



ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION

4th 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 2017-18 to be considered for FY 2018-19 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. 106 of 2021

Eastern Power Distribution Company of Andhra Pradesh Limited (APEPDCL)

O.P.No. 109 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 2017-18 to be considered for the FY 2018-19 (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. 106 of 2021 for APEPDCL, and O.P.No.109 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 02.02.2021, 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 2017-18 to be considered for FY 2018-19, 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 2017-18 to be considered for FY 2018-19 as 4.03/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 of Rs.4.03/kWh 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 29th 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 2017-18 to be considered for FY 2018-19

Station	Energy (MU)	Amount (Rs.Crs.)			VC Rate/kwh	FC Rate/kwh	Avg. Rate/kwh
		Fixed Cost	Variable Cost	Total Cost			
CGS							
NTPC (SR) Ramagundam St.I	601548213.7	425313059.2	148194207.1	1807255130	2.46	0.71	3.17
NTPC (ER) Farakka, kahalgaon	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!
NTPC (SR) Simadri Stage 1	920111982.9	151807495.1	260881022.6	4126885187	2.84	1.65	4.49
NTPC (SR) Simadri Stage 2	347723064.2	695896089.8	1002001138	1697897228	2.88	2.00	4.88
NTPC (SR) Talcheru St.II	409597344	278541501	654100325.7	932841826.7	1.60	0.68	2.28
NTPC (SR) Ramagundam St.III	162430231.1	107724308.8	398153293.3	505877602.1	2.45	0.66	3.11
NTECL Valluru Thermal Power	164591405.6	380547410.1	481308542.2	861855952.3	2.92	2.31	5.24
NLC -Stage - I	73015231.91	72577549.18	221247793.7	293825342.8	3.03	0.99	4.02
NLC -Stage - II	144966771.7	123119682.3	434718013.2	557837695.5	3.00	0.85	3.85
NPC (MAPS)	35970664.51	0	100714655.6	100714655.6	2.80	0.00	2.80
NPC (Kaiga Unit-I, II & III)	313858860.5	0	114735904.9	114735904.9	3.66	0.00	3.66
NPC KUDANKULAM	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!
NLC Tamilnadu Power Ltd Stag	206812782.4	492789599	685569376.5	1178358976	3.31	2.38	5.70
NTPC Kudgi (New Thermal St	94021943.42	244329155.9	265597236.6	509926392.5	2.82	2.60	5.42
NTPC Aravali Power	0	171910730.5	0	171910730.5	#DIV/0!	#DIV/0!	#DIV/0!
CGS Sub Total	3474648496	4510824047	9481521721	13992345768	2.73	1.30	4.03
APGPCI ST-I	11546098.31	12686817.06	28278572.13	40965389.19	2.45	1.10	3.55
APGPCI ST-II	38834469.76	25281240.14	94089176.02	119370416.2	2.42	0.65	3.07
TPS Infirm Power Bill (Unit-I & II) APPDCL	1536305937	0	557679055.1	557679055.1	3.63	0.00	3.63
(Now Own Source previously GVK-I)	353065751.5	72758327.54	857883532.4	930641859.9	2.43	0.21	2.64
IPPs							
Spectrum Power							
Lanco Kondapalli							
Thermal Powertech	599881114.4	1061822166	1101321649	2163143815	1.84	1.77	3.61
Hinduja National Power							
IPPs Sub Total	599881114	1061822166	1101321649	2163143815	1.84	1.77	3.61
MPPS							
Srivathsa	18312117.93	10871868.34	49000298.88	59872167.22	2.68	0.59	3.27
LVS							
MPPS Sub Total	18312118	10871868	49000299	59872167	2.68	0.59	3.27
APGenco							
Dr.NTTPS	2110643612	2059794817	5952893596	6012688412	2.82	0.98	3.80
Dr.NTTPS St.IV	847157488.3	1400954745	2165244856	3566199601	2.56	1.65	4.21
RTPP-I	734512811.8	832687702.3	2504448821	3337136523	3.41	1.13	4.54
RTPP-ST II	784489448.3	1271185679	2677693795	3948879473	3.41	1.62	5.03
RTPP -ST III	319197709.4	849529500.2	1081434981	1930964481	3.39	2.66	6.05
Hydel	910101951	1580984383	0	1580984383	0.00	1.74	1.74
Interest on Pension Bonds	0	2344457345	0	2344457345	#DIV/0!	#DIV/0!	#DIV/0!
FC True UP Recovery for FY 2017-18	0	-318420957	0	-318420956.9	#DIV/0!	#DIV/0!	#DIV/0!
APGENCO Sub Total	5706103021	10021173214	14381716048	24402889261	2.52	1.76	4.28
TSGenco							
KTPS A	45999316.73	47398266.06	125578134.7	172976400.7	2.73	1.03	3.76
KTPS B	47398677.41	47398265.72	129398389.1	176796654.8	2.73	1.00	3.73
KTPS C	44816741.79	47398265.72	122349705.3	169747971.1	2.73	1.06	3.79
KTPS V	114787017.2	69801326.54	231869774.8	301671101.3	2.02	0.61	2.63
KTPS VI	122381675	167923000	247210983.6	415133983.6	2.02	1.37	3.39
RTS-B	13401343.47	15612840.72	41544164.59	57157005.31	3.10	1.17	4.27
KTPP-I	122828871	167816381.6	260397206.7	428213588.3	2.12	1.37	3.49
TSGENCO Sub Total	511613643	563348346	1158348359	1721696705	2.26	1.10	3.37
KSK	644325567.8	894426478.8	1538838146	2433264625	2.39	1.39	3.78
TOTAL	12894636216	17173192504	34267788054	51440980558	2.66	1.33	3.99
Less: Unadmitted Cost filed in True Up with APERC			0	4040335272			
Grand Total	12894636216			47400645286			3.68

ANNEXURE-II

APSPDCL POOLED COST for the FY 2017-18 to be considered for FY 2018-19

Station	Energy (MU)	Amount (Rs.Crs.)			VC Rate/k wh	FC Rate/k wh	Avg. Rate/k wh
		Fixed Cost	Variable Cost	Total Cost			
CGS							
NTPC (SR) Ramagundam St.I & II	1153771931	816752185	2842370946	3658123131	2.46	0.71	3.17
NTPC (ER) - Farakka, Kahalgaon & Talcher	0	0	0	0	#DIV/0!	####	####
NTPC (SR) Simadri Stage 1	1764778542	2911673977	5003708671	7915382648	2.84	1.65	4.49
NTPC (SR) Simadri Stage 2	666934257.8	1334731543	1921842277	3256573820	2.88	2.00	4.88
NTPC (SR) Talcher St.II	785609379	534243736.8	1254567097	1788810834	1.60	0.68	2.28
NTPC (SR) Ramagundam St.III	311541846.9	206615664.4	763659643	970275307.5	2.45	0.66	3.11
NTECI Valluru Thermal Power	315686988.4	729891487.1	923151750.2	1653043237	2.92	2.31	5.24
NLC - Stage - I	140043513.1	139204035.8	424354172.1	563558207.9	3.03	0.99	4.02
NLC - Stage - II	278046860.3	236144053.7	833790925.2	1069934979	3.00	0.85	3.85
NPC (MAPS)	68991881.49	0	193171120.9	193171120.9	2.80	0.00	2.80
NPC (Kaiga Unit-I,II & III)	601982576.5	0	2200639343	2200639343	3.66	0.00	3.66
NPC KUDANKULAM	0	0	0	0	#DIV/0!	####	####
NLC Tamilnadu Power Ltd Stage 1	396667761.6	945172464	1314924865	2260097329	3.31	2.38	5.70
* NTPC Kudgi (New Thermal Station from 31.07.17)	180334471.6	468624319.1	509416584.9	978040904	2.82	2.60	5.42
NTPC Aravali Power	0	329725483.5	0	329725483.5	#DIV/0!	####	####
CGS Sub-Total	6664390010	8651778949	18185597395	26837376344	2.73	1.30	4.03
APGPCL ST-I	22145463.72	24333366.94	54238416.87	78571783.81	2.45	1.10	3.55
APGPCL ST-II	74484671.64	48489521.86	180463424	228952945.8	2.42	0.65	3.07
Sri Damodharam Sanjeevayya TPS Inform Power Bill (Unit-I & II) APPDCL	2946641063	0	10696307059	10696307059	3.63	0.00	3.63
Godavari Gas Power Plant (Now Own Source previously GVK-I)	677181553.6	139550769.5	1645424120	1784974889	2.43	0.21	2.64
IPPs							
Spectrum Power							
Lanco Kondapalli							
Thermal Powertech Corporation India	1150574428	2036579252	2112339422	4148918674	1.84	1.77	3.61
Hinduja National Power Corp Ltd (HNPC)							
IPPs Sub-Total	1150574428	2036579252	2112339422	4148918674	1.84	1.77	3.61
MPPS							
Srivathsa	35122717	20852288	93982773	114835061	2.68	0.59	3.27
LVS							
MPPS Sub-Total	35122717	20852288	93982773	114835061	2.68	0.59	3.27
APGenco							
Dr.NTTPS	4048223070	3950694873	11417674235	15368369109	2.82	0.98	3.80
Dr.NTTPS St.IV	1624851523	2687036924	4152948478	6839985402	2.56	1.65	4.21
RTPP-I	1408798574	1597098415	4803543070	6400641484	3.41	1.13	4.54
RTPP-ST II	1504653967	2438139324	5135827637	7573966962	3.41	1.62	5.03
RTPP -ST III	612222510.6	1629401052	2074196712	3703597763	3.39	2.66	6.05
Hydel	1745579260	3032334504	0	3032334504	0.00	1.74	1.74
Interest on Pension Bonds	0	4496678766	0	4496678766	#DIV/0!	####	####
FC True UP Recovery for FY 2017-18	0	-610732696.1	0	-610732696	#DIV/0!	####	####
APGENCO Sub-Total	10944328904	19220651162	27584190132	46804841294	2.52	1.76	4.28
TSGenco							
KTPS A	88226877.4	90910067.94	240859375.3	331769443	2.73	1.03	3.76
KTPS B	90910856.9	90910067.28	248186638.9	339096706	2.73	1.00	3.73
KTPS C	85958693.84	90910067.28	234667234.7	325577302	2.73	1.06	3.79
KTPS V	220161967.8	133879229.5	444727175.2	578606405	2.02	0.61	2.63
KTPS VI	234728552.5	322077000	474151676.4	796228676	2.02	1.37	3.39
RTS-B	25703831.53	29945492.28	79681877.41	109627370	3.10	1.17	4.27
KTPP-I	235586276.5	321872505.4	499442906.3	821315412	2.12	1.37	3.49
TSGENCO Sub-Total	981277056	1080504430	2221716884	3302221314	2.26	1.10	3.37
KSK							
	1235819071	1715513640	2951497851	4667011491	2.39	1.39	3.78
TOTAL	24731964939	32938253379	65725757478	98664010857	2.66	1.33	3.99
Less: Unadmitted Cost filed in True Up with APERC			0	7749379557			
Grand Total	24731964939			90914631300			3.68

ANNEXURE-III**Pooled Cost of Power Purchase for FY 2017-18 (To be considered for FY 2018-19)**

Station	Energy Purchased (MU)	Amount in (Rs. Crs)				Avg Rate /kwh
		Fixed Cost	Variable Cost	Other Cost	Total Cost	
APGENCO-Thermal						
Dr. NTPPS Stage-I,II & III	6,159	560	1,877	0	2,437	3.96
Dr. NTPPS Stage-IV	2,472	387	685	0	1,072	4.34
RTPP Stage-I	2,143	243	808	0	1,051	4.90
RTPP Stage-II	2,027	371	766	0	1,137	5.61
RTPP Stage-III	931	227	347	0	574	6.17
Total APGENCO-Thermal	13,732	1,788	4,483	538	6,810	4.57
APPDCL						
SDSTPS Stage-I	4,483	947	1,271	0	2,218	4.95
Total APPDCL	4,483	947	1,271	0	2,218	4.95
TSGENCO-Thermal						
KTPS A,B & C	403	50	112	19	181	4.49
KTPS Stage V	335	25	89	13	126	3.76
RTS B	39	5	11	2	18	4.62
Kakatiya Thermal Power Plant Stage I	358	49	104	13	166	4.64
KTPS Stage VI	357	47	117	13	177	4.96
Total TSGENCO-Thermal	1,493	175	433	60	668	4.48
APGENCO-Hydel						
Machkund Power House (AP Share)	234	25	0	0	25	1.07
Tungabhadra Dam Power House (AP Share)	71	17	0	0	17	2.39
Upper Sileru Power House	472	56	0	0	56	1.19
Lower Sileru Power House	1,087	107	0	0	107	0.98
Donkarayi Canal Power House	118	6	0	0	6	0.51
Srisaillam Right Bank Power House	559	169	0	0	169	3.02
Nagarjunasagar Right Canal Power House	57	18	0	0	18	3.16
Nagarjunasagar Tail Pond Power House (AP)	10	20	0	0	20	20.0
Total APGENCO - Hydel	2,608	451	0	0	451	1.60
CGS						
NTPC (SR) - Ramagundam Stage1 & 2	1,755	133	432	0	565	3.22
NTPC (SR) - Ramagundam Stage 3	474	37	116	0	153	3.23

Talcher Stage 2	1,195	84	191	0	275	2.30
NLC TS-II Stage- I	213	21	65	0	86	4.04
NLC TS-II Stage- II	423	38	127	0	211	4.99
NPC-MAPS	105	0	29	0	29	2.76
NPC-Kaiga unit I&II	458	0	173	0	173	3.78
NPC-Kaiga unit III&IV	458	0	173	0	173	3.78
NTPC Simhadri Stage I	2,685	298	761	0	1,059	3.94
NTPC Simhadri Stage II	1,015	204	292	0	497	4.90
Bundled power under JVNSM	2,632	0	884	0	884	3.36
Vallur Thermal Power Plant	480	109	140	0	249	5.19
NTPC Kudigi	274	71	78	0	149	5.44
Tuticorin Thermal Power Station	603	135	217	0	353	5.85
Total CGS	12,771	1,130	3,678	0	4,809	3.80
APGPCL						
APGPCL I - Allocated capacity	34	7	12	0	18	5.29
APGPCL II - Allocated capacity	113	4	24	0	29	2.57
Total APGPCL	147	11	36	0	47	3.20
Gas Power Plant						
GGPP	1,030	21	250	0	272	2.64
Total - Gas Power Plant	1,030	21	250	0	272	2.64
IPPs - Others						
Srivathsa (Exclusive APEPDCL)	53	3	14	0	17	3.21
KSK Mahanadi (MT)	1,880	261	503	0	764	4.06
HNPCL	3,284	590	664	0	1,254	3.82
Sembcorp Energy India Ltd (SEIL)	1,750	310	321	0	631	3.61
Total IPPs - Others	6,967	1,164	1,502	0	2,666	3.83
Grand Total	43,229	5,655	11,653	598	17,416	4.03

Sd/-
Thakur Rama Singh
Member

Sd/-
Justice C.V. Nagarjuna Reddy
Chairman

Sd/-
P. Rajagopal Reddy
Member