

Northern Power Distribution Company of Andhra Pradesh Limited

From :

Chief General Manager
Operation, Comml&IPC
APNPDCL/Warangal.

To:

The Secretary ,
APERC , Red Hills,
Hyderabad.

Lr.No.CGM(O,C&IPC)/GM(IPC)/DE(IPC)/ADE(IPC)/D.No:220/11,Dt:25.08.11

Sir,

Sub:- First quarter FSA of FY 2009-10-Filing after the judgment of Hon'ble High Court of AP-Reg

Please peruse the judgment of the Hon'ble High Court of AP on the issue of levy of FSA for the FY 2008-09 and observations made therein from Discoms viewpoint, are stated below.

- 1) *The APPCC not being a licensee as defined under Section 2(39) of the Electricity Act, 2003 and it has no locus standi to file applications before the Commission claiming FSA on behalf of Discoms.*
- 2) *Under Regulation 59 of the Business Regulations, the Commission has the power to condone the delay in filing applications by the licensees claiming FSA beyond the time prescribed, and that on the filing such fresh applications, the APERC shall decide the same as per law.*

In compliance the above, the first quarter FSA for FY 2009-10 which was filed earlier also needs to be afresh/revised filing DISCOM wise and the same is claimed as indicated in the table below. Further, NPDCL also request the Hon'ble commission to condone the delay on the basis of reasons set forth hereunder and NPDCL was to file FSA for the first quarter of FY 2009-10 by 30-07-2009. Although it has filed earlier through APPCC, now

it is required to file afresh considering the judgment of A.P.High Court on the issue of FSA order for 2008-09.

It is submitted that, NPDCL have witnessed complex power procurement and supply scenarios, due to increased demand, shortages from approved sources, predominant market conditions of huge demand and reduce supply position. Such market trends make the market forces to indiscriminate determining of the price without linking it to the cost of generation and representative cost. This made NPDCL to make elaborate arrangement to procure power. This needs considerable amount of time to receive final bills, energy accounting, calculate accurate losses from each source of power procurement and sharing of losses and transmission charges between NPDCL and Generators. It also required considerable time for ascertaining the applicability of compensation for non delivery or under delivery, liability of NPDCL for any default in discharge of any obligations flown under Letter of Intent. There are also other factors shown below, which also contributed for not filing the FSA in a stipulated time period as envisaged by the Hon'ble Commission for filing. Further, in such a complex scenario, the time stipulated by the Hon'ble Commission is not sufficient to file correct and accurate FSA.

NPDCL require considerable amount of time to gather information on the fuel used which is a mix of domestic and imported coal to generate additional power, NPDCL have to accumulate lots of base data to file accurate and correct FSA to be collected from the consumers, in just and equitable manner without any undue enrichment or loss to utility on account of wrong filing or in correct computation of FSA.

Thus, NPDCL had to take adequate precautions to take accurate data after the NPDCL accounts are audited. This will enable to compute the

correct FSA with out any incorrect data crept in or incorrect cost of power procurement, and thus giving less scope to factor the prior period expenses or income ,which forms part of FSA .

That apart,, there were specific directions from GoAP to procure power from different sources, to meet the demand gap, with an assurance that the related cost will be met by the NPDCL by procuring Short Term Loans which will be discharged by GoAP in the subsequent years. For the FSA proposals filed with similar conditions for FY 08-09, Hon'ble Commission sought for much information to decide on the issues related to power procured using naphtha, imported coal and power procurement from Traders/CPPs on account of shortages from approved stations and to meet the demand side gap. For FY 08-09, in view of the GoAP's commitment that the tariff shall not be increased, a letter was addressed to GoAP vide Lr.NO.CE/Comml/FSA/D.No186 /09 Dt 21-01-09 with a request to communicate whether to file necessary proposals before APERC. Further, a reminder was submitted to GoAP vide letter No. CE/Comml/FSA/D.No 219/09 dated 16-03-09. The GoAP vide the Letter NO 743/Pr.II (1)/2009 dated 29-06-2009 communicated that it has taken a decision to collect the fuel surcharge adjustment from non-domestic and non-subsidized categories. GoAP directed NPDCL to take further action accordingly to file necessary proposals for FY 08-09 before the APERC as under section 62 (4) of the Electricity Act 2003.

It is not out of place to mention that the FY 2009-10 had seen the changes in the Gas price methodology as there was gas supply from RIL D6 fields, with back to back agreements between old and new Generators, RGTIL and GAIL. NPDCL have to interpret the complex clauses to arrive at the correct cost of generation and payment of Power procurement cost.

This had taken considerable amount of time to finalize the power procurement cost for both old and new gas stations. Thereby the filing of FSA was delayed to get the correct cost and to calculate reflective FSA, to be collected from consumers.

In the process of approval and scrutiny of FSA filing for FY 08-09, staff of commission has given several suggestions from time to time due to intricacies involved. Suggestions made and changes contemplated by APERC compelled DISCOMs to defer filing the FSA for FY 09-10 till the FSA orders are issued for FY 08-09, and finalization of DISCOMs power purchase cost, so that accuracy can be maintained in claim of FSA for FY 09-10.

As such, due to several reasons stated above there occurred a delay of 756 days in filing FSA of first quarter of 2009-10. In fact the said delay is neither due to negligence nor due to intentional act of DISCOMs, and deserves to be condoned.

If the delay is not condoned, and the right of claim of DISCOMs is forfeited, the DISCOMs would suffer irreparable loss, as there is no provision to fill the gap of cost of purchase and receivables. Thus public interest would be prejudicially effected. As such public interest is involved, on the other hand there will be no loss to consumers in granting FSA with delay, as they are obligated to pay FSA as per Tariff Order, which is unchallenged and attained finality.

Further it is submitted that as per clause 59 of APERC conduct of business regulations, the Hon'ble Commission has wide powers to extend any time limit specified by it. The Hon'ble High Court by its order dt.08-

08-2011, has upheld the said powers of condonation of delay, by extending the stipulated time limit.

In view of above facts it is just and necessary to condone delay of (756) days by extending the time limit until 25-08-2011 and grant FSA for the first quarter of 2009-10, to enable the DISCOMs to collect from consumers.

Particulars	Apr'09	May'09	Jun'09	Qtr1
Proposed FSA Amount (Rs.Crs.)	14.57	35.22	6.14	55.93
Non Agricultural Sales (MU)	394	417	404	1216
FSA Rate (Rs./Kwh)	0.37	0.84	0.15	0.46
FSA (Domestic Category -Rs.Crs.)	4.81	12.23	2.44	19.48
FSA (Other than Dom & Agl -Rs.Crs.)	9.76	22.99	3.70	36.45

Therefore it is prayed to condone the delay in filing FSA and grant FSA as prayed above, in the interest of justice.

Yours faithfully,

Sd/-

Chief General Manager
Operation, Comml. & IPC,
APNPDCL, Warangal.

Northern Power Distribution Company of Andhra Pradesh Limited

From :

To:

Chief General Manager
Operation, Comml&IPC
APNPDCL/Warangal.

The Secretary ,
APERC , Red Hills,
Hyderabad.

Lr.No.CGM(O,C&IPC)/GM(IPC)/DE(IPC)/ADE(IPC)/D.No:221/11,Dt:25.08.11

Sir,

Sub:- Second quarter FSA of FY 2009-10-Filing after the judgment of Hon'ble High Court of AP-Reg

Please peruse the judgment of the Hon'ble High Court of AP on the issue of levy of FSA for the FY 2008-09 and observations made therein from Discoms viewpoint, are stated below.

- 1) *The APPCC not being a licensee as defined under Section 2(39) of the Electricity Act, 2003 and it has no locus standi to file applications before the Commission claiming FSA on behalf of Discoms.*
- 2) *Under Regulation 59 of the Business Regulations, the Commission has the power to condone the delay in filing applications by the licensees claiming FSA beyond the time prescribed, and that on the filing such fresh applications, the APERC shall decide the same as per law.*

In compliance the above, the second quarter FSA for FY 2009-10 which was filed earlier also needs to be afresh/revised filing DISCOM wise and the same is claimed as indicated in the table below. Further, NPDCL also request the Hon'ble commission to condone the delay on the basis of reasons set forth hereunder and NPDCL was to file FSA for the second quarter of FY 2009-10 by 30-10-2009. Although it has filed earlier through APPCC,

now it is required to file afresh considering the judgment of A.P.High Court on the issue of FSA order for 2008-09.

It is submitted that, NPDCL have witnessed complex power procurement and supply scenarios, due to increased demand, shortages from approved sources, predominant market conditions of huge demand and reduce supply position. Such market trends make the market forces to indiscriminate determining of the price without linking it to the cost of generation and representative cost. This made NPDCL to make elaborate arrangement to procure power. This needs considerable amount of time to receive final bills, energy accounting, calculate accurate losses from each source of power procurement and sharing of losses and transmission charges between NPDCL and Generators. It also required considerable time for ascertaining the applicability of compensation for non delivery or under delivery, liability of NPDCL for any default in discharge of any obligations flown under Letter of Intent. There are also other factors shown below, which also contributed for not filing the FSA in a stipulated time period as envisaged by the Hon'ble Commission for filing. Further, in such a complex scenario, the time stipulated by the Hon'ble Commission is not sufficient to file correct and accurate FSA.

NPDCL require considerable amount of time to gather information on the fuel used which is a mix of domestic and imported coal to generate additional power, NPDCL have to accumulate lots of base data to file accurate and correct FSA to be collected from the consumers, in just and equitable manner without any undue enrichment or loss to utility on account of wrong filing or in correct computation of FSA.

Thus, NPDCL had to take adequate precautions to take accurate data after the NPDCL accounts are audited. This will enable to compute the

correct FSA with out any incorrect data crept in or incorrect cost of power procurement, and thus giving less scope to factor the prior period expenses or income, which forms part of FSA.

That apart,, there were specific directions from GoAP to procure power from different sources, to meet the demand gap, with an assurance that the related cost will be met by the NPDCL by procuring Short Term Loans which will be discharged by GoAP in the subsequent years. For the FSA proposals filed with similar conditions for FY 08-09, Hon'ble Commission sought for much information to decide on the issues related to power procured using naphtha, imported coal and power procurement from Traders/CPPs on account of shortages from approved stations and to meet the demand side gap. For FY 08-09, in view of the GoAP's commitment that the tariff shall not be increased, a letter was addressed to GoAP vide Lr.No.CE/Comml/FSA/D.No186 /09 Dt 21-01-09 with a request to communicate whether to file necessary proposals before APERC. Further, a reminder was submitted to GoAP vide letter No. CE/Comml/FSA/D.No 219/09 dated 16-03-09. The GoAP vide the Letter No. 743/Pr.II (1)/2009 dated 29-06-2009 communicated that it has taken a decision to collect the fuel surcharge adjustment from non-domestic and non-subsidized categories. GoAP directed NPDCL to take further action accordingly to file necessary proposals for FY 08-09 before the APERC as under section 62 (4) of the Electricity Act 2003.

It is not out of place to mention that the FY 2009-10 had seen the changes in the Gas price methodology as there was gas supply from RIL D6 fields, with back to back agreements between old and new Generators, RGTIL and GAIL. NPDCL have to interpret the complex clauses to arrive at the correct cost of generation and payment of Power procurement cost.

This had taken considerable amount of time to finalize the power procurement cost for both old and new gas stations. Thereby the filing of FSA was delayed to get the correct cost and to calculate reflective FSA, to be collected from consumers.

In the process of approval and scrutiny of FSA filing for FY 08-09, staff of commission has given several suggestions from time to time due to intricacies involved. Suggestions made and changes contemplated by APERC compelled DISCOMs to defer filing the FSA for FY 09-10 till the FSA orders are issued for FY 08-09, and finalization of DISCOMs power purchase cost, so that accuracy can be maintained in claim of FSA for FY 09-10.

As such, due to several reasons stated above there occurred a delay of 664 days in filing FSA of second quarter of 2009-10. In fact the said delay is neither due to negligence nor due to intentional act of DISCOMs, and deserves to be condoned.

If the delay is not condoned, and the right of claim of DISCOMs is forfeited, the DISCOMs would suffer irreparable loss, as there is no provision to fill the gap of cost of purchase and receivables. Thus public interest would be prejudicially effected. As such public interest is involved, on the other hand there will be no loss to consumers in granting FSA with delay, as they are obligated to pay FSA as per Tariff Order, which is unchallenged and attained finality.

Further it is submitted that as per clause 59 of APERC conduct of business regulations, the Hon'ble Commission has wide powers to extend any time limit specified by it. The Hon'ble High Court by its order

dt.08-08-2011 has upheld the said powers of condonation of delay, by extending the stipulated time limit.

In view of above facts it is just and necessary to condone delay of (664) days by extending the time limit until 25-08-2011 and grant FSA for the second quarter of 2009-10, to enable the DISCOMs to collect from consumers.

Particulars	Jul'09	Aug'09	Sep'09	Qtr2
Proposed FSA Amount (Rs.Crs.)	29.99	19.68	16.25	65.92
Non Agricultural Sales (MU)	426	419	434	1278.69
FSA Rate (Rs./Kwh)	0.70	0.47	0.37	0.52
FSA (Domestic Category -Rs.Crs.)	11.56	7.41	5.93	24.91
FSA (Other than Dom & Agl -Rs.Crs.)	18.43	12.27	10.32	41.01

Therefore it is prayed to condone the delay in filing FSA and grant FSA as prayed above, in the interest of justice.

Yours faithfully,

Sd/-

Chief General Manager
Operation,Comml.&IPC,
APNPDCL, Warangal.

Northern Power Distribution Company of Andhra Pradesh Limited

From :

Chief General Manager
Operation, Comml&IPC
APNPDCL/Warangal.

To:

The Secretary ,
APERC , Red Hills,
Hyderabad.

Lr.No.CGM(O,C&IPC)/GM(IPC)/DE(IPC)/ADE(IPC)/D.No:222/11,Dt:25.08.11

Sir,

Sub:- Third quarter FSA of FY 2009-10-Filing after the judgment of Hon'ble High Court of AP-Reg

Please peruse the judgment of the Hon'ble High Court of AP on the issue of levy of FSA for the FY 2008-09 and observations made therein from Discoms viewpoint, are stated below.

- 1) *The APPCC not being a licensee as defined under Section 2(39) of the Electricity Act, 2003 and it has no locus standi to file applications before the Commission claiming FSA on behalf of Discoms.*
- 2) *Under Regulation 59 of the Business Regulations, the Commission has the power to condone the delay in filing applications by the licensees claiming FSA beyond the time prescribed, and that on the filing such fresh applications, the APERC shall decide the same as per law.*

In compliance the above, the third quarter FSA for FY 2009-10 which was filed earlier also needs to be afresh/revised filing DISCOM wise and the same is claimed as indicated in the table below. Further, NPDCL also request the Hon'ble commission to condone the delay on the basis of reasons set forth hereunder and NPDCL was to file FSA for the third quarter of FY 2009-10 by 30-01-2010. Although it has filed earlier through APPCC, now

it is required to file afresh considering the judgment of A.P.High Court on the issue of FSA order for 2008-09.

It is submitted that, NPDCL have witnessed complex power procurement and supply scenarios, due to increased demand, shortages from approved sources, predominant market conditions of huge demand and reduce supply position. Such market trends make the market forces to indiscriminate determining of the price without linking it to the cost of generation and representative cost. This made NPDCL to make elaborate arrangement to procure power. This needs considerable amount of time to receive final bills, energy accounting, calculate accurate losses from each source of power procurement and sharing of losses and transmission charges between NPDCL and Generators. It also required considerable time for ascertaining the applicability of compensation for non delivery or under delivery, liability of NPDCL for any default in discharge of any obligations flown under Letter of Intent. There are also other factors shown below, which also contributed for not filing the FSA in a stipulated time period as envisaged by the Hon'ble Commission for filing. Further, in such a complex scenario, the time stipulated by the Hon'ble Commission is not sufficient to file correct and accurate FSA.

NPDCL require considerable amount of time to gather information on the fuel used which is a mix of domestic and imported coal to generate additional power, NPDCL have to accumulate lots of base data to file accurate and correct FSA to be collected from the consumers, in just and equitable manner without any undue enrichment or loss to utility on account of wrong filing or in correct computation of FSA.

Thus, NPDCL had to take adequate precautions to take accurate data after the NPDCL accounts are audited. This will enable to compute the

correct FSA with out any incorrect data crept in or incorrect cost of power procurement, and thus giving less scope to factor the prior period expenses or income, which forms part of FSA .

That apart,, there were specific directions from GoAP to procure power from different sources, to meet the demand gap, with an assurance that the related cost will be met by the NPDCL by procuring Short Term Loans which will be discharged by GoAP in the subsequent years. For the FSA proposals filed with similar conditions for FY 08-09, Hon'ble Commission sought for much information to decide on the issues related to power procured using naphtha, imported coal and power procurement from Traders/CPPs on account of shortages from approved stations and to meet the demand side gap. For FY 08-09, in view of the GoAP's commitment that the tariff shall not be increased, a letter was addressed to GoAP vide Lr.NO.CE/Comml/FSA/D.No186 /09 Dt 21-01-09 with a request to communicate whether to file necessary proposals before APERC. Further, a reminder was submitted to GoAP vide letter No. CE/Comml/FSA/D.No 219/09 dated 16-03-09. The GoAP vide the Letter NO 743/Pr.II (1)/2009 dated 29-06-2009 communicated that it has taken a decision to collect the fuel surcharge adjustment from non-domestic and non-subsidized categories. GoAP directed NPDCL to take further action accordingly to file necessary proposals for FY 08-09 before the APERC as under section 62 (4) of the Electricity Act 2003.

It is not out of place to mention that the FY 2009-10 had seen the changes in the Gas price methodology as there was gas supply from RIL D6 fields, with back to back agreements between old and new Generators, RGTIL and GAIL. NPDCL have to interpret the complex clauses to arrive at the correct cost of generation and payment of Power procurement cost.

This had taken considerable amount of time to finalize the power procurement cost for both old and new gas stations. Thereby the filing of FSA was delayed to get the correct cost and to calculate reflective FSA, to be collected from consumers.

In the process of approval and scrutiny of FSA filing for FY 08-09, staff of commission has given several suggestions from time to time due to intricacies involved. Suggestions made and changes contemplated by APERC compelled DISCOMs to defer filing the FSA for FY 09-10 till the FSA orders are issued for FY 08-09, and finalization of DISCOMs power purchase cost, so that accuracy can be maintained in claim of FSA for FY 09-10.

As such, due to several reasons stated above there occurred a delay of 572 days in filing FSA of third quarter of 2009-10. In fact the said delay is neither due to negligence nor due to intentional act of DISCOMs, and deserves to be condoned.

If the delay is not condoned, and the right of claim of DISCOMs is forfeited, the DISCOMs would suffer irreparable loss, as there is no provision to fill the gap of cost of purchase and receivables. Thus public interest would be prejudicially effected. As such public interest is involved, on the other hand there will be no loss to consumers in granting FSA with delay, as they are obligated to pay FSA as per Tariff Order, which is unchallenged and attained finality.

Further it is submitted that as per clause 59 of APERC conduct of business regulations, the Hon'ble Commission has wide powers to extend any time limit specified by it. The Hon'ble High Court by its order

dt.08-08-2011 has upheld the said powers of condonation of delay, by extending the stipulated time limit.

In view of above facts it is just and necessary to condone delay of (572) days by extending the time limit until 25-08-2011 and grant FSA for the third quarter of 2009-10, to enable the DISCOMs to collect from consumers.

Particulars	Oct'09	Nov'09	Dec'09	Qtr3
Proposed FSA Amount (Rs.Crs.)	3.67	-0.91	11	13.55
Non Agricultural Sales (MU)	433	417	412	1262
FSA Rate (Rs./Kwh)	0.08	-0.02	0.26	0.11
FSA (Domestic Category -Rs.Crs.)	1.32	-0.34	3.74	4.72
FSA (Other than Dom & Agl -Rs.Crs.)	2.35	-0.56	7.04	8.83

Therefore it is prayed to condone the delay in filing FSA and grant FSA as prayed above, in the interest of justice.

Yours faithfully,

Sd/-

Chief General Manager
Operation,Comml&IPC,
APNPDCL,Warangal.

Northern Power Distribution Company of Andhra Pradesh Limited

From :

Chief General Manager
Operation, Comml&IPC
APNPDCL/Warangal.

To:

The Secretary ,
APERC , Red Hills,
Hyderabad.

Lr.No.CGM(O,C&IPC)/GM(IPC)/DE(IPC)/ADE(IPC)/D.No:223/11,Dt:25.08.11

Sir,

Sub:- Fourth quarter FSA of FY 2009-10-Filing after the judgment of Hon'ble High Court of AP-Reg

Please peruse the judgment of the Hon'ble High Court of AP on the issue of levy of FSA for the FY 2008-09 and observations made therein from Discoms viewpoint, are stated below.

- 1) *The APPCC not being a licensee as defined under Section 2(39) of the Electricity Act, 2003 and it has no locus standi to file applications before the Commission claiming FSA on behalf of Discoms.*
- 2) *Under Regulation 59 of the Business Regulations, the Commission has the power to condone the delay in filing applications by the licensees claiming FSA beyond the time prescribed, and that on the filing such fresh applications, the APERC shall decide the same as per law.*

In compliance the above, the fourth quarter FSA for FY 2009-10 which was filed earlier also needs to be afresh/revised filing DISCOM wise and the same is claimed as indicated in the table below. Further, NPDCL also request the Hon'ble commission to condone the delay on the basis of reasons set forth hereunder and NPDCL was to file FSA for the fourth quarter of FY 2009-10 by 30-04-2010. Although it has filed earlier through APPCC, now

it is required to file afresh considering the judgment of A.P.High Court on the issue of FSA order for 2008-09.

It is submitted that, NPDCL have witnessed complex power procurement and supply scenarios, due to increased demand, shortages from approved sources, predominant market conditions of huge demand and reduce supply position. Such market trends make the market forces to indiscriminate determining of the price without linking it to the cost of generation and representative cost. This made NPDCL to make elaborate arrangement to procure power. This needs considerable amount of time to receive final bills, energy accounting, calculate accurate losses from each source of power procurement and sharing of losses and transmission charges between NPDCL and Generators. It also required considerable time for ascertaining the applicability of compensation for non delivery or under delivery, liability of NPDCL for any default in discharge of any obligations flown under Letter of Intent. There are also other factors shown below, which also contributed for not filing the FSA in a stipulated time period as envisaged by the Hon'ble Commission for filing. Further, in such a complex scenario, the time stipulated by the Hon'ble Commission is not sufficient to file correct and accurate FSA.

NPDCL require considerable amount of time to gather information on the fuel used which is a mix of domestic and imported coal to generate additional power, NPDCL have to accumulate lots of base data to file accurate and correct FSA to be collected from the consumers, in just and equitable manner without any undue enrichment or loss to utility on account of wrong filing or in correct computation of FSA.

Thus, NPDCL had to take adequate precautions to take accurate data after the NPDCL accounts are audited. This will enable to compute the

correct FSA with out any incorrect data crept in or incorrect cost of power procurement, and thus giving less scope to factor the prior period expenses or income, which forms part of FSA.

That apart, there were specific directions from GoAP to procure power from different sources, to meet the demand gap, with an assurance that the related cost will be met by the NPDCL by procuring Short Term Loans which will be discharged by GoAP in the subsequent years. For the FSA proposals filed with similar conditions for FY 08-09, Hon'ble Commission sought for much information to decide on the issues related to power procured using naphtha, imported coal and power procurement from Traders/CPPs on account of shortages from approved stations and to meet the demand side gap. For FY 08-09, in view of the GoAP's commitment that the tariff shall not be increased, a letter was addressed to GoAP vide Lr.NO.CE/Comml/FSA/D.No186 /09 Dt 21-01-09 with a request to communicate whether to file necessary proposals before APERC. Further, a reminder was submitted to GoAP vide letter No. CE/Comml/FSA/D.No 219/09 dated 16-03-09. The GoAP vide the Letter NO 743/Pr.II (1)/2009 dated 29-06-2009 communicated that it has taken a decision to collect the fuel surcharge adjustment from non-domestic and non-subsidized categories. GoAP directed NPDCL to take further action accordingly to file necessary proposals for FY 08-09 before the APERC as under section 62 (4) of the Electricity Act 2003.

It is not out of place to mention that the FY 2009-10 had seen the changes in the Gas price methodology as there was gas supply from RIL D6 fields, with back to back agreements between old and new Generators, RGTIL and GAIL. NPDCL have to interpret the complex clauses to arrive at the correct cost of generation and payment of Power procurement cost.

This had taken considerable amount of time to finalize the power procurement cost for both old and new gas stations. Thereby the filing of FSA was delayed to get the correct cost and to calculate reflective FSA, to be collected from consumers.

In the process of approval and scrutiny of FSA filing for FY 08-09, staff of commission has given several suggestions from time to time due to intricacies involved. Suggestions made and changes contemplated by APERC compelled DISCOMs to defer filing the FSA for FY 09-10 till the FSA orders are issued for FY 08-09, and finalization of DISCOMs power purchase cost, so that accuracy can be maintained in claim of FSA for FY 09-10.

As such, due to several reasons stated above there occurred a delay of 482 days in filing FSA of fourth quarter of 2009-10. In fact the said delay is neither due to negligence nor due to intentional act of DISCOMs, and deserves to be condoned.

If the delay is not condoned, and the right of claim of DISCOMs is forfeited, the DISCOMs would suffer irreparable loss, as there is no provision to fill the gap of cost of purchase and receivables. Thus public interest would be prejudicially effected. As such public interest is involved, on the other hand there will be no loss to consumers in granting FSA with delay, as they are obligated to pay FSA as per Tariff Order, which is unchallenged and attained finality.

Further it is submitted that as per clause 59 of APERC conduct of business regulations, the Hon'ble Commission has wide powers to extend any time limit specified by it. The Hon'ble High Court by its order dt.08-08-2011 has upheld the said powers of condonation of delay, by extending the stipulated time limit.

In view of above facts it is just and necessary to condone delay of (482) days by extending the time limit until 25-08-2011 and grant FSA for the fourth quarter of 2009-10, to enable the DISCOMs to collect from consumers.

Particulars	Jan'10	Feb'10	Mar'10	Qtr 4
Proposed FSA Amount (Rs.Crs.)	8	2	34	44
Non Agricultural Sales (MU)	408	418	416	1242
FSA Rate (Rs./Kwh)	0.20	0.04	0.82	0.35
FSA (Domestic Category -Rs.Crs.)	2.65	0.56	10.63	13.84
FSA (Other than Dom & Agl -Rs.Crs.)	5.52	1.26	23.38	30.17

Therefore it is prayed to condone the delay in filing FSA and grant FSA as prayed above, in the interest of justice.

Yours faithfully,

Sd/-

Chief General Manager
Operation, Comml&IPC,
APNPDCL, Warangal.