

Preliminary Objections on the Petition filed by Telangana discoms seeking certain amendments to ToD Tariffs approved in the Tariff order of FY 2025-26 in OP No. 21 & 22 of 2025

The Commission Secretary,

TELANGANA ELECTRICITY REGULATORY COMMISSION HYDERABAD

Vidyut Niyantran Bhavan,

G.T.S. Colony, Kalyan Nagar,

Hyderabad 50

1. Telangana discoms (TGSPDCL and TGNPDCL) (hereinafter referred to as “**TG discoms**”) have sought modification of TOD slabs approved by the Hon’ble Telangana Electricity Regulatory Commission (hereinafter referred to as “**Hon’ble Commission**”) vide Tariff Order for FY 2025-26 (ref OP No.s 21 and 22 of 2025). Hon’ble Commission by way of Tariff Order had approved the ToD slabs as under:

Description	During the period	ToD Tariff over Retail Supply Energy Charges for FY 2025-26
Peak	6 AM to 10 AM and 6 PM to 10 PM	Plus Rs. 1.00/ unit
Off-peak	10 PM to 6 AM	Less Rs. 1.50/ unit
Normal	10 AM to 6 PM	NIL

2. **Elimination of Consumer Incentives**

The TG DISCOMs have proposed the withdrawal of the existing Time-of-Day (ToD) rebate of Rs. 1.50 per unit applicable during off-peak hours (10:00 PM–6:00 AM). This move would align off-peak tariffs with normal-hour charges, thereby eliminating the differential tariff signal that was originally designed to encourage load-shifting and promote night-time consumption. Such a change directly undermines the fundamental purpose of the ToD mechanism.

3. **Arbitrary and Revenue-Oriented Approach**

The proposal appears arbitrary and primarily revenue-driven, without offering any corresponding improvement in system efficiency or demand-side management (DSM). ToD tariffs are not intended to enhance DISCOM revenues but to manage the demand-supply gap by incentivizing consumers to shift their load patterns. The Petition lacks robust data or

4. Lack of Supporting Evidence and Analysis

The Petitioner has failed to present critical evidence, such as block-wise demand and supply analysis (segregated into long-, medium-, and short-term procurement). Without such data, the Commission and consumers cannot properly assess the rationale for the proposed change. A review of the power procurement portfolio is also necessary to ensure that an optimal mix of long-, medium-, and short-term sources continues to support grid stability and consumer affordability.

5. Market Realities and Solar Integration

With marginal power purchase costs during solar hours already crashing to sub-Rs. 2/unit levels in the energy markets, there is a strong case for extending rebates during daytime to encourage higher solar consumption. Instead of eliminating the night-time incentive, ToD tariffs should be dynamically revised to support renewable integration and enhance system efficiency.

6. Adverse Consumer and System Impact

Withdrawing the off-peak rebate will discourage night-time usage, potentially pushing demand back into peak hours. This could aggravate load curve imbalances, increase DISCOMs' procurement costs, and burden consumers. Moreover, industries and households that have already invested in timers, automation, and EV charging infrastructure based on ToD rebates would face sunk costs, eroding trust in tariff signals and creating regulatory uncertainty.

7. Cross-Subsidy Concerns

Since ToD slabs apply largely to HT categories, abolishing the off-peak rebate would disproportionately raise the Average Billing Rate (ABR) for industrial consumers. This would deepen cross-subsidies in the system, further straining competitiveness of industries while leaving subsidized categories unaffected. The Objector therefore request the Commission to reject the proposed withdrawal and instead strengthen ToD tariffs in line with the objectives enshrined in the National Tariff Policy 2016.

The Objector craves permission to make additional submissions to substantiate the above propositions during the time of Public hearings.

For Telangana Spinning & Textile Mills Association


Secretary