HIGH COURT OF ANDHRA PRADESH :: AMARAVATHI

MAIN CASE NO: W.P.No.12006 of 2026

PROCEEDING SHEET

SL. NO.	DATE	ORDER	OFFICE NOTE
01.	29.04.2026	**MRK, J** 1. Heard Sri S.Vivek Chandrasekhar, learned counsel for the petitioner, Ms. Iswarya Chowdary, counsel representing Sri V.V.Satish, learned Standing Counsel for APEPDCL and learned Assistant Government Pleader for Energy. 2. Learned counsel for the petitioner submits that the petitioner is a manufacturer of pharmaceutical company situated at Anakapalle of erstwhile Visakhapatnam District. 3. He states that, after due communication between the petitioner and the 2nd respondent Corporation, an agreement was entered into on 20.07.2019 for a period of 25 years. 4. The main subject of the above agreement was the establishment of Solar Rooftop Panels, wherein, both parties specifically agreed to adopt the Net metering methodology for billing purpose, as reflected in Clause 2.1 of the agreement. 5. He further asserts that from 2019 till 10.12.2025, the 2nd respondent authority charged electricity billing charges strictly on the basis of the "Net metering methodology" only, and petitioner company regularly complying the	**(contd…**

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		same. However, all of a sudden, the 3rd respondent issued the impugned demand notice dated 10.12.2025, allegedly under the cover of APERC Regulations, altering the billing mechanism from Net metering to Net Billing method . 6. In nut-shell, learned counsel submits that when the agreement was specifically entered by agreeing both parties to follow Net metering methodology, the respondents cannot unilaterally switch or alter the same through the impugned demand notice as Net Billing way, as such action is prejudicial to the rights of the petitioner and contrary to the terms of the very agreement executed between the petitioner and the 2nd respondent Corporation. 7. It is also submitted that, in compliance with the demand notice dt:10.12.2025, the petitioner has paid an amount of Rs. 96,86,364/- under protest, but the respondent authorities are now attempting to apply with the altered methodology Net Billing in the ensuing monthly bills which is ex-faice illegal. 8. Learned counsel further elaborates that even the Andhra Pradesh Electricity Regulatory Commission (APERC), Hyderabad, under Regulation dt: 23.02.2024, through Rule 4.2 also supports the petitioner version.	**(contd…**

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		9. Thus, the learned counsel contends that the impugned demand notice is arbitrary, illegal, and contrary to the specific terms of the agreement entered between the parties. 10. Counsel for the petitioner also relied upon the judgment of the Hon’ble Supreme Court in ***Gujarat Urja Vikas Nigam Limited v. Renew Wind Energy (Rajkot) Private Limited***, [2023 SCC OnLine SC 411]. 11. On the other hand, learned Standing Counsel seeks time to obtain instructions and is not disputed the factum of payment made by the petitioner pursuant to the demand notice dt:10.12.2025 under the protest. 12. In view of the above facts and circumstances, clearly reveals the undisputed position is that, the petitioner and the 2nd respondent entered into an agreement commencing which from 20.07.2019 for the period of 25 years with a specific stipulation for ‘Net metering methodology’ for the billing purpose, which was followed until 10.12.2025, the sudden issuance of the demand notice dt:10.12.2025under the guise of APERC Regulation, 2023. 13. In this context, it is apt to note relevant Rule in said APSERC Regulation, 2003 Regulation 4 reads as follows:	**(contd…**

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		“4. **Eligibility** 4.1 All consumers of AP Discom(s) are eligible for setting up of the Grid-Interactive SRTPVS with/without a Battery Energy Storage System with their investment or through third party investment. 4.2 The Consumer(s) are free to choose Net metering or Gross Metering or Net Billing/Net Feed-in option for the sale of power to DISCOM.” In fact, above provision clearly empowers consumers with the right to choose the applicable metering methodology i.e., Net metering or Gross metering or Net Billing/Net Feed, and such choice is not exclusively vested with the respondents corporation alone. 14. Another fact in the lis, the impugned demand notice dt:10.12.2025 issued by the 3rd respondent whereby changing the bill pattern from agreed term to non-agreed term i.e., Net metering to Net billing without prior notice also leads to violation of principles of natural justice as held in the recent judgment of the Hon’ble Supreme Court in ***Triveni Engineering and Industries Limited vs. State of Uttar Pradesh and Others*** [(2026) 2 SCC 729] and also dictum held in ***Gujarat Urja Vikas Nigam Limited v. Renew Wind Engineering (Rajkot) Private***	**(contd…**

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		Limited [(2023) SCC OnLine SC 411]. Hence, the matter requires consideration after filing counter-affidavit. 15. Accordingly, there shall be an interim stay as prayed for, for a period of eight (08) weeks. 16. Post after eight (08) weeks. **MRK, J** RMR	

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