



TELANGANA ELECTRICITY REGULATORY COMMISSION
'Vidyut Niyantran Bhavan', G.T.S. Colony, Kalyan Nagar, Hyderabad 500 045

O. P. No. 20 of 2024
and

I. A. No. 19 of 2024

Dated 19.10.2024

Present

Sri. T. Sriranga Rao, Chairman
Sri. M. D. Manohar Raju, Member (Technical)
Sri. Bandaru Krishnaiah, Member (Finance)

Between:

1. Southern Power Distribution Company of Telangana Limited, TGSPDCL Corporate Office, Mint Compound, Hyderabad.
2. Northern Power Distribution Company of Telangana Limited, TGNPDCL Corporate Office, Vidyut Bhavan, Nakkalagutta, Hanamkonda, Warangal 506 001. ... Petitioners

AND

- Nil - ... Respondents

The petition came up for hearing on 04.10.2024. Sri. Mohammad Bande Ali, Law Attaché representative of the petitioners has appeared on 04.10.2024. The petition and the application having been heard and having stood over for consideration to this day, the Commission passed the following:

ORDER

Southern Power Distribution Company of Telangana Limited (TSSPDCL) and Northern Power Distribution Company of Telangana Limited (TSNPDCL) (TSDISCOMs or petitioners) have filed a petition on 27.09.2024 under Sections 86(1)(e) and Section 62 of the Electricity Act, 2003 (Act, 2003) read with

Renewable Power Purchase Obligation (Compliance by Purchase of Renewable Energy/ Renewable Energy Certificates, Regulation, 2022 (Regulation No.7 of 2022) seeking determination of average pooled power purchase cost in respect of power purchases made during FY 2023-24 to be considered during FY 2024-25.

2. The averments in the petition are as extracted below:

- a. It is stated that the Commission after its formation during the year 2014 exercising the powers conferred under Section 181 of the Act 2003, had notified 'Adoption' Regulation, 2014 (Regulation No. 1 of 2014), on 10.12.2014. It adopted all regulations, decisions, directions or orders, all the licenses and practice directions etc., issued by the erstwhile Andhra Pradesh Electricity Regulatory Commission (APERC) as in existence and in force until any of the regulation/order / direction etc., are altered, repealed or amended having the jurisdiction of state of Telangana, which included the Regulation No.1 of 2012 that is Renewable Power Purchase Obligation (Compliance by Purchase of Renewable Energy/ Renewable Energy Certificates) Regulation. Subsequently, the Commission notified the Regulation No. 2 of 2018 being Renewable Power Purchase Obligation (Compliance by Purchase of Renewable Energy/ Renewable Energy Certificates) Regulation, 2018 in the matter of fixing the RPPO to be met by the obligated entities from FY 2018-19 to FY 2021-22 and Regulation No.7 of 2022 fixing the RPPO to be met by the obligated entities from FY 2022-23 to FY 2026-27.
- b. It is stated that besides the above the Commission also notified Regulation No.1 of 2017 being the third Amendment to Interim Balancing and Settlement Code for Open Access Transactions Regulation 2006, wherein it has stipulated that-
 - i. *Any energy injected into the licensees network from the date of grant of GEOA till the date of submission of agreement for wheeling, the applicant is entitled for payment of energy charges at average pooled power purchase Cost (APPC) rate of 75% of the generic tariff determined by the Commission for the relevant year for the relevant RE source, whichever is lower.*
 - ii. *In the event that the energy injected into the transmission/distribution network by the open access generator, but could not be delivered to the scheduled/OA consumer due to network breakdown and was consumed by the distribution licensee, in whose area the breakdown has occurred, shall pay to the open access generator/consumer the equivalent energy charges at the rate of its pooled cost of power purchase determined by the Commission every year*

- c. It is further stated that as per the regulations pooled cost of power purchase (pooled cost) means the weighted average pooled price at which the distribution licensee has purchased electricity including the cost of self-generation, if any, in the previous financial year from all the energy suppliers on long-term and medium-term basis, but excluding the energy purchased from the renewable sources.
- d. It is stated that the RE generator engaged in the business of Renewable Energy Certificates (REC) may conclude a long-term power purchase agreement (REC PPA) at pooled cost that may be determined by the Commission year on year.
- e. It is stated that apart from the above, the Government of Telangana (GoTG) notified the Telangana State Solar Power Policy 2015 in line with its new industrial policy called TS-iPASS which is effective from 01.06.2015, wherein the solar net metering facility, besides other incentives were announced applicable for a period of 25 years. As per the said policy, the consumer who adopts the solar net metering facility would be paid at the tariff of pooled cost determined by the Commission, subject to monthly billing and settlement in a year.
- f. It is stated that the accordingly, TGDISCOMs, viz., TGSPDCL, TGNPDCL submit the details of the total power purchases made in the previous FY 2022-23 from all the long-term energy suppliers, excluding the purchases based on liquid fuel, the purchases from the traders, short-term purchases and purchases from the renewable energy sources, to facilitate the Commission to determine the pooled cost. The average power purchase pooled cost works out to Rs.5.25/kWh.

3. Therefore, the petitioners have sought the following prayer in the petition for consideration.

“to compute the average pooled power purchase cost in respect of power purchases made during Financial Year 2023-24 to be considered during the FY 2024-25.”

4. The petitioners have also filed an Interlocutory Application (I. A.) under Section 86(1)(e) and Section 62 of the Act, 2003, read with Regulation No.7 of 2022 seeking condonation of delay in filing the petition for computation of pooled cost for power purchase for FY 2023-24 to be considered for FY 2024-25 stating that as per

clause 7(2)(a) of Regulation No. 7 of 2022, the petitioners are supposed to file a petition before the Commission for determination of pooled cost of power purchase by 30th April, 2024 and it got delayed due to delay in finalization of accounts for FY 2023-24 and the delay caused is purely administrative and not intentional.

5. The petitioner in this application has sought the following prayer-

“In view of the above submissions, the Commission is prayed to condone the delay in filing the petition for determination of the average pooled power purchase cost in respect of power purchases made during financial year 2023-24 to be considered during the FY 2024-25.”

6. The Commission has heard the representative of the petitioners, perused the material and data available on record and also the information which has been called for, while examining the petition. The submissions of the representative of the petitioners and the Commission observations at the time of hearing are extracted below:

“Record of proceedings dated 04.10.2024:

The representative of the petitioner stated that the delay has occasioned contrary to the orders of the Commission due to delay in obtaining audit reports. The Commission observed that in terms of regulation relating to penalty payable for delayed filing of the petition. The representative of the petitioner agreed to comply with the payment of penalty. The Commission further observed that the filing is incomplete without enclosing the audit reports which had resulted in delayed filing. Therefore, it has directed the representative of the petitioner to file the audit reports for enabling the Commission to decide the matter. Subject to filing of audit reports the petition and the interlocutory application stand reserved for orders in terms of Regulation No.7 of 2022.”

7. The Commission is of view that the delay occasioned in filing the petition is not within the control of the petitioner as stated by the petitioners and that it is due to delay in finalization of accounts for FY 2023-24, which is not intentional and is purely on administrative. Accordingly, the delay is condoned.

8. The Commission considers the submissions made by the petitioners in support of their case are acceptable to it. For considering the request of the petitioners, it is appropriate to notice the provisions of the relevant regulations. The same are extracted below:

Regulation No.1 of 2017

“8. The unutilized banked energy shall be considered as deemed purchase by DISCOM(s) at the average pooled power purchase cost as determined by TSERC for the relevant year.”

Regulation No.7 of 2022

“2(1)(r) ‘Pooled Cost of Power Purchase’ means the weighted average pooled price at which the distribution licensee has purchased electricity including the cost of self-generation, if any, in the previous Financial Year from all the energy suppliers on long-term and medium-term basis, but excluding the energy purchased from the renewable energy sources;”

9. The petitioners have confirmed that the filings are made based on the audited power purchases for FY 2023-24, that is the audited final fixed cost, variable cost and energy draws and arrived the average pooled cost of power purchases at Rs.5.25/kWh. Further, with regard to details of auxiliary consumption amounts adjusted in power purchase cost the petitioners stated that the state generators that is TGGENCO and Singareni Thermal Power Plant (STPP) are claiming their energy bills as per net delivered energy to TGDISCOMs (export-import) and whereas the Central Generating Stations (CGS) are claiming their energy bills as per SRPC REA.

10. The data furnished by the petitioners in the present petition has been examined applying the definition of “Pooled Cost of Power Purchase” as specified under clause 2(1)(r) of Regulation No. 7 of 2022. On prudent check and detailed analysis of the claims of the petitioners, it is observed that the colony consumption CC charges for an amount of Rs. 17,15,01,549/- has been adjusted in power purchase bills, the same has been included to the power purchase cost.

11. Hence, the Commission hereby determines the pooled cost of power purchase for FY 2023-24 to be considered for FY 2024-25 as Rs.5.257/kWh. The detailed calculation sheet is appended to this order.

12. Accordingly, the O.P. and I.A. are allowed without any costs.

This Order is corrected and signed on this the 19th day of October, 2024.

Sd/- (BANDARU KRISHNAIAH) MEMBER	Sd/- (M. D. MANOHAR RAJU) MEMBER	Sd/- (T. SRIRANGA RAO) CHAIRMAN
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APPENDIX

Pooled Cost of Power Purchase to be considered for FY 2024-25

Station	TOTAL			
	Energy	FC	VC	Amount
CGS				
NPC Kaiga - I& II	1,07,94,48,915	-	3,78,81,13,850	3,78,81,13,850
NPC-MAPS	6,16,05,531	-	16,14,02,440	16,14,02,440
NPC-Kudankulam	33,26,63,711	-	1,43,17,63,161	1,43,17,63,161
NLC ST-I	2,48,36,731	1,84,51,151	7,96,70,912	9,81,22,063
NLC ST-II	2,72,94,165	1,93,62,367	8,75,63,756	10,69,26,122
NNTPS	42,94,37,147	78,15,86,887	1,11,19,10,308	1,89,34,97,194
Expn I	4,18,08,946	3,59,72,691	11,93,76,338	15,53,49,029
Expn II	2,51,80,687	5,35,67,296	7,64,67,943	13,00,35,239
NTPC(SR) I & II	2,02,65,29,976	2,28,41,08,643	7,65,54,82,665	9,93,95,91,308
NTPC(SR) ST III	53,57,42,363	52,09,92,273	1,96,97,33,879	2,49,07,26,152
NTPC-Simhadri -I	3,09,97,01,071	4,60,32,13,189	12,60,68,90,538	17,21,01,03,727
NTPC-Simhadri -II	1,48,03,59,606	2,91,00,99,582	5,90,57,08,405	8,81,58,07,987
NTPC-Talcher-ST II	1,61,48,52,650	2,06,43,14,537	2,78,18,62,302	4,84,61,76,839
NTPC KUDIGI I	83,83,00,714	3,09,35,42,900	4,24,83,93,636	7,34,19,36,536
NTPC Telangana TPS St.1	2,64,51,58,291	4,59,54,32,416	9,06,07,21,777	13,65,61,54,193
NTECL - VALLURU	42,30,78,107	92,02,94,418	1,68,69,93,364	2,60,72,87,782
NLC Tamilnadu Power Ltd	75,67,81,231	1,28,38,68,480	2,66,74,67,940	3,95,13,36,420
CGS Total	15,44,27,79,842	23,18,48,06,830	55,43,95,23,213	78,62,43,30,043
IPPs				
Sembcorp Energy India Limited (570 MW)	4,27,88,19,453	11,14,47,53,823	11,59,40,33,006	22,73,87,86,829
Sembcorp Energy India Limited (269.45 MW)	2,09,63,45,875	3,14,64,69,666	5,66,83,97,686	8,81,48,67,352
IPPs Total	6,37,51,65,328	14,29,12,23,488	17,26,24,30,692	31,55,36,54,181
NVVNL B.P-Coal	30,92,87,632	-	1,73,04,39,861	1,73,04,39,861
NSM-Coal Phase II	1,89,75,55,278	-	8,01,39,64,405	8,01,39,64,405
KTPS V (D)	3,10,14,79,600	3,82,53,00,000	12,36,16,99,154	16,18,69,99,154
KTPS VI	3,17,40,28,500	5,97,87,99,996	11,60,54,50,509	17,58,42,50,505
KTPS Stage VII	5,75,66,16,941	13,50,26,42,871	19,87,32,55,200	33,37,58,98,071
RTS-B	21,90,58,100	70,75,48,373	1,07,04,22,584	1,77,79,70,957
Kakatiya Stage-I	3,52,13,11,774	4,33,43,15,891	11,77,65,35,093	16,11,08,50,984
Kakatiya Stage-II	4,21,90,00,729	7,64,09,11,561	14,02,26,72,283	21,66,35,83,844
BTPS (I to IV)	6,32,53,91,000	11,39,35,95,966	21,59,72,52,939	32,99,08,48,905
KTPS (O&M)/ABC	-	-	-7,50,33,780	-7,50,33,780
TSGENCO-Hydel	1,18,05,70,913	12,26,35,75,021	-2,85,01,470	12,23,50,73,551
Water Charges	-	17,02,08,724	-	17,02,08,724
Non-Tariff income	-	-1,64,37,92,956	-	-1,64,37,92,956
TGGENCO colony consumption adjusted in PP bills				17,15,01,459
singareni provision as per ERC TO water charges and				-282417365

Station	TOTAL			Amount
	Energy	FC	VC	
other adjustments				
TSGENCO-TOTAL	27,49,74,57,557	58,17,31,05,447	92,20,37,52,511	1,50,54,83,59,417
SINGARENI CCL U1&U2	8,28,63,45,000	13,56,07,60,631	30,65,49,69,111	43,93,33,12,377
Grand Total	59,80,85,90,635	1,09,20,98,96,396	2,05,30,50,79,793	3,14,40,40,60,283
Average Pooled Cost of Power Purchase (Rs. / kWh)				5.257

