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TARIFF APPROVED FOR ASSAM POWER GENERATION COMPANY LIMITED (APGCL), ASSAM ELECTRICITY GRID CORPORATION LIMITED (AEGCL), STATE LOAD DESPATCH CENTRE (SLDC) & ASSAM POWER DISTRIBUTION COMPANY LIMITED (APDCL) FOR FY 2022-23, APPLICABLE WITH EFFECT FROM APRIL 1, 2022

- 1) The Assam Electricity Regulatory Commission (hereinafter referred to as the Commission) had last revised the tariffs of APGCL, AEGCL, SLDC and APDCL with effect from April 01, 2021, vide the Tariff Orders dated February 15, 2021.
- 2) APGCL, AEGCL and SLDC filed their Petitions for approval of Truing Up of Aggregate Revenue Requirement (ARR) for FY 2020-21, Annual Performance Review (APR) for FY 2021-22 and determination of ARR for FY 2022-23 to FY 2024-25 and Tariff for FY 2022-23 on November 30, 2021 and APDCL filed its Petition on December 16, 2021.
- 3) The Petitions were admitted after hearing the Petitioners on December 23, 2021.
- 4) Public Notices were issued by APGCL, AEGCL, SLDC and APDCL inviting objections/suggestions from stakeholders within January 21, 2022. Eight (8) Respondents submitted their views and comments on the Tariff Petitions.
- 5) The Petitions were also discussed in the State Advisory Committee held on February 25, 2022.
- 6) The Commission held Public Hearing on the Petitions on March 2, 2022. The Petitioners and Six (6) Respondents attended the Hearing. In addition, two Respondents attended the Hearing and made oral submissions.
- 7) The Covid 19 Pandemic had adversely affected the economy as a whole during FY 2020-21 and onwards. Though the impact of Covid 19 is minimum in case of Generation and Transmission, there was significant impact on the Distribution sector, i.e., APDCL.
- 8) APDCL in their Petition factored the impact of Covid 19 as well as other issues and prayed before the Commission for approval of Truing up gap of Rs. 1168 Crore including Carrying Cost of Rs. 195 Crore for FY 2020-21. APDCL has claimed APR Gap of Rs. 710 Crore for FY 2021-22 and ARR Gap of Rs.1157 Crore for FY 2022-23 totalling Rs. 3035 Crore. However, to give some Tariff relief to the consumers, APDCL restricted their claim to Rs. 2189 Crore, which translates to a hike of 34% over the existing tariff. Thus, the per unit increase claimed by APDCL is Rs. 2.41.
- 9) The key reasons for such high Revenue Gap are as below:
 - a) **Impact of Covid 19**
 - i. the overall sales were lower by 357 MU during FY 2020-21, however, LT sales increased by 43 MU and HT sales decreased by 357 MU. This has significantly



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impacted the revenue of APDCL, i.e., revenue lower by Rs. 780 Crore.

- ii. lower sales to the consumers resulted in selling surplus power at a lower rate. During FY 2020-21, APDCL sold surplus power of 1328 MU at a loss of Rs. 1.44 per unit resulting in total revenue loss of Rs. 191 Crore.

b) Distribution Loss

APDCL has reported higher distribution loss of 18.55% as compared to 15.5% approved by the Commission. The higher distribution losses have resulted in higher power purchase cost of Rs. 158 Crore, of which only a part, i.e., Rs. 53 Crore is passed on to the consumers.

c) Non availability of Kopili I & II of NEEPCO and KLHEP of APGCL

- i. Both the units of Kopili I & II were broken down due to natural disaster since October 2019, which was the cheapest power available @Rs. 1.40 per unit. Thus availability to APDCL was lower by 580 MU (100 MW).
- ii. KLHEP unit of APGCL (with tariff @ Rs. 2.48 per unit only) was on shut down from Sept 2020 to March 2021 due to landslide etc. Thus, there was lower generation of 187 MU during FY 2020-21.
- iii. The above shortfall of 767 MU had to be purchased from Power Exchange at average rate of Rs. 3.96 per unit resulting in increase in power purchase cost by around Rs. 180 Crore.

10) The Commission, after considering all representations, written submissions and issues raised by the Respondents and on consideration of the prayers of the utilities has taken a conscious view while issuing the Tariff Orders for the Utilities for FY 2022-23. The Commission has taken utmost care to protect the interest of the consumers as well as the Utilities in arriving at its decision.

- 11) The Commission has approved the station-wise ARR of APGCL for FY 2022-23 and approved the overall generation tariff of Rs. 3.49 per kWh for FY 2022-23, based on the latest fuel costs. The Commission has approved a surplus of Rs 32.32 Crore on account of Truing-up of FY 2020-21. The Commission has also approved tariff for NRPP as Rs. 3.39 per unit.
- 12) The Commission has approved the ARR of AEGCL for FY 2022-23 at Rs. 460 Crore. The Commission has approved a surplus of Rs. 31.54 Crore on account of Truing-up of FY 2020-21. The Commission has approved the Transmission Charge of Rs. 0.43 per kWh for FY 2022-23.



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- 13) The Commission has approved separate ARR of SLDC at Rs. 6.50 Crore. The Commission has approved SLDC Charges of Rs. 96.49/MW/day for FY 2022-23.
- 14) **The salient features of the Commission's Order for APDCL are as follows:**
- a) The Commission has approved the cumulative revenue gap of Rs.946 Crore against the claim of Rs. 2189 Crore by APDCL for FY 2022-23. While considering the revenue gap, the Commission has allowed only the prudent costs permitted by the Regulations.
 - b) To ease the burden on the consumers, the Government of Assam has committed to provide an amount of Rs. 400 Crore as Power Purchase Subsidy to APDCL in FY 2022-23.
 - c) After consideration of the subsidy of Rs. 400 Crore the net gap required to be recovered through Tariff for FY 2022-23 works out to Rs. 546 Crore.
 - d) The Average Cost of Supply (ACoS) for FY 2022-23 works out to Rs. 8.14 per kWh, as against APDCL's proposal of Rs. 9.25 per kWh.
 - e) **There is an overall increase of around 8% in the tariff for FY 2022-23 over tariff for FY 2021-22 which translates to average increase of Rs. 0.59 per unit.**
 - f) The Commission has factored the increase in both Fixed and Energy charge rates.
 - g) The cross-subsidy in tariff between consumer categories has been kept within the limit of $\pm 20\%$.
 - h) The revised category-wise tariffs applicable for APDCL for FY 2022-23 with effect from April 1, 2022, have been given in the Annexure enclosed.
 - i) APDCL shall levy category-wise tariffs after adjusting the amount of category-wise subsidy, if provided by the Government of Assam.
- 15) **The key changes approved in the tariffs are:**
- a) **The energy charges have been increased by 25 paise to 50 paise and fixed charges have been increased by Rs. 10 to Rs. 50/kW across different consumer categories to recover the revenue gap of Rs. 546 Crore.**
 - b) **The Commission has allowed 20% rebate on total energy charge to the Oxygen manufacturing plants for their continued contribution by supplying Oxygen during Covid period.**
 - c) **The Commission has also decided to categorise Charitable Organisations involved in eradicating hunger specially for children under educational institutions, i.e., General Purpose (b) and HT Bulk Supply(i).**



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- d) The consumption limit for Jeevan Dhara category has been increased from existing 1 unit per day to 1.5 unit per day, i.e., 30 units per month to 45 units per month.



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Annexure: Category-wise tariff for APDCL's consumers applicable with effect from April 1, 2022

Sl. No.	Consumer Category	Fixed Charges (Rs/kW/mth or Rs/kVA/mth)			Energy Charges (paise per kWh)		
		Existing Tariff	Increase/ (Decrease)	Revised tariff	Existing Tariff	Increase/ (Decrease)	Revised tariff
	LT Category						
LT-1	Jeevan Dhara	20	10	30	425	40	465
LT-II	Domestic A- below 5 kW						
	0 to 120 units per month	50	10	60	490	40	530
	121 to 240 units per month	50	10	60	615	45	660
	Balance units	50	10	60	715	45	760
LT-III	Domestic-B 5 kW and above up to 25 kW	50	10	60	675	40	715
LT-IV	Commercial Load above 0.5 kW and up to 25 kW	130	10	140	720	40	760
LT-V	General Purpose Supply						
A	Non-commercial and Non-domestic users	145	10	155	615	40	655
B	Government Primary and Secondary / Higher Secondary Schools/Charitable Institutions involved in eradicating hunger	70	10	80	615	30	645
LT-VI	Public Lighting	120	10	130	625	25	650
LT-VII	Agriculture up to 25 kW	45	10	55	430	35	465
LT-VIII(i)	Small Industries Rural up to 25 kW	50	10	60	475	40	515



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Sl. No.	Consumer Category	Fixed Charges (Rs/kW/mth or Rs/kVA/mth)			Energy Charges (paise per kWh)		
		Existing Tariff	Increase/ (Decrease)	Revised tariff	Existing Tariff	Increase/ (Decrease)	Revised tariff
LT-VIII(ii)	Small Industries Urban up to 25 kW	60	10	70	500	40	540
LT-IX	Temporary Supply						
	Domestic	85	10	95	909	40	949
	Non-Domestic Non- Agriculture	135	10	145	1119	40	1159
	Agriculture	45	10	55	435	40	475
LT-X	LT Electric Vehicles Charging Stations	130	10	140	510	40	550
	HT Category						
HT-I	HT Domestic above 25 kW (30 kVA)	50	10	60	680	40	720
HT-II	HT commercial above 25 kW (30 kVA)	180	20	200	710	50	760
HT-III	Public Water Works	135	10	145	605	30	635
HT-IV	Bulk Supply above 25 kW (30 kVA)						
HT-IV(i)	Educational Institutions/ Charitable Institutions involved in eradicating hunger	130	10	140	645	30	675
HT-IV(ii)	Others	180	20	200	720	50	770
HT-V(A)	HT Small Industries above 25 kW (30 kVA) and up to 50 kVA	70	10	80	545	40	585
HT-V(B)	HT Industries-1 50 kVA to 150 kVA	160	30	190	585	40	625
HT-V(C)	HT Industries-II above 150 kVA (Option 1)	220	50	270	635	30	665



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Sl. No.	Consumer Category	Fixed Charges (Rs/kW/mth or Rs/kVA/mth)			Energy Charges (paise per kWh)		
		Existing Tariff	Increase/ (Decrease)	Revised tariff	Existing Tariff	Increase/ (Decrease)	Revised tariff
	HT Industries-II above 150 kVA (Option 2)	300	50	350	595	30	625
HT-VI	Tea, Coffee & Rubber	270	30	300	635	25	660
HT-VII	Oil & Coal	300	10	310	740	25	765
HT-VIII	HT Irrigation Load above 25 kW (30 kVA)	65	10	75	580	35	615
HT - IX	HT Temporary Supply	170	10	180	885	40	925
HT - X	HT Electric Crematorium	170	10	180	415	40	445
HT - XI	HT Railway Traction	300	10	310	595	40	635
HT-XII	Electric Vehicles Charging Station	160	10	170	660	40	700