



ANDHRA PRADESH  
POWER GENERATION CORPORATION LIMITED  
(Govt. of A.P. Undertaking)

From  
Chief Engineer  
Coal & Commercial,  
Vidyut Soudha, APGENCO  
Hyderabad- 500082.

To  
The Commission Secretary,  
#11-4-660, 4th Floor, APERC,  
Singareni Bhavan, Red Hills,  
Hyderabad- 500004.

Lr No.CE(Coal & Comml)/SE(Comml)/F.Misc/D.No.14<sup>0</sup>/16, dt 30.08.16

Sir,

Sub: Representation to APERC to restrain the Discoms from entering into PPAs for purchase of NCE indiscriminately and to give certain directions - Remarks - Reg.

Ref: Lr.No.APERC/Secy/F.No.S-15/2016/ dated 20.07.2016

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With reference to the letter cited, the views of APGENCO are enclosed herewith.

Yours faithfully

27/8/16  
Chief Engineer (FAC)  
Coal & Commercial

cs  
JD/PPD ✓  
27/8/16



## The Views of APGENCO on entering PPAs for future requirements

The following factors are to be considered before taking a decision on entering into power purchase agreements.

1. As per the CEA reports during 2015-16, all India peak hour deficit stood at -3.2%, while non-peak hour deficit was at -2.1%. Andhra Pradesh peak hour and non peak hour deficit stood at -0.1%, during 2015-16.
2. Region-wise picture with regard to actual power supply position in the country during the year 2015-16, in terms of energy and peak is given below:

Region	Energy				Peak			
	Requirement	availability	Surplus/deficit		Requirement	availability	Surplus/deficit	
	MU	MU	MU	(%)	MU	MU	MU	(%)
Southern Region	288025	283494	-4531	-1.6	40030	39875	-155	-0.4
Northern Region	340475	324009	-16466	-4.8	54474	50622	-3852	-7.0
Western Region	346767	345967	-800	-0.2	48640	48199	-441	-0.9
Eastern region	124653	123646	-1007	-0.8	18169	18056	-113	-0.6
North eastern region	14488	13735	-753	-5.02	2573	2367	206	-8.0
All India	1114408	1090851	-23557	-2.1	153366	148463	-4903	-3.2

3. For the period from Apr, 2016 to July, 2016 AP, has peak deficit of 215 MW.
4. As per CEA load forecast, the country is likely to experience the energy surplus of 1.1% and peak surplus of 2.6% during 2016-17.

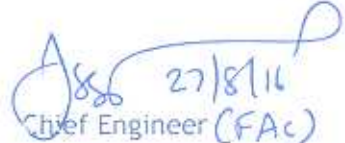
5. Southern Region state wise picture with regard to actual power supply position in the country during the year 2015-16, in terms of energy and peak are given below:

Region	Energy				Peak			
	Require ment	availabil ity	Surplus/deficit		Requir ement	availabil ity	Surplus/deficit	
	MU	MU	MU	(%)	MU	MU	MU	(%)
Andhra Pradesh	50437	50366	-71	-0.1	7400	7391	-9	-0.1
Telangana	50254	49948	-307	-0.6	6854	6849	-5	-0.1
Karnataka	64302	60971	-3331	-5.2	10202	9508	-694	-6.8
Tamil Nadu	97277	96586	-690	-0.7	14190	14171	-19	-0.1
Kerala	23318	23194	-124	-0.5	3977	3856	-121	-3.1

6. APDISCOMs already entered/to be entered PPAs with APGENCO for the following projects which are expected to commence operation within five years.

S.No	Project	Capacity in MW
1	RTPP IV	600
2	Dr NTTPS V	800
3	SDSTPS ii	800
4	Polavaram	960
5	Solar	5.42
6	Solar	500

7. In addition to the above, APDISCOMS entered PPA with NTPC at Pudimadaka , Visaka Dist and other private power developers.
8. There is a need of critical study to forecast future demand considering proposed growth in the state, Percentage of urbanisation, new capital requirements, future availability of fossil fuels and commitment of 24x7 power supply and 9 hrs power supply to agriculture etc.

  
 Chief Engineer (FAC)  
 Coal & Commercial