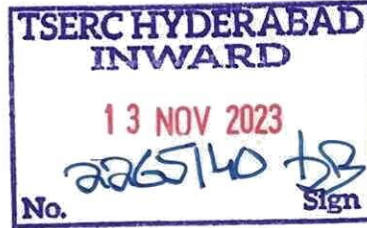


SA 20.113/2021
OP NO. 39/2023

**BEFORE THE HONOURABLE TELANGANA STATE ELECTRICITY
REGULATORY COMMISSION**

At 5th Floor, Singareni Bhavan, Red Hills, Hyderabad - 500 004



FILING NO. ____/23

OP CASE NO. 39/23
5076

In the matter of

Petition for determination of Additional Surcharge to be levied on Open Access consumers for the first half (H1) of Financial Year 2024-25 as per the directions of Hon'ble Commission in its Order dated 18.09.2020 in OP No. 23 of 2020 in accordance with the provisions of the Electricity Act, 2003 and National Tariff Policy, 2016.

In the matter of

SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED

.....Applicant

This application is filed for determination of Additional Surcharge (AS) to be levied on Open Access consumers for the first half (H1) of Financial Year 2024-25 as per the directions of Hon'ble Commission in its Order dated 18.09.2020 in OP No. 23 of 2020 in accordance with the provisions of the Electricity Act, 2003 and National Tariff Policy, 2016.

The applicants respectfully submit as under:

- 1. As per section 42(4) of Electricity Act, 2003 the State Regulatory Commission may specify the additional surcharge to be levied on the open access consumers to enable the licensee to recover its fixed costs arising out of its obligation to supply.**

Sec 42(4): "Where the State Commission permits a consumer or class of consumers to receive supply of electricity from a person other than the distribution licensee of his area of supply, such consumer shall be liable to pay an additional surcharge on the charges of wheeling, as may be specified by the State Commission, to meet the fixed cost of such distribution licensee arising out of his obligation to supply".

- 2. As per Andhra Pradesh Electricity Regulation Commission Regulation No. 2 of 2005 which is applicable to Telangana state adopted vide Regulation no. 1 of 2014 of Telangana State Regulation commission, the Distribution company may file petition for additional surcharge as per the following clause.**

Clause 17.1.4: "The open access user shall also be liable to pay additional surcharge on charges of wheeling as may be specified by

the commission from time to time under section 42(4) of the Act, in case open access is sought for receiving supply from a person other than distribution licensee arising out of his obligation to supply”

3. Further, the National Tariff Policy (NTP) Notified by Ministry of Power on 28th January, 2016 has the following provision on the Additional Surcharge

Clause 8.5.4: “The additional surcharge for obligation to supply as per section 42(4) of the Act should become applicable only if it is conclusively demonstrated that the obligation of a licensee, in terms of existing power purchase commitments, has been and continues to be stranded, or there is an unavoidable obligation and incidence to bear fixed costs consequent to such a contract. The fixed costs related to network assets would be recovered through wheeling charges”.

4. In accordance with the aforementioned statutory provisions, the Hon’ble Commission passed an Order dated 18.09.2020 in OP No. 23 of 2020 specifying the mechanism for determination of stranded capacity along with the approved methodology and terms & conditions for levy of Additional Surcharge on Open Access (OA) users in order to meet the fixed cost commitment of the distribution licensees arising out of its obligation of supply.
5. Accordingly, the licensees were directed to submit the filings for determination of AS for the 1st half of the ensuing financial year i.e., for the period from April to September of the ensuing financial year latest by 30th November of the current financial year and for the 2nd half of the ensuing financial year i.e., for the period from October to March of the ensuing financial year latest by 31st May of the ensuing financial year.
6. The licensee hereby submits the Additional Surcharge proposals for H1 of FY2024-25 considering the actual parameters pertaining to H1 of FY2023-24 in consonance with order in OP No.23 of 2020 as follows:
 - The average stranded capacity due to OA consumers for the six months period (April 2023 to September 2023) considering 15-minute block wise data works out as 113.89MW as presented below. The block wise information is also herewith attached in soft copy.

Particular (in MW)	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Average
Available capacity	10379.33	10380.16	9748.24	9866.75	10162.65	10138.30	10112.97
Scheduled Capacity	8040.48	7211.34	7466.34	7143.39	8086.57	7690.15	7604.31
Gross(Deficit)/Surplus	2338.85	3168.82	2281.91	2723.36	2076.09	2448.16	2508.66
Short-Term Purchases Capacity	1690.78	381.48	984.30	1476.01	2328.07	1814.91	1445.09

(Deficit)/Surplus after netting of Short-Term Purchases	1228.23	2822.88	1529.06	1493.82	420.18	1140.75	1441.44
OA Scheduled Capacity	136.44	150.59	147.41	163.81	132.29	139.38	145.05
Stranded Capacity	101.84	147.70	142.18	139.74	72.17	79.14	113.89
<i>Stranded Capacity arrived by considering minimum of backing down i.e., deficit and OA scheduled capacity for each 15-min block</i>							

- The fixed charges paid to the generators for H1 of FY2023-24 is Rs. 5948.42 Cr. and the average long term available capacity is 10112.97MW. Thus, the average fixed charge worked out to Rs. 0.59 Cr. per MW.
- Accordingly, the fixed charges for stranded capacity of 113.89 MW works out as Rs. 66.99 Cr. (i.e. 113.89 MW X Rs. 0.59 Cr./MW)
- The transmission charges paid by the Licensees' for H1 FY 2023-24 are Rs.2908.67 Cr. and scheduled energy for that period is 39399.63 MUs. Thus the actual transmission cost per unit works out as Rs. 0.74 per kWh.
- The HT distribution wheeling charges as approved by the Commission for the FY 2023-24 is Rs. 0.20 per kWh.
- Hence, the total T & D costs works out to Rs. 0.94 per kWh.
- Based on the above mentioned values, the demand charges that are to be adjusted/ (recovered) from OA consumers works out to be Rs. (2.02) Cr.
- Hence, the net stranded charges are Rs.69.01 Cr. which are considered for calculation of additional surcharge.
- The projected OA sales for H1 of FY2024-25 is considered to be same as that of OA sales recorded for H1 of FY2023-24 i.e., 354.75 MU and hence the additional surcharge per unit is computed to be Rs. 1.95 per kWh.

Accordingly, the Additional Surcharge that is determined for H1 of FY 2024-25 has been tabulated below

S. No.	Particulars	Unit	Value
{A}	Long Term Available Capacity	MW	10112.97
{B}	Capacity stranded due to open access	MW	113.89
{C}	Fixed Charges paid	Rs. Cr.	5948.42
{D} = {C}÷{A}	Fixed Charge per MW	Rs. Cr./ MW	0.59
{E} = {D}×{B}	Fixed Charge for Stranded Capacity	Rs. Cr.	66.99


{F}	Transmission Charge Paid	Rs. Cr.	2908.67
{G}	Actual Energy Scheduled	MU	39399.63
{H} = {F}÷{G}	Transmission Charges per unit	Rs. /kWh	0.74
{I}	Distribution Charges as per Tariff Order	Rs. /kWh	0.20
{J} = {H}+{I}	Total transmission and distribution charges per unit	Rs. /kWh	0.94
{K}	Energy consumed by OA consumers from the DISCOMs	MU	1678.38
{L} = {K}×{J}	Transmission and Distribution charges to be paid by OA consumers	Rs. Cr.	157.59
{M}	Demand Charges recovered by the DISCOMs from OA consumers	Rs. Cr.	155.57
{N} = {M} - {L}	Demand Charges to be adjusted	Rs. Cr.	-2.02
{O} = {E} - {N}	Net stranded charges recoverable	Rs. Cr.	69.01
{P}	Open Access Sales	MU	354.75
{Q} = {O}÷{P}	Additional Surcharge Computed	Rs. /kWh	1.95

7. It is, therefore prayed that the Hon'ble Commission may please be accorded approval to the licensee's proposal of Additional Surcharge of Rs.1.95/kWh for H1 of FY2024-25 and pass such orders as the Hon'ble Commission may deem fit and proper.

8. The licensee would also like to submit that, the fixed charges paid for H1 of FY23-24 as mentioned above are provisional in nature that are subjected to variations in the final audited accounts. Hence, in view of the above, the licensee would humbly request the Hon'ble Commission to consider any variation as mentioned earlier in the ensuing filings of Additional Surcharge as and when the final audited accounts are available.

Place: Hyderabad

Dated: 13.11.23


 Petitioner
CHIEF GENERAL MANAGER
(RAC), TSSPDCL,
 Corporate Office, 6-1-50,
 Mint Compound, Hyd-500 063

**BEFORE THE HONOURABLE TELANGANA STATE ELECTRICITY
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In the matter of

SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED

.....Applicant

AFFIDAVIT OF APPLICANT VERIFYING THE ACCOMPANYING PETITION.

I, Chilukamari Chakrapani, S/o Narasaiah, aged 55 years, Occupation: Chief General Manager (RAC), TSSPDCL, Hyderabad, R/o Hyderabad do solemnly affirm and say as follows:

- 1) I am Chief General Manager (RAC)/TSSPDCL, I am competent and duly authorized by TSSPDCL to affirm, swear, execute and file this petition.
- 2) I have read and understood the contents of the accompanying filing of petition for determination of Additional Surcharge to be levied on Open Access consumers for the first half (H1) of Financial year 2024-25. The statements made in paragraphs of accompanying application now shown to me are true to the best of my knowledge derived from the official records made available to me and are based on information and advice received which I believe to be true and correct.


DEPONENT

**CHIEF GENERAL MANAGER
(RAC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyderabad**

VERIFICATION.

The above named Deponent solemnly affirm at Hyderabad on this 13 day of November, 2023 that the contents of the above Affidavit are true to best of my knowledge, no part of it is false and nothing material has been concealed there from.


DEPONENT

**CHIEF GENERAL MANAGER
(RAC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063**

Solemnly affirmed and signed before me

**Superintending Engineer (Projects)
TSSPDCL, 4th Floor, Corporate Office,
6-1-50, Mint Compound,
HYDERABAD-500 063.**