



**TELANGANA STATE ELECTRICITY REGULATORY COMMISSION
HYDERABAD.**

5th Floor, Singareni Bhavan Lakdikapul Hyderabad 500004

O. P. No. 07 of 2020

Dated: 02.03.2020

Present

Sri. T. Sriranga Rao, Chairman
Sri. M.D. Manohar Raju, Member (Technical)
Sri. Bandaru Krishnaiah, Member (Finance)

Between:-

1. Southern Power Distribution Company of Telangana Ltd.,
Corporate Office, H. No. 6-1-50, Mint Compound,
Hyderabad – 500 063.
2. Northern Power Distribution Company of Telangana Ltd.,
H.No. 2-5-31/2, Corporate Office, Vidyut Bhavan,
Nakkalgutta, Warangal – 506001.

.... Petitioners.

AND

- Nil -

.. Respondent.

This petition came up for hearing on 22.02.2020 in the presence of Sri. Y. Rama Rao, Standing Counsel for the petitioners along with Sri K. Vamshi Krishna, Advocate and having been heard and having stood over for consideration to this day, the Commission passed the following:

ORDER

The TSDISCOMs being M/s. Southern Power Distribution Company of Telangana Limited and M/s. Northern Power Distribution Company of Telangana Limited have filed a petition under sec 62 Electricity Act, 2003 (Act, 2003) read with clause 8 of Regulation No 1 of 2017 seeking approval of the pooled cost for FY 2018-19 to adopted in the FY 2019-20.

2. The petitioners stated that the Commission after its formation during the year 2014 and also with the powers conferred under Section 181 of Act, 2003, issued Regulation called as TSERC (Adoption) Regulations notified as Regulation No. 1 of 2014, dated 10.12.2014, by which it adopted all regulations, decisions, directions of orders, all the licenses and practice directions etc., issued by the erstwhile APERC as in existence and in force until any of the regulation / order / direction etc., are altered, repealed or amended having the jurisdiction of state of Telangana, which inter alia, included the Regulation 1 of 2012, that is Renewable Power Purchase Obligation (RPPO) (compliance by Purchase of Renewable Energy / Renewable Energy Certificates) Regulation. Subsequently, this Commission issued Regulation No. 2 of 2018 in the matter of fixing the RPPO to be met by the obligated entities from FY 2018 – 19 to FY 2021 – 22.

3. The petitioners stated that besides this the Commission also issued Regulation No. 1 of 2017 (Third Amendment to interim balancing and settlement code for open access transactions regulation No. 2 of 2006), where in it has stipulated under the Appendix – 3 that the unutilized banked energy shall be considered as deemed purchase by DISCOMs) at the average pooled power purchase cost as determined by Commission for the relevant year. Further, it is stated that as per the regulations 'Pooled Cost of Power Purchase' (pooled cost) means the weighted average pooled price at which the distribution licensee has purchased electricity in the previous year from all the long – term energy suppliers, excluding the purchases based on liquid fuel and provided that the purchases from traders, short – term purchases and purchases from renewable sources shall not be taken into account while determining pooled cost of power purchase.

4. The petitioners stated that the RE generator engaged in the business of Renewable Energy Certificates (REC) may conclude a long term power purchase agreement (REC PPA) at 'pooled cost' that may be determined by state ERC year on year. Apart from the above, the Government of Telangana (GoTS) launched Telangana State Solar Power Policy 2015 in line with its new Industrial Policy called TS – iPASS w.e.f. 01.06.2015, wherein the solar net metering facility, besides other incentives were announced applicable for a period of 25 years. As per the said policy, the consumer who adopts the solar net metering facility would be paid at the

tariff of 'pooled cost' determined by Commission, subject to monthly billing and settlement in a year.

5. The petitioners stated that they are enclosing the details of the total power purchase made in the previous FY 2018 – 19 from all the long term energy suppliers, excluding the purchases based on liquid fuel, the purchases from the traders, short term purchases and purchases from the renewable energy sources, to facilitate the Commission to determine the pooled cost. The average power purchase pooled cost has worked out to Rs. 4.28/- KWH.

6. The petitioners have prayed the Commission may determine the average pooled power purchase cost in respect of power purchases made during financial year 2018 – 19 excluding purchases from projects based on liquid fuel and short term purchases, to be considered during the FY 2019 – 20.

7. We have heard the submissions of the counsel for the petitioners and perused the material on record.

8. Before considering the request of the petitioners, it is appropriate to notice the provisions of the relevant regulations. The same are extracted below.

Regulation No. 1 of 2017

“8. The unutilized banked energy shall be considered as deemed purchase by DISCOM(s) at the average pooled power purchase cost as determined by TSERC for the relevant year.”

Regulation No. 2 of 2018

“2.12. **“Pooled Cost of Power Purchase”** means the weighted average pooled price at which the distribution licensee has purchased electricity in the previous year from all the long-term energy suppliers excluding the purchases based on liquid fuel.

Provided that the purchases from traders, short-term purchases and purchases from renewable sources shall not be taken into account while determining Pooled Cost of Power Purchase;”

9. On detailed analysis of the data provided by the petitioners, we are of the view that the request of the petitioners can be acceded to. The data furnished by the

TSDISCOMs in the present application has been examined applying the definition of “Pooled Cost of Power Purchase” and on its basis, the Commission hereby determines the pooled cost of power purchase for FY 2018-19 to be considered for FY 2019-20 as Rs. 4.28 / KWH. The details of calculation are shown in the annexure to this order.

10. Accordingly, the petition is allowed without any costs.

This order is corrected and signed on this the 2nd day of March, 2020.

Sd/-	Sd/-	Sd/-
(BANDARU KRISHNAIAH)	(M.D. MANOHAR RAJU)	(T. SRIRANGA RAO)
MEMBER	MEMBER	CHAIRMAN

//CERTIFIED COPY//

**AVERAGE POOLED COST OF POWR PURCHASES OF TSDISCOMS FOR FY 2018-19 TO BE
CONSIDERED FOR THE FY 2019-2020**

Station	Energy	FC	VC	Amount	Rate/Kwh
CGS					
NPC Kaiga - I& II	1079256157	0	4019186763	4019186763	
NPC-MAPS	61143217	0	164938690	164938690	
NPC-Kudankulam	152029149	0	640214760	640214760	
NLC ST-I	321866903	289347517	798567985	1087915502	
NLC ST-II	587055480	406456400	1498764940	1905221340	
NTPC(ER) - Farakka	0	-89684	0	-89684	
NTPC(ER)-Kahalgaon	0	-45712	0	-45712	
NTPC(ER)-Talcher-I	0	-99543	0	-99543	
NTPC(SR) I & II	2288364431	1646799110	5786793331	7433592441	
NTPC(SR) ST III	568025571	437304175	1399342101	1836646276	
NTPC-Simhadri -I	3404973911	4001801081	10045557939	14047359020	
NTPC-Simhadri -II	1207025346	2458968167	3697054056	6156022223	
NTPC-Talcher-ST II	1413513549	1079559983	2404822024	3484382007	
NTPC KUDIGI I	879363591	2472254229	3365758050	5838012279	
NTECL - VALLURU	469408081	1210708571	1786296241	2997004812	
NTPC ARAVALI POWER	0	0	0	0	
NLC Tamilnadu Power Ltd	714765639	1979950171	2259060363	4239010534	
Sub-TOTAL	13146791025	15982914465	37866357242	53849271707	
APGPCL ST-I	19459668	14488663	60539542	75028204	
APGPCL ST-I & II	55843385	25007359	157575906	182583265	
TOTAL	75303053	39496021	218115448	257611469	
IPPs	0	0	0	0	
M/s Thermal Powertech 570MW	3695160626	10016465471	8953571479	18970036950	
Thermal Powertech 269.45 Mw	1902090280	3308018353	3991618881	7299637234	
TOTAL IPPs/MPPs	5597250906	13324483824	12945190360	26269674184	
NVVNL B.P-Coal	240999572	0	1030247385	1030247385	
NSM-Coal Phase II	1573489143	0	5211561235	5211561235	
KTPS(ABC)	3186298825	4012017354	10195378359	14207395712	
KTPS V (D)	3411181237	2815235305	9625451482	12440686787	
KTPS VI	3555759125	5021139785	11122427459	16143567244	
RTS-B	369549606	533499996	1087450223	1620950219	
Kakatiya Stage-I	3680679562	5216969891	12311732545	17528702436	
Kakatiya Stage-II	3640573274	6202250258	10645796192	16848046450	
KTPS Stage VII	1876185000	3262061542	4582791573	7844853115	
TSGENCO-Hydel	1683768278	10093898611	0	10093898611	
Adv Income Tax 2018-19	0	258241158	0	258241158	
TSGENCO-TOTAL	21403994907	37415313900	59571027832	96986341732	
SINGARENI CCL U1&U2	8132160175	14919288608	18480376242	33399664850	

Chatthisgargh SPDCL	5329045250	14388422175	6394854300	20783276475	
TOTAL	55499034031	96069918993	141717730044	237787649037	4.28
	55499034031			237787649037	4.28