BEFORE THE ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION * 11-4-660, 5th Floor Singareni Bhavan, Lakdi-ka-pool, Red Hills, Hyderabad – 500 004

1.1 The following suggestions and objections are filed in response to the Public Notice published in the newspapers on 6th December 2013.

1.2 Need to fix distribution and retail supply tariff for one year (2014-15), instead of the five year control period in the background of impending bifurcation of the state of Andhra Pradesh.

Power procurement estimate:

2.1 The four DISCOMs together estimated the power requirement in the state for the year 2014-15 to be 99, 046 MU. This is less than what they have estimated for the current year 2013-14. For the year 2013-14 they estimated the power requirement at 1,03,535 MU. DISCOMs in their filings claimed that they have taken in to account R&C measures/power cuts/unserved demand during the year 2013-14 to estimate power consumption for the coming financial year. While the Commission had approved procurement of 89,934.43 MU during 2013-14 the DISCOMs consumption figures reached about 86,000 MU. Taking in to account the growth rates of power consumption demands a relook at the power procurement estimate. It has become a practice for the Commission to adopt a lower power consumption estimate to accommodate the state government's subsidy figures. It is time the Commission adopts a realistic figure.

2.2 According to DISCOMs filings the LT industrial consumers are going to consume 2,853.34 MU during the coming financial year. For the current year (2013-14) DISCOMs estimate stood at 3,612S MU while the Commission approved 3,213.2 MU for this category of consumers. It is difficult to understand how consumption can come down. No energy efficiency measures are taken up in this category to expect any decline in consumption due to this reason. LT industrial units suffered a lot due to R&C measures imposed during the last two years. There are more than 2.5 lakh LT industrial units providing employment/livelihood to lakhs of people. Their contribution to the state's economy is also not insignificant. As these units cannot utilize open access (unlike HT industrial units) to meet their needs these units shall be given preference in electricity supply. Their consumption is less than 4% of the total power supplied in the state. These units also pay higher tariff than most HT industrial units. Power consumption estimate for LT industrial units need to be revised upwards.

2.3 Power procurement and consumption data show that during the ensuing year T&D losses are going to be 15.76% or 16%. But the energy balance figures show that for the year 2013-14 T&D losses are going to be about 12%. Are the T&D losses going to increase?

Power purchase costs:

3.1 The ARR and Tariff Proposals by DISCOMs for the year 2014-15 show that cost to serve of electricity is going to increase from Rs. 5.25 per unit in 2013-14 to Rs. 6.32 per unit in 2014-15 signifying an increase of 20.38%. During the same period power purchase costs, which account for more than 80% of the cost of supply of electricity to consumers, increased from Rs. 4.33 per unit in 2013-14 to Rs. 4.70 in 2014-15 signifying an increase of 8.55%.

3.2.1 Important source of increase in power purchase cost lies in hike in fuel prices – prices of both coal and natural gas are increasing. Increase in fuel prices is leading to increase in variable costs.

Variable Costs (Rs./U)

Generator	Fuel	2013-14	2014-15
APGENCO	Coal	2.39	2.72
CGS	Coal	1.85	2.21
Simhadri	Coal	1.74	2.17
IPPs	Natural Gas	2.22	4.83

Coal

3.2.2 DISCOMs in their filings for the ensuing year assumed 10% escalation in fuel costs over actual fuel cost during first half of 2013-14. Singareni Collieries hiked coal prices 15% in September, 2013. If this hike is already taken in to account the percentage of escalation adopted by DISCOMs is on higher side. CIL also hiked coal prices by 10.75% in November, 2013.

3.2.3 The issue before us is whether coal companies are justified in increasing coal prices unilaterally. During the FY 2012-13 CIL earned a total profit of Rs. 17,356 crore. During this year while profits increased by 18% out put increased by only 3.7%. During the second quarter of 2013-14 its profits stood at Rs. 3,052 crore. Total accumulated profits with CIL crossed Rs. 60,000 crore mark. Singareni Collieries is also earning profits similarly. Given the level of profits being earned by these coal companies there is no need to hike coal prices further. But in the name equaling international market prices and making the prices attractive to private investors coal prices are being increased. The coal scam that surfaced recently also provides the pointer to who is/are going to benefit from this price hike. Here it is also to be pointed out that even after all the facilities and concessions given to the private players their performance leaves much to be desired. While CIL was allotted coal blocks with potential of 50 billion tones private entities were allocated coal blocks with potential of 40 billion tones. But quantity of coal mined by these companies did not reach even 10% of CIL's production.

3.2.4 In the recent past NTPC complained several times on the quality of coal supplied by CIL vis a vis price. MAHAGENCO approached the Competition Commission of India (CCI) against pricing and quality of coal supplied by CIL and its subsidiaries, and also CIL's market domination. In response to this CCI imposed a fine of Rs. 1,470 crore on CIL. APDICOMs/APGENCO are facing similar issues. They never seem to have raised these issues either with CIL or SCCL. APDICOMs/APGENCO/GoAP shall take up the issue of coal price with coal companies as well as with the Ministry of Coal, GoI immediately.

3.2.4 If there is short supply of coal by SCCL and CIL these coal companies shall be held responsible. At the same time in the name of shortage of coal GENCO shall not be burdened with e-auction coal.

3.2.5 Coal based thermal plants are also being forced to import more than 30% of their coal needs. It is also being alleged that non-transparent procedures are being followed in coal imports leading higher variable cost. To curb this a price limit may be set for the coal being imported. $50 per tonne may be set as the highest price for coal imports.

Natural gas

3.2.6 According to ARR filed by DISCOMs the variable cost of gas based power plants is in the range of Rs. 4.21 to Rs. 6.28 per unit. This is in the background of the decision of the central cabinet to adopt recommendations of Rangarajan Committee which recommended $8.4 per MBTU of natural gas. The central cabinet approved the price even when many ministries objected to the revised high price of gas because of its adverse impact on various sectors. This price applies not just to Reliance Gas but also to the natural gas supplied by ONGC and Cairn's Ravva Satellite fields. Rangarajan Committee has decided this price in the background of RIL's complaints that it is encountering difficulties in drilling deep sea wells in its D6 fields and wanted higher price. Then the GoI adopted the price for all the sources of gas to appear as if not being partial towards RIL. Nonetheless, following the adoption of new gas price share price of RIL increased by 5% to Rs. 895.

3.2.7 The gas price of $8.4 per MBTU itself is outrageous. Nowhere in the world natural gas is priced in the manner recommended by the Rangarajan Committee and not this high. According to the information submitted by the Ministry of Petroleum and Natural Gas of GoI before the Parliament the cost of gas production in RIL's KG Basin D6 wells is only $2.75 per unit of gas. It was also reported that even at the current gas price and declining gas production, Reliance was making an operating profit of 24.3 per cent (in September 2013) compared to 38.4 per cent in the previous year when production was higher. More over the GoI did not allow any cap on the price of natural gas, much against the advise of the union finance ministry. If the present trend continues the price will even cross $10 per unit of gas in the near future.

3.2.8 Applying the new price to the already functioning gas wells goes against the production sharing contracts as well as the Supreme Court orders. The PSC has no provision for revising wellhead price of gas from fields already declared commercial. Doing so only shifts the contractor's risk burden to gas consumers. It completely abrogates the responsibility the Supreme Court placed on the government for pricing and allocating natural resources. The apex court fixed such responsibility through its pronouncements in a case involving the pricing and allocation of the same KG basin gas.

3.2.9 The new natural gas price adopted by the GoI goes against the norms of price fixation, against the PSC and also orders of the Supreme Court. This shall not be allowed. As the consumers of Andhra Pradesh will be severely adversely affected by this APDISCOMs and GoAP should have taken initiative to see that this price is rolled back. These should have explored all avenues to bring down this price, including approaching the Supreme Court. As variable costs are pass through APDISCOMs are least bothered about this burden on the consumers. In the meantime E.A.S Sarma, former Secretary, GoI and Gurudas Dasgupta filed a petition in Supreme Court challenging the above gas price. We request the APDISCOMs and the GoAP to implead in this case before the Supreme Court. This request is not a misguided one given the APERC's observations in its Order on GVK that DISCOMs will take care of consumers' interests.

Fixed Costs:

Capital Costs of GENCO New Plants, (Rs/U)

Station	Capacity MW	Fixed Cost
VTPS – IV	500	1.58
RTPP – II	420	1.47
RTPP – III	210	2.17
KTPS – VI	500	1.94
Kakatiya – I	500	1.95
Damodaram S I	800	1.77
Simhadri – II	460	1.54
UMPP – Mundra	4000	0.98

4.1 Several new thermal power plants are in operation in the state. These include VTPS – IV, RTPP – II, RTPP – III, KTPS – VI, Kakatiya – I, Damodaram Sanjeevaiah - I and Simhadri – II.

Except the last one all other six plants are set up by APGENCO. Though they are already in operation PPAs with them are not yet cleared by the Commission. They are pending before the Commission for more than three years. Even then the Commission is allowing the DISCOMs to procure power from these plants. Moreover DISCOMs in their filings are claiming that they are adopting fixed costs as approved by the Commission. According the norms/regulations in operation after the enactment of power sector reform Acts both at state and central level at the first stage PPA between the generating company and distribution licensee shall be approved by the Commission followed by financial closure. After this erection of plant and machinery starts and COD needs to be declared before the distribution licensee starts receiving power from the generating station. All these steps are skipped in the case of the new GENCO plants. Though the draft PPAs are with the Commission for the last three years the Commission could not find time examine these PPAs.

4.2 Fixed costs of these new thermal power plants are high. Compared to the Ultra Mega Power Plant at Mundra in Gujarat set up by Tatas and which started generation recently the fixed costs of the above plants proved to be very high. The fixed costs of these plants including NTPC's Simhadri – II are higher by 40% to 120%.

4.3 The Comptroller and Auditor General's Report for the year 2010 clearly brings out excess expenditure incurred in the plants it examined. In its Report for the year 2010 CAG examined RTPP – II, VTPS – IV and Kakatiya – I plants. According to this report excess spending in VTPS – IV was Rs. 350 crore, in RTPP – II it was Rs. 308 Crore (18.78%) and in the case of Kakatiya – I it was Rs. 555.48 Crore (26.74%). Total excess expenditure of these three plants amounts to Rs. 1,213 crore. If other three plants are also examined the total excess expenditure may double to Rs. 2, 400 crore. There was delay of 8 to 15 months in operationalising of these plants. But DISCOMs did not bother to recover liquidated damages from the contractor. According to the terms of the agreement benefits from tax concessions amounting to more than Rs. 2 crore were not returned to the Licensees. For all these plants BGR Energy Systems Ltd was the BOP contractor. Its execution of BOP works at all these plants was mired in controversy. Even CAG commented that undue favour was shown to BGR Company (Para 2.220.2). The electricity consumers in the state are being forced to bear this burden through higher tariffs. We request the Commission to see that this additional expenditure is not allowed and see that fixed cost burden is reduced.

Capital Costs of GENCO Hydel Plants

Year	Total Fixed Cost (Rs. Cr)	Unit Cost (Rs)
2008-09	220	0.24
2009-10	908	1.01
2014-15	1340	1.93

4.4 Fixed costs allowed for GENCO's hydel units also have become a source of burden. Earlier it was the cheapest source of power available in the state. Now the same cannot be claimed. Since the initiation of reform process in the year 2000 and until 2008-09 unit cost of power from these hydel stations was below 25 paise, and the total fixed costs paid for these units was about Rs. 200 crore. But suddenly in the year 2009-10 total fixed cost payment for these plants was hiked by four times to Rs. 908 crore and unit cost also increased by four times to Rs. 1.01. In fact for the year 2009-10 DISCOMs claimed only Rs. 201.25 crore for its hydel units. But the Commission allowed Rs. 907.65 crore. In the Tariff Order the Commission stated, "Pending determination of generation tariff for APGENCO's power stations for FY 2009-10, the fixed cost is determined based on information provided by APGENCO in its application" (Para 301). The above information was not made public and it is another instance of non-transparent process that is continuing in the case of fixation of power purchase tariff from APGENCO units. The sooner the PPAs with APGENCO are finalized through transparent process leading to economical and efficient procurement of power the better for the health of power sector in the state. For the year 2014-15 fixed costs of APGENCO hydel units is placed at Rs. 1340 crore. The unit cost of power from hydel units during 2014-15 is estimated to be Rs. 1.93. This is very high for hydel power. We request the Commission to closely scrutinise the capital costs of the hydel units in the state.

4.5 The Commission approved capital escalation of GVK plant nearly 15 years after its original PPA. The capital cost was escalated by Rs. 66.74 crore. As a result capital cost of this plant will increase from Rs. 816 crore to Rs. 882.64 crore. Part of this escalated capital cost has to be recovered from the year of plant's operation along with return on equity of 16%. The outstanding amount may be about Rs. 170 crore. The Commission revived an old petition of GVK (O P No. 4 of 2008) on 28th March 2013 and issued the order on 13th August. Several people including K. Raghu, M. Venugopala Rao and Harish Rao, MLA filed implead petitions but were dismissed by the Commission. These petitions were dismissed on the ground that DISCOMs themselves represent consumer interests. In the past also the Commission was request to review PPA of the IPPs including GVK. But the commission refused to open these PPA for public scrutiny. CAG in 1998 also found fault with several provisions of PPA as well as execution of the plant. A CID enquiry was also conducted in o these. But these issues were not taken up by the Commission. The Commission order on escalation of capital costs of GVK is one sided. We request the Commission to review the above Order.

4.6 PPA period of some of the gas based power plants is coming to an end shortly. These include GVK, Lanco and Spectrum. These PPAs provide a buy back option for APDISCOMs. Recent newspaper reports indicate that instead of seeing that DISCOMs obtain full control over them through exercising buy back option the GoAP is offering huge amounts to the private companies in the name of renovation and modernization. The PPA also provides that the agreement may be extended through mutual agreement. But this agreement needs to be approved by the Commission. We request the Commission to see that DISCOMs acquire full control over these plants. As the consumers have already paid large part of the capital cost of these plants they have a right to acquire these plants through DISCOMs and it is also the responsibility of the Commission to protect the rights of the consumers in the state.

Open market purchases:

5.1 DISCOMs propose to procure 12,973 MU during the year 2014-15 through open market purchases and adopted per unit price of Rs. 5.52. The DISCOMs adopted the same price that prevailed in first half of 2013-14. Short term power purchase cost was generally high in southern grid area as it was not connected to the national grid. It was reported that Southern grid was synchronized with the National Electricity Grid on 31st December 2013, four months ahead of schedule. This is expected to bring down open market price in the southern grid area also. Keeping this in to account we request the Commission to see that power from open market is procured at lower cost.

5.2 It was reported that the cost of short term power purchase in AP is higher than the other southern states. There were also reports of uneconomical procurement of power through open market as well as backing down of cheaper GENCO thermal power plants to facilitate open market purchases. We request the Commission to see that power through open market is procured in transparent, efficient and economical manner.

Network costs:

Network Costs (Rs/U)

Costs	**2013-14**	**2014-15**	**Increase (%)**
Network costs	0.78	1.03	33.33
Transmission cost	0.20	0.19	-----
Distribution cost	0.52	0.77	48.08
O&M cost	0.32	0.49	53.13
Return on Capital Employed	0.08	0.14	75.00

6.1 One of the important source of tariff hike for the year 2014-15 is escalation in network costs. These costs are expected to increase by 33.33% during the coming financial year. What is significant in this is while there is no change in transmission cost as filed by DISCOMs the distribution costs are going to increase by nearly 50%. Within this O&M costs will be increasing by 53.13% and ROCE will be increasing by 75%.

6.2 Increase in O&M costs is attributed to higher salary payments. This expenditure is also characterized by inequality. While salaries of the officer cadre is on the rise continuously the contact labour who fill most of the lower cadre posts are not getting proper payments. There were also allegations that some of these contracted/outsourced labour even do not get minimum wages. Contactors/middlemen responsible for mobilizing the contract labour knock away a portion of wage payments meant for contract labourers. Here it is also to be noted that while all the officers posts were filled a large number of the ground level posts are left vacant. The rationalization of staffing pattern and wage pattern cannot be postponed any longer. Workload norms are to be put in place for staff at all levels and this should lead to improved internal efficiencies as well as lesser tariff burden on the consumers.

6.3 In the case of outsourced/contractual staff an efficient and effective monitoring system shall be put in place to see that the outsourcing agencies employ qualified staff and that they get proper wages.

6.4 For a better understanding of O&M costs we request the Licensees to provide us information number of posts sanctioned for Directors, officers, workmen, non-workmen, office staff; number of staff employed under each category, and costs incurred for each category of employees during the second control period, and costs proposed during third control period.

6.5 We also request the Licensees provide us information on expenditure incurred by Directors towards medical expenses for personal as well as family members, and other expenses like refurbishing/remodeling/retrofitting of accommodation provided to them.

6.6 In spite of this huge O&M costs more than 8,000 line man posts are lying vacant. This is severely impacting the quality of supply in the rural areas. We request the Commission to direct the Licensees to fill all vacancies at the earliest.

6.7.1 Lack of qualified technical support at the ground level is resulting in a large number of fatal accidents. Mostly it is the farmers who are falling victims. Every year nearly 1,000 farmers are dying due electrocution. This is highly avoidable tragedy.

6.7.2 In their filings under Performance Reports the Licensees are not giving clear picture of the tragedy. Each DISCOM is following a different format. We request the Licensees to provide information on the total fatal and non-fatal accidents that took place, the number of cases for which DISCOMs took responsibility and in how many cases compensation was provided and the total amount of compensation.

6.7.3 Though the Commission allowed each DISCOM to spend Rs. 5 crore each year on safety measures the DISCOMs are not fully utilizing the amount even when there are fatal accidents to the staff, let alone the consumers. This shows the insensitivity of the higher ups towards the safety of the lower staff as well as common consumers. For example CPDCL did not spend the amount meant for safety measures fully during the first 4 years. But it is shown that all the amount is going to be spent in one year, last year. (p.17 – para 1.2.6) The Commission's Orders provide for clawing back the unspent amount. The Commission may invoke this provision.

6.8 DISCOMs claimed higher A&G expenses towards travel expenditure due to 'vigorous inspections'. But we do not see the result in lower T&D losses. Losses are higher than the level set by the Commission.

6.9 DISCOMs are showing lower capital/asset addition. But at the same time they are claiming higher return on capital employed (ROCE). This needs to be explained.

Truing up:

7.1 The DISCOMs' filings show that Rs. 2,163.22 crores are included under the ARR for the year 2014-15 under Other Costs. No clear explanation is given for this claim. This may be the amount towards truing up.

Other Costs

DISCOM	Rs. in Cr
CPDCL	925.09
EPDCL	525.45
NPDCL	29.30
SPDCL	683.38
Total	2,163.22

7.2 Narrative submission of the DISCOMs show that Rs. 885 crore is being claimed for truing up for their distribution business and Rs. 2,206 crore are being claimed for truing up for their retail supply business. And this said to be towards FSA for the previous year. No details were provided to support their claims. Licensees need to provide detailed information including changes in fuel costs, CV of the fuel purchased and heat rate achieved. Without these information their claim cannot be verified.

7.3 In the case of truing up towards the O&M costs as it exceeded the amount approved by the Commission it need to be absorbed by the Licensees or has to be met by subsidy from the government. The same cannot be transferred to the consumers.

Outstanding deficit:

Year	CPDCL	EPDCL	NPDCL	SPDCL	Total	Subsidy	FSA	Uncovered Deficit
2009-10	1,878	1,227	2,082	2,048	7,235	3,486	1,400	2,349
2010-11	2,066	1,048	2,234	1,795	7,143	3,653	2,068	1,422
2011-12	3,400	1,726	2,998	2,589	10,713	4,210	3,957	2,546
2012-13	3,026	1,240	3,496	3,688	11,450	5,532	3,750*	2,168
2013-14	2,453	807	2,576	2,487	8,323	6,310	-----	2,013
Total	12,823	6,048	13,386	12,607	44,864	23,191	11,175	10,498

8.1 DISCOMs' filings (Form – 9) show that by the end of the second control period outstanding deficits of all the four DISCOMs in the state is Rs. 44,864 crore. After taking in to account the subsidy provided by the state government and FSA approved by the Commission the outstanding, uncovered deficit stands at Rs. 10,498 crore. Out of this DISCOMs claimed Rs. 3,091 crore towards truing up of distribution and retail supply business for the second control period. There is no explanation how the DISCOMs are going to handle this deficit. According to Section 10.7 of Regulation 4 of 2005 related to determination of retail supply tariff under the multi year tariff (MYT) regime "for the purpose of sharing gains and losses with the consumer only aggregate gains or losses for the control period as whole will be considered". In their filings DISCOMs did not clearly spell out how they are going to deal with this deficit. No such exercise was done in the case of the first control period 2006-09. Now the time has come for the Commission to deal with the second control period. And the Commission should not push everything under the carpet. They cannot be postponed for ever and they will surely come back to haunt. It is better to be prepared.

8.2 The state government of Andhra Pradesh (GoAP) has agreed to include the state under the financial restructuring of state DISCOMs notified by the central government. Under this the state government will guarantee the long term bonds to be issued by the DISCOMs for 50% of the outstanding debt. In the case of remaining 50% of the debt there will be moratorium of three years for payment of principal amount. Even in the case of the bonds guaranteed by the state governments the DISCOMs only have to discharge the debt. According to news paper reports the Rs. 18,000 crore out of the outstanding debt of the APDISCOMs is going to be dealt with under the financial restructuring. This debt is largely because of high cost power purchased in the open market at the behest of GoAP. Then the GoAP assured the DISCOMs that it would discharge the debt due to these purchases. Until now it did not do it. The DISCOMs continued to incur interest burden on this debt. According to CPDCL's filing for the year 2012-13 "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 CPDCL by procuring Short Term Loans which will be discharged by GoAP in the subsequent years". From this it is clear that GOAP has the responsibility to clear this deficit. In order to escape from this responsibility the GoAP readily agreed to be part of the financial restructuring plan of the GoI. We request the Commission to advise the GOAP to make necessary payment to reduce burden on the DISCOMs. Under Section 86 (2) of the Electricity Act, 2003 the Commission has the powers to give such advise. The Commission also has powers under Section 65 of the Act to direct the GOAP to pay this amount.

8.3 We also request the Licensees to provide a clear picture of their finances following the financial restructuring.

Tariff proposals:

9.1.1 As a part of rationalizing tariffs the DISCOMs proposed mix of telescopic and non-telescopic tariff structure for domestic consumers. This is not only confusing for ordinary consumers and also provides scope for manipulation and corruption. We propose telescopic tariff with households consuming more than 300 units per month, who can be categorized as luxury consumers, to be charged higher tariff. Rs. 14 per unit may be charges for consumption of units above 500 per month. Growth in electricity consumption is high among these slabs and also high cost, additional power is being procured to meet their demand. This higher tariff will also have indirect benefit of promoting rooftop solar PV systems.

9.1.2 For a better understanding of the impact of the proposed tariff for domestic consumers we request the Licensees provide us information on number of consumers under each slab and total power consumed in each of these slabs (information provided in e-filing formats is confusing and not amenable for analysis) for each year of the second control period and revenue collected from each slab.

9.2 In the case of LT II – Commercial category demand charges for consumption upto 100 units shall be removed. Because of the high demand charges per unit total tariff for these slabs is higher than that of consumption in higher slabs.

9.3.1 In the case of LTT III – seasonal industries other than poultry that includes sugar cane crushing higher demand charges are proposed. We propose adoption of existing charges for these agro based units.

9.3.2 In the case of poultry under LT III category tariff is proposed to be brought down to Rs. 3.88 per unit from Rs. 5.63 per unit plus demand charges. The Commission in the past limited concessional tariff to units below 1000 birds. This limit may be reintroduced. After announcement of lower tariff for poultry units by the Chief Minister the concerned department of the state government announced that the concessional tariff will be applicable up to 1st April, 2014 only. We would like to know from the Licensees whether they have any assurance of subsidy from the state government for this consumer category.

9.4.1 In the case of LT V related to agriculture the proposal is to merge DSM and Non-DSM categories. We would like to know whether the state government has changed its policy towards well irrigation. The Licensees claimed that non-DSM consumers are very few compared to DSM consumers. This is far from truth. Truth is in fact otherwise. Licensees also stated that it involves lot of administrative time to inspect for determining whether it is DSM or non-DSM connection. It appears the DISCOMs are abdicating their responsibility towards improving energy efficiency of agriculture services. A study conducted by USAID for Gujarat state has come out with a finding that providing financial help to farmers to replace the inefficient motors will help DISCOM/government. It pays to improve energy efficiency of agriculture services.

9.4.2 The existing as well as the proposed tariff has a separate slab for IT assesses. But no precise description is provided for this category. As a result many farmers are categorized under this category and are being harassed. Many families with small holdings leased out their small parcels of land and moved to urban areas in search of livelihood. This reverse tenancy is prevalent all over the state. Such holdings are now being categorized as IT assesses and thousands of rupees are being extracted from them in the name of arrears. They are also being forced to submit certificates from MRO office. To avoid harassment to farmers either this category shall be removed or a precise description shall be provided.

9.4.3 We request CPDCL provide us information on number of consumers under each slab Category V for all Divisions under Nalgonda Circle and revenue realized from each slab for each year during the second control period.

9.5 Under category HT III railways and bus stations are combined with Airports. As the bus stations and railway stations cater to masses unlike airports which cater to elites of the society they should be charged lower tariff.

Petition requesting the Commission

1. Not to allow tariff hike proposed by DISCOM.
2. Not to allow high fixed costs of new GENCO plants.
3. Not to allow hiked variable costs.
4. To allow the objector to be heard in person before the Commission takes any decision on this application of the DISCOMs.

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