

ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION

(Regulatory Commission for the States of Andhra Pradesh and Telangana) #11-4-660, 4th & 5th Floors, Singareni Bhavan, Red Hills, Hyderabad 500 004 Phone Nos.(040)23397625/381/399 Fax No.(040)23397378/489 website www.aperc.gov.in

From Commission Secretary, APERC, 4th & 5th Floors, # 11-4-660, Singareni Bhavan, Red Hills, Lakdi-ka-pul, Hyderabad 500 004. To
The Director (OM),
Government of India, Ministry of Power,
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Lr. No.APERC/Secy/F:State Reorganization/2014-6,

Dated 30.09.2014

Sir,

Sub: APERC - AP Reorganisation Act, 2014 - Status of existing

APERC – Way Forward – Submitted - Reg.

Ref: 1) Lr.No.APERC/Secy/F:StateReorganization/2014-5, Dt.21.08.2014

2) Lr.No.13/6/2014-OM, Dt. 03.09.2014 from the MoP, GoI, New Delhi

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In the reference 2^{nd} cited, this Commission was requested to propose the **Way Forward** in each of the issues raised in the reference 1^{st} cited.

2) Accordingly, I am directed to submit the views of the Commission on the issues raised in the reference 1st cited at seriatim.

(i) Appeals pending in Hon'ble Supreme Court:

The appeals filed by the Andhra Pradesh Electricity Regulatory Commission (APERC) can be sustained only if a successor in interest to the existing APERC is clearly designated who will have the responsibility and authority to pursue the litigations filed by its predecessor in interest. In terms of section 82(2) of the Electricity Act, 2003, the successor in interest of the Andhra Pradesh Electricity Regulatory Commission for the State of Andhra Pradesh should be clearly designated as the Andhra Pradesh Electricity Regulatory Commission (APERC) for the new State of Andhra Pradesh and Telangana State Electricity Regulatory Commission (TSERC) for the State of Telangana. All pending Civil Appeal Cases pertaining exclusively to each of the States can be transferred to the respective States. The remaining cases where interests of all the four distribution companies and both the States are involved will continue to be dealt with by the APERC. The expenditure incurred in these joint cases can be shared by the APERC and TSERC in the population ratio.

(ii) Continuation of 41 Full Time Regular Staff:

These permanent employees must be adjusted either in APERC or TSERC. These employees would be distributed between APERC and TSERC based on the forthcoming recommendations of the 'Kamalanathan Committee' set up by the Government of India for allocating staff among the two new States.

(iii) Pension Liabilities:

The pension liability should be distributed between the APERC and TSERC on the basis of the population ratio. The retired employees shall continue to draw their pension from the APERC, as at present, and they will periodically be reimbursed by TSERC to the extent of their share to the APERC.

(iv) Chairman and Members of the Commission:

As per Section 82(2) of the Electricity Act, 2003, the State Commission shall be a Body Corporate with perpetual succession and thus it cannot be dissolved. As per Section 89(2) and Section 90 of the Electricity Act, 2003, the terms and conditions of Service of the Members shall not be varied to their disadvantage after appointment and no member can be removed from the Office except on specific ground.

Accordingly, since APERC for the new State of Andhra Pradesh will be the successor in interest to the APERC of the erstwhile State of Andhra Pradesh, the Chairman and Members of APERC will continue as the Commission for the new APERC.

(v) Assets and Liabilities:

The Assets and Liabilities of APERC will be apportioned between the two successor entities on the basis of population ratio.

3) The Government of India can issue directions on the above lines under Section 92 of the Andhra Pradesh Reorganisation Act, 2014 to the two States of Andhra Pradesh and Telangana.

Yours faithfully,

Commission Secretary

Copy to:

The Principal Secretary to Govt., Energy Department, Government of Andhra Pradesh, Andhra Pradesh Secretariat, Hyderabad 500 004.

The Principal Secretary to Govt., Energy Department, Government of Telangana, Telangana Secretariat, Hyderabad 500 004.