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Subject: TGRPDCL comments
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To,
The Hon'ble Chairman,
Telangana Electricity Regulatory Commission,
GTCS Colony, Hyderabad.

****Date:**** 18/05/2026
****Subject:**** Submission of comments on the licensing of the third DISCOM:
Telangana Rythu Power Distribution Company Ltd. for the examination and
approval of energy security, sustainable agriculture, and food security.
****Reference:**** Press publication dated 18-04-2026 of the Applicant Company
in ****O.P. No. 11 of 2026****.

Dear Sir,

We herewith file our comments for your kind examination and approval for
energy security, sustainable agricultural practices, and food security.

1. Name / Title of the Proposed DISCOM

The title of the proposed DISCOM, ****"Telangana Rythu Power Distribution
Company Limited,"**** is inappropriate and misdirected based on its actual
functional mandate:

*** **Contradiction with Objectives:**** According to ****GO MS 44, dated
17/12/2025****, the stated objective of setting up an Agriculture DISCOM in
Telangana is to address the poor financial health of existing DISCOMs while
keeping the commitment of free power to agriculture.

*** **Broad Consumer Base:**** The mandate extends to providing electricity
supply and service connections to consumer categories well beyond individual
farmers. This includes lift irrigation schemes, protected water supply schemes
(including Mission Bhagiratha), the Hyderabad Metropolitan Water Supply and
Sewerage Board (HMWSSB), and municipal water supply systems. It also
includes undertaking the electrification works, infrastructure development,
strengthening, and expansion of the distribution network required for such
supply.

*** **Misleading Branding:**** While agriculture is only one consumer category,
naming the company after the ***Rythu*** (Farmer) as the sole beneficiary is
misleading. The primary beneficiaries of agricultural power are the Government
and the citizens in terms of food security, economic stability, and employment.

*** **Financial Restructuring Overstating:**** The aim to clean the balance sheets
of present DISCOMs clearly highlights that the "for the farmer" concept is
misdirected.

> **Our Stance:** The proposed title should not be accepted. The sole
objective of the proposed DISCOM must be explicitly redefined to meet the
supply of assured, quality, and timely power to agriculture and allied sectors
only.

2. Financial Deficiencies and Requirements

There are several severe financial deficiencies apparent in the proposed
structure:

* **Operational Cash Flows:** Unlike existing DISCOMs, the new DISCOM will completely lack day-to-day operational cash flows. It inherits a weak balance sheet, low capital, a heavy subsidy burden, mounting dues from partner consumers (lift irrigation and water supply boards), and a total lack of cross-subsidy options.

* **Right of Way (ROW) Compensation:** While revising the financials, assets, and liabilities, the cost of Right of Way (ROW) for running the network through the lands of farmers must be strictly worked out and provided as direct payments to individual farmers.

> **Our Stance:** The Government must release all outstanding arrears before the issuance of the license. Permanent budget provisions and timely releases for Annual Revenue Requirement (ARR) demands must be guaranteed.

3. Distribution Network Infrastructure

Prima facie, the new DISCOM has no dedicated network of its own, leaving serious operational gaps unaddressed:

* **Operational Deficiencies:** Service, maintenance, and emergency response deficiencies are reported time and again in the present structural setup. These shortcomings must be resolved through mandatory, clearly outlined ways and means.

* **Roadmap Obligation:** A detailed technical roadmap must be provided concerning transmission, feeders, Distribution Transformers (DTRs), manpower, and inventory.

* **Feeder Management:** DTR metering has severe limitations. Therefore, dedicated feeders must be allotted to manage agricultural supply during seasonal peak demands through hydro and solar power integrations.

4. Power Supply and Sourcing

The energy procurement strategy risks placing a heavy financial strain on the state:

* **Subsidy Burden:** While a thermal power allocation is required for Demand Side Management (DSM) measures, a 42% allocation will heavily burden the state with a massive subsidy commitment.

* **Renewable Energy Integration:** Allocation of renewable power will minimize this commitment. The exact volume required for renewable energy allocation needs to be clearly quantified.

* **Trading Inviability:** The concept of power trading is entirely unsustainable for the targeted consumer categories of this DISCOM.

5. Corporate Governance and Management

The proposed management layout raises substantial transition risks:

* **Board Structure:** Constituting the board using the CMDs of the transferor companies does not represent good governance practice.

* **Inter-DISCOM Friction:** Substantial coordination issues will inevitably arise between the existing DISCOMs and the new entity regarding feeder management, metering, DTR jurisdictions, and billing.

> **Our Stance:** An **Apex Authority** consisting of the Minister, Departmental Secretaries, and the CMDs of all involved DISCOMs must be formed to handle smooth transition management, infrastructure division, staffing, energy allocation, and grid management issues. Furthermore, the ARR and tariff orders require a complete revisit by the Hon'ble Commission.

Prayer

We respectfully submit to the Hon'ble Commission to:

Approve a Distribution licence for

1. Accept a dedicated DISCOM focused strictly on the service of **Agriculture and Allied sectors** and **rename the title** of the licensee accordingly.

But title as applied shouldn't be accepted

2. Direct and order documented, legally binding **guarantees for financials, dedicated networks, and energy allocations** to the new DISCOM

Yours sincerely,

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