



ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION
4th Floor, Singareni Bhavan, Red Hills, Hyderabad - 500 004

Draft Order dated 22.03.2019

In the matter of

Determination of Variable Cost for the period from 01.04.2019 to 31.03.2024
in respect of the existing Biomass, Industrial Waste and Bagasse based power plants

The Commission vide order dated 16.05.2014 in O.P.No.32 of 2014, determined the indicative variable cost for Biomass, Industrial Waste and Bagasse projects for FY2014-15 to FY2018-19 with indicative fuel price escalation of 6% and actual fuel price escalation to be notified by the Commission before the start of each financial year starting from FY2015-16.

Accordingly, the Commission, vide SUO-MOTU orders dated 02.04.2015, 26.03.2016, 13.03.2017 and 15.03.2018 determined the Variable Cost for FY2015-16, FY2016-17, FY2017-18 & FY2018-19. The variable cost applicable for FY2018-19 is as given in the table below:

| Financial year | Biomass (Rs./Unit) | Bagasse (Rs./Unit) | Industrial waste (Rs./unit) |
|----------------|--------------------|--------------------|-----------------------------|
| 2018-19 | 4.81 | 3.07 | 4.81 |

As the tariff is to be fixed for the period from FY2019-20 to FY2023-24 and in the absence of any information being available in tweaking with the above tariff, the Commission proposes to continue the same variable cost approved for FY2018-19 for Biomass, Industrial Waste and Bagasse projects, for future years i.e. from FY2019-20 to FY2023-24.

Sd/-

P. Rama Mohan
Member

Sd/-

Dr. P. Raghu
Member

Sd/-

Justice G. Bhavani Prasad
Chairman

Note:- If any stakeholder has any objection or suggestion in this regard, such objections / suggestions with due justification supported by data may be sent to reach the Commission Secretary at the address mentioned above or by e-mail at commn-secy@aperc.gov.in on or before 5 PM by 15.04.2019.