

**Venkat N.K.K,**  
**Independent Member- CGRF (Rural)- (TGSPDCL)**  
**General Secretary - Telangana State Solar Open Access DEVELOPERS' Association (TSOADA)**  
**Member- Energy Committee- Federation of Chamber of Commerce of Telangana (FTCCI)**

To,

Dated:04-09-2025

- (1) **The Chief Engineer (IPC&RAC), TGSPDCL,**  
 Corporate Office, 1st floor,  
 'A' block, Mint Compound, Hyderabad-500063
- (2) **The Chief Engineer (IPC & RAC), TGNPCL,**  
 H.No.2-5-31/2, Vidyuth Bhavan,  
 Nakkalagutta, Hanumakonda-506001
- (3) **The Commission Secretary/TGERC,**  
 Vidyut Niyantran Bhavan, Sy.No.145-P, G.T.S. Colony,  
 Kalyan Nagar, Hyderabad 500 045.  
 Email id: secy@tserc.gov.in

Dear Sir,

**Sub:** - Comments and on the filings made by TGSPDCL and TGNPDCL for certain amendments to ToD Tariffs approved in Tariff Order of FY 2025-26 in O.P.Nos 21 & 22 of 2025- Reg.

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Name & full address of the Objector along with e-mail id and contact number	Brief details of Objection(s)/ Suggestion (s) on proposals of TGSPDCL	Whether copy of Objection(s)/Suggestion(s) & proof of delivery at Licensee's office enclosed (Yes/No)	Whether Objector wants to be heard in person (Yes/No)
<b>Mr. Venkat N.K.K,</b> <b>Address:</b> G-202, Aditya Hilltop, Veterinary colony, Road No. 82, Jubilee Hills, Film Nagar, Hyderabad- 500096. <b>Email Id:</b> venkat.snpm@gmail.com <b>Mob:</b> +91-9666 22 99 75.	It is suggested that the proposal be approved to avoid imposing an undue burden on the public.	YES	YES

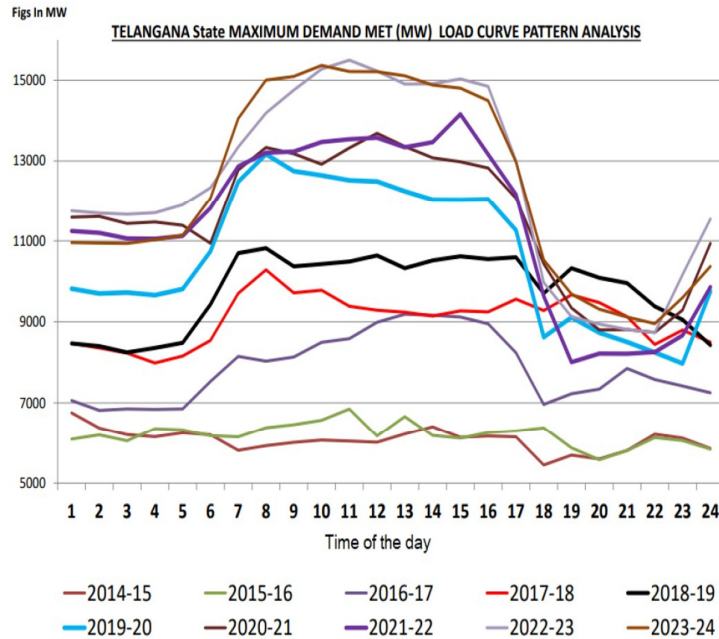
(1) **Historical Back Drop:-**

I had submitted detailed objections during the public hearing on TGSPDCL's tariff filing for FY 2025-26, specifically opposing continuation of the ToD incentive. My submission was that extending the incentive is illogical, as the power purchase cost and demand during the 10 PM-6 AM block do not justify such a concession.

Despite this, TGSPDCL supported its proposal to enhance the ToD incentive to ₹1.50/unit, which was subsequently approved by the Hon'ble Commission in the Retail Supply Tariff Order for FY 2025-26. Now, within four months, the licensees have sought a mid-term review of the ToD charges earlier proposed by them and approved by the Commission.

Reproduced slides from my presentation on 21.03.2025 before this Hon'ble Commission:

## Comment – 4 ToD incentive



## Comment – 4 ToD incentive Contd...

- The Objective of ToD incentive introduced in FY2016-2017 was to flatten the demand curve as the state electricity demand during
  - (1) 22:00-00:06 hours was LOW and
  - (2) 06:00- 10:00 & 18:00- 22:00 was HIGH .
- By around FY 19-20 the objective was successfully achieved. As a matter of fact, reversing the previous scenario. However, the ToD incentive has not been withdrawn since FY19-20.
- In fact, it has been increased from Rs.1/Unit to Rs.1.5/Unit by Hon'ble commission for FY24-25. It is to be noted that such ToD incentive increment was neither a request from the industry nor from the licence at that time.
- The decision to retain the Rs. 1.5/ unit incentive by TGSPDCL in the current proposals has come as a surprise to us.
- Based on current demand projections, the revenue loss for TGSPDCL for a single fiscal year is estimated to be over 1000 crores due to the ToD incentive.
- Therefore, we respectfully request the Honorable Commission to consider withdrawing the ToD incentive concept for the time being and revising the scenario as necessary in the future.

### (2) Legal Perspective:-

In my view, neither the **Electricity Act, 2003** nor the **TGERC MYT Regulations, 2023** expressly prohibit a mid-term review of a Retail Supply Tariff Order. While the prevailing regulations mandate annual filings, a comprehensive reopening of the tariff order mid-year is neither contemplated nor desirable. However, in my opinion, a limited review, subject to the Commission's approval, is permissible in law. It is also pertinent to note that several SERCs, under their respective MYT Regulations, have provided for mid-term reviews to address uncontrollable costs, subsidy variations, or material deviations in revenue and expenditure.

(3) Other Important consideration related to TGSPDCL power purchase costs:-

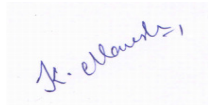
We have observed that TGSPDCL's power purchase payments for deemed banked units from open access developers, from the date of synchronization to the date of open access, under Clause 11(e) of the Telangana Solar Policy-2015 and Clauses 7 & 8 of Appendix-3 of Regulation 1 of 2017, have been inconsistently applied and misused.

TGSPDCL contends that, in the absence of a banking agreement, a generator is not entitled to payments. However, both the licensees **(TGSDPCL & TGNPDCL) have paid HUNDRED OF CRORES** to some generators towards deemed banked units at the rate of APPC as contemplated under Regulation 1 of 2017. One such generator, DRES Limited, has filed O.P. No. 27 of 2025, which is reserved for order as per record of proceedings dated 04.08.2025, before this Hon'ble Commission regarding applicability of wheeling charges towards payments made for such deemed banked units as contemplated under Regulation 1 of 2017.

We had submitted our grievance regarding this arbitrary approach to the Hon'ble Commission and understand that TGSPDCL has been directed to furnish a report. We respectfully submit that we are hopeful the Hon'ble Commission will guide TG DISCOMS to adopt a just and equitable approach, in the broader interest of the industry.

I firmly believe that the suggestions outlined above offer valuable insights that will support the Hon'ble Commission in arriving at sound and forward-looking conclusions.

**Thanks & Regards,**



**Venkat N.K.K.,**  
**B.E (Anna University), M.B.A (SPJAIN), L.L.B (Osmania University))**

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