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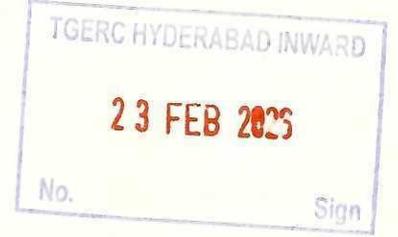
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दुर्ग अभियन्ता उपयोगिता
Garrison Engineer (U)
सैन्य अभियन्ता सेवाएं
Military Engineer Services
मडफोर्ट
Mudfort
सिकन्द्राबाद - ५०० ००३.
Secunderabad - 500 003.

1502/DO/ 14 /E1M dt 19 Feb 2026

✓ Dr. Justice Devaraju Nagarjun, Chairman
Telangana Electricity Regulatory Commission
Vidyut Nyantran Bhavan, Sy.No. 145-P
G.T.S Colony, Kalyan Nagar,
Hyderabad – 500 045



SEPARATE TARRIF CATEGORY FOR DEFENCE/ MES ESTABLISHMENT

Respected Chairman,

1. Military Engineer Services (MES) is one of the premier organisation and is construction and maintenance agency under Ministry of Defence, Government of India, responsible for providing comprehensive infrastructure and engineering support to the Armed Forces (Army/Navy/ Airforce). This office Garrison Engineer (GE), Utility Secunderabad is entrusted with the operation, maintenance and management of essential utility services, including electricity and water supply for the entire military station of Secunderabad. The office ensures uninterrupted and efficient utility services to various defence establishments, operational units, training institutions, residential accommodations and allied defence infrastructure which are critical for sustaining operational readiness, administrative efficiency and welfare of service personnel and their families.

2. At present, the electricity supply to the Military Station Secunderabad is sourced from Telangana State Power Distribution Company Limited (TGSPDCL). The station is geographically dispersed across multiple locations and operational pockets, and to cater to the distributed load requirements, electricity is being drawn **through 51 High Tension (HT) service connections and 26 Low Tension (LT) service connections**. These service connections collectively support the diverse power requirements of operational units, administrative establishments, technical facilities and residential areas within the military station. The electricity consumption charges are duly paid to TGSPDCL on a regular monthly basis as per the applicable tariff and billing provisions.

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3. It is submitted that the aforesaid service connections fall under multiple tariff categories other than the domestic category. These connections cater to a wide spectrum of defence establishments, including operational facilities, administrative offices, technical installations, training institutions, logistics units and other essential service infrastructure. The nature and pattern of **electricity consumption in these establishments are distinct from conventional commercial or industrial consumers** and are primarily aligned with operational and national security requirements.

4. In view of the foregoing, it is respectfully submitted that a **separate and distinct electricity tariff category for MES/Defence Establishments** is required to be considered by the Hon'ble Commission. The absence of a dedicated tariff category presently results in the applicability of multiple tariff classifications, frequent variations in Contracted Maximum Demand (CMD) and Recorded Maximum Demand (RMD), and the recurring levy of penalty charges, which do not accurately reflect the functional and operational realities of defence infrastructure. It is emphasised that MES and Defence Establishments are neither commercial nor profit oriented entities; rather, they operate solely in furtherance of national security, operational preparedness and welfare of Armed Forces personnel. A separate tariff category would therefore ensure rationalisation of billing, reduction of avoidable penalties and a more equitable tariff framework aligned with the national interest.

5. The necessity for creation of a separate tariff category for MES/Defence Establishments merits consideration due to several unique functional and operational factors, as enumerated below:-

5.1 **Regular movement of Troops.** The strength of Defence Establishments is inherently dynamic due to regular induction and de-induction of troops on account of operational deployments, field postings, training exercises and administrative rotations. Consequently, the electricity load pattern remains variable and unpredictable, with no stable or uniform demand profile throughout the year. Such unavoidable fluctuations frequently result in variations between Contracted Maximum Demand (CMD) and Recorded Maximum Demand (RMD), leading to recurring penalty charges under the existing tariff framework. Since these variations arise from operational necessities rather than commercial considerations, creation of a separate tariff category would help in rationalisation of tariff provisions, minimise avoidable penalty burdens and contribute to prudent utilisation of Government funds, thereby safeguarding the public exchequer.

5.2 **Trial/ Procurement of New Tech Equipments.** Defence Establishments are subject to continuous modernisation and capability enhancement, including upgradation of existing systems, induction of technologically advanced equipment and periodic field trials of new platforms and infrastructure. Such activities often result in temporary or sustained variations in electricity demand, directly impacting Contracted Maximum Demand (CMD) and Recorded Maximum Demand (RMD). Under the prevailing tariff structure, these operationally driven demand fluctuations attract penalty charges, despite being integral to national defence preparedness. A separate tariff category would appropriately account for such modernization linked load variations and prevent undue financial burden arising from penalties that are beyond the routine control of the establishment.

5.3 Undue Tarrif for Soldiers Accommodations. Other Than Married (OTM) accommodation constitutes residential living facilities for soldiers who are unmarried or serving away from their families. These premises are purely residential in nature and are used solely for dwelling purposes without any commercial activity being undertaken therein. However, at present, such OTM accommodations are being categorised under commercial tariff instead of domestic tariff, resulting in higher tariff application and associated financial burden. This classification does not reflect the true character and usage of these premises. Rationalisation through creation of a separate tariff category for Defence Establishments would address such anomalies, ensure appropriate tariff application, and eliminate the imposition of unsuitable commercial rates on non-commercial residential accommodation.

5.4 Multiple tariff categories for various infrastructures. Various infrastructure assets within Defence Establishments, including administrative offices, training facilities, logistics installations, technical workshops and welfare institutions, operate strictly on a non-profit and non-commercial basis in furtherance of national service. Despite this, such infrastructure is presently classified under multiple tariff categories, including commercial classifications, which do not accurately reflect their functional character. This results in an avoidable financial burden on Government funds. Creation of a separate tariff category for MES/Defence Establishments would provide appropriate recognition to the unique status of defence infrastructure and ensure a fair, rational, and equitable tariff framework, thereby preventing unnecessary strain on the Government exchequer.

5.5 Varied load pattern due to operational preparedness. Defence establishments are mandated to maintain a high state of operational readiness at all times to respond effectively to contingencies, natural disasters, internal security situations and national emergencies. During such exigencies, there may be sudden and substantial surges in electricity consumption arising from activation of additional facilities, emergency operations centres, communication systems, medical installations, logistics nodes, and enhanced security infrastructure. These unforeseen yet mission-critical increases in load are not driven by commercial expansion but by national security imperatives and humanitarian assistance requirements. Under the existing tariff framework, such surge demands often attract higher demand charges and penalties linked to CMD/RMD variations. A dedicated tariff category would suitably account for such operational contingencies, ensuring that defence preparedness is not financially penalised under commercial tariff constructs.

5.6 Long Term Infrastructure Planning. Grant of a separate tariff recognition for MES/Defence Establishments would significantly enhance long-term infrastructure planning, financial forecasting and prudent budgeting of defence utility services. A stable and clearly defined tariff framework would enable accurate estimation of recurring electricity expenditure, facilitating more realistic budget allocations and efficient utilisation of public funds. It would also assist in structured load planning, phased infrastructure upgrades, and optimisation of demand management strategies without the uncertainty of fluctuating tariff classifications or penalty liabilities. Such predictability in tariff application would promote financial discipline, transparency and better coordination between Defence authorities and TGSPDCL thereby ensuring sustainable management of defence utility infrastructure in alignment with national priorities.

5.7 Non Commercial Welfare Infrastructures. Defence Establishments also maintain and operate a wide spectrum of welfare infrastructure, including schools, hospitals, community facilities and residential accommodation for service personnel and their families. These institutions perform essential public service and welfare functions, contributing not only to the well-being of Armed Forces personnel. The electricity consumption in such facilities is fundamentally service oriented and welfare driven, without any commercial or profit motive. However, classification under varied tariff categories often results in application of rates that do not correspond with their social and institutional character. A separate tariff category would ensure that such welfare infrastructure is accorded appropriate recognition and is charged on a rational and equitable basis consistent with its public service role.

6. In view of the above submissions, it is requested that the Hon'ble Commission may kindly consider creation of a separate and distinct tariff category for MES/Defence Establishments, keeping in view their unique operational character, non-commercial nature and critical role in safeguarding national security. Such a measure would rationalise tariff application, minimise avoidable penalties, ensure equitable treatment of defence infrastructure and promote prudent utilisation of Government funds. The proposed recognition would not only streamline billing and administrative processes but also align the tariff framework with the functional realities and national importance of Defence Establishments.

For info and kind action.

Warm Regards



Copy to:-

Sri. V. Ramchander
Commission Secretary
TGERC

Col Shashank Thite
CWE
CWE (A) Sec'bad