



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

I. A. No. 7 of 2024
And
I. A. No. 4 of 2024
in
O. P. Nos. 80 and 81 of 2022

Dated: 15.03.2024

Present

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

Between:

12. Southern Power Distribution Company of Telangana Ltd.,
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
- Applicants.

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 of Telangana Limited (TSNPDCL) (applicants) have filed an application under section 94 (2) of the Electricity Act, 2003 (Act 2003) seeking extension of the application of the retail supply tariff (RST) and cross subsidy

surcharge (CSS) upon expiry of the earlier tariff order on 31.03.2024 and approval for issuance of zero bills to the eligible consumers under Gruha Jyothi scheme.

2. The applicants have stated in the above said application as below:

- a) The applicants have stated that retail supply tariff order dated 24.03.2023 on RST and CSS for FY 2023-24 as decided in O. P. No. 80 and 81 of 2022 is being implemented in the supply areas of the applicants and is applicable with effect from 01.04.2023 to 31.03.2024.
- b) As per the new MYT Regulation being regulation No. 2 of 2023 notified on 30.12.2023, which is effective from 01.04.2024, TSDISCOMS are required to file aggregate revenue requirement (ARR), CSS tariff proposals for retail supply business (RSB) and ARR for distribution business (DB) for 5th 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. 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 had returned the petition seeking certain information from the applicants and issues raised are under examination by the applicants.
- d) 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 5th control period as per MYT Regulation No. 2 of 2023.
- e) It is stated that a letter was addressed to the Commission on 30.01.2024 to grant further time of 3 months for filing of ARR and tariff proposals for RSB for FY2024-25 and ARR and wheeling charges for the distribution business for the 5th control period.
- f) Further, the state government has also implemented “Gruha Jyothi Scheme” in the state of Telangana to provide free electricity to eligible domestic consumers and accordingly issued a G. O. vide G. O. MS. No.

7. ENERGY (POWER. I) DEPARTMENT, dated. 26.02.2024. Each household covered under this scheme will be eligible for free electricity of upto 200 units of domestic consumption per month for one service connection. All the eligible consumers are receiving zero bills from the month of March 2024.

- g) The licensees stated before the Commission that they are in the process of finalizing the ARR, tariff proposals, CSS proposals for RSB as per new Regulation 2 of 2023 and would require additional time to file the same before the Commission.
- h) It is stated that the RST order dated 24.03.2023 for RSB, CSS determined by the Commission in O. P. Nos. 80 and 81 of 2022 is applicable upto 31.03.2024.
- i) Hence, applicants pray that the Commission may be pleased to pass orders that:
 - (i) the existing Retail Supply Tariffs, Cross Subsidy Surcharge of FY2023-24 in OP Nos. 80 & 81 of 2022 shall continue from 01.04.2024 and
 - (ii) shall issue zero bills for all the eligible consumers of Gruha Jyothi Scheme.

12. The Commission has notified the Multi Year Tariff Regulation in 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 Regulation No. 2 of 2023, the distribution licensees (TSSPDCL and TSNPDCL) and Cooperative Electric Supply Society Limited (CESS) are required to file MYT petitions for ARR and filing for proposed tariff (FPT) for FY 2024-25 for RSB and distribution ARR and wheeling charges for 5th 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 5th 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 orders that the existing RST, CSS of FY 2023-24 as determined in O. P. Nos. 80 and 81 of 2022 shall continue from 01.04.2024 and shall issue zero bills for all the eligible consumers under Gruha Jyothi Scheme. The Commission will consider this issue separately in another proceeding and these applications are confined towards a decision on RST and CSS.

8. The Commission has examined and considered the application of applicants in respect of continuation of the existing RST, CSS of FY 2023-24 in O. P. Nos. 80 and 81 of 2022 from 01.04.2024. The Commission is of the view that the RST and CSS of FY2023-24 have to be levied until the applicants file a regular petition. Therefore, the present interlocutory application to the extent of continuation of the existing RST, CSS of FY 2023-24 as determined in O. P. Nos. 80 and 81 of 2022 from 01.04.2024 is being considered for passing appropriate orders.

9. It may be appropriate at this stage to state that an order is passed on ad-interim measure subject to the final disposal of the application along with the regular petition. 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, this Commission deems it appropriate to pass an interim order in this application on an ad-interim measure that the existing RST and CSS of FY 2023-24 are applicable and it will be levied and collected by applicants from 01.04.2024 till an order is passed by the Commission.

12. Accordingly, the existing RST and CSS of FY 2023-24 as decided in O. P. Nos. 80 and 81 of 2022 by order dated 24.03.2023 are made applicable from 01.04.2024 onwards pending disposal of these applications finally. The applicants are directed to file the regular petitions for determination of ARR for 5th control period for FY 2024-25 to FY 2028-29 and retail supply tariffs and CSS for FY 2024-25 immediately.

This order is corrected and signed on this the 15th day of March, 2024.

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