

**ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION**  
4<sup>th</sup> Floor, Singareni Bhavan, Red Hills, Hyderabad – 500 004

Dated: 13-01-2015

Present  
Justice Sri. G. Bhavani Prasad, Chairman

Southern Power Distribution Company of Andhra Pradesh Limited (APSPDCL)  
Eastern Power Distribution Company of Andhra Pradesh Limited (APEPDCL) ..... Applicants

On 09.01.2015, an application is filed on behalf of the above mentioned applicants for extension of time for filing petition for Aggregate Revenue Requirement (ARR) for Retail Supply of Electricity Business for FY 2015-16 upto 27-01-2015. After careful consideration of the said application, the Commission passed the following:

**ORDER**

In continuation of the order dated 30-12-2014 and with reference to the application filed again by both the licensees dated 08-01-2015 and filed on 09-01-2015 seeking further time upto 27-01-2015, it is to be stated that it was made clear in the order dated 30-12-2014 itself that necessary action for issuance of Tariff Order for the tariff year 2015-16 will be commenced by the Commission on 13-01-2015, Tuesday and that the Commission will proceed to take further steps to facilitate issuance of a *suo-motu* order in accordance with law within the available time frame under the statute. An overall view of all the facts and circumstances was then taken, but the licensees are projecting difficulties in finalizing the projection of distribution cost, transmission cost and true-up for Retail Supply of Electricity. Notwithstanding the extremely difficult situation in which the Commission is placed in performing its statutory duties in this regard due to non-filing of ARR / Tariff petition within the prescribed time or a reasonable time thereafter, even the present request is kept in view in finalizing the further action for issuance of a Tariff Order before the commencement of the Tariff year 2015-16 and accordingly, the following procedure will be adopted for determination of tariff for FY 2015-16:

- 1 (a) *If the Licensees duly file the ARR/Tariff Petition/Information which is in order on or before Saturday, January 24, 2015, the same will be processed by the Commission in accordance with the statutory provisions, rules and regulations for tariff determination for FY 2015-16.*



- 1 (b) (i) If the Licensees fail to file the ARR / Tariff petition / information on or before 24<sup>th</sup> January, 2015, the Commission will compute/estimate/forecast the Aggregate Revenue Requirement (ARR), Expected Revenue from Charges (ERC) and Revenue Gap (RG) separately for each of the two retail supply licensees, APSPDCL and APEPDCL, for FY 2015-16.
- (ii) The basis for computations/estimates/forecast of ARR, ERC and RG for FY 2015-16 will be, *inter alia*;
- The ARR/Tariff Filings made by the Licensees for FY2014-15 with the Electricity Regulatory Commission for the erstwhile entire Andhra Pradesh State,
  - The Tariff/Charges Orders applicable for FY 2014-15 and third MYT Control Period (FY 2014-15 to FY 2018-19) relating to SLDC, Transmission, Distribution and Retail Supply activities/businesses.
  - Latest consumption data and power purchase cost to the extent available with and submitted by Licensees, and,
  - Tentative assessment of sales volumes and consequent impacts on ARR on account of the division of the erstwhile AP state, and
  - All other available information sources which will be documented as and when used by the Commission in determination of ARR, ERC and RG for FY 2015-16.
- 1 (c) *The stakeholders' views/objections/suggestions will be invited on ARR/Tariff Petition/Information filed by the Licensees or the computations / estimates / forecast by the Commission, as the case may be.*
- 1 (d) *If the Licensees file such ARR/Tariff Petition/Information subsequent to January 24, 2015, even then the same also will be given public notice and be placed on the website of the Commission to enable any views/objections/suggestions to be received from all the stakeholders till the conclusion of public hearings.*
- 1 (e) Upon the receipt of views/objections/ suggestions from the stakeholders within stipulated time, the Commission will determine the ARR for FY 2015-16 separately for each of the two retail supply licensees, APSPDCL and APEPDCL, for FY 2015-16.



- 1 (f) The Commission will prepare a Full Cost Recovery Tariff Schedule (FCRTS) to recover the ARR determined for FY 2015-16 duly considering the public responses, and the statutory provisions, rules and regulations for tariff determination.
- 1 (g) The Commission will communicate the FCRTS to GoAP to enable it to provide the external subsidy, if any, u/s 65 of the Electricity Act 2003 to different consumer categories within the period specified by the Commission.
- 1 (h) The Commission while incorporating the subsidy commitment of GoAP u/s 65 of Electricity Act 2003, received by the Commission within due date, will strive to announce the Retail Supply Tariff Schedule for FY 2015-16 on or before March 23, 2015.
2. Accordingly the tentative schedule for determination of tariff for Retail Supply Business of the licensees for FY 2015-16 is as mentioned below.

ARR / Tariff petition / information from the Licensees or ARR Computation/Estimate/Forecast by the Commission	January 24,2015
Invitation of Stakeholder views/suggestions/objections	January 24,2015
Deadline for stakeholder views/suggestions/objections	February 14, 2015
Deadline for Licencee Responses on views/suggestions/objections	February 21, 2015
Public Hearings	From February 23, 2015 to March 4, 2015
ARR Determination/Full Cost Recovery Tariff Schedule	March 06, 2015
Communication to GoAP	March 07, 2015
Response of GoAP	March 16, 2015
Announcement of Retail Supply Tariff Schedule	March 23, 2015
Printing of Tariff Order	March 30, 2015

Note: *If the Licensees file the ARR/Tariff Petition on any day before January 24, 2015, the issuance of public notice will be advanced suitably.*

This order is corrected and signed on this 13<sup>th</sup> day of January, 2015



**// CERTIFIED COPY //**

Sd/-  
(Justice G.Bhavani Prasad)  
Chairman

*[Signature]*  
13.1.2015  
SECRETARY  
A.P. Electricity Regulatory Commission  
Hyderabad.