



ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION

Vidyut Niyantana Bhavan, Adjacent to 220/132/33 kV AP Carbides SS,
Dinnedevarapadu Road, Kurnool - 518 002, Andhra Pradesh.

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ABSTRACT

APERC - Unblocking of the leading kVARh feature for LT metered services – Orders
- Issued-Reg

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Procds.No.15 /Tariff /APERC/

Date: 02-02-2026

Read the following:

- Ref :**
1. RST Order for FY 2019-20.
 2. Lr. No. APERC/Secy/Tariff/T-87/D.No.371/2021, dt:22.07.2021.
 3. Lr. No. CGM(O&M)/VJA/EE/DyEE-1/D.No.349492/25, dt:17.09.2025
 4. APERC/JD(T)/AD(T&E.)/T(Clarifications)/D.No.1081/25, dt: 22.10.2025
 5. Lr.No. CGM/RA&PP/APEPDCL/VSP/RAC/E-125242/D.No.I/ 953048/25,
dt.02.12.2025
 6. Lr.No.No.CGM/RAC&IPC/SPDCL/TPT/GM/RAC/F.APERC/D.No. 346/2025
dt.24-11-2025

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ORDER

1. In reference (3), APCPDCL has requested that the Commission issue directives to disable the unblocking of the leading kVARh recording feature for LT metering services, citing representations received from several consumers regarding higher bills. It is further submitted that the 11 kV system is maintained with a power factor (lag). Therefore, if there is excess capacitive reactance from certain consumers in the LT category at times, it will be injected into the distribution network, which will absorb it due to its inherent inductive nature. In fact, excess capacitive reactance can benefit a system with inductive reactance. Therefore, penalising LT consumers for this excessive capacitive reactance may not be appropriate, and their request to block the kVARH lead may be considered accordingly.
2. At the Commission's instructions, APEPDCL and APSPDCL have furnished their views on APCPDCL's request, vide references (5) & (6), partly agreeing with it. The matter was further deliberated during a video conference conducted by the Commission's officers with the concerned Directors/CGMs of all three DISCOMs. Additionally, during the Commission's public hearings on the ARR and RSTO proposals for FY 2026-27, several consumers raised

objections to abnormal billing after the installation of smart meters. The CMDs responded that the abnormal billing was due to improper management of capacitor banks, not to smart meters. The CMDs, in their personal interactions with the Commission, requested that the Commission take a positive action on the APCPDCL's request, as it is affecting the rollout of smart meters, as higher bills are being attributed to them.

3. After careful examination of the APCPDCL's request, the views of the other DISCOMs, the grievances of several consumers, its effect on the rollout of smart meter installation, and in light of its directions in the proceedings dated 22.07.2021, the Commission is inclined to issue the following directions.
 - i. The directions issued in the RST Order for FY2019-20 regarding the unblocking of the leading kVARh feature shall remain in abeyance until further orders, for all LT metered services.
 - ii. The excess bills issued to all consumers due to leading kVARh recording in LT metered services after the installation of smart meters shall be withdrawn and adjusted in subsequent CC bills based on smart meter data or the GTCS back-billing methodology. This exercise shall be completed within two months from the date of this Order.
4. The DISCOMS may take action in accordance with the above directions and report compliance.

(By order of the Commission)


Commission Secretary i/c

To
The Chairman & Managing Director/APSPDCL/Tirupati
The Chairman & Managing Director/APCPDCL/Vijayawada
The Chairman & Managing Director/APEPDCL/Vishakapatnam
Copy to
The Special Chief Secretary/Energy Department/GoAP.