

To,

The Secretary,

Telangana Electricity Regulatory Commission (TGERC), Hyderabad.

Subject: Objections to the proposed reduction of PM-KUSUM Component-A tariff from Rs.3.13/kWh to Rs.2.98/kWh.

Respected Sir,

I, Vanampalli Santoshi, Solar Power Generator (SPG) under PM-KUSUM Component-A, submit my objections to the proposed tariff reduction.

Project Details

PPA No.: 282

Objections

1. The tariff of Rs.3.13/kWh was approved by the Hon'ble Commission and formed the basis for investment and financing decisions.
2. Project costs increased significantly due to escalation in module, copper, steel, electrical equipment, logistics, and financing costs.
3. GST reduction alone does not offset overall project cost increases.
4. Banks sanctioned loans based on the approved tariff of Rs.3.13/kWh.
5. Reducing tariff after investment would adversely affect investor confidence.
6. Existing PPAs should continue at Rs.3.13/kWh.
7. Considering increased project costs, tariff enhancement to Rs.3.45/kWh may also be considered.
8. The project commissioning was delayed by approximately 30 days due to delays in execution of the Escrow Agreement by TSPDCL, which was beyond the control of the Solar Power Generator (SPG). This delay resulted in additional interest during construction, increased overhead costs, and financial burden on the developer. Therefore, it would be unjust and inequitable to reduce the tariff when project costs have already escalated due to factors outside the control of the SPG.

Prayer

1. Reject the proposal to reduce tariff from Rs.3.13/kWh to Rs.2.98/kWh.
2. Continue the approved tariff of Rs.3.13/kWh for existing PPAs.
3. Protect the financial viability of PM-KUSUM solar projects.

Yours faithfully,

Vanampalli Santoshi

Solar Power Generator (SPG)

PPA No. 282

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