



TELANGANA ELECTRICITY REGULATORY COMMISSION

VIDYUT NIYANTRAN BHAVAN, G.T.S. COLONY, KALYAN NAGAR, HYDERABAD 500 045

O.P. No. 03 of 2026

&

I.A No. 05 of 2026

Dated 02.09.2026

Present

Dr. Justice Devaraju Nagarjun, Chairman

Sri. Raghu Kancharla, Member (Technical)

Sri. Cherukuri Srinivasa Rao, Member (Finance)

Southern Power Distribution Company of Telangana Ltd. (TGSPDCL)

Northern Power Distribution Company of Telangana Ltd. (TGSPDCL)

... Petitioners

And

-Nil-

... Respondents

ORDER

This Original Petition (O.P.) was filed by the Southern Power Distribution Company of Telangana Ltd. (TGSPDCL) and the Northern Power Distribution Company of Telangana Ltd. (TGSPDCL) (collectively referred to as TGDISCOMs) under sections 86(1)(e) and 62 of the Electricity Act, 2003 read with the Telangana Electricity Regulatory Commission (Compliance by Purchase of Renewable Energy/Renewable Energy Certificates) Regulations, 2022 (Regulation No. 7 of 2022), seeking the Commission to compute the average Pooled Power Purchase Cost in respect of power purchases made during the Financial Year 2024-25 to be considered during the FY 2025-26.

PROPOSALS IN THE PETITION:

1. TGDISCOMs submitted that the Commission, after its formation during the year 2014 with

the powers conferred under Section 181 of Electricity Act 2003, issued Regulation called as TGERC (Adoption) Regulations notified as Regulation No. 1 of 2014, dated 10.12.2014, by which it adopted all regulations, decisions, directions or orders, all the licenses and practice directions etc., issued by the erstwhile APERC as in existence and in force until any of the Regulation/order/direction etc., are altered, repealed or amended having the jurisdiction of State of Telangana, which inter alia, included the Regulation 1 of 2012, *i.e.*, Renewable Power Purchase Obligation *i.e.*, RPPO (Compliance by Purchase of Renewable Energy /Renewable Energy Certificates) Regulation. Subsequently, the Commission issued Regulation No. 2 of 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.

2. Besides this, the Commission also issued Regulation No. 1 of 2024 (Terms and Conditions of Open Access Regulation 2024), where in it is stipulated that:
 - a. Any energy injected into the licensee's 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 or 75% of the generic tariff determined by the Commission for the relevant year for the relevant RE source, whichever is lower;
 - b. 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;
3. Further, as per the regulations, "Pooled Cost of Power Purchase" (hereinafter called "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.
4. 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 State ERC year on year.

5. Accordingly, the TGDISCOMs submitted the details of the total power purchases made in the FY 2024-25 from all the long-term energy suppliers, excluding the purchases based on liquid fuel purchases, 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 worked out by the TGDISCOMs is Rs. 5.11/kWh.
6. The TGDISCOMs, through IA, have sought condonation of delay in filing the petition for determination of the average Pooled Power Purchase Cost in respect of power purchases made during FY 2024-25 to be considered during FY 2025-26 stating the following:
 - a. That the Clause 7.2(a) of Regulation 7 of 2022 directs the TGDISCOMs to submit a petition for computation of pooled cost of power purchase to the Commission by 30th April of the year.
 - b. That the finalisation of accounts for the financial year 2024-25 took time and hence the delay in filing of subject petition for determination of pooled cost of power purchases for FY 2024-25.
 - c. That the delay in filing the IA is purely administrative and not intentional.
 - d. That the filing of the IA seeking delay condonation is in the interest of justice.

PRAYER:

7. The TGDISCOMs have prayed for the following in the OP:

“... to compute the average Pooled Power Purchase Cost in respect of power purchases made during Financial Year 2024-25 to be considered during the FY 2025-26.”
8. The TGDISCOMs have prayed for the following in the IA:

“... condone the delay in filing the petition for determination of the average Pooled Power Purchase Cost in respect of power purchases made during FY 2024-25 to be considered during FY 2025-26.”

REGULATION NO. 07 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**;*

2 (1) (v) “Renewable Energy Sources” (or RES) means renewable sources of energy such as water (Small Hydel - Hydro Power projects with a station Capacity up to and including 25MW), wind, sunlight, biomass, bagasse, municipal solid waste and other such sources as approved by the MNRE;

7 (2) For the purpose of this clause 7, determination of pooled cost of power purchase shall be as follows:

(a) DISCOMs shall submit a petition for computation of pooled cost of power purchase to the Commission by 30th April of that year. The Commission shall issue an order relating to pooled cost of power purchase for the particular year as expeditiously as possible after it has been listed for hearing at least once;

ORDER:

9. The Petition along with Interlocutory Application came up for hearing on 02.04.2026. The Commission heard the petitioners on the Original Petition and Interlocutory Application. It has considered the material available on record as also scrutinised information made available along with the petition and additional information.
10. The Commission notes that the petition for pooled cost was filed with delay and for that purpose an interlocutory application for condoning the delay was also filed. The Commission accepts the reasons stated by the petitioners for delay in filing the petition. Accordingly, the Commission condones the delay in filing the petition. The interlocutory application i.e., I.A. No. 05 of 2026 stands allowed.
11. The Commission considers the submission made by the petitioners in support of its case are acceptable to it. For considering the request of the petitioners, the Commission has considered the aforementioned provisions of the Regulation 07 of 2022.
12. The Commission notes the submission of TGDISCOMs that the fixed costs, variable costs, energy draws and power purchases submitted are as per the audited annual accounts of FY 2024-25. Further, with regard to the auxiliary and colony consumption adjustments made in the petition, the submission of TGDISCOMs that the “state generators, TGGenco and Singareni Thermal Power Plant (STPP), are raising energy bills based on the net energy delivered to TGDISCOMs (Export-Import) and that the Central Generators are raising energy bills as per SRPC Regional Energy Audits (REA) i.e., based on the energy scheduled

by the CGS to TGDISCOMs” is considered and taken on record.

13. The data furnished by TGDISCOMs has been examined and it is observed that Additional Pension Liability for FY 2024-25 amounting to Rs. 1,251.26 crore has not been considered by the TGDISCOMs for arriving at the average pooled power purchase cost. The same has been considered by the Commission for arriving at the average pooled power purchase cost.
14. The Commission hereby determines the pooled cost of power purchase for FY 2024-25 to be considered for FY 2025-26 as Rs. 5.330/kWh. The detailed calculation sheet is appended to this order.
15. Accordingly, the O.P. and I.A. are allowed without any costs.

This Order is typed to dictation, corrected and signed on this 2nd day of September 2026.

Sd/-
Cherukuri Srinivasa Rao
Member (Finance)

Sd/-
Raghu Kancharla
Member (Technical)

Sd/-
Dr. Justice Devaraju Nagarjun
Chairman

//CERTIFIED COPY//

ANNEXURE

Average Pooled Power Purchase Cost to be considered for FY 2025-26

Station	Energy (kWh)	Power Purchase Cost (In Rs.)		
		Fixed Cost	Variable Cost	Amount
A. Central Generating Stations				
NPC Kaiga - I& II	1,03,87,31,515.00	0.00	3,78,18,19,926.00	3,78,18,19,926.00
NPC-MAPS	6,34,40,241.00	0.00	16,74,53,331.00	16,74,53,331.00
NPC-Kudankulam	37,31,65,978.00	0.00	1,89,50,96,165.00	1,89,50,96,165.00
NLC ST-I	1,48,84,629.00	1,44,69,317.24	5,00,69,233.00	6,45,38,550.24
NLC ST-II	2,04,61,051.00	2,22,89,676.85	6,59,88,669.16	8,82,78,346.01
NNTPS	39,21,24,956.00	79,03,76,373.68	1,07,66,33,853.03	1,86,70,10,226.71
Expn I	3,03,60,864.00	3,14,91,058.98	8,74,16,424.14	11,89,07,483.12
Expn II	89,82,062.00	2,57,68,507.61	2,87,89,959.09	5,45,58,466.70
NTPC(SR) I & II	1,43,22,95,200.08	1,90,58,35,468.53	5,96,02,69,622.45	7,86,61,05,090.98
NTPC(SR) ST III	35,39,72,062.82	50,77,65,184.00	1,42,56,18,791.62	1,93,33,83,975.62
NTPC-Simhadri -I	3,04,62,59,120.94	4,43,77,80,375.00	11,74,92,28,441.31	16,18,70,08,816.31
NTPC-Simhadri -II	1,57,55,25,425.03	2,68,32,25,406.00	5,94,76,24,528.92	8,63,08,49,934.92
NTPC-Talcher-ST II	1,48,82,55,488.42	1,22,00,72,095.84	1,65,83,36,790.23	2,87,84,08,886.07
NTPC KUDIGI I	61,92,13,498.00	3,14,26,36,231.00	2,96,19,62,299.57	6,10,45,98,530.57
NTPC Telangana TPS St.1	7,14,25,02,944.97	15,96,79,57,832.00	26,13,09,15,826.78	42,09,88,73,658.78
NTECL - VALLURU	58,65,67,274.00	1,26,56,62,117.46	2,34,12,54,141.62	3,60,69,16,259.08
NLC Tamil Nadu Power Ltd	69,49,72,968.00	1,71,92,36,332.61	2,96,58,79,857.85	4,68,51,16,190.46
Sub-Total (A)	18,88,17,15,278.26	33,73,45,65,976.81	68,29,43,57,860.75	1,02,02,89,23,837.56
B. IPPs				
Sembcorp Energy India Limited (570 MW)	0.00	0.00	19,67,982.00	19,67,982.00
Sembcorp Energy India Limited (269.45 MW)	1,99,26,84,121.00	3,06,27,00,849.15	5,54,49,90,035.85	8,60,76,90,885.00
Sub-Total (B)	1,99,26,84,121.00	3,06,27,00,849.15	5,54,69,58,017.85	8,60,96,58,867.00
C. TGGENCO				
KTPS V (D)	2,56,89,50,600.00	3,16,94,32,588.00	10,98,34,54,412.00	14,15,28,87,000.00
KTPS VI	2,90,32,34,600.00	3,90,66,99,996.00	12,44,27,36,239.00	16,34,94,36,235.00
KTPS Stage VII	5,28,89,83,802.39	12,05,79,99,999.00	19,09,68,51,364.00	31,15,48,51,363.00
RTS-B	1,55,31,660.00	4,80,36,142.00	7,75,53,552.00	12,55,89,694.00
Kakatiya Stage-I	2,77,08,15,786.40	3,79,49,44,096.00	10,45,60,81,903.00	14,25,10,25,999.00
Kakatiya Stage-II	3,26,21,58,944.87	5,49,57,64,891.00	12,07,20,35,560.00	17,56,78,00,451.00
BTPS (I to IV)	4,80,13,76,000.00	9,52,63,96,024.00	18,09,02,11,733.00	27,61,66,07,757.00
YTPS - II	41,10,09,000.00	55,02,75,917.00	2,86,26,35,034.00	3,41,29,10,951.00
TSGENCO-Hydel	5,04,42,23,618.89	10,19,48,49,993.33	0.00	10,19,48,49,993.33
Additional Pension Liability	0.00	12,51,26,75,000.00	0.00	12,51,26,75,000.00
Water Charges	0.00	33,47,00,005.33	0.00	33,47,00,005.33
Sub-Total (C)	27,06,62,84,012.55	61,59,17,74,651.67	86,08,15,59,797.00	1,47,67,33,34,448.67
D. Others				
NVVNL B.P-Coal	23,89,58,258.00	0.00	1,25,50,50,448.20	1,25,50,50,448.20
NSM-Coal Phase II	1,43,46,14,091.68	0.00	6,26,05,91,013.39	6,26,05,91,013.39
Singareni CCL U1&U2	7,50,11,97,000.00	13,70,04,00,005.00	24,91,17,55,231.00	38,61,21,55,236.00
Sub-Total (D)	9,17,47,69,349.68	13,70,04,00,005.00	32,42,73,96,692.59	46,12,77,96,697.59
Total (A+B+C+D)	57,11,54,52,761.49	1,12,08,94,41,482.63	1,92,35,02,72,368.19	3,04,43,97,13,850.82
Average Pooled Cost of Power Purchase (Rs. /Kwh)				5.330
