

To

The Commission Secretary
Telangana Electricity Regulatory Commission (TGERC)
Vidyut Niyantran Bhavan, GTS Colony, Hyderabad – 500045

Subject: Objections to Proposed Reduction of PM-KUSUM Component-A Tariff and Request for Tariff Enhancement

Respected Sir,

I am a Solar Power Generator (SPG) under PM-KUSUM Component-A. I strongly object to the proposal for reduction of the tariff from ₹3.13/kWh to ₹2.98/kWh and request the Hon'ble Commission to revise and enhance the tariff considering the present market realities and increased project costs.

The following points are submitted for kind consideration:

1. The tariff of ₹3.13/kWh was determined in January 2021 based on cost assumptions prevailing at that time.
2. Solar project costs have increased substantially since 2021 due to inflation.
3. Land prices in Telangana have increased significantly during the last five years.
4. Labour costs have increased by more than 40–50% compared to 2021.
5. Transmission and evacuation infrastructure costs have increased considerably.
6. Interest rates on project loans have risen, increasing debt servicing burden.
7. Banks are demanding higher margin money from developers, reducing project viability.
8. Insurance premiums for solar projects have increased substantially.
9. Security, fencing, and asset protection costs have increased due to theft risks.
10. Operation and Maintenance (O&M) expenses have increased year after year.
11. Module transportation and logistics costs have increased significantly.
12. Cost of transformers, switchgear, cables, and electrical equipment has increased sharply.
13. Compliance costs relating to statutory approvals and regulatory requirements have increased.
14. PM-KUSUM projects are generally small and decentralized and do not enjoy the economies of scale available to utility-scale solar projects.
15. Agricultural feeder-based projects provide substantial benefits to DISCOMs by reducing transmission losses.
16. Decentralized generation improves grid stability and reliability in rural areas.
17. PM-KUSUM projects reduce dependence on conventional energy sources and support national energy security.
18. The GST reduction benefit is only one component of project cost and cannot justify reduction of the entire tariff.
19. Many developers have invested based on the approved tariff and financial closure assumptions, and any reduction would adversely affect project viability.
20. To attract private investment and achieve renewable energy targets, a remunerative tariff is essential.
21. Considering inflation, rising financing costs, and increased capital expenditure, the tariff should be revised upward rather than downward.

22. The Commission may consider indexing the tariff to inflation or revising it to at least ₹3.75–₹4.00 per kWh to ensure long-term sustainability of PM-KUSUM projects.

PRAYER

In view of the above submissions, I respectfully request the Hon'ble Commission to:

- a) Reject the proposal for reduction of tariff from ₹3.13/kWh to ₹2.98/kWh.
- b) Continue the existing tariff without any reduction.
- c) Consider enhancement of tariff to a reasonable level reflecting current project costs.
- d) Protect the interests of PM-KUSUM developers and promote renewable energy investments in Telangana.

I shall be grateful for your favourable consideration.

Thanking you,

Yours faithfully,

JYOTHSNA ISHFAQ
PM-KUSUM Solar Power Generator
Jagtial, Telangana

Date: 23 JUNE 2026

Place:JAGTIAL