



Ref No. IEX/RA/065/24-25

Date: 11th Oct. 2024

To,

The Secretary,
Telangana Electricity Regulatory Commission
Vidyut Niyamtran Bhavan,
G.T.S Colony, Kalyan Nagar,
Hyderabad – 500045



Sub: Comments/ Suggestions on the Petition filed by Southern Power Distribution Company of Telangana Ltd (TGSPDCL) and Northern Power Distribution Company of Telangana Ltd (TGNPDCL) for approval of ARR & Proposed Wheeling Tariffs for Distribution Business for 5th Control Period (FY 2024-25 to FY 2028-29)

Dear Sir,

With reference to public notice inviting comments of the stakeholders on the Retail Supply Tariff Petition filed by Telangana Discoms before Hon'ble Telangana State Electricity Regulatory Commission (TGERC) for approval of ARR & Proposed Wheeling Tariffs for Distribution Business for 5th Control Period (FY 2024-25 to FY 2028-29), we enclose herewith our comments on the subject Tariff Petition of Telangana Discoms.

The Hon'ble Commission is requested to consider our views while computing the Aggregate Revenue Requirement and Tariff Structure.

Yours Sincerely,

Gaurav Maheshwari

Assistant Vice President – Regulatory Affairs

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Copy to:

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IEX comments on Telangana Discoms ARR Petition for Distribution Business for FY 2024-25

1. The Distribution Licensees of the state of Telangana viz. Southern Power Distribution Company of Telangana Ltd and Northern Power Distribution Company of Telangana Ltd (hereinafter referred to as 'TGSPDCL and TGNPDCL' or collectively as 'Licensees' or 'Petitioners' or 'Discoms') have filed the present Petitions before the Hon'ble Telangana State Electricity Regulatory Commission (hereinafter referred to as 'Hon'ble Commission') for approval of ARR & Proposed Wheeling Tariffs for Distribution Business for 5th Control Period (FY 2024-25 to FY 2028-29) in accordance with the provisions of TSERC Tariff Regulations.
2. IEX is submitting its views and observations on the Tariff Petition filed by the Discoms in subsequent paragraphs.
3. **Computation of Voltage Wise Wheeling Charges in Rs./ kVA/ hr for short term open access**
 - a. As against the submission of the Petitioner Discoms, the Hon'ble Commission in the past ARR and Wheeling Tariffs Order for Distribution Business for 4th Control Period (FY 2019-20 to FY 2023-24) dated 29.04.2020, has determined voltage wise wheeling charges for 11 kV, 33 kV and LT network connected consumers.
 - b. Further, as per regulation 79.2 of the (Multi Year Tariff) Regulation, 2023, the Hon'ble Commission has specified that the wheeling charges shall be determined separately for LT voltage, 11 kV and 33 kV voltage. Relevant extract of the Regulations is provided below:

"79.2 The Wheeling Charges of the Distribution Licensee shall be determined by the Commission on the basis of a Petition for determination of Tariff filed by the Distribution Licensee:

Provided that the Wheeling Charges shall be denominated in terms of Rupees/kVA/month for long-term and medium-term Open Access and in terms of Rupees/kVA/hr for short-term Open Access, for the purpose of recovery from the Distribution System User, or any such denomination, as may be stipulated by the Commission:

Provided further that the Wheeling Charges shall be determined separately for LT voltage, 11 kV voltage, and 33 kV voltage, as applicable.”

The distribution licensee in the present Petition has claimed single wheeling charges with no voltage wise bifurcation, which does not conform to the regulations notified by the Hon'ble Commission. Further, Open Access consumers are utilizing HT network only, as they are allowed connection at 11 kV and above; therefore, levy of LT network wheeling charges on the consumers may be irrational.

- c. Further, the above regulation also entails that the wheeling charges for short term open access shall be determined and applicable at Rupees/ kVA/ hr, however the distribution licensees have claimed wheeling charges at Rupees/ MW/ Month which is not aligned with the Regulations notified by the Hon'ble Commission.

We accordingly request the Hon'ble Commission to consider our suggestion while finalising the Petitions.