



ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION

Vidyut Niyantrana Bhavan, Adjacent to 220/132/33 kV AP Carbides SS,
Dinnedevaram Road, Kurnool - 518 002, Andhra Pradesh.
Phones: 08518 - 294823,24,25,26

PRESS NOTE

Tariff for Retail Sale of Electricity during FY 2026-27 & DISCOMs' True up/Down and Performance Review FY 2024-25

Sri P.V.R. Reddy, Chairman(i/c) of the Andhra Pradesh Electricity Regulatory Commission (APERC), today issued an order on the tariff for retail sale of electricity during FY 2026-27, as well as on DISCOMs' true-up/down and performance review for FY 2024-25. This order disposes of OP Nos. 75, 76, and 77 of 2025 after carefully considering the filings made by the DISCOMs and the objections, views, and suggestions received from stakeholders during the public consultation process.

The Order may be downloaded from the Commission's website: www.aperc.gov.in,
Key highlights of the Order are given below.

1. The Distribution Companies (DISCOMs) proposed a revenue gap of Rs. 17,508.17 crore. The Commission approved a figure of Rs. 15,790.57 crore in response. The Government of Andhra Pradesh, through its letter No. 3175800/Power.I/2026 dated March 12, 2026, committed to bridging the estimated revenue gap for the fiscal year 2026-27 and disbursing the approved revenue-gap amounts to the DISCOMs. This measure aims to prevent hardships for end consumers and uphold the government's commitment not to impose additional financial burdens on consumers through increased electricity charges. As a consequence of the support extended by the government,

Benefits to consumers

- i. For FY 2026-27, there is no tariff increase for any consumer category in the State. Also, avoids the levy of true-up charges of FY2024-25.
- ii. About 1.13 crore domestic consumers are protected from any tariff increase.
- iii. Nearly 22 lakh agricultural consumers continue to receive free power supply.
- iv. About 22 lakh consumers belonging to the Scheduled Castes, the Scheduled Tribes and other economically weaker sections continue to receive electricity either free of cost or at concessional tariffs under DBT.

- v. Commercial category consumers' tariff reduction from Rs.12.25 per unit to Rs.9.95 per unit, benefiting nearly 2 lakh consumers in the State
 - vi. Increase the load limit for Cottage Industries from 10 HP to 20 HP. Thus, nearly 18 thousand Cottage consumers receive a concessional tariff.
2. Tariff Category Change Related
- i. Creation of a separate subcategory for the Solar module manufacturing industry as per the Govt policy to promote RE equipment manufacturing in the State.
 - ii. Reclassification of Water Purification Plants and Printing Presses from the existing commercial category to the Industrial category.
 - iii. Reclassification of Street Lighting on the National Highways from Category-II (Commercial) to Category-IV(A) Utilities.
 - iv. Emu Birds Slaughtering Unit (>20HP) will be treated as a Seasonal Processing Unit.
 - v. Allowed installation of a separate sub-meter for captive feed mixing plants in Poultry farms at a tariff of Rs. 5.85/- per unit.
3. Rejection of DISCOMS' proposals
- The DISCOMS proposal for changing Time of Day (ToD) timings.
 - The DISCOMS proposal to bill SRT consumers under the non-telescopic method.
 - The DISCOMS proposal to dispense with the Green Power sub-category.
4. **Key Directions issued to the DISCOMs in the Order:**
- The DISCOMs are entitled to interest as envisaged by the SoP issued by GoI dated 03.07.2023, and also request the State government to account for the subsidy as per the SoP dated 03.07.2023 in respect of the subsidy committed to the DISCOMs for FY 2026-27.
 - As part of the RDSS Scheme approval for the State of Andhra Pradesh, the GoI set the goal of 100 per cent liquidation of legacy subsidy dues and Government Department Dues, to be completed by FY2026 and FY2025, respectively. Accordingly, the DISCOMS were directed to pursue the GoAP.
 - The Committee of DISCOMS shall develop strategies to minimise private arrears to the greatest extent feasible.
 - **To reduce electrical accidents**, DISCOMs are required to comply with the Commission's directions in various Orders/proceedings and with the instructions of the Government of Andhra Pradesh regarding Electrical Safety in Power Utilities and the General Public, vide GO.Rt.No 147 dated 05.12.2022. The DISCOMS and APTRANSCO shall also open a special

window on their websites for the general public to upload the locations and photos of the utilities' electrical risk-prone equipment. The provision shall also be made available through their WhatsApp numbers to report such equipment/location to the utilities.

5. **The key statistics of the Order**

- **Summary of the Revenue gap filed by the DISCOMs and determined by the Commission for FY 2026-27 (Rs. Cr.)**

Sl.	Item	SPDCL	CPDCL	EPDCL	For three DISCOMs
1	Revenue gap filed by the DISCOMs	8,238.12	4,097.29	5,172.76	17,508.17
2	Revenue gap determined by the Commission	7,551.97	4,465.20	3,773.40	15,790.57
3	Difference (3)=(2)-(1)	-686.15	367.91	-1,399.36	-1,717.60

- **APSPDCL - Revenue Gap filed & Approved for FY 2026-27**

Sl. No.	Item	Filing	Approved	Difference
		(a)	(b)	(c) = (b)-(a)
1	ARR	23,314.92	23,853.78	538.86
2	Revenue with tariff modifications for certain categories	14,016.06	14,544.98	528.92
3	Non-Tariff Income after adjusting LPS paid to Gencos	1,838.31	1,838.31	0.00
4	Revenue from CSS and GSC	189.65	189.65	0.00
5=(2)+(3)+(4)	Total Revenue	16,044.02	16,572.94	528.92
6=(1)-(5)	Revenue Gap for FY2026-27	7,270.90	7,280.84	9.94
7	DBT to various consumers as per the Govt GOs	504.26	504.26	0.004
8	Distribution and RSB true-up for FY2024-25	-210.01	-476.29	-266.28
9	PP cost adjustments for FY2025-26	97.53	97.53	0.00
10	FPPCA adjustments for FY2024-25	575.44	575.44	0.00
11	Transmission cost True up/down for FY2024-25	0	-429.80	-429.80
12	DBT & adjustments	967.22	271.14	-696.08
13 = (6)+(12)	Net Revenue Gap for FY2026-27 after adjustments	8,238.12	7,551.97	-686.15

- **APCPDCL- Revenue Gap filed & Approved for FY 2026-27**

Sl. No.	Item	Filing	Approved	Difference
		(a)	(b)	(c) = (b)-(a)
1	ARR	14,157.18	13,664.66	-492.52
2	Revenue with tariff modifications for certain categories	10,344.51	9,878.72	-465.79
3	Non-Tariff Income after adjusting LPS paid to Gencos	613.27	613.27	0.00
4	Revenue from CSS and GSC	23.80	23.80	0.00
5=(2)+(3)+(4)	Total Revenue	10,981.58	10,515.79	-465.79
6=(1)-(5)	Revenue Gap for FY2026-27	3,175.60	3,148.87	-26.73
7	DBT to various consumers as per the Govt GOs	631.94	631.94	0.00
8	Distribution and RSB true-up for FY2024-25	-256.45	388.84	645.29
9	PP cost adjustments for FY2025-26	35.41	35.41	0.00
10	FPPCA adjustments for FY2024-25	510.79	510.79	0.00
11	Transmission cost True up/down for FY2024-25	0.00	-250.65	-250.65
12	DBT & adjustments	921.69	1316.33	394.64
13=(6)+(12)	Net Revenue Gap for FY2026-27 after adjustments	4,097.29	4,465.20	367.91

- **APEPDCL - Revenue Gap filed & Approved for FY 2026-27**

Sl. No.	Item	Filing	Approved	Difference
		(a)	(b)	(c) = (b)-(a)
1	ARR	21,269.35	21,639.84	370.49
2	Revenue with tariff modifications for certain categories	16,550.98	17,086.27	535.29
3	Non-Tariff Income after adjusting LPS paid to Gencos	567.29	567.29	0.00
4	Revenue from CSS and GSC	159.59	159.59	0.00
5=(2)+(3)+(4)	Total Revenue	17,277.86	17,813.15	535.29
6=(1)-(5)	Revenue Gap for FY2026-27	3,991.49	3,826.69	-164.80
7	DBT to various consumers as per the Govt GOs	720.04	720.04	0.00
8	Distribution and RSB true-up for FY2024-25	1,662.72	726.13	-936.59
9	PP cost adjustments for FY2025-26	-115.26	-115.26	0.00
10	FPPCA adjustments for FY2024-25	-1,086.23	-1,086.23	0.00
11	Transmission cost True up/down for FY2024-25	0.00	-297.97	-297.97
12	DBT & adjustments	1,181.27	-53.29	-1,234.56
13 = (6)+(12)	Net Revenue Gap for FY2026-27 after adjustments	5,172.76	3,773.40	-1,399.36

- **Three DISCOMs -Revenue Gap filed & Approved for FY2026-27**

S. No.	Item	Filing	Approved	Difference
		(a)	(b)	(c) = (b)-(a)
1	ARR	58,741.45	59,158.29	416.84
2	Revenue with tariff modifications for certain categories	40,911.55	41,509.97	598.43
3	Non-Tariff Income after adjusting LPS paid to Gencos	3,018.87	3,018.87	0.00
4	Revenue from CSS and GSC	373.04	373.04	0.00
5=(2)+(3)+(4)	Total Revenue	44,303.46	44,901.89	598.43
6=(1)-(5)	Revenue Gap for FY2026-27	14,437.99	14,256.40	-181.59
7	DBT to various consumers as per the Govt GOs	1,856.24	1,856.24	0.00
8	Distribution and RSB true-up for FY2024-25	1,196.26	638.68	-557.58
9	PP cost adjustments for FY2025-26	17.68	17.68	0.00
10	FPPCA adjustments for FY2024-25	0.00	0.00	0.00
11	Transmission cost True up/down for FY2024-25	0.00	-978.43	-978.43
12	DBT & adjustments	3,070.18	1,534.17	-1,536.01
13 = (6)+(12)	Net Revenue Gap for FY2026-27 after adjustments	17,508.17	15,790.57	-1,717.60

- **DISCOM-wise Subsidy requirement estimated by the Commission for FY2026-27**

S. No.	Consumer Category		Amount (Rs. Cr.)			
			SPDCL	CPDCL	EPDCL	For three DISCOMs
1	I	LT-Domestic	109.17	867.45	1,054.59	2031.21
2	V	LT-Agricultural & Related				
3		i) Free power categories	6943.09	1794.65	2009.79	10747.53
4		(ii): Aquaculture and Animal Husbandry	226.02	482.69	758.66	1467.36
5		iii) Others	2.56	4.09	3.65	10.30
6	Tariff Subsidy for FY2026-27		7280.84	3148.87	3826.69	14256.40
7	Tariff Concessions extended to various categories of consumers (excluding Ferro Alloys) as per GoAP orders for FY 2026-27		504.26	631.94	720.04	1856.24

S. No.	Consumer Category	Amount (Rs. Cr.)			
		SPDCL	CPDCL	EPDCL	For three DISCOMs
8	Distribution and RSB true-up for FY2024-25	-476.29	388.84	726.13	638.68
9	PP cost adjustments for FY2025-26	97.53	35.41	-115.26	17.68
10	FPPCA adjustments for FY2024-25	575.44	510.79	-1086.23	0.00
11	Transmission cost True up/down for FY2024-25	-429.80	-250.65	-297.97	-978.42
12	DBT & adjustments	271.14	1316.33	-53.29	1534.17
13	Total Subsidy for FY2026-27 (13) = (6)+(12)	7551.97	4465.20	3773.40	15790.57

(By Order of the Commission)

PLACE: Kurnool
DATE : 25.03.2026


Commission Secretary (I/c)