power in a state having small grid capacity.

However, in the recent past the said highest technical body has given its findings that due to integration / dispatch of VRE power the DISCOMs would suffer the adequacy cost, balancing cost and grid integration cost. After the said findings of the CEA the DISCOMs have studied and estimated the cost of the said three components as, Adequacy Cost 2799.63 Crs, Balancing Cost Rs 699.26 Crs and Integration Cost Rs 540.94 aggregating to Rs 4039.84 Crs. The DISCOMs submit that the said adverse financial burden is cropped up because the Andhra Pradesh state has obliged the targets set by the Govt. of India at 15000 MW addition of wind & solar power for the period up to 2021-22 to attain a total RE installed capacity to the extent of 17000 MW.

Further, in compliance of the said targets of the Govt of India, the Govt of Andhra Pradesh being the front runner has set a target for addition of 9000 MW of wind & solar power. Out of the said target the DSCOMs have been directed to achieve the addition of approximately 7000 MW under Wind policy 2015 and Solar policy 2015 of Govt. of AP.

- As part of fulfilling it's commitments made in International fora with regard to environmental concerns, the Govt of India is vigorously pursuing rapid development of Variable Renewable Energy (VRE) sources. AP state being one of the RE rich states in the country is also obligated to share the responsibility of GoI even if it causes burden. The rapid penetration of RE sources which are usually spread away from the load centres is causing the utilities to invest more capital expenditure for transmission infrastructure for Grid integration. Apart from this higher proportion of costly RE energy absorption leads to certain other direct & indirect costs such as Adequacy cost and Balancing Costs. All these factors put together cause VRE burden to the extent of Rs 2.85 per unit of RE absorbed. The committee formed by MoP and the CEA Report acknowledge annexure II & III the fact that there is burden on the DISCOMs. These costs are forced to be absorbed by the DISCOMs and are forcibly loaded into the ARRs and thereby forcibly burdening the end consumers. Central Govt. or State Govt. are not compensating the loss sustained by the Distribution Companies on this account. Compensation is must to the DISCOMs. This VRE burden casts unforeseen liability on the DISCOMs.
- During the course of time the late entrants like UP/Bihar & other states are now getting the VRE power at low cost tariff of Rs.2.44/Unit. The DISCOMs submit that the present situation now being faced by them is because of compliance of the policy decisions of the Govt. of India and in turn by the policies of the Govt. of Andhra Pradesh. In this regard Hon'ble Minister, Govt. of AP for Energy affairs has addressed a letter dated 10.09.2019 to the MoP Govt. of India to consider the adverse burden on AP DISCOMs and to take steps to bail out them. In pursuance of this said letter, the Govt. of India having found that there is a justification in the submission of the Govt. of Andhra Pradesh, has constituted a committee comprised of several Secretaries of Govt. of India including the Secretary, Energy Dept, Govt. of Andhra Pradesh to make suitable recommendations on the problem being suffered by APDISCOMs.
- The said committee held their first meeting on 7th November 2019 and also held second meeting on 3-12-2019. In the said meetings the Secretary, Govt. of AP has submitted the problems being faced by the DISCOMs because of integration / dispatch of large quantum of VRE power which is far more than the percentage specified by the Hon'ble Commission, in particular about the adequacy cost, balancing cost and integration cost. The said

submissions of the Secretary, Govt. of AP are acknowledged by the said committee and suggested the MNRE and other authorities at first instance and instructed the financial institutions to lend monies to the DISCOMs at lower rate of interest.

- **The said committee is still under the process to finalise their recommendations in respect of the said additional financial burden on APDISCOMs due to the integration of said VRE power.**
- **APDISCOMs seek the support of the Central Govt and the State Govt, in the name of VRE subsidy or compensation for absorbing higher cost VRE power, though it is not explicitly stated in the contract, it is implied that, it is the obligation of the said Governments to provide such compensation.**
- **It's a fact that VRE integration cost is not imaginary but real, and the corresponding burden on account of this is placed on the general electricity consumers in the state.**

9. We request the Hon'ble Commission to direct the Discoms to seek additional subsidy required for purchases made in the market and from other sources far exceeding the quantum permitted by the Commission from the GoAP, since they did not seek prior approval of the Commission for purchasing additional quantum of power, procedure to be adopted for real and transparent competitive bidding and cap on tariff. The powers-that-be should be brought round to scrupulously adhere to regulatory requirements of the Commission for purchasing power and additional power.

Reply : Additional quantum of energy procured than the approved is only 835 MU and is excess by 1.4%. But the sources of procurement got substituted in view of the constraints of fuel and transportation leading to lesser availability from committed sources. Market purchases are resorted to ensure reliability of power supply, since AP one of the few states committed for 24X7 power supply scheme Power for All.

Vide para 211 of the Tariff Order for FY 2018-19, the Commission has allowed to purchase from the market, in case there are un expected slippages in generation. The DISCOMs submit that, the unexpected purchases from market sources are resultant of fuel shortages and unavailability of units. Fortnightly reports were also sent to the Commission on the market purchases.

10. The Discoms have claimed carrying cost of Rs.465.21 crore for the year 2018-19 @ 12% interest per year and requested the Commission to take into consideration the carrying cost to be incurred by them in the future till the complete true-up sought is recovered. The Discoms have sought true up of Rs.19,503 crore from 2014-15 to 2018-19, with carrying cost. Obviously, whatever be the amount the Hon'ble Commission approves against the true-up claims of the Discoms, it is difficult to impose the entire burden on the consumers immediately. Regulatory asset may be required to collect the permitted amounts under true-up claims of the Discoms in a phased manner. In other words, carrying costs, if approved by the Commission, would impose additional burdens on the consumers for the period till the entire regulatory asset is redeemed. In effect, the consumers will be saddled with the burden of paying amounts approved under true-up, on the one hand, and carrying costs thereon, on the other. In addition to the imprudent decisions of the GoAP in permitting or directing the Discoms to enter into long-term PPAs to purchase unwarranted and high-cost power and the equally imprudent approvals given by the Commission to the same, the avoidable burden is being further compounded by the delay in submitting the true-up claims belatedly by the Discom to

hoodwink the people in the pre-election period for political expediency of the then party-in-power and claiming carrying cost on the accumulated hefty sums now, leading to imposition of avoidable burdens, to a considerable extent, on the consumers of power for their no fault. Therefore, we once again request the Hon'ble Commission not to permit carrying cost on permissible sums under true-up claims of the Discoms. The consumers should not be penalised for the failures of commission of the GoAP, the Discoms and the Commission.

Reply : The DISCOMs have taken huge quantum of working capital loans to clear their power purchases bills and finance the current liabilities. DISCOMs are paying interest on the amounts lent by the Banks & Financial Institutions. As of now, the outstanding working capital loans of the DISCOMs are almost touching 19,500 Crs. Carrying cost for the true-up is calculated considering a working capital interest rate of 12% (As per CERC Tariff Regulation for Generating Stations for the Control period FY 19-20 to FY 23-24, the interest on working capital loans is SBI MCLR + 3.50%).

In view of the above, the DISCOMs request the Hon'ble Commission to accord approval to the carrying cost @ 12% for the amounts allowed as True-ups, for the period date of incurring to the date of recovery.

11. For the failures of commission and omission of the then Government, the people have punished the then party-in-power by defeating it at the hustings to the legislative Assembly. The top bureaucrats who dealt with these issues were transferred by the new Government. The previous Hon'ble Chairman of the Commission retired recently. The Hon'ble Members also will retire shortly. A thorough enquiry, preferably judicial enquiry, is necessary on all the failures of commission and omission that led to the disastrous situation in the power sector in Andhra Pradesh, to identify the authorities concerned for the same and recommend necessary action and required measures to be taken so that such deliberate failures of commission and omission are not repeated. I request the Hon'ble Commission to give a piece of advice to the GoAP to take necessary action in this direction. I also request the Hon'ble Commission to consider holding a special public hearing for two to three days on the developments that led to the present disastrous situation in the power sector.

Reply : The matter is within the purview of the Hon'ble Commission.

Yours faithfully

09/03/2020

Chief General Manager / RAC

Copy submitted to the Secretary, APERC, 11-4-660, 4th Floor, Singareni Bhavan, Red Hills, Lakdikapul, Hyderbad-04

Backing down details for FY 2018-19

	RTPP	LANCO	VTS	SPEC	GVK	NTTS-IV	RTPP2	K.PATNM	RTPP-III	RTPP IV	HINDUJA	RSTPSU1TO6	RSTPSU7
Apr-18	46.517	0.000	31.983	0.210	0.007	14.154	56.472	23.853	20.686	0.000	0.000	10.922	0.767
May-18	50.180	0.020	58.722	0.000	0.000	14.517	50.935	43.322	15.664	0.000	0.000	24.764	4.040
Jun-18	51.405	0.000	100.413	0.000	0.506	22.285	58.375	34.281	25.633	0.000	30.969	53.555	12.564
Jul-18	36.479	1.733	85.132	2.807	3.985	18.320	123.430	48.891	17.152	0.000	12.646	33.189	8.507
Aug-18	109.015	3.436	196.274	0.106	3.462	29.474	148.116	54.136	70.515	0.000	0.000	49.218	9.325
Sep-18	44.680	1.377	43.541	0.399	0.472	11.613	39.380	28.074	9.484	0.806	0.000	12.805	2.035
Oct-18	5.113	1.264	12.721	0.261	0.000	3.458	6.323	17.567	0.448	0.000	0.263	8.565	1.620
Nov-18	94.834	1.980	143.614	0.361	4.983	23.035	44.175	78.383	6.688	0.000	39.277	30.076	2.740
Dec-18	152.021	0.000	185.866	0.510	3.123	30.935	36.478	64.011	33.935	10.713	18.554	29.259	1.276
Jan-19	88.040	0.018	77.867	0.000	0.529	27.377	37.052	50.224	55.838	3.068	12.612	55.456	13.054
Feb-19	63.982	0.000	72.776	0.000	0.000	7.651	33.620	47.547	54.579	34.659	0.000	30.927	5.256
Mar-19	91.782	0.000	98.014	0.000	0.102	27.146	102.985	83.280	68.017	19.320	14.688	14.514	2.618
TOTAL	**854.046**	**9.828**	**1106.921**	**4.655**	**17.167**	**229.964**	**737.342**	**573.567**	**418.638**	**68.566**	**129.008**	**357.251**	**63.800**

	NLCIIST1	NLCIIST2	TALST2	SIMHST2	VALLURNTECL	NTPL	KUDGI	SIMHST1	MOUDA	MOUDA_II	SOLAPUR
Apr-18	10.935	23.547	0.661	50.485	29.826	34.825	134.211	44.126	0.000	0.000	0.000
May-18	8.771	13.778	7.445	27.388	19.377	13.518	85.042	41.040	0.000	0.000	0.048
Jun-18	11.927	20.370	18.013	28.383	15.984	24.639	127.075	87.942	0.000	0.000	0.000
Jul-18	7.139	11.310	5.888	56.857	23.538	26.887	172.043	117.546	0.000	0.000	0.249
Aug-18	7.878	15.147	7.718	32.517	21.766	24.645	189.460	128.856	0.000	0.000	1.316
Sep-18	2.275	3.674	0.781	17.950	6.805	18.030	107.502	19.018	0.000	0.000	0.813
Oct-18	1.110	2.101	4.688	24.285	6.897	17.048	12.122	7.448	0.000	0.000	0.001
Nov-18	2.658	6.508	3.257	72.631	22.226	47.364	26.244	56.651	0.063	0.000	1.428
Dec-18	3.695	7.461	4.473	59.080	19.960	37.632	77.013	85.416	1.979	2.487	2.611
Jan-19	5.496	11.997	20.691	66.546	19.966	27.638	99.002	79.629	0.371	0.394	2.611
Feb-19	5.633	10.543	13.334	46.801	25.262	12.244	124.269	62.808	1.271	1.811	2.359
Mar-19	1.602	3.246	2.693	40.882	34.184	13.732	172.433	42.754	0.000	0.000	2.764
TOTAL	**70.122**	**129.681**	**89.643**	**525.806**	**245.810**	**298.202**	**1326.415**	**773.234**	**3.683**	**4.691**	**14.200**

	KSTPS I&II	KSTPS7	VSTPS I	VSTPS II	VSTPS III	VSTPS IV	VSTPS V	TOTAL
Apr-18	0.000	0.000	0.000	0.000	0.000	0.014	0.000	534.202
May-18	0.013	0.010	0.015	0.001	0.001	0.001	0.004	478.614
Jun-18	0.000	0.000	0.000	0.000	0.000	0.004	0.002	724.325
Jul-18	0.000	0.000	0.000	0.000	0.000	0.000	0.000	813.728
Aug-18	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1102.378
Sep-18	0.000	0.000	0.000	0.000	0.000	0.000	0.000	371.512
Oct-18	0.000	0.000	0.000	0.000	0.000	0.000	0.000	133.300
Nov-18	0.000	0.000	0.000	0.000	0.000	0.000	0.000	709.174
Dec-18	0.000	0.000	0.000	0.000	0.000	0.000	0.000	868.509
Jan-19	0.000	0.000	0.000	0.000	0.000	0.000	0.000	762.476
Feb-19	0.000	0.000	0.000	0.000	0.000	0.000	0.000	717.331
Mar-19	0.000	0.000	0.000	0.000	0.000	0.000	0.000	836.756
TOTAL	0.013	0.010	0.015	0.001	0.001	0.019	0.006	8052.306

(8)

From
Y. Eswar Prasad
APCPDCL - Pay
AP SPDCL
Tirupathi

To

The Secretary,
APERC, 11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub :- True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.
Ref: - True-up petitions filed by AP Discoms

*****

In recent true-up filings of Discoms, the true-up claim of Rs.19,603 crores is a huge amount for the Discoms to receive either from the government or through consumers. During the last 5 years the Discoms have entered lot of PPAs with the renewable generators at high prices and the same was approved by the commission. If the commission had done the thorough analysis duly taking the financial position of Discoms while approving the PPAs this situation would not have arisen. The Hon'ble commission while going through the renewable PPAs entered by the Discoms in excess of their RPPO target fixed by the commission should have been rejected stating the reason as bad financial position of the Discom. Renewable PPAs in-excess of RPPO will be burden for both the Discoms and to the consumers as the unit cost is more. If the state government had involved in allowing the PPAs with Discoms then government should also take the responsibility in filling the true-up gap. Further, Discoms should focus on the cheap power as the power prices has come down significantly.

In this regard, it is requested the government, Discoms and the APERC should take the responsibility for the current situation. The commission should act in a stringent manner like a TRAI on the entities involved in the sector for the benefit of the consumers.

Yours faithfully,

Andhra Pradesh Electricity Regulatory Commission ★Hyderabad★
12 MAY 2020

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From
[illegible]
Dy. CE – Plg
APSPDCL
[illegible]

To
The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.

Ref: - True-up petitions filed by AP Discoms

*****

In the true-up filings of the Discoms, the actual power purchase cost is deviated much from the approved figures. I feel that, the vast true-up amount is showing negligence of the management while taking the decisions in the procurement of power and in their daily operations. It came known to me that the power purchase activities are happening under the directions of the APPCC which is directed by the Government of A.P. Discoms are procuring power from the various private sources with the pressure from the government which is causing burden to the ordinary consumers. Discoms should focus on the cheap power as the high end consumers are moving towards open access then the remaining consumers have to bear the enormous expenses of the Discom.

In this regard, the Hon'ble commission has to take the measures to protect the interest of the normal consumers by not allowing the entire true-up gap among normal consumers. It should involve the government to bear the gap to the maximum extent. The government companies should be saved as they are doing the true service for all sects of consumers. The collapse of Government Company may allow the private companies who will work for the profits than service to consumers. Hence, the Hon'ble commission take measures to save Discoms.

Yours faithfully,

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From
P. Ramprasad
Ex. Engg
ARPDCL
T. Krayapalli

To
The Secretary,
APERC, 11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted
Ref: - True-up petitions filed by AP Discoms

*****

As the true-ups amount filed by APSPDCL is around Rs.19000 crores, if the commission allow the entire amount then it is burden to the consumers. How the consumers would are responsible for such a heavy gap? If the commission had taken measures in the initial stages it would not have happened. How will the paying consumers be responsible for the loss of the Discoms? There is still rampant theft existing in many districts. The Hon'ble commission has to direct the Discoms and the government in taking the stringent criminal action against the persons who indulged in theft as it is prevailing in the neighboring state Tamilnadu. Already consumers have been paying suitable charges for the consumption of electricity if this gap is added to the ARR then our bills will increase in an uneven manner. If the APERC act like the commission of Gujarat in allowing the periodical tariff hike then our Discoms would have been saved. The Government is not paying the subsidies and dues within the due date, for which the Discoms have to take the short term loans to meet their expenses.

In this regard, it is requested the Hon'ble commission to allow the true-up gap to the extent which is permissible without creating heavy burden on the normal consumers and direct the government for timely payment of the bills of government organizations and agriculture subsidy.

Yours faithfully,

Andhra Pradesh Electricity Regulatory Commission * Hyderabad *
12 MAY 2020

(5)

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From,
Y. Somanath
Dy. EE-DPC
APCPDCL
Tirupathi

To
The Secretary,
APERC, 11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.
Ref: - True-up petitions filed by AP Discoms

*****

The AP Discoms have shown the differential revenue as the one of the component of the total gap. While filing the ARR had factored certain conditions for the sales projection, but in actual it may not attain the same due to unforeseen conditions like temperature changes, macro-economic conditions like drop in the GDP due to fall in the industrial growth, stopping and delay in completion of certain projects like lift irrigation etc. Such unforeseen conditions should not become burden to Discoms as they ought to pay fixed cost to the generators and transmission companies.

In this regard, it is requested the Hon'ble commission to allow the gap arising out of drop in the approved revenue to the extent which is not creating heavy burden to the consumers after the thoroughly checking the reasons for such deviation.

Yours faithfully,

Y. Somanath

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From

Y. Eswaraiah
Dy. GM
APSPDCL
Tirupathi

To
సెక్రటరి, ఏ.పి.ఇ.ఆర్.సి,
11-4-660, నాల్గవ అంతస్తు
సింగరేణి భవన్, రెడ్ హిల్స్,
లకడి-క-పుల్, హైదరాబాదు.

విషయము : ఆ సం. 14-15, 16-17, 17-18 మరియు 18-19 గాను డిస్కంలు సమర్పించిన ట్రూఅప్స్ గురించి.

ఆర్యా,

ప్రస్తుతము APSPDCL మరియు APEPDCL గౌరవ APERC కి సమర్పించిన ట్రూఅప్స్ ఆ సం. 2014-15, 2016-17, 2017-18 మరియు 2018-19 గాను వెరసి రు. 19,603 కోట్లు కాగా, డిస్కములు రు. 40 వేల కోట్లు అప్పులు వున్నట్లు వినికిడి.

2002 సం. నుండి 2013 సం. వరకు గమనించిన మూడు డిస్కములు APCPDCL, APSPDCL & APEPDCL లాభాలలో ఒక్క APNPDCL మాత్రం కొంచెం నష్టాలలో ఉండేవి.

1) ఆ సం. 2014-15 నుండి ఆ సం. 2018-19 కాలంలో తీసుకున్న నిర్ణయాలవల్ల ప్రతి సంవత్సరము Acual Power Purchase Cost APERC వారు అనుమతించిన Power Purchase cost కన్నా విపరీతముగా పెరిగినది.
2) దీనికితోడు UDAY స్కీములో ప్రతి సంవత్సరము టారిఫ్ పెంపుదల 5% ఉన్నా, రాష్ట్ర ప్రభుత్వ ఆదేశాలమేరకు ఎటువంటి టారిఫ్ పెంచకపోవడము మరియు ప్రభుత్వము ఇచ్చు సబ్సిడిని మాత్రం వాస్తవ రెవెన్యూ తగ్గుదల మేర ఇవ్వకపోవడం.
3) APERC వారు కొన్ని వర్గాల వినియోగదారులకు, TTD, Railways, Aqua hatcheries వంటి Highly Income కలిగిన వారికి టారిఫ్ తగ్గించడం వంటి చర్యలు.
4) వాస్తవంగా ఖర్చులు తగ్గించి లేదా రెవెన్యూ పెంచి తద్వారా టారిఫ్‌లు పెంచకపోయినా, లేదా టారిఫ్ తగ్గించినా హర్షించవలసిన విషయము. అలా కాకుండా ప్రభుత్వం సూచించిన సబ్సిడికి నిర్ధారణ అయి, ఆమేర రెవెన్యూ లోటు వచ్చునట్లు, ఖర్చులు తగ్గించటం లేదా రెవెన్యూ పెంచడం చేయడం ద్వారానే ఇంత పెద్ద మొత్తాలలో ట్రూఅప్స్ పేరుకుపోయాయి.

పై చర్యల వల్ల డిస్కములు నష్టాల్లోకి వెళ్ళడానికి ప్రధాన కారణాలు. పై చర్యలను APERC వారే అనుమతులు మంజూరు చేయడం జరిగినది. కావున Consumers Interest ను దృష్టి పెట్టుకొని, డిస్కంల True-up ని ఆమోదించి, వీలున్నవరకు ప్రభుత్వము నుండి మరియు సముచితముగా టారిఫ్ నుండి రాబట్ట వలసినదిగా కోరుతూ ఇకనుంచైనా వాస్తవంగా ఖర్చులు తగ్గించి ఆ మేలును వినియోగదారులకు అందించవలసిందిగా కోరుచున్నాము.

Andhra Pradesh Electricity Regulatory Commission
12 MAY 2020
Hyderabad

ఇట్లు

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From,
Y. Eswara Prasad
Dy. EE - Planning
APSPDCL
Tirupathi.

To
The Secretary,
APERC, 11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: - True-up petitions filed by AP Discoms

*****

The true-up petitions were filed by the APDISCOMS with various gaps as shown below:

	EPDCL	SPDCL	State
Total Power Purchase Cost True-up	3,187	6,409	9,596
Power Purchase Cost Carrying Cost @ 12% Interest Rate	772	1817	2589
Total Power Purchase Cost True-up	3,959	8,226	12,185
Total Revenue True-up	622	4,630	5,260
Revenue gap Carrying Cost @ 12% Interest Rate	363	1,796	2,159
Total Revenue True-up	985	6,434	7,418
Total True-up	4,943	14,660	19,603

It is observed that the deviation in the cost of power purchase is the major reason for the huge true-up amount, created DISCOMs to a pathetic situation and not able pay their dues to the power generation companies. If the Discoms had controlled this cost, there would not have this much of financial burden on them. The tariff hike was not proper for the past few years, this is a major reason for the pathetic condition of the Discoms.

The AP Discoms are supplying the electricity to nearly 1.2 crore consumers with affordable tariff, in spite of the huge financial deficit still. Hence, it is requested to allow the above actual figures and fill the financial deficit as much as possible from the government of AP without burdening the existing consumers, as the major deviation in power purchase cost, which is mainly due to PPAs entered with the direction of the Govt of AP. Further, requested to direct the Discoms to control their expenditure by allowing cost cutting methods, controlling the theft, efficient usage of manpower and resources.

Yours faithfully,

Andhra Pradesh Electricity Regulatory Commission
12 MAY 2020

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From
Yeswanth Prasad
Dy. EE - Ply -
APSPDCL
Tirupathi

To
The Secretary,
APERC, 11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: - True-up petitions filed by AP Discoms

*****

APDISCOMs have filed true-up petitions for FY 14-15, FY 16-17, FY 17-18 and FY 18-19, in which there is huge gap between actual and approved figures. If the commission had done the thorough analysis in the initial days on the deviation using actual figures, then the actual expenditure for the next financial years would not have been deviated much from the approved figures. The financial position of the APDISCOMS was not this much worse prior to FY 2014-15, as the tariff got hiked during those days whenever it was essential for the survival of the Discoms.

In this regard, the Hon'ble commission requested to recognize the present financial position of the Discoms and to organize the road map for the financial wellness of the sector with the coordination of the government. Commission has to take measures for strengthening the government companies as they are working with service motto. If the government companies are running under the financial deficit then it will give chance to franchises or private companies whose main motto is profit, which will become burden for the ordinary consumers to pay such huge bills. Further, the Discoms should focus on the collection of huge arrears and theft penalties and the benefitting court cases as they will help them in meeting the expenditure without the need of much tariff hike.

Yours faithfully,

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From
R. Bharath
18-5-71
Supaiyin nagar
TIRUPATI

To
The Secretary,
APERC, 11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted
Ref: - True-up petitions filed by AP Discoms

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In this regard, the Hon'ble commission requested to recognize the present financial position of the Discoms and to organize the road map for the financial wellness of the sector with the coordination of the government. Commission has to take measures for strengthening the government companies as they are working with service motto. If the government companies are running under the financial deficit then it will give chance to franchises or private companies whose main motto is profit, which will become burden for the ordinary consumers to pay such huge bills. Further, the Discoms should focus on the collection of huge arrears and theft penalties and the benefitting court cases as they will help them in meeting the expenditure without the need of much tariff hike.

Yours faithfully,
R. Bharath,

Andhra Pradesh Electricity Regulatory Commission
12 MAY 2020
Hyderabad

From

R. Bharath,
18-5-91
Saptagirinagar
TIRUPATI

To

The Secretary,
APERC, 11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub :- True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.

Ref: - True-up petitions filed by AP Discoms

*****

In recent true-up filings of Discoms, the true-up claim of Rs.19,603 crores is a huge amount for the Discoms to receive either from the government or through consumers. During the last 5 years the Discoms have entered lot of PPAs with the renewable generators at high prices and the same was approved by the commission. If the commission had done the thorough analysis duly taking the financial position of Discoms while approving the PPAs this situation would not have arisen. The Hon'ble commission while going through the renewable PPAs entered by the Discoms in excess of their RPPO target fixed by the commission should have been rejected stating the reason as bad financial position of the Discom. Renewable PPAs in-excess of RPPO will be burden for both the Discoms and to the consumers as the unit cost is more. If the state government had involved in allowing the PPAs with Discoms then government should also take the responsibility in filling the true-up gap. Further, Discoms should focus on the cheap power as the power prices has come down significantly.

In this regard, it is requested the government, Discoms and the APERC should take the responsibility for the current situation. The commission should act in a stringent manner like a TRAI on the entities involved in the sector for the benefit of the consumers.

Yours faithfully,

R. Bharath.

From
R. Bharathi,
18-5-91,
Saptagiri Nagar
Tirupati.

To
The Secretary,
APERC, 11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.

Ref: - True-up petitions filed by AP Discoms

*****

The AP Discoms have shown the differential revenue as the one of the component of the total gap. While filing the ARR had factored certain conditions for the sales projection, but in actual it may not attain the same due to unforeseen conditions like temperature changes, macro-economic conditions like drop in the GDP due to fall in the industrial growth, stopping and delay in completion of certain projects like lift irrigation etc. Such unforeseen conditions should not become burden to Discoms as they ought to pay fixed cost to the generators and transmission companies.

In this regard, it is requested the Hon'ble commission to allow the gap arising out of drop in the approved revenue to the extent which is not creating heavy burden to the consumers after the thoroughly checking the reasons for such deviation.

Yours faithfully,

R. Bharathi.

Andhra Pradesh Electricity Regulatory Commission
12 MAY 2020

From

To
సెక్రటరి, ఏ.పి.ఇ.ఆర్.సి,
11-4-660, నాల్గవ అంతస్తు
సింగరేణి భవన్, రెడ్ హిల్స్,
లకడి-క-పుల్, హైదరాబాదు.

విషయము : ఆ సం. 14-15, 16-17, 17-18 మరియు 18-19 గాను డిస్కంలు సమర్పించిన ట్రూఅప్స్ గురించి.

ఆర్యా,

ప్రస్తుతము APSPDCL మరియు APEPDCL గౌరవ APERC కి సమర్పించిన ట్రూఅప్స్ ఆ సం. 2014-15, 2016-17, 2017-18 మరియు 2018-19 గాను వెరసి రు. 19,603 కోట్లు కాగా, డిస్కములు రు. 40 వేల కోట్లు అప్పులు వున్నట్లు వినికిడి.

2002 సం. నుండి 2013 సం. వరకు గమనించిన మూడు డిస్కములు APCPDCL, APSPDCL & APEPDCL లాభాలలో ఒక్క APNPDCL మాత్రం కొంచెం నష్టాలలో ఉండేవి.

1) ఆ సం. 2014-15 నుండి ఆ సం. 2018-19 కాలంలో తీసుకున్న నిర్ణయాలవల్ల ప్రతి సంవత్సరము Acual Power Purchase Cost APERC వారు అనుమతించిన Power Purchase cost కన్నా విపరీతముగా పెరిగినది.
2) దీనికితోడు UDAY స్కీములో ప్రతి సంవత్సరము టారిఫ్ పెంపుదల 5% ఉన్నా, రాష్ట్ర ప్రభుత్వ ఆదేశాలమేరకు ఎటువంటి టారిఫ్ పెంచకపోవడము మరియు ప్రభుత్వము ఇచ్చు సబ్సిడీని మాత్రం వాస్తవ రెవెన్యూ తగ్గుదల మేర ఇవ్వకపోవడం.
3) APERC వారు కొన్ని వర్గాల వినియోగదారులకు, TTD, Railways, Aqua hatcheries వంటి Highly Income కలిగిన వారికి టారిఫ్ తగ్గించడం వంటి చర్యలు.
4) వాస్తవంగా ఖర్చులు తగ్గించి లేదా రెవెన్యూ పెంచి తద్వారా టారిఫ్‌లు పెంచకపోయినా, లేదా టారిఫ్ తగ్గించినా హర్షించవలసిన విషయము. అలా కాకుండా ప్రభుత్వం సూచించిన సబ్సిడీకి నిర్ధారణ అయి, ఆమేర రెవెన్యూ లోటు వచ్చునట్లు, ఖర్చులు తగ్గించటం లేదా రెవెన్యూ పెంచడం చేయడం ద్వారానే ఇంత పెద్ద మొత్తాలలో ట్రూఅప్స్ పేరుకుపోయాయి.

పై చర్యల వల్ల డిస్కములు నష్టాల్లోకి వెళ్ళడానికి ప్రధాన కారణాలు. పై చర్యలను APERC వారే అనుమతులు మంజూరు చేయడం జరిగినది. కావున Consumers Interest ను దృష్టి పెట్టుకొని, డిస్కంల True-up ని ఆమోదించి, వీలున్నవరకు ప్రభుత్వము నుండి మరియు సముచితముగా టారిఫ్ నుండి రాబట్ట వలసినదిగా కోరుతూ ఇకనుంచైనా వాస్తవంగా ఖర్చులు తగ్గించి ఆ మేలును వినియోగదారులకు అందించవలసిందిగా కోరుచున్నాము.

ఇట్లు

R. [illegible]

From
R. Bharathi
18-5-91
Saptagiri Nagar
Tirupati

To
The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: - True-up petitions filed by AP Discoms

*****

As the true-ups amount filed by APSPDCL is around Rs.19000 crores, if the commission allow the entire amount then it is burden to the consumers. How the consumers would are responsible for such a heavy gap? If the commission had taken measures in the initial stages it would not have happened. How will the paying consumers be responsible for the loss of the Discoms? There is still rampant theft existing in many districts. The Hon'ble commission has to direct the Discoms and the government in taking the stringent criminal action against the persons who indulged in theft as it is prevailing in the neighboring state Tamilnadu. Already consumers have been paying suitable charges for the consumption of electricity if this gap is added to the ARR then our bills will increase in an uneven manner. If the APERC act like the commission of Gujarat in allowing the periodical tariff hike then our Discoms would have been saved. The Government is not paying the subsidies and dues within the due date, for which the Discoms have to take the short term loans to meet their expenses.

In this regard, it is requested the Hon'ble commission to allow the true-up gap to the extent which is permissible without creating heavy burden on the normal consumers and direct the government for timely payment of the bills of government organizations and agriculture subsidy.

Yours faithfully,

R. Bharathi

From
R. Bharathi
18-5-91
Saptagiri Nagar
Tirupati

To
The Secretary,
APERC, 11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.

Ref: - True-up petitions filed by AP Discoms

*****

In the true-up filings of the Discoms, the actual power purchase cost is deviated much from the approved figures. I feel that, the vast true-up amount is showing negligence of the management while taking the decisions in the procurement of power and in their daily operations. It came known to me that the power purchase activities are happening under the directions of the APPCC which is directed by the Government of A.P. Discoms are procuring power from the various private sources with the pressure from the government which is causing burden to the ordinary consumers. Discoms should focus on the cheap power as the high end consumers are moving towards open access then the remaining consumers have to bear the enormous expenses of the Discom.

In this regard, the Hon'ble commission has to take the measures to protect the interest of the normal consumers by not allowing the entire true-up gap among normal consumers, it should involve the government to bear the gap to the maximum extent. The government companies should be saved as they are doing the true service for all sects of consumers. The collapse of Government Company may allow the private companies who will work for the profits than service to consumers. Hence, the Hon'ble commission take measures to save Discoms.

Yours faithfully,

R. Bharathi

Andhra Pradesh Electricity Regulatory Commission
12 MAY 2020
Hyderabad.

(11)

From
K.Ragaiah
Hsc :3111214001461
Nellatur village , Po
Gudur mandal,
SPSR NELLORE

To

TheSecretary,
APERC,11-4-660, 4thFloor,
Singareni Bhavan, RedHills,
Lakdikapul,Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted
Ref: - True-up petitions filed by AP Discoms

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The true-up petitions were filed by the APDISCOMS with variousgaps as shown below:

	EPDCL	SPDCL	State
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Revenue gap Carrying Cost @ 12% Interest Rate	363	1,796	2,159
Total Revenue True-up	985	6,434	7,418
Total True-up	4,943	14,660	19,603

Itisobservedthatthedeviationinthecostofpowerpurchaseis themajorreason for the huge true-up amount, created DISCOMs to a pathetic situation and not able pay their dues to the power generation companies. If the Discoms had controlled this cost, there would not have this much of financial burden on them. The tariff hike was not proper for the past few years, this is a major reason for the pathetic condition of the Discoms.

The AP Discoms are supplying the electricity to nearly 1.2 crore consumers with affordable tariff, in spite of the huge financial deficit still. Hence, it is requested to allow the above actual figures and fill the financial deficit as much as possible from the government of AP without burdening the existing consumers, as the major deviation in power purchase cost, which is mainly due to PPAs entered with the direction of the Govt of AP. Further, requested to direct the Discoms to control their expenditure by allowing cost cutting methods, controlling the theft, efficient usage of manpower and resources.

Yours faithfully,
Katta. Ragaiah

Andhra Pradesh Electricity Regulatory Commission ★Hyderabad★
12 MAY 2020

(9)

From
K.Ragaiah
Hsc :3111214001461
Nellatur village , Po
Gudur mandal,
SPSR NELLORE

To

TheSecretary,
APERC,11-4-660, 4thFloor,
Singareni Bhavan, RedHills,
Lakdikapul,Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted
Ref: - True-up petitions filed by AP Discoms

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APDISCOMs have filed true-up petitions for FY 14-15, FY 16-17, FY 17-18 and FY 18-19,inwhichthereishugegapbetweenactualandapprovedfigures.Ifthecommission had done the thorough analysis in the initial days on the deviation using actual figures, then the actual expenditure for the next financial years would not have been deviated much from the approved figures. The financial position of the APDISCOMS was not this much worse prior to FY 2014-15, as the tariff got hiked during those days whenever it was essential for the survival of theDiscoms.

In this regard, the Hon'ble commission requested to recognize the present financial position of the Discoms and to organize the road map for the financial wellness ofthesectorwiththecoordinationofthegovernment.Commissionhastotakemeasures for strengthening the government companies as they are working with service motto. If thegovernmentcompaniesarerunningunderthefinancialdeficitthenitwillgivechance tofranchisesorprivatecompanieswhosemainmottoisprofit,whichwillbecomeburden for the ordinary consumers to pay such huge bills. Further, the Discoms should focus on the collection of huge arrears and theft penalties and the benefitting court cases as they will help them in meeting the expenditure without the need of much tariffhike.

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In recent true-up filings of Discoms, the true-up claim of Rs.19,603 crores is a huge amount for the Discoms to receive either from the government or through consumers. During the last 5 years the Discoms have entered lot of PPAs with the renewable generators at high prices and the same was approved by the commission. If the commission had done the thorough analysis duly taking the financial position of Discoms while approving the PPAs this situation would not have arisen. The Hon'ble commission while going through the renewable PPAs entered by the Discoms in excess oftheirRPPOtargetfixedbythecommissionshouldhavebeenrejectedstatingthereason asbadfinancialpositionoftheDiscom.RenewablePPAsin-excessofRPPOwillbeburden for both the Discoms and to the consumers as the unit cost is more. If the state government had involved in allowing the PPAs with Discoms then government should also take the responsibility in filling the true-up gap. Further, Discoms should focus on the cheap power as the power prices has come downsignificantly.

Inthisregard,itisrequestedthegovernment,DiscomsandtheAPERCshouldtake the responsibility for the current situation. The commission should act in a stringent mannerlikeaTRAIontheentitiesinvolvedinthesectorforthebenefitoftheconsumers.

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In this regard, the Hon'ble commission has to take the measures to protect the interest of the normal consumers by not allowing the entire true-up gap among normal consumers, it should involve the government to bear the gap to the maximum extent. The government companies should be saved as they are doing the true service for all sects of consumers. The collapse of Government Company may allow the private companies who will work for the profits than service to consumers. Hence, the Hon'ble commission take measures to save Discoms.

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In this regard, it is requested the Hon'ble commission to allow the true-up gap to theextentwhichispermissiblewithoutcreatingheavyburdenonthenormalconsumers and direct the government for timely payment of the bills of government organizations and agriculturesubsidy.

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From
Chapparam.Nagabhushanamma
HSC NO-3112120003324
KRPURAM
Manubolu Village
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SPSR Nellore District

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The true-up petitions were filed by the APDISCOMS with variousgaps as shown below:

	EPDCL	SPDCL	State
Total Power Purchase Cost True-up	3,187	6,409	9,596
Power Purchase Cost Carrying Cost @ 12% interest Rate	772	1817	2589
Total Power Purchase Cost True-up	3,959	8,226	12,185
Total Revenue True-up	622	4,638	5,260
Revenue gap Carrying Cost @ 12% interest Rate	363	1,796	2,159
Total Revenue True-up	985	6,434	7,418
Total True-up	4,943	14,660	19,603

Itisobservedthatthedeviationinthecostofpowerpurchaseis themajorreason for the huge true-up amount, created DISCOMs to a pathetic situation and not able pay their dues to the power generation companies. If the Discoms had controlled this cost, there would not have this much of financial burden on them. The tariff hike was not proper for the past few years, this is a major reason for the pathetic condition of the Discoms.

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(15)

From
గ.లక్ష్మీదేవి
26-279
గాజులరామారం

To
సెక్రటరీ, ఏ.పి.ఇ.ఆర్.సి,
11-4-660, నాల్గవఅంతస్తు
సింగరేణిభవన్,రెడ్‌హిల్స్,
లకడీ-కా-పుల్,హైదరాబాదు.

విషయము :ఆసం. 14-15, 16-17, 17-18 మరియు 18-19 గానుడిస్కంలుసమర్పించినట్రూఅప్స్ గురించి.

అయ్యా,

ప్రస్తుతము APSPDCL మరియు APEPDCLగారవAPERC కిసమర్పించినట్రూఅప్స్ఆసం. 2014-15, 2016-17, 2017-18 మరియు2018-19 గానువెరసిరు. 19,603కోట్లుకాగా, డిస్కములురు. 40 వేలకోట్లుఅప్పులువున్నట్లువినికిడి.

2002 సం. నుండి2013 సం. వరకుగమనించినమూడుడిస్కములుAPCPDCL, APSPDCL & APEPDCL లాభాలలోఒక్క APNPDCLమాత్రంకొంచెంనష్టాలలోఉండేవి.

1) ఆసం. 2014-15 నుండిఆసం. 2018-19 కాలంలోతీసుకున్ననిర్ణయాలవల్లప్రతిసంవత్సరముAcual Power Purchase CostAPERC వారుఅనుమతించినPower Purchase costకన్నావిపరీతముగాపెరిగినది.

2) దీనితోడుUDAYస్కీములోప్రతిసంవత్సరముటారిఫ్‌పెంపుదల 5% ఉన్నా, రాష్ట్రప్రభుత్వఆదేశాలమేరకుఎటువంటిటారిఫ్ పెంచకపోవడముమరియుప్రభుత్వముశాచ్చుసబ్సిడినిమాత్రంవాస్తవరెవెన్యూతగ్గుదలమేరఇవ్వకపోవడం.

3) APERCవారుకొన్నివర్గాలవినియోగదారులకు, TTD, Railways, Aqua hatcheries వంటిHighly Incomeకలిగినవారికిటారిఫ్‌తగ్గించడంవంటిచర్యలు.

4) వాస్తవంగాఖర్చులుతగ్గించిలేదారెవెన్యూపెంచితద్వారాటారిఫ్‌లుపెంచకపోయినా, లేదాటారిఫ్ తగ్గించినాహర్షించవలసినవిషయము. అలాకాకుండాప్రభుత్వంసూచించినసబ్సిడికినిర్ధారణఅయి, అమేరరెవెన్యూలోటువచ్చునట్లు,

ఖర్చులుతగ్గించటంలేదారెవెన్యూపెంచడంచేయడంద్వారానేశాంతపెద్దమొత్తాలలోట్రూఅప్స్పెరుగుతూ యాయి.

Andhra Pradesh Electricity Regulatory Commission ★Hyderabad★
12 MAY 2020

పైవర్యలవల్లదీన్నిముఖ్యసమస్యగాపరిగణించవలసివస్తోంది.

పైవర్యలను APERC వారిఆమోదముమరియుముందుగాఆమోదించియడంజరిగినది. కావున Consumers Interestనుదృష్టిలోఉంచి, డిస్కంలు True-up నిఆమోదించి, వీలున్నంతవరకు ప్రభుత్వము నుండి మరియు సముచితముగాఆర్థికసంస్థల నుండి రాబట్టి సబ్సిడీగా కోరుతూ ఇక నుంచైనా వాస్తవంగా ఖర్చులు తగ్గించి ఆమేరకు వినియోగదారులకుఅందించవలసిందిగాకోరుచున్నాము.

ఇట్లు

M. లక్ష్మీదేవి

(16)

From
K. Ramakrishna,
H.No. 6-12-7A,
Sangojigudem (V)
Nirmal District

To
The Secretary,
APERC, 11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

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The true-up petitions were filed by the APDISCOMS with various gaps as shown below:

	EPDCL	SPDCL	State
Total Power Purchase Cost True-up	3,187	8,409	9,596
Power Purchase Cost Carrying Cost @ 12% Interest Rate	772	1817	2589
Total Power Purchase Cost True-up	3,959	8,226	12,185
Total Revenue True-up	822	4,638	5,260
Revenue gap Carrying Cost @ 12% Interest Rate	363	1,796	2,159
Total Revenue True-up	885	8,434	7,419
Total True-up	4,843	14,860	19,603

It isobserved that the deviation in the cost of power purchase is the major reason for the huge true-up amount, created DISCOMs to a pathetic situationand not able pay their dues to the power generation companies. If the Discoms had controlled this cost, there would not have this much of financial burden on them. The tariff hike was not proper for the past few years, this is a major reason for the pathetic condition of the Discoms.

The APDiscoms are supplying the electricity to nearly 1.2 crore consumers with affordable tariff, in spite of the huge financial deficit still.Hence, it is requested to allow the above actual figures and fill the financial deficit as much as possible from the government of AP without burdening the existing consumers, as the major deviation in power purchase cost,which is mainly due to PPAs entered with the direction of the Govt of AP,Further, requested to direct the Discoms to control theirexpenditure by allowing cost cutting methods, controlling the theft, efficient usage of manpower and resources.

Yours faithfully,

K. Ramakrishna

(K. RAMAKRISHNA)

K. Ramakrishna

Andhra Pradesh Electricity Regulatory Commission
12 MAY 2020
Hyderabad

(17)

From
S.V.S. Acharyulu
[illegible]
[illegible]
Nandyal

To
The Secretary,
APERC, 11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sub: True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: True-up petitions filed by AP Discoms

*****

As the true-ups amount filed by APSPDCL is around Rs.19000 crores, if the commission allow the entire amount then it is burden to the consumers. How the consumers would are responsible for such a heavy gap? If the commission had taken measures in the initial stages it would not have happened. How will the paying consumers be responsible for the loss of the Discoms? There is still rampant theft existing in many districts. The Hon'ble commission has to direct the Discoms and the government in taking the stringent criminal action against the persons who indulged in theft as it is prevailing in the neighboring state Tamilnadu. Already consumers have been paying suitable charges for the consumption of electricity if this gap is added to the ARR then our bills will increase in an uneven manner. If the APERC act like the commission of Gujarat in allowing the periodical tariff hike then our Discoms would have been saved. The Government is not paying the subsidies and dues within the due date, for which the Discoms have to take the short term loans to meet their expenses.

In this regard, it is requested the Hon'ble commission to allow the true-up gap to the extent which is permissible without creating heavy burden on the normal consumers and direct the government for timely payment of the bills of government organizations and agriculture subsidy.

Yours faithfully,

(S.V. Subramanyam Acharyulu)

Andhra Pradesh Electricity Regulatory Commission
12 MAY 2020
Hyderabad

(18)

From
P.V. Subba Rao
H.No. 28-1063-1-A
Saibaba Nagar
Nizamabad

To
The Secretary,
APERC, 11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: - True-up petitions filed by AP Discoms

*****

As the true-ups amount filed by APSPDCL is around Rs.19000 crores, if the commission allow the entire amount then it is burden to the consumers. How the consumers would are responsible for such a heavy gap? If the commission had taken measures in the initial stages it would not have happened. How will the paying consumers be responsible for the loss of the Discoms? There is still rampant theft existing in many districts. The Hon'ble commission has to direct the Discoms and the government in taking the stringent criminal action against the persons who indulged in theft as it is prevailing in the neighboring state Tamilnadu. Already consumers have been paying suitable charges for the consumption of electricity if this gap is added to the ARR then our bills will increase in an uneven manner. If the APERC act like the commission of Gujarat in allowing the periodical tariff hike then our Discoms would have been saved. The Government is not paying the subsidies and dues within the due date, for which the Discoms have to take the short term loans to meet their expenses. In this regard, it is requested the Hon'ble commission to allow the true-up gap to the extent which is permissible without creating heavy burden on the normal consumers and direct the government for timely payment of the bills of government organizations and agriculture subsidy.

Yours faithfully,

P.V. Subba Rao
H.No. 28-1063-1-A
Saibaba Nagar
Nizamabad, Kurnool (H)

Andhra Pradesh Electricity Regulatory Commission Hyderabad
12 MAY 2020

From
S. Lakshmi Kantha Reddy
H.No. 12-8-1045-B
Sai Baba Nagar
Malakpet
Hyderabad

To
The Secretary,
APERC, 11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: -True-up petitions filed by AP Discoms

*****

APDISCOMs have filed true-up petitions for FY 14-15, FY 16-17, FY 17-18 and FY 18-19, in which there is huge gap between actual and approved figures. If the commission had done the thorough analysis in theinitial dayson the deviation using actual figures, then the actual expenditure for the next financial years would not have been deviated much from the approved figures. The financial position of the APDISCOMS was not this much worse prior to FY 2014-15, as the tariff got hiked during those days whenever it was essential for the survival of the Discoms.

In this regard, the Hon'ble commission requested to recognize the present financial position of the Discoms and to organize the road map for the financial wellness of the sector with the coordination of the government. Commission has to take measures for strengthening the government companies as they are working with service motto. If the government companies are running under the financial deficit then it will give chance to franchises or private companies whose main motto is profit, which will become burden for the ordinary consumers to pay such huge bills. Further, the Discoms should focus on the collection of huge arrears and their penalties and the benefitting court cases as they will help them in meeting the expenditure without the need of much tariff hike

Yours faithfully,

Mobile No. 8431205060500.

Andhra Pradesh Electricity Regulatory Commission ★Hyderabad★
12 MAY 2020

From
K Seshadri
Hyd. 88/852-01
N Secunderabad
Near Post office

To
The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted
Ref: -True-up petitions filed by AP Discoms

*****

APDISCOMs have filed true-up petitions for FY 14-15, FY 16-17, FY 17-18 and FY 18-19, in which there is huge gap between actual and approved figures. If the commission had done the thorough analysis in theinitial dayson the deviation using actual figures, then the actual expenditure for the next financial years would not have been deviated much from the approved figures. The financial position of the APDISCOMS was not this much worse prior to FY 2014-15, as the tariff got hiked during those days whenever it was essential for the survival of the Discoms.

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Yours faithfully,
K Seshadri
Phone 8431208036580

Andhra Pradesh Electricity Regulatory Commission
12 MAY 2020
Hyderabad

21

From

N. Rajamouli
Sanjeevnagar
Nandyal

To

The Secretary,
APERC, 11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: -True-up petitions filed by AP Discoms

*****

The true-up petitions were filed by the APDISCOMS with various gaps as shown below:

	EPDCL	SPDCL	State
Total Power Purchase Cost True-up	3,187	6,400	9,588
Power Purchase Cost Carrying Cost @ 12% Interest Rate	772	1817	2589
Total Power Purchase Cost True-up	3,959	8,220	12,189
Total Revenue True-up	622	4,638	5,260
Revenue gap Carrying Cost @ 12% Interest Rate	363	1,796	2,159
Total Revenue True-up	985	6,434	7,419
Total True-up	4,943	14,660	19,603

It isobserved that the deviation in the cost of power purchase is the major reason for the huge true-up amount, created DISCOMs to a pathetic situationand not able pay their dues to the power generation companies. If the Discoms had controlled this cost, there would not have this much of financial burden on them. The tariff hike was not proper for the past few years, this is a major reason for the pathetic condition of the Discoms.

The APDiscoms are supplying the electricity to nearly 1.2 crore consumers with affordable tariff, in spite of the huge financial deficit still.Hence, it is requested to allow the above actual figures and fill the financial deficit as much as possible from the government of AP without burdening the existing consumers, as the major deviation in power purchase cost,which is mainly due to PPAs entered with the direction of the Govt of AP.Further, requested to direct the Discoms to control theirexpenditure by allowing cost cutting methods, controlling the theft, efficient usage of manpower and resources

Yours faithfully,

N. Rajamouli
Sanjeevnagar
Nandyal

Andhra Pradesh Electricity Regulatory Commission
12 MAY 2020
Hyderabad

From B. Janardhan Naidu,
Contractor,
H.No. 9-6/735-C,
NGO's Colony,
Madanapalle, 517501

To
The Secretary,
APERC, 11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.

Ref: - True-up petitions filed by AP Discoms

*****

The AP Discoms have shown the differential revenue as the one of the component of the total gap. While filing the ARR had factored certain conditions for the sales projection, but in actual it may not attain the same due to unforeseen conditions like temperature changes, macro-economic conditions like drop in the GDP due to fall in the industrial growth, stopping and delay in completion of certain projects like lift irrigation etc. Such unforeseen conditions should not become burden to Discoms as they ought to pay fixed cost to the generators and transmission companies.

In this regard, it is requested the Hon'ble commission to allow the gap arising out of drop in the approved revenue to the extent which is not creating heavy burden to the consumers after the thoroughly checking the reasons for such deviation.

Yours faithfully,

B. Janardhan Naidu

Andhra Pradesh Electricity Regulatory Commission
12 MAY 2020
Hyderabad

(23)

From
M. RAJU
Gnanapuram
Nandyal

To
The Secretary,
APERC, 11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: -True-up petitions filed by AP Discoms

*****

The true-up petitions were filed by the APDISCOMS with various gaps as shown below:

	EPDCL	SPDCL	State
Total Power Purchase Cost True-up	3,187	6,409	9,596
Power Purchase Cost Carrying Cost @ 12% Interest Rate	772	1817	2589
Total Power Purchase Cost True-up	3,959	8,226	12,185
Total Revenue True-up	822	4,038	5,260
Revenue gap Carrying Cost @ 12% Interest Rate	383	1,796	2,179
Total Revenue True-up	985	6,434	7,419
Total True-up	4,943	14,660	19,603

It isobserved that the deviation in the cost of power purchase is the major reason for the huge true-up amount, created DISCOMs to a pathetic situationand not able pay their dues to the power generation companies. If the Discoms had controlled this cost, there would not have this much of financial burden on them. The tariff hike was not proper for the past few years, this is a major reason for the pathetic condition of the Discoms.

The APDiscoms are supplying the electricity to nearly 1.2 crore consumers with affordable tariff, in spite of the huge financial deficit still.Hence, it is requested to allow the above actual figures and fill the financial deficit as much as possible from the government of AP without burdening the existing consumers, as the major deviation in power purchase cost,which is mainly due to PPAs entered with the direction of the Govt of AP.Further, requested to direct the Discoms to control theirexpenditure by allowing cost cutting methods, controlling the theft, efficient usage of manpower and resources

Yours faithfully,

M. Raju.

Andhra Pradesh Electricity Regulatory Commission Hyderabad
12 MAY 2020

From
[illegible]

To
The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir

Sub - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted
Ref -True-up petitions filed by AP Discoms

*****

APDISCOMs have filed true-up petitions for FY 14-15, FY 16-17, FY 17-18 and FY 18-19, in which there is huge gap between actual and approved figures. If the commission had done the thorough analysis in theinitial daysin the deviation using actual figures, then the actual expenditure for the next financial years would not have been deviated much from the approved figures. The financial position of the APDISCOMS was not this much worse prior to FY 2014-15, as the tariff got hiked during those days whenever it was essential for the survival of the Discoms.

In this regard, the Hon'ble commission requested to recognize the present financial position of the Discoms and to organize the road map for the financial wellness of the sector with the coordination of the government. Commission has to take measures for strengthening the government companies as they are working with service motto. If the government companies are running under the financial deficit then it will give chance to franchises or private companies whose main motto is profit, which will become burden for the ordinary consumers to pay such huge bills. Further, the Discoms should focus on the collection of huge arrears and theft penalties and the benefitting court cases as they will help them in meeting the expenditure without the need of much tariff hike.

Yours faithfully,

H Daniel

Andhra Pradesh Electricity Regulatory Commission ★Hyderabad★
12 MAY 2020

To

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sub : True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17,FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.
Ref : True-up petitions filed by AP Discoms

*****

In recent true-up filings of Discoms, the true-up claim of Rs.19,603 crores is a huge amount for the Discoms to receive either from the government or through consumers. During the last 5 years the Discoms have entered lot of PPAs with the renewable generators at high prices and the same was approved by the commission. If the commission had done the thorough analysis duly taking the financial position of Discoms while approving the PPAs this situation would not have arisen. The Hon'ble commission while going through the renewable PPAs entered by the Discoms in excess of their RPPO target fixed by the commission should have been rejected stating the reason as bad financial position of the Discom. Renewable PPAs in-excess of RPPO will be burden for both the Discoms and to the consumers as the unit cost is more. If the state government had involved in allowing the PPAs with Discoms then government should also take the responsibility in filling the true-up gap. Further, Discoms should focus on the cheap power as the power prices has come down significantly.

In this regard, it is requested the government, Discoms and the APERC should take the responsibility for the current situation. The commission should act in a stringent manner like a TRAI on the entities involved in the sector for the benefit of the consumers.

Yours faithfully,

Andhra Pradesh Electricity Regulatory Commission Hyderabad
12 MAY 2020

(26)

From
K. Mary
[illegible]
[illegible]

To

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.

Ref: - True-up petitions filed by AP Discoms

*****

In the true-up filings of the Discoms, the actual power purchase cost is deviated much from the approved figures. I feel that, the vast true-up amount is showing negligence of the management while taking the decisions in the procurement of power and in their daily operations. It came known to me that the power purchase activities are happening under the directions of the APPCC which is directed by the Government of A.P. Discoms are procuring power from the various private sources with the pressure from the government which is causing burden to the ordinary consumers. Discoms should focus on the cheap power as the high end consumers are moving towards open access then the remaining consumers have to bear the enormous expenses of the Discom.

In this regard, the Hon'ble commission has to take the measures to protect the interest of the normal consumers by not allowing the entire true-up gap among normal consumers. It should involve the government to bear the gap to the maximum extent. The government companies should be saved as they are doing the true service for all sects of consumers. The collapse of Government Company may allow the private companies who will work for the profits than service to consumers. Hence, the Hon'ble commission take measures to save Discoms.

Yours faithfully,

K. Mary.

Andhra Pradesh Electricity Regulatory Commission ★Hyderabad★
12 MAY 2020

To

The Secretary,
APERC,11-4-660, 4th Floor,
Singarent Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sub : True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted
Ref : True-up petitions filed by AP Discoms

*****

As the true-ups amount filed by APSPDCL is around Rs.19000 crores, if the commission allow the entire amount then it is burden to the consumers. How the consumers would are responsible for such a heavy gap? If the commission had taken measures in the initial stages it would not have happened. How will the paying consumers be responsible for the loss of the Discoms? There is still rampant theft taking in many districts. The Hon'ble commission has to direct the Discoms and the government in taking the stringent criminal action against the persons who indulged in theft as it is prevailing in the neighboring state Tamilnadu. Already consumers have been paying suitable charges for the consumption of electricity if this gap is added to the ARR then our bills will increase in an uneven manner. If the APERC act like the commission of Gujarat in allowing the periodical tariff hike then our Discoms would have been saved. The Government is not paying the subsidies and dues within the due date for which the Discoms have to take the short term loans to meet their expenses.

In this regard, it is requested the Hon'ble commission to allow the true-up gap to the extent which is permissible without creating heavy burden on the normal consumers and direct the government for timely payment of the bills of government organizations and agriculture subsidy.

Yours faithfully,

Andhra Pradesh Electricity Regulatory Commission ★Hyderabad★
12 MAY 2020

From
Arun Kumar
P. Nagamani
N. Vamsy

To
The Secretary,
APERC, 11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.

Ref: - True-up petitions filed by AP Discoms

*****

The AP Discoms have shown the differential revenue as the one of the component of the total gap While filing the ARR had factored certain conditions for the sales projection, but in actual it may not attain the same due to unforeseen conditions like temperature changes, macro-economic conditions like drop in the GDP due to fall in the industrial growth, stopping and delay in completion of certain projects like lift irrigation etc. Such unforeseen conditions should not become burden to Discoms as they ought to pay fixed cost to the generators and transmission companies.

In this regard, it is requested the Hon'ble commission to allow the gap arising out of drop in the approved revenue to the extent which is not creating heavy burden to the consumers after the thoroughly checking the reasons for such deviation.

Yours faithfully,
Arun Kumar

Andhra Pradesh Electricity Regulatory Commission ★Hyderabad★
12 MAY 2020

From

[illegible]

To
The Secretary,
APERC, 11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

[illegible] petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY [illegible] FY 2018-19-Certain objections/Suggestions- Submitted [illegible] petitions filed by AP Discoms

*****

The true-up petitions were filed by the APDISCOMS with various gaps as shown below

	EPDCL	SPDCL	State
Year Power Purchase Cost True-up	3,187	6,409	9,596
Power Purchase Cost Carrying Cost @ 12% Interest Rate	772	1817	2589
Year Power Purchase Cost True-up	3,959	8,226	12,185
Year Revenue True-up	622	4,638	5,260
Revenue gap Carrying Cost @ 12% Interest Rate	363	1,796	2,159
Year Revenue True-up	985	6,434	7,419
Total True-up	4,943	14,660	19,603

It is observed that the deviation in the cost of power purchase is the major reason for the huge true up amount, created DISCOMs to a pathetic situationand not able pay their dues to the power generation companies. If the Discoms had controlled this cost, they would not have this much of financial burden on them. The tariff hike was not proper for the past few years, this is a major reason for the pathetic condition of the Discoms.

The AP Discoms are supplying the electricity to nearly 1.2 crore consumers with affordable tariff, in spite of the huge financial deficit still.Hence, it is requested to allow the almost actual figures and fill the financial deficit as much as possible from the government of AP without burdening the existing consumers, as the major deviation in power purchase cost,which is mainly due to PPAs entered with the direction of the Govt of AP Further, requested to direct the Discoms to control theirexpenditure by allowing cost cutting methods, controlling the theft, efficient usage of manpower and resources.

Yours faithfully,

(P. RAMESH KUMAR)

Andhra Pradesh Electricity Regulatory Commission ★Hyderabad★
12 MAY 2020

(30)

From

K. Sri Lakshmi
H-No: 30/795 E
Gandhi Nagar
Mahabubnagar.

To

The Secretary,
APERC, 11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted
Ref :-True-up petitions filed by AP Discoms

*****

APDISCOMs have filed true-up petitions for FY 14-15, FY 16-17, FY 17-18 and FY 18-19, in which there is huge gap between actual and approved figures. If the commission had done the thorough analysis in theinitial dayson the deviation using actual figures, then the actual expenditure for the next financial years would not have been deviated much from the approved figures. The financial position of the APDISCOMS was not this much worse prior to FY 2014-15, as the tariff got hiked during those days whenever it was essential for the survival of the Discoms.

In this regard, the Hon'ble commission requested to recognize the present financial position of the Discoms and to organize the road map for the financial wellness of the sector with the coordination of the government. Commission has to take measures for strengthening the government companies as they are working with service motto. If the government companies are running under the financial deficit then it will give chance to franchises or private companies whose main motto is profit, which will become burden for the ordinary consumers to pay such huge bills. Further, the Discoms should focus on the collection of huge arrears and theft penalties and the benefitting court cases as they will help them in meeting the expenditure without the need of much tariff hike.

Yours faithfully,
K. Sri Lakshmi

Andhra Pradesh Electricity Regulatory Commission Hyderabad
12 MAY 2020

To

The Secretary
APERC 11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sub: True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17,FY [illegible] 2018-19 Certain objections/Suggestions- Submitted.
Ref: True-up petitions filed by AP Discoms

*****

[illegible] of Discoms, the true-up claim of Rs.19,603 crores is a huge amount for the Discoms to receive either from the government or through consumers. During the last 5 years the Discoms have entered lot of PPAs with the renewable generators at high prices and the same was approved by the commission. If the commission had done the thorough analysis duly taking the financial position of Discoms while approving the PPAs this situation would not have arisen. The Hon'ble commission while going through the renewable PPAs entered by the Discoms in excess of their RPPO target fixed by the commission should have been rejected stating the reason of bad financial position of the Discom. Renewable PPAs in-excess of RPPO will be burden for both the Discoms and to the consumers as the unit cost is more. If the state government had involved in allowing the PPAs with Discoms then government should also take the responsibility in filling the true-up gap. Further, Discoms should focus on the cheap power as the power prices has come down significantly.

In this regard, it is requested the government, Discoms and the APERC should take the responsibility for the current situation. The commission should act in a stringent manner like a TRAI on the entities involved in the sector for the benefit of the consumers.

Yours faithfully,

[illegible]

Andhra Pradesh Electricity Regulatory Commission ★Hyderabad.★
12 MAY 2020

From

To

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sub: True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.
Ref: True-up petitions filed by AP Discoms

*****

In the true-up filings of the Discoms, the actual power purchase cost is deviated much from the approved figures. I feel that, the vast true-up amount is showing negligence of the management while taking the decisions in the procurement of power and in their daily operations. It came known to me that the power purchase activities are happening under the directions of the APPCC which is directed by the Government of A.P. Discoms are procuring power from the various private sources with the pressure from the government which is causing burden to the ordinary consumers. Discoms should focus on the cheap power as the high end consumers are moving towards open access then the remaining consumers have to bear the enormous expenses of the Discom.

In this regard, the Hon'ble commission has to take the measures to protect the interest of the normal consumers by not allowing the entire true-up gap among normal consumers, it should involve the government to bear the gap to the maximum extent. The government companies should be saved as they are doing the true service for all sects of consumers. The adoption of Government Company may allow the private companies who will work for the profits than service to consumers. Hence, the Hon'ble commission take measures to save Discoms.

Yours faithfully,

(ALIVELU)

Andhra Pradesh Electricity Regulatory Commission Hyderabad
12 MAY 2020

From
M. Thirupathi
1-4-12-D
Reddipalem
Mandal

To
The Secretary,
APERC, 11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted
Ref: - True-up petitions filed by AP Discoms

*****

As the true-ups amount filed by APSPDCL is around Rs 19000 crores. If the commission allow the entire amount then it is burden to the consumers. How the consumers would are responsible for such a heavy gap? If the commission had taken measures in the initial stages it would not have happened. How will the paying consumers be responsible for the loss of the Discoms? There is still rampant theft existing in many districts. The Hon'ble commission has to direct the Discoms and the government in taking the stringent criminal action against the persons who indulged in theft as it is prevailing in the neighboring state Tamilnadu. Already consumers have been paying suitable charges for the consumption of electricity if this gap is added to the ARR then our bills will increase in an uneven manner. If the APERC had take the commission of Gujarat in allowing the periodical tariff hike then our Discoms would have been saved. The Government is not paying the subsidies and does within the due date, for which the Discoms have to take the short term loans to meet their expenses.

In this regard, it is requested the Hon'ble commission to allow the true-up gap to the extent which is permissible without creating heavy burden on the normal consumers and direct the government for timely payment of the bills of government organizations and agriculture subsidy.

Yours faithfully,

M. Thirupathi

Andhra Pradesh Electricity Regulatory Commission ★Hyderabad★
12 MAY 2020

(34)

From

K APARNA
D.No.128-29-12-12A
SBI Colony, Ramdyal

To

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.

Ref - True-up petitions filed by AP Discoms

*****

In the true-up filings of the Discoms, the actual power purchase cost is deviated much from the approved figures. I feel that, the vast true-up amount is showing negligence of the management while taking the decisions in the procurement of power and in their daily operations. It came known to me that the power purchase activities are happening under the directions of the APPCC which is directed by the Government of A.P. Discoms are procuring power from the various private sources with the pressure from the government which is causing burden to the ordinary consumers. Discoms should focus on the cheap power as the high end consumers are moving towards open access then the remaining consumers have to bear the enormous expenses of the Discom.

In this regard, the Hon'ble commission has to take the measures to protect the interest of the normal consumers by not allowing the entire true-up gap among normal consumers. It should involve the government to bear the gap to the maximum extent. The government companies should be saved as they are doing the true service for all sects of consumers. The collapse of Government Company may allow the private companies who will work for the profits than service to consumers. Hence, the Hon'ble commission take measures to save Discoms.

Yours faithfully,
K. Aparna

K. APARNA

Andhra Pradesh Electricity Regulatory Commission ★Hyderabad★
12 MAY 2020

(35)

From
M. Ramaiah
[illegible]
[illegible] Colony
Nandyal.

To

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17,FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.
Ref: - True-up petitions filed by AP Discoms

*****

In recent true-up filings of Discoms, the true-up claim of Rs.19,603 crores is a huge amount for the Discoms to receive either from the government or through consumers. During the last 5 years the Discoms have entered lot of PPAs with the renewable generators at high prices and the same was approved by the commission. If the commission had done the thorough analysis duly taking the financial position of Discoms while approving the PPAs this situation would not have arisen. The Hon'ble commission while going through the renewable PPAs entered by the Discoms in excess of their RPPO target fixed by the commission should have been rejected stating the reason as bad financial position of the Discom. Renewable PPAs in-excess of RPPO will be burden for both the Discoms and to the consumers as the unit cost is more. If the state government had involved in allowing the PPAs with Discoms then government should also take the responsibility in filling the true-up gap. Further, Discoms should focus on the cheap power as the power prices has come down significantly.

In this regard, it is requested the government, Discoms and the APERC should take the responsibility for the current situation. The commission should act in a stringent manner like a TRAI on the entities involved in the sector for the benefit of the consumers.

Yours faithfully,

(M. RAMAIAH)

Andhra Pradesh Electricity Regulatory Commission Hyderabad
12 MAY 2020

From
G. Chandu
H.No. 25/1549
[illegible]
[illegible]

Andhra Pradesh Electricity Regulatory Commission
12 MAY 2020
Hyderabad

To
సెక్రటరి, ఏ.పి.ఇ.ఆర్.సి.
11-4-660, నాల్గవ అంతస్తు
సింగరేణి భవన్, రెడ్ హిల్స్,
లకడి-క-పుల్, హైదరాబాదు.

విషయము : ఆ సం. 14-15, 16-17, 17-18 మరియు 18-19 గాను డిస్కంలు సమర్పించిన ట్రూఅప్స్ గురించి.

అయ్యా,

ప్రస్తుతము APSPDCL మరియు APEPDCL గౌరవ APERC కి సమర్పించిన ట్రూఅప్స్ ఆ సం. 2014-15, 2016-17, 2017-18 మరియు 2018-19 గాను వెరసి రు. 19,603 కోట్లు కాగా, డిస్కములు రు. 40 వేల కోట్లు అప్పులు వున్నట్లు వినికిడి.

2002 సం. నుండి 2013 సం. వరకు గమనించిన మూడు డిస్కములు APCPDCL, APSPDCL & APEPDCL లాభాలలో ఒక్క APNPDCL మాత్రం కొంచెం నష్టాలలో ఉండేవి.

1) ఆ సం. 2014-15 నుండి ఆ సం. 2018-19 కాలంలో తీసుకున్న నిర్ణయాలవల్ల ప్రతి సంవత్సరము Acual Power Purchase Cost APERC వారు అనుమతించిన Power Purchase cost కన్నా విపరీతముగా పెరిగినది.
2) దీనికితోడు UDAY స్కీములో ప్రతి సంవత్సరము టారిఫ్ పెంపుదల 5% ఉన్నా, రాష్ట్ర ప్రభుత్వ ఆదేశాలమేరకు ఎటువంటి టారిఫ్ పెంచకపోవడము మరియు ప్రభుత్వము ఇచ్చు సబ్సిడిని మాత్రం వాస్తవ రెవెన్యూ తగ్గుదల మేర ఇవ్వకపోవడం.
3) APERC వారు కొన్ని వర్గాల వినియోగదారులకు, TTD, Railways, Aqua hatcheries వంటి Highly Income కలిగిన వారికి టారిఫ్ తగ్గించడం వంటి చర్యలు.
4) వాస్తవంగా ఖర్చులు తగ్గించి లేదా రెవెన్యూ పెంచి తద్వారా టారిఫ్‌లు పెంచకపోయినా, లేదా టారిఫ్ తగ్గించినా హర్షించవలసిన విషయము. అలా కాకుండా ప్రభుత్వం సూచించిన సబ్సిడికి నిర్ధారణ అయి, అమేర రెవెన్యూ లోటు వచ్చునట్లు, ఖర్చులు తగ్గించటం లేదా రెవెన్యూ పెంచడం చేయడం ద్వారానే ఇంత పెద్ద మొత్తాలలో ట్రూఅప్స్ పేరుకుపోయాయి.

పై చర్యల వల్ల డిస్కములు నష్టాల్లోకి వెళ్ళడానికి ప్రధాన కారణాలు. పై చర్యలను APERC వారే అనుమతులు మంజూరు చేయడం జరిగినది. కావున Consumers Interest ను దృష్టి పెట్టుకొని, డిస్కంల True-up ని ఆమోదించి, వీటన్నిటికి ప్రభుత్వము నుండి మరియు సముచితముగా టారిఫ్ నుండి వసూలు చేసినదిగా కోరుతూ ఇకనుంచైనా వాస్తవంగా ఖర్చులు తగ్గించి ఆ [illegible] వినియోగదారులకు అందించవలసిందిగా కోరుతున్నాము.

ఇట్లు
G. Chandu

From
M. Rahim Akram
Near Chai-tanya School
Alap colony
Nandyal

To
The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.
Ref: - True-up petitions filed by AP Discoms

*****

The AP Discoms have shown the differential revenue as the one of the component of the total gap. While filing the ARR had factored certain conditions for the sales projection, but in actual it may not attain the same due to unforeseen conditions like temperature changes, macro-economic conditions like drop in the GDP due to fall in the industrial growth, stopping and delay in completion of certain projects like lift irrigation etc. Such unforeseen conditions should not become burden to Discoms as they ought to pay fixed cost to the generators and transmission companies.

In this regard, it is requested the Hon'ble commission to allow the gap arising out of drop in the approved revenue to the extent which is not creating heavy burden to the consumers after the thoroughly checking the reasons for such deviation.

Andhra Pradesh Electricity Regulatory Commission ★ Hyderabad ★
12 MAY 2020

Yours faithfully,

From
P. Nooka Bosha
H.No-[illegible]-251-N2,
Mamta Nagar
Nadigal.

To
The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.
Ref. - True-up petitions filed by AP Discoms

*****

In the true-up filings of the Discoms, the actual power purchase cost is deviated much from the approved figures. I feel that, the vast true-up amount is showing negligence of the management while taking the decisions in the procurement of power and in their daily operations. It came known to me that the power purchase activities are happening under the directions of the APPCC which is directed by the Government of A.P. Discoms are procuring power from the various private sources with the pressure from the government which is causing burden to the ordinary consumers. Discoms should focus on the cheap power as the high end consumers are moving towards open access then the remaining consumers have to bear the enormous expenses of the Discom.

In this regard, the Hon'ble commission has to take the measures to protect the interest of the normal consumers by not allowing the entire true-up gap among normal consumers, it should involve the government to bear the gap to the maximum extent. The government companies should be saved as they are doing the true service for all sects of consumers. The collapse of Government Company may allow the private companies who will work for the profits than service to consumers. Hence, the Hon'ble commission take measures to save Discoms.

Andhra Pradesh Electricity Regulatory Commission
11 MAY 2020

Yours faithfully,

P. Nooka Bosha

From
N. Govinda Das
R. C. Road
Near Sada opposite
Shadiyal

To
The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub :- True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.
Ref. - True-up petitions filed by AP Discoms

*****

The AP Discoms have shown the differential revenue as the one of the component of the total gap. While filing the ARR had factored certain conditions for the sales projection, but in actual it may not attain the same due to unforeseen conditions like temperature changes, macro-economic conditions like drop in the GDP due to fall in the industrial growth, stopping and delay in completion of certain projects like lift irrigation etc. Such unforeseen conditions should not become burden to Discoms as they ought to pay fixed cost to the generators and transmission companies.

In this regard, it is requested the Hon'ble commission to allow the gap arising out of drop in the approved revenue to the extent which is not creating heavy burden to the consumers after the thoroughly checking the reasons for such deviation.

Andhra Pradesh Electricity Regulatory Commission
12 MAY 2020
Hyderabad

Yours faithfully,

From,
C. Hari
Near Chaitanya School
Nehru colony
Nandyal

To
The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: - True-up petitions filed by AP Discoms

*****

As the true-ups amount filed by APSPDCL is around Rs.19000 crores, if the commission allow the entire amount then it is burden to the consumers. How the consumers would are responsible for such a heavy gap? If the commission had taken measures in the initial stages it would not have happened. How will the paying consumers be responsible for the loss of the Discoms? There is still rampant theft existing in many districts. The Hon'ble commission has to direct the Discoms and the government in taking the stringent criminal action against the persons who indulged in theft as it is prevailing in the neighboring state Tamilnadu. Already consumers have been paying suitable charges for the consumption of electricity if this gap is added to the ARR then our bills will increase in an uneven manner. If the APERC act like the commission of Gujarat in allowing the periodical tariff hike then our Discoms would have been saved. The Government is not paying the subsidies and dues within the due date, for which the Discoms have to take the short term loans to meet their expenses.

In this regard, it is requested the Hon'ble commission to allow the true-up gap to the extent which is permissible without creating heavy burden on the normal consumers and direct the government for timely payment of the bills of government organizations and agriculture subsidy.

Yours faithfully,
C. Hari

Andhra Pradesh Electricity Regulatory Commission Hyderabad
12 MAY 2020

P. Somesh
Group - 1 & 2 - IT
Kothi Kunta
Nizamabad

To
The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.
Ref: - True-up petitions filed by AP Discoms

*****

In the true-up filings of the Discoms, the actual power purchase cost is deviated much from the approved figures. I feel that, the vast true-up amount is showing negligence of the management while taking the decisions in the procurement of power and in their daily operations. It came known to me that the power purchase activities are happening under the directions of the APPCC which is directed by the Government of A.P. Discoms are procuring power from the various private sources with the pressure from the government which is causing burden to the ordinary consumers. Discoms should focus on the cheap power as the high end consumers are moving towards open access then the remaining consumers have to bear the enormous expenses of the Discom.

In this regard, the Hon'ble commission has to take the measures to protect the interest of the normal consumers by not allowing the entire true-up gap among normal consumers, it should involve the government to bear the gap to the maximum extent. The government companies should be saved as they are doing the true service for all sects of consumers. The collapse of Government Company may allow the private companies who will work for the profits than service to consumers. Hence, the Hon'ble commission take measures to save Discoms.

Andhra Pradesh Electricity Regulatory Commission
12 MAY 2020
Hyderabad

Yours faithfully,
P. Somesh

42

From
R. Harinath
H.No: 32/637-C
Talari Pally
Moosa Palli
Moulyal

To
The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.

Ref: - True-up petitions filed by AP Discoms

*****

In the true-up filings of the Discoms, the actual power purchase cost is deviated much from the approved figures. I feel that, the vast true-up amount is showing negligence of the management while taking the decisions in the procurement of power and in their daily operations. It came known to me that the power purchase activities are happening under the directions of the APPCC which is directed by the Government of A.P. Discoms are procuring power from the various private sources with the pressure from the government which is causing burden to the ordinary consumers. Discoms should focus on the cheap power as the high end consumers are moving towards open access then the remaining consumers have to bear the enormous expenses of the Discom.

In this regard, the Hon'ble commission has to take the measures to protect the interest of the normal consumers by not allowing the entire true-up gap among normal consumers, it should involve the government to bear the gap to the maximum extent. The government companies should be saved as they are doing the true service for all sects of consumers. The collapse of Government Company may allow the private companies who will work for the profits than service to consumers. Hence, the Hon'ble commission take measures to save Discoms.

Andhra Pradesh Electricity Regulatory Commission Hyderabad
12 MAY 2020

Yours faithfully,
Harinath

(43)

From
K. GOPAL
H.No:12-8-1506,
Sadik Nagar
Nandyal

To
The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: - True-up petitions filed by AP Discoms

*****

As the true-ups amount filed by APSPDCL is around Rs.19000 crores, if the commission allow the entire amount then it is burden to the consumers. How the consumers would are responsible for such a heavy gap? If the commission had taken measures in the initial stages it would not have happened. How will the paying consumers be responsible for the loss of the Discoms? There is still rampant theft existing in many districts. The Hon'ble commission has to direct the Discoms and the government in taking the stringent criminal action against the persons who indulged in theft as it is prevailing in the neighboring state Tamilnadu. Already consumers have been paying suitable charges for the consumption of electricity if this gap is added to the ARR then our bills will increase in an uneven manner. If the APERC act like the commission of Gujarat in allowing the periodical tariff hike then our Discoms would have been saved. The Government is not paying the subsidies and dues within the due date, for which the Discoms have to take the short term loans to meet their expenses.

In this regard, it is requested the Hon'ble commission to allow the true-up gap to the extent which is permissible without creating heavy burden on the normal consumers and direct the government for timely payment of the bills of government organizations and agriculture subsidy.

Yours faithfully,

K. Gopal

Andhra Pradesh Electricity Regulatory Commission
12 MAY 2020
Hyderabad

44

From
G. MADHU
H.No.-20-68-4
[illegible]
[illegible]

To
The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: - True-up petitions filed by AP Discoms

*****

APDISCOMs have filed true-up petitions for FY 14-15, FY 16-17, FY 17-18 and FY 18-19, in which there is huge gap between actual and approved figures. If the commission had done the thorough analysis in the initial days on the deviation using actual figures, then the actual expenditure for the next financial years would not have been deviated much from the approved figures. The financial position of the APDISCOMS was not this much worse prior to FY 2014-15, as the tariff got hiked during those days whenever it was essential for the survival of the Discoms.

In this regard, the Hon'ble commission requested to recognize the present financial position of the Discoms and to organize the road map for the financial wellness of the sector with the coordination of the government. Commission has to take measures for strengthening the government companies as they are working with service motto. If the government companies are running under the financial deficit then it will give chance to franchises or private companies whose main motto is profit, which will become burden for the ordinary consumers to pay such huge bills. Further, the Discoms should focus on the collection of huge arrears and theft penalties and the benefitting court cases as they will help them in meeting the expenditure without the need of much tariff hike.

Yours faithfully,

Andhra Pradesh Electricity Regulatory Commission, Hyderabad
12 MAY 2020

From
కె. భాస్కర్
ఇంటి నం. 25/3-75
శ్రీనివాస నగర్
నెల్లూరు

To
సెక్రటరి, ఏ.పి.ఇ.ఆర్.సి,
11-4-660, నాల్గవ అంతస్తు
సింగరేణి భవన్, రెడ్ హిల్స్,
లకడి-కా-పుల్, హైదరాబాదు.

Andhra Pradesh Electricity Regulatory Commission
12 MAY 2020
Hyderabad

విషయము : ఆ సం. 14-15, 16-17, 17-18 మరియు 18-19 గాను డిస్కంలు సమర్పించిన ట్రూఅప్స్ గురించి.

అయ్యా,

ప్రస్తుతము APSPDCL మరియు APEPDCL గౌరవ APERC కి సమర్పించిన ట్రూఅప్స్ ఆ సం. 2014-15, 2016-17, 2017-18 మరియు 2018-19 గాను వెరసి రు. 19,683 కోట్లు కాగా, డిస్కములు రు. 40 వేల కోట్లు అప్పులు వున్నట్లు వినికిడి.

2002 సం. నుండి 2013 సం. వరకు గమనించిన మూడు డిస్కములు APCPDCL, APSPDCL & APEPDCL లాభాలలో ఒక్క APNPDCL మాత్రం కొంచెం నష్టాలలో ఉండేవి.

1) ఆ సం. 2014-15 నుండి ఆ సం. 2018-19 కాలంలో తీసుకున్న నిర్ణయాలవల్ల ప్రతి సంవత్సరము Acual Power Purchase Cost APERC వారు అనుమతించిన Power Purchase cost కన్నా విపరీతముగా పెరిగినది.
2) దీనికితోడు UDAY స్కీములో ప్రతి సంవత్సరము టారిఫ్ పెంపుదల 5% ఉన్నా, రాష్ట్ర ప్రభుత్వ ఆదేశాలమేరకు ఎటువంటి టారిఫ్ పెంచకపోవడము మరియు ప్రభుత్వము ఇచ్చు సబ్సిడిని మాత్రం వాస్తవ రెవెన్యూ తగ్గుదల మేర ఇవ్వకపోవడం.
3) APERC వారు కొన్ని వర్గాల వినియోగదారులకు, TTD, Railways, Aqua hatcheries వంటి Highly Income కలిగిన వారికి టారిఫ్ తగ్గించడం వంటి చర్యలు.
4) వాస్తవంగా ఖర్చులు తగ్గించి లేదా రెవెన్యూ పెంచి తద్వారా టారిఫ్‌లు పెంచకపోయినా, లేదా టారిఫ్ తగ్గించినా హర్షించవలసిన విషయము. అలా కాకుండా ప్రభుత్వం సూచించిన సబ్సిడికి నిర్ధారణ అయి, ఆమేర రెవెన్యూ లోటు వచ్చునట్లు, ఖర్చులు తగ్గించటం లేదా రెవెన్యూ పెంచడం చేయడం ద్వారానే ఇంత పెద్ద మొత్తాలలో ట్రూఅప్స్ పేరుకుపోయాయి.

పై చర్యల వల్ల డిస్కములు నష్టాల్లోకి వెళ్ళడానికి ప్రధాన కారణాలు. పై చర్యలను APERC వారే అనుమతులు మంజూరు చేయడం జరిగినది. కావున Consumers interest ను దృష్టి పెట్టుకొని, డిస్కంల True-up ని ఆమోదించి, వీలయినంతవరకు ప్రభుత్వము నుండి మరియు సముచితముగా టారిఫ్ నుండి రావాల్సి వలసినదిగా కోరుతూ ఇకనుంచైనా వాస్తవంగా ఖర్చులు తగ్గించి ఆ లాభాలను వినియోగదారులకు అందించవలసిందిగా కోరుచున్నాము.

ఇట్లు

కె. భాస్కర్

From
R. Chiranjeevi
H.No 30-145-32
Gopal Nagar
Mahabubnagar

To
The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.

Ref: - True-up petitions filed by AP Discoms

*****

The AP Discoms have shown the differential revenue as the one of the component of the total gap. While filing the ARR had factored certain conditions for the sales projection, but in actual it may not attain the same due to unforeseen conditions like temperature changes, macro-economic conditions like drop in the GDP due to fall in the industrial growth, stopping and delay in completion of certain projects like lift irrigation etc. Such unforeseen conditions should not become burden to Discoms as they ought to pay fixed cost to the generators and transmission companies.

In this regard, it is requested the Hon'ble commission to allow the gap arising out of drop in the approved revenue to the extent which is not creating heavy burden to the consumers after the thoroughly checking the reasons for such deviation.

Yours faithfully,

R. Chiranjeevi

Andhra Pradesh Electricity Regulatory Commission
12 MAY 2020
Hyderabad

From
M. Javed Pasha
H.No 3-31/316 - A1
Jakkie
Nandyal

To
The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub :- True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted
Ref: - True-up petitions filed by AP Discoms

*****

As the true-ups amount filed by APSPDCL is around Rs.19000 crores, If the commission allow the entire amount then it is burden to the consumers. How the consumers would are responsible for such a heavy gap? If the commission had taken measures in the initial stages it would not have happened. How will the paying consumers be responsible for the loss of the Discoms? There is still rampant theft existing in many districts. The Hon'ble commission has to direct the Discoms and the government in taking the stringent criminal action against the persons who indulged in theft as it is prevailing in the neighboring state Tamilnadu. Already consumers have been paying suitable charges for the consumption of electricity if this gap is added to the ARR then our bills will increase in an uneven manner. If the APERC act like the commission of Gujarat in allowing the periodical tariff hike then our Discoms would have been saved. The Government is not paying the subsidies and dues within the due date, for which the Discoms have to take the short term loans to meet their expenses.

In this regard, it is requested the Hon'ble commission to allow the true-up gap to the extent which is permissible without creating heavy burden on the normal consumers and direct the government for timely payment of the bills of government organizations and agriculture subsidy.

Yours faithfully,

S. Javed Pasha

Andhra Pradesh Electricity Regulatory Commission
12 MAY 2020
Hyderabad

From
M. Vijay Kumar
H.No: 28/150-D
Harijana wada
Neeravalli, Nadgal

To

The Secretary,
APERC, 11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.
Ref: - True-up petitions filed by AP Discoms

*****

In recent true-up filings of Discoms, the true-up claim of Rs.19,603 crores is a huge amount for the Discoms to receive either from the government or through consumers. During the last 5 years the Discoms have entered lot of PPAs with the renewable generators at high prices and the same was approved by the commission. If the commission had done the thorough analysis duly taking the financial position of Discoms while approving the PPAs this situation would not have arisen. The Hon'ble commission while going through the renewable PPAs entered by the Discoms in excess of their RPPO target fixed by the commission should have been rejected stating the reason as bad financial position of the Discom. Renewable PPAs in-excess of RPPO will be burden for both the Discoms and to the consumers as the unit cost is more. If the state government had involved in allowing the PPAs with Discoms then government should also take the responsibility in filling the true-up gap. Further, Discoms should focus on the cheap power as the power prices has come down significantly.

In this regard, it is requested the government, Discoms and the APERC should take the responsibility for the current situation. The commission should act in a stringent manner like a TRAI on the entities involved in the sector for the benefit of the consumers.

Andhra Pradesh Electricity Regulatory Commission
12 MAY 2020
Hyderabad

Yours faithfully,

M. Vijay Kumar

From
S. Gouse
H.No: 28/1076-D4
Saibaba Nagar
Nandyal

To

The Secretary,
APERC, 11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.
Ref: - True-up petitions filed by AP Discoms

*****

In recent true-up filings of Discoms, the true-up claim of Rs.19,603 crores is a huge amount for the Discoms to receive either from the government or through consumers. During the last 5 years the Discoms have entered lot of PPAs with the renewable generators at high prices and the same was approved by the commission. If the commission had done the thorough analysis duly taking the financial position of Discoms while approving the PPAs this situation would not have arisen. The Hon'ble commission while going through the renewable PPAs entered by the Discoms in excess of their RPPO target fixed by the commission should have been rejected stating the reason as bad financial position of the Discom. Renewable PPAs in-excess of RPPO will be burden for both the Discoms and to the consumers as the unit cost is more. If the state government had involved in allowing the PPAs with Discoms then government should also take the responsibility in filling the true-up gap. Further, Discoms should focus on the cheap power as the power prices has come down significantly.

In this regard, it is requested the government, Discoms and the APERC should take the responsibility for the current situation. The commission should act in a stringent manner like a TRAI on the entities involved in the sector for the benefit of the consumers.

Andhra Pradesh Electricity Regulatory Commission ★Hyderabad★
12 MAY 2020

Yours faithfully,
S. Gouse

From
M. వీరప్రసాద్
H.No: 28/811-B
NGO's Colony
Naidyal

Andhra Pradesh Electricity Regulatory Commission Hyderabad
12 MAY 2020

To
సెక్రటరి, ఏ.పి.ఇ.ఆర్.సి,
11-4-660, నాల్గవ అంతస్తు
సింగరేణి భవన్, రెడ్ హిల్స్,
లకడి-క-పుల్, హైదరాబాదు.

విషయము : ఆ సం. 14-15, 16-17, 17-18 మరియు 18-19 గాను డిస్కంలు సమర్పించిన ట్రూఅప్స్ గురించి.

ఆర్యా,

ప్రస్తుతము APSPDCL మరియు APEPDCL గౌరవ APERC కి సమర్పించిన ట్రూఅప్స్ ఆ సం. 2014-15, 2016-17, 2017-18 మరియు 2018-19 గాను వెరసి రు. 19,603 కోట్లు కాగా, డిస్కములు రు. 40 వేల కోట్లు అప్పులు వున్నట్లు వినికిడి.

2002 సం. నుండి 2013 సం. వరకు గమనించిన మూడు డిస్కములు APCPDCL, APSPDCL & APEPDCL లాభాలలో ఒక్క APNPDCL మాత్రం కొంచెం నష్టాలలో ఉండేవి.

1) ఆ సం. 2014-15 నుండి ఆ సం. 2018-19 కాలంలో తీసుకున్న నిర్ణయాలవల్ల ప్రతి సంవత్సరము Acual Power Purchase Cost APERC వారు అనుమతించిన Power Purchase cost కన్నా విపరీతముగా పెరిగినది.
2) దీనికితోడు UDAY స్కీములో ప్రతి సంవత్సరము టారిఫ్ పెంపుదల 5% ఉన్నా, రాష్ట్ర ప్రభుత్వ ఆదేశాలమేరకు ఎటువంటి టారిఫ్ పెంచకపోవడము మరియు ప్రభుత్వము ఇచ్చు సబ్సిడిని మాత్రం వాస్తవ రెవెన్యూ తగ్గుదల మేర ఇవ్వకపోవడం.
3) APERC వారు కొన్ని వర్గాల వినియోగదారులకు, TTD, Railways, Aqua hatcheries వంటి Highly Income కలిగిన వారికి టారిఫ్ తగ్గించడం వంటి చర్యలు.
4) వాస్తవంగా ఖర్చులు తగ్గించి లేదా రెవెన్యూ పెంచి తద్వారా టారిఫ్‌లు పెంచకపోయినా, లేదా టారిఫ్ తగ్గించినా హర్షించవలసిన విషయము. అలా కాకుండా ప్రభుత్వం సూచించిన సబ్సిడికి నిర్ధారణ అయి, ఆమేర రెవెన్యూ లోటు వచ్చునట్లు, ఖర్చులు తగ్గించటం లేదా రెవెన్యూ పెంచడం చేయడం ద్వారానే ఇంత పెద్ద మొత్తాలలో ట్రూఅప్స్ పేరుకుపోయాయి.

పై చర్యల వల్ల డిస్కములు నష్టాల్లోకి వెళ్ళడానికి ప్రధాన కారణాలు. పై చర్యలను APERC వారే అనుమతులు మంజూరు చేయడం జరిగినది. కావున Consumers Interest ను దృష్టి పెట్టుకొని, డిస్కంల True-up ని ఆమోదించి, వీలున్నవరకు ప్రభుత్వము నుండి మరియు సముచితముగా టారిఫ్ నుండి రాబట్ట వలసినదిగా కోరుతూ ఇకనుంచైనా వాస్తవంగా ఖర్చులు తగ్గించి ఆ మేలును వినియోగదారులకు అందించవలసిందిగా కోరుచున్నాము.

ఇట్లు
M. Veera Prasad
Naidyal

63

From
K. మోసెస్
H.NO: 28/161-D
Gopal Nagar
Nandyal

Andhra Pradesh Electricity Regulatory Commission
12 MAY 2020

To
సెక్రటరి, ఏ.పి.ఇ.ఆర్.సి,
11-4-660, నాల్గవ అంతస్తు
సింగరేణి భవన్, రెడ్ హిల్స్,
లకడి-క-పుల్, హైదరాబాదు.

విషయము : ఆ సం. 14-15, 16-17, 17-18 మరియు 18-19 గాను డిస్కంలు సమర్పించిన ట్రూఅప్స్ గురించి.

ఆర్యా,

ప్రస్తుతము APSPDCL మరియు APEPDCL గౌరవ APERC కి సమర్పించిన ట్రూఅప్స్ ఆ సం. 2014-15, 2016-17, 2017-18 మరియు 2018-19 గాను వెరసి రు. 19,603 కోట్లు కాగా, డిస్కములు రు. 40 వేల కోట్లు అప్పులు వున్నట్లు వినికిడి.

2002 సం. నుండి 2013 సం. వరకు గమనించిన మూడు డిస్కములు APCPDCL, APSPDCL & APEPDCL లాభాలలో ఒక్క APNPDCL మాత్రం కొంచెం నష్టాలలో ఉండేవి.

1) ఆ సం. 2014-15 నుండి ఆ సం. 2018-19 కాలంలో తీసుకున్న నిర్ణయాలవల్ల ప్రతి సంవత్సరము Acual Power Purchase Cost APERC వారు అనుమతించిన Power Purchase cost కన్నా విపరీతముగా పెరిగినది.
2) దీనికితోడు UDAY స్కీములో ప్రతి సంవత్సరము టారిఫ్ పెంపుదల 5% ఉన్నా, రాష్ట్ర ప్రభుత్వ ఆదేశాలమేరకు ఎటువంటి టారిఫ్ పెంచకపోవడము మరియు ప్రభుత్వము ఇచ్చు సబ్సిడీని మాత్రం వాస్తవ రెవెన్యూ తగ్గుదల మేర ఇవ్వకపోవడం.
3) APERC వారు కొన్ని వర్గాల వినియోగదారులకు, TTD, Railways, Aqua hatcheries వంటి Highly Income కలిగిన వారికి టారిఫ్ తగ్గించడం వంటి చర్యలు.
4) వాస్తవంగా ఖర్చులు తగ్గించి లేదా రెవెన్యూ పెంచి తద్వారా టారిఫ్‌లు పెంచకపోయినా, లేదా టారిఫ్ తగ్గించినా హర్షించవలసిన విషయము. అలా కాకుండా ప్రభుత్వం సూచించిన సబ్సిడికి నిర్ధారణ అయి, ఆమేర రెవెన్యూ లోటు వచ్చునట్లు, ఖర్చులు తగ్గించటం లేదా రెవెన్యూ పెంచడం చేయడం ద్వారానే ఇంత పెద్ద మొత్తాలలో ట్రూఅప్స్ పేరుకుపోయాయి.

పై చర్యల వల్ల డిస్కములు నష్టాల్లోకి వెళ్ళడానికి ప్రధాన కారణాలు. పై చర్యలను APERC వారే అనుమతులు మంజూరు చేయడం జరిగినది. కావున Consumers Interest ను దృష్టి పెట్టుకొని, డిస్కంల True-up ని ఆమోదించి, వీలున్నవరకు ప్రభుత్వము నుండి మరియు సముచితముగా టారిఫ్ నుండి రాబట్ట వలసినదిగా కోరుతూ ఇకనుంచైనా వాస్తవంగా ఖర్చులు తగ్గించి ఆ మేలును వినియోగదారులకు అందించవలసిందిగా కోరుచున్నాము.

ఇట్లు
Moses

From

K. [illegible]
H. No. 28/851-[illegible]
[illegible]

Andhra Pradesh Electricity Regulatory Commission
12 MAY 2020
Hyderabad

To
సెక్రటరి, ఏ.పి.ఇ.ఆర్.సి.
11-4-660, నాలవ అంతస్తు
సింగరేణి భవన్, రెడ్ హిల్స్,
లకడి-క-పుల్, హైదరాబాదు.

విషయము : ఆ సం. 14-15, 16-17, 17-18 మరియు 18-19 గాను డిస్కంలు సమర్పించిన ట్రూఅప్స్ గురించి.

ఆర్యా,

ప్రస్తుతము APSPDCL మరియు APEPDCL గౌరవ APERC కి సమర్పించిన ట్రూఅప్స్ ఆ సం. 2014-15, 2016-17, 2017-18 మరియు 2018-19 గాను వెరసి రు. 19,603 కోట్లు కాగా, డిస్కములు రు. 40 వేల కోట్లు అప్పులు వున్నట్లు వినికిడి.

2002 సం. నుండి 2013 సం. వరకు గమనించిన మూడు డిస్కములు APCPDCL, APSPDCL & APEPDCL లాభాలలో ఒక్క APNPDCL మాత్రం కొంచెం నష్టాలలో ఉండేవి.

1) ఆ సం. 2014-15 నుండి ఆ సం. 2018-19 కాలంలో తీసుకున్న నిర్ణయాలవల్ల ప్రతి సంవత్సరము Acual Power Purchase Cost APERC వారు అనుమతించిన Power Purchase cost కన్నా విపరీతముగా పెరిగినది.
2) దీనికితోడు UDAY స్కీములో ప్రతి సంవత్సరము టారిఫ్ పెంపుదల 5% ఉన్నా, రాష్ట్ర ప్రభుత్వ ఆదేశాలమేరకు ఎటువంటి టారిఫ్ పెంచకపోవడము మరియు ప్రభుత్వము ఇచ్చు సబ్సిడిని మాత్రం వాస్తవ రెవెన్యూ తగ్గుదల మేర ఇవ్వకపోవడం.
3) APERC వారు కొన్ని వర్గాల వినియోగదారులకు, ITD, Railways, Aqua hatcheries వంటి Highly Income కలిగిన వారికి టారిఫ్ తగ్గించడం వంటి చర్యలు.
4) వాస్తవంగా ఖర్చులు తగ్గించి లేదా రెవెన్యూ పెంచి తద్వారా టారిఫ్‌లు పెంచకపోయినా, లేదా టారిఫ్ తగ్గించినా హర్షించవలసిన విషయము. అలా కాకుండా ప్రభుత్వం సూచించిన సబ్సిడికి నిర్ధారణ అయి, ఆమేర రెవెన్యూ లోటు వచ్చునట్లు, ఖర్చులు తగ్గించటం లేదా రెవెన్యూ పెంచడం చేయడం ద్వారానే ఇంత పెద్ద మొత్తాలలో ట్రూఅప్స్ పేరుకుపోయాయి.

పై చర్యల వల్ల డిస్కములు నష్టాల్లోకి వెళ్ళడానికి ప్రధాన కారణాలు. పై చర్యలను APERC వారే అనుమతులు మంజూరు చేయడం జరిగినది. కావున Consumers Interest ను దృష్టి పెట్టుకొని, డిస్కంల True-up ని ఆమోదించి, వీలున్నవరకు ప్రభుత్వము నుండి మరియు సముచితముగా టారిఫ్ నుండి రాబట్ట వలసినదిగా కోరుతూ ఇకనుంచైనా వాస్తవంగా ఖర్చులు తగ్గించి ఆ మేలును వినియోగదారులకు అందించవలసిందిగా కోరుచున్నాము.

ఇట్లు
[illegible]

(65)

Andhra Pradesh Electricity Regulatory Commission
12 MAY 2020
Hyderabad.

From
K. నాగేశ్వర్ రావు
H.No: 22/145
Near mahanandhi Temple
Kota Street, Nadyal

To
సెక్రటరి, ఏ.పి.ఇ.ఆర్.సి,
11-4-660, నాల్గవ అంతస్తు
సింగరేణి భవన్, రెడ్ హిల్స్,
లకడి-క-పుల్, హైదరాబాదు.

విషయము : ఆ సం. 14-15, 16-17, 17-18 మరియు 18-19 గాను డిస్కంలు సమర్పించిన ట్రూఅప్స్ గురించి.

ఆర్యా,

ప్రస్తుతము APSPDCL మరియు APEPDCL గౌరవ APERC కి సమర్పించిన ట్రూఅప్స్ ఆ సం. 2014-15, 2016-17, 2017-18 మరియు 2018-19 గాను వెరసి రు. 19,603 కోట్లు కాగా, డిస్కములు రు. 40 వేల కోట్లు అప్పులు వున్నట్లు వినికిడి.

2002 సం. నుండి 2013 సం. వరకు గమనించిన మూడు డిస్కములు APCPDCL, APSPDCL & APEPDCL లాభాలలో ఒక్క APNPDCL మాత్రం కొంచెం నష్టాలలో ఉండేవి.

1) ఆ సం. 2014-15 నుండి ఆ సం. 2018-19 కాలంలో తీసుకున్న నిర్ణయాలవల్ల ప్రతి సంవత్సరము Acual Power Purchase Cost APERC వారు అనుమతించిన Power Purchase cost కన్నా విపరీతముగా పెరిగినది.
2) దీనికితోడు UDAY స్కీములో ప్రతి సంవత్సరము టారిఫ్ పెంపుదల 5% ఉన్నా, రాష్ట్ర ప్రభుత్వ ఆదేశాలమేరకు ఎటువంటి టారిఫ్ పెంచకపోవడము మరియు ప్రభుత్వము ఇచ్చు సబ్సిడిని మాత్రం వాస్తవ రెవెన్యూ తగ్గుదల మేర ఇవ్వకపోవడం.
3) APERC వారు కొన్ని వర్గాల వినియోగదారులకు, TTD, Railways, Aqua hatcheries వంటి Highly Income కలిగిన వారికి టారిఫ్ తగ్గించడం వంటి చర్యలు.
4) వాస్తవంగా ఖర్చులు తగ్గించి లేదా రెవెన్యూ పెంచి తద్వారా టారిఫ్‌లు పెంచకపోయినా, లేదా టారిఫ్ తగ్గించినా హర్షించవలసిన విషయము. అలా కాకుండా ప్రభుత్వం సూచించిన సబ్సిడికి నిర్ధారణ అయి, ఆమేర రెవెన్యూ లోటు వచ్చునట్లు, ఖర్చులు తగ్గించటం లేదా రెవెన్యూ పెంచడం చేయడం ద్వారానే ఇంత పెద్ద మొత్తాలలో ట్రూఅప్స్ పేరుకుపోయాయి.

పై చర్యల వల్ల డిస్కములు నష్టాల్లోకి వెళ్ళడానికి ప్రధాన కారణాలు. పై చర్యలను APERC వారే అనుమతులు మంజూరు చేయడం జరిగినది. కావున Consumers Interest ను దృష్టి పెట్టుకొని, డిస్కంల True-up ని ఆమోదించి, వీలున్నవరకు ప్రభుత్వము నుండి మరియు సముచితముగా టారిఫ్ నుండి రాబట్ట వలసినదిగా కోరుతూ ఇకనుంచైనా వాస్తవంగా ఖర్చులు తగ్గించి ఆ మేలును వినియోగదారులకు అందించవలసిందిగా కోరుచున్నాము.

ఇట్లు
K. Nageswara Rao

From
A. చిన్న కాశయ్య
H.No : 29/178-28
SBI కాలనీ
Nadigal

Andhra Pradesh Electricity Regulatory Commission ★Hyderabad★
12 MAY 2020

To
సెక్రటరి, ఏ.పి.ఇ.ఆర్.సి,
11-4-660, నాల్గవ అంతస్తు
సింగరేణి భవన్, రెడ్ హిల్స్,
లకడి-క-పుల్, హైదరాబాదు.

విషయము : ఆ సం. 14-15, 16-17, 17-18 మరియు 18-19 గాను డిస్కంలు సమర్పించిన ట్రూఅప్స్ గురించి.

ఆర్యా,

ప్రస్తుతము APSPDCL మరియు APEPDCL గౌరవ APERC కి సమర్పించిన ట్రూఅప్స్ ఆ సం. 2014-15, 2016-17, 2017-18 మరియు 2018-19 గాను వెరసి రు. 19,603 కోట్లు కాగా, డిస్కములు రు. 40 వేల కోట్లు అప్పులు వున్నట్లు వినికిడి.

2002 సం. నుండి 2013 సం. వరకు గమనించిన మూడు డిస్కములు APCPDCL, APSPDCL & APEPDCL లాభాలలో ఒక్క APNPDCL మాత్రం కొంచెం నష్టాలలో ఉండేవి.

1) ఆ సం. 2014-15 నుండి ఆ సం. 2018-19 కాలంలో తీసుకున్న నిర్ణయాలవల్ల ప్రతి సంవత్సరము Acual Power Purchase Cost APERC వారు అనుమతించిన Power Purchase cost కన్నా విపరీతముగా పెరిగినది.
2) దీనికితోడు UDAY స్కీములో ప్రతి సంవత్సరము టారిఫ్ పెంపుదల 5% ఉన్నా, రాష్ట్ర ప్రభుత్వ ఆదేశాలమేరకు ఎటువంటి టారిఫ్ పెంచకపోవడము మరియు ప్రభుత్వము ఇచ్చు సబ్సిడిని మాత్రం వాస్తవ రెవెన్యూ తగ్గుదల మేర ఇవ్వకపోవడం.
3) APERC వారు కొన్ని వర్గాల వినియోగదారులకు, TTD, Railways, Aqua hatcheries వంటి Highly Income కలిగిన వారికి టారిఫ్ తగ్గించడం వంటి చర్యలు.
4) వాస్తవంగా ఖర్చులు తగ్గించి లేదా రెవెన్యూ పెంచి తద్వారా టారిఫ్‌లు పెంచకపోయినా, లేదా టారిఫ్ తగ్గించినా హర్షించవలసిన విషయము. అలా కాకుండా ప్రభుత్వం సూచించిన సబ్సిడికి నిర్ధారణ అయి, ఆమేర రెవెన్యూ లోటు వచ్చునట్లు, ఖర్చులు తగ్గించటం లేదా రెవెన్యూ పెంచడం చేయడం ద్వారానే ఇంత పెద్ద మొత్తాలలో ట్రూఅప్స్ పేరుకుపోయాయి.

పై చర్యల వల్ల డిస్కములు నష్టాల్లోకి వెళ్ళడానికి ప్రధాన కారణాలు. పై చర్యలను APERC వారే అనుమతులు మంజూరు చేయడం జరిగినది. కావున Consumers Interest ను దృష్టి పెట్టుకొని, డిస్కంల True-up ని ఆమోదించి, వీలున్నవరకు ప్రభుత్వము నుండి మరియు సముచితముగా టారిఫ్ నుండి రాబట్ట వలసినదిగా కోరుతూ ఇకనుంచైనా వాస్తవంగా ఖర్చులు తగ్గించి ఆ మేలును వినియోగదారులకు అందించవలసిందిగా కోరుచున్నాము.

ఇట్లు
A. ch. Kasaiah.

From

S. Srinivasulu
H.No.: 8/335
Kuna Peta
Nandyal

To
The Secretary,
APERC, 11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: - True-up petitions filed by AP Discoms

*****

The true-up petitions were filed by the APDISCOMS with various gaps as shown below:

	EPDCL	SPDCL	State
Total Power Purchase Cost True-up	3,187	6,409	9,596
Power Purchase Cost Carrying Cost @ 12% Interest Rate	772	1817	2589
Total Power Purchase Cost True-up	3,959	8,226	12,185
Total Revenue True-up	622	4,638	5,260
Revenue gap Carrying Cost @ 12% Interest Rate	363	1,796	2,159
Total Revenue True-up	985	6,434	7,418
Total True-up	4,943	14,660	19,603

It is observed that the deviation in the cost of power purchase is the major reason for the huge true-up amount, created DISCOMs to a pathetic situation and not able pay their dues to the power generation companies. If the Discoms had controlled this cost, there would not have this much of financial burden on them. The tariff hike was not proper for the past few years, this is a major reason for the pathetic condition of the Discoms.

The AP Discoms are supplying the electricity to nearly 1.2 crore consumers with affordable tariff, in spite of the huge financial deficit still. Hence, it is requested to allow the above actual figures and fill the financial deficit as much as possible from the government of AP without burdening the existing consumers, as the major deviation in power purchase cost, which is mainly due to PPAs entered with the direction of the Govt of AP. Further, requested to direct the Discoms to control their expenditure by allowing cost cutting methods, controlling the theft, efficient usage of manpower and resources.

Andhra Pradesh Electricity Regulatory Commission
12 MAY 2020
Hyderabad

Yours faithfully,

S. Srinivasulu

From

U. Sudhakar
H.No.: 28/844-U13
Vishnu Nagar
Nandyal

To
The Secretary,
APERC, 11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: - True-up petitions filed by AP Discoms

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Andhra Pradesh Electricity Regulatory Commission
12 MAY 2020
Hyderabad

Yours faithfully,

U. Sudhakar

From
K. Ram mohan
H.No. 26/76-A
Noone Palli, Harijana wada
Nandyal

To
The Secretary,
APERC, 11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: - True-up petitions filed by AP Discoms

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The true-up petitions were filed by the APDISCOMS with various gaps as shown below:

	EPDCL	SPDCL	State
Total Power Purchase Cost True-up	3,187	6,409	9,596
Power Purchase Cost Carrying Cost @ 12% Interest Rate	772	1817	2589
Total Power Purchase Cost True-up	3,959	8,226	12,185
Total Revenue True-up	622	4,638	5,260
Revenue gap Carrying Cost @ 12% Interest Rate	363	1,796	2,159
Total Revenue True-up	985	6,434	7,418
Total True-up	4,943	14,660	19,603

It is observed that the deviation in the cost of power purchase is the major reason for the huge true-up amount, created DISCOMs to a pathetic situation and not able pay their dues to the power generation companies. If the Discoms had controlled this cost, there would not have this much of financial burden on them. The tariff hike was not proper for the past few years, this is a major reason for the pathetic condition of the Discoms.

The AP Discoms are supplying the electricity to nearly 1.2 crore consumers with affordable tariff, in spite of the huge financial deficit still. Hence, it is requested to allow the above actual figures and fill the financial deficit as much as possible from the government of AP without burdening the existing consumers, as the major deviation in power purchase cost, which is mainly due to PPAs entered with the direction of the Govt of AP. Further, requested to direct the Discoms to control their expenditure by allowing cost cutting methods, controlling the theft, efficient usage of manpower and resources.

Andhra Pradesh Electricity Regulatory Commission Hyderabad
12 MAY 2020

Yours faithfully,
K. Rammohan

From

P. Bhakar Reddy
H.No.: 28/1076-A2
Saibaba Nagar
Naidyal

To
The Secretary,
APERC, 11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted
Ref: - True-up petitions filed by AP Discoms

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APDISCOMs have filed true-up petitions for FY 14-15, FY 16-17, FY 17-18 and FY 18-19, in which there is huge gap between actual and approved figures. If the commission had done the thorough analysis in the initial days on the deviation using actual figures, then the actual expenditure for the next financial years would not have been deviated much from the approved figures. The financial position of the APDISCOMS was not this much worse prior to FY 2014-15, as the tariff got hiked during those days whenever it was essential for the survival of the Discoms.

In this regard, the Hon'ble commission requested to recognize the present financial position of the Discoms and to organize the road map for the financial wellness of the sector with the coordination of the government. Commission has to take measures for strengthening the government companies as they are working with service motto. If the government companies are running under the financial deficit then it will give chance to franchises or private companies whose main motto is profit, which will become burden for the ordinary consumers to pay such huge bills. Further, the Discoms should focus on the collection of huge arrears and theft penalties and the benefitting court cases as they will help them in meeting the expenditure without the need of much tariff hike.

Andhra Pradesh Electricity Regulatory Commission
12 MAY 2020
Hyderabad.

Yours faithfully,

P. Bhaskar Reddy ALM

From
S. Linganna
H.No.: 29/178-28-B
SBI colony
Naidyal

To
The Secretary,
APERC, 11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted
Ref: - True-up petitions filed by AP Discoms

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Andhra Pradesh Electricity Regulatory Commission ★Hyderabad★
12 MAY 2020

Yours faithfully,
Linganna

From
B. Suresh Babu
H.No.: 26/154-G2
Gnana Puram
Nandyal

To
The Secretary,
APERC, 11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.
Ref: - True-up petitions filed by AP Discoms

*****

In recent true-up filings of Discoms, the true-up claim of Rs.19,603 crores is a huge amount for the Discoms to receive either from the government or through consumers. During the last 5 years the Discoms have entered lot of PPAs with the renewable generators at high prices and the same was approved by the commission. If the commission had done the thorough analysis duly taking the financial position of Discoms while approving the PPAs this situation would not have arisen. The Hon'ble commission while going through the renewable PPAs entered by the Discoms in excess of their RPPO target fixed by the commission should have been rejected stating the reason as bad financial position of the Discom. Renewable PPAs in-excess of RPPO will be burden for both the Discoms and to the consumers as the unit cost is more. If the state government had involved in allowing the PPAs with Discoms then government should also take the responsibility in filling the true-up gap. Further, Discoms should focus on the cheap power as the power prices has come down significantly.

In this regard, it is requested the government, Discoms and the APERC should take the responsibility for the current situation. The commission should act in a stringent manner like a TRAI on the entities involved in the sector for the benefit of the consumers.

Andhra Pradesh Electricity Regulatory Commission
12 MAY 2020
Hyderabad

Yours faithfully,

B. Suresh Babu

73

From
C. Subramanyam
3-6-250 H19,
A.G.O's Colony
Kurnool

To
The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.
Ref: - True-up petitions filed by AP Discoms

*****

The AP Discoms have shown the differential revenue as the one of the component of the total gap. While filing the ARR had factored certain conditions for the sales projection, but in actual it may not attain the same due to unforeseen conditions like temperature changes, macro-economic conditions like drop in the GDP due to fall in the industrial growth, stopping and delay in completion of certain projects like lift irrigation etc. Such unforeseen conditions should not become burden to Discoms as they ought to pay fixed cost to the generators and transmission companies.

In this regard, it is requested the Hon'ble commission to allow the gap arising out of drop in the approved revenue to the extent which is not creating heavy burden to the consumers after the thoroughly checking the reasons for such deviation.

Yours faithfully,
C. Subramanyam
(C. Subramanyam)

Andhra Pradesh Electricity Regulatory Commission ★Hyderabad★
12 MAY 2020

From
B. Ravindra Reddy
H. No: 29
MIG Housing board Colony
Kukatpally

To
The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.
Ref: - True-up petitions filed by AP Discoms

*****

In the true-up filings of the Discoms, the actual power purchase cost is deviated much from the approved figures. I feel that, the vast true-up amount is showing negligence of the management while taking the decisions in the procurement of power and in their daily operations. It came known to me that the power purchase activities are happening under the directions of the APPCC which is directed by the Government of A.P. Discoms are procuring power from the various private sources with the pressure from the government which is causing burden to the ordinary consumers. Discoms should focus on the cheap power as the high end consumers are moving towards open access then the remaining consumers have to bear the enormous expenses of the Discom.

In this regard, the Hon'ble commission has to take the measures to protect the interest of the normal consumers by not allowing the entire true-up gap among normal consumers, it should involve the government to bear the gap to the maximum extent. The government companies should be saved as they are doing the true service for all sects of consumers. The collapse of Government Company may allow the private companies who will work for the profits than service to consumers. Hence, the Hon'ble commission take measures to save Discoms.

Yours faithfully,

B. Ravindra Reddy

Andhra Pradesh Electricity Regulatory Commission ★Hyderabad★
1055
22 MAY 2020

From
M. Vijendra Chary
H.No. 91/4-190-5-103,
Nagalaxmi Dwaraka Residency,
Mamatha Nagar, Kurnool.

To
The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted
Ref: -True-up petitions filed by AP Discoms

*****

APDISCOMs have filed true-up petitions for FY 14-15, FY 16-17, FY 17-18 and FY 18-19, in which there is huge gap between actual and approved figures. If the commission had done the thorough analysis in theinitial dayson the deviation using actual figures, then the actual expenditure for the next financial years would not have been deviated much from the approved figures. The financial position of the APDISCOMS was not this much worse prior to FY 2014-15, as the tariff got hiked during those days whenever it was essential for the survival of the Discoms.

In this regard, the Hon'ble commission requested to recognize the present financial position of the Discoms and to organize the road map for the financial wellness of the sector with the coordination of the government. Commission has to take measures for strengthening the government companies as they are working with service motto. If the government companies are running under the financial deficit then it will give chance to franchises or private companies whose main motto is profit, which will become burden for the ordinary consumers to pay such huge bills. Further, the Discoms should focus on the collection of huge arrears and theft penalties and the benefitting court cases as they will help them in meeting the expenditure without the need of much tariff hike.

Yours faithfully,
M.V. Chary
(M. Vijendra Chary)

Andhra Pradesh Electricity Regulatory Commission ★Hyderabad★
1056
22 MAY 2020

From
R.M. Harithabai,
Junior Engineer,
Technical section,
circle office,
Kurnool.

To

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17,FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.
Ref: - True-up petitions filed by AP Discoms

*****

In recent true-up filings of Discoms, the true-up claim of Rs.19,603 crores is a huge amount for the Discoms to receive either from the government or through consumers. During the last 5 years the Discoms have entered lot of PPAs with the renewable generators at high prices and the same was approved by the commission. If the commission had done the thorough analysis duly taking the financial position of Discoms while approving the PPAs this situation would not have arisen. The Hon'ble commission while going through the renewable PPAs entered by the Discoms in excess of their RPPO target fixed by the commission should have been rejected stating the reason as bad financial position of the Discom. Renewable PPAs in-excess of RPPO will be burden for both the Discoms and to the consumers as the unit cost is more. If the state government had involved in allowing the PPAs with Discoms then government should also take the responsibility in filling the true-up gap. Further, Discoms should focus on the cheap power as the power prices has come down significantly.

In this regard, it is requested the government, Discoms and the APERC should take the responsibility for the current situation. The commission should act in a stringent manner like a TRAI on the entities involved in the sector for the benefit of the consumers.

RMHarithabai

Yours faithfully,

R.M. Harithabai,
Junior Engineer,
Technical section,
o/o SE/O/Kurnool.

Andhra Pradesh Electricity Regulatory Commission * Hyderabad *
1057
22 MAY 2020

From
K. RAVI KUMAR
S/o late K. RAMUDU
H.NO. 76/111-46-23-1,
Krishna Reddy Nagar,
Bellary Chowrasta, Kurnool

To
The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: -True-up petitions filed by AP Discoms

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APDISCOMs have filed true-up petitions for FY 14-15, FY 16-17, FY 17-18 and FY 18-19, in which there is huge gap between actual and approved figures. If the commission had done the thorough analysis in theinitial dayson the deviation using actual figures, then the actual expenditure for the next financial years would not have been deviated much from the approved figures. The financial position of the APDISCOMS was not this much worse prior to FY 2014-15, as the tariff got hiked during those days whenever it was essential for the survival of the Discoms.

In this regard, the Hon'ble commission requested to recognize the present financial position of the Discoms and to organize the road map for the financial wellness of the sector with the coordination of the government. Commission has to take measures for strengthening the government companies as they are working with service motto. If the government companies are running under the financial deficit then it will give chance to franchises or private companies whose main motto is profit, which will become burden for the ordinary consumers to pay such huge bills. Further, the Discoms should focus on the collection of huge arrears and theft penalties and the benefitting court cases as they will help them in meeting the expenditure without the need of much tariff hike.

Yours faithfully,

K. Ravi Kumar.

Andhra Pradesh Electricity Regulatory Commission Hyderabad
1058
22 MAY 2020

From
SMT. S. VASUNDARA
H.No. 76/97/17
Sampathnagar, Ballabhy Chowdda
S.A.P. Camp, Kurnool.

To
The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: -True-up petitions filed by AP Discoms

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Yours faithfully,
S. Vasundara
(S. Vasundara)

Andhra Pradesh Electricity Regulatory Commission
1059
22 MAY 2020

From
Madhi Reddy
Ecwoq Nagar
Tirupati

To
The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.

Ref:- True-up petitions filed by AP Discoms

*****

In the true-up filings of the Discoms, the actual power purchase cost is deviated much from the approved figures. I feel that, the vast true-up amount is showing negligence of the management while taking the decisions in the procurement of power and in their daily operations. It came known to me that the power purchase activities are happening under the directions of the APPCC which is directed by the Government of A.P. Discoms are procuring power from the various private sources with the pressure from the government which is causing burden to the ordinary consumers. Discoms should focus on the cheap power as the high end consumers are moving towards open access then the remaining consumers have to bear the enormous expenses of the Discom.

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Yours faithfully,

madhi Reddy

Pradesh Electricity Regulatory Commission
1060
22 MAY 2020

From

Md. Khaleel Pasha,
H.No. 45/114 A,
N.R. Nagar, Kurnool

To

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: -True-up petitions filed by AP Discoms

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Yours faithfully,

Andhra Pradesh Electricity Regulatory Commission
1061
22 MAY 2020

From
G. Vasanthi
H.No.51/15-D2B
Gunjevari Complex
Rajeev Nagar
Kurnool-518 003.

To
The Secretary,
APERC, 11-4-660, 4thFloor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted
Ref: -True-up petitions filed by AP Discoms

*****

The true-up petitions were filed by the APDISCOMS with various gaps as shown below:

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Yours faithfully,
G. Vasanthi

Andhra Pradesh Electricity Regulatory Commission
1062
22 MAY 2020
Hyderabad

From
B. Vishnu Vardhan Reddy
H.No. 87-12-09-1, Plot No. 130
Revenue colony
Kakinada.

To
The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: -True-up petitions filed by AP Discoms

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Yours faithfully,

B. Vishnu Vardhan Reddy

Andhra Pradesh Electricity Regulatory Commission
1063
22 MAY 2020

From
B. Anand Gupta
Kurnool

To
The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.

Ref: - True-up petitions filed by AP Discoms

*****

The AP Discoms have shown the differential revenue as the one of the component of the total gap. While filing the ARR had factored certain conditions for the sales projection, but in actual it may not attain the same due to unforeseen conditions like temperature changes, macro-economic conditions like drop in the GDP due to fall in the industrial growth, stopping and delay in completion of certain projects like lift irrigation etc. Such unforeseen conditions should not become burden to Discoms as they ought to pay fixed cost to the generators and transmission companies.

In this regard, it is requested the Hon'ble commission to allow the gap arising out of drop in the approved revenue to the extent which is not creating heavy burden to the consumers after the thoroughly checking the reasons for such deviation.

Yours faithfully,

(B. Anand Gupta)

Sc no: 8312202031560.
8312202821720.

Andhra Pradesh Electricity Regulatory Commission
1064
22 MAY 2020

From
P.V. Ramana.
H.No 45-42-47-3-4
Ramalingeswara Nagar
V.R. Colony
KURNOOL

To
The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: - True-up petitions filed by AP Discoms

*****

As the true-ups amount filed by APSPDCL is around Rs.19000 crores, if the commission allow the entire amount then it is burden to the consumers. How the consumers would are responsible for such a heavy gap? If the commission had taken measures in the initial stages it would not have happened. How will the paying consumers be responsible for the loss of the Discoms? There is still rampant theft existing in many districts. The Hon'ble commission has to direct the Discoms and the government in taking the stringent criminal action against the persons who indulged in theft as it is prevailing in the neighboring state Tamilnadu. Already consumers have been paying suitable charges for the consumption of electricity if this gap is added to the ARR then our bills will increase in an uneven manner. If the APERC act like the commission of Gujarat in allowing the periodical tariff hike then our Discoms would have been saved. The Government is not paying the subsidies and dues within the due date, for which the Discoms have to take the short term loans to meet their expenses.

In this regard, it is requested the Hon'ble commission to allow the true-up gap to the extent which is permissible without creating heavy burden on the normal consumers and direct the government for timely payment of the bills of government organizations and agriculture subsidy.

Yours faithfully,

(P. VRAAMANA)

Andhra Pradesh Electricity Regulatory Commission *Hyderabad.*
22 MAY 2020
1065

From K. Satyamma
SunRise Homes
plot No: 29
Telone Bank Side
Kurnool

To

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17,FY 2017-18, FY 2018-19-Certain objections/Suggestions-Submitted.

Ref: - True-up petitions filed by AP Discoms

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In this regard, it is requested the government, Discoms and the APERC should take the responsibility for the current situation. The commission should act in a stringent manner like a TRAI on the entities involved in the sector for the benefit of the consumers.

Yours faithfully,

K. Satyamma

Andhra Pradesh Electricity Regulatory Commission
1066
22 MAY 2020

From
M. Venkateswarlu
Samen nagar
Kurnool

To
The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.

Ref: - True-up petitions filed by AP Discoms

*****

The AP Discoms have shown the differential revenue as the one of the component of the total gap. While filing the ARR had factored certain conditions for the sales projection, but in actual it may not attain the same due to unforeseen conditions like temperature changes, macro-economic conditions like drop in the GDP due to fall in the industrial growth, stopping and delay in completion of certain projects like lift irrigation etc. Such unforeseen conditions should not become burden to Discoms as they ought to pay fixed cost to the generators and transmission companies.

In this regard, it is requested the Hon'ble commission to allow the gap arising out of drop in the approved revenue to the extent which is not creating heavy burden to the consumers after the thoroughly checking the reasons for such deviation.

Yours faithfully,
M. Venkateswarlu
(M. VENKATESWARLU)
SAMEEN NAGAR

Pradesh Electricity Regulatory Commis
1067
22 MAY 2020

From
Y. Satyanarayana,
Asst. Executive Engr,
APSPDCL, Construction,
Kurnool,

To
The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: - True-up petitions filed by AP Discoms

*****

As the true-ups amount filed by APSPDCL is around Rs.19000 crores, if the commission allow the entire amount then it is burden to the consumers. How the consumers would are responsible for such a heavy gap? If the commission had taken measures in the initial stages it would not have happened. How will the paying consumers be responsible for the loss of the Discoms? There is still rampant theft existing in many districts. The Hon'ble commission has to direct the Discoms and the government in taking the stringent criminal action against the persons who indulged in theft as it is prevailing in the neighboring state Tamilnadu. Already consumers have been paying suitable charges for the consumption of electricity if this gap is added to the ARR then our bills will increase in an uneven manner. If the APERC act like the commission of Gujarat in allowing the periodical tariff hike then our Discoms would have been saved. The Government is not paying the subsidies and dues within the due date, for which the Discoms have to take the short term loans to meet their expenses.

In this regard, it is requested the Hon'ble commission to allow the true-up gap to the extent which is permissible without creating heavy burden on the normal consumers and direct the government for timely payment of the bills of government organizations and agriculture subsidy.

Yours faithfully,

Y. Satyanarayana,
AEE/Const/Dhone.

Andhra Pradesh Electricity Regulatory Commission
1068
22 MAY 2020

From

T. Raghavendra Prasad,
H.No. 76/97, Ph-I, Plot. 5
Priyahomes, Vishnu Township
Kurnool - 4.

To

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17,FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.

Ref: - True-up petitions filed by AP Discoms

*****

In recent true-up filings of Discoms, the true-up claim of Rs.19,603 crores is a huge amount for the Discoms to receive either from the government or through consumers. During the last 5 years the Discoms have entered lot of PPAs with the renewable generators at high prices and the same was approved by the commission. If the commission had done the thorough analysis duly taking the financial position of Discoms while approving the PPAs this situation would not have arisen. The Hon'ble commission while going through the renewable PPAs entered by the Discoms in excess of their RPPO target fixed by the commission should have been rejected stating the reason as bad financial position of the Discom. Renewable PPAs in-excess of RPPO will be burden for both the Discoms and to the consumers as the unit cost is more. If the state government had involved in allowing the PPAs with Discoms then government should also take the responsibility in filling the true-up gap. Further, Discoms should focus on the cheap power as the power prices has come down significantly.

In this regard, it is requested the government, Discoms and the APERC should take the responsibility for the current situation. The commission should act in a stringent manner like a TRAI on the entities involved in the sector for the benefit of the consumers.

Yours faithfully,

(T. RAGHAVENDRA PRASAD)

Electricity Regulatory Commission
1069
22 MAY 2020

From
T. Chandra Mouli
H.no: 81/241-4-2
Kashima Nagar
Kurnool

To
The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted
Ref: -True-up petitions filed by AP Discoms

*****

APDISCOMs have filed true-up petitions for FY 14-15, FY 16-17, FY 17-18 and FY 18-19, in which there is huge gap between actual and approved figures. If the commission had done the thorough analysis in theinitial dayson the deviation using actual figures, then the actual expenditure for the next financial years would not have been deviated much from the approved figures. The financial position of the APDISCOMS was not this much worse prior to FY 2014-15, as the tariff got hiked during those days whenever it was essential for the survival of the Discoms.

In this regard, the Hon'ble commission requested to recognize the present financial position of the Discoms and to organize the road map for the financial wellness of the sector with the coordination of the government. Commission has to take measures for strengthening the government companies as they are working with service motto. If the government companies are running under the financial deficit then it will give chance to franchises or private companies whose main motto is profit, which will become burden for the ordinary consumers to pay such huge bills. Further, the Discoms should focus on the collection of huge arrears and theft penalties and the benefitting court cases as they will help them in meeting the expenditure without the need of much tariff hike.

Yours faithfully,
T. Chandra Mouli

Pradesh Electricity Regulatory Comm
1070
22 MAY 2020

From

K. Madhuly
AE/DDE/Ile
Kurnool

To

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: -True-up petitions filed by AP Discoms

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Yours faithfully,

K. Madhu
AE/DDE/Ile

Pradesh Electricity Regulatory Comm
1071
22 MAY 2020

From
D. Sunitha Rani
H.No-7-6/100-3-4-A-5,
Gopi Nagar,
Kurnool. Pin-518003

To

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17,FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.

Ref: - True-up petitions filed by AP Discoms

*****

In recent true-up filings of Discoms, the true-up claim of Rs.19,603 crores is a huge amount for the Discoms to receive either from the government or through consumers. During the last 5 years the Discoms have entered lot of PPAs with the renewable generators at high prices and the same was approved by the commission. If the commission had done the thorough analysis duly taking the financial position of Discoms while approving the PPAs this situation would not have arisen. The Hon'ble commission while going through the renewable PPAs entered by the Discoms in excess of their RPPO target fixed by the commission should have been rejected stating the reason as bad financial position of the Discom. Renewable PPAs in-excess of RPPO will be burden for both the Discoms and to the consumers as the unit cost is more. If the state government had involved in allowing the PPAs with Discoms then government should also take the responsibility in filling the true-up gap. Further, Discoms should focus on the cheap power as the power prices has come down significantly.

In this regard, it is requested the government, Discoms and the APERC should take the responsibility for the current situation. The commission should act in a stringent manner like a TRAI on the entities involved in the sector for the benefit of the consumers.

Yours faithfully,

(D. Sunitha Rani)

Andhra Pradesh Electricity Regulatory Commission
1072
22 MAY 2020

From

K. Subramanyam Setty
Flat No 503, MS-9, Ashok Nagar
Kurnool 518005
9440283544

To

సెక్రటరి, ఏ.పి.ఇ.ఆర్.సి,
11-4-660, నాల్గవఅంతస్తు
సింగరేణిభవన్,రెడ్‌హిల్స్,
లకడి-క-పుల్,హైదరాబాదు.

విషయము :ఆసం. 14-15, 16-17, 17-18 మరియు 18-19 గానుడిస్కంలుసమర్పించినట్రూఅప్స్ గురించి.

ఆర్యా,

ప్రస్తుతము APSPDCL మరియు APEPDCLగౌరవAPERC కిసమర్పించినట్రూఅప్స్ఆసం. 2014-15, 2016-17, 2017-18 మరియు2018-19 గానువెరసిరు. 19,603కోట్లుకాగా, డిస్కములురు. 40 వేలకోట్లుఅప్పులువున్నట్లువినికిడి.

2002 సం. నుండి2013 సం. వరకుగమనించినమూడుడిస్కములుAPCPDCL, APSPDCL & APEPDCL లాభాలలోఒక్క APNPDCLమాత్రంకొంచెంనష్టాలలోఉండేవి.

1) ఆసం. 2014-15 నుండిఆసం. 2018-19 కాలంలోతీసుకున్ననిర్ణయాలవల్లప్రతిసంవత్సరముAcual Power Purchase CostAPERC వారుఅనుమతించినPower Purchase costకన్నావిపరీతముగాపెరిగినది.

2) దీనికితోడుUDAYస్కీములోప్రతిసంవత్సరముటారిఫ్‌పెంపుదల 5% ఉన్నా, రాష్ట్రప్రభుత్వఆదేశాలమేరకుఎటువంటిటారిఫ్ పెంచకపోవడముమరియుప్రభుత్వముఇచ్చుసబ్సిడినిమాత్రంవాస్తవరెవెన్యూతగ్గుదలమేరఇవ్వకపోవడం.

3) APERCవారుకొన్నివర్గాలవినియోగదారులకు, TTD, Railways, Aqua hatcheries వంటిHighly Incomeకలిగినవారికిటారిఫ్‌తగ్గించడంవంటిచర్యలు.

4) వాస్తవంగాఖర్చులుతగ్గించిలేదారెవెన్యూపెంచితద్వారాటారిఫ్‌లుపెంచకపోయినా, లేదాటారిఫ్ తగ్గించినాహర్షించవలసినవిషయము. అలాకాకుండాప్రభుత్వంసూచించినసబ్సిడికినిర్ధారణఅయి, ఆమేరరెవెన్యూలోటువచ్చునట్లు, ఖర్చులుతగ్గించటంలేదారెవెన్యూపెంచడంచేయడంద్వారానేఇంతపెద్దమొత్తాలలోట్రూఅప్స్పేరుకుపో

1075 యాయి.

Andhra Pradesh Electricity Regulatory Commission
22 MAY 2020

పైచర్యలవల్లడిస్కములునష్టాల్లోకివెళ్ళడానికిప్రధానకారణాలు. కావునConsumers Interestనుదృష్టిపెట్టుకొని, డిస్కంలTrue-upనిఆమోదించి, వీలున్నవరకుప్రభుత్వమునుండిమరియుసముచితముగాటారిఫ్ నుండిరాబట్టవలసినదిగాకోరుతూఇకనుంచైనావాస్తవంగాఖర్చులుతగ్గించిఆమేలునువినియోగదారులకుఅం దించవలసిందిగాకోరుచున్నాము.

ఇట్లు

K. Subramanyam

From
G. శశికళ
క్వార్టర్ నెం: 87/1108-24,
4th క్రాస్ ఎంప్లాయీస్ కాలనీ,
గణేష్ నగర్-2, కర్నూల్-518002.

To
సెక్రటరి, ఏ.పి.ఇ.ఆర్.సి,
11-4-660, నాల్గవఅంతస్తు
సింగరేణిభవన్,రెడ్‌హిల్స్,
లకడి-క-పుల్,హైదరాబాదు.

విషయము :ఆసం. 14-15, 16-17, 17-18 మరియు 18-19 గానుడిస్కంలుసమర్పించినట్రూఅప్స్ గురించి.

ఆర్యా,

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2002 సం. నుండి2013 సం. వరకుగమనించినమూడుడిస్కములుAPCPDCL, APSPDCL & APEPDCL లాభాలలోఒక్క APNPDCLమాత్రంకొంచెంనష్టాలలోఉండేవి.

1) ఆసం. 2014-15 నుండిఆసం. 2018-19 కాలంలోతీసుకున్ననిర్ణయాలవల్లప్రతిసంవత్సరముAcual Power Purchase CostAPERC వారుఅనుమతించినPower Purchase costకన్నావిపరీతముగాపెరిగినది.

2) దీనికితోడుUDAYస్కీములోప్రతిసంవత్సరముటారిఫ్‌పెంపుదల 5% ఉన్నా, రాష్ట్రప్రభుత్వఆదేశాలమేరకుఎటువంటిటారిఫ్ పెంచకపోవడముమరియుప్రభుత్వముఇచ్చుసబ్సిడినిమాత్రంవాస్తవరెవెన్యూతగ్గుదలమేరఇవ్వకపోవడం.

3) APERCవారుకొన్నివర్గాలవినియోగదారులకు, TTD, Railways, Aqua hatcheries వంటిHighly Incomeకలిగినవారికిటారిఫ్‌తగ్గించడంవంటిచర్యలు.

4) వాస్తవంగాఖర్చులుతగ్గించిలేదారెవెన్యూపెంచితద్వారాటారిఫ్‌లుపెంచకపోయినా, లేదాటారిఫ్ తగ్గించినాహర్షించవలసినవిషయము. అలాకాకుండాప్రభుత్వంసూచించినసబ్సిడికినిర్ధారణఅయి, ఆమేరరెవెన్యూలోటువచ్చునట్లు,

ఖర్చులుతగ్గించటంలేదారెవెన్యూపెంచడంచేయడంద్వారానేఇంతపెద్దమొత్తాలలోట్రూఅప్స్పేరుకుపోయాయి.

Andhra Pradesh Electricity Regulatory Commission
1080
22 MAY 2020
Hyderabad

పైచర్యలవల్లడిస్కములునష్టాల్లోకివెళ్ళడానికిప్రధానకారణాలు.

పైచర్యలనుAPERCవారేఅనుమతులుమంజూరుచేయడంజరిగినది. కావునConsumers Interestనుదృష్టిపెట్టుకొని, డిస్కంలTrue-upనిఆమోదించి, వీలున్నవరకుప్రభుత్వమునుండిమరియుసముచితముగాటారిఫ్ నుండిరాబట్టవలసినదిగాకోరుతూఇకనుంచైనావాస్తవంగాఖర్చులుతగ్గించిఆమేలునువినియోగదారులకుఅందించవలసిందిగాకోరుచున్నాము.

ఇట్లు

G. Sasikala.

From:

Ltsc 4685
B. Mallayappa
BC Colony

To:

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17,FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.

Ref: - True-up petitions filed by AP Discoms.

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In recent true-up filings of Discoms, the true-up claim of Rs.19,603 crores is a huge amount for the Discoms to receive either from the government or through consumers. During the last 5 years the Discoms have entered lot of PPAs with the renewable generators at high prices and the same was approved by the commission. If the commission had done the thorough analysis duly taking the financial position of Discoms while approving the PPAs this situation would not have arisen. The Hon'ble commission while going through the renewable PPAs entered by the Discoms in excess of their RPPO target fixed by the commission should have been rejected stating the reason as bad financial position of the Discom. Renewable PPAs in-excess of RPPO will be burden for both the Discoms and to the consumers as the unit cost is more. If the state government had involved in allowing the PPAs with Discoms then government should also take the responsibility in filling the true-up gap. Further, Discoms should focus on the cheap power as the power prices has come down significantly.

In this regard, it is requested the government, Discoms and the APERC should take the responsibility for the current situation. The commission should act in a stringent manner like a TRAI on the entities involved in the sector for the benefit of the consumers.

Yours faithfully,

Mallayappa

Andhra Pradesh Electricity Regulatory Commission Hyderabad
1092
26 MAY 2020

From:

To:

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: - True-up petitions filed by AP Discoms

*****

The true-up petitions were filed by the APDISCOMS with various gaps as shown below:

	EPDCL	SPDCL	State
Total Power Purchase Cost True-up	3,187	6,409	9,596
Power Purchase Cost Carrying Cost @ 12% Interest Rate	772	1817	2589
Total Power Purchase Cost True-up	3,959	8,226	12,185
Total Revenue True-up	622	4,638	5,260
Revenue gap Carrying Cost @ 12% Interest Rate	363	1,796	2,159
Total Revenue True-up	985	6,434	7,418
Total True-up .	4,943	14,660	19,603

It is observed that the deviation in the cost of power purchase is the major reason for the huge true-up amount; created DISCOMs to a pathetic situation and not able pay their dues to the power generation companies. If the Discoms had controlled this cost, there would not have this much of financial burden on them. The tariff hike was not proper for the past few years, this is a major reason for the pathetic condition of the Discoms.

The AP Discoms are supplying the electricity to nearly 1.2 crore consumers with affordable tariff, in spite of the huge financial deficit still. Hence, it is requested to allow the above actual figures and fill the financial deficit as much as possible from the government of AP without burdening the existing consumers, as the major deviation in power purchase cost, which is mainly due to PPAs entered with the direction of the Govt of AP. Further, requested to direct the Discoms to control their expenditure by allowing cost cutting methods, controlling the theft, efficient usage of manpower and resources.

Yours faithfully,

Andhra Pradesh Electricity Regulatory Commission
1093
26 MAY 2020
Hyderabad

From:

HtSc-R990
Gu. Srinivasa Rao
Near State Bank

To:

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.

Ref: - True-up petitions filed by AP Discoms

*****

The AP Discoms have shown the differential revenue as the one of the component of the total gap. While filing the ARR had factored certain conditions for the sales projection, but in actual it may not attain the same due to unforeseen conditions like temperature changes, macro-economic conditions like drop in the GDP due to fall in the industrial growth, stopping and delay in completion of certain projects like lift irrigation etc. Such unforeseen conditions should not become burden to Discoms as they ought to pay fixed cost to the generators and transmission companies.

In this regard, it is requested the Hon'ble commission to allow the gap arising out of drop in the approved revenue to the extent which is not creating heavy burden to the consumers after the thoroughly checking the reasons for such deviation.

Yours faithfully

Andhra Pradesh Electricity Regulatory Commission
1094
26 MAY 2020
Hyderabad

From:

Hsc - 591
L.K. vital Rao
Domiai
vitabevali

To:

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.

Ref: - True-up petitions filed by AP Discoms

*****

The AP Discoms have shown the differential revenue as the one of the component of the total gap. While filing the ARR had factored certain conditions for the sales projection, but in actual it may not attain the same due to unforeseen conditions like temperature changes, macro-economic conditions like drop in the GDP due to fall in the industrial growth, stopping and delay in completion of certain projects like lift irrigation etc. Such unforeseen conditions should not become burden to Discoms as they ought to pay fixed cost to the generators and transmission companies.

In this regard, it is requested the Hon'ble commission to allow the gap arising out of drop in the approved revenue to the extent which is not creating heavy burden to the consumers after the thoroughly checking the reasons for such deviation.

Andhra Pradesh Electricity Regulatory Commission ★Hyderabad★
1095
26 MAY 2020

Yours faithfully

From:

HSC - 5605
S. Mahabob Basha
Main Bazar

Sir,

To:

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17,FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.

Ref: - True-up petitions filed by AP Discoms

*****

In recent true-up filings of Discoms, the true-up claim of Rs.19,603 crores is a huge amount for the Discoms to receive either from the government or through consumers. During the last 5 years the Discoms have entered lot of PPAs with the renewable generators at high prices and the same was approved by the commission. If the commission had done the thorough analysis duly taking the financial position of Discoms while approving the PPAs this situation would not have arisen. The Hon'ble commission while going through the renewable PPAs entered by the Discoms in excess of their RPPO target fixed by the commission should have been rejected stating the reason as bad financial position of the Discom. Renewable PPAs in-excess of RPPO will be burden for both the Discoms and to the consumers as the unit cost is more. If the state government had involved in allowing the PPAs with Discoms then government should also take the responsibility in filling the true-up gap. Further, Discoms should focus on the cheap power as the power prices has come down significantly.

In this regard, it is requested the government, Discoms and the APERC should take the responsibility for the current situation. The commission should act in a stringent manner like a TRAI on the entities involved in the sector for the benefit of the consumers.

Yours faithfully,

S. M. Basha

Andhra Pradesh Electricity Regulatory Commission
1096
26 MAY 2020
Hyderabad

From:

H.sc 586
P.Y.R Vengal Rao
Moin bazar

Sir,

To:

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.

Ref: - True-up petitions filed by AP Discoms

*****

In the true-up filings of the Discoms, the actual power purchase cost is deviated much from the approved figures. I feel that, the vast true-up amount is showing negligence of the management while taking the decisions in the procurement of power and in their daily operations. It came known to me that the power purchase activities are happening under the directions of the APPCC which is directed by the Government of A.P. Discoms are procuring power from the various private sources with the pressure from the government which is causing burden to the ordinary consumers. Discoms should focus on the cheap power as the high end consumers are moving towards open access then the remaining consumers have to bear the enormous expenses of the Discom.

In this regard, the Hon'ble commission has to take the measures to protect the interest of the normal consumers by not allowing the entire true-up gap among normal consumers, it should involve the government to bear the gap to the maximum extent. The government companies should be saved as they are doing the true service for all sects of consumers. The collapse of Government Company may allow the private companies who will work for the profits than service to consumers. Hence, the Hon'ble commission take measures to save Discoms.

Andhra Pradesh Electricity Regulatory Commission ★Hyderabad★
1097
26 MAY 2020

Yours faithfully,

T Ladia

From:

Hic 6582
K.M. Subbarao
Kathikapuram

To:

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: - True-up petitions filed by AP Discoms

*****

APDISCOMs have filed true-up petitions for FY 14-15, FY 16-17, FY 17-18 and FY 18-19, in which there is huge gap between actual and approved figures. If the commission had done the thorough analysis in the initial days on the deviation using actual figures, then the actual expenditure for the next financial years would not have been deviated much from the approved figures. The financial position of the APDISCOMS was not this much worse prior to FY 2014-15, as the tariff got hiked during those days whenever it was essential for the survival of the Discoms.

In this regard, the Hon'ble commission requested to recognize the present financial position of the Discoms and to organize the road map for the financial wellness of the sector with the coordination of the government. Commission has to take measures for strengthening the government companies as they are working with service motto. If the government companies are running under the financial deficit then it will give chance to franchises or private companies whose main motto is profit, which will become burden for the ordinary consumers to pay such huge bills. Further, the Discoms should focus on the collection of huge arrears and theft penalties and the benefitting court cases as they will help them in meeting the expenditure without the need of much tariff hike.

Andhra Pradesh Electricity Regulatory Commission Hyderabad
1098
26 MAY 2020

Yours faithfully,

From:

HSC - 4660
T. Ramanii Nejulu
Kagitala Street.

Sir,

To:

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sub:- True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.

Ref: - True-up petitions filed by AP Discoms

*****

In the true-up filings of the Discoms, the actual power purchase cost is deviated much from the approved figures. I feel that, the vast true-up amount is showing negligence of the management while taking the decisions in the procurement of power and in their daily operations. It came known to me that the power purchase activities are happening under the directions of the APPCC which is directed by the Government of A.P. Discoms are procuring power from the various private sources with the pressure from the government which is causing burden to the ordinary consumers. Discoms should focus on the cheap power as the high end consumers are moving towards open access then the remaining consumers have to bear the enormous expenses of the Discom.

In this regard, the Hon'ble commission has to take the measures to protect the interest of the normal consumers by not allowing the entire true-up gap among normal consumers, it should involve the government to bear the gap to the maximum extent. The government companies should be saved as they are doing the true service for all sects of consumers. The collapse of Government Company may allow the private companies who will work for the profits than service to consumers. Hence, the Hon'ble commission take measures to save Discoms.

Andhra Pradesh Electricity Regulatory Commission Hyderabad
1099
26 MAY 2020

Yours faithfully,

From:

Hsc- 8991
K. Meerabai.
Near, Manjutakir

Sir,

To:

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sub: - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.

Ref: - True-up petitions filed by AP Discoms

*****

In the true-up filings of the Discoms, the actual power purchase cost is deviated much from the approved figures. I feel that, the vast true-up amount is showing negligence of the management while taking the decisions in the procurement of power and in their daily operations. It came known to me that the power purchase activities are happening under the directions of the APPCC which is directed by the Government of A.P. Discoms are procuring power from the various private sources with the pressure from the government which is causing burden to the ordinary consumers. Discoms should focus on the cheap power as the high end consumers are moving towards open access then the remaining consumers have to bear the enormous expenses of the Discom.

In this regard, the Hon'ble commission has to take the measures to protect the interest of the normal consumers by not allowing the entire true-up gap among normal consumers, it should involve the government to bear the gap to the maximum extent. The government companies should be saved as they are doing the true service for all sects of consumers. The collapse of Government Company may allow the private companies who will work for the profits than service to consumers. Hence, the Hon'ble commission take measures to save Discoms.

Andhra Pradesh Electricity Regulatory Commission Hyderabad
1/00
26 MAY 2020

Yours faithfully,

From:

HSC - 3534
K.R. Narayana
Madhuraad

To:

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: - True-up petitions filed by AP Discoms

*****

APDISCOMs have filed true-up petitions for FY 14-15, FY 16-17, FY 17-18 and FY 18-19, in which there is huge gap between actual and approved figures. If the commission had done the thorough analysis in the initial days on the deviation using actual figures, then the actual expenditure for the next financial years would not have been deviated much from the approved figures. The financial position of the APDISCOMS was not this much worse prior to FY 2014-15, as the tariff got hiked during those days whenever it was essential for the survival of the Discoms.

In this regard, the Hon'ble commission requested to recognize the present financial position of the Discoms and to organize the road map for the financial wellness of the sector with the coordination of the government. Commission has to take measures for strengthening the government companies as they are working with service motto. If the government companies are running under the financial deficit then it will give chance to franchises or private companies whose main motto is profit, which will become burden for the ordinary consumers to pay such huge bills. Further, the Discoms should focus on the collection of huge arrears and theft penalties and the benefitting court cases as they will help them in meeting the expenditure without the need of much tariff hike.

Andhra Pradesh Electricity Regulatory Commission
1101
26 MAY 2020
Hyderabad

K.R. Narayana.

Yours faithfully,

From:

HSC - 6554

K. Ramesh

To:

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.

Ref: - True-up petitions filed by AP Discoms

*****

The AP Discoms have shown the differential revenue as the one of the component of the total gap. While filing the ARR had factored certain conditions for the sales projection, but in actual it may not attain the same due to unforeseen conditions like temperature changes, macro-economic conditions like drop in the GDP due to fall in the industrial growth, stopping and delay in completion of certain projects like lift irrigation etc. Such unforeseen conditions should not become burden to Discoms as they ought to pay fixed cost to the generators and transmission companies.

In this regard, it is requested the Hon'ble commission to allow the gap arising out of drop in the approved revenue to the extent which is not creating heavy burden to the consumers after the thoroughly checking the reasons for such deviation.

Andhra Pradesh Electricity Regulatory Commission Hyderabad
1102
26 MAY 2020

Yours faithfully

From:

Hsc - 4482
Balanna
Vengam Naidu Colony

To:

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub :- True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: - True-up petitions filed by AP Discoms

*****

As the true-ups amount filed by APSPDCL is around Rs.19000 crores, if the commission allow the entire amount then it is burden to the consumers. How the consumers would are responsible for such a heavy gap? If the commission had taken measures in the initial stages it would not have happened. How will the paying consumers be responsible for the loss of the Discoms? There is still rampant theft existing in many districts. The Hon'ble commission has to direct the Discoms and the government in taking the stringent criminal action against the persons who indulged in theft as it is prevailing in the neighboring state Tamilnadu. Already consumers have been paying suitable charges for the consumption of electricity if this gap is added to the ARR then our bills will increase in an uneven manner. If the APERC act like the commission of Gujarat in allowing the periodical tariff hike then our Discoms would have been saved. The Government is not paying the subsidies and dues within the due date, for which the Discoms have to take the short term loans to meet their expenses.

In this regard, it is requested the Hon'ble commission to allow the true-up gap to the extent which is permissible without creating heavy burden on the normal consumers and direct the government for timely payment of the bills of government organizations and agriculture subsidy.

Andhra Pradesh Electricity Regulatory Commission
1103
26 MAY 2020
Hyderabad

Yours faithfully,

Balanna

From:

Hse 835
Mouli Nagar
DD-41/385

Sir, K. Narayana Murty

To:

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: - True-up petitions filed by AP Discoms

*****

As the true-ups amount filed by APSPDCL is around Rs.19000 crores, if the commission allow the entire amount then it is burden to the consumers. How the consumers would are responsible for such a heavy gap? If the commission had taken measures in the initial stages it would not have happened. How will the paying consumers be responsible for the loss of the Discoms? There is still rampant theft existing in many districts. The Hon'ble commission has to direct the Discoms and the government in taking the stringent criminal action against the persons who indulged in theft as it is prevailing in the neighboring state Tamilnadu. Already consumers have been paying suitable charges for the consumption of electricity if this gap is added to the ARR then our bills will increase in an uneven manner. If the APERC act like the commission of Gujarat in allowing the periodical tariff hike then our Discoms would have been saved. The Government is not paying the subsidies and dues within the due date, for which the Discoms have to take the short term loans to meet their expenses.

In this regard, it is requested the Hon'ble commission to allow the true-up gap to the extent which is permissible without creating heavy burden on the normal consumers and direct the government for timely payment of the bills of government organizations and agriculture subsidy.

Andhra Pradesh Electricity Regulatory Commission
1104
26 MAY 2020
Hyderabad

Yours faithfully,

K. Narayanamurty

From:

HSC - 3384
Mohamad
Becolony

To:

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.

Ref: - True-up petitions filed by AP Discoms

*****

The AP Discoms have shown the differential revenue as the one of the component of the total gap. While filing the ARR had factored certain conditions for the sales projection, but in actual it may not attain the same due to unforeseen conditions like temperature changes, macro-economic conditions like drop in the GDP due to fall in the industrial growth, stopping and delay in completion of certain projects like lift irrigation etc. Such unforeseen conditions should not become burden to Discoms as they ought to pay fixed cost to the generators and transmission companies.

In this regard, it is requested the Hon'ble commission to allow the gap arising out of drop in the approved revenue to the extent which is not creating heavy burden to the consumers after the thoroughly checking the reasons for such deviation.

Yours faithfully

Mohamad

Andhra Pradesh Electricity Regulatory Commission * Hyderabad *
1105
26 MAY 2020

From:

HSC. 147
D. Balaiah
Kondapuram

Sir,

To:

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.

Ref: - True-up petitions filed by AP Discoms

*****

In the true-up filings of the Discoms, the actual power purchase cost is deviated much from the approved figures. I feel that, the vast true-up amount is showing negligence of the management while taking the decisions in the procurement of power and in their daily operations. It came known to me that the power purchase activities are happening under the directions of the APPCC which is directed by the Government of A.P. Discoms are procuring power from the various private sources with the pressure from the government which is causing burden to the ordinary consumers. Discoms should focus on the cheap power as the high end consumers are moving towards open access then the remaining consumers have to bear the enormous expenses of the Discom.

In this regard, the Hon'ble commission has to take the measures to protect the interest of the normal consumers by not allowing the entire true-up gap among normal consumers, it should involve the government to bear the gap to the maximum extent. The government companies should be saved as they are doing the true service for all sects of consumers. The collapse of Government Company may allow the private companies who will work for the profits than service to consumers. Hence, the Hon'ble commission take measures to save Discoms.

Andhra Pradesh Electricity Regulatory Commission
1106
26 MAY 2020
Hyderabad.

K. Mathaiah

Yours faithfully,

From:

L. Koteswamma Bai

To:

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: - True-up petitions filed by AP Discoms

*****

As the true-ups amount filed by APSPDCL is around Rs.19000 crores, if the commission allow the entire amount then it is burden to the consumers. How the consumers would are responsible for such a heavy gap? If the commission had taken measures in the initial stages it would not have happened. How will the paying consumers be responsible for the loss of the Discoms? There is still rampant theft existing in many districts. The Hon'ble commission has to direct the Discoms and the government in taking the stringent criminal action against the persons who indulged in theft as it is prevailing in the neighboring state Tamilnadu. Already consumers have been paying suitable charges for the consumption of electricity if this gap is added to the ARR then our bills will increase in an uneven manner. If the APERC act like the commission of Gujarat in allowing the periodical tariff hike then our Discoms would have been saved. The Government is not paying the subsidies and dues within the due date, for which the Discoms have to take the short term loans to meet their expenses.

In this regard, it is requested the Hon'ble commission to allow the true-up gap to the extent which is permissible without creating heavy burden on the normal consumers and direct the government for timely payment of the bills of government organizations and agriculture subsidy.

Yours faithfully,

L. Koteswamma Bai

Andhra Pradesh Electricity Regulatory Commission Hyderabad
1107
26 MAY 2020

From:

HSC 6586
R.P. Dharmendra
Nehrunagar

Sir,

To:

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sub: - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: - True-up petitions filed by AP Discoms

*****

As the true-ups amount filed by APSPDCL is around Rs.19000 crores, if the commission allow the entire amount then it is burden to the consumers. How the consumers would are responsible for such a heavy gap? If the commission had taken measures in the initial stages it would not have happened. How will the paying consumers be responsible for the loss of the Discoms? There is still rampant theft existing in many districts. The Hon'ble commission has to direct the Discoms and the government in taking the stringent criminal action against the persons who indulged in theft as it is prevailing in the neighboring state Tamilnadu. Already consumers have been paying suitable charges for the consumption of electricity if this gap is added to the ARR then our bills will increase in an uneven manner. If the APERC act like the commission of Gujarat in allowing the periodical tariff hike then our Discoms would have been saved. The Government is not paying the subsidies and dues within the due date, for which the Discoms have to take the short term loans to meet their expenses.

In this regard, it is requested the Hon'ble commission to allow the true-up gap to the extent which is permissible without creating heavy burden on the normal consumers and direct the government for timely payment of the bills of government organizations and agriculture subsidy.

Andhra Pradesh Electricity Regulatory Commission ★Hyderabad★
1108
26 MAY 2020

Yours faithfully,

Dharmendra

From
C. Sivaprasad
PC-560
Vigilance & APTS. PS,
Kurnool.

To
The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref:- True-up petitions filed by AP Discoms

*****

As the true-ups amount filed by APSPDCL is around Rs.19000 crores, if the commission allow the entire amount then it is burden to the consumers. How the consumers would are responsible for such a heavy gap? If the commission had taken measures in the initial stages it would not have happened. How will the paying consumers be responsible for the loss of the Discoms? There is still rampant theft existing in many districts. The Hon'ble commission has to direct the Discoms and the government in taking the stringent criminal action against the persons who indulged in theft as it is prevailing in the neighboring state Tamilnadu. Already consumers have been paying suitable charges for the consumption of electricity if this gap is added to the ARR then our bills will increase in an uneven manner. If the APERC act like the commission of Gujarat in allowing the periodical tariff hike then our Discoms would have been saved. The Government is not paying the subsidies and dues within the due date, for which the Discoms have to take the short term loans to meet their expenses.

In this regard, it is requested the Hon'ble commission to allow the true-up gap to the extent which is permissible without creating heavy burden on the normal consumers and direct the government for timely payment of the bills of government organizations and agriculture subsidy.

Yours faithfully,

Pradesh Electricity Regulatory Commission
1109
26 MAY 2020
Hyderabad

From

K. Gopal
H.no: 84-119-1
Shaheen Nagar
Hussainsaab

To

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17,FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.

Ref: - True-up petitions filed by AP Discoms

*****

In recent true-up filings of Discoms, the true-up claim of Rs.19,603 crores is a huge amount for the Discoms to receive either from the government or through consumers. During the last 5 years the Discoms have entered lot of PPAs with the renewable generators at high prices and the same was approved by the commission. If the commission had done the thorough analysis duly taking the financial position of Discoms while approving the PPAs this situation would not have arisen. The Hon'ble commission while going through the renewable PPAs entered by the Discoms in excess of their RPPO target fixed by the commission should have been rejected stating the reason as bad financial position of the Discom. Renewable PPAs in-excess of RPPO will be burden for both the Discoms and to the consumers as the unit cost is more. If the state government had involved in allowing the PPAs with Discoms then government should also take the responsibility in filling the true-up gap. Further, Discoms should focus on the cheap power as the power prices has come down significantly.

In this regard, it is requested the government, Discoms and the APERC should take the responsibility for the current situation. The commission should act in a stringent manner like a TRAI on the entities involved in the sector for the benefit of the consumers.

Yours faithfully, K. Gopal

Andhra Pradesh Electricity Regulatory Commission Hyderabad
1110
26 MAY 2020

From
M. Uma Maheswaramma
H. No. 76/100-3-5C-
Geetha Nagar
Near Bellary chowrasta
Kurnool

To
The Secretary,
APERC, 11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: True-up petitions filed by AP Discoms

*****

The true-up petitions were filed by the APDISCOMS with various gaps as shown below:

	EPDCL	SPDCL	State
Total Power Purchase Cost True-up	3,187	6,409	9,596
Power Purchase Cost Carrying Cost @ 12% interest Rate	772	1817	2589
Total Power Purchase Cost True-up	3,959	8,226	12,185
Total Revenue True-up	622	4,638	5,260
Revenue gap Carrying Cost @ 12% interest Rate	363	1,796	2,159
Total Revenue True-up	985	6,434	7,418
Total True-up	4,943	14,660	19,603

It isobserved that the deviation in the cost of power purchase is the major reason for the huge true-up amount, created DISCOMs to a pathetic situationand not able pay their dues to the power generation companies. If the Discoms had controlled this cost, there would not have this much of financial burden on them. The tariff hike was not proper for the past few years, this is a major reason for the pathetic condition of the Discoms.

The APDiscoms are supplying the electricity to nearly 1.2 crore consumers with affordable tariff, in spite of the huge financial deficit still.Hence, it is requested to allow the above actual figures and fill the financial deficit as much as possible from the government of AP without burdening the existing consumers, as the major deviation in power purchase cost,which is mainly due to PPAs entered with the direction of the Govt of AP.Further, requested to direct the Discoms to control theirexpenditure by allowing cost cutting methods, controlling the theft, efficient usage of manpower and resources.

Yours faithfully,

M. Umamaheswaram

Andhra Pradesh Electricity Regulatory Commission Hyderabad
1111
26 MAY 2020

From

M. Vijaya Kumar
Flat no 203
Peace Arcade
Premnagar V.R. Colony Road no 2
Kurnool

To

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17,FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: - True-up petitions filed by AP Discoms

*****

In recent true-up filings of Discoms, the true-up claim of Rs.19,603 crores is a huge amount for the Discoms to receive either from the government or through consumers. During the last 5 years the Discoms have entered lot of PPAs with the renewable generators at high prices and the same was approved by the commission. If the commission had done the thorough analysis duly taking the financial position of Discoms while approving the PPAs this situation would not have arisen. The Hon'ble commission while going through the renewable PPAs entered by the Discoms in excess of their RPPO target fixed by the commission should have been rejected stating the reason as bad financial position of the Discom. Renewable PPAs in-excess of RPPO will be burden for both the Discoms and to the consumers as the unit cost is more. If the state government had involved in allowing the PPAs with Discoms then government should also take the responsibility in filling the true-up gap. Further, Discoms should focus on the cheap power as the power prices has come down significantly.

In this regard, it is requested the government, Discoms and the APERC should take the responsibility for the current situation. The commission should act in a stringent manner like a TRAI on the entities involved in the sector for the benefit of the consumers.

Yours faithfully,

M. Vijaya Kumar

Andhra Pradesh Electricity Regulatory Commission * Hyderabad *
1112
26 MAY 2020

From
T. Venkatta Rao
21-172-C3,
Ramalingeshwara Nagar,
Kurnool - 518002

To
The Secretary,
APERC, 11-4-660, 4thFloor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

~~Ref:- True up petitions filed by AP Discoms~~

*****

The true-up petitions were filed by the APDISCOMS with various gaps as shown below:

	EPDCL	SPDCL	State
Total Power Purchase Cost True-up	3,187	6,409	9,596
Power Purchase Cost Carrying Cost @ 12% Interest Rate	772	1817	2589
Total Power Purchase Cost True-up	3,959	8,226	12,185
Total Revenue True-up	622	4,638	5,260
Revenue gap Carrying Cost @ 12% Interest Rate	363	1,796	2,159
Total Revenue True-up	985	6,434	7,418
Total True-up	4,943	14,660	19,603

It isobserved that the deviation in the cost of power purchase is the major reason for the huge true-up amount, created DISCOMs to a pathetic situationand not able pay their dues to the power generation companies. If the Discoms had controlled this cost, there would not have this much of financial burden on them. The tariff hike was not proper for the past few years, this is a major reason for the pathetic condition of the Discoms.

The APDiscoms are supplying the electricity to nearly 1.2 crore consumers with affordable tariff, in spite of the huge financial deficit still.Hence, it is requested to allow the above actual figures and fill the financial deficit as much as possible from the government of AP without burdening the existing consumers, as the major deviation in power purchase cost,which is mainly due to PPAs entered with the direction of the Govt of AP.Further, requested to direct the Discoms to control theirexpenditure by allowing cost cutting methods, controlling the theft, efficient usage of manpower and resources.

Andhra Pradesh Electricity Regulatory Commission
1113
26 MAY 2020

Yours faithfully,
T.V. Rao

From
G. Gangadhar
Sri Sai Electricals (LTD)
Kadapa

To
The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: - True-up petitions filed by AP Discoms

*****

As the true-ups amount filed by APSPDCL is around Rs.19000 crores, if the commission allow the entire amount then it is burden to the consumers. How the consumers would are responsible for such a heavy gap? If the commission had taken measures in the initial stages it would not have happened. How will the paying consumers be responsible for the loss of the Discoms? There is still rampant theft existing in many districts. The Hon'ble commission has to direct the Discoms and the government in taking the stringent criminal action against the persons who indulged in theft as it is prevailing in the neighboring state Tamilnadu. Already consumers have been paying suitable charges for the consumption of electricity if this gap is added to the ARR then our bills will increase in an uneven manner. If the APERC act like the commission of Gujarat in allowing the periodical tariff hike then our Discoms would have been saved. The Government is not paying the subsidies and dues within the due date, for which the Discoms have to take the short term loans to meet their expenses.

In this regard, it is requested the Hon'ble commission to allow the true-up gap to the extent which is permissible without creating heavy burden on the normal consumers and direct the government for timely payment of the bills of government organizations and agriculture subsidy.

Yours faithfully,

(G. Gangadhar)

Andhra Pradesh Electricity Regulatory Commission Hyderabad.
1114
25 MAY 2020

From
B. Sudhana
Junior Engineer,
Technical section,
Circle office,
Kurnool.

To

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17,FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: - True-up petitions filed by AP Discoms

*****

In recent true-up filings of Discoms, the true-up claim of Rs.19,603 crores is a huge amount for the Discoms to receive either from the government or through consumers. During the last 5 years the Discoms have entered lot of PPAs with the renewable generators at high prices and the same was approved by the commission. If the commission had done the thorough analysis duly taking the financial position of Discoms while approving the PPAs this situation would not have arisen. The Hon'ble commission while going through the renewable PPAs entered by the Discoms in excess of their RPPO target fixed by the commission should have been rejected stating the reason as bad financial position of the Discom. Renewable PPAs in-excess of RPPO will be burden for both the Discoms and to the consumers as the unit cost is more. If the state government had involved in allowing the PPAs with Discoms then government should also take the responsibility in filling the true-up gap. Further, Discoms should focus on the cheap power as the power prices has come down significantly.

In this regard, it is requested the government, Discoms and the APERC should take the responsibility for the current situation. The commission should act in a stringent manner like a TRAI on the entities involved in the sector for the benefit of the consumers.

B. Sudha

Yours faithfully,

B. SUDHANA
Junior Engineer
Technical section
o/o SE/O/Kurnool.

Andhra Pradesh Electricity Regulatory Commission Hyderabad
1115
26 MAY 2020

From
G.S. Narasimha Rao
H.No. 77, MIG-II
Jobaxapuram AP. Housing Board,
Kurnool - 518002

To
The Secretary,
APERC, 11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: -True-up petitions filed by AP Discoms

*****

The true-up petitions were filed by the APDISCOMS with various gaps as shown below:

	EPDCL	SPDCL	State
Total Power Purchase Cost True-up	3,187	6,409	9,596
Power Purchase Cost Carrying Cost @ 12% interest Rate	772	1817	2589
Total Power Purchase Cost True-up	3,959	8,226	12,185
Total Revenue True-up	622	4,638	5,260
Revenue gap Carrying Cost @ 12% interest Rate	363	1,796	2,159
Total Revenue True-up	985	6,434	7,418
Total True-up	4,943	14,660	19,603

It isobserved that the deviation in the cost of power purchase is the major reason for the huge true-up amount, created DISCOMs to a pathetic situationand not able pay their dues to the power generation companies. If the Discoms had controlled this cost, there would not have this much of financial burden on them. The tariff hike was not proper for the past few years, this is a major reason for the pathetic condition of the Discoms.

The APDiscoms are supplying the electricity to nearly 1.2 crore consumers with affordable tariff, in spite of the huge financial deficit still.Hence, it is requested to allow the above actual figures and fill the financial deficit as much as possible from the government of AP without burdening the existing consumers, as the major deviation in power purchase cost,which is mainly due to PPAs entered with the direction of the Govt of AP.Further, requested to direct the Discoms to control theirexpenditure by allowing cost cutting methods, controlling the theft, efficient usage of manpower and resources.

Andhra Pradesh Electricity Regulatory Commission * Hyderabad *
1116
26 MAY 2020

Yours faithfully,

G.S. Narasimha Rao

From
S. Chandra Sekhar
H.No.-33 APHB-colony
Jokapuram opp Vaitha
Pappa MPDG II Phase II Karimnagar

To
The Secretary,
APERC, 11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: -True-up petitions filed by AP Discoms

*****

The true-up petitions were filed by the APDISCOMS with various gaps as shown below:

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Revenue gap Carrying Cost @ 12% Interest Rate	363	1,796	2,159
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It isobserved that the deviation in the cost of power purchase is the major reason for the huge true-up amount, created DISCOMs to a pathetic situationand not able pay their dues to the power generation companies. If the Discoms had controlled this cost, there would not have this much of financial burden on them. The tariff hike was not proper for the past few years, this is a major reason for the pathetic condition of the Discoms.

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Yours faithfully,

S. Chandra Sekhar

Andhra Pradesh Electricity Regulatory Commission Hyderabad
1117
26 MAY 2020

From
S.KRISHNA MURTHY RAO.
D.No. 46-1-M3, A-Camp.
Chanikyapuri Colony
KURNOOL.

To
The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: - True-up petitions filed by AP Discoms

*****

As the true-ups amount filed by APSPDCL is around Rs.19000 crores, if the commission allow the entire amount then it is burden to the consumers. How the consumers would are responsible for such a heavy gap? If the commission had taken measures in the initial stages it would not have happened. How will the paying consumers be responsible for the loss of the Discoms? There is still rampant theft existing in many districts. The Hon'ble commission has to direct the Discoms and the government in taking the stringent criminal action against the persons who indulged in theft as it is prevailing in the neighboring state Tamilnadu. Already consumers have been paying suitable charges for the consumption of electricity if this gap is added to the ARR then our bills will increase in an uneven manner. If the APERC act like the commission of Gujarat in allowing the periodical tariff hike then our Discoms would have been saved. The Government is not paying the subsidies and dues within the due date, for which the Discoms have to take the short term loans to meet their expenses.

In this regard, it is requested the Hon'ble commission to allow the true-up gap to the extent which is permissible without creating heavy burden on the normal consumers and direct the government for timely payment of the bills of government organizations and agriculture subsidy.

Yours faithfully,

(S.KRISHNA MURTHY RAO)

Andhra Pradesh Electricity Regulatory Commission
1118
26 MAY 2020
Hyderabad.

From

B. RANGASWAMY
8311405001479
Kurnool

To

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.

Ref: - True-up petitions filed by AP Discoms

*****

The AP Discoms have shown the differential revenue as the one of the component of the total gap. While filing the ARR had factored certain conditions for the sales projection, but in actual it may not attain the same due to unforeseen conditions like temperature changes, macro-economic conditions like drop in the GDP due to fall in the industrial growth, stopping and delay in completion of certain projects like lift irrigation etc. Such unforeseen conditions should not become burden to Discoms as they ought to pay fixed cost to the generators and transmission companies.

In this regard, it is requested the Hon'ble commission to allow the gap arising out of drop in the approved revenue to the extent which is not creating heavy burden to the consumers after the thoroughly checking the reasons for such deviation.

Yours faithfully,

(B. RANGASWAMY)
(8311405001479)

Andhra Pradesh Electricity Regulatory Commission * Hyderabad *
1119
26 MAY 2020

From
N. Bhagyamma
H.No.5-3-308-11A,
Arorawagar, B'camp
Kurnool-

To
The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted
Ref: - True-up petitions filed by AP Discoms

*****

As the true-ups amount filed by APSPDCL is around Rs.19000 crores, if the commission allow the entire amount then it is burden to the consumers. How the consumers would are responsible for such a heavy gap? If the commission had taken measures in the initial stages it would not have happened. How will the paying consumers be responsible for the loss of the Discoms? There is still rampant theft existing in many districts. The Hon'ble commission has to direct the Discoms and the government in taking the stringent criminal action against the persons who indulged in theft as it is prevailing in the neighboring state Tamilnadu. Already consumers have been paying suitable charges for the consumption of electricity if this gap is added to the ARR then our bills will increase in an uneven manner. If the APERC act like the commission of Gujarat in allowing the periodical tariff hike then our Discoms would have been saved. The Government is not paying the subsidies and dues within the due date, for which the Discoms have to take the short term loans to meet their expenses.

In this regard, it is requested the Hon'ble commission to allow the true-up gap to the extent which is permissible without creating heavy burden on the normal consumers and direct the government for timely payment of the bills of government organizations and agriculture subsidy.

Yours faithfully,

N
12/05/2020

Andhra Pradesh Electricity Regulatory Commission
1120
26 MAY 2020
Hyderabad

From
N. Bhagyamma
H.No.5-3-308-11A,
Arorawagar, B'camp
Kurnool-

To
The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted
Ref: - True-up petitions filed by AP Discoms

*****

As the true-ups amount filed by APSPDCL is around Rs.19000 crores, if the commission allow the entire amount then it is burden to the consumers. How the consumers would are responsible for such a heavy gap? If the commission had taken measures in the initial stages it would not have happened. How will the paying consumers be responsible for the loss of the Discoms? There is still rampant theft existing in many districts. The Hon'ble commission has to direct the Discoms and the government in taking the stringent criminal action against the persons who indulged in theft as it is prevailing in the neighboring state Tamilnadu. Already consumers have been paying suitable charges for the consumption of electricity if this gap is added to the ARR then our bills will increase in an uneven manner. If the APERC act like the commission of Gujarat in allowing the periodical tariff hike then our Discoms would have been saved. The Government is not paying the subsidies and dues within the due date, for which the Discoms have to take the short term loans to meet their expenses.

In this regard, it is requested the Hon'ble commission to allow the true-up gap to the extent which is permissible without creating heavy burden on the normal consumers and direct the government for timely payment of the bills of government organizations and agriculture subsidy.

Yours faithfully,

N
12/05/2020

Andhra Pradesh Electricity Regulatory Commission
1120
26 MAY 2020
Hyderabad

From
G. Ramesh
H.No 4-197,
Mamatha Nagar,
Kurnool

To
The Secretary,
APERC, 11-4-660, 4thFloor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref:-True-up petitions filed by AP Discoms

*****

The true-up petitions were filed by the AP.DISCOMS with various gaps as shown below:

	EPDCL	SPDCL	State
Total Power Purchase Cost True-up	3,187	6,409	9,596
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Revenue gap Carrying Cost @ 12% interest Rate	363	1,796	2,159
Total Revenue True-up	985	6,434	7,418
Total True-up	4,943	14,660	19,603

It isobserved that the deviation in the cost of power purchase is the major reason for the huge true-up amount, created DISCOMs to a pathetic situationand not able pay their dues to the power generation companies. If the Discoms had controlled this cost, there would not have this much of financial burden on them. The tariff hike was not proper for the past few years, this is a major reason for the pathetic condition of the Discoms.

The APDiscoms are supplying the electricity to nearly 1.2 crore consumers with affordable tariff, in spite of the huge financial deficit still.Hence, it is requested to allow the above actual figures and fill the financial deficit as much as possible from the government of AP without burdening the existing consumers, as the major deviation in power purchase cost,which is mainly due to PPAs entered with the direction of the Govt of AP.Further, requested to direct the Discoms to control theirexpenditure by allowing cost cutting methods, controlling the theft, efficient usage of manpower and resources.

Yours faithfully,

G. Ramesh

Andhra Pradesh Electricity Regulatory Commission ★Hyderabad★
1121
26 MAY 2020

From
G. HARI HARA NATH
H.No. 2/297, PETA,
MATAM STREET,
KURNOOL - 518 00).

To
The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: True-up petitions filed by AP Discoms

*****

APDISCOMs have filed true-up petitions for FY 14-15, FY 16-17, FY 17-18 and FY 18-19, in which there is huge gap between actual and approved figures. If the commission had done the thorough analysis in theinitial dayson the deviation using actual figures, then the actual expenditure for the next financial years would not have been deviated much from the approved figures. The financial position of the APDISCOMS was not this much worse prior to FY 2014-15, as the tariff got hiked during those days whenever it was essential for the survival of the Discoms.

In this regard, the Hon'ble commission requested to recognize the present financial position of the Discoms and to organize the road map for the financial wellness of the sector with the coordination of the government. Commission has to take measures for strengthening the government companies as they are working with service motto. If the government companies are running under the financial deficit then it will give chance to franchises or private companies whose main motto is profit, which will become burden for the ordinary consumers to pay such huge bills. Further, the Discoms should focus on the collection of huge arrears and theft penalties and the benefitting court cases as they will help them in meeting the expenditure without the need of much tariff hike.

Yours faithfully,

G. Harihara nath

Andhra Pradesh Electricity Regulatory Commission
1122
26 MAY 2020
Hyderabad

From
S.Sateesh Kumar
D.No.76/100-3-5-E-3-5,
Geetha Nagar,
Near Bellary Chourasta,
Near New Bus-Stand,
KURNOOL.

To
The Secretary,
APERC, 11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: -True-up petitions filed by AP Discoms

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The true-up petitions were filed by the APDISCOMS with various gaps as shown below:

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It isobserved that the deviation in the cost of power purchase is the major reason for the huge true-up amount, created DISCOMs to a pathetic situationand not able pay their dues to the power generation companies. If the Discoms had controlled this cost, there would not have this much of financial burden on them. The tariff hike was not proper for the past few years, this is a major reason for the pathetic condition of the Discoms.

The APDiscoms are supplying the electricity to nearly 1.2 crore consumers with affordable tariff, in spite of the huge financial deficit still.Hence, it is requested to allow the above actual figures and fill the financial deficit as much as possible from the government of AP without burdening the existing consumers, as the major deviation in power purchase cost,which is mainly due to PPAs entered with the direction of the Govt of AP.Further, requested to direct the Discoms to control theirexpenditure by allowing cost cutting methods, controlling the theft, efficient usage of manpower and resources.

Yours faithfully,

(S.SATEESH KUMAR).

Andhra Pradesh Electricity Regulatory Commission Hyderabad
1123
26 MAY 2020

From

S. Dhanu Reddy
S.No.14-88 PRS Secretary
Circle office Kadapa

To

The Secretary,
APERC, 11-4-660, 4thFloor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: -True-up petitions filed by AP Discoms

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It isobserved that the deviation in the cost of power purchase is the major reason for the huge true-up amount, created DISCOMs to a pathetic situationand not able pay their dues to the power generation companies. If the Discoms had controlled this cost, there would not have this much of financial burden on them. The tariff hike was not proper for the past few years, this is a major reason for the pathetic condition of the Discoms.

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Yours faithfully,

Andhra Pradesh Electricity Regulatory Commission
1124
26 MAY 2020

From

MD. SADIQ.
H.NO 5-22-4
Mamtha Nagar,
KURNOOL- 518006.

To
The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.

Ref: - True-up petitions filed by AP Discoms

*****

In the true-up filings of the Discoms, the actual power purchase cost is deviated much from the approved figures. I feel that, the vast true-up amount is showing negligence of the management while taking the decisions in the procurement of power and in their daily operations. It came known to me that the power purchase activities are happening under the directions of the APPCC which is directed by the Government of A.P. Discoms are procuring power from the various private sources with the pressure from the government which is causing burden to the ordinary consumers. Discoms should focus on the cheap power as the high end consumers are moving towards open access then the remaining consumers have to bear the enormous expenses of the Discom.

In this regard, the Hon'ble commission has to take the measures to protect the interest of the normal consumers by not allowing the entire true-up gap among normal consumers, it should involve the government to bear the gap to the maximum extent. The government companies should be saved as they are doing the true service for all sects of consumers. The collapse of Government Company may allow the private companies who will work for the profits than service to consumers. Hence, the Hon'ble commission take measures to save Discoms.

Yours faithfully,

(MD. SADIQ)

Andhra Pradesh Electricity Regulatory Commission
1125
26 MAY 2020

From

M. Naveen kumar.
H.No. 81-5-3-11-36
Sainagar Beside 8.T.C.
Kurnool.

To

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.

Ref. - True-up petitions filed by AP Discoms

*****

In the true-up filings of the Discoms, the actual power purchase cost is deviated much from the approved figures. I feel that, the vast true-up amount is showing negligence of the management while taking the decisions in the procurement of power and in their daily operations. It came known to me that the power purchase activities are happening under the directions of the APPCC which is directed by the Government of A.P. Discoms are procuring power from the various private sources with the pressure from the government which is causing burden to the ordinary consumers. Discoms should focus on the cheap power as the high end consumers are moving towards open access then the remaining consumers have to bear the enormous expenses of the Discom.

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Yours faithfully,

M.Naveen kumar
H.No. 81-5-11-36
Beside 2TC, Sainagar
Kurnool.

Andhra Pradesh Electricity Regulatory Commission * Hyderabad *
1126
26 MAY 2020

From

Smt. S. JAYA, Sr. Asst.
O/o. The Executive Engineer
Transformer Division
APSPDCL Ltd., Kurnool (A.P.)

To

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17,FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.-

Ref: - True-up petitions filed by AP Discoms

*****

In recent true-up filings of Discoms, the true-up claim of Rs.19,603 crores is a huge amount for the Discoms to receive either from the government or through consumers. During the last 5 years the Discoms have entered lot of PPAs with the renewable generators at high prices and the same was approved by the commission. If the commission had done the thorough analysis duly taking the financial position of Discoms while approving the PPAs this situation would not have arisen. The Hon'ble commission while going through the renewable PPAs entered by the Discoms in excess of their RPPO target fixed by the commission should have been rejected stating the reason as bad financial position of the Discom. Renewable PPAs in-excess of RPPO will be burden for both the Discoms and to the consumers as the unit cost is more. If the state government had involved in allowing the PPAs with Discoms then government should also take the responsibility in filling the true-up gap. Further, Discoms should focus on the cheap power as the power prices has come down significantly.

In this regard, it is requested the government, Discoms and the APERC should take the responsibility for the current situation. The commission should act in a stringent manner like a TRAI on the entities involved in the sector for the benefit of the consumers.

Yours faithfully,

S. Jaya
(S. JAYA)

Andhra Pradesh Electricity Regulatory Commission * Hyderabad *
1127
26 MAY 2020

From
B. Ravindra Babu
MIG - 29
Housing board colony
Kukatpally

To
The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.

Ref: - True-up petitions filed by AP Discoms

*****

In the true-up filings of the Discoms, the actual power purchase cost is deviated much from the approved figures. I feel that, the vast true-up amount is showing negligence of the management while taking the decisions in the procurement of power and in their daily operations. It came known to me that the power purchase activities are happening under the directions of the APPCC which is directed by the Government of A.P. Discoms are procuring power from the various private sources with the pressure from the government which is causing burden to the ordinary consumers. Discoms should focus on the cheap power as the high end consumers are moving towards open access then the remaining consumers have to bear the enormous expenses of the Discom.

In this regard, the Hon'ble commission has to take the measures to protect the interest of the normal consumers by not allowing the entire true-up gap among normal consumers, it should involve the government to bear the gap to the maximum extent. The government companies should be saved as they are doing the true service for all sects of consumers. The collapse of Government Company may allow the private companies who will work for the profits than service to consumers. Hence, the Hon'ble commission take measures to save Discoms.

Yours faithfully,

B. Ravindra Babu

Andhra Pradesh Electricity Regulatory Commission Hyderabad
1128
26 MAY 2020

From
K. Prabhavathi Kumari
H.No: 50-168
Annamayya nagar
Banganapalle, Kurnool

To
The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: -True-up petitions filed by AP Discoms

*****

APDISCOMs have filed true-up petitions for FY 14-15, FY 16-17, FY 17-18 and FY 18-19, in which there is huge gap between actual and approved figures. If the commission had done the thorough analysis in theinitial dayson the deviation using actual figures, then the actual expenditure for the next financial years would not have been deviated much from the approved figures. The financial position of the APDISCOMS was not this much worse prior to FY 2014-15, as the tariff got hiked during those days whenever it was essential for the survival of the Discoms.

In this regard, the Hon'ble commission requested to recognize the present financial position of the Discoms and to organize the road map for the financial wellness of the sector with the coordination of the government. Commission has to take measures for strengthening the government companies as they are working with service motto. If the government companies are running under the financial deficit then it will give chance to franchises or private companies whose main motto is profit, which will become burden for the ordinary consumers to pay such huge bills. Further, the Discoms should focus on the collection of huge arrears and theft penalties and the benefitting court cases as they will help them in meeting the expenditure without the need of much tariff hike.

Yours faithfully,

K. Prabhavathi Kumari

Andhra Pradesh Electricity Regulatory Commission ★Hyderabad★
1129
26 MAY 2020

From
S.J. Chandra Bose Rao.
H.No. 91/4-26-5
Balaji Nagar, Kurnool

To
The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref:- True-up petitions filed by AP Discoms

*****

As the true-ups amount filed by APSPDCL is around Rs.19000 crores, if the commission allow the entire amount then it is burden to the consumers. How the consumers would are responsible for such a heavy gap? If the commission had taken measures in the initial stages it would not have happened. How will the paying consumers be responsible for the loss of the Discoms? There is still rampant theft existing in many districts. The Hon'ble commission has to direct the Discoms and the government in taking the stringent criminal action against the persons who indulged in theft as it is prevailing in the neighboring state Tamilnadu. Already consumers have been paying suitable charges for the consumption of electricity if this gap is added to the ARR then our bills will increase in an uneven manner. If the APERC act like the commission of Gujarat in allowing the periodical tariff hike then our Discoms would have been saved. The Government is not paying the subsidies and dues within the due date, for which the Discoms have to take the short term loans to meet their expenses.

In this regard, it is requested the Hon'ble commission to allow the true-up gap to the extent which is permissible without creating heavy burden on the normal consumers and direct the government for timely payment of the bills of government organizations and agriculture subsidy.

Yours faithfully,

S.J. Chandra

Andhra Pradesh Electricity Regulatory Commission Hyderabad
1130
26 MAY 2020

From
G. Jaikumar
Kondapur - 1403-62
Moosapet Hyderabad
Telangana 001

To
The Secretary,
APERC, 11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: True-up petitions filed by AP Discoms

*****

The true-up petitions were filed by the APDISCOMS with various gaps as shown below:

	EPDCL	SPDCL	State
Total Power Purchase Cost True-up	3,187	6,409	9,596
Power Purchase Cost Carrying Cost @ 12% interest Rate	772	1817	2589
Total Power Purchase Cost True-up	3,959	8,226	12,185
Total Revenue True-up	622	4,638	5,260
Revenue gap Carrying Cost @ 12% Interest Rate	363	1,796	2,159
Total Revenue True-up	985	6,434	7,418
Total True-up	4,943	14,660	19,603

It isobserved that the deviation in the cost of power purchase is the major reason for the huge true-up amount, created DISCOMs to a pathetic situationand not able pay their dues to the power generation companies. If the Discoms had controlled this cost, there would not have this much of financial burden on them. The tariff hike was not proper for the past few years, this is a major reason for the pathetic condition of the Discoms.

The APDiscoms are supplying the electricity to nearly 1.2 crore consumers with affordable tariff, in spite of the huge financial deficit still.Hence, it is requested to allow the above actual figures and fill the financial deficit as much as possible from the government of AP without burdening the existing consumers, as the major deviation in power purchase cost,which is mainly due to PPAs entered with the direction of the Govt of AP.Further, requested to direct the Discoms to control theirexpenditure by allowing cost cutting methods, controlling the theft, efficient usage of manpower and resources.

Yours faithfully,

Andhra Pradesh Electricity Regulatory Commission
1131
26 MAY 2020

From S. Vidyalakshmi
H.No. 4-172/10
V.R. Colony, 5th Road
Kurnool

To
The Secretary,
APERC, 11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: -True-up petitions filed by AP Discoms

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Total Revenue True-up	622	4,638	5,260
Revenue gap Carrying Cost @ 12% interest Rate	363	1,796	2,159
Total Revenue True-up	985	6,434	7,418
Total True-up	4,943	14,660	19,603

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Yours faithfully,

S. Vidyalakshmi

Andhra Pradesh Electricity Regulatory Commission Hyderabad
1132
26 MAY 2020

From

K. SUDHARANI
SAPTHAGIRINAGAR
NEW AYYAPPA SWAMY TEMPLE
KURNOOL

To

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17,FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.

Ref: - True-up petitions filed by AP Discoms

*****

In recent true-up filings of Discoms, the true-up claim of Rs.19,603 crores is a huge amount for the Discoms to receive either from the government or through consumers. During the last 5 years the Discoms have entered lot of PPAs with the renewable generators at high prices and the same was approved by the commission. If the commission had done the thorough analysis duly taking the financial position of Discoms while approving the PPAs this situation would not have arisen. The Hon'ble commission while going through the renewable PPAs entered by the Discoms in excess of their RPPO target fixed by the commission should have been rejected stating the reason as bad financial position of the Discom. Renewable PPAs in-excess of RPPO will be burden for both the Discoms and to the consumers as the unit cost is more. If the state government had involved in allowing the PPAs with Discoms then government should also take the responsibility in filling the true-up gap. Further, Discoms should focus on the cheap power as the power prices has come down significantly.

In this regard, it is requested the government, Discoms and the APERC should take the responsibility for the current situation. The commission should act in a stringent manner like a TRAI on the entities involved in the sector for the benefit of the consumers.

Yours faithfully,

Andhra Pradesh Electricity Regulatory Commission ★Hyderabad★
1133
26 MAY 2020

From
C. REKHA
KURNOOL

To
The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.

Ref: - True-up petitions filed by AP Discoms

*****

The AP Discoms have shown the differential revenue as the one of the component of the total gap. While filing the ARR had factored certain conditions for the sales projection, but in actual it may not attain the same due to unforeseen conditions like temperature changes, macro-economic conditions like drop in the GDP due to fall in the industrial growth, stopping and delay in completion of certain projects like lift irrigation etc. Such unforeseen conditions should not become burden to Discoms as they ought to pay fixed cost to the generators and transmission companies.

In this regard, it is requested the Hon'ble commission to allow the gap arising out of drop in the approved revenue to the extent which is not creating heavy burden to the consumers after the thoroughly checking the reasons for such deviation.

Yours faithfully,

(C. REKHA)

Andhra Pradesh Electricity Regulatory Commission * Hyderabad *
1134
26 MAY 2020

From
U. Sreedhar Reddy
F. No. 204, Jayavamsi Towers,
Samath Nagar
Kukatpally.

To
The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: - True-up petitions filed by AP Discoms

*****

As the true-ups amount filed by APSPDCL is around Rs.19000 crores, if the commission allow the entire amount then it is burden to the consumers. How the consumers would are responsible for such a heavy gap? If the commission had taken measures in the initial stages it would not have happened. How will the paying consumers be responsible for the loss of the Discoms? There is still rampant theft existing in many districts. The Hon'ble commission has to direct the Discoms and the government in taking the stringent criminal action against the persons who indulged in theft as it is prevailing in the neighboring state Tamilnadu. Already consumers have been paying suitable charges for the consumption of electricity if this gap is added to the ARR then our bills will increase in an uneven manner. If the APERC act like the commission of Gujarat in allowing the periodical tariff hike then our Discoms would have been saved. The Government is not paying the subsidies and dues within the due date, for which the Discoms have to take the short term loans to meet their expenses.

In this regard, it is requested the Hon'ble commission to allow the true-up gap to the extent which is permissible without creating heavy burden on the normal consumers and direct the government for timely payment of the bills of government organizations and agriculture subsidy.

Yours faithfully,

Sreedhar

(U. Sreedhar Reddy)

Andhra Pradesh Electricity Regulatory Commission
1135
26 MAY 2020
Hyderabad

From:

5257
[illegible]
[illegible]
1767

To:

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: - True-up petitions filed by AP Discoms

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In this regard, the Hon'ble commission requested to recognize the present financial position of the Discoms and to organize the road map for the financial wellness of the sector with the coordination of the government. Commission has to take measures for strengthening the government companies as they are working with service motto. If the government companies are running under the financial deficit then it will give chance to franchises or private companies whose main motto is profit, which will become burden for the ordinary consumers to pay such huge bills. Further, the Discoms should focus on the collection of huge arrears and theft penalties and the benefitting court cases as they will help them in meeting the expenditure without the need of much tariff hike.

Andhra Pradesh Electricity Regulatory Commission ★Hyderabad★
1136
26 MAY 2020

Yours faithfully,

[illegible]

From:

7285
మీనా బుర్రకథలు
హైదరాబాద్

Sir,

To:

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17,FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.

Ref: - True-up petitions filed by AP Discoms

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In recent true-up filings of Discoms, the true-up claim of Rs.19,603 crores is a huge amount for the Discoms to receive either from the government or through consumers. During the last 5 years the Discoms have entered lot of PPAs with the renewable generators at high prices and the same was approved by the commission. If the commission had done the thorough analysis duly taking the financial position of Discoms while approving the PPAs this situation would not have arisen. The Hon'ble commission while going through the renewable PPAs entered by the Discoms in excess of their RPPO target fixed by the commission should have been rejected stating the reason as bad financial position of the Discom. Renewable PPAs in-excess of RPPO will be burden for both the Discoms and to the consumers as the unit cost is more. If the state government had involved in allowing the PPAs with Discoms then government should also take the responsibility in filling the true-up gap. Further, Discoms should focus on the cheap power as the power prices has come down significantly.

In this regard, it is requested the government, Discoms and the APERC should take the responsibility for the current situation. The commission should act in a stringent manner like a TRAI on the entities involved in the sector for the benefit of the consumers.

Yours faithfully,

Andhra Pradesh Electricity Regulatory Commission
1137
26 MAY 2020
Hyderabad

From:

89.51
[illegible]
[illegible]

Sir,

To:

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.

Ref: - True-up petitions filed by AP Discoms

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Andhra Pradesh Electricity Regulatory Commission Hyderabad
1138
26 MAY 2020

Yours faithfully,

P. Chetharsh

From:

5931
[illegible]
[illegible]

To:

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions-Submitted

Ref: - True-up petitions filed by AP Discoms

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Total Revenue True-up	985	6,434	7,418
Total True-up	4,943	14,660	19,603

It is observed that the deviation in the cost of power purchase is the major reason for the huge true-up amount, created DISCOMs to a pathetic situation and not able pay their dues to the power generation companies. If the Discoms had controlled this cost, there would not have this much of financial burden on them. The tariff hike was not proper for the past few years, this is a major reason for the pathetic condition of the Discoms.

The AP Discoms are supplying the electricity to nearly 1.2 crore consumers with affordable tariff, in spite of the huge financial deficit still. Hence, it is requested to allow the above actual figures and fill the financial deficit as much as possible from the government of AP without burdening the existing consumers, as the major deviation in power purchase cost, which is mainly due to PPAs entered with the direction of the Govt of AP. Further, requested to direct the Discoms to control their expenditure by allowing cost cutting methods, controlling the theft, efficient usage of manpower and resources.

Yours faithfully,

[illegible]

Andhra Pradesh Electricity Regulatory Commission
1139
26 MAY 2020
Hyderabad

From

V. Umamaheswari Devi,
Sr. Asst.

Flat No: 101,
Sri Sai Maruthi Homes,
Near Balaji Nagar, Kurnool.

To
సెక్రటరి, ఏ.పి.ఇ.ఆర్.సి,
11-4-660, నాల్గవఅంతస్తు
సింగరేణిభవన్,రెడ్‌హిల్స్,
లకడి-క-పుల్,హైదరాబాదు.

విషయము :ఆసం. 14-15, 16-17, 17-18 మరియు 18-19 గానుడిస్కంలుసమర్పించినట్రూఅప్స్ గురించి.

ఆర్యా,

ప్రస్తుతము APSPDCL మరియు APEPDCLగౌరవAPERC కిసమర్పించినట్రూఅప్స్ఆసం. 2014-15, 2016-17, 2017-18 మరియు2018-19 గానువెతసిరు. 19,603కోట్లుకాగా, డిస్కములురు. 40 వేలకోట్లుఅప్పులువున్నట్లువినికిడి.

2002 సం. నుండి2013 సం. వరకుగమనించినమూడుడిస్కములుAPCPDCL, APSPDCL & APEPDCL లాభాలలోఒక్క APNPDCLమాత్రంకొంచెంనష్టాలలోఉండేవి.

1) ఆసం. 2014-15 నుండిఆసం. 2018-19 కాలంలోతీసుకున్ననిర్ణయాలవల్లప్రతిసంవత్సరముAcual Power Purchase CostAPERC వారుఅనుమతించినPower Purchase costకన్నావిపరీతముగాపెరిగినది.

2) దీనికితోడుUDAYస్కీములోప్రతిసంవత్సరముటారిఫ్‌పెంపుదల 5% ఉన్నా, రాష్ట్రప్రభుత్వఆదేశాలమేరకుఎటువంటిటారిఫ్ పెంచకపోవడముమరియుప్రభుత్వముఇచ్చుసబ్సిడినిమాత్రంవాస్తవరెవెన్యూతగ్గుదలమేరఇవ్వకపోవడం.

3) APERCవారుకొన్నివర్గాలవినియోగదారులకు, TTD, Railways, Aqua hatcheries వంటిHighly Incomeకలిగినవారికిటారిఫ్‌తగ్గించడంవంటిచర్యలు.

4) వాస్తవంగాఖర్చులుతగ్గించిలేదారెవెన్యూపెంచితద్వారాటారిఫ్‌లుపెంచకపోయినా, లేదాటారిఫ్ తగ్గించినాహర్షించవలసినవిషయము. అలాకాకుండాప్రభుత్వంసూచించినసబ్సిడికినిర్ధారణఅయి, ఆమేరరెవెన్యూలోటువచ్చునట్లు,

ఖర్చులుతగ్గించటంలేదారెవెన్యూపెంచడంచేయడంద్వారానేఇంతపెద్దమొత్తాలలోట్రూఅప్స్పెరుకుపోయాయి.

Electricity Regulatory Commission
1148
26 MAY 2020

పైచర్యలవల్లడిస్కములునష్టాల్లోకివెళ్ళడానికిప్రధానకారణాలు. కావునConsumers Interestనుదృష్టిపెట్టుకొని, పైచర్యలనుAPERCవారేఅనుమతులుమంజూరుచేయడంజరిగినది. డిస్కంలTrue-upనిఆమోదించి, వీలున్నవరకుప్రభుత్వమునుండిమరియుసముచితముగాటారిఫ్ నుండిరాబట్టవలసినదిగాకోరుతూఇకనుంచైనావాస్తవంగాఖర్చులుతగ్గించిఆమేలునువినియోగదారులకుఅందించవలసిందిగాకోరుచున్నాము.

ఇట్లు

V. Umamaheswari Devi

From
సి.జె. గోపాల కృష్ణ,
ప్లాటు నెంబరు 39,
మారుతి రెసిడెన్సీ కాలని,
పైడి వైస్ ఎదుట జగన్నాథ,
స్టాంటన్ పురం రోడ్డు,
కర్నూలు.

To
సెక్రటరి, ఏ.పి.ఇ.ఆర్.సి,
11-4-660, నాల్గవఅంతస్తు
సింగరేణిభవన్,రెడ్‌హిల్స్,
లకడి-క-పుల్,హైదరాబాదు.

విషయము :ఆసం. 14-15, 16-17, 17-18 మరియు 18-19 గానుడిస్కంలుసమర్పించినట్రూఅప్స్ గురించి.

ఆర్యా,

ప్రస్తుతము APSPDCL మరియు APEPDCLగౌరవAPERC కిసమర్పించినట్రూఅప్స్ఆసం. 2014-15, 2016-17, 2017-18 మరియు2018-19 గానువెరసిరు. 19,603కోట్లుకాగా, డిస్కములురు. 40 వేలకోట్లుతప్పులువున్నట్లువినికిడి.

2002 సం. నుండి2013 సం. వరకుగమనించినమూడుడిస్కములుAPCPDCL, APSPDCL & APEPDCL లాభాలలోఒక్క APNPDCLమాత్రంకొంచెంనష్టాలలోఉండేవి.

1) ఆసం. 2014-15 నుండిఆసం. 2018-19 కాలంలోతీసుకున్ననిర్ణయాలవల్లప్రతిసంవత్సరముAcual Power Purchase CostAPERC వారుఅనుమతించినPower Purchase costకన్నావిపరీతముగాపెరిగినది.

2) దీనికితోడుUDAYస్కీములోప్రతిసంవత్సరముటారిఫ్‌పెంపుదల 5% ఉన్నా, రాష్ట్రప్రభుత్వఆదేశాలమేరకుఎటువంటిటారిఫ్ పెంచకపోవడముమరియుప్రభుత్వముఇచ్చుసబ్సిడినిమాత్రంవాస్తవరెవెన్యూతగ్గుదలమేరఇవ్వకపోవడం.

3) APERCవారుకొన్నివర్గాలవినియోగదారులకు, TTD, Railways, Aqua hatcheries వంటిHighly Incomeకలిగినవారికిటారిఫ్‌తగ్గించడంవంటిచర్యలు.

4) వాస్తవంగాఖర్చులుతగ్గించిలేదారెవెన్యూపెంచితద్వారాటారిఫ్‌లుపెంచకపోయినా, లేదాటారిఫ్ తగ్గించినాహర్షించవలసినవిషయము. అలాకాకుండాప్రభుత్వంసూచించినసబ్సిడికినిర్ధారణఅయి, అమేరరెవెన్యూలోటువచ్చునట్లు, ఖర్చులుతగ్గించకుండాలేదారెవెన్యూపెంచడంచేయడంద్వారానేఇంతపెద్దమొత్తాలలోట్రూఅప్స్పెరుకుపోయాయి.

Andhra Pradesh Electricity Regulatory Commission
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26 MAY 2020

పైచర్యలవల్లడిస్కములునష్టాల్లోకివెళ్ళడానికిప్రధానకారణాలు.
పైచర్యలనుAPERCవారేఅనుమతులుమంజూరుచేయడంజరిగినది. కావునConsumers
Interestనుదృష్టిపెట్టుకొని, డిస్కంలTrue-upనిఆమోదించి,
వీలున్నవరకుప్రభుత్వమునుండిమరియుసముచితముగాటారిఫ్
నుండిరాబట్టవలసినదిగాకోరుతూఇకనుంచైనావాస్తవంగాఖర్చులుతగ్గించిఆమేలునువినియోగదారులకుఅం
దించవలసిందిగాకోరుచున్నాము.

12-05-2020,
కర్నూలు.

ఇట్లు
సి.జె. గోపాలకృష్ణ,
C.J. Gopalakrishna,
ప్లాట్ నెంబరు 39,
మారుతినగర్ కాలనీ,
బైరెడ్డిపల్లి మిల్ దగ్గర,
స్టాంటన్ పురం పోస్టు,
కర్నూలు.

From

S. Venkateswarlu
Junior Accounts officer
LT Section, Circle office
APSPDCL, Kurnool.

To

సెక్రటరి, ఏ.పి.ఇ.ఆర్.సి,
11-4-660, నాల్గవఅంతస్తు
సింగరేణిభవన్,రెడ్‌హిల్స్,
లకడి-క-పుల్,హైదరాబాదు.

విషయము :ఆసం. 14-15, 16-17, 17-18 మరియు 18-19 గానుడిస్కంలుసమర్పించినట్రూఅప్స్ గురించి.

ఆర్యా,

ప్రస్తుతము APSPDCL మరియు APEPDCLగౌరవAPERC కిసమర్పించినట్రూఅప్స్ఆసం. 2014-15, 2016-17, 2017-18 మరియు2018-19 గానువెరసిరు. 19,603కోట్లుకాగా, డిస్కములురు. 40 వేలకోట్లుఅప్పులువున్నట్లువినికిడి.

2002 సం. నుండి2013 సం. వరకుగమనించినమూడుడిస్కములుAPCPDCL, APSPDCL & APEPDCL లాభాలలోఒక్క APNPDCLమాత్రంకొంచెంనష్టాలలోఉండేవి.

1) ఆసం. 2014-15 నుండిఆసం. 2018-19 కాలంలోతీసుకున్ననిర్ణయాలవల్లప్రతిసంవత్సరముAcual Power Purchase CostAPERC వారుఅనుమతించినPower Purchase costకన్నావిపరీతముగాపెరిగినది.

2) దీనికితోడుUDAYస్కీములోప్రతిసంవత్సరముటారిఫ్‌పెంపుదల 5% ఉన్నా, రాష్ట్రప్రభుత్వఆదేశాలమేరకుఎటువంటిటారిఫ్ పెంచకపోవడముమరియుప్రభుత్వముఇచ్చుసబ్సిడినిమాత్రంవాస్తవరెవెన్యూతగ్గుదలమేరఇవ్వకపోవడం.

3) APERCవారుకొన్నివర్గాలవినియోగదారులకు, TTD, Railways, Aqua hatcheries వంటిHighly Incomeకలిగినవారికిటారిఫ్‌తగ్గించడంవంటిచర్యలు.

4) వాస్తవంగాఖర్చులుతగ్గించిలేదారెవెన్యూపెంచితద్వారాటారిఫ్‌లుపెంచకపోయినా, లేదాటారిఫ్ తగ్గించినాహర్షించవలసినవిషయము. అలాకాకుండాప్రభుత్వంసూచించినసబ్సిడికినిర్ధారణఅయి, ఆమేరరెవెన్యూలోటువచ్చునట్లు, ఖర్చులుతగ్గించకుండారెవెన్యూపెంచడంచేయడంద్వారానేఇంతపెద్దమొత్తాలలోట్రూఅప్స్పెరుకుపోయాయి.

Andhra Pradesh Electricity Regulatory Commission
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26 MAY 2020

పైచర్యలవల్లడిస్కములునష్టాల్లోకివెళ్ళడానికిప్రధానకారణాలు. కావునConsumers Interestనుదృష్టిపెట్టుకొని, డిస్కంలTrue-upనిఆమోదించి, పైచర్యలనుAPERCవారేఅనుమతులుమంజూరుచేయడంజరిగినది. వీలున్నవరకుప్రభుత్వమునుండిమరియుసముచితముగాటారిఫ్ నుండిరాబట్టవలసినదిగాకోరుతూఇకనుంచైనావాస్తవంగాఖర్చులుతగ్గించిఆమేలునువినియోగదారులకుఅందించవలసిందిగాకోరుచున్నాము.

ఇట్లు

(S. Venkateswarlu)

From:

To:
సెక్రటరి, ఏ.పి.ఇ.ఆర్.సి.,
11-4-660, నాల్గవ అంతస్తు,
సింగరేణి భవన్, రెడ్ హిల్స్,
లకడి-క-పుల్, హైదరాబాదు.

విషయము : ఆ సం.14-15, 16-17, 17-18 మరియు 18-19 గాను డిస్కంలు సమర్పించిన ట్రూఅప్స్ గురించి.

ఆర్యా,

ప్రస్తుతము APSPDCL మరియు APEPDCL గౌరవ APERC కి సమర్పించిన ట్రూఅప్స్ ఆ సం.2014-15, 2016-17, 2017-18 మరియు2018-19 గాను పెరసి రూ.19,603 కోట్లు కాగా, డిస్కములు రూ.40 వేల కోట్లు అప్పులు వున్నట్లు వినికిడి.

2002 సం. నుండి 2013 సం. వరకు గమనించిన మూడు డిస్కములు APCPDCL, APSPDCL & APEPDCL లాభాలలో ఒక్క APNPDCL మాత్రం కొంచెం నష్టాలలో ఉండేవి.

1) ఆ సం.2014-15 నుండి ఆ సం.2018-19 కాలంలో తీసుకున్న నిర్ణయాల వల్ల ప్రతి సంవత్సరము actual power purchase cost APERC వారు అనుమతించిన Power purchase cost కన్నా విపరీతముగా పెరిగినది.
2) దీనికితోడు UDAY స్కీములో ప్రతి సంవత్సరము టారిఫ్ పెంపుదల 5% ఉన్నా, రాష్ట్ర ప్రభుత్వ ఆదేశాలమేరకు ఎటువంటి టారిఫ్ పెంచకపోవడము మరియు ప్రభుత్వము ఇచ్చు సబ్సిడి మాత్రం వాస్తవ రెవెన్యూ తగ్గుదల మేర ఇవ్వకపోవడం.
3) APERC వారు కొన్ని వర్గాల వినియోగదారులకు, TTD, Railways, Aqua hatcheries వంటి Highly Income కలిగిన వారికి టారిఫ్ తగ్గించడం వంటి చర్యలు.
4) వాస్తవంగా ఖర్చులు తగ్గించి లేదా రెవెన్యూ పెంచి తద్వారా టారిఫ్‌లు పెంచకపోయినా, లేదా టారిఫ్ తగ్గించినా హర్షించవలసిన విషయము. అలా కాకుండా ప్రభుత్వం సూచించిన సబ్సిడికి నిర్ధారణ అయి, ఆమేర రెవెన్యూ లోటు వచ్చునట్లు, ఖర్చులు తగ్గించటం లేదా రెవెన్యూ పెంచడం చేయడం ద్వారానే ఇంత పెద్ద మొత్తాలలో ట్రూఅప్స్ పేరుకుపోయాయి.

పై చర్యల వల్ల డిస్కములు నష్టాల్లోకి వెళ్ళడానికి ప్రధాన కారణాలు, పై చర్యలను APERC వారే అనుమతులు మంజూరు చేయడం జరిగినది. కావున Consumers Interest ను దృష్టిలో పెట్టుకొని, డిస్కంల True-up ని ఆమోదించి, వీలున్నంతవరకు ప్రభుత్వము నుండి మరియు సముచితముగా టారిఫ్ నుండి రాబట్ట వలసినదిగా కోరుతూ ఇకనుంచైనా వాస్తవంగా ఖర్చులు తగ్గించి ఆ మేలును వినియోగదారులకు అందించవలసిందిగా కోరుచున్నాము.

ఇట్లు

Andhra Pradesh Electricity Regulatory Commission *Hyderabad.*
1156
26 MAY 2020

From
M. GIDDAIAH
(Gr. Asst)
H.No: 76/37-38-6
W.S. Colony
KURNOOL

To
సెక్రటరి, ఏ.పి.ఇ.ఆర్.సి,
11-4-660, నాల్గవఅంతస్తు
సింగరేణిభవన్,రెడ్‌హిల్స్,
లకడి-క-పుల్,హైదరాబాదు.

విషయము :ఆసం. 14-15, 16-17, 17-18 మరియు 18-19 గానుడిస్కంలుసమర్పించినట్రూఅప్స్ గురించి.

ఆర్యా,

ప్రస్తుతము APSPDCL మరియు APEPDCLగౌరవAPERC కిసమర్పించినట్రూఅప్స్ఆసం. 2014-15, 2016-17, 2017-18 మరియు2018-19 గానువెరసిరు. 19,603కోట్లుకాగా, డిస్కములురు. 40 వేలకోట్లుఅప్పులువున్నట్లువినికిడి.

2002 సం. నుండి2013 సం. వరకుగమనించినమూడుడిస్కములుAPCPDCL, APSPDCL & APEPDCL లాభాలలోఒక్క APNPDCLమాత్రంకొంచెంనష్టాలలోఉండేవి.

1) ఆసం. 2014-15 నుండిఆసం. 2018-19 కాలంలోతీసుకున్ననిర్ణయాలవల్లప్రతిసంవత్సరముAcual Power Purchase CostAPERC వారుఅనుమతించినPower Purchase costకన్నావిపరీతముగాపెరిగినది.
2) దీనికితోడుUDAYస్కీములోప్రతిసంవత్సరముటారిఫ్‌పెంపుదల 5% ఉన్నా, రాష్ట్రప్రభుత్వఆదేశాలమేరకుఎటువంటిటారిఫ్ పెంచకపోవడముమరియుప్రభుత్వముఇచ్చుసబ్సిడినిమాత్రంవాస్తవరెవెన్యూతగ్గుదలమేరఇవ్వకపోవడం.
3) APERCవారుకొన్నివర్గాలవినియోగదారులకు, TTD, Railways, Aqua hatcheries వంటిHighly Incomeకలిగినవారికిటారిఫ్‌తగ్గించడంవంటిచర్యలు.
4) వాస్తవంగాఖర్చులుతగ్గించిలేదారెవెన్యూపెంచితద్వారాటారిఫ్‌లుపెంచకపోయినా, లేదాటారిఫ్ తగ్గించినాహర్షించవలసినవిషయము. అలాకాకుండాప్రభుత్వంసూచించినసబ్సిడికినిర్ధారణఅయి, ఆమేరరెవెన్యూలోటువచ్చునట్లు, ఖర్చులుతగ్గించకలేదారెవెన్యూపెంచడంచేయడంద్వారానేఇంతపెద్దమొత్తాలలోట్రూఅప్స్పెరుకుపోయాయి.

Andhra Pradesh Electricity Regulatory Commission
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26 MAY 2020

పైచర్యలవల్లడిస్కములునష్టాల్లోకివెళ్ళడానికిప్రధానకారణాలు. కావునConsumers Interestనుదృష్టిపెట్టుకొని, పైచర్యలనుAPERCవారేఅనుమతులుమంజూరుచేయడంజరిగినది. డిస్కంలTrue-upనిఆమోదించి, వీలున్నవరకుప్రభుత్వమునుండిమరియుసముచితముగాటారిఫ్ నుండిరాబట్టవలసినదిగాకోరుతూఇకనుంచైనావాస్తవంగాఖర్చులుతగ్గించిఆమేలునువినియోగదారులకుఅందించవలసిందిగాకోరుచున్నాము.

ఇట్లు

Trasu

HJ (Revenue) Secretary
KURNOOL

From

B. Nyamath Ali
Jr Asst
H.No: 96/3/83/170
Vijayalaxmi Nagar
Kurnool.

To

సెక్రటరి, ఏ.పి.ఇ.ఆర్.సి,
11-4-660, నాల్గవఅంతస్తు
సింగరేణిభవన్,రెడ్‌హిల్స్,
లకడి-క-పుల్,హైదరాబాదు.

విషయము :ఆసం. 14-15, 16-17, 17-18 మరియు 18-19 గానుడిస్కంలుసమర్పించినట్రూఅప్స్ గురించి.

ఆర్యా,

ప్రస్తుతము APSPDCL మరియు APEPDCLగౌరవAPERC కిసమర్పించినట్రూఅప్స్ఆసం. 2014-15, 2016-17, 2017-18 మరియు2018-19 గానువిరసిరు. 19,603కోట్లుకాగా, డిస్కములురు. 40 వేలకోట్లుఅప్పులువున్నట్లువినికిడి.

2002 సం. నుండి2013 సం. వరకుగమనించినమూడుడిస్కములుAPCPDCL, APSPDCL & APEPDCL లాభాలలోఒక్క APNPDCLమాత్రంకొంచెంనష్టాలలోఉండేవి.

1) ఆసం. 2014-15 నుండిఆసం. 2018-19 కాలంలోతీసుకున్ననిర్ణయాలవల్లప్రతిసంవత్సరముAcual Power Purchase CostAPERC వారుఅనుమతించినPower Purchase costకన్నావిపరీతముగాపెరిగినది.

2) దీనికితోడుUDAYస్కీములోప్రతిసంవత్సరముటారిఫ్‌పెంపుదల 5% ఉన్నా, రాష్ట్రప్రభుత్వఆదేశాలమేరకుఎటువంటిటారిఫ్ పెంచకపోవడముమరియుప్రభుత్వముఇచ్చుసబ్సిడినిమాత్రంవాస్తవరెవెన్యూతగ్గుదలమేరఇవ్వకపోవడం.

3) APERCవారుకొన్నివర్గాలవినియోగదారులకు, TTD, Railways, Aqua hatcheries వంటిHighly Incomeకలిగినవారికిటారిఫ్‌తగ్గించడంవంటిచర్యలు.

4) వాస్తవంగాఖర్చులుతగ్గించిలేదారెవెన్యూపెంచితద్వారాటారిఫ్‌లుపెంచకపోయినా, లేదాటారిఫ్ తగ్గించినాహర్షించవలసినవిషయము. అలాకాకుండాప్రభుత్వంసూచించినసబ్సిడికినిర్ధారణఅయి, ఆమేరరెవెన్యూలోటువచ్చునట్లు, ఖర్చులుతగ్గించలేదారెవెన్యూపెంచడంచేయడంద్వారానేఇంతపెద్దమొత్తాలలోట్రూఅప్స్పెరుకుపోయాయి.

Andhra Pradesh Electricity Regulatory Commission
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పైచర్యలవల్లడిస్కములునష్టాల్లోకివెళ్ళడానికిప్రధానకారణాలు. పైచర్యలనుAPERCవారేఅనుమతులుమంజూరుచేయడంజరిగినది. కావునConsumers Interestనుదృష్టిపెట్టుకొని, డిస్కంలTrue-upనితమోదించి, వీలున్నవరకుప్రభుత్వమునుండిమరియుసముచితముగాటారిఫ్ నుండిరాబట్టవలసినదిగాకోరుతూఇకనుంచైనావాస్తవంగాఖర్చులుతగ్గించిఆమేలునువినియోగదారులకుఅం దించవలసిందిగాకోరుచున్నాము.

ఇట్లు

B. Ryamath
Jr AE

From

K. Chandra Sekhar Rao
H. No. 76/97-A-G-P-21,
Apoorva Gardens,
L. Venkaiah Nagar,
Kurnool- 518003.

To

సెక్రటరి, ఏ.పి.ఇ.ఆర్.సి,
11-4-660, నాల్గవఅంతస్తు
సింగరేణిభవన్,రెడ్‌హిల్స్,
లకడి-క-పుల్,హైదరాబాదు.

విషయము :ఆసం. 14-15, 16-17, 17-18 మరియు 18-19 గానుడిస్కంలుసమర్పించినట్రూఅప్స్ గురించి.

ఆర్యా,

ప్రస్తుతము APSPDCL మరియు APEPDCLగౌరవAPERC కిసమర్పించినట్రూఅప్స్ఆసం. 2014-15, 2016-17, 2017-18 మరియు2018-19 గానువెతసిరు. 19,603కోట్లుకాగా, డిస్కములురు. 40 వేలకోట్లుఅప్పులువున్నట్లువినికిడి.

2002 సం. నుండి2013 సం. వరకుగమనించినమూడుడిస్కములుAPCPDCL, APSPDCL & APEPDCL లాభాలలోఒక్క APNPDCLమాత్రంకొంచెంనష్టాలలోఉండేవి.

1) ఆసం. 2014-15 నుండిఆసం. 2018-19 కాలంలోతీసుకున్ననిర్ణయాలవల్లప్రతిసంవత్సరముAcual Power Purchase CostAPERC వారుఅనుమతించినPower Purchase costకన్నావిపరీతముగాపెరిగినది.
2) దీనికితోడుUDAYస్కీములోప్రతిసంవత్సరముటారిఫ్‌పెంపుదల 5% ఉన్నా, రాష్ట్రప్రభుత్వఆదేశాలమేరకుఎటువంటిటారిఫ్ పెంచకపోవడముమరియుప్రభుత్వముఇచ్చుసబ్సిడినిమాత్రంవాస్తవరెవెన్యూతగ్గుదలమేరఇవ్వకపోవడం.
3) APERCవారుకొన్నివర్గాలవినియోగదారులకు, TTD, Railways, Aqua hatcheries వంటిHighly Incomeకలిగినవారికిటారిఫ్‌తగ్గించడంవంటిచర్యలు.
4) వాస్తవంగాఖర్చులుతగ్గించిలేదారెవెన్యూపెంచితద్వారాటారిఫ్‌లుపెంచకపోయినా, లేదాటారిఫ్ తగ్గించినాహర్షించవలసినవిషయము. అలాకాకుండాప్రభుత్వంసూచించినసబ్సిడికినిర్ధారణఅయి, ఆమేరరెవెన్యూలోటువచ్చునట్లు, ఖర్చులుతగ్గించలేదారెవెన్యూపెంచడంచేయడంద్వారానేఇంతపెద్దమొత్తాలలోట్రూఅప్స్పెరుకుపోయాయి.

Andhra Pradesh Electricity Regulatory Commission
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పైచర్యలవల్లడిస్కములునష్టాల్లోకివెళ్ళడానికిప్రధానకారణాలు. కావునConsumers Interestనుదృష్టిపెట్టుకొని, డిస్కంలTrue-upనిఆమోదించి, పైచర్యలనుAPERCవారేఅనుమతులుమంజూరుచేయడంజరిగినది. వీలున్నవరకుప్రభుత్వమునుండిమరియుసముచితముగాటారిఫ్ నుండిరాబట్టవలసినదిగాకోరుతూఇకనుంచైనావాస్తవంగాఖర్చులుతగ్గించిఆమేలునువినియోగదారులకుఅందించవలసిందిగాకోరుచున్నాము.

ఇట్లు

(K.CHANDRA SEKHAR RAO)

From

77/4 - 2A-B
Bhagavan Nagar
Kallur Estate
Kurnool.

To
సెక్రటరి, ఏ.పి.ఇ.ఆర్.సి,
11-4-660, నాల్గవఅంతస్తు
సింగరేణిభవన్,రెడ్‌హిల్స్,
లకడి-క-పుల్,హైదరాబాదు.

విషయము :ఆసం. 14-15, 16-17, 17-18 మరియు 18-19 గానుడిస్కంలుసమర్పించినట్రూఅప్స్ గురించి.

ఆర్యా,

ప్రస్తుతము APSPDCL మరియు APEPDCLగౌరవAPERC కిసమర్పించినట్రూఅప్స్ఆసం. 2014-15, 2016-17, 2017-18 మరియు2018-19 గానువెరసిరు. 19,603కోట్లుకాగా, డిస్కములురు. 40 వేలకోట్లుఅప్పులువున్నట్లువినికిడి.

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1) ఆసం. 2014-15 నుండిఆసం. 2018-19 కాలంలోతీసుకున్ననిర్ణయాలవల్లప్రతిసంవత్సరముAcual Power Purchase CostAPERC వారుఅనుమతించినPower Purchase costకన్నావిపరీతముగాపెరిగినది.
2) దీనికితోడుUDAYస్కీములోప్రతిసంవత్సరముటారిఫ్‌పెంపుదల 5% ఉన్నా, రాష్ట్రప్రభుత్వఆదేశాలమేరకుఎటువంటిటారిఫ్ పెంచకపోవడముమరియుప్రభుత్వముఇచ్చుసబ్సిడినిమాత్రంవాస్తవరెవెన్యూతగ్గుదలమేరఇవ్వకపోవడం.
3) APERCవారుకొన్నివర్గాలవినియోగదారులకు, TTD, Railways, Aqua hatcheries వంటిHighly Incomeకలిగినవారికిటారిఫ్‌తగ్గించడంవంటిచర్యలు.
4) వాస్తవంగాఖర్చులుతగ్గించిలేదారెవెన్యూపెంచితద్వారాటారిఫ్‌లుపెంచకపోయినా, లేదాటారిఫ్ తగ్గించినాహర్షించవలసినవిషయము. అలాకాకుండాప్రభుత్వంసూచించినసబ్సిడికినిర్ధారణఅయి, ఆమేరరెవెన్యూలోటువచ్చునట్లు, ఖర్చులుతగ్గించిటారిఫ్‌లుపెంచకుండారెవెన్యూపెంచడంచేయడంద్వారానేఇంతపెద్దమొత్తాలలోట్రూఅప్స్పెరుకుపోయాయి.

Andhra Pradesh Electricity Regulatory Commission
1179
26 MAY 2020

పైచర్యలవల్లడిస్కములునష్టాల్లోకివెళ్ళడానికిప్రధానకారణాలు. కావునConsumers Interestనుదృష్టిపెట్టుకొని, డిస్కంలTrue-upనిఆమోదించి, పైచర్యలనుAPERCవారేఅనుమతులుమంజూరుచేయడంజరిగినది. వీలున్నవరకుప్రభుత్వమునుండిమరియుసముచితముగాటారిఫ్ నుండిరాబట్టవలసినదిగాకోరుతూఇకనుంచైనావాస్తవంగాఖర్చులుతగ్గించిఆమేలునువినియోగదారులకుఅందించవలసిందిగాకోరుచున్నాము.

K. Kavitha

ఇట్లు

From:

To:
సెక్రటరి, ఏ.పి.ఇ.ఆర్.సి.,
11-4-660, నాల్గవ అంతస్తు,
సింగరేణి భవన్, రెడ్ హిల్స్,
లకడి-క-పుల్, హైదరాబాదు.

విషయము : ఆ సం.14-15, 16-17, 17-18 మరియు 18-19 గాను డిస్కంలు సమర్పించిన ట్రూఅప్స్ గురించి.

అర్యా,

ప్రస్తుతము APSPDCL మరియు APEPDCL గౌరవ APERC కి సమర్పించిన ట్రూఅప్స్ ఆ సం.2014-15, 2016-17, 2017-18 మరియు2018-19 గాను పెరసి రూ.19,603 కోట్లు కాగా, డిస్కములు రూ.40 వేల కోట్లు అప్పులు వున్నట్లు వినికిడి.

2002 సం. నుండి 2013 సం. వరకు గమనించిన మూడు డిస్కములు APCPDCL, APSPDCL & APEPDCL లాభాలలో ఒక్క APNPDCL మాత్రం కొంచెం నష్టాలలో ఉండేవి.

1) ఆ సం.2014-15 నుండి ఆ సం.2018-19 కాలంలో తీసుకున్న నిర్ణయాల వల్ల ప్రతి సంవత్సరము actual power purchase cost APERC వారు అనుమతించిన Power purchase cost కన్నా విపరీతముగా పెరిగినది.
2) దీనికితోడు UDAY స్కీములో ప్రతి సంవత్సరము టారిఫ్ పెంపుదల 5% ఉన్నా, రాష్ట్ర ప్రభుత్వ ఆదేశాలమేరకు ఎటువంటి టారిఫ్ పెంచకపోవడము మరియు ప్రభుత్వము ఇచ్చు సబ్సిడి మాత్రం వాస్తవ రెవెన్యూ తగ్గుదల మేర ఇవ్వకపోవడం.
3) APERC వారు కొన్ని వర్గాల వినియోగదారులకు, TTD, Railways, Aqua hatcheries వంటి Highly Income కలిగిన వారికి టారిఫ్ తగ్గించడం వంటి చర్యలు.
4) వాస్తవంగా ఖర్చులు తగ్గించి లేదా రెవెన్యూ పెంచి తద్వారా టారిఫ్‌లు పెంచకపోయినా, లేదా టారిఫ్ తగ్గించినా హర్షించవలసిన విషయము. అలా కాకుండా ప్రభుత్వం సూచించిన సబ్సిడికి నిర్ధారణ అయి, ఆమేర రెవెన్యూ లోటు వచ్చునట్లు, ఖర్చులు తగ్గించటం లేదా రెవెన్యూ పెంచడం చేయడం ద్వారానే. ఇంత పెద్ద మొత్తాలలో ట్రూఅప్స్ పేరుకుపోయాయి.

పై చర్యల వల్ల డిస్కములు నష్టాల్లోకి వెళ్ళడానికి ప్రధాన కారణాలు, పై చర్యలను APERC వారే అనుమతులు మంజూరు చేయడం జరిగినది. కావున Consumers Interest ను దృష్టిలో పెట్టుకొని, డిస్కంల True-up ని ఆమోదించి, వీలున్నవరకు ప్రభుత్వము నుండి మరియు సముచితముగా టారిఫ్ నుండి రాబట్ట వలసినదిగా కోరుతూ ఇకనుపైనా వాస్తవంగా ఖర్చులు తగ్గించి ఆ మేలును వినియోగదారులకు అందించవలసిందిగా కోరుచున్నాము.

Andhra Pradesh Electricity Regulatory Commission
1186
26 MAY 2020
Hyderabad.

ఇట్లు K మహేందర్ రెడ్డి
HSC / 1083

From:

To:
సెక్రటరి, ఏ.పి.ఇ.ఆర్.సి.,
11-4-660, నాల్గవ అంతస్తు,
సింగరేణి భవన్, రెడ్ హిల్స్,
లకడి-కా-పుల్, హైదరాబాదు.

విషయము : ఆ సం.14-15, 16-17, 17-18 మరియు 18-19 గాను డిస్కంలు సమర్పించిన ట్రూఅప్స్ గురించి.

ఆర్యా,

ప్రస్తుతము APSPDCL మరియు APEPDCL గౌరవ APERC కి సమర్పించిన ట్రూఅప్స్ ఆ సం.2014-15, 2016-17, 2017-18 మరియు2018-19 గాను వెరసి రూ.19,603 కోట్లు కాగా, డిస్కములు రూ.40 వేల కోట్లు అప్పులు వున్నట్లు వినికిడి.

2002 సం. నుండి 2013 సం. వరకు గమనించిన మూడు డిస్కములు APCPDCL, APSPDCL & APEPDCL లాభాలలో ఒక్క APNPDCL మాత్రం కొంచెం నష్టాలలో ఉండేవి.

1) ఆ సం.2014-15 నుండి ఆ సం.2018-19 కాలంలో తీసుకున్న నిర్ణయాల వల్ల ప్రతి సంవత్సరము actual power purchase cost APERC వారు అనుమతించిన Power purchase cost కన్నా విపరీతముగా పెరిగినది.
2) దీనికితోడు UDAY స్కీములో ప్రతి సంవత్సరము టారిఫ్ పెంపుదల 5% ఉన్నా, రాష్ట్ర ప్రభుత్వ ఆదేశాలమేరకు ఎటువంటి టారిఫ్ పెంచకపోవడము మరియు ప్రభుత్వము ఇచ్చు సబ్సిడీ మాత్రం వాస్తవ రెవెన్యూ తగ్గుదల మేర ఇవ్వకపోవడం.
3) APERC వారు కొన్ని వర్గాల వినియోగదారులకు, TTD, Railways, Aqua hatcheries వంటి Highly Income కలిగిన వారికి టారిఫ్ తగ్గించడం వంటి చర్యలు.
4) వాస్తవంగా ఖర్చులు తగ్గించి లేదా రెవెన్యూ పెంచి తద్వారా టారిఫ్‌లు పెంచకపోయినా, లేదా టారిఫ్ తగ్గించినా హర్షించవలసిన విషయము. అలా కాకుండా ప్రభుత్వం సూచించిన సబ్సిడికి నిర్ధారణ అయి, ఆమేర రెవెన్యూ లోటు వచ్చునట్లు, ఖర్చులు తగ్గించటం లేదా రెవెన్యూ పెంచడం చేయడం ద్వారానే ఇంత పెద్ద మొత్తాలలో ట్రూఅప్స్ పేరుకుపోయాయి.

పై చర్యల వల్ల డిస్కములు నష్టాల్లోకి వెళ్ళడానికి ప్రధాన కారణాలు, పై చర్యలను APERC వారే అనుమతులు మంజూరు చేయడం జరిగినది. కావున Consumers Interest ను దృష్టిలో పెట్టుకొని, డిస్కంల True-up ని ఆమోదించి, వీలున్నవరకు ప్రభుత్వము నుండి మరియు సముచితముగా టారిఫ్ నుండి రాబట్ట వలసినదిగా కోరుతూ ఇకనుమైనా వాస్తవంగా ఖర్చులు తగ్గించి ఆ మేలును వినియోగదారులకు అందించవలసిందిగా కోరుచున్నాము.

ఇట్లు

Y Gopalkrishna

HSC 3042

Andhra Pradesh Electricity Regulatory Commission ★Hyderabad.★
1187
26 MAY 2020

From:

To:
సెక్రటరి, ఏ.పి.ఇ.ఆర్.సి.,
11-4-660, నాల్గవ అంతస్తు,
సింగరేణి భవన్, రెడ్ హిల్స్,
లకడి-క-పుల్, హైదరాబాదు.

విషయము : ఆ సం.14-15, 16-17, 17-18 మరియు 18-19 గాను డిస్కంలు సమర్పించిన ట్రూఅప్స్ గురించి.

ఆర్యా,

ప్రస్తుతము APSPDCL మరియు APEPDCL గౌరవ APERC కి సమర్పించిన ట్రూఅప్స్ ఆ సం.2014-15, 2016-17, 2017-18 మరియు2018-19 గాను వెరసి రూ.19,603 కోట్లు కాగా, డిస్కములు రూ.40 వేల కోట్లు అప్పులు వున్నట్లు వినికిడి.

2002 సం. నుండి 2013 సం. వరకు గమనించిన మూడు డిస్కములు APCPDCL, APSPDCL & APEPDCL లాభాలలో ఒక్క APNPDCL మాత్రం కొంచెం నష్టాలలో ఉండేవి.

1) ఆ సం.2014-15 నుండి ఆ సం.2018-19 కాలంలో తీసుకున్న నిర్ణయాల వల్ల ప్రతి సంవత్సరము actual power purchase cost APERC వారు అనుమతించిన Power purchase cost కన్నా విపరీతముగా పెరిగినది.
2) దీనికితోడు UDAY స్కీములో ప్రతి సంవత్సరము టారిఫ్ పెంపుదల 5% ఉన్నా, రాష్ట్ర ప్రభుత్వ ఆదేశాలమేరకు ఎటువంటి టారిఫ్ పెంచకపోవడము మరియు ప్రభుత్వము ఇచ్చు సబ్సిడి మాత్రం వాస్తవ రెవెన్యూ తగ్గుదల మేర ఇవ్వకపోవడం.
3) APERC వారు కొన్ని వర్గాల వినియోగదారులకు, TTD, Railways, Aqua hatcheries వంటి Highly Income కలిగిన వారికి టారిఫ్ తగ్గించడం వంటి చర్యలు.
4) వాస్తవంగా ఖర్చులు తగ్గించి లేదా రెవెన్యూ పెంచి తద్వారా టారిఫ్‌లు పెంచకపోయినా, లేదా టారిఫ్ తగ్గించినా హర్షించవలసిన విషయము. అలా కాకుండా ప్రభుత్వం సూచించిన సబ్సిడికి నిర్ధారణ అయి, ఆమేర రెవెన్యూ లోటు వచ్చునట్లు, ఖర్చులు తగ్గించటం లేదా రెవెన్యూ పెంచడం చేయడం ద్వారానే ఇంత పెద్ద మొత్తాలలో ట్రూఅప్స్ పేరుకుపోయాయి.

పై చర్యల వల్ల డిస్కములు నష్టాల్లోకి వెళ్ళడానికి ప్రధాన కారణాలు, పై చర్యలను APERC వారే అనుమతులు మంజూరు చేయడం జరిగినది. కావున Consumers Interest ను దృష్టిలో పెట్టుకొని, డిస్కంల True-up ని ఆమోదించి, వీలున్నవరకు ప్రభుత్వము నుండి మరియు సముచితముగా టారిఫ్ నుండి రాబట్ట వలసినదిగా కోరుతూ ఇకనుమైనా వాస్తవంగా ఖర్చులు తగ్గించి ఆ మేలును వినియోగదారులకు అందించవలసిందిగా కోరుచున్నాము.

Andhra Pradesh Electricity Regulatory Commission Hyderabad
H90
26 MAY 2020

ఇట్లు
M. Mahesh Babu
HSC 3635

From:

HSC-0138
K. Lakshisetty

Sir,

To:

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17,FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.

Ref: - True-up petitions filed by AP Discoms

*****

In recent true-up filings of Discoms, the true-up claim of Rs.19,603 crores is a huge amount for the Discoms to receive either from the government or through consumers. During the last 5 years the Discoms have entered lot of PPAs with the renewable generators at high prices and the same was approved by the commission. If the commission had done the thorough analysis duly taking the financial position of Discoms while approving the PPAs this situation would not have arisen. The Hon'ble commission while going through the renewable PPAs entered by the Discoms in excess of their RPPO target fixed by the commission should have been rejected stating the reason as bad financial position of the Discom. Renewable PPAs in-excess of RPPO will be burden for both the Discoms and to the consumers as the unit cost is more. If the state government had involved in allowing the PPAs with Discoms then government should also take the responsibility in filling the true-up gap. Further, Discoms should focus on the cheap power as the power prices has come down significantly.

In this regard, it is requested the government, Discoms and the APERC should take the responsibility for the current situation. The commission should act in a stringent manner like a TRAI on the entities involved in the sector for the benefit of the consumers.

K. Lakshmaiah

Yours faithfully,

Andhra Pradesh Electricity Regulatory Commission
1216
27 MAY 2020
Hyderabad

From:

HSC 6584
K. Ramachari
Edullapalli Road.

To:

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: - True-up petitions filed by AP Discoms

*****

The true-up petitions were filed by the APDISCOMS with various gaps as shown below:

	EPDCL	SPDCL	State
Total Power Purchase Cost True-up	3,187	6,409	9,596
Power Purchase Cost Carrying Cost @ 12% Interest Rate	772	1817	2589
Total Power Purchase Cost True-up	3,959	8,226	12,185
Total Revenue True-up	622	4,638	5,260
Revenue gap Carrying Cost @ 12% Interest Rate	363	1,796	2,159
Total Revenue True-up	985	6,434	7,418
Total True-up	4,943	14,660	19,603

It is observed that the deviation in the cost of power purchase is the major reason for the huge true-up amount, created DISCOMs to a pathetic situation and not able pay their dues to the power generation companies. If the Discoms had controlled this cost, there would not have this much of financial burden on them. The tariff hike was not proper for the past few years, this is a major reason for the pathetic condition of the Discoms.

The AP Discoms are supplying the electricity to nearly 1.2 crore consumers with affordable tariff, in spite of the huge financial deficit still. Hence, it is requested to allow the above actual figures and fill the financial deficit as much as possible from the government of AP without burdening the existing consumers, as the major deviation in power purchase cost, which is mainly due to PPAs entered with the direction of the Govt of AP. Further, requested to direct the Discoms to control their expenditure by allowing cost cutting methods, controlling the theft, efficient usage of manpower and resources.

Yours faithfully,
Ramachari

Andhra Pradesh Electricity Regulatory Commission ★Hyderabad★
1217
27 MAY 2020

From:

HSC-6067
K. Varalaxmi
Nagireddy colony.

To:

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: - True-up petitions filed by AP Discoms

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It is observed that the deviation in the cost of power purchase is the major reason for the huge true-up amount, created DISCOMs to a pathetic situation and not able pay their dues to the power generation companies. If the Discoms had controlled this cost, there would not have this much of financial burden on them. The tariff hike was not proper for the past few years, this is a major reason for the pathetic condition of the Discoms.

The AP Discoms are supplying the electricity to nearly 1.2 crore consumers with affordable tariff, in spite of the huge financial deficit still. Hence, it is requested to allow the above actual figures and fill the financial deficit as much as possible from the government of AP without burdening the existing consumers, as the major deviation in power purchase cost, which is mainly due to PPAs entered with the direction of the Govt of AP. Further, requested to direct the Discoms to control their expenditure by allowing cost cutting methods, controlling the theft, efficient usage of manpower and resources.

Yours faithfully,

Andhra Pradesh Electricity Regulatory Commission
1218
27 MAY 2020
Hyderabad

From:

HSC - 4669
Shilambee
Pamidamma & trela.

Sir,

To:

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: - True-up petitions filed by AP Discoms

*****

As the true-ups amount filed by APSPDCL is around Rs.19000 crores, if the commission allow the entire amount then it is burden to the consumers. How the consumers would are responsible for such a heavy gap? If the commission had taken measures in the initial stages it would not have happened. How will the paying consumers be responsible for the loss of the Discoms? There is still rampant theft existing in many districts. The Hon'ble commission has to direct the Discoms and the government in taking the stringent criminal action against the persons who indulged in theft as it is prevailing in the neighboring state Tamilnadu. Already consumers have been paying suitable charges for the consumption of electricity if this gap is added to the ARR then our bills will increase in an uneven manner. If the APERC act like the commission of Gujarat in allowing the periodical tariff hike then our Discoms would have been saved. The Government is not paying the subsidies and dues within the due date, for which the Discoms have to take the short term loans to meet their expenses.

In this regard, it is requested the Hon'ble commission to allow the true-up gap to the extent which is permissible without creating heavy burden on the normal consumers and direct the government for timely payment of the bills of government organizations and agriculture subsidy.

Yours faithfully,

Shilambee

Andhra Pradesh Electricity Regulatory Commission Hyderabad
1219
27 MAY 2020

From:

HSR-3506
K. Vishwanath,
Main Road.

To:

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: - True-up petitions filed by AP Discoms

*****

The true-up petitions were filed by the APDISCOMS with various gaps as shown below:

	EPDCL	SPDCL	State
Total Power Purchase Cost True-up	3,187	6,409	9,596
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Total Revenue True-up	985	6,434	7,418
Total True-up	4,943	14,660	19,603

It is observed that the deviation in the cost of power purchase is the major reason for the huge true-up amount, created DISCOMs to a pathetic situation and not able pay their dues to the power generation companies. If the Discoms had controlled this cost, there would not have this much of financial burden on them. The tariff hike was not proper for the past few years, this is a major reason for the pathetic condition of the Discoms.

The AP Discoms are supplying the electricity to nearly 1.2 crore consumers with affordable tariff, in spite of the huge financial deficit still. Hence, it is requested to allow the above actual figures and fill the financial deficit as much as possible from the government of AP without burdening the existing consumers, as the major deviation in power purchase cost, which is mainly due to PPAs entered with the direction of the Govt of AP. Further, requested to direct the Discoms to control their expenditure by allowing cost cutting methods, controlling the theft, efficient usage of manpower and resources.

K. Viswanath
Yours faithfully,

Andhra Pradesh Electricity Regulatory Commission Hyderabad
1220
27 MAY 2020

From:

HSC - 6585
Venugopal
Talwal Batta

To:

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.

Ref: - True-up petitions filed by AP Discoms

*****

The AP Discoms have shown the differential revenue as the one of the component of the total gap. While filing the ARR had factored certain conditions for the sales projection, but in actual it may not attain the same due to unforeseen conditions like temperature changes, macro-economic conditions like drop in the GDP due to fall in the industrial growth, stopping and delay in completion of certain projects like lift irrigation etc. Such unforeseen conditions should not become burden to Discoms as they ought to pay fixed cost to the generators and transmission companies.

In this regard, it is requested the Hon'ble commission to allow the gap arising out of drop in the approved revenue to the extent which is not creating heavy burden to the consumers after the thoroughly checking the reasons for such deviation.

Andhra Pradesh Electricity Regulatory Commission Hyderabad
1221
27 MAY 2020

Yours faithfully

From:

HSC 8696
S. Narayana
Nehru Nagar

Sir,

To:

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17,FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted.

Ref: - True-up petitions filed by AP Discoms

*****

In recent true-up filings of Discoms, the true-up claim of Rs.19,603 crores is a huge amount for the Discoms to receive either from the government or through consumers. During the last 5 years the Discoms have entered lot of PPAs with the renewable generators at high prices and the same was approved by the commission. If the commission had done the thorough analysis duly taking the financial position of Discoms while approving the PPAs this situation would not have arisen. The Hon'ble commission while going through the renewable PPAs entered by the Discoms in excess of their RPPO target fixed by the commission should have been rejected stating the reason as bad financial position of the Discom. Renewable PPAs in-excess of RPPO will be burden for both the Discoms and to the consumers as the unit cost is more. If the state government had involved in allowing the PPAs with Discoms then government should also take the responsibility in filling the true-up gap. Further, Discoms should focus on the cheap power as the power prices has come down significantly.

In this regard, it is requested the government, Discoms and the APERC should take the responsibility for the current situation. The commission should act in a stringent manner like a TRAI on the entities involved in the sector for the benefit of the consumers.

Yours faithfully,

Andhra Pradesh Electricity Regulatory Commission * Hyderabad *
1222
27 MAY 2020

From:

HSC- 8650
Venkata satish babu
Dr 1/737

To:

The Secretary,
APERC,11-4-660, 4th Floor,
Singareni Bhavan, Red Hills,
Lakdikapul, Hyderabad-04.

Sir,

Sub : - True-up petitions filed by AP Discoms for FY 2014-15, FY 2016-17, FY 2017-18, FY 2018-19-Certain objections/Suggestions- Submitted

Ref: - True-up petitions filed by AP Discoms

*****

APDISCOMs have filed true-up petitions for FY 14-15, FY 16-17, FY 17-18 and FY 18-19, in which there is huge gap between actual and approved figures. If the commission had done the thorough analysis in the initial days on the deviation using actual figures, then the actual expenditure for the next financial years would not have been deviated much from the approved figures. The financial position of the APDISCOMS was not this much worse prior to FY 2014-15, as the tariff got hiked during those days whenever it was essential for the survival of the Discoms.

In this regard, the Hon'ble commission requested to recognize the present financial position of the Discoms and to organize the road map for the financial wellness of the sector with the coordination of the government. Commission has to take measures for strengthening the government companies as they are working with service motto. If the government companies are running under the financial deficit then it will give chance to franchises or private companies whose main motto is profit, which will become burden for the ordinary consumers to pay such huge bills. Further, the Discoms should focus on the collection of huge arrears and theft penalties and the benefitting court cases as they will help them in meeting the expenditure without the need of much tariff hike.

Andhra Pradesh Electricity Regulatory Commission Hyderabad
1223
27 MAY 2020

Yours faithfully,

Satish

From: HSC - 8965
Dadakhalender
Amadalagsfreels

To:
సెక్రటరి, ఏ.పి.ఇ.ఆర్.సి.,
11-4-660; నాల్గవ అంతస్తు,
సింగరేణి భవన్, రెడ్ హిల్స్,
లకడి-క-పుల్, హైదరాబాదు.

విషయము : ఆ సం.14-15, 16-17, 17-18 మరియు 18-19 గాను డిస్కంలు సమర్పించిన ట్రూఅప్స్ గురించి.

ఆర్యా,

ప్రస్తుతము APSPDCL మరియు APEPDCL గౌరవ APERC కి సమర్పించిన ట్రూఅప్స్ ఆ సం.2014-15, 2016-17, 2017-18 మరియు2018-19 గాను వెరసి రూ.19,603 కోట్లు కాగా, డిస్కములు రూ.40 వేల కోట్లు అప్పులు వున్నట్లు వినికిడి.

2002 సం. నుండి 2013 సం. వరకు గమనించిన మూడు డిస్కములు APCPDCL, APSPDCL & APEPDCL లాభాలలో ఒక్క APNPDCL మాత్రం కొంచెం నష్టాలలో ఉండేవి.

1) ఆ సం.2014-15 నుండి ఆ సం.2018-19 కాలంలో తీసుకున్న నిర్ణయాల వల్ల ప్రతి సంవత్సరము actual power purchase cost APERC వారు అనుమతించిన Power purchase cost కన్నా విపరీతముగా పెరిగినది.
2) దీనికితోడు UDAY స్కీములో ప్రతి సంవత్సరము టారిఫ్ పెంపుదల 5% ఉన్నా, రాష్ట్ర ప్రభుత్వ ఆదేశాలమేరకు ఎటువంటి టారిఫ్ పెంచకపోవడము మరియు ప్రభుత్వము ఇచ్చు సబ్సిడి మాత్రం వాస్తవ రెవెన్యూ తగ్గుదల మేర ఇవ్వకపోవడం.
3) APERC వారు కొన్ని వర్గాల వినియోగదారులకు, TTD, Railways, Aqua hatcheries వంటి Highly Income కలిగిన వారికి టారిఫ్ తగ్గించడం వంటి చర్యలు.
4) వాస్తవంగా ఖర్చులు తగ్గించి లేదా రెవెన్యూ పెంచి తద్వారా టారిఫ్‌లు పెంచకపోయినా, లేదా టారిఫ్ తగ్గించినా హర్షించవలసిన విషయము. అలా కాకుండా ప్రభుత్వం సూచించిన సబ్సిడికి నిర్ధారణ అయి, ఆమేర రెవెన్యూ లోటు వచ్చునట్లు, ఖర్చులు తగ్గించటం లేదా రెవెన్యూ పెంచడం చేయడం ద్వారానే ఇంత పెద్ద మొత్తాలలో ట్రూఅప్స్ పేరుకుపోయాయి.

పై చర్యల వల్ల డిస్కములు నష్టాల్లోకి వెళ్ళడానికి ప్రధాన కారణాలు, పై చర్యలను APERC వారే అనుమతులు మంజూరు చేయడం జరిగినది. కావున Consumers Interest ను దృష్టిలో పెట్టుకొని, డిస్కంల True-up ని ఆమోదించి, వీలున్నవరకు ప్రభుత్వము నుండి మరియు సముచితముగా టారిఫ్ నుండి రాబట్ట వలసినదిగా కోరుతూ ఇకనుమైనా వాస్తవంగా ఖర్చులు తగ్గించి ఆ మేలును వినియోగదారులకు అందించవలసిందిగా కోరుచున్నాము.

ఇట్లు

Andhra Pradesh Electricity Regulatory Commission * Hyderabad. *
1224
27 MAY 2020

SOUTHERN POWER DISTRIBUTION COMPANY OF A.P. LIMITED

19-13-65/A, Vidyut Nilayam, Srinivasapuram, Tirupati (www.apspdcl.in)

From
The Chief General Manager,
RAC, APSPDCL, 19-13-65/A,
Vidyut Nilayam, Srinivasapuram,
Tirupati – 517501.

To
Sri M.Venugopala Rao,
Senior Journalist and
Convener of Centre for Power Studies,
H.No.1-100/MP/101, Monarch Prestige,
Journalists' Colony, Gopanpally,
Serilingampally Mandal , Hyderabad.

Lr No. CGM/RAC/SPDCL/TPT/GM/RAC/F.True-up/D.No.379/20 dt. 08-06-2020

Sir,

Sub :- APSPDCL/TPT – RAC – Replies to objections raised by Sri M.Venugopala Rao, Senior Journalist and Convener of Centre for Power Studies, Hyderabad on True-up - Regarding.

Ref:- 1) Party's representation received dt.17-12-2019
2) Lr No. CGM/RAC/SPDCL/TPT/GM/RAC/F.True-up/D.No.250 /20 dt.09-03-2020

***

In continuation to the reference (2) cited, the following information pertaining to Point No.7 is herewith furnsihed please.

7. We request the Hon'ble Commission to determine the amounts taken over or to be taken over by the GoAP from the debts of the Discoms for the year 2018-19 under UDAY and deduct the same from their true-up claims. In the subject petition, the Discoms have not given the details of taking over their debt by GoAP under UDAY during 2018-19.

Reply : The amount of DISCOM debts taken over for the FY 2018-19 by the GoAP under UDAY are NIL. The details of losses to be taken over by the GoAP under UDAY scheme are as follows.

S.No	Previous Years	% of loss to be taken over by GoAP as per item no.1.2 (i) of page 5 of MoU	The loss of APSPDCL as per Financial statement (In Crs.)	Amount of loss to be taken over by GoAP for FY 2019-20 (In Crs.)
1	FY 2017-18	10%	7.020	0.702
2	FY 2018-19	25%	7680.080	1920.220
Total			7687.100	1920.922

However, till date GoAP has taken over Rs.277.06 Crs. of losses

Yours faithfully

08/06/2020

Chief General Manager / RAC (i/c)

Copy submitted to the Secretary, APERC, 11-4-660, 4th Floor, Singareni Bhavan, Red Hills, Lakdikapul, Hyderabad-04

Andhra Pradesh Electricity Regulatory Commission
1567
15 JUN 2020

SOUTHERN POWER DISTRIBUTION COMPANY OF A.P. LIMITED
CORPORATE OFFICE :: TIRUPATI

From
The Chief General Manager ,
RAC, APSPDCL,
19-13-65/A, Corporate Office,
Vidyut Nilayam, Srinivasapuram,
Tirupati.

To
Smt. T.Sujatha, Dy. CEO.,
The Federation of Andhra Pradesh Chamber Commerce and Industry (FAPCCI),
Regd. Office: O/o 54-16-1/2-A,
Central Excise Colony 3rd floor, Road No.-1,
Gunadala, Vijayawada – 520 008, A.P.

Lr.No.CGM/RAC/APSPDCL/TPT/GM/RAC/F:True-Up18-19/D.No. 380/20, dt.08-06-2020

Sir,

Sub: APSPDCL/Tirupati – RAC – Replies to the Objections received on True-up petition filed by APDISCOMS on Retails Supply Business for 2018-19 - Regarding.

Ref: Your Objection letter dated. 17-12-2019

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We are in receipt of your suggestion/ objections on True-up petition filed by APDISCOMS on Retails Supply Business for 2018-19 and the same is herewith acknowledged with thanks. Para wise replies of APSPDCL are as follows:

Para No /Brief Issue	Response
1. LACK OF DATA/INFORMATION IN TARIFF FILINGS **a. Excel formats for tables given in the Petition** APSPDCL and APEPDCL have submitted a pdf write-up in respect of their True up claims. The claims are neither backed by detailed rationale nor supported by the excel workings, which are pertinently required for any stakeholder to understand and analyse them. By not furnishing the detailed workings, the Petitioners intend to thwart the objectives of transparency and wide consumer participation in the process. This also makes the entire process a futile exercise wherein the stakeholders have been provided minimal information to deliberate upon. It is also pointed out that there is no information as far as truing up of distribution costs are concerned. The Tariff Regulations clearly provide for sharing of gains on account of variations in the 'controllable parameters' of ARR. The relevant clause 10.6 of the Regulation in this regard is extracted below: *10.6 Sharing of gains and losses on variations in "controllable" items of ARR:- The Distribution Licensee in its annual filings during the Control Period shall present gains and losses for each controllable item of the Aggregate Revenue Requirement. A statement of gain and loss against each controllable item will be presented after adjusting for variations on account of uncontrollable factors.*	The required information has been uploaded into the public domains as it was submitted to the Honourable APERC. If the objector required any specific information the same will be provided as may be directed by the Honourable APERC.

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2. Audited Accounts - The Petition is not accompanied by audited financial statements of the Discoms which is a pre-requisite for any truing up exercise.	The annual audited report is available in the APSPDCL website (www.apspdcl.in) and the same is mailed to the objector.
3. Actual Subsidy received from GoAP - In Para 7 of the Petition, the Discoms have presented data in respect of Revenue from Tariff and Non-tariff incomes. But the subsidy has been specifically excluded from such number. Subsidy ought to have been added in such revenue as it is integral part of the ARR	In the Revenue True-up calculations, Revenue from Tariff, Charges & Non-Tariff income have been considered and compared between approved vs actual. Since the subsidy is the commitment from the GoAP, it is not included on both cases while arriving at the requirement of Revenue for true-up purpose.
4. Government Subsidy towards Agricultural Consumption - The sales to agricultural consumers has been higher by around 1200 MU. This necessitates increased subsidy support from the State Government. However, the True-up Petitions do not provide for the same. The industrial consumers cannot be expected to first have tariffs at 120% of the ACOS (and even higher in most cases) and then share additional burden due to shortfall in subsidy support due to increased Agricultural consumption.	The DISCOMs have already claimed the additional costs they have incurred towards additional Agriculture consumption than the approved quantum for FY 2018-19 in the Tariff order. The True-up claims now projected do not contain that component of additional expenditure. The objector is requested to refer the petition accordingly.
5. Market Purchases - As against Nil market purchases (bilateral and Power Exchange), the actual market purchases have been to the tune of 5,544 MU at a cost of Rs. 2,774 crore. Thus, this is the most significant element of the true-up claimed by AP Discoms. In the Tariff Order for FY 2018-19, the Commission had given a directive that approval ought to be obtained from the Commission should the Discoms procure energy over and above the quantum approved in the Tariff Order. It is not clear from the submissions of the Petitioner if the aforesaid directive has been adhered to, in case of costly market purchases.	Market purchases are resorted to make good the shortage of power unavailable due to paucity of fuel to the extent anticipated and provided in the Retail supply tariff order. Fortnightly / Monthly short term procurement data is being submitted to the Hon'ble Commission.
6. Consumer Category wise Sales - The Petitions do not provide any data with respect to consumer category wise sales which ought to have been submitted.	As the True-up is basically claimed in respect of variations in Power Purchase Costs, category wise consumption has no bearing. In view of this category wise sales are not indicated.
7. True-up should be on all aspects of ARR - True-up should be conducted for all ARR items included interest on loan, depreciation, return on equity, etc. Such aspects have not been covered in the instant petition.	As per the Regulation, there are two activities in Distribution licensee. 1. Distribution business (Network activity & wheeling of

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	power) and 2. Retail Supply Activity. The present true-up claim is sought for the retail supply activity of the Licensee, since this activity is being regulated on annual basis. The true-up for network business (Distribution) is filed on Multi Year basis and for the latest concluded control period (3rd Control Period-FY 2014-19), the DISCOMs are in the process of filing the True-up petition for Distribution activity which covers, O&M costs, Assets, Loans, Depreciation, Return on Equity, Interests and others.
PRAYERS: • Pass necessary orders as may be deemed appropriate in the facts and circumstances of the case in the interest of justice • Permit the Objector to participate and make additional submission and produce additional details and documentations during the course of the Public Hearing, in the interest of justice and equity.	--

Yours faithfully

08/06/2020

Chief General Manager (I/c)
RAC

Copy submitted to
The Secretary, APERC, 4TH Floor, 11-4-660, Singareni Bhavan, Red Hills, Hyderabad-500004.

SOUTHERN POWER DISTRIBUTION COMPANY OF A.P. LIMITED
CORPORATE OFFICE :: TIRUPAHI

From
The Chief General Manager ,
RAC, APSPDCL, Corporate Office,
19-13-65/A, Vidyut Nilayam,
Srinivasapuram, Tirupathi,

To
Smt. T.Sujatha, Dy. CEO,
The Federation of Andhra Pradesh
Chambers of Commerce and Industry (FAPCCI)
Regd Office O/o. 54-16-1/2-A,
Central Excise Colony 3rd Floor,
Gunadala, Vijayawada,

Lr.No. CGM/RAC/APSPDCL/TPT/GM/RAC/F:True-Up/D.No. 381/20, dt.08-06-2020

Sir,

Sub: APSPDCL – RAC – Replies to the Objections received on True-up petitions filed by APDISCOMS on Retails Supply Business for FY2014-15, FY2016-17 & FY2017-18 - Regarding.

Ref: Your Objection letter dated. 13-11-2019

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With reference to above receipt of your suggestion/ objections on True-up petitions filed by APDISCOMS on Retails Supply Business for FY2014-15, FY2016-17 & FY2017-18 and the same is herewith acknowledged with thanks. Para wise replies of APSPDCL are as follows:

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2. INCONSISTENT SUBMISSIONS **Uday scheme** The discoms have submitted the following reasons for filing the true up Petitions with considerable delay: *"The Petitioners have put their best efforts in trying to file the every year true-up petition with the next year ARR filings. However, due to certain factors that are not under the control of the Petitioners, true-up filing has delayed. Some of the reasons for delay in filing the true-up for the respective years are –* *a) Payment of fixed charges due to AP Reorganization Act* *b) Take-over of FRP Bonds and Working capital loans under UDAY scheme in September 2015* *c) Regulation of power between AP and TS in 2017"* Notably, similar reasons were cited by the discoms in past few years during their ARR filings. Reasons for not filing true up of 2015-16 and 2016-17 as submitted by the discoms in their Tariff filing for FY 2017-18 are reproduced below:	As per G.O.M.S.No.27, dated 26-07-2016, the loans of AP DISCOMS outstanding as on 30-09-2015 are as follows: (i) Capex loans:Rs:3712.49 Crs (ii) Working Capital Loans:Rs.8461.76 Crs (iii) FRP bonds liability:Rs.2546.15 Crs. Out of the outstanding loans, the Govt of AP accorded approval for takeover of 75% of working capital loans and 100% FRP bonds under UDAY scheme as given below:

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"As per Regulation 1 of 2014, Licensee is entitled to claim true-up for Retail supply business on an annual basis - subject to deviations related to power purchase cost and interest cost for previous years. However, ***under UDAY Scheme Government of Andhra Pradesh has taken over short term liabilities as on September 30th 2015 which would have material impact on True-up for FY 2015- 16. Hence, Licensee humbly requests the Honourable Commission to provide additional time to file True-up for FY 2015-16 and provisional True-up for FY 2016-17." (Emphasis Supplied)***

While the discoms have repeatedly cited Uday scheme as the reason for not filing the true up claims in timely manner, they have nowhere shown in the present Petition as to how the Uday scheme has impacted their outstanding liabilities or financial position or how did it prevent them from filing these Petitions within the prescribed timeline.

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S.No	Particulars	APEPDCL	APSPDCL	TOTAL
1	Against 100% of FRP bonds	1205.95	1340.2	2546.15
2	Against 75% of FRP bonds	2094.53	4251.79	6346.32
Total		3300.48	5591.99	8892.47

Till date Govt.of AP has taken over loans as given below:
APSPDCL:Rs.5257.02 Crs
APEPDCL:Rs.2998.99 Crs
Total: Rs.8256.01 Crs
As shown above, out of Rs.11007.91 Crs(working capital-Rs.8491.76 Crs and FRP bonds Rs.2546.15 Crs) liability as on 30-09-2015, Govt of AP has taken over Rs.8256.01 Crs. The balance Rs.2751.91 Crs working capital and FRP bonds debt outstanding as on 30-09-2015 is not taken over by Govt of AP.

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<u>True up communicated earlier-</u>
Hon'ble APERC had recorded the following submission of APSPDCL in page 29 of the Tariff Order for FY 2018-19:
Discoms Response: As per APERC Regulation No.4 of 2005, true up of power purchase cost variations is permitted annually. Remaining items such as O&M Costs, Distribution cost etc. are allowed to be trued up during MYT filing only. In view of the delay associated with finalization of annual audited accounts for FY2016-17, APEPDCL could ***for FY2016-17 is `1890 Cr.*** *The revenue deficit for FY2017-18 upto December 2017 is `70 Cr. Hence the projected revenue deficit for FY2016-17 and FY2017-18 is likely to be `2000 Cr. The true up petition for FY2016-17 and FY2017-18 will be filed at the earliest.* ***(Emphasis Supplied)***

Against the earlier estimated deficit of only Rs. 1,890 Cr., APSPDCL has now claimed a total true up claim of Rs. 5,755 Cr. in FY 2016-17. Besides depicting the vagueness and inconsistency in claims, it also reflects the conduct of discoms in so far as the accuracy of submissions goes.

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The reason for true up claim being in excess of the projected deficit is that the licensees have incurred certain expenditures higher than the estimated costs due to various approvals/ decisions at a later date. For, illustration such cases include but are not limited to tariff approval for SDSTPS for which petitioners are liable to pay at the approved tariff which is higher than the estimated tariff at the time of filing the ARR. As such there is no vagueness or inconsistency in the claim of the DISCOM.

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3. LACK OF DATA/INFORMATION IN TARIFF FILINGS
A. Excel formats for tables given in the Petition APSPDCL and APEPDCL have submitted a pdf write-up in respect of their True up claims. The claims are neither backed by detailed rationale nor supported by the excel workings, which are pertinently required for any stakeholder to understand and analyse them. By not furnishing the detailed workings, the Petitioners intend

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The required information has been uploaded into the public domain as it is that was submitted to Hon'ble APERC. If the objector requires any specific information will be provided as may be directed by Hon'ble APERC. The Discoms are in the process of filing the

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to thwart the objectives of transparency and wide consumer participation in the process. This also makes the entire process a futile exercise wherein the stakeholders have been provided minimal information to deliberate upon. It is also pointed out that there is no information as far as truing up of distribution costs are concerned. The Tariff Regulations clearly provide for sharing of gains on account of variations in the 'controllable parameters' of ARR. The relevant clause 10.6 of the Regulation in this regard is extracted below: *10.6 Sharing of gains and losses on variations in "controllable" items of ARR;- The Distribution Licensee in its annual filings during the Control Period shall present gains and losses for each controllable item of the Aggregate Revenue Requirement. A statement of gain and loss against each controllable item will be presented after adjusting for any variations on account of uncontrollable factors.* The Petitioner has neither given any justifications, nor cited any reasons for not filing distribution true up even after five years have elapsed.	true-up of distribution business for third control period i.e. from FY 2014-15 to FY 2018-19 post completion of audited report for FY 2018-19. It is pertinent to bring to the notice of the objector that the true-up petition for distribution business are to be filed on control period basis i.e., after completion of every 5 years of the respective control period.
B. Plant Availability Factor (PAF) of all the generating stations Fixed cost recovery of thermal generating stations is based on the availability declared by them i.e. Plant Availability Factor (PAF). However, AP Discoms have not mentioned the PAF achieved by the thermal power plants for which it has claimed the true up costs. This aspect of clarity in PAF is all the more important considering the fact that in many instants, the fixed cost claimed by the Petitioners are the same as approved by Hon'ble APERC in the retail Tariff Order though the energy despatch has severely gone down. For instance, the fixed cost claim for APGENCO Thermal stations and the energy despatch from the stations during FY 2016-17 is depicted below APGENCO Thermal — As per Petitioner's claim in FY 2016-17 Approved: Energy Despatch (MU) 9,330; Fixed cost (Rs. Cr.) 970 Actual: Energy Despatch (MU) 6,298; Fixed cost (Rs. Cr.) 966 Deviation: Energy Despatch (MU) -3,032; Fixed cost (Rs. Cr.) -4 % Deviation: Energy Despatch (MU) -32%; Fixed cost (Rs. Cr.) -0.41% Thus, while the energy despatched is less by 32%, the claim of fixed costs is almost the same. The reasons for lower despatch need to be clearly spelt out by the discoms since the fixed cost recovery is linked to PAF of station, and if the PAF was upto normative level, the significantly lower level of despatch is beyond anyone's comprehension. Similarly, no basis has been provided for calculation of incentives and 'other costs' claimed in the petition. By depicting the data to claim such elements, the discoms can infact assist the consumers and Hon'ble Commission to rectify any	The fixed costs to the thermal power plants including that of state run AP Genco are /were paid based on the plant availability factors for the relevant period as certified by SLDC for State Generating Stations and SRPC for Central Generating Stations (CGS). The fixed cost is paid as per the approved tariff orders of the Plants after considering their actual performance against the Norms as per the PPAs/Relevant Regulations. The claim of the objector that, "in many instants, the fixed cost claimed by the Petitioners are the same as approved by Hon'ble APERC in the retail Tariff Order though the energy despatch has severely gone down" is not correct. As stated above, fixed cost is ought to be payable for making the Station available or ready to dispatch on call from the System operator. Even though there is less dispatch entertained, the fixed cost is payable for plant

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inadvertent error that may have crept in while making their claims. This would also preserve the sanctity of true up exercise. For instance, it is observed that fixed cost of SDSTPS – I for FY 2017-18 is approved at Rs.1,782.20 Crs for 80% availability. Therefore, for 56.72% availability, the fixed cost would work out to be Rs. 1,263.57 Crs and not Rs.1,403.92 Crs as claimed in the true up Petition for FY 2017-18. Similar anomalies can be rectified if all the data pertinent to truing up exercise is furnished by the Discoms.	availability, and thus linking of fixed cost payment to energy dispatch is incorrect.
4. OBJECTIONS ON TRUE-UP CLAIMS **A. True up or True down?** The Petitioner has submitted that there was lower power purchase and lower T&D loss in FY 2016-17 and FY 2017-18 than that approved by Hon'ble APERC in the respective Tariff Orders. It is seen that the overall energy despatch was lower by around 7% and 1% in FY 2016-17 and FY 2017-18 respectively and T&D loss was 10.75% and 11.31% against 11.99% and 11.50% approved respectively for FY 2016-17 and FY 2017-18. It is noticed that the actual agriculture sales as claimed by the Petitioners against that approved by the Commission are lower by 995 MUs in FY 2016-17 and are at the same level in FY 2017-18. At the same time, the T&D losses in FY 2017-18 have been reported at 11.31% against a relatively low level of loss at 10.75% in FY 2016-17. The agriculture sales reported by the discoms seem suspicious since they are not correlating to the T&D loss levels. Typically high agriculture sales in any year are followed up with high T&D losses (owing to the metering issues). However, in the present case in FY 2017-18, when agriculture sales are reported lower than FY 2016-17 by almost 800 MUs, the T&D loss has been claimed at a higher level by almost 50 percent points i.e. 0.50% in the same year i.e. FY 2017-18. Notwithstanding the above, the lower energy requirement and T&D loss should have resulted in a true-down of costs rather than the true up as claimed by Licensees in the instant Petitions.	The actual agriculture sales as against that of approved by the Commission are higher by 995 MUs in FY 2016-17 and are at the same level in FY 2017-18. As you are all aware, the Agriculture consumption is unmetered and the DISCOMs are estimating the consumption based on the sampled Agl DTRs as per the methodology specified by the Commission. The statement that the agriculture sales reported by the discoms seem suspicious since they are not correlating to the T&D loss levels, by the objector is not correct. Agriculture consumption is estimated independently and the DISCOM input is measured through high accuracy metering at T<>D interface points. Total DISCOM input – total Sales is taken as losses. Reduction in consumption vis a vis the approved consumption would not result in True- Down. If the per unit procurement is higher than the approved per unit cost, even though there is reduction in quantum of procurement, there could still be true up requirement, as is a reality for the Financial Years under consideration.
B. FY 2014-15: The Petitioners, in their True-up Petition for FY 2014-15 have submitted that they cannot file the true up claim for FY 2014-15 due to state bifurcation and non-availability of costs of its generating stations. Thereafter, the Petitioners have estimated their true up claim to the tune of Rs. 684 Cr. based on the P&L	The claim of Rs. 684 Cr. is not arbitrary as purported by the Objector. The amount has been reasonably incurred by the APDISCOMs as recorded in the audited accounts and certified by CAG.

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of FY 2014-15. They have also claimed additional power purchase costs of Rs. 310.71 Cr, which were purportedly *not considered in finalized audited accounts since that bills for these costs for FY 2014-15 were received after audited accounts were finalized.* The Petitioners have also claimed Rs. 413.85 Cr., which apparently was already disallowed by Hon'ble Commission in the True-up Order for FY 2015-16. There is an additional true up claim of Rs. 958 Cr. for which the Petitioner claims that the same has been provisionally allowed as true up of FY 2014-15 in the Retail Tariff Order of FY 2015-16. Based on the above, the Petitioners have claimed a total amount of Rs. 861 Cr. (incl. carrying cost) towards truing up of FY 2014-15.	The claim of Rs.413.58 Cr was not considered in the FY 2015-16 true-up order on the grounds that it pertains to FY 2014-15.The provisional true-up amount of Rs.958 Cr was deducted in order to arrive at the final true-up, as per table no:3 of the petition.
The aforesaid claim of Petitioners is objectionable for the following key reasons: 1. The claim of Rs. 684 Cr. is completely arbitrary and lacks rationale for the simple reason that the power purchase cost considered by the Petitioners to estimate the true up amount is based on the Audited Accounts which however may not be a prudent expenditure. The prudence check of such power purchase cost can only be conducted by Hon'ble APERC once the details of the same are furnished by the discoms. 2. The claim of Rs. 310.71 Cr. is an entirely new claim and has never been mentioned earlier by the discoms (not even during the truing up filings of FY 2015-16). Nonetheless, the same cannot be considered by Hon'ble Commission in absence of any basis. 3. The claim of Rs. 413.85 Cr. has already been disallowed by Hon'ble Commission since the same is stated to have been covered by the Uday scheme. 4. The provisional true up amount of Rs. 958 Cr. has already been considered by Hon'ble APERC in the retail Tariff Order dated 23.3.2015 of FY 2015-16. It is also pointed out that Audited Accounts for FY 2016-17 clearly reveal that the discoms have been provided Grants-In-Aid by the GoAP to the tune of Rs. 5,257 Cr. and Rs. 2,998 Cr. for APSPDCL and APEPDCL respectively. Such aid is inclusive of 75% of the working capital loans as on 30.9.2015. It goes without saying that any excess liability on account of power purchase has already been made good by the GoAP under Uday scheme. It is also submitted that the carrying cost cannot be allowed on any of the claims of Petitioner since the claim itself has been made after considerable time has elapsed.	May refer to the previous paras where Item wise replies are furnished. As the amount taken over under UDAY scheme is 75% of working capital outstanding only as on Sept'2015. The remaining 25% of working capital is not taken over.

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C. FY 2016-17 and FY 2017-18 The power purchase cost claimed by the Petitioners is Rs.25,455.13 Cr. and Rs. 25,916.71 Cr. in FY 2016-17 and FY 2017-18 respectively. It is around 13% higher than that allowed by Hon'ble APERC in the respective Tariff Orders while the energy despatched during the years reduced by 7% and 1% in FY 2016-17 and FY 2017-18 respectively. **i. Power purchase cost of TSGENCO stations** It is observed that the fixed cost claimed by the AP discoms for TSGENCO stations is not in accordance with that approved by Hon'ble Telangana State Electricity Regulatory Commission (TSERC) in MYT order dated 5.6.2017 for 3rd control period for TSGENCO stations for FY 2014-19. For instance, the fixed cost approved for FY 2016-17 for KTPS ABC is Rs.540.95 Crs, of which AP's share comes at Rs. 249.23 Crs. However, AP Discoms have claimed the fixed cost of Rs.340.11 Crs in the present true up claim for FY 2016-17. Similar anomalies are observed in case of other TSGENCO stations as well. Similarly, the Petitioners have not given any basis for claim of 'other costs' to the tune of Rs.396.05 Crs for TSGENCO for FY 2016-17. Even if we assume that the said claims pertain to the additional pension liability of TSGENCO stations, the same have been allowed at Rs. 569.63 Crs. by Hon'ble TSERC in the MYT Order dated 5.6.2017, of which AP share comes at Rs. 262.66 Crs. only. For FY 2017-18, the discoms have submitted that there was regulation of power from all TSGENCO stations to AP and all APGENCO stations to TS from 11th June, 2017 onwards. It is pointed out that in such a situation the Petitioners should have clearly come out with the power procured from APGENCO & TSGENCO stations upto such day i.e. 11th June, 2017 to justify its claims of fixed costs and pension liabilities from each. The discoms have nowhere stated the share or quantum of power procured from the two, which makes it even more difficult to check the prudence of its claims towards fixed cost and pension liabilities. Even otherwise, it is pointed out that the claim towards pension liabilities of TSGENCO stations, purportedly labelled as 'other costs' appears to be extraneous to what has been allowed by Hon'ble TSERC in the MYT Order dated 5.6.2017.	
ii. Power purchase from CGS The fixed cost claim of AP discoms for the CGS ought to be in accordance with the cost approved by Hon'ble CERC in the Tariff Orders and based on the PAF achieved by them. However,	For all CGS stations, tariff is determined by the Hon'ble Central Electricity Regulatory Commission (CERC) and not Hon'ble APERC. The component wise

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several discrepancies are noted in the claims of fixed cost of CGS submitted by the discoms. For NTPC Ramagundam Stage I and II, the fixed cost approved by Hon'ble CERC for FY 2016-17 was Rs. 976.47 Crs and considering that their share to AP Discoms is 14.92%, the Annual Fixed Cost payable for the station comes at Rs.145.68 Crs and not Rs.159.16 Crs as claimed in the Petition. In fact this cost is also recoverable only when the PAF of the station was upto its normative level. Also, the variable cost approved for FY 2016-17 for Central generating Stations is Rs.2,332,63 Crs and the claim as per actuals in this petition is Rs.3,153.31 Crs, which is significantly higher than the approved cost. The Petitioners should have provided supporting documents for the same for better interpretation of increasing costs. Another astounding claim pertains to the fixed cost of Simhadri Stage-I thermal power station. The discoms have claimed Rs. 442.97 Cr. towards the fixed cost liability of Simhadri Stage-I in FY 2017-18. It is noticed from the Tariff Order issued by Hon'ble CERC for the said station that a cost of Rs. 646 Cr. has been allowed by the CERC in FY 2017-18, which corresponds to an AP share of Rs. 297 Cr. only. Similar discrepancies are observed in other CGS claims of FY 2016-17 and FY 2017-18. The Objector has factored in the said discrepancies while working out the true up amount allowable to the discoms.	tariff as fixed by Hon'ble CERC would be claimed by the CGS Units in pursuant to the relevant Regulations and PPAs. It is to submit that, as per the Wheeling & Retail Supply Chargers (Distribution MYT) Regulations, the power purchase cost is an uncontrollable element. The Station wise fixed cost, variable cost and other costs considered by the Hon'ble APERC for the purpose of retail supply tariff order calculations, are indicative only and subjected to correction as per the PPA wise tariff orders issued by the APERC in respect of State Generating Stations and by CERC in respect of CGS stations. In respect of CGS stations, there will be certain fixed cost corrections approved by Hon'ble CERC which may be levied after the Retail supply tariff order is issued. The DISCOMs avail Un-Requisitioned Surplus Power (URS) in certain instances, which attracts payment of fixed charges as well. All the costs indicated by the DISCOMS in the true-up claims are reasonably incurred by the distribution licensee.
iii. Power purchase from IPPs- Gas The Petitioners have procured 1278 MUs from GVK Extension, Vemagiri, GMR Rajahmundry and Lanco Kondapalli plants. **Plant** — **Power purchase MUs** — **Variable cost Rs Crs** — **Variable cost Rs/kWh** GVK Ext — 34 — 15.8 — 4.65 Vemagiri — 132 — 61.26 — 4.64 GMR Rajahmundry — 639 — 297.59 — 4.66 Lanco Kondapalli — 473 — 219.67 — 4.64 Power from these stations have been procured purportedly without any approval of Hon'ble Commission. It is also noted that the fixed cost claimed against these stations is much more than that allowed by Hon'ble Commission in the Tariff Order for FY 2016-17. There is absolutely no rationale provided by the Petitioner for the said claim. Further, the average power purchase cost of the power procured from the gas based power plants mentioned in the table above is Rs. 4.65/kWh, even higher than the average	During 2015, MoP,GOI announced a scheme called "e-bid RLNG" (Regassified Liquefied Natural Gas) Scheme for revival of stranded gas based projects vide resolution dated 27.03.2015 Accordingly, APDISCOMS have availed power from gas based projects Viz.,M/s GMR vemagiri, M/s GVK Ext, M/s Lanco Kondapalli Stage –II&III and M/s GMR Rajahmundry at a tariff of Rs.4.645/- below target Price of Rs. 4.70/ (single part tariff) fixed under the aforesaid scheme by MoP/ GoI for the year 2016-17 APERC has accorded approval and certified the energy procured from the aforesaid gas Projects under the said

Para No /Brief Issue	Response
power purchase cost of short term power for FY 2016-17 viz. Rs. 3.32/kWh. Needless to say, the Commission must restrict the fixed cost of power purchase from the above mentioned plants to the rate approved in the Tariff Order.	scheme. The Copies of the relevant APERC letters are enclosed.
iv. SDSTPS Additional Cost for FY 2015-16 and FY 2016-17 The Petitioners have claimed additional fixed costs to be paid for SDSTPS on account of its Tariff Order issued by Hon'ble Commission on 2.3.2019. It is pointed out that the said costs have been claimed by the discoms in the present Petition despite the fact that the same are not incurred in the respective years. The fixed cost claim in true up of FY 2016-17 is to the tune of Rs.1767.12 Crs. and in FY 2017-18, it is to the tune of Rs. 947 Cr. Since the Order for the said station has been issued by Hon'ble Commission on 2.3.2019, the payments for the same would have to be made at a much later stage. These costs have not been incurred in FY 2016-17 or FY 2017-18 and ought not to be allowed by Hon'ble Commission in the instant true up exercise. Notwithstanding the above, it is pointed out that the fixed cost approved by APERC in the Order dated 2.3.2019 for SDSTPS plant for FY 2015-16 is Rs.1443.25 Crs and for FY 2016- 17 is Rs. 1795.86 Crs. The claim of fixed costs by Petitioners based on actual availability for FY 2015-16 and FY 2016-17 as given in the Petition is not proportionate to the costs approved by the Commission. It is also noted that in the Order of the Commission issued on 2.3.2019 determining the fixed cost for SDSTPS, it was directed to APGENCO to file a separate Petition considering normative availability as 85% of plant's capacity instead of 80% for full recovery of fixed charges and provision of incentive to the generator. However, neither APGENCO nor the discoms have come up with any Petition or any details in respect of the same. It is for the same reasons that the additional variable cost claimed for FY 2015-16 and FY 2016-17 in the truing up of FY 2016-17 merits disallowance, since the same have not been incurred during the respective years.	Additional Costs for SDSTPS are to be paid in accordance with the Tariff Orders issued by the Hon'ble APERC, from the date of CoD of the Plant. The true-up claims are also been made accordingly. The contention of the objector that, the claim of fixed costs by Petitioners based on actual availability for FY 2015-16 and FY 2016-17 as given in the Petition is not proportionate to the costs approved by the Commission, is thoroughly examined. The payable amount towards fixed costs is being revisited based on the availability certification by the APSLDC.

Para No /Brief Issue	Response
v. Power purchase from Short term market: The Petitioners have tied up significant quantum of power (MW) and based on the submissions of discoms in the Tariff filings of respective years, Hon'ble Commission had projected a surplus of more than 10,000 MUs of power in the Tariff Order for FY 2016-17. It is also pertinent to mention that the discoms have been simultaneously trying to impose additional surcharge on the open access consumers of state in the garb of stranded capacity with them owing to increase in open access sales. Whereas now it is clear from their own submissions, that sufficient energy (MU) is not available with them to meet the requirements of industrial consumers. The present submissions of discoms vindicate the objections been raised consistently by the Objector Association on the 'power surplus' claim of discoms. The Petitioners have procured significantly high power from the short term market. This situation would have become more alarming had there been no open access sales. In such a case, the discoms would have had no option but to meet the demand through short term power procurement done at average rates of Rs.4.54- 4.68 per unit or to implement load restriction measures. In FY 2017-18, the average power purchase price of power procured from short term market was Rs.2.64/unit. Hon'ble Commission, in the Tariff Order for FY 2017-18 had given a directive that the Petitioners should procure energy over and above the quantum indicated against each station/source unless and otherwise approved by the Commission or ratified by the Commission in case of unavoidable emergencies. It is not clear from the submissions of the Petitioner if the aforesaid directive has been adhered to.	DISCOMs are procuring power purchase from the short term market under distress after exhausting all the available options of sourcing power from the generating plants within their hands, to fulfill the mandate of 24X7 power supply. The details on short term power procurement transactions are being submitted to the Hon'ble APERC on a periodical basis. It is ensured that, the average price approved by the Commission for short term transactions is not crossed on overall basis.

POWER PURCHASE AS PER OBJECTOR'S ASSESSMENT

Based on the aforesaid issues pointed out by Objector, the allowable power purchase cost has been worked out below:

2016-17

	Fixed Cost (Rs. Cr.)		
Source	Approved	Actual	Allowable
APGENCO Thermal	970	966	966
APPDCL	2,395	824	824
TSGENCO Thermal	811	1,016	811
APGENCO Hydel	432	394	394
CGS	1,300	1,182	1,119
APGPCL	4	5	5
IPPs-Gas	293	260	167
NCE	0	0	0
IPPs-Others	2,993	604	604
Market Purchases	0	1	1
Sale of surplus power	-1,765	0	0
BDSTPS- Addnl. cost	0	1,767	0
Total	7,433	7,019	4,992

	Fixed Cost (Rs. Cr.)		
Source	Approved	Actual	Allowable
Tx charges	1388	1532	1,532
Total	8,821	8,551	6,524

	Variable Cost (Rs. Cr.)		
	Approved	Actual	Allowable
APGENCO Thermal	3,151	2,115	2,115
APPDCL	2,282	2,109	2,109
TSGENCO Thermal	1,506	1,045	1,045
APGENCO Hydel	0	0	0.00
CGS	2,333	3,153	3,153
APGPCL	31	21	20.0
IPPs-Gas	766	1,201	1,201
NCE	2,427	2,276	2,276
IPPs-Others	3,067	1,809	1,809
Market	152	796	796.30
Sale of surplus	-2,727	-29	-29.43
BDSTPS+ addnl cost	0	618	0
Total	12,988	16,074	15,456

	Other Cost (Rs. Cr.)		
	Approved	Actual	Allowable
APGENCO	711	525	525
TSGENCO	3	419	206
CGS	15	-120	-120
NCE	0	13	13
Total	729	830	696

Summary of costs allowable in FY 2016-17:

	As per Petitioners' claim			Objector's Assessment	
	Approved	Actual	Variance	Allowable	Allowable varian
Fixed cost	8,821	8,551	-269	6,524	-2,297
Variable cost	12,989	16,074	3,086	15,456	2,467
Others	729	830	101	696.29	-33
Total	22,539	25,455	2,918	22,676	137

The matter of determination of allowable additional expenditure prudently incurred by the APDISCOMs, towards fulfillment of their mandate in pursuant to the true-up claims of the DISCOMs, is in the purview of the Hon'ble APERC.

2017-18

Source	Fixed Cost (Rs. Cr.) Approved	Actual	Allowable
APGENCO Thermal	965	1,787	1,787
APPDCL	0	457	457
TSGENCO Thermal	845	177	177
APGENCO Hydel	439	451	451
CGS	1,082	1,267	1,122
APGPCL	5	11	11
IPPs-Gas	26	91	91
NCE	0	0	0
IPPs-Others	664	574	574
Market Purchases	0	50	50
Sale of surplus power			0
SDSTPS- Addnl. cost	0	947	0
Total	4,026	5,812	4,721
Tx charges	1740	1881	1,882
Total	5,766	7,693	6,602

	Variable Cost (Rs. Cr.) Approved	Actual	Allowable
APGENCO Thermal	2,288	4,582	4,582
APPDCL	2,664	1,170	1,170
TSGENCO Thermal	1,591	433	433
APGENCO Hydel	0	0	0
CGS	2,930	3,678	3,678
APGPCL	27	36	36
IPPs-Gas	73	576	576
NCE	4,906	4,503	4,503
IPPs-Others	2,508	2,093	2,093
Market	80	838	838
Sale of surplus	0	-647	-647
Total	17,057	17,262	17,262

	Other Cost (Rs. Cr.) Approved	Actual	Allowable
APGENCO	387	684	684
TSGENCO	4	60	5
CGS	17	0	0
NCE	0	217	217
Total	408	961	906

Summary of costs allowable in FY 2017-18:

	As per Petitioners' claim			Objector's Assessment	
	Approved	Actual	Variance	Allowable	Allowable variance
Fixed cost	5,766	7,693	1,928	6,602	836
Variable cost	17,057	17,262	205	17,262	205
Others	408	961	553	905.51	498
Total	23,231	25,916	2,686	24,769	1,538

Para No /Brief Issue	Response

vi. Revenue side truing up

Besides the power purchase expense truing up, the Petitioners have also claimed the true up on account of revenue from sale of power. The Petitioners have claimed Rs. 5352 Cr. and Rs. 21 Cr. on the revenue side truing up.

It is noteworthy that the Petitioners have themselves stated that the said claims are beyond the scope of existing Tariff Regulations. As per Petitioners' submissions, "*the Petitioners have written to a letter (Lr.No.CGM/Opn/SPDCL/TPT/RAC/F.Regn.4/D.No.12/16 dated 15-01-2017) to the Honourable Commission seeking amendment to the Regulation 4 of 2005 (seeking allowing variation of agricultural sales, allowing deviation in technical losses, allowing revenue true-up etc.)*".

Thus, no truing up on account of revenue can be considered when the inclusion of the same is yet to be adjudicated upon by Hon'ble APERC in the aforesaid Petition filed by the discoms.

However, even while going through the claims of discoms towards revenue side truing up, it is noticed that the Petitioners have submitted the revenue on realised basis rather than considering the same on billed/accrual basis. Since ARR is prepared on accrual basis, the revenue from operations and non-tariff revenue to the discoms ought to be considered on accrual basis. Considering the same, it is observed from the Audited Accounts that the discoms have actually billed revenue much in excess of what has been submitted by them, as shown below:

Revenue for 16-17 (Cr)				
S.No	Particulars	EPDCL	SPDCL	State
A	Tariff and Non-Tariff Revenue (Without Subsidy) as per Petitioner's claim	8,299	12,526	20,825
B	Revenue as per Objector's Assessment (in Audited accounts)	8,584	13,493	22,077
C = B-A	Revenue understated by Discoms	285	967	1,252
Revenue for 17-18 (Cr)				
S.No	Particulars	EPDCL	SPDCL	State
A	Actual Tariff and Non-Tariff Revenue (Without Subsidy)	9,966	14,177	24,043
B	Revenue as per Audited accounts (in Audited accounts)	10,120	16,333	26,453
C = B-A	Revenue understated by Discoms	254	2,156	2,410

Thus, the discoms have understated the revenue by a total of Rs. 1,252 Cr. and Rs. 2,410 Cr. in FY 2016-17 and FY 2017-18 respectively.

In respect of Revenue side true-up, the APDISCOMs have already requested the Hon'ble APERC vide Lr.No.CGM/Opn/SPDCL/TPT/RAC/F.Regn.4/D.No.12/16 dated 15-01-2017 for amendment to the existing regulations for providing such facility, since there are lot of variations in the actual category wise revenue from tariffs and charges when compared to the approved quantum. There are variations in other revenues also which are severely affecting the financial position of the DISCOMs.

The revenue true-up is claimed based on accrual basis and not on actual realization basis. The claim is taken net of the Govt. subsidy receivable. The computation of revenue true-up as per audited reports is as follows:

Revenue True-up for 16-17 (Cr)		
S.No	Particulars	SPDCL
A	Approved total revenue	14,382
B	Total Revenue	16,648
C	Subsidy	3,153
D	Inter-state sales & D-D Sales	574
E	NTI for Distribution Business	394
F = B-C-D-E	Actual total revenue	12,526
G = A - F	**Revenue True-up**	**1,855**

Revenue True-up for 17-18(Cr)		
S.No	Particulars	SPDCL
A	Approved total revenue	14,794
B	Total Revenue	20,499
C	Subsidy	4,167
D	Inter-state sales & D-D Sales	1,763
E	NTI for Distribution Business	393
F = B-C-D-E	Actual total revenue	14,177
G = A - F	**Revenue True-up**	**617**

vii. Carrying Cost

The Petitioners are required to submit true up Petitions for a financial year strictly in terms of the Andhra Pradesh Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff for Wheeling and Retail Sale of Electricity) First Amendment Regulation, 2014 ('Tariff Regulations'), which provide as below:

In this regard, it is to state that the reasons for delay in filing of true-up claims are submitted to the Hon'ble Commission in the petition.

Para No /Brief Issue	Response
b. Since the complete information of cost actually incurred relating to previous year will not be available at the time of filing of ARR for a particular tariff year, the Licensee may include provisional cost variation for the previous year in ARR filings which will be subject to final correction by the Commission as and when final accounts for that year become available. Thus, the final truing up exercise is to be conducted as and when the audited accounts are ready. The annual reports with audited accounts of the Petitioner companies were available on the following dates: [illegible]	

	APSPDCL	APEPDCL
Annual Reports 2014-15	29th Feb 2016	4th Dec 2015
Annual Reports 2016-17	16th Oct 2017	23rd Dec 2017
Annual Reports 2017-18	31st Oct 2018	27th Nov 2018

Needless to say, had the truing up exercise been conducted as per these timelines, the Commission would have taken note of increasing gap every year and would have taken/suggested measures to curb the trend of increase in inefficiency of the Licensees. Delaying the filing of true up Petition and claiming the carrying cost on the gap incurred in previous years would put undue and unjustifiable burden on the consumer. Accordingly, the Hon'ble Commission ought not to allow carrying costs on any of the claims of Petitioners.	
D. Summary of True up as per Objector's Assessment Based on the above deliberations, and as worked out in terms of the Tariff Regulation, the summary of True up for FY 2014-15, FY 2015-16 and FY 2017-18 as per Objector's assessment is depicted below:	

Para No /Brief Issue	Response

FY 2016-17		Total True-up claimed (Rs. Cr)			Allowable True-up as per Objector's assessment (Rs. Cr)		
S.N	Particulars	EPDCL	SPDCL	State	EPDCL	SPDCL	State
A	Expense True-up	885	1,695	2,580	-60	-131	-200
B	Revenue True-up	1,292	4,060	5,352	0	0	0
C	Total	2,177	5,755	7,932	-68	-131	-200
D	Carrying Cost @ Interest Rate of 12%*	881	2,330	3,211	0	0	0
E	Total true-up	3,058	8,085	11,143	-68	-131	-200

FY 2017-18		Total True-up claimed (Rs. Cr)			Allowable True-up as per Objector's assessment (Rs. Cr)		
S.N	Particulars	EPDCL	SPDCL	State	EPDCL	SPDCL	State
A	Expense True-up	942	1,634	2,576	522	905	1,427
B	Revenue True-up	-596	617	21	0	0	0
C	Total	346	2,251	2,597	522	905	1,427
D	Carrying Cost @ Interest Rate of 12%*	88	573	661	0	0	0
E	Total true-up	434	2,824	3,258	522	905	1,427

(Rs. Cr.

FY	Petitioner's claim	Allowable as per Objector's Assessment	Proposed disallowance
2014-15	861	0	861
2016-17	11,143	-200	11,343
2017-18	3,258	1,427	1,831
Total	15,262	1,227	14,035

Therefore, as per the Objector's assessment, not more than Rs. 1,227 Cr. is allowable to AP discoms.

PRAYERS

The Objector most respectfully prays that this Hon'ble Commission may be pleased to:

A. Consider the above Objection Statement filed by the Objector;

B. Declare that the Petition filed by the Petitioner is opposed to and ultra vires the Andhra Pradesh Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff for Wheeling and Retail Sale of Electricity) Regulations, 2005 and its amendments thereof;

C. Approve the True up for FY 2014 - 15, FY 2016 - 17 and FY 2017 - 18 as prayed and assessed by the Objector in the detailed Objections Statement;

Para No /Brief Issue	Response
D. Direct the Petitioner to submit the source wise details of the power purchase cost being claimed for FY 2014-15, FY 2016-17 and FY 2017-18 and publish the copies of the energy bills; E. Disallow the excessive fixed costs claims without backed by the PAF values for generating stations; F. Disallow the power purchase cost in cases where the purchase has been made at a price exceeding the ceiling price approved in the respective year's Tariff Order; G. Disallow the truing up of other expenses/revenue as such claims are extraneous to the Tariff Regulations; H. Direct the licensees to submit the Statement of gain and loss against each controllable item as required under Regulation 10.6. I. Pass necessary orders as may be deemed appropriate in the facts and circumstances of the case in the interest of justice J. Permit the Objector to participate and make additional submission and produce additional details and documentations during the course of the Public Hearing, in the interest of justice and equity.	

Yours faithfully,

08/06/2020

Chief General Manager (I/c)
RAC :: APSPDCL

Copy submitted to

The Secretary, APERC, 4TH Floor, 11-4-660, Singareni Bhavan, Red Hills, Hyderabad-500004.

O/o. Chief Engineer/IPC&PS
APTRANSCO.
Inward No. 7224
17 OCT 2016
SE/IPC
SE/PS
JDE (T)
CE/IPC & PS

ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION

From
Secretary,
11-4-660, 4th Floor,
Singareni Bhavan,
Red Hills, Lakdikapool,
Hyderabad - 500 004.

To
The Chief Engineer,
IPC & PS,
APPCC,
Vidyut Soudha,
Hyderabad - 500082

Lr.No. APERC/JD(PPP)/DD(P&PP)/F.No. E-939/D.No. 794 / 2016, Dt.05-10-2016.

Sir,

Sub:- APERC - Tariff for the incremental energy generated by the power plants under Phase-III of e-bid RLNG scheme for the period from 01.04.2016 to 30.07.2016 - Reg.

Ref:- 1) Lr.No. CE/IPC&PS/112/F. Gas pooling/D.No. 47/16, dt. 05.05.2016.
2) Lr.No. CE/IPC&PS/112/F. Gas pooling/D.No. 56/16, dt. 20.06.2016.
3) Lr.No. APERC/JD(PPP)/DD(P&PP)/F.No.E-939/D.No.561/2016, dt. 20.07.2016.
4) Lr.No. CE/IPC&PS/112/F. Gas pooling/D.No. 71/16, dt. 16.08.2016.

* * * *

With reference to the letter 2nd cited and based on the information furnished vide letter 4th cited, I am directed to inform that the net tariff of Rs. 4.645 per unit, paid / to be paid by AP DISCOMs for purchase of incremental energy under the scheme for utilization of stranded gas based generation capacity in phase-III does not exceed the target price, i.e. Rs. 4.70 per unit, as fixed under the scheme.

S. No.	Name of the Project	Incremental Energy (kWh) supplied from 01.04.2016 to 31.07.2016	Rate per unit	Name of DISCOMs
1.	M/s GMR Vemagiri	87130484	Rs. 4.645	APEPDCL & APSPDCL
2.	M/s GREL	245190393		
3.	M/s LKPL	118251500		

Yours faithfully,
5.10.2016
Secretary (I/c)

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ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION

O/o. CHIEF ENGINEER/IPC
APTRANSCO.
Inward No. 8663
31 DEC 2016
SE/IPC
SE/PS
AE (T)
CE/IPC & PS

From
Secretary,
11-4-660, 4th Floor,
Singareni Bhavan,
Red Hills, Lakdikapool,
Hyderabad - 500 004.

To
The Chief Engineer,
IPC & PS,
APPCC,
Vidyut Soudha,
Hyderabad - 500082

Lr.No. APERC/JD(PPP)/DD(P&PP)/F.No. E-939/D.No. 1107 / 2016, Dt.28-12-2016.

Sir,

Sub:- APERC - Tariff for the incremental energy generated by the power plants under Phase-III of e-bid RLNG scheme for the period from 01.08.2016 to 30.09.2016 - Reg.

Ref:- 1) Lr.No. CE/IPC&PS/112/F. Gas pooling/D.No. 47/16, dt. 05.05.2016.
2) Lr.No. CE/IPC&PS/112/F. Gas pooling/D.No. 56/16, dt. 20.06.2016.
3) Lr.No. APERC/JD(PPP)/DD(P&PP)/F.No.E-939/D.No.561/2016, dt. 20.07.2016.
4) Lr.No. CE/IPC&PS/112/F. Gas pooling/D.No. 71/16, dt. 16.08.2016.
5) Lr.No. APERC/JD(PPP)/DD(P&PP)/F.No.E-939/D.No.794/2016, dt. 05.10.2016.
6) Lr.No. APERC/JD(PPP)/DD(P&PP)/F.No.E-939/D.No.895/2016, dt. 03.11.2016.
7) Lr.No. CE/IPC&PS/112/F. Gas pooling/D.No. 88/16, dt. 28.11.2016.

*****

With reference to the letter last cited and based on the information furnished therein, I am directed to inform that the net tariff of Rs. 4.645 per unit, paid / to be paid by AP DISCOMs for purchase of incremental energy under the scheme for utilization of stranded gas based generation capacity in phase-III does not exceed the target price, i.e. Rs. 4.70 per unit, as fixed under the scheme.

S. No.	Name of the Project	Incremental Energy (kWh) supplied from 01.08.2016 to 30.09.2016	Rate per unit	Name of DISCOMs
1.	M/s GMR Vemagiri (370 MW)	47935425	Rs. 4.645	APEPDCL & APSPDCL
2.	M/s GVK Extn. (220 MW)	34020917		
3.	M/s GREL (768 MW)	394269243		
4.	M/s LKPL (1108 MW)	233774750		

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Further, with reference to the letter 5th cited, by inadvertence in the table under the column "Incremental Energy (kWh) supplied from 01.04.2016 to 31.07.2016" in respect of M/s LKPL, it is shown as "118251500" instead of "239136500". Accordingly, the number "118251500" may be read as "239136500".

Yours faithfully,

Secretary (i/c)

Copy to:

1) The Deputy Secretary (Thermal),
Ministry of Power, Govt. of India,
Shram Shakti Bhavan, Rafi Marg,
New Delhi - 110 001.

2) M/s GMR Vemagiri Power Generation Ltd,
Skip House, 25/1, Museum Road,
Bangalore - 560 025.

3) M/s GVK Industries Limited,
Paigah House, 156-159,
Sardar Patel Road,
Secunderabad - 500 003.

4) M/s GMR Rajahmundry Energy Limited,
Skip House, 25/1, Museum Road,
Bangalore - 560 025.

5) M/s Lanco Kondapalli Power Limited,
Plot No.4, Software units Layout,
Hitech City, Madhapur,
Hyderabad-500 081.

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SOUTHERN POWER DISTRIBUTION COMPANY OF A.P. LIMITED
CORPORATE OFFICE :: TIRUPATI

From
The Chief General Manager ,
RAC, APSPDCL, Corporate Office,
19-13-65/A, Vidyut Nilayam,
Srinivasapuram, TIRUPATI-517503.

To
Sri. R. Shiv Kumar,
The Federation of Andhra Pradesh
Chambers of Commerce and Industry (FAPCCI)
#40-1-144, 3rd Floor, Corporate Building,
M. G. Road, Vijayawada - 10,

Lr.No. CGM/RAC/APSPDCL/TPT/GM/RAC/F:True-Up/D.No. 382/20, dt. 08-06-2020

Sir,

Sub: APSPDCL – RAC – Replies to the Objections received on True-up petitions filed by APDISCOMS on Retails Supply Business for FY2014-15, FY2016-17 & FY2017-18 - Regarding.

Ref: Your Objection letter dated. 17-08-2019

****

With reference to above receipt of your suggestion/ objections on True-up petitions filed by APDISCOMS on Retails Supply Business for FY2014-15, FY2016-17 & FY2017-18 and the same is herewith acknowledged. The Para wise replies of APSPDCL are furnished as follows.

Para No /Brief Issue	Response
Preliminary Statement of Objections by FAPCCI The Industrial consumers account for about 24% &37% of the total energy sales and contribute about 38% &46% to the total revenue from tariffs in APSPDCL &APEPDCL respectively as in 2019-20. These consumers, duly represented by the Federation of Andhra Pradesh Chambers of Commerce and Industry ('Objector' or 'FAPCCI'), have been repeatedly raising the issue of non-filing of true up details by the AP distribution companies before the Hon'ble APERC for past many years. The discoms on the other hand have justified the delayed filings of such details citing some or the other frivolous reasons. The consumers firmly believe that such delay in filing of true up accounts reflects the conduct of AP discerns wherein they sought a meager tariff hike (or NIL tariff hike) during the initial tariff proceedings of relevant year and have now come up with claims of significant revenue deficits during the years. The tariff revisions implemented by the Hon'ble APERC in the past years were largely in line with AP discoms' proposals, as depicted below:	The reasons submitted by the AP Discoms, for the delay in subject fillings of True-Up petitions are justified and are not frivolous.

FY	Tariff revision by APERC against the proposal by AP discoms
2016-17	• Hike in energy charges was allowed to 2% as against 4% proposed by the licensees • Hike in fixed charges was approved at 4% as proposed by the licensees
2017-18	Hike in energy charges was approved at 3% to 4%, in line with licensees' proposal of 3.79%.
2018-19	No tariff hike

The tariff hike effected in the previous years is marginal and doesn't cover the increased cost parameters in terms of Power

Andhra Pradesh Electricity Regulatory Commission
1570
15 JUN 2020

Para No /Brief Issue	Response
Despite the aforesaid tariff revisions in line with the proposals of discoms, the discoms have now (after considerable delay) come up with the true up filings for FY 2014-15, FY 2016-17 and FY 2017-18 and have claimed significant revenue gaps to the tune of Rs. 861 Cr., Rs. 11,144 cr. and Rs. 3,257 cr. in FY 2014-15, FY 2016-17 and FY 2017-18respectively. The cumulative gap claimed by the DISCOM i.e. Rs. 15,262 cr. is almost 50%of the ARR allowed by Hon'ble APERC in FY 2019-20. On a per unit basis, this gap is tantamount to an impact of around Rs. 2.52/kWh on the average cost of the discoms based on the sales approved during FY 2019-20.The claims of DISCOMs are outrageous and are liable to be rejected on many counts. FAPCCI strongly objects to the true up claims of DISCOMs for FY 2014-15, FY 2016-17 and FY 2017-18 respectively (herein after referred to as the 'True-up Petitions' or 'Petitions') and prays that the same may be rejected *in limine,* ' in the interest of justice and equity.	Purchase Cost & Network Cost to the full extent. The True-Up claims of AP DISCOMs are under regulatory scrutiny of the Hon'ble APERC.
The preliminary objections to the Petitions are narrated herein below: 1. **Requirement of Data in excel format for all the tables given in the Petitions** The Petition is not backed by any workings or data in tariff excel formats prescribed by the Tariff Regulations. We request the Petitioners to submit relevant excel files used in preparing the true up Petitions for FY 2014-15, FY 2016-17 and FY 2017-18. This will help the consumers as well as Hon'ble Commission in understanding their claims in a better way.	The required information has been uploaded into the public domain as it is that was submitted to Hon'ble APERC. If the objector requires any specific information will be provided as may be directed by Hon'ble APERC.
2. **Plant Availability Factor (PAF) of all the generating stations.** Since Annual Fixed Charges are to be allowed in proportion to availability declared by the generating stations, we request the AP discoms to submit Plant availability factor data for all the stations. It is also pointed out that there appears to be an anomaly in the claim of AFC for SDSTPS - I. For instance, the fixed cost of SDSTPS - I for FY 2017-18 is approved to be Rs.1,782.20 cr. which is to be recovered against a normative availability of 80%. Based on 56.72% availability as submitted by the DISCOM in FY 2017-18, the recoverable fixed costworks out to be Rs. 1,253.57 cr. and not Rs.1,403.92 cr. as claimed in the true up Petitionfor FY 2017-18.	The contention of the objector that, the claim of fixed costs by Petitioners based on actual availability for FY 2015-16 and FY 2016-17 as given in the Petition is not proportionate to the costs approved by the Commission, is thoroughly examined. The payable amount towards fixed costs is being revisited based on the availability certification by the APSLDC.
3. **No basis provided for claiming 'incentives' and 'other costs'** The Petitioners have not submitted the basis for claiming 'incentives' and 'other costs'. The Hon'ble Commission is requested to direct the discoms to furnish the detailed workings of incentives and other costs.	Incentives and Other Costs are claimed as per the existing terms & conditions of PPAs and relevant tariff orders. Other Cost items claimed by APDISCOMs were legitimately incurred and as such covered in the True-up petition.

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	Which are duly audited by statutory auditor as well as controller and audited general of India
4. Claims to be approved based on Audited Accounts only There are cost items claimed by the Petitioner which they have not incurred in the corresponding years viz. fixed cost claim of SDSTPS-I. The truing up exercise is to be undertaken strictly based on the audited costs and revenues of the Petitioner companies. If there are any monies not recovered in time by the Petitioner due to no fault of the consumers, the same ought not to be allowed in those years.	Expenditures incurred with regard to prior periods after finalization of accounts will be accounted for in the Audited Accounts in subsequent years and accordingly covered in FY 2018-19 Accounts as per the accounting standards (GAAP).
5. Reconciliation of Actual Power Purchase cost and Revenue with Audited Accounts. The Actual Power Purchase cost and Actual Revenue in the true up filings for FY 2016-17 and FY 2017-18 are not in accordance with audited accounts of discoms for respective years. The Petitioner is required to submit the reconciliation towards the same.	Expenditures incurred with regard to prior periods will be accounted for in the Accounts in subsequent years and accordingly covered in FY 2018-19 Accounts in accordance with the prescribed accounting standard.
6. Carrying cost The Petitioners are required to submit true up Petitions for a financial year strictly in terms of the Andhra Pradesh Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff for Wheeling and Retail Sale of Electricity) First Amendment Regulation, 2014 ('Tariff Regulations'), which provide as below: *b. Since the complete information of Cost actually incurred relating to previous year will not be available at the time of filing of ARR for a particular tariff year, the Licensee may include provisional cost variation for the previous year in ARR filings which will be subject to final correction by the Commission as and when final accounts for that year become available* Thus, the final truing up exercise is to be conducted as and when the audited accounts are ready. The annual reports with audited accounts of the Petitioner companies were available on the following dates: APSPDCL: Annual Reports 2014-15 — 29th Feb 2016; Annual Reports 2016-17 — 16th Oct 2017; Annual Reports 2017-18 — 31st Oct 2018 APEPDCL: Annual Reports 2014-15 — 4th Dec 2015; Annual Reports 2016-17 — 23rd Dec 2017; Annual Reports 2017-18 — 27th Nov 2018 Needless to say, had the truing up exercise been conducted as per these timelines, the Commission would have taken note of increasing gap every year and would have taken/suggested	The reasons for delay in filing of true-up petition are submitted in the petition. The same are reiterated below : The Petitioners have put their best efforts in trying to file the every year true-up petition with the next year ARR filings. However, due to certain factors that are not under the control of the Petitioners, true-up filing has delayed. Some of the reasons for delay in filing the true-up for the respective years are – a) Payment of fixed charges due to AP Reorganization Act b) Take-over of FRP Bonds and Working capital loans under UDAY scheme in September 2015 c) Regulation of power between AP and TS in 2017 Due to the above stated reasons, the Petitioners were not in position to file the Petition with the respective ARR

Para No /Brief Issue	Response
measures to curb the trend of increase in inefficiency of the Licensees. Delaying the filing of true up Petition and claiming the carrying cost on the gap incurred in previous years would put undue and unjustifiable burden on the consumers.	filings. Hence, the Petitioners request the Honourable Commission to condone the delay in filing of the Petition.
7. **Disallowance of excess power purchased by the Distribution Companies based on Merit Order Dispatch** According to the methodology indicated in Tariff Regulations, the power purchase quantum to be considered for each discom for truing up should be the least of- 1. Actual power purchase quantity procured by the discoms for its consumers and 2. Power purchase quantity computed based on actual sales except LT Agriculture sales. LT Agriculture sales will be limited to Tariff Order quantity. These aggregated sales will be grossed up with approved losses for the relevant year in the MYT Orders.	The DISCOMs have computed the power purchase quantum and cost as per the regulation only.
The Power purchase cost calculated based on this methodology requires the Petitioners to not consider the total quantum of power purchased in actuals. For FY 2016-17, part of short term power purchased and part of power purchased from Hinduja IPP has not been considered and in FY 2017-18, UI quantum has not been considered. The Petitioner should submit the justification based on which power purchase cost has been considered for truing up. The Commission should take this into account and disallow the purchase of power with higher variable cost based on Merit Order Dispatch.	For FY 2016-17, power purchased from Hinduja IPP has been considered.
PRAYERS The objector most respectfully prays that this Hon'ble Commission may be pleased to: A. Consider the above preliminary objections filed by the Objector; B. Permit, the objector to make additional submissions and produce additional details and documentations during the course of the Public Hearings to be organized in the state, in the interest of justice and equity. C. Pass necessary orders as may be deemed appropriate in the facts and circumstances of the case in the interest of justice.	

Yours faithfully,

08/06/2020

Chief General Manager (I/c)
RAC :: APSPDCL

Copy submitted to
The Secretary, APERC, 4TH Floor, 11-4-660, Singareni Bhavan, Red Hills, Hyderabad-500004.

SOUTHERN POWER DISTRIBUTION COMPANY OF A.P. LIMITED

19-13-65/A, Vidyut Nilayam, Srinivasapuram, Tirupati (www.apspdcl.in)

From
The Chief General Manager,
RAC, APSPDCL, 19-13-65/A,
Vidyut Nilayam, Srinivasapuram,
Tirupati – 517501.

To
Sri M.Venugopala Rao,
Senior Journalist and
Convener of Centre for Power Studies,
H.No.1-100/MP/101, Monarch Prestige,
Journalists' Colony, Gopanpally,
Serilingampally Mandal , Hyderabad.

Lr No. CGM/RAC/SPDCL/TPT/GM/RAC/F.True-up/D.No.383/20 dt.08-06-2020

Sir,

Sub :- APSPDCL/TPT – RAC – Replies to objections raised by Sri M.Venugopala Rao, Senior Journalist and Convener of Centre for Power Studies, Hyderabad on True-up - Regarding.

Ref:- Party's representation received dt.14-02-2020

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Referring to the objections raised by Sri M.Venugopala Rao, Senior Journalist and Convener of Centre for Power Studies, Hyderabad on true-up filings, the reply is furnished as hereunder.

1. The reasons given by the Discom for proposing uniform levy of per unit true-up across the State are untenable. After the Hon'ble Commission determines revenue requirement and revenue gap of the Discoms, uniformity in retail supply tariff to the same category/slab of consumers in both the AP Discoms is being maintained with variation in subsidy being provided by GoAP to each Discom. Subsidy is being given by GoAP depending on the revenue gap of each Discom. Similarly, additional subsidy required by the Discoms for additional supply of power to agriculture, i.e. exceeding the requirement determined by the Commission in the annual tariff order, is being provided on the basis of requirement of each Discom based on additional power supplied to agriculture. In the case of true-up, no subsidy is being provided by GoAP. Even though retail supply tariff to each category/slab of consumers is uniform throughout the State and even though procurement of power is centralised to optimize the procurement cost and reduce the transaction costs, as contended by the Discoms, that is no justification for imposing uniform levy of per unit true-up across the State for the following reasons, among others:

Reply : As already responded on this matter, Retail supply tariffs in the state are uniform across the State and power procurement activity is being done on centralised basis to optimize the cost of power and transaction costs of procurement. Hence true up filings are also being made on combined basis.

a) When two independent Discoms (hereafter, three Discoms after formation of APCDCL) are there, their costs of service to different categories of consumers are different. Similarly, cross subsidies being determined by the Commission are also different. Tariffs to different categories/slabs of consumers are also different. Uniformity of tariff to same category/slab of consumers is being maintained for both the Discoms not by the methodologies being adopted by the Commission for determination of tariffs, but by the quantum of subsidy being given by GoAP to each Discom.

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b) Costs of power purchase by each Discom also are different to the extent certain power generating units are supplying power to a Discoms under PPAs in force. For example wind and solar power units allocated entirely to a Discom. Similarly, some other smaller units like Srivastha and LVS units are allocated exclusively to a Discom.

c) Even in the cases of thermal and big hydel power projects allocated to both the Discoms in the decided ratios, wheeling charges and line losses may be different depending on the distance and kv levels covered for evacuating that power. To that extent, total power purchase cost per unit, even it is supplied by the same generating unit, may be different for both the Discoms.

d) Under the neo-liberal reforms initiated in the early 1990s in the power sector, it was widely propagated by the protagonists of the reforms that unbundling of the erstwhile APSEB and formation of different Discoms - four independent Discoms in the then undivided Andhra Pradesh - that there would be competition among the Discoms and consumers can benefit from the better run Discom. Experience has confirmed that it has become a myth.

e) Apart from power purchase cost, depending on consumer mix, a Discom with a relatively larger chunk of cross subsidising consumers naturally tends to be better off in terms of revenue required. Also, the Discom with relatively lesser percentage of transmission and distribution losses tends to be better off. On the whole, a Discom, which is more efficient by different parameters of performance, can reduce its revenue requirement and revenue gap and ensure relatively lower tariffs to its consumers compared to the tariffs applicable to the same category/slab of consumers in other Discoms in the State. However, going by the variations in the quantum of subsidy being provided by GoAP to each Discom, the consumers of better run Discom are not getting any additional benefit on account of the efficiency of that Discom. Reforms and competition, if any, have failed to ensure benefit of efficiency to the consumers of better run Discom.

f) In the case of true-up, when per unit true-up is different to each Discom, since GoAP is not providing any subsidy, in all fairness, per unit true-up should be different to different Discoms. Also, they should be different to same category/slab of consumers of different Discoms depending on permissible true-up claims of each Discom.

g) Since no cross subsidy is being allowed by the Commission for true-up, the principle of equity is given a go-by in determining per unit true-up. In other words, uniformity in per unit true-up is depriving the subsidised consumers of the benefit of cross subsidy and Government's subsidy. Moreover, such uniformity in per unit true-up is resulting in subsidised consumers providing cross subsidy to subsidising consumers to certain extent.

h) In the name of uniformity in the entire State, consumers of a better run Discom are being not only deprived of benefits of better efficiency of the Discom but also penalised in view of imposition of higher per unit true-up on them. In other words, they are being forced to subsidise consumers of relatively lesser efficient Discoms.

i) If uniformity in per unit true-up is to be ensured, the Hon'ble Commission should determine per unit true-up to different categories/slabs of consumers of different Discoms by factoring cross subsidy in proportion to the retail supply tariffs applicable to them. So also, GoAP should provide additional subsidy to ensure uniformity in per unit true-up to different categories/slabs of consumers to keep per unit true-up of other Discoms on par with better run Discom with lowest per unit true-up. Determining uniform per unit true-up for the entire State and to all categories/slabs of consumers, without cross subsidy and Government's subsidy, is nothing but penalising the consumers of better run Discom or, in other words, penalising the consumers of such a Discom for the latter's relatively better efficiency!

j) In view of such irrationalities and failures to ensure benefits of efficiency to consumers of relatively better run Discom, we have suggested earlier merger of all the Discoms in the State into one to ensure equity to all the consumers in the entire State.

k) We have repeatedly brought such regulatory irrationalities to the notice of the Hon'ble Commission in the past but to no avail. We request the Hon'ble Commission to re-examine the issue, give a piece of appropriate advice to GoAP and take appropriate decisions to ensure benefits of better efficiency to the consumers of the Discom concerned or equity to all the consumers in the entire State.

Reply (a) to (k) :

The provision of subsidy is under the purview of the Govt. of A.P. and all the remaining above stated issues are under the purview of the Hon'ble APERC.

l) For whose requirements additional power is being purchased is another moot point. When power-intensive industries consume more power exceeding their contracted demand, they have to pay penalties. Contrary to that, such consumers are being given load factor incentives, i.e., for consuming more power. If additional power is to be purchased at higher costs for meeting their demand, and if they get load factor incentive, too, the burden is being imposed on all the consumers in the form of true-up claims of the Discoms. The sum required for load factor incentive cannot be determined in advance. When the Discoms project hefty revenue gap and when the Government has to bear hefty subsidy to avoid tariffs to a larger extent, providing for load factor incentive is imprudent. Moreover, making provision for load factor incentive by the Hon'ble Commission, on its own, without any such proposal coming from GoAP or the Discoms, is exceeding its jurisdiction. It is much more so when the Discoms seek withdrawal of load factor incentive unilaterally provided by the Commission earlier. Whether it is subsidy or its variant incentive, it is for the Government to decide and pay, not for the Commission. The Hon'ble Commission has to determine cost of service to each category of consumers, and then determine tariffs based thereon after making provision for cross subsidy, and finalize the tariffs after taking into account subsidy the Government agrees to provide to categories/slabs of consumers of its choice. It is open to the Hon'ble Commission to determine the percentage of cross subsidy. Achieving higher load factor means the industries concerned are using more power to meet growing demand for their products or services. As a result, they achieve higher turnover and profits. Then, what for load factor incentives are intended? In the past, when surplus power was available in the undivided Andhra Pradesh, in order to dissuade power-intensive industries from going in for open access, load factor incentive was proposed by the power utilities of GoAP. In the implementation of load factor incentive scheme, manipulations took place causing additional loss to the Discoms and undue benefit to industries running into hundreds of crores of Rupees every year and the scheme was withdrawn. Already, time-of-the-day tariffs for the industries are in force to encourage them to consume more power during off peak hours and discourage them from consuming more power during peak hours. Load factor incentive scheme, unrelated to ToD, defies logic. Simply because load factor incentive scheme introduced, in a legally untenable way, by the earlier Commission is there, that cannot provide any justification for continuing an illegality, as well as an imprudent decision. Such a questionable scheme needs to be discontinued. This experience shows need for taking a holistic view after considering all relevant factors before taking any decision.

Reply :

a) The Hon'ble Commission has re introduced Load Factor incentive scheme w.e.f FY 2019-20. The DISCOMs have proposed in ARR Filings for FY 2020-21 for removal of LF incentive,

since Time of Day (ToD) incentives are also being extended to the HT consumers. In the Tariff order for FY 2020-21, the Hon'ble APERC has continued the LF incentives.

m. For the years 2014-15, 2016-17 and 2017-18, the claims of the Discoms capacity charges payable to generators due to outage or shortage of supply would be reduced proportionately as per the provisions of the PPA needs to be examined. The Discoms have to give details of capacity charges reduced due to outage or shortage of supply, plat-wise and year-wise.

Reply : Payment of Capacity charges is being reduced to the available generation (availability factor) of the respective generating station whether it is a SGS,CGS or IPP.

n. The Discoms have made mutually contradictory by contending that the main reason for deficiency in supply is less availability declaration by the concerned generator owing to shortage of coal and payment of capacity charges are made accordingly, on the one hand, and payment of fixed charges made for backing down thermal units, on the other. Discoms have given details of backing down and fixed charges paid for the same for the year 2017-18 only. They have to furnish similar details for the other years pertaining to true-up claims. The Discoms have simply stated that backing down details pertaining to older years will be furnished shortly. In view of the mutually contradictory contentions of the Discoms, their submission that most of the thermal generating stations were falling short of expected generation due to shortage of coal needs to be substantiated with facts relating to availability of coal and lesser availability of coal during specific periods, plant-wise and year-wise.

Reply : It is to inform that, it is a fact that payment of fixed charges is made in accordance with availability factor of the generating stations. If the generator doesn't achieve its normative availability on account of coal shortage, capacity charges are reduced accordingly. Further, if coal is available, and the generator is backed down by the SLDC, on account of Grid constraint, the equivalent portion of availability, is certified by SLDC for capacity charges payment, since lesser generation due to backing down, even fuel is available, is not the fault of generator. The back down details for the years 2015-16 & 2016-17 are enclosed.

1) The contention of the Discoms that the weighted average cost for short-term procurement of power is contained well below the price approved by the Hon'ble Commission in annual retail supply tariff order cannot justify their paying charges much higher than the upper limit imposed by the Commission for the following reasons, among others:

a) The very purpose of imposing upper limit on price to be paid for purchasing additional power through exchanges or under short-term arrangement is to restrain the Discoms from purchasing such power at higher rates. The upper limit of price determined by the Commission generally tends to be very much liberal, as experience has confirmed repeatedly. Whatever benefit that accrues on account of purchasing additional power at prices much lower than the upper limit determined by the Commission should not be frittered away by purchasing a part of additional power at prices higher than such upper limit, even in the name of avoiding power cuts or ensuring continuous supply of power. It would ensure undue benefits to suppliers of such high-cost power at the cost of consumers and leave scope for manipulations for vested interests. It is a gross misinterpretation to presume, by implication or otherwise, that the Discoms can purchase additional power at prices higher than the upper limit determined by the Commission, if the weighted average cost is contained below or on par with the upper limit of price determined by the Commission. The true-up claims of the Discoms for additional power purchased at prices exceeding the upper limit fixed by the Commission should be rejected.

b) For technical or unavoidable reasons, load shedding or power cuts are being imposed for specific periods. When such is the case, there is no justification in the implied contention of the Discoms that they can purchase additional power at prices far exceeding the upper limit determied by the Commission, all in the name of ensuring continuous supply of power. What is the quantum of additional power purchased by the Discoms at prices higher than the upper limit imposed by the Commission and what would have been the duration of power cuts, if such additional power was not purchased, for the supply of power in the entire State?

c) In their replies given to our submissions on their ARR and tariff proposals for the year 2020-21, the Discoms have informed that in many instances they have noticed that there is a direct correlation between the erroneous over-estimation of VRE generation by the generator/QCA and the price of power in the power exchange. They have contended that when the VRE generation is falling short of the excess prediction by the VRE generators, the Discoms are forced to purchase from power exchanges at higher prices. There is no mechanism to check the collusion between the VRE generators and the power exchanges, the Discoms have maintained. There is no guarantee that the VRE generators have not colluded with the power exchange owner and artificially over-estimated the VRE generation which results in sudden spikes in demand at particular times of the day, they have argued. It shows scope for manipulating prices. The best way to stop such manipulations is not to purchase additional power at such manipulated higher prices.

Reply (a,b & c): It is to inform that, in compliance to the direction issued under para 211 of the Retail Supply Tariff Order for FY 2018-19, the DISCOMs have been sending day wise particulars of energy bought / sold through the power exchanges are being sent to the Hon'ble Commission on a fortnightly basis. As per the information submitted to the Hon'ble Commission, the weighted average cost of procurement through exchange for the year FY 2018-19 is shown in the following Table.

Fortnight	Energy Purchased (MU)	Average Price (Ex-Transmission /ULDC Charges)	Avg. Price Inclu. Transmission Charges
April 18	16.90	3.50	3.94
May 18	323.69	4.60	5.04
June 18	106.52	4.04	4.48
July 18	90.00	3.24	3.69
August 18	35.68	3.09	3.54
Sept-18	208.30	4.76	5.27
Oct-18	409.38	6.85	7.36
Nov-18	50.33	4.41	4.91
Dec-18	47.14	3.71	3.46
Jan-19	110.62	4.13	4.60
Feb-19	137.54	3.65	4.14
Mar-19	68.04	3.85	4.35

It is to inform that, the prices discovered in the market are based on Demand / Supply situation prevailing at that time of purchase and the nature of bidding is double sided closed auction and is carried out in a transparent manner.

APDISCOMs are resorting to market purchase only after exhausting all sources available within their hands and still there is gap to be met in order to ensure 24X7 power supply as promised.

Market purchases are done in the distress situation only when power is not available from committed resources and the DISCOMs are putting their best efforts to contain the weighted average price of the procurement within the limit as specified by the Hon'ble APERC.

2. The Discoms have maintained that they have taken every possible step to sell the surplus power available at their disposal. They have further contended that if the prevailing price is lesser than the marginal variable cost of the generating station at that instant, it is not commercially prudent to opt for sale of power. What is the quantum of surplus power available and how much was sold, at what cost and the profit earned or loss incurred, year-wise, pertaining to the years for which true-up claims are made by the Discoms?

Reply : APDISCOMs : Sales in Exchange

Year	Energy in MU	Realized Amount without Charges	Realized Amount with Charges	Per Unit Realisation (Rs/Unit)
2015-16	23.527	7.723	7.28	**3.09**
2016-17	73.395	24.624	22.95	**3.13**
2017-18	437.35	182.14	172.03	**3.93**
2018-19	405.47	164.96	155.19	**3.83**
2019-20	1444.89	622.62	541.64	**3.75**

3. The Discoms have replied that increase in variable cost is due to increase in basic price, fuel cost adjustment levied by the coal/gas companies and increased freight charges levied by the Railways and other transportation agencies. The details and their veracity need to be examined relating to the claims of the Discoms. How orders for transportation of coal were given to "other transportation agencies" and whether there was scope for transportation of coal at lesser cost by giving orders to transportation agencies other than the ones to which such orders were given and whether manipulations had taken place in the process need to be examined thoroughly in view of serious allegations about manipulations in selecting private transportation agencies, ignoring public sector agencies, for transportation of coal need to be examined thoroughly. I request the Hon'ble Commission to examine and consider the letter dated 8.2.2016 addressed to the then Secretary, department of energy, GoAP, by Dr E A S Sarma garu, former Secretary, Ministry of Power, GoI. Copy of the letter is enclosed.

Reply: The APDISCOMs have been paying the Variable Cost to APGenco thermal stations as per the procedure spelled out in Regulation 1 of 2008 and relevant orders issued by the Hon'ble APERC from time to time. The query is related to cost of transportation of coal which is a part and parcel of landed cost of coal at the generating station yard. There are no Norms specified by the Commission and the DISCOMs are obligated to pay coal transportation costs as claimed by Genco. If Hon'ble Commission directs to pay only transportation costs equivalent to railway freight or any other norm the DISCOMs would oblige. However it is to inform that, the conventional plants are dispatched based on Merit Order principle in the ascending order of variable costs and if landed costs of coal and the associated VC doesn't fit into the Merit Order, the plants are not dispatched and backed down. The generating stations cannot divert the coal without the

knowledge of Coal India Ltd. Further, to reduce the power cost with transportation cost, RTPP stage 1 & 3 of APGENCO is being diverted to SDSTPS under flexi coal mechanism issued by CEA.

4. The Discoms have pointed out that during certain instances in the grid operations, thermal power stations are backed down to accommodate renewable energy sources which have been conferred "must run" status and that during the period of backing down, the thermal generating stations have to be compensated for fixed cost payment, if they confirm the availability, as per the provisions of the PPAs.

   Regarding sale of surplus power available with the Discoms, they have maintained that prevailing price in the short-term market at the time of surplus availability is the criteria for selling power outside and that if the prevailing price is lesser than the marginal variable cost of the generating station at that instant, it is not commercially prudent to opt for sale of power. As per the data furnished by SPDCL, during 2017-18, 6912.34 MU was backed down and a sum of Rs.871.70 crore was paid towards fixed charges therefor. Not a single unit of non-conventional energy was backed down during the same year. Thermal power stations of AP Genco, CGSs, some private companies and even Godavari Gas Power Plant were backed down. As per merit order dispatch, power stations other than hydel and NCE have to be backed down, starting with the station with highest variable cost. As incorporated in the respective PPAs, there are technical limitations for backing down - the percentage of capacity to be backed down and the number of orders to be issued by the SLDC for backing down each station in a year. After such limits are exhausted, then the turn of NCE units comes for backing down to maintain required grid frequency and grid safety as per state grid code. During hearings before the Hon'ble Commission a few days back, the learned counsel for the Discoms, Sri P Shiva Rao garu, has admitted that NCE units are being backed down without any discrimination. The situation of backing down must-run NCE units confirms availability of abnormal quantum of surplus power and the resultant heavy burdens on the consumers. Moreover, the projection of need for purchasing power in the market, even in the face of availability of abnormal quantum of surplus power, obviously, to meet peak demand, confirms that solar and wind power cannot meet peak demand and as such, purchases from wind and solar units, when power is available from base-load thermal units, are unwarranted. In other words, for meeting peak deficit, if any, instead of opting for purchases in the market and short-term purchases through competitive biddings, the Discoms, at the behest of GoAP, continued to bungle by entering into long-term PPAs with power projects, especially with wind and solar power projects, for purchasing unwarranted and high-cost power which cannot meet peak demand. There is not even a single instance of the Hon'ble Commission rejecting consent to any PPA on the valid grounds that that power is not required, its cost is not competitive, relatively cheaper power is available from other sources and the Discoms have already far exceeded their obligations to purchase NCE under renewable power purchase obligation order issued by the Commission during the last six years. In other words, the disastrous consequences are an outcome of the imprudent decisions taken by GoAP, the long-term PPAs entered into by the Discoms for purchase of unwarranted and high-cost power and the consents given to the same by the Hon'ble Commission. About 90% to 95% of backing down is on account of purchasing VRE, as informed by the Discoms in their replies on submissions on ARR and tariff proposals for the year 2020-21 given to Prayas energy group, and it shows how irrational and arbitrary the way in which long-term PPAs with NCE developers, especially of wind and solar power, are entered into by the Discoms to purchase unwarranted and high-cost power indiscriminately and consents to the same given by the Hon'ble Commission without due diligence. These are commercially imprudent and avoidable. The moot point is – are the consumers to be penalised for these failures of commission and omission of GoAP, the Discoms and APERC in the form of paying higher tariffs for NCE, on the one hand, and hefty fixed charges for backing down thermal power, on the other, while the authorities responsible

for the same go scot free? A lion's share of true-up claims of the Discoms is the disastrous outcome of these failures of commission and omission of the authorities concerned.

Reply : APDISCOMs have entered into PPAs with VRE developers at different time periods as per the policies of the State Govt., Regulations and Tariff orders issued by the Hon'ble APERC. All the PPAs have been consented by Hon'ble APERC. In view of the increased penetration of Solar power which is available during the day time, the Agriculture loads have been shifted to day time, wherever possible to be commensurate with the solar generation. Accordingly, the peak demand incidental on AP grid is shifted and is being presently observed during day time (afternoon).

The contention of the objector that, *"solar and wind power can not meet peak demand and as such, purchases from wind & solar plants, when power is available from base load thermal stations is unwarranted "* is misconceived. The PPAs with Wind & Solar plants are not entered irrationally & arbitrarily as contested, they have undergone regulatory check and got consented.

In an effort to reduce the power purchase cost APDISCOMs have filed case in Hon'ble APERC for pre -closure of wind tariff regulation (OP 5 of 2017), Passing on GBI benefit to APDISCOMs (OP 1 of 2017), to reduce the wind tariff (OP 17 of 2019 and OP No. 66 of 2019 and OP 67 of 2019) and the proceedings on the same are going on.

It is to inform that, the APDISCOMs are leaving no stone untouched, with regard to reduction of power purchase cost and are contesting at every single stage, wherever possible.

Yours faithfully

08/06/2020

Chief General Manager / RAC (I/c)

Encl:- As above

Copy submitted to the Secretary, APERC, 11-4-660, 4th Floor, Singareni Bhavan, Red Hills, Lakdikapul, Hyderbad-04

Source	Plant	2015-16 Backdown energy (MU)	2016-17 Backdown energy (MU)
(b)	(c)	(f)	(f)
AP GENCO - Theermal			
Dr.NTPC Stage-I	Thermal	657	854
Dr.NTPC Stage-II			
Dr.NTPC Stage-III			
Dr.NTPC Stage-IV		329	532
RTPP Stage-I		347	663
RTPP Stage-II		510	955
RTPP Stage-III		234	319
RTPP Stage-IV		0	0
Total AP Genco - Thermal		**2077**	**3323**
Total TS Genco - Thermal	**Thermal**	**0**	**0**
APPDCL (Krishnapatnam) - Thermal	Thermal		
SDSTPS - I&II		46	286
Total APPDCL (Krishnapatnam) - Thermal		**46**	**286**
CGS - Thermal			
NTPC (SR) Ramagundam St.I&II	Thermal	180	196
NTPC (SR) Simhadri Stage 1		301	413
NTPC (SR) Simhadri Stage 2		182	329
NTPC (SR) Talcheru St.III	Thermal	56	75
NTPC (SR) Ramagundam St.III		64	56
NTPC Valluru Thermal Power		21	66
NLC - Stage - I	Lignite	23	48
NLC - Stage - II		46	89
NPC (MAPS)	Atamic		
NPC (Kaiga Unit-I,II&III)			
NPC			
NPC KUDANKULAM	Thermal	23	116
Aravali Power Company Limited (IGSTPS)		100	
Bundled Power under JNNSM Ph-I & Ph-II			
NTPC Kudgi Stage-I (New Thermal Stage...)			
Total CGS - Thermal		**996**	**1388**
IPP - Thermal (Hinduja, ... & KSK)			
Hinduja National Power Corp Ltd. (HNPCL)	Thermal	0	332
Thermal Power Corporationn India		16	75
KSK Mahandi Power Co Ltd.,		41	287

Source		Plant	2015-16	2016-17
			Backdown energy (MU)	Backdown energy (MU)
(b)		(c)	(f)	(f)
Total IPP - Thermal (Hinduja, SEIL & KSK)			**57**	**694**
GENCO - Hydel				
Srisailam - RBPH		Hydel	0	0
NSACPH			0	0
Upper Sileru			0	0
Lower Sileru			0	0
Donkarayi			0	0
Penna Ahobilam			0	0
Mini Hydel (Chettipeta)			0	0
NSTPDC PH			0	0
Machkund			0	0
TB Dam			0	0
Total GENCO - Hydel			**0**	**0**
IPP - GAS (CGPP, GAS IPPS & APGPCL				
Godavari Gas Power Plant (New Own Source Providingly GVK-I)			3	57
Spectrum Power			0	0
LANCO Kondapalli		Gas	0	0
SRIVATHSA POWER			0	0
APGPCL - Stage-I			0	0
APGPCL - Stage-II			0	0
Total IPP - GAS (CGPP, GAS IPPS & APGPCL)			**3**	**57**
NRE - Solar		Solar	0	0
NRE - Wind		Wind	0	0
NRE - Others		Bagasse	0	0
Others (including Swapping)			0	0
Total Others (Including Swapping)			**0**	**0**
TS GENCO HYDEL		**Hydel**		
GRAND Total			**3179**	**5748**

Station	FY 2015-16				FY 2016-17			
	Dispatch	Backing Down	Availability	Fixed Cost Paid (Rs/Crs)	Dispatch	Backing Down	Availability	Fixed Cost Paid (Rs/Crs)
APGENCO Thermal	7734.0	2077.0	9811.0	826.0	6297.8	3323.0	9620.8	966.2
APPDCL	4604.0	46.0	4650.0	1767.1	8081.1	286.0	8367.1	824.0
TSGENCO Thermal	6842.0	0.0	6842.0	796.3	7130.5	0.0	7130.5	1015.9
CGS	12213.0	996.0	13209.0	1073.0	11914.2	1388.0	13302.2	1181.7
IPPs-Gas	2437.0	3.0	2440.0	250.0	3954.6	57.0	4011.6	260.1
IPPs-Others	3523.0	57.0	3580.0	508.0	6575.4	694.0	7269.4	604.2
Total	37353.0	3179.0	40532.0	5220.5	43953.6	5748.0	49701.6	4852.2

Fixed Cost incurred for Backing Down (Rs Crs)	
FY 2015-16	409.4
FY 2016-17	561.2

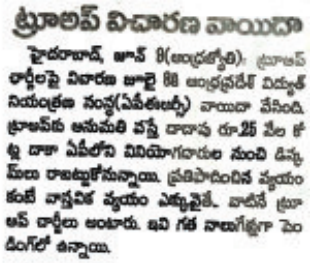
చంద్రన్న దొంగదెబ్బ

టిడిపి పాలన కాలపు ట్రూఅప్ చార్జీలు

విద్యుత్ వినియోగదారుల జేబులకు పెద్ద చిల్లు

పేద మధ్య తరగతి వారి గుండె గుభిల్లు

2015 - 16, 2016-17, 2017-18, 2018-19 సంవత్సరాలకు విద్యుత్ ట్రూఅప్ చార్జీలు, ఆంధ్ర ప్రదేశ్ విద్యుత్ నియంత్రణ సంస్థ (ఎపిఈఆర్‌సి) వారికి డిస్కంలు (విద్యుత్ పంపిణీ సంస్థలు) 2019-20 అక్టోబర్ లోపలే చంద్రన్నకు అండదండగా ఉన్న అధ్యక్షుడుగారు ఉన్నప్పుడే (రిటైర్ కాకముందే) సమర్పించినవి. ప్రతిపాదిత వ్యయము కంటే వాస్తవిక వ్యయం ఎక్కువైతే, వాటిని ట్రూఅప్ చార్జీలు అంటారు. ఎపిఈఆర్‌సి రెగ్యులేషన్ 4 ఆఫ్ 2005 ప్రకారం, 2015-16 ట్రూఅప్ 2016-17లో డిస్కంలు ఎపిఆర్‌సికి సమర్పించవలసిఉంది. అలాగే 2016-17, 2017-18, 2018-19 ట్రూఅప్స్, 2017-18, 2018-19, 2019-20లో సమర్పించవలసియున్నది.


ట్రూఅప్ విచారణ వాయిదా

హైదరాబాద్, జూన్ 9(ఆంధ్రజ్యోతి): ట్రూఅప్ చార్జీలపై విచారణ జూలై 8న ఆంధ్రప్రదేశ్ విద్యుత్ నియంత్రణ సంస్థ(ఏపీఈఆర్సీ) వాయిదా వేసింది. ట్రూఅప్‌కు అనుమతి వస్తే దాదాపు రూ.25 వేల కోట్ల దాకా ఏపీలోని వినియోగదారుల నుంచి డిస్కమ్‌లు రాబట్టుకోనున్నాయి. ప్రతిపాదించిన వ్యయం కంటే వాస్తవిక వ్యయం ఎక్కువైతే, వాటినే ట్రూఅప్ చార్జీలు అంటారు. ఇవి గత నాలుగేళ్లుగా పెండింగ్‌లో ఉన్నాయి.

ఎపిఈఆర్‌సి వారు జులై నెలలో, పై నాలుగేళ్ళ ట్రూఅప్ చార్జీలపై తమ నిర్ణయం ప్రకటించవలసి ఉంది.

అపరమేధావి చంద్రన్న పాలనలో డిస్కంలు ఎపిఈఆర్‌సికి ఈ ట్రూఅప్స్, సమర్పించలేదు. ఈఆర్‌సి తన బాధ్యతను విస్మరించి మూగనోము వ్రతావస్థలోకి జారుకుంది. వినియోగదారులపై నాలుగేళ్ళ విద్యుత్ బిల్లుల భారం పడితే, తన ప్రభుత్వం పై ప్రజా వ్యతిరేకత ఇబ్బడిముబ్బడి అవుతుందని తన చావు తెలివితేటలు ప్రయోగించి **"చంద్రన్న వీరబాదుడు"** 2019-20లో వై.ఎస్.ఆర్.సి.పి. పాలనలో వచ్చేటట్లు వినియోగదారుల వ్యతిరేకత కొత్త పాలకులపై పడేటట్లు, తన మాటలు నూటికి నూరుపాళ్ళు పాటించే ఏపిఈఆర్‌సి ఛైర్మన్ సహకారంతో, తన రాక్షస చాణక్యత చూపించాడు.

డిస్కంల రెవెన్యూ 2020-21లో రూ. 30,000 కోట్లుగా చెప్పబడినది. నాలుగేళ్ళ ట్రూఅప్ చార్జీల భారం రూ. 25,000 కోట్లు, అంటే వినియోగదారుని కరెంటు బిల్లు నెలకు రూ. 100 అయితే మరొక రూ. 85, రూ. 200 అయితే మరొక రూ. 165, రూ. 300 అయితే నాలుగేళ్ళ ట్రూఅప్స్ వలన ప్రతినెల రూ. 250 చెల్లించవలసి వస్తుంది. నెలకు రూ. 500 చెల్లించేవారు, మరొక రూ. 400, రూ. 1000 చెల్లించేవారు మరొక రూ. 900, రూ. 2000 చెల్లించేవారు మరొక రూ. 1650, రూ. 5000 చెల్లించేవారు మరొక రూ. 4000 ప్రతి నెల 12 నెలలు కట్టవలసివస్తుంది.

మాయమాటల పండితాగ్రేసర చక్రవర్తి చంద్రన్న తను ముఖ్యమంత్రిగా ఉన్న 2004 సంవత్సరం వరకు లా సెక్రటరీగా ఉన్న అడ్వకేట్‌ను 2014లో ఎపిఈఆర్‌సికి అధ్యక్షునిగా నియమించాడు. ఆ అపరమేధ అధ్యక్షుని టర్మ్ 3 సంవత్సరాలు పొడిగింపు ఫలితంగా **ఆ పెద్దమనిషి, కృతజ్ఞతాపూర్వకంగా చంద్రన్న చెప్పిన మాటలు అక్షరాలా పాటించి 2020-21లో వినియోగదారులపై "చంద్రన్న వీరబాదుడు" పడునట్లు చేసినాడు**. ఈ దుర్మార్గ దుష్ట ప్రయోగం జులై నెలలో బట్టబయలవుతుంది. మాయల మరాఠీ చంద్రన్న అన్ని వ్యవస్థలను తనకు అనుకూలంగా మలచుకొనుటలో సిద్ధహస్తుడని పలువురు పెద్దలు పలుమార్లు పలికినది అందరికెరకే ! **ప్రజలు తనను అధికారం నుండి దారుణాతిదారుణంగా దించినందుకు ప్రతీకార చర్యగా, విద్యుత్ బిల్లుల నాలుగేళ్ళ పెనుభారం ప్రజలపై బాది కక్షసాధిస్తున్న చంద్రన్నను, కృష్ణ కరకట్ట నుండి మూసీ వద్దకు పంపుట మనందరి బాధ్యత కాదా?**

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Copies submitted to : The Hon'ble Chief Justice, AP High Court for information and useful future
Hon'ble CM, Hon'ble Ministers, APERC, CS, Energy Secretary, APTransco, APGenco, Discoms