



ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION

Vidyut Niyamtrana Bhavan, Adjacent to 220/132/33 kV AP Carbides SS,
Dinnedevarapadu Road, Kurnool - 518 002, Andhra Pradesh.
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**FRIDAY, THE ELEVENTH DAY OF JULY
TWO THOUSAND AND TWENTY-FIVE
(11.07.2025)**

Present:

**Sri P.V.R.Reddy, Member
Member & Chairman i/c**

In the matter of the Fourth Amendment to the Andhra Pradesh Electricity Regulatory Commission (Licensees' duty for supply of Electricity on Request and Recovery of Expenses for Providing Electric Line or Electrical Plant) Regulation, 2013 (Regulation No. 4 of 2013)

Statement of Reasons/Order

As the predetermined connection charges up to 150 kW are expected to benefit consumers and make doing business in the State easier, the Commission has issued the fourth amendment to the Principal Regulation to set the connection charges for new service releases without needing field inspections. In line with this, the Commission issued a Public Notice dated 30.05.2025, posting the draft Fourth Amendment to the Andhra Pradesh Electricity Regulatory Commission (Licensees' duty for supply of Electricity on Request and Recovery of Expenses for Providing Electric Line or Electrical Plant) Regulation, 2013 (Regulation No. 4 of 2013) on its website, inviting objections, suggestions, and comments from all stakeholders on the proposed amendments. The Commission received one response from the General Public and others from APSPDCL. The main points of the comments, suggestions, and objections received, along with the Commission's analysis and decisions regarding the amendments to Principal Regulation 4 of 2013, are discussed below.

Draft

The following proviso is inserted after Clause 7(1) of the Principal Regulation.

*“Provided that for **connections up to 150 kW load (new or additional load) and within a 1 km radius of the electrified network, the following charges shall be collected from consumers for releasing the supply during the financial year 2025-26.***

Tariff Category	Category of services	Charges (Service Line including Development Charges)
LT-I	Domestic services	
	i) Up to 500 watts contracted load	Rs. 800
	ii) 501 to 1000 watts	Rs. 1500
	iii) Above 1 kW & up to 20 kW	Rs. 1500 + Rs. 2000 per KW or part thereof the contracted load
	iv) Above 20 kW up to 150 KW	Rs. 12600 per kW or part thereof of the contracted load
LT-II	Non-domestic/commercial services	
	i) Up to 250 watts contracted load	Rs. 600
	ii) 251 to 500 watts	Rs. 1000
	iii) 501 Watts up to 1 kW	Rs. 1800
	iv) Above 1 kW to 20 kW	Rs. 1800 + Rs . 2000 per KW or part thereof of contracted load
	iv) Above 20 kW to 150 kW	Rs. 12600 per kW or part thereof of contracted load
LT III and IV	i) Up to 20 kW	Rs. 2000 per KW or part thereof of the contracted load
	ii) Above 20 kW to 150 kW	Rs. 12600 per kW or part thereof of the contracted load
HT	11kV services	
	>75kW and up to 150kW	Rs. 4400 per kW or part thereof of the contracted load. The DTR is in the scope of the consumer.

Note: Consumers may choose to avail themselves of the supply of LT or HT up to 150 kW if their load exceeds 100 HP or 75 kW....”

Objections/views/comments

Sri. Dr. Narasimha Reddy Donthi stated that the proposed charges appear to be based on certain calculations; however, the lack of disclosed cost data limits the ability to evaluate their reasonableness. That consumers already pay fixed charges in their electricity bills, which generally cover capital and infrastructure expenses, raising concerns about the justification for additional upfront fixed charges. That LT consumers with loads above 20 kW face disproportionately higher rates compared to HT consumers in the 75–150 kW range, raising questions of fairness and cost justification. He emphasised the need for greater transparency in charge calculation and called for rationalisation of charges through operational efficiency and reduction of systemic inefficiencies.

APSPDCL stated that the phrase **“within a 1 km radius of the electrified network”** in the draft amendment needs clarification. Specifically, it sought to know whether the notified charges would still apply if the actual length of the proposed line exceeds 1 km, provided the consumer premises remain within a 1 km radial distance from the electrified network. It also mentioned that for connections below 20 kW within a 1 km radius, the proposed charges might cause a loss of revenue from service line charges currently being collected for the infrastructure involved. It suggested addressing this issue when finalising the Regulation. Additionally, it pointed out that while the draft amendment permits consumers with loads between 75 kW and 150 kW to choose LT or HT supply, the current Retail Supply Tariff (RST) Order for FY 2025–26 does not specify an LT tariff for non-industrial consumers in this load range. It requested that the Commission consider amending the RST Order to provide appropriate LT tariffs for such consumer categories.

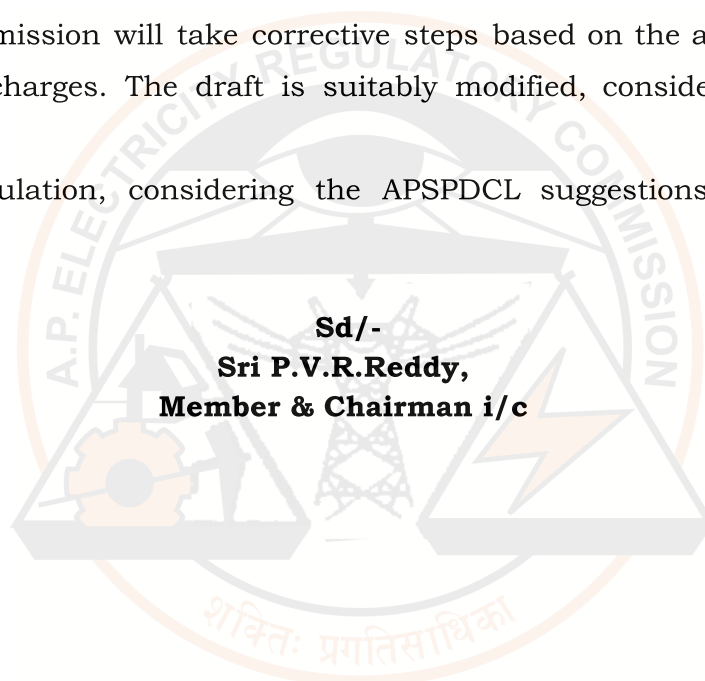
Commission’s analysis and decision

The charges specified in the draft have been computed based on the average expenditure incurred for service releases provided by APEPDCL, APSPDCL, and APCPDCL for FY 2023–24 and up to February 2025 in FY 2024–25. The charges thus reflect actual field-level cost experiences across multiple consumer categories and locations, ensuring that the rates are fair, data-backed, and reflective of prevailing expenditure patterns. The proposed charges pertain to service line charges under Section 46 of the Electricity Act, 2003, for extending supply to new connections, not to meet the capital expenditure of the DISCOMs. Hence, they are not part of fixed charges being paid in the tariff, as opined by the stakeholders. Regarding concerns about steepness in charges, particularly for consumers beyond 20 kW, such service connections involve DTR costs and other associated

infrastructure expenses; hence, charges to them are higher. Regarding the stakeholders' contention that the notified charges for HT consumers between 75–150 kW are less than those for LT consumers beyond 20 kW, the infrastructure, including DTR costs beyond the metering point, falls under the scope of such HT consumers, resulting in lower per-kW charges applicable to them. Accordingly, the Commission is of the view that the proposed charges are reasonable, based on verified actual expenditure of the past three years.

Regarding the APSPDCL's apprehension that the proposed charges might cause a loss of revenue from service line charges currently being collected for the infrastructure involved, the DISCOMS are required to submit the actual expenditure as against the charges approved for different categories of consumers while submitting the tariff proposals for the same in the ARR & FPT proposals every year. The Commission will take corrective steps based on the actual data vis-à-vis the approved charges. The draft is suitably modified, considering the other two suggestions.

The Final Regulation, considering the APSPDCL suggestions, is shown in the Annexure.



Annexure

ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION

[Regulation No.4 of 2025]

Fourth Amendment to the Andhra Pradesh Electricity Regulatory Commission (Licensees' duty for supply of Electricity on Request and Recovery of Expenses for Providing Electric Line or Electrical Plant) Regulation, 2013 (Regulation No. 4 of 2013)

As the predetermined connection charges up to 150 kW are expected to benefit consumers and make doing business in the State easier, the Commission has issued the fourth amendment to the Principal Regulation to set the connection charges for new service releases without needing field inspections. In line with this, the Commission issued a Public Notice dated 30.05.2025, posting the draft Fourth Amendment to the Andhra Pradesh Electricity Regulatory Commission (Licensees' duty for supply of Electricity on Request and Recovery of Expenses for Providing Electric Line or Electrical Plant) Regulation, 2013 (Regulation No. 4 of 2013) on its website, inviting objections, suggestions, and comments from all stakeholders on the proposed amendments. By the specified deadline, the Commission received one response from the General Public and others from APSPDCL. After considering the objections, suggestions, and comments, in exercise of powers conferred under subsection 1 of Section 181 read with Section 46 of the Electricity Act, 2003 (36 of 2003) and all other powers enabling it in that behalf, the Commission hereby makes the following amendment to the Principal Regulation 4 of 2013;

1. Short title, Extent and Commencement:

- 1.1. This Regulation shall be called the Fourth Amendment to the Andhra Pradesh Electricity Regulatory Commission (Licensees' Duty for Supply of Electricity on Request and Recovery of Expenses for Providing Electric line or Electrical Plant) Regulation, 2013 (Regulation No. 4 of 2013).
- 1.2. This Regulation extends to the whole of the State of Andhra Pradesh.
- 1.3. This Regulation shall come into force with effect from the date of its publication in the official Gazette of Andhra Pradesh.
- 1.4. The category-wise load limits for releasing new or additional load under LT and HT supply, as specified in any relevant document, such as the General Terms and Conditions of Supply (GTCS) or Retail Supply Tariff Order (RSTO), shall stand corrected to reflect the load limits as specified in this amendment Regulation.

2. The following proviso is inserted after Clause 7(1) of the Principal Regulation.

Provided that for connections up to 150 kW load (new or additional load) and within a 1 km radius of the electrified network (**maximum length of service line shall not exceed one km**), the following charges shall be collected from consumers for releasing the supply during the financial year 2025-26.

Tariff Category	Category of services	Charges (Service Line including Development Charges)
LT-I	Domestic services	
	i) Up to 500 watts contracted load	Rs. 800
	ii) 501 to 1000 watts	Rs. 1500
	iii) Above 1 kW & up to 20 kW	Rs. 1500 + Rs. 2000 per KW or part thereof of contracted load
	iv) Above 20 kW up to 150 KW	Rs. 12600 per kW or part thereof of the contracted load
LT-II	Non-domestic/commercial services	
	i) Up to 250 watts contracted load	Rs. 600
	ii) 251 to 500 watts	Rs. 1000
	iii) 501 Watts up to 1 kW	Rs. 1800
	iv) Above 1 kW to 20 kW	Rs. 1800 + Rs . 2000 per KW or part thereof of contracted load
	iv) Above 20 kW to 150 kW	Rs. 12600 per kW or part thereof of contracted load
LT III and IV	i) Up to 20 kW	Rs. 2000 per KW or part thereof of the contracted load
	ii) Above 20 kW to 150 kW	Rs. 12600 per kW or part thereof of the contracted load
HT	11kV services	
	>75kW and up to 150kW	Rs. 4400 per kW or part thereof of the contracted load. The DTR is in the scope of the consumer.

Note: Consumers may opt for LT or HT supply up to 150 kW if their load exceeds 100 HP or 75 kW. **Consumers supplied with power above 100 HP /75 kW and up to 150 kW under LT supply will be billed according to the tariffs specified in**

the Retail Supply Tariff (RST) Orders. For FY2025-26, the tariffs applicable under LT supply up to 75 kW will be extended to 150 kW under LT. However, for Industries General, the tariff as shown separately in the RST Order for FY2025-26 up to 150 HP, will be applicable.

Provided further that, in addition to the charges mentioned above, the Application Fee and Security Deposit Charges as per provisions under the relevant Regulation, notified by the Commission from time to time, shall be collected.

Provided further that the following are exempted from the application of the charges mentioned in the above table

- i. for the connections beyond 1 km of the electrified area,
- ii. Electrification of Layouts
- iii. Agricultural & Related Category,
- iv. Farm houses, and
- v. Underground Cables.

Regarding the service line charges from FY 2026-27 onwards, the Distribution Licensees may submit a proposal to the Commission regarding the schedule of service line charges for the release of new/additional load services by 30th November of last year of the current control period for the next control period in case of MYT filings or 30th November of any year, for the ensuing financial year, if the filings are permitted annually along with the filings of the Aggregate Revenue Requirement (ARR) & FPT of their Retail Supply Business. The Distribution licensees may file a separate application also if they so desire. The Commission may pass an Order as far as possible within 120 days of receiving such application, based on the actual expenditure incurred by the licensees in the previous year(s) for releasing services up to a connected load of 150 kW. If proposals from licensees are not received, the same charges mentioned for FY2025- 26 will be continued until revised charges are approved or notified by the Commission.

3. The following proviso is to be added to clause 8.2 of the Principal Regulation.

“Provided that the Annexure-I (Schedule of Development Charges) does not apply to the consumers covered under the proviso to clause 7(1)

4. Clause 8.4 shall be replaced with the following text.

“All consumers of LT services other than agriculture services whose contracted load exceeds 20 KW shall be provided with dedicated transformers by the licensees. The Distribution Licensee shall not extend power supply from the

dedicated transformer to any other consumer.”

5. The following new clauses shall be added after clause 12 of the Principal Regulation.

“ 13. Power to Remove Difficulties

If any difficulty arises in giving effect to the provisions of these Regulations, the Commission may, by general or specific order, make such provisions not inconsistent with the provisions of the Act, as may appear to be necessary for removing the difficulty.

14. Issue of orders and practice directions:

Subject to the provisions of the Electricity Act, 2003, and this Regulation, the Commission may, from time to time, issue orders and practice directions regarding the implementation of the Regulation, the procedure to be followed, and various matters that this Regulation has empowered the Commission to specify or direct.

15. Power to Amend:

The Commission may at any time add, vary, alter, modify, or amend any provisions of this Regulation.”

(BY ORDER OF THE COMMISSION)

Sd/-11.07.2025

Place: Kurnool

Date: 11 .07.2025

P.KRISHNA

Commission Secretary i/c