

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

Date: 19-10-2026

Dear Sir;

Sub: - Comments on TGDISCOMs' petitions seeking consent of TGERC for procurement of power from 800 MW stage -II, Singareni Thermal Power Project for a period of 25 years and consent for the related PPA.

Ref: - Public Notice dated 01-10-2026 with respect to O.P. No. 31 and 32 of 2026.

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 we are submitting the following comments for consideration of the Commission.

2.1 In the past the TGDISCOMs have filed a petition (O.P. No. 30 of 2025) requesting the Commission to give consent to procure 800 MW thermal power from Stage – II of Singareni Thermal Power Project. Latter, the TGDISCOMs have decided to re-assess 1 X 800 MW Stage- II Singareni Thermal Power Project in respect of the factors like coal linkage, location of the project etc., and to submit revised proposal before the Commission in respect of consent for 1 X 800 MW Stage – II Singareni Thermal Power Project. The TGDISCOMs have submitted a letter dated 26.04.2025 requesting the Commission to defer the public hearing in this matter. Following this the Commission has come to the opinion that since there is likelihood of reassessment of the project, this petition which is filed seeking consent for procurement of 1 X 800 MW Stage – II Singareni Thermal Power Project cannot be proceeded further. Accordingly, the Commission through an order dated 17-05-2025 has given a direction to the TGDISCOMs to approach the Commission afresh with an appropriate petition seeking consent for purchase of power of 1 X 800 MW Stage – II Singareni Thermal Power Project after reassessment of the project

2.2 TGDISCOMs have filed the present fresh petition (O.P. No. 31 of 2026) requesting the Commission to accord consent to procurement of power from Singareni Thermal Power Project (1x800 MW) Stage-II for a period of 25 years. In the present fresh petition, the TGDISCOMs have reiterated their arguments on the need for this thermal power plant in the background of base load as well as peak load deficit. But there is no sign of reassessment of the project “in respect of the factors like coal linkage, location of the project etc.,”.

3. 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.

4. Stage – II of Singareni Thermal Power Project 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 new Singareni thermal power plant. The Commission through an order dated 24-09-2025 in O.P. No. 32 of 2025 gave consent to procure 4,000 MW solar power under KUSUM-A component. The Commission approved two battery energy storage system (BESS) projects with aggregate capacity of 375 MW/ 1500 MWh through an order dated 24-06-2026 in O.P. Nos. 10 and 13 of 2026. The TGDISCOMs have filed petition O.P. No. 33 of 2026 for consent to procure RE power consisting 800 MW wind power, 6000 MWh (1000 MW X 6h) BESS, 2000 MW Re-RTC, and 2000 MWh (500 MW X 4h) peak FDRE units. Some time back the State

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. In the background of these proposals there is no need for the new Singareni thermal power plant.

5. 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.

6.1 The following extract is borrowed from the TGDISCOMs petition (O.P. No. 33 of 2026) filed before the Commission for consent to procure RE power (para 3.4, pp10-11):

“It is submitted that the tariff discovered in the recent Firm and Dispatchable Renewable Energy / RE-RTC (Round-The-Clock) power tenders is highly competitive and compares favourably with the cost of power procured from conventional thermal sources. Unlike conventional Renewable Energy sources such as solar or wind which are intermittent and infirm in nature, RE-RTC power, being backed by a combination of solar, wind, and storage/balancing power, is capable of supplying firm and dispatchable power on a round-the-clock basis, thereby serving the base load requirement of the distribution licensee in a manner similar to that of a conventional thermal power plant. This ensures grid stability and reliability of supply, while simultaneously reducing dependence on fossil fuel-based generation. Furthermore, one of the significant advantages of procuring power under such RE-RTC arrangements is that the tariff so discovered remains fixed and constant throughout the term of the Power Purchase Agreement, thereby providing long-term price certainty and insulating the Distribution Licensee and its consumers from future tariff escalations. This is in stark contrast to the tariff of thermal power plants, which is subject to periodic escalation on account of fuel cost adjustments, increase in coal prices, and other variable cost components, resulting in a year-on-year increase in the landed cost of thermal power over the life of the PPA. Consequently, procurement of RE-RTC power not only results in long-term cost savings and tariff stability for the consumers but also enables the Distribution Licensee to progressively reduce its exposure to volatile fuel linked costs. In addition to the above economic and operational benefits, procurement of power from such RE-RTC schemes/tenders shall also enable the Distribution Licensee to meet/fulfil its Renewable Purchase Obligation (RPO) / Renewable Consumption Obligation (RCO) targets as stipulated under the applicable Regulations/Orders of the Hon'ble Commission, thereby ensuring regulatory compliance while simultaneously securing affordable, reliable, and clean power for its consumers. In view of the above, the Petitioner submits that procurement of power through such RE-RTC tenders/schemes is in the interest of the consumers and is consistent with the larger national policy objective of promoting renewable energy integration while ensuring grid security and long-term tariff affordability.”

6.2 The above paragraph cogently places the need to promote RE vis a vis coal based thermal power. The emergence of different storage options has addressed to a large extent problems related to intermittence faced by renewable energy sources like solar and wind. In the background of global warming and climate change it is imperative to promote renewable energy sources and give up fossil fuel based thermal power plants. Recent technological advances in energy storage provides impetus for adopting RE. In this context proposed procurement of thermal power from Stage-II of Singareni Thermal Power Project shall not be allowed.

7. In a recent bidding held in Rajasthan to select developers to install solar + BESS the realized tariff is in the range of Rs. 3.42 to 3.54 per unit. Tariff claimed by Singareni Thermal Power Project Stage-I for FY 2024-25 was 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 the Stage-I plant. This shows that, not only environmentally but also financially, RE combined with storage is preferable to coal based thermal power plants.

8. Based on the above we request the Commission not to give consent to procure power from stage – II of Singareni Thermal Power Plant and to the related PPA. Equivalent power may be procured from a combination of RE + storage.

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

Thanking you.

Sincerely yours,

M. Thimma Reddy