

To,
The Chairman,
Telangana Electricity Regulatory Commission (TGERC)
Vidyut Niyamtran Bhavan,
Sy.No.145-P, G.T.S. Colony,
Kalyan Nagar,
Hyderabad 500 045

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Dear Honourable Chairman, Dr. Justice Deveraju Nagarjun garu,

Ref : Our Earlier Representation Dtd. 5th January, 2026. Regards to Exorbitant Surge in Electricity Bills Industry Difficulties due to New Revised unblocking of leading kVARh for kVAh billing (Lead + Lag) Billing in Telangana.

Your Proceeding. TGERC- Unblocking of leading kVARh for the purpose of kVAh billing for metered services - Orders- Issued-Reg wide Procds. No. 07/Tariff /TERC, Dtd. 27-02-2026

Sub : Acknowledgement of Relief provided for LT Consumers and Appeal for Extension of Similar Relief regarding leading kVARh billing to 11kV and above HT Industrial Consumers and Safeguarding Industrial Viability of Telangana - Reg.

Greetings from CII Telangana!

The Confederation of Indian Industry (CII), Telangana State Council, on behalf of All industries in Telangana, wishes to place on record its appreciation on the considered order issued under **kVARh Proceedings No. 07**, extending relief to LT consumers with regard to the revised billing methodology. The decision reflects a balanced and judicious approach, taking into account the genuine hardships faced by industry. We are grateful for the sensitivity and fairness demonstrated by the Commission under your esteemed leadership.

However, we respectfully submit that the underlying issue arising out of the revised unblocking of leading kVARh for kVAh billing (Lead + Lag) is not confined to LT consumers alone. While LT consumers are primarily Micro enterprises, the **small and medium enterprises**, along with larger industrial establishments, operate at **11kV and above Voltage** levels. The impact on these consumers is equally significant, and in many cases, substantially more severe due to higher contracted loads and larger financial exposure.

Our Representation to TGERC:

- 1. Parity and Equity:** The principle underlying the relief granted to LT consumers, namely the lack of technical know-how and insufficient notice applies with equal force to 11kV and above HT consumers. The technical and financial implications of the revised billing affect all voltage categories similarly, though the absolute financial burden on HT consumers is proportionately higher.
- 2. Severe Financial Impact on 11kV & Above Consumers:** Since the new Regime, several industries have witnessed a steep escalation in monthly energy bills, in some cases, the charges are exorbitantly ranging from two to three times their historical levels. For Small and Medium industry consumers operates at 11kV and above, this has led to Significant working capital stress, Erosion of operating margins and reduced global competitiveness. Which posed a threat to industrial viability and employment sustainability in Telangana.
- 3. Lack of Awareness:** KVARh-based billing is a highly technical subject. No awareness programs or technical consultations were conducted by DISCOMs to correct the historical understanding that "more capacitors is better."
- 4. Technical Infeasibility and Resource Scarcity:** As it was brought to your notice and as acknowledged in your above order, most industries lack the sophisticated instrumentation and data logging systems required to manage leading power factors in real time. Furthermore, there is a documented scarcity of manufacturers capable of commissioning the necessary Technically high precision grade APFC panels.

5. **Absence of Adequate Transition Mechanism:** Industrial electrical systems were optimised under the earlier framework where only lagging reactive power was factored. The sudden shift to "Lead + Lag" billing, without a structured transition period, has resulted in unintended and disproportionate financial consequences. a process that realistically takes at least 12 to 24 months to develop the required resources and adoption.
6. **Larger Economic Implications:** 11kV and above HT consumers are the segment of industries that contribute to the large part of the industrial eco system and stand as backbone of industry in Telangana. Hence any sustained financial strain at this level directly affects industrial growth and the State's investment climate large.

Considering the above, and guided by the objective of safeguarding industrial viability while sustaining the State's economic momentum, we most respectfully request that:

- The relief granted under kVARh Proceedings No. 07 to LT consumers be extended to 11kV (Medium Voltage) and above HT consumers as well.
- In line to the above order of LT consumers, Direct DISCOMs also identify excess charges already paid by 11kV and above HT consumers since the implementation and adjust these amounts in future bills, ensuring parity with the relief provided to LT consumers.
- Without additional penalties, provide a minimum of 18 to 24 months for industries to develop the resources, train their manpower, achieve technical awareness and install required modifications.

As the current new regulations are highly complex in nature and Un achievable by most industries, sincerely seek the Hon'ble Commission's timely and empathetic intervention to safeguard industries viability. while ensuring technical and regulatory compliance, in a Simple Doable manner by the industry at large.

We submit this appeal with utmost respect to the wisdom of the Commission, trusting that this representation will receive your kind judicious consideration and offer a immediate relief to Industry.

We also make a humble request to include the subject matter in the agenda of upcoming meeting of TGERC on 10th March enabling us to represent the same in person.

Look forward to your continued support.

Warm Regards,

R Sivaprasad Reddy

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R Sivaprasad Reddy
Chairman - CII Telangana &
Managing Director, Rachamalla Forgings Ltd

Confederation of Indian Industry

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