

**NORTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED (TGNPDCL)**



**RESPONSES TO OBJECTIONS / SUGGESTIONS**

**On**

**THE FILINGS OF POWER PURCHASE COST TRUE UPS FOR FY 2022-23,  
FY 2023-24 AND FY 2024-25**

## INDEX

Sl.No.	Name and other details of the Objector	Page No
1.	<b>M. Venugopala Rao</b> Senior Journalist & Convener, Centre for Power Studies, H.No.1-100/MP/101, Monarch Prestige, Journalists' Colony, Serilingampally Mandal , Hyderabad - 500 032	<b>1-16</b>
2.	<b>M. Thimma Reddy</b> Convener, People's Monitoring Group on Electricity Regulation, H. No.3-4-107/1,Plot No. 39, Radha Krishna Nagar, Attapur, Hyderabad – 500 048	<b>17-20</b>
3.	<b>I. Gopinath</b> Chief Executive Officer, SOUTH INDIAN CEMENT MANUFACTURERS' ASSOCIATION, Administrative Office: 3rd Floor, 36th Square, Plot no. 481, Road no. 36, Jubilee Hills, Hyderabad - 500034, Telangana, India.	<b>21</b>
4.	<b>T. Harish Rao</b> MLA, 33-Siddipet Assembly Constituency & Deputy Floor Leader, BRSLP	<b>22-31</b>
5.	<b>Ramisetty Venkata Subba Rao</b> H.No.12-13-657, Lane No.1, Street No.14, Nagarjuna nagar, Tarnaka, Secunderabad – 500017.	<b>32-33</b>
6.	<b>POWER FOUNDATION OF INDIA,</b> B-28, Qutab Institutional Area, New Delhi-110 016	<b>34-43</b>
7.	<b>T. Sujatha,</b> Sr. Director FTCCI, 11-6-841. Federation House, Federation Marg, Red Hills, Hyderabad - 500004	<b>44-72</b>
8.	<b>Telangana Spinning &amp; Textile Mills Association (TSTMA)</b> Surya Towers, Sardar Patel road, Secunderabad – 500 003	<b>73-101</b>
9.	<b>Telangana Iron &amp; Steel Manufacturers Association (TISMA)</b> Satya Sarovar Apt, Ghansi Bazar, Near High court, Hyderabad, 500002, Telangana	<b>102-129</b>

**1. Responses to the objections of Sri. M. Venugopal Rao, Senior Journalist & Convener, Centre for Power Studies, H.No.1-100/MP/101, Monarch Prestige, Journalists' Colony, Serilingampally Mandal , Hyderabad - 500 032**

S.No.	Summary of Objections / Suggestions	Response of the Licensee										
1.	<p>Both the DISCOMs have shown market purchases of power as given hereunder:</p> <table border="1" data-bbox="264 472 1010 528"> <thead> <tr> <th>Market purchases</th> <th>2022-23</th> <th>2023-24</th> <th>2024-25 (MU)</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td></td> <td>9404</td> <td>9895</td> <td>20870</td> <td>40169</td> </tr> </tbody> </table> <p>The trend of market purchases has been continuing. In their petitions for ARR for 2026-27, the DISCOMs have estimated market purchases of 16329 MU for 2025-26 and projected 14332 MU for 2026-27.</p> <p>The reasons given by the DISCOMs for such market purchases at abnormal level are lesser generation of power by several power projects with whom they had long-term power purchase agreements. But how projections for availability of power, requirement, surplus/deficit, and need for market purchases continued to be made by the DISCOMs and determined by the Commission every financial year are not explained. Similarly, how projections of fixed and variable costs continued to be made by the DISCOMs and determined by the Commission every financial year unrealistically are not explained.</p>	Market purchases	2022-23	2023-24	2024-25 (MU)	Total		9404	9895	20870	40169	<p>TGDISCOMs would like to reiterate the fact that Energy procurement from short term sources is considered for the following reasons</p> <ul style="list-style-type: none"> <li>• Energy supply during hours of deficit (Power requirement &gt; Power availability from generators)</li> <li>• Power purchase cost optimization: TGDISCOMs have considered procurement from short term sources during hours when the Market price is lesser than the Variable cost (VC) of few generating stations with higher VC to optimize the overall cost of power procurement.</li> </ul> <p>Here, it is pertinent to note that, the procurement from short term sources for deficit supply is done only when the entire generation capacity is dispatched and the procurement from short term sources for Power purchase optimization is done only by backing down the thermal generators having higher VC than the then existing market (Short term source) prices resulting only in the reduction of overall power procurement cost.</p> <p>Also, TGDISCOMs would like to mention that detailed explanation for power purchase cost projections is given in ARR submissions.</p>
Market purchases	2022-23	2023-24	2024-25 (MU)	Total								
	9404	9895	20870	40169								
2.	<p>The DISCOMs, having maintained that they have sought and got permission of the state government for filing their subject petitions</p>	<p>TGDISCOMs have mentioned detailed reasons for delay in submission of petitions.</p>										

<b>S.No.</b>	<b>Summary of Objections / Suggestions</b>	<b>Response of the Licensee</b>
	<p>for true-up, have admitted, by implication, that they could not file the true-up petition for each FY in time, because they could not get nod from the government, notwithstanding the other reasons trotted out by them which are unconvincing and untenable. Such impermissible delays in submitting their true-up claims are not in the interests of the DISCOMs and their consumers. The DISCOMs have maintained that “efforts should be made by all the stakeholders involved to reduce such true ups of costs in business-as-usual scenarios. Higher true up costs will have an adverse effect on both the performance of utility (as the gap has to be funded through short term sources) and customers (tariff increases to recover such gaps with carrying costs). This leads to reduced financial capacity of the utility to raise long term finances at competitive rates. Current true ups and the carrying costs have to be borne by customers for future energy procurement.” Therefore, the elements of political exigencies of the party-in-power in getting the true-up petitions to be filed by the DISCOMs delayed abnormally, especially, during the pre-election period, cannot be ruled out. That the Hon’ble Commission has taken up the subject petitions for consideration, calling for objections and suggestions from the interested stakeholders, implies that it has condoned the delay. If not condoned the delay, what action the</p>	

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	Hon'ble Commission would take for the impermissible and abnormal delay in filing the subject petitions is to be seen.	
3.	<p>Though the DISCOMs have submitted, with a request to the Hon'ble Commission to address a letter to the Energy Department, Government of Telangana, to extend financial support to them and arranging payment of True-up amounts, without passing the burden on the consumers and pass necessary orders as deemed fit, their claims for true-up amounts should be subjected to regulatory prudence check to determine their permissibility. When the DISCOMs have admitted that they have got the belated permission of the state government to file the subject petitions, it implies that they have got the permission or direction of the government not to collect the claimed true-up amounts from their consumers. Had they got such a consent from the state government, the DISCOMs should have submitted the same to the Hon'ble Commission categorically. Then, why are the DISCOMs shifting the onus of seeking financial support required from the state government to the Hon'ble Commission? If the state government does not provide the financial support fully to meet requirement of true-up claims of the DISCOMs to the extent the Commission determines as permissible, what necessary orders the DISCOMs are expecting from the Hon'ble Commission? What do the DISCOMs mean when they have</p>	<p>TGDISCOMs fully agree that all true-up claims are subject to the Hon'ble Commission's regulatory prudence scrutiny. The supporting data and computations have been submitted, and TGDISCOMs will provide any further details the Commission may seek.</p> <p>TGDISCOMs clarify that no instructions have been received from the State Government directing DISCOMs not to recover Commission-permissible true-up amounts from consumers. The reference to "approval of filing of True ups for FY 2022-23 and FY 2023-24 pertaining to RSB" mentioned in filings pertains only to permission to file the petitions.</p> <p>The request to the Hon'ble Commission to address the State Government is made as a facilitative measure and keeping in view financial viability of DISCOMs and possible burden on consumer.</p> <p>TGDISCOMs will abide by the orders of the Hon'ble Commission.</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	requested the Hon'ble Commission "to pass any other order as the Hon'ble Commission may deem fit and appropriate under the circumstances of the case and in the interest of justice"?	
4.	<p>The DISCOMs have not provided details pertaining to backing down of thermal power stations and whether market purchases were made when backing down was effected. We request the Hon'ble Commission to examine the following points, among others, relating to the reasons given by the DISCOMs for purchase of abnormal quantum of power in the market and through exchanges:</p> <p>a) For the subject three FYs, details of energy backed down from thermal power stations and fixed charges paid therefor.</p> <p>b) What are the details of availability of power, surplus/deficit as projected by the DISCOMs, determined by the Commission and actual FY-wise for the subject three years.</p> <p>c) The DISCOMs have shown the impact of market purchases as Rs.4030 crore for 2022-23, Rs.4762 crore for 2023-24 and Rs.7216 crore for 2024-25. Average cost per unit of market purchases works out to Rs.6.53 for 2022-23, Rs.5.35 for 2023-24 and Rs.4.06 for 2024-25. The prices approved by the Commission for the three years against the quantum of market purchases</p>	<p>a) Details of Block-wise, day-wise backing down of respective FYs shared during filings of additional surcharge.</p> <p>b) Station-wise energy availability is being submitted in RSB filings every year and commission upon due analysis is approving the same. Details of the same are available in RST order of all three FYs. Block-wise, day-wise actual availability of power is also shared during the computations of Additional Surcharge for relevant periods.</p> <p>c) This is the actual cost borne by DISCOM and relevant details are submitted in the filings and this cost was borne by DISCOMs to provide reliable and continuous power supply to it's consumers and it is important for DISCOM to get this claim. The rate of Rs. 3.30/unit approved in the</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>approved by it work out to Rs.3.30, Rs.3.49 and Rs.3.96 per unit for the three FYs, respectively. This variation clearly confirms that prices for purchase of power in the market and through exchanges have been underestimated. The energy to be purchased in the market as approved by the Commission is 2172 MU, 1505 MU and 3198 MU for the three FYs, respectively. As a result, the lion's share of true-up claims for the years 2022-23 and 2023-24 is on account of market purchases at higher prices.</p> <p>d) Dispatch of energy has come down from 78361 MU approved by the Commission to 73121 MU, including market purchases, for 2022-23, from 84156 MU to 78460 MU for 2023-24 and from 84403 MU to 82595 MU for 2024-25. DISCOMs have shown drastic decrease in dispatch of energy from the thermal stations of TGGENCO, central generating stations and others, without explaining the reasons for the same. It needs to be made clear and examined whether the decrease in dispatch has been due to failure of the thermal power stations to declare availability of power at threshold levels of PLF or instructions given for backing down their capacities.</p> <p>e) The DISCOMs have attributed lower generation of power to "overall delay in commissioning of Telangana STPP" of NTPC and</p>	<p>Tariff Order was only an indicative estimate, whereas actual market prices during the year were significantly higher.</p> <p>The average DAM and GDAM prices during FY 2022-23 were around Rs. 6.10/unit and Rs. 5.75/unit, which, after accounting for losses and charges, translate to landed costs of the average procurement cost of Rs. 6.53/unit is reasonable and reflects prudent market optimization.</p> <p>d) The reductions in dispatch from thermal sources is attributable to multiple reasons. During FY 2022-23, higher dispatch from must run stations resulted in backing down of higher VC thermal stations. For the other two FYs, the reduction can be attributed to power purchase optimization activity, wherein market purchases were prioritized whenever the landed cost of market power was lower than the variable cost of these thermal stations. This is supported by the comparatively higher quantum of market purchases during those years.</p> <p>e) At present there are no such provisions to levy penalties in the PPAs with the thermal generating stations to account for delays in commissioning.</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>“the delay in commissioning of the YTPS plant” of TGGENCO, among others. Did the DISCOMs claim and get any penalties/liquidated damages from such plants for delay in commissioning, thereby leading to avoidable burdens of market purchases additionally?</p> <p>f) The DISCOMs have maintained that the considerable short-term power purchase was considering zero dispatch from SEIL-2 and CSPDCL. There is no explanation as to why there has been zero dispatch from these two plants.</p> <p>g) The DISCOMs have submitted that overall fixed costs have come down by 2% for 2022-23, 8% for 2023-24 and 10% for 2024-26, compared to what were approved by the Commission. It is obvious that such a reduction of fixed costs was offset due to increase in variable costs and other costs.</p> <p>h) The DISCOMs have explained that, for thermal stations, at the time of issuance of order, the cost assumptions considered by the Hon’ble Commission were provisional, but due to increase in cost of coal, freight, royalty and levy of green cess, the variable cost of thermal stations has increased. However, with the decrease in</p>	<p>f) PPA with SEIL-2 expired in October 2023 and Energy dispatch from Chhattisgarh State Power Distribution Company Limited (CSPDCL) has been suspended due to ongoing disputes from FY 2022-23 onwards and the Licensee is currently not scheduling any dispatch from CSPDCL.</p> <p>g) The reduction reflects prudent cost management and optimisation of fixed cost components by the DISCOMs.</p> <p>h) While TGDISCOMs do consider and project the expected impact of coal and freight costs at the time of ARR filings, these are inherently provisional estimates and actuals vary due to fuel price volatility and statutory revisions. In the subject three FYs, although the per-unit variable cost increased, the overall variable cost outlay reduced</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>quantum of power procurement of these stations, the overall variable cost has decreased proportionately, the DISCOMs have explained. For the subject three FYs, the DISCOMs have given the same reasons for increase in variable costs. However, there is no explanation as to when cost of coal, freight, royalty and levy of green cess came into force and whether impact of such increases was projected and considered in determining cost of power purchase for subsequent FYs in the retail supply tariff orders issued by the Commission needs to be explained.</p> <p>i) The DISCOMs have shown miscellaneous charges of Rs.2494 crore for 2022-23, Rs.114 crore for 2023-24 and Rs.200 crore for 2024-25 towards water charges, UI-SRSP/deviation charges, reactive charges, wheeling KPTCL and reactive KPTCL charges. Their permissibility needs to be determined, after subjecting them to prudence check.</p> <p>j) The DISCOMs have shown increase in per unit cost of NCE from Rs.4.27 approved by the Commission to Rs.4.78 for 2023-24 (Rs.184 crore) and from Rs.4.33 approved by the Commission to</p>	<p>proportionately with lower procurement from these stations (merit-order dispatch and demand mix). Variances between approved and actual costs have been captured in the true-up as per regulations.</p> <p>i) The miscellaneous charges claimed by the DISCOMs for FY 2022-23 to FY 2024-25 include expenses towards– major portion 1142 crs for FY 2022-23 is towards Genco MTR Order and Provision-2022-23, banked energy, IEX Cost adjustments, STOA and LTOA charges, Reactive charges, Deviation charges and other related statutory and operational charges. These charges are incidental to power procurement and grid operations.</p> <p>j) The increase in per-unit cost of NCE for FY 2023-24 and FY 2024-25 is primarily due to shortfall in dispatch of approved low-cost solar power and corresponding procurement from higher-cost sources.</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>Rs.4.48 for 2024-25 (Rs.204 crore). The DISCOMs have to explain how did the tariffs for NCE increase, as claimed by them.</p>	<p>For FY 2023-24, around 1,940 MUs of approved solar energy at an average tariff of ₹2.43/unit were not dispatched, while about 1,050 MUs were procured additionally from higher-cost NCE, leading to an increase in the average NCE cost from the approved ₹4.27/unit to ₹4.78/unit.</p> <p>Similarly, for FY 2024-25, about 2,050 MUs of approved solar energy at an average tariff of ₹2.87/unit were not dispatched, and the additional procurement from other higher cost NCEs, resulting in an increase in the per-unit NCE cost from the approved ₹4.33/unit to ₹4.48/unit.</p> <p>Thus, the increase in NCE tariff is attributable to changes in the actual energy mix and dispatch pattern, rather than any revision in approved tariffs.</p>
5.	<p>The DISCOMs have shown additional interest on pension bonds increased/decreased by Rs.1307 crore for 2022-23, -Rs.211 for 2023-24 against Rs.1379 crore approved by the Commission and – Rs.137 for 2024-25 against Rs.1388 crore approved by the Commission. We have been repeatedly submitting to successive Commissions to reject claims of DISCOMs, TRANSCO and GENCO for pension liabilities and direct them to seek the same from the state government for very valid reasons elaborated in our earlier submissions, but to no avail. The Hon’ble Commission, in directive</p>	<p>The DISCOMs submit that the line item “Additional Pension Liability” has been presented and treated exactly as advised by the Hon’ble Commission in Directives. The year-wise variations reflect actual pension-related liabilities and related adjustments.</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>No.24 in RSTO for 2025-26, directed the DISCOMs “to change the nomenclature from “interest on pension bonds” to “Additional pension liability” in subsequent filings. Whether this innovative approach of changing nomenclature would make any material difference, as far as imposing all such burdens on consumers of power, much less justifying imposition of that burden on consumers, is inexplicable, if it is not like rechristening tweedledee as tweedledom.</p>	
6.	<p>Compared to the abnormal quantum of market purchases of power being made by the DISCOMs every FY, sale of surplus power is insignificant and unremunerative for the simple reason that surplus power as per the principle of merit dispatch is of higher cost. In the face of projection of availability of abnormal quantum of surplus power every FY by the DISCOMs, purchase of abnormal quantum of power in the market shows:</p> <p>i) continued failure to ensure balance between demand curve and power mix to the extent technically possible to see that unwarranted surplus/deficit is limited to prudent levels by entering into long-term PPAs with thermal, RE and other power stations prudently.</p> <p>ii) Notwithstanding the claims of the DISCOMs that “they would</p>	<p>The DISCOMs respectfully submit that the occurrence of surplus power is not continuous in nature. Such surplus, wherever observed, is only for limited durations, typically for about 2 to 3 hours in a day, arising due to variations in demand pattern, renewable generation profile, and grid balancing requirements. These transient instances of surplus cannot be construed as sustained excess capacity. The DISCOMs submit that power procurement and sale are carried out based on merit order dispatch, demand variability, renewable must-run obligations. TGDISCOMs would like to reiterate the fact that Energy procurement from short term sources is considered for the following reasons</p> <ul style="list-style-type: none"> <li>• Energy supply during hours of deficit (Power requirement &gt; Power availability from generators)</li> <li>• Power purchase cost optimization: TGDISCOMs have considered</li> </ul>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>be making enormous effort to procure power from long term sources”, failures and helplessness at politico-bureaucratic level in the face of delay in execution of power plants with whom the DISCOMs had PPAs and lesser generation and supply of power and avoidable legal litigations that arose as a result of their hasty and imprudent decisions in entering into long-term PPAs, etc. That the trend of availability of generation capacity and projection of surplus power abnormally, even exceeding 5% reserve margin, is continuing is evident from the estimates made for 2025-26 and projections made for 2026-27. Till such imbalances are corrected over a period of time, avoidable burdens would continue to be imposed on the consumers for the failures of commission and omission of politico-bureaucratic and regulatory dispensations, without any accountability.</p>	<p>procurement from short term sources during hours when the Market price is lesser than the Variable cost (VC) of few generating stations with higher VC to optimize the overall cost of power procurement.</p> <p>The DISCOMs submit that power procurement planning is carried out primarily to meet projected demand reliably and maintain grid stability. Projections are prepared conservatively to ensure reliability of supply, grid security, and compliance with planning norms, and do not necessarily translate into avoidable financial burden on consumers.</p> <p>The DISCOMs are actively undertaking measures to optimise power procurement by aligning contracted capacity with actual demand, enhancing short-term and market-based procurement, and maximising scheduling flexibility. Further, surplus capacity, wherever available, is being leveraged through power exchanges and other optimisation mechanisms to mitigate fixed cost impact. Over a period of time, as demand growth materialises and procurement strategies are refined, the perceived imbalance between availability and requirement is expected to reduce, thereby minimising any potential burden on consumers.</p>
7.	<p>Unrelated to the contracted capacity, transmission charges, primarily inter-state transmission charges of PGCIL, have been increased by Rs.857 crore for 2022-23, Rs.737 crore for 2023-24</p>	<p>The TGDISCOMs are actively engaging with the issues arising out of the GNA framework through appropriate regulatory and legal channels. The DISCOMs are closely coordinating with other State DISCOMs and</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee																												
	<p>and Rs.199 crore for 2024-25. This is due to the irrational and imbalanced GNA regulations and orders of CERC against which petitions filed before appellate authorities by DISCOMs of some of the states are pending. What role TGDISCOMs are playing to contest the regulations and orders of CERC to protect larger consumer interest?</p>	<p>utilities that have challenged the relevant regulations and orders of the Hon'ble CERC before the appropriate appellate authorities. Further, the concerns of TGDISCOMs are being consistently represented before the Hon'ble CERC during stakeholder consultations and proceedings, highlighting the need for a more balanced and usage-linked transmission charge mechanism.</p>																												
8.	<p>While the energy dispatched has come down from the quantum approved by the Commission, the cost of power purchase has increased for the subject three FYs for the two DISCOMs as given below:</p> <table border="1" data-bbox="264 791 1133 946"> <thead> <tr> <th>Year</th> <th>Energy dispatched MU Approved</th> <th>Actual</th> <th>Difference</th> <th>Cost of power purchase Rs.cr Approved</th> <th>Actual</th> <th>Difference</th> </tr> </thead> <tbody> <tr> <td>2022-23</td> <td>78361</td> <td>73121</td> <td>5240</td> <td>40149</td> <td>47433</td> <td>7285</td> </tr> <tr> <td>2023-24</td> <td>84156</td> <td>78460</td> <td>5606</td> <td>42311</td> <td>48895</td> <td>6584</td> </tr> <tr> <td>2024-25</td> <td>84403</td> <td>82595</td> <td>1808</td> <td>44515</td> <td>47009</td> <td>2494</td> </tr> </tbody> </table> <p>The following points, among others, need to be examined in view of the above variations:</p> <p>a) Requirement of power is overestimated. As a result, availability of surplus power is underestimated. The above trends confirm that the estimates of the DISCOMs, TGERC and CEA for demand are turning out to be inflated. Hence, a realistic view has to</p>	Year	Energy dispatched MU Approved	Actual	Difference	Cost of power purchase Rs.cr Approved	Actual	Difference	2022-23	78361	73121	5240	40149	47433	7285	2023-24	84156	78460	5606	42311	48895	6584	2024-25	84403	82595	1808	44515	47009	2494	<p>a) The DISCOMs submit that power requirement has not been overestimated but has been assessed prudently to meet projected demand and ensure grid stability, which are statutory obligations.</p>
Year	Energy dispatched MU Approved	Actual	Difference	Cost of power purchase Rs.cr Approved	Actual	Difference																								
2022-23	78361	73121	5240	40149	47433	7285																								
2023-24	84156	78460	5606	42311	48895	6584																								
2024-25	84403	82595	1808	44515	47009	2494																								

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>be taken based on ground realities every FY and projections shown in resources plans be revised periodically. It is all the more imperative to take appropriate decisions when new PPAs are entered into and regulatory consents to the same are given.</p> <p>b) Though the overall quantum of power purchase has come down, cost of power purchase has increased. Though overall fixed cost under PPAs in force has come down, variable cost has increased.</p> <p>c) Need for market purchase, as well as its cost, is underestimated.</p>	<p>While instances of surplus power may arise in certain periods, these are mainly due to seasonal demand variations, renewable energy intermittency, inflexibility of long-term PPAs, and changes in actual consumption patterns, and not because of inflated demand estimates.</p> <p>b) Though the overall quantum of power purchase has reduced, the total cost has increased mainly due to higher variable costs, driven by escalation in fuel prices, freight charges etc.,</p> <p>Details of plant wise energy quantum and costs has been submitted.</p> <p>c) The DISCOMs submit that market purchases were undertaken during time-blocks when market prices were relatively low, taking advantage of lower market prices. Such opportunities arise based on real-time market conditions, and hence the requirement and cost of market purchases cannot be accurately predicted in advance. Market prices are highly volatile and depend on multiple factors such as demand-supply balance, fuel prices, renewable generation, and grid conditions.</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>d) As a result of unrealistic estimates and determination of various elements of variable costs, and abnormal increase in market purchases, true-up claims also have emerged abnormally.</p> <p>e) Such unrealistic estimates – overestimation of demand for power and underestimation of availability of power and surplus - have reduced need for subsidy from the government, especially, when the latter has decided not to enhance tariffs, but are leading to claims for true-up abnormally.</p> <p>f) Prices paid for market purchases need to be examined unit-wise and month-wise, not on an average per unit, to ascertain their permissibility. It also needs to be examined whether market purchases are made when power is available from sources under PPAs in force by backing the latter and paying fixed charges for the same. It is to be examined whether surplus power when it is available is not required to meet demand. It is all the more necessary to examine these aspects, especially in the light of the claims made by the CMD of TGTRANSCO last year, claiming savings on account of backing down thermal power and purchasing power in the market. A copy of the statement is enclosed. However, in the subject petitions, the DISCOMs have not claimed or shown</p>	<p>d&amp;e) The DISCOMs submit that true-up claims have increased mainly due to uncontrollable variations in fuel costs, market prices, renewable intermittency, and real-time demand–supply conditions. Projections were made based on the best information available at the time of ARR filing, and deviations are inherent in the system. True-up is a regulatory mechanism to reconcile such differences, not a result of unrealistic estimation. True-up claims arise from actual cost variations and are independent of subsidy decisions, all of which remain subject to prudence check by the Hon'ble Commission.</p> <p>f) The DISCOMs iterates that market purchases are based on real-time prices, demand requirements and is generally opted only when landed cost is less than variable cost of existing stations.</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee																									
	<p>any savings on account of purchasing power in the market and through exchanges abnormally.</p> <p>g) The continuing trend of making market purchases abnormally, even while projecting availability of abnormal quantum of surplus power every FY, and its implications need to be analysed in detail and corrective steps be taken to arrest such an unwarranted trend.</p>	<p>g) The DISCOMs respectfully submit that the occurrence of surplus power is not continuous in nature. Such surplus, wherever observed, is only for limited durations, typically for about 2 to 3 hours in a day, arising due to variations in demand pattern, renewable generation profile, and grid balancing requirements.</p> <p>As submitted above, market purchases are made for two reasons, one to meet deficit and other for power purchase optimization.</p>																									
9.	<p>Though dispatch of energy has come down vis a vis what is determined by the Commission in the RSTOs, revenue on sale of power has decreased/increased vis a vis what is determined in the RSTOs for two FYs as given below:</p> <table border="1" data-bbox="264 884 1137 1107"> <thead> <tr> <th rowspan="2">DISCOM</th> <th rowspan="2">Year</th> <th colspan="2">Revenue in Rs.cr.</th> <th rowspan="2">Difference</th> </tr> <tr> <th>Approved</th> <th>actual</th> </tr> </thead> <tbody> <tr> <td rowspan="2">SPDCL</td> <td>2023-24</td> <td>34124.16</td> <td>31788.7</td> <td>2335.45</td> </tr> <tr> <td>2024-25</td> <td>34108.22</td> <td>34304.12</td> <td>-195.90</td> </tr> <tr> <td rowspan="2">NPDCL</td> <td>2023-24</td> <td>9086.15</td> <td>8973.67</td> <td>113.48</td> </tr> <tr> <td>2024-25</td> <td>9139.59</td> <td>9742.56</td> <td>-602.97</td> </tr> </tbody> </table> <p>If supply of power exceeds to categories of consumers who provide cross-subsidy increases and to subsidized consumers decreases, then revenue on sale of power to the DISCOMs increases vis a vis what is determined in the RSTOs and vice versa. Therefore, the</p>	DISCOM	Year	Revenue in Rs.cr.		Difference	Approved	actual	SPDCL	2023-24	34124.16	31788.7	2335.45	2024-25	34108.22	34304.12	-195.90	NPDCL	2023-24	9086.15	8973.67	113.48	2024-25	9139.59	9742.56	-602.97	<p>TGDISCOMs submit that sales are recognized as uncontrollable item in MYT Regulation No. 2 of 2023. Although, overall sales of energy have deviated from the approved quantum by the Hon'ble Commission in the Retail supply tariff orders (RSTOs), the impact on revenue from sale of power is primarily driven by the change in the mix of sales wrt consumer categories.</p> <p>In FY 2023-24, sales in cross-subsidized categories exceeded the approved levels, while sales in major cross-subsidizing categories are less than approved sales. This change in sales mix impacted revenue realization.</p> <p>The DISCOMs submit that the category-wise details of actual sales and revenue are duly reflected in the Annual Audited Accounts and are also made available on the official website.</p>
DISCOM	Year			Revenue in Rs.cr.			Difference																				
		Approved	actual																								
SPDCL	2023-24	34124.16	31788.7	2335.45																							
	2024-25	34108.22	34304.12	-195.90																							
NPDCL	2023-24	9086.15	8973.67	113.48																							
	2024-25	9139.59	9742.56	-602.97																							

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>DISCOMs have to give details of actual sales and revenue category-wise and slab-wise to substantiate their claims. Unrealistic estimates of demand for power by various categories of consumers lead to variations in revenue, thereby distorting estimates of revenue requirement, revenue deficit, need for subsidy from the government and/or tariff revision, later leading to claims for true-up/true-down.</p>	
10.	<p>The DISCOMs have submitted that “it is pertinent to mention that the licensee had prayed before the Hon'ble Commission at various junctures to include the impact of supply of 24 hrs agricultural sales in the relevant regulations or review the approved sales viz., Review petition filed by the licensees on Tariff Order for FY17-18 and Petition filed for Amendment to Regulation 4 of 2005. However, the same has been declined by the Hon'ble Commission stating that submissions of the TGDISCOMs would be treated as suggestion/input as and when the Commission initiates the process of adding to or amending or varying regulation.” NPDCL has further contended that it is facing a loss due to purchase of additional energy in order to meet the unanticipated demand from agricultural consumers, which the licensee requests the Hon'ble Commission to approve so that the licensee is not financially burdened unnecessarily. In any case, the DISCOMs have to claim additional subsidy for purchasing additional power in the market to meet</p>	<p>The DISCOMs submit that the additional expenditure incurred for supply of power to agricultural consumers or any other category of consumers in excess of the quantum approved in the RSTOs is required to be considered under true-up, as it represents a variation between approved estimates and actuals, which is precisely the purpose of the true-up mechanism.</p> <p>During the year, the actual agricultural demand exceeded the levels approved by the Hon'ble Commission. This increase was on account of higher-than-anticipated agricultural consumption, which could not be accurately foreseen at the time of tariff determination due to uncertainty in monsoon conditions. While the projections submitted by the TGDISCOMs in the ARR filings were broadly aligned with the eventual actuals, the Hon'ble Commission approved demand only up to a limited extent. As these projections have subsequently materialised during the</p>

<b>S.No.</b>	<b>Summary of Objections / Suggestions</b>	<b>Response of the Licensee</b>
	demand of agricultural consumers exceeding the quantum of power determined by the Commission in the RSTOs. The additional expenditure incurred by the DISCOMs for supply of power to agriculture, determined by the Commission in the RSTOs and supplies exceeded by the DISCOMs, should not be clubbed with additional expenditure incurred for non-agricultural consumers in the overall true-up claims being made by the DISCOMs.	year, the corresponding costs are required to be duly considered and allowed through the true-up process.
11.	We request the Hon'ble Commission to examine the above-mentioned points, among others, and issue its orders after prudence check of the claims of the DISCOMs, directing the latter to seek and get financial support from the state government for their true-up claims for the subject period as approved by the Commission. We also request the Hon'ble Commission to explore the ways to avoid or reduce scope for true-up claims to the extent possible in its regulatory process and direct the DISCOMs on how to make realistic projections, besides being prudent in entering into long-term PPAs and giving regulatory consents to the same to ensure balance between demand curve and power mix to the extent technically prudent.	<p>The DISCOMs respectfully submit that all true-up claims placed before the Hon'ble Commission are based on audited accounts in accordance with the applicable regulations. The DISCOMs will abide by the orders of the Hon'ble Commission keeping in view consumer interest and sector sustainability.</p> <p>With regard to minimising the scope of future true-up claims, the DISCOMs submit that true-ups arise largely due to factors that are uncontrollable and uncertain at the time of tariff determination, such as fuel prices, power market conditions, demand variability, renewable generation profile, hydrological conditions, and regulatory changes at the central level. Notwithstanding these limitations, the DISCOMs are continuously improving the robustness of demand and cost projections using historical trends, improved forecasting tools.</p>

**2. Responses to the objections of Sri. M. Thimma Reddy, Convenor, People’s Monitoring Group on Electricity Regulation, H. No.3-4-107/1,Plot No. 39, Radha Krishna Nagar, Attapur, Hyderabad – 500 048**

<b>S.No.</b>	<b>Summary of Objections / Suggestions</b>	<b>Response of the Licensee</b>
1.	<p>During the FY 2022-23 though power dispatched was lower by 5,240 MU than approved by the Commission power purchase cost increased by Rs. 7,285 Crore.</p> <p>Fixed costs of Central Generation Stations (CGS) increased by Rs. 248 Crore even though actual power dispatched by these CGS is 21.53% less than approved by the Commission, unlike TGGENCO and other thermal power station which had shown lower fixed costs along with lesser power dispatched than allowed by the Commission. Given this contrasting experience fixed costs claimed by CGS needs to be scrutinized.</p>	<p>TGDISCOMs submit that the increase in overall power purchase cost during FY 2022-23, despite lower energy off-take, is primarily attributable to higher variable costs across certain categories.</p> <p>It is also submitted that correlating the quantum of power drawn with fixed costs paid is not appropriate, as fixed costs are contractual obligations meant to be recovered irrespective of energy off-take. So, it is not ideal to draw correlation between quantum of power drawn and fixed costs paid.</p>
2.	<p>According to TGDISCOMs’ filings Variable cost of TGGENCO thermal stations increased by 5%, variable cost of CGS increased by 13% and variable cost of Other sources increased by 20%. Though all the coal based thermal power plants face the same fuel price structure and related policies variation in increase in variable costs of these plants is significant. From the TGDISCOMs’ filings it is not clear how much of increase in variable cost was due to increase in fuel prices, changes in GCV of coal supplied and changes in Station heat rate of these plants.</p>	<p>TGDISCOMs submit that although coal-based thermal power plants operate under similar fuel pricing structures and policies, the variable cost of generation differs due to plant-specific factors. These include transportation and logistics costs based on plant location, variation in coal source, GCV and Station Heat Rates.</p> <p>Accordingly, the observed variation in the increase of variable costs across TGGENCO stations, CGS, and other sources is attributable to these inherent operational and logistical differences, and not solely due to changes in fuel prices.</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
3.	<p>More than 50% of the power purchase cost true up claimed by TGDISCOMs is due to 5,094 MU of power procurement from market sources over and above the limit set by the Commission. TGDISCOMs attributed this higher power procurement from market sources to no power supply from STPP and CSPDCL (Which are part of Other sources). These filings also show that, apart from STPP and CSPDCL, actual dispatch from TGGENCO thermal units and CGS units was 7,591 MU less than the approved quantum. Had this power been dispatched there would have been no need to procure power from market sources. That is given the power supply situation, even in the absence of availability of power from STPP and CSPDCL, there was no need to resort to market purchases to meet power demand in the state. As such TGDISCOMs' claim regarding higher expenditure due to higher procurement of power from market sources shall not be allowed.</p>	<p>TGDISCOMs would like to reiterate the fact that Energy procurement from short term sources is considered for the following reasons</p> <ul style="list-style-type: none"> <li>• Energy supply during hours of deficit (Power requirement &gt; Power availability from generators)</li> <li>• Power purchase cost optimization: TGDISCOMs have considered procurement from short term sources during hours when the Market price is lesser than the Variable cost (VC) of few generating stations with higher VC to optimize the overall cost of power procurement.</li> </ul> <p>Here, it is pertinent to note that, the procurement from short term sources for deficit supply is done only when the entire generation capacity is dispatched and the procurement from short term sources for Power purchase optimization is done only by backing down the thermal generators having higher VC than the then existing market (Short term source) prices resulting only in the reduction of overall power procurement cost.</p>
4.	<p>"For the approved short-term purchases of 2171.87 MU in FY 2022-23, the Commission has considered the power purchase price of Rs.3.30/kWh". (Para 4.5.10, p.129 RST Order of 2022-23). But TGDISCOMs procured power from market sources at an average cost of Rs. 6.53 per unit, which is double the purchase price</p>	<p>This is the actual cost borne by DISCOM and relevant details are submitted in the filings and This cost was borne by DISCOMs to provide reliable and continuous power supply to it's consumers and it is important for DISCOM to get this claim. The rate of Rs. 3.30/unit</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	stipulated by the Commission. We request the Commission to adopt the purchase price of short-term sources as provided in the Tariff Order of FY 2022-23 and shall not allow the high prices claimed by TGDISCOMs.	approved in the Tariff Order was only an indicative estimate, whereas actual market prices during the year were significantly higher. The average DAM and GDAM prices during FY 2022-23 were around Rs. 6.10/unit and Rs. 5.75/unit, which, after accounting for losses and charges, translate to landed costs average procurement cost of Rs. 6.53/unit is reasonable and reflects prudent market optimization.
5.	During the FY 2022-23 transmission charges increased by Rs. 857 Crore. TGDISCOMs attributed this to higher payments made to PGCIL. These higher transmission charges may be due to higher market purchases. While assessing the desirability of market purchases vis a vis existing power supply contracts along with market price of power additional transmission cost shall also be taken in to account. Market price along with additional transmission cost shall be compared with variable cost of the units which are sought to be backed down.	TGDISCOMs submit that while assessing the desirability of market purchases vis-à-vis Variable cost of existing PPAs, the comparison is made based on the landed cost of power and not on the standalone market price. The landed cost includes market price of power, transmission charges, losses, and other applicable charges. Accordingly, the decision to resort to market purchases during FY 2022-23 was taken after comparing the landed market price, including additional transmission charges paid to PGCIL, with the variable cost of backing down existing generating units. Market purchases were undertaken only where such landed cost was found to be competitive.
6.	TGDISCOMs are claiming Rs. 2,494 Crore towards miscellaneous charges. No explanation or justification is provided for this expenditure. This claim shall be rejected.	The miscellaneous charges claimed by the DISCOMs for FY 2022-23 include expenses towards– major portion 1142 crs for FY 2022-23 is towards Genco MTR Order and Provision-2022-23, banked energy, IEX Cost adjustments, STOA and LTOA charges, Reactive charges, Deviation charges and other related statutory and operational charges.

S.No.	Summary of Objections / Suggestions	Response of the Licensee
		These charges are incidental to power procurement and grid operations.
7.	TGDISCOMs have requested the Commission to address a letter to the Energy Department, Government of Telangana to extend financial support to TGDISCOMs and arranging payment of Power Purchase True-up amount without passing the burden on the consumers and pass necessary orders as deemed fit. But TGDISCOMs did not mention the statutory/regulatory provisions under which the Commission may do so.	TGDISCOMs submit that the request made to the Hon'ble Commission to address the Energy Department, Government of Telangana, for extending financial support is not sought as a statutory direction, but as a facilitative measure. Section 65 of the Electricity Act, 2003, mentions that if the State Government decides to grant any subsidy, it shall do so and compensate the distribution licensee in advance. The present request is aligned with this provision, seeking Government support to absorb power purchase true-up costs without passing the burden on consumers keeping in view financial viability of DISCOMs and consumer burden.
8.	The state government taking up the responsibility of payment of true up amount implies subsidising all consumers, even those who have the capacity to pay. Electricity consumption of certain categories of consumers is being subsidized on the basis of specific socio-economic considerations. It is not advisable to subsidise all consumers.	TGDISCOMs submit that cross-subsidy mechanisms within the existing tariff structure already address support to socio-economically weaker consumer categories. The true-up costs arise from system-wide power supply obligations and therefore impact all consumers. Restricting Government support only to select categories may result in inequitable treatment of other consumers. Hence, any decision on subsidising true-up amounts requires careful consideration by the State Government and the Hon'ble Commission, balancing consumer benefit and the financial sustainability of the DISCOMs.

**3. Responses to the objections of Sri. I. Gopinath, Chief Executive Officer, SOUTH INDIAN CEMENT MANUFACTURERS' ASSOCIATION, Administrative Office: 3rd Floor, 36th Square, Plot no. 481, Road no. 36, Jubilee Hills, Hyderabad - 500034, Telangana, India | Phone: 040-35163394.**

<b>S.No.</b>	<b>Summary of Objections / Suggestions</b>	<b>Response of the Licensee</b>
1.	Requested the Hon'ble Commission to extend the deadline for submission of our comments/suggestions from 31st January 2026 to 15th February 2026.	Request for time extension consideration is under the purview of Hon'ble TGERC.

**4. Responses to the objections of Sri. T. Harish Rao, MLA, 33-Siddipet Assembly Constituency & Deputy Floor Leader, BRSLP.**

S.No.	Summary of Objections / Suggestions	Response of the Licensee
1.	<p>True-Up Is Not An Automatic Pass-Through-Settled Law</p> <p>TGNPDCL has claimed a net Power Purchase Cost (PPC) true up of Rs. 2779 Cr for FY 2022-23.</p> <p>It is respectfully submitted that: True-up is not a matter of right and cannot be allowed mechanically. Such a large true-up itself reflects serious deficiencies in demand forecasting, power procurement planning and cost control.</p> <p>True-up is intended only for uncontrollable and unforeseeable variations, and not for inefficiencies, avoidable deviations or planning failures. The Licensee has failed to demonstrate that the excess costs claimed were unavoidable.</p> <p>Hon'ble APTEL in NPDCL vs DERC (Appeal No 39 of 2006) and Tata power co Ltd. vs MERC (Appeal No 173 of 2009) had categorically held that only uncontrollable and prudent costs are eligible for true-up, whereas inefficiencies and imprudent expenditure cannot be compensated through true-up.</p>	<p>The DISCOM respectfully submits that true-up is not claimed as an automatic pass-through, but as a regulatory reconciliation mechanism for uncontrollable and unforeseeable variations, subject to the prudence check of the Hon'ble Commission. TGDISCOMs submit that variation in fuel cost is recognized as uncontrollable item in MYT Regulation No. 2 of 2023.</p> <p>The deviations in PPC for FY 2022-23 are mainly due to fuel cost variations, market price fluctuations, renewable intermittency, and real-time demand–supply conditions, all of which are beyond the control of the DISCOM. Projections in the ARR were made based on the existing prices available at the time of filing. Deviations are inherent and do not indicate inefficiency or planning failure.</p> <p>It may be noted that Hon'ble APTEL has upheld cases where true-up was claimed by the licensee after following the due scrutiny and prudence check.</p>
2.	<p>Failure Of Prudence Check Under Section 62 Of The Electricity Act, 2003</p> <p>The Hon'ble Supreme Court in UP Power Corporation Ltd. vs NTPC (2011) 12 SCC 400 has mandated that Regulatory Commissions</p>	<p>TGDISCOMs submit that all Power Purchase Agreements were entered only after approval of the Hon'ble Commission.</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>must ensure least-cost power procurement and protect consumer interest by excluding avoidable and imprudent costs</p> <p>TGNPDCL has failed to establish that power procurement during FY 2022-23 was carried out on a least-cost basis or that adequate mitigation measures were adopted to control costs.</p>	<p>TGDISCOMs procured the power from existing contracted sources which was approved by the Hon'ble Commission in the Tariff order for FY 2022-23.</p> <p>TGLSDC ensures that the scheduling &amp; dispatch of power are completely adhered to as per the State Grid Code issued by Hon'ble TGERC.</p>
3.	<p>Excessive Short-Term Power Procurement Imprudent and disallowable</p> <p>The Petitioner admits that TGNPDCL procured 2,140 MU of short-term/market power as against an approved quantum of 640 MU, resulting in an excess of about 1,500 MU resulted in additional burden of about ₹1,187 Cr, which forms a major portion of the claimed true-up.</p> <p>The Objector submits that:</p> <p>Short-term market power is the costliest source of power and should be used only as a last resort.</p> <p>Excessive dependence on market purchases indicates failure in long-term power planning and demand forecasting.</p>	<p>TGDISCOMs would like to reiterate the fact that Energy procurement from short term sources is considered for the following reasons</p> <ul style="list-style-type: none"> <li>• Energy supply during hours of deficit (Power requirement &gt; Power availability from generators)</li> <li>• Power purchase cost optimization: TGDISCOMs have considered procurement from short term sources during hours when the Market price is lesser than the Variable cost (VC) of few generating stations with higher VC to optimize the overall cost of power procurement.</li> </ul> <p>Here, it is pertinent to note that, the procurement from short term sources for deficit supply is done only when the entire generation capacity is dispatched and the procurement from short term sources for Power purchase optimization is done only by backing down the thermal generators having higher VC than the then existing market</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>The Licensee has not demonstrated that all cheaper long-term, tied-up and allocated sources were fully exhausted prior to resorting to market purchases.</p> <p>Hon'ble APTEL in PSPCL vs PSERC (Appeal No. 23 of 2014) and in BESCO vs KERC (Appeal No. 197 of 2010) has held that avoidable short-term power procurement arising out of planning failure is imprudent and cannot be passed on to consumers.</p>	<p>(Short term source) prices resulting only in the reduction of overall power procurement cost.</p>
4.	<p>Variable Cost Escalation-Commercial Risk:</p> <p>TGNPDCL has attributed the increase in PPC to escalation in variable cost on account of coal price increase, freight, royalty, green cess and forex variation.</p> <p>It is submitted that:</p> <p>Fuel price and forex risks are known commercial risks inherent in thermal power procurement.</p> <p>The Licensee has not placed any evidence of fuel optimization, coal blending, alternate sourcing or cost-minimization efforts.</p> <p>Automatic pass-through of such escalation defeats tariff certainty and consumer protection.</p>	<p>While TGDISCOMs do consider and project the expected impact of coal and freight costs at the time of ARR filings, these are inherently provisional estimates and actuals vary due to fuel price volatility and statutory revisions. Variances between approved and actual costs have been captured in the true-up as per regulations outlined by Hon'ble commission and true-up mechanism is not an automatic pass-through.</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>In this regard it is to submit that</p> <p>Hon'ble APTEL – Adani Power Ltd. vs CERC (2019) held that fuel price risk is a commercial risk and not automatically pass-through.</p> <p>Hon'ble MERC Tariff Orders (multiple years) held that the Utilities must demonstrate mitigation measures before seeking pass-through.</p> <p>Hence, fuel price escalation is not an automatic pass-through and must be subjected to strict prudence scrutiny.</p>	
5.	<p>Violation of Merit Order and Sub-Optimal Dispatch</p> <p>The Petition itself admits:</p> <p>Substantial hydel generation during FY 2022-23;</p> <p>Reduced dispatch from cheaper allocated sources; and</p> <p>Increased reliance on costly market power.</p> <p>Despite availability of cheaper hydel power, TGNPDCL resorted to costly short-term purchases without adequate justification. This constitutes violation of merit order principles.</p>	<p>TGDISCOMs respectfully submit that merit-order principles were duly followed during scheduling considering cheaper sources as well as for the computation of true-up for FY 2022-23.</p> <p>The station-wise costs referred to by the Objector are summary outcomes and not indicators of dispatch sequence. They do not imply any deviation from merit-order dispatch.</p> <p>Procurement from the power market was resorted to only in limited and justified circumstances:</p> <p>(i) to meet unavoidable supply deficits such as renewable intermittency, and</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>Hon'ble APTEL in GRIDCO vs OERC (Appeal No. 68 of 2012) held that failure to follow merit order dispatch disentitles the utility from recovery of excess cost.</p> <p>Despite cheaper hydel availability, TGNPDCL procured costly power, violating merit order principles.</p>	<p>(ii) for cost optimization, where the landed cost of market purchases was lower than the variable cost of available generating stations.</p>
6.	<p>24x7 Agricultural Supply - State Policy Cost</p> <p>TGNPDCL has cited 24x7 agricultural supply as a major contributing factor for increased PPC.</p> <p>It is respectfully submitted that:</p> <p>24x7 free or subsidized agricultural supply is a State Government policy decision.</p> <p>The financial burden of such policy must be fully compensated by the State Government through explicit budgetary support.</p> <p>Such costs cannot be passed on to consumers through tariff or true-up.</p> <p>This principle has been upheld by the Hon'ble Supreme Court in SLS Power Ltd. vs State of AP (2014) 8 SCC 470 and by Hon'ble APTEL in APSPDCL vs APERC (Appeal No. 20 of 2011) that the</p>	<p>The DISCOMs submit that the additional expenditure incurred for supply of power to agricultural consumers and other consumer categories, over and above the sales quantum approved in the RSTOs, is required to be addressed through true-up, as the same represents a deviation between approved and actual sales.</p> <p>DISCOMs have restricted the True-up claims to approved sales quantum as per guidelines laid out in regulation 1 of 2014. The DISCOMs have adhered to the policy directions of the Government of Telangana in ensuring 24x7 power supply to agricultural consumers, and the consequent increase in agricultural consumption is not within the control of the licensees. In view of the above, the DISCOMs request the Hon'ble Commission to approve the actual agricultural sales and the related true-up costs.</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>policy-driven subsidies must be compensated by the Government, not consumers and Regulatory tariffs cannot absorb policy subsidies.</p> <p>Hence, agricultural supply costs should be disallowed from true-up recovery.</p>	
7.	<p>Condonation of Delay – Regulatory Discipline Required</p> <p>The Petition has been filed with a delay, citing routine administrative reasons.</p> <p>The Objector submits that regulatory timelines are statutory in nature and routine administrative reasons cannot be a valid ground for condonation, as held by Hon'ble APTEL in Jaipur Discom vs RERC (Appeal No. 266 of 2016). Any condonation, if granted, must attract regulatory consequences.</p>	<p>TGDISCOMs couldn't file True-up petitions in view of all the reasons stated in the petition.</p> <p>However, TGDISCOMs submit that the future filings shall be done as per the Regulation No. 02 of 2023 and adhering to the timelines prescribed by TGERC Regulations</p>
8.	<p>Commission cannot act as a conduit to Government</p> <p>The prayer seeking direction to the Hon'ble Commission to address the State Government for funding is legally untenable. The Commission is an independent statutory authority and cannot be used as a conduit between the Licensee and the Government.</p>	<p>The DISCOMs respectfully submit that the prayer is not intended to seek any direction requiring the Hon'ble Commission to act as a conduit for securing financial assistance from the State Government. The submission is only to highlight that, in terms of the prevailing policy framework and past practice, certain costs—particularly those arising from policy directives or factors beyond the control of the</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
		<p>licensees—are appropriately addressed through State Government support.</p> <p>The Hon'ble Commission, while exercising its independent statutory functions, has the authority to recognize such policy-related costs and indicate the appropriate mechanism for their recovery, including through budgetary support from the State Government, wherever applicable. The prayer, therefore, neither impinges upon the independence of the Hon'ble Commission nor seeks to alter its statutory role, but is merely aimed at ensuring that the financial burden on consumers is minimized and that costs attributable to policy decisions are addressed through the appropriate institutional mechanism.</p>
9.	<p>Telangana-specific regulatory precedents (TGERC / APERC)</p> <p>The Hon'ble Telangana Electricity Regulatory Commission and the erstwhile APERC have, on multiple occasions, laid down binding principles relevant to the present Petition:</p> <p>APERC Tariff Order FY 2017-18 (APSPDCL &amp; APCPDCL):</p> <p>The Commission categorically held that excess power purchase due to inaccurate demand projection and avoidable short-term</p>	<p>The objections raised have already been addressed in the foregoing submissions.</p>

<b>S.No.</b>	<b>Summary of Objections / Suggestions</b>	<b>Response of the Licensee</b>
	<p>procurement shall not be allowed as pass-through and shall be borne by the utility.</p> <p>APERC True-up Order for FY 2013-14:</p> <p>The Commission disallowed a portion of power purchase cost attributable to deviation from merit order dispatch and failure to optimize internal generation sources.</p> <p>TGERC Retail Supply Tariff Order FY 2020-21:</p> <p>The Hon'ble Commission reiterated that policy-driven agricultural subsidies and supply obligations must be compensated by the State Government and shall not be loaded on retail consumers through tariff or true-up.</p> <p>TGERC Order in O.P. No.4 of 2018:</p> <p>The Commission emphasized that true-up is not intended to neutralize inefficiencies and that utilities must demonstrate prudence, necessity and least-cost procurement for every major deviation.</p>	

S.No.	Summary of Objections / Suggestions	Response of the Licensee
10.	<p>PRAYER</p> <p>In view of the foregoing submissions, the Objector respectfully prays that the Hon'ble Commission may be pleased to:</p> <ul style="list-style-type: none"> <li>• Reject or substantially reduce the PPC true-up claim of Rs.2779 Cr for FY 2022-23.</li> <li>• Disallow imprudent short-term power procurement costs.</li> <li>• Exclude agricultural policy-driven costs from consumer recovery.</li> <li>• Apply strict prudence check as mandated under section 62 of the Electricity Act, 2003.</li> <li>• Issue directions to TGNPDCL for robust long-term power procurement planning.</li> </ul> <p>Pass such other order(s) as deemed fit in the interest of justice and consumers.</p>	<p>The licensee submits that consumer interest and recovery of prudently incurred costs needs to go hand-in-hand. Electricity Act recognizes this principle –</p> <p>Section 61 (d): “The Appropriate Commission shall, subject to the provisions of this Act,……</p> <p>specify the terms and conditions for the determination of tariff, and in doing so, shall be guided by the following, namely ...</p> <p>(d) safeguarding of consumers’ interest and at the same time, recovery of the cost of electricity in a reasonable manner”;</p> <p>Hence, the licensees pray that the Hon’ble Commission consider the prudently incurred costs and allow the recovery of the same.</p>
11.	<p>PRAYER</p> <p>In view of the foregoing submissions, the Objector respectfully prays that the Hon'ble Commission may be pleased to:</p> <ul style="list-style-type: none"> <li>• Reject or substantially reduce the PPC true-up claim of Rs.2779 Cr for FY 2022-23.</li> </ul>	<p>Power Purchase True-up for FY2022-23 has been claimed in accordance with the regulations, based on actual costs, and limited only to uncontrollable variations. We request Hon’ble commission to allow the claim.</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<ul style="list-style-type: none"> <li>• Disallow imprudent short-term power procurement costs.</li> <li>• Exclude agricultural policy-driven costs from consumer recovery.</li> <li>• Apply strict prudence check as mandated under section 62 of the Electricity Act, 2003.</li> <li>• Issue directions to TGNPDCL for robust long-term power procurement planning.</li> </ul> <p>Pass such other order(s) as deemed fit in the interest of justice and consumers.</p>	<p>Short-term power procurement/ Market Purchases during the year was undertaken prudently, to meet deficits and for cost optimization where market prices were lower than variable costs.</p> <p>Agricultural consumption more than approved quantum represents a variation between approved and actuals, arising due to factors such as monsoon variability and demand, and is therefore proposed for consideration under true-up, as per regulations.</p> <p>Details of the claims are submitted to Hon'ble commission for approval.</p> <p>TGDISCOMs respectfully submits that no avoidable regulatory assets are being sought to be created through present petitions. The true-up/down claims are restricted only to actual, uncontrollable variations between approved and actuals, in line with regulations.</p> <p>TGDISCOMs consistently followed a structured long-term power procurement plan through Hon'ble Commission approved PPAs, while actively optimizing its power procurement mix to align with demand patterns and resource availability.</p>

**5. Responses to the objections of Sri. Ramisetty Venkata Subba Rao, H.No.12-13-657, Lane No.1, Street No.14, Nagarjuna nagar, Tarnaka, Secunderabad – 500017.**

<b>S.No.</b>	<b>Summary of Objections / Suggestions</b>	<b>Response of the Licensee</b>
1	<p><b>Objection 1 – Disallow Carrying Cost on Delayed FSA:</b></p> <p>The Commission shall explicitly disallow carrying cost on any fuel or power purchase cost variation that satisfies all three criteria:</p> <ol style="list-style-type: none"> <li>1. Could have been recovered through FSA under the FY 2024-25 tariff order</li> <li>2. Was NOT recovered through timely FSA filing due to TGNPDCL's inaction (not regulatory barriers)</li> <li>3. Is now brought forward in True-Up</li> </ol> <p>Treatment of Underlying Fuel Cost: To avoid pushing TGNPDCL into insolvency:</p> <ul style="list-style-type: none"> <li>• Allow the legitimate underlying fuel cost variation in True-Up</li> <li>• Without any carrying cost or interest component</li> <li>• With explicit warning that future FSA non-compliance will result in partial or full disallowance of deferred fuel cost claims</li> </ul>	<p>TGDISCOMs have not added any carrying costs in the filings for the true-ups of FY 2024-25. TGDISCOMs are diligently adhering to the current MYT regulations 2 of 2023 in calculating FCA and will continue do so. The TGDISCOMs have addressed letters to the GoTG for approval for collection of FCA amount regularly every month as per the provisions in the MYT Regulation.</p>
2	<p><b>Objection 2 – Penalize Delayed Filing of True-Up Petition:</b></p> <p>If the FY 2024-25 True-Up petition was filed after the statutory deadline of 30 November (which it was, filed in January 2026):</p> <ul style="list-style-type: none"> <li>• Disallow carrying cost accrued during the delay period (30 November</li> </ul>	<p>We submit that the filings of true up for FY 2024-25 are done within the stipulated time as allowed by the commission and there is no delay in the filings. TGDISCOMs have clearly</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>2025 to actual filing date)</p> <ul style="list-style-type: none"> <li>• This incentivizes timely regulatory compliance</li> <li>• Prevents utilities from exploiting administrative delays</li> </ul>	<p>stated in their submissions that no Power Purchase true-up is being claimed for FY 2024-25, and have requested the Hon'ble Commission to pass necessary orders accordingly. This clearly demonstrates the TGDISCOM's adherence to the regulatory framework and compliance with the directions of the Hon'ble Commission.</p>
3	<p><b>Objection 3</b> – Mandatory FSA Compliance Directive for FY 2025-26 Onwards: For all future financial years, the Commission shall issue a standing directive to TGNPDCL:</p> <ol style="list-style-type: none"> <li>1. Automatic FSA filing is mandatory on monthly or quarterly basis as specified in the tariff order</li> <li>2. Failure to file FSA when fuel costs vary by <math>\pm 10\%</math> or more from assumed base constitutes regulatory non-compliance, resulting in: <ul style="list-style-type: none"> <li>o Disallowance of carrying cost on any deferred fuel cost claims in subsequent True-Up</li> <li>o Possible adjustment to future Cost of Capital allowances</li> <li>o Mandatory Commission reporting on reasons for non-filing</li> </ul> </li> <li>3. Any fuel cost variation brought forward in True-Up without evidence of timely FSA filing shall be presumed a controllable lapse and allowed without carrying cost</li> </ol>	<p>TGDISCOMs are diligently adhering to the current MYT regulations 2 of 2023 in calculating FCA and will continue do so. The TGDISCOMs have addressed letters to the GoTG for approval for collection of FCA amount regularly every month as per the provisions in the MYT Regulation.</p>

## Response to Power Foundation of India

S.No.	Summary of Objections / Suggestions	Response of the Licensee
PFI Comments/Suggestions: TGNPDCL True-Up Petition FY 2024-25 for Retail Supply Business		
1.	4) PFI notes that TG DISCOMs have filed Power Purchase Cost & Revenue True-Up Petitions for FY 2022-23, FY 2023-24 & FY 2024-25. These True-Up Petitions are incomplete since important elements like Sales, Energy Balance, Transmission Losses, Distribution Losses have not been filed. Moreover, in the absence of complete True-up, Revenue Gap/ Surplus has not been calculated. Claiming Power Purchase True-Up without submitting the Sales and Energy Balance is a non-scientific & non-transparent way of determining the Power Purchase Cost and defeats the purpose of True-Up Exercise.	TGDISCOMs filed power purchase cost true up for FY 2022-23 in accordance with "APERC (Terms and Conditions for determination of Tariff for Wheeling and Retail Sale of Electricity) Regulation, 4 of 2005" and its first amendment Regulation I of 2014 (adopted by TGERC) and Power purchase cost true up for FY 2023-24 and revenue true up for FY 2024-25 in accordance TGERC (Multi Year Tariff) Regulation, 2 of 2023. These filings have been made strictly in line with the regulatory formats and requirements prescribed by the Hon'ble Commission. Details relating to sales, energy balance, and T&D losses are provided in the respective ARR filings of respective years.
2.	5) It is pertinent to mention that the last True-Up Order issued by Hon'ble TGERC is for FY 2018-19 dated 23/03/2023. Till date True-Up Orders for FY 2019-20, FY 2020-21, FY 2021-22, FY 2022-23, FY 2023-24 & FY 2024-25 are pending. The same comment was submitted by PFI in the ARR Petition for FY 2025-26. Hon'ble TGERC	TGDISCOMs submit that the Power Purchase True-Up/True-Down for FY 2016-17 to FY 2021-22 and provisional True-Up for FY 2022-23 were filed before the Hon'ble Commission on 16.12.2022, and the Commission approved these through the RST Order for FY 2023-24 dated 24.03.2023.

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>addressed the said comment in the Tariff Order for FY 2025-26 dated 29/04/2025.</p> <p><i>"3.3 TRUE UP/ DOWN AND FCA PETITIONS</i></p> <p><i>Commission's analysis &amp; findings</i></p> <p><i>3.3.8 The Commission has noted the concerns of the stakeholders in respect of the consequences that resulted in running into losses of the petitioners on account of not properly filing the True-up/True-down petitions and not collecting Fuel Cost Adjustment (FCA) as per stipulated regulations. The petitioners have failed to explain as to why they could not file their claims in respect of FCA adjustments quarterly as stipulated in the Regulation which has resulted in huge backlogs thereby the TGDISCOMs are not in a position to claim the FCA either from the government or from the consumers.</i></p> <p><i>... 3. 3.11 The Commission directs the TGDISCOMs to strictly comply with Regulation 2 of 2023 and ensure that all future True-up, ARR, Tariff Proposals, and FCA claims are filed within the stipulated timelines. Any deviation from the prescribed schedule will be viewed seriously and may attract regulatory action."</i></p>	
3.	6) Thereafter, TG DISCOMs in Petition I.A. No. 28 of 2025 prayed before the Commission that they may be granted time for filing of petition of power purchase True-	TGDISCOMs couldn't file True-up petitions in view of all the reasons stated in the petition. The marginal delay in filing was thus procedural and transitional in nature, neither deliberate nor reflective of any service

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>Ups of FY 2022-23 and FY 2023-24 pertaining to retail supply business along with condonation of delay application within due course of time. Hon'ble TGERC vide Order dated 2/05/2025 granted time extension for two months. Relevant extract from the said Order is as follows.</p> <p><i>"13. Therefore, keeping in view of the exigencies as submitted by the petitioner this Commission extends the time for filing the true-up petitions. 14. Accordingly, this petition is allowed and petitioners/TGDISCOMs are directed to file the true-up petitions for FY 2022 - FY 2023 and FY 2023 - FY 2024 within two months from the date of this order"</i></p> <p>7) Even after being granted time extension of two months, the True-Up Petitions for FY 2022-23 &amp; FY 2023-24 have been filed on 29/11/2025 i.e, 5 months of delay.</p> <p>8) As per TGERC (Multi Year Tariff) Regulation, 2023, the DISCOMs need to file or True-Up annually. Relevant extract from the Regulations is as follows:</p> <p><i>"6 Procedure for filing Petition</i></p> <p><i>6.1 The petitions under MYT by the generating entity, transmission licensee/ STU, SLDC and distribution licensee shall be filed as per the timelines specified in this</i></p>	<p>deficiency.</p> <p>However, TGDISCOMs have ensured the timely filing of the ARR for FY 2026–27 and will continue to do so for all future regulatory submissions.</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p><i>Regulation...</i></p> <p><i>c) Multi Year Tariff petition shall be filed by 30th November of the year preceding the first year of the Control Period by distribution licensee (for retail supply business) comprising:</i></p> <ul style="list-style-type: none"> <li><i>i. True-up of preceding year;</i></li> <li><i>ii. Aggregate Revenue Requirement for each year of the Control Period;</i></li> <li><i>iii. Revenue from retail sale of electricity at existing tariffs &amp; charges and projected revenue gap for the first year of the Control Period;</i></li> <li><i>iv. Proposal of consumer category wise</i></li> </ul> <p><i>After first year of the Control Period and onwards, the annual petitions by distribution licensee (for retail supply business) shall comprise of:</i></p> <ul style="list-style-type: none"> <li><i>i. True-up of preceding year;</i></li> <li><i>ii. Revised Aggregate Revenue Requirement for ensuing year of the Control Period;</i></li> <li><i>iii. Revenue from retail sale of electricity at existing tariffs &amp; charges and projected revenue gap for ensuing year of the Control Period;</i></li> <li><i>iv. Proposal of consumer category wise retail supply</i></li> </ul>	

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<i>tariff and charges for ensuing year of the Control Period."</i>	
4.	<p>9) Further, the same Regulations have also stipulated a penal mechanism to enforce timely submission of True-Up Petitions. Relevant extract from the Regulations is as follows.</p> <p><i>"29 Return on Equity</i></p> <p><i>29.1 Return on Equity shall be computed in rupee terms, on the equity base determined in accordance with clause 27.</i></p> <p><i>29.2 Return on Equity shall be computed at the following base rates:</i></p> <p><i>Provided that in case of delay in submission of tariff/true-up filings by the generating entity or licensee or SLDC, as required under this Regulation, rate of RoE shall be reduced by 0.5% per month or part thereof"</i></p>	<p>TGDISCOMs submit that, for the reasons detailed in the petition, the True-Up petitions could not be filed earlier. The marginal delay in submission was procedural and transitional in nature, and was neither intentional nor indicative of any deficiency in service.</p> <p>TGDISCOMs further submit that all future filings will be made strictly in accordance with Regulation No. 02 of 2023 and in adherence to the timelines prescribed under the Telangana Electricity Regulatory Commission Regulations.</p>
5.	<p>10) Moreover, the need for timely issuance of Tariff Orders and True-up Orders has been decided by Hon'ble APTEL in its judgement dtd. 11/11/2011 in OP No. 1 of 2011, as follows:</p> <p><i>"57. This Tribunal has repeatedly held that regular and timely true-up expenses must be done since:</i></p> <p><i>(a) No projection can be so accurate as to equal the real situation.</i></p>	<p>TGDISCOMs acknowledges the need for timely issuance of Tariff orders and True up orders.</p> <p>TGDISCOMs also acknowledge that while the Hon'ble APTEL has empowered SERCs to initiate suo-motu proceedings in the absence of utility filings, the Hon'ble Commission would still require complete and accurate data from the DISCOMs to ensure a fair and accurate</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>(b) <i>The burden/ benefits of the past years must not be passed on to the consumers of the future.</i></p> <p>(c) <i>Delays in timely determination of tariff and truing-up entails:</i></p> <p>(i) <i>Imposing an underserved carrying cost burden to the consumers, as is also recognised by para 5.3 (h) (4) of National Tariff Policy.</i></p> <p>(ii) <i>Cash flow problems for the licensees.</i></p> <p>65. <i>In view of the analysis and discussion made above, we deem it. fit to issue the following directions to the State Commissions:</i></p> <p>(i) <i>Every State Commission has to ensure that Annual Performance Review, true-up of past expenses and Annual Revenue Requirement and tariff determination is conducted year to year basis as per the time schedule specified in the Regulations.</i></p> <p>(ii) <i>It should be the endeavour of every State Commission to ensure that the tariff for the financial year is decided before 1st April of the tariff year...</i></p> <p>(iii) <i>In the event of delay in filing of the ARR, truing-up and Annual Performance Review, one month beyond the scheduled date of submission of the petition, the State Commission must initiate Suo-moto proceedings for tariff determination in accordance with Section 64 of the Act read with clause 8.1 (7) of the Tariff Policy.</i></p> <p>(v) <i>Truing up should be carried out regularly and preferably every year...".</i></p>	<p>determination.</p> <p>Given the technical and regulatory complexities involved, it is preferable that DISCOMs file the True-Up petitions themselves. This ensures completeness, transparency, and avoids avoidable delays, supporting a more accurate and cost-reflective tariff determination process.</p> <p>TGDISCOMs iterate that the True-up filings for FY 2022-23, FY 2023-24 and FY 2024-25 have been made in accordance with regulations issued by Hon'ble commission.</p>

<b>S.No.</b>	<b>Summary of Objections / Suggestions</b>	<b>Response of the Licensee</b>
	<p>11) From above, it is noted that Hon'ble APTEL has even decided that SERCs can initiate Suo-moto proceedings and collect the data and information and give suitable directions and then determine the Tariff even in the absence of the application filed by the utilities by exercising the powers under the provisions of the Act as well as the Tariff Regulations.</p> <p>12) Thus, timely issuance of Tariff and True-up Orders that too cost-reflective results in timely passing of escalated cost in the power sector supply chain thereby maintaining adequate cash flow with the utilities, thus enabling them to supply uninterrupted quality supply to the consumers. It further avoids Creation of Regulatory Assets, burden of Carrying Cost and Tariff shock at once to the end consumers.</p> <p>13) In view of above, it is noted that TG DISCOMs have filed incomplete Petitions for True-Up of FY 2022-23, FY 2023-24 &amp; FY 2024-25. They have filed for True-Up of Power Purchase Cost &amp; Revenue only. Power Foundation of India (PFI) therefore, urges Hon'ble TGERC to conduct True-Up of FY 20223-23, FY 2023-24 &amp; FY 2024-25 on suo-motu basis by 31st March 2026 as mandated by</p>	

S.No.	Summary of Objections / Suggestions	Response of the Licensee																																																																																																
	Hon'ble APTEL (stipulated above). This will avoid the issue of creation of Regulatory Assets, burden of Carrying Cost and Tariff shock to the end consumers.																																																																																																	
6.	<p>B. POOR COLLECTION EFFICIENCY</p> <p>14) PFI notes that Collection Efficiency has declined from 88.19% in FY 2023-24 to 84.23% in FY 2024-25. Relevant extract from the Audited Accounts is as follows.</p> <table border="1"> <caption>ADS 4: Statement of AT&amp;C Loss</caption> <thead> <tr> <th>S. No.</th> <th>Parameter</th> <th>Unit</th> <th>Description</th> <th>For the year ended 31st March, 2025 (current year)</th> <th>For the year ended 31st March, 2024 (previous year)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> <td>6</td> </tr> <tr> <td>A</td> <td>Gross Input Energy</td> <td>MU</td> <td>Self-Own Generation + Auxiliary Consumption + Energy Purchased (Gross)</td> <td>25,695.03</td> <td>23,907.79</td> </tr> <tr> <td>B1</td> <td>Inter-State sale Energy Traded<sup>(1)</sup></td> <td>MU</td> <td></td> <td>333.51</td> <td>452.35</td> </tr> <tr> <td>B2</td> <td>Transmission Losses</td> <td>MU</td> <td></td> <td>1,179.72</td> <td>1,238.61</td> </tr> <tr> <td>C</td> <td>Net Input Energy</td> <td>MU</td> <td>(= A-B1-B2)</td> <td>24,181.75</td> <td>22,316.63</td> </tr> <tr> <td>D</td> <td>Energy Sold to</td> <td>MU</td> <td>Energy Sold to all categories of consumers excluding units of energy traded/Inter State Sales<sup>(1)</sup></td> <td>22,042.78</td> <td>21,067.43</td> </tr> <tr> <td>E</td> <td>Revenue from Sale of Energy on Tariff Subsidy received basis</td> <td>Rs. crore</td> <td>Revenue from Sale of Energy to all categories of consumers (including Tariff Subsidy received) but excluding Revenue from Energy traded /Inter-State Sales<sup>(1)</sup></td> <td>16,872.27</td> <td>16,416.33</td> </tr> <tr> <td>F</td> <td>Opening Trade Receivable</td> <td>Rs. crore</td> <td>Gross Opening Trade Receivable as per Trade Receivable Schedule</td> <td>10,252.63</td> <td>8,714.10</td> </tr> <tr> <td>G</td> <td>Closing Trade Receivables</td> <td>Rs. crore</td> <td>(i) Gross Closing Trade Receivables as per Trade Receivable Schedule (ii) Any amount written off during the year directly from (i)</td> <td>13,018.68</td> <td>10,252.63</td> </tr> <tr> <td>H</td> <td>Adjusted Closing Trade Receivable for sale of</td> <td>Rs. crore</td> <td>G-(ii)</td> <td>12,912.57</td> <td>10,252.63</td> </tr> <tr> <td>I</td> <td>Collection Efficiency</td> <td>%</td> <td>(H/F)*100<sup>(1)</sup></td> <td>84.23%</td> <td>88.19%</td> </tr> <tr> <td>J</td> <td>Billing efficiency</td> <td>%</td> <td>Value to be taken from Additional Disclosure Statement 2</td> <td>91.15%</td> <td>90.75%</td> </tr> <tr> <td>K</td> <td>Units realized</td> <td>MU</td> <td>D*1</td> <td>18,567.70</td> <td>18,876.06</td> </tr> <tr> <td>L</td> <td>Units un-realized</td> <td>MU</td> <td>C-K</td> <td>5,614.05</td> <td>5,640.57</td> </tr> <tr> <td>M</td> <td>AT&amp;C losses</td> <td>%</td> <td>E*100/C</td> <td>23.22</td> <td>19.99</td> </tr> </tbody> </table> <p>One major reason for such poor collection efficiency is the</p>	S. No.	Parameter	Unit	Description	For the year ended 31st March, 2025 (current year)	For the year ended 31st March, 2024 (previous year)	1	2	3	4	5	6	A	Gross Input Energy	MU	Self-Own Generation + Auxiliary Consumption + Energy Purchased (Gross)	25,695.03	23,907.79	B1	Inter-State sale Energy Traded <sup>(1)</sup>	MU		333.51	452.35	B2	Transmission Losses	MU		1,179.72	1,238.61	C	Net Input Energy	MU	(= A-B1-B2)	24,181.75	22,316.63	D	Energy Sold to	MU	Energy Sold to all categories of consumers excluding units of energy traded/Inter State Sales <sup>(1)</sup>	22,042.78	21,067.43	E	Revenue from Sale of Energy on Tariff Subsidy received basis	Rs. crore	Revenue from Sale of Energy to all categories of consumers (including Tariff Subsidy received) but excluding Revenue from Energy traded /Inter-State Sales <sup>(1)</sup>	16,872.27	16,416.33	F	Opening Trade Receivable	Rs. crore	Gross Opening Trade Receivable as per Trade Receivable Schedule	10,252.63	8,714.10	G	Closing Trade Receivables	Rs. crore	(i) Gross Closing Trade Receivables as per Trade Receivable Schedule (ii) Any amount written off during the year directly from (i)	13,018.68	10,252.63	H	Adjusted Closing Trade Receivable for sale of	Rs. crore	G-(ii)	12,912.57	10,252.63	I	Collection Efficiency	%	(H/F)*100 <sup>(1)</sup>	84.23%	88.19%	J	Billing efficiency	%	Value to be taken from Additional Disclosure Statement 2	91.15%	90.75%	K	Units realized	MU	D*1	18,567.70	18,876.06	L	Units un-realized	MU	C-K	5,614.05	5,640.57	M	AT&C losses	%	E*100/C	23.22	19.99	<p>TGDISCOMs submit that collection efficiency is under continuous monitoring, and sustained measures are being undertaken to enhance revenue realisation. In cases where consumers fail to pay CC bills within the stipulated timelines, appropriate action is initiated in accordance with the Terms and Conditions of Supply.</p> <p>As stated in the filings, TGDISCOMs are persistently pursuing the State Government and various Government Departments for settlement of outstanding dues.</p> <p>TGDISCOMs reaffirm their commitment to improving and strengthening their financial position and shall continue to take all necessary steps in this regard.</p> <p>With respect to the suggestion to consider 100% Collection Efficiency, TGDISCOMs submit that the present ARR filing is already premised on 100% collection efficiency, and earnest efforts will be made to achieve the same.</p>
S. No.	Parameter	Unit	Description	For the year ended 31st March, 2025 (current year)	For the year ended 31st March, 2024 (previous year)																																																																																													
1	2	3	4	5	6																																																																																													
A	Gross Input Energy	MU	Self-Own Generation + Auxiliary Consumption + Energy Purchased (Gross)	25,695.03	23,907.79																																																																																													
B1	Inter-State sale Energy Traded <sup>(1)</sup>	MU		333.51	452.35																																																																																													
B2	Transmission Losses	MU		1,179.72	1,238.61																																																																																													
C	Net Input Energy	MU	(= A-B1-B2)	24,181.75	22,316.63																																																																																													
D	Energy Sold to	MU	Energy Sold to all categories of consumers excluding units of energy traded/Inter State Sales <sup>(1)</sup>	22,042.78	21,067.43																																																																																													
E	Revenue from Sale of Energy on Tariff Subsidy received basis	Rs. crore	Revenue from Sale of Energy to all categories of consumers (including Tariff Subsidy received) but excluding Revenue from Energy traded /Inter-State Sales <sup>(1)</sup>	16,872.27	16,416.33																																																																																													
F	Opening Trade Receivable	Rs. crore	Gross Opening Trade Receivable as per Trade Receivable Schedule	10,252.63	8,714.10																																																																																													
G	Closing Trade Receivables	Rs. crore	(i) Gross Closing Trade Receivables as per Trade Receivable Schedule (ii) Any amount written off during the year directly from (i)	13,018.68	10,252.63																																																																																													
H	Adjusted Closing Trade Receivable for sale of	Rs. crore	G-(ii)	12,912.57	10,252.63																																																																																													
I	Collection Efficiency	%	(H/F)*100 <sup>(1)</sup>	84.23%	88.19%																																																																																													
J	Billing efficiency	%	Value to be taken from Additional Disclosure Statement 2	91.15%	90.75%																																																																																													
K	Units realized	MU	D*1	18,567.70	18,876.06																																																																																													
L	Units un-realized	MU	C-K	5,614.05	5,640.57																																																																																													
M	AT&C losses	%	E*100/C	23.22	19.99																																																																																													

S.No.	Summary of Objections / Suggestions	Response of the Licensee																																																																																																																																																																																			
	<p>exceptionally low revenue Realization from Government Departments. Collection Efficiency of Govt. Departments for FY 2024-25 is only 19%. Relevant extract from Audited Accounts is as follows.</p> <table border="1" data-bbox="324 502 1041 1045"> <caption>S. Gross trade receivables - consumer category wise for sale of energy (Rs.in Crores)</caption> <thead> <tr> <th rowspan="2">Particulars</th> <th colspan="4">As on 31st March, 2025</th> <th colspan="4">As on 31st March, 2024</th> </tr> <tr> <th>Opening balance</th> <th>Revenue billed</th> <th>Revenue received</th> <th>Closing balance</th> <th>Opening balance</th> <th>Revenue billed</th> <th>Revenue received</th> <th>Closing Balance</th> </tr> </thead> <tbody> <tr> <td>Domestic</td> <td>384.29</td> <td>2294.98</td> <td>2270.40</td> <td>408.86</td> <td>380.60</td> <td>2045.25</td> <td>2041.62</td> <td>584.20</td> </tr> <tr> <td>Commercial</td> <td>211.23</td> <td>1582.56</td> <td>1498.67</td> <td>295.12</td> <td>162.40</td> <td>1447.12</td> <td>1398.29</td> <td>211.23</td> </tr> <tr> <td>Agricultural</td> <td>5.16</td> <td>48.86</td> <td>48.82</td> <td>75.20</td> <td>68.93</td> <td>16.96</td> <td>10.73</td> <td>75.16</td> </tr> <tr> <td>Industrial</td> <td>73.06</td> <td>7546.63</td> <td>2056.42</td> <td>1217.27</td> <td>384.48</td> <td>2557.19</td> <td>2218.61</td> <td>723.06</td> </tr> <tr> <td>Others</td> <td>0.00</td> <td></td> <td></td> <td>0.00</td> <td></td> <td></td> <td></td> <td>0.00</td> </tr> <tr> <td>Public Street Lighting</td> <td>7.49</td> <td>92.97</td> <td>18.83</td> <td>149.05</td> <td>28.98</td> <td>73.53</td> <td>18.60</td> <td>72.91</td> </tr> <tr> <td>Public Water Works</td> <td>150.73</td> <td>205.15</td> <td>53.14</td> <td>462.74</td> <td>132.23</td> <td>749.45</td> <td>130.05</td> <td>250.73</td> </tr> <tr> <td>Railways</td> <td>6.95</td> <td>128.55</td> <td>127.52</td> <td>7.98</td> <td>3.74</td> <td>129.09</td> <td>125.47</td> <td>6.96</td> </tr> <tr> <td>Bulk Supply</td> <td>87.76</td> <td>673.98</td> <td>484.20</td> <td>1661.43</td> <td>722.12</td> <td>655.34</td> <td>505.70</td> <td>871.76</td> </tr> <tr> <td>Distribution franchisee</td> <td>0.00</td> <td></td> <td></td> <td>0.00</td> <td></td> <td></td> <td></td> <td>0.00</td> </tr> <tr> <td>Inter-state</td> <td>0.00</td> <td></td> <td></td> <td>0.00</td> <td></td> <td></td> <td></td> <td>0.00</td> </tr> <tr> <td>Trading IIF DSM</td> <td>1792.15</td> <td>3642.99</td> <td>413.15</td> <td>15312.29</td> <td>8962.05</td> <td>3274.91</td> <td>454.51</td> <td>11782.15</td> </tr> <tr> <td>Miscellaneous</td> <td>14379.55</td> <td>14877.67</td> <td>7271.27</td> <td>18985.95</td> <td>10855.60</td> <td>10778.83</td> <td>7254.88</td> <td>14379.55</td> </tr> <tr> <td><b>Total (a)</b></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td><b>Out of (a) above related to Government consumers:</b></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>State Government Departments</td> <td>12182.85</td> <td>1178.60</td> <td>271.45</td> <td>16260.00</td> <td>8374.26</td> <td>8380.08</td> <td>1601.14</td> <td>12182.85</td> </tr> <tr> <td>Central Government Departments</td> <td>18.85</td> <td>728.25</td> <td>725.80</td> <td>18.20</td> <td>10.87</td> <td>408.07</td> <td>403.19</td> <td>18.85</td> </tr> <tr> <td><b>Total trade receivables related Government consumers</b></td> <td><b>12168.70</b></td> <td><b>5206.85</b></td> <td><b>997.24</b></td> <td><b>16278.20</b></td> <td><b>8385.13</b></td> <td><b>6188.14</b></td> <td><b>2404.58</b></td> <td><b>12168.70</b></td> </tr> </tbody> </table>	Particulars	As on 31st March, 2025				As on 31st March, 2024				Opening balance	Revenue billed	Revenue received	Closing balance	Opening balance	Revenue billed	Revenue received	Closing Balance	Domestic	384.29	2294.98	2270.40	408.86	380.60	2045.25	2041.62	584.20	Commercial	211.23	1582.56	1498.67	295.12	162.40	1447.12	1398.29	211.23	Agricultural	5.16	48.86	48.82	75.20	68.93	16.96	10.73	75.16	Industrial	73.06	7546.63	2056.42	1217.27	384.48	2557.19	2218.61	723.06	Others	0.00			0.00				0.00	Public Street Lighting	7.49	92.97	18.83	149.05	28.98	73.53	18.60	72.91	Public Water Works	150.73	205.15	53.14	462.74	132.23	749.45	130.05	250.73	Railways	6.95	128.55	127.52	7.98	3.74	129.09	125.47	6.96	Bulk Supply	87.76	673.98	484.20	1661.43	722.12	655.34	505.70	871.76	Distribution franchisee	0.00			0.00				0.00	Inter-state	0.00			0.00				0.00	Trading IIF DSM	1792.15	3642.99	413.15	15312.29	8962.05	3274.91	454.51	11782.15	Miscellaneous	14379.55	14877.67	7271.27	18985.95	10855.60	10778.83	7254.88	14379.55	<b>Total (a)</b>									<b>Out of (a) above related to Government consumers:</b>									State Government Departments	12182.85	1178.60	271.45	16260.00	8374.26	8380.08	1601.14	12182.85	Central Government Departments	18.85	728.25	725.80	18.20	10.87	408.07	403.19	18.85	<b>Total trade receivables related Government consumers</b>	<b>12168.70</b>	<b>5206.85</b>	<b>997.24</b>	<b>16278.20</b>	<b>8385.13</b>	<b>6188.14</b>	<b>2404.58</b>	<b>12168.70</b>	
Particulars	As on 31st March, 2025				As on 31st March, 2024																																																																																																																																																																																
	Opening balance	Revenue billed	Revenue received	Closing balance	Opening balance	Revenue billed	Revenue received	Closing Balance																																																																																																																																																																													
Domestic	384.29	2294.98	2270.40	408.86	380.60	2045.25	2041.62	584.20																																																																																																																																																																													
Commercial	211.23	1582.56	1498.67	295.12	162.40	1447.12	1398.29	211.23																																																																																																																																																																													
Agricultural	5.16	48.86	48.82	75.20	68.93	16.96	10.73	75.16																																																																																																																																																																													
Industrial	73.06	7546.63	2056.42	1217.27	384.48	2557.19	2218.61	723.06																																																																																																																																																																													
Others	0.00			0.00				0.00																																																																																																																																																																													
Public Street Lighting	7.49	92.97	18.83	149.05	28.98	73.53	18.60	72.91																																																																																																																																																																													
Public Water Works	150.73	205.15	53.14	462.74	132.23	749.45	130.05	250.73																																																																																																																																																																													
Railways	6.95	128.55	127.52	7.98	3.74	129.09	125.47	6.96																																																																																																																																																																													
Bulk Supply	87.76	673.98	484.20	1661.43	722.12	655.34	505.70	871.76																																																																																																																																																																													
Distribution franchisee	0.00			0.00				0.00																																																																																																																																																																													
Inter-state	0.00			0.00				0.00																																																																																																																																																																													
Trading IIF DSM	1792.15	3642.99	413.15	15312.29	8962.05	3274.91	454.51	11782.15																																																																																																																																																																													
Miscellaneous	14379.55	14877.67	7271.27	18985.95	10855.60	10778.83	7254.88	14379.55																																																																																																																																																																													
<b>Total (a)</b>																																																																																																																																																																																					
<b>Out of (a) above related to Government consumers:</b>																																																																																																																																																																																					
State Government Departments	12182.85	1178.60	271.45	16260.00	8374.26	8380.08	1601.14	12182.85																																																																																																																																																																													
Central Government Departments	18.85	728.25	725.80	18.20	10.87	408.07	403.19	18.85																																																																																																																																																																													
<b>Total trade receivables related Government consumers</b>	<b>12168.70</b>	<b>5206.85</b>	<b>997.24</b>	<b>16278.20</b>	<b>8385.13</b>	<b>6188.14</b>	<b>2404.58</b>	<b>12168.70</b>																																																																																																																																																																													
	<p>16) According to Form 9a submitted by TGNPDCL, total arrears of Rs. 50,000 and more pending for six months are a staggering Rs. 15,506 Cr. as on 30/03/2025. This translates to ~86% of the ARR of TGNPDCL.</p>																																																																																																																																																																																				

S.No.	Summary of Objections / Suggestions	Response of the Licensee																																																																																																																																																						
	<p style="text-align: center;">ABSTRACT</p> <p style="text-align: center;">STATEMENT SHOWING CIRCLE WISE ARREARS OF CONSUMERS OVER RS.50,000/- FY 2024-25 (Including Govt. Services)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">SNO</th> <th rowspan="2">NAME OF THE CIRCLE</th> <th colspan="2">LT SERVICES</th> <th colspan="2">HT SERVICES</th> <th colspan="2">TOTAL</th> </tr> <tr> <th>SCs</th> <th>AMOUNT</th> <th>SCs</th> <th>AMOUNT</th> <th>SCs</th> <th>AMOUNT</th> </tr> </thead> <tbody> <tr><td>1</td><td>HANUMAKONDA</td><td>856</td><td>12.69</td><td>70</td><td>971.65</td><td>926</td><td>884.8078972</td></tr> <tr><td>2</td><td>WARANGAL</td><td>755</td><td>11.85</td><td>47</td><td>27.83</td><td>802</td><td>39.78053088</td></tr> <tr><td>3</td><td>JANGSON</td><td>425</td><td>8.42</td><td>14</td><td>251.72</td><td>449</td><td>280.140588</td></tr> <tr><td>4</td><td>MAHUBABAD</td><td>673</td><td>12.10</td><td>26</td><td>186.48</td><td>699</td><td>188.583874</td></tr> <tr><td>5</td><td>W/O/JAYASHANKAR</td><td>309</td><td>17.44</td><td>50</td><td>2275.86</td><td>369</td><td>1229.301497</td></tr> <tr><td>6</td><td>IGRIMMAGAR</td><td>1564</td><td>36.22</td><td>264</td><td>4854.98</td><td>1828</td><td>4881.198034</td></tr> <tr><td>7</td><td>JAGTIAL</td><td>896</td><td>16.58</td><td>40</td><td>107.79</td><td>1036</td><td>124.0690209</td></tr> <tr><td>8</td><td>PEDDIPALLY</td><td>383</td><td>8.73</td><td>30</td><td>3646.12</td><td>413</td><td>3654.85</td></tr> <tr><td>9</td><td>SHAMMAM</td><td>2258</td><td>50.68</td><td>242</td><td>540.87</td><td>2500</td><td>487.8640651</td></tr> <tr><td>10</td><td>BHALDRARI</td><td>830</td><td>20.48</td><td>77</td><td>551.58</td><td>907</td><td>571.8574286</td></tr> <tr><td>11</td><td>NEZAMABAD</td><td>2784</td><td>63.17</td><td>139</td><td>1187.96</td><td>2923</td><td>1251.127212</td></tr> <tr><td>12</td><td>KAMARUPDY</td><td>1784</td><td>33.23</td><td>32</td><td>40.09</td><td>1826</td><td>73.50827841</td></tr> <tr><td>13</td><td>ADILABAD</td><td>889</td><td>13.38</td><td>61</td><td>78.85</td><td>947</td><td>92.23185815</td></tr> <tr><td>14</td><td>MIRVAL</td><td>695</td><td>14.08</td><td>76</td><td>268.04</td><td>771</td><td>279.1203707</td></tr> <tr><td>15</td><td>MANCHERIAL</td><td>531</td><td>15.10</td><td>41</td><td>209.88</td><td>572</td><td>228.98</td></tr> <tr><td>16</td><td>KONARANKHEDEM</td><td>556</td><td>7.78</td><td>38</td><td>263.20</td><td>588</td><td>270.9617788</td></tr> <tr style="border-top: 2px solid red;"> <td></td><td><b>TOTAL</b></td><td><b>17205</b></td><td><b>347.8965907</b></td><td><b>1272</b></td><td><b>15159.82</b></td><td><b>18477</b></td><td><b>15507.72</b></td></tr> </tbody> </table> <p>17) PFI requests Hon'ble TGERC to consider Collection Efficiency as 100% while approving the total Revenue for FY 2024-25. The difference between the actual Revenue Collected and the Revenue considering 100% Collection Efficiency should be borne by the Govt. of Telangana in the form of Subsidy.</p>	SNO	NAME OF THE CIRCLE	LT SERVICES		HT SERVICES		TOTAL		SCs	AMOUNT	SCs	AMOUNT	SCs	AMOUNT	1	HANUMAKONDA	856	12.69	70	971.65	926	884.8078972	2	WARANGAL	755	11.85	47	27.83	802	39.78053088	3	JANGSON	425	8.42	14	251.72	449	280.140588	4	MAHUBABAD	673	12.10	26	186.48	699	188.583874	5	W/O/JAYASHANKAR	309	17.44	50	2275.86	369	1229.301497	6	IGRIMMAGAR	1564	36.22	264	4854.98	1828	4881.198034	7	JAGTIAL	896	16.58	40	107.79	1036	124.0690209	8	PEDDIPALLY	383	8.73	30	3646.12	413	3654.85	9	SHAMMAM	2258	50.68	242	540.87	2500	487.8640651	10	BHALDRARI	830	20.48	77	551.58	907	571.8574286	11	NEZAMABAD	2784	63.17	139	1187.96	2923	1251.127212	12	KAMARUPDY	1784	33.23	32	40.09	1826	73.50827841	13	ADILABAD	889	13.38	61	78.85	947	92.23185815	14	MIRVAL	695	14.08	76	268.04	771	279.1203707	15	MANCHERIAL	531	15.10	41	209.88	572	228.98	16	KONARANKHEDEM	556	7.78	38	263.20	588	270.9617788		<b>TOTAL</b>	<b>17205</b>	<b>347.8965907</b>	<b>1272</b>	<b>15159.82</b>	<b>18477</b>	<b>15507.72</b>	
SNO	NAME OF THE CIRCLE			LT SERVICES		HT SERVICES		TOTAL																																																																																																																																																
		SCs	AMOUNT	SCs	AMOUNT	SCs	AMOUNT																																																																																																																																																	
1	HANUMAKONDA	856	12.69	70	971.65	926	884.8078972																																																																																																																																																	
2	WARANGAL	755	11.85	47	27.83	802	39.78053088																																																																																																																																																	
3	JANGSON	425	8.42	14	251.72	449	280.140588																																																																																																																																																	
4	MAHUBABAD	673	12.10	26	186.48	699	188.583874																																																																																																																																																	
5	W/O/JAYASHANKAR	309	17.44	50	2275.86	369	1229.301497																																																																																																																																																	
6	IGRIMMAGAR	1564	36.22	264	4854.98	1828	4881.198034																																																																																																																																																	
7	JAGTIAL	896	16.58	40	107.79	1036	124.0690209																																																																																																																																																	
8	PEDDIPALLY	383	8.73	30	3646.12	413	3654.85																																																																																																																																																	
9	SHAMMAM	2258	50.68	242	540.87	2500	487.8640651																																																																																																																																																	
10	BHALDRARI	830	20.48	77	551.58	907	571.8574286																																																																																																																																																	
11	NEZAMABAD	2784	63.17	139	1187.96	2923	1251.127212																																																																																																																																																	
12	KAMARUPDY	1784	33.23	32	40.09	1826	73.50827841																																																																																																																																																	
13	ADILABAD	889	13.38	61	78.85	947	92.23185815																																																																																																																																																	
14	MIRVAL	695	14.08	76	268.04	771	279.1203707																																																																																																																																																	
15	MANCHERIAL	531	15.10	41	209.88	572	228.98																																																																																																																																																	
16	KONARANKHEDEM	556	7.78	38	263.20	588	270.9617788																																																																																																																																																	
	<b>TOTAL</b>	<b>17205</b>	<b>347.8965907</b>	<b>1272</b>	<b>15159.82</b>	<b>18477</b>	<b>15507.72</b>																																																																																																																																																	

**Response to The Federation of Telangana Chambers of Commerce and Industry, Regd office:11-6-841, Federation House, Federation Marg, Red Hills, Hyderabad - 500004**

<b>S.No.</b>	<b>Summary of Objections / Suggestions</b>	<b>Response of the Licensee</b>
Comments on TGDICOM's True-Up Filing for FY 2022–23		
1.	<p>The Hon'ble Commission, vide its Order dated 2 May 2025, granted an extension to the Petitioner and directed it to file the True-up Petitions for FY 2022–23 and FY 2023–24 within two months from the date of the said Order. However, the Licensees filed the Petition only on 10 November 2025, which is beyond the stipulated timeline.</p> <p>It is to be noted that TG DISCOMs have filed Power Purchase Cost &amp; Revenue True-Up Petitions for FY 2022-23, FY 2023-24 &amp; FY 2024-25. These True-Up Petitions are incomplete since important elements like Sales, Energy Balance, Transmission Losses, Distribution Losses have not been filed. Moreover, in the absence of complete True-up, Revenue Gap / Surplus has not been calculated. Claiming Power Purchase True-Up without submitting the Sales and Energy Balance is a non-scientific &amp; non-transparent way of determining the Power Purchase Cost and defeats the purpose of True-Up Exercise.</p> <p>It is pertinent to mention that the last True-Up Order issued by Hon'ble TGERC is for FY 2018-19 dated 23/03/2023. Till date True-Up Orders</p>	<p>TGDISCOMs filed power purchase cost true up for FY 2022-23 in accordance with "APERC (Terms and Conditions for determination of Tariff for Wheeling and Retail Sale of Electricity) Regulation, 4 of 2005" and its first amendment Regulation I of 2014 (adopted by TGERC).</p> <p>These filings have been made strictly in line with the regulatory formats and requirements prescribed by the Hon'ble Commission. Details relating to sales, energy balance, and T&amp;D losses are provided in the ARR filings of respective years. TGDISCOMs acknowledges the need for timely issuance of Tariff orders and True up orders.</p> <p>TGDISCOMs submit that, for the reasons detailed in the petition, the True-Up petitions could not be filed earlier. The marginal delay in submission was procedural and transitional in nature, and was neither intentional nor</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>for FY 2019-20, FY 2020-21, FY 2021-22, FY 2022-23, FY 2023-24 &amp; FY 2024-25 are pending. The same comment was submitted by PFI in the ARR Petition for FY 2025-26. Hon'ble TGERC addressed the said comment in the Tariff Order for FY 2025-26 dated 29/04/2025.</p> <p><b>“3.3 TRUE UP/ DOWN AND FCA PETITIONS</b></p> <p><i>Commission’s analysis &amp; findings</i></p> <p><i>3.3.8 The Commission has noted the concerns of the stakeholders in respect of the consequences that resulted in running into losses of the petitioners on account of not properly filing the True-up/True-down petitions and not collecting Fuel Cost Adjustment (FCA) as per stipulated regulations. The petitioners have failed to explain as to why they could not file their claims in respect of FCA adjustments quarterly as stipulated in the Regulation which has resulted in huge backlogs thereby the TGDISCOMs are not in a position to claim the FCA either from the government or from the consumers.</i></p> <p><i>... 3.3.11 The Commission directs the TGDISCOMs to strictly comply with Regulation 2 of 2023 and ensure that all future True-up, ARR, Tariff Proposals, and FCA claims are filed within the stipulated timelines. Any deviation from the prescribed schedule will be viewed seriously and may attract regulatory action.”</i></p> <p>Thereafter, TG DISCOMs in Petition I.A. No. 28 of 2025 prayed before the Commission that they may be granted time for filing of petition of power purchase True-Ups of FY 2022-23 and FY 2023-24 pertaining to</p>	<p>indicative of any deficiency in service.</p> <p>TGDISCOMs further submit that all future filings will be made strictly in accordance with Regulation No. 02 of 2023 and in adherence to the timelines prescribed under the Telangana Electricity Regulatory Commission Regulations.</p> <p>TGDISCOMs are diligently adhering to the current MYT regulations 1 of 2023 in calculating FCA and will continue do so.</p> <p>The TGDISCOMs have addressed letters to the GoTG for approval for collection of FCA amount regularly every month as per the provisions in the MYT Regulation.</p> <p>TGDISCOMs have clearly stated in their submissions that no Power Purchase true-up is being claimed for FY 2023-24 and FY 2024-25 and have requested the Hon'ble Commission to pass necessary orders accordingly.</p> <p>This clearly demonstrates the TGDISCOM's adherence to the regulatory framework and compliance with the directions of the Hon'ble Commission.</p> <p>It is further submitted that as per regulations, Power</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>retail supply business alongwith condonation of delay application within due course of time. Hon'ble TGERC vide Order dated 2/05/2025 granted time extension for two months. Relevant extract from the said Order is as follows.</p> <p><i>“13. Therefore, keeping in view of the exigencies as submitted by the petitioner this Commission extends the time for filing the true-up petitions. 14. Accordingly, this petition is allowed and petitioners/TGDISCOMs are directed to file the true-up petitions for FY 2022 – FY 2023 and FY 2023 – FY 2024 within two months from the date of this order”</i></p> <p>Even after being granted time extension of two months, the True-Up Petitions for FY 2022-23 &amp; FY 2023-24 have been filed on 29/11/2025 i.e, 5 months of delay.</p> <p>Further, as per TGERC (Multi Year Tariff) Regulation, 2023, the DISCOMs need to file or True-Up annually. Relevant extract from the Regulations is as follows:</p> <p><i>“6 Procedure for filing Petition</i></p> <p><i>6.1 The petitions under MYT by the generating entity, transmissionlicensee/STU, SLDC and distribution licensee shall be filed as per the timelines specified in this Regulation...</i></p> <p><i>c) Multi Year Tariff petition shall be filed by 30th November of the year preceding the first year of the Control Period by distribution</i></p>	<p>Purchase true-up for FY 2022-23 is allowed since disallowance based on FCA levying is not applicable for FY 2022-23.</p> <p>TGDISCOMs acknowledge that while the Hon'ble APTEL has empowered SERCs to initiate suo-motu proceedings in the absence of utility filings, the Hon'ble Commission would still require complete and accurate data from the DISCOMs to ensure a fair and accurate determination.</p> <p>Given the technical and regulatory complexities involved, it is preferable that DISCOMs file the True-Up petitions themselves.</p> <p>This ensures completeness, transparency, and avoids avoidable delays, supporting a more accurate and cost-reflective tariff determination process.</p> <p>TGDISCOMs re-iterate that the True-up filings for FY 2022-23, FY 2023-24 and FY 2024-25 have been made in accordance with regulations issued by Hon'ble commission.</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p><i>licensee(for retail supply business) comprising:</i></p> <p><i>i. True-up of preceding year;</i></p> <p><i>ii. Aggregate Revenue Requirement for each year of the Control Period;</i></p> <p><i>iii. Revenue from retail sale of electricity at existing tariffs &amp; charges and projected revenue gap for the first year of the Control Period;</i></p> <p><i>iv. Proposal of consumer category wise</i></p> <p><i>f) After first year of the Control Period and onwards, the annual petitions by distribution licensee (for retail supply business) shall comprise of:</i></p> <p><i>i. True-up of preceding year;</i></p> <p><i>ii. Revised Aggregate Revenue Requirement for ensuing year of the Control Period;</i></p> <p><i>iii. Revenue from retail sale of electricity at existing tariffs &amp; charges and projected revenue gap for ensuing year of the Control Period;</i></p> <p><i>iv. Proposal of consumer category wise retail supply tariff and charges for ensuing year of the Control Period.</i></p> <p>9) Further, the same Regulations have also stipulated a penal mechanism to enforce timely submission of True-Up Petitions. Relevant extract from the Regulations is as follows.</p> <p><i>“29 Return on Equity</i></p> <p><i>29.1 Return on Equity shall be computed in rupee terms, on the equity</i></p>	

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p><i>basedetermined in accordance with clause 27.</i></p> <p><i>29.2 Return on Equity shall be computed at the following base rates:</i></p> <p><i>Provided that in case of delay in submission of tariff/true-up filings by the generating entity or licensee or SLDC, as required under this Regulation, rate of RoE shall be reduced by 0.5% per month or part thereof.”</i></p> <p>Moreover, the need for timely issuance of Tariff Orders and True-up Orders has been decided by Hon’ble APTEL in its judgement dtd. 11/11/2011 in OP No. 1 of 2011, as follows:</p> <p><i>“57. This Tribunal has repeatedly held that regular and timely truing-up expenses must be done since:</i></p> <p><i>(a) No projection can be so accurate as to equal the real situation.</i></p> <p><i>(b)The burden/benefits of the past years must not be passed on to the consumers of the future.</i></p> <p><i>(c) Delays in timely determination of tariff and truing-up entails:</i></p> <p><i>(i) Imposing an underserved carrying cost burden to the consumers, as is also recognised by para 5.3 (h) (4) of National Tariff Policy.</i></p> <p><i>(ii) Cash flow problems for the licensees.</i></p> <p><i>65. In view of the analysis and discussion made above, we deem it fit to issue the following directions to the State Commissions:</i></p> <p><i>(i) Every State Commission has to ensure that Annual Performance Review, true-up of past expenses and Annual Revenue Requirement</i></p>	

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p><i>and tariff determination is conducted year to year basis as per the time schedule specified in the Regulations.</i></p> <p><i>(ii) It should be the endeavour of every State Commission to ensure that the tariff for the financial year is decided before 1st April of the tariff year...</i></p> <p><i>(iii) In the event of delay in filing of the ARR, truing-up and Annual Performance Review, one month beyond the scheduled date of submission of the petition, the State Commission must initiate Suo-moto proceedings for tariff determination in accordance with Section 64 of the Act read with clause 8.1 (7) of the Tariff Policy.</i></p> <p><i>(v) Truing up should be carried out regularly and preferably every year...".</i></p> <p>From above, it is noted that Hon'ble APTEL has even decided that SERCs can initiate Suo-moto proceedings and collect the data and information and give suitable directions and then determine the Tariff even in the absence of the application filed by the utilities by exercising the powers under the provisions of the Act as well as the Tariff Regulations.</p> <p>Thus, timely issuance of Tariff and True-up Orders that too cost-reflective results in timely passing of escalated cost in the power sector supply chain thereby maintaining adequate cash flow with the utilities, thus enabling them to supply uninterruptedquality supply to the</p>	

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>consumers. It further avoids Creation of Regulatory Assets, burden of Carrying Cost and Tariff shock at once to the end consumers.</p> <p><b>Req: In view of the above, it is humbly prayed that the Hon'ble Commission may not accept or admit the present True-up Petition. It is further prayed that an appropriate penalty be imposed on the Licensees, in line with the Commission's observations in the Tariff Order for FY 2024–25, wherein it has been specified that, "in case of delay in submission of tariff/True-up filings by the generating entity or licensee or SLDC, as required under this Regulation, the rate of RoE shall be reduced by 0.5% per month or part thereof," under Clause 20.2 of the Multi-Year Tariff Regulation No. 2 of 2023.</b></p>	
2.	<p>The Licensees, TGSPDCL and TGNPDCL, have claimed Transmission Charges of ₹4,134 crore and ₹1,737 crore, respectively, in the True-up for FY 2022–23. However, the Annual Accounts of TGSPDCL (Note 23, Page 132) reflect the amount as ₹4,091.61 crore, and those of TGNPDCL (Note 25, Page 138) reflect the amount as ₹1,018.66 crore. Hence, the Hon'ble Commission is requested not to accept the claim of the Petitioner and to consider the figures as per the audited accounts.</p>	<p>TGDISCOM submits that, While the objector has compared certain line-item figures presented under specific accounting notes, it is respectfully submitted that the overall power purchase cost, including Transmission Charges, as claimed in the True-up, is fully reconciled with and tallying with the audited annual accounts of both DISCOMs.</p>

S.No.	Summary of Objections / Suggestions		Response of the Licensee						
	<table border="1"> <tr> <td data-bbox="315 277 629 408"><b>Claimed by the Licensee for True Up of FY 2022-23</b></td> <td data-bbox="645 277 965 408"><b>As per Audited Accounts</b></td> </tr> <tr> <td data-bbox="315 408 629 456">Rs. 4134 Crore</td> <td data-bbox="645 408 965 456">Rs. 4091.61 Crore</td> </tr> <tr> <td data-bbox="315 456 629 504">Rs. 1737 Crore</td> <td data-bbox="645 456 965 504">Rs. 1018.66 Crore</td> </tr> </table>	<b>Claimed by the Licensee for True Up of FY 2022-23</b>	<b>As per Audited Accounts</b>	Rs. 4134 Crore	Rs. 4091.61 Crore	Rs. 1737 Crore	Rs. 1018.66 Crore		
<b>Claimed by the Licensee for True Up of FY 2022-23</b>	<b>As per Audited Accounts</b>								
Rs. 4134 Crore	Rs. 4091.61 Crore								
Rs. 1737 Crore	Rs. 1018.66 Crore								
3.	<p>The Note 43 of the Audited accounts of TGSPDCL provide that:</p> <p>In respect of provision for surcharge of M/s. Singareni Thermal Power Plant (STPP), as the Discom and STPP are Government companies, the Discom is taking up the issue with STPP to waive late payment surcharge. To avoid the burdening the consumers, TS Discoms have requested to waive the late payment surcharge as it is not covered in ARR order. The late payment surcharge levied to the end of 2022-23 is Rs.3,459.65 Crore</p> <p>The Hon'ble Commission is requested to direct the Petitioner to clarify whether it has paid the Late Payment Surcharges and if it has, the same may be reduced from the power purchase cost.</p>	<p>The LPS amount is not included in the power purchase cost. And TGDISCOMs have not claimed in the True-ups.</p>							
4.	<p>The NTPC plants, such as NTPC Simhadri Stage-I and NTPC Kudgi, are among the generating stations that participated in the Ancillary Services Market during FY 2022-23. The Hon'ble Commission is respectfully requested to direct the Licensees to clarify whether the</p>	<p>As per the prevailing regulatory framework, the net gain or revenue from Ancillary Services, after accounting for fuel and other variable costs, is adjusted in accordance with CERC orders. Such adjustments are reflected in the</p>							

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>appropriate share of revenue earned from the Ancillary Services Market has been duly passed on by the Generators to the DISCOMs, in accordance with the applicable regulations and PPA provisions</p>	<p>monthly regional energy accounts (REA) through billing adjustments raised by the generator. The bills raised by NTPC, which are prepared in line with CERC regulations and verified through the Regional Power Committee mechanism.</p>
5.	<p>The Licensees, TGSPDCL and TGNPDCL, have claimed miscellaneous charges of ₹1,563 crore and ₹931 crore, respectively, for which no details have been provided. In respect of these miscellaneous expenses, the audited statements of TGSPDCL provide the following details:</p> <p>It is to submit that, Hon'ble TSERC has issued the order Dated: 21.11.2022 in respect of OP No: 8 of 2021 filed by M/s. Singareni-STPP allowing the water charges and Thermal incentive based on scheduled energy for the period from 2016-19.</p> <p>However, TSDiscoms have already made provision in the books for thermal incentive and other Miscellaneous expenses. Subsequently, Hon'ble TSERC has disposed the secondary petition in OP.No. 25 of 2021 disallowing the other Miscellaneous expenses were already taken in the books of accounts. M/s. SCCL-STPP misinterpreting the TSERC Order has preferred consolidated claim including charges which was</p>	<p>The miscellaneous charges claimed by the DISCOMs for FY 2022-23 to FY 2024-25 include expenses towards – major portion 1142 crs for FY 2022-23 is towards MTR Order and Provision-2022-23, banked energy, IEX Cost adjustments, STOA and LTOA charges, Reactive charges, Deviation charges and other related statutory and operational charges. These charges are incidental to power procurement and grid operations.</p> <p>These amounts have been accounted for in line with regulatory requirements and are reflected in the audited accounts.</p> <p>A detailed breakup of these miscellaneous charges is being furnished to the Hon'ble Commission as part of the additional information.</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>disallowed by TSERC. Therefore, the total claim was rejected with a request to claim water charges and incentive separately. Separate provision was not made towards water charges as provision for miscellaneous expenses more or less compensates the provision for water charges.</p> <p>However, the actual water charges will be taken into books of accounts of TSDiscoms in 2023-24 duly setting off against the provision already made.</p> <p>Hence the Hon'ble Commission is requested to not consider it for the FY 2022-23 True Up.</p> <p>The Licensees, in their reply to some of the objectors, have stated that the miscellaneous charges claimed by the DISCOMs for FY 2022–23 include expenses, of which a major portion amounting to ₹1,142 crore pertains to the GENCO MTR Order and Provision for FY 2022–23, banked energy, IEX cost adjustments, STOA and LTOA charges, reactive charges, deviation charges, and other related statutory and operational charges. The Licensees have further submitted that these charges are incidental to power procurement and grid operations.</p> <p>In this regard, the Hon'ble Commission is respectfully requested to direct the Licensees to furnish a detailed head-wise and item-wise</p>	

S.No.	Summary of Objections / Suggestions	Response of the Licensee																																																																
	break-up of the aforesaid miscellaneous charges, along with supporting documents and reconciliation with the audited accounts. In the absence of such proper justification and documentary evidence, the Hon'ble Commission may kindly disallow the said claims.																																																																	
6.	<p>For the approved short-term purchase of 2,171.87 MU in FY 2022–23, the Commission has considered a power purchase price of Rs. 3.30/kWh (Para 4.5.10, p. 129 of the RST Order for FY 2022–23). However, the TGDISCOMs procured power from market sources at an average cost of Rs. 6.53 per unit, which is nearly double the purchase price stipulated by the Commission. Therefore, the Hon'ble Commission is respectfully requested to adopt the short-term purchase price as approved in the Tariff Order for FY 2022–23 and not to allow the higher prices claimed by the TGDISCOMs.</p> <p>The TGDISCOMs, in their reply regarding the higher market purchase price, have submitted that the cost claimed represents the actual cost borne by the DISCOMs, and that relevant details have been furnished in the filings. They have further stated that the cost was incurred to ensure reliable and continuous power supply to consumers, and that it is necessary for the DISCOMs to recover the same. The DISCOMs have contended that the rate of Rs. 3.30/unit approved in the Tariff Order was only an indicative estimate, whereas the actual market</p>	<p>TGDISCOMs submit that this is the actual cost borne by DISCOM and relevant details are submitted in the filings and this cost was borne by DISCOMs to provide reliable and continuous power supply to its consumers and it is important for DISCOM to get this claim. It is also to be noted that the objector's comparison is based on calendar year 2022, whereas the True-up pertains to financial year FY 2022-23. and references of computation is attached below (source – IEX)</p> <table border="1" data-bbox="1272 975 1960 1380"> <thead> <tr> <th colspan="4"><b>Market Snapshot</b></th> </tr> <tr> <th colspan="4"><i>Date: 01-04-2022 to 31-12-2022</i></th> </tr> <tr> <th><b>Year</b></th> <th><b>Month</b></th> <th><b>Weighted MCP (Rs/MWh)</b></th> <th><b>Rs/Unit</b></th> </tr> </thead> <tbody> <tr> <td>2022</td> <td>April</td> <td>9524.24</td> <td>9.5</td> </tr> <tr> <td>2022</td> <td>May</td> <td>6810.33</td> <td>6.8</td> </tr> <tr> <td>2022</td> <td>June</td> <td>6884.79</td> <td>6.9</td> </tr> <tr> <td>2022</td> <td>July</td> <td>5496.85</td> <td>5.5</td> </tr> <tr> <td>2022</td> <td>August</td> <td>5431.08</td> <td>5.4</td> </tr> <tr> <td>2022</td> <td>September</td> <td>5875.13</td> <td>5.9</td> </tr> <tr> <td>2022</td> <td>October</td> <td>3963.44</td> <td>4.0</td> </tr> <tr> <td>2022</td> <td>November</td> <td>4795.49</td> <td>4.8</td> </tr> <tr> <td>2022</td> <td>December</td> <td>5597.86</td> <td>5.6</td> </tr> <tr> <td>2023</td> <td>Jan</td> <td>6375.48</td> <td>6.4</td> </tr> <tr> <td>2023</td> <td>Feb</td> <td>6639.79</td> <td>6.6</td> </tr> <tr> <td>2023</td> <td>March</td> <td>5436.19</td> <td>5.4</td> </tr> <tr> <td colspan="3">avg price DAM</td> <td>6.1</td> </tr> </tbody> </table>	<b>Market Snapshot</b>				<i>Date: 01-04-2022 to 31-12-2022</i>				<b>Year</b>	<b>Month</b>	<b>Weighted MCP (Rs/MWh)</b>	<b>Rs/Unit</b>	2022	April	9524.24	9.5	2022	May	6810.33	6.8	2022	June	6884.79	6.9	2022	July	5496.85	5.5	2022	August	5431.08	5.4	2022	September	5875.13	5.9	2022	October	3963.44	4.0	2022	November	4795.49	4.8	2022	December	5597.86	5.6	2023	Jan	6375.48	6.4	2023	Feb	6639.79	6.6	2023	March	5436.19	5.4	avg price DAM			6.1
<b>Market Snapshot</b>																																																																		
<i>Date: 01-04-2022 to 31-12-2022</i>																																																																		
<b>Year</b>	<b>Month</b>	<b>Weighted MCP (Rs/MWh)</b>	<b>Rs/Unit</b>																																																															
2022	April	9524.24	9.5																																																															
2022	May	6810.33	6.8																																																															
2022	June	6884.79	6.9																																																															
2022	July	5496.85	5.5																																																															
2022	August	5431.08	5.4																																																															
2022	September	5875.13	5.9																																																															
2022	October	3963.44	4.0																																																															
2022	November	4795.49	4.8																																																															
2022	December	5597.86	5.6																																																															
2023	Jan	6375.48	6.4																																																															
2023	Feb	6639.79	6.6																																																															
2023	March	5436.19	5.4																																																															
avg price DAM			6.1																																																															

S.No.	Summary of Objections / Suggestions	Response of the Licensee																																																								
	<p>prices during the year were significantly higher. They have submitted that the average DAM and GDAM prices during FY 2022–23 were around Rs. 6.10/unit and Rs. 5.75/unit, respectively, which, after accounting for losses and other charges, resulted in a landed cost of Rs. 6.53/unit, and that such procurement reflects prudent market optimization.</p> <p>However, the weighted average DAM rate as per IEX for the calendar year 2022 was Rs. 5.821/unit, which is lower than the claimed rate of Rs. 6.10/unit. Therefore, the Hon'ble Commission is respectfully requested to examine the discrepancy and verify the basis of the claimed market rates, and accordingly restrict the allowable power purchase cost to reasonable and prudently incurred levels. (<a href="https://www.iexindia.com/market-data/day-ahead-market/market-snapshot?interval=YEARLY&amp;dp=CALENDER_YEAR&amp;showGraph=false&amp;toDate=2022&amp;fromDate=1">https://www.iexindia.com/market-data/day-ahead-market/market-snapshot?interval=YEARLY&amp;dp=CALENDER_YEAR&amp;showGraph=false&amp;toDate=2022&amp;fromDate=1</a>)</p>	<p><b>Market Snapshot</b> Date: 01-04-2022 to 31-12-2022</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Month</th> <th>Weighted MCP (Rs/MWh)</th> <th>Rs/Unit</th> </tr> </thead> <tbody> <tr><td>2022</td><td>April</td><td>9286.40</td><td>9.29</td></tr> <tr><td>2022</td><td>May</td><td>5910.24</td><td>5.91</td></tr> <tr><td>2022</td><td>June</td><td>5939.28</td><td>5.94</td></tr> <tr><td>2022</td><td>July</td><td>4631.94</td><td>4.63</td></tr> <tr><td>2022</td><td>August</td><td>5202.76</td><td>5.20</td></tr> <tr><td>2022</td><td>September</td><td>5422.74</td><td>5.42</td></tr> <tr><td>2022</td><td>October</td><td>4019.08</td><td>4.02</td></tr> <tr><td>2022</td><td>November</td><td>4913.08</td><td>4.91</td></tr> <tr><td>2022</td><td>December</td><td>5235.40</td><td>5.24</td></tr> <tr><td>2023</td><td>Jan</td><td>6299.04</td><td>6.30</td></tr> <tr><td>2023</td><td>Feb</td><td>6569.1</td><td>6.57</td></tr> <tr><td>2023</td><td>March</td><td>5665.2</td><td>5.67</td></tr> <tr><td colspan="3">avg price DAM</td><td><b>5.76</b></td></tr> </tbody> </table>	Year	Month	Weighted MCP (Rs/MWh)	Rs/Unit	2022	April	9286.40	9.29	2022	May	5910.24	5.91	2022	June	5939.28	5.94	2022	July	4631.94	4.63	2022	August	5202.76	5.20	2022	September	5422.74	5.42	2022	October	4019.08	4.02	2022	November	4913.08	4.91	2022	December	5235.40	5.24	2023	Jan	6299.04	6.30	2023	Feb	6569.1	6.57	2023	March	5665.2	5.67	avg price DAM			<b>5.76</b>
Year	Month	Weighted MCP (Rs/MWh)	Rs/Unit																																																							
2022	April	9286.40	9.29																																																							
2022	May	5910.24	5.91																																																							
2022	June	5939.28	5.94																																																							
2022	July	4631.94	4.63																																																							
2022	August	5202.76	5.20																																																							
2022	September	5422.74	5.42																																																							
2022	October	4019.08	4.02																																																							
2022	November	4913.08	4.91																																																							
2022	December	5235.40	5.24																																																							
2023	Jan	6299.04	6.30																																																							
2023	Feb	6569.1	6.57																																																							
2023	March	5665.2	5.67																																																							
avg price DAM			<b>5.76</b>																																																							
7.	The Hon'ble Commission is humbly requested to direct the Licensees to furnish the details of the Late Payment Surcharge (LPS) amounts, in Rs. crore, paid to the generators, along with supporting documents and reconciliation with the audited accounts.	The details pertaining to payment of LPS amounts is being furnished to the Hon'ble Commission as part of the additional information.																																																								
8.	The Licensees, TGSPDCL and TGNPDCL, have claimed short-term	TGDISCOMs would like to reiterate the fact that Energy																																																								

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>power purchase quantum of 5,126 MU and 2,140 MU, respectively, as against the approved quantum of 1,532 MU and 640 MU. This represents an increase of about 235% (3.35 times) in the case of TGSPDCL and about 234% in the case of TGNPDCL over the quantum approved by the Hon'ble Commission.</p> <p>At the same time, procurement from reliable GENCO thermal sources was lower than the approved quantum. In the case of TGNPDCL, only 6,968 MU was procured as against the approved 7,924 MU, and in the case of TGSPDCL, 16,692 MU was procured as against the approved 18,983 MU.</p> <p>The simultaneous under-procurement from approved and economical thermal sources and excessive reliance on costly short-term market purchases clearly indicate lack of proper power planning, forecasting, and optimal scheduling by the DISCOMs.</p> <p>Accordingly, the excess short-term procurement ought not to be considered prudent and should not be allowed in the True-up.</p>	<p>procurement from short term sources is considered for the following reasons</p> <ul style="list-style-type: none"> <li>• Energy supply during hours of deficit (Power requirement &gt; Power availability from generators)</li> <li>• Power purchase cost optimization: TGDISCOMs have considered procurement from short term sources during hours when the Market price is lesser than the Variable cost (VC) of few generating stations with higher VC to optimize the overall cost of power procurement.</li> </ul> <p>Here, it is pertinent to note that, the procurement from short term sources for deficit supply is done only when the entire generation capacity is dispatched and the procurement from short term sources for Power purchase optimization is done only by backing down the thermal generators having higher VC than the then existing market (Short term source) prices resulting only in the reduction of overall power procurement cost.</p>
Comments on TSDISCOM's True-Up Filing for FY 2023–24		
9.	The Hon'ble Commission, vide its Order dated 2 May 2025, granted an	TGDISCOMs acknowledges the need for timely issuance of

<b>S.No.</b>	<b>Summary of Objections / Suggestions</b>	<b>Response of the Licensee</b>
	<p>extension to the Petitioner and directed it to file the True-up Petitions for FY 2022–23 and FY 2023–24 within two months from the date of the said Order. However, the Licensees filed the Petition only on 10 November 2025, which is beyond the stipulated timeline.</p> <p>In view of the above, it is humbly prayed that the Hon'ble Commission may not accept or admit the present True-up Petition. It is further prayed that an appropriate penalty be imposed on the Licensees, in line with the Commission's observations in the Tariff Order for FY 2024–25, wherein it has been specified that, "in case of delay in submission of tariff/True-up filings by the generating entity or licensee or SLDC, as required under this Regulation, the rate of RoE shall be reduced by 0.5% per month or part thereof," under Clause 20.2 of the Multi-Year Tariff Regulation No. 2 of 2023.</p>	<p>Tariff orders and True up orders.</p> <p>TGDISCOMs submit that, for the reasons detailed in the petition, the True-Up petitions could not be filed earlier. The marginal delay in submission was procedural and transitional in nature, and was neither intentional nor indicative of any deficiency in service.</p> <p>TGDISCOMs further submit that all future filings will be made strictly in accordance with Regulation No. 02 of 2023 and in adherence to the timelines prescribed under the Telangana Electricity Regulatory Commission Regulations.</p> <p>TGDISCOMs have clearly stated in their submissions that no Power Purchase true-up is being claimed for FY 2023-24, and have requested the Hon'ble Commission to pass necessary orders accordingly. This clearly demonstrates the TGDISCOM's adherence to the regulatory framework and compliance with the directions of the Hon'ble Commission.</p>
10.	<p>The Licensees have submitted that the Central Generating Stations witnessed a shortfall of 4,340 MU, amounting to a 21% reduction in generation, attributing the same to the delay in commissioning of the Telangana STPP. However, the Hon'ble Commission had approved a</p>	<p>For the CGS stations, the Hon'ble Commission had approved 7,916 MU from TSTPP-1, of which 2,645 MU was actually dispatched, resulting in a shortfall of 5,271 MU. This shortfall was partly offset by higherthanapproved</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>total quantum of 21,126 MU, as per Table No. 4.15 vide its Order dated 24.03.2023 for FY 2023–24, which included 8,247.29 MU from TSTPP–1. If the quantum pertaining to TSTPP–1 is excluded on account of the delay, the revised quantum works out to 12,878.71 MU.</p> <p>In this context, a shortfall of 4,340 MU corresponds to approximately 20.5% of the approved quantum of 21,126 MU, and not 21% (which would amount to about 4,436 MU). Therefore, the percentage reduction claimed by the Licensees does not mathematically align with the stated shortfall and requires proper clarification and justification.</p>	<p>dispatch from several CGS stations such as NTPC, NPC-Kaiga, and NCE JNNSM Phase-1, thereby bringing the net shortfall to 4,340 MU.</p> <p>The petition highlighted only the major reasons for the variation. The calculated shortfall of 4,340 MU corresponds to approximately 20.54%, which was rounded to 21% for ease of understanding.</p>
11.	<p>The Hon'ble Commission approved the quantum of power purchase from NCEs for FY 2023–24 as 11,896 MU, whereas the Licensees have claimed the quantum as 11,007 MU. The Licensees have submitted that there has been a 7.47% shortfall in energy dispatched by NCEs, leading to a reduction of 889 MU in generation.</p> <p>In this regard, the Hon'ble Commission is humbly requested to direct the Licensees to furnish detailed data on curtailment, including scheduled energy vis-à-vis actual drawl/withdrawal. The Commission may also direct the Licensees to clarify whether the quantum under net metering has been considered under this head.</p>	<p>The variation in NCE energy is due to the actual dispatch being 11,007 MU against the Hon'ble Commission's approved 11,896 MU, resulting in a reduction of 889 MU, i.e., 7.47%.</p> <p>TGDISCOMs submit that the aforesaid shortfall is primarily attributable to factors beyond the control of the Licensees, such as resource variability (solar irradiation), seasonal patterns, etc. NCE power is accorded "must-run" status as per the provisions of the regulations and grid code, and there is no curtailment of NCE sources.</p> <p>Actual energy from NCE sources is fully considered in the</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
		True-up computations. Whereas, the net-metering (rooftop solar) quantum is not included under NCE purchase, it is netted off against sales.
12.	<p>The Licensees have claimed Transmission cost of ₹6,113 crore as against the approved cost of ₹5,376 crore for FY 2023–24. However, the audited accounts of TGNPDCL reflect Transmission &amp; SLDC charges of ₹1,139.98 crore, while the audited accounts of TGSPDCL reflect ₹4,244.26 crore, aggregating to ₹5,384.24 crore.</p> <p>The claimed amount is therefore higher than the audited figures by ₹728.76 crore and also significantly above the approved cost. Hence, the Hon'ble Commission is respectfully requested to direct the Licensees to furnish detailed justification and reconciliation for such variation.</p>	TGDISCOM submits that, While the objector has compared certain line-item figures presented under specific accounting notes, it is respectfully submitted that the overall power purchase cost, including Transmission Charges, as claimed in the True-up, is fully reconciled with and tallying with the audited annual accounts of both DISCOMs.
13.	<p>The Licensees have claimed Interstate Sale/UI Sale/Purchase in 33 kV and below as ₹ (-735) crore for FY 2023–24, as against the approved value of ₹ (-1,862) crore. However, as per the audited accounts of TGNPDCL (Note 23.2), the Company has recorded inter-state sales amounting to ₹234.34 crore and Unscheduled Interchange (UI) charges of ₹6.12 crore.</p> <p>In view of the above, the Hon'ble Commission is respectfully requested</p>	<p>The DISCOMs submit that the audited annual accounts reflect the actual quantum and value of interstate sale/UI transactions recorded at the Company level.</p> <p>For the purpose of the True-up computation, the split of the consolidated figures between TGNPDCL and TGSPDCL has been carried out based on their respective energys share (29.45% for TGNPDCL and 70.55% for TGSPDCL).</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	to direct the Licensees to furnish the complete break-up and detailed reconciliation of the said claim with the audited accounts.	Accordingly, there is no inconsistency between the audited accounts and the values presented in the True-up model; the variation is only due to this allocation methodology.
14.	<p>The Licensee, TGSPDCL, has claimed the actual revenue realized from the HT category as ₹19,509.79 crore. However, the audited accounts of TGSPDCL (Note 21) reflect revenue earned from HT supply amounting to ₹19,608.47 crore.</p> <p>In view of the above, the Hon'ble Commission is respectfully requested to direct the Licensee to submit a detailed reconciliation of the claimed amount vis-à-vis the figures reflected in the audited accounts.</p>	<p>The revenue shown in the True-up is based on category-wise mapping, not the audited line items. The total revenue of ₹31,499.6 crore fully matches the audited accounts when considering:</p> <p>LT revenue: ₹11,204.40 cr  HT revenue: ₹19,608.47 cr  Add: Customer charges ₹912.41 cr  Less: ED ₹225.67 cr</p> <p>This reconciles exactly to ₹31,499.6 cr, which is the same total used in the True-up (LT ₹11,989.8 cr + HT ₹19,509.8 cr).</p>
15.	<p>The Licensee, TGSPDCL, has claimed revenue from other sources amounting to ₹289.10 crore, which appears to be understated when compared with the revenue from other sources as reflected in the audited accounts.</p> <p>In view of the above, the Hon'ble Commission is respectfully requested to direct the Licensee to furnish a detailed break-up of the said amount</p>	<p>The amount of ₹289.10 crore represents revenue from Additional Surcharge, Cross-Subsidy Surcharge, and other Non-Tariff Income.</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	along with proper reconciliation with the audited accounts.	
16.	<p>The Licensee, TGNPDCL, has claimed Non-Tariff Income amounting to ₹72.37 crore, which appears to be understated when compared with the corresponding figures reflected in the audited accounts. The Licensee has not considered Miscellaneous Charges from consumers amounting to ₹486.62 crore, Recoveries towards Theft/Malpractice amounting to ₹22.40 crore, and Delayed Payment Charges amounting to ₹166.08 crore.</p> <p>In view of the above, the Hon'ble Commission is respectfully requested to direct the Licensee to furnish a detailed break-up of the said amount along with proper reconciliation with the audited accounts.</p>	<p>DPS and miscellaneous charges from consumers have already been accounted for under the respective consumer categories. The amount of ₹72.37 crore shown under 'other revenue' pertains to theft cases and other non-tariff income.</p>
Comments on TGDISCOM's True-Up Filing for FY 2024–25		
17.	<p>The Licensees procured 7,266 MU from short-term sources in FY 2022–23, which increased to 9,895 MU in FY 2023–24 (an increase of about 36%) and further escalated to 20,870 MU in FY 2024–25 (an increase of about 111% over the previous year). Overall, short-term power procurement has increased by approximately 187% over the two-year period. This steep and continuous rise in reliance on short-term sources indicates lack of proper long-term power planning and prudent procurement strategy on the part of the Licensees, resulting in</p>	<p>TGDISCOMs would like to reiterate the fact that Energy procurement from short term sources is considered for the following reasons:</p> <ul style="list-style-type: none"> <li>• Energy supply during hours of deficit (Power requirement &gt; Power availability from generators)</li> <li>• Power purchase cost optimization: TGDISCOMs have considered procurement from short term sources during</li> </ul>

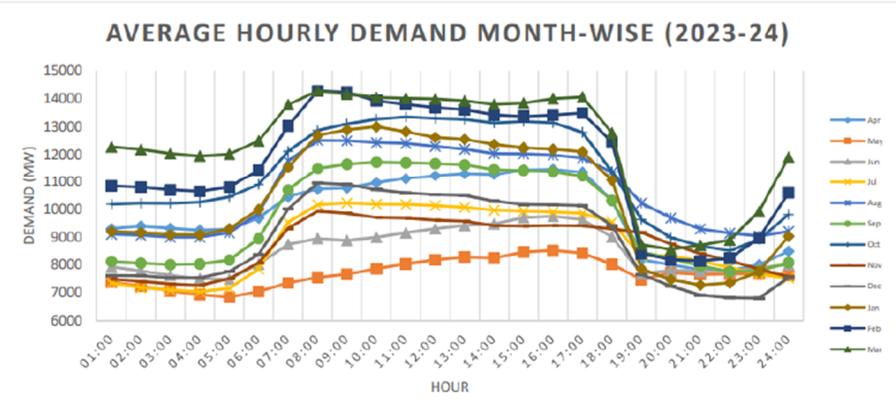
S.No.	Summary of Objections / Suggestions	Response of the Licensee
	avoidable financial burden on consumers.	<p>hours when the Market price is lesser than the Variable cost (VC) of few generating stations with higher VC to optimize the overall cost of power procurement.</p> <p>Here, it is pertinent to note that, the procurement from short term sources for deficit supply is done only when the entire generation capacity is dispatched and the procurement from short term sources for Power purchase optimization is done only by backing down the thermal generators having higher VC than the then existing market (Short term source) prices resulting only in the reduction of overall power procurement cost.</p>
18.	<p>The Licensees, while justifying the substantial increase in short-term power procurement, have submitted that the State of Telangana has been supplying 24x7 power to the agricultural sector since 1 January 2018, which has increased the overall power purchase requirement for FY 2024–25. The Licensees have further stated that, after exhausting all available sources, they resorted to short-term market purchases to meet the sudden increase in power demand during FY 2024–25.</p> <p>However, it is submitted that the Licensees have not adequately explored alternative and more economical procurement options, such</p>	<p>Before resorting to purchase from power exchanges, the TGDISCOMs explored and availed power through:</p> <ul style="list-style-type: none"> <li>• Procurement through transparent bidding platforms, including the DEEP portal.</li> <li>• Banking arrangements and swap mechanisms.</li> </ul> <p>After exhausting above options, procured power from short-term market.</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>as procurement through the DEEP portal, short-term bilateral agreements, or medium-term power purchase arrangements. Instead, they have largely relied on costly power procurement through the power exchanges, without duly considering the resultant financial burden on consumers. Such procurement practices reflect a lack of prudent planning and optimal power procurement strategy.</p> <p>In view of the above, the Hon'ble Commission is respectfully requested to disallow the excess costly procurement undertaken by the DISCOMs and direct them to adopt prudent and economically optimal power procurement planning in future.</p>	<p>In view of the above, TGDISCOMs respectfully submit that the short-term procurement undertaken during FY 2024–25 was necessary, prudent, and in the larger consumer interest to avoid load shedding and maintain statutory supply obligations. The Hon'ble Commission may kindly consider the same and allow the power purchase costs as claimed.</p>
19.	<p>The Licensee, TGSPDCL, has claimed Transmission Charges for FY 2024–25 amounting to ₹3,956 crore, whereas the audited accounts reflect Transmission Charges of ₹3,905.28 crore. This results in a variation of ₹50.72 crore between the claimed amount and the audited figures.</p> <p>In view of the above, the Hon'ble Commission is respectfully requested to direct the Licensee to furnish a detailed reconciliation of the claimed amount vis-à-vis the audited accounts and justify the said variation.</p>	<p>TGDISCOM submits that, While the objector has compared certain line-item figures presented under specific accounting notes, it is respectfully submitted that the overall power purchase cost, including Transmission Charges, as claimed in the True-up, is fully reconciled with and tallying with the audited annual accounts of both DISCOMs.</p>
Specific comments on True-Up for power purchase by Telangana State Discoms for FY 2022-23, FY 2023-24 and FY 2024-25		
20.	Based on the submissions made by the Discoms in Telangana, the	TGDISCOMs submit that the audited accounts reflect the

S.No.	Summary of Objections / Suggestions	Response of the Licensee																		
	<p>analysis has been conducted. This primarily shows that the Discoms have been highly inefficient in their planning and power purchase as the share of power purchase from market has been increasing and has grown to 25% of the total requirement in FY 2024-25. The cost of power purchase from market has also been on the higher side thereby leading to higher expense. The inefficiency of the Discoms need not be passed on to the consumers.</p> <p>In FY 2024-25, the energy purchased from all sources reduced in comparison to the approval granted by the Commission. It is clear that such energy is being purchased from market at higher prices thereby adversely affecting the consumers.</p> <p>Further, the point wise submission has been made below:</p> <p>A. Comparison with audited financial statements</p> <p>Power Purchase Units (Mus)</p> <table border="1" data-bbox="315 1034 1234 1198"> <thead> <tr> <th>Financial Year</th> <th>Petition</th> <th>TGSPDCL</th> <th>TGNPDCL</th> <th>Total as per FS</th> <th>Variation from FS</th> </tr> </thead> <tbody> <tr> <td>2022-23</td> <td>76073</td> <td>51243</td> <td>23217</td> <td>74459.3</td> <td>1613.7</td> </tr> <tr> <td>2023-24</td> <td>79848</td> <td>58312</td> <td>20976</td> <td>79287.7</td> <td>560.3</td> </tr> </tbody> </table> <p>It can be seen that the Discoms are claiming cost of higher units in comparison to the units that are shown in the audited financial statements (FS). Therefore, the per unit cost related to power purchase</p>	Financial Year	Petition	TGSPDCL	TGNPDCL	Total as per FS	Variation from FS	2022-23	76073	51243	23217	74459.3	1613.7	2023-24	79848	58312	20976	79287.7	560.3	<p>actual energy sales recorded during the year. However, the True-up model is computed strictly in accordance with the methodology approved by the Hon'ble Commission, wherein the approved agricultural sales are considered for deriving the energy requirement, rather than the actual agricultural consumption recorded in the books of accounts.</p>
Financial Year	Petition	TGSPDCL	TGNPDCL	Total as per FS	Variation from FS															
2022-23	76073	51243	23217	74459.3	1613.7															
2023-24	79848	58312	20976	79287.7	560.3															

S.No.	Summary of Objections / Suggestions	Response of the Licensee																								
	<p>(excluding transmission charges and sale of power) needs to be allowed only to the extent of units in audited financial statements. Thus, the cost of 1,613.7 Mus in FY 2022-23 and 560.3 Mus in FY 2023-24 needs to be disallowed. The units for FY 2024-25 for TGSPDCL is not shown in the audited financial statements, the Discom needs to be directed to show the units and accordingly treatment needs to be done for FY 2024-25 as well.</p>																									
21.	<p style="text-align: center;"><u>Transmission Charges (Rs. Cr.)</u></p> <table border="1" data-bbox="327 767 1232 995"> <thead> <tr> <th>Financial Year</th> <th>Petition</th> <th>TGSPDCL</th> <th>TGNPDCL</th> <th>Total as per FS</th> <th>Variation from FS</th> </tr> </thead> <tbody> <tr> <td>2022-23</td> <td>5,871</td> <td>4,019.61</td> <td>1,018.66</td> <td>5,038.27</td> <td><b>832.73</b></td> </tr> <tr> <td>2023-24</td> <td>6,113</td> <td>4,244.26</td> <td>1,139.98</td> <td>5,384.24</td> <td><b>728.76</b></td> </tr> <tr> <td>2024-25</td> <td>5,618</td> <td>3,905.28</td> <td>1,681.59</td> <td>5,586.87</td> <td><b>31.13</b></td> </tr> </tbody> </table> <p>It can be seen from the above table that the Discoms have claimed higher transmission charges in comparison to the transmission charges in the income statement. The transmission charges should be limited to the cost that has been accounted and shown in the audited financial statements of the two companies. Thus, the cost of transmission charges of Rs. 832.73 Cr. in FY 2023, Rs. 728.76 Cr. in FY 2023-24 and Rs. 31.13 Cr. in Fy 2024-25 should be disallowed.</p>	Financial Year	Petition	TGSPDCL	TGNPDCL	Total as per FS	Variation from FS	2022-23	5,871	4,019.61	1,018.66	5,038.27	<b>832.73</b>	2023-24	6,113	4,244.26	1,139.98	5,384.24	<b>728.76</b>	2024-25	5,618	3,905.28	1,681.59	5,586.87	<b>31.13</b>	<p>TGDISCOM submits that, While the objector has compared certain line-item figures presented under specific accounting notes, it is respectfully submitted that the overall power purchase cost, including Transmission Charges, as claimed in the True-up, is fully reconciled with and tallying with the audited annual accounts of both DISCOMs.</p>
Financial Year	Petition	TGSPDCL	TGNPDCL	Total as per FS	Variation from FS																					
2022-23	5,871	4,019.61	1,018.66	5,038.27	<b>832.73</b>																					
2023-24	6,113	4,244.26	1,139.98	5,384.24	<b>728.76</b>																					
2024-25	5,618	3,905.28	1,681.59	5,586.87	<b>31.13</b>																					

S.No.	Summary of Objections / Suggestions	Response of the Licensee																											
22.	<p data-bbox="315 296 680 325">B. Resource Adequacy Plan</p> <p data-bbox="315 368 1245 603">The report on resource adequacy plan for the State of Telangana was published by CEA in November 2024. The report is available on <a href="https://cea.nic.in/wp-content/uploads/resource_adequacy_st/2024/11/Report_on_Resource_Adequacy_Plan_for_Telangana_Up_to_2034_35.pdf">https://cea.nic.in/wp-content/uploads/resource_adequacy_st/2024/11/Report_on_Resource_Adequacy_Plan_for_Telangana_Up_to_2034_35.pdf</a>.</p> <p data-bbox="315 646 1245 772">As per the report, in 2023-24, the peak demand for the State is 15,622 MW whereas 18,958 MW of the capacity has already been tied up. This is shown in the below chart:</p> <div data-bbox="322 815 1151 1230"> <table border="1"> <caption>Contracted Capacity as on 31.03.2024</caption> <thead> <tr> <th>Source</th> <th>Capacity (MW)</th> <th>Percentage (%)</th> </tr> </thead> <tbody> <tr> <td>COAL</td> <td>9791</td> <td>52%</td> </tr> <tr> <td>SOLAR</td> <td>4974</td> <td>26%</td> </tr> <tr> <td>HYDRO</td> <td>2518</td> <td>13%</td> </tr> <tr> <td>DRE</td> <td>738</td> <td>4%</td> </tr> <tr> <td>GAS</td> <td>474</td> <td>2%</td> </tr> <tr> <td>NUCLEAR</td> <td>214</td> <td>1%</td> </tr> <tr> <td>NCES</td> <td>121</td> <td>1%</td> </tr> <tr> <td><b>Total</b></td> <td><b>18958</b></td> <td><b>100%</b></td> </tr> </tbody> </table> </div>	Source	Capacity (MW)	Percentage (%)	COAL	9791	52%	SOLAR	4974	26%	HYDRO	2518	13%	DRE	738	4%	GAS	474	2%	NUCLEAR	214	1%	NCES	121	1%	<b>Total</b>	<b>18958</b>	<b>100%</b>	<p data-bbox="1272 296 2051 635">The CEA Resource Adequacy Report shows the planned and tied-up capacity, but it does not guarantee that all this capacity is available in real time. Actual availability depends on many factors such as plant outages, renewable fluctuations, maintenance and other factors. Because of this, DISCOMs sometimes need short-term power to maintain continuous and reliable supply.</p> <p data-bbox="1272 678 2051 756">The large tied-up capacity itself shows that long-term planning is already in place.</p> <p data-bbox="1272 799 2051 979">Therefore, the claim that higher short-term purchase is due to poor planning is not correct. TGDISCOMs would like to reiterate the fact that Energy procurement from short term sources is considered for the following reasons</p> <ul data-bbox="1272 1023 2051 1337" style="list-style-type: none"> <li>• Energy supply during hours of deficit (Power requirement &gt; Power availability from generators)</li> <li>• Power purchase cost optimization: TGDISCOMs have considered procurement from short term sources during hours when the Market price is lesser than the Variable cost (VC) of few generating stations with higher VC to</li> </ul>
Source	Capacity (MW)	Percentage (%)																											
COAL	9791	52%																											
SOLAR	4974	26%																											
HYDRO	2518	13%																											
DRE	738	4%																											
GAS	474	2%																											
NUCLEAR	214	1%																											
NCES	121	1%																											
<b>Total</b>	<b>18958</b>	<b>100%</b>																											

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>The load profile of the State has also been studied which is shown below:</p>  <p>As can be seen from the above chart, the peak hours for Telangana are from 08:00 to 17:00 hours and there has not been much variation over the complete year which makes the planning more reliable and cost effective in comparison to other States like in northern part of the country where there is significant variation at different time of year. This favourable aspect for Discoms in Telangana should minimize the need for expensive market purchases during expected demand peaks. By aligning procurement with projected hourly and seasonal load profiles, DISCOMs can better match demand and supply and mitigate volatility in the cost of supply.</p>	<p>optimize the overall cost of power procurement.</p> <p>The DISCOMs submit that power procurement planning is carried out primarily to meet projected demand reliably and maintain grid stability. Projections are prepared conservatively to ensure reliability of supply, grid security, and compliance with planning norms and dispatch of power is as per merit order, Hon'ble TGERC has published the draft 'Resource Adequacy: regulation. As and when this regulation is finalized, TG DISCOMs would be aligning the projections with the RA regulation.</p>

<b>S.No.</b>	<b>Summary of Objections / Suggestions</b>	<b>Response of the Licensee</b>
	<p>However, despite adequate tied-up capacity, recent operational and market trends show that the share and cost of short-term power purchases have increased. Even when overall capacity appears sufficient, DISCOMs often resort to the short-term market to balance real-time demand and supply, manage unforeseen outages, or respond to intra-day fluctuations — especially in a system with high renewable energy penetration. Such short-term purchases are typically priced significantly higher than long-term contracted power, which directly adds to the power purchase cost burden for DISCOMs.</p> <p>Given this context, while the resource adequacy framework strengthens planning and can reduce reliance on short-term procurement, the higher cost component associated with short-term market purchases should not be indiscriminately passed on to consumers. Consumers have a legitimate expectation of efficient, cost-effective power supply. Passing through the full cost of expensive short-term purchases — especially when underlying tied-up capacity is adequate — could unduly increase tariffs and place avoidable cost burdens on end users. Instead, DISCOMs and the regulatory framework should prioritise optimisation of the power purchase mix, enhanced forecasting, demand-side management, and long-term contracting strategies to constrain short-term costs while ensuring reliability and affordability.</p>	

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>Further, the Telangana Discoms have not demonstrated any initiative that has been taken for meeting the targets for resource adequacy that have been approved by CEA. As per the report, the share of power purchase from market (short term) needs to be reduced and that of long and Medium term has to be increased. The Discoms need to develop power purchase plan in line with resource adequacy approved by CEA.</p>	
23.	<p>C. Treatment for purchase of power from market</p> <p>An Appeal no. 98 of 2021 was filed by Noida Power Company Ltd. in which the company had appealed against the disallowance of short term power (power purchased from market). Hon'ble APTEL in judgement dated 02.12.2025 has observed that short term procurement of power by distribution Licensee is to be allowed at the cost at which it was actually procured, provided that the quantum of power utilised remains within the approved short-term procurement quantum and the procurement price does not exceed the approved average cost of short-term power as specified in the ARR Order (Pg. 212 of the Order).</p> <p>The case of Telangana State Discoms is same and the principle laid down by Hon'ble APTEL needs to be applied. The approval granted by Hon'ble Commission was much lower and at much lower price. Consumers have a legitimate expectation of efficient, cost-effective</p>	<p>The DISCOMs submit that power procurement and sale are carried out based on merit-order dispatch, demand variability, renewable must-run obligations. TGDISCOMs would like to reiterate the fact that Energy procurement from short term sources is considered for the following reasons</p> <ul style="list-style-type: none"> <li>• Energy supply during hours of deficit (Power requirement &gt; Power availability from generators)</li> <li>• Power purchase cost optimization: TGDISCOMs have considered procurement from short term sources during hours when the Market price is lesser than the Variable cost (VC) of few generating stations with higher VC to optimize the overall cost of power procurement.</li> </ul>

S.No.	Summary of Objections / Suggestions	Response of the Licensee																				
	<p>power supply. The increase in power purchase cost due to inefficiency of the Discoms need not be passed on to the consumers. Therefore, the excess units over and above the approved quantum needs to be limited approved price or the price at which energy is purchased, whichever is lower.</p>	<p>The DISCOMs submit that power procurement planning is carried out primarily to meet projected demand reliably and maintain grid stability. Projections are prepared conservatively to ensure reliability of supply, grid security, and compliance with planning norms, and do not necessarily translate into avoidable financial burden on consumers.</p>																				
24.	<p>Cost of Power from NCE</p> <p>The prices discovered in government auctions (SECI/NTPC) for long-term Power Purchase Agreements (PPAs). Prices are in ₹/kWh are as shown below:</p> <table border="1" data-bbox="315 919 1039 1177"> <thead> <tr> <th>Year</th> <th>Solar (Utility Scale)</th> <th>Wind (Non-Solar)</th> <th>Wind-Solar Hybrid</th> </tr> </thead> <tbody> <tr> <td>2022</td> <td>₹2.20 – ₹2.50</td> <td>₹2.84 – ₹3.10</td> <td>₹2.53 – ₹2.65</td> </tr> <tr> <td>2023</td> <td>₹2.50 – ₹2.70</td> <td>₹3.10 – ₹3.40</td> <td>₹3.00 – ₹3.30</td> </tr> <tr> <td>2024</td> <td>₹2.50 – ₹2.65</td> <td>₹3.40 – ₹3.60</td> <td>₹3.15 – ₹3.45</td> </tr> <tr> <td>2025/26</td> <td>₹2.56 – ₹2.70</td> <td>₹3.60 – ₹3.74</td> <td>₹3.30 – ₹3.40</td> </tr> </tbody> </table> <p>The above chart clearly shows that the prices of NCE sources have been quite stable in the last few years. The Discoms in Telangana have been inefficient not only in planning but have also been inefficient in</p>	Year	Solar (Utility Scale)	Wind (Non-Solar)	Wind-Solar Hybrid	2022	₹2.20 – ₹2.50	₹2.84 – ₹3.10	₹2.53 – ₹2.65	2023	₹2.50 – ₹2.70	₹3.10 – ₹3.40	₹3.00 – ₹3.30	2024	₹2.50 – ₹2.65	₹3.40 – ₹3.60	₹3.15 – ₹3.45	2025/26	₹2.56 – ₹2.70	₹3.60 – ₹3.74	₹3.30 – ₹3.40	<p>We strongly condemn the allegation of inefficiency. Telangana DISCOMs already have low-cost SECI/NTPC PPAs at ₹2.44/₹2.53/₹2.82 per unit as adopted in the Commission’s tariff orders. Auction prices are ex-bus rates, while DISCOMs pay the landed cost, which includes ISTS/STU charges, transmission losses, etc.,</p>
Year	Solar (Utility Scale)	Wind (Non-Solar)	Wind-Solar Hybrid																			
2022	₹2.20 – ₹2.50	₹2.84 – ₹3.10	₹2.53 – ₹2.65																			
2023	₹2.50 – ₹2.70	₹3.10 – ₹3.40	₹3.00 – ₹3.30																			
2024	₹2.50 – ₹2.65	₹3.40 – ₹3.60	₹3.15 – ₹3.45																			
2025/26	₹2.56 – ₹2.70	₹3.60 – ₹3.74	₹3.30 – ₹3.40																			

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	operations. Thus, the approval of power purchase cost needs to be limited to the above range rather than approving the actual cost being claimed by the Discoms.	
25.	<p>Sources of power purchased from market</p> <p>The discoms need to show that the power has been purchased from competitive sources by clearly showing the sources of power purchase and providing evidence of competitive bidding. Such details are absent in the submission that has been made by the Discoms.</p>	<p>The plant-wise/source-wise details and market purchases, along with quantities and average rates, are submitted to the Hon'ble Commission.</p>
26.	<p>Miscellaneous Charges</p> <p>The miscellaneous charges that are being claimed by the Discoms are essentially part of power purchase cost itself. Thus, allowing these costs separately will not be appropriate and hence have to be disallowed.</p>	<p>The miscellaneous charges claimed by the DISCOMs for FY 2022-23 to FY 2024-25 include expenses towards major portion 1142 crs for FY 2022-23 is towards Genco MTR Order and Provision-2022-23, banked energy, IEX Cost adjustments, STOA and LTOA charges, Reactive charges, Deviation charges and other related statutory and operational charges. These charges are incidental to power procurement and grid operations.</p>
27.	<p>FTCCI most respectfully prays that the Hon'ble Commission:</p> <p>A. Consider the above Comments/Suggestion/Objections filed by FTCCI on the True-Up Petitions of FY 2022-23, FY 2023-24, FY 2024-25 of TGDISCOMs.</p>	<p>The DISCOMs submit that all comments and suggestions filed by FTCCI have been duly noted, and appropriate clarifications have been provided in the responses.</p>

<b>S.No.</b>	<b>Summary of Objections / Suggestions</b>	<b>Response of the Licensee</b>
	<p>B. To conduct True-Up of FY 2022-23, FY 2023-24 &amp; FY 2024-25 on suo-motu basis by 31st March 2026 as mandated by Hon'ble APTEL.</p> <p>C. May direct the Discoms to provide a reconciliation of the Power Procurement Cost, and each component with the audited accounts and the Transmission Charges may be accordingly allowed subject to prudence check;</p> <p>D. May Conduct a Prudence check over the components as highlighted by FTCCI;</p> <p>E. Pass necessary orders as may be deemed appropriate in the facts and circumstances of the case in the interest of competition, as has been enshrined in the Electricity Act;</p>	<p>The DISCOMs submit that True-Up Petitions for FY 2022-23, FY 2023-24, and FY 2024-25 have already been filed in accordance with the regulations and fully aligned with the audited accounts.</p> <p>The DISCOMs requests Hon'ble Commission to approve the same.</p>

**Response to The Telangana Spinning & Textile Mills Association (TSTMA), Surya Towers, Sardar Patel Road, Secunderabad.**

<b>S.No.</b>	<b>Summary of Objections / Suggestions</b>	<b>Response of the Licensee</b>
Comments on TGDICOM's True-Up Filing for FY 2022–23		
1.	<p>The Hon'ble Commission, vide its Order dated 2 May 2025, granted an extension to the Petitioner and directed it to file the True-up Petitions for FY 2022–23 and FY 2023–24 within two months from the date of the said Order. However, the Licensees filed the Petition only on 10 November 2025, which is beyond the stipulated timeline.</p> <p>It is to be noted that TG DISCOMs have filed Power Purchase Cost &amp; Revenue True-Up Petitions for FY 2022-23, FY 2023-24 &amp; FY 2024-25. These True-Up Petitions are incomplete since important elements like Sales, Energy Balance, Transmission Losses, Distribution Losses have not been filed. Moreover, in the absence of complete True-up, Revenue Gap / Surplus has not been calculated. Claiming Power Purchase True-Up without submitting the Sales and Energy Balance is a non-scientific &amp; non-transparent way of determining the Power Purchase Cost and defeats the purpose of True-Up Exercise.</p> <p>It is pertinent to mention that the last True-Up Order issued by Hon'ble TGERC is for FY 2018-19 dated 23/03/2023. Till date True-Up Orders for FY 2019-20, FY 2020-21, FY 2021-22, FY 2022-23, FY 2023-24 &amp;</p>	<p>TGDISCOMs filed power purchase cost true up for FY 2022-23 in accordance with "APERC (Terms and Conditions for determination of Tariff for Wheeling and Retail Sale of Electricity) Regulation, 4 of 2005" and its first amendment Regulation I of 2014 (adopted by TGERC).</p> <p>These filings have been made strictly in line with the regulatory formats and requirements prescribed by the Hon'ble Commission. Details relating to sales, energy balance, and T&amp;D losses are provided in the ARR filings of respective years. TGDISCOMs acknowledges the need for timely issuance of Tariff orders and True up orders.</p> <p>TGDISCOMs submit that, for the reasons detailed in the petition, the True-Up petitions could not be filed earlier. The marginal delay in submission was procedural and transitional in nature, and was neither intentional nor indicative of any deficiency in service.</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>FY 2024-25 are pending. The same comment was submitted by PFI in the ARR Petition for FY 2025-26. Hon'ble TGERC addressed the said comment in the Tariff Order for FY 2025-26 dated 29/04/2025.</p> <p><i>“3.3 TRUE UP/ DOWN AND FCA PETITIONS</i></p> <p><i>Commission’s analysis &amp; findings</i></p> <p><i>3.3.8 The Commission has noted the concerns of the stakeholders in respect of the consequences that resulted in running into losses of the petitioners on account of not properly filing the True-up/True-down petitions and not collecting Fuel Cost Adjustment (FCA) as per stipulated regulations. The petitioners have failed to explain as to why they could not file their claims in respect of FCA adjustments quarterly as stipulated in the Regulation which has resulted in huge backlogs thereby the TGDISCOMs are not in a position to claim the FCA either from the government or from the consumers.</i></p> <p><i>... 3.3.11 The Commission directs the TGDISCOMs to strictly comply with Regulation 2 of 2023 and ensure that all future True-up, ARR, Tariff Proposals, and FCA claims are filed within the stipulated timelines. Any deviation from the prescribed schedule will be viewed seriously and may attract regulatory action.”</i></p> <p>Thereafter, TG DISCOMs in Petition I.A. No. 28 of 2025 prayed before the Commission that they may be granted time for filing of petition of power purchase True-Ups of FY 2022-23 and FY 2023-24 pertaining to retail supply business along with condonation of delay application within</p>	<p>TGDISCOMs further submit that all future filings will be made strictly in accordance with Regulation No. 02 of 2023 and in adherence to the timelines prescribed under the Telangana Electricity Regulatory Commission Regulations.</p> <p>TGDISCOMs are diligently adhering to the current MYT regulations 1 of 2023 in calculating FCA and will continue do so.</p> <p>The TGDISCOMs have addressed letters to the GoTG for approval for collection of FCA amount regularly every month as per the provisions in the MYT Regulation.</p> <p>TGDISCOMs have clearly stated in their submissions that no Power Purchase true-up is being claimed for FY 2023-24 and FY 2024-25 and have requested the Hon'ble Commission to pass necessary orders accordingly.</p> <p>This clearly demonstrates the TGDISCOM's adherence to the regulatory framework and compliance with the directions of the Hon'ble Commission.</p> <p>It is further submitted that as per regulations, Power Purchase true-up for FY 2022-23 is allowed since</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>due course of time. Hon'ble TGERC vide Order dated 2/05/2025 granted time extension for two months. Relevant extract from the said Order is as follows.</p> <p><i>“13. Therefore, keeping in view of the exigencies as submitted by the petitioner this Commission extends the time for filing the true-up petitions. 14. Accordingly, this petition is allowed and petitioners/TGDISCOMs are directed to file the true-up petitions for FY 2022 – FY 2023 and FY 2023 – FY 2024 within two months from the date of this order”</i></p> <p>Even after being granted time extension of two months, the True-Up Petitions for FY 2022-23 &amp; FY 2023-24 have been filed on 29/11/2025 i.e, 5 months of delay.</p> <p>Further, as per TGERC (Multi Year Tariff) Regulation, 2023, the DISCOMs need to file or True-Up annually. Relevant extract from the Regulations is as follows:</p> <p><i>“6 Procedure for filing Petition</i></p> <p><i>6.1 The petitions under MYT by the generating entity, transmission licensee/STU, SLDC and distribution licensee shall be filed as per the timelines specified in this Regulation...</i></p> <p><i>c) Multi Year Tariff petition shall be filed by 30th November of the year preceding the first year of the Control Period by distribution licensee(for retail supply business) comprising:</i></p>	<p>disallowance based on FCA levying is not applicable for FY 2022-23.</p> <p>TGDISCOMs acknowledge that while the Hon'ble APTEL has empowered SERCs to initiate suo-motu proceedings in the absence of utility filings, the Hon'ble Commission would still require complete and accurate data from the DISCOMs to ensure a fair and accurate determination.</p> <p>Given the technical and regulatory complexities involved, it is preferable that DISCOMs file the True-Up petitions themselves.</p> <p>This ensures completeness, transparency, and avoids avoidable delays, supporting a more accurate and cost-reflective tariff determination process.</p> <p>TGDISCOMs re-iterate that the True-up filings for FY 2022-23, FY 2023-24 and FY 2024-25 have been made in accordance with regulations issued by Hon'ble commission.</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p><i>i. True-up of preceding year;</i></p> <p><i>ii. Aggregate Revenue Requirement for each year of the Control Period;</i></p> <p><i>iii. Revenue from retail sale of electricity at existing tariffs &amp; charges and projected revenue gap for the first year of the Control Period;</i></p> <p><i>iv. Proposal of consumer category wise</i></p> <p><i>f) After first year of the Control Period and onwards, the annual petitions by distribution licensee (for retail supply business) shall comprise of:</i></p> <p><i>i. True-up of preceding year;</i></p> <p><i>ii. Revised Aggregate Revenue Requirement for ensuing year of the Control Period;</i></p> <p><i>iii. Revenue from retail sale of electricity at existing tariffs &amp; charges and projected revenue gap for ensuing year of the Control Period;</i></p> <p><i>iv. Proposal of consumer category wise retail supply tariff and charges for ensuing year of the Control Period.</i></p> <p>9) Further, the same Regulations have also stipulated a penal mechanism to enforce timely submission of True-Up Petitions. Relevant extract from the Regulations is as follows.</p> <p><i>“29 Return on Equity</i></p> <p><i>29.1 Return on Equity shall be computed in rupee terms, on the equity base determined in accordance with clause 27.</i></p>	

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p><i>29.2 Return on Equity shall be computed at the following base rates:</i></p> <p><i>Provided that in case of delay in submission of tariff/true-up filings by the generating entity or licensee or SLDC, as required under this Regulation, rate of RoE shall be reduced by 0.5% per month or part thereof.”</i></p> <p>Moreover, the need for timely issuance of Tariff Orders and True-up Orders has been decided by Hon’ble APTEL in its judgement dtd. 11/11/2011 in OP No. 1 of 2011, as follows:</p> <p><i>“57. This Tribunal has repeatedly held that regular and timely truing-up expenses must be done since:</i></p> <p><i>(a) No projection can be so accurate as to equal the real situation.</i></p> <p><i>(b)The burden/benefits of the past years must not be passed on to the consumers of the future.</i></p> <p><i>(c) Delays in timely determination of tariff and truing-up entails:</i></p> <p><i>(i) Imposing an underserved carrying cost burden to the consumers, as is also recognised by para 5.3 (h) (4) of National Tariff Policy.</i></p> <p><i>(ii) Cash flow problems for the licensees.</i></p> <p><i>65. In view of the analysis and discussion made above, we deem it fit to issue the following directions to the State Commissions:</i></p> <p><i>(i) Every State Commission has to ensure that Annual Performance Review, true-up of past expenses and Annual Revenue Requirement and tariff determination is conducted year to year basis as per the time</i></p>	

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p><i>schedule specified in the Regulations.</i></p> <p><i>(ii) It should be the endeavour of every State Commission to ensure that the tariff for the financial year is decided before 1st April of the tariff year...</i></p> <p><i>(iii) In the event of delay in filing of the ARR, truing-up and Annual Performance Review, one month beyond the scheduled date of submission of the petition, the State Commission must initiate Suo-moto proceedings for tariff determination in accordance with Section 64 of the Act read with clause 8.1 (7) of the Tariff Policy.</i></p> <p><i>(v) Truing up should be carried out regularly and preferably every year...”.</i></p> <p>From above, it is noted that Hon'ble APTEL has even decided that SERCs can initiate Suo-moto proceedings and collect the data and information and give suitable directions and then determine the Tariff even in the absence of the application filed by the utilities by exercising the powers under the provisions of the Act as well as the Tariff Regulations.</p> <p>Thus, timely issuance of Tariff and True-up Orders that too cost-reflective results in timely passing of escalated cost in the power sector supply chain thereby maintaining adequate cash flow with the utilities, thus enabling them to supply uninterrupted quality supply to the consumers. It further avoids Creation of Regulatory Assets, burden of</p>	

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>Carrying Cost and Tariff shock at once to the end consumers.</p> <p><b>Req: In view of the above, it is humbly prayed that the Hon'ble Commission may not accept or admit the present True-up Petition. It is further prayed that an appropriate penalty be imposed on the Licensees, in line with the Commission's observations in the Tariff Order for FY 2024–25, wherein it has been specified that, "in case of delay in submission of tariff/True-up filings by the generating entity or licensee or SLDC, as required under this Regulation, the rate of RoE shall be reduced by 0.5% per month or part thereof," under Clause 20.2 of the Multi-Year Tariff Regulation No. 2 of 2023.</b></p>	
2.	<p>The Licensees, TGSPDCL and TGNPDCL, have claimed Transmission Charges of ₹4,134 crore and ₹1,737 crore, respectively, in the True-up for FY 2022–23. However, the Annual Accounts of TGSPDCL (Note 23, Page 132) reflect the amount as ₹4,091.61 crore, and those of TGNPDCL (Note 25, Page 138) reflect the amount as ₹1,018.66 crore. Hence, the Hon'ble Commission is requested not to accept the claim of the Petitioner and to consider the figures as per the audited accounts.</p>	<p>TGDISCOM submits that, While the objector has compared certain line-item figures presented under specific accounting notes, it is respectfully submitted that the overall power purchase cost, including Transmission Charges, as claimed in the True-up, is fully reconciled with and tallying with the audited annual accounts of both DISCOMs.</p>

S.No.	Summary of Objections / Suggestions		Response of the Licensee						
	<table border="1"> <tr> <td data-bbox="315 277 627 408"><b>Claimed by the Licensee for True Up of FY 2022-23</b></td> <td data-bbox="645 277 965 408"><b>As per Audited Accounts</b></td> </tr> <tr> <td data-bbox="315 408 627 456">Rs. 4134 Crore</td> <td data-bbox="645 408 965 456">Rs. 4091.61 Crore</td> </tr> <tr> <td data-bbox="315 456 627 504">Rs. 1737 Crore</td> <td data-bbox="645 456 965 504">Rs. 1018.66 Crore</td> </tr> </table>	<b>Claimed by the Licensee for True Up of FY 2022-23</b>	<b>As per Audited Accounts</b>	Rs. 4134 Crore	Rs. 4091.61 Crore	Rs. 1737 Crore	Rs. 1018.66 Crore		
<b>Claimed by the Licensee for True Up of FY 2022-23</b>	<b>As per Audited Accounts</b>								
Rs. 4134 Crore	Rs. 4091.61 Crore								
Rs. 1737 Crore	Rs. 1018.66 Crore								
3.	<p>The Note 43 of the Audited accounts of TGSPDCL provide that:</p> <p>In respect of provision for surcharge of M/s. Singareni Thermal Power Plant (STPP), as the Discom and STPP are Government companies, the Discom is taking up the issue with STPP to waive late payment surcharge. To avoid the burdening the consumers, TS Discoms have requested to waive the late payment surcharge as it is not covered in ARR order. The late payment surcharge levied to the end of 2022-23 is Rs.3,459.65 Crore</p> <p>The Hon'ble Commission is requested to direct the Petitioner to clarify whether it has paid the Late Payment Surcharges and if it has, the same may be reduced from the power purchase cost.</p>		<p>The LPS amount is not included in the power purchase cost. And TGDISCOMs have not claimed in the True-ups.</p>						
4.	<p>The NTPC plants, such as NTPC Simhadri Stage-I and NTPC Kudgi, are among the generating stations that participated in the Ancillary Services Market during FY 2022-23. The Hon'ble Commission is respectfully requested to direct the Licensees to clarify whether the</p>		<p>As per the prevailing regulatory framework, the net gain or revenue from Ancillary Services, after accounting for fuel and other variable costs, is adjusted in accordance with CERC orders. Such adjustments are reflected in the</p>						

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>appropriate share of revenue earned from the Ancillary Services Market has been duly passed on by the Generators to the DISCOMs, in accordance with the applicable regulations and PPA provisions</p>	<p>monthly regional energy accounts (REA) through billing adjustments raised by the generator. The bills raised by NTPC, which are prepared in line with CERC regulations and verified through the Regional Power Committee mechanism.</p>
5.	<p>The Licensees, TGSPDCL and TGNPDCL, have claimed miscellaneous charges of ₹1,563 crore and ₹931 crore, respectively, for which no details have been provided. In respect of these miscellaneous expenses, the audited statements of TGSPDCL provide the following details:</p> <p>It is to submit that, Hon'ble TSERC has issued the order Dated: 21.11.2022 in respect of OP No: 8 of 2021 filed by M/s. Singareni-STPP allowing the water charges and Thermal incentive based on scheduled energy for the period from 2016-19.</p> <p>However, TSDiscoms have already made provision in the books for thermal incentive and other Miscellaneous expenses. Subsequently, Hon'ble TSERC has disposed the secondary petition in OP.No. 25 of 2021 disallowing the other Miscellaneous expenses were already taken in the books of accounts. M/s. SCCL-STPP misinterpreting the TSERC Order has preferred consolidated claim including charges which was</p>	<p>The miscellaneous charges claimed by the DISCOMs for FY 2022-23 to FY 2024-25 include expenses towards – major portion 1142 crs for FY 2022-23 is towards MTR Order and Provision-2022-23, banked energy, IEX Cost adjustments, STOA and LTOA charges, Reactive charges, Deviation charges and other related statutory and operational charges. These charges are incidental to power procurement and grid operations.</p> <p>These amounts have been accounted for in line with regulatory requirements and are reflected in the audited accounts.</p> <p>A detailed breakup of these miscellaneous charges is being furnished to the Hon'ble Commission as part of the additional information.</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>disallowed by TSERC. Therefore, the total claim was rejected with a request to claim water charges and incentive separately. Separate provision was not made towards water charges as provision for miscellaneous expenses more or less compensates the provision for water charges.</p> <p>However, the actual water charges will be taken into books of accounts of TSDiscoms in 2023-24 duly setting off against the provision already made.</p> <p>Hence the Hon'ble Commission is requested to not consider it for the FY 2022-23 True Up.</p> <p>The Licensees, in their reply to some of the objectors, have stated that the miscellaneous charges claimed by the DISCOMs for FY 2022–23 include expenses, of which a major portion amounting to ₹1,142 crore pertains to the GENCO MTR Order and Provision for FY 2022–23, banked energy, IEX cost adjustments, STOA and LTOA charges, reactive charges, deviation charges, and other related statutory and operational charges. The Licensees have further submitted that these charges are incidental to power procurement and grid operations.</p> <p>In this regard, the Hon'ble Commission is respectfully requested to direct the Licensees to furnish a detailed head-wise and item-wise</p>	

S.No.	Summary of Objections / Suggestions	Response of the Licensee																																																																
	break-up of the aforesaid miscellaneous charges, along with supporting documents and reconciliation with the audited accounts. In the absence of such proper justification and documentary evidence, the Hon'ble Commission may kindly disallow the said claims.																																																																	
6.	<p>For the approved short-term purchase of 2,171.87 MU in FY 2022–23, the Commission has considered a power purchase price of Rs. 3.30/kWh (Para 4.5.10, p. 129 of the RST Order for FY 2022–23). However, the TGDISCOMs procured power from market sources at an average cost of Rs. 6.53 per unit, which is nearly double the purchase price stipulated by the Commission. Therefore, the Hon'ble Commission is respectfully requested to adopt the short-term purchase price as approved in the Tariff Order for FY 2022–23 and not to allow the higher prices claimed by the TGDISCOMs.</p> <p>The TGDISCOMs, in their reply regarding the higher market purchase price, have submitted that the cost claimed represents the actual cost borne by the DISCOMs, and that relevant details have been furnished in the filings. They have further stated that the cost was incurred to ensure reliable and continuous power supply to consumers, and that it is necessary for the DISCOMs to recover the same. The DISCOMs have contended that the rate of Rs. 3.30/unit approved in the Tariff Order was only an indicative estimate, whereas the actual market</p>	<p>TGDISCOMs submit that this is the actual cost borne by DISCOM and relevant details are submitted in the filings and this cost was borne by DISCOMs to provide reliable and continuous power supply to its consumers and it is important for DISCOM to get this claim. It is also to be noted that the objector's comparison is based on calendar year 2022, whereas the True-up pertains to financial year FY 2022-23. and references of computation is attached below (source – IEX)</p> <table border="1" data-bbox="1272 976 1960 1380"> <thead> <tr> <th colspan="4"><b>Market Snapshot</b></th> </tr> <tr> <th colspan="4"><i>Date: 01-04-2022 to 31-12-2022</i></th> </tr> <tr> <th>Year</th> <th>Month</th> <th>Weighted MCP (Rs/MWh)</th> <th>Rs/Unit</th> </tr> </thead> <tbody> <tr> <td>2022</td> <td>April</td> <td>9524.24</td> <td>9.5</td> </tr> <tr> <td>2022</td> <td>May</td> <td>6810.33</td> <td>6.8</td> </tr> <tr> <td>2022</td> <td>June</td> <td>6884.79</td> <td>6.9</td> </tr> <tr> <td>2022</td> <td>July</td> <td>5496.85</td> <td>5.5</td> </tr> <tr> <td>2022</td> <td>August</td> <td>5431.08</td> <td>5.4</td> </tr> <tr> <td>2022</td> <td>September</td> <td>5875.13</td> <td>5.9</td> </tr> <tr> <td>2022</td> <td>October</td> <td>3963.44</td> <td>4.0</td> </tr> <tr> <td>2022</td> <td>November</td> <td>4795.49</td> <td>4.8</td> </tr> <tr> <td>2022</td> <td>December</td> <td>5597.86</td> <td>5.6</td> </tr> <tr> <td>2023</td> <td>Jan</td> <td>6375.48</td> <td>6.4</td> </tr> <tr> <td>2023</td> <td>Feb</td> <td>6639.79</td> <td>6.6</td> </tr> <tr> <td>2023</td> <td>March</td> <td>5436.19</td> <td>5.4</td> </tr> <tr> <td colspan="3">avg price DAM</td> <td>6.1</td> </tr> </tbody> </table>	<b>Market Snapshot</b>				<i>Date: 01-04-2022 to 31-12-2022</i>				Year	Month	Weighted MCP (Rs/MWh)	Rs/Unit	2022	April	9524.24	9.5	2022	May	6810.33	6.8	2022	June	6884.79	6.9	2022	July	5496.85	5.5	2022	August	5431.08	5.4	2022	September	5875.13	5.9	2022	October	3963.44	4.0	2022	November	4795.49	4.8	2022	December	5597.86	5.6	2023	Jan	6375.48	6.4	2023	Feb	6639.79	6.6	2023	March	5436.19	5.4	avg price DAM			6.1
<b>Market Snapshot</b>																																																																		
<i>Date: 01-04-2022 to 31-12-2022</i>																																																																		
Year	Month	Weighted MCP (Rs/MWh)	Rs/Unit																																																															
2022	April	9524.24	9.5																																																															
2022	May	6810.33	6.8																																																															
2022	June	6884.79	6.9																																																															
2022	July	5496.85	5.5																																																															
2022	August	5431.08	5.4																																																															
2022	September	5875.13	5.9																																																															
2022	October	3963.44	4.0																																																															
2022	November	4795.49	4.8																																																															
2022	December	5597.86	5.6																																																															
2023	Jan	6375.48	6.4																																																															
2023	Feb	6639.79	6.6																																																															
2023	March	5436.19	5.4																																																															
avg price DAM			6.1																																																															

S.No.	Summary of Objections / Suggestions	Response of the Licensee																																																								
	<p>prices during the year were significantly higher. They have submitted that the average DAM and GDAM prices during FY 2022–23 were around Rs. 6.10/unit and Rs. 5.75/unit, respectively, which, after accounting for losses and other charges, resulted in a landed cost of Rs. 6.53/unit, and that such procurement reflects prudent market optimization.</p> <p>However, the weighted average DAM rate as per IEX for the calendar year 2022 was Rs. 5.821/unit, which is lower than the claimed rate of Rs. 6.10/unit. Therefore, the Hon'ble Commission is respectfully requested to examine the discrepancy and verify the basis of the claimed market rates, and accordingly restrict the allowable power purchase cost to reasonable and prudently incurred levels. (<a href="https://www.iexindia.com/market-data/day-ahead-market/market-snapshot?interval=YEARLY&amp;dp=CALENDER_YEAR&amp;showGraph=false&amp;toDate=2022&amp;fromDate=1">https://www.iexindia.com/market-data/day-ahead-market/market-snapshot?interval=YEARLY&amp;dp=CALENDER_YEAR&amp;showGraph=false&amp;toDate=2022&amp;fromDate=1</a>)</p>	<p><b>Market Snapshot</b> Date: 01-04-2022 to 31-12-2022</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Month</th> <th>Weighted MCP (Rs/MWh)</th> <th>Rs/Unit</th> </tr> </thead> <tbody> <tr><td>2022</td><td>April</td><td>9286.40</td><td>9.29</td></tr> <tr><td>2022</td><td>May</td><td>5910.24</td><td>5.91</td></tr> <tr><td>2022</td><td>June</td><td>5939.28</td><td>5.94</td></tr> <tr><td>2022</td><td>July</td><td>4631.94</td><td>4.63</td></tr> <tr><td>2022</td><td>August</td><td>5202.76</td><td>5.20</td></tr> <tr><td>2022</td><td>September</td><td>5422.74</td><td>5.42</td></tr> <tr><td>2022</td><td>October</td><td>4019.08</td><td>4.02</td></tr> <tr><td>2022</td><td>November</td><td>4913.08</td><td>4.91</td></tr> <tr><td>2022</td><td>December</td><td>5235.40</td><td>5.24</td></tr> <tr><td>2023</td><td>Jan</td><td>6299.04</td><td>6.30</td></tr> <tr><td>2023</td><td>Feb</td><td>6569.1</td><td>6.57</td></tr> <tr><td>2023</td><td>March</td><td>5665.2</td><td>5.67</td></tr> <tr><td colspan="2"></td><td>avg price DAM</td><td><b>5.76</b></td></tr> </tbody> </table>	Year	Month	Weighted MCP (Rs/MWh)	Rs/Unit	2022	April	9286.40	9.29	2022	May	5910.24	5.91	2022	June	5939.28	5.94	2022	July	4631.94	4.63	2022	August	5202.76	5.20	2022	September	5422.74	5.42	2022	October	4019.08	4.02	2022	November	4913.08	4.91	2022	December	5235.40	5.24	2023	Jan	6299.04	6.30	2023	Feb	6569.1	6.57	2023	March	5665.2	5.67			avg price DAM	<b>5.76</b>
Year	Month	Weighted MCP (Rs/MWh)	Rs/Unit																																																							
2022	April	9286.40	9.29																																																							
2022	May	5910.24	5.91																																																							
2022	June	5939.28	5.94																																																							
2022	July	4631.94	4.63																																																							
2022	August	5202.76	5.20																																																							
2022	September	5422.74	5.42																																																							
2022	October	4019.08	4.02																																																							
2022	November	4913.08	4.91																																																							
2022	December	5235.40	5.24																																																							
2023	Jan	6299.04	6.30																																																							
2023	Feb	6569.1	6.57																																																							
2023	March	5665.2	5.67																																																							
		avg price DAM	<b>5.76</b>																																																							
7.	The Hon'ble Commission is humbly requested to direct the Licensees to furnish the details of the Late Payment Surcharge (LPS) amounts, in Rs. crore, paid to the generators, along with supporting documents and reconciliation with the audited accounts.	The details pertaining to payment of LPS amounts is being furnished to the Hon'ble Commission as part of the additional information.																																																								
8.	The Licensees, TGSPDCL and TGNPDCL, have claimed short-term	TGDISCOMs would like to reiterate the fact that Energy																																																								

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>power purchase quantum of 5,126 MU and 2,140 MU, respectively, as against the approved quantum of 1,532 MU and 640 MU. This represents an increase of about 235% (3.35 times) in the case of TGSPDCL and about 234% in the case of TGNPDCL over the quantum approved by the Hon'ble Commission.</p> <p>At the same time, procurement from reliable GENCO thermal sources was lower than the approved quantum. In the case of TGNPDCL, only 6,968 MU was procured as against the approved 7,924 MU, and in the case of TGSPDCL, 16,692 MU was procured as against the approved 18,983 MU.</p> <p>The simultaneous under-procurement from approved and economical thermal sources and excessive reliance on costly short-term market purchases clearly indicate lack of proper power planning, forecasting, and optimal scheduling by the DISCOMs.</p> <p>Accordingly, the excess short-term procurement ought not to be considered prudent and should not be allowed in the True-up.</p>	<p>procurement from short term sources is considered for the following reasons</p> <ul style="list-style-type: none"> <li>• Energy supply during hours of deficit (Power requirement &gt; Power availability from generators)</li> <li>• Power purchase cost optimization: TGDISCOMs have considered procurement from short term sources during hours when the Market price is lesser than the Variable cost (VC) of few generating stations with higher VC to optimize the overall cost of power procurement.</li> </ul> <p>Here, it is pertinent to note that, the procurement from short term sources for deficit supply is done only when the entire generation capacity is dispatched and the procurement from short term sources for Power purchase optimization is done only by backing down the thermal generators having higher VC than the then existing market (Short term source) prices resulting only in the reduction of overall power procurement cost.</p>
Comments on TSDISCOM's True-Up Filing for FY 2023–24		
9.	The Hon'ble Commission, vide its Order dated 2 May 2025, granted an	TGDISCOMs acknowledges the need for timely issuance of

<b>S.No.</b>	<b>Summary of Objections / Suggestions</b>	<b>Response of the Licensee</b>
	<p>extension to the Petitioner and directed it to file the True-up Petitions for FY 2022–23 and FY 2023–24 within two months from the date of the said Order. However, the Licensees filed the Petition only on 10 November 2025, which is beyond the stipulated timeline.</p> <p>In view of the above, it is humbly prayed that the Hon'ble Commission may not accept or admit the present True-up Petition. It is further prayed that an appropriate penalty be imposed on the Licensees, in line with the Commission's observations in the Tariff Order for FY 2024–25, wherein it has been specified that, "in case of delay in submission of tariff/True-up filings by the generating entity or licensee or SLDC, as required under this Regulation, the rate of RoE shall be reduced by 0.5% per month or part thereof," under Clause 20.2 of the Multi-Year Tariff Regulation No. 2 of 2023.</p>	<p>Tariff orders and True up orders.</p> <p>TGDISCOMs submit that, for the reasons detailed in the petition, the True-Up petitions could not be filed earlier. The marginal delay in submission was procedural and transitional in nature, and was neither intentional nor indicative of any deficiency in service.</p> <p>TGDISCOMs further submit that all future filings will be made strictly in accordance with Regulation No. 02 of 2023 and in adherence to the timelines prescribed under the Telangana Electricity Regulatory Commission Regulations.</p> <p>TGDISCOMs have clearly stated in their submissions that no Power Purchase true-up is being claimed for FY 2023-24, and have requested the Hon'ble Commission to pass necessary orders accordingly. This clearly demonstrates the TGDISCOM's adherence to the regulatory framework and compliance with the directions of the Hon'ble Commission.</p>
10.	<p>The Licensees have submitted that the Central Generating Stations witnessed a shortfall of 4,340 MU, amounting to a 21% reduction in generation, attributing the same to the delay in commissioning of the Telangana STPP. However, the Hon'ble Commission had approved a</p>	<p>For the CGS stations, the Hon'ble Commission had approved 7,916 MU from TSTPP-1, of which 2,645 MU was actually dispatched, resulting in a shortfall of 5,271 MU. This shortfall was partly offset by higherthanapproved</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>total quantum of 21,126 MU, as per Table No. 4.15 vide its Order dated 24.03.2023 for FY 2023–24, which included 8,247.29 MU from TSTPP–1. If the quantum pertaining to TSTPP–1 is excluded on account of the delay, the revised quantum works out to 12,878.71 MU.</p> <p>In this context, a shortfall of 4,340 MU corresponds to approximately 20.5% of the approved quantum of 21,126 MU, and not 21% (which would amount to about 4,436 MU). Therefore, the percentage reduction claimed by the Licensees does not mathematically align with the stated shortfall and requires proper clarification and justification.</p>	<p>dispatch from several CGS stations such as NTPC, NPC-Kaiga, and NCE JNNSM Phase-1, thereby bringing the net shortfall to 4,340 MU.</p> <p>The petition highlighted only the major reasons for the variation. The calculated shortfall of 4,340 MU corresponds to approximately 20.54%, which was rounded to 21% for ease of understanding.</p>
11.	<p>The Hon'ble Commission approved the quantum of power purchase from NCEs for FY 2023–24 as 11,896 MU, whereas the Licensees have claimed the quantum as 11,007 MU. The Licensees have submitted that there has been a 7.47% shortfall in energy dispatched by NCEs, leading to a reduction of 889 MU in generation.</p> <p>In this regard, the Hon'ble Commission is humbly requested to direct the Licensees to furnish detailed data on curtailment, including scheduled energy vis-à-vis actual drawl/withdrawal. The Commission may also direct the Licensees to clarify whether the quantum under net metering has been considered under this head.</p>	<p>The variation in NCE energy is due to the actual dispatch being 11,007 MU against the Hon'ble Commission's approved 11,896 MU, resulting in a reduction of 889 MU, i.e., 7.47%.</p> <p>TGDISCOMs submit that the aforesaid shortfall is primarily attributable to factors beyond the control of the Licensees, such as resource variability (solar irradiation), seasonal patterns, etc. NCE power is accorded "must-run" status as per the provisions of the regulations and grid code, and there is no curtailment of NCE sources.</p> <p>Actual energy from NCE sources is fully considered in the</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
		True-up computations. Whereas, the net-metering (rooftop solar) quantum is not included under NCE purchase, it is netted off against sales.
12.	<p>The Licensees have claimed Transmission cost of ₹6,113 crore as against the approved cost of ₹5,376 crore for FY 2023–24. However, the audited accounts of TGNPDCL reflect Transmission &amp; SLDC charges of ₹1,139.98 crore, while the audited accounts of TGSPDCL reflect ₹4,244.26 crore, aggregating to ₹5,384.24 crore.</p> <p>The claimed amount is therefore higher than the audited figures by ₹728.76 crore and also significantly above the approved cost. Hence, the Hon'ble Commission is respectfully requested to direct the Licensees to furnish detailed justification and reconciliation for such variation.</p>	TGDISCOM submits that, While the objector has compared certain line-item figures presented under specific accounting notes, it is respectfully submitted that the overall power purchase cost, including Transmission Charges, as claimed in the True-up, is fully reconciled with and tallying with the audited annual accounts of both DISCOMs.
13.	<p>The Licensees have claimed Interstate Sale/UI Sale/Purchase in 33 kV and below as ₹ (-735) crore for FY 2023–24, as against the approved value of ₹ (-1,862) crore. However, as per the audited accounts of TGNPDCL (Note 23.2), the Company has recorded inter-state sales amounting to ₹234.34 crore and Unscheduled Interchange (UI) charges of ₹6.12 crore.</p> <p>In view of the above, the Hon'ble Commission is respectfully requested</p>	<p>The DISCOMs submit that the audited annual accounts reflect the actual quantum and value of interstate sale/UI transactions recorded at the Company level.</p> <p>For the purpose of the True-up computation, the split of the consolidated figures between TGNPDCL and TGSPDCL has been carried out based on their respective energys share (29.45% for TGNPDCL and 70.55% for TGSPDCL).</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	to direct the Licensees to furnish the complete break-up and detailed reconciliation of the said claim with the audited accounts.	Accordingly, there is no inconsistency between the audited accounts and the values presented in the True-up model; the variation is only due to this allocation methodology.
14.	<p>The Licensee, TGSPDCL, has claimed the actual revenue realized from the HT category as ₹19,509.79 crore. However, the audited accounts of TGSPDCL (Note 21) reflect revenue earned from HT supply amounting to ₹19,608.47 crore.</p> <p>In view of the above, the Hon'ble Commission is respectfully requested to direct the Licensee to submit a detailed reconciliation of the claimed amount vis-à-vis the figures reflected in the audited accounts.</p>	<p>The revenue shown in the True-up is based on category-wise mapping, not the audited line items. The total revenue of ₹31,499.6 crore fully matches the audited accounts when considering:</p> <p>LT revenue: ₹11,204.40 cr  HT revenue: ₹19,608.47 cr  Add: Customer charges ₹912.41 cr  Less: ED ₹225.67 cr</p> <p>This reconciles exactly to ₹31,499.6 cr, which is the same total used in the True-up (LT ₹11,989.8 cr + HT ₹19,509.8 cr).</p>
15.	<p>The Licensee, TGSPDCL, has claimed revenue from other sources amounting to ₹289.10 crore, which appears to be understated when compared with the revenue from other sources as reflected in the audited accounts.</p> <p>In view of the above, the Hon'ble Commission is respectfully requested to direct the Licensee to furnish a detailed break-up of the said amount</p>	<p>The amount of ₹289.10 crore represents revenue from Additional Surcharge, Cross-Subsidy Surcharge, and other Non-Tariff Income.</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	along with proper reconciliation with the audited accounts.	
16.	<p>The Licensee, TGNPDCL, has claimed Non-Tariff Income amounting to ₹72.37 crore, which appears to be understated when compared with the corresponding figures reflected in the audited accounts. The Licensee has not considered Miscellaneous Charges from consumers amounting to ₹486.62 crore, Recoveries towards Theft/Malpractice amounting to ₹22.40 crore, and Delayed Payment Charges amounting to ₹166.08 crore.</p> <p>In view of the above, the Hon'ble Commission is respectfully requested to direct the Licensee to furnish a detailed break-up of the said amount along with proper reconciliation with the audited accounts.</p>	<p>DPS and miscellaneous charges from consumers have already been accounted for under the respective consumer categories. The amount of ₹72.37 crore shown under 'other revenue' pertains to theft cases and other non-tariff income.</p>
Comments on TGDISCOM's True-Up Filing for FY 2024–25		
17.	<p>The Licensees procured 7,266 MU from short-term sources in FY 2022–23, which increased to 9,895 MU in FY 2023–24 (an increase of about 36%) and further escalated to 20,870 MU in FY 2024–25 (an increase of about 111% over the previous year). Overall, short-term power procurement has increased by approximately 187% over the two-year period. This steep and continuous rise in reliance on short-term sources indicates lack of proper long-term power planning and prudent procurement strategy on the part of the Licensees, resulting in</p>	<p>TGDISCOMs would like to reiterate the fact that Energy procurement from short term sources is considered for the following reasons:</p> <ul style="list-style-type: none"> <li>• Energy supply during hours of deficit (Power requirement &gt; Power availability from generators)</li> <li>• Power purchase cost optimization: TGDISCOMs have considered procurement from short term sources during</li> </ul>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	avoidable financial burden on consumers.	<p>hours when the Market price is lesser than the Variable cost (VC) of few generating stations with higher VC to optimize the overall cost of power procurement.</p> <p>Here, it is pertinent to note that, the procurement from short term sources for deficit supply is done only when the entire generation capacity is dispatched and the procurement from short term sources for Power purchase optimization is done only by backing down the thermal generators having higher VC than the then existing market (Short term source) prices resulting only in the reduction of overall power procurement cost.</p>
18.	<p>The Licensees, while justifying the substantial increase in short-term power procurement, have submitted that the State of Telangana has been supplying 24x7 power to the agricultural sector since 1 January 2018, which has increased the overall power purchase requirement for FY 2024–25. The Licensees have further stated that, after exhausting all available sources, they resorted to short-term market purchases to meet the sudden increase in power demand during FY 2024–25.</p> <p>However, it is submitted that the Licensees have not adequately explored alternative and more economical procurement options, such</p>	<p>Before resorting to purchase from power exchanges, the TGDISCOMs explored and availed power through:</p> <ul style="list-style-type: none"> <li>• Procurement through transparent bidding platforms, including the DEEP portal.</li> <li>• Banking arrangements and swap mechanisms.</li> </ul> <p>After exhausting above options, procured power from short-term market.</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>as procurement through the DEEP portal, short-term bilateral agreements, or medium-term power purchase arrangements. Instead, they have largely relied on costly power procurement through the power exchanges, without duly considering the resultant financial burden on consumers. Such procurement practices reflect a lack of prudent planning and optimal power procurement strategy.</p> <p>In view of the above, the Hon'ble Commission is respectfully requested to disallow the excess costly procurement undertaken by the DISCOMs and direct them to adopt prudent and economically optimal power procurement planning in future.</p>	<p>In view of the above, TGDISCOMs respectfully submit that the short-term procurement undertaken during FY 2024–25 was necessary, prudent, and in the larger consumer interest to avoid load shedding and maintain statutory supply obligations. The Hon'ble Commission may kindly consider the same and allow the power purchase costs as claimed.</p>
19.	<p>The Licensee, TGSPDCL, has claimed Transmission Charges for FY 2024–25 amounting to ₹3,956 crore, whereas the audited accounts reflect Transmission Charges of ₹3,905.28 crore. This results in a variation of ₹50.72 crore between the claimed amount and the audited figures.</p> <p>In view of the above, the Hon'ble Commission is respectfully requested to direct the Licensee to furnish a detailed reconciliation of the claimed amount vis-à-vis the audited accounts and justify the said variation.</p>	<p>TGDISCOM submits that, While the objector has compared certain line-item figures presented under specific accounting notes, it is respectfully submitted that the overall power purchase cost, including Transmission Charges, as claimed in the True-up, is fully reconciled with and tallying with the audited annual accounts of both DISCOMs.</p>
Specific comments on True-Up for power purchase by Telangana State Discoms for FY 2022-23, FY 2023-24 and FY 2024-25		
20.	Based on the submissions made by the Discoms in Telangana, the	TGDISCOMs submit that the audited accounts reflect the

S.No.	Summary of Objections / Suggestions	Response of the Licensee																		
	<p>analysis has been conducted. This primarily shows that the Discoms have been highly inefficient in their planning and power purchase as the share of power purchase from market has been increasing and has grown to 25% of the total requirement in FY 2024-25. The cost of power purchase from market has also been on the higher side thereby leading to higher expense. The inefficiency of the Discoms need not be passed on to the consumers.</p> <p>In FY 2024-25, the energy purchased from all sources reduced in comparison to the approval granted by the Commission. It is clear that such energy is being purchased from market at higher prices thereby adversely affecting the consumers.</p> <p>Further, the point wise submission has been made below:</p> <p>A. Comparison with audited financial statements</p> <p>Power Purchase Units (Mus)</p> <table border="1" data-bbox="315 1034 1234 1198"> <thead> <tr> <th>Financial Year</th> <th>Petition</th> <th>TGSPDCL</th> <th>TGNPDCL</th> <th>Total as per FS</th> <th>Variation from FS</th> </tr> </thead> <tbody> <tr> <td>2022-23</td> <td>76073</td> <td>51243</td> <td>23217</td> <td>74459.3</td> <td>1613.7</td> </tr> <tr> <td>2023-24</td> <td>79848</td> <td>58312</td> <td>20976</td> <td>79287.7</td> <td>560.3</td> </tr> </tbody> </table> <p>It can be seen that the Discoms are claiming cost of higher units in comparison to the units that are shown in the audited financial statements (FS). Therefore, the per unit cost related to power purchase</p>	Financial Year	Petition	TGSPDCL	TGNPDCL	Total as per FS	Variation from FS	2022-23	76073	51243	23217	74459.3	1613.7	2023-24	79848	58312	20976	79287.7	560.3	<p>actual energy sales recorded during the year. However, the True-up model is computed strictly in accordance with the methodology approved by the Hon'ble Commission, wherein the approved agricultural sales are considered for deriving the energy requirement, rather than the actual agricultural consumption recorded in the books of accounts.</p>
Financial Year	Petition	TGSPDCL	TGNPDCL	Total as per FS	Variation from FS															
2022-23	76073	51243	23217	74459.3	1613.7															
2023-24	79848	58312	20976	79287.7	560.3															

S.No.	Summary of Objections / Suggestions	Response of the Licensee																								
	<p>(excluding transmission charges and sale of power) needs to be allowed only to the extent of units in audited financial statements. Thus, the cost of 1,613.7 Mus in FY 2022-23 and 560.3 Mus in FY 2023-24 needs to be disallowed. The units for FY 2024-25 for TGSPDCL is not shown in the audited financial statements, the Discom needs to be directed to show the units and accordingly treatment needs to be done for FY 2024-25 as well.</p>																									
21.	<p style="text-align: center;"><u>Transmission Charges (Rs. Cr.)</u></p> <table border="1" data-bbox="327 767 1232 995"> <thead> <tr> <th>Financial Year</th> <th>Petition</th> <th>TGSPDCL</th> <th>TGNPDCL</th> <th>Total as per FS</th> <th>Variation from FS</th> </tr> </thead> <tbody> <tr> <td>2022-23</td> <td>5,871</td> <td>4,019.61</td> <td>1,018.66</td> <td>5,038.27</td> <td><b>832.73</b></td> </tr> <tr> <td>2023-24</td> <td>6,113</td> <td>4,244.26</td> <td>1,139.98</td> <td>5,384.24</td> <td><b>728.76</b></td> </tr> <tr> <td>2024-25</td> <td>5,618</td> <td>3,905.28</td> <td>1,681.59</td> <td>5,586.87</td> <td><b>31.13</b></td> </tr> </tbody> </table> <p>It can be seen from the above table that the Discoms have claimed higher transmission charges in comparison to the transmission charges in the income statement. The transmission charges should be limited to the cost that has been accounted and shown in the audited financial statements of the two companies. Thus, the cost of transmission charges of Rs. 832.73 Cr. in FY 2023, Rs. 728.76 Cr. in FY 2023-24 and Rs. 31.13 Cr. in Fy 2024-25 should be disallowed.</p>	Financial Year	Petition	TGSPDCL	TGNPDCL	Total as per FS	Variation from FS	2022-23	5,871	4,019.61	1,018.66	5,038.27	<b>832.73</b>	2023-24	6,113	4,244.26	1,139.98	5,384.24	<b>728.76</b>	2024-25	5,618	3,905.28	1,681.59	5,586.87	<b>31.13</b>	<p>TGDISCOM submits that, While the objector has compared certain line-item figures presented under specific accounting notes, it is respectfully submitted that the overall power purchase cost, including Transmission Charges, as claimed in the True-up, is fully reconciled with and tallying with the audited annual accounts of both DISCOMs.</p>
Financial Year	Petition	TGSPDCL	TGNPDCL	Total as per FS	Variation from FS																					
2022-23	5,871	4,019.61	1,018.66	5,038.27	<b>832.73</b>																					
2023-24	6,113	4,244.26	1,139.98	5,384.24	<b>728.76</b>																					
2024-25	5,618	3,905.28	1,681.59	5,586.87	<b>31.13</b>																					

S.No.	Summary of Objections / Suggestions	Response of the Licensee																											
22.	<p data-bbox="315 300 680 325">B. Resource Adequacy Plan</p> <p data-bbox="315 368 1245 603">The report on resource adequacy plan for the State of Telangana was published by CEA in November 2024. The report is available on <a href="https://cea.nic.in/wp-content/uploads/resource_adequacy_st/2024/11/Report_on_Resource_Adequacy_Plan_for_Telangana_Up_to_2034_35.pdf">https://cea.nic.in/wp-content/uploads/resource_adequacy_st/2024/11/Report_on_Resource_Adequacy_Plan_for_Telangana_Up_to_2034_35.pdf</a>.</p> <p data-bbox="315 646 1245 774">As per the report, in 2023-24, the peak demand for the State is 15,622 MW whereas 18,958 MW of the capacity has already been tied up. This is shown in the below chart:</p> <div data-bbox="322 817 1151 1230"> <table border="1"> <caption>Contracted Capacity as on 31.03.2024</caption> <thead> <tr> <th>Source</th> <th>Capacity (MW)</th> <th>Percentage (%)</th> </tr> </thead> <tbody> <tr> <td>COAL</td> <td>9791</td> <td>52%</td> </tr> <tr> <td>SOLAR</td> <td>4974</td> <td>26%</td> </tr> <tr> <td>HYDRO</td> <td>2518</td> <td>13%</td> </tr> <tr> <td>DRE</td> <td>738</td> <td>4%</td> </tr> <tr> <td>GAS</td> <td>474</td> <td>2%</td> </tr> <tr> <td>NUCLEAR</td> <td>214</td> <td>1%</td> </tr> <tr> <td>WIND</td> <td>128</td> <td>1%</td> </tr> <tr> <td><b>Total</b></td> <td><b>18958</b></td> <td><b>100%</b></td> </tr> </tbody> </table> </div>	Source	Capacity (MW)	Percentage (%)	COAL	9791	52%	SOLAR	4974	26%	HYDRO	2518	13%	DRE	738	4%	GAS	474	2%	NUCLEAR	214	1%	WIND	128	1%	<b>Total</b>	<b>18958</b>	<b>100%</b>	<p data-bbox="1272 300 2051 635">The CEA Resource Adequacy Report shows the planned and tied-up capacity, but it does not guarantee that all this capacity is available in real time. Actual availability depends on many factors such as plant outages, renewable fluctuations, maintenance and other factors. Because of this, DISCOMs sometimes need short-term power to maintain continuous and reliable supply.</p> <p data-bbox="1272 678 2051 758">The large tied-up capacity itself shows that long-term planning is already in place.</p> <p data-bbox="1272 801 2051 986">Therefore, the claim that higher short-term purchase is due to poor planning is not correct. TGDISCOMs would like to reiterate the fact that Energy procurement from short term sources is considered for the following reasons</p> <ul data-bbox="1272 1029 2051 1337" style="list-style-type: none"> <li>• Energy supply during hours of deficit (Power requirement &gt; Power availability from generators)</li> <li>• Power purchase cost optimization: TGDISCOMs have considered procurement from short term sources during hours when the Market price is lesser than the Variable cost (VC) of few generating stations with higher VC to</li> </ul>
Source	Capacity (MW)	Percentage (%)																											
COAL	9791	52%																											
SOLAR	4974	26%																											
HYDRO	2518	13%																											
DRE	738	4%																											
GAS	474	2%																											
NUCLEAR	214	1%																											
WIND	128	1%																											
<b>Total</b>	<b>18958</b>	<b>100%</b>																											

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>The load profile of the State has also been studied which is shown below:</p> <p>As can be seen from the above chart, the peak hours for Telangana are from 08:00 to 17:00 hours and there has not been much variation over the complete year which makes the planning more reliable and cost effective in comparison to other States like in northern part of the country where there is significant variation at different time of year. This favourable aspect for Discoms in Telangana should minimize the need for expensive market purchases during expected demand peaks. By aligning procurement with projected hourly and seasonal load profiles, DISCOMs can better match demand and supply and mitigate volatility in the cost of supply.</p>	<p>optimize the overall cost of power procurement.</p> <p>The DISCOMs submit that power procurement planning is carried out primarily to meet projected demand reliably and maintain grid stability. Projections are prepared conservatively to ensure reliability of supply, grid security, and compliance with planning norms and dispatch of power is as per merit order, Hon'ble TGERC has published the draft 'Resource Adequacy: regulation. As and when this regulation is finalized, TG DISCOMs would be aligning the projections with the RA regulation.</p>

<b>S.No.</b>	<b>Summary of Objections / Suggestions</b>	<b>Response of the Licensee</b>
	<p>However, despite adequate tied-up capacity, recent operational and market trends show that the share and cost of short-term power purchases have increased. Even when overall capacity appears sufficient, DISCOMs often resort to the short-term market to balance real-time demand and supply, manage unforeseen outages, or respond to intra-day fluctuations — especially in a system with high renewable energy penetration. Such short-term purchases are typically priced significantly higher than long-term contracted power, which directly adds to the power purchase cost burden for DISCOMs.</p> <p>Given this context, while the resource adequacy framework strengthens planning and can reduce reliance on short-term procurement, the higher cost component associated with short-term market purchases should not be indiscriminately passed on to consumers. Consumers have a legitimate expectation of efficient, cost-effective power supply. Passing through the full cost of expensive short-term purchases — especially when underlying tied-up capacity is adequate — could unduly increase tariffs and place avoidable cost burdens on end users. Instead, DISCOMs and the regulatory framework should prioritise optimisation of the power purchase mix, enhanced forecasting, demand-side management, and long-term contracting strategies to constrain short-term costs while ensuring reliability and affordability.</p>	

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>Further, the Telangana Discoms have not demonstrated any initiative that has been taken for meeting the targets for resource adequacy that have been approved by CEA. As per the report, the share of power purchase from market (short term) needs to be reduced and that of long and Medium term has to be increased. The Discoms need to develop power purchase plan in line with resource adequacy approved by CEA.</p>	
23.	<p>C. Treatment for purchase of power from market</p> <p>An Appeal no. 98 of 2021 was filed by Noida Power Company Ltd. in which the company had appealed against the disallowance of short term power (power purchased from market). Hon'ble APTEL in judgement dated 02.12.2025 has observed that short term procurement of power by distribution Licensee is to be allowed at the cost at which it was actually procured, provided that the quantum of power utilised remains within the approved short-term procurement quantum and the procurement price does not exceed the approved average cost of short-term power as specified in the ARR Order (Pg. 212 of the Order).</p> <p>The case of Telangana State Discoms is same and the principle laid down by Hon'ble APTEL needs to be applied. The approval granted by Hon'ble Commission was much lower and at much lower price. Consumers have a legitimate expectation of efficient, cost-effective</p>	<p>The DISCOMs submit that power procurement and sale are carried out based on merit-order dispatch, demand variability, renewable must-run obligations. TGDISCOMs would like to reiterate the fact that Energy procurement from short term sources is considered for the following reasons</p> <ul style="list-style-type: none"> <li>• Energy supply during hours of deficit (Power requirement &gt; Power availability from generators)</li> <li>• Power purchase cost optimization: TGDISCOMs have considered procurement from short term sources during hours when the Market price is lesser than the Variable cost (VC) of few generating stations with higher VC to optimize the overall cost of power procurement.</li> </ul>

S.No.	Summary of Objections / Suggestions	Response of the Licensee																				
	<p>power supply. The increase in power purchase cost due to inefficiency of the Discoms need not be passed on to the consumers. Therefore, the excess units over and above the approved quantum needs to be limited approved price or the price at which energy is purchased, whichever is lower.</p>	<p>The DISCOMs submit that power procurement planning is carried out primarily to meet projected demand reliably and maintain grid stability. Projections are prepared conservatively to ensure reliability of supply, grid security, and compliance with planning norms, and do not necessarily translate into avoidable financial burden on consumers.</p>																				
24.	<p><b>Cost of Power from NCE</b></p> <p>The prices discovered in government auctions (SECI/NTPC) for long-term Power Purchase Agreements (PPAs). Prices are in ₹/kWh are as shown below:</p> <table border="1" data-bbox="315 919 1039 1177"> <thead> <tr> <th>Year</th> <th>Solar (Utility Scale)</th> <th>Wind (Non-Solar)</th> <th>Wind-Solar Hybrid</th> </tr> </thead> <tbody> <tr> <td>2022</td> <td>₹2.20 – ₹2.50</td> <td>₹2.84 – ₹3.10</td> <td>₹2.53 – ₹2.65</td> </tr> <tr> <td>2023</td> <td>₹2.50 – ₹2.70</td> <td>₹3.10 – ₹3.40</td> <td>₹3.00 – ₹3.30</td> </tr> <tr> <td>2024</td> <td>₹2.50 – ₹2.65</td> <td>₹3.40 – ₹3.60</td> <td>₹3.15 – ₹3.45</td> </tr> <tr> <td>2025/26</td> <td>₹2.56 – ₹2.70</td> <td>₹3.60 – ₹3.74</td> <td>₹3.30 – ₹3.40</td> </tr> </tbody> </table> <p>The above chart clearly shows that the prices of NCE sources have been quite stable in the last few years. The Discoms in Telangana have been inefficient not only in planning but have also been inefficient in</p>	Year	Solar (Utility Scale)	Wind (Non-Solar)	Wind-Solar Hybrid	2022	₹2.20 – ₹2.50	₹2.84 – ₹3.10	₹2.53 – ₹2.65	2023	₹2.50 – ₹2.70	₹3.10 – ₹3.40	₹3.00 – ₹3.30	2024	₹2.50 – ₹2.65	₹3.40 – ₹3.60	₹3.15 – ₹3.45	2025/26	₹2.56 – ₹2.70	₹3.60 – ₹3.74	₹3.30 – ₹3.40	<p>We strongly condemn the allegation of inefficiency. Telangana DISCOMs already have low-cost SECI/NTPC PPAs at ₹2.44/₹2.53/₹2.82 per unit as adopted in the Commission’s tariff orders. Auction prices are ex-bus rates, while DISCOMs pay the landed cost, which includes ISTS/STU charges, transmission losses, etc.,</p>
Year	Solar (Utility Scale)	Wind (Non-Solar)	Wind-Solar Hybrid																			
2022	₹2.20 – ₹2.50	₹2.84 – ₹3.10	₹2.53 – ₹2.65																			
2023	₹2.50 – ₹2.70	₹3.10 – ₹3.40	₹3.00 – ₹3.30																			
2024	₹2.50 – ₹2.65	₹3.40 – ₹3.60	₹3.15 – ₹3.45																			
2025/26	₹2.56 – ₹2.70	₹3.60 – ₹3.74	₹3.30 – ₹3.40																			

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	operations. Thus, the approval of power purchase cost needs to be limited to the above range rather than approving the actual cost being claimed by the Discoms.	
25.	<p>Sources of power purchased from market</p> <p>The discoms need to show that the power has been purchased from competitive sources by clearly showing the sources of power purchase and providing evidence of competitive bidding. Such details are absent in the submission that has been made by the Discoms.</p>	The plant-wise/source-wise details and market purchases, along with quantities and average rates, are submitted to the Hon'ble Commission.
26.	<p>Miscellaneous Charges</p> <p>The miscellaneous charges that are being claimed by the Discoms are essentially part of power purchase cost itself. Thus, allowing these costs separately will not be appropriate and hence have to be disallowed.</p>	The miscellaneous charges claimed by the DISCOMs for FY 2022-23 to FY 2024-25 include expenses towards major portion 1142 crs for FY 2022-23 is towards Genco MTR Order and Provision-2022-23, banked energy, IEX Cost adjustments, STOA and LTOA charges, Reactive charges, Deviation charges and other related statutory and operational charges. These charges are incidental to power procurement and grid operations.
27.	<p>TSTMA most respectfully prays that the Hon'ble Commission:</p> <p>A. Consider the above Comments/Suggestion/Objections filed by TSTMA on the True-Up Petitions of FY 2022-23, FY 2023-24, FY 2024-25 of TGDISCOMs.</p>	The DISCOMs submit that all comments and suggestions filed by TSTMA have been duly noted, and appropriate clarifications have been provided in the responses.

<b>S.No.</b>	<b>Summary of Objections / Suggestions</b>	<b>Response of the Licensee</b>
	<p>B. To conduct True-Up of FY 20223-23. FY 2023-24 &amp; FY 2024-25 on suo-motu basis by 31st March 2026 as mandated by Hon'ble APTEL.</p> <p>C. May direct the Discoms to provide a reconciliation of the Power Procurement Cost, and each component with the audited accounts and the Transmission Charges may be accordingly allowed subject to prudence check;</p> <p>D. May Conduct a Prudence check over the components as highlighted by TSTMA;</p> <p>E. Pass necessary orders as may be deemed appropriate in the facts and circumstances of the case in the interest of competition, as has been enshrined in the Electricity Act;</p>	<p>The DISCOMs submit that True-Up Petitions for FY 2022-23, FY 2023-24, and FY 2024-25 have already been filed in accordance with the regulations and fully aligned with the audited accounts.</p> <p>The DISCOMs requests Hon'ble Commission to approve the same.</p>

**Response to TISMA (Telangana Iron and Steel Manufacturers Association), Satya Sarovar Apt, Ghansi Bazar, Near High court, Hyderabad, 500002, Telangana. Ph: 040-66145102., Email: tismahyd@gmail.com**

S.No.	Summary of Objections / Suggestions	Response of the Licensee
Comments on TGDICOM's True-Up Filing for FY 2022–23		
1.	<p>The Hon'ble Commission, vide its Order dated 2 May 2025, granted an extension to the Petitioner and directed it to file the True-up Petitions for FY 2022–23 and FY 2023–24 within two months from the date of the said Order. However, the Licensees filed the Petition only on 10 November 2025, which is beyond the stipulated timeline.</p> <p>It is to be noted that TG DISCOMs have filed Power Purchase Cost &amp; Revenue True-Up Petitions for FY 2022-23, FY 2023-24 &amp; FY 2024-25. These True-Up Petitions are incomplete since important elements like Sales, Energy Balance, Transmission Losses, Distribution Losses have not been filed. Moreover, in the absence of complete True-up, Revenue Gap / Surplus has not been calculated. Claiming Power Purchase True-Up without submitting the Sales and Energy Balance is a non-scientific &amp; non-transparent way of determining the Power Purchase Cost and defeats the purpose of True-Up Exercise.</p> <p>It is pertinent to mention that the last True-Up Order issued by Hon'ble TGERC is for FY 2018-19 dated 23/03/2023. Till date True-Up Orders</p>	<p>TGDISCOMs filed power purchase cost true up for FY 2022-23 in accordance with "APERC (Terms and Conditions for determination of Tariff for Wheeling and Retail Sale of Electricity) Regulation, 4 of 2005" and its first amendment Regulation I of 2014 (adopted by TGERC).</p> <p>These filings have been made strictly in line with the regulatory formats and requirements prescribed by the Hon'ble Commission. Details relating to sales, energy balance, and T&amp;D losses are provided in the ARR filings of respective years. TGDISCOMs acknowledges the need for timely issuance of Tariff orders and True up orders.</p> <p>TGDISCOMs submit that, for the reasons detailed in the petition, the True-Up petitions could not be filed earlier. The marginal delay in submission was procedural and transitional</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>for FY 2019-20, FY 2020-21, FY 2021-22, FY 2022-23, FY 2023-24 &amp; FY 2024-25 are pending. The same comment was submitted by PFI in the ARR Petition for FY 2025-26. Hon'ble TGERC addressed the said comment in the Tariff Order for FY 2025-26 dated 29/04/2025.</p> <p><b>“3.3 TRUE UP/ DOWN AND FCA PETITIONS</b></p> <p><i>Commission’s analysis &amp; findings</i></p> <p><i>3.3.8 The Commission has noted the concerns of the stakeholders in respect of the consequences that resulted in running into losses of the petitioners on account of not properly filing the True-up/True-down petitions and not collecting Fuel Cost Adjustment (FCA) as per stipulated regulations. The petitioners have failed to explain as to why they could not file their claims in respect of FCA adjustments quarterly as stipulated in the Regulation which has resulted in huge backlogs thereby the TGDISCOMs are not in a position to claim the FCA either from the government or from the consumers.</i></p> <p><i>... 3.3.11 The Commission directs the TGDISCOMs to strictly comply with Regulation 2 of 2023 and ensure that all future True-up, ARR, Tariff Proposals, and FCA claims are filed within the stipulated timelines. Any deviation from the prescribed schedule will be viewed seriously and may attract regulatory action.”</i></p> <p>Thereafter, TG DISCOMs in Petition I.A. No. 28 of 2025 prayed before the Commission that they may be granted time for filing of petition of power purchase True-Ups of FY 2022-23 and FY 2023-24 pertaining to</p>	<p>in nature, and was neither intentional nor indicative of any deficiency in service.</p> <p>TGDISCOMs further submit that all future filings will be made strictly in accordance with Regulation No. 02 of 2023 and in adherence to the timelines prescribed under the Telangana Electricity Regulatory Commission Regulations.</p> <p>TGDISCOMs are diligently adhering to the current MYT regulations 1 of 2023 in calculating FCA and will continue do so.</p> <p>The TGDISCOMs have addressed letters to the GoTG for approval for collection of FCA amount regularly every month as per the provisions in the MYT Regulation.</p> <p>TGDISCOMs have clearly stated in their submissions that no Power Purchase true-up is being claimed for FY 2023-24 and FY 2024-25 and have requested the Hon’ble Commission to pass necessary orders accordingly.</p> <p>This clearly demonstrates the TGDISCOM’s adherence to the regulatory framework and compliance with the directions of the Hon’ble Commission.</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>retail supply business along with condonation of delay application within due course of time. Hon'ble TGERC vide Order dated 2/05/2025 granted time extension for two months. Relevant extract from the said Order is as follows.</p> <p><i>“13. Therefore, keeping in view of the exigencies as submitted by the petitioner this Commission extends the time for filing the true-up petitions. 14. Accordingly, this petition is allowed and petitioners/TGDISCOMs are directed to file the true-up petitions for FY 2022 – FY 2023 and FY 2023 – FY 2024 within two months from the date of this order”</i></p> <p>Even after being granted time extension of two months, the True-Up Petitions for FY 2022-23 &amp; FY 2023-24 have been filed on 29/11/2025 i.e, 5 months of delay.</p> <p>Further, as per TGERC (Multi Year Tariff) Regulation, 2023, the DISCOMs need to file or True-Up annually. Relevant extract from the Regulations is as follows:</p> <p><i>“6 Procedure for filing Petition</i></p> <p><i>6.1 The petitions under MYT by the generating entity, transmission licensee/STU, SLDC and distribution licensee shall be filed as per the timelines specified in this Regulation...</i></p> <p><i>c) Multi Year Tariff petition shall be filed by 30th November of the year preceding the first year of the Control Period by distribution licensee (for</i></p>	<p>It is further submitted that as per regulations, Power Purchase true-up for FY 2022-23 is allowed since disallowance based on FCA levying is not applicable for FY 2022-23.</p> <p>TGDISCOMs acknowledge that while the Hon'ble APTEL has empowered SERCs to initiate suo-motu proceedings in the absence of utility filings, the Hon'ble Commission would still require complete and accurate data from the DISCOMs to ensure a fair and accurate determination.</p> <p>Given the technical and regulatory complexities involved, it is preferable that DISCOMs file the True-Up petitions themselves.</p> <p>This ensures completeness, transparency, and avoids avoidable delays, supporting a more accurate and cost-reflective tariff determination process.</p> <p>TGDISCOMs re-iterate that the True-up filings for FY 2022-23, FY 2023-24 and FY 2024-25 have been made in accordance with regulations issued by Hon'ble commission.</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p><i>retail supply business) comprising:</i></p> <p><i>i. True-up of preceding year;</i></p> <p><i>ii. Aggregate Revenue Requirement for each year of the Control Period;</i></p> <p><i>iii. Revenue from retail sale of electricity at existing tariffs &amp; charges and projected revenue gap for the first year of the Control Period;</i></p> <p><i>iv. Proposal of consumer category wise</i></p> <p><i>f) After first year of the Control Period and onwards, the annual petitions by distribution licensee (for retail supply business) shall comprise of:</i></p> <p><i>i. True-up of preceding year;</i></p> <p><i>ii. Revised Aggregate Revenue Requirement for ensuing year of the Control Period;</i></p> <p><i>iii. Revenue from retail sale of electricity at existing tariffs &amp; charges and projected revenue gap for ensuing year of the Control Period;</i></p> <p><i>iv. Proposal of consumer category wise retail supply tariff and charges for ensuing year of the Control Period.</i></p> <p>9) Further, the same Regulations have also stipulated a penal mechanism to enforce timely submission of True-Up Petitions. Relevant extract from the Regulations is as follows.</p> <p><i>“29 Return on Equity</i></p> <p><i>29.1 Return on Equity shall be computed in rupee terms, on the equity base determined in accordance with clause 27.</i></p>	

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p><i>29.2 Return on Equity shall be computed at the following base rates:</i></p> <p><i>Provided that in case of delay in submission of tariff/true-up filings by the generating entity or licensee or SLDC, as required under this Regulation, rate of RoE shall be reduced by 0.5% per month or part thereof.”</i></p> <p>Moreover, the need for timely issuance of Tariff Orders and True-up Orders has been decided by Hon’ble APTEL in its judgement dtd. 11/11/2011 in OP No. 1 of 2011, as follows:</p> <p><i>“57. This Tribunal has repeatedly held that regular and timely truing-up expenses must be done since:</i></p> <p><i>(a) No projection can be so accurate as to equal the real situation.</i></p> <p><i>(b)The burden/benefits of the past years must not be passed on to the consumers of the future.</i></p> <p><i>(c) Delays in timely determination of tariff and truing-up entails:</i></p> <p><i>(i) Imposing an underserved carrying cost burden to the consumers, as is also recognised by para 5.3 (h) (4) of National Tariff Policy.</i></p> <p><i>(ii) Cash flow problems for the licensees.</i></p> <p><i>65. In view of the analysis and discussion made above, we deem it fit to issue the following directions to the State Commissions:</i></p> <p><i>(i) Every State Commission has to ensure that Annual Performance Review, true-up of past expenses and Annual Revenue Requirement and tariff determination is conducted year to year basis as per the time schedule specified in the Regulations.</i></p>	

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p><i>(ii) It should be the endeavour of every State Commission to ensure that the tariff for the financial year is decided before 1st April of the tariff year...</i></p> <p><i>(iii) In the event of delay in filing of the ARR, truing-up and Annual Performance Review, one month beyond the scheduled date of submission of the petition, the State Commission must initiate Suo-moto proceedings for tariff determination in accordance with Section 64 of the Act read with clause 8.1 (7) of the Tariff Policy.</i></p> <p><i>(v) Truing up should be carried out regularly and preferably every year...”.</i></p> <p>From above, it is noted that Hon’ble APTEL has even decided that SERCs can initiate Suo-moto proceedings and collect the data and information and give suitable directions and then determine the Tariff even in the absence of the application filed by the utilities by exercising the powers under the provisions of the Act as well as the Tariff Regulations.</p> <p>Thus, timely issuance of Tariff and True-up Orders that too cost-reflective results in timely passing of escalated cost in the power sector supply chain thereby maintaining adequate cash flow with the utilities, thus enabling them to supply uninterrupted quality supply to the consumers. It further avoids Creation of Regulatory Assets, burden of Carrying Cost and Tariff shock at once to the end consumers.</p>	

S.No.	Summary of Objections / Suggestions	Response of the Licensee						
	<p>Req: In view of the above, it is humbly prayed that the Hon'ble Commission may not accept or admit the present True-up Petition. It is further prayed that an appropriate penalty be imposed on the Licensees, in line with the Commission's observations in the Tariff Order for FY 2024–25, wherein it has been specified that, "in case of delay in submission of tariff/True-up filings by the generating entity or licensee or SLDC, as required under this Regulation, the rate of RoE shall be reduced by 0.5% per month or part thereof," under Clause 20.2 of the Multi-Year Tariff Regulation No. 2 of 2023.</p>							
2.	<p>The Licensees, TGSPDCL and TGNPDCL, have claimed Transmission Charges of ₹4,134 crore and ₹1,737 crore, respectively, in the True-up for FY 2022–23. However, the Annual Accounts of TGSPDCL (Note 23, Page 132) reflect the amount as ₹4,091.61 crore, and those of TGNPDCL (Note 25, Page 138) reflect the amount as ₹1,018.66 crore. Hence, the Hon'ble Commission is requested not to accept the claim of the Petitioner and to consider the figures as per the audited accounts.</p> <table border="1" data-bbox="302 1134 954 1358"> <thead> <tr> <th data-bbox="302 1134 629 1267">Claimed by the Licensee for True Up of FY 2022-23</th> <th data-bbox="629 1134 954 1267">As per Audited Accounts</th> </tr> </thead> <tbody> <tr> <td data-bbox="302 1267 629 1310">Rs. 4134 Crore</td> <td data-bbox="629 1267 954 1310">Rs. 4091.61 Crore</td> </tr> <tr> <td data-bbox="302 1310 629 1358">Rs. 1737 Crore</td> <td data-bbox="629 1310 954 1358">Rs. 1018.66 Crore</td> </tr> </tbody> </table>	Claimed by the Licensee for True Up of FY 2022-23	As per Audited Accounts	Rs. 4134 Crore	Rs. 4091.61 Crore	Rs. 1737 Crore	Rs. 1018.66 Crore	<p>TGDISCOM submits that, While the objector has compared certain line-item figures presented under specific accounting notes, it is respectfully submitted that the overall power purchase cost, including Transmission Charges, as claimed in the True-up, is fully reconciled with and tallying with the audited annual accounts of both DISCOMs.</p>
Claimed by the Licensee for True Up of FY 2022-23	As per Audited Accounts							
Rs. 4134 Crore	Rs. 4091.61 Crore							
Rs. 1737 Crore	Rs. 1018.66 Crore							

S.No.	Summary of Objections / Suggestions	Response of the Licensee
3.	<p>The Note 43 of the Audited accounts of TGSPDCL provide that:</p> <p>In respect of provision for surcharge of M/s. Singareni Thermal Power Plant (STPP), as the Discom and STPP are Government companies, the Discom is taking up the issue with STPP to waive late payment surcharge. To avoid the burdening the consumers, TS Discoms have requested to waive the late payment surcharge as it is not covered in ARR order. The late payment surcharge levied to the end of 2022-23 is Rs.3,459.65 Crore</p> <p>The Hon'ble Commission is requested to direct the Petitioner to clarify whether it has paid the Late Payment Surcharges and if it has, the same may be reduced from the power purchase cost.</p>	<p>The LPS amount is not included in the power purchase cost. And TGDISCOMs have not claimed in the True-ups.</p>
4.	<p>The NTPC plants, such as NTPC Simhadri Stage-I and NTPC Kudgi, are among the generating stations that participated in the Ancillary Services Market during FY 2022–23. The Hon'ble Commission is respectfully requested to direct the Licensees to clarify whether the appropriate share of revenue earned from the Ancillary Services Market has been duly passed on by the Generators to the DISCOMs, in accordance with the applicable regulations and PPA provisions</p>	<p>As per the prevailing regulatory framework, the net gain or revenue from Ancillary Services, after accounting for fuel and other variable costs, is adjusted in accordance with CERC orders. Such adjustments are reflected in the monthly regional energy accounts (REA) through billing adjustments raised by the generator. The bills raised by NTPC, which are prepared in line with CERC regulations and verified through the Regional Power Committee mechanism.</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
5.	<p>The Licensees, TGSPDCL and TGNPDCL, have claimed miscellaneous charges of ₹1,563 crore and ₹931 crore, respectively, for which no details have been provided. In respect of these miscellaneous expenses, the audited statements of TGSPDCL provide the following details:</p> <p>It is to submit that, Hon'ble TSERC has issued the order Dated: 21.11.2022 in respect of OP No: 8 of 2021 filed by M/s. Singareni-STPP allowing the water charges and Thermal incentive based on scheduled energy for the period from 2016-19.</p> <p>However, TSDiscoms have already made provision in the books for thermal incentive and other Miscellaneous expenses. Subsequently, Hon'ble TSERC has disposed the secondary petition in OP.No. 25 of 2021 disallowing the other Miscellaneous expenses were already taken in the books of accounts. M/s. SCCL-STPP misinterpreting the TSERC Order has preferred consolidated claim including charges which was disallowed by TSERC. Therefore, the total claim was rejected with a request to claim water charges and incentive separately. Separate provision was not made towards water charges as provision for miscellaneous expenses more or less compensates the provision for water charges.</p> <p>However, the actual water charges will be taken into books of accounts</p>	<p>The miscellaneous charges claimed by the DISCOMs for FY 2022-23 to FY 2024-25 include expenses towards – major portion 1142 crs for FY 2022-23 is towards MTR Order and Provision-2022-23, banked energy, IEX Cost adjustments, STOA and LTOA charges, Reactive charges, Deviation charges and other related statutory and operational charges. These charges are incidental to power procurement and grid operations.</p> <p>These amounts have been accounted for in line with regulatory requirements and are reflected in the audited accounts.</p> <p>A detailed breakup of these miscellaneous charges is being furnished to the Hon'ble Commission as part of the additional information.</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>of TSDiscoms in 2023-24 duly setting off against the provision already made.</p> <p>Hence the Hon'ble Commission is requested to not consider it for the FY 2022-23 True Up.</p> <p>The Licensees, in their reply to some of the objectors, have stated that the miscellaneous charges claimed by the DISCOMs for FY 2022–23 include expenses, of which a major portion amounting to ₹1,142 crore pertains to the GENCO MTR Order and Provision for FY 2022–23, banked energy, IEX cost adjustments, STOA and LTOA charges, reactive charges, deviation charges, and other related statutory and operational charges. The Licensees have further submitted that these charges are incidental to power procurement and grid operations.</p> <p>In this regard, the Hon'ble Commission is respectfully requested to direct the Licensees to furnish a detailed head-wise and item-wise break-up of the aforesaid miscellaneous charges, along with supporting documents and reconciliation with the audited accounts. In the absence of such proper justification and documentary evidence, the Hon'ble Commission may kindly disallow the said claims.</p>	
6.	For the approved short-term purchase of 2,171.87 MU in FY 2022–23, the Commission has considered a power purchase price of Rs. 3.30/kWh	TGDISCOMs submit that this is the actual cost borne by DISCOM and relevant details are submitted in the filings and

S.No.	Summary of Objections / Suggestions	Response of the Licensee																																																																
	<p>(Para 4.5.10, p. 129 of the RST Order for FY 2022–23). However, the TGDISCOMs procured power from market sources at an average cost of Rs. 6.53 per unit, which is nearly double the purchase price stipulated by the Commission. Therefore, the Hon’ble Commission is respectfully requested to adopt the short-term purchase price as approved in the Tariff Order for FY 2022–23 and not to allow the higher prices claimed by the TGDISCOMs.</p> <p>The TGDISCOMs, in their reply regarding the higher market purchase price, have submitted that the cost claimed represents the actual cost borne by the DISCOMs, and that relevant details have been furnished in the filings. They have further stated that the cost was incurred to ensure reliable and continuous power supply to consumers, and that it is necessary for the DISCOMs to recover the same. The DISCOMs have contended that the rate of Rs. 3.30/unit approved in the Tariff Order was only an indicative estimate, whereas the actual market prices during the year were significantly higher. They have submitted that the average DAM and GDAM prices during FY 2022–23 were around Rs. 6.10/unit and Rs. 5.75/unit, respectively, which, after accounting for losses and other charges, resulted in a landed cost of Rs. 6.53/unit, and that such procurement reflects prudent market optimization.</p> <p>However, the weighted average DAM rate as per IEX for the calendar</p>	<p>this cost was borne by DISCOMs to provide reliable and continuous power supply to its consumers and it is important for DISCOM to get this claim. It is also to be noted that the objector’s comparison is based on calendar year 2022, whereas the True-up pertains to financial year FY 2022-23. and references of computation is attached below (source – IEX)</p> <table border="1" data-bbox="1256 651 1944 1050"> <thead> <tr> <th colspan="4">Market Snapshot</th> </tr> <tr> <td colspan="4">Date: 01-04-2022 to 31-12-2022</td> </tr> <tr> <th>Year</th> <th>Month</th> <th>Weighted MCP (Rs/MWh)</th> <th>Rs/Unit</th> </tr> </thead> <tbody> <tr><td>2022</td><td>April</td><td>9524.24</td><td>9.5</td></tr> <tr><td>2022</td><td>May</td><td>6810.33</td><td>6.8</td></tr> <tr><td>2022</td><td>June</td><td>6884.79</td><td>6.9</td></tr> <tr><td>2022</td><td>July</td><td>5496.85</td><td>5.5</td></tr> <tr><td>2022</td><td>August</td><td>5431.08</td><td>5.4</td></tr> <tr><td>2022</td><td>September</td><td>5875.13</td><td>5.9</td></tr> <tr><td>2022</td><td>October</td><td>3963.44</td><td>4.0</td></tr> <tr><td>2022</td><td>November</td><td>4795.49</td><td>4.8</td></tr> <tr><td>2022</td><td>December</td><td>5597.86</td><td>5.6</td></tr> <tr><td>2023</td><td>Jan</td><td>6375.48</td><td>6.4</td></tr> <tr><td>2023</td><td>Feb</td><td>6639.79</td><td>6.6</td></tr> <tr><td>2023</td><td>March</td><td>5436.19</td><td>5.4</td></tr> <tr><td colspan="3">avg price DAM</td><td>6.1</td></tr> </tbody> </table>	Market Snapshot				Date: 01-04-2022 to 31-12-2022				Year	Month	Weighted MCP (Rs/MWh)	Rs/Unit	2022	April	9524.24	9.5	2022	May	6810.33	6.8	2022	June	6884.79	6.9	2022	July	5496.85	5.5	2022	August	5431.08	5.4	2022	September	5875.13	5.9	2022	October	3963.44	4.0	2022	November	4795.49	4.8	2022	December	5597.86	5.6	2023	Jan	6375.48	6.4	2023	Feb	6639.79	6.6	2023	March	5436.19	5.4	avg price DAM			6.1
Market Snapshot																																																																		
Date: 01-04-2022 to 31-12-2022																																																																		
Year	Month	Weighted MCP (Rs/MWh)	Rs/Unit																																																															
2022	April	9524.24	9.5																																																															
2022	May	6810.33	6.8																																																															
2022	June	6884.79	6.9																																																															
2022	July	5496.85	5.5																																																															
2022	August	5431.08	5.4																																																															
2022	September	5875.13	5.9																																																															
2022	October	3963.44	4.0																																																															
2022	November	4795.49	4.8																																																															
2022	December	5597.86	5.6																																																															
2023	Jan	6375.48	6.4																																																															
2023	Feb	6639.79	6.6																																																															
2023	March	5436.19	5.4																																																															
avg price DAM			6.1																																																															

S.No.	Summary of Objections / Suggestions	Response of the Licensee																																																								
	<p>year 2022 was Rs. 5.821/unit, which is lower than the claimed rate of Rs. 6.10/unit. Therefore, the Hon'ble Commission is respectfully requested to examine the discrepancy and verify the basis of the claimed market rates, and accordingly restrict the allowable power purchase cost to reasonable and prudently incurred levels. (<a href="https://www.iexindia.com/market-data/day-ahead-market/market-snapshot?interval=YEARLY&amp;dp=CALENDER_YEAR&amp;showGraph=false&amp;toDate=2022&amp;fromDate=1">https://www.iexindia.com/market-data/day-ahead-market/market-snapshot?interval=YEARLY&amp;dp=CALENDER_YEAR&amp;showGraph=false&amp;toDate=2022&amp;fromDate=1</a>)</p>	<p><b>Market Snapshot</b> Date: 01-04-2022 to 31-12-2022</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Month</th> <th>Weighted MCP (Rs/MWh)</th> <th>Rs/Unit</th> </tr> </thead> <tbody> <tr><td>2022</td><td>April</td><td>9286.40</td><td>9.29</td></tr> <tr><td>2022</td><td>May</td><td>5910.24</td><td>5.91</td></tr> <tr><td>2022</td><td>June</td><td>5939.28</td><td>5.94</td></tr> <tr><td>2022</td><td>July</td><td>4631.94</td><td>4.63</td></tr> <tr><td>2022</td><td>August</td><td>5202.76</td><td>5.20</td></tr> <tr><td>2022</td><td>September</td><td>5422.74</td><td>5.42</td></tr> <tr><td>2022</td><td>October</td><td>4019.08</td><td>4.02</td></tr> <tr><td>2022</td><td>November</td><td>4913.08</td><td>4.91</td></tr> <tr><td>2022</td><td>December</td><td>5235.40</td><td>5.24</td></tr> <tr><td>2023</td><td>Jan</td><td>6299.04</td><td>6.30</td></tr> <tr><td>2023</td><td>Feb</td><td>6569.1</td><td>6.57</td></tr> <tr><td>2023</td><td>March</td><td>5665.2</td><td>5.67</td></tr> <tr><td colspan="3">avg price DAM</td><td>5.76</td></tr> </tbody> </table>	Year	Month	Weighted MCP (Rs/MWh)	Rs/Unit	2022	April	9286.40	9.29	2022	May	5910.24	5.91	2022	June	5939.28	5.94	2022	July	4631.94	4.63	2022	August	5202.76	5.20	2022	September	5422.74	5.42	2022	October	4019.08	4.02	2022	November	4913.08	4.91	2022	December	5235.40	5.24	2023	Jan	6299.04	6.30	2023	Feb	6569.1	6.57	2023	March	5665.2	5.67	avg price DAM			5.76
Year	Month	Weighted MCP (Rs/MWh)	Rs/Unit																																																							
2022	April	9286.40	9.29																																																							
2022	May	5910.24	5.91																																																							
2022	June	5939.28	5.94																																																							
2022	July	4631.94	4.63																																																							
2022	August	5202.76	5.20																																																							
2022	September	5422.74	5.42																																																							
2022	October	4019.08	4.02																																																							
2022	November	4913.08	4.91																																																							
2022	December	5235.40	5.24																																																							
2023	Jan	6299.04	6.30																																																							
2023	Feb	6569.1	6.57																																																							
2023	March	5665.2	5.67																																																							
avg price DAM			5.76																																																							
7.	<p>The Hon'ble Commission is humbly requested to direct the Licensees to furnish the details of the Late Payment Surcharge (LPS) amounts, in Rs. crore, paid to the generators, along with supporting documents and reconciliation with the audited accounts.</p>	<p>The details pertaining to payment of LPS amounts is being furnished to the Hon'ble Commission as part of the additional information.</p>																																																								
8.	<p>The Licensees, TGSPDCL and TGNPDCL, have claimed short-term power purchase quantum of 5,126 MU and 2,140 MU, respectively, as against the approved quantum of 1,532 MU and 640 MU. This represents an increase of about 235% (3.35 times) in the case of TGSPDCL and about 234% in the case of TGNPDCL over the quantum approved by the Hon'ble Commission.</p> <p>At the same time, procurement from reliable GENCO thermal sources was lower than the approved quantum. In the case of TGNPDCL, only</p>	<p>TGDISCOMs would like to reiterate the fact that Energy procurement from short term sources is considered for the following reasons</p> <ul style="list-style-type: none"> <li>Energy supply during hours of deficit (Power requirement &gt; Power availability from generators)</li> <li>Power purchase cost optimization: TGDISCOMs have considered procurement from short term sources during hours when the Market price is lesser than the Variable</li> </ul>																																																								

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>6,968 MU was procured as against the approved 7,924 MU, and in the case of TGSPDCL, 16,692 MU was procured as against the approved 18,983 MU.</p> <p>The simultaneous under-procurement from approved and economical thermal sources and excessive reliance on costly short-term market purchases clearly indicate lack of proper power planning, forecasting, and optimal scheduling by the DISCOMs.</p> <p>Accordingly, the excess short-term procurement ought not to be considered prudent and should not be allowed in the True-up.</p>	<p>cost (VC) of few generating stations with higher VC to optimize the overall cost of power procurement.</p> <p>Here, it is pertinent to note that, the procurement from short term sources for deficit supply is done only when the entire generation capacity is dispatched and the procurement from short term sources for Power purchase optimization is done only by backing down the thermal generators having higher VC than the then existing market (Short term source) prices resulting only in the reduction of overall power procurement cost.</p>
Comments on TSDISCOM's True-Up Filing for FY 2023–24		
9.	<p>The Hon'ble Commission, vide its Order dated 2 May 2025, granted an extension to the Petitioner and directed it to file the True-up Petitions for FY 2022–23 and FY 2023–24 within two months from the date of the said Order. However, the Licensees filed the Petition only on 10 November 2025, which is beyond the stipulated timeline.</p> <p>In view of the above, it is humbly prayed that the Hon'ble Commission may not accept or admit the present True-up Petition. It is further prayed that an appropriate penalty be imposed on the Licensees, in line with the Commission's observations in the Tariff Order for FY 2024–25, wherein</p>	<p>TGDISCOMs acknowledges the need for timely issuance of Tariff orders and True up orders.</p> <p>TGDISCOMs submit that, for the reasons detailed in the petition, the True-Up petitions could not be filed earlier. The marginal delay in submission was procedural and transitional in nature, and was neither intentional nor indicative of any deficiency in service.</p> <p>TGDISCOMs further submit that all future filings will be made strictly in accordance with Regulation No. 02 of 2023</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>it has been specified that, “in case of delay in submission of tariff/True-up filings by the generating entity or licensee or SLDC, as required under this Regulation, the rate of RoE shall be reduced by 0.5% per month or part thereof,” under Clause 20.2 of the Multi-Year Tariff Regulation No. 2 of 2023.</p>	<p>and in adherence to the timelines prescribed under the Telangana Electricity Regulatory Commission Regulations. TGDISCOMs have clearly stated in their submissions that no Power Purchase true-up is being claimed for FY 2023-24, and have requested the Hon’ble Commission to pass necessary orders accordingly. This clearly demonstrates the TGDISCOM’s adherence to the regulatory framework and compliance with the directions of the Hon’ble Commission.</p>
10.	<p>The Licensees have submitted that the Central Generating Stations witnessed a shortfall of 4,340 MU, amounting to a 21% reduction in generation, attributing the same to the delay in commissioning of the Telangana STPP. However, the Hon’ble Commission had approved a total quantum of 21,126 MU, as per Table No. 4.15 vide its Order dated 24.03.2023 for FY 2023–24, which included 8,247.29 MU from TSTPP–1. If the quantum pertaining to TSTPP–1 is excluded on account of the delay, the revised quantum works out to 12,878.71 MU.</p> <p>In this context, a shortfall of 4,340 MU corresponds to approximately 20.5% of the approved quantum of 21,126 MU, and not 21% (which would amount to about 4,436 MU). Therefore, the percentage reduction claimed by the Licensees does not mathematically align with the stated shortfall and requires proper clarification and justification.</p>	<p>For the CGS stations, the Hon’ble Commission had approved 7,916 MU from TSTPP-1, of which 2,645 MU was actually dispatched, resulting in a shortfall of 5,271 MU. This shortfall was partly offset by higher than approved dispatch from several CGS stations such as NTPC, NPC-Kaiga, and NCE JNNM Phase-1, thereby bringing the net shortfall to 4,340 MU.</p> <p>The petition highlighted only the major reasons for the variation. The calculated shortfall of 4,340 MU corresponds to approximately 20.54%, which was rounded to 21% for ease of understanding.</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
11.	<p>The Hon'ble Commission approved the quantum of power purchase from NCEs for FY 2023–24 as 11,896 MU, whereas the Licensees have claimed the quantum as 11,007 MU. The Licensees have submitted that there has been a 7.47% shortfall in energy dispatched by NCEs, leading to a reduction of 889 MU in generation.</p> <p>In this regard, the Hon'ble Commission is humbly requested to direct the Licensees to furnish detailed data on curtailment, including scheduled energy vis-à-vis actual drawl/withdrawal. The Commission may also direct the Licensees to clarify whether the quantum under net metering has been considered under this head.</p>	<p>The variation in NCE energy is due to the actual dispatch being 11,007 MU against the Hon'ble Commission's approved 11,896 MU, resulting in a reduction of 889 MU, i.e., 7.47%.</p> <p>TGDISCOMs submit that the aforesaid shortfall is primarily attributable to factors beyond the control of the Licensees, such as resource variability (solar irradiation), seasonal patterns, etc. NCE power is accorded "must-run" status as per the provisions of the regulations and grid code, and there is no curtailment of NCE sources.</p> <p>Actual energy from NCE sources is fully considered in the True-up computations. Whereas, the net-metering (rooftop solar) quantum is not included under NCE purchase, it is netted off against sales.</p>
12.	<p>The Licensees have claimed Transmission cost of ₹6,113 crore as against the approved cost of ₹5,376 crore for FY 2023–24. However, the audited accounts of TGNPDCL reflect Transmission &amp; SLDC charges of ₹1,139.98 crore, while the audited accounts of TGSPDCL reflect ₹4,244.26 crore, aggregating to ₹5,384.24 crore.</p> <p>The claimed amount is therefore higher than the audited figures by</p>	<p>TGDISCOM submits that, While the objector has compared certain line-item figures presented under specific accounting notes, it is respectfully submitted that the overall power purchase cost, including Transmission Charges, as claimed in the True-up, is fully reconciled with and tallying with the audited annual accounts of both DISCOMs.</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>₹728.76 crore and also significantly above the approved cost. Hence, the Hon'ble Commission is respectfully requested to direct the Licensees to furnish detailed justification and reconciliation for such variation.</p>	
13.	<p>The Licensees have claimed Interstate Sale/UI Sale/Purchase in 33 kV and below as ₹ (-735) crore for FY 2023-24, as against the approved value of ₹ (-1,862) crore. However, as per the audited accounts of TGNPDCL (Note 23.2), the Company has recorded inter-state sales amounting to ₹234.34 crore and Unscheduled Interchange (UI) charges of ₹6.12 crore.</p> <p>In view of the above, the Hon'ble Commission is respectfully requested to direct the Licensees to furnish the complete break-up and detailed reconciliation of the said claim with the audited accounts.</p>	<p>The DISCOMs submit that the audited annual accounts reflect the actual quantum and value of interstate sale/UI transactions recorded at the Company level.</p> <p>For the purpose of the True-up computation, the split of the consolidated figures between TGNPDCL and TGSPDCL has been carried out based on their respective energy share (29.45% for TGNPDCL and 70.55% for TGSPDCL). Accordingly, there is no inconsistency between the audited accounts and the values presented in the True-up model; the variation is only due to this allocation methodology.</p>
14.	<p>The Licensee, TGSPDCL, has claimed the actual revenue realized from the HT category as ₹19,509.79 crore. However, the audited accounts of TGSPDCL (Note 21) reflect revenue earned from HT supply amounting to ₹19,608.47 crore.</p> <p>In view of the above, the Hon'ble Commission is respectfully requested to direct the Licensee to submit a detailed reconciliation of the claimed amount vis-à-vis the figures reflected in the audited accounts.</p>	<p>The revenue shown in the True-up is based on category-wise mapping, not the audited line items. The total revenue of ₹31,499.6 crore fully matches the audited accounts when considering:</p> <p>LT revenue: ₹11,204.40 cr  HT revenue: ₹19,608.47 cr  Add: Customer charges ₹912.41 cr</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
		<p>Less: ED ₹225.67 cr</p> <p>This reconciles exactly to ₹31,499.6 cr, which is the same total used in the True-up (LT ₹11,989.8 cr + HT ₹19,509.8 cr).</p>
15.	<p>The Licensee, TGSPDCL, has claimed revenue from other sources amounting to ₹289.10 crore, which appears to be understated when compared with the revenue from other sources as reflected in the audited accounts.</p> <p>In view of the above, the Hon'ble Commission is respectfully requested to direct the Licensee to furnish a detailed break-up of the said amount along with proper reconciliation with the audited accounts.</p>	<p>The amount of ₹289.10 crore represents revenue from Additional Surcharge, Cross-Subsidy Surcharge, and other Non-Tariff Income.</p>
16.	<p>The Licensee, TGNPDCL, has claimed Non-Tariff Income amounting to ₹72.37 crore, which appears to be understated when compared with the corresponding figures reflected in the audited accounts. The Licensee has not considered Miscellaneous Charges from consumers amounting to ₹486.62 crore, Recoveries towards Theft/Malpractice amounting to ₹22.40 crore, and Delayed Payment Charges amounting to ₹166.08 crore.</p> <p>In view of the above, the Hon'ble Commission is respectfully requested to direct the Licensee to furnish a detailed break-up of the said amount</p>	<p>DPS and miscellaneous charges from consumers have already been accounted for under the respective consumer categories. The amount of ₹72.37 crore shown under 'other revenue' pertains to theft cases and other non-tariff income.</p>

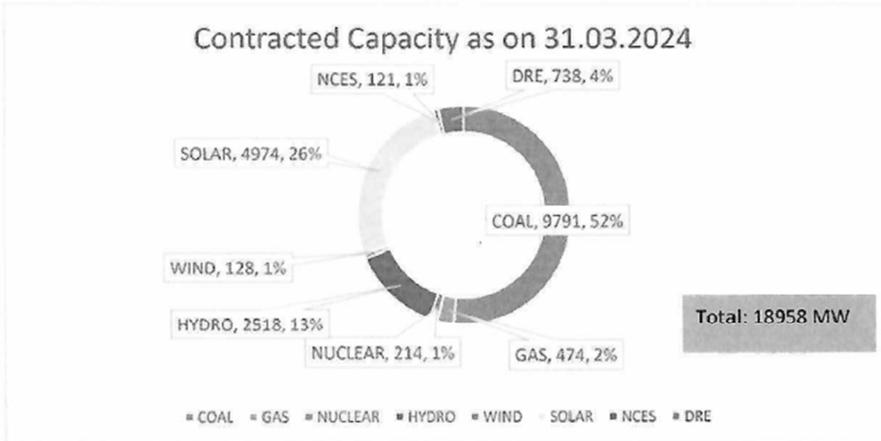
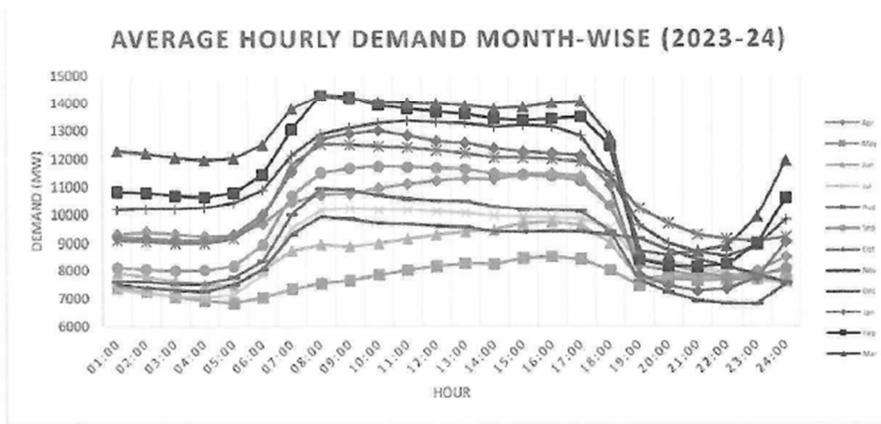
S.No.	Summary of Objections / Suggestions	Response of the Licensee
	along with proper reconciliation with the audited accounts.	
Comments on TGDISCOM's True-Up Filing for FY 2024–25		
17.	<p>The Licensees procured 7,266 MU from short-term sources in FY 2022–23, which increased to 9,895 MU in FY 2023–24 (an increase of about 36%) and further escalated to 20,870 MU in FY 2024–25 (an increase of about 111% over the previous year). Overall, short-term power procurement has increased by approximately 187% over the two-year period. This steep and continuous rise in reliance on short-term sources indicates lack of proper long-term power planning and prudent procurement strategy on the part of the Licensees, resulting in avoidable financial burden on consumers.</p>	<p>TGDISCOMs would like to reiterate the fact that Energy procurement from short term sources is considered for the following reasons:</p> <ul style="list-style-type: none"> <li>• Energy supply during hours of deficit (Power requirement &gt; Power availability from generators)</li> <li>• Power purchase cost optimization: TGDISCOMs have considered procurement from short term sources during hours when the Market price is lesser than the Variable cost (VC) of few generating stations with higher VC to optimize the overall cost of power procurement.</li> </ul> <p>Here, it is pertinent to note that, the procurement from short term sources for deficit supply is done only when the entire generation capacity is dispatched and the procurement from short term sources for Power purchase optimization is done only by backing down the thermal generators having higher VC than the then existing market (Short term source) prices resulting only in the reduction of overall power procurement</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
		cost.
18.	<p>The Licensees, while justifying the substantial increase in short-term power procurement, have submitted that the State of Telangana has been supplying 24x7 power to the agricultural sector since 1 January 2018, which has increased the overall power purchase requirement for FY 2024–25. The Licensees have further stated that, after exhausting all available sources, they resorted to short-term market purchases to meet the sudden increase in power demand during FY 2024–25.</p> <p>However, it is submitted that the Licensees have not adequately explored alternative and more economical procurement options, such as procurement through the DEEP portal, short-term bilateral agreements, or medium-term power purchase arrangements. Instead, they have largely relied on costly power procurement through the power exchanges, without duly considering the resultant financial burden on consumers. Such procurement practices reflect a lack of prudent planning and optimal power procurement strategy.</p> <p>In view of the above, the Hon'ble Commission is respectfully requested to disallow the excess costly procurement undertaken by the DISCOMs and direct them to adopt prudent and economically optimal power procurement planning in future.</p>	<p>Before resorting to purchase from power exchanges, the TGDISCOMs explored and availed power through:</p> <ul style="list-style-type: none"> <li>• Procurement through transparent bidding platforms, including the DEEP portal.</li> <li>• Banking arrangements and swap mechanisms.</li> </ul> <p>After exhausting above options, procured power from short-term market.</p> <p>In view of the above, TGDISCOMs respectfully submit that the short-term procurement undertaken during FY 2024–25 was necessary, prudent, and in the larger consumer interest to avoid load shedding and maintain statutory supply obligations. The Hon'ble Commission may kindly consider the same and allow the power purchase costs as claimed.</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
19.	<p>The Licensee, TGSPDCL, has claimed Transmission Charges for FY 2024–25 amounting to ₹3,956 crore, whereas the audited accounts reflect Transmission Charges of ₹3,905.28 crore. This results in a variation of ₹50.72 crore between the claimed amount and the audited figures.</p> <p>In view of the above, the Hon'ble Commission is respectfully requested to direct the Licensee to furnish a detailed reconciliation of the claimed amount vis-à-vis the audited accounts and justify the said variation.</p>	<p>TGDISCOM submits that, While the objector has compared certain line-item figures presented under specific accounting notes, it is respectfully submitted that the overall power purchase cost, including Transmission Charges, as claimed in the True-up, is fully reconciled with and tallying with the audited annual accounts of both DISCOMs.</p>
Specific comments on True-Up for power purchase by Telangana State Discoms for FY 2022-23, FY 2023-24 and FY 2024-25		
20.	<p>Based on the submissions made by the Discoms in Telangana, the analysis has been conducted. This primarily shows that the Discoms have been highly inefficient in there planning and power purchase as the share of power purchase from market has been increasing and has grown to 25% of the total requirement in FY 2024-25. The cost of power purchase from market has also been on higher side thereby leading to higher expense. The inefficiency of the Discoms need not be passed on to the consumers.</p> <p>In Fy 2024-25, the energy purchased from all sources reduced in comparison to the approval granted by the Commission. It is clear that such energy is being purchased from market at higher prices thereby</p>	<p>TGDISCOMs submit that the audited accounts reflect the actual energy sales recorded during the year. However, the True-up model is computed strictly in accordance with the methodology approved by the Hon'ble Commission, wherein the approved agricultural sales are considered for deriving the energy requirement, rather than the actual agricultural consumption recorded in the books of accounts.</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee																		
	<p>adversely affecting the consumers.</p> <p>Further, the point wise submission has been made below:</p> <p>A. Comparison with audit financial statements</p> <p>Power Purchase Units (Mus)</p> <table border="1" data-bbox="297 504 1216 667"> <thead> <tr> <th>Financial Year</th> <th>Petition</th> <th>TGSPDCL</th> <th>TGNPDCL</th> <th>Total as per FS</th> <th>Variation from FS</th> </tr> </thead> <tbody> <tr> <td>2022-23</td> <td>76073</td> <td>51243</td> <td>23217</td> <td>74459.3</td> <td>1613.7</td> </tr> <tr> <td>2023-24</td> <td>79848</td> <td>58312</td> <td>20976</td> <td>79287.7</td> <td>560.3</td> </tr> </tbody> </table> <p>It can be seen that the Discoms are claiming cost of higher units in comparison to the units that are shown in the audited financial statements (FS). Therefore, the per unit cost related to power purchase (excluding transmission charges and sale of power) needs to be allowed only to the extent of units in audited financial statements. Thus, the cost of 1,613.7 Mus in FY 2022-23 and 560.3 Mus in FY 2023-24 needs to be disallowed. The units for FY 2024-25 for TGSPDCL is not shown in the audited financial statements, the Discom needs to be directed to show the units and accordingly treatment needs to be done for FY 2024-25 as well.</p>	Financial Year	Petition	TGSPDCL	TGNPDCL	Total as per FS	Variation from FS	2022-23	76073	51243	23217	74459.3	1613.7	2023-24	79848	58312	20976	79287.7	560.3	
Financial Year	Petition	TGSPDCL	TGNPDCL	Total as per FS	Variation from FS															
2022-23	76073	51243	23217	74459.3	1613.7															
2023-24	79848	58312	20976	79287.7	560.3															

S.No.	Summary of Objections / Suggestions	Response of the Licensee																								
21.	<p data-bbox="383 300 674 323" style="text-align: center;"><u>Transmission Charges (Rs. Cr.)</u></p> <table border="1" data-bbox="315 357 1218 587"> <thead> <tr> <th data-bbox="315 357 477 448">Financial Year</th> <th data-bbox="477 357 633 448">Petition</th> <th data-bbox="633 357 804 448">TGSPDCL</th> <th data-bbox="804 357 974 448">TGNPDCL</th> <th data-bbox="974 357 1099 448">Total as per FS</th> <th data-bbox="1099 357 1218 448">Variation from FS</th> </tr> </thead> <tbody> <tr> <td data-bbox="315 448 477 491">2022-23</td> <td data-bbox="477 448 633 491">5,871</td> <td data-bbox="633 448 804 491">4,019.61</td> <td data-bbox="804 448 974 491">1,018.66</td> <td data-bbox="974 448 1099 491">5,038.27</td> <td data-bbox="1099 448 1218 491"><b>832.73</b></td> </tr> <tr> <td data-bbox="315 491 477 534">2023-24</td> <td data-bbox="477 491 633 534">6,113</td> <td data-bbox="633 491 804 534">4,244.26</td> <td data-bbox="804 491 974 534">1,139.98</td> <td data-bbox="974 491 1099 534">5,384.24</td> <td data-bbox="1099 491 1218 534"><b>728.76</b></td> </tr> <tr> <td data-bbox="315 534 477 587">2024-25</td> <td data-bbox="477 534 633 587">5,618</td> <td data-bbox="633 534 804 587">3,905.28</td> <td data-bbox="804 534 974 587">1,681.59</td> <td data-bbox="974 534 1099 587">5,586.87</td> <td data-bbox="1099 534 1218 587"><b>31.13</b></td> </tr> </tbody> </table> <p data-bbox="297 616 1234 951">It can be seen from the above table that the Discoms have claimed higher transmission charges in comparison to the transmission charges in the income statement. The transmission charges should be limited to the cost that has been accounted and shown in the audited financial statements of the two companies. Thus, the cost of transmission charges of Rs. 832.73 Cr. in FY 2023, Rs. 728.76 Cr. in FY 2023-24 and Rs. 31.13 Cr. in Fy 2024-25 should be disallowed.</p>	Financial Year	Petition	TGSPDCL	TGNPDCL	Total as per FS	Variation from FS	2022-23	5,871	4,019.61	1,018.66	5,038.27	<b>832.73</b>	2023-24	6,113	4,244.26	1,139.98	5,384.24	<b>728.76</b>	2024-25	5,618	3,905.28	1,681.59	5,586.87	<b>31.13</b>	<p data-bbox="1256 296 2033 584">TGDISCOM submits that, While the objector has compared certain line-item figures presented under specific accounting notes, it is respectfully submitted that the overall power purchase cost, including Transmission Charges, as claimed in the True-up, is fully reconciled with and tallying with the audited annual accounts of both DISCOMs.</p>
Financial Year	Petition	TGSPDCL	TGNPDCL	Total as per FS	Variation from FS																					
2022-23	5,871	4,019.61	1,018.66	5,038.27	<b>832.73</b>																					
2023-24	6,113	4,244.26	1,139.98	5,384.24	<b>728.76</b>																					
2024-25	5,618	3,905.28	1,681.59	5,586.87	<b>31.13</b>																					
22.	<p data-bbox="297 994 667 1023">B. Resource Adequacy Plan</p> <p data-bbox="297 1066 1234 1302">The report on resource adequacy plan for the State of Telangana was published by CEA in November 2024. The report is available on <a href="https://cea.nic.in/wp-content/uploads/resource_adequacy_st/2024/11/Report_on_Resource_Adequacy_Plan_for_Telangana_Up_to_2034_35.pdf">https://cea.nic.in/wp-content/uploads/resource_adequacy_st/2024/11/Report_on_Resource_Adequacy_Plan_for_Telangana_Up_to_2034_35.pdf</a>.</p> <p data-bbox="297 1342 1234 1370">As per the report, in 2023-24, the peak demand for the State is 15,622</p>	<p data-bbox="1256 994 2033 1334">The CEA Resource Adequacy Report shows the planned and tied-up capacity, but it does not guarantee that all this capacity is available in real time. Actual availability depends on many factors such as plant outages, renewable fluctuations, maintenance and other factors. Because of this, DISCOMs sometimes need short-term power to maintain continuous and reliable supply.</p>																								

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p data-bbox="293 276 1229 355">MW whereas 18,958 MW of the capacity has already been tied up. This is shown in the below chart:</p>  <p data-bbox="309 879 1025 903">The load profile of the State has also been studied which is shown below:</p> 	<p data-bbox="1256 296 2033 376">The large tied-up capacity itself shows that long-term planning is already in place.</p> <p data-bbox="1256 421 2033 604">Therefore, the claim that higher short-term purchase is due to poor planning is not correct. TGDISCOMs would like to reiterate the fact that Energy procurement from short term sources is considered for the following reasons</p> <ul data-bbox="1256 649 2033 1007" style="list-style-type: none"> <li>• Energy supply during hours of deficit (Power requirement &gt; Power availability from generators)</li> <li>• Power purchase cost optimization: TGDISCOMs have considered procurement from short term sources during hours when the Market price is lesser than the Variable cost (VC) of few generating stations with higher VC to optimize the overall cost of power procurement.</li> </ul> <p data-bbox="1256 1051 2033 1334">The DISCOMs submit that power procurement planning is carried out primarily to meet projected demand reliably and maintain grid stability. Projections are prepared conservatively to ensure reliability of supply, grid security, and compliance with planning norms and dispatch of power is as per merit order, Hon'ble TGERC has published the draft</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>As can be seen from the above chart, the peak hours for Telangana are from 08:00 to 17:00 hours and there has not been much variation over the complete year which makes the planning more reliable and cost effective in comparison to other States like in northern part of the country where there is significant variation at different time of year. This favourable aspect for Discoms in Telangana should minimize the need for expensive market purchases during expected demand peaks. By aligning procurement with projected hourly and seasonal load profiles, DISCOMs can better match demand and supply and mitigate volatility in the cost of supply.</p> <p>However, despite adequate tied-up capacity, recent operational and market trends show that the share and cost of short-term power purchases have increased. Even when overall capacity appears sufficient, DISCOMs often resort to the short-term market to balance real-time demand and supply, manage unforeseen outages, or respond to intra-day fluctuations — especially in a system with high renewable energy penetration. Such short-term purchases are typically priced significantly higher than long-term contracted power, which directly adds to the power purchase cost burden for DISCOMs.</p> <p>Given this context, while the resource adequacy framework strengthens</p>	<p>‘Resource Adequacy: regulation. As and when this regulation is finalized, TG DISCOMS would be aligning the projections with the RA regulation.</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>planning and can reduce reliance on short-term procurement, the higher cost component associated with short-term market purchases should not be indiscriminately passed on to consumers. Consumers have a legitimate expectation of efficient, cost-effective power supply. Passing through the full cost of expensive short-term purchases — especially when underlying tied-up capacity is adequate — could unduly increase tariffs and place avoidable cost burdens on end users. Instead, DISCOMs and the regulatory framework should prioritise optimisation of the power purchase mix, enhanced forecasting, demand-side management, and long-term contracting strategies to constrain short-term costs while ensuring reliability and affordability.</p> <p>Further, the Telangana Discoms have not demonstrated any initiative that has been taken for meeting the targets for resource adequacy that have been approved by CEA. As per the report, the share of power purchase from market (short term) needs to be reduced and that of long and Medium term has to be increased. The Discoms need to develop power purchase plan in line with resource adequacy approved by CEA.</p>	
23.	<p>C. Treatment for purchase of power from market</p> <p>An Appeal no. 98 of 2021 was filed by Noida Power Company Ltd. in which the company had appealed against the disallowance of short term</p>	<p>The DISCOMs submit that power procurement and sale are carried out based on merit-order dispatch, demand variability, renewable must-run obligations. TGDISCOMs would like to reiterate the fact that Energy procurement from</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	<p>power (power purchased from market). Hon'ble APTEL in judgement dated 02.12.2025 has observed that short term procurement of power by distribution Licensee is to be allowed at the cost at which it was actually procured, provided that the quantum of power utilised remains within the approved short-term procurement quantum and the procurement price does not exceed the approved average cost of short-term power as specified in the ARR Order (Pg. 212 of the Order).</p> <p>The case of Telangana State Discoms is same and the principle laid down by Hon'ble APTEL needs to be applied. The approval granted by Hon'ble Commission was much lower and at much lower price. Consumers have a legitimate expectation of efficient, cost-effective power supply. The increase in power purchase cost due to inefficiency of the Discoms need not be passed on to the consumers. Therefore, the excess units over and above the approved quantum needs to be limited approved price or the price at which energy is purchased, whichever is lower.</p>	<p>short term sources is considered for the following reasons</p> <ul style="list-style-type: none"> <li>• Energy supply during hours of deficit (Power requirement &gt; Power availability from generators)</li> <li>• Power purchase cost optimization: TGDISCOMs have considered procurement from short term sources during hours when the Market price is lesser than the Variable cost (VC) of few generating stations with higher VC to optimize the overall cost of power procurement.</li> </ul> <p>The DISCOMs submit that power procurement planning is carried out primarily to meet projected demand reliably and maintain grid stability. Projections are prepared conservatively to ensure reliability of supply, grid security, and compliance with planning norms, and do not necessarily translate into avoidable financial burden on consumers.</p>
24.	<p>Cost of Power from NCE</p> <p>The prices discovered in government auctions (SECI/NTPC) for long-term Power Purchase Agreements (PPAs). Prices are in ₹/kWh are as shown below:</p>	<p>We strongly condemn the allegation of inefficiency. Telangana DISCOMs already have low-cost SECI/NTPC PPAs at ₹2.44/₹2.53/₹2.82 per unit as adopted in the Commission's tariff orders. Auction prices are ex-bus rates, while DISCOMs pay the landed cost, which includes</p>

S.No.	Summary of Objections / Suggestions	Response of the Licensee																				
	<table border="1" data-bbox="297 300 1025 555"> <thead> <tr> <th>Year</th> <th>Solar (Utility Scale)</th> <th>Wind (Non-Solar)</th> <th>Wind-Solar Hybrid</th> </tr> </thead> <tbody> <tr> <td>2022</td> <td>₹2.20 – ₹2.50</td> <td>₹2.84 – ₹3.10</td> <td>₹2.53 – ₹2.65</td> </tr> <tr> <td>2023</td> <td>₹2.50 – ₹2.70</td> <td>₹3.10 – ₹3.40</td> <td>₹3.00 – ₹3.30</td> </tr> <tr> <td>2024</td> <td>₹2.50 – ₹2.65</td> <td>₹3.40 – ₹3.60</td> <td>₹3.15 – ₹3.45</td> </tr> <tr> <td>2025/26</td> <td>₹2.56 – ₹2.70</td> <td>₹3.60 – ₹3.74</td> <td>₹3.30 – ₹3.40</td> </tr> </tbody> </table> <p data-bbox="297 592 1234 879">The above chart clearly shows that the prices of NCE sources have been quite stable in the last few years. The Discoms in Telangana have been inefficient not only in planning but have also been inefficient in operations. Thus, the approval of power purchase cost needs to be limited to the above range rather than approving the actual cost being claimed by the Discoms.</p>	Year	Solar (Utility Scale)	Wind (Non-Solar)	Wind-Solar Hybrid	2022	₹2.20 – ₹2.50	₹2.84 – ₹3.10	₹2.53 – ₹2.65	2023	₹2.50 – ₹2.70	₹3.10 – ₹3.40	₹3.00 – ₹3.30	2024	₹2.50 – ₹2.65	₹3.40 – ₹3.60	₹3.15 – ₹3.45	2025/26	₹2.56 – ₹2.70	₹3.60 – ₹3.74	₹3.30 – ₹3.40	ISTS/STU charges, transmission losses, etc.,
Year	Solar (Utility Scale)	Wind (Non-Solar)	Wind-Solar Hybrid																			
2022	₹2.20 – ₹2.50	₹2.84 – ₹3.10	₹2.53 – ₹2.65																			
2023	₹2.50 – ₹2.70	₹3.10 – ₹3.40	₹3.00 – ₹3.30																			
2024	₹2.50 – ₹2.65	₹3.40 – ₹3.60	₹3.15 – ₹3.45																			
2025/26	₹2.56 – ₹2.70	₹3.60 – ₹3.74	₹3.30 – ₹3.40																			
25.	<p data-bbox="297 922 837 954">Sources of power purchased from market</p> <p data-bbox="297 994 1234 1177">The discoms need to show that the power has been purchased from competitive sources by clearly showing the sources of power purchase and providing evidence of competitive bidding. Such details are absent in the submission that has been made by the Discoms.</p>	The plant-wise/source-wise details and market purchases, along with quantities and average rates, are submitted to the Hon'ble Commission.																				
26.	<p data-bbox="297 1220 607 1252">Miscellaneous Charges</p> <p data-bbox="297 1292 1234 1374">The miscellaneous charges that are being claimed by the Discoms are essentially part of power purchase cost itself. Thus, allowing these costs</p>	The miscellaneous charges claimed by the DISCOMs for FY 2022-23 to FY 2024-25 include expenses towards major portion 1142 crs for FY 2022-23 is towards Genco MTR																				

S.No.	Summary of Objections / Suggestions	Response of the Licensee
	separately will not be appropriate and hence have to be disallowed.	Order and Provision-2022-23, banked energy, IEX Cost adjustments, STOA and LTOA charges, Reactive charges, Deviation charges and other related statutory and operational charges. These charges are incidental to power procurement and grid operations.
27.	<p>TISMA most respectfully prays that the Hon'ble Commission:</p> <p>A. Consider the above Comments/Suggestion/Objections filed by TISMA on the True-Up Petitions of FY 2022-23, FY 2023-24, FY 2024-25 of TGDISCOMs.</p> <p>B. To conduct True-Up of FY 2022-23, FY 2023-24 &amp; FY 2024-25 on suo-motu basis by 31st March 2026 as mandated by Hon'ble APTEL.</p> <p>C. May direct the Discoms to provide a reconciliation of the Power Procurement Cost, and each component with the audited accounts and the Transmission Charges may be accordingly allowed subject to prudence check;</p> <p>D. May Conduct a Prudence check over the components as highlighted by TISMA;</p> <p>E. Pass necessary orders as may be deemed appropriate in the facts and circumstances of the case in the interest of competition, as has been enshrined in the Electricity Act;</p>	<p>The DISCOMs submit that all comments and suggestions filed by TISMA have been duly noted, and appropriate clarifications have been provided in the responses.</p> <p>The DISCOMs submit that True-Up Petitions for FY 2022-23, FY 2023-24, and FY 2024-25 have already been filed in accordance with the regulations and fully aligned with the audited accounts.</p> <p>The DISCOMs requests Hon'ble Commission to approve the same.</p>