

SR NO. 14 of 2016

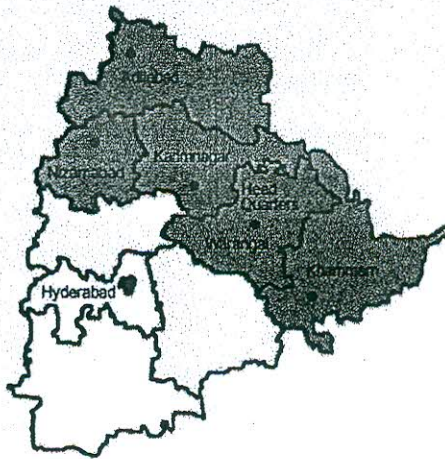
NORTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED

(Distribution & Retail Supply Licensee)

JSR
8/3



**Filing of ARR & Tariff Proposals for
Retails Supply Business for the FY 2016-17**



March 2016

BEFORE THE HONOURABLE TELANGANA STATE ELECTRICITY REGULATORY COMMISSION

AT ITS OFFICE AT 5th FLOOR, SINGARENI BHAVAN, RED HILLS, HYDERABAD 500 004

CASE NO. _____/2016

In the matter of:

Determination of the Aggregate Revenue Requirement (ARR) for Retail Supply Business and Tariff for Retail Sale of Electricity for the year 2016-17 under Section 62 of the Electricity Act, 2003.

In the matter of:

NORTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED.... Applicant

H.No: 2-5-31/2,,Corporate Office, Vidyut Bhavan,

Nakkalgutta, Hanamkonda,,Warangal-506001

Phone No : 0870 – 2461501, Fax No : 0870 - 2461519

Website: www.tsnpdcl.in

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 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in electricity in the State of Telangana including the Commission and shall continue to have effect until duly altered, repealed or amended, any of Regulation by the Commission with effect from the date of notification as per Notification issued by the Government of Telangana in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 64 of the Electricity Act 2003 for determination of the Aggregate Revenue Requirement (ARR) and Tariff for the Retail Supply Business for the year FY 2016-17.
3. As per Regulation No. 4 of 2005, the licensee is required to file the Aggregate Revenue Requirement (ARR) for Retail Supply Business and Tariff proposal for the entire control period i.e., for the period FY 2014-15 to FY 2018-19. However, the licensee had requested the Hon'ble Commission to allow it to submit the ARR for Retail Supply Business for the FY 2016-17 on yearly basis, instead for the entire control period due to the reasons as mentioned below:
 - a. **Significant uncertainty involved in projection of quantum of power to be purchased from various sources as well as in costs –**
 - **Projections of Generation Availability**

Projection of power to be purchased from TS Genco stations, CGS Stations & other stations would be difficult beyond one or two years. As seen in the past there have been deviations from the scheduled commissioning for both thermal and Hydro plants. Given the high quantum of power likely to be purchased from the plants likely to be commissioned till FY 2018-19, any deviations in the power procurement schedule from these plants will have a material impact on the

