



ITC Limited
PAPERBOARDS & SPECIALTY PAPERS DIVISION
Divisional Headquarters : ITC Bhadrachalam House
106, Sardar Patel Road,
Secunderabad - 500 003, Telangana, India.
Telephone : 91- 40 - 27846566 -73
Fax : 91 - 40 27842997, Expts : 27810034
27849509, 27896048

**BEFORE THE
TELANGANA STATE ELECTRICITY REGULATORY COMMISSION
AT HYDERABAD**

In the matter of:

O.P. No. 22 of 2023, Suo-moto determination of Compliance of Renewable Power Purchase Obligation of Obligated entities for FYs 2019-20 (including the shortfall of FY 2018-19), FY 2020-21 (including the shortfall of FY 2018-19 & FY 2019-20) and FY 2021-22 (including the shortfall of FY 2018-19, 2019-20 & 2020-21)

OBJECTIONS FILED ON BEHALF OF

ITC LTD.

May it please the Hon'ble Commission:

1. We have received the notice dated 16.09.2023 from TSSLDL only on the late evening of 19.09.2023 by e-mail regarding these proceedings and enclosing the public notice of this Hon'ble Commission. There is very little time available for us to prepare objections thoroughly and file our objections by 20.09.2023. However, we hasten to set out preliminary objections as hereunder seeking leave to make such further objections and/or submissions in the course of hearing and/or at any adjournment thereof.
2. It is submitted that the facts and circumstances of each case are different and individual liabilities are in issue. Such matters require separate and distinct hearing in separate proceedings for each case. Such matters ought not to be lumped together in a single proceeding whether labelled as a public hearing or otherwise. However, we make the following objections and submissions.
3. Our captive cogeneration plants generate electricity as well as useful thermal energy in the form of process steam. The process is therefore cogeneration within the definition in Section 2(12) of the Electricity Act, 2003; and the captive generating plant is a captive cogeneration plant. The total captive co-generation and consumption is partly from coal (fossil fuel) and partly from black liquor (renewable energy as per MNRE).
4. With respect to the RPPD for the FY 2018-19, this Hon'ble Commission had passed order dated 09.03.2021 in O.P. No. 31 of 2020 wherein this Hon'ble Commission, inter alia, held as follows with regard to captive co-generation:

36. Based on the above, the Commission is of the view that any consumer consuming electricity from captive co-generation plant or captive co-generation plant using WHR unit beyond its RPPO target for any specific year as per the Regulation No.2 of 2018, shall not be required to purchase additional renewable energy/RECs for that year. In case any consumer consuming electricity from captive co-generation plant or captive co-generation plant using WHR lesser than its RPPO target, the remaining consumption till the RPPO target shall be met through purchase of renewable energy/RECs to meet the RPPO target.

along with the report on the status of compliance of RPPO for FY 2019-

20. The Commission will review the compliance of RPPO by these obligated entities for FY 2018-19 at the time of determination of compliance of RPPO for FY 2019-20.

37. In view of the above, the Commission directs TSSLDC to re-compute the RPPO compliance for FY 2018-19 for all obligated entities which consume electricity through captive co-generation plant or captive co-generation plant using WHR and submit the relevant details of such computation

5. During FY 2018-19, the captive co-generation and consumption from coal was 291799 MWh and the captive cogeneration and consumption from black liquor (renewable energy) was 239104 MWh.

There can be no RPPO obligation arising out of captive consumption from co-generation from black liquor, being a renewable energy source.

The captive consumption from captive co-generation from coal of 291799 MWh is more than the RPPO obligation of 17508 MWh (i.e. 6% on 291799). Therefore, there is no requirement for any purchase of additional renewable energy or RECs for 2018-19 in terms of the aforesaid Order of this Hon'ble Commission.

6. In the present proceedings, the SLDC has not re-computed the RPPO obligation of the Objector herein as directed in the aforesaid Order. The SLDC has shown at Sl.No 6 of Set-B statement for FY 2018-19, the self-consumption from co-generation (including both from coal as well as from black liquor) as 530902 MWh. It is wrongly mentioned that this is from fossil fuel. There has been no application of mind whatsoever to the question as to whether the self-consumption from co-generation is less or more than the RPPO obligation. Even if the entire self-consumption from co-generation of 530902 MWh is considered, the consumption is more than the 6% RPPO obligation and there is therefore no requirement for additional purchase of renewable energy and/or RECs.

7. With respect to the subsequent years also, position is the same as can be seen from the following workings.

	2018-19	2019-20	2020-21	2021-22
From Fossil Fuel -MWh	291799	303055	293676	307336
From Black Liquor-MWh	239104	250685	234995	272631
Total-MWh	530903	553740	528670	579967
RPPO target	6%	6.5%	7%	8%
RPPO Qty on Black Liquor-MWh	14346	16295	16450	21810
RPPO Qty on Fossil Fuel-MWh	17508	19699	20557	24587
RPPO Qty on Total-MWh	31854	35993	37007	46397
RPPO obligation of ITC	NIL	NIL	NIL	NIL

8. We reserve our right to make further submissions at any stage of the proceedings and to respond by written submissions or otherwise to any oral or written submissions of the SLDC.
9. For the above reasons and for such other or further reasons as may be urged at any stage of the proceedings, it is prayed that the Hon'ble Commission may be pleased to determine that there is no requirement or obligation for ITC Ltd. to purchase any additional renewable energy or RECs for any of the years from FY 2018-19 to 2021-22.
10. We request to be heard in person through a representative or through counsel.

At Hyderabad
20.09.2023


For ITC Limited