

To,
The Commission Secretary,
Telangana Electricity Regulatory Commission (TGERC),
Vidyuth Niyamtran Bhavan, GTS Colony,
Kalyan Nagar, Hyderabad – 500045

Date: 29.06.2026

Sub: Objection to the Proposed Downward Revision of Pre-Fixed Levelized Tariff for Solar Power Generators (SPGs) under PM-KUSUM Scheme Component-A – I.A. No. 4 in O.P. No. 24 of 2020 – Reg.

Respected Sir/Madam,

I, the undersigned, am a Solar Power Generator (SPG) operating under Component-A of the PM-KUSUM Scheme, and I hereby submit my strong objection to the petition filed by TGSPDCL on behalf of TGDISCOMs seeking a downward revision of the pre-fixed levelized tariff from Rs. 3.13/kWh to Rs. 2.98/kWh.

1. STRONG OPPOSITION TO THE PROPOSED TARIFF REDUCTION

We categorically and strongly oppose this proposed reduction in the pre-fixed levelized tariff. The tariff of Rs. 3.13/kWh was determined by this Hon'ble Commission through a considered order dated 02.01.2021, factoring in all relevant economic parameters at the time. Any downward revision at this stage is unjust, arbitrary, and detrimental to the interests of small solar power generators who have already committed significant capital investments in reliance on the assured tariff.

2. GST REDUCTION IS NOT A VALID GROUND FOR TARIFF REVISION

The sole ground cited for this proposed reduction is the change in applicable GST rates from 12% to 5%, as recommended by the 56th GST Council meeting held in New Delhi in September 2025. We submit that GST reduction is not a fair or legitimate basis for reducing the pre-fixed levelized tariff for the following reasons:

- a) The pre-fixed levelized tariff is a comprehensive, long-term determined rate that was never solely pegged to the prevailing GST rate at the time of determination. It was arrived at after accounting for a holistic set of financial, operational, and economic factors.
- b) Any benefit arising from a GST reduction, if at all applicable, should rightfully accrue to the SPG as relief against already elevated operational costs — not be passed on as a tariff cut to the DISCOMs.
- c) The change in law clause under which this petition has been filed is intended to protect parties from adverse legal/regulatory changes, not to be used as a mechanism to reduce generator revenues when one specific tax component changes.

3. ALL INPUT COSTS AND PRICES ARE ON THE RISE

Contrary to the premise of the petition, the economic reality faced by SPGs today is one of escalating costs across the board:

- a) The cost of solar modules, inverters, and other critical equipment has seen significant price increases driven by global supply chain disruptions and inflationary pressures.
- b) Operation and Maintenance (O&M) costs have risen substantially due to increased labour costs, spare parts pricing, and transportation costs.
- c) Land lease charges and insurance premiums have also increased considerably over the past few years.
- d) The general rate of inflation has eroded the real value of the existing tariff of Rs. 3.13/kWh, which has remained static since 2021.

In this context, a reduction in tariff would be deeply unjust and would render several SPG projects financially unviable, threatening the very objectives of the PM-KUSUM Scheme.

4. PRAYER FOR UPWARD REVISION OF TARIFF

In light of the above, we respectfully urge this Hon'ble Commission to:

- a) Reject the petition filed by TGSPDCL/TGDISCOMs for a downward revision of the pre-fixed levelized tariff.
- b) Instead, consider an upward revision of the pre-fixed levelized tariff to adequately reflect the current ground realities of rising input costs, inflationary pressures, and the overall increase in the cost of solar power generation.
- c) Conduct a comprehensive review of the tariff structure, taking into account the actual cost escalations faced by SPGs since 2021, before arriving at any revised tariff determination.

5. REQUEST FOR PARTICIPATION IN PUBLIC HEARING

We request that we be permitted to present our case in person at the Public Hearing scheduled on 08.07.2026 at 11:00 AM at the Court Hall of TGERC, Vidyuth Niyamtran Bhavan, GTS Colony, Hyderabad.

We trust that this Hon'ble Commission will give due weight to the concerns of SPGs and pass a just and equitable order in the matter.

Yours faithfully,

Kanmanthareddy Rajani,
KV S.GOURARAM SS, Circle: Nalgonda,
[Application #: TG/PM KUSUM-A/24-25/00671],
[PPA No: 526],
[ranjithreddy.rocker@gmail.com],
Contact No: 9409763721.