


SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED

From
Chief Engineer (IPC),
TGSPDCL,
Mint compound,
Hyderabad.

To,
The Commission Secretary,
TGERC, Sy. No.145-P,
Vidyuth Niyantran Bhavan,
Kalyan Nagar, GTS Colony,
Hyderabad - 500045.

Lr.No.CE(IPC)/DE(IPC)/ADE-EV/F.No.TGGENCO/D.No.186/24,Dt.18.03.2025.

Sir,

Sub: TGSPDCL - IPC - Filings were made by TGGENCO for Annual Tariff for FY 2025-26 for the existing stations of TGGENCO under MYT tariff framework before Hon'ble TGERC vide O.P No. 25 of 2025 and I.A. No. 09 of 2025 - Observations of TGDISCOMs - Submitted-Reg.

- Ref: 1. Lr.No.TGERC/Secy/Tariff/F.No.ATP-2025-26/D.No.157/25,
Dt: 01.03.2025.
2. Public Notice of TGERC inviting comments on TGGENCO Annual Tariff petition for FY 2025-26, Dt: 04.03.2025.

Kind attention is invited to the letter cited in reference 1st above wherein the Hon'ble TGERC stated that filings were made by TGGENCO for Annual Tariff petition for FY 2025-26 for the existing station of TGGENCO under MYT tariff framework for the Generation Business in accordance with clause no. 6.2 of TGERC Regulation No.2 of 2023 read with section 62 of the Electricity Act, 2003 before Hon'ble TGERC vide O.P No. 25 of 2025 and I.A. No. 09 of 2025.

Further, in the public notice vide reference 2nd cited, Hon'ble Commission invited comments and suggestions on the filings made by TGGENCO for Annual Tariff petition for FY 2025-26 intimating that the last date for receiving Comments/Suggestions: 18.03.2025 before 5.00 P.M and Date of Public Hearing: 24.03.2025 from 10:30AM onwards at Court Hall of TGERC.

The comments of TGDISOMs on TGGENCO Annual Tariff for the FY 2025-26 is submitted below for ready reference:

Observations of TGDISCOMs:

Comments on Filing of TGGENCO Annual Tariff for FY 2025-26:

i. Adoption of Approved Numbers by TGGENCO for Fixed Charges without Revised Estimates

TGGENCO has adopted the approved numbers for Fixed Charges from the MYT Order dated 28.10.2024 for FY 2025-26 without providing revised estimates. This is in deviation with the Regulation 2 of 2023, which mandates the submission of revised tariff proposals for the ensuing year of the Control Period. The absence of revised estimates will affect TG DISCOMs during the true-up process, leading to additional burden on TGDISCOMs. If the fixed charges during the true-up are higher than anticipated, TGDISCOMs will face significant financial implications. Higher fixed charges will increase the overall cost burden on TGDISCOMs, potentially leading to increased tariffs for end consumers or financial strain on the utility. This can result in cash flow issues and hinder the ability of TGDISCOMs to invest in infrastructure and service improvements.

ii. Deviation with Commission's Order on Integrated Mine Prices for Calculation of Energy Charges

Hon'ble Commission in its order has directed TGGENCO to file a petition along with relevant information for determination of input coal price of coal. The relevant extract of the order is provided below:

"----- 6.1.5 The Input Price of the coal shall be determined from the COD of the mine. The Commission directs the Petitioner to approach the Commission a fresh with appropriate petition along with all other relevant documents for determination of Input Price of coal from COD of the mine. In case the petitioner fails to file the petition as directed by the Commission for determination of input price of coal from COD of the mine, the Commission shall not determine the tariff for KTPP-II."

TGGENCO has not included the integrated mine prices for the calculation of Energy Charges and has deviated with the Commission's order to file an appropriate petition for the determination of the input price of coal from the COD of the mine. According to the regulation, the energy charge component of the tariff should be determined based on the input price of coal from integrated mines. The non-inclusion of integrated mine prices can lead to under-recovery of actual energy costs, this can result in higher true-up amounts, further increasing the financial burden on TG DISCOMs. It can also lead to higher tariffs

for consumers, reducing the affordability of electricity and potentially increasing the incidence of non-payment or delayed payments. Additionally, if this leads to a delay in determine the tariff for KTPP-II can result in financial uncertainty and potential revenue losses for TGDISCOMs. It may also lead to increased financial liabilities and reduced creditworthiness, impacting future borrowing and investment capabilities.

iii. Deviation with Commission's Order issued on fixed charges of TGDISCOMs Tariff Order & MYT Order Dt:28.10.2024:

It is observed that in the filing of Annual Tariff that there is a difference between the fixed charges approved by Hon'ble TGERC as per TGDISCOMs tariff order & MYT order issued on Dt: 28.10.2024. In this regard, Hon'ble TGERC is requested to allow the fixed charges only after prudence check.

Station	Fixed Charges as approved by Hon’ble TGERC (In Crores)		Difference
	As per TGDISCOMs Tariff order dt:28.10.2024	As per MYT Order Dt:28.10.2024	
Thermal			
KTPS-V	380.62	380.62	0
KTPS-VI	442.36	442.36	0
KTPS-VII	1300.22	1300.22	0
RTS-B	0	0	0
KTPP-I	439.53	439.53	0
KTPP-II	670.48	670.48	0
BTPS	1432.5	1432.5	0
YTPS	7218.47		7218.47
Thermal Sub-Total:	11884.18	4665.71	7218.47
Hydro			
Nagarjuna Sagar Complex	316.33	316.33	0
Srisaillam LB (SLBHES)	380.5	385.8	-5.3
Small Hydel	52.74	52.74	0
Mini Hydel	10.79	10.79	0
Pochampad-II	10.2	10.2	0
Priyadarshini Jurala (PJHES)	46.1 (50% share of TG DISCOMs)	92.2	-46.1
Lower Jurala (LJHES)	215.59	215.59	0
Pulichintala (PCHES)	93.67	93.67	0
Hydro Sub-Total:	1125.92	1177.32	-51.4

Further the additional objections/views (if any) by TGDISCOMs on the aforesaid TGGENCO filings will be submitted during the Public hearing on 24.03.2025.

Yours faithfully,



Sri. V.Prabhakar
Chief Engineer (IPC)/TGSPDCL

Copy to:

1. The Chief Engineer/ Coal & Commercial/ TGGENCO/ Vidyut Soudha
Hyderabad-500082.
2. The Chief Engineer (IPC&RAC)/TG NPDCL/Hanamkonda.