

BEFORE THE TELANGANA ELECTRICITY REGULATORY COMMISSION

AT ITS OFFICE AT Vidyut Niyamtran Bhavan, G.T.S. Colony, Kalyan Nagar,
Hyderabad - 500 045

FILING NO._____/24

CASE NO._____/24

In the matter of:

Filing of Corrigendum to the petition for determination of ARR for Retail Supply Business for 5th Control Period (i.e., FY 2024-25 to FY 2028-29), FPT and CSS proposals for FY 2024-25 as per the directions of Hon'ble Commission in its letter dated: 24.09.2024 in O.P. No. 17 of 2024 in accordance with the provisions of TGERC MYT Regulation 2 of 2023

In the matter of

NORTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED

.....Applicant

This application is filed for corrigendum to the petition for determination of ARR for Retail Supply Business for 5th Control Period (i.e., FY 2024-25 to FY 2028-29), FPT and CSS proposals for FY 2024-25 The Licensee Respectfully submits hereunder

1. The TGNPDCL has filed a petition before Hon'ble Commission on 18-09-2024 in the matter of determination of ARR for Retail Supply Business for 5th Control Period (i.e., FY 2024-25 to FY 2028-29), FPT and CSS proposals for FY 2024-25.
2. It is to submit that the licensee has revised the computation of Retail Supply Business ARR by apportioning costs between Wheeling Business and Retail Supply Business as per clause 77 of MYT Regulation 2 of 2023.
3. The licensee has also revised CSS charges because of change in wheeling charges.

4. The licensee has also revised Revenue gap at current tariff, Revenue gap at proposed tariff due to change in ARR and Revenue from CSS.
5. The licensee has also revised category wise CoS due to change in ARR.
6. Hence the licensee requests the Hon'ble Commission to substitute the below clauses in place of clauses of the original petition filed on 18.09.2024.

4.4 Distribution Cost

The details of the Distribution cost projections from FY 2024-25 to FY 2028-29 are shown below.

Figures in Rs. crores

Distribution Cost Breakup Particulars	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Operation & Maintenance Expenses	2,627	2,823	3,526	3,791	4,075
Depreciation	387	462	581	711	860
Interest and finance charges on Loan	320	405	505	617	721
Interest on working capital	78	87	109	121	135
Return on Equity	95	142	200	270	342
Gross ARR	3,507	3,919	4,921	5,511	6,133
Less: Revenue (NTI, OA, other business)	178	182	188	193	198
Net Distribution Cost	3,329	3,737	4,733	5,318	5,935

4.6 Aggregate Revenue Requirement

The Aggregate Revenue Requirement (ARR) FY 2023-24 (provisional) and projections from FY 2024-25 to FY 2028-29 are as shown below:

figures in Rs. Crores

Expenditure Item	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
	Provisional	Projections				
Power Purchase cost	13,686	11,679	14,092	14,691	15,621	16,164
Transmission Cost	1,126	875	1,181	1,313	1,475	1,618
PGCIL& ULDC Cost	716	678	712	747	785	824
SLDC Charges	14	25	26	32	34	35

Distribution Cost*	4,081	3,329	3,737	4,733	5,318	5,935
Operation and Maintenance charges	-	292	314	392	421	453
Depreciation	-	43	51	65	79	96
Interest and finance charges on loan	-	36	45	56	69	80
Interest on working capital	-	0	0	12	25	37
Return on Equity	-	11	16	22	30	38
Interest on Consumer Security Deposit	79	99	113	128	146	166
Supply Margin	31	0	0	0	0	0
Aggregate Revenue Requirement	19,732	17,065	20,287	22,192	24,003	25,445

Note: Distribution cost & Supply margin for FY 2023-24 are approved numbers from the Tariff Order of FY 2024

5.4 Revenue Gap with Current Tariffs

The Revenue Gap with provisional ARR for FY 2023-24 & projected ARR for FY 2024-25 at current tariffs is as shown below:

Provisional Revenue Deficit/Surplus (Rs. in crore)	2023-24
Aggregate Revenue Requirement	19,732
Revenue from Current Tariffs (Incl NTI)	8,973
Revenue from Cross Subsidy Surcharge	0
Revenue from Additional Surcharge	0
Revenue Deficit(-)/Surplus(+) at Current Tariffs	-10,760
Subsidy	7447
Net gap – Deficit(-)/Surplus(+)	-3,313

Projected Revenue Deficit/Surplus (Rs. in crore)	2024-25
Aggregate Revenue Requirement for FY 2024-25	17,065
Revenue from Current Tariffs (incl NTI)	8,782
Revenue from Cross Subsidy Surcharge	0
Revenue from Additional Surcharge	0

Projected Revenue Deficit/Surplus (Rs. in crore)	2024-25
Total projected revenue for FY 2024-25	8,782
Revenue Deficit(-)/Surplus(+) at Current Tariffs	-8,283

6.3 CoS Results

6.3.1 The following tabulation summarizes the results of the process:

- TGNPDCL handled 22,525 MUs excluding transmission losses, which consist of sale of 20,536 MUs to its customers and losses of 1,989 MUs.
- Non-Coincident Peak demand required by TGNPDCL is 3,553 MW, which consist of 3,091 MW to serve the customers, and 462 MW of losses in the system.
- The average unit cost of supplying the customers of TGNPDCL is estimated at Rs 8.31/kWh.

6.3.2 Below Table shows the allocated expenditure for each category of service and Cost of Service for each category.

Category Name	Total Costs (Rs. Crs)	Total Sales (MU)	Cost of Supply (INR / kWh)
LT			
Domestic	3,711	4,284	8.66
Non-Domestic/Commercial	910	1,023	8.89
Industry	206	244	8.47
Cottage Industries & Dhobighats	8	9	9.66
Irrigation & Agriculture	8,123	8,281	9.81
Local Bodies, Street Lighting & PWS	379	380	9.95
Others (General Purpose & Temporary)	79	80	9.95
EVs	9	9.19	9.89
Total LT	13,426	14,311	9.38
HT 11 kV			
Industry General	727	1,181	6.15
Ferro Alloy Units	-	-	-
Others	134	218	6.15

Category Name	Total Costs (Rs. Crs)	Total Sales (MU)	Cost of Supply (INR / kWh)
Airports, Bus Stations and Railways Stations	5	9	6.01
Lift Irrigation & Agriculture	108	181	5.98
HT VI: Townships & Residential Colonies	6	9	6.69
HT VII: Temporary	11	17	6.39
RESCO	626	1,163	5.38
Wholly Religious Places	0.1	0.3	4.10
Total HT 11 kV	1,617	2,778	5.82
HT (33kV)			
Industry General	114	199	5.72
Ferro Alloy Units	0.02	0.03	8.67
Others	10	18	5.82
Airports, Bus Stations and Railways Stations	-	-	-
Lift Irrigation & Agriculture	219	393	5.59
Townships & Residential Colonies	19	32	6.06
Temporary	5	7	6.48
EVs	29	85	3.42
Total HT 33 kV	396	733	5.41
EHT(132 kV)			
Industry General	341	659	5.18
Ferro Alloy Units	-	-	-
Others	4	6	7.71
Airports, Bus Stations and Railways Stations	-	-	-
Lift Irrigation & Agriculture	898	1,321	6.80
Railway Traction	346	661	5.24
HMR Traction	-	-	-
Townships & Residential Colonies	36	67	5.33
Temporary	1	1	5.31

Category Name	Total Costs (Rs. Crs)	Total Sales (MU)	Cost of Supply (INR / kWh)
Total 132 kV	1,626	2,714	5.99
Total HT	3,639	6,225	5.85
Total LT	13,426	14,311	9.38
Total	17,065	20,536	8.31

9.2.2 The Cross-Subsidy Surcharge as computed by the licensee for each category is as shown below:

Categories	Average Realization at proposed tariff (INR/unit)	Weighted PP (INR/unit)	Aggregate T&D (INR/unit)	Applicable Loss%	Cross Subsidy Surcharge (INR/unit)	20% Limit on average Realization	Cross Subsidy Surcharge (INR/unit)
	(a)	(b)	(c)	(d)	(e) = max (0, a-b/(1- d) +c)	(f) = 0.2*a	(g)=min(e,f)
HT Category at 11 KV							
HT-I Industry Segregated	9.82	5.30	2.19	8.93%	1.82	1.96	1.82
HT-II - Others	11.65	5.30	2.19	8.93%	3.65	2.33	2.33
HT-III Airports, Railways and Bus stations	10.31	5.30	2.19	8.93%	2.30	2.06	2.06
HT -IV A Lift Irrigation and agriculture	11.22	5.30	2.19	8.93%	3.22	2.24	2.24
HT- IV B - CP Water Supply Schemes	6.12	5.30	2.19	8.93%	-	1.22	-
HT-VI Townships and Residential Colonies	9.01	5.30	2.19	8.93%	1.00	1.80	1.00
HT -Temporary Supply	15.53	5.30	2.19	8.93%	7.52	3.11	3.11
HT - RESCOs	4.84	5.30	1.17	8.93%	-	0.97	-
HT Category at 33 KV							
HT-I Industry Segregated	9.05	5.30	1.17	5.40%	2.28	1.81	1.81
HT-I (B) Ferro-	26.94	5.30	1.17	5.40%	20.17	5.39	5.39

Categories	Average Realization at proposed tariff (INR/unit)	Weighted PP (INR/unit)	Aggregate T&D (INR/unit)	Applicable Loss%	Cross Subsidy Surcharge (INR/unit)	20% Limit on average Realization	Cross Subsidy Surcharge (INR/unit)
	(a)	(b)	(c)	(d)	(e) = max (0, a-b/(1-d) +c)	(f) = 0.2*a	(g)=min(e,f)
Alloys							
HT-II - Others	10.94	5.30	1.17	5.40%	4.17	2.19	2.19
HT-III Airports, Railways and Bustations	0.00	5.30	1.17	5.40%	-	-	-
HT -IV A Lift Irrigation and agriculture	9.87	5.30	1.17	5.40%	3.10	1.97	1.97
HT- IV B - CP Water Supply Schemes	6.10	5.30	1.17	5.40%	-	1.22	-
HT-VI Townships and Residential Colonies	8.72	5.30	1.17	5.40%	1.95	1.74	1.74
HT -Temporary Supply	15.50	5.30	1.17	5.40%	8.73	3.10	3.10
HT-IX EVs	6.20	5.30	1.17	5.40%	-	1.24	-
HT Category at 132KV							
HT-I Industry Segregated	9.45	5.30	0.15	2.48%	3.86	1.89	1.89
HT-I (B) Ferro-Alloys	-	5.30	0.15	2.48%	-	-	-
HT-II - Others	22.23	5.30	0.15	2.48%	16.65	4.45	4.45
HT-III Airports, Railways and Bustations	-	5.30	0.15	2.48%	-	-	-
HT -IV A Lift Irrigation and agriculture	9.74	5.30	0.15	2.48%	4.15	1.95	1.95
HT- IV B - CP Water Supply Schemes	6.10	5.30	0.15	2.48%	0.51	1.22	0.51
HT-V Railway Traction	6.92	5.30	0.15	2.48%	1.33	1.38	1.33
HT-VI Townships and Residential Colonies	8.51	5.30	0.15	2.48%	2.92	1.70	1.70
HT - Temporary	12.92	5.30		2.48%	7.46	2.58	2.58

Categories	Average Realization at proposed tariff (INR/unit)	Weighted PP (INR/unit)	Aggregate T&D (INR/unit)	Applicable Loss%	Cross Subsidy Surcharge (INR/unit)	20% Limit on average Realization	Cross Subsidy Surcharge (INR/unit)
	(a)	(b)	(c)	(d)	(e) = max (0, a-b/(1-d) +c)	(f) = 0.2*a	(g)=min(e,f)
Supply			0.15				

11.3 Revenue and revenue gap Projections with Proposed Tariff

The expected incremental revenue through proposed tariffs is as follows:

Rs. in crore


Revenue Requirement Item	2024-25
Aggregate Revenue Requirement for FY 2024-25	17,065
Revenue from Current Tariffs	8,731
Non-Tariff Income	51
Revenue from CSS & AS	0
Revenue Deficit (-) / Surplus (+) at Current Tariff	-8,283
Additional Revenue through Proposed Tariff (considering proposed tariff for 6 months from October-24 to March-25)	193
Revenue Deficit (-) / Surplus (+) at proposed Tariff	-8,090

The licensee requests the Hon'ble Commission to request the Government of Telangana to provide subsidy to meet the proposed revenue gap of INR 8,090 Cr. for FY 2024-25.

7. It is, therefore, prayed this Hon'ble Commission and pleased to accord approval to the licensee's proposal of modified computations as mentioned above and pass such orders as the Hon'ble Commission may deem fit and proper.

Place: Hanumakonda

Dated: 27.09.2024


 Petitioner
Chief Engineer
 IPC & RAC, TGNPDCL
 WARANGAL

BEFORE THE TELANGANA ELECTRICITY REGULATORY COMMISSION

AT ITS OFFICE AT Vidyut Niyamtran Bhavan, G.T.S. Colony, Kalyan Nagar,
Hyderabad - 500 045

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In the matter of

NORTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED


.....Applicant

AFFIDAVIT OF APPLICANT VERIFYING THE ACCOMPANYING PETITION.

I, Sri K. Tirmal Rao, Son of Sri Damoder Rao aged 57 years, Occupation: Chief Engineer (IPC&RAC), TGNPDCL, Hanumakonda, R/o Hanumakonda do solemnly affirm and say as follows:


- 1) I am Chief Engineer (IPC&RAC)/TGNPDCL, I am competent and duly authorized by TGNPDCL to affirm, swear, execute and file this petition.
- 2) I have read and understood the contents of the accompanying filing of corrigendum to the petition for determination of ARR for Retail Supply Business for 5th Control Period (i.e., FY 2024-25 to FY 2028-29), FPT and CSS proposals for FY 2024-25. The statements made in

paragraphs of 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 Eng
IPC & RAC, TGNPDCL
WARANGAL

VERIFICATION.

The above named Deponent solemnly affirm at Hanumakonda on this 27th day of September, 2024 that the contents of the above Affidavit are true to my knowledge no part of it is false and nothing material has been concealed there from.


DEPONENT
Chief Engineer
IPC & RAC, TGNPDCL
WARANGAL.

v. Anil Kumar.

Solemnly affirmed and signed before me

COMPANY SECRETARY
TGSPDCL, Corporate Office,
6-1-50, Mint Compound,
Hyderabad-500 004.