

Respected Sir/Madam,

We respectfully submit this representation seeking retention of the tariff of **Rs. 3.13 per kWh** applicable to our solar power project and request the Hon’ble Commission not to reduce the tariff to **Rs. 2.98 per kWh**.

The project was conceived, financed, and implemented based on the tariff framework and financial assumptions prevailing at the time of investment. However, during project execution, the actual capital expenditure incurred was approximately **30% higher than the original project estimate** due to substantial increases in the cost of solar modules, mounting structures, electrical equipment, transmission infrastructure, civil works, labour, transportation, statutory approvals, and financing costs.

The project has been financed through a combination of promoter equity and institutional debt. The higher capital expenditure has resulted in increased debt obligations, higher interest burden, and extended payback periods. The approved tariff of Rs. 3.13 per kWh is essential to maintain the financial viability of the project and ensure timely servicing of debt and operational commitments.

A reduction of tariff to Rs. 2.98 per kWh would adversely impact the project’s cash flows, debt servicing capability, and expected return on investment. Such a reduction would significantly affect the economic sustainability of the project and may discourage future investments in the renewable energy sector, which is critical for achieving the State’s renewable energy objectives.

Further, the project commissioning was delayed by approximately 30 days due to delays in execution and finalization of the Escrow Agreement with TSPDCL, which was beyond our control. The delay in completion of the Escrow Agreement impacted the fulfillment of certain procedural requirements and consequently affected the project timeline. During this period, the developer continued to incur additional interest during construction (IDC), financing charges, overhead expenses, and other project-related costs, resulting in a further increase in the overall project cost. The delay was not attributable to any lapse on the part of the project developer and therefore should not result in any adverse financial impact on the project.

In view of the above facts and circumstances, we humbly request the Hon’ble Commission to kindly consider the substantial escalation in project cost and retain the existing tariff of **Rs. 3.13 per kWh** for our solar power project. This will enable the project to remain financially sustainable and continue contributing to clean energy generation in the State.

We shall be grateful for your kind consideration and favorable orders in this matter.

Supporting documents: Tax invoice of total project, CA certificate, Loan sanction letter.

Thanking you.

Name: V Santoshi Reddy

Designation: SPG

Project Capacity: 2 MW

Location: Ithole Sub Station, Tadoor Mandal, NGKL dist

Date: 23/06/2026