

Consolidated Handout

(Executive Summary)

(Petition No. 03/2015)

True Up petition for FY 2013-14
Annual Performance Review for FY 2014-15
Retail Tariff for FY 2015-16



EXECUTIVE SUMMARY

Assam Power Distribution Company Limited (APDCL), the successor distribution utility of erstwhile Assam State Electricity Board (ASEB), filed Petitions before the Hon'ble Assam Electricity Regulatory Commission (Hon'ble Commission) for approval of Truing up of FY 2013-14, Annual Performance Review of FY 2014-15 and retail tariff determination for FY 2015-16 as per provisions of the Electricity Act, 2003 (EA, 2003) and Regulations made there under.

The Hon'ble Commission has admitted the aforesaid Petitions in consolidated manner as Petition No. 3/2015.

The salient features of the Petition are elaborated below:

A. Summarised claim for Truing up of FY 2013-14:

Sl. No.	Particulars	Approved (₹ Crore)	Revised Claim as per Audited Accounts (₹ Crore)	Additional Claim (₹ Crore)
1	Power purchase Cost	2134.26	2647.60	513.34
2	O&M Cost	590.11	660.58	70.47
3	Interest & Fin. Charges	61.06	146.68	85.62
4	Interest on Working Capital	27.05	28.26	1.21
5	Depreciation	6.08	24.13	18.05
6	Regulatory Asset	230.00	230.00	0.00
7	Return on Equity	22.79	35.20	12.41
8	Others	0.00	26.59	26.59
9	Sub-total [1 to 8]	3071.35	3799.04	727.69

Less,

10	Non-tariff income	0.00	18.43	18.43
11	Other Income	203.50	205.33	1.83
12	Revenue with approved Tariff including FPPPA	2603.54	2642.15	38.61
13	Subsidy	200.00	165.22	-34.78
14	Sub-total [10 to 13]	3007.04	3031.14	24.10
15	Surplus(+)/ Gap(-) [14-9]	-64.31	-767.90	-703.59



True Up petition for FY 2013-14
Annual Performance Review for FY 2014-15
Annual Revenue Requirement for FY 2015-16

Revenue Gap 2013-14		All amount in ₹ Crore		
Sl. No	Particulars	ARR	Actual	Revenue Gap
1	ARR Originally Approved	2867.85		
2	Gain/Loss on Account of Uncontrollable factors (Net off Govt. support)	703.59		
3	Gain/Loss on Account of Controllable factors	0.00		
4	Revised ARR	3571.44		
5	Revenue with Approved Tariff	2603.54	2642.15	
6	Other Income (Consumer related)	203.50	205.33	
7	Total Revenue Before Subsidy (5+6)	2807.04	2847.49	
8	Targeted subsidy	100.00	28.22	
9	Other Subsidy	100.00	137.00	
10	Total revenue after Subsidy (7+8+9)	3007.04	3012.71	
11	Revised Gap after treating Gain & Loss due for controllable & Uncontrollable Factors (4(Approved)-10(Actual))			558.74
13	Revenue Gap:			558.74

B. Summarised ARR considered for Annual Performance Review of FY 2014-15:

Sl. No.	Particulars	Approved (₹ Crore)	Revised Claim (₹ Crore)	Additional Claim (₹ Crore)
1	Power purchase Cost	2652.46	2943.94	291.48
2	O&M Cost	687.24	748.68	61.44
3	Interest & Fin. Charges	13.62	198.93	185.31
4	Interest on Working Capital	41.70	56.42	14.72
5	Depreciation	7.85	31.25	23.40
6	Regulatory Asset	553.18	553.18	0.00
7	Return on Equity	22.79	35.20	12.41
8	Others	0.00	7.25	7.25
9	Sub-total [1 to 8]	3978.84	4574.84	596.00

Less,

10	Non-tariff income	0.00	29.63	29.63
11	Other Income	231.00	209.86	-21.14
12	Revenue with approved Tariff including FPPPA	3241.26	3013.76	-227.50
13	Subsidy	81.64	256.42	174.78
14	Sub-total [10 to 13]	3553.90	3509.67	-44.23
15	Surplus(+)/ Gap(-) [14-9]	-424.94	-1065.17	-640.23



Revenue Gap 2014-15 (Amount in ₹ Crore)

Sl. No	Particulars	ARR	Actual	Revenue Gap
1	ARR Originally Approved	3553.90		
2	Revenue gap in the approved ARR	-424.94		
3	Gain/Loss on Account of Uncontrollable factors (Net off Govt. support)	640.23		
4	Gain/Loss on Account of Controllable factors	0.00		
5	Revised ARR	3769.19		
6	Revenue with Approved Tariff	3241.26	3013.76	
7	Other Income (Consumer related)	231.00	209.86	
8	Total Revenue Before Subsidy (5+6)	3472.26	3223.62	
9	Targeted subsidy	0.00	174.78	
10	Other Subsidy	81.64	81.64	
11	Total revenue after Subsidy (7+8+9)	3553.90	3480.04	
12	Revised Gap after treating Gain & Loss due for controllable & Uncontrollable Factors [5(Approved)-11(Actual)]	3769.19	3480.04	289.15
13	Revenue Gap:			289.15

C. Summarised ARR for FY 2015-16:

Sl. No.	Particulars	Amount in ₹ Crore			
		Original claim	Approved	Revised claim	Additional claim
1	Power purchase Cost	3328.77	2721.21	3743.11	1021.90
2	O&M Cost	1000.37	689.11	780.14	91.03
3	Interest & Fin. Charges	117.30	75.94	95.50	19.56
4	Interest on Working Capital	88.33	44.14	51.31	7.17
5	Depreciation	72.14	14.64	29.36	14.72
6	Regulatory Asset				
7	Return on Equity	35.11	22.79	35.20	12.41
8	Others	35.11	0.00	0.00	0.00
9	Sub-total [1 to 8]	4677.13	3567.83	4734.62	1166.79

Less,

10	Non tariff income	255.27	255.27	338.81	83.54
11	Other Income				
12	Revenue with approved Tariff including FPPPA	3460.03	3260.90	3802.70	541.80
13	Subsidy				
14	Sub-total [10 to 13]	3715.30	3516.17	4141.51	625.34
15	Surplus(+)/ Gap(-) [14-9]	-961.83	-51.66	-593.10	-541.44



Estimated Revenue Requirement for FY 2015-16

Particular	Unit	Amount
ARR previously approved vide order dtd. 21.11.13	₹ Crore	3312.56
Deficit in the approved ARR	₹ Crore	51.66
Net additional claim	₹ Crore	541.44
Add, regulatory asset created vide order dated 21.11.14	₹ Crore	100.00
Add, additional revenue consequent to revision vide order dated 21.11.14	₹ Crore	541.80
Total:	₹ Crore	4547.47
Less, subsidy amount effective till November'15	₹ Crore	206.00
Net amount: #	₹ Crore	4341.47
Estimated Sale of Energy	MU	6115.53
Average Tariff	₹/kWh	7.10

The amount is exclusive of other pending claims before Hon'ble Commission.

D. Proposed schedule of tariff to recover ARR for FY 2015-16

APDCL proposes the following retail tariff for different category of consumers to recover the total ARR for FY 2015-16:

Category Name	Fixed Charge			Energy Charge		
	₹/month or ₹/kVA /month or ₹/kW/day			₹/kWh		
	Existing	Proposed	Increase(+)/ Decrease(-)	Existing	Proposed	Increase(+)/ Decrease(-)
LT Group						
Jeevan Dhara 0.5kW and 1kWh/day	15.00	25.00	10.00	4.10	4.35	0.25
Domestic A above 0.5 kW to 5kW	0.00	0.00	0.00	0.00	0.00	0.00
First 4 kWh/day	30.00	50.00	20.00	4.95	5.30	0.35
Next 4 kWh/day	30.00	50.00	20.00	6.25	6.45	0.20
Balance	30.00	50.00	20.00	7.25	7.35	0.10
Domestic-B above 5 kW to 20kW	30.00	60.00	30.00	6.85	7.10	0.25
Commercial Load upto 20 kW	110.00	125.00	15.00	7.55	7.55	0.00
General Purpose Supply	125.00	140.00	15.00	6.35	6.45	0.10
Public Lighting	120.00	135.00	15.00	6.40	6.80	0.40
Agriculture upto 7.5HP	30.00	40.00	10.00	4.60	4.60	0.00
Small Industries Rural upto 20 kW	30.00	40.00	10.00	4.85	5.35	0.50
Small Industries Urban	40.00	50.00	10.00	5.10	5.60	0.50
Temporary supply [Higher of Fixed Charge or Variable Charge]						
a. Domestic	80.00	100.00	20.00	8.75	10.00	1.25
b. Non Domestic, non-agricultural	125.00	150.00	25.00	10.85	12.50	1.65
c. Agricultural	50.00	75.00	25.00	6.75	8.00	1.25



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Category Name	Fixed Charge			Energy Charge		
	₹/month or ₹/kVA /month or ₹/kW/day			₹/kWh		
	Existing	Proposed	Increase(+)/ Decrease(-)	Existing	Proposed	Increase(+)/ Decrease(-)
HT Group						
HT Domestic 25kVA and above	30.00	65.00	35.00	6.80	7.15	0.35
HT commercial 25kVA & above	115.00	135.00	20.00	7.55	7.55	0.00
Public Water Works	125.00	150.00	25.00	6.05	6.35	0.30
Bulk Supply 25kVA and above						0.00
Government Educational Institutions	110.00	125.00	15.00	6.45	6.95	0.50
Others	145.00	160.00	15.00	7.25	7.75	0.50
HT Small Industries upto 50kVA	40.00	60.00	20.00	5.60	5.90	0.30
HT Industries-50kVA to 150kVA	100.00	110.00	10.00	6.25	6.60	0.35
HT Industries-II above 150kVA	140.00	150.00	10.00	6.85	7.20	0.35
Option-1	140.00	150.00	10.00	6.85	7.20	0.35
Option-2	270.00	300.00	30.00	6.00	6.30	0.30
Tea, Coffee & Rubber	230.00	250.00	20.00	6.75	7.25	0.50
Oil & Coal	270.00	300.00	30.00	7.35	7.85	0.50
HT Irrigation Load above 7.5 HP	40.00	60.00	20.00	5.85	6.15	0.30
Temporary supply [Higher of Fixed Charge or Variable Charge]	0.00	150.00	New category proposed	0.00	15.00	New category proposed

Note:

1. The schedule of tariff is for recovery of amount claimed in the petition for FY 2015-16 and exclusive all pending claims.
2. Considering non revision of fixed charge since FY 2005-06, increase of fixed charge is proposed to recover at least 68% of the claimed fixed cost.
3. Tariff proposed in the above schedule is exclusive of any Subsidy from Govt. of Assam.

E. Fuel and power purchase adjustment (FPPPA) charge.

APDCL intends to adjust Fuel and power purchase price adjustment (FPPPA) charge as and when applicable as per AERC (FPPPA) Regulations, 2010 (1st Amendment, 2012).

F. Prayers before Hon'ble Commission

The Petitioner most respectfully prays to the Hon'ble Commission:



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- To approve revised Annual Revenue Requirement of FY 2015-16 along with revenue gap pertaining to True up for FY 2013-14 and Annual Performance Review for FY 2014-15;
- To consider approved parameters/ARR of APGCL, AEGCL and SLDC while finalizing tariff of APDCL;
- To allow to recover the additional charges in case of any variation in Central Govt. Generating Stations as approved by CERC in line with CERC (Terms and Conditions of Tariff) Regulation, 2014;
- To allow APDCL recovery of the proposed revised ARR so as to accommodate recovery of fixed cost through fixed/ demand charge and variable cost through energy charge;
- To allow adequate carrying cost on deferred recoveries which were approved earlier but the recovery was allowed through MYT proceedings;
- To allow APDCL to file a separate petition seeking revision in present schedule of charges as and when need arises;
- To grant any other relief as the Hon'ble Commission may consider appropriate.
- Pass any other order as the Hon'ble Commission may deem fit and appropriate under the circumstances of the case and in the interest of justice.
- To condone any error/omission and to give opportunity to rectify the same;
- To permit APDCL to make further submissions, addition and alteration to this petition as may be necessary from time to time;
- The petitioner craves leave of the Hon'ble Commission to allow further submission, addition and alteration to this Petition as may be necessary from time to time.
