



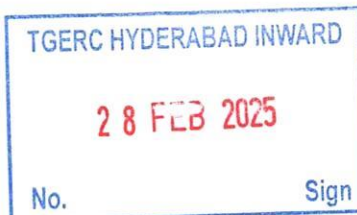
# Ushodaya Enterprises Private Limited

Eenadu Corporate Office, Ramoji Film City, Anajpur Village,  
R.R. Dist - 501 512. Telangana State, Ph : 040-2223 2223, Fax : 040-2223 2225



28<sup>th</sup> February 2025

To  
The Chief Engineer (RAC)  
**TGSPDCL**  
1<sup>st</sup> Floor, A Block  
Corporate Office, Mint Compound  
**Hyderabad- 500 063.**



Dear Sir / Madam,

**Sub : In the matter of inviting comments / objections from stakeholders / general public on the petition filed by Southern Power Distribution Company of Telangana Limited (TGSPDCL) before Honorable Telangana Electricity Regulation Commission (TGERC) in respect of Aggregate Revenue Requirement (ARR) and Tariff Proposals for Retail Supply Business for the FY 2025-2026 – Representation Submitted - Reg.**

With reference to the subject cited above, we would like to bring the following for your kind perusal.

Ushodaya Enterprises Private Limited (UEPL) has owned and operating 10MW Solar Power Plant located at Vemula (V), Midjil (M), Mahabubnagar District and consuming the power so generated at 6 nos. consumption points across the operational area of Southern Power Distribution Company of Telangana Limited (TGSPDCL) thorough open access arrangement. To facilitate the open access arrangement, UEPL has entered with a Long Term Open Access Agreement with the TRANSCO and DISCOM with effect from 02-02-2014.

We humbly submit the following objections / representations in respect of the above subject:

Sl. No.	Proposal by TGSPDCL	Our Comments / Suggestions
1.	<b>Levy of Grid Support Charges (GSC):</b>  The licensee computed the rate of Grid Support Charges for FY 2025-26 as 20.04 Rs/kW/Month and humbly requests the Hon'ble commission that, to levy GSC on both co-Located and not co-located Captive Power Plants (both Renewable and Conventional), IPPs (both Renewable and Conventional) and Generators having partial PPAs with the Licensee over and above PP capacity as per other state ERC's.	Hon'ble APTEL had allowed Appeal No. 228 of 2022 and Appeal No. 391 of 2023 filed by Rain CII Carbon (Vizag) Ltd & Others Vs APERC in respect to determination and applicability of Grid Support Charges (GSC) and held that, levy of GSC shall be limited to only the power consumed by the co-located captive load.  <b>Hon'ble APTEL through these orders had already set aside applicability of the GSC for non-co-located power plants.</b>  In line with Hon'ble APTEL orders, the terms and conditions of GSC were modified as below by Hon'ble TGERC in its Retail Supply Tariff order dated 28.10.2024.  <b>"6.16.7 The GSC will be applicable only on Captive</b>

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Sl. No.	Proposal by TGSPDCL	Our Comments / Suggestions
	<p>It was mentioned that the rationale for levy of GSC originated due to the benefits derived by certain co-located captive consumers availing during the parallel operation with the licensees' grid network.</p>	<p>Power Plants (CPPs) and the levy shall be limited to only the power consumed by the co-located load.</p> <p>6.16.8 The GSC is not applicable for the following:</p> <ul style="list-style-type: none"> <li>A. Captive Power Plants (both Renewable and Conventional) which are not co-located.</li> <li>B. IPPs (both Renewable and Conventional).</li> <li>C. Solar Roof Top plants.</li> <li>D. Generators which have PPAs with TGDISCOMs."</li> </ul> <p>Familiar with the above ruling, the Distribution Licensee might trying to misguide the Hon'ble Commission by trying to <b>expand the scope</b> / applicability of levying GSC on All Captive Power Plants (both Renewable and Conventional) both co-located and not co-located, IPPs (both Renewable and Conventional) &amp; Solar Roof Top plants and Generators having partial PPAs with the Licensee over and above PP capacity, <b>basically covering all power plants</b>.</p> <p>In our opinion, licensee should restrain from making such proposals that are against rules, orders and regulations and therefore, the levy of GSC should be limited to only co-located captive load.</p> <p>We, therefore urge Hon'ble TGERC not to consider such frivolous / motivated bids to expand the scope, especially when a statutory body has taken a decision.</p>
2	<p><b>Levy of Stand-by Charges:</b></p> <p>The Licensee submits continuation of Stand-by charges to be levied at the rate of 10% of applicable energy charge for respective consumer category over and above the normal tariff to the extent of open access energy for FY 2025-26 as was approved by the Hon'ble Commission in Retail tariff order for FY2024-25.</p>	<p>The definition and conditions of levy of stand-by charges are derived from the Electricity Rules, 2022, Dated: 06.06.2022, which is extracted below.</p> <p><i>(4) The standby charges, <b>wherever applicable</b>, shall be specified by the State Commission and such charges shall not be applicable if the Green Energy Open Access Consumers have given notice, in advance at least twenty-four hours before the time of delivery of power, for standby arrangement to the distribution licensee:</i></p> <p><i>Provided that the applicable standby charges shall not be more than Ten per cent of the energy charges applicable to consumer tariff category.</i></p> <p><b>Explanation:</b> For the purposes of this rule, (i) the expression —standby chargesll means the charges applicable to open access consumers against the</p>

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		<p><i>standby arrangement provided by the distribution licensee, in case the open access consumer is unable to procure power from the generating sources with whom they have the agreements to procure power <b>due to outages of generator, transmission assets and the like.</b></i></p> <p><i>(ii) It is hereby clarified that in such situations the open access consumer has to take power from an alternate sources like the distribution licensee and the charges for maintaining standby arrangements for such consumers should be reflective of the costs incurred by distribution licensee for providing these support services.</i></p> <p>As such, several State Electricity Regulatory commissions have clarified this position. For instance, APERC has clarified in its order dated:02.05.2024 in Regulation No. 3 of 2024 as below:</p> <p><i>"As long as the Consumer avails power up to the contracted demand with the DISCOMS, the question of standby charges does not arise. The Standby charges are incorporated in the Regulation to address the issue of exigencies of Open Access Users and the consumers may avoid penalties from the DISCOMS for drawing power over and above the CMD by availing the standby option during exigencies."</i></p> <p>In the present scenario,</p> <ul style="list-style-type: none"> <li>• TGSPDCL is allowing Open Access/ Green Energy Open Access within Consumer CMD only.</li> <li>• DISCOMs are duty bound to provide electricity on demand within the Contract Maximum Demand (CMD) as the fixed charges for the respective CMD are paid by the consumer.</li> <li>• Since the consumer is already paying the fixed charges for the CMD, the question of payment of standby charges does not arise.</li> <li>• Standby charges only come into play in cases where DISOMs provide Open Access beyond the CMD of the consumer.</li> </ul> <p><b>Hence, the proposal for levy of standby charges shall completely be withdrawn or rejected by Hon'ble TGERC.</b></p>

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In addition to the above, we humbly submit the following for your kind consideration:

- a. At present, the OA consumer to draw only 30% of the Discom utilized energy due to limit about the usage of banked energy to one month, levy of 8% banking charge in place of 2%.
- b. Contrary to the national objective of reducing dependence on fossil fuels and focusing on increasing generation from renewable sources, the proposals of putting restrictions on banked energy, act as a disincentive to green energy generators and users.
- c. After entering into a duly approved Open Access agreement and investing substantial capital on solar project (with borrowings) based on the then solar policy of the State Government, the proposed changes will only result in detriment / punishment to the renewable energy generators and users.
- d. Due to the very nature of the source of renewable energy, ie., solar power and due to the vagaries of nature/seasonality, some of the generated units/power are getting lost or goes to banking, as there is no viable storage system.
- e. We submit that the very concept of open access for green energy developers is sought to be altered or diluted subsequently in the form of amendments by levying additional banking charges, restrictions on usage, limiting the banking to one month, levy of cross subsidy charges, Additional surcharge, Grid support charges, stand-by charges etc, thereby defeating the very objective of promoting renewable energy.

We therefore submit that the above mentioned proposals are detrimental to the Green Energy developers / users and to withdraw the proposals with immediate effect.

These restrictions or additional charges sought to be implemented subsequent to successful completion by the Renewable Project Developers, a complete disincentive to such developers and if this proposal is accepted, no Renewable Energy Project will come up in near future.

Thanking you,  
Yours faithfully,

**For Ushodaya Enterprises Private Limited**

  
**Authorised Signatory**



✓ **CC to:** The Commission Secretary, TGERC, Vidyuth Niyantran Bhavan, G.T.S. Colony, Kalyan Nagar, Hyderabad – 500045, with the following prayers.

- 1) We humbly submit that the Honourable Commission may please reject the above mentioned proposals, as they are counter productive to the legislative intent and contrary to the overall policy of promoting renewable energy.
- 2) We urge the Honourable Commission to kindly examine our reasonable grounds of objections to the proposed changes and help facilitate the growth of green energy.
- 3) We further request you to give us an opportunity to present oral arguments before the Hon'ble Commission, at the hearing scheduled on 21.03.2025.