



**ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION**

4<sup>th</sup> Floor, Singareni Bhavan, Red Hills, Hyderabad 500 004

FRIDAY, THE TWENTY NINTH DAY OF APRIL  
TWO THOUSAND AND TWENTY TWO

:Present:

**Justice C.V. Nagarjuna Reddy, Chairman**  
**Sri P. Rajagopal Reddy, Member**  
**Sri Thakur Rama Singh, Member**

**IN THE MATTER OF**

Determination of Pooled Cost of Power Purchase for FY 2018-19 to be considered for  
FY 2019-20 under the Renewable Power Purchase Obligation (Compliance by Purchase of  
Renewable Energy/Renewable Energy Certificates) Regulations, 2017(Regulation 1 of 2017)

in

O.P.No. 107 of 2021

Eastern Power Distribution Company of Andhra Pradesh Limited (APEPDCL)

O.P.No. 110 of 2021

Southern Power Distribution Company of Andhra Pradesh Limited (APSPDCL)

**ORDER:**

The Commission notified the APERC Renewable Power Purchase Obligation (Compliance by Purchase of Renewable Energy/Renewable Energy Certificates) Regulations, 2017 (Regulation No. 1 of 2017) on 31.03.2017. Clause 6.2. (1) of the said Regulations requires the Commission to issue an order relating to Pooled Cost of Power Purchase for the particular year pursuant to a petition filed by the DISCOMs. The 'Pooled Cost of Power Purchase' in Rs./kWh determined by the Commission is the rate payable by the DISCOMs to the developers who entered into the PPAs with them to sell the Renewable Energy at the 'Pooled Cost of Power Purchase' under REC mechanism. Clause 2(k) of the said Regulations defines the 'Pooled Cost of Power Purchase' as hereunder:

***“Pooled Cost of Power Purchase’ means the weighted average pooled price at which the Distribution Licensee has purchased electricity in the previous year from all the long term energy suppliers excluding the purchases based on liquid fuel.***

***Provided that the purchases from traders, short-term purchases, and purchases from renewable sources shall not be taken into account while determining Pooled Cost of Power Purchase.”***

2. In pursuant to the said Regulations, APSPDCL and APEPDCL filed separate petitions on 27.10.2021 and 30.10.2021 respectively for approval of Pooled Cost of Power Purchase for FY 2018-19 to be considered for the FY 2019-20. (The computation sheets indicating the Pooled Cost of Power Purchase as filed by APEPDCL and APSPDCL are attached as ANNEXURE-I and ANNEXURE-II respectively).
3. The said petition were admitted and taken on the record of the Commission as O.P.No. 107 of 2021 for APEPDCL, and O.P.No.110 of 2021 for APSPDCL. Public Notices were hosted on the website of the Commission on 23.11.2021 in respect of said petitions inviting interested persons/stakeholders to send their views/objections/suggestions on the said petitions to the Secretary of the Commission by 22.12.2021, i.e., the date of the public hearing. Further, it was informed in the Public Notices that the said petitions would be taken for public hearing at 11:00 AM on 22.12.2021 through the web, and interested persons/organisations desirous of being heard in person may appear before the Commission on the said date of the public hearing.
4. Despite hosting the Public Notices on the website of the Commission, no objections were received as of the date of the first Public Hearing on 22.12.2021. Therefore, the Commission provided one more opportunity to the stakeholders for filing views/objections/ suggestions by hosting fresh Public Notices on the Commission’s website and the next date of hearing was fixed for 02.02.2022. During the next hearing on 02.02.2022, Sri Vishal Gupta, learned counsel representing Indian Wind Power Association stated that as certain data relating to the power purchases was not available, he was unable to file his clients' objections. The Commission suggested to him to send an email to Sri P. Shiva Rao, learned standing counsel for the petitioners, on the details of data required to be furnished and posted the matter for the next hearing on 16.03.2022. The final hearing of the matter took place on 16.03.2022. Sri

P.Shiva Rao, learned standing counsel for the petitioners and Sri Vishal Gupta, learned counsel for some of the objectors, and Sri M.Venugopal Rao, objector were present during the final hearing. Sri Vishal Gupta, learned counsel, submitted that after going through the filings of the petitioners, his clients did not find any particular defect or error in the calculation, and the commission may accordingly determine the Pooled Cost of Power Purchase. Sri M.Venugopal Rao, learned objector suggested that at least in the future, the Regulation may be amended so as to determine the Pooled Cost of Power Purchase in line with the present market prices.

5. Though APEPDCL and APSPDCL filed separate petitions, the Commission is required to determine a single Pooled Cost of Power Purchase by clubbing the power purchases of both the DISCOMs in accordance with clause 6.2.(1) of the said Regulations. Therefore, the Commission has decided to issue a common order in the above petitions determining a single Pooled Cost of Power Purchase as described below by clubbing the power purchases of both the DISCOMs.
6. The commission in the order dated 26.11.2020 in O.P.No.50 of 2019 and batch determined, inter alia, the True-up of Retail Supply Business for DISCOMs for FY 2017-18 after finalising the power purchase quantum and costs from various sources for FY 2017-18. The DISCOMs challenged the above order of the Commission before Hon'ble APTEL vide Appeal No.54/2022(DFR 296 of 2021). The Appeal is pending for disposal. As of now, there is no stay on the order of the Commission by the Hon'ble APTEL. Therefore, for arriving at the Pooled Cost of Power Purchase for FY 2018-19 to be considered for FY 2019-20, the Commission adopted the final power purchase quantum and costs determined from various sources in the above order after excluding the purchases based on the liquid fuel, purchases from traders, short-term purchases and purchases from renewable sources in accordance with clause 2(k) of Regulation 1 of 2017. Accordingly, the Commission computed the Pooled Cost of Power Purchase for FY 2018-19 to be considered for FY 2019-20 as 4.43/kWh. The details of the calculation are shown in the ANNEXURE-III.
7. The difference between the Provisional Pooled Cost of Power Purchase at Rs.3.741/kWh and the Pooled Cost of Power Purchase now determined in this Order shall be paid to the developers in six equal monthly instalments commencing from the billing month of May 2022

to facilitate the DISCOMs to make payments in a staggered manner rather than by a lump-sum payment to avoid any undue strain on the finances of the DISCOMs.

The Order is corrected and signed on this the 29<sup>th</sup> day of April 2022.

**Sd/-**  
**Thakur Rama Singh**  
**Member**

**Sd/-**  
**Justice C.V. Nagarjuna Reddy**  
**Chairman**

**Sd/-**  
**P. Rajagopal Reddy**  
**Member**





## ANNEXURE - I

APEPDCL POOLED COST for the FY 2018-19 to be considered for FY 2019-20							
Station	Energy (MU)	Amount (Rs.Crs.)			VC Rate/kwh	FC Rate/kwh	Avg. Rate/kwh
		FC	VC	Total Cost			
CGS							
NTPC (SR) Ramagundam St.I&II	605.52	55.24	152.42	207.66	2.52	0.91	3.43
NTPC (SR) Simadri Stage 1	886.22	181.12	253.25	434.37	2.97	2.04	5.01
NTPC (SR) Simadri Stage 2	307.02	87.76	91.76	179.51	2.99	2.86	5.85
NTPC (SR) Talcheru St II	383.06	33.67	65.13	98.80	1.70	0.68	2.38
NTPC (SR) Ramagundam St III	151.52	14.66	37.25	51.91	2.46	0.97	3.43
NTECL Vakkur Thermal Power	115.24	43.28	38.30	81.58	3.32	3.76	7.08
NLC -Stage - I	91.91	8.80	23.70	32.50	2.58	0.96	3.54
NLC -Stage - II	172.89	15.44	44.60	60.04	2.56	0.89	3.47
NPC (MAPS)	16.32	0.00	4.56	4.56	2.79	0.00	2.79
NPC (Kaiga Unit-I,II & III)	293.45	0.00	110.14	110.14	3.75	0.00	3.75
NPC KUDANKULAM	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NLC Tamilnadu Power Ltd S	193.06	47.99	61.20	109.19	3.17	2.49	5.66
* NTPC Kudgi (New Thermal Station from	166.78	64.63	64.19	128.82	3.85	3.88	7.72
NLC & NTPC RRAS Fixed Cost Adjustment	0.00	-2.90	0.00	-2.90	0.00	0.00	0.00
CGS Sub Total	3382.99	549.68	956.49	1506.17	2.83	1.62	4.45
APGPCL ST-I	10.73	0.79	3.42	4.20	3.18	0.73	3.92
APGPCL ST-II	38.64	1.77	10.89	12.66	2.82	0.46	3.28
APPDCL	2217.11	251.39	578.67	830.06	2.61	1.13	3.74
APPDCL Difference Fixed cost and FCA	0.00	97.53	58.69	156.22	0.00	0.00	0.00
Godavari Gas Power Plant (Now Own Source previously GVX-	272.97	9.18	78.29	87.47	2.87	0.34	3.20
SGS Sub Total	2539.45	360.66	729.97	1090.62	2.87	1.42	4.29
IPPs							
Spectrum Power	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Lanco Kondapalli	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Thermal Power Tech Corporation	526.09	96.95	110.42	207.37	2.10	1.84	3.94
Hinduja National Power Corp Ltd	0.00	0.00	0.00	0.00	0.00	0.00	0.00
IPPs Sub Total	526.09	96.95	110.42	207.37	2.10	1.84	3.94
MPPS							
Srivathsa	10.55	0.61	3.39	4.00	3.22	0.58	3.79
LVS	0.00	0.00	0.00	0.00			
MPPS Sub Total	10.55	0.61	3.39	4.00	3.22	0.58	3.79
APGenco							
Dr.NTPS	2368.70	237.37	828.64	1066.01	3.50	1.00	4.50
Dr.NTPS St.IV	1012.92	151.76	312.27	464.03	3.08	1.50	4.58
RTPP-I	707.80	94.49	281.40	375.89	3.98	1.33	5.31
RTPP-ST II	670.59	138.54	265.40	403.93	3.96	2.07	6.02
RTPP -ST III	315.63	92.28	125.47	217.75	3.98	2.92	6.90
RTPP -ST IV	385.87	31.15	131.80	162.95	3.41	0.81	4.22
Hydel	929.71	162.87	0.00	162.87	0.00	1.75	1.75
Interest on Pension Bonds	0.00	277.00	0.00	277.00	0.00	0.00	0.00
FCA for FY 2016-17				0.00	-	-	-
AP Genco Differential FCA for 2014-15 & 2015-16				0.00	-	-	-
AP Genco Differential FCA for 2017-18				0.00	-	-	-
Diff FC True UP Recovery for FY 2017-18					-	-	-
apgenco differential interest on pension bonds	0.00	19.37	0.00		0.00	0.00	0.00
APGENCO Sub Total	6391.32	1204.83	1944.98	3130.45	3.04	1.89	4.90
KSK	274.23	29.43	89.63	119.06	3.27	1.07	4.34
TOTAL	13124.63	2242.16	3834.89	6057.68	2.92	1.71	4.62

## ANNEXUE-II

AP DISCOMS POOLED COST for the FY 2018-19 to be considered for FY 2019-20							
Station	Energy (MU)	Amount (Rs.Crs.)			VC Rate/kwh	FC Rate/kwh	Avg. Rate/kwh
		Fixed Cost	Variable Cost	Total Cost			
<b>CGS</b>							
NTPC (SR) Ramagundam St.I	1766.92	161.18	444.77	605.95	2.52	0.91	3.43
NTPC (SR) Simadri Stage 1	2585.99	528.50	768.16	1296.66	2.97	2.04	5.01
NTPC (SR) Simadri Stage 2	895.88	256.07	267.74	523.82	2.99	2.86	5.85
NTPC (SR) Talcheru St.II	1117.76	98.24	190.05	288.29	1.70	0.88	2.58
NTPC (SR) Ramagundam St.II	442.15	42.77	108.70	151.47	2.46	0.97	3.43
NTECL Valluru Thermal Power	336.28	126.29	111.75	238.04	3.32	3.78	7.08
NLC -Stage - I	268.20	25.69	69.16	94.85	2.58	0.96	3.54
NLC -Stage - II	504.49	45.07	130.13	175.20	2.58	0.89	3.47
NPC (MAPS)	47.62	0.00	13.30	13.30	2.79	0.00	2.79
NPC (Kaiga Unit-I,II & III)	856.29	0.00	321.40	321.40	3.75	0.00	3.75
NPC KUDANKULAM	0.00	0.00	0.00	0.00			
NLC Tamilnadu Power Ltd Sta	563.36	140.03	178.58	318.62	3.17	2.49	5.66
* NTPC Kudgi (New Thermal Station from 31.07.17)	486.65	188.59	187.30	375.89	3.85	3.88	7.72
NLC & NTPL RRAS Fixed Cos	0.00	-8.47	0.00	-8.47			
<b>CGS Sub Total</b>	<b>9871.58</b>	<b>1603.97</b>	<b>2791.05</b>	<b>4395.02</b>	<b>2.83</b>	<b>1.62</b>	<b>4.45</b>
APGPCL ST-I	31.32	2.29	9.97	12.27	3.18	0.73	3.92
APGPCL ST-II	112.75	5.16	31.79	36.95	2.82	0.46	3.28
APPDCL	6469.54	147.49	2274.61	2422.10	0.00	0.00	0.00
APPDCL Difference Fixed cost and FCA		284.60	171.26	455.86			
Godavari Gas Power Plant(Nov	796.52	26.78	228.46	255.24	2.87	0.34	3.20
<b>SGS Sub Total</b>	<b>7410.13</b>	<b>466.33</b>	<b>2716.09</b>	<b>3182.42</b>	<b>2.57</b>	<b>0.63</b>	<b>3.20</b>
<b>IPPs</b>							
Spectrum Power	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Lanco Kondapalli	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Thermal Powertech Corporatio	1535.12	282.91	322.20	605.11	2.10	1.84	3.94
Hinduja National Power CorpLt	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>IPPs Sub Total</b>	<b>1535.12</b>	<b>282.91</b>	<b>322.20</b>	<b>605.11</b>	<b>2.10</b>	<b>1.84</b>	<b>3.94</b>
<b>MPPs</b>							
Srivathsa	30.80	1.77	9.91	11.68	3.22	0.58	3.79
LVS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>MPP Sub Total</b>	<b>30.80</b>	<b>1.77</b>	<b>9.91</b>	<b>11.68</b>	<b>3.22</b>	<b>0.58</b>	<b>3.79</b>
<b>APGenco</b>							
Dr.NTTPS	6911.88	692.66	2417.97	3110.63	3.50	1.00	4.50
Dr.NTTPS St.IV	2955.72	442.85	911.21	1354.06	3.08	1.50	4.58
RTPP-I	2065.36	275.72	821.14	1095.86	3.98	1.33	5.31
RTPP-ST II	1956.79	404.25	774.43	1178.68	3.96	2.07	6.02
RTPP-ST III	921.01	269.26	386.13	635.39	3.98	2.92	6.90
RTPP-ST IV	1126.25	90.90	384.60	475.50	3.41	0.81	4.22
Hydel	2712.90	475.26	0.00	475.26	0.00	1.75	1.75
Interest on Pension Bonds		808.28	0.00	808.28	-	-	-
FCA for FY 2016-17		0.00	0.00	0.00	-	-	-
AP Genco Differential FCA for 2014-15 & 2015-16		0.00		0.00	-	-	-
AP Genco Differential FCA for 2017-18		0.00		0.00	-	-	-
Diff FC True UP Rcovery for FY 2017-18					-	-	-
apgenco differential interest on pension bonds		55.51	0.00				
<b>APGENCO Sub total</b>	<b>18649.90</b>	<b>3515.69</b>	<b>5675.47</b>	<b>9134.65</b>	<b>3.04</b>	<b>1.89</b>	<b>4.93</b>
KSK	800.20	85.68	261.54	347.42	3.27	1.07	4.34
<b>TOTAL</b>	<b>38297.72</b>	<b>5956.55</b>	<b>11776.26</b>	<b>17676.30</b>	<b>3.07</b>	<b>1.56</b>	<b>4.63</b>



**ANNEXURE - III****Pooled Cost of Power Purchase for FY 2018-19 (To be considered for FY 2019-20)**

Station	Energy Purchased (MU)	Amount in (Rs. Crs)				Avg Rate /kwh
		Fixed Cost	Variable Cost	Other Cost	Total Cost	
<b>APGENCO-Thermal</b>						
Dr. NTPPS Stage-I,II & III	6,912	693	2,309	320	3,321	4.8
Dr. NTPPS Stage-IV	2,956	443	911	127	1,481	5.01
RTPP Stage-I	2,065	276	797	107	1,179	5.71
RTPP Stage-II	1,957	404	755	107	1,266	6.47
RTPP Stage-III	921	269	356	53	678	7.36
RTPP Stage-IV	1,126	91	385	152	628	5.57
<b>Total APGENCO-Thermal</b>	<b>15,937</b>	<b>2,176</b>	<b>5,512</b>	<b>865</b>	<b>8,553</b>	<b>5.37</b>
<b>APPDCL</b>						
SDSTPS Stage-I	6,470	1,018	1,860	0	2,878	4.45
<b>Total APPDCL</b>	<b>6,470</b>	<b>1,018</b>	<b>1,860</b>	<b>0</b>	<b>2,878</b>	<b>4.45</b>
<b>APGENCO-Hydel</b>						
Machkund Power House (AP Share)	298	32	0	0	32	1.07
Tungabhadra Dam Power House (AP Share)	113	22	0	0	22	1.94
Upper Sileru Power House	462	57	0	0	57	1.24
Lower Sileru Power House	1,075	110	0	0	110	1.02
Donkarayi Canal Power House	77	6	0	0	6	0.78
Srisaillam Right Bank Power House	536	171	0	0	171	3.18
Nagarjunasagar Right Canal Power House	100	18	0	0	18	1.79
Nagarjunasagar Tail Pond Power House (AP)	48	48	0	48	97	19.94
<b>Total APGENCO-Hydel</b>	<b>2,709</b>	<b>464</b>	<b>0</b>	<b>48</b>	<b>512</b>	<b>1.89</b>
<b>CGS</b>						
NTPC (SR) - Ramagundam Stage 1 & 2	1,767	139	445	0	583	3.3
NTPC (SR) - Ramagundam Stage 3	442	37	109	0	146	3.3
Talcher Stage 2	1,118	88	190	0	278	2.49
NLC TS-II Stage-I	268	23	69	0	92	3.42
NLC TS-II Stage-II	504	43	130	0	173	3.43
NPC-MAPS	48	0	13	0	13	2.79
NPC-Kaiga unit I&II	571	0	214	0	214	3.75

NPC-Kaiga unit III&IV	285	0	107	0	107	3.75
NTPC Simhadri Stage I	2,586	305	768	0	1,073	4.15
NTPC Simhadri Stage II	896	202	268	0	470	5.24
Bundled power under JVNSM	3,068	0	1,144	0	1,144	3.73
Vallur Thermal Power Plant	336	108	112	0	220	6.54
NTPC Kudigi	487	189	187	0	376	7.72
Tuticorin Thermal Power Station	563	134	179	0	313	5.55
<b>Total CGS</b>	<b>12,939</b>	<b>1,268</b>	<b>3,935</b>	<b>0</b>	<b>5,203</b>	<b>4.02</b>
<b>APGPCL</b>						
APGPCL I	31	2	10	0	12	3.91
APGPCL II	113	5	32	0	37	3.28
<b>Total APGPCL</b>	<b>144</b>	<b>7</b>	<b>42</b>	<b>0</b>	<b>49</b>	<b>3.42</b>
<b>Gas Power Plant</b>						
GGPP	797	27	228	0	255	3.2
<b>Total Gas Power Plant</b>	<b>797</b>	<b>27</b>	<b>228</b>	<b>0</b>	<b>255</b>	<b>3.2</b>
<b>IPPs - Others</b>						
KSK Mahanadi (MT)	800	86	208	0	294	3.67
Sembcorp Energy India Ltd (SEIL)	1,535	283	322	0	605	3.94
HNPCCL	888	0	339	0	339	3.82
<b>Total-IPPs</b>	<b>3,223</b>	<b>369</b>	<b>869</b>	<b>0</b>	<b>1,238</b>	<b>3.84</b>
<b>Total</b>	<b>42,219</b>	<b>5,329</b>	<b>12,446</b>	<b>913</b>	<b>18,688</b>	<b>4.43</b>

Sd/-  
Thakur Rama Singh  
Member

Sd/-  
Justice C.V. Nagarjuna Reddy  
Chairman

Sd/-  
P. Rajagopal Reddy  
Member