



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

I. A. No. 6 of 2024  
And  
I. A. No. 5 of 2024  
in  
O. P. Nos. 9 & 10 of 2019

Dated: 15.03.2024

**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 Ltd.,  
H. No. 6-1-50, Mint Compound, Hyderabad, Telangana – 500063.
2. Northern Power Distribution Company of Telangana Ltd.,  
H. No. 2-5-31 / 2, Corporate Office, Vidyut Bhavan,  
Nakkalgutta, Warangal – 506001. .... Petitioners.

AND

-Nil- .... Respondent.

The application having stood over for consideration to this day, the Commission passed the following:

**ORDER**

The distribution companies of Telangana (TSDISCOMS) being Southern Power Distribution Company of Telangana Limited (TSSPDCL) and Northern Power Distribution Company Limited (TSNPDCL) (applicants) have filed applications under section 94 (2) of the Electricity Act, 2003 (Act, 2003) seeking extension of the application of the wheeling charges and wheeling losses in kind for further period upon expiry of the control period on 31.03.2024.

2. The applicants have stated in the above said application as below:
- a) The applicants stated that wheeling charges and wheeling losses as per wheeling tariff Order for distribution business for 4<sup>th</sup> control period had been determined vide order dated 29.04.2020 in O. P. No. 9 and 10 of 2019 which is being implemented in the area of supply of applicants and is applicable with effect from FY 2019-20 to FY 2023-24.
  - b) As per the notified MYT Regulation 2023 being Regulation No. 2 of 2023 which took effect on 30.12.2023 effective from 01.04.2024, TSDISCOMs are required to file Aggregate Revenue Requirement (ARR), Cross Subsidy Surcharge (CSS) and tariff proposals for Retail Supply Business (RSB) and ARR for distribution business (DB) for 5<sup>th</sup> control period from FY 2024-25 to FY 2028-29 by 31.01.2024.
  - c) The applicants have sought for clarifications from the Commission vide letter dated 17.01.2024 for certain clauses of the Regulation No. 2 of 2023.
  - d) The applicants have also filed a petition for amendment to certain clauses of Regulation No. 2 of 2023 as the clauses sought to be amended will have significant impact on the revenue and expenditure of applicants and will adversely impact the cash flows from the first year of control period. The Commission has returned the petition seeking certain information from applicants and issues raised are under examination by applicants.
  - e) The applicants have also begun the process of collection of additional information required for preparation of ARR and tariff proposals for RSB for FY 2024-25 and ARR and wheeling charges for distribution business for the 5<sup>th</sup> control period as per Regulation No. 2 of 2023.
  - f) A letter was addressed to the Commission on 30.01.2024 to grant additional 3 months' time for filing of ARR and tariff proposals for RSB for FY 2024-25 and ARR and wheeling charges for the distribution business for the 5<sup>th</sup> control period.
  - g) The applicants stated that the applicants are in the process of finalizing the computation of wheeling charges and wheeling losses for distribution business for 5<sup>th</sup> control period that is FY 2024-25 to FY 2028-29 as per

new Regulation No. 2 of 2023 and would require additional time to file the same before the Commission.

- h) It is stated that the wheeling tariff order dated 29.04.2020 for 4<sup>th</sup> control period, FY 2019-20 to FY 2023-24 determined by the Commission in O. P. Nos. 9 and 10 of 2019 is applicable upto 31.03.2024.
- i) Hence, applicants pray that the Commission may be pleased to pass orders that the existing wheeling charges and wheeling losses of last year of the 4<sup>th</sup> control period that is FY 2023-24 as determined in O. P. Nos. 9 and 10 of 2019 shall continue from 01.04.2024 until the issuance of further wheeling tariff order for distribution business for 5<sup>th</sup> control period from FY 2024-25 to FY 2028-29.

3. The Commission has framed Multi Year Tariff Regulation 2023 being Regulation No. 2 of 2023 providing for determination of tariff in respect of generation, transmission, SLDC activity, wheeling and retail supply. In accordance with the aforementioned MYT regulation the distribution licensees (TSSPDCL and TSNPDCL) and Cooperative Electric Supply Society Limited (CESS) are required to file MYT petitions for ARR & FPT for FY 2024-25 for RSB and distribution ARR and wheeling charges for 5<sup>th</sup> Control period (FY 2024-25 to FY 2028-29) by 31.01.2024.

4. The applicants have stated that they have sought clarification from the Commission and also filed petitions for amendment of the MYT regulation. In this regard, the Commission had already communicated vide letter dated 30.01.2024 that the Commission is not inclined to give clarification as regulation is made with previous publication, placing explanatory note, also giving statement of reasons and the regulation is notified. In the same context, no petition for amendment of the regulation made by the Commission can be entertained.

5. The applicants have requested for additional 3 months' time for submission of ARR and tariff proposals for FY 2024-25 and the Distribution Business MYT proposals for 5<sup>th</sup> control period. The Commission has not agreed to the request of licensees for additional time and directed to comply with the provisions of Regulation No. 2 of 2023

6. In view of non-filing of petition for determination of ARR and tariff for FY 2024-25 by applicants and CESS, the Commission has sought the views of the licensees in

its letter dated 12.03.2024 on the course of action that is being considered by the licensees when the tariffs / charges would cease to be applicable after 31.03.2024.

7. The applicants have filed interlocutory applications seeking that the existing wheeling charges and wheeling losses of last year of the 4<sup>th</sup> Control Period that is FY 2023-24 in O. P. Nos. 9 and 10 of 2019 shall continue from 01.04.2024 until the passing of further wheeling tariff order for distribution business for 5<sup>th</sup> Control period from FY 2024-25 to FY 2028-29.

8. The Commission has examined and considered the application filed by applicants. The Commission is of the view that the wheeling charges and losses in kind have to be levied until the applicants file a regular petition for determination of fresh charges and the applicable losses in kind. Therefore, the present interlocutory application is being considered for passing appropriate orders.

9. It may be appropriate at this stage to state that the order is being passed on ad-interim measure subject to the final disposal of the application along with the regular petition for determination of fresh charges on wheeling and losses in kind. The same can be passed to meet the ends of justice for the present.

10. It is relevant to state here that this Commission is empowered to pass necessary interim orders in appropriate cases under section 94 (2) of the Act, 2003. In this regard the relevant provision is extracted below:

“94. Powers of Appropriate Commission:

(1) .....

(2) The Appropriate Commission shall have the powers to pass such interim order in any proceeding, hearing or matter before the Appropriate Commission, as that Commission may consider appropriate.

(3) .....

11. In the present circumstances, the Commission deem it appropriate to pass an interim order in this application on an ad-interim measure that the wheeling charges and losses in kind as existing as on 31.03.2024 is applicable and it will be levied and collected by the applicants from 01.04.2024 till an order is passed by the Commission.

12. Accordingly, the wheeling charges and losses in kind as applicable on 31.03.2024 as determined in the order dated 29.04.2020 are applicable and can be levied by applicants from 01.04.2024 onwards pending disposal of these applications finally. The applicants are directed to file the regular petitions for determination of fresh wheeling charges and losses in kind for the 5<sup>th</sup> control period being FY 2024-25 to FY 2028-29 immediately.

***This order is corrected and signed on this the 15<sup>th</sup> day of March, 2024.***

<b>Sd/-</b> (BANDARU KRISHNAIAH) MEMBER	<b>Sd/-</b> (M.D.MANO HAR RAJU) MEMBER	<b>Sd/-</b> (T. SRIRANAGA RAO) CHAIRMAN
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