
Dated 27th September, 2024

Submitted to the Hon'ble Telangana State Electricity Regulatory Commission,
Hyderabad

Dear Sirs,

I, S.Surya Prakasa Rao, aged 80 years, resident of Hyderabad, having seen the public notice of Discoms published in Hind daily news paper on 20th Sept 2024, wish to make the following submissions in respect of Tariff proposals of TGSPDCL for 2024-25, for consideration by the Hon'ble Commission.

A.Preliminary submissions

At the outset the Discom deserves compliments for the efforts made in compiling and providing elaborate data to facilitate objective study by stakeholders. It is a matter of consolation to consumers (except HT – 33kv and above) that no tariff hike is proposed in these filings except moderate increase in Fixed / Demand Charges.

However, Hon'ble Commission may have to take a view whether it is desirable to allow tariff revision at this stage considering the following aspects:

- a).The filings are made after 6 months of the Financial Year. The Commission has to follow elaborate process to conduct the proceedings as required u/s 64 of the Electricity Act, for which around 90 days may be required though the Act allows 120 days.
- b). Discom didn't propose any substantial tariff revision for most of the consumer classes except HT consumers, for whom the proposed revision of energy charges is unreasonable and irrational as explained in para 2 hereinafter.
- c). The additional revenue expected from revised Tariff is mere Rs.1028 Crs (2.5%) out of the total Annual Revenue Requirement of Rs. 40,788 Crs for 2024-25.
- d). Bulk of this 1028 Crs, is expected from 33kv and 132 kv Industrial consumers whose sales forecast appears to have been overestimated as explained hereinafter.
- e). Revised Tariffs can take effect only prospectively after one week from the date of publication of the revised Tariffs as per Sec.26 (6) of the AP Electricity Reforms Act, 1998 read with the Electricity Act, 2003.
- f). If the effective date of new tariff is not synchronized with meter reading / billing cycle, it will cause additional work to Discoms and inconvenience to consumers.

g). Any attempt to compress the schedule for determination of tariff may send wrong signals to the stakeholders of power sector.

B. Detailed Submissions

1. Sales Forecast

The Discom considered growth rate of **17.68 %** for 33kv Industrial-General (HT-I(A)) consumption on the basis of 3yrs average, which was reported as follows (para 3.1.2)

Year	sales in MU	growth (%)
2017-18	3568	
2018-19	4410	19 %
2019-20	4174	(-) 5 %
2020-21	3546	(-) 15 %
2021-22	4534	28 %
2022-23	5442	20 %
2023-24	5778	6 %

The negative growth in 2019-20 and 2020-21 is attributable to the slump in industrial production during Covid-19 pandemic. The 3 year growth rate with ref to such negative values gives inflated growth rates.

Similarly in the case of 132 kv Industrial consumption, the Discom adopted a growth rate of **31 %** on 3 year average basis. But there was negative growth of (-)20% in 2018-19 and (-) 9 %, in 2019-20, turning to the positive growth trajectory of 2.5 % in 2020-21, **41 %** in 2021-22, **54 %** in 2022-23, but only 3 % in 2023-24.

Suggestion : Hon'ble Commission may please make appropriate correction to the growth rates of 33kv and 132kv Industrial-General category with ref to the actual consumption in the 1st half-year of 2024-25

2. Tariff revision proposals

The main proposal of tariff revision in these filings is equating the energy charges of 33kv and above category Industrial-General consumers with that of 11 kv Industrial-General category and some other categories. This is unreasonable and irrational for the following reasons:

- a). The statutory guidelines u/s 61 of the Electricity Act mandate among others,
 - (i). Safeguarding consumers' interest and at the same time recovery of cost of electricity in a reasonable manner

(ii). **Tariff progressively reflects the cost of supply of electricity** and reduces the X-subsidies in the manner specified by the Appropriate Commission

(iii). Appropriate Commission shall be guided by the National Electricity Policy and Tariff Policy

b). National Electricity Policy observes that **X-subsidies hide inefficiencies and should be reduced progressively and gradually**. The Tariff Policy requires the Commissions to notify road map to bring tariffs within +/-20% of Average Cost of Supply.

c). With the proposed increase of energy charges from Rs.7.15 to Rs.7.65 / unit for 33kv and from 6.65 to 7.65 / unit for 132 kv, the tariff for Industrial-General consumers will work out to **Rs. 8.57 / unit** including the component of about 92 paise per unit towards Demand Charge @ Rs. 500/Kva/ month at 75 % load factor.

d). Cost of Supply as per filings (para 6.3.2)

11kv Industrial-General : Rs.7.63/unit

33kv Industrial-General : Rs. **5.64**/unit

132kv Industrial-General : Rs. **5.13**/unit

e). Thus these 33kv and 132 kv consumers will be contributing **X-subsidy** of about Rs.3 / unit and Rs.3.50/ unit respectively, which works to about **50 % of COS for 33kv and 65 % of COS for 132kv** Industrial-General category consumers which is highly exorbitant and prohibitive.

f). In these filings, the Discom proposed **X-Subsidy Surcharge** for Open Access consumers at Rs.1.68 / unit for 33kv and Rs. 1.58 / unit for 132kv consumers. It is **unfair** to charge tariff which contains X-subsidy component of Rs 3 to 3.5 / unit to its own consumers which is 100% higher compared to open access consumers.

Suggestions :

(i). In view of the circumstances explained by the Discom for the delay in the filings and in view of the position stated above, Hon'ble Commission may retain the existing tariffs across the board for all categories of consumers including HT.

(ii). As the Revenue Deficit may increase marginally consequent to correction in growth rates of sale of energy under subsidizing categories, the Net Revenue Deficit (after accounting for the subsidy by State government u/s 65 of the Act) may be treated as a Regulatory Asset and its recovery may be spread equally over the balance 4 year period of the 5th Control Period (2025 – 29) in the interest of consumers as well as Discom.

3. Analysis of Cost of Supply, Sales and Revenues

The following broad picture emerges from the filings of the Discom for 2024-25 (figures rounded off please) :

Energy sales

Sales to LT consumers : 29,903 MU (48 %)

Sales to HT consumers : 25,456 MU (41 %)

Energy losses : 6,677 MU (11 %)

Total Energy Requirement: 62,036 MU

Revenues at current tariffs

Annual Revenue Requirement: 40,788 Crs

Revenue from LT sales : 12, 716 Crs (31%)

Revenue from HT sales: 21, 940 Crs (54 %)

Revenue from other sources : 94 Crs

Revenue Gap : (-) 5,957 Crs (15 %)

After apportioning the energy losses between HT and LT sales, the HT categories consume about **45 %** of total energy and contribute **54 %** of total Revenues while LT categories consume about **55 %** of total energy and contribute only about **31 %** of total Revenues leading to **revenue deficit** of about **15 %** .

Cost of Supply

Cost of Supply at LT : Rs. 8.62 / unit

Cost of Supply at HT : Rs. 5.89 / unit

Average Cost of Supply : Rs.7.37 /unit

Average Realisation and C-R ratio

LT supply : Rs 4.25 /unit 49. 30 %

HT supply : Rs. 8.90 /unit 151. 00 %

Thus it's expedient for the Discom to sustain / improve the energy sales to subsidizing categories under HT and LT with appropriate initiatives /relaxation in terms and conditions of supply if necessary.

Any proposal to increase tariff of these categories will be counter productive to the objective of improving Revenues and financial health of Discoms.

4. Status of implementation of Directives issued by the Commission

Electrical Accidents: (items 8 and 9 under earlier Directives and item 6 and 7 under new Directives)

The Discom stated that the **root-cause analysis** was made as directed by the Commission and report submitted in its Lr.dt.22-6-2024. The Discom also stated that the awareness programs are being conducted and safety equipment is provided to the O&M staff to avoid Electrical Accidents. Discom stated that Rs.3.03 Crs, Rs.2.86 Crs and Rs.3.56 Crs was spent during 2021-22, 2022-23 and 2023-24 respectively. This is appreciable.

In this context, it's necessary to refer to the CEA (Measures for Safety and Electricity Supply) Regulations 2010. Clause 5 the said Regulations requires Discoms to appoint Safety Officers to ensure observance of Safety Measures.

Suggestions:

I suggest that Hon'ble Commission may issue Directions to the Discoms to appoint Safety Officer for each Discom if not for each Operation Circle, apart from improvement of Distribution Infrastructure already directed.

Further , the Electrical Inspectorate under Chief Electrical Inspector to Government (CEIG) is the authority to investigate Electrical Accidents and to suggest rectifications under the scheme of the Electricity Act 2003, Hon'ble Commission may please hold joint meetings with CEIG , Discoms and Energy Department and advise the government to strengthen the Electrical Inspectorate to make out an effective action plan to reduce/avoid Electrical Accidents.

Pre-paid metering: (items 14 and 15)

Hon'ble Commission directed the Discoms to replace meters of **willing consumers** with pre-paid metering (item 14) and also submit report on action plan for replacement of existing meters with pre-paid metering (item 15).

The Discom replied that it's mandatory to replace the meters of **all consumers except Agricultural** by March, 2025 as per the timelines given by Ministry of Power, Government of India in its letter dated 17th August, 2021.

This premise of Discom is misconceived. Apparently Discom failed to note the **Commission's view** in para 6.27.2 of Tariff Order for 2022-23, which is extracted hereunder:

*"6.27.2: The Commission has taken note of the submissions of Discoms and the objections received from various stakeholders on the proposal of mandatory pre-paid meters for all government services. As pointed by one of the stakeholders, **Discoms have to obtain consent of consumer** for availing supply through pre-paid meter. The relevant extract of the Act is as follows....."*

The Discom also stated that a draft DPR is prepared at a cost of **Rs. 9,803 Crs** to replace meters of 81 lakhs consumers other than Agricultural, and the same is to be approved by the Distribution Reforms Committee (DRC), State Cabinet, and final approval by the MOP, Government of India.

Objections:

Central Government has no authority under the Electricity Act to issue instructions to Discoms to replace existing meters with pre-payment metering. The Discoms are not bound by the instructions of MOP in the said letter dated 17- 8- 2021.

Central Electricity Authority (CEA) has no power under the Electricity Act to insist installation of meters with pre-payment features for all consumers in the absence of any provision for mandatory pre-payment system in the Electricity Act. Pre-payment system is optional under the Electricity Act as of now. CEA Regulations are relevant for technical and operational specifications only.

Hence the Discoms ought to have assessed the level of willingness of consumers to switch over to pre-payment system before preparing the DPR with huge investment of about Rs.10,000 Crs, which will be a colossal waste as most of the consumers may not opt for pre-payment system and it will become a wasteful investment.

Further, in para 6.27.3 of the said Tariff Order it is stated that Discom has already installed 26,732 pre-paid meters for government services in terms of G.O. Ms. no.1 dt 31-1-2016 and MOP Lr.dt 17-8-2021.

Discom may please be asked to inform the latest position and whether all these meters are operational and automatic disconnection is being done through meters for non-payment by due date. If they are not operational, Hon'ble Commission may please ensure that the cost of such wasteful investment is not loaded into the consumer tariffs in ARR / Tariff filings.

5. Summary of submissions

(i). The proposal for equating energy charges for 33kv and 132kv Industrial-General consumers with 11kv Industrial-General category is irrational and hence liable for rejection by Hon'ble Commission.

(ii). Existing tariffs may be continued for 2024-25 and the net revenue deficit after accounting for government subsidy u/s 65 of the Electricity Act, may be treated as Regulatory Asset and allowed to be recovered equally during the balance 4 year period (2025-29) of the 5th Control Period.

(iii). Discoms may be directed to appoint Safety Officers in terms of Central Electricity Authority Regulations of 2010 to ensure observance of safety measures to avoid

Electrical Accidents. Hon'ble Commission may please advise the government to strengthen Electrical Inspectorate to reduce/avoid Electrical Accidents.

(iv). The DPR prepared by Discom to install pre-paid meters to 81 lakhs consumers (other than Agricultural) is highly objectionable. Discom is required to install pre-paid meters to only those consumers who opt for pre-payment system. The expenses incurred for 26,732 pre-paid meters already installed for government services, may not be loaded into the ARR / Tariffs if they not operational.

(v). My submissions in respect of the filings of TGSPDCL will apply to TSNPDCL also except for Numbers.

Submitted for consideration by Hon'ble Commission before finalizing ARR / Tariff filings of the Discom.

With High Regards,

(S. Surya Prakasa Rao)

Former Director (Commercial) ,erstwhile APCPDCL and Former Secretary, erstwhile APERC.

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RST 17

Additional submissions on ARR/Tariff filings of TGSPDCL for FY 2024-25

Submitted to the Hon'ble Telangana State Electricity Regulatory Commission

Sirs,

In continuation to my submissions sent to the Commission by mail on 27th September, I wish to make the following additional submissions for consideration by the Hon'ble Commission.

These additional submissions are essentially in respect of the matter pertaining to the **status of implementation of Directives**, on Electrical Accidents (items 8 and 9 of earlier Directives and 6 and 7 of new Directives)

Andhra Jyothi daily news paper published a report with many details on Electrical Accidents in its edition of 2nd Oct 2024 which requires due attention of all concerned officials. The press clipping is being sent along with the covering email.

Statutory Inspection of New Lines

As per the procedure in vogue during our time, the State government authorized Transco/ Discom to conduct Statutory Inspections for their new lines. Electrical Inspectorate was inspecting H.T consumer installations and Generating Stations.

I am of the view that it's desirable to entrust the duty of statutory inspections to an independent agency accredited by the Government or CEA or any other competent authority. Institutions like Institution of Engineers or Engineering Staff College of India, Hyderabad(ESCI) may be considered by the State Government.

2. Periodical Inspection and Rectification of Lines

Pre- monsoon inspections

Normally the Discoms conduct pre-monsoon inspections as an annual feature, which mainly covers tree clearance, replacement of flashed / damaged insulators, rectifications of loose contacts at joints at cut- points etc, to avoid / reduce interruptions of supply during ensuring monsoon season. But re-stringing of loose spans which are likely to endanger humans animals life, is not attended during these inspections.

Special Drive for Inspection/Rectification of Lines to prevent/reduce Electrical Accidents

Hon'ble Commission may take a view whether to direct the Discoms to undertake Special Drive for Inspection and Rectification of Lines as follows from the view point of preventing accidents:

Every Operation Circle may constitute sufficient number of teams for this purpose exclusively.

These teams will conduct inspection of specified distributions in **one week**, note down the defects, procure necessary resources (men and materials) and take up the rectification work in the **following week** itself, and repeat the process as a **fortnightly program**.

Discom officials may try to involve local people to identify the vulnerable points and motivate them to assist the Discom in taking up rectification work.

Discom may sanction **area wise schemes on the basis of rational norms** instead of on actual survey of each distribution to avoid starting trouble for this Special Drive.

This method of inspections / rectifications was implemented in composite AP in mid 1970s as per the instructions issued by the then Chief Engineer/Operation, **Sri V. S. Ganapathi Ram**. It's worth trying now.

Franchisee system at village level.

Hon'ble Commission may please take a view whether to introduce Franchisee system for some vulnerable LT Distributions u/s 14 (7th proviso) for taking up maintenance functions on a **pilot basis** after completion of the rectifications under the proposed Special Drive or otherwise.

Franchisees system was followed for some Distributions in Maharashtra a few years ago. I am not aware whether it is still being implemented successfully.

District Level Committees

Sec166 (5) provides for constitution of District Level Committees by State government to review / coordinate certain aspects concerning electricity supply. I am not aware whether these committees were constituted and functional. Hon'ble Commission may advise the government to constitute the same for all districts including new districts and to coordinate with Discoms on the initiatives being taken to reduce/avoid Electrical Accidents, apart from the functions entrusted to the Committees u/s 166 (5) of the Electricity Act.

Further, Hon'ble Commission may please examine whether there's need for Mandal Level / Village Level Committees and advise the State government suitably u/s 86 (2)(iii) of the Act.

Protection against LT line faults

Long back, LT breakers with relays for tripping the line were provided at the Distribution Transformer structure for LT feeder protection against earth faults. But these were withdrawn later perhaps due to inconvenience caused to consumers consequent to

frequent trappings as the incidence of earth fault is very high in LT lines for various reasons.

Hon'ble Commission may please elicit the views of Academic Institutions, Manufacturers of LT breakers and CEA for a workable solution of protection for LT lines to avoid Electrical Accidents and without causing undue inconvenience to consumers due to frequent tripping.

Submitted for consideration by the Hon'ble Commission in public interest before finalizing the ARR/Tariff filings of TG Discoms.

With High Regards,

S. Surya Prakasa Rao

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విద్యుదాఘాతంతో రోజుకు ఇద్దరు బలి!

రాష్ట్రంలో ఏడాదికి సగటున 700 మంది మృతి... కరెంట్ షాక్లతో పట్టణా రాలుతున్న జనం

• **గత ఏళ్లకంటే 4420 మంది మృత్యువులు**
 ప్రజాసర్కార్ బోర్డు (జిఎల్డిసి) రిపోర్ట్ ప్రకారం రాష్ట్రంలో రోజుకు సగటున 20 మంది ప్రజలు విద్యుదాఘాతంతో మరణిస్తున్నారు. గత ఏడాదికి పోలిస్తే 4420 మంది మరణాలు జరిగాయి. వీరిలో పురుషులు 70% మంది అయితే స్త్రీలు 30% మంది. విద్యుత్తు ప్రమాదాలకు ప్రజలు ప్రాణాదుకు చిక్కుకుంటుంటే సాఫ్ట్ వేరు, తర్రులు ప్రామాణికంగా ఉన్నా వాటిని తప్పించి వైద్యులు వారిని కాపాడుతున్నారని తెలుపుతోంది. ప్రమాదాలకు గురియ్యే ప్రాంతాలను గుర్తించి వైద్యులు వచ్చి చికిత్స చేస్తున్నారు. ప్రమాదాలకు గురియ్యే ప్రాంతాలను గుర్తించి వైద్యులు వచ్చి చికిత్స చేస్తున్నారు. ప్రమాదాలకు గురియ్యే ప్రాంతాలను గుర్తించి వైద్యులు వచ్చి చికిత్స చేస్తున్నారు.

కరెంట్ షాక్లతో మృత్యుషాఖలు రంగాల్లో బిజినెస్ వ్యాపారులంతా బయట ప్రాంతాల వ్యాపారం

పలుకొనడం వల్ల రంగాల్లో బిజినెస్ వ్యాపారులు బయట ప్రాంతాల వ్యాపారం చేస్తున్నారు. కరెంట్ షాక్లతో మృత్యుషాఖలు రంగాల్లో బిజినెస్ వ్యాపారులంతా బయట ప్రాంతాల వ్యాపారం చేస్తున్నారు. కరెంట్ షాక్లతో మృత్యుషాఖలు రంగాల్లో బిజినెస్ వ్యాపారులంతా బయట ప్రాంతాల వ్యాపారం చేస్తున్నారు.

రాష్ట్రంలో విద్యుదాఘాతాల సంఖ్య ప్రమాదంగా పెరుగుతోంది. గత ఏడాదికి పోలిస్తే 4420 మంది మరణాలు జరిగాయి. వీరిలో పురుషులు 70% మంది అయితే స్త్రీలు 30% మంది. విద్యుత్తు ప్రమాదాలకు ప్రజలు ప్రాణాదుకు చిక్కుకుంటుంటే సాఫ్ట్ వేరు, తర్రులు ప్రామాణికంగా ఉన్నా వాటిని తప్పించి వైద్యులు వారిని కాపాడుతున్నారని తెలుపుతోంది. ప్రమాదాలకు గురియ్యే ప్రాంతాలను గుర్తించి వైద్యులు వచ్చి చికిత్స చేస్తున్నారు. ప్రమాదాలకు గురియ్యే ప్రాంతాలను గుర్తించి వైద్యులు వచ్చి చికిత్స చేస్తున్నారు.

విద్యుత్తు ప్రమాదాల సంఖ్య ప్రమాదంగా పెరుగుతోంది. గత ఏడాదికి పోలిస్తే 4420 మంది మరణాలు జరిగాయి. వీరిలో పురుషులు 70% మంది అయితే స్త్రీలు 30% మంది. విద్యుత్తు ప్రమాదాలకు ప్రజలు ప్రాణాదుకు చిక్కుకుంటుంటే సాఫ్ట్ వేరు, తర్రులు ప్రామాణికంగా ఉన్నా వాటిని తప్పించి వైద్యులు వారిని కాపాడుతున్నారని తెలుపుతోంది. ప్రమాదాలకు గురియ్యే ప్రాంతాలను గుర్తించి వైద్యులు వచ్చి చికిత్స చేస్తున్నారు. ప్రమాదాలకు గురియ్యే ప్రాంతాలను గుర్తించి వైద్యులు వచ్చి చికిత్స చేస్తున్నారు.

విభాగం	మరణాలు
మొత్తం	700
పురుషులు	490
స్త్రీలు	210

విద్యుత్తు ప్రమాదాల సంఖ్య ప్రమాదంగా పెరుగుతోంది. గత ఏడాదికి పోలిస్తే 4420 మంది మరణాలు జరిగాయి. వీరిలో పురుషులు 70% మంది అయితే స్త్రీలు 30% మంది. విద్యుత్తు ప్రమాదాలకు ప్రజలు ప్రాణాదుకు చిక్కుకుంటుంటే సాఫ్ట్ వేరు, తర్రులు ప్రామాణికంగా ఉన్నా వాటిని తప్పించి వైద్యులు వారిని కాపాడుతున్నారని తెలుపుతోంది. ప్రమాదాలకు గురియ్యే ప్రాంతాలను గుర్తించి వైద్యులు వచ్చి చికిత్స చేస్తున్నారు. ప్రమాదాలకు గురియ్యే ప్రాంతాలను గుర్తించి వైద్యులు వచ్చి చికిత్స చేస్తున్నారు.

లడ్కూపై సిబ్బంది తాత్కాలిక బ్రేక్

• **చెన్నైలోని సిబ్బంది తాత్కాలిక బ్రేక్**
 చెన్నైలోని సిబ్బంది తాత్కాలిక బ్రేక్. చెన్నైలోని సిబ్బంది తాత్కాలిక బ్రేక్. చెన్నైలోని సిబ్బంది తాత్కాలిక బ్రేక్. చెన్నైలోని సిబ్బంది తాత్కాలిక బ్రేక్. చెన్నైలోని సిబ్బంది తాత్కాలిక బ్రేక్.



చెన్నైలోని సిబ్బంది తాత్కాలిక బ్రేక్. చెన్నైలోని సిబ్బంది తాత్కాలిక బ్రేక్. చెన్నైలోని సిబ్బంది తాత్కాలిక బ్రేక్. చెన్నైలోని సిబ్బంది తాత్కాలిక బ్రేక్. చెన్నైలోని సిబ్బంది తాత్కాలిక బ్రేక్. చెన్నైలోని సిబ్బంది తాత్కాలిక బ్రేక్.