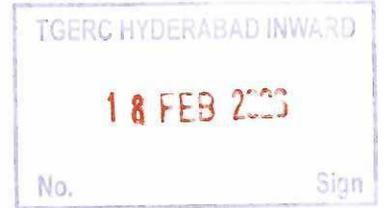


NAREDCO Telangana/201/2026

16<sup>th</sup> Feb 2026

**Sri V Ramchander**  
Commission Secretary  
Telangana State Electricity Regulatory Commission (TGERC)  
Vidyut Niyantaran Bhavan,  
Sy.No.145-P, G.T.S. Colony,  
**Kalyan Nagar, Hyderabad – 500045**



Dear Sir,

**Sub:- ISSUES RELATING TO ELECTRICITY TARIFF**

We take this opportunity to present to you issues hindering the growth of real estate and request your kind consideration for the same.

**1) Delay in Electricity Connection**

Presently only after receiving Occupancy Certificate (OC) is the Electricity Connection given, this is however getting unduly delayed resulting in consumers being forced to rely on expensive, unauthorized, or temporary power sources. Request that permission is granted to apply for Electricity Connection before getting the Occupancy Certificate (OC) so that the application is processed and passed along with the Occupancy Certificate (OC).

**2) Reduction in requirement of Power**

Request for reduction in the Requirement of Power based on the area of the apartment. This will result in reduced capital requirement so the total infrastructure cost will be reduced. On the estimated power consumption applied for to the Department not even 40% is actually consumed. So, Builders are unnecessarily spending large amounts as capital expenditure and providing infrastructure though there is not sufficient consumption of power.

**3) Reduction of electricity tariff levied on projects under construction**

**A.** Emergency/Temporary Commercial Tariff rate of about Rs.13 per unit is levied on all the projects under construction. We understand that such a high tariff is to be imposed for temporary connections of smaller duration of 1 or 2 months like Circus, Small Exhibitions or Conventions etc.

i. Normally the construction process takes between 2 years to 6 years depending on the size of the project. In fact the Government of Telangana issues construction permits valid for a period of 6 years that can be renewed/extended for two more years.



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- ii. The department started levying these charges by unilaterally changing the category and started billing at a higher slab of Rs.13/- per unit instead of Rs.6/- per unit after an initial period of 2 to 3 years.
- iii. Many developers are forced to approach the courts for temporary relief as it is impossible to pay these charges and continue with the construction.
- iv. While the Government of Telangana encourages industries with concessional tariff, it is not justified to punish developers with very high and unviable tariff, as the construction industry is next to Agriculture in terms of providing employment and contributes a lot to the GDP of the country in addition to providing shelter to Lakhs of citizens.
- v. The Developers are asked to pay all the infrastructure costs/expenses for providing the Emergency/Temporary connection for the projects and there are no additional expenses borne by the Electricity Board in this regard.
- vi. The high tariff only increases the cost of housing resulting in slower off take of housing units and lowering competitiveness of the real estate in Telangana State as compared to other states.

**B.** Conversion of HT Category-II (Non-Industrial Purpose) to HT Supply Category-II (Temporary) for under construction projects is unjust as

- i. Some Developers took the HT Supply connection under Category-II (Non-Industrial Purpose) in the year 2009 as per the Tariff order at that relevant point of time. Their HT Connections were illegally re-classified as HT Supply Category-II (Temporary) and demanded the differential Tariff with retrospective effect from 1-8-2010 and fresh bills were issued under HT Supply Category-II (Temporary) as per the tariff order for 2010-11.
- ii. There is no provision under the "GTCS" or the Tariff Order (Retail Supply Tariffs) for FY 2010-11 that the HT Supply for construction activity should be billed under HT Category-II Temporary Supply and also giving it a retrospective effect. The order passed by the erstwhile APERC was applicable to new connections only and there was no mention in the said order that the existing connections should also be reclassified.
- iii. Moreover TGSPDCL has no jurisdiction much less power to demand the bills with retrospective effect of more than six months as per Condition No.3.1.4 of the "GTCS". The action of the TGSPDCL in demanding the bills under HT Temporary with retrospective effect along with the surcharge is illegal.



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iv. In view of the above reasons most of the developers have filed writ petition before the Hon'ble High Court at Hyderabad against the Assessment Order as well as classification change letter. Hon'ble High Court has allowed their writ petition setting aside the re-classification of their HT Connection to HT Supply Category-II (Temporary) including the demand raised for the back billing.

v. As the matter stood thus, the developers were given fresh notices requesting them to furnish consent for payment of twice the regular tariff to continue to avail the alleged Temporary Supply. As the developers have not availed the HT Connection under Temporary Category and therefore the consent for payment, twice the regular tariff applicable to HT Category-VII (Temporary) as per Clause 3.4.1 of GTCS will not arise.

vi. Thereafter, TGSPDCL have straightaway changed their Service Connection Category-II (Non-Industrial Purpose) to HT Temporary on a new ground that they have failed to submit required documents/ approvals for availing HT Cat-II Supply as per Clause 5.5 and 5.6 of the GTCS and further demanded the bills under HT Category-II (Temporary) and also surcharge for the alleged delayed payments.

vii. The Tariff Order (Retail Supply Tariffs) for FY 2016-17 under Clause 7.12 the Regulatory Commission refused to consider the request of the TGSPDCL to bring construction activities under the purview of Temporary Service on the ground that such connection can only be given based on the request of the Consumer and not otherwise.

In view of the above, NAREDCO Telangana requests you to do away/rescind these unjustified tariffs that have been levied since the last several years and levy only "Domestic Tariff" on the projects under construction. Further the demands for the arrears be withdrawn to give the much-needed relief to the many developers fighting the litigation.

We hope the above requests will be considered sympathetically and necessary orders issued to revive the construction industry.

Thanking you,

Yours Truly,

**(Vijaya Sai Meka)**

**President**

**NAREDCO Telangana**