

BEFORE THE
HONOURABLE ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION
AT ITS OFFICE AT 4th FLOOR, SINGARENI BHAVAN, RED HILLS, HYDERABAD

Filing No. ___/2016

In the matter of:

Filing of proposals for determination of Cross Subsidy Surcharge for the FY 2016-17 in accordance with the Sections 38, 39, 40 and sub-section 2 of 42 of Electricity Act, 2003 by the EASTERN Power Distribution Company of Andhra Pradesh Limited ('APEPDCL' or 'the Company' or 'the Licensee') as the Distribution and Retail Supply Licensee.

In the matter of:

EASTERN POWER DISTRIBUTION COMPANY OF ANDHRA PRADESH LIMITED

... Applicant

**AFFIDAVIT OF APPLICANT VERIFYING THE APPLICATION ACCOMPANYING
FILING of proposals for determination of Cross Subsidy Surcharge for the FY 2016-17**

I, Sri B.Ramesh Prasad, son of Sri B.Prasada Rao working for gain at the Eastern Power Distribution Company of Andhra Pradesh Limited do solemnly affirm and say as follows:

- 1) I am the Chief General Manager/Commercial, RA & PP of APEPDCL, the Licensee that has, vide the Honourable Commission's approval in proceedings no. APERC/Secy/Engg/No.6 dt.31.3.2000, been granted the distribution and retail supply functions that APTransco was authorised to conduct or carry out under the Act and the license, with respect to the business of distribution and retail supply of electricity in the Eastern distribution zone in Andhra Pradesh. On December 27, 2000, the Honourable Commission has awarded a Distribution and Retail Supply License to APEPDCL, to be effective from April 1, 2001. I am competent and duly authorised by APEPDCL to affirm, swear, execute and file this affidavit in the present proceedings.
- 2) As such, I submit that I have been duly authorised by the Board of Directors of APEPDCL to submit the application for determination of Cross Subsidy Surcharge for FY 2016-17, as per Section 38, 39, 40 and Sub-section 2 of Section 42 of Electricity Act, 2003 to the Honourable Commission.
- 3) I submit that I have read and understood the contents of the appended application of APEPDCL. The facts stated in the application are true to the best of my knowledge, which are derived from the official records made available and certain facts stated are based on information and advice which, I believe to be true and correct.

I submit that for the reasons, and facts stated in the appended application this Applicant pray that the Honourable Commission may be pleased to

- Take the accompanying proposals for determination of Cross Subsidy Surcharge for the FY 2016-17 on record and treat it as complete;
- Consider and approve APEPDCL's proposals for determination of Cross Subsidy Surcharge for FY 2016-17 including all requested regulatory treatments in the filing;
- Pass such order as the Honourable Commission may deem fit and proper in the facts and circumstances of the case.


VERIFICATION:

I, the above named Deponent solemnly affirm at **Visakhapatnam** on this 26th day of March, 2016 that the contents of the above affidavit are true to my knowledge, no part of it is false and nothing material has been concealed there from.

Solemnly affirmed and signed before me.

K.S.V.S. Sash / *FCS-8286*
Company Secretary
CORPORATE OFFICE
Eastern Power Distribution
Company of A.P. Ltd.,
VISAKHAPATNAM


DEPONENT
CHIEF GENERAL MANAGER
COMMERCIAL, RA & PP
A.P.E.P.D.C.L.
VISAKHAPATNAM-530 013


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VISAKHAPATNAM-530 013

**BEFORE THE
HONOURABLE ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION
AT ITS OFFICE AT 4th Floor, Singareni Bhavan, Red Hills, Hyderabad - 500 004**

FILING NO. _____/2016

In the matter of:

Filing of proposals for determination of Cross Subsidy Surcharge for the FY 2016-17 in accordance with the Sections 38, 39, 40 and sub-section 2 of 42 of Electricity Act, 2003 by the EASTERN Power Distribution Company of Andhra Pradesh Limited ('APEPDCL' or 'the Company' or 'the Licensee') as the Distribution and Retail Supply Licensee.

In the matter of:

EASTERN POWER DISTRIBUTION COMPANY OF ANDHRA PRADESH LIMITED

... Applicant

The Applicant respectfully submits as under: -

This filing is made by the EASTERN POWER DISTRIBUTION COMPANY OF ANDHRA PRADESH LIMITED (APEPDCL) under Section 38, 39, 40 and Sub-section 2 of Section 42 of Electricity Act, 2003 for determination of Cross Subsidy Surcharge for the FY 2016-17.

The licensee has submitted its proposals for determination of Cross Subsidy Surcharge along with the ARR & Retail Supply Tariff Proposal vide OP No. 1 of 2016. In the said filings, the proposal for determination of Cross Subsidy Surcharge was computed with reference to the provisions of the National Tariff Policy, 2006. The extract of the computations submitted at that point of time are furnished below:

Surcharge formula:

$$S = T - [C / (1 - L) + D]$$

Where

S is the surcharge

T is the Tariff payable by the relevant category of consumers;

C is the Weighted average cost of power purchase of top 5% at the margin excluding liquid fuel based generation and renewable power

D is the Wheeling charge

L is the system losses for the applicable voltage level, expressed as a percentage

The computation of CSS as per the above formula is shown in the following table:

Categories	Average Realization (Rs./unit)	Marginal PP (Rs./unit)	Wheeling Charges (Rs./unit)	Applicable Loss%	Cross Subsidy Surcharge (Rs./unit)
HIGH TENSION					
HT Category at 11 kV					
HT-I Indl Segregated	8.39	5.36	0.61	10.01%	1.82
HT-II - Industrial Non Segregated	11.32	5.36	0.61	10.01%	4.76
HT-III - Aviation	8.13	5.36	0.61	10.01%	1.57
HT -IV A Govt Lift Irrigation	5.42	5.36	0.61	10.01%	0.00
HT-VI -Colony Supply	6.56	5.36	0.61	10.01%	0.00
HT- VII Green Power	-	5.36	0.61	10.01%	0.00
HT Category at 33 kV					
HT-I Indl Segregated	7.04	5.36	0.18	6.45%	1.13
HT-II - Industrial Non Segregated	9.80	5.36	0.18	6.45%	3.89
HT-III - Aviation	8.75	5.36	0.18	6.45%	2.84
HT -IV A Govt Lift Irrigation	5.66	5.36	0.18	6.45%	0.00
HT-VI -Colony Supply	6.43	5.36	0.18	6.45%	0.52
HT- VII Green Power	-	5.36	0.18	6.45%	0.00
HT Category at 132 kV					
HT-I Indl Segregated	5.99	5.36	0.16	3.34%	0.29
HT-II - Industrial Non Segregated	12.11	5.36	0.16	3.34%	6.40
HT-III - Aviation	-	5.36	0.16	3.34%	0.00
HT -IV A Govt Lift Irrigation	5.66	5.36	0.16	3.34%	0.00
HT-V -Railway Traction	7.02	5.36	0.16	3.34%	1.32
HT-VI -Colony Supply	-	5.36	0.16	3.34%	0.00
HT- VII Green Power	-	5.36	0.16	3.34%	0.00

Table-1: Computation of CSS as per NTP-2006

Subsequently the Ministry of Power resolution dated 28-01-2016 has been published in the Gazette of Govt. of India promulgating the new National Tariff Policy. The revised Tariff Policy so notified by the Central Government is stated to take effect from the date of its publication of the resolution in the Gazette of India.

Subsequent to the above said resolution, the Honourable APERC in its letter dated 23-02-2016 has stated that,

- i) APSPDCL & APEPDCL are at liberty to file fresh proposals for determination of the Cross Subsidy Surcharge for FY 2016-17 in accordance with such methodology as they deem fit and proper, as the National Tariff Policy, 2006 which formed the basis of their earlier filings ceased to exist.
- ii) APSPDCL & APEPDCL are also informed that if they come up with fresh filings, the determination of the Cross Subsidy Surcharge for FY 2016-17 will be made in accordance