

# ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati, Assam. PIN-781001

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CIN: U40109AS2003SGC007242

No. GM (TRC)/PP Policy/2015/07/14

Date: 31.10.2018

To

**The Additional Chief Secretary to Government of Assam  
Power (Electricity) Department,  
Janata Bhawan  
Dispur, Guwahati- 781006**

Sub: - Request for Financial assistance of Rs. 100 Crore for ensuring quality power supply without hiking the price.

Ref: - Assam Electricity Regulatory Commission (Fuel and Power Purchase Price Adjustment Formula) Regulations, 2010, (Amendment) 2012.

Sir,

With reference to the above, I have the honour to submit as under:

1. Retail tariff for current year was made effective from April, 2018.
2. As per Section 62(4) of the Electricity Act 2003, no tariff or part of any tariff may ordinarily be amended more frequently than once in a financial year except in respect of any changes expressly permitted under the terms of any fuel surcharge formula as may be specified.
3. Assam Electricity Regulatory Commission (Fuel and Power Purchase Price Adjustment Formula) Regulations, 2010, (Amendment) 2012 is the governing regulation in the state of Assam.
4. As per the said regulation, the formula will be applied at the end of each quarter by APDCL without making it necessary to go through the regulatory proceedings unless the FPPPA charged is within 25% of the variable component of tariff i.e. Rs. 1.41 per unit.
5. The FPPPA amount derived as per the applicable regulation is **Rs. 60.14 Crore** for the period from April to August, 2018 with **17 paise** per unit impact on retail tariff. Detailed calculation is enclosed as **Annexure-1**. The same is available to be levied from 1<sup>st</sup> November, 2018 with seven days advance notification.
6. Recently, the price in spot market (IEX) has touched the upper ceiling of **Rs.20/-** per unit for some time block. Average Market Clearing Price (MCP) applicable for the state of Assam for this month is **Rs. 7.21 per unit**. Statement of IEX is enclosed as **Annexure-2** for kind perusal.
7. The key reasons for increase in the volume as well as prices in the day-ahead market included an increase in demand for power in Eastern, Western and Southern states, low availability of coal with thermal power plants; reduced generation from wind and hydro based capacity, and scant rainfall and dry weather in Southern states.
8. Due to high prices at spot market (IEX), APDCL has to incur additional expenditure. In the tariff order, AERC has approved procurement of 1737 MU (about 18%) from IEX at average rate of **Rs. 3.00 per unit**. Accordingly, APDCL was executing its power procurement planning. Till September 2018; APDCL has procured 619 MU from IEX at effective average rate of **Rs. 3.95 per unit**. Incremental expenditure on this account till December, 2018 is estimated to **Rs. 44.97 Crore**. Detailed calculation is placed at **Annexure-3** for kind perusal.

Furthermore, Assam is experiencing significant increase in demand primarily driven by manifold addition in consumer base across the state due to successful implementation of various Government schemes specially SAUBHAGYA. Under SAUBHAGYA, already 7,34,476 numbers of households out of pending 18,92,348 were inducted to power system since 11<sup>th</sup> October, 2017. The quantum is significantly higher than average annual increment of 3.29 lakh for last five years. Besides, many load centres were previously deprived of quality power supply due to various unavoidable transmission as well as distribution constraints. With the improvement in system vis-à-vis living standards of people has led to opening up of latent demand. Usage of TV/Computer/ mobile phone is a household phenomenon even in sub-urban/ rural areas at present.

It needs no mention that passing on the additional FPPPA burden of another 17 paisa to the retail consumer with recent enhancement of Electricity Duty may lead to public outrage.

However, with the ongoing festive season followed by Panchayat Election, examination season and General election; quality supply of power will be of utmost importance.

Considering the financial as well as operational implication of such procurements, it is requested to move Finance Department for providing financial assistance of **Rs. 100 Crore to tide up the gap of Rs. 105 Crore** (Rs. 60.14 Crore +Rs. 44.97 Crore= Rs. 105.11 Crore) to APDCL under section 65 of the Electricity Act 2003 to ensure quality supply of power without increase in retail tariff like many previous years.

Yours faithfully,

Encl: As above.

Managing Director

Memo GM (TRC)/PP Policy/2015/07/14(A)

Date: 31.10.2018

Copy to:

- a) Staff Officer to Chief Secretary, Govt. of Assam, for kind information of Chief Secretary.
- b) P.S. to Chairman, APDCL, for kind information of Hon'ble Chairman.
- c) P.S. to Principal Secretary to Govt. of Assam, Finance Department, for kind information of Hon'ble Principal Secretary.
- d) Chief General Manager(F&A), APDCL, for information and needful.
- e) The OSD to the Minister (Power), Govt. of Assam, Dispur, Guwahati-6 with a request to follow up the matter.

Managing Director

FPPPA CALCULATION AS PER APPROVED FORMULA

Amount of differential cost on account of fuels on APGC1 generation 26.77 Rs.Crore  
 Amount of differential cost on account of Power purchase 33.37 Rs.Crore  
 Adjustment of under/ excess recovery of FPPPA for immediate previous Quarter Rs.Crore  
 Any Other Adjustment( Amt of Suppl Bill) Rs.Crore  
 Amount of incremental Cost in a specified period on account of Fuel & Power Purchase 60.14 Rs.Crore

FPPPA Recovery Rate

Energy Sales	(a) Metered Energy Sale	(b) Assessment Unmetered sale	(c) Deemed sale of energy on Account of excess T&D Loss	(d) Energy Sale to the Exempted categories of consumers
	ES1	ES2	ES3	ES4
	MU			
	3,329.68	171.72	3,501.41	17,172,387.4
	KWH			
	3,32,96,83,638	3,50,14,07,512		

Energy Sale = ES1+ES2+ES3+ES4

Calculation of Deemed sale of Energy due to higher T&D loss

	Injection to the State Network (MU)	Actual sale (MU)	%T&D Loss	Approved %T&D Loss	Deemed Sale (MU)
Energy for Month 1	661.080	541.92	18.03	19.71	-11.14
Energy for Month 2	747.628	591.31	20.91	19.71	8.96
Energy for Month 3	910.908	680.91	25.25	19.71	50.46
Energy for Month 4	988.884	739.19	25.25	19.71	54.78
Energy for Month 5	1038.595	776.35	25.25	19.71	57.53
	4347.096	3329.68			171.72

FPPPA Recovery Rate =  $\frac{V(Rs)=6013805.47}{\text{Energy Sales (KWH)}=3501407512} \times 100 = Rs.0.17 / \text{kWh}$

*30*  
*21/1/15*

	2018-19 Approval (19-03-2018)					Apr-18					May-18					Jun-18					Jul-18					Aug-18					FY 2018-19					
	MU Purchased / Total in Rs (cr-bus)	All Charges Total in Rs Crs	Average rate (Rs/kwh)	MU Purchased / generated (cr-bus)	All Charges Total in Rs Crs	Average rate (Rs/kwh)	MU Purchased / Total in Rs Crs	All Charges Total in Rs Crs	Average rate (Rs/kwh)	MU Purchased / generated (cr-bus)	All Charges Total in Rs Crs	Average rate (Rs/kwh)	MU Purchased / Total in Rs Crs	All Charges Total in Rs Crs	Average rate (Rs/kwh)	MU Purchased / generated (cr-bus)	All Charges Total in Rs Crs	Average rate (Rs/kwh)	MU Purchased / Total in Rs Crs	All Charges Total in Rs Crs	Average rate (Rs/kwh)	MU Purchased / generated (cr-bus)	All Charges Total in Rs Crs	Average rate (Rs/kwh)	MU Purchased / Total in Rs Crs	All Charges Total in Rs Crs	Average rate (Rs/kwh)	MU Purchased / generated (cr-bus)	All Charges Total in Rs Crs	Average rate (Rs/kwh)	Deviation (Rs/kwh)	Deviation (Rs/Cover)				
1959.26	592.13	3.02	83.07	30.75	3.70	126.32	51.58	4.05	141.97	44.64	3.13	148.44	48.81	3.25	124.93	42.46	3.40	631.72	224.67	3.45	0.00	630.80	224.67	3.45	0.00	630.80	224.67	3.45	-0.43	-26.77						
516.5	48.70	0.94	17.4	3.72	2.13	53.4	5.22	1.11	65.4	6.65	0.99	70.5	6.88	0.98	74.6	7.23	0.97	261.22	30.80	1.07	0.00	261.22	30.80	1.07	0.00	261.22	30.80	1.07	-0.13	-3.65						
55.9	6.30	1.11	1.7	0.48	2.83	5.6	0.76	1.35	8.2	0.95	1.15	18.6	2.70	1.45	8.1	0.94	1.15	81.91	4.07	1.28	0.00	81.91	4.07	1.28	0.00	81.91	4.07	1.28	-0.17	-0.53						
130.1	20.30	1.46	2.1	1.01	4.87	12.5	1.22	1.72	13.5	1.98	1.47	18.6	2.70	1.45	17.9	2.50	1.45	64.50	6.07	1.62	0.00	64.50	6.07	1.62	0.00	64.50	6.07	1.62	-0.16	-1.02						
590.9	146.30	2.52	20.9	9.04	4.32	40.0	11.68	2.77	60.3	12.11	2.01	73.3	14.24	1.94	72.5	14.23	1.95	277.07	60.70	2.27	0.00	277.07	60.70	2.27	0.00	277.07	60.70	2.27	0.24	6.82						
114.1	48.90	4.29	3.8	2.09	5.82	6.4	3.08	4.79	11.5	4.90	4.41	13.8	8.14	4.11	23.0	4.30	4.06	64.06	27.61	4.31	0.00	64.06	27.61	4.31	0.00	64.06	27.61	4.31	-0.02	-0.15						
801.4	287.90	3.54	48.0	18.37	3.83	75.1	26.75	3.50	114.3	22.43	2.98	159.9	5.98	3.00	17.9	5.08	2.95	344.31	121.86	3.32	0.00	344.31	121.86	3.32	0.00	344.31	121.86	3.32	-0.18	-6.16						
317.10	109.10	3.44	18.33	6.10	3.29	20.59	6.99	3.05	22.43	6.69	2.98	19.99	5.98	3.00	17.9	5.08	2.95	27.35	3.48	3.05	0.00	27.35	3.48	3.05	0.00	27.35	3.48	3.05	0.39	3.81						
286.1	69.50	3.07	7.6	3.91	5.18	19.4	6.28	3.24	21.3	6.64	3.12	21.6	6.71	3.10	22.3	6.84	3.07	92.49	30.48	3.05	0.00	92.49	30.48	3.05	0.00	92.49	30.48	3.05	-0.22	-2.84						
1259.3	409.30	3.25	114.0	36.48	3.20	113.4	36.48	3.22	106.7	32.62	3.15	135.0	38.55	2.83	123.4	38.38	3.11	592.43	180.51	3.25	0.00	592.43	180.51	3.25	0.00	592.43	180.51	3.25	0.20	12.00						
912.7	484.41	5.32	163.2	80.48	4.93	156.3	79.51	5.09	179.6	84.81	5.00	185.2	90.69	4.88	178.3	94.01	5.27	863.30	434.60	5.03	0.00	863.30	434.60	5.03	0.00	863.30	434.60	5.03	0.29	24.64						
4923.10	1611.41	3.27	397.12	161.68	4.07	507.42	180.68	3.65	573.69	195.33	3.40	657.69	212.58	3.23	639.77	217.87	3.41	2775.70	977.82	3.49	0.00	2775.70	977.82	3.49	0.00	2775.70	977.82	3.49	-0.21	-9.29						
369.48	102.60	3.80	10.71	4.06	3.79	13.66	1.77	1.30	17.68	13.05	7.38	12.88	7.72	5.99	15.27	-4.48	-2.94	70.19	22.42	3.15	0.00	70.19	22.42	3.15	0.00	70.19	22.42	3.15	0.56	4.59						
141.74	49.12	3.47	10.38	3.44	3.41	10.03	3.34	3.13	9.65	9.12	3.23	6.84	2.74	4.00	9.64	3.34	3.46	47.19	16.08	3.41	0.00	47.19	16.08	3.41	0.00	47.19	16.08	3.41	0.06	0.27						
668.68	197.90	3.48	40.97	14.20	3.46	30.49	10.96	3.60	31.10	10.64	3.21	31.38	11.85	3.79	44.34	15.53	3.50	180.48	63.48	3.51	0.00	180.48	63.48	3.51	0.00	180.48	63.48	3.51	-0.03	-0.47						
144.15	36.95	2.54	12.85	2.29	2.33	13.05	1.30	2.65	11.60	3.35	2.59	10.83	3.25	3.00	11.18	3.08	2.75	59.61	16.43	2.71	0.00	59.61	16.43	2.71	0.00	59.61	16.43	2.71	-0.17	-1.00						
1124.3	386.27	3.44	74.9	24.79	3.31	67.9	19.54	2.88	72.0	30.16	4.13	61.8	35.55	4.13	80.4	17.46	2.17	357.1	117.90	3.29	0.00	357.1	117.90	3.29	0.00	357.1	117.90	3.29	0.45	5.18						
8.67	3.56	4.11	0.32	0.13	4.11	0.32	0.13	4.11	0.59	0.24	4.11	0.83	0.34	4.11	0.80	0.31	4.11	2.87	1.18	4.11	0.00	2.87	1.18	4.11	0.00	2.87	1.18	4.11	0.00	0.00	0.00					
0.68	0.64	7.94	0.03	0.02	6.88	0.02	0.01	7.51	0.00	0.03	6.40	0.00	0.03	6.19	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-0.06	-0.06			
35.55	22.25	6.26	4.70	2.85	6.06	4.66	1.53	6.95	3.04	1.98	6.40	3.12	1.91	6.19	3.49	0.15	0.44	19.01	9.73	5.12	0.00	19.01	9.73	5.12	0.00	19.01	9.73	5.12	1.14	2.17						
7.83	9.63	12.30	0.96	1.17	12.22	1.01	1.33	12.13	1.11	1.23	12.43	0.77	0.89	11.59	0.90	0.90	11.84	4.39	5.80	12.07	0.00	4.39	5.80	12.07	0.00	4.39	5.80	12.07	0.23	0.10						
6.51	5.08	7.80	0.58	0.40	7.65	0.55	0.42	7.89	0.48	0.35	7.41	0.47	0.38	7.39	0.53	0.40	7.54	2.56	3.92	7.50	0.00	2.56	3.92	7.50	0.00	2.56	3.92	7.50	0.20	0.08						
96.48	11.87	3.25	2.72	47.06	2.47	2.91	0.88	3.03	2.87	0.49	1.70	3.85	0.85	2.97	3.06	0.70	2.95	14.42	3.79	2.63	0.00	14.42	3.79	2.63	0.00	14.42	3.79	2.63	0.62	0.90						
1736.89	631.07	3.00	74.70	33.64	4.50	47.36	19.95	4.02	18.14	18.14	3.77	60.55	19.91	3.13	50.68	16.70	3.30	256.75	92.62	3.61	0.00	256.75	92.62	3.61	0.00	256.75	92.62	3.61	-3.61	-92.62						
Additional Non-solar RPO(RECs)	25.58					47.11	28.34	6.02	109.21	49.65	4.55	87.55	33.14	3.79	145.92	50.59	3.47	464.48	195.96	4.21	0.00	464.48	195.96	4.21	0.00	464.48	195.96	4.21	-1.21	-56.02						
OTHERS GROSS	1832.61	644.92	3.52	121.02	57.70	4.40	103.93	52.88	165.18	71.99	4.36	159.15	57.45	3.61	205.23	69.97	3.41	754.51	309.99	4.05	0.00	754.51	309.99	4.05	0.00	754.51	309.99	4.05	-0.54	-10.94						
DSM			12.68	4.11		7.45	2.80		1.60		4.49	1.40		22.41	5.00		47.04	14.93	3.47														-3.17	-4.93		
TOTAL BUY	9839.2	3234.73	3.29	698.8	279.0	3.99	813.0	307.1	952.9	343.6	3.61	1028.8	362.5	3.33	1077.8	353.8	3.29	4656.1	1624.0	3.66	0.00	4656.1	1624.0	3.66	0.00	4656.1	1624.0	3.66	-0.27	-136.7						
Transmission Charges/Losses (CTU)	141.64	526.33	0.67	12.77	40.14	0.71	13.03	40.14	16.70	0.83	17.58	40.10	0.49	17.88	46.13	0.52																				
Seasonal Export				22.96		52.36			35.25		32.25			22.15																						
Total Power Purchase Cost	9694.6	3761.06	3.88	661.1	319.17	4.83	747.6	347.20	910.9	383.72	4.21	988.9	382.67	3.87	1038.6	398.90	3.84	4866.1	1831.56	4.01	0.00	4866.1	1831.56	4.01	0.00	4866.1	1831.56	4.01	-0.13	-60.14						

Asstt. Manager (Acctt)  
 Office of the CGM(Com)  
 APDCL, Bijulee Bhawan, Ghy-1.



**IEX**  
INDIAN ENERGY EXCHANGE

Annexure-2

**Prices at IEX INR / MWh**

Monthly prices are simple average of non-zero prices in (No of days in a month\*24\*4)  
no of 15 minutes time block of respective month.

Year: 2018

Year   Month	A2
2018   Apr	3972.72
2018   May	4567.51
2018   Jun	3684.90
2018   Jul	3445.67
2018   Aug	3334.94
2018   Sep	4689.80
2018   Oct	7206.22


Summary	A2
Average (RTC)	4115.42
Peak	5205.24
Non Peak	3752.15
Day	3709.38
Night	3873.30
Morning	3615.01

*APD*

Manager (Acctt)  
Office of the CCM(Com)  
APDCL., Bijulee Bhawan, Ghy-1.

Month	Quantum (MU)	Actual Rate (Rs./kWh)	Amount (Rs. Crore)	Approved Rate (Rs./kWh)	Amount (Rs. Crore)	Incremental amount (Rs. Crore)
Apr	74.70	3.97	29.67	3.00	22.41	7.27
May	47.11	4.57	21.52	3.00	14.13	7.38
Jun	109.21	3.68	40.24	3.00	32.76	7.48
Jul	87.55	3.45	30.17	3.00	26.26	3.90
Aug	145.92	3.33	48.66	3.00	43.78	4.89
Sep	154.46	4.69	72.44	3.00	46.34	26.10
<b>Sub-total</b>	<b>618.94</b>		<b>242.70</b>		<b>185.68</b>	<b>57.02</b>
Oct	159.61	3.95 <sup>s</sup>	63.03	3.00	47.88	15.15
Nov	154.46	3.95	61.00	3.00	46.34	14.66
Dec	159.61	3.95	63.03	3.00	47.88	15.15
<b>Sub-total</b>	<b>473.69</b>		<b>187.07</b>		<b>142.11</b>	<b>44.97</b>
Jan	159.61	3.95	63.03	3.00	47.88	15.15
Feb	144.17	3.95	56.93	3.00	43.25	13.69
Mar	159.61	3.95	63.03	3.00	47.88	15.15
<b>Sub-total</b>	<b>463.39</b>		<b>183.00</b>		<b>139.02</b>	<b>43.99</b>
<b>Total</b>	<b>1556.02</b>		<b>612.78</b>		<b>466.81</b>	<b>145.97</b>

Average rate for Apr to Sep'18: Rs. 3.95/kWh.

  
 Asslt. Manager (Acctt)  
 Office of the CSM(Com)  
 APDCL., Bijulee Bhawan, Ghy-1.