

To, The Secretary, T.G. Electricity Regulatory Commission, Vidyut Niyamtran Bhavan, GTS Colony, Kalyan Nagar, Hyderabad – 500 045	From, 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
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Date: 19-04-2025

Dear Sir;

Sub: - Comments on TGDISCOMs’ petitions seeking consent of TGERC for procurement of power from 800 MW stage -II, Singareni Thermal Power Project and 800MW of Telangana Super Thermal Power Station Stage-II of NTPC for a period of 25 years.

Ref: - Public Notice dated 29-03-2025 with respect to O.P. No. 30 and 31 of 2025.

1. In response to the above-mentioned Public Notice calling for comments on TGDISCOMs’ petitions seeking consent of TGERC for procurement of power from 800 MW stage -II, Singareni Thermal Power Project and 800MW of Telangana Super Thermal Power Station Stage-II of NTPC for a period of 25 years we are submitting the following comments for consideration of the Commission.

2. In the background of climate change and global warming and India’s commitment to transition to net zero no new coal based thermal power plants shall be allowed due to their emission of green house gases including carbon dioxide. Future increase in energy requirement needs to be met from green energy sources including solar power.

3. If the above two petitions are allowed these two power plants may start power generation from the year 2030. The new Green Energy Policy of Government of Telangana aims to install 20,000 MW new renewable energy capacity in the state by 2030. If this renewable energy capacity is achieved there will be no need for the above two coal based thermal power plants. Recently TGDISCOMs filed a petition seeking the Commission’s consent to procure 4,000 MW solar power under KUSUM-A component. Recently TGGENCO floated tenders for 500 MW battery energy storage system (BESS). A few days back the Government of Telangana had entered in

to MoUs with several developers to setup solar power plants with aggregate capacity of nearly 6,000 MW. These interventions show that the Government of Telangana is serious about its plan to install 20,000 MW new renewable energy capacity by 2030. The Government of Telangana also aims to install 40,000 MW new renewable energy capacity by 2035.

4. As per Ministry of Power of GoI Order on Renewable Power Purchase Obligation (RPO) Telangana has to procure 43.33% of its power requirements from RE sources by the year 2029-30 and 50.50% by the year 2034-35. These RPO points to primacy to be given to RE sources so that they account for more than 50% of power generation and consumption. In this plan of things there is limited or no scope for coal based thermal capacity addition in near future.

5. According to the additional information provided related to Singareni plant tariff claimed by STPP Stage-I for FY 2024-25 is Rs. 6.782/kWh. In the case of Stage-II plant coal will be sourced from Naini coal fields located in Odisha. Because of higher coal transportation cost tariff of Stage -II will be much higher than Stage-I plant. In the case of NTPC's plant the provisional tariff for power supplied from stage-1 of Telangana STPP is ranging from Rs. 4.88/unit to Rs. 5.98. These tariffs of coal based thermal power plants are much higher than tariffs of RE sources like solar and wind power. At present solar and wind power are available at tariffs lower than Rs. 3/unit. Tariffs of RE under round the clock (RTC) and firm dispatchable renewable energy (FDRE) modes also are comparatively less. Axis Energy Ventures India Pvt Ltd., has come forward to supply 400 MW of RE on the lines of FDRE to APDISCOMs at the rate of Rs. 4.60 per kWh at CUF of 60%. Under these circumstances it is better to procure RE rather than coal based thermal power.

6.1 TGDISCOMs, as shown in these petitions, based their estimates of energy requirement on the Resource Adequacy Reports of CEA. In the past projections of energy requirement made by CEA proved to be overestimates. This continues to be the case with the present projections also. This comes out clearly with comparison of CEA projections with energy requirement approved by TGERC for 5th and 6th control periods.

Energy requirement (MU)

	2029-30	2033-34
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CEA Projections	1,22,627	1,44,206
TGERC Approved	1,07,868	1,30,711
Difference	14,759	13,495
%	13.68	10.32

Peak Demand (MW)

	2029-30	2033-34
CEA Projections	24,215	30,139
TGERC Approved	21,413	25,524
Difference	2,802	4,615
%	13.09	18.08

6.2 Above tables show that the projections made by CEA are more than 10% higher than the capacities approved by the Commission. It is prudent to take into account energy requirement and peak demand approved by the Commission while planning future capacity additions.

6.3 CEA proposed 3,890 MW additional thermal capacity to be created by 2034-35. In the background of excess peak demand projections made by CEA the need for additional thermal capacity has to be scrutinized.

We request the Commission to take our above submissions on record.

Thanking you.

Sincerely yours,

M. Thimma Reddy