

ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION

From

Secretary, APERC,
4th Floor, Singareni Bhavan,
Red Hills, Hyderabad – Reg

To

The Chairman & Managing Director,
APCPDCL, Hyderabad.

The Chairman & Managing Director,
APEPDCL, Vishakapatnam.

The Chairman & Managing Director,
APNPDCL, Warangal.

The Chairman & Managing Director,
APSPDCL, Tirupati.

Lr.No. APERC/E- 223/DD-Dist/2009 dated 15-10-2009

Sir,

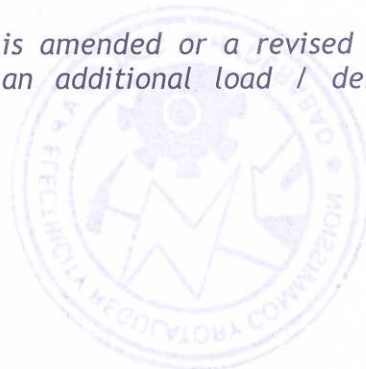
Sub: - De-ration of Contract Demand - Implementation of GTCS provisions-
Clarification - Reg.

- 1) M/s EPDCL sought the following two clarifications regarding de-ration of Contracted Demand vide letters dated 22-12-2008 and 05-01-2009. The details are furnished below.
 - i) If additional load is availed, whether the two years minimum period of agreement is applicable to entire contracted demand or the minimum period liability is limited to the extent of additional load.
 - ii) Whether de-ration of demand of a 33 kV consumer can be de-rated to below threshold level of 1500 kVA (capacity).
- 2) With respect to clarification (i), the relevant Clause 5.9.3.2 of GTCS reads as follows.

Clause 5.9.3.2 of GTCS :

"5.9.3.2 - Period of HT Agreement: The minimum period of HT Agreement for supply at High Tension shall normally be two years from the date of commencement of supply. The Agreement shall continue to be in force till it is terminated by the consumer or by the Company as provided in clause 5.9.4.2 hereof.

Provided that where an agreement is amended or a revised agreement executed pursuant to sanction of an additional load / demand, the



minimum period liability for the additional load shall commence from the date of commencement of supply for the additional load / demand."

- 3) With respect to clarification (ii), the relevant Clause 5.9.4.2 of GTCS reads as follows.

Clause 5.9.4.2 of GTCS :

"5.9.4.2 - De-ration of CMD or Termination of Agreement in respect of HT Supply: The consumer may seek reduction of contracted maximum demand or termination of the HT Agreement after the expiry of the minimum period of the Agreement by giving not less than three months' notice in writing expressing his intention to do so. However, if for any reason the consumer chooses to derate the CMD or terminate the Agreement, before the expiry of the minimum 2 year period of the Agreement, the CMD will be derated or the Agreement will be terminated with effect from the date of expiry of the initial 2 year period of the Agreement or after expiry of 3 months notice period whichever is later. ..."

- 4) With reference to the clauses mentioned in para 2 & 3 above, I am directed to issue the following clarifications:

De-ration of contracted demand in case of amended agreement or revised agreement:

With reference to the query (i), for de-ration of contracted demand, irrespective of whether the agreement is amended or a revised agreement is executed pursuant to sanction of an additional demand, the minimum two years period liability is limited to the extent of additional demand only and shall commence from the date of commencement of supply for the additional demand. Each part of additional demand sanction shall be viewed as a separate part. The demand part which was released prior to release of additional demand, if meets the two year minimum agreement period, shall be eligible for de-ration from that part.

De-ration of Contracted Demand of 33 kV/132 kV HT services:

With reference to the query (ii), for de-ration of contracted demand, the eligibility criteria is that the consumer should have availed power supply for a minimum of two years and shall serve three months' notice seeking de-ration. As per clause 5.9.4.2, no minimum capacity is prescribed for de-ration of CMD with reference to voltage level and hence it has to be allowed without any reference to supply voltage.

Yours faithfully,

SECRETARY

