

**SOUTH INDIAN CEMENT MANUFACTURERS' ASSOCIATION**

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**Preliminary Objections on the filings of  
TGNPDCL in OP no. 66 of 2025 and TGSPDCL in OP no. 65 of 2025  
before the Hon'ble Telangana Electricity Regulatory Commission  
for determination of Additional Surcharge for HI of FY 2026-27**

1. Under clause 8.5.4 of Tariff Policy, 2016 notified by Ministry of Power (MoP) on 28.01.2016 the Additional Surcharge 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.  
TGDISCOMs have not conclusively demonstrated of continuous stranded capacity.
2. Inclusion of ISTS and STU charges will lead to excessive recovery of revenue by TGDISCOMs and inter-alia result on over burdening of the open access consumer. Further, the embedded open access consumers are also paying STU charges as part of the fixed charges and additionally STU charges on all open access transactions. Hence, ISTS & STU charges should not be considered for computation of Additional Surcharge.
3. Furthermore, it is worthwhile to mention that the Hon'ble Commission by way of Order dated 15.11.2025 had amended the Time of Day (ToD) Tariffs in Telangana. The following observations emanate from the Hon'ble Commission's Order:
  - a. TG Discoms have been procuring most expensive power during the period April – September (H1 of FY) since last 3 years particularly FY 2023-24, FY 2024-25 and FY 2025-26 (Para 1.7.15 of the Order).
  - b. Further, the variance between the day and night time tariffs is significantly high particularly in FY 2025-26. Para 1.7.16 of the referred order indicates that the such variance is in excess of Rs. 1.53/ unit.
4. The above facts demonstrate the following critical points taking into consideration the numbers presented in the instant petition:

- a. Discom's submission of stranded capacity during H1 indicates that the tied-up power source which remains stranded in uncompetitive to be sourced power from. Therefore, the burden of inefficient power portfolio planning should not be passed onto the consumers. Consumers face double whammy, first by way of higher power purchase cost, and secondly keeping them stranded pushes additional surcharge inhibiting consumers from opting for Open Access.
- b. Since the Hon'ble Commission has abolished the night time consumption incentive, the consumers are expected to shift to day time for consumption of cheaper power. This shall require discoms to increase their tied-up capacity (particularly solar) during the day time and the shift from night time load to day time would possibly result into the base load capacity being idle during the night time pushing additional surcharge even higher.
- c. Furthermore, the shift in load is expected to result into variance in demand during the day and night further affecting the system (both distribution and transmission) being underutilized again pushing the additional surcharge.

5. In view of the above, it is respectfully submitted that the TG Discoms need urgent overhaul of their power procurement planning incl. ST/MT/LT sources. On account of the above, the claim of Additional Surcharge at this point is not maintainable and ought to be rejected.

For SOUTH INDIAN CEMENT  
MANUFACTURERS' ASSOCIATION



Authorised Signatory

I.Gopinath  
Chief Executive Officer  
**(OBJECTOR)**

**Date:** 9<sup>th</sup> January 2026

**Place:** Hyderabad