

**NORTHERN POWER DISTRIBUTION
COMPANY OF TELANGANA LIMITED**



**PETITION FOR POWER PURCHASE TRUE-UP
FOR RETAIL SUPPLY BUSINESS FOR THE
FY 2023-24**

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**BEFORE THE HONOURABLE TELANGANA ELECTRICITY REGULATORY
COMMISSION**

At Its Office at Vidyuth Niyantran Bhavan, Kalyan Nagar, GTS Colony,
Hyderabad - 500 045.

FILING NO. _____/2025
CASE NO. _____/2025

In the matter of:

Filing of the Power Purchase True-up application for Retail Supply Business for FY 2023-24 and Revenue True Up for FY 2023-24 in accordance with Telangana State Electricity Regulatory Commission (Multi Year Tariff) Regulation, 2 of 2023 thereof by the Northern Power Distribution Company of Telangana Limited ('TGNPDCL' or 'the Company' or 'the Licensee') as the Distribution and Retail Supply Licensee

In the matter of:

NORTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED

... Applicant

The Applicant respectfully submits as under: -

1. Consequent to the formation of Telangana State on 02-06-2014 as per the Andhra Pradesh Reorganisation Act, 2014, a separate Telangana Electricity Regulation Commission was constituted on 03-11-2014. TGERC vide Telangana Official Gazette has issued its first regulation, Regulation No. 1 of 2014 on 10.12.2014 (Adoption of Previously Subsisting Regulations, Decisions, Directions or Orders, Licenses and Practice of Directions) wherein clause 2 states that:

"All regulations, decisions, directions or orders, all the licences and practice directions issued by the erstwhile Andhra Pradesh Electricity Regulatory Commission (Regulatory Commission for States of Andhra Pradesh and Telangana) as in existence as on the date of the constitution of the Telangana State Electricity Regulatory Commission and in force, shall mutatis-mutandis apply in relation to the stakeholders in electricity in the State of Telangana

including the Commission and shall continue to have effect until duly altered, repealed or amended, any of Regulation by the Commission with effect from the date of notification as per Notification issued by the Government of Telangana in G.O.Ms.No.3 Energy (Budget) Department, dt.26-07-2014 constituting the Commission.”

2. This filing is made by the **NORTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED (TGNPDCL)** under Section 62(4) of the Electricity Act 2003 for determination of the Power Purchase True-up and Revenue True-Up for Retail Supply Business for the period **FY 2023-24** in accordance with Telangana State Electricity Regulatory Commission (Multi Year Tariff) Regulation, 2 of 2023.
3. Accordingly, the Licensee in this filing submits the following Proposal of Power Purchase True-up for **FY 2023-24** and Revenue True-Up for **FY 2023-24** in accordance with TGERC MYT Regulation 2 of 2023

4. **Power Purchase True-up for FY 2023-24:**

- i. The licensee has submitted ARR and FPT for Retail Supply Business for FY 2023-24 and the Hon'ble Commission has issued Tariff Order for the same vide Order dated 24.03.2023.
- ii. The licensee has also computed the Power purchase True-up for FY 2023-24 by taking approved agricultural sales.

FY 2023-24	Value (Rs. Crs)
Approved Power Purchase Cost	12,351
Actual Power Purchase Cost	14,162
Net True Up for TGNPDCL	1,810

- iii. The Licensee hereby submits the Hon'ble Commission to approve the power purchase true up/ down by considering minimum of annual actual and approved agricultural sales as TGNPDCL is providing 24 hours power

supply to agricultural consumers since 2018 as per the directions of State Government.

5. Revenue True-Up for FY 2023-24

- i. Licensee has computed Revenue True-Up for FY 2023-24 in accordance with the TGERC Regulation 2 of 2023.

FY 2023-24	(Rs. Cr)
Approved Revenue (LT)	3,399.92
Approved Revenue (HT)	5,652.42
Non-Tariff Income	33.81
Total Approved Revenue (Incl NTI)	9,086.15
Actual Revenue (LT)	3,823.26
Actual Revenue (HT)	5,077.03
Non-Tariff Income	72.37
Total Actual Revenue (Incl NTI)	8972.67
Total True Up(+)/ True Down(-)	113.48

6. Treatment of True-Up:

- i. The licensee requests the Hon'ble Commission to approve the power purchase true up for FY 2023-24.
 - ii. In accordance with the provision in clause 13.3 (d) of Regulation No. 2 of 2023, which stipulates that claims arising from failure to pass on FCA charges within the prescribed timelines shall not be allowed, the DISCOM respectfully submits that **it is not claiming the Power Purchase True-up amount for the FY2023-24** and accordingly pass necessary orders.
 - iii. The licensee requests the Hon'ble Commission to approve the Revenue True Up for FY 2023-24.
 - iv. **The Hon'ble Commission may request the Government of Telangana to extend financial support of Revenue True-up amount of Rs.113.48 Cr for FY2023-24 to TGNPDCL in order to recover financial losses.**
7. Based on the information available, the applicant has made sincere efforts to comply with the Regulation of the Hon'ble Commission and discharge its obligations to the best of its abilities. However, should any further material information become available in the near

future, the applicant reserves the right to file such additional information and consequently amend/ revise the application.

8. This filing has been discussed and approved by the Board of Directors of TGNPDCL and Sri. K. Venkata Ramana, Chief Engineer, IPC and RAC of TGNPDCL has been authorised to execute and file the said document. Accordingly, the current filing documents are signed and verified by, and backed by the affidavit of Sri. K. Venkata Ramana, Chief Engineer, IPC and RAC of TGNPDCL.
9. In the aforesaid facts and circumstances, the Applicant requests that this Hon'ble Commission may be pleased to:
 - a) Admit the Power Purchase True Up and Revenue True Up Petition filed by the Licensee, in accordance with TGERC MYT Regulation 2 of 2023 for the FY 2023-24.
 - b) Approve the Power Purchase True-up cost as submitted in the Petition and **DISCOM is not claiming the Power Purchase True-up amount for the FY2023-24** and accordingly pass necessary orders.
 - c) Approve the Revenue True Up as submitted in the Petition in order to recover financial losses of the licensee.
 - d) **The Hon'ble Commission may request the Government of Telangana to extend financial support of Revenue True-up amount of Rs.113.48 Cr for FY2023-24 to TGNPDCL in order to recover financial losses.**
 - e) Grant suitable opportunity to TGNPDCL within a reasonable time frame to file additional material information that may be subsequently available;
 - f) Consider and approve TGNPDCL's Power Purchase True-Up and Revenue True Up application including all requested regulatory treatments in the filing;
 - g) Pass such order as the Hon'ble Commission may deem fit and proper in the facts and circumstances of the case.

NORTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED
(APPLICANT)

Through



CHIEF ENGINEER
IPC&RAC/TGNPDCL

Place: Hanumakonda
Dated: 10.11.2025

**BEFORE THE HONOURABLE TELANGANA ELECTRICITY REGULATORY
COMMISSION**

At Its Office at VidyuthNiyantaran Bhavan, Kalyan Nagar, GTS Colony,
Hyderabad - 500 045.

FILING NO. _____/2025
CASE NO. _____/2025

In the matter of:

Filing of the Power Purchase True-up application for Retail Supply Business for FY 2023-24 and Revenue True Up for FY 2023-24 in accordance with Telangana State Electricity Regulatory Commission (Multi Year Tariff) Regulation, 2 of 2023 thereof by the Northern Power Distribution Company of Telangana Limited ('TGNPDCL' or 'the Company' or 'the Licensee') as the Distribution and Retail Supply Licensee.

In the matter of:

NORTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED

... Applicant

**AFFIDAVIT OF APPLICANT VERIFYING THE APPLICATION ACCOMPANYING
FILING AS PER TERMS AND CONDITIONS OF TARIFF FOR WHEELING AND
RETAIL SALE OF ELECTRICITY**

I, K Venkata Ramana, son of Sri K. Ratnakar Rao, aged 58 years working for gain at the Northern Power Distribution Company of Telangana Limited do solemnly affirm and say as follows:

- 1 I am the Chief Engineer/IPC&RAC of TGNPDCL, the Licensee that has, vide the Hon'ble Commission's approval in proceedings No. APERC/Secy/Engg/No.6 dt.31.3.2000, been granted the distribution and retail supply functions that Transco was authorised to conduct or carry out under the Act and the license, with respect to the business of distribution and retail supply of electricity in the Northern distribution zone in Telangana. On December 27, 2000, the Hon'ble Commission has awarded a Distribution and Retail Supply Licence to TGNPDCL effected from April 1, 2001.

- 2 I am competent and duly authorised by TGNPDCL to affirm, swear, execute and file this affidavit in the present proceedings.
- 3 As such, I submit that I have been duly authorised by the Board of Directors of TGNPDCL to submit the Power Purchase True-up and Revenue True-Up for Retail Supply Business for the period **FY 2023-24** in accordance with Telangana State Electricity Regulatory Commission (Multi Year Tariff) Regulation, 2 of 2023.
- 4 I submit that I have read and understood the contents of the appended application of TGNPDCL. The facts stated in the application are true to the best of my knowledge, which are derived from the official records made available and certain facts stated are based on information and advice which, I believe to be true and correct.
- 5 I submit that for the reasons, and facts stated in the appended application this Applicant pray that the Hon'ble Commission may be pleased to:
- Admit the Power Purchase True Up and Revenue True Up Petition filed by the Licensee, in accordance with TGERC MYT Regulation 2 of 2023 for the FY 2023-24.
 - Approve the Power Purchase True Up cost as submitted in the Petition.
 - **DISCOM is not claiming the Power Purchase True-up amount for the FY2023-24 and accordingly pass necessary orders.**
 - Approve the Revenue True Up as submitted in the Petition in order to recover financial losses of the licensee.
 - **The Hon'ble Commission may request the Government of Telangana to extend financial support of Revenue True-up amount of Rs.113.48 Cr for FY2023-24 to TGNPDCL in order to recover financial losses.**
 - Grant suitable opportunity to TGNPDCL within a reasonable time frame to file additional material information that may be subsequently available;
 - Consider and approve TGNPDCL's Power Purchase True-Up and Revenue True Up application including all requested regulatory treatments in the filing;

- Pass such order as the Hon'ble Commission may deem fit and proper in the facts and circumstances of the case.

[Signature]

DEPONENT
Chief Engineer
IPC & RAC, TGNPDCL
WARANGAL

VERIFICATION:

I, the above named Deponent solemnly affirm at Hanumakonda on this 10th Day of November 2025 that the contents of the above affidavit are true to my knowledge, no part of it is false and nothing material has been concealed there from.

[Signature]

DEPONENT
Chief Engineer
IPC & RAC, TGNPDCL
WARANGAL

Solemnly affirmed and signed before me.

[Signature]

General Manager
IPC & RAC, TGNPDCL,
Warangal.

3.1 Power Purchase True-up for FY 2023-24

3.1.1 Introduction

Regulatory Provisions:

Sub clause 13.11 (c) of Regulation 2 of 2023 states that:

“The distribution licensee, after completion of audited annual accounts, shall file the true up petition for passing through of gains and losses by claiming variations in “uncontrollable” items in the ARR for the year and also submit details of FCA charges already passed on to the consumers along with the true up petition to the Commission. In case of failure of distribution licensee in filing of true ups of uncontrollable items, the distribution licensee shall not claim the FCA charges in the consumers bill till the true-up petitions for claiming the variations in uncontrollable items are filed”.

Further, Sub clause 12.2 of Regulation 2 of 2023 states that:

“The “uncontrollable factors” shall comprise the following factors, which were beyond the control of, and could not be mitigated by the Petitioner, as determined by the Commission:

- (a) Force Majeure events;*
- (b) Change in law;*
- (c) Variation in fuel cost on account of variation in price of primary and/or secondary fuel prices;*
- (d) Variation in sales;*
- (e) Variation in the cost of power purchase due to variation in the rate of power purchase, subject to clauses in the power purchase agreement or arrangement approved by the Commission;*
- (f) Variation in inter-State Transmission Charges and losses;*
- (g) Variation in intra-State transmission losses for distribution licensee;*
- (h) Variation in market interest rates for long-term loan;*
- (i) Variation in income tax rates;*
- (j) Variation in freight rates;*
- (k) Revenue from sale of power from consumers.*

Therefore, in accordance with the above clauses of Regulation 2 of 2023, the Licensee is now filing for the true up of the following:

- i. Power purchase cost for FY 2023-24
- ii. Revenue for FY 2023-24

The licensees have submitted Aggregate Revenue Requirement (ARR) and FPT for Retail Supply Business for FY 2023-24 and the Hon'ble Commission has issued Tariff Order for the same vide Order dated 24.03.2023.

It is to further submit that licensee had requested the Hon'ble Commission for extension of time for filing ARR and Tariff proposals of Retail Supply Business for FY 2024-25 from 30.11.2023 to 02.01.2024 considering the enforcement of Model Code of Conduct in Telangana state in view of the Assembly elections 2023, formal approval from the State Government for the filings was awaited and since the approval of Resource plan was still under process.

Considering the nature of the request of the licensee, Hon'ble Commission accorded extension of time for filing of ARR and Tariff proposals of Retail Supply Business for FY 2024-25 from 30.11.2023 to 02.01.2024.

Further, the Hon'ble Commission issued Telangana State Electricity Regulatory Commission (Multi Year Tariff) Regulation, 2023 on 30.12.2023. In accordance to the said Regulations, the licensee shall file ARR and Tariff proposals on or before 31.01.2024.

The Licensee hereby submits the power purchase true-up for FY 2023-24.

A summary of Power Purchase True up/(down) claimed by TGNPDCL, in this Petition is provided in the table below:

Year	Power Purchase True-up/(down) of TGNPDCL (in Rs. Cr)
Final True Up FY 2023-24	1,810

The Licensees in the state of Telangana purchase power from TGGENCO generating thermal and hydro stations, Central generating stations and other sources such as, Solar and other RE sources, IPPs, viz. Singareni, Thermal Power Tech and short-term sources to meet the energy requirement of the State.

3.1.2 Power Purchase True up for the FY 2023-24 at the State level

- The licensees have considered the approved power purchase cost, SLDC and transmission cost for FY 2023-24 in the RST Order for arriving at the True-up for FY 2023-24.
- Further, the Licensees had started supplying 24 hrs power to all agricultural consumers w.e.f. January 1, 2018.
- The Licensee has computed the actual Power Purchase cost by grossing up the sales i.e., actual metered sales plus agriculture sales with approved transmission and distribution losses in the relevant MYT Transmission and Wheeling tariff orders
- The Petitioners submit that based on actuals for FY2023-24 and approved distribution losses, power purchase cost (including transmission charges) arrives at a cost of Rs. 34,733 Cr for TGSPDCL and Rs 14,162 Cr. for TGNPDCL, aggregating to Rs. 48,895 Cr. for the Telangana for FY 2023-24 as shown in the table below

PP Cost Variation Analysis TG DISCOMS - FY24											
Category	Energy Dispatched (MUs)		Fixed Cost (Rs Cr)		Variable Cost (Rs Cr)		Other Cost (Rs Cr)		Total Impact (Rs Cr)		
	Appr.	Actual	Appr.	Actual	Appr.	Actual	Appr.	Actual	Appr.	Actual	Diff
Genco Thermal	26211	26317	5028	4804	6842	9442	0	0	11870	14245	2376
Genco Hydel	5677	1181	1224	1242	0	0	0	0	1224	1242	19
CGS	21127	16787	2854	2319	6023	6108	0	144	8877	8571	-306
NCE	11896	11007	0	0	5074	5259	0	0	5074	5259	184
Others	21464	14662	4268	2756	5578	4901	0	-28	9846	7629	-2217
Market	1505	9895	0	-2	527	5290	0	0	527	5289	4762
Interstate Sale/UI/Sale/Purchase in 33kV & below	-3724	-1388	0	0	-1862	-735	0	0	-1862	-735	1127
D-D	0	0	0	0	0	0	0	0	0	0	0
Interest on Pension bonds	0	0	0	0	0	0	1379	1168	1379	1168	-211
Transmission charges	0	0	5376	6090	0	30	0	-6	5376	6113	737

PP Cost Variation Analysis TG DISCOMS - FY24											
Miscellaneous Charges (Water charges, UI-SRPC/Deviation charges, Reactive charges, Wheeling KPTCL charges, Reactive KPTCL charges)	0	0	0	-20	0	0	0	134	0	114	114
Total	84156	78460	18750	17189	22182	30295	1379	1411	42311	48895	6584

3.1.2.1 Reasons for deviation in Power Purchase Quantum and Cost for the State:

The actual energy dispatched by the State is 7% lower (than the approved) for FY 2023-24. The detailed explanation for the same is presented below:

i) Deviations in Energy Dispatch:

- **Hydel Power:** The state witnessed considerably lower generation from Hydel Power Stations. The state witnessed an actual generation of only 1,181 MUs as against 5,677 MUs approved, resulting in 79% fall in generation. The cause for lower generation is primarily attributed due to poor inflows from upstream states into major reservoirs in Telangana.
- **Central Generating Stations (CGS):** The Central Generating Stations too witnessed a shortfall of 4,340 MUs, thereby recording a reduction of 21% in generation. The cause of lower generation is attributed to overall delay in commissioning of Telangana STPP power plant.
- **Non-Conventional Energy Sources (NCEs):**
 - The Licensees are committed to procure clean and sustainable energy sources to meet the Renewable energy obligation requirement.
 - However, there has been a 7% shortfall in energy dispatched by NCEs, leading to reduced generation of 889 MUs
- **Others:**
 - Even though in terms of variable cost, CGSPDCL comes higher in the merit order dispatch, there have been no power taken from it in FY 2023-24.

-
- **Short term power sources:**
 - It is Pertinent to mention that the state of Telangana had started supplying 24 * 7 power to agricultural sector from January 1, 2018. This has increased the power purchase requirement for the whole FY 2023-24.
 - The Licensees, after exhausting all their sources, had resorted to procure power from short term market for the FY 2023-24. The Licensees submit that the power was procured to meet the sudden increase in power demand in the state for the FY 2023-24.
 - To meet the power demand, the Licensees procured a total of 9,895 MUs from the Short-term market for the State of Telangana for the FY 2023-24. An additional 8,389 MUs were procured in addition to Commission's approval which stood at 1,505 MUs. The considerable additional short term power purchase was considering zero dispatch from NTPC TSTPP & CSPDCL.
 - The Licensees submit that they would be making enormous effort to procure power from long term sources.
 - In this context, the Licensees humbly requests the Hon'ble Commission to allow the Short-term power purchase quantum for the FY 2023-24.
 - ii) **Deviations in Power Purchase Cost:** The deviations in power purchase cost is further classified into two categories (fixed cost and variable cost) and is discussed below in detail:
 - **Variations in Fixed Cost (FC):** There is an overall change in the fixed costs from the approved Rs. 18,750 Cr. to Rs. 17,189 Cr. (8% decrease from approved value) incurred by the Licensees during the FY 2023-24.
 - **Variations in Variable cost (VC):** Variable Costs has increased to the tune of Rs. 8,113 Cr. from the approved costs. The reason for such increase can be mostly attributed to the increase in per unit VC of TGGENCO & CGS Thermal power stations and procurement from Short term market to meet the 24 * 7 power supply initiative to the agricultural consumers in the state. The details have been further explained below:

-
- For Thermal Stations (TGGENCO Thermal power stations, CGS, Singareni, Thermal Power Tech) at the time of issuance of order, the cost assumptions considered by the Hon'ble Commission were provisional, but due to increase in cost of Coal, Freight, Royalty and levy of Green CESS, the variable cost of thermal stations has increased. While TGGENCO recovers the deviation in actual variable cost on a quarterly basis from the licensees, the same is not passed on to the consumers by the DISCOM.
 - **TGGENCO Thermal Stations:** The variable costs of the TGGENCO stations have increased from the approved value Rs 2.61/kWh to Rs. 3.59/kWh. With the increase in power procurement from these stations, the overall Variable cost has increased to an extent of Rs. 2,600 Cr for the FY 2023-24.
 - **CGS Stations:** The Variable cost has increased significantly from the approved costs by the Hon'ble Commission (from Rs. 2.85/kWh to Rs. 3.64/kWh).
 - **Other Stations (Thermal Power tech and Singareni) :** For IPP – Thermal Powertech and Singareni, increase in power purchase cost is witnessed due to the increase in domestic coal prices, freight charges and forex rate variations on the imported coal component. The Variable cost has increased significantly from the costs approved by the Hon'ble Commission (from Rs. 2.60/kWh to Rs. 3.36/kWh).
 - **Transmission charges, PGCIL charges and SLDC charges:** There is an increase of around Rs. 737 Cr. (15%) in transmission charges, as compared to approved charges. The increase in charges is primarily attributable to increase in PGCIL charges.
 - The **dispatch from NCEs**, being the must-run stations has a per unit cost of Rs.4.78/kWh vis-à-vis approved cost of Rs.4.27/kWh. This has led to an increase in the cost by Rs 184 Cr.
 - **Short-Term Power:** As explained in the earlier sections, the Licensees has to source additional power requirement for the state by procuring power from short term sources. This has increased the power purchase costs of the Licensees by Rs. 4,762 Cr.

3.1.2.2 Power Purchase True-up/ True-down for TGNPDCL for FY 2023-24

- Basis the above power purchase cost incurred at the State level for the FY 2023-24, TGNPDCL is allocated its share of the Power Purchase cost in the approved ratio of 29.45% and further additions for any additional energy required to meet demand.
- It is pertinent to mention that the licensee had prayed before the Hon'ble Commission at various junctures to include the impact of supply of 24 hrs agricultural sales in the relevant regulations.
- However, the same has been declined by the Hon'ble Commission stating that submissions of the TGDISCOMs would be treated as suggestion/input as and when the Commission initiates the process of adding to or amending or varying regulation.
- The Licensee hereby submits the Hon'ble Commission to approve the power purchase true up/down by considering minimum of annual actual and approved agricultural sales as TGNPDCL is providing 24 hours power supply to agricultural consumers since 2018 as per the directions of State government.

PP Cost Variation TGNPDCL - FY24					
Category	Energy Dispatched (MUs)		Total Impact (INR Cr)		
	App	Actual	App	Actual	Diff
Genco Thermal	7719	7750	3496	4195	700
Genco Hydel	1672	348	360	366	5
CGS	6222	4944	2614	2524	-90
NCE	3953	3238	1587	1497	-90
Others	6321	4318	2900	2247	-653
Market	443	2914	155	1558	1402
Interstate Sale/UI/Sale/Purchase in 33kV & below	-1097	-409	-548	-217	332
D-D purchase/UI	-1134	0	-210	0	210
Interest on Pension Bonds	0	0	406	344	-62
Transmission Charges	0	0	1591	1809	217
Miscellaneous Charges (Water charges, UI-SRPC/Deviation charges, Reactive charges, Wheeling KPTCL charges, Reactive KPTCL charges)	0	0	0	(161)	-161
Total	24099	23103	12351	14162	1810

3.1.3 Treatment of True-up

3.1.3.1 The Context

- Cost true ups are warranted as tariff filings and tariff orders are issued based on futuristic projections of various revenue and cost elements. The variations in projections and actuals should ideally be due to unforeseen changes such as new regulations (increase in Taxes /Coal CESS), natural disasters leading to higher capital investments / operating expenses and other force majeure conditions.
- Efforts should be made by all the stakeholders involved to reduce such true ups of costs in business-as-usual scenarios. Higher true ups will have an adverse effect on both the performance of utility (as the gap has to be funded through short term sources) and customers (tariff increases to recover such gaps with carrying costs).
- This leads to reduced financial capacity of the utility to raise long term finances at competitive rates. Current true ups and the carrying costs have to be borne by customers for future energy procurement.

3.1.3.1 Power Purchase True Up/True down

- The Licensee has already elaborated the basis on which it claims the Power purchase true up/down for the FY 2023-24 in the relevant sections of this Petition.
- The below table briefs about the Power Purchase true up/(down) for TGNPDCL

FY 2023-24	Value (Rs. Crs)
Approved Power Purchase Cost	12,351
Actual Power Purchase Cost	14,162
Power Purchase True Up for TGNPDCL	1,810

3.1.4 Prayer

The Licensee requests the Hon'ble Regulatory Commission:

- To admit the Power Purchase true-up Petition filed by the Licensee
- To approve the Power Purchase True-up cost for FY 2023-24 as per the table below

FY 2023-24	Value (Rs. Crs)
Approved Power Purchase Cost	12,351
Actual Power Purchase Cost	14,162
Power Purchase True Up for TGNPDCL	1,810

-
- In accordance with the provision in clause 13.3 (d) of Regulation No. 2 of 2023, which stipulates that claims arising from failure to pass on FCA charges within the prescribed timelines shall not be allowed, the DISCOM respectfully submits that **it is not claiming the Power Purchase True-up amount for the FY2023-24** and accordingly pass necessary orders
 - To condone any errors/omissions and to give opportunity to rectify the same
 - To permit the Licensees to make further submissions, addition and alteration to this True-up as may be necessary from time to time.

3.2 Revenue True-Up

3.2.1 Introduction

Regulatory Provisions:

Sub clause 13.11 (c) of Regulation 2 of 2023 states that:

“The distribution licensee, after completion of audited annual accounts, shall file the true up petition for passing through of gains and losses by claiming variations in “uncontrollable” items in the ARR for the year and also submit details of FCA charges already passed on to the consumers along with the true up petition to the Commission. In case of failure of distribution licensee in filing of true ups of uncontrollable items, the distribution licensee shall not claim the FCA charges in the consumers bill till the true-up petitions for claiming the variations in uncontrollable items are filed”.

Further, Sub clause 12.2 of Regulation 2 of 2023 states that:

“The “uncontrollable factors” shall comprise the following factors, which were beyond the control of, and could not be mitigated by the Petitioner, as determined by the Commission:

- (a) Force Majeure events;*
- (b) Change in law;*
- (c) Variation in fuel cost on account of variation in price of primary and/or secondary fuel prices;*
- (d) Variation in sales;*
- (e) Variation in the cost of power purchase due to variation in the rate of power purchase, subject to clauses in the power purchase agreement or arrangement approved by the Commission;*
- (f) Variation in inter-State Transmission Charges and losses;*
- (g) Variation in intra-State transmission losses for distribution licensee;*
- (h) Variation in market interest rates for long-term loan;*

(i) Variation in income tax rates;

(j) Variation in freight rates;

(k) Revenue from sale of power from consumers.

Therefore, in accordance with the above clauses of Regulation 2 of 2023, the Licensee is now filing for the true up of the following:

iii. Revenue for FY 2023-24

3.2.2 Revenue True up for the FY 2023-24

As per Tariff order of FY 2023-24, the Hon'ble commission had determined the following revenue for TGNPDCL at reference tariffs. The table below summarizes the comparison between actual revenue realized by the licensee vis-à-vis revenue approved at reference tariffs for LT Consumers

Category	Particulars	Approved Revenue (Rs Cr)	Actual Revenue (Rs Cr)	True Up (-) True Down(+) (Rs Cr)
A	B	C	D	E = D - C
LT-I	Domestic	1,952.04	2,016.13	64.09
LT-II	Non-Domestic/Commercial	914.83	1,132.76	217.93
LT-III	Industrial	146.69	269.36	122.67
LT-IV	Cottage Industries	4.26	4.27	0.01
LT-V	Agricultural	50.90	49.34	(1.56)
LT-VI	Street Lighting & PWS	265.23	272.29	7.06
LT-VII	General Purpose	54.97	54.84	(0.13)
LT-VIII	Temporary Supply	10.12	24.10	13.98
LT-IX	Electric Vehicle Charging Stations	0.88	0.16	(0.72)
Total		3,399.92	3,823.26	423.34

The table below summarizes the comparison between actual revenue realized by the licensee vis-à-vis revenue approved at reference tariffs for HT Consumers

Category	Particulars	Approved Revenue (Rs Cr)	Actual Revenue (Rs Cr)	True Up (Rs Cr)
A	B	C	D	E = D - C
HT-I	Industrial & Ferro Alloys	1,831.35	1,852.00	20.65
HT-II	Non Industrial/ Others	251.75	271.79	20.04
HT-III	Airport, Railway stations, Bus etc.	8.21	8.60	0.39
HT-IV	Irrigation & CPWS	2,566.51	1,860.22	(706.29)
HT-V	Rail Traction & HMR	371.67	418.23	46.56
HT-VI	Residential Colonies	110.54	83.01	(27.53)

Category	Particulars	Approved Revenue (Rs Cr)	Actual Revenue (Rs Cr)	True Up (Rs Cr)
A	B	C	D	E = D - C
HT-VII	Temp. Supply	49.06	106.83	57.77
HT-VIII	RESCO	463.33	476.34	13.01
HT-IX	EVCS			-
Total		5652.42	5,077.03	(575.39)

The licensee requests the Hon'ble Commission to approve the Revenue True Up for FY 2023-24

The below table briefs about the Revenue True up for TGNPDCL:

FY 2023-24	(Rs. Cr)
Approved Revenue (LT)	3,399.92
Approved Revenue (HT)	5,652.42
Non-Tariff Income	33.81
Total Approved Revenue (Incl NTI)	9,086.15
Actual Revenue (LT)	3,823.26
Actual Revenue (HT)	5,077.03
Non-Tariff Income	72.37
Total Actual Revenue (Incl NTI)	8972.67
Total True Up(+)/ True Down(-)	113.48

3.2.3 Treatment of True-up

3.2.3.1 The Context

- Revenue true ups are warranted as tariff filings and tariff orders are issued based on futuristic projections of various revenue elements. The variations in projections and actuals should ideally be due to unforeseen changes such as new regulations (increase in Taxes /Coal CESS), natural disasters leading to higher capital investments / operating expenses and other force majeure conditions.
- Efforts should be made by all the stakeholders involved to reduce such true ups of revenue in business-as-usual scenarios. Higher true ups will have an adverse effect on both the performance of utility (as the gap has to be funded through short term sources) and customers (tariff increases to recover such gaps with carrying costs).

- This leads to reduced financial capacity of the utility to raise long term finances at competitive rates. Current true ups and the carrying costs have to be borne by customers for future energy procurement.

3.2.3.2 Revenue True up

- The Licensee has already elaborated the basis on which it claims the Revenue true up for the FY 2023-24 in the relevant sections of this Petition.

The below table briefs about the Revenue true up for TGNPDCL:

FY 2023-24	(Rs. Cr)
Approved Revenue (LT)	3,399.92
Approved Revenue (HT)	5,652.42
Non-Tariff Income	33.81
Total Approved Revenue (Incl NTI)	9,086.15
Actual Revenue (LT)	3,823.26
Actual Revenue (HT)	5,077.03
Non-Tariff Income	72.37
Total Actual Revenue (Incl NTI)	8972.67
Total True Up(+)/ True Down(-)	113.48

3.2.4 Prayer

The Licensee requests the Hon'ble Regulatory Commission:

- To approve the Revenue True-up as follows for the FY 2023-24

FY 2023-24	(Rs. Cr)
Approved Revenue (LT)	3,399.92
Approved Revenue (HT)	5,652.42
Non-Tariff Income	33.81
Total Approved Revenue (Incl NTI)	9,086.15
Actual Revenue (LT)	3,823.26
Actual Revenue (HT)	5,077.03
Non-Tariff Income	72.37
Total Actual Revenue (Incl NTI)	8972.67
Total True Up(+)/ True Down(-)	113.48

- To approve the deviation from the approved values for revenue.

-
- **The Hon'ble Commission may request the Government of Telangana to extend financial support of Revenue True-up amount of Rs.113.48 Cr to TGNPDCL in order to recover financial losses.**
 - To pass any other order as the Hon'ble Commission may deem fit and appropriate under the circumstances of the case and in the interest of justice.
 - To condone any errors/omissions and to give opportunity to rectify the same
 - To permit the Licensees to make further submissions, addition and alteration to this True Up as may be necessary from time to time

**BEFORE THE HONOURABLE TELANGANA ELECTRICITY REGULATORY
COMMISSION**

AT ITS OFFICE AT Vidyut Niyamtran Bhavan, G.T.S.Colony, Kalyan Nagar,
Hyderabad – 500 0045

FILING NO. _____/2025

CASE NO. _____/2025

In the matter of

Application for condonation of delay for Filing of the Power Purchase True-up application for Retail Supply Business for FY 2023-24 and Revenue True Up for FY 2023-24 in accordance with Telangana State Electricity Regulatory Commission (Multi Year Tariff) Regulation, 2 of 2023 thereof by the Northern Power Distribution Company of Telangana Limited ('TGNPDCL' or 'the Company' or 'the Licensee') as the Distribution and Retail Supply Licensee.

In the matter of

NORTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED
.....Applicant

As per the directions of the ERC, the due date for filing petitions was 2nd July 2025. However, the licensee was unable to file within the stipulated time resulting in a delay of 16 days (18.07.2025) to the date of Hon'ble TGERC order for submission of petition i.e. on or before 02.07.2025.

The applicant respectfully submits the reasons for delay in filing the petition are as under:

The Licensee was unable to file the Power Purchase True-up application for Retail Supply Business for the FY 2023-24 and Revenue True Up for FY 2023-24 due to the below reasons:

1. The Licensee had submitted the ARR for 5th Control Period from FY 2024-25 to FY 2028-29 in September 2024 and the Hon'ble Commission had released the Tariff Order on 28.10.2024.

2. The Licensee had undertaken analysis of the tariff order released by the Hon'ble Commission and further was also developing certain proposals for the subject petition.
3. Consequent to this the licensee filed the ARR for FY 2025-26 on 28.01.2025
4. Given the interdependencies between these filings, the licensee had to prioritize the ARR submission before proceeding with the petitions for FY 2022-23 and FY 2023-24 for power purchase True Up and FY 2023-24 for Revenue True Up
5. Further, the licensee had requested the State Government of Telangana for approval of filing of Power Purchase True-ups of FY 2022-23 and FY 2023-24 pertaining to Retail Supply Business.
6. Enforcement of Model code of conduct regarding Biennial Election to the Telangana Legislative Council Graduates and Teachers Constituencies 2025.
7. The TGDIsComs were engaged in making the Power Supply arrangements to meet the unprecedented demand in the state of Telangana to ensure uninterrupted power supply to all the consumers.
8. In view of the above difficulties faced, the Licensee humbly submits before the Hon'ble Commission a request to condone the delay in filing the true-up petition for Power Purchase Cost for FY 2023-24, as well as the petition for Revenue True-Up for FY 2023-24.

Prayer

In the aforesaid facts and circumstances, the petitioner humbly prays to the Hon'ble Commission to:

- (i) Condone the delay in filing of the Power Purchase True-up

application for Retail Supply Business for the FY 2023-24 and
Revenue True Up for FY 2023-24 for the reasons stated above.



Petitioner
Chief Engineer
IPC & RAC, TGNPDCL
WARANGAL.

**BEFORE THE HONOURABLE TELANGANA ELECTRICITY REGULATORY
COMMISSION**

AT ITS OFFICE AT Vidyut Niyamtran Bhavan, G.T.S.Colony, Kalyan Nagar,
Hyderabad – 500 0045

FILING NO. _____/2024

CASE NO. _____/2024

In the matter of

Application for condonation of delay for Filing of the Power Purchase True-up application for Retail Supply Business for FY 2023-24 and Revenue True Up for FY 2023-24 in accordance with Telangana State Electricity Regulatory Commission (Multi Year Tariff) Regulation, 2 of 2023 thereof by the Northern Power Distribution Company of Telangana Limited ('TGNPDCL' or 'the Company' or 'the Licensee') as the Distribution and Retail Supply Licensee.

In the matter of

NORTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED

.....Applicant

AFFIDAVIT OF APPLICANT VERIFYING THE ACCOMPANYING PETITION

I, K Venkata Ramana, S/o K. Ratnakar Rao, aged 58 years, Occupation: Chief Engineer (IPC&RAC), TGNPDCL, Hanumakonda, R/o Hanumakonda do solemnly affirm and say as follows:

- 1) I am Chief Engineer (IPC&RAC) of TGNPDCL, the applicant in the above matter and am competent and duly authorized by TGNPDCL to affirm, swear, execute and file this petition.
- 2) I have read and understood the contents of the accompanying Affidavit drafted pursuant to my instructions. The statements made in the accompanying Affidavit now shown to me are true to 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.

[Handwritten Signature]

DEPONENT
Chief Engineer
IPC & RAC, TGNPDCL
WARANGAL

VERIFICATION

The above named Deponent solemnly affirm at Hanumakonda on this 10th day of November, 2025 that the contents of the above Affidavit are true to my knowledge no part of it is false and nothing material has been concealed there from.

[Handwritten Signature]

DEPONENT
Chief Engineer
IPC & RAC, TGNPDCL
WARANGAL

Solemnly affirmed and signed before me.

[Handwritten Signature]

General Manager
IPC & RAC, TGNPDCL,
Warangal.