

Request for Revision of Solar Power Purchase Tariff – PPA No. 410

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Parne Venkat Reddy

Farmer, Telangana.

Date: 28 June 2026

To,

The Chairman / Secretary,

Telangana State Electricity Regulatory Commission (TGERC),

Singareni Bhavan, Red Hills, Hyderabad – 500 004, Telangana.

Reference: Power Purchase Agreement No. 410 / DISCOM Petition for Tariff Reduction based on GST Revision

Respected Sir/Madam,

I, Parne Venkat Reddy, am a farmer and solar power plant owner operating under Power Purchase Agreement No. 410. I am writing to respectfully bring to your kind attention a matter of critical financial concern with regard to the prevailing solar power purchase tariff.

It has come to my attention that the concerned DISCOM has filed a petition before this Hon'ble Commission seeking a reduction in the solar purchase tariff, citing the recent revision in GST rates on certain solar components. I respectfully submit that this argument does not reflect the ground realities prevailing in the industry today. While it is acknowledged that GST rates on select solar materials were revised, the actual impact of this change on the total cost of a solar project has been negligible to nil. A marginal reduction in GST on a few components simply does not translate into any meaningful reduction in the overall cost of establishing or operating a solar plant.

On the contrary, the ongoing geopolitical conflict involving Iran has severely disrupted global supply chains and commodity markets, resulting in a sustained and widespread cost escalation of 25% to 30% across every major input required for solar project development. The prices of iron and structural steel, solar panels and modules, transformers and electrical equipment, civil construction materials, transportation and logistics, as well as skilled and unskilled labour – have all risen sharply and show no signs of reversal. These are not isolated or temporary fluctuations; they represent a fundamental shift in the cost structure of renewable energy projects across the country.

In this context, I wish to place before this Hon'ble Commission a simple but important question of fairness. If a GST reduction of approximately 13% on select materials is considered sufficient grounds to reduce the tariff under a 25-year Power Purchase Agreement, then by the very same logic, a documented and sweeping increase of 25% to 30% in the cost of all major project inputs provides far stronger and more compelling justification for an upward revision in tariff. It would be wholly unjust to apply this principle selectively in favour of the DISCOM while disregarding the very real financial burden being borne by farmers and solar plant owners like myself.

I therefore most humbly and respectfully request this Hon'ble Commission to consider and approve an upward revision of the solar power purchase tariff from the current ₹3.13 per unit to ₹3.75 per unit, applicable for a minimum period of five years under PPA No. 410. This revision is essential to ensure the financial viability of my project, safeguard the investments already committed, and enable continued contribution to the State's renewable energy objectives.

I trust that this Hon'ble Commission will give due and sympathetic consideration to the genuine difficulties being faced by individual farmers and solar plant owners like myself and pass appropriate orders at the earliest. I am fully prepared to submit any additional information, cost data, or supporting documents as may be required.

Thanking you,

Yours faithfully,

Parne Venkat Reddy

Farmer

PPA No. 410

Telangana