

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

**O.P.93/2015.**

Sub: Objections and suggestions on the P.P.A by T.S.S.P.D.C.L  
with Chatisgarh State power Distribution Company.

**OBJECTIONS SUBMITTED BY PONNALA LAXMAIAH  
FORMER MINISTER AND FORMER T.S.P.C.C PRESIDENT.**

- 1) At the very outset, the request of T.S.Discoms, seeking consent to P.P.A entered with Chatisgarh State power Distribution Company is premature, and ought to have been rejected without initiating the process for approval for the reasons stated hereunder.
- 2) As per section 86(1) (b) of Electricity Act 2003, the Discoms are obliged to seek for approval of their plan of power purchase agreement with details required to consider the said plan. As held by Hon'ble Supreme Court in Tata Power case in the year 2009, until the required approval is granted, the P.P.A remains only mere document of plan for power purchase.
- 3) To initiate the process for approval by the Hon'ble Commission, in respect of any plan of power purchase under section 86(1)(b) of E.Act, it is condition precedent that P.P.A should contain the tariff that is agreed by parties, ancillary liabilities of payment for deemed generation, Income tax liabilities, incentives, Electricity duty liabilities and Liability of cess that may be levied besides other liabilities like Transmission charges, transmission losses, and liabilities arising out of operative parameters of generating station.
- 4) The said information is compulsory particularly when the supplier is outside the territorial jurisdiction of Hon'ble Commission. If the supplier is within territorial jurisdiction, the tariff will be decided by the Hon'ble Commission and at

