



**TELANGANA STATE ELECTRICITY REGULATORY COMMISSION**  
**5<sup>th</sup> Floor, Singareni Bhavan, Red Hills, Hyderabad-500 004**

I. A. No 1 of 2015  
In  
O. P. No. 14 of 2015

Dated: 07 - 02 - 2015

**Present**

Sri Ismail Ali Khan, Chairman  
Sri H.Srinivasulu, Member  
Sri L. Manohar Reddy, Member

Between

M/s. Arhyama Solar Power Private Limited  
No. 8 – 3 – 224 / 4 / A / 11 and 12, Yousufguda Main Road,  
Madhurnagar, Hyderabad – 500045.

.... Petitioner

AND

1. The State of Telangana  
Rep by its Principal Secretary  
Department of Energy (RES = A1)  
Secretariat Building Hyderabad – 500022
2. The Southern Power Distribution Company of Telangana  
6 – 1 – 50, Mint Compound Hyderabad – 500063
3. The Transmission Corporation of of Telanagana Limited  
Vidyuth Soudha, Khairtabad, Hyderabad – 500004
4. The Senior Accounts Officer, O P Circle,  
SPDC of TS Limited, Operation Circle Medak, Sangareddy Respondent

This petition coming up for hearing on 28.01.2015 and 05.02.2015 in the presence of Smt. P Lakshmi, Advocate for the petitioners and Sri. P. Shiva Rao, Advocate for the respondent and having stood over for consideration to this day, the Commission delivered the following:

## ORDER

The petitioner has filed the main petition under sec 86 (1) (f) of the Electricity Act, 2003 (Act, 2003) questioning the action of the licensee in demanding payment of transmission and wheeling charges contrary to the tariff orders dated 09.05.2014 of erstwhile APERC

2. The petitioner stated that that it is company established as a private limited company in the year 2012 under the Companies Act. The main object of the company is generation and distribution of the solar power. To achieve that object, the petitioner company has initially established a solar generation plant in an extent of Ac. 40-00 at Kolanupaka Village, Aleir Mandal, Nalgonda District. The petitioner further submitted that the Central Power Distribution Company of Andhra Pradesh (now TSSPDCL) has entered into an open access agreement dated 20.02.2014 with it.

3. The petitioner stated that according to the Article 3.1 of the said agreement, it is liable to pay wheeling service charges as specified by the Commission. It stated that the AP Electricity Regulatory Commission (erstwhile APERC) by its tariff Order dated 20.03.2009 fixed the wheeling charges for the year 2013-2014 at a sum of Rs. 33.43 paisa per KVA. The petitioner stated that as per Schedule - II of the said agreement, no transmission and wheeling charges will be levied within the erstwhile state of Andhra Pradesh, as per G. O. Ms. No. 39, dated 26.09.2012 published under the A P Solar Power Policy 2012 giving certain incentives.

4. The petitioner stated that after issuance of the government policy in G. O. Ms. No. 39, the erstwhile APERC published the tariff order dated 09.05.2014 and fixed the wheeling charges for the year 2014-15 to 2018-19. It is stated that after formation of the state of Telangana, a separate Regulatory Commission was established and the orders including the tariff order date 09.05.2014 issued by the then APERC has been adopted by the Telangana State Regulatory Commission mutatis mutandis. Hence the above said tariff order is applicable to the state of Telangana. As per the revised order Rs. 7.37 per KVA has to be paid as wheeling charges for the year 2014-15. In the very same order the Commission held that in tune with the

government policy issued in G. O. Ms. No. 39, there shall be no wheeling charges for non conventional energy generators using wind, solar and mini hydel sources.

5. The petitioner stated that as per the power policy issued in G. O. Ms. No. 39 it need not pay any wheeling charges. Inspite of the fact that there is no wheeling charges, the licensee has raised bills and charged an amount as wheeling charges as shown below.

2013-2014	March	-	Rs. 2,00,580/-
2014-2015	April	-	Rs. 2,00,580/-
	May	-	Rs. 2,00,580/-
	June	-	Rs. 2,00,580/-
	July	-	Rs. 2,00,580/-
	August	-	Rs. 2,00,580/-
	September	-	Rs. 2,00,580/-
	October	-	Rs. 2,00,580/-

According to it in fact the wheeling charges for the year 2014-15 were reduced to from Rs. 33.43 to Rs. 7.47 per KVA upto May, 2014.

6. The petitioner stated that pursuant to issuance of G. O. Ms. No. 39, dated 26.09.2012 the tariff orders dated 09.05.2014 was issued by the then APERC totally exempting wheeling charges for non conventional energy generators using wind, solar and mini hydel sources. It is stated that it is generating energy by using solar source, hence as per the tariff order dated 09.05.2014 the wheeling charges are not to be collected from the petitioner company from 17.05.2014 onwards. The petitioner company has been paying the wheeling charges to the tune of Rs. 2,00,580/- per month to the bill raised by the licensee from month of May, 2014 onwards. It has been submitting the representations to the SPDCL, Telangana state seeking implementation of order dated 09.05.2014 in so far as exemption of collection of wheeling charges in respect of it but no tangible action is taken. It is heavily burdened by the imposition of wheeling charges of more than two lakhs rupees per month and the company being depending upon non conventional source that is solar for which the generation cost is higher, it is facing acute financial burden due to higher tariff.

7. The petitioner stated that a writ petition bearing No. 33602 / 2014 was filed before the Hon'ble High Court of Judicature at Hyderabad by it challenging the collection of wheeling charges, however it withdrew the same by the orders of the

Hon'ble High Court dated 01.12.2014. It thus approached the Commission by filing the present petition.

8. The petitioner has raised similar contentions in both, the main petition as well as interlocutory application. In the said petition for interim relief filed under sec 94 (2) of the Act, 2003, it sought the following interim relief.

“It is therefore prayed that this Hon'ble Commission may be pleased to direct the respondents 2 to 4 not to collect the wheeling charges / transmission charges from the petitioner company from the month of October, 2014 onwards, pending disposal of the main OP, and pass such other order or orders as this Hon'ble Commission may deem fit and proper in the circumstances of the case.”

9. The petition was taken on file and notices were issued to the parties to appear before the Commission on 28.01.2015. The counsel for the parties appeared and made submissions, however counsel for respondents sought time till 05.02.2015 so as to enable him to file a counter affidavit. Accordingly, the matter was taken up for hearing on the adjourned date.

10. The counsel for petitioner made submissions reiterating the contentions raised in the petition. The counsel for respondents submitted that he was ready with counter affidavit, however, he is not able to file the same. He stated that the respondents are opposing the petition as a plea of non publication of the tariff order that is being taken by the petitioner, which is not correct or valid. The counsel for petitioner insisted on passing of the interim orders.

11. The Commission has heard the arguments and also examined the material made available along with the petition. It is a fact that the erstwhile Government of Andhra Pradesh issued the G.O. referred by the petitioner. Based on the said G.O. only, the erstwhile APERC granted exemption from payment of wheeling charges while determining the tariff for the control period 2014-2019 by order dated 09.05.2014

12. Inasmuch as the respondents are estopped from not implementing the order passed by the erstwhile APERC of granting exemption from wheeling charges.

However, the Commission has kept the said order passed in its website in public domain for further action.

13. It is appropriate to state here that the Commission is prima – facie is of the view that the petitioner should be given the benefit of exempting levy of wheeling charges. Therefore, as an interim measure the Commission directs that the licensees shall give the benefit of exemption of transmission and wheeling charges in favour of the petitioner pending disposal of the main petition.

14. Subject to the observations made above, directions given, the interlocutory application is disposed of. The counsel for respondents is permitted to file counter affidavit on or before 22.04.2015, to which date the matter is adjourned for final hearing.

This order is corrected and signed on this 7<sup>th</sup> day of Feb, 2015

**Sd/-**  
**(L MANOHAR REDDY)**  
**MEMBER**

**Sd/-**  
**(H SRINIVASULU)**  
**MEMBER**

**Sd/-**  
**(ISMAIL ALI KHAN)**  
**CHAIRMAN**

**CERTIFIED COPY**

**SECRETARY**