

To

The Secretary

Telangana Electricity Regulatory Commission

Sy. No.145-P, Vidyut Niyantran Bhavan

Kalyan Nagar, GTS Colony, Hyderabad

January 9, 2026

Respected sir,

Sub : Request for extending time for filing submissions and preliminary submissions in OP Nos.79 and 80 of 2025 filed by TGNPDCL and TGSPDCL, respectively, for their retail supply business for the FY 2026-27

With reference to the public notice dated 8.1.2025, inviting objections and suggestions on the subject petitions relating to ARR, FPC and CSS of the two TGDISCOMs, we are submitting the following preliminary points:

- 1. On the petitions mentioned in our letter dated 1.1.2026, requesting the Hon'ble Commission to extend time for filing our submissions for the reasons mentioned therein, we could file submissions on only one petition on which public hearing was held yesterday. Hon'ble Commission has extended time from 12.1.2026 to 21.1.2026 for filing submissions in OP Nos.70, 71, 72 and 73 of 2025 filed by TGDISCOMs for their distribution business, and we thank the Commission for it. However, no extension of time is given for filing submissions in other petitions. Now that public notice inviting submissions on the subject petitions is given, giving time till the 31st of this month, it is not possible to file submissions in time in all the pending petitions in a comprehensive manner in the limited time. Therefore, we once again request the Hon'ble Commission to reconsider our request and extend time appropriately for filing submissions in the pending petitions.**
- 2. In view of requirement of time for filing our submissions in other pending petitions, even after due dates and before public hearings scheduled, we request the Hon'ble Commission to extend time for filing submissions in the subject petitions by ten days to make detailed submissions.**
- 3. The two DISCOMs have proposed the following for the next financial year:**

DISCOM	ARR	Revenue gap in Rs.crore
NPDCL	22,754	12,521

SPDCL	50,242	9,583
Total	72,996	22,104

The projected revenue gap works out to 30% of projected ARR. Though the DISCOMs have not proposed any tariff revision, they have not made submissions as to how they would bridge the projected revenue gap. By implication, it may be considered that for bridging the revenue gap to be determined by the Hon'ble Commission, the state government may agree to provide required subsidy. We welcome such a development.

4. Even if no tariff revision takes place for the FY 2026-27, it is difficult to presume that there would be no additional burdens on the consumers. For the FY 2024-25, NPDCL has shown a net revenue gap of Rs.1086 crore, while SPDCL has shown a net revenue gap of Rs.589.92 crore. The DISCOMs have not prayed for any specific order of the Commission on treating the projected revenue gaps, except submitting that "pass such order as the Hon'ble Commission may deem fit and proper in the facts and circumstances of the case." Though permitted by the Commission, the DISCOMs have not been availing themselves of the opportunity to collect FSA not more than 30 paise per unit every month.
5. For their distribution business for the FY 2024-25, the DISCOMs have filed their petitions, seeking true up of Rs.484 crore by TGNPDCL and Rs.545.18 crore, stating that the amount is "transferred to RSB of 2026-27". We request the Hon'ble Commission to include in the ARR of the DISCOMs for 2026-27 the amounts claimed under true-up for their distribution business for 2024-25 and net revenue gaps shown for the same FY to the extent it determines as permissible by issuing orders after holding public hearings. True-up claims for distribution business of the DISCOMs, transmission business of TGTRANSCO and various generators of power for the FY 2025-26 also would come up, adding to the true-up claims for retail supply business of the DISCOMS for the same FY to be claimed during 2026-27.
6. We request the Hon'ble Commission to not treat fully or partly the revenue gap it determines for FY 2026-27 in the subject petitions as regulatory asset. There has been no instance of treating revenue gap of the DISCOMs for any FY since regulatory process started in the undivided Andhra Pradesh and after bifurcation of the state in both the Telugu states. The DISCOMs continue to be in financial doldrums, with abnormal dues pending from the government and various categories of consumers and dues to be cleared by them to generators of power and others. Treating any amount as regulatory asset would further intensify the financial difficulties of the

DISCOMs and the accumulated burden, with carrying cost, would hang as Damocles' sword on the necks of the consumers.

- 7. We request the Hon'ble Commission to permit us to make further submissions in writing on the subject issues, after receiving responses of the DISCOMs to our submissions, and in person during public hearings.**

Thanking you,

Yours sincerely,

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Copy to :

- 1. CMD, TGSPDCL**
- 2. CMD, TGNPDCL**