



**TELANGANA STATE ELECTRICITY REGULATORY COMMISSION**  
**5<sup>th</sup> Floor, Singareni Bhavan, Red Hills, Hyderabad-500 004**

O.P.No.7 of 2021  
&  
I.A.No.2 of 2021

**Dated 09.03.2021**

**Present**

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

Between:

1. Sothern Power Distribution Company of Telangana Ltd.,  
H.No. 6-1-50, 5<sup>th</sup> Floor, Mint Compound,  
Hyderabad – 500 063.
  2. Northern Power Distribution Company Limited,  
H. No. # 2-5-31 / 2, Corporate Office,  
Vidyut Bhavan, Nakkalgutta,  
Hanamkonda, Warangal – 506 001. ... Petitioners.
- AND
- Nil- ... Respondent.

This petition came up for hearing on 22.02.2021. Sri Mohammad Bande Ali, Law Attaché TSDISCOMS for the petitioners has appeared through virtual hearing on 22.02.2021. The petition having been heard and having stood over for consideration to this day, the Commission passed the following:

**ORDER**

The petitioners have filed a petition under sections 62 and 86 (1) (e) of the Electricity Act, 2003 read with TSERC Regulation No.1 of 2017, seeking determination of average pooled cost for power purchases of FY 2019-20 to be considered during FY 2020-21.

2. The petitioner has stated in the petition as below:
  - a) The Commission after its formation during the year 2014 and also with the powers conferred under section 181 of Electricity 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 or orders, all the licenses and practice directions etc., issued by the erstwhile Commission as in existence and in force until any of the regulation/order/direction etc., are altered, repealed or amended having the jurisdiction of State of Telangana, which inter alia, included the Regulation No.1 of 2012, i.e., Renewable Power Purchase Obligation i.e., 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.

- b) Besides this 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 the Commission for the relevant year.
- c) As per the regulations 'Pooled Cost of Power Purchase' (herein after called '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.
- d) 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.
- e) Apart from the above, the Government of Telangana launched Telangana State Solar Power Policy 2015 in line with its new industrial policy called TSiPASS 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 TSERC, subject to monthly billing and settlement in a year.

f) Accordingly, the Telangana State Distribution Companies, viz., TSSPDCL, TSNPDCL hereby submit the details of the total power purchases made in the previous FY 2019–20 from all the long–term energy suppliers, excluding the purchases based on liquid fuel purchases, 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 works out to Rs.4.16/kWh (working sheet enclosed).

3. The petitioners have sought the following prayer in the petition.

*“In view of the above submissions, the Commission is prayed to determine the average pooled power purchase cost in respect of power purchases made during financial year 2019–20 excluding purchases from projects based on liquid fuel and short term purchases, to be considered during the FY 2020–21”.*

4. The applicants/petitioners have also filed an interlocutory application, to condone the delay in filing the above said petition and stated as below.

- a) That the clause 7.2.1 of Regulation No.2 of 2018 (TSERC Renewable Power Purchase Obligation) directs DISCOMs to submit a petition for computation of pooled cost of power purchase to Commission by 30<sup>th</sup> April of that year.
- b) The finalization of audited accounts for the FY 2019–20 got delayed due to outbreak of COVID-19 pandemic and hence the filing of subject petition for determination of pooled cost of power purchases for FY 2019–20 was delayed.
- c) That the delay in filing the application is not intentional and filing of this I.A seeking delay condonation is in the interest of justice.

5. The applicants / petitioners have sought the following prayer in the interlocutory application and stated as below:

*“To condone the delay of 83 days in filing the petition for determination of average pooled cost for power purchases of FY 2019-20 to be considered during FY 2020-21.”*

6. Heard the representative of the petitioners on the petition and application. Perusal the material and data available on record as also the information which has been called for while examining the petition. The representative of the petitioners stated at the time of hearing.

*“The representative of the petitioner stated that the petition is filed for determination of pooled cost for FY 2019-20 to be considered FY 2020-21. He explained the details of the petition. He also stated that due to certain administrative reasons, the petition has not been filed within time. The Commission may consider and pass appropriate orders in the matter.”*

7. Before proceeding further the Commission notices that the petition for pooled cost is filed with delay and for that purpose an application for condoning the delay is also filed. The Commission considers the reasons offered by the petitioners for filing the petition belatedly are genuine in the given circumstance. Accordingly the Commission condones the delay in filing the petition. The interlocutory application in I.A.No.2 of 2021 stands allowed.

8. The Commission considers the submission made by the petitioners in support of its case are acceptable to it. For 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, the Commission is 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 2019-20 to be considered for FY 2020-21 as Rs.4.159/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 9<sup>th</sup> day of March, 2021.***

**Sd/-**  
(BANDARU KRISHNAIAH)  
MEMBER

**Sd/-**  
(M. D. MANOHAR RAJU)  
MEMBER

**Sd/-**  
(T. SRIRANGA RAO)  
CHAIRMAN

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**Annexure**  
**TELANGANA STATE ELECTRICITY REGULATORY COMMISSION**  
**Average Pooled Power Purchase during FY2019-20 to be considered for FY 2020-21**

Station	Energy	FC	VC	Amount	Rs/kWh
<b>CGS</b>					
NPC Kaiga &MAPS,KKNKLM	1338515077	0	3290261068	3290261068	2.458
NLC ST-I	365581523	295770019	992979579.3	1288749598	3.525
NLC ST-II	626431724	535621833	1703801215	2239423048	3.575
NNTPS	33985982	58165201	78030812	136196013	4.007
NTPC(ER) - Farakka	0	33134	0	33134	
NTPC(ER)-Kahalgaon	0	16700	0	16700	
NTPC(SR) I & II	2030727691	1621945923	5128088354	6750034277	3.324
NTPC(SR) ST III	535782396	431886620	1403761720	1835648340	3.426
NTPC-Simhadri -I	2615605321	3883894772	9010613158	12894507930	4.930
NTPC-Simhadri -II	1203813329	2343265175	4029804918	6373070093	5.294
NTPC-Talcher-ST II	1374289965	1078626723	2792923921	3871550644	2.817
NTPC KUDIGI I	565087871	3341029803	2087521132	5428550935	9.607
NTECL - VALLURU	430317127	1390798058	1684147447	3074945505	7.146
NLC Tamilnadu Power Ltd	750039895	1599196218	2194000457	3793196675	5.057
<b>Sub-TOTAL</b>	<b>11870177901</b>	<b>16580250179</b>	<b>34395933780</b>	<b>50976183959</b>	<b>4.294</b>
APGPCL ST-I	9846766.239	7462668.38	31702892.46	39165560.84	3.978
APGPCL ST-I & II	26340100.29	13796666.47	81228215.99	95024882.46	3.608
<b>TOTAL</b>	<b>36186866.53</b>	<b>21259334.85</b>	<b>112931108.5</b>	<b>134190443.3</b>	<b>3.708</b>
<b>IPPs</b>					
M/s Thermal Powertech 70MW	4524195790	11010432817	10514146342	21524579159	4.758
Thermal Powertech 269.45 MW	2273076929	3447714917	5095574229	8543289146	3.758
<b>TOTAL IPPs/MPPs</b>	<b>6797272719</b>	<b>14458147734</b>	<b>15609720571</b>	<b>30067868304</b>	<b>4.424</b>
NVVNL B.P-Coal	212219551	0	1010455681	1010455681	4.761
NSM-Coal Phase II	1378015387	0	4800472562	4800472562	3.484
KTPS(ABC)	2038308000	3325265001	6764689356	10089954357	4.950
KTPS V (D)	3211385900	2869704949	8875957229	11745662178	3.658
KTPS VI	3393160700	5211940350	9246958029	14458898379	4.261
RTS-B	350796480	544900000	1065218285	1610118285	4.590
Kakatiya Stage-I	2911921678	5188388550	8778519692	13966908242	4.796
Kakatiya Stage-II	4243789620	7738306009	12306035292	20044341301	4.723
KTPS Stage VII	3390355330	4137893311	8641244794	12779138105	3.769
Fuel gains 2019-20	0	0	-2972192432	-2972192432	
TSGENCO-Hydel	4297017142	11774953459	0	11774953459	2.740
TSGENCO-TOTAL	23836734850	40791351629	52706430245	93497781873	3.922
SINGARENI CCL U1&U2	8601647375	15227774484	24173491518	39401266002	4.581
Chatthisgargh SPDCL	2245079875	6061715663	2694095850	8755811513	3.900
<b>TOTAL</b>	<b>54977334524</b>	<b>93140499023</b>	<b>135503531315</b>	<b>228644030338</b>	<b>4.159</b>