

**PETITION BY DISCOM  
BEFORE THE  
ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION  
FOR THE STATE OF ANDHRA PRADESH**

**I.A.No. 11 of 2017 in O.P. No. 2 of 2016**

**IN THE MATTER OF:**

Seeking approval of the Honourable Commission for additional units of supply to agriculture over and above the Tariff Order approved quantity due to extension of supply to agriculture over and above the stipulated 7 Hrs. supply and other factors in the jurisdiction of Southern Power Distribution Company of Andhra Pradesh Limited in the state of Andhra Pradesh during FY 2016-17.

**AND**

**IN THE MATTER OF:**

**Southern Power Distribution Company of A.P Limited (APSPDCL)**

- Petitioner

- 1) **Government of Andhra Pradesh represented by Chief Secretary, Velagapudi, Amaravathi, A.P.**
- 2) **Eastern Power Distribution Company of A.P Limited Represented by its Chairman & Managing Director, Seethammadara, Visakapatnam, A.P.**


- Respondents

**Affidavit**

I, N.Narasimhulu, Son of Sri N.Guravaiah, aged about 47 years, residing at Tirupati, the deponent named above do hereby solemnly affirm and state on oath as under:-

1. That the deponent is the Chief General Manager, Operation of Southern Power Distribution Company of APduly authorised by APSPDCL to make this affidavit on its behalf and the deponent is acquainted with the facts deposed below,

2. I, N.Narasimhulu, the deponent named above do hereby verify that the contents of the affidavit and those of the accompanying petition are true to my personal knowledge and verify that no part of this affidavit is false and nothing material has been concealed.

  
**DEPONENT**  
CHIEF GENERAL MANAGER  
OPERATION  
APSPDCL :: TIRUPATI.

**VERIFICATION:**

I, the above named Deponent solemnly affirm at Tirupati on this 9<sup>th</sup> day of July, 2017 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.

  
**DEPONENT**  
CHIEF GENERAL MANAGER  
OPERATION  
APSPDCL :: TIRUPATI.

  
**COMPANY SECRETARY**  
APSPDCL :: TIRUPATI.

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**MOST RESPECTFULLY SHOWETH THE SUBMISSION:**

**The APSPDCL humbly submits the following:**

It is submitted that, the sales to agriculture category proposed in the ARR and approved in the Tariff Order for FY 2016-17 were based on the historical values. The actual sales to this category is primarily dependent on the climatic conditions prevailing during the year. Due to low rainfall during FY 2016-17, the ground water level fell resulting in an increase in the working hours of the pumpsets by individual farmers in most of the areas of the licensee's jurisdiction (within the stipulated 7 Hrs.supply). Despite strict implementation

of agricultural supply timings (7Hrs. duration per day), the agricultural sales volume has considerably increased. Thus, it is submitted, that the licensee doesn't have control over the agricultural sales in the circumstances explained.

Further, the Government of Andhra Pradesh (GoAP) directed the licensee to extend supply to agricultural consumers in excess of the stipulated 7 Hrs. a day to save the crops at various places in the state. Accordingly, supply was extended to agriculture category for additional hours in Krishna, Guntur, Prakasam, Chittoor, Kadapa, Anantapur & Kurnool districts. The consequent additional sales to agriculture has been estimated (11kV feeder wise data were obtained and additional sales were estimated) and submitted hereunder.

**Table1: Addl. Sales volume due to extension of supply to agriculture for additional hours in excess of stipulated 7 hours a day during the months of Aug'2016 to Oct'2016**

Circle	No.of 11kV feeders	No.of Addl. Hours per day	Period		Addl. Agl. Sales volume in MU
			From	To	
Vijayawada	250	5 Hrs.	28.09.2016	03.11.2016	5.32
Guntur	87	5 Hrs.	28.09.2016	30.10.2016	3.99
Tirupati	697	1 to 17 Hrs.	28.08.2016	28.09.2016	39.38
Kadapa	634	1 to 17 Hrs.	29.08.2016	08.09.2016	42.43
Anantapur	646	1 to 17 Hrs.	01.09.2016	05.10.2016	291.44
Kurnool	435	1 to 17 Hrs.	28.08.2016	12.10.2016	55.61
<b>Total</b>					<b>438.17</b>

**Table2: Addl. Sales volume due to extension of supply to agriculture for additional hours in excess of stipulated 7 hours a day during the months of Nov'16 & Dec'16**

Circle	No.of 11KV feeders	No.of Addl. Hours per day	Period		Addl. Agl. Sales volume in MU
			From	To	
Vijayawada	264	2 to 5 Hrs.	01.11.2016	31.12.2016	16.00
Guntur	47	1 to 5 Hrs.	01.11.2016	31.12.2016	0.53
Ongole	6	4 to 17 Hrs.	01.11.2016	31.12.2016	0.13
Tirupati	58	1 to 17 Hrs.	01.11.2016	31.12.2016	13.70
Anantapur	14	8 to 12 Hrs.	01.11.2016	31.12.2016	4.03
Kurnool	51	2 to 17 Hrs.	01.11.2016	31.12.2016	8.06
<b>Total</b>					<b>42.45</b>

**Table 3: Total addl. Sales volume due to extension of supply to agriculture for additional hours in excess of stipulated 7 hours a day during the months of Aug'2016 to Dec'2016**

<b>Circle</b>	<b>Addl. Agl. Sales volume (in MU)</b>
Vijayawada	21.32
Guntur	4.52
Ongole	0.13
Nellore	-
Tirupati	53.08
Kadapa	42.43
Anantapur	295.47
Kurnool	63.67
<b>Total</b>	<b>480.62</b>

The overall actual sales to LT Agriculture Consumers during FY 2016-17 is estimated to be 9,269.50 MU, which is 876.80 MU more than the approved quantity of 8,392.70 MU. And this additional sales (876.80 MU) is inclusive of additional sales due to extending supply beyond 7 Hrs. a day at certain places (480.62 MU). The major reason for such huge increase are,

- a) **Extending supply beyond stipulated 7 Hrs.** a day to save the crops due to acute rainfall at certain areas in all the eight districts of the licensee's jurisdiction, as per the directions of the GoAP.
- b) **Acute lack of rainfall** in most of the areas of the licensee's jurisdiction resulting in deep ground water tables.

The licensee had requested GoAP for providing additional subsidy towards additional sales to agriculture for extending supply beyond stipulated 7 Hrs. a day as per GoAP's instructions. GoAP directed the licensee, to submit a petition to Honourable Commission with regard to additional subsidy requirement for the additional sales to agriculture due to extension of additional hours of supply beyond 7 Hrs. seeking approval of the Honourable Commission. Subsequently, the licensee has submitted a letter to the

Honourable Commission seeking its approval for additional subsidy towards the additional sales to agriculture due to extension of additional hours of supply beyond 7 Hrs. The Honourable Commission informed the licensee vide Lr.No.APERC/Secy/Dir (Tariff)/F:28/2017,dated 17-01-2017 to file a detailed application with the Honourable Commission in appropriate form in accordance with prescribed procedure, with necessary information and data in support of the licensee's request.

The actual and approved sales (with excess quantities) to LT agricultural consumers during FY 2016-17 are as follows:

S.No	Circle	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Total
<b>Actuals</b>														
1	Vijayawada	62.99	25.28	15.51	48.61	67.76	37.06	68.83	33.58	47.87	64.43	64.75	114.51	651.17
2	Guntur	34.24	11.31	17.92	38.85	50.60	27.45	57.97	46.43	45.10	78.18	79.21	109.42	596.68
3	Ongole	64.25	42.29	33.39	50.27	67.14	51.38	100.72	84.69	82.90	95.75	71.81	91.50	836.09
4	Nellore	66.65	57.45	57.67	82.16	75.98	37.91	59.65	55.44	50.73	94.71	85.61	87.52	811.48
5	Tirupati	216.61	131.62	96.12	107.52	197.20	154.78	184.08	156.89	76.58	153.73	165.12	223.30	1863.56
6	Kadapa	144.95	103.26	66.67	84.39	138.72	103.92	142.24	112.92	76.50	106.72	119.81	164.90	1365.01
7	Anantapuram	167.33	114.87	69.20	132.42	217.48	222.30	225.33	196.64	172.36	185.76	186.04	227.75	2117.49
8	Kurnool	49.90	45.35	38.72	67.57	92.24	70.58	121.02	102.45	95.11	111.20	107.58	126.31	1028.03
9	<b>Total</b>	<b>806.92</b>	<b>531.43</b>	<b>395.20</b>	<b>611.80</b>	<b>907.12</b>	<b>705.37</b>	<b>959.83</b>	<b>789.04</b>	<b>647.15</b>	<b>890.50</b>	<b>879.93</b>	<b>1145.21</b>	<b>9269.50</b>
10	Approved as per Tariff Order for FY 2016-17	571.23	732.61	477.39	871.78	626.70	529.58	772.78	339.29	750.16	846.75	936.60	937.84	8392.70
11	<b>Excess quantity</b>	<b>235.69</b>	<b>-201.19</b>	<b>-82.19</b>	<b>-259.97</b>	<b>280.42</b>	<b>175.78</b>	<b>187.05</b>	<b>449.75</b>	<b>-103.01</b>	<b>43.75</b>	<b>-56.67</b>	<b>207.38</b>	<b>876.80</b>

The additional sales were grossed up with actual transmission and distribution losses to get the additional power purchase required to cater to this additional sale to agriculture. The additional subsidy requirement, therefore is the cost of the additional power procured at the rate of the variable cost of the marginal generating station. The computation of the same is shown below:

Particulars	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Total
<b>Excess Quantity (MU)</b>	235.69	(201.19)	(82.19)	(259.97)	280.42	175.78	187.05	449.75	(103.01)	43.75	(56.67)	207.38	<b>876.80</b>
<b>Approved LT losses</b>	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	
<b>Input at LT</b>	247.44	(211.22)	(86.28)	(272.94)	294.40	184.55	196.38	472.18	(108.14)	45.93	(59.49)	217.72	<b>920.52</b>
<b>Approved 11KV losses</b>	3.65%	3.65%	3.65%	3.65%	3.65%	3.65%	3.65%	3.65%	3.65%	3.65%	3.65%	3.65%	
<b>Input at 11 KV</b>	256.81	(219.22)	(89.55)	(283.28)	305.55	191.54	203.82	490.07	(112.24)	47.67	(61.75)	225.97	<b>955.39</b>
<b>Approved 33KV losses</b>	3.61%	3.61%	3.61%	3.61%	3.61%	3.61%	3.61%	3.61%	3.61%	3.61%	3.61%	3.61%	
<b>Input at 33 KV</b>	266.43	(227.43)	(92.91)	(293.89)	317.00	198.72	211.45	508.42	(116.44)	49.46	(64.06)	234.43	<b>991.18</b>
<b>Approved Transmission losses (including PGCL)</b>	4.13%	4.13%	4.13%	4.13%	4.13%	4.13%	4.13%	4.13%	4.13%	4.13%	4.13%	4.13%	
<b>Power Procurement</b>	277.91	(237.23)	(96.91)	(306.55)	330.66	207.28	220.57	530.33	(121.46)	51.59	(66.82)	244.53	<b>1033.89</b>
<b>VC of Marginal station (Rs/kWh)[1]</b>	4.65												
<b>Subsidy (Rs. Cr.)</b>	129.23	(110.31)	(45.06)	(142.55)	153.76	96.38	102.56	246.60	(56.48)	23.99	(31.07)	113.71	<b>480.76</b>

[1] Variable Cost for Gas IPPs under PSDF Scheme

**In the above circumstances, the licensee humbly prays the honorable Commission:**

- i. To approve the action taken by the Discom in extending supply to agriculture in excess of stipulated hours in view of the directions of the GoAP to save the crops from drying up due to acute shortage of rain fall and in support of the farmers of the state,
- ii. To approve the additional agricultural sales volume of 876.80 MU for FY 2016-17 and to issue necessary directions to GoAP to provide Rs.480.76 Cr. as additional subsidy towards the cost of power purchase towards additional sales to LT agriculture over and above the approved quantity for FY 2016-17.
- iii. To pass such order as the Honourable Commission may deem fit and proper in the facts and circumstances explained above.

**SOUTHERN POWER DISTRIBUTION COMPANY OF ANDHRA PRADESH  
LIMITED**

**(APPLICANT)**

Through

**Place: Tirupati  
Date: 09-07-2017**

**Chief General Manager / Operation**

**CHIEF GENERAL MANAGER**

**OPERATION**

**APSPDCL :: TIRUPATI.**