



SOUTHERN POWER DISTRIBUTION COMPANY OF A.P. LIMITED
19-13-65/A, Vidyut Nilayam, Srinivasapuram, Tirupati (www.apspdcl.in)

From

The Chief General Manager,
RAC & IPC, APSPDCL, 19-13-65/A,
Vidyut Nilayam, Srinivasapuram,
Tirupati – 517501.

To

The Secretary, APERC,
Vidyut Niyantana Bhavan,
Adjacent to 220/132/33/11 KV
AP Carbides Sub Station,
Dinnedevarapadu Road, Kurnool-02

Lr No.CGM/RAC&IPC/SPDCL/TPT/GM/RAC/F.True-up/D.No. ⁴⁴ /2025 dt. ²⁸ -01-2025


Sir,

Sub:- APSPDCL/Tirupati – Filing of True-up Petition for distribution business for 4th control period (FY 2019-20 to FY 2023-24) – Submitted – Regarding.

The licensee submits the true-up Petition for distribution business for 4th control period (FY 2019-20 to FY 2023-24) for seeking approval / orders of the Honourable Commission please.

Encl : Petition in Original (6 Nos.)

Yours faithfully,


Chief General Manager
RAC & IPC



(10)

BEFORE THE
HONOURABLE ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION
Vidyut Niyantrana Bhavan, AP Carbides Sub Station, Dinnedevarapadu, Kurnool - 518 002

FILING NO. ____/2025

CASE NO. ____/2025

IN THE MATTER OF:

Filing of Petition for Determination of the True up for distribution business for 4th control period (FY 2019-20 to FY 2023-24) under Clause 19, Pg 11 of the 'Andhra Pradesh Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff for Wheeling and Retail Sale of Electricity)' Regulation No. 4 of 2005.

Filed by:

SOUTHERN POWER DISTRIBUTION COMPANY OF ANDHRA PRADESH LIMITED

... Petitioner

MOST RESPECTFULLY SHOWETH THE SUBMISSION:

The APDISCOMS humbly submit the following:

Petition for True up for distribution business for 4th control period (FY 2019-20 to FY 2023-24)

This filing is made by the Distribution Licensee, SOUTHERN POWER DISTRIBUTION COMPANY OF ANDHRA PRADESH LIMITED (APSPDCL) under **Clause 19, Pg 11 of the 'Andhra Pradesh Electricity Regulatory Commission** (Terms and Conditions for Determination Of Tariff For Wheeling and Retail Sale of Electricity)' Regulation No. 4 of 2005 for corrections for "uncontrollable" and "controllable" items and as well as sharing of gains/losses for the 4th control period (FY 2019-20 to FY 2023-24)

This filing has been prepared as per the provisions of the above mentioned Regulation. The Licensee is submitting the following as part of the correction filings for the 4th Control Period (FY 2019-20 to FY 2023-24)

- a) Statement of Variance with Tariff Order approved figures pertain to items under Distribution Business for the 4th Control Period (FY 2019-20 to FY 2023-24)
- b) Corrections for Uncontrollable items under Distribution Business along with reasons for variation
- c) Corrections for Controllable items under Distribution Business along with reasons for variation

As per the 'Andhra Pradesh Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff for Wheeling and Retail Sale of Electricity)' Regulation No. 4 of 2005, Clause 10, Pg 7 -

"1.

4. *Controllable and Uncontrollable items of ARR:- The expenditure of the Distribution Licensee considered as "controllable" and "uncontrollable" shall be as follows:*

Table1: Controllable/Uncontrollable ARR Items in Distribution Business

Distribution Business	
ARR Item	"Controllable"/"Uncontrollable"
Operation & Maintenance expenses	Controllable
Return on Capital Employed	Controllable
Depreciation	Uncontrollable
Taxes on Income	Uncontrollable
Non-tariff income	Controllable

In addition to the above items the retail supply business shall include the following:

Table 2: Controllable/Uncontrollable ARR Items in Retail Business

Retail Business	
ARR Item	"Controllable"/"Uncontrollable"
Cost of power purchase	Uncontrollable

5. *Pass-through of gains and losses on variations in "uncontrollable" items of ARR:- The Distribution Licensee shall be eligible to claim variations in "uncontrollable" items in the ARR for the year succeeding the relevant year of the Control Period depending on the availability of data as per actuals with respect to effect of uncontrollable items:*

Provided that the Commission shall allow the financing cost on account of the time gap between the time when the true-up becomes due and when it is actually allowed and the corrections shall not be normally revisited.

6. *Sharing of gains and losses on variations in "controllable" items of ARR:*

The Distribution Licensee in its annual filings during the Control Period shall present gains and losses for each controllable item of the Aggregate Revenue Requirement. A statement of gain and loss against each controllable item will be presented after adjusting for any variations on account of uncontrollable factors.

7. *For the purpose of sharing gains and losses with the consumers, only aggregate gains or losses for the Control Period as a whole will be considered. The Commission will review the gains and losses for each item of the ARR and make appropriate adjustments wherever required: Provided that for the first Control Period, insofar as the gains and losses from the Retail Supply Business of the Distribution Licensee are concerned, these will be shared with the consumers on yearly basis."*

Hence, this Petition details the total truing up gap arising out of the deviations in both "uncontrollable" and "controllable" items for the 4th MYT Control Period in subsequent sections of this Petition.

The approved / actual figures for FY 2019-20 pertain to combined APSPDCL – 8 districts (including 3 Districts which are currently under APCPDCL). The APCPDCL (Central Power Distribution Corporation Limited) was assigned to carryout distribution activities with effect from

01-04-2020. Hence the approved / actual figures from FY 2020-21 pertains to APSPDCL 5 Districts only. The approved figures for the period from FY 2020-21 to FY 2023-24 are considered as per the approval accorded for apportion of ARR & Revenue items between APSPDCL and APCPDCL for distribution (FY 2021-24) & retail Supply (FY 2020-21) business vide Pdgs. APERC/Secy/Tariff/F:83/D.No 362/20 Dt 26-08-2020.

For computation of CAGR in respect of various items, the figures from FY 2020-21 are considered for correct data interpretation. FY 2019-20 data pertains to 8 Districts.

1.1 True-up of Aggregate Revenue Requirement (ARR) Components & Total Revenue Gap
APSPDCL is filing for the Distribution Business truing-up of **Rs. 3,345.85 Crs.** including carrying cost for the 4th MYT Control Period from FY 2019-20 to FY 2023-24 and up to 31.12.2024. Summary of ARR line items and revenue for FY 2019-20 to FY 2023-24 is shown in the table below:

Table 3: Summary of True-up line items for 4th Control Period (FY20, FY21, FY22) (Rs. Cr.)

S. No.	Name of the Parameter	FY 2019-20			FY 2020-21			FY 2021-22		
		Approved	Actuals	Variation	Approved	Actuals	Deviation	Approved	Actuals	Variation
A	O & M Expenses	3,003	4,281	1,278.07	2,128.54	2,625.72	497.19	2,384.71	2,692.94	308.23
	Depreciation during the year	667	1,034	367.41	496.62	708.64	212.02	583.73	748.28	164.55
	Taxes on Income	50	0.00	-49.55	40.58	0.00	-40.58	53.90	0.00	-53.90
	Other Expenditure	38	36.57	-0.99	22.35	2.26	-20.09	23.02	-0.48	-23.50
	Special Appn. for Safety measures	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total Expenditure	3,757	5,351.69	1,594.94	2,688.08	3,336.62	648.54	3,045.36	3,440.74	395.38
	Expenses Capitalized	304	240.80	-63.62	203.43	203.32	-0.11	193.07	262.50	69.43
	Net Expenditure	3,452	5,110.89	1,658.56	2,484.65	3,133.30	648.65	2,852.29	3,178.24	325.95
B	Return on Capital Employed	636	636.51	0.82	523.83	530.81	6.98	696.82	515.88	-180.95
X	Total Distribution ARR	4,088	5,747.40	1,659.38	3,008.49	3,664.12	655.63	3,549.11	3,694.11	145.00
G	LESS: Wheeling Revenue/Open Access/NTI	466	451.85	-14.15	359.43	258.42	-101.01	391.58	312.91	-78.67
Y	Revenue Requirement	3,622	5,295.55	1,673.53	2,649.05	3,405.69	756.64	3,157.53	3,381.20	223.67
	Carrying Cost (for the years FY 2019-20 to FY 2024-25)			83.68			213.55			283.92
	Carrying Cost (for the years FY 2024-25 up to Dec-24)			0.00			0.00			0.00
	Total Gap including Carrying Cost			1,757.21			970.19			507.60

Table 4: Summary of True-up line items for 4th Control Period (FY23, FY24, Total) (Rs. Cr.)

S. No.	Name of the Parameter	FY 2022-23			FY 2023-24			Total		
		Approved	Actuals	Variation	Approved	Actuals	Variation	Approved	Actuals	Variation
A	O & M Expenses	2,684.93	2,771.32	86.39	3,021.31	3,361.91	340.60	13,222.49	15,732.96	2,510.47
	Depreciation during the year	690.24	814.84	124.60	809.72	930.54	120.82	3,246.94	4,236.35	989.41
	Taxes on Income	69.24	0.00	-69.24	78.63	0.00	-78.63	291.90	0.00	-291.90
	Other Expenditure	23.71	-11.75	-35.46	24.42	-12.34	-36.76	131.06	14.26	-116.80

S. No.	Name of the Parameter	FY 2022-23			FY 2023-24			Total		
		Approved	Actuals	Variation	Approved	Actuals	Variation	Approved	Actuals	Variation
	Special Appn. for Safety measures	0.00	0.00		0.00	0.00	0.00	0.00	0.00	0.00
	Total Expenditure	3,468.12	3,574.41		3,934.08	4,280.11	346.03	16,892.39	19,983.57	2,984.89
	Expenses Capitalized	142.19	316.06	173.87	73.96	446.32	372.36	917.07	1,469.01	551.94
	Net Expenditure	3,325.94	3,258.35		3,860.12	3,833.79	-26.33	15,975.33	18,514.56	2,606.82
B	Return on Capital Employed	891.17	537.55	-353.62	1,019.66	628.34	-391.32	3,767.17	2,849.09	-918.08
X	Total Distribution ARR	4,217.10	3,795.90	-421.21	4,879.78	4,462.13	-417.65	19,742.50	21,363.65	1,621.15
G	LESS: Wheeling Revenue/Open Access/NTI	426.83	382.69	-44.15	465.49	396.81	-68.68	2,109.34	1,802.68	-306.66
Y	Revenue Requirement	3,790.27	3,413.21	-377.06	4,414.29	4,065.32	-348.97	17,633.16	19,560.97	1,927.81
	Carrying Cost (for the years FY 2019-20 to FY 2024-25)			304.65			298.81			1,184.61
	Carrying Cost (for the years FY 2024-25 up to Dec-24)			0.00			0.00			233.43
	Total Gap including Carrying Cost			-72.41			-50.16			3,345.85

As shown in the table above, total Gross ARR considered for truing-up is Rs. 19560.97 Crs. as against APERC approved value of Rs. 17633.16 Crs. The gross ARR is observed to be 10.93% higher than the APERC approved value.

Following table shows the percentage contribution of different line items to Gross ARR:

Table 5: % Contribution of different line items on Actual Gross ARR

Name of the Parameter	% Contribution on Actual Gross ARR
O & M Expenses	68.91%
Return on Capital Employed	12.48%
Depreciation during the year	18.55%
Taxes on Income	0.00%
Special Appn. For Safety measures	0.00%
Other Expenditure	0.06%
Gross ARR	100.0%

1.1.1 Operation & Maintenance (O&M) Expenses

APSPDCL's actual O&M Expenses for the 4th Control period is Rs. 15,732.96 Crs. Summary of Operation & Maintenance (O&M) Expenses for FY 2019-20 to FY 2023-24 is as shown below:

Table 6: Summary of O&M expenses for 4th Control Period (Rs. Crs.)

Name of the Parameter	FY20	FY21	FY22	FY23	FY24	Total	% Contr.	Actuals CAGR (FY21 to FY24)
	Act.	Act.	Act.	Act.	Act.	Act.		
O & M Expenses	4281.07	2625.72	2692.94	2771.32	3361.91	15732.96	100%	8.59%
-Employee Expenses	3664.50	2273.94	2318.81	2305.54	2840.72	13403.51	85.20%	7.70%
-A&G Expenses	197.46	108.36	103.96	133.93	157.91	701.62	4.45%	13.37%
-Repairs & Maintenance	419.11	243.42	270.17	331.85	363.28	1627.83	10.35%	14.28%

(a) Employee expenses

From the above table, it can be observed that employee expenses contribute to about 85% of the total O&M expenses. The employee expense have increased due to revision of wages with effect from FY 2022 and pension provisions. The pay scales of workmen & other than workmen were revised with effect from 01.04.2022 as per the memorandum of Settlement entered with Employee Unions dt 16.08.2023. The licensee has been creating provisions every year towards pensions and other benefits of APSEB origin employees as per actuarial valuation report. The item wise details of the employee expenses and the factors that led to increase in O&M expenses are shown in the table given below:

Table 7: Wage Details

Sr.	Particulars	FY20	FY21	FY22	FY23	FY24
1	Salaries and Wages	2,021	1,217	1,257	1,277	1,653
2	Contribution to Provident and Other Funds - EPF	90	63	67	79	90
3	Contribution to Provident and Other Funds	1,547	989	990	287	803
4	Provision towards Gratuity				38	59
5	Provision towards Earned Leave Encashment				621	232
7	Staff Welfare Expenses	4	5	6	5	5
8	Gratuity to RESCO Employees	3	-			
Total		3,665	2,274	2,319	2,306	2,843

a) Repair & Maintenance (R&M) expenses

Repair & Maintenance (R&M) expenses increased 13.39% over 4-year period (FY21 to FY24) majorly due to additions in the Gross Fixed Assets (GFA) during the period and enhancement of wages/remuneration to out sourced employees working in Substations with effect from August 2023. Below are the various components of the R&M expenses for the 4th Control period.

Table 8 - Components of R&M expenses for 4th Control Period

Sr.	Particulars	FY20	FY21	FY22	FY23	FY24
1	R&M to Plant & Machinery	399.50	235.98	257.11	295.76	334.62
2	R&M Buildings	0.39	1.56	1.81	2.28	4.79
3	R&M Others	29.60	8.98	11.25	33.82	23.87
Total		429.49	246.52	270.17	331.86	363.28

Table 9 - GFA Opening balance for 4th Control Period

Sr.	Particulars	FY20	FY21	FY22	FY23	FY24	CAGR
1	GFA Opening Balance	16123	11874	12902	14098	15509	9.31%

It can be seen that as GFA opening balance has increased by 9.31 %, R&M expense increased at a CAGR of 13.37%.

b) Administrative and General (A&G) expenses

Administrative and General (A&G) expenses increased 13% over 4-year period (FY21 to FY24). Below table shows the component wise A&G expenses for 4th Control period.

Table 10 - Components of A&G expenses for 4th Control Period

Sl. No	Particulars	FY-20	FY-21	FY-22	FY-23	FY-24
1	a) License Fee to APERC	4.16	2.74	2.81	3.12	3.00
2	b) Rent (including Lease Rentals)	1.24	0.43	0.36	0.34	0.33
3	c) Rates & Taxes	1.63	1.34	0.44	1.59	1.75
4	d) Insurance	0.71	0.62	0.45	0.46	0.35
5	e) Communication and related expenses	11.68	8.69	1.24	6.39	7.37
6	f) Postage & Courier	0.22	0.11	0.11	0.13	0.17
7	g) Legal Charges	3.44	3.62	3.21	3.62	3.44
8	h) Statutory Audit Fees (inc GST)	0.25	0.31	0.17	0.17	0.17
9	i) Tax Audit Fees (inc GST)			0.01	0.02	0.02
10	j) Cost Audit Fees (inc GST)			0.02	0.02	0.02
11	k) Secretarial Audit Fees			0.01	0.01	0.01
12	l) Statutory Audit Expenses		0.04	0.06	0.05	0.04
13	m) Other Audit Expenses				0.01	0.04
14	n) Consultancy/Professional Charges	5.54	2.48	5.44	2.60	5.96
15	o) Out Sourcing Expenses	83.21	42.09	46.36	44.67	46.11
16	p) Printing & Stationery	5.03	4.07	2.48	3.24	2.77
17	q) Advertisement	2.07	0.71	1.49	0.15	1.76
18	r) Electricity Charges	16.14	10.26	10.26	10.71	11.99
19	s) Vehicle Running Expenses	0.00	0.00	1.36	1.35	1.54
20	t) Office Maintenance		0.00	0.00	0.71	0.70
21	u) Training & Participation		0.00	0.00	0.85	1.47
22	v) Stores related Expenses		0.00	0.00	12.66	22.59
23	w) Other Administration Expenses		0.00	0.00	9.78	9.57
24	x) Travelling & Conveyance Expenses	27.86	30.48	28.27	31.28	36.75
25	y) Miscellaneous	34.28	0.38	-0.59	0.00	0.00
	Total	197.46	108.36	103.96	133.93	157.91

A&G expenses typically can be attributed to number of consumers, number of substations, number of DTRs and total line length. Licensee tried to analyze the effect of number of consumers, number of substations, number of DTRs and total line length on A&G expenses. Below table shows the increase the trend in the number of consumers, SS, DTRs and line lengths in 4th Control period.

Table 11 - A&G expenses and other asset details for 4th Control period

Parameter	Unit	FY20	FY21	FY22	FY23	FY24	CAGR
A&G Expenses	Rs. Crs.	220	110	111	134	158	12.83%
No. of Consumers	Nos.	11,048,362	6,613,335	6,796,587	7,005,342	7202360	2.88%
Number of DTRs	Nos.	771,331	599,766	651,177	689,853	720736	6.32%
Line Lengths	Kms	481,719	288,844	297,967	305,967	312994	2.71%
Number of SS	Nos.	2,237	1,450	1,481	1,503	1585	3.01%

1.1.2 Regulated Rate Base

The Hon'ble APERC has approved RRB for erstwhile APSPDCL(combined 8 districts) for the 4th control period. The RRB approved is computed from ROCE approved for APSPDCL with effect from FY 2020-21. The computations are given below.

Year	RoCE (Approved) (A)	WACC(Approved)(B)	RRB=RoCE/WACC (C)
FY 2019-20	636	11.23%	5663
FY 2020-21	524	11.23%	4668
FY 2021-22	697	11.23%	6209
FY 2022-23	891	11.23%	7938
FY 2023-24	1020	11.23%	9087

APSPDCL's actual RRB for the 4th Control period is Rs. 25,716.91 Crs. whereas the Hon'ble Commission approved RRB of Rs. 33,557.92 Crs. resulting in variation of Rs. 7,841 Crs. Key components affecting RRB line items for FY2019-20 to FY2023-24 is shown as below:

Table 12: Summary of RRB line items for 4th Control Period (Rs. Crs.)

Name of the Parameter	FY20	FY21	FY22	FY23	FY24	CAGR (FY21 to FY24)
	Act.	Act.	Act.	Act.	Act.	
Regulated Rate Base	6191	4441	4604	4910	5571	7.84%
GFA Opening balance	16123	11874	12902	14098	15509	9.31%
-Additions to GFA	2397	1028	1196	1412	2050	25.88%
-Net Additions to Consumer Contribution /Grants	26	90	369	95	414	66.41%
-Working Capital	357	219	224	231	280	8.59%

As per the above table, RRB (actuals) has increased at a CAGR of 5.85 % in the 4th Control period(FY 21 to FY 24) . The parameters to this increase can be attributable to opening balance of GFA which increased at CAGR of 9.31 % and the net additions in consumer contributions which increased at a CAGR of 66.31%.

Table 13: RRB Deviations for 4th Control Period (Rs. Crs.)

Year	Approved	Actuals	Variation
FY20	5662.06	6191.09	529.03
FY21	4668.15	4441.41	(226.74)
FY22	6209.35	4604.01	(1,605.34)
FY23	7937.64	4909.77	(3,027.87)
FY24	9086.86	5570.62	(3,516.24)
Total	33564.06	25716.91	(7,847.15)

The RRB decreased by Rs. 7841 Cr due to decrease in GFA additions during the 4th Control Period.

a) Additions to GFA:

Details of GFA additions for the 4th Control Period is shown in the table below:

Table 14: GFA additions for 4th Control Period (Rs. Crs.)

Year	Approved	Actuals	Variation
FY20	2,394.00	2,397.35	3.35
FY21	1,907.67	1,027.81	-879.86
FY22	2,467.70	1,196.26	-1,271.44
FY23	2,466.42	1,411.76	-1,054.66
FY24	1,480.62	2,050.15	569.53
Total	10,716.41	8,083.33	-2,633.08

It is observed that the actual GFA additions are to be lower than the approved GFA additions during the 4th Control Period.

Additions to Consumer Contribution:

The licensee has continued its sustained efforts in regularizing the additional loads by conducting regular inspection of the services. During the years FY 22 & FY24 additions increased due to Grants for various schemes.

Following table shows the details for Consumer Contribution for 4th Control period:

Table 15: Consumer Contribution Actuals for 4th Control Period (Rs. Crs.)

Year	Net Additions
FY20	26
FY21	90
FY22	369
FY23	95
FY24	414
Total	995

b) Working Capital:

Working Capital is required to carry O&M activities and the same has been incurred & shown in the table below. As per the regulations, the same has been considered as 1/12 th of the O&M expenses.

Table 16: Working Capital for 3rd Control Period (Rs. Crs.)

Year	Actuals
FY20	357
FY21	219
FY22	224
FY23	231
FY24	280
Total	1311

1.1.3 Return on Capital Employees (RoCE)

APSPDCL's actual RoCE for the 4th Control period is Rs. 2,849 Crs. as against the Hon'ble Commission approved expenses of Rs. 3,767 Crs. resulting in a deviation of Rs. 919 Crs. The computation of RoCE is as follows:

Table 17: Computation of ROCE line items for 4th Control Period (Rs. Crs.)

Year	RATE OF DEBT % (A)	RATE OF EQUITY% (B)	WACC %=(0.75*A+0.25*B)	RRB	RoCE
FY 20	9.04%	14.00%	10.28%	6195	637
FY 21	11.27%	14.00%	11.95%	4442	531
FY 22	10.27%	14.00%	11.20%	4604	516
FY 23	9.93%	14.00%	10.95%	4910	538
FY 24	10.37%	14.00%	11.28%	5571	628
Total				25717	2849

Summary of Return on Capital Employed (RoCE) for FY2019-20 to FY2023-24 is as below:

Table 18: Summary of ROCE line items for 4th Control Period (Rs. Crs.)

Year	Approved	Actuals	Variation
FY20	636	637	1
FY21	524	531	7
FY22	697	516	-181
FY23	891	537	-354
FY24	1019	628	-391
Total	3767	2849	-918

Below are the reasons for deviations in RoCE:

a) Regulated Rate Base (RRB)

The Regulated Rate Base as shown in section 1.1.2 is due to decrease in additions to GFA on account of less capitalisation. The total variation is Rs. 7,841 Crs. for 4th Control period.

b) Weighted Average Cost of Capital (WACC):

The licensee has obtained cost of debt at average debt rate of the CAPEX loans of the particular year of control period is 11.13 as against the approved debt value of 11.23%. The WACC for the respective years of control period is as follows

Table 19: Summary of WACC for 4th Control Period (Rs. Crs.)

YEAR	RATE OF DEBT	RATE OF EQUITY	WACC
FY20	9.04%	14%	10.28%
FY21	11.27%	14%	11.95%
FY22	10.27%	14%	11.20%
FY23	9.93%	14%	10.95%
FY24	10.37%	14%	11.28%

Thus while RRB has decreased by Rs. 7,841 Cr. in comparison to approved numbers. The net decrease in RoCE is attributed to the decrease in RRB, even though there was no significant change in WACC when compared with approved value i.e.11.23%. Thus, in overall there is a net decrease in RoCE (Actual).

1.1.4 Depreciation

The total actual depreciation (yearly) for the 4th Control period is Rs. 4236 Crs. as compared to Rs. 3,248 Crs. approved by the Hon'ble Commission. Summary of Depreciation for FY2019-20 to FY2023-24 has been provided below:

Table 20: Summary of Depreciation for 4th Control Period (Rs. Crs.)

Year	Approved	Actuals	Variation
FY20	667	1034	367
FY21	497	709	212
FY22	584	748	164
FY23	690	815	125
FY24	810	931	121
Total	3248	4236	989

1.1.5 Taxes on Income

The Hon'ble Commission approved Rs. 293 Crs. as taxes on income for the 4th Control period. Summary of Taxes on Income for FY2019-20 to FY2023-24 is provided below:

Table 21: Summary of Taxes on Income for 4th Control Period

Year	Approved	Actuals	Variation
FY20	50	0	(50)
FY21	41	0	(41)
FY22	54	0	(54)
FY23	69	0	(69)
FY24	79	0	(79)
Total	293	0	(293)

The taxes on income are arrived as per the audited figures during the years.

1.1.6 Other Expenditure

Actual Other Expenditure for the 4th Control Period is Rs. 14 against approved value of Rs. 131 Cr. The negative or low figures of actual other expenditure during many years of the control period is because of past adjustments. The summary of Other Expenditure for the period FY 2019-20 to FY2023-24 is illustrated below:

Table 22: Summary of Other Expenditure for 4th Control Period

Year	Approved	Actuals	Variation
FY20	38	37	-01
FY21	22	2	-20
FY22	23	-0.5	-23.5
FY23	24	-12	-36
FY24	24	-12	-36
Total	131	14	-117

1.1.7 Non-Tariff Income

The Non-Tariff Income, including wheeling revenue, for the 4th Control Period is Rs. 1,803 Crs. which is less by Rs. 307 Crs. than the approved value of Rs. 2,110 Crs. Following table shows the year-wise break-up of the same:

Table23: Summary of Non-Tariff Income for 4th Control Period

Year	Approved	Actuals	Variation
FY20	466	452	-14
FY21	359	258	-101
FY22	392	313	-79
FY23	427	383	-44
FY24	465	397	-69
Total	2110	1803	-307

1.1.8 Carrying Cost

The gap arising in the ARR and Revenue is met by loans. APSPDCL incurred interest (carrying cost) of Rs. 1418 Crs. on these short terms. The licensee has taken the cost of debt as 10% for the calculation of carrying cost. Summary of Carrying Cost for FY2019-20 to FY2024-25 (up to Dec-24) is as follows:

Table 24: Details of Interest (Carrying cost)

Particulars	FY20	FY21	FY22	FY23	FY24	FY25
Opening Balance of the gap		1,757	2,727	3,235	3,163	3,112
Additions to the gap	1,674	757	224	(377)	(349)	-
Interest rate on loans	10%	10%	10%	10%	10%	10%
Interest on ST loans	83.68	213.55	283.92	304.65	298.81	233.43
Closing balance of the gap	1,757	2,727	3,235	3,163	3,112	3346

The licensee has computed carrying cost up to FY 2024-25 (up to Dec-24). The licensee requests approval for carrying cost upto the date of realization.

1.2 Prayer

The Petitioner (APSPDCL) prays that the Hon'ble Commission may:


- Approve the true-up of expenses and revenue for the Distribution Business for the 4th Control Period (FY2019-20 to FY2023-24).
- Approve Rs. 1927.81 Crs., which is the total gap in the between approved and actual amount for Net ARR (Gross ARR – Revenue) during the 4th Control Period.
- Approve Rs. 1,418 Crs. as carrying cost for total revenue gap from the Distribution Business for the 4th Control Period.
- Approve Rs. 3,346 Crs. as total gap including carrying cost filed before the Hon'ble Commission for truing-up of the Distribution Business for the 4th Control Period.
- Approve pass through of Rs 1346 Cr after adjusting Rs 2000 crs. provisionally approved in Tariff order for FY 2024-25
- Grant suitable opportunity to APSPDCL within a reasonable time frame to file additional material information that may be subsequently available
- Pass such order as the Honourable Commission may deem fit and proper in the facts and circumstances of the case

SOUTHERN POWER DISTRIBUTION COMPANY OF ANDHRA PRADESH LIMITED

Through

Place: Tirupathi
Date: 28-01-2025

(Petitioners)


Chief General Manager/RAC & IPC
APSPDCL: Tirupathi
CHIEF GENERAL MANAGER
RAC & IPC
APSPDCL : : TIRUPATHI

**BEFORE THE HONOURABLE ANDHRA PRADESH ELECTRICITY
REGULATORY COMMISSION**

Vidyut Niyantrana Bhavan, AP Carbides Sub Station, Dinnedevarapadu, Kurnool - 518 002

File No. /2025

Case No. /2025

IN THE MATTER OF:

Filing of Petition for Determination of the True up for distribution business for 4th control period (FY 2019-20 to FY 2023-24) under Clause 19, Pg 11 of the 'Andhra Pradesh Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff for Wheeling and Retail Sale of Electricity)' Regulation No. 4 of 2005.

AND

IN THE MATTER OF:

SOUTHERN POWER DISTRIBUTION COMPANY OF ANDHRA PRADESH LIMITED

- Petitioner

Affidavit

I, Sri P.H.Janaki Ram, S/o Late P.H.Satyanarayana, aged 58 years, working for gain at the Southern Power Distribution Company of Andhra Pradesh Ltd do solemnly affirm and say as follows:

1. I am the Chief General Manager/RAC/APSPDCL, the body corporate that has been awarded Distribution License by the Honourable Commission. I am competent and duly authorized by APSPDCL to affirm, swear, execute and file this affidavit in the present proceedings.
2. I have read and understood the contents of the accompanying petition. The statements made in the paragraphs of the accompanying application now shown to me are true to my knowledge derived from the official records made available to me and are based on information and advice received which I believe to be true and correct.


DEPONENT
CHIEF GENERAL MANAGER
RAC & IPC
APSPDCL : : TIRUPATHI

VERIFICATION:

I, the above named deponent do hereby verify & affirm the contents of this affidavit as true & correct.

Verified and attested at Tirupati on this 28th day of January, 2025

Solemnly affirmed and signed before me


COMPANY SECRETARY
APSPDCL :: TIRUPATI.


DEPONENT
CHIEF GENERAL MANAGER
RAC & IPC
APSPDCL :: TIRUPATHI