

**NORTHERN POWER DISTRIBUTION COMPANY
OF TELANGANA LIMITED**

(Distribution & Retail Supply Licensee)



**Filing of Tariff application for Retails Supply Business for
FY 2017-18 along with Cross Subsidy Surcharge
for the FY 2017-18**

April 2017

**BEFORE THE HONOURABLE TELANGANA STATE ELECTRICITY REGULATORY
COMMISSION**

AT ITS OFFICE AT 5th Floor, Singareni Bhavan, Red Hills, Hyderabad - 500 004

FILING NO. _____/2017

CASE NO. _____/2017

In the matter of:

Filing of the tariff applications for retail supply business, true-up and cross subsidy surcharge for FY 2017-18 by the Northern Power Distribution Company of Telangana Limited ('TSNPDCL' or 'the Company' or 'the Licensee') as the Distribution and Retail Supply Licensee.

In the matter of:

NORTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED

... Applicant

The Applicant respectfully submits as under: -

1. Consequent to the formation of Telangana State on 02-06-2014 as per the Andhra Pradesh Reorganisation Act, 2014, a separate Telangana Electricity Regulation Commission was constituted on 03-11-2014. TSERC vide Telangana Official Gazette has issued its first regulation, Regulation No. 1 of 2014 on 10.12.2014 (Adoption of Previously Subsisting Regulations, Decisions, Directions or Orders, Licenses and Practice of Directions) wherein clause 2 states that:

“All regulations, decisions, directions or orders, all the licences and practice directions issued by the erstwhile Andhra Pradesh Electricity Regulatory Commission (Regulatory Commission for States of Andhra Pradesh and Telangana) as in existence as on the date of the constitution of the Telangana State Electricity Regulatory Commission and in force, shall mutatis-mutandis apply in relation to the stakeholders in electricity in the State of Telangana including the Commission and shall continue to have effect until duly altered, repealed or amended, any of Regulation by the Commission with effect from the date of notification as

per Notification issued by the Government of Telangana in G.O.Ms.No.3 Energy(Budget) Department, dt.26-07-2014 constituting the Commission.”

2. This filing is made by the **NORTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED (TSNPDCL)** under Section 61 of the Electricity Act 2003 for tariff application for the Retail Supply Business for the year FY 2017-18 and cross subsidy surcharge for FY 2017-18.

3. The licensee had filed the Aggregate Revenue Requirement (ARR) for FY 2017-18 on 30th Nov 2016 and also has submitted a prayer to the Hon’ble Commission to allow additional time for filing of Tariff Proposals, True-ups, Cross Subsidy Surcharge and Additional Surcharge Proposals. The Hon’ble Commission has been kind enough to grant additional time till 23rd Feb 2017 for the filing of tariff proposal and vide Lr.No.CGM/IPC&RAC/TSNPDCL/WGL/F.ARR 2017-18/D.No.571/16,Dated: 06.03.2017, the Licensee humbly requested the Hon’ble Commission for extension of time up to 15.04.2017.The licensee submits that the additional time was sought due to the following reasons:
 - Ministry of Power (MOP), Government of India (GOI) had constituted a committee vide notification 23/32/2016-R&R dated 24th August 2016 for examining and recommending options for simplification and rationalization of consumer categories and tariffs.
 - Government of Telangana (GoTS) had conveyed its intention of joining UDAY scheme, however the MOU was not signed at the time of ARR filing. Subsequently, the licensee has entered into tripartite agreement with GoTS and GOI on 4th January 2017.

4. The Licensee Humbly submits that while it had put in all efforts for filing the tariff proposals on time, the delay in filing is mainly attributable to the above factors. Hence the Licensee Prays that Hon’ble Commission may condone the delay in the filing of the Tariff Proposals by the licensee.

5. **Tariff Proposals:** The licensees humbly submit to the Hon'ble Commission for retaining the tariffs as per the Tariff Order of FY 2016-17 for the ensuing year FY 2017-18. The licensees have proposed few changes to the definition of the consumer category to bring in greater clarity. The proposed changes are highlighted in the following sections:

5.1 LT – II: Non – domestic/commercial

The licensee submits to the Hon'ble Commission for replacing the applicability of LT – II (A) and LT – II (B) under section 9.8 of Tariff Order for FY2016-17as mentioned below with the proposed clause

Clause in FY 2016-17 Tariff Order

- Consumers who undertake Non Domestic activity
- Consumers who undertake Commercial activity
- Consumers who do not fall in any other LT category i.e., LT-I, LT-III to LT-VIII categories
- Consumers who avail supply of energy for lighting, fans, heating, air conditioning and power appliances in Commercial or Non-Domestic premises such as shops, business houses, offices, public buildings, hospitals, hostels, hotels, choultries, restaurants, clubs, theatres, cinema halls, bus stations, railway stations, timber depots, photo studios, printing presses etc.
- Educational institutions run by individuals, Non-Government Organizations or Private Trusts and their student hostels are also classified under this category

Proposed Clause

- Consumers who undertake Non Domestic activity
- Consumers who undertake Commercial activity
- Consumers who do not fall in any other LT category i.e., LT-I, LT-III to LT-VIII categories
- Consumers who avail supply of energy for lighting, fans, heating, air conditioning and power appliances in Commercial or Non-Domestic premises such as shops, business houses, offices, public buildings, hospitals, hostels, hotels, choultries, restaurants, clubs,

theatres, cinema halls, bus stations, railway stations, timber depots, photo studios, printing presses, **all servicing & repairing centers, Bus Depots, laundries, dry cleaning units, gas/oil storage/transfer stations, warehouses / godowns / storage units (except for cold storages which would be charged under LT III industries), etc.**

- Educational institutions run by individuals, Non-Government Organizations or Private Trusts and their student hostels are also classified under this category
- **Cafeteria, Hotels, ATMs, Banks, Auditoriums and other amenities in Information Technology (IT) units identified and approved by the Consultative Committee on IT Industry (CCITI) constituted by GoTS.**

The licensee proposes to include the following clause as tariff specific condition for consumers intending to avail power under this category.

- **“IT units availing Industrial Power tariff have to provide separate meters at each individual utilization point other than the IT purpose as certified by the CCIT such as Cafeteria, Hotels, ATMs, Banks, Auditoriums and other amenities and these meters shall be sealed by the licensees. If the consumer does not provide separate meters at each individual utilisation point other than IT purpose, the entire consumption of the IT service will be billed under LT-II Non-domestic category.”**

5.2 LT – III: Industry

The licensee submits to the Hon’ble Commission to replace section 9.19 of Tariff order for FY 2016-17 with the proposed clause as mentioned below:

Existing Clause

- Water Works & Sewerage Pumping Stations operated by Government Departments or Co-operative Societies and pumpsets of Railways, pumping of water by industries as subsidiary function and sewerage pumping stations operated by local bodies and Drinking Water filtering plants using only Reverse Osmosis (RO) process
- Workshops, flour mills, oil mills, saw mills, coffee grinders and wet grinders, Ice candy units with or without sale outlets, Goshalas, grass cutting and fodder cutting units.
- The Information Technology (IT) units identified and approved by the Consultative Committee on IT Industry (CCITI) constituted by GoTS.
- Newspaper printing units.

- Poultry Farming Units.
- Pisciculture and Prawn culture units.
- Mushroom production units, Rabbit Farms, Sheep Farms and Goat Farms other than those coming under LT-IV with load exceeding 10 HP.
- Floriculture in Green Houses.
- Sugar cane crushing.

Proposed Clause

- Water Works & Sewerage Pumping Stations operated by Government Departments or Co-operative Societies and pumpsets of Railways, pumping of water by industries as subsidiary function and sewerage pumping stations operated by local bodies and Drinking Water filtering plants using only Reverse Osmosis (RO) process
- Workshops (**involving activity of manufacturing**), flour mills, oil mills, saw mills, coffee grinders and wet grinders, Ice candy units with or without sale outlets, Goshalas, grass cutting and fodder cutting units.
- The Information Technology (IT) units identified and approved by the Consultative Committee on IT Industry (CCITI) constituted by GoTS **excluding the consumption towards Cafeteria, Hotels, ATMs, Banks, Auditoriums and other amenities**
- Newspaper printing units.
- Poultry Farming Units.
- Pisciculture and Prawn culture units.
- Mushroom production units, Rabbit Farms, Sheep Farms and Goat Farms other than those coming under LT-IV with load exceeding 10 HP.
- Sugar cane crushing.

The licensee proposes to include the following clause as tariff specific condition for consumers intending to avail power under this category.

- **“IT units availing Industrial Power tariff have to provide separate meters at each individual utilization point other than the IT purpose as certified by the CCIT such as Cafeteria, Hotels, ATMs, Banks, Auditoriums and other amenities and these**

meters shall be sealed by the licensees. If the consumer does not provide separate meters at each individual utilisation point other than IT purpose, the entire consumption of the IT service will be billed under LT-II Non-domestic category.’’

5.3 LT – V: Agricultural

The licensee submits that the Hon’ble Commission may consider the following changes proposed in tariff definition for Agricultural Consumers

- The licensee proposes to make Demand Side Management (DSM) measures mandatory for LT-V consumers
- Licensee proposes to provide free power to all farmers (excluding corporate farmers) without any restriction on number of connections or acreage.
- Licensee also proposes to include cultivation in poly-houses/green-houses under LT-V: agricultural category.
- The licensee proposes to include the below definition for Corporate Farmers: **The Companies/Corporate Owners who carry out Agricultural production on large scale in the lands owned by them or on the basis of agreement between the individual farmers and the companies.**

5.4 LT – VIII: Temporary

The licensee submits that the Hon’ble Commission may include the following applicability definition for consumers availing Temporary Supply in LT category.

- **Temporary supply is applicable to**
 - **All Construction activities like construction of all types of structures/infrastructure such as buildings, bridges, fly-overs, dams, Power Stations, roads, Aerodromes, tunnels for laying of pipelines, etc.**
 - **Exhibitions, circuses, outdoor film shootings, touring talkies, etc.**
- **This tariff category is applicable for connections that are temporary in nature and hence for construction purpose, a consumer shall be given a temporary connection only.**

- **For the buildings above 10Mtrs height excluding Stilt for parking only, Regular supply shall be given only after submission of the Occupancy certificate as directed by the Govt. of Andhra Pradesh (united) vide G.O. Ms. No. 86 dated 03.03.2006 and on payment of the required charges.**

The licensee proposes to replace the tariff specific condition as mentioned in section 9.72 of FY 2016-17 Retail supply tariff order produced as below with the proposed clause:

Existing Clause

“Temporary supply can be given on the request of a consumer initially for a period up to 6 months as per the tariff applicable under the Temporary supply category. In case, the consumer requests for further extension, the same can be extended for another 6 months with the same tariff as applicable to Temporary supply category. After the expiry of 12 months, the consumer is at liberty to seek further extension provided, the consumer pays twice the regular tariff (i.e. the corresponding category) or the consumer has the choice of availing of regular supply.”

Proposed Clause

“Temporary supply can be given initially for a period upto one year as per the tariff applicable under the Temporary supply category. After the expiry of one year, the consumer is at liberty to seek further extension.”

5.5 HT – I (A) General

The licensee submits that the Hon’ble Commission may consider to replace section 9.87 in the tariff order of FY 2016-17 with the proposed clause as mentioned below:

Existing Clause

- This tariff will also apply to:
 - Water Works & Sewerage Pumping Stations operated by Government Departments or Co-operative Societies and pump sets of Railways, pumping of water by industries as subsidiary function and sewerage pumping stations operated by local bodies.

- Workshops, flour mills, oil mills, saw mills, Ice candy, Ice manufacturing units with or without sale outlets.
- The Information Technology (IT) units identified and approved by the Consultative Committee on IT Industry (CCITI) constituted by GoTS.
- Newspaper printing units.
- Poultry Farming.
- Pisciculture and Prawn culture units.

Proposed Clause

- The tariff will also apply to:
 - Water Works & Sewerage Pumping Stations operated by Government Departments or Co-operative Societies and pump sets of Railways, pumping of water by industries as subsidiary function and sewerage pumping stations operated by local bodies.
 - Workshops (**involving activity of manufacturing**), flour mills, oil mills, saw mills, Ice candy units, Ice manufacturing units with or without sale outlets.
 - **All servicing & repairing centers, Bus Depots, gas/oil storage/transfer stations, warehouses/godowns/storage units (except for cold storages), etc. shall not be included in HT I(A) category**
 - **The Information Technology (IT) units identified and approved by the Consultative Committee on IT Industry (CCITI) constituted by GoTS excluding the consumption towards Cafeteria, Hotels, ATMs, Banks, Auditoriums and other amenities.**
 - Newspaper printing units.
 - Poultry Farming.
 - Pisciculture and Prawn culture units

The licensee proposes to include the following clause as tariff specific condition under HT-I(A) Industry General category.

- **“IT units availing Industrial Power tariff have to provide separate meters at each individual utilization point other than the IT purpose as certified by the CCIT such**

as Cafeteria, Hotels, ATMs, Banks, Auditoriums and other amenities and these meters shall be sealed by the licensees. If the consumer does not provide separate meters at each individual utilisation point other than IT purpose, the entire consumption of the IT service will be billed under HT-II Others category.”

5.6 HT – II: Others

The licensee submits to the Hon’ble Commission for replacing the applicability of HT – II: Others under section 9.94 of Tariff Order for FY2016-17as mentioned below with the proposed clause.

Existing Clause

- This tariff is applicable to all HT Consumers other than those covered under HT Categories I and III to VII.

Proposed Clause

- This tariff is applicable to all HT Consumers other than those covered under HT Categories I and III to VII.
- **Consumers who undertake Non Domestic activity**
- **Consumers who undertake Commercial activity**
- **Consumers who avail supply of energy for lighting, fans, heating, air conditioning and power appliances in Commercial or Non-Domestic premises such as shops, business houses, offices, public buildings, hospitals, hostels, hotels, choultries, restaurants, clubs, theatres, cinema halls, timber depots, photo studios, printing presses, all servicing & repairing centers, Bus Depots, laundries, dry cleaning units, gas/oil storage/transfer stations, warehouses / godowns / storage units (except for cold storages which would be charged under HT I(A) Industries), etc.**
- **Educational institutions run by individuals, Non-Government Organizations or Private Trusts and their student hostels are also classified under this category**
- **Cafeteria, Hotels, ATMs, Banks, Auditoriums and other amenities in Information Technology (IT) units identified and approved by the Consultative Committee on IT Industry (CCITI) constituted by GoTS.**

The licensee proposes to include the following clause as tariff specific condition under HT-II Others category.

- **“IT units availing Industrial Power tariff have to provide separate meters at each individual utilization point other than the IT purpose as certified by the CCIT such as Cafeteria, Hotels, ATMs, Banks, Auditoriums and other amenities and these meters shall be sealed by the licensees. If the consumer does not provide separate meters at each individual utilisation point other than IT purpose, the entire consumption of the IT service will be billed under HT-II Others category.”**

5.7 HT – VIII: Temporary

The licensee pray the Hon’ble Commission to include the following applicability definition for consumers availing Temporary Supply in HT category:

- **Temporary supply is applicable to**
 - **All Construction activities like construction of all types of structures/infrastructure such as buildings, bridges, fly-overs, dams, Power Stations, roads, Aerodromes, tunnels for laying of pipelines, etc.**
 - **Exhibitions, circuses, outdoor film shootings, touring talkies, etc.**
- **This tariff category is applicable for connections that are temporary in nature and hence for construction purpose, a consumer shall be given a temporary connection only.**
- **For the buildings above 10Mtrs height excluding Stilt for parking only, Regular supply shall be given only after submission of the Occupancy certificate as directed by the Govt. of Andhra Pradesh (united) vide G.O. Ms. No. 86 dated 03.03.2006 and on payment of the required charges.**
- **The licensee propose to replace the tariff specific condition as mentioned in section 9.138(a) of FY 2016-17 Retail supply tariff order as produced below with the proposed clause**

Existing Clause

“Temporary supply can be given on the request of a consumer initially for a period up to 6 months as per the tariff applicable under the Temporary supply category. In case, the

consumer requests for further extension, the same can be extended for another 6 months with the same tariff as applicable to Temporary supply category. After the expiry of 12 months, the consumer is at liberty to seek further extension provided, the consumer pays twice the regular tariff (i.e. the corresponding category) or the consumer has the choice of availing of regular supply.”

Proposed Clause

“Temporary supply can be given initially for a period upto one year as per the tariff applicable under the Temporary supply category. After the expiry of one year, the consumer is at liberty to seek further extension.”

6. Determination of True-ups:

The licensees have signed the UDAY MOU which is a tripartite agreement with Government of Telangana, Government of India and the licensees on 4th January 2017. As per the agreement, Government of Telangana has taken over 75% of the outstanding loans as on 30th Sept 2015, by end of FY 2016-17. The quantum of loans taken over amounts to INR 8,923 crores.

In view of the above the licensee is not seeking the true-ups for 1st and 2nd control periods and for FY 2014-15. The licensee prays that the Hon’ble Commission may permit the licensee to file for final true-up for FY 2015-16 and FY 2016-17 during the filing for FY 2018-19 after assessing the impact of loans taken over by the Government and additional support from the Government.

7. Determination of Cross subsidy Surcharge for FY 2017-18

The licensee has proposed to retain the tariffs as per the current tariff order FY 2016-17 for ensuing year FY 2017-18. The licensee humbly submits that the Hon’ble Commission may fix the cross subsidy surcharge as per the National Tariff Policy as notified by Ministry of Power dated 28th Jan 2016.

8. Filing of Additional Surcharge for the FY 2017-18:

The licensee would like to submit to the Hon'ble Commission that the licensee has tied up considerable quantum of power procurement from various sources in order to provide reliable and quality power supply to all the consumers in the state without any load shedding for FY 2017-18. However if consumers were to opt for open access, the licensee would like to submit that significant portion of the fixed costs pertaining to power purchase from above sources would be stranded leading to under recovery of the fixed costs. In order to recover the fixed costs of the stranded assets, the licensee humbly prays the Hon'ble Commission to permit the licensee for filing of additional surcharge petition separately.

9. Based on the information available, the applicant has made sincere efforts to comply with the Regulation of the Hon'ble Commission and discharge its obligations to the best of its abilities. However, should any further material information become available in the near future, the applicant reserves the right to file such additional information and consequently amend/ revise the application.

10. This filing has been discussed and approved by the Board of Directors of TSNPDCL and Sri. A. Gopal Rao, Chairman and Managing Director of TSNPDCL has been authorised to execute and file the said document on behalf of TSNPDCL. Accordingly, the current filing documents are signed and verified by, and backed by the affidavit of Sri. A. Gopal Rao, the Chairman and Managing Director of TSNPDCL.

11. In the aforesaid facts and circumstances, the Applicant requests that this Hon'ble Commission may be pleased to:

- a. Take the accompanying Tariff application of TSNPDCL on record and treat it as complete;
- b. Grant suitable opportunity to TSNPDCL within a reasonable time frame to file additional material information that may be subsequently available;
- c. Consider and approve TSNPDCL's Tariff application including all requested regulatory treatments in the filing;
- d. Pass such order as the Hon'ble Commission may deem fit and proper in the facts and circumstances of the case.

NORTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED
(APPLICANT)

Through

Place: Hyderabad
Dated: 13-04-2017


CHAIRMAN AND MANAGING DIRECTOR

Chairman & Managing Director
TSNPDCL/Warangal.

**BEFORE THE HONOURABLE TELANGANA STATE ELECTRICITY REGULATORY
COMMISSION**

AT ITS OFFICE AT 5th Floor, Singareni Bhavan, Red Hills, Hyderabad - 500 004

FILING NO. _____/2017

CASE NO. _____/2017

In the matter of:

Filing of the tariff applications for retail supply business, true-up and cross subsidy surcharge for FY 2017-18 by the NORTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED ('TSNPDCL' or 'the Company' or 'the Licensee') as the Distribution and Retail Supply Licensee.

In the matter of:

NORTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED

... Applicant

**AFFIDAVIT OF APPLICANT VERIFYING THE APPLICATION ACCOMPANYING
FILING AS PER TERMS AND CONDITIONS OF TARIFF FOR WHEELING AND
RETAIL SALE OF ELECTRICITY**

I, Sri. A. Gopal Rao, son of Sri A. Chalapathi Rao, working for gain at the Northern Power Distribution Company of Telangana Limited do solemnly affirm and say as follows:


- 1 I am the Chairman and Managing Director of TSNPDCL, the Licensee that has, vide the Hon'ble Commission's approval in proceedings No. APERC/Secy/Engg/No.6 dt.31.3.2000, been granted the distribution and retail supply functions that Transco was authorised to conduct or carry out under the Act and the license, with respect to the business of distribution and retail supply of electricity in the Northern distribution zone in Telangana. On December 27, 2000, the Hon'ble Commission has awarded a Distribution and Retail Supply License to TSNPDCL effected from April 1, 2001. I am competent and duly authorised by TSNPDCL to affirm, swear, execute and file this affidavit in the present proceedings.

- 2 As such, I submit that I have been duly authorised by the Board of Directors of TSNPDCL to submit the application, as per Terms and Conditions of Tariff for Wheeling and Retail Sale of Electricity (Regulation 4 of 2005) of TSNPDCL for the FY 2017-18 to Hon'ble Commission.
- 3 I submit that I have read and understood the contents of the appended application of TSNPDCL. The facts stated in the application are true to the best of my knowledge, which are derived from the official records made available and certain facts stated are based on information and advice which, I believe to be true and correct.
- 4 I submit that for the reasons, and facts stated in the appended application this Applicant pray that the Hon'ble Commission may be pleased to
 - (a) Take the accompanying Tariff application of TSNPDCL on record and treat it as complete;
 - (b) Grant suitable opportunity to TSNPDCL within a reasonable time frame to file additional material information that may be subsequently available;
 - (c) Consider and approve TSNPDCL's Tariff application including all requested regulatory treatments in the filing;
 - (d) Pass such order as the Hon'ble Commission may deem fit and proper in the facts and circumstances of the case.

VERIFICATION:

I, the above named Deponent solemnly affirm at Hyderabad on this 13th day of April 2017 that the contents of the above affidavit are true to my knowledge, no part of it is false and nothing material has been concealed there from.


DEPONENT
Chairman & Managing Director
TSNPDCL/Warangal.


DEPONENT
Chairman & Managing Director
TSNPDCL/Warangal.

Solemnly affirmed and signed before me.



K. VENKATESHAM
Company Secretary (GR-II)
Northern Power Distribution Company of
Telangana Limited
Registered Office & Corporate Office,
Vidyuth Bhavan, Warangal - 506001.

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1. Tariff proposal

The licensees humbly submit to the Honorable Commission for retaining the tariffs as per the Tariff Order of FY 2016-17, for the ensuing year FY 2017-18. The licensees have proposed few changes to the definition of certain consumer categories to bring in greater clarity. The proposed changes are highlighted in the following sections.

1.1 LT – II: Non – domestic/Commercial

The licensees submit to the Hon'ble Commission for replacing the applicability of LT – II (A) and LT – II (B) under section 9.8 of Tariff Order for FY2016-17 as mentioned below with the proposed clause

Clause in FY 2016-17 Tariff Order

Applicability

- Consumers who undertake Non Domestic activity
- Consumers who undertake Commercial activity
- Consumers who do not fall in any other LT category i.e., LT-I, LT-III to LT-VIII categories
- Consumers who avail supply of energy for lighting, fans, heating, air conditioning and power appliances in Commercial or Non-Domestic premises such as shops, business houses, offices, public buildings, hospitals, hostels, hotels, choultries, restaurants, clubs, theatres, cinema halls, bus stations, railway stations, timber depots, photo studios, printing presses etc.
- Educational institutions run by individuals, Non-Government Organizations or Private Trusts and their student hostels are also classified under this category.

Proposed Clause

Applicability

- Consumers who undertake Non Domestic activity
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- Consumers who do not fall in any other LT category i.e., LT-I, LT-III to LT-VIII categories
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godowns/storage units (except for cold storages which would be charged under LT III industries), etc.

- Educational institutions run by individuals, Non-Government Organizations or Private Trusts and their student hostels are also classified under this category.
- **Cafeteria, Hotels, ATMs, Banks, Auditoriums and other amenities in Information Technology (IT) units identified and approved by the Consultative Committee on IT Industry (CCITI) constituted by GoTS.**

The licensee propose to include the following clause as tariff specific condition under section 9.53 of Tariff Order for FY2016-17

- **“IT units availing Industrial Power tariff have to provide separate meters at each individual utilization point other than the IT purpose as certified by the CCIT such as Cafeteria, Hotels, ATMs, Banks, Auditoriums and other amenities and these meters shall be sealed by the licensees. If the consumer does not provide separate meters at each individual utilisation point other than IT purpose, the entire consumption of the IT service will be billed under LT-II Non-domestic category.”**

1.2 LT – III: Industry

The licensees submit to the Hon'ble Commission to replace section 9.19 of Tariff order for FY 2016-17 with the proposed clause mentioned below:

Existing Clause

This tariff will also apply to:

- Water Works & Sewerage Pumping Stations operated by Government Departments or Co-operative Societies and pumpsets of Railways, pumping of water by industries as subsidiary function and sewerage pumping stations operated by local bodies and Drinking Water filtering plants using only Reverse Osmosis (RO) process
- Workshops, flour mills, oil mills, saw mills, coffee grinders and wet grinders, Ice candy units with or without sale outlets, Goshalas, grass cutting and fodder cutting units.
- The Information Technology (IT) units identified and approved by the Consultative Committee on IT Industry (CCITI) constituted by GoTS.
- Newspaper printing units.
- Poultry Farming Units.
- Pisciculture and Prawn culture units.

- Mushroom production units, Rabbit Farms, Sheep Farms and Goat Farms other than those coming under LT-IV with load exceeding 10 HP.
- Floriculture in Green Houses.
- Sugar cane crushing.

Proposed Clause

This tariff will also apply to:

- Water Works & Sewerage Pumping Stations operated by Government Departments or Co-operative Societies and pumpsets of Railways, pumping of water by industries as subsidiary function and sewerage pumping stations operated by local bodies and Drinking Water filtering plants using only Reverse Osmosis (RO) process.
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- The Information Technology (IT) units identified and approved by the Consultative Committee on IT Industry (CCITI) constituted by GoTS **excluding the consumption towards Cafeteria, Hotels, ATMs, Banks, Auditoriums and other amenities.**
- Newspaper printing units.
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- Pisciculture and Prawn culture units.
- Mushroom production units, Rabbit Farms, Sheep Farms and Goat Farms other than those coming under LT-IV with load exceeding 10 HP.
- Sugar cane crushing.

The licensee propose to include the following clause as tariff specific condition under section 9.53 of Tariff Order for FY2016-17

- **“IT units availing Industrial Power tariff have to provide separate meters at each individual utilization point other than the IT purpose as certified by the CCIT such as Cafeteria, Hotels, ATMs, Banks, Auditoriums and other amenities and these meters shall be sealed by the licensees. If the consumer does not provide separate meters at each individual utilisation point other than IT purpose, the entire consumption of the IT service will be billed under LT-II Non-domestic category.”**

1.3 LT – V: Agricultural

The licensees submit that the Hon'ble Commission may consider the following changes proposed in tariff definition for Agricultural Consumers.

- Licensee proposes to make DSM measures mandatory for LT-V consumers.
- Licensee proposes to provide free power to all farmers (excluding Corporate Farmers) without any restriction on number of connections or acreage.
- Licensee also proposes to include cultivation in poly-houses/green houses under LT-V: agricultural category.
- The licensee proposes to include the below definition for Corporate Farmers:
The Companies/Corporate Owners who carry out Agricultural production on large scale in the lands owned by them or on the basis of agreement between the individual farmers and the companies.

1.4 LT – VIII: Temporary Supply

The licensees submit that the Hon'ble Commission may include the following applicability definition for consumers availing Temporary Supply in LT category under section 9.40 of Tariff Order for FY2016-17.

- **Temporary supply is applicable to**
 - **All Construction activities like construction of all types of structures/infrastructure such as buildings, bridges, fly-overs, dams, Power Stations, roads, Aerodromes, tunnels for laying of pipelines, etc.**
 - **Exhibitions, circuses, outdoor film shootings, touring talkies, etc.**
- **This tariff category is applicable for connections that are temporary in nature and hence for construction purpose, a consumer shall be given a temporary connection only.**
- **For the buildings above 10Mtrs height excluding Stilt for parking only, Regular supply shall be given only after submission of the Occupancy certificate as directed by the Govt. of Andhra Pradesh (united) vide G.O. Ms. No. 86 dated 03.03.2006 and on payment of the required charges.**

The licensee proposes to replace the tariff specific condition as mentioned in section 9.72 of Tariff Order for FY 2016-17 produced as below with the proposed clause:

Existing Clause

“Temporary supply can be given on the request of a consumer initially for a period up to 6 months as per the tariff applicable under the Temporary supply category. In

case, the consumer requests for further extension, the same can be extended for another 6 months with the same tariff as applicable to Temporary supply category. After the expiry of 12 months, the consumer is at liberty to seek further extension provided, the consumer pays twice the regular tariff (i.e. the corresponding category) or the consumer has the choice of availing of regular supply.”

Proposed Clause

“Temporary supply can be given initially for a period up to one year as per the tariff applicable under the Temporary supply category. After the expiry of one year, the consumer is at liberty to seek further extension.”

1.5 HT – I (A) General

The licensees submit to the Hon'ble Commission to replace section 9.87 in the tariff order of FY 2016-17 with the proposed clause as mentioned below:

Existing Clause

- This tariff will also apply to:
 - i. Water Works & Sewerage Pumping Stations operated by Government Departments or Co-operative Societies and pump sets of Railways, pumping of water by industries as subsidiary function and sewerage pumping stations operated by local bodies.
 - ii. Workshops, flour mills, oil mills, saw mills, Ice candy, Ice manufacturing units with or without sale outlets.
 - iii. The Information Technology (IT) units identified and approved by the Consultative Committee on IT Industry (CCITI) constituted by GoTS.
 - iv. Newspaper printing units.
 - v. Poultry Farming.
 - vi. Pisciculture and Prawn culture units.

Proposed Clause

- The tariff will also apply to:
 - i. Water Works & Sewerage Pumping Stations operated by Government Departments or Co-operative Societies and pump sets of Railways, pumping of water by industries as subsidiary function and sewerage pumping stations operated by local bodies.
 - ii. Workshops (**involving activity of manufacturing**), flour mills, oil mills, saw mills, Ice candy units, Ice manufacturing units with or without sale outlets.

- iii. **All servicing & repairing centers, Bus Depots, gas/oil storage/transfer stations, warehouses/godowns/storage units (except for cold storages), etc. shall not be included in HT I(A) category**
- iv. The Information Technology (IT) units identified and approved by the Consultative Committee on IT Industry (CCITI) constituted by GoTS **excluding the consumption towards Cafeteria, Hotels, ATMs, Banks, Auditoriums and other amenities.**
- v. Newspaper printing units.
- vi. Poultry Farming.
- vii. Pisciculture and Prawn culture units

The licensee propose to include the following clause as tariff specific condition under HT-I(A) Industry General category.

“IT units availing Industrial Power tariff have to provide separate meters at each individual utilization point other than the IT purpose as certified by the CCIT such as Cafeteria, Hotels, ATMs, Banks, Auditoriums and other amenities and these meters shall be sealed by the licensees. If the consumer does not provide separate meters at each individual utilisation point other than IT purpose, the entire consumption of the IT service will be billed under HT-II Others category.”

1.6 HT – II: Others

The licensee submits to the Hon'ble Commission for replacing the applicability of HT – II: Others under section 9.94 of Tariff Order for FY2016-17 as mentioned below with the proposed clause

Existing Clause

- This tariff is applicable to all HT Consumers other than those covered under HT Categories I and III to VII.

Proposed Clause

- This tariff is applicable to all HT Consumers other than those covered under HT Categories I and III to VII.
- **Consumers who undertake Non Domestic activity**

- **Consumers who undertake Commercial activity**
- **Consumers who avail supply of energy for lighting, fans, heating, air conditioning and power appliances in Commercial or Non-Domestic premises such as shops, business houses, offices, public buildings, hospitals, hostels, hotels, choultries, restaurants, clubs, theatres, cinema halls, timber depots, photo studios, printing presses, all servicing & repairing centers, Bus Depots, laundries, dry cleaning units, gas/oil storage/transfer stations, warehouses / godowns / storage units (except for cold storages which would be charged under HT I(A) Industries), etc.**
- **Educational institutions run by individuals, Non-Government Organizations or Private Trusts and their student hostels are also classified under this category**
- **Cafeteria, Hotels, ATMs, Banks, Auditoriums and other amenities in Information Technology (IT) units identified and approved by the Consultative Committee on IT Industry (CCITI) constituted by GoTS.**

The licensee proposes to include the following clause as tariff specific condition under HT-II Others category.

- **“IT units availing Industrial Power tariff have to provide separate meters at each individual utilization point other than the IT purpose as certified by the CCIT such as Cafeteria, Hotels, ATMs, Banks, Auditoriums and other amenities and these meters shall be sealed by the licensees. If the consumer does not provide separate meters at each individual utilisation point other than IT purpose, the entire consumption of the IT service will be billed under HT-II Others category.”**

1.7 HT – VII: Temporary

The licensees pray the Hon’ble Commission to include the following applicability definition for consumers availing Temporary Supply in HT category:

- **Temporary supply is applicable to**
 - **All Construction activities like construction of all types of structures/infrastructure such as buildings, bridges, fly-overs, dams, Power Stations, roads, Aerodromes, tunnels for laying of pipelines, etc.**
 - **Exhibitions, circuses, outdoor film shootings, touring talkies, etc.**
- **This tariff category is applicable for connections that are temporary in nature and hence for construction purpose, a consumer shall be given a temporary connection only.**

- **For the buildings above 10Mtrs height excluding Stilt for parking only, Regular supply shall be given only after submission of the Occupancy certificate as directed by the Govt. of Andhra Pradesh (united) vide G.O. Ms. No. 86 dated 03.03.2006 and on payment of the required charges.**

The licensees propose to replace the tariff specific condition as mentioned in section 9.138(a) of Tariff Order for FY 2016-17 as produced below with the proposed clause

Existing Clause

“Temporary supply can be given on the request of a consumer initially for a period up to 6 months as per the tariff applicable under the Temporary supply category. In case, the consumer requests for further extension, the same can be extended for another 6 months with the same tariff as applicable to Temporary supply category. After the expiry of 12 months, the consumer is at liberty to seek further extension provided, the consumer pays twice the regular tariff (i.e. the corresponding category) or the consumer has the choice of availing of regular supply.”

Proposed Clause

“Temporary supply can be given initially for a period up to one year as per the tariff applicable under the Temporary supply category. After the expiry of one year, the consumer is at liberty to seek further extension.”

2. Determination of True-ups

The licensees have signed the UDAY MOU which is a tripartite agreement with Government of Telangana, Government of India and the licensees on 4th January 2017. As per the agreement, Government of Telangana has taken over 75% of the outstanding loans as on 30th Sept 2015, by end of FY 2016-17. The quantum of loans taken over amounts to INR 8,923 crores.

In view of the above the licensees are not seeking the true-ups for 1st and 2nd control periods and for FY 2014-15. The licensees pray that the Hon'ble Commission may permit the licensees to file for final true-up for FY 2015-16 and FY 2016-17 during the filing for FY 2018-19 after assessing the impact of loans taken over by the Government and additional support from the Government.

3. Determination of Cross subsidy Surcharge for FY 2017-18

The licensee has proposed to retain the tariffs as per the current tariff order FY 2016-17 for ensuing year FY 2017-18. The licensee humbly submits that the Hon'ble Commission may fix the cross subsidy surcharge as per the National Tariff Policy as notified by Ministry of Power dated 28th Jan 2016.

4. Filing of Additional Surcharge for FY 2017-18

The licensee would like to submit to the Hon'ble Commission that the licensee has tied up considerable quantum of power procurement from various sources in order to provide reliable and quality power supply to all the consumers in the state without any load shedding for FY 2017-18. However if consumers were to opt for open access, the licensee would like to submit that significant portion of the fixed costs pertaining to power purchase from above sources would be stranded leading to under recovery of the fixed costs. In order to recover the fixed costs of the stranded assets, the licensee humbly prays the Hon'ble Commission to permit the licensee for filing of additional surcharge petition separately.