

To

The Secretary,

Telangana Electricity Regulatory Commission (TGERC)

Vidyuth Niyamtran Bhavan,

G.T.S. Colony, Kalyan Nagar,

Hyderabad – 500045.

Respected Sir/Madam,

I, **Balla Ravindranath**, Solar Power Generator (SPG) under the **PM-KUSUM Component-A Scheme**, holding **PPA No. 152/2025-26**, respectfully submit my objections to the proposal for reducing the tariff from **₹3.13/kWh to ₹2.98/kWh** as communicated through the notification received via email.

I most respectfully request the Hon'ble Commission to reject the proposed tariff reduction and, instead, consider an upward revision of the tariff in view of the present economic realities. My objections are as follows:

1. Assurance of Fixed Tariff for 25 Years

Before execution of the Power Purchase Agreement (PPA), awareness meetings were conducted by officials of TGREDCO and the DISCOMs. During these meetings, all participating farmers were categorically assured that the tariff of **₹3.13 per unit** would remain fixed for the entire **25-year PPA period**. Pamphlets confirming this assurance were also distributed to the farmers. Based on this assurance, we invested substantial amounts and entered into the PPA. Any reduction at this stage would defeat the legitimate expectations created by the authorities.

2. Significant Increase in Overall Project Cost

While GST represents only a minor component, the overall cost of establishing solar power projects has increased substantially. The prices of solar modules, mounting structures, transformers, cables, steel, civil works, labour, transportation, and other infrastructure have all risen significantly.

Accordingly, financial institutions have sanctioned loans based on current project costs, which are approximately **₹7.3 crore to ₹7.9 crore for a 2 MW project**. Reducing the tariff would severely affect the financial viability of the project and make repayment of bank loans extremely difficult.

3. Land Value Has Not Been Considered

The value of our own agricultural land, which has been dedicated for the establishment of the solar power plant, was not considered while determining the project cost and tariff. Since the land is a valuable capital contribution made by the farmer, we respectfully request the Hon'ble Commission to consider this factor and direct the DISCOMs to suitably enhance the tariff.

4. Existing Tariff is Inadequate and Requires Upward Revision

We have irrevocably dedicated our agricultural land for the establishment of the PM-KUSUM solar project and have made substantial investments based on the assurance that a tariff of **₹3.13/kWh** would remain applicable for the entire **25-year PPA period**. However, due to the steep increase in capital costs, financing costs, inflation, and recurring operation and maintenance expenses, the existing tariff of **₹3.13/kWh** itself has become insufficient to ensure the financial viability and sustainability of the project. Therefore, instead of reducing the tariff, the Hon'ble Commission may kindly consider enhancing the tariff from **₹3.13/kWh** to **₹4.00/kWh** to enable the project to remain economically viable and to fulfil the objectives of the PM-KUSUM Scheme.

5. Legal and Regulatory Principles

The Hon'ble Supreme Court, various High Courts, and several State Electricity Regulatory Commissions have consistently emphasized the importance of honoring executed Power Purchase Agreements and maintaining regulatory certainty. Retrospective reduction of tariff after execution of PPAs adversely affects investor confidence, project viability, and the credibility of Government-supported renewable energy programmes.

6. Protection of PM-KUSUM Objectives

The PM-KUSUM Scheme was introduced to provide farmers with a stable and long-term source of income while promoting clean and renewable energy. Farmers participating in this scheme have invested their lands, financial resources, and borrowed capital based on Government assurances. A reduction in tariff would not only jeopardise individual projects but also discourage future participation in renewable energy initiatives.

7. Liberty to Urge Additional Grounds

We crave leave of this Hon'ble Commission to urge such other and further grounds, submissions, and arguments as may be necessary at the time of hearing, in the interest of justice and in support of the present objections.

We are proud partners in the vision of **Hon'ble Prime Minister Shri Narendra Modi** for the development of Green Energy in India and contributors to the **Net-Zero** goals of the Government of Telangana. We continue to support the State DISCOMs by supplying reliable, clean, and decentralized solar power.

Prayer

In view of the above facts and circumstances, I most respectfully pray that the Hon'ble Commission may kindly:

1. Reject the proposal to reduce the tariff from **₹3.13/kWh** to **₹2.98/kWh**.
2. Consider enhancing the tariff from **₹3.13/kWh** to **₹4.00/kWh**, in view of the substantial increase in project costs and to ensure the long-term financial viability of PM-KUSUM projects.
3. Protect the legitimate interests of PM-KUSUM farmers and uphold the sanctity of the commitments made at the time of execution of the PPA.

I shall remain grateful for your kind consideration.

Place: Hyderabad

Yours faithfully,

Balla Ravindranath

Solar Power Generator (SPG)

PM-KUSUM Component-A

PPA No.: 152/2025-26