

ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION

From

Secretary, APERC,
4th Floor, Singareni Bhavan,
Red Hills, Hyderabad – Reg

To

The Chairman & Managing Director,
APCPDCL, Hyderabad.

The Chairman & Managing Director,
APEPDCL, Vishakapatnam.

The Chairman & Managing Director,
APNPDCL, Warangal.

The Chairman & Managing Director,
APSPDCL, Tirupati.

Lr.No. APERC/Secy/E-205/Engg/2009 Dated 17-09-2009

Sir,

Sub: - Tariff Order 2009-10 – W.P.No.14961 of 2009 - Clause 6 of General Conditions of HT Supply – Annexure – D – Clarification issued.

Ref: - Lr.No.CGM/Comml/SE/DE(RAC)/F. Dem charges/D.No.984
Dated 24-08-2009 of APCPDCL.

APCPDCL requested the Commission to issue clarification with reference to W.P.No.14961 of 2009 vide letter cited in the reference. The details of clarification are furnished below:

Clause 6 of General Conditions of HT Supply – Annexure – D reads as follows:

(6) ADDITIONAL CHARGES FOR MAXIMUM DEMAND IN EXCESS OF THE CONTRACTED DEMAND

If in any month the Recorded Maximum Demand (RMD) of the consumer exceeds his contracted demand with Licensee, the consumer will pay the following charges on excess demand and energy.

Excess RMD over CMD	Demand Charges on Excess Demand	Energy Charges on Excess Energy
100 to 120%	2 times of normal charge	Normal
Above 120% and up to 200%	2 times of normal charge	1.5 times of normal charge
More than 200%	2 times of normal charge	2 times of normal charge

Excess demand and energy shall be computed as follows:

Excess Demand = (RMD - CMD) of RMD is more than CMD with Licensee
Excess Energy = (Excess Demand / RMD) x Recorded Energy

2. With reference to the above clause, the Petitioners plea is that, the clause 6 gives the meaning that Excess RMD over CMD should be above 100% (200% of CMD) to levy penal charges for exceeding the Contracted Demand.

3. If the consumer is allowed to consume Demand upto 200% of CMD (Excess RMD over 100% CMD), it would lead to over burdening of the lines and power transformers which is not desirable for safe operation of the system.

4. If the consumers overload the system indiscriminately, without proper approval, it may lead to system collapse. The intention of the Commission is to restrict such consumers to utilise the allocated contracted demand only. The objective of the Commission is not to earn revenue for DISCOMs. The Commission approved the penal charges such that it should act as deterrent on those consumers who use un-authorized power.

5. In view of the above, it is hereby clarified that the intention of the Commission is to impose higher rates of demand and energy charges as per the rates given in the chart in para (6) of General Conditions of HT Supply of Annexure –D, when the RMD of any consumer exceeds 100% level of their CMD.

6. Hence, it is hereby clarified that the heading of column 1 in para 6 of General Conditions of HT Supply of Annexure-D is to be interpreted as "**RMD as a percentage of CMD**" for calculation of additional charges for maximum demand in excess of the contracted demand.

Yours faithfully,



SECRETARY