

LIST OF THE OBJECTORS

Sl.No.	Name of the Objector	Pg No.
1	Dr.K.Narayana, Sercretary, Communist party of India	2-10
	Sri K,Raghu	
	M.Thimma Reddy	
	T.Harish Rao	
	B.Janak Prasad, YSR Congress Pary	
	Sri M.V.Mysura Reddy, YSR Congress party	
2	Sri R.K.Agarwal, M/s.AP Spinning Mills Association	11-21
	Sri P.Narendranath Chowdary, M/s.Andhra Sugars Ltd	
3	Sri M.Venugopal Rao, Journalist	22-26
4	Sri A.Venkat Rao,M/s.Sree Rayalaseema Alkalies and Allied Chemicals	27-29
	Authorized Signatory, M/s.Salguti Industries Ltd	
	Authorized Signatory, M/s.Abhedya Industries Ltd	
	Proprietor, M/s.Subhan Steels	
	Partner, M/s.Madiha Metal Works,	
	Proprietor, M/s.Kisan Tata Agro Industry	
	Managing Partner, M/s.Khair Steel Re-Rolling Mills	
	M/s.Venkatesh Steel Industry	
	Proprietor, M/s.Diamond Steel Re-Rolling Mill	
	Proprietor, M/s.Akash Steel Industries	
	Proprietor, M/s.Priyanka Steels	
	Authorized Signatory, M/s.Shree Krishna Steels	
	Sri D.V.A.S.Ravi Prasad, Advocate, Hyderabad	
	Executive Director, M/s.Hitesh Chemicals & Drugs Pvt,Ltd	
	Managing Director, M/s.MAKS Castings Pvt,Ltd	
	Managing Director, M/s.MAKS Industries Pvt,Ltd	
	Sri P.Srinivas Kumar, M/s.Vasant Chemicals Pvt.Ltd	
	Sri K.Ravindra Rao, M/s.Margadarsi Housing Pvt Ltd	
	Authorized Signatory, M/s.Vantech Chemicals Ltd	
	Director, M/s.Sonali Steels & Alloys Pvt.Ltd, HYD	

5	Director, M/s.Pushpaky Auto Components (P) Ltd	30-36
	Sri K.L.Rao, M/s.Jeedimetla Effluent Treatment Ltd	
	Sri V.V.Prasad, M/s.Vimta Labs Ltd	
	Authorized Signatory, M/s.Jeevan Polymers Pvt Ltd	
	Authorized Signatory, M/s.Surya Jyoti Polymers Pvt Ltd	
	Director, M/s. Jeevan Polymers Pvt Ltd	
	Authorized Signatory, M/s.IKPKnowledge Park	
	Sri T.Damodar Reddy, M/s.Artemis Biotech division of Themis Medicare Ltd	
	Authorized Signatory, M/s.Rocksand Mineals (P) Ltd	
	Sri Ramchandra Raju, Proprietor, M/s.Srinivasa Alloy Castings	
	Sri A.Ashok Reddy, M/s.Sai Krishna Ice Factory	
	Sri A.Ananda Kumar Reddy, APIIC-AILA,Medak	
	Sri I.Srinivas Reddy, M/s.Sai Krishna Alloy Castings	
	Director, M/s Pramukh Packing (P) ltd	
	J.S.Rao, M/s.Keerthi Industries Ltd	
	Authorized Signatory, M/s.Maruti Cottex Ltd	
	Sri A.P.K.Reddy , Federation of AP Small Industries Associations	
	Authorized Signatory, M/s.Jakhotia Polysacks Pvt.Ltd	
	Authorized Signatory, M/s.Jakhotia Polymers Pvt.Ltd	
	Authorized Signatory, M/s.Jakhotia Plastics Pvt.Ltd	
Sri G.Krishna Prasad, Jeedimetla Industries Association, HYD		
Sri G.Krishna Prasad, M/s.Ushakiran Movies Ltd		
Sri K.Ravindra Rao, M/s.Dolphin Hotels Pvt Ltd		
Sri M.V.Rajeshwara Rao, FAPCCI		
6	Sri M.R.Prasad, M/s.A.P.Ferro Alloys Producers Association	37-55
7	Sri G.R.Karunaka, BJP	56-57
8	Sri Swamy Jaganmayananda, MBNR	58-59
9	Sri Kommidi Narasimha Reddy, Ex-MLA,Praja Chaitanya Vedika	60

CENTRAL POWER DISTRIBUTION COMPANY OF A.P. LIMITED



RESPONSES TO OBJECTIONS / SUGGESTIONS
On
FSA PROPOSALS of the 1st Quarter of FY 2012-13

1. Name of the Objector: Sarva Sri. M.Thimma Reddy, M.V .Mysoora Reddy, Ex. M.P., B.Janak Prasad, Y.S.R Congress Party, T. Harish Rao,MLA/Siddipeta, Dr. K. Narayana, Secretary/CPI and K. Raghu		
Sl.No	Objection/Suggestion	Reply
1	The proposals submitted by APDISCOMs as a part of their FSA claims for the first quarter of 2012-13 was placed on the Commission's website with the direction that consumers have to file their suggestions/objections by 31 st August 2012. According to these proposals Rs. 2,165.98 crore is to be recovered from the consumers and the unit rate of FSA for this quarter will be Rs. 1.62/unit. Consumers were given just two weeks time to respond on such important issue. Given the amount of information involved to be examined and various issues raised along with variations in fuel costs this two weeks time is grossly inadequate to make any meaningful intervention on the part of consumers.	<p>In view of the expenditure incurred by licensees, it is in the best interest of the utilities and public to enable licensees recover the cost at the earliest to avoid operational and financial problems.</p> <p>It is incorrect to state that the time given for filing objections is inadequate. The purpose of filing objections is to receive the comments of the consumers broadly about the claims made by the Discoms, thereby the Hon'ble Commission would be obligated to examine the said claims in detail from the stand point of the objections that was raised by consumer/s.</p> <p>The time given by the Hon'ble Commission is reasonably sufficient to respond on the FSA claims of the Discoms.</p> <p>However the issue falls in the purview of Hon'ble Commission.</p>
2	From the posting on the Commission's website it is not clear whether the Commission has admitted the DISCOMs' FSA filing and whether any number is given to the case.	Hon'ble commission has admitted the FSA Filings made by the AP Discoms and assigned OP Nos as 64,65,66 and 67 for APCPDCL,APNPDCL,APEPDCL and APSPDCL respectively
3	The commission is expected to validate/scrutinize the submissions made by the DISCOMs for their validity and completeness before placing the same before the public. A preliminary look at the information provided as a part of FSA claims for 1 st quarter of 2013 shows that this information has all the limitations that the previous filings suffered from. The information provided is not complete. From the given information it will not be possible to decided on the FSA claims of the DISCOMs. We doubt	Source wise energy and related cost were placed in website along with details on prior period expenditure and category, voltage and month wise sales.

	whether the Commission without further information and explanation from the DISCOMs will be able to pronounce its Order on this issue.	
4	The information provided as a part the present FSA claim for the first quarter of 2012-13 does not measure up to the information made available with regard to the FSA claims for the previous years of 2010-11 and 2011-12. In the case of previous years also public had brought to the notice of the Commission inadequacies in the information provided by the DISCOMs. Consequent to this the Commission directed the DISCOMs to make additional information available to the public. Consequent to the previous experiences there should have been improvement in the quality of filings of DISCOMs. Also, the Commission as a proactive step should have directed the DISCOMs to place complete information before the public. It is depressing to remind the Commission as well as DISCOMs time and again that under the existing Acts they are duty bound to put in place transparent and economical power purchase process.	
5	We request the Commission again to direct the DISCOMs to place all information related to their FSA claims before the public. In case 'all the information' is already placed before the Commission the same shall be made available to the public.	The information filed with Commission such as source wise energy purchased, variable cost and fixed cost along with prior period expenditure details and sales are placed in website.
6	According to Section 62 (4) of the Electricity Act, 2003	FSA is filed to the extent of components envisaged vide section 45(B) of

	“No tariff or part of any tariff may ordinarily be amended, more frequently than once in any financial year, except in respect of any changes expressly permitted under the terms of any fuel surcharge formula as may be specified”. Fuel Surcharge Adjustment (FSA) is basically meant to handle fluctuations in fuel prices and change in fuel mix. By nature fixed cost is stable being decided at the time of plant execution itself. If at all there will be some changes in fixed cost it will be because of fluctuations in foreign exchange rate for the plants that have foreign exchange component.	Regulation 1 of 2003.																														
7	Under the present FSA claims filed by DISCOMs a large proportion of claims are related to variations in fixed costs, that too of APGENCO plants which do not have any foreign exchange exposure. These inconsistencies in the filings of DISCOMs on FSA give rise to legitimate doubts on FSA burden proposed to be placed on the unsuspecting consumers in the state.	FSA on account of APGENCO largely (Rs.936.39 Cr) pertains to Fuel Cost Adjustment (FCA) of 4 th Quarter of FY 11-12 but not due to fixed cost variation alone.																														
8	It is time the present exercise Fuel Surcharge Adjustment (FSA) is renamed as Fixed Cost Adjustment (FCA). Figures for the 1 st quarter of 2012-13 show that variation in fixed cost and prior period expenditure (which is nothing but differed fixed cost recovery) together account for 62.1 percent of the FSA claim of DISCOMs for the first quarter of 2012-13. Prior period expenditure alone accounts for 56.81 percent of FSA. Table:1 FSA Claims of APDICSOMs	Out of the total FSA amount of Rs 2165 Cr the variance because of Fixed cost is only 0.34% but the variance of variable cost is 99.66% <table border="1"> <thead> <tr> <th>Particulars</th> <th></th> <th>April</th> <th>May</th> <th>June</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Variance in Variable Cost (Pi*Ei) (Rs.Crs.)</td> <td>1</td> <td>288.45</td> <td>315.28</td> <td>217.10</td> <td>820.82</td> </tr> <tr> <td>Variance in Fixed Cost (Fci) (Rs. Crs.)</td> <td>2</td> <td>15.86</td> <td>26.37</td> <td>72.34</td> <td>114.56</td> </tr> <tr> <td>Prior Period Expenditure (Z) (Rs. Crs.)</td> <td>3(4+5)</td> <td>951.96</td> <td>200.21</td> <td>78.42</td> <td>1230.59</td> </tr> <tr> <td>Fixed</td> <td>4</td> <td>-1.33</td> <td>9.14</td> <td>-115.09</td> <td>-107.28</td> </tr> </tbody> </table>	Particulars		April	May	June	Total	Variance in Variable Cost (Pi*Ei) (Rs.Crs.)	1	288.45	315.28	217.10	820.82	Variance in Fixed Cost (Fci) (Rs. Crs.)	2	15.86	26.37	72.34	114.56	Prior Period Expenditure (Z) (Rs. Crs.)	3(4+5)	951.96	200.21	78.42	1230.59	Fixed	4	-1.33	9.14	-115.09	-107.28
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Month	Variance in Variable Cost (Rs in Crore)	Variance in Fixed Cost (Rs in Crore)	Prior Period Expenditure (Rs in Crore)	Total (Rs in Crore)
April 2012	288.45	15.86	951.96	1256.27
May 2012	315.28	26.37	200.21	541.86
June 2012	217.10	72.34	78.42	367.86
Total	820.83 (37.90)	114.57 (05.29)	1230.59 (56.81)	2165.99 (100.00)

Variable	5	953.29	191.07	193.51	1337.87
Total Variation in Variable cost	6 (1+5)	1241.73	506.35	410.61	2158.69
Total Variation in Fixed cost	7 (4+2)	14.53	35.50	-42.75	7.28
% variance of Variable cost		98.84%	93.45%	111.62%	99.66%
% variance of Fixed cost		1.16%	6.55%	-11.62%	0.34%

9	<p>Out of prior period expenditure of Rs. 1,230.59 crore payments to APGENCO accounted for Rs. 1,165.46 crore. The explanations provided for such high spending is not clear. In the case of expenditure claimed for the month of April 2012 while in one column (column 4)it was mentioned that it was towards FCA for IVth quarter of 2012 in another column (column 2)it was mentioned as variable cost. In their earlier FSA claims for IVth quarter of 2012 (dated 27-04-2012)the DISCOMs have already claimed a variance in variable cost to the extent of Rs. 867.88 crore. If it was towards changes in variable cost what explains these additional charges? After the filing of their FSA claims for</p>	<p>The variance in variable cost to the extent of Rs. 867.88 crore is not only due to AP GENCO stations as claimed by the objector, BUT IS OF ALL STATIONS including purchases from market.</p> <p>The Fuel Charge Adjustment claim of APGENCO was received after filing of 4th Quarter FSA of FY 11-12 i.e. after 27.04.2012. Further, the FCA cost is due to variation in fuel cost. The 4th Quarter FCA claim of FY 2011-12 of APGENCO was not factored in earlier FSA filings.</p>
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	<p>the IVth quarter of 2012 there was no change in the price of either coal or gas. In case this expenditure was towards variance in fixed cost DISCOMs need to explain under what provision of the PPAs they are claiming this expenditure. Here it is to be mentioned PPAs of the new units of APGENCO are not yet approved by the Commission. In the case of older units of GENCO also they were given only provisional approval by the Commission. This inordinate delay on the part of APERC in scrutinizing the PPAs with GENCO may be encouraging both GENCO and DISCOMs to claim unjustified amounts. It is high time the Commission takes its work seriously.</p>	
10	<p>According to the present filings Rs. 201.75 crore were paid to NCE units. It is mentioned that this payment was in accordance with the orders of Supreme Court and Appellate Tribunal. But they did not mention the specific orders from these institutions. For, there are so many orders on issues related to NCE units.</p>	<p>Differential Tariff paid to Renewable Sources as per the order of the Hon'ble Court in the Civil Appeal No(s) 2650-2654 of 2012, dt.04.04.2012 and Interim orders of Appellate Tribunal Order dt.01.02.2012 in IA No. 235 of 2011 (in Appeal No. 150 of 2011), IA No. 252 of 2011 (in Appeal No. 166 of 2011), IA No. 253 of 2011 (in appeal No. 168 of 2011), IA No. 257 of 2011 (in Appeal No. 172 of 2011), and IA No. 258 of 2011 (in Appeal No. 173 of 2011) and subsequent orders of APTEL in the above cases.</p>
11	<p>Merchant plants of Lanco and GMR During the first quarter of 2012-13 DISCOMs purchased 477.85 mu from merchant plants of Lanco and GMR at a cost of Rs. 244.12 crore. Its average purchase cost was Rs. 5.12/unit. These two plants were given gas supply from KG basin even when the gas based power plants which have concluded PPAs with DISCOMs, including earlier units of both Lanco and GMR, are running at less than 40% PLF. If</p>	<p>The allocation of gas is in the purview of central govt.</p>

	<p>the gas that was supplied to these merchant plants were provided to the plants that have concluded PPAs the burden on consumers should have come down considerably. As these plants are already paid fixed costs only variable/fuel cost need to be paid to them. The variable/fuel cost per unit for these gas based power plants is Rs. 1.85. If this gas was made available to these units total additional purchase cost would have been Rs. 88.40 crore only. This implies that by diverting gas to merchant plants Rs. 155.72 crore additional burden was placed on the consumers in the state. KG basin gas was diverted to these two merchant plants on the recommendation of the GoAP. Then it is logical to demand that this additional burden of Rs. 155.72 crore shall be borne by the state government and the same shall not be placed on the consumers in the state.</p>	
12	<p>Fuel issues 5.1 DISCOMs are claiming Rs. 820.83 crore towards increase in fuel purchase costs for the first quarter of 2013. The filings of DISCOMs on FSA do not throw any light on this issue. As the exercise itself is named as fuel surcharge adjustment there should have been at least some information on fuel related issues. Information that was made available on fuel related issues during the previous FSA claims is not made available this time. We request the Commission to direct the DISCOMs to provide all information related to fuel costs to the public.</p>	<p>Source wise particulars of variable cost were placed in website. Further, it is to inform that the monthly bills of each source were submitted to Hon'ble Commission in support of the FSA claim for prudent check. The details are enclosed as Annexure-II</p>
13	<p>5.2 There were complaints of serious irregularities in</p>	<p>Coal was procured at the prevailing international Market price by</p>

	<p>procuring and utilization of coal in APGENCO. It was alleged that even when imported coal was available in the range of Rs. 4795 to Rs. 3688 per tonne it was purchase at the rate of Rs. 5532 per tonne. A consignment of imported in 2011 was said to have led to additional cost of Rs. 325 crore because of this high cost coal purchase. It was also alleged that proper method was not followed in procurement of the imported coal. Even when the contract to import coal was with a public sector unit in fact it was purchased from private sector Essar firm. This change in the importing firm also leads to doubts about the genuineness of the imported coal procurement. The Commission needs to thoroughly examine the procurement and utilization of imported coal.</p>	<p>APGENCO. However commission will do a prudent check.</p>
14	<p>There are also unconfirmed reports that substantial quantities of coal supplied to APGENCO were diverted to open market by unscrupulous elements in the public sector firm. But this quantity of coal was shown as having been used in the plants. It is no wonder that substantial proportion of FSA claims is related to present and previous quarters' variable costs of APGENCO.</p>	<p>Bills of APGENCO were admitted as per the information made available along with invoice.</p>
15	<p>5.4 DISCOMs' claims to recover staggering amounts of money through variation in variable costs and prior period expenditure of previous quarters even when there was no change in fuel prices lead to legitimate doubts about their claims. We request the Commission to thoroughly verify the FSA claims of DISCOMs.</p>	<p>All the relevant documents in support of licensee's claims are submitted to Hon'ble Commission.</p>

16	<p>Decline in hydel generation may be one of the reasons for the FSA burden. Again there is difference in the number of units to be generated by hydel units in the state. DISCOMs quoted higher quantum of hydel power availability than approved by the APERC in its Tariff Order for the year 2012-13. As this implies a change in fuel mix it also will have impact on FSA.</p> <p>Table:2 Variations in Estimation of Hydel Generation</p> <table border="1" data-bbox="293 539 1061 1026"> <thead> <tr> <th>Month</th> <th>Estimated Hydel* Generation - Tariff Order (mu)</th> <th>Estimated Hydel Generation Quoted by DISCOMs (mu)</th> <th>Actual Generation (mu)</th> </tr> </thead> <tbody> <tr> <td>April 2012</td> <td>291</td> <td>366</td> <td>162</td> </tr> <tr> <td>May 2012</td> <td>176</td> <td>221</td> <td>170</td> </tr> <tr> <td>June 2012</td> <td>171</td> <td>215</td> <td>143</td> </tr> <tr> <td>Total</td> <td>638</td> <td>802</td> <td>475</td> </tr> </tbody> </table> <p>*Page No. 236 of the Tariff Order dated 30th March 2012.</p>	Month	Estimated Hydel* Generation - Tariff Order (mu)	Estimated Hydel Generation Quoted by DISCOMs (mu)	Actual Generation (mu)	April 2012	291	366	162	May 2012	176	221	170	June 2012	171	215	143	Total	638	802	475	<p>The estimations on hydel generation was based on projections of previous years trends and hydel generation is purely based on the rainfall.</p>
Month	Estimated Hydel* Generation - Tariff Order (mu)	Estimated Hydel Generation Quoted by DISCOMs (mu)	Actual Generation (mu)																			
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Total	638	802	475																			
17	<p>According to the Regulation of FSA number of units approved by the Commission in its Tariff Order only shall be taken for calculating FSA. In their FSA claims for the first quarter of 2012-13 the DISCOMs have taken in to account instead the actual units consumed. While the Commission approved 20,966 mu for the first quarter of</p>	<p>The demand vis-à-vis supply is in increasing trend and ARR is at best an estimate of future consumption based on past trend and other available information. The difference is not significant considering the overall circumstances.</p>																				

	<p>2012-13 the DISCOMs claimed actual consumption to be 21,099 mu. While the DISCOMs need to recover the cost of all units consumed the Regulation allows only the units approved by the Commission in the Tariff Order. The Commission needs to examine this issue.</p>	
18	<p>Under the existing method of calculating FSA the total FSA burden is distributed equally among all consumer categories and also within each category irrespective of the slabs in each category. According to the present FSA proposals burden on each unit of power consumed will be Rs. 1.62 per unit. It is the same for a domestic consumer in 0-50 units slab who pays Rs. 1.45 per unit and a domestic consumer in more than 500 units slab who at present pays Rs. 7.25 per unit. High cost additional power purchases were because of higher power consumption by the consumers in the higher slabs. But according to the existing Regulation they bear the same burden as that of a poor consumer. This is unfair and unjustified. Poor households have to bear the burden of rich households' extravagant consumption. FSA shall not be uniform for all consumers. It shall take in to accounts the consumption pattern of electricity. Who consume more shall be made to pay more, not the other way round. Since FSA is treated as differed tariff, the principles applied for determining tariff to different categories/slabs of consumers should be applied to FSA also.</p>	<p>FSA was filed as per the regulation in vogue.</p>

2. Name of the Objector: M/s Andhra Pradesh Spinning Mills Association, 1st Floor, Surya Towers, 105 S.P. Road, Secunderabad – 500 003, Sri P.Narendranath Chowdary, M/s.Andhra Sugars Ltd

Sl.No	Objection/Suggestion	Reply
1	<p><u>Inadequate time allowed for filing objections</u></p> <p>1. The time allowed by the Commission for the filing of objections is wholly inadequate and unreasonable. The consumers require sufficient time to collect/purchase copies of the FSA proposals, understand the FSA proposals as filed by the licensees, evaluate the impact of the FSA proposals, collect relevant information (more particularly when the licensees have given their proposals in a vague and cryptic manner without sufficient data and in an obtuse manner), carry out necessary consultations, prepare the objections and then have them delivered within the stipulated time.</p> <p>At least 30 clear days ought to have been allowed to the consumers for preparing and submitting their objections against the proposals to impose FSA which have very serious and onerous consequences on the consumers.</p> <p>2. In view of the unreasonable time allowed, it was not possible for the entire data submitted (which is all too vague and unexplained) to be fully understood, verified and examined. The inconsistencies and errors pointed out hereunder are therefore not to be considered as exhaustive. Further, an objection with regard to a particular period / Discom hereunder may be taken to apply also to other periods / Discoms mutadis mutandis.</p>	<p>In view of the expenditure incurred by licensees, it is in the best interest of the utilities and public to enable licensees recover the cost at the earliest to avoid operational and financial problems.</p> <p>It is incorrect to state that the time given for filing objections is inadequate. The purpose of filing objections is to receive the comments of the consumers broadly about the claims made by the Discoms, thereby the Hon'ble Commission would be obligated to examine the said claims in detail from the stand point of the objections that was raised by consumer/s.</p> <p>The time given by the Hon'ble Commission is reasonably sufficient to respond on the FSA claims of the Discoms. However the issue falls in the purview of Hon'ble Commission.</p>

2	<p><u>FSA proposals have vague, inconsistent information with no explanations</u></p> <p>3. In a matter requiring public notice and hearing, the Commission itself has a greater duty to enable meaningful public participation and so as not to put the public to frustration and/or inconvenience. The Commission must, before calling for public notice and hearing, verify with due care and diligence at least as to (a) whether the requirements of procedure and form had been complied with by the applicant, and (b) whether the information that has been furnished is so complete as to enable the Commission to decide on the matter without anything further other than hearing the applicant and the public, and (c) whether there is sufficient explanation and elucidation in the application to enable the affected consumer public to understand the issues and data and calculations, and (d) whether the Commission ought to take any measures for consumers facilitation and assistance to enable them for meaningful participation. It is only after all the shortcomings in these respects made good, that the Commission may proceed to the public notice and conduct public hearing.</p> <p>4. In the present case, it can be seen that the applications made by the Discoms and the information made available is not such as to give any consumer all the necessary information and explanations with necessary transparency and clarity so that the consumer can understand the same and make meaningful and necessary objections. There are several omissions of necessary information. There is no explanation of the methodology adopted for the calculations with reference to the applicable Regulation. Necessary and relevant information with regard to the items of</p>	<p>The information is already filed with Commission and the same is placed in website. Further, the calculation sheets are self explanatory with regard to nature of cost incurred. The relevant bill copies were submitted to Commission along with the filing.</p> <p>The information submitted by the Discoms and the additional information submitted as directed by the commission shows the analysis and the justification of the FSA claims made by the Discoms.</p> <p>However, Source-wise actual energy purchased, corresponding variable, fixed and prior period expenditure are annexed to the filings. For prudent scrutiny by Commission the invoices of generators were also enclosed.</p> <p>The information submitted to APERC is self explanatory.</p>
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	<p>claim in the statements are not explained and there is no explanation whatsoever as to why they are to be allowed.</p> <p>5. If the proceedings are allowed to continue with such utter lack of transparency and with distracted and misleading information, the public hearing will be reduced to a mere sham and illusion and an empty formality and the entire proceedings would be thereby vitiated.</p> <p>6. It is therefore necessary that the Hon'ble Commission direct the Discoms to present their information fully, clearly and in a manner in which the consumers can understand the same. The Commission ought to have set down the formats in which the information is to be given and to validate the explanations and notes before the same are put to public hearing.</p>	
3	<p><u>Omissions, inconsistencies and vagueness, unexplained quantities and computations in FSA proposals</u></p> <p>7. The statements of month-wise category-wise sales for the quarter do not show the corresponding power purchase quantities by appropriately closing up the same for the losses. The methodology appears to be different from that in the applications for the previous years. The Discoms that the required to explain precisely how they have arrived at the power purchase quantities in the power purchase cost that are to be taken into account for the purpose of FSA calculations.</p> <p>8. The agricultural consumption of APEPDCL, APSPDCL & APNPDCL, as shown in the Annexure of month-wise category-wise sales for the quarter, are in excess of the permissible</p>	<p>The Actual Power Purchase made was taken into consideration for the purpose of FSA calculation.</p>

quantities as per the tariff order. The power purchases for such additional power purchases are not shown is accounted for in the FSA statements by way of limiting the actual power purchase quantities to the power purchases for the sales quantities limiting the agricultural consumption and the power purchase therefore to the tariff order approved agricultural consumption.

9. It is also noticed that, while the other Discoms have given agricultural consumption figures different from the tariff order agricultural consumption figures indicating that these actual agricultural consumption figures, the APCPDCL has merely repeated the tariff order agricultural consumption quantities in their month-wise category-wise sales statement. The nature of the figures in the different statements cannot be therefore reconciled. The APCPDCL has to disclose the actual agricultural consumption during the relevant period month-wise.
10. Thus by a combination of some missing data, some erroneous data, lack of proper definition and explanation of data, silent and unexplained modification of methodology, it has been ensured that the consumers are confused and would never be able to understand the proposals. The licensees may be directed to explain the correct position in detail and provide the missing information.
11. The amounts claimed in respect of expenses for PGCIL, transmission charges, STOA charges, SLDC charges are not admissible or relevant in terms of the Regulation. It is also not clear as to whether these claimed costs are in relation to the

The sales filed by APCPDCL in its filings are actual quantities only which are available in the website. However, as requested by consumer the actual agriculture consumption for the 1st quarter are shown below.

CPDCL - Month-wise, Category-wise sales during FY 2012-13 (MU)				
Category	Apr'12	May'12	June'12	TOTAL
LT				
V- AGL	630.83	564.61	562.02	1757.46

These costs were associated with actual energy purchased.

	<p>approved tariff order quantity or to the entire energy purchased.</p> <p>12. The amounts shown as prior period expenses, purportedly in respect of periods as far back as the year 2000, aggregating to over 1200 cr for the quarter is astounding. The provision for prior period expenses in the formula is being grossly abused to mulct a section of the consumers in an arbitrary, capricious, irrational and unreasonable manner.</p> <p>This requires serious consideration and there has to be a different method of dealing with this so-called prior period expenses. There is no indication as to any criteria for identifying prior period expenses in relation to a particular month quarter. Properly, if at all, these should be considered inappropriate true-up proceedings where all the expenses of the licensees are taken into consideration and they are passed through to the cost of service in the same manner as was done in the original tariff order. The provision for prior period expenses in the formula is being grossly abused to mulct a section of the consumers in an arbitrary, capricious, irrational and unreasonable manner</p> <p>13. The basic fundamental underlying principle in the FSA formula is to distribute the variance in costs upon the energy consumed during a quarter. There must therefore be nexus between the energy consumed in the quarter (in the denominator of the formula) and the variation in costs considered (in the numerator of the formula). Otherwise the entire formula becomes irrational, inconsistent, unreasonable and arbitrary.</p> <p>14. There is totally insufficient information with regard to the</p>	<p>Out of the Total amount of Rs 1230.8 Cr of Prior period expenditure, the FCA of APGENCO stations for the IVth quarter of 2011-12 alone is Rs 937 Cr and the differential Tariff paid to Renewable Sources as per the Order of the Hon'ble Supreme Court and APTEL (in IA No252 of 2011 in appeal No 166 of 2011) is Rs 201Cr .</p> <p>As per the FSA Regulation under the heading of Z i.e. the changes in the cost in Rupees as allowed by the commission for a period extending in the past beyond the relevant quarter is being claimed as prior period expenditure.</p> <p>FSA was claimed as per the regulation in vogue.</p>
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	<p>observance of merit order, the effects of violation of which are also to be adjusted under the formula in the Regulation.</p> <p>15. It is not clear as to the basis on a methodology adopted where the wheeling is being done on kVAh basis to related to the court purchase which is in kWh.</p> <p>16. It is not clear from the information furnished as to how the power for agricultural consumption in excess of the tariff order approved quantities has been purchased and how the additional costs have been dealt with. The requirement in the tariff order is that the State Government is required to bear the entire cost of all such additional purchases. Therefore, the entire fixed and variable costs for such additional purchases have to be excluded from the FSA exercises and/or in computing the weighted average cost of purchase.</p> <p>It is incorrect, if this has been done as it appears, to work out the weighted average cost of purchase including the additional purchases at higher cost and then limiting the power purchase quantity to the tariff order quantity and applying this weighted average cost thereon.</p> <p>The methodology followed in the calculations given in the proposal is not clear and the licensees may be directed to explain the same in detail.</p> <p>17. The tariff order expressly limits the price for short-term power purchases to Rs 2.65 per kWh during off-peak hours and to Rs 4.50 per kWh during peak hours in case such power purchases become necessary, and this is also subject to following the</p>	<p>The monthly calculation sheets enclosed with FSA filings are based on the merit order dispatch only.</p> <p>Wheeling charges are being collected on the basis of Rs/kVA/month but not on kVAh basis as claimed by the consumer.</p> <p>Hon'ble Commission is limiting the agriculture sales to Tariff Orders quantities only while approving FSA.</p> <p>Licenses are procuring short term power through Competitive</p>
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	<p>procedure of competitive bidding. It is not known as to whether the competitive bidding procedure has been followed for short-term power purchases over and above the tariff order purchase quantities.</p> <p>18. As per the licence conditions of the Discoms, the Discoms are required to follow the guidelines/instructions given by the Commission in respect of any short-term or urgent purchases. The Commission has issued guidelines. It appears that the guidelines for post-facto approval have been completely breached. The Discoms must explain as to how the purchases made in breach of the licence conditions is allowable.</p> <p>19. The observations of the Commission in paragraph 69 of the tariff order for FY 2012-13 with regard to backing down of low-cost approved stations to accommodate short-term purchases in the light of the observations with respect to 2010-11 and 2011-12 requires to be kept in mind. The licensees must be directed to provide the information with regard to such backdown during the quarter.</p> <p>20. We, as consumers, have a right to know and make objections, and in the absence of relevant and necessary information in this regard, we are unjustifiably prejudiced and disabled from examining and objecting to the same.</p>	<p>bidding process through e-procurement and exchanges only.</p> <p>As per the directives envisaged in Tariff Order, Licensees have been regularly submitting information on additional power procurement and deviations therein.</p> <p>Presently licensees are under stress to supply power as per current demand. There is load relief across the state. The backing down details are enclosed as Annexure-I</p>
	<p><u>Methodology of computation is contrary to Regulations</u></p> <p>21. From the statements appended to the proposal, it appears that the FSA is being computed on a state-level basis. The purchase quantities and expenditure on the basis of the entire State</p>	

	<p>(combining / pooling / cartelising all Discoms) taken together. Such methodology is not authorised or contemplated by the Regulation and is therefore contrary to law. The claim of an individual Discom for a FSA rate determined on the basis of all Discoms taken together is illegal and contrary to the Regulation and law.</p> <p>22. The Regulation clearly and unambiguously requires each licensee to give the particulars of its own purchases and expenditure. This requires that each Discom must specifically give its own calculations for its own power purchase quantities, sources of supply, costs and claims with reference to the tariff order quantity as approved for that particular Discom and the merit order dispatches that are required to be made to meet that Discom's energy sales. For this purpose, each Discom must provide its own energy balance which is a <i>sine qua non</i> of the determination of the FSA of that Discom. The main tariff order itself deals with the requirement of each Discom separately, and with the power purchase quantities required by each Discom separately, and with the approved power purchase quantities of each Discom separately, and with the share of power from various stations for each Discom separately (with reference to the 3rd Transfer scheme), and with the approved distribution losses of each Discom separately, and with the approved agricultural consumption quantity limitation for each Discom separately, and for D-D sales at specific transfer rate. The FSA has therefore to be determined separately in accordance with these parameters separately determined for each Discom.</p> <p>23. There ought not to be any difficulty in providing separate and</p>	<p>In the Tariff Order one merit order for entire state is approved and further the monthly variable cost/Kwh is approved for entire state for the purpose of calculating FSA. Licensees have therefore claimed FSA for the entire state by merging sales and power purchase of all the licensees. Source-wise purchases were already placed in website.</p>
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	<p>complete information by each Discom with respect to itself.</p> <p>24. It is not at all clear from the statements of information furnished as to how the Discoms have purchased and accounted for the power from generating stations as allocated to the respective Discoms specifically under the statutory 3rd Transfer Scheme.</p> <p>25. There is no clarity or information on the D-D transfers and the consequences resulting therefrom with respect to the provision in the tariff order for such transfers. This has been specifically and elaborately dealt with in the tariff order. There is no clarity or information with regard to the effect on the net power purchase cost of each Discom on sale to another Discom or to another entity, and what happens to the power purchase cost variations on such Discom sales.</p> <p>26. Because each Discom can sell different quantities of energy out of a given quantity of power purchase, due to the different levels of distribution losses that are actually there in each Discom, there cannot be a uniform effect of any variation in power purchase cost and/or fuel cost across all Discoms. The methodology adopted in the FSA proposals would enable one or more Discoms to realise additional revenue from their consumers in excess of their actual difference in power purchase and/or fuel costs. This is impermissible.</p> <p>27. The details of the source-wise purchase by each Discom is also relevant and necessary to ascertain the sources from which the excess power is purchased and at what cost.</p> <p>28. The approach of the licensees defies and defiles the legislative</p>	
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	and statutory object, purpose, policy and mandate of unbundling distribution to independent and separate entities which have consequently been separately licensed.	
5	<p><u>FSA to be on fuel cost variations only</u></p> <p>The Act envisages and permits variation only on account of fuel cost adjustment by way of a formula. Variations in power purchase cost, other than those arising directly out of variations in fuel costs, or the costs of transmission and SLDC charges relating thereto are not adjustable under a fuel surcharge formula. It is therefore necessary to determine the FSA only in respect of fuel cost variations alone.</p>	FSA was filed as per regulation in vogue.
6	<p><u>Treatment of Agricultural consumption</u></p> <p>29. Agricultural consumption cannot be excluded from the denominator of the formula for the computation of the FSA. The Electricity Act specifically requires that the licensee shall not supply any electricity except through a meter at any time after June 2005. If this mandatory requirement of law has not been complied with by the licensee, the Commission cannot simply exclude the agricultural consumption on the ground that the metering of the same is not complete and thereby penalise the other consumers for the neglect and default of the licensee.</p> <p>30. It is not that the agricultural consumption has not been, or cannot be, quantified by the Discoms. They have published their actual losses which can only be done after quantifying the agricultural consumption and they have also reported the agricultural</p>	Agriculture Consumption will be treated as envisaged in FSA regulation in vogue.

	<p>consumption in their respective areas of supply in their Annual Reports and also in the other filings before the Commission. There can therefore be no justifiable reason to exclude the same.</p> <p>31. The FSA must be distributed over the entire consumption including agriculture, otherwise the computation would be unjust, arbitrary, unreasonable, irrational and contrary to the provisions of the Act, legislative policy and the National Tariff Policy, and also tantamount to undue preference prohibited by law.</p>	
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3. Name of the Objector: Sri. Venugopal Rao, senior journalist, Hyderabad		
Sl.No	Objection/Suggestion	Reply
1	I request the Commission to send copies of written objections of objectors to the Discoms to enable the latter to respond to the same, fix and intimate date of public hearing and give me an opportunity to make further submissions in person during the public hearing, in the right spirit of the said judgement of the High Court and the Electricity Act, 2003, to ensure transparency and principles of natural justice.	Hon'ble Commission has called for public hearing on the filings made by licensees which is already made available to public for their response.
2	In its tariff order for the year 2012-13, the Commission has determined the requirements of power for the four Discoms, the sources of availability and the prices at which they can be purchased. The Commission has permitted the Discoms for purchasing 13,281 mu during 2012-13 on short-term basis, fixing a ceiling price of Rs.4.17 per unit. After taking all these aspects into consideration, the Commission has also determined revenue requirements of the Discoms for the year 2012-13 and enhanced tariffs to different categories of consumers after taking into account the amount the State Government has agreed to provide as power subsidy to fill the revenue gaps of the Discoms. In view of the same, seeking an FSA amount of Rs.2166 crore in the first quarter of the financial year itself, on the face of it, seems abnormal.	The entire FSA is not on account of short term power purchases. The Commission in Tariff Order has given variable cost for computing FSA after factoring the cost of short term power purchases and revenue thereon. The FSA filings for the first quarter of 2012-13 is more as FCA of APGENCO for the 4 th quarter of 2011-12 Rs 936 Crs and 1 st quarter of 2012-13 Rs 472 crs are included in this quarter only.
3	Since the Commission has determined monthly requirement of purchases of power by the Discoms, if the quantum of such purchases exceeds the limits determined by the Commission, the cost of excess purchases are not permissible under FSA to be	Licensees are obligated to supply the power in accordance with the demand which may vary from the quantum approved in Tariff Order on provisional basis. All the deviations have been submitted to Commission as per the directives.

	collected from the consumers.	
4	Since the period of first quarter does not come under monsoon, there is no scope for additional purchases of power on short-term basis within the overall monthly limits determined by the Commission, on account of shortage in estimated hydel power.	The licensees will have no other option but to procure additional power from the available sources to meet the demand and to fulfil shortfall from the approved stations
5	On 31.5.2012, the Commission has revised the ceiling price to Rs.5.50 per unit for purchasing the said 13,281 mu on short-term basis during 2012-13. Which means the Discoms can claim the additional amount as FSA, if only the price of purchases from specific sources on short-term basis exceeds Rs.4.17 per unit subject to the ceiling limit of Rs.5.50 per unit. Since all the purchases on short-term basis need not and cannot be @ Rs.5.50 per unit, there is no scope for claiming the hefty sum of Rs.2166 crore under FSA for the first quarter.	The amount filed in FSA for 1 st Quarter of FY 12-13 is not on account of power procured on short term basis. It consists of variance in fixed and variable costs and cost of prior period expenditure. Source-wise particulars of all the stations including short term sources were filed for scrutiny of FSA filing. It consists of Rs 1230 Crs prior period expenditure (in which Rs 936 Crs pertains to FCA of APGENCO for the fourth quarter of 2011-12) and Rs 472 Crs towards FCA of first quarter of 2012-13 of APGENCO.
6	If the Discoms have purchased power on short -term basis at a cost exceeding Rs.5.50 per unit, the excess amount is not permissible under FSA.	FSA filed by licensees will be are subject to evaluation and prudent check by Hon'ble Commission as per the regulation in vogue.
7	Most of the amounts claimed under FSA for the first quarter of 2012-13 pertain to past period expenditure. In principle, such claims should not be permitted. The Discoms may be directed to include such claims for past period expenditure, if permissible, in the FSA claims for the respective quarter.	Licensees have filed FSA as envisaged in regulation.
8	The claims of the Discoms for past period expenditure for the month of March 2012, if permissible, should have been included in	The amounts shown as prior period expenditure were the claims received from generators after the filing of 4 th Quarter

	their FSA claims for the last quarter of 2011-12 itself. The bills or claims pertaining to such expenditure must have been submitted to them by the end of March or early April, 2012. As the FSA claims for the last quarter of 2011-12 were submitted by the end of April, 2012 to the Commission, such inclusion should have been effected.	FSA of FY 11-12.
9	The Discoms have claimed a huge sum of Rs.201.75 crore paid to NCE units towards differential tariff for the past period of five years – 2004-2009 – as per the orders of the Supreme Court and the Appellate Tribunal for Electricity. The Discoms have not explained what those orders of the Appellate Tribunal and the Supreme Court are and when they have paid the additional amount now being claimed under FSA.	NCE differential amounts were admitted as per Order of the Hon'ble Court in the Civil Appeal No(s) 2650-2654 of 2012, dt.04.04.2012 and Interim orders of Appellate Tribunal Order dt.01.02.2012 in IA No. 235 of 2011 (in Appeal No. 150 of 2011), IA No. 252 of 2011 (in Appeal No. 166 of 2011), IA No. 253 of 2011 (in appeal No. 168 of 2011), IA No. 257 of 2011 (in Appeal No. 172 of 2011), and IA No. 258 of 2011 (in Appeal No. 173 of 2011) and subsequent orders of APTEL in the above cases.
10	As is well known, the Discoms have been giving new power service connections to consumers every year running into lakhs. When such is the case, it is totally unjustifiable to impose avoidable additional burdens in the name of FSA on account of expenditure incurred by the Discoms for past periods on such consumers, when their service connections were non-existent during such past periods. It is nothing but penalising such consumers, who did not use power at all during such past periods. Such additional expenditure incurred during past periods should be imposed only on those consumers whose service connections were in existence during those periods of time.	The FSA is levied as per the consumption pattern in respective months to respective consumers. The data of month wise, service wise energy consumed is being maintained by licensees.
11	The Discoms have claimed huge amounts towards difference in variable and fixed costs paid to various projects, without explaining	The fixed cost of each station as claimed by generators is placed in website. The details of variance in APGENCO

	as to why such huge variance has arisen. This needs to be clarified by the Discoms with necessary data and information.	stations is already annexed with the FSA filings. The monthly bills of each generator were submitted to APERC for prudent check.
12	The Discoms have claimed huge amounts running into hundreds of crores of Rupees for purchasing power from “other sources.” The Discoms have to explain the procedure and terms and conditions adopted by them to ensure competitiveness in making such purchases on short-term basis.	Licencees are procuring short term power through Competitive bidding process through e-procurement and exchanges only.
13	After the Commission determined the quantum of power that may be purchased by the Discoms on short-term basis and the ceiling price per unit in its tariff order, it is not a healthy practice to seek and permit higher ceiling price for such purchases after the issuance of the tariff order. Whatever be the reasons, the manner in which the Discoms sought and the Commission permitted revision of that ceiling price upwards, without examining alternatives and without holding any public hearing, and not making that decision of the Commission public, totally goes against the principles of transparency and natural justice, besides being undemocratic and secretive. Such a post-tariff-order exercise within a span of just two months, revising the ceiling price upwards within one day after submission of applications by the Discoms, is, in its very face, hasty and bails out the State Government from the need to consider requirement of subsidy for meeting the additional expenditure on account of power purchases on short-term basis.	APERC was requested to review the short term power purchase to be in line with the rate prevailing in the market which was discovered through transparent e-procurement process. The quantum of power purchase was also need based.
14	The failure of the Government of India, as well as the inability of the State Government to bring pressure on the former, to ensure adequate supply of natural gas to the projects in the State is the root cause of power shortage and the need for purchasing power on	Allocation of subsidy and gas is out of licencees purview.

<p>short-term basis at a higher average price of Rs.5.50 per unit as permitted by the Commission. Similarly, there is a shortage of about 30 per cent of coal allotted to AP Genco from Mahanadi Coal Fields as a result of which the former is forced to import coal at a very high cost and purchase domestic coal through e-auction. Similar is the case with NTPC. For the failures of the Government of India in ensuring adequate supply of natural gas and domestic coal, and the inability of the State Government to bring pressure on the GOI to ensure supply of natural gas and coal as per allocations, the consumers of power should not be penalised in the form higher power tariffs and fuel surcharge adjustments. Therefore, we request the Commission to recommend to the Government to provide subsidy to avoid imposition of FSA burdens on the consumers.</p>	
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4. Name of the Objector: Sri. A. VENKAT RAO Vice President/Finance For Rayalaseema Alkalies And Allied Chemicals		
Sl.No	Objection/Suggestion	Reply
1	That the time between publication of proposals and public hearing is not enough to enable us to gather complete data to frame our effective objections as such the objections may be taken into consideration.	<p>In view of the expenditure incurred by licensees, it is in the best interest of the utilities and public to enable licensees recover the cost at the earliest to avoid operational and financial problems.</p> <p>It is incorrect to state that the time given for filing objections is inadequate. The purpose of filing objections is to receive the comments of the consumers broadly about the claims made by the Discoms, thereby the Hon'ble Commission would be obligated to examine the said claims in detail from the stand point of the objections that was raised by consumer/s.</p> <p>The time given by the Hon'ble Commission is reasonably sufficient to respond on the FSA claims of the Discoms.</p> <p>However the issue falls in the purview of Hon'ble Commission.</p>
2	The proposals submitted by the A.P Central Power Distribution Company Limited for the determination of fuel surcharge adjustment (FSA) for the first quarter of financial year 2012-13 with A.P.E.R.C. or contrary to law and provisions of A.P.E.R.C and against of all types of consumer particularly industrials and commercial consumers.	FSA was filed as per the regulation.
3	A.P.C.P.D.C Ltd have not furnished information to arrive difference in the weight average variable cost from all sources specifically the actual energy dispatched are quantity specified in tariff order as such we are	The sources wise information to arrive at the weighted average variable cost is already placed in the website.

	not in a position to ascertain whether figures stated for the purpose of calculation is correct or not.	
4	The A.P.C.P.D.C Ltd have furnished the difference in actual fixed charges (FCI) in rupees but not in the rate KWH purchase from each source and have also not filed the relevant notifications to arrive at the variable cost.	Source wise actual fixed cost incurred is given in monthly FSA calculation sheet.
5	The A.P.C.P.D.C Ltd have claimed prior period expenditure in respect of certain generation stations but fail to give details statements to examine them.	Prior period expenditure details was enclosed to the filings and the same is available in the website.
6	A.P.C.P.D.C Ltd ought to have planned the power purchase in such manner that would give optimum benefit of cost to the ultimate consumers. The A.P.C.P.D.C Ltd did not elaborate as to how there is so much variance merely because the A.P.C.P.D.C Ltd are authorized to buy the power there are not authorized to be un reasonable and extravagant the statement filed by the A.P.C.P.D.C Ltd do not reveal the FCA component except the consolidated except the consolidated cost.	The calculation sheets of FSA filings are self explanatory and depict the price variance of the each of the source.
7	It is not at all clear from the statements of information furnish as the A.P.C.P.D.C Ltd have purchased and accounted for the power from generating stations as allocated to the APCPDCL under statutory scheme	One Merit order and for entire state is envisaged in the Tariff Order. And one FSA rate is given in the tariff order for all the licensees. Licensees have therefore claimed FSA for the entire state by merging sales and power purchase of all the licensees. Source-wise purchases were already placed in website.
8	The FSA proposals submitted by the A.P.C.P.D.C Ltd are vague, inconstant information with no explanations.	FSA filings were self explanatory and as per the regulation in vogue.
9	The method adopted by the A.P.C.P.D.C Ltd methodology computation	The category wise, month wise and voltage wise Kwh

	is contrary to regulations. The A.P.C.P.D.C Ltd have not furnished the category wise, month wise and voltage wise KWH sales and should have given month wise sales statements.	sales are submitted to the Hon'ble commission and the same are available in the APERC website.
10	FSA to be on fuel surcharge variations only. The FSA must be distributed over the entire consumption including agriculture otherwise a computation would be unjust, unreasonable, irrational and contrary to the provisions of the Act, legislative policy and national tariff policy and also tantamount to undue preference prohibited by law.	FSA was computed and filed as per regulation.
11	It is respectfully submitted that not following the above process and filing of a general and vague application by A.P.C.P.D.C Ltd is always a danger of curtailing the rights of consumers and suppressing legal process.	

5. Name of the Objectors:

Authorized Signatory, M/s.Salguti Industries Ltd
Authorized Signatory, M/s.Abhedya Industries Ltd
Proprietor, M/s.Subhan Steels
Partner, M/s.Madiha Metal Works,
Proprietor, M/s.Kisan Tata Agro Industry
Managing Partner, M/s.Khair Steel Re-Rolling Mills
M/s.Venkatesh Steel Industry
Proprietor, M/s.Diamond Steel Re-Rolling Mill
Proprietor, M/s.Akash Steel Industries
Proprietor, M/s.Priyanka Steels
Authorized Signatory, M/s.Shree Krishna Steels
Sri D.V.A.S.Ravi Prasad, Advocate, Hyderabad
Executive Director, M/s.Hitesh Chemicals & Drugs Pvt,Ltd
Managing Director, M/s.MAKS Castings Pvt,Ltd
Managing Director, M/s.MAKS Industries Pvt,Ltd

Sri P.Srinivas Kumar, M/s.Vasant Chemicals Pvt.Ltd	
Sri K.Ravindra Rao, M/s.Margadarsi Housing Pvt Ltd	
Authorized Signatory, M/s.Vantech Chemicals Ltd	
Director, M/s.Sonali Steels & Alloys Pvt.Ltd, HYD	
Director, M/s.Pushpaky Auto Components (P) Ltd	
Sri K.L.Rao, M/s.Jeedimetla Effluent Treatment Ltd	
Sri V.V.Prasad, M/s.Vimta Labs Ltd	
Authorized Signatory, M/s.Jeevan Polymers Pvt Ltd	
Authorized Signatory, M/s.Surya Jyoti Polymers Pvt Ltd	
Director, M/s. Jeevan Polymers Pvt Ltd	
Authorized Signatory, M/s.IKPKnowledge Park	
Sri T.Damodar Reddy, M/s.Artemis Biotech division of Themis Medicare Ltd	
Authorized Signatory, M/s.Rocksand Mineals (P) Ltd	
Sri Ramchandra Raju, Proprietor, M/s.Srinivasa Alloy Castings	
Sri A.Ashok Reddy, M/s.Sai Krishna Ice Factory	
Sri A.Ananda Kumar Reddy, APIIC-AILA,Medak	

Sri I.Srinivas Reddy, M/s.Sai Krishna Alloy Castings		
Director, M/s Pramukh Packing (P) ltd		
J.S.Rao, M/s.Keerthi Industries Ltd		
Authorized Signatory, M/s.Maruti Cottex Ltd		
Sri A.P.K.Reddy , Federation of AP Small Industries Associations		
Authorized Signatory, M/s.Jakhotia Polysacks Pvt.Ltd		
Authorized Signatory, M/s.Jakhotia Polymers Pvt.Ltd		
Authorized Signatory, M/s.Jakhotia Plastics Pvt.Ltd		
Sri G.Krishna Prasad, Jeedimetla Industries Association, HYD		
Sri G.Krishna Prasad, M/s.Ushakiran Movies Ltd		
Sri K.Ravindra Rao, M/s.Dolphin Hotels Pvt Ltd		
Sri M.V.Rajeshwara Rao, FAPCCI		
Sl.No	Objection/Suggestion	Reply
1	<p>The amended Regulation 45-B of the A.P.E.R.C Business Regulations is as follows:</p> <p>“Unless otherwise agreed by the Commission, the amount eligible for recovery towards the Fuel Surcharge Adjustment (FSA) for the price and mix variations in the quantity of energy to be purchased as per the tariff order during a quarter ‘1’ shall be</p>	

determined as per the following formula, aggregated for the quarter '1'.

$$F_i = \frac{(P_i \times E_i + FC_i + Z + A_i)}{Q_i}$$

Where

P_i is the difference in the Weighted Average Variable Cost in Rupees adjusted to four decimal points, of power purchase cost in quarter '1' for the power purchase quantity mentioned in the tariff order compared to the Weighted Average Variable Cost adopted in the tariff order.

E_i is the energy purchase as mentioned in the tariff order in K wh during the quarter to be submitted for each of the generating stations.

P_{Ci} difference in Rupees, of the actual total fixed charges of the generating stations from the base values adopted in the tariff order.

Q_i is the actual energy sold to all categories in K wh in the quarter in DISCOM or RESCO, subject to condition No.1, mentioned hereunder:

Z is the changes in the cost in Rupees as allowed by the Commission for a period extending in the past beyond the relevant quarter.

A_i adjustment in Rupees to account for the financial impact of demonstrated incidents of merit order violation on account of controllable factors or any other events the financial impact of which, in the Commission's view, should be given appropriate

treatment.

Condition (1): The FSA as worked out will be distributed among all categories of consumers that existed in the quarter. However the consumption by the agricultural sector will be excluded till the Commission is satisfied that metering of agricultural consumption is complete, as may be notified in the Tariff orders from time to time.

(2) The licensee shall provide the Commission with its calculation of each fuel surcharge adjustment required to be made pursuant to its tariff before it is implemented with such documentation and other information as it may require, for purpose of verifying the correctness of adjustments.

(3) FSA billed to retail categories to be made over to Bulk supplier by individual Distribution Companies and/or RESCOS as the case may be.

(4) APTRANSCO must file with the Commission all information (including sales data from the DISCOMs/RESCOs) required for calculation of the Fuel Surcharge Adjustment within 30 days of the end of the respective quarter failing which it will forfeit any future claims on this account for such quarter. DISCOMs/RESCOs should use actual consumption details of the relevant quarter when levying FSA.

(5) The licensee will report data for computing the total cost (split for fixed and variable) for each of the generation stations that has supplied power in the respective quarter for which fuel surcharge adjustment is being computed. The total amount eligible for

	<p>recovery will be computed on an aggregate basis.</p> <p>(6) Fuel cost data has to conform to the fuel costs to the allowed level and no other charges other than the transportation cost can be included in the fuel cost. Every statement has to be confirmed by the licensee to that effect. The costs arrived at will be compared to the fuel cost indexation which will be developed by the Commission in the future.</p> <p>(7) Penalties are leviable for furnishing wrong data.</p> <p>(8) The licensee shall publish the FSA approved by the Commission in one English and on Telugu daily newspaper with circulation in the area of supply, for general information of the consumers, and shall make available copies of the FSA order for the relevant quarter to the public on request, at a reasonable cost.</p> <p>(9) The FSA shall be implemented after 7 days of such publication.</p> <p>(10) The actual variable costs and fixed costs computed for Central Generating Stations (CGS) should exclude the effect of UI charges.</p> <p>(11) The FSA will include not only fixed costs of two part tariff but also of single part tariff wherever applicable.</p>	
2	As per condition no.2 of the above formula “The licensee shall provide the Commission with its calculation of each fuel	Copy of the bills claimed by each of the generator is submitted to APERC along with FSA filing for

	<p>surcharge adjustment required to be made pursuant to its tariff before it is implemented with such documentation and other information as it may require, for purpose of verifying the correctness of adjustments”, in the absence of the detailed calculation regarding fuel surcharge adjustment, we are not in a position to ascertain whether the figure stated for the purpose of calculation is correct or not.</p>	<p>detailed information on the claim.</p>
3.	<p>Prior Period expenditure was claimed in respect of certain generating station but failed to give detailed statement to examine it.</p>	<p>The explanation on the nature of prior period expenditure was given in the website</p>
4.	<p>It is respectfully submitted that except stating that they have authorized respective managers to file the application before the Commission they have not filed the resolution filed by their Board of Directors.</p>	<p>Licencees are mandated to file the FSA each quarter regularly and is a part of the regular business. Each of the officer according to the ranks are authorised to correspond on behalf of the company.</p>

Sl No	Summary of Suggestions	Reply
6.	<p>ANDHRA PRADESH FERRO ALLOYS PRODUCERS ASSOCIATION Registered with the Registrar of Firms bearing Registration No 291/11 having its registered office at No.308, Nirmal Towers, Dwarakapuri Colony, Panjagutta HYDERABAD- 500 082</p>	
1	<p>The Objector is a registered Association and an umbrella body of the Ferro Alloys Industry in the State of Andhra Pradesh which is around 56 years old. The Objector represents the interest of its constituent members who are engaged in the Ferro Alloy production in the State of Andhra Pradesh. The Ferro Alloy is a power intensive industry in nature (35% to 70% of the variable cost is power cost), and totally dependent on affordable cost of power. And hence, the financial interests and the very viability and sustenance of the Objector's members would be directly and substantially affected if the Petition of the petitioners' is allowed</p>	<p>Licencees have claimed FSA to recover the excess cost already incurred and filed with Commission according to regulation in vogue. It would be difficult for lincensees to be operational supply power without recovering the costs incurred.</p>
2	<p>Before dealing with the maintainability and merits of the Petitions filed by the Petitioners, the Objector pleads to submit that the basis for filing of this Objection Statement is the notice issued on the official website of this Hon'ble Commission, wherein this Hon'ble Commission was pleased to post the Petitions of the Petitioners and call for objections, if any, by stakeholders within 5:00 PM of 31st August, 2012. While the Notice has numbered the Petitions as OP Nos. 64 to 67, the link to the Notice on the website leads to the Petitions which are numbered quite differently by the Petitioners. Hence, the Objector is totally unsure as to which are the Petitions, the Objections are called upon. This become pertinent because, one of the Petitioners – APSPCL – has in fact,</p>	<p>The numbering for FSA filings was given by the Hon'ble Commission as OP NO.64 to 67 of 2012 for APCPDCL, APNPDCL, APEPDCL and APSPDCL respectively.</p>

	numbered its Petition as O.P. No. 5 of 2011. Hence, the Objector prays that until this fundamental confusion is set to rest, the date of Objection filing may be extended and importantly, this Hon'ble Commission may be pleased to direct the Registry and the Petitioners to clarify as to which are the petitions to which the Objectors have to reply to.	
3	With all these limitations and without prejudice to challenge the proceedings on this ground and based on the available data, in its present form, the Objector endeavors to file the Objections <i>inter alia</i> raising the following Objections as to THE MAINTAINABILITY	FSA was filed within the time frame as per the regulation in vogue with details of source wise energy, variable, fixed and prior period cost.
4	None of the impugned Petitions are signed by the Directors of the Petitioner companies and no material is produced to evidence that the Board of Directors of these companies have authorised the filing of the Petitions. Hence, the Petitions are contrary to the law declared by the Hon'ble Delhi High Court in NIBRO LTD. v. NATIONAL INSURANCE CO LTD. AIR 1991 Del 25: (1991) 70 Comp Cas 388 , in which it was held as follows: <i>5. On the pleading of the parties, the following issues were framed :</i> <i>1. xxxx</i> <i>2. xxxx</i> <i>3. xxxxx</i> <i>4. Has the suit been instituted on behalf of the plaintiff company by an authorised person and the plaint signed and verified by a competent person ?</i>	In reply to Para No. 4 to 7, the DISCOMs are registered under Companies Act but are wholly owned by the Govt. of A.P. The respective DISCOMs have already authorized the concerned the Chief General Managers to sign the pleadings and file the same in the Commission in respect of all the proceedings including the FSA proceeding time to time before the Hon'ble Commission. Therefore, the objection is unsustainable. The judgments of the Delhi High Court, AP High Court and Supreme Court are misquoted. The said judgments are concerned to the respective High Court original said rules relating to the Company matters. As far as FSA proceedings are concerned the same has been filed as per the proceedings.

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29. *It is well settled that under section 291 of the Companies Act except where express provision is made that the powers of a company in respect of a particular matter are to be exercised by the company in general meeting, in all other cases the board of directors are entitled to exercise all its powers. Individual directors have such powers only as are vested in them by the memorandum and articles. It is true that ordinarily the court will not unsuit a person on account of technicalities. However, the question of authority to institute a suit on behalf of a company is not a technical matter. It has far-reaching effects. It often affects the policy and finances of the company. Thus, unless a power to institute a suit is specifically conferred on a particular director, he has no authority to institute a suit on behalf of the company. Needless to say such a power can be conferred by the board of directors only by passing a resolution in that regard.*

Chapter IV of the Delhi High Court (Original Side) Rules deals with the question of presentation of suits. Under this rule, a suit can be presented by a duly authorised agent or by an advocate duly appointed by him for the purpose. This authorisation, in my view, in the case of a company can be given only after a decision to institute a suit is taken by the board of directors of the company. The board of directors may in turn authorise a particular director, principal officer or the secretary to institute a suit.

30. *The plaintiff has not placed on record nay resolution passed by the company authorising Shri G. Jhajharia to institute the suit. Shri G. Jhajharia did not come forward to make a statement that he was in a position to depose to the facts of the case. In the plaint signed by him, he claims to be a principal officer and director, but there is no evidence on record to indicate that he had the authority to institute the suit. The memorandum and articles of association of the plaintiff company are also not placed on record. Even after the suit was instituted by Shri G. Jhajharia, no resolution was passed by the company ratifying this action. No such decision of the board of directors is placed on record in the present case. The plaintiff has examined Shri Ashok Kumar Jhajharia. He has placed on record, exhibit PW-2/1, which is the resolution of the board of directors reappointing Shri8i G. Jhajharia as the director but this resolution does not empower Shri G. Jhajharia as a director to institute the present suit. Shri Ashok Kumar Jhajharia has stated that he was handling the day-to-day management of the plaintiff company including the insurance part of it. He, however, does not state that Mr. G. Jhajharia was handling the day-to- day management or was in charge of the insurance claim.*

31. *Thus, there is no evidence to prove that Shri G. Jhajharia had the authority to institute the present suit.*

32. *Issue No. 4 is thus decided against the plaintiff and in favor of the defendant.*

5	<p>1. In AHMEDABAD ELECTRICITY CO. LTD. v. SANGHI SPINNERS (INDIA) LTD. [(2007) 74 SCL 95 (AP): Decided on 06.06.2006] Hon'ble Andhra Pradesh High Court, relying upon the decision of the Hon'ble Delhi High Court in <i>NIBRO LTD. v. NATIONAL INSURANCE CO. LTD.</i> AIR 1991 Del 25: (1991) 70 Comp Cas 388, held that winding up Petition filed by the company secretary, without authorization from the company was not maintainable, in view of the fact that no document showing that there was any board resolution of the Petitioner company authorizing the company secretary to file the company petition was filed. Except stating that he was having the authorization, the company secretary did not produce any document showing that he had the authority to institute the company petition, as well as to depose.</p>	
6	<p>2. The impugned Petitions filed by the Petitioners are also opposed to the law declared by the Hon'ble Supreme Court of India in DALE AND CARRINGTON INVESTMENT (P) LTD Vs. P K PRATAPAN [AIR 2005 SC 1624 @ page 1631], it was held as follows:</p> <p><i>“At this stage it may be appropriate to consider the legal position of Directors of companies registered under the Companies Act. A company is a juristic person and it acts through its Directors who are collectively referred to as Board of Directors. <u>An individual director has no power to act on behalf of a company of which he is a Director unless by some resolution of the Board of Directors of the Company specific power is given to him /her.</u> Whatever decisions are taken regarding running the</i></p>	

	<i>affairs of the Company, they are taken by the Board of Directors</i>	
7	<p>From the above, it is very clear that even an individual Director has no authority to represent the Petitioner. In such case, an officer of the Petitioner, without filing a duly executed power of attorney to file the impugned Petitions, as provided under the provisions of its Articles of Association of the Petitioner Companies, cannot maintain the impugned Petitions. It is submitted that the Board of the Petitioners have not delegated any authority to the Managers under a duly executed Power of Attorney. The Petitioners have not produced any document showing grant of any authority to sign and file the impugned Petitions, by merely claiming to be so. On this count also the impugned Petitions are defective and liable to be rejected, <i>in limine</i>.</p>	
8	<p>Re: Regulations containing the FSA are non est</p> <p>At the outset, it is submitted that the fundamental edifice and enabling provision for filing of the Fuel Surcharge Adjustment Claims (the “Claims”) by the Petitioners is Regulation 45-B of the Andhra Pradesh Electricity Regulatory Commission (Conduct of Business) Regulation 2 of 1999 (the “CBR), brought into the CBR <i>vide</i> Andhra Pradesh Electricity Regulatory Commission (Conduct of Business) Amendment Regulation 1 of 2003 (“CBR 2003”) published in the Gazette of Andhra Pradesh dated 17th July, 2003.</p>	<p>In reply to Para Nos. 8 to 16, the DISCOMs submitted that the objections are misconceived the effect of Section 181, Clause (3) of Electricity Act, 2003 and the ROD dt. 09.06.2005. The objector has wrongly assumed that the regulations i.e. CBR together with amendment made in the year 2000 and 2003 have been passed under the Electricity Act 2003. The Section 181 Clause (3) says that all regulations made by the State Commission under this Act shall be subjected to the conditions of previous publications. As a matter of fact, the CBR 1999 together with said amendment have been passed under the AP Electricity Reforms Act which was in-force at that time. Further, Section 185 (3) saved the said Reforms Act. That a</p>
9	<p>This Hon’ble Commission, after its constitution under the Andhra Pradesh Electricity Reform Act, 1998 (“APR Act”), and in exercise of its regulation making power under Section 54, issued the CBR, inter alia, providing for the manner in which it would conduct its business generally, including the manner in which, it would consult and hear</p>	

	<p>persons likely to be affected by its decisions, as mandated by Section 10(7) of the APR Act. Thereafter, on 28th August, 2000, this Hon'ble Commission, made amendment to the Business Regulations, by issuing A.P. Electricity Regulatory Commission (Conduct of Business) Amendment Regulations, 2000 (Regulation No. 8/2000), introducing inter alia Regulation 45-B in Chapter IV-A with respect to tariffs and providing for a FSA formula. Thereafter, again on 23rd June, 2003, this Hon'ble Commission issued the CBR, 2003, whereby substituting Fuel Surcharge Adjustment formula contained in Regulation 45-B.</p>	<p>part, the CBR 1999 together with said amendment were issued with prior publication of drafts inviting objections. Therefore, the objections raised in this regard are factually incorrect, evidently false and legally unsustainable. Therefore, the FSA regulations are very much backed by statutory force.</p>
10	<p>Consequent to the coming into force of the Electricity Act, 2003, (the Act), the Hon'ble Commission on 10th June, 2004, issued the A.P. Electricity Regulatory Commission (Transitory Provisions for Determination of Tariff) Regulation, 2004 (Regulation No. 9/2004) ("2004 Regulations"), whereby the existing Regulations notified by the Commission, including the CBR, as amended from time to time, made under the provisions of the APR Act were to continue to apply as Regulations under the Act.</p>	
11	<p>Thereafter, the MoP, in exercise of powers conferred by sub-section (1) and clause (z) of sub-section (2) of section 176 of the Act notified the Electricity (Procedure for Previous Publication) Rules, 2005 (the "PP Rules").</p>	
12	<p>Pursuant thereto, on 08th June, 2005, the Union of India, Ministry of Power (the "MoP") made Electricity [Removal of Difficulties] (Ninth) Order, 2005 (the "RoD Order"). the RoD Order inter alia provided thus:</p> <p style="text-align: center;"><i>“Regulations made by the State Commissions, before the commencement of this order, without meeting the requirement of the previous publication under sub-section</i></p>	

	<p><i>(3) of section 181 of the Act shall again be published as draft regulations for the information of persons likely to be affected thereby for inviting the objections or suggestions following the procedure prescribed under the Electricity (Procedure for Previous Publication) Rules 2005, and shall be finalised after considering such objections or suggestions received.</i></p>	
13	<p>It is pertinent to state that the RoD Order was passed specifically under the then prevailing circumstances where the Regulations made under the previous legislation did not contain previous publication norms, and more particularly, the State Commission were making transitory regulations such as the 2004 Regulations, giving deeming effect to the erstwhile regulations as though these regulations were under specified under the Act. Hence, the RoD Order specifically mandated that the Regulations made by the State Commissions, before the commencement of this order, without meeting the requirement of the previous publication under sub-section (3) of section 181 of the Act shall again be published as draft regulations for the information of persons likely to be affected thereby.</p>	
14	<p>This Hon'ble Commission has fixed the Fuel Surcharge Adjustment under Regulation 45-B of the CBR 2003. Regulation 45-B of the Business Regulations, prescribes a formula for determination of FSA. The data for the Petition of the formula is based upon the information forwarded by the licensees. The Commission shall make the determination as per the formula, 'unless otherwise agreed by the Commission'. In addition to the formula, Regulation 45-B imposes</p>	

	certain conditions	
15	However, the CBR 2003 is a regulation made before the RoD Order and after the coming into force of the RoD, the CBR 2003 ought to have been published as draft regulations, as required under the RoD Order. This was not done admittedly. Therefore, CBR 2003 is <i>ultra vires</i> the Act, PP Rules and particularly, the RoD Order.	
16	Therefore, no aspect contained in the CBR 2003 much less the FSA formulation contained can be relied upon by the Petitioners to file the present FSA Claims.	
17	<p>Moreover, the Hon'ble Appellate Tribunal for Electricity in its <i>Suo Motu Order</i> passed in O.P. 1 of 2011 has held thus:</p> <p><i>“64. We also notice that most of the State Commissions have not provided in their Regulations Fuel & Power Purchase Cost Adjustment Formula for allowing the increase in fuel and power purchase cost during the tariff year. The fuel and power purchase cost adjustment mechanism provided in most of the states is after completion of the financial year through a separate proceeding which takes a long time. The power purchase cost is a major expenditure in the ARR of the distribution licensee. The fuel and power purchase cost is also uncontrollable and it has to be allowed as quickly as possible according to the Tariff Policy. The Electricity Act, 2003 under Section 62(4) has specific provision for amendment of the tariff more frequently than once in any financial year in terms of Fuel Surcharge Formula</i></p>	<p>In reply to Para Nos. 17 to 20, the directions issued at Para No.65 of the OP No.1 of 2011 on the file of Appellate Tribunal, primarily focused on the aspect that every State Commission must have in place a mechanism for fuel and power purchase cost in terms of Section 62(4) of the Act. In our case, we have a mechanism evolved through the amendment of CBR made in the year 2000 and 2003. The said regulations were made to achieve the object of Section 62 Clause (4) which is corresponding to Section 26 of AP Electricity Reforms Act, 1998. The mechanism / formula brought out through the aforesaid regulation. Therefore, the said mechanism / formula provided in Clause 45-B of CBR has sufficient statutory force.</p>

specified by the Regulations. A major part of power procured by the distribution company comes from the Central Sector Generating Companies whose tariff is regulated by the Central Commission and the State owned Generation Companies whose tariff is regulated by the State Commissions. The Central Commission in its Tariff Regulations has already provided a formula for fuel price adjustment and the charges of the generation companies are increased as and when the fuel prices are increased. In view of the present precarious financial conditions of the distribution companies, it would be necessary that the State Commissions also to provide for Power Purchase Cost Adjustment Formula as intended in the section 62(4) of the Act to compensate the distribution companies for the increase in cost of power procurement during the financial year. In the above situation, as indicated above it has become necessary for this Tribunal to give appropriate directions, to correct this situation by invoking the powers under Section 121 of the Act which is permissible under law.”

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65 (vi) “...Every State Commission must have in place a mechanism for Fuel and Power Purchase cost in terms of Section 62 (4) of the Act. The Fuel and Power Purchase cost adjustment should preferably be on monthly basis on the lines of the Central Commission’s Regulations for the generating companies but in no case exceeding a quarter. Any State Commission which does not already have such formula/mechanism in place must within 6 months of the

	<i>date of this order must put in place such formula/mechanism.”</i>	
18	At any rate, the claims of the Petitioners spring and derive force from 45-B of the CBR 2003. When the CBR 2003 is not in conformity with the Act and Rules made there under, the Petitions in the present form, under the present provisions are not sustainable.	
19	Looking at this from another perspective, if this Hon’ble Commission desired to keep the CBR 2003 in force, after the RoD Order, this Hon’ble Commission would have published the draft thereby. Having not done so, the Commission, consciously elected not to keep the CBR 2003 in force. Hence, by Hon’ble Commission’s own action, the CBR 2003 have lost force of law and are not rendered <i>non est</i> in law. Hence, CBR 2003, as claimed by the Petitioners cannot be the basis for the FSA claims.	
20	Further, it is submitted that the 62 (4) Act specifically provides thus: <i>“No tariff or part of any tariff may ordinarily be amended, more frequently than once in any financial year, except in respect of any changes expressly permitted under the terms of any fuel surcharge formula as may be specified.”</i> The term “ <i>specified</i> ” is defined under sub section 62 of section 62 of the Act to mean, <i>“Specified by the Regulations made by the Appropriate Commission or the Authority, as the case may be, under this Act;</i> This contemplates that the FSA has to be specified by the way of formula and such formula has to be specified by the way of Regulations by the Hon’ble Commission. Therefore, the FSA cannot be determined without	

	there being any Regulation. Admittedly, there is no Regulation in force specifying the FSA formula.	
21	<p>ON MERITS</p> <p>Without prejudice to the above, presuming that the FSA claims can be raised by the Petitioner, the Objector prays to submit the following on the merits of the claims:</p>	<p>In reply to Para Nos. 21 to 31, it is incorrect to state that the incremental cost of fuel that is incurred by generator has to be first get approved from the concern ERC and then claim with DISCOM and that based on the said approval the DISCOMs should pay, and claim the same as part of the FSA. The objector misconceived the FSA of tariff. The Hon'ble Commission as part of its order held that FSA applicable shall be in addition to the tariff. Aside of the same, either the Electricity Act or the regulations made there under specifies the said condition precedent for the generators to claim or for the DISCOMs to claim the FSA. In fact, the present proceedings are to achieve the object of correctness or otherwise of the FSA claims that are made by the DISCOMs. If the claims are found to be excessive / incorrect the same would be appropriate corrected to the entitled quantum by APERC. Therefore, there is no possibility of unapproved claims passed on to the consumers. Clause 45-B of CBR not only provides the incremental cost of fuel incurred by the generators / DISCOMs , also provided prior period expenses and some part of fixed costs. Therefore, the claims made by the DISCOMs subject to the correction of quantum, are made in accordance with the law in force.</p>
22	<p>Re: REGULATORY APPROVAL</p> <p>The FSA Claims made by the Petitioners do not have the approval of the appropriate regulatory commission that the generating companies can pass it on to the respective distribution licensee.</p>	
23	<p>A substantial quantum of the FSA claims of the Petitioner relate to the Central Generating Station (CGS). While it is true that the Terms and Conditions of Tariff Regulations of Hon'ble Central Electricity Regulation Commission (CERC) has in place fuel cost recovery mechanism in its Regulations, enabling the generators to pass on the variable cost component of power cost. However, the Petitioners have not placed any material on record before this Hon'ble Commission to show that the claims of the CGS which the Petitioners claim to have settled pursuant to an approval granted by the Hon'ble CERC to the generator/s permitting them to pass on the costs of generation on to the distribution companies.</p>	
24	<p>Analogous to the present exercise, wherein distribution companies are seeking approval to pass on their FSA exposure onto the consumers, the generator/s too ought to have sought specific approval from the appropriate Commission/s, to pass on their variable costs / other legitimate claims.</p>	
25.	<p>This becomes increasingly important in the wake of the fact that some of</p>	

	the PPAs may not contemplate for pass-through of incremental costs by the generators on to the distribution companies. In some cases, the Fuel Cost Adjustments and other claims, which Petitioners want to load onto the consumers, may stand the regulatory scrutiny and may be directed to be absorbed by the generators.	
26.	As per the Act, the appropriate Commission has to specifically approve the tariff to be paid by a distribution Licensee to a generating company. Even if there is a formula the charges levied by the generating companies have to be tested on anvil of the Act and the formula in the regulations made under the Act.	
27.	In other words, the Petitioners ought to have satisfied themselves and then satisfied this Hon'ble Commission in their present petitions that each unit of energy for which they are making payments for generators has got the approval of the appropriate commission/s. No material much less any credible material has been placed on record that generators claims are genuine and most importantly have the regulatory approval.	
28.	At least in respect of the generating companies of our own State, the Petitioner have not placed any material to show that this Hon'ble Commission has approved the fuel costs and variable costs to be passed on by generating companies to the Petitioners	
29.	In the wake of the above, the Petitioners may like go ahead and settle the generators unapproved claims, if the Petitioners chose to do so. However, they have no right to pass it on to the consumers much less to the members of the Objector herein.	
30.	It is quite evident that what the Petitioner's endeavouring through the present exercise is to get the generators unapproved claims passed on to the consumers, under the garb of passing on its own FSA claims.	
31.	The FSA should primarily consist of the change in the uncontrollable	

	<p>component of the variable cost and the incremental cost of the Power Purchased as per the terms of the Tariff Orders. The inclusion of substantial fixed costs of all hues and shades apart from tall prior period expenses are seemingly disproportionate and have to be subjected to thorough Scrutiny for compliance including their nexus to the relevant quarter</p>	
32.	<p>Re: HOW CAN COST VARY MONTHLY in LONG TERM PPAS? It is pertinent to state that Petitioners, like all other Distribution Companies have long term contract with the generating companies. Many such PPAs executed with the generating companies may not contain any provision or enabling clause for pass through of even certain legitimate costs as per the terms and conditions of the PPAs executed. Even presuming such PPAs do have clauses for pass through, such pass through has to be after the due approval of the appropriate commission/s and not automatically, as envisaged herein by the Petitioner. It is upon the conclusion of an analogous exercise in case of generator/s, the question of approval of pass through of the FSA claims of the Petitioners arises.</p>	
33.	<p>There is no exercise akin to a Truing Up exercise undertaken to the generators to ascertain whether the generator was entitled to recover the costs over and above one agreed under the PPA. However, Truing Up exercise is contemplated to be conducted for the Petitioner DISCOMs. Therefore, if the generators claims should be strictly scrutinised.</p>	
34.	<p>“EQUALITY” AMIDST DIVERSITY It is amazing that all Distribution Companies have made the same quantum of FSA claims, irrespective of their load patterns, consumer mix, and voltage regimes.</p>	<p>In the Tariff Order one merit order for entire state is approved and further the monthly variable cost/Kwh is approved for entire state for the purpose of calculating FSA. Licensees have therefore claimed FSA for the entire state by merging sales and power purchase of all the licensees. Source-wise purchases</p>
35.	<p>The provisions of the Act, as stated above, require that the FSA can be</p>	

	claimed by way of a formula specified. And if the Petitioners are claiming the FSA through a formula, then, it is virtually impossible that power purchase cost of all the Petitioners would be surprisingly equal.	were already placed in website.
36.	This is possible only if : A) All Petitioners must be claiming the same amounts for the same quantum of energy originating from the same Account Head. b) All Petitioners may be concocting the numbers and would have lodged false and fictitious figures. In both cases, the Petitions are liable to be rejected.	
37.	Re: INEQUITABLE DISTRIBUTION OF FSA Presuming for argument sake that the FSA Formula exists in law, the same provided that agricultural consumers cannot be loaded on with the FSA until agricultural consumption is metered.	FSA is being levied as per the regulations in vogue.
38.	It is submitted that section 55 (1) of the Act provides that no licensee shall supply electricity, after the expiry of two years from the appointed date, except through installation of a correct meter in accordance with the regulations to be made in this behalf by the Central Electricity Authority (CEA).	
39.	Hence, the Regulation 45 – B read with section 55 of the Act, will give rise to an irrefutable conclusion that after 09 th June, 2005, the Petitioner's have no choice but to meter the sales to all categories.	
40.	Once the law makes it mandatory to meter all sales, there is no option left with the Licensees but to meter the agricultural sales. Once the agricultural sales are to be metered. Thus, agricultural consumption too has to be included for loading on the FSA.	

41.	In fact, the agricultural consumption is being subsidized by the State Government. The ordinary farmer will not be burdened with any additional exposure. When the Government has voluntarily shouldered the onus of providing for the tariff to the Agricultural consumption, there is no reason why, even for social reasons, the FSA Claims should not be equitably distributed across the categories.	
42.	Further, this Hon'ble Commission, to exclude the agricultural consumption has relied upon a decision rendered by the Hon'ble APTEL. The relevant extract from this Hon'ble Commission's order is as follows: <i>"Vide its Order dated: 07-02-2008, Hon'ble Appellate Tribunal for Electricity, in Appeal No: 250 of 2006 (5 Nos of Distribution Licensees of Karnataka Vs Karnataka ERC & KPTCL), in the matter of power supplied to the agricultural consumers, has held that 'Once a decision has been taken by the Government, it may not be proper to designate the existing connections as unauthorized' (Para-32 of the ATE's Order).</i>	
43.	This decision does not say that agricultural consumption should not be metered. Moreover, the Hon'ble APTEL, in many subsequent judgements, including the latest case of FARIDABAD INDUSTRIES ASSOCIATION AND OTHERS v. HARYANA ELECTRICITY REGULATORY COMMISSION AND OTHERS in Appeal No. 204 of 2010 dated: 11 th August, 2011 held thus: <i>"We notice that about 20% of the total sale of the second and the third respondents is through unmetered agriculture consumers. Even the energy data from accounting and audit meters on the segregated 11 kW agriculture feeders has not been provided. Further, a large number of meters installed on agriculture tubewell are either not read or are defective. This is in contravention of Section 55(1) of the Act which specifies that no licensee shall supply electricity after the expiry of two</i>	

years from the appointed date, except through installation of a correct meter in accordance with the Regulations of the Central Electricity Authority (CEA). According to Section 55(2), meters have to be provided for the purpose of accounting and audit at the locations specified by the CEA. According to Section 8.2.1 (2) of the Tariff Policy, the State Commission has to undertake independent assessment of baseline data for various parameters for every distribution circle of the licensee and the exercise has to be completed by March, 2007. It is evident from the impugned order that the respondents 2 and 3 have not taken any extension for maintaining power supply without the meters, as specified in the second proviso to Section 55(1), which is reproduced below:

“Provided further that the State Commission may, by notification, extend the said period of two years for a class or class of persons or for such area as may be specified in that notification”.

7.16. Thus the second and the third respondents have violated the provisions of the Act regarding metering. The respondent distribution licensees have also failed to provide the energy data from the segregated 11 KV agriculture feeders and AT&C losses to the State Commission and other relevant data required to be furnished to the State Commission for deciding ARR and tariff as per the Regulations and the directions of the State Commission.

7.17. In our opinion, the State Commission cannot be a silent spectator to the violation of the provisions of the Act and its Regulations and directions by the distribution licensees. The State Commission should immediately take appropriate action in this matter according to the provisions of the Act. The State Commission should also give directions

	<p><i>to the second and the third respondents giving a time bound schedule for installation of consumer and energy accounting and audit meters, including replacement of the defective energy meters with the correct meters within a reasonable time to be decided by the State Commission”</i></p> <p>*****</p>	
44.	<p>Re: APTRANSCO – SLDC CLAIMS?</p> <p>This becomes more crucial in the wake of the fact that the Petitioners, in the name of the FSA Claims, are claiming a sum of Rs.108,50,07,500/- (One Hundred Eight Crores Fifty Lakh Five Thousand) as charges to be paid to Andhra Pradesh Transmission Corporation Limited (APTRANSCO) and Rs.7,28,46,888/- (Rupees Seven Crore Twenty Eight Lakh Forty Six Thousand Eight Hundred Eighty Eight Only) SLDC Charges.</p>	
45.	<p>Firstly, the Petitioners have to satisfy whether Transmission Charges and SLDC charges can be termed as Fuel Surcharge Adjustment.</p>	
46.	<p>While the variable charges may have varied resulting in FSA Claims, however, the charges to be recovered on account of Transmission Charges and SLDC Charges, which in the regular process are to be filed in the Tariff proceedings, cannot form basis of FSA Claims.</p>	
47.	<p>Re: SALES DATA BY APTRANSCO</p> <p>The governing clause 45-B of the CBR 2003 contains a stipulation that APTRANSCO has to file within 30 days all sales data before this Hon’ble Commission, failing which, all claims will stand forfeited. Admittedly, the sales data has not been furnished by APTRANSCO.</p>	<p>Sales data is being submitted to the Hon’ble commission in time.</p>
48.	<p>Re: PRIOR PERIOD CLAIMS</p> <p>Huge amount of charges, which are prior period claims, are being</p>	<p>As per the FSA Regulation under the heading of Z i.e. the changes in the cost in Rupees as allowed by the commission for</p>

	claimed as FSA. The CBR 2003 is clear on whether the prior period claims can be termed as FSA and within what is the period within which the FSA claims have to be lodged.	a period extending in the past beyond the relevant quarter is being claimed as prior period expenditure.
49.	This aspect of retrospective claims was duly considered by the Hon'ble High Court and has held that there are no powers vested with the Petitioners to recover back dated claims.	
50.	<p style="text-align: center;">Re: EQUITIES - PLIGHT OF CONSUMERS</p> <p>After an unprecedented steep hike in Tariff structure in this financial year itself, the first quarter Fuel Surcharge Adjustment (FSA) claims by the Petitioners at Rs.1.62/unit is brutal, insensitive and a display of unabashed cruelty towards the hapless consumers who are already subjected to severe distress owing to the long, harrowing ,unending and ever increasing spate of Power Cuts regardless of their working process sensitivity for about an year now.</p>	The proposed FSA is in accordance with regulations and the perception of the objector that Rs.1.62/unit FSA as brutal is contrary to law. It is too much for the objector to describe the lawful claims of legal entitlements of the Discom as brutal.
51.	<p style="text-align: center;">PRAYER</p> <p>tHEREFORE, it is most respectfully prayed that the petitions filed by the petitioners fuel surcharge adjustment claims filled by the Petitioners for first quarter of 2012-13 may be rejected with costs, in the interest of justice and equity</p>	

7. Name of the Objector: G.R.Karunakar, State Executive Member Baratiya Janata Party

Sl.No	Objection/Suggestion	Reply
1	We are not informed about the filing of timings of FSA proposals pertaining to each quarter from 2010 -11 and 2011-12 filed before the ERC. If they are out of time bound i.e. at the end of each quarter, they must be rejected out right. The FSA proposals for the 1 st quarter of 2012-13 seem to be filed within the time specified hence it must be considered by ERC.	All the information on FSA was filed within stipulated time for 2010 to 12 and 1st quarter of 2012-13.
2	We have not been furnished or placed on the website, the details about the hike in the fuel prices, the extent of time and the consequent rise in generation cost during 1 st quarter.	Source wise, month wise information is placed in website.
3	Please refer to the computation of the details of FSA for each month of each DISCOM giving details of variable costs, fixed cost etc. All the figures are same in every DISCOM for each month of April, May, June and FSA per unit is same at Rs.1.6221 for all DISCOMS. How it is so. We are unable to understand. We presume that in the 1 st place all DISCOM have come to an opinion that FSA per unit must be Rs.1.6221 and they must have back-worked and adjusted one or tow figures to tally	<p>In the Tariff Order one merit order for entire state is approved and further the monthly variable cost/Kwh is approved for entire state for the purpose of calculating FSA.</p> <p>Licensees have therefore claimed FSA for the entire state by merging sales and power purchase of all the licensees.</p>
4	As per the tariff order 2012-13 on Pg 57 table 28 cost of service of service for 2012-13 is Rs.4.44 per unit. FSA is Rs.1.6221 per unit which works out to be 36%	FSA was filed as per the regulations in vogue for variance in cost.
5	The increase in fuel cost will increase the generation cost. The average generation cost (of all categories of production) will be Rs.2.995 per unit or say Rs.3/ unit (Pg 35 of ARR proposals for FY 2012 and FY 2013). In that case the FSA will be 54% of the generation cost. This seems to be very much on the higher side. The station wise fixed costs and variable costs in the computation table given seem to be manipulated. We can not believe other wise because the fuel costs have not increased beyond 5-10% and certainly not 50% in he 1 st qut of 2012-13.	The FSA claim is inclusive of prior period expenditure of Rs.1230 Crores as the claims were received from generators after filing FSA of previous quarter.

6	The agricultural sales is about 30% of the sales on which FSA is charged. But charging FSA on Agricultural sales also and demanding the same to be borne by GOAP would considerably reduce the burden on other consumers.	
7	The FSA should be charged proportionately on all categories as per tariff schedule.	FSA is being computed as per the regulation in vogue.
8	On one hand DISCOMS Continue to collect FSA for 2009-2010 even after High Court order to stop and on the other hand GOAP announces SOPs to heavy industries/open access consumers against wheeling charges, cross subsidy, VAT etc when cases are pending in the courts for last 10 years and proposals pending before ERC for the last 5 years. Crony capitalism benefits and people at large suffer. WHAT A JUSTICE?	Licensees deferred from levying FSA for FY 09-10 as per the orders of the Hon'ble High Court.

8. Name of the Objector: Swamy Jaganmayananda, Husanabad Village, Kodangal Mandal, Mahaboobnaar (D).		
Sl.No	Objection/Suggestion	Reply
1	The APGENCO has been producing power by increasing the using coal and gas with the result the power cost is increasing and the same increase in cost is being recovered from the end users in the name of FSA (Fuel Surcharge). This is done in view of the lack of sufficient rains and resultant reduction in storage of water in the dams	Source wise information is placed in website which depicts the variance in cost. Suggestion noted.
2	We may bring to your notice that a report is submitting by Suresh Prahbu Task force to the Government suggesting linkage of 16 rivers in South India and construction of 27 Lakhs Millions Cubic Meters for power generation of 4000 mega watts and also meets the requirements of irrigation of vast areas of land	
3	As you may be aware by construction 9 major dams in Himalayas and establishing linkages with 14 rivers 33,000 cubic meters water can be diverted which can be used for producing 30,000 mega watts of power. Most of the states have agreed for the planning of 20 major works in this direction. Further, action can be initiated to take action on the feasibility reports submitted for the remaining works.	
4	We may also bring to your kind notice that the flow of water from the Nepal ranges into North Indian borders including Himachal Pradesh, Jammu & Kashmir is so much that the entire water can be tapped at the respective sources in different states for power generations which not meets the requirements of India but also India will be left with surplus to meet requirement of other Asian Countries	
5	In addition to the Hydro Power Generation has suggested the Government can also tap the solar and wind power, bio-gas and natural gas for power generation.	
6	With implementation of the above projects suggested by various task force committees and also the Government agencies the following benefits will accure. <ul style="list-style-type: none"> • Adequate generation of power which not only meets the requirements of India but also meets the requirements of other Asians Nations • Drinking water problem of the nation can be solved • Most of the dry lands can be brought under irrigation alleviating of the masses of the country 	

	<ul style="list-style-type: none"> • The transport problem to a large extent – in terms of cargo and also passenger can be solved by utilizing river linkage • Floods inequality occurring in various parts of the country it can be eliminated
7	<p>The entire power generated should be supplied to the national grid and through which power should be supplied to the entire country which will take care of deficiency and excess of power in different power generation centers.</p>
9	In the process of transmission from national grid states and in turn nook and corner villages of the country the power loss should be curtail by laying proper electrical liens
10	I wonder a times as to who is at fault for the present state of affairs in terms of power deficiency, floods and shortage of drinking water and resultant industrial and revenue loss to the country as well as to the states and also loss in terms of agricultural production? I for one feel that this is the unconcerned of the authorities responsible for preparing polices and implementing the same for the welfare and development of the country
11	For a country like India's magnitude it is not too late to wake up and take up the initiative on the lines indicated above in the matter of power generation and supply and not to penalize poor farmers and budding industrialists who contribute to the growth of the country

శ్రీ కొమ్మడి సత్యనారాయణ్ గారు,
 EX-MLA, భువనగిరి, కన్యక, ప్రజాచైతన్య పాఠశాల

క్ర. సం.	అభ్యంతరాలు/సలహాలు	వివరాలు
1.	<p>జూలై-13 సంవత్సరము నిర్వహించిన కృషి, కుటుంబ పరిరక్షణ, ప్రవృత్తి వినియోగదారులపై APERC వారు నిర్వహించిన టూల్స్ రోల్లం స్టాబులు తగ్గింపు, డిమాండ్ చార్జీలు పెంచు పునర్వక్షణ వినియోగదారుల వర్గీకరణ వంటివి వేరూ ప్రస్తుతము "ఇంధన ధరల పెరుగుదల సర్దుదాటు చార్జీలు పెరచు మరియు బకాయిల పెరచు విద్యుత్ వినియోగదారులపై మరియు భారం వేయడానికి" డిమాండ్ చార్జీలు ప్రతిపాదనలు "మూల్యాంకన వ్యవస్థ ఆలోచనకు కుడివర్ణం" గా వున్నవి. ఈ ప్రతిపాదనలు అనుబంధమైనవి, లిక్కరుచేయవలెను.</p> <p>ఈ లిక్కరుచేత, అసాఫ్టవేయవలసిన ప్రతిపాదనలను "విద్యుత్ నియంత్రణ చట్టం (APERC) వారు తరస్కరించడము వింతైనా సమాజోత్తముగా వుండగలదు.</p> <p>పై విషయంపై జరుగు బహిరంగ విచారణల మా వాదనలు వినియోగదారులను అనుమతి ఇవ్వగలరని కోరుచున్నాను.</p>	<p>కమిషన్ వారిచే జరిగి చొయబడిన రెగ్యులెషన్ ప్రకారమే డిమాండ్ చార్జీల ధరల సర్దుదాటును ప్రతిపాదించుట మైనది.</p> <p>గౌరవనీయ కమిషన్ వారి పరిశీలన కోరుతున్నాను.</p>

Annexure-I

STATION WISE BACKING DOWN GENERATION(ACTUAL BACKDOWN)

FIGURES IN MU

Month	LVS	BSES	RTPP	KTS ABC	LANCO	VTS	SIMHADRI	KTS V	RTS B	SPEC	GVK	Srivatsa	Konaseema	NTTS-IV	GVK II	GMR	RTPP2	KTPP-I	RTPP-III	GOWTHAM I	KTSVI	RGM-7	TLR-II	RGM(NT PC)	NLY-II/1	NLY-II/II	SMHD-II	IGSTPS	Total
April	0.000	0.113	7.161	0.736	1.994	8.289	14.490	1.037	0.192	0.000	1.248	0.000	0.000	4.584	0.000	0.000	8.570	0.413	3.333	0.145	0.799	6.625	2.068	1.639	2.345	3.733	3.107	6.463	79.083
May	0.000	0.179	10.319	0.160	2.614	7.745	19.466	0.463	0.003	0.115	0.848	0.000	0.000	13.962	0.000	0.000	12.877	0.035	6.569	0.000	0.144	0.210	1.189	0.845	1.306	2.457	5.220	13.433	100.159
June	0.000	0.502	1.473	1.401	1.054	17.533	5.450	2.569	0.000	0.000	0.474	0.000	0.000	12.938	0.000	0.000	9.840	2.642	4.834	0.000	5.966	4.086	4.467	5.762	2.590	3.384	0.692	0.000	87.659

Annexure-II

Jan'12

THERMAL VARIABLE CHARGES FOR THE MONTH Jan'12 (As per Genco)									
P A R A M E T E R S				ACTUALS	Final				
STATION	SHR	AUX Con %	SPEC OIL CONTN	GCV OF COAL	PRO GCV OIL	PROV. WIEGHT AVG PRICE OF COAL	PROV. WIEGHT AVG PRICE OF OIL		
	KCL/KWH	%	ml/kwh	kcl/kg	kcl/ltr	Rs.tonne	Rs/kl		
Dr.NTTPS	2500.00	8.75	2.00	3198	9655	2471.38	38873.71		
Dr.NTTPS S	2450.00	7.50	2.00	3846	9655	5572.70	38873.71		
KTPP St.I	2450.00	7.50	2.00	3966	9390	2250.33	47782.77		
RTPP St.I	2500.00	9.00	2.00	3506	9749	3911.53	41203.97		
RTPP St.II	2500.00	9.00	2.00	3506	9749	3911.53	41203.97		
RTPP St.III	2500.00	9.00	2.00	3506	9749	3911.53	41203.97		
KTPS-ABC	2833.33	9.70	2.00	3075	9700	1631.70	40446.41		
KTPS-V	2500.00	9.00	2.00	3062	9819	1874.96	45466.90		
KTPS-VI	2450.00	7.50	2.00	3632	9819	3118.58	42124.88		
RTS-B	2800.00	9.00	2.00	3628	9381	2770.66	44428.84		
Figures Arrived based on standard data									
STATION	Sp. Coal con	SPEC OIL CONTN	CHARGE PER KWH		var charg	Eng. Received	Amt (Actuals)	Provisional	Difference(Actual - Provisional).
	QUNTY		COAL	OIL	coal + oil	kwh	in Rs.		
	KG/KWH	ml/kwh	Rs/kwh	Rs/kwh	Rs/kwh				
Dr.NTTPS	0.776	2	2.1009	0.085	2.186	780766000	1706816910	1233610280	473206630
Dr.NTTPS S	0.632	2	3.8075	0.084	3.892	274063000	1066540579	389169460	677371119
KTPP St.I	0.613	2	1.4913	0.103	1.595	287466100	458408363	333460676	124947687
RTPP St.I	0.708	2	3.0411	0.091	3.132	255027000	798661393	451397790	347263603
RTPP St.II	0.708	2	3.0411	0.091	3.132	256201000	802337978	453475770	348862208
RTPP St.III	0.708	2	3.0411	0.091	3.132	124941625	391276423	221146676	170129747
KTPS-ABC	0.915	2	1.6536	0.090	1.743	402594060	701780713	515320397	186460316
KTPS-V	0.810	2	1.6690	0.100	1.769	258727400	457674086	331171072	126503014
KTPS-VI	0.669	2	2.2560	0.091	2.347	318550000	747664561	359961500	387703061
RTS-B	0.767	2	2.3341	0.098	2.432	40036600	97357384	65660024	31697360
Total						2998372785	7228518389	4354373645	2874144744

Feb'12 THERMAL VARIABLE CHARGES FOR THE MONTH Feb 12 (As per GENCO)

P A R A M E T E R S				ACTUALS	Final		
STATION	SHR	AUX Con %	SPEC OIL CONTN	GCV OF COAL	PRO GCV OIL	PROV. WIEGHT AVG PRICE OF COAL	PROV. WIEGHT AVG PRICE OF OIL
	KCL/KWH	%	ml/kwh	kcl/kg	kcl/ltr	Rs.tonne	Rs/kl
Dr.NTTPS	2500.00	8.75	2.00	3111	9655	2583.90	38859.89
Dr.NTTPS S	2450.00	7.50	2.00	3792	9655	5701.15	38859.89
KTPP St.I	2450.00	7.50	2.00	3962	9390	2248.81	50895.21
RTPP St.I	2500.00	9.00	2.00	3445	9749	3891.75	42015.48
RTPP St.II	2500.00	9.00	2.00	3445	9749	3891.75	42015.48
RTPP St.III	2500.00	9.00	2.00	3445	9749	3891.75	42015.48
KTPS-ABC	2833.33	9.70	2.00	2962	9700	1491.04	40481.59
KTPS-V	2500.00	9.00	2.00	3049	9819	1629.21	45460.43
KTPS-VI	2450.00	7.50	2.00	3613	9819	3392.02	43040.17
RTS-B	2800.00	9.00	2.00	3615	9381	2569.26	44946.40

Figures Arrived based on standard data

STATION	Sp. Coal con	SPEC OIL CONTN	CHARGE PER KWH		var charg	Eng. Received	Amt (Actuals)	Provisional	Difference(Actual - Provisional).
	QUNTY		COAL	OIL	coal + oil	kwh	in Rs.		
	KG/KWH	ml/kwh	Rs/kwh	Rs/kwh	Rs/kwh				
Dr.NTTPS	0.797	2	2.2580	0.085	2.343	764098000	1790379055	1207274840	583104215
Dr.NTTPS S	0.641	2	3.9508	0.084	4.035	323211000	1304089644	458959620	845130024
KTPP St.I	0.614	2	1.4918	0.110	1.602	284099000	455092163	329554840	125537323
RTPP St.I	0.720	2	3.0793	0.092	3.172	251204000	796732461	444631080	352101381
RTPP St.II	0.720	2	3.0793	0.092	3.172	261990000	830941933	463722300	367219633
RTPP St.III	0.720	2	3.0793	0.092	3.172	119317770	378434820	211192454	167242366
KTPS-ABC	0.950	2	1.5687	0.090	1.658	362269580	600760896	463705062	137055834
KTPS-V	0.814	2	1.4564	0.100	1.556	195636994	304480702	250415352	54065350
KTPS-VI	0.673	2	2.4667	0.093	2.560	310970000	796014417	351396100	444618317
RTS-B	0.769	2	2.1722	0.099	2.271	39870500	90544583	65387620	25156963
Total						2912666844	7347470673	4246239268	3101231405

Mar'12

THERMAL VARIABLE CHARGES FOR THE MONTH Mar 12 (As per GENCO)

P A R A M E T E R S				ACTUALS		Final			
STATION	SHR	AUX Con %	SPEC OIL CONTN	GCV OF COAL	PRO GCV OIL	PROV. WIEGHT AVG PRICE OF COAL	PROV. WIEGHT AVG PRICE OF OIL		
	KCL/KWH	%	ml/kwh	kcl/kg	kcl/ltr	Rs.tonne	Rs/kl		
Dr.NTTPS	2500.00	8.75	2.00	3121	9655	2639.83	43936.88		
Dr.NTTPS S	2450.00	7.50	2.00	3747	9655	5645.34	43936.88		
KTPP St.I	2450.00	7.50	2.00	3840	9390	2260.37	45627.20		
RTPP St.I	2500.00	9.00	2.00	3309	9749	3760.14	42559.59		
RTPP St.II	2500.00	9.00	2.00	3309	9749	3760.14	42559.59		
RTPP St.III	2500.00	9.00	2.00	3309	9749	3760.14	42559.59		
KTPS-ABC	2833.33	9.70	2.00	2914	9700	1540.25	41163.54		
KTPS-V	2500.00	9.00	2.00	3288	9819	1870.92	45443.61		
KTPS-VI	2450.00	7.50	2.00	4035	9819	3113.79	40854.32		
RTS-B	2800.00	9.00	2.00	3611	9381	2515.53	44714.27		
Figures Arrived based on standard data									
STATION	Sp. Coal con	SPEC OIL CONTN	CHARGE PER KWH		var charg	Eng. Received	Amt (Actuals)	Provisional	Difference(Actual - Provisional).
	QUNTY		COAL	OIL	coal + oil	kwh	in Rs.		
	KG/KWH	ml/kwh	Rs/kwh	Rs/kwh	Rs/kwh				
Dr.NTTPS	0.795	2	2.2994	0.096	2.396	840204000	2012909149	1327522320	685386829
Dr.NTTPS S	0.649	2	3.9591	0.095	4.054	338207000	1371117701	480253940	890863761
KTPP St.I	0.633	2	1.5471	0.099	1.646	353418900	581656034	409965924	171690110
RTPP St.I	0.750	2	3.0975	0.094	3.191	268796000	857726864	475768920	381957944
RTPP St.II	0.750	2	3.0975	0.094	3.191	277168000	884441879	490587360	393854519
RTPP St.III	0.750	2	3.0975	0.094	3.191	133155553	424898789	235685328	189213461
KTPS-ABC	0.966	2	1.6471	0.091	1.738	406337000	706335627	520111360	186224267
KTPS-V	0.754	2	1.5509	0.100	1.651	316260900	522090934	404813952	117276982
KTPS-VI	0.602	2	2.0276	0.088	2.116	353509000	747989598	399465170	348524428
RTS-B	0.770	2	2.1291	0.098	2.227	40167200	89467876	65874208	23593668
Total						3327223553	8198634451	4810048482	3388585969

FCA IV quarter F.Y.2011-12 Total

9363962118

	Jan-12	Feb-12	Mar-12	2011-12 IV QTR
Dr.NTTPS	473206630	583104215	685386829	1741697674
Dr.NTTPS S	677371119	845130024	890863761	2413364904
KTPP St.I	124947687	125537323	171690110	422175120
RTPP St.I	347263603	352101381	381957944	1081322927
RTPP St.II	348862208	367219633	393854519	1109936360
RTPP St.III	170129747	167242366	189213461	526585573
KTPS-ABC	186460316	137055834	186224267	509740417
KTPS-V	126503014	54065350	117276982	297845346
KTPS VI	387703061	444618317	348524428	1180845805
RTS-B	31697360	25156963	23593668	80447991
Total	2874144744	3101231405	3388585969	9363962118