



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

ORDER

ON

**ANNUAL PERFORMANCE REVIEW OF
STATE LOAD DESPATCH CENTRE FOR FY 2022-23**

FOR

**TRANSMISSION CORPORATION OF TELANGANA LIMITED
(TGTransco)**

07.06.2024

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List of Abbreviations

A&G	Administrative and General
APR	Annual Performance Review
ARR	Aggregate Revenue Requirement
CAG	Comptroller and Auditor General of India
CERC	Central Electricity Regulatory Commission
FCC	Financial Completion Certificate
FY	Financial Year
Gol	Government of India
GoT	Government of Telangana
GFA	Gross Fixed Assets
I&CAD	Irrigation & Command Area Development
IEGC	India Electricity Grid Code
IND AS	Indian Accounting Standard
ISTS	Inter State Transmission System
kV	kilo Volt
LIS	Lift Irrigation Scheme
MAT	Minimum Alternate Tax
MoP	Ministry of Power
MVA	Mega Volt Ampere
MW	Mega-Watt
MYT	Multi Year Tariff
NLDC	National Load Despatch Centre
O&M	Operation and Maintenance
OP	Original Petition
OCFA	Original Cost of Fixed Assets
PCC	Optical Fibre Cable
PPA	Power Purchase Agreement
NCE	Non-Conventional Energy
PGCIL	Power Grid Corporation of India Limited
R&M	Repairs and Maintenance
ROCE	Return on Capital Employed
RoE	Return on Equity
RoW	Right of Way
RRB	Regulated Rate Base
Rs.	Rupees
SLDC	State Load Dispatch Centre
SRLDC	Southern Regional Load Dispatch Centre
STU	State Transmission Utility
TGERC	Telangana Electricity Regulatory Commission
TGTransco	Transmission Corporation of Telangana Limited
WACC	Weighted Average Cost of Capital



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

O. P. No. 01 of 2024

Dated 07.06.2024

Present

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

Transmission Corporation of Telangana Limited.

Applicant

Transmission Corporation of Telangana Limited (TGTransco) filed Petition on 30.12.2023 for Annual Performance Review (APR) for FY 2022-23 for its SLDC Activity in accordance with the directions given in Order dated 02.03.2020 on Annual Fee and Operating Charges for State Load Despatch Centre for 4th control period (FY 2019-20 to FY 2023-24), read with Regulation No. 1 of 2006 as adopted by TGERC in its Regulation No. 1 of 2014.

The Petition having been taken on file, and having considered objections/suggestions of the stakeholders, issues that are raised during the Public Hearing held on 14.03.2024, responses of the Applicant, and all other relevant material, passed the following:

ORDER

Chapter-1
Introduction

1.1 BACKGROUND

1.1.1 Section 31(1) and 31(2) of the Electricity Act, 2003 (Act) provides that the State Government shall establish a State Load Despatch Centre (SLDC) and such SLDC shall be operated by a Government Company or any authority or corporation established or constituted by or under any State Act, as may be

notified by the State Government. The Government of Telangana (GoT) vide G.O.Ms.No.9 Energy (Budget) Department, dated 17.09.2014 notified to declare existing SLDC as deemed to have been established by Government of Telangana under Section 31(1) of the Electricity Act, 2003 and since been operated by Transmission Corporation of Telangana Limited (TGTransco), which has been notified as the State Transmission Utility (STU) vide G.O.Ms.No.1, dated 21.06.2014. TGTransco is presently carrying out solely, the Transmission business and SLDC activity as per the Licence No.1 of 2014 granted by the erstwhile APERC on Deemed Licence Conditions of Licensee, Transitional (Reorganisation) Regulations, etc.

1.1.2 The Commission in its Order dated 02.03.2020 in O.P.No.2 of 2019 on Annual Fee and Operating Charges for State Load Despatch Centre for 4th control period (FY 2019-20 to FY 2023-24) had given directions to the Applicant herein to submit Annual Performance Review (APR) for each year of 4th control period before 31st December of the following year.

1.1.3 In compliance to the said directive, the Applicant (TGTransco) has filed this Petition on 30.12.2023 for APR for its SLDC Activity for FY 2022-23 with the following prayer to –

- a) Take the accompanying petition on Annual Performance Review (APR) for the FY 2022-23 for SLDC Activity on record.
- b) Allow the depreciation to recover the same from the Generators on monthly basis.
- c) Admit the deficit amount of Rs.12.51 crore for FY 2022-23.
- d) Grant suitable opportunity to TGTransco within a reasonable timeframe to file additional information, if required.
- e) Consider the facts and circumstances of the present petition and pass an appropriate order.

1.2 ADMISSION OF PETITION AND REGULATORY PROCESS

1.2.1 The Petition was found to be generally in order as required under the (Conduct of Business) Regulations, 2015 (Regulation No.2 of 2015) and the same was

admitted, the original petition taken on record by assigning the O.P.No.1 of 2024.

1.3 DATA GAPS AND APPLICANT'S RESPONSES

1.3.1 During scrutiny, the filings of the Applicant, certain information were found to be deficient in certain aspects. Subsequently, the Applicant submitted the additional information as sought by the Commission. The Commission has considered the original filings and the additional information submitted by the Applicant.

1.4 CORRESPONDENCE WITH TGTRANSCO

1.4.1 The Commission in its letter No. TSERC/Secy/F.No.E-654728/D.No.50/24, dated 12.01.2024 informed the applicant that their APR petitions of SLDC activity & Transmission business were taken on record as O.P.No.1 of 2024 and O.P.No.2. of 2024 respectively and directed the applicant to publish a Public Notice in the format specified in two (2) Telugu, two (2) English and One (1) Urdu daily newspapers on 13.01.2024 inviting objections/suggestions, if any, by the affected or interested person(s)/stakeholders duly uploading their filings in their official website for facilitating interested person(s) to view/download and schedule of public hearing in the Court Hall of TGERC on 12.02.2024 from 11 am onwards and 13.02.2024 from 11 am onwards for Transmission business and SLC activity respectively.

1.4.2 The Applicant vide Lr. No. CE(Comml.&RAC)/SE(Plg.)/RAC/F.APR-'22-'23/D.No.117 / 23 dated 23.01.2024 requested to reschedule the public hearing by two (2) months and to communicate the revised schedule submitting the following reasons:

- i) The concerned wings of TGTransco are busy in the preparation of filings for 5th control period as per the new MYT Regulations, 2023.
- ii) A time of ten (10) days be given from the date of intimation from the Commission to the date of publication of the notice in the newspapers, because of change in the procedure to be adopted for publication of any notices.

1.4.3 The Commission vide letter No.TSERC/Secy/F.No.E-654728/ D.No.87/24, dated 31.01.2024, informed that their request is not accepted and communicated new timelines for publication of a Public Notice in daily newspapers by 05.02.2024.

1.5 PUBLIC NOTICE

1.5.1 The Applicant, as directed by the Commission, issued a Public Notice on 05.02.2024 (**Annexure-I**) in two (2) English, two (2) Telugu and one(1) Urdu daily newspapers, informing the stakeholders and general public in large that the Applicant has filed the Petition for APR for its SLDC Activity for FY 2022-23 before the Commission and inviting objections/suggestions on the filings of the Applicant from all the stakeholders and general public at large on or before 26.02.2024 by 5 pm and also informing that in this regard the Commission shall conduct a Public Hearing in the Court Hall of TGERC on 14.03.2024 from 11:00 hours onwards. The filings along with supporting material have been made available by the Applicant to the public at large including all stakeholders. The Public Notice, filings and supporting material were also hosted on the websites of the Applicant as well as the Commission.

1.6 RESPONSE TO PUBLIC NOTICE

1.6.1 In response to the Public Notice, objections/suggestions were received from One (1) stakeholder. The details of stakeholders who submitted objections/suggestions is enclosed as **Annexure-II**.

1.6.2 The Applicant was directed to give its response in writing to all the written objections received, by 26.02.2024 by sending the same to the respective objector with a copy to the Commission before the scheduled date of Public Hearing. The replies were also posted on the website of the Commission.

1.7 PUBLIC HEARING

1.7.1 The Commission has conducted Public Hearing on 14.03.2024. During the Hearing, the Applicant made a brief presentation on the filings and then the Commission heard the stakeholders desiring to be heard. The details of stakeholders who attended the Public Hearing is enclosed at **Annexure-III**.

Chapter-2 Summary of Filings

2.1 APR FOR FY 2022-23

2.1.1 In compliance to the Directive No.5 in Order dated 02.03.2020 in O.P.No.2 of 2019 on Annual Fee and operating Charges for State Load Despatch Centre for 4th control period (FY 2019-20 to FY 2023-24), TGTransco has filed the following in the Annual Performance Review (APR) Petition for FY 2022-23:

- a) APR for FY 2022-23;
- b) Analysis of Performance of SLDC activity for FY 2022-23.

2.2 APR FOR FY 2022-23

2.2.1 TGTransco has submitted the following in the APR filings of SLDC activity FY 2022-23:

- Statement of variance with the Tariff Order for each item in the Aggregate Revenue Requirement (ARR) and reasons for variation;
- Actual ARR for the year computed based on O&M Charge and actual interest and other costs;
- The surplus/deficit for FY 2022-23 arrived based on actual revenue for FY 2022-23;

2.2.2 **Operation & Maintenance (O&M) Expenses:** The O&M expenses cover the Employee Cost, Administrative & General (A&G) Expenses and Repairs & Maintenance (R&M) Expenses.

Table 2.1: O&M expenses claimed by the Applicant

(Rs.in crore)

Particulars	Approved in MYT Order	Actuals as Claimed	Deviation
Employees cost	36.69	56.94	20.25
Administration and General Exp.	2.84	0.58	-2.26
Repairs & Maintenance Exp.	0.54	0.83	0.29
Other Expenses (Special appropriations allowed)			
Total	40.07	58.35	18.28

2.2.3 The Applicant has also furnished the following reasons for the deviations in the claimed expenses for FY 2022-23 from the approved values for FY 2022-23 by the Commission in MYT Order for SLDC Activity dated 02.03.2020.

- (i) There is an increase of Rs.20.25 Crore towards employee cost compared to Approved tariff Order. The increase in Employee benefits expenses is mainly due to Pay Revision which was due as on 01.04.2022 and due to Annual Grade increment and D.A. However, while filing 4th MYT Control Period the PRC impact was not considered.
- (ii) The actual increase in Employee cost is Rs.14.48 crore, compared to last year i.e. 2021-22 actuals (34.10%). The main reason for the above increase is due to Pay revision effect from 01.04.2022. The details are as follows:

Table 2.2: Actual employee cost as compared to last year

(Rs.in crore)

Sl. No.	Particulars	2021-22	2022-23	Difference	%
1	Basic + D.A.	28.09	36.36	8.27	29.44
2	Leave Encashment	1.11	2.09	0.98	88.29
3	Employer Contribution	1.64	2.01	0.37	22.56
4	Pension & Gratuity Contribution	5.46	8.18	2.72	49.82
5	Other Allowances	6.16	8.30	2.14	34.74
Total		42.46	56.94	14.48	34.10

- (iii) There is a normal increase in actual A&G expenses compared to previous year actuals.
- (iv) There is normal increase in actual R&M expenditure due to increase in consumption of O&M material and increase in R&M of Office Equipment expenses compared to previous year actual.

2.2.4 **Capital Cost:** Capital Cost is a recovery towards interest & finance charges and depreciation is a claim towards replacement of cost of fixed assets.

Table 2.3: Capital cost as claimed by the Applicant

(Rs.in crore)

Particulars	Approved in MYT Order	Actuals as Claimed	Deviation
Capital Cost	6.58	1.32	-5.26

2.2.5 The Annual Charges of any Load Despatch Centre as per Clause (18) of CERC (Fee and Charges of RLDCs) Regulations, 2019 consists of following:

- a) Return on Equity;
- b) Interest on Loan Capital;
- c) Depreciation;
- d) Operation & Maintenance Cost (excluding HRD expenses);
- e) Human Resource Expenses (employee cost);
- f) Corporate Office Expenses; and
- g) Interest on Working capital.

2.2.6 In view of the above, the Applicant requested to allow the depreciation to recover the same from the Generators on monthly-basis.

2.2.7 **Revenue:** The following is the position of Revenue for FY 2022-23.

Table 2.4: Revenue from SLDC Charges as claimed by the Applicant

(Rs.in crore)

Particulars	FY 2022-23		
	Tariff Order	Actuals	Deviation
Operating Charges	39.06	40.01	0.95
Add: Annual Fees	6.58	6.58	0.00
Other Income	1.00	0.56	-0.44
Total	46.64	47.15	0.51

2.2.8 The total Revenue of SLDC is showing an increase of Rs.0.51 crore due to Open Access.

2.2.9 **Aggregate Revenue Requirement (ARR) and Surplus/(Deficit):** The ARR and Surplus/(Deficit) claimed by the Applicant for FY 2022-23.

Table 2.5: Revenue Surplus/ (Deficit) claimed by the Applicant

(Rs.in crore)

Particulars	FY 2022-23		
	Tariff Order	Actuals	Deviation
Total Expenditure	46.65	59.67	13.02
Revenue from SLDC	46.64	47.15	0.51
Deficit	0.01	12.52	12.51

2.2.10 The net deficit in SLDC operating charges is Rs.12.51 crore during FY 2022-23.

2.3 STATUS OF CAPITAL WORKS DURING FY 2022-23

2.3.1 The status of Capital Works in FY 2022-23 is as follows:

Table 2.6: Status of Capital Works at TGS LDC

Sl. No.	Works	Present Status
1	Creation of Backup SLDC	Unified Replacement/Upgradation of SCADA systems in Southern Region for Main and Backup-Up SLDC is taken up with proposed commissioning by 2025. Tenders are floated by SRLDC and pre-bid queries of vendors are under discussion.
2	Construction of Backup SLDC	In order to meet the commissioning timelines of 2025, Construction process of Back-up SLDC building at Warangal is initiated.
3	Meeting hall & Video conference rooms	Proposal will be taken up in 5 th Control period
4	AGC	Proposal for obtaining PSDF funding was sent
5	Projects (SAMAST AMR)	Preparation of Scope of Work is under process
6	Telecom Equipment for Backup SLDC & REMC Project	Procurement of Communication equipment is under process

2.3.2 The completed works carried in SLDC in FY 2022-23.

Table 2.7: Details of Completed Works during FY 2022-23

Sl. No.	Works	Details of Work
1	Supply and installation of NVR, IP Cameras	Surveillance system was upgraded for better quality, resolution and storage to fulfil requirements of ISO 27001
2	Procurement of Computer & Servers	Procurements of computers were taken up for setting up of emergency control room at SLDC conference room located at 5 th Floor, Vidyut Soudha and to replace old PCs of various wings. Further, Servers were procured to establish Syslog system to receive log and manage logs of Corporate Firewalls, Scada Servers etc.

2.4 SUMMARY

Table 2.8: Annual Performance of SLDC for FY 2022-23

Sl. No.	Description	Amount (Rs. in crore)
i)	Employee Cost	56.94
ii)	Administration & General Expenses	0.58
iii)	Repairs & Maintenance Expenses	0.83
iv)	Other Expenses	0.00
A	Total, O&M Expenses (i+ii+iii+iv)	58.35
B	Capital Cost	1.32
(I)	Total Expenditure (A+B)	59.67
a	Revenue from Operating Charges	40.01
b	Less: Special appropriation amount allowed under Other expenses	0.00
c	Revenue from Annual Fees	6.58
d	Othe Income	0.56
(II)	Total Revenue (a+b+c+d)	47.15
	Surplus/(deficit) (II)-(I)	-12.52

Chapter-3

Issues Raised by Stakeholder, Responses of Applicant and Commission's Views

3.1 OBJECTIONS/SUGGESTIONS MADE ON FILINGS'

3.1.1 One (1) stakeholder has filed objections/suggestions on the Petition for APR of SLDC activity for FY 2022-23. The Applicant has filed replies on the objections/suggestions received from the stakeholder. For the sake of brevity, the objections/suggestions raised by the stakeholder and responses of the Applicant have been consolidated and summarised issue-wise. The Commission has concluded all the objections/suggestions of the stakeholder made in writing as well as during the course of Public Hearing and the responses to them by the Applicant. In the subsequent Chapters of this Order, the Commission has taken into consideration, the objections/suggestions of the stakeholder and replies of the Applicant for analysis and conclusion on APR for FY 2022-23.

3.2 O&M EXPENSES

Stakeholders' Submissions

3.2.1 The operating expenses have increased due to the increase in employee cost while the Administrative & General (A&G) expenses were decreased, and Repairs and Maintenance (R&M) expenses were minimally increased than the approved amounts which resulted in overall deficit of Rs.12.51 crore. The deviation in employee cost is Rs.20.25 crore from the approved amount in MYT₇ is on the higher side. The Stakeholder requested the Commission to allow the said cost after prudence check as per the staffing plan approved in MYT of 4th Control period.

Applicant's Response

3.2.2 The Applicant submitted that increase in Employee cost is mainly due to pay revision which was due as on 01.04.2022 and due to annual grade increments

and D.A. However, while filing the 4th MYT Control Period the pay revision compensation (PRC) impact was not considered.

Commission's View

3.2.3 The Commission has taken note of the submissions of the stakeholder and reply of Applicant. The Commission has examined the issue in detail in subsequent Chapters of this Order while approving the O&M Expenses.

3.3 CAPITAL COST

Stakeholders' Submissions

3.3.1 The clause 4.3 of the Regulation No.1 of 2006 stipulates that Capital Cost shall cover the repayment of principal amount and payment of interest on investments in a year, plus any residual component of past investments. It is not clear whether SLDC has availed any loan facility or not as per the MYT order of 4th Control period for the completed works for the year 2022-23. The Commission is requested to allow the capital cost after prudent check.

Applicant's Response

3.3.2 The Applicant submitted that in its filing for 4th Control period (FY 2019-20 to FY 2023-24), it has claimed Capital cost as per methodology prescribed vide Regulation No.1 of 2006 based on assumption that SLDC will obtain loans for its capex thereby interest and repayment may be incurred. SLDC has not drawn loans from any bank/FIs during 4th Control Period and capex has been incurred through funding from TGTransco internal sources. Thereby, SLDC has not paid any interest and repayment during this period.

3.3.3 However, the depreciation of fixed assets of SLDC business has been claimed as capital cost in APR filing before the Commission stating that depreciation is meant for replacement of fixed assets and not claimed in O&M Expenses.

Commission's View

3.3.4 The Commission has taken note of the submissions of the stakeholder and reply of Applicant. The Commission has examined the issue in detail in subsequent Chapter of this Order while approving the Capital Cost.

Chapter-4

Analysis and Conclusions on APR for FY 2022-23

4.1 REGULATORY PROVISIONS

- 4.1.1 TGTransco has submitted the Petition for APR for SLDC activity for FY 2022-23 in accordance with the directions given in Order dated 02.03.2020 on Annual Fee and Operating Charges for State Load Despatch Centre for 4th control period (FY 2019-20 to FY 2023-24).
- 4.1.2 The clause 4.7 of Regulation No.1 of 2006 stipulates that “variations in recovery of capital cost and operating charges over the charges fixed for a year on account of variations in SLDC usage shall be adjusted in the subsequent control period, or earlier in case the variations are considered to be significant by the Commission warranting adjustment thereof before the commencement of the subsequent control period, with financing cost at the average rate(s) of borrowing during the year(s) to which the variations relate.”
- 4.1.3 The clause 5 of the Regulation No. 5 of 2005 stipulates that till such time as there is complete segregation of accounts between SLDC activity and Transmission Business, the Transmission Licensee shall apportion its costs on the basis of an Allocation Statement.
- 4.1.4 TGTransco has submitted its audited accounts for FY 2022-23 along with the Allocation Statement segregating its actual expenses and revenue between Transmission business and SLDC activity for FY 2022-23.

4.2 CAPITAL COST

Applicant's Submissions

- 4.2.1 Capital cost is a recovery towards interest & financial charges whereas, depreciation is a claim towards replacement cost of fixed assets. The applicant has claimed depreciation on fixed assets amounting to Rs.1.32 crore as capital cost for the year as per CERC norms and requested the Commission to consider and allow the same as capital cost to be recovered by way of Annual

Fee for funding of its investments since, the Applicant has not availed any loans during the year.

Commission’s View

4.2.2 The Applicant submitted that Capital Cost is a recovery towards Interest & Finance Charges and Depreciation is a claim towards replacement cost of fixed assets. As per CERC Notification No. L-1/153/2019/CERC, dated 26.02.2019, vide Regulation (Fees and Charges for RLDCs), Clause 18, the Applicant requested to allow the depreciation to recover the same from the Generators on monthly basis.

4.2.3 As regards to Capital Cost, Clause 4.3 of the Regulation No. 1 of 2006 stipulates as under:

“4.3 The basis for determination of the annual fee shall be the Capital Cost to cover the repayment of principal amount and payment of interest on investments in a year, plus any residual component of past investments.”

4.2.4 The clause 4.3 of the Regulation No.1 of 2006 stipulates that the Capital Cost shall cover the repayment of principal amount and payment of interest on investments in a year, plus any residual component of past investments. Since, the Applicant has not availed loan during FY 2022-23 and there are no past loans, therefore, the Commission is of the view that Capital Cost cannot be allowed in FY 2022-23, consequently there shall be no depreciation.

4.2.5 The Capital Cost approved by the Commission for FY 2022-23 has been summarised in the Table below:

Table 4.1: Capital Cost approved by the Commission

(Rs.in crore)

Particulars	Approved in MYT Order	Claimed	Approved
Capital Cost	6.58	1.32	0.00

4.3 O&M EXPENSES

Applicant’s Submissions

4.3.1 The Operation and Maintenance (O&M) expenses comprise of (i) Employee cost, (ii) A&G expenses and (iii) R&M expenses. The Applicant has claimed the

O&M expenses of Rs.58.35 crore as against approved expenses of Rs.40.06 crore for FY 2022-23 as shown in the Table below:

Table 4.2: O&M Expenses as claimed for FY 2022-23

(Rs.in crore)

Particulars	Approved in MYT Order	Claimed	Deviation
Employees cost	36.69	56.94	20.25
Administration and General Exp	2.84	0.58	-2.26
Repairs & Maintenance Exp.	0.54	0.83	0.29
Other expenses (special appropriation allowed)	-	-	-
Total	40.07	58.35	18.28

4.3.2 The Applicant submitted that there is an increase of Rs. 20.25 crore in employee cost due to pay revision and increase in DA and Annual Grade Increments.

Commission's View

4.3.3 The Commission observed that the Applicant has claimed the O&M Expenses on actual basis as per audited accounts. The Applicant has claimed the O&M Expenses as Rs. 58.35 Crore based on actual expenses against the approved value of Rs. 40.06 Crore in MYT Order dated 02.03.2020 for FY 2022-23.

4.3.4 The Applicant vide mail dated 21st March, 2024 submitted to the Commission that net O&M expenses for FY 2022-23 have increased mainly due to pay revision and terminal benefits. The details are as follows:

Table 4.3: Variance in Employee expenses due to Pay revision and Terminal Benefits

Particulars	Amount
Increase in Employee Cost due to Pay revision	Rs. 10.34 Crore
Increase in Actuarial Valuation, Terminal Benefits due to Pay Revision	Rs. 6.17 Crore
Increase due to Annual Grade Increment & DA and Other Employee Costs	Rs. 3.74 Crore

4.3.5 The Commission noted that the primary reason for the increase in the O&M expenses from the approved O&M expenses is due to the Pay revision, Actuarial Valuation Liability and Terminal Benefits. As this variation is beyond the control of the Applicant and depends on the pay revision guidelines as per the Government of Telangana (GoT), the Commission finds its prudent to allow the pay revision and terminal benefits on actuals for FY 2022-23 as per the audited accounts which amounts to Rs. 16.51 Crore. This is in addition to

normative O&M expenses approved in MYT Order dated 02.03.2020. Whereas the increase due to Annual Grade Increment & DA and Other Employee Costs are already covered in the normative O & M expenses and hence same are not be allowed separately.

4.3.6 The Commission observes that the recomputed normative O&M expenses approved in MYT Order including pay revision, actuarial valuation and terminal benefits on actuals are lower than actual O&M expenses as per audited accounts. Therefore, the Commission deems it appropriate to approve the O&M expenses approved in MYT Order including pay revision, actuarial variability and terminal benefits for FY 2022-23. The O&M expenses claimed by the Applicant and those approved by the Commission are shown in the Table below:

Table 4.4: O&M Expenses approved by the Commission for FY 2022-23
(Rs.in crore)

Particulars	Approved in MYT Order dated 02.03.2020	Claimed in APR	Re Computed (MYT Approved including pay revision and terminal benefits)	Approved
Employee Expenses	36.69	56.94	53.20	53.20
A&G expenses	2.84	0.57	2.84	2.84
R&M expenses	0.54	0.83	0.54	0.54
O&M expenses	40.06	58.35	56.57	56.57

4.4 EXPENDITURE SIDE SUMMARY

Commission's View

4.4.1 Based on the above analysis, the total expenditure approved is as shown in Table below:

Table 4.5: Expenditure Side summary

(Rs.in crore)

Particulars	Approved in MYT Order	Claimed	Approved
Operating Expenses	40.06	58.35	56.57
Capital Cost	6.58	1.32	0.00
Total	46.64	59.67	56.57

4.5 REVENUE

Applicant's Submissions

- 4.5.1 The Applicant has claimed the revenue from Operating charges, Annual Fee and other income of Rs.40.01 crore, Rs.6.58 crore and 0.56 crore respectively totalling to Rs.47.15 crore.

Table 4.6: Revenue during FY 2022-23

(Rs.in crore)

Particulars	As per MYT Order	Claimed	Deviation
Operating Charges	39.06	40.01	0.95
Annual Fees	6.58	6.58	0.00
Other Income	1.00	0.56	-0.44
Total	46.64	47.15	0.51

- 4.5.2 The overall increase of Rs.0.51 crore in total revenue is due to open access.

Commission's View

- 4.5.3 The Commission after prudence check has observed that the total revenue from the SLDC charges including other income as per the audited accounts is Rs.58.33 crore. The Commission directed the Applicant for justification for the revenue claimed due to discrepancy in the audited figure. In its reply, the Applicant submitted that the total revenue for FY 2022-23 as Rs.47.15 crore, however, the revenue as per the annual accounts of FY 2022-23 is Rs. 58.33 crore which is after adjustment of pass through of deficit amount of Rs.11.18 crore. Accordingly, the Commission has considered the actual revenue from SLDC charges (including other income) of Rs. 47.15 crore for FY 2022-23.

4.6 SUMMARY OF APR

Commission's View

- 4.6.1 Based on the above analysis, the summary of APR for FY 2022-23 is as shown in the Table below:

Table 4.7: Gap/(Surplus) as claimed and approved for FY 2022-23

(Rs.in crore)

Particular	Tariff Order	Claimed	Approved
Total Expenditure	46.64	59.67	56.57
Total Revenue	46.64	47.15	47.15
Gap/(Surplus)	0.00	12.52	9.42

4.6.2 The revenue gap approved by the Commission is Rs. 9.42 Crore against revenue gap claimed of Rs.12.52 Crore.

4.7 RECOVERY OF REVENUE GAP/(SURPLUS)

4.7.1 As per clause 20.2 of Regulation No.5 of 2005, the Applicant shall include the total approved revenue gap of Rs. 1.63 crore (surplus of Rs.0.04 crore for FY 2019-20, surplus of Rs.4.76 crore for FY 2020-21, surplus of Rs.2.99 crore for FY 2021-22 and gap of Rs. 9.42 Crore for FY 2022-23) in its claim of operating charges for the subsequent control period.

4.7.2 The Petition is disposed of in the above terms.

This Order is corrected and signed on this the 7th day of June, 2024.

Sd/-
(BANDARU KRISHNAIAH)
MEMBER

Sd/-
(M. D. MANOHAR RAJU)
MEMBER

Sd/-
(T. SRIRANGA RAO)
CHAIRMAN

//CERTIFIED COPY//

**Annexure-I
Public Notice**

Appeared in SAKSHI and Eenadu (Telugu) on 05.02.2024

**గౌరవనీయ
తెలంగాణ స్టేట్ ఎలక్ట్రిసిటీ రెగ్యులేటరీ కమిషన్**

5వ అంతస్తు, సింగరేణి భవన్, రెడ్ హిల్స్, లక్ష్మీకాపురం,
హైదరాబాద్- 500004 సమక్షంలో
ట్రాన్స్మిషన్ కార్పొరేషన్ ఆఫ్ తెలంగాణ లిమిటెడ్ (TSTRANSCO)

బహిరంగ ప్రకటన

ఓ.పి.నెం. 1/2024 మరియు ఓ.పి.నెం. 2/2024

- యావత్సంవతీ ఖంబుమూలముగా తెలియజేయునది ఏమనగా స్టేట్ లోడ్ డిస్ట్రీబ్యూషన్ సెంటర్ (SLDC) కార్యకలాపం మరియు TSTRANSCO యొక్క ట్రాన్స్మిషన్ వ్యాపారం నిమిత్తం ఎన్ఎస్ 2022-23 కొరకు వార్షిక నిర్వహణ సమీక్ష (క్రూ ఆఫ్) కై తెలంగాణ స్టేట్ ఎలక్ట్రిసిటీ రెగ్యులేటరీ కమిషన్ (TSERC) సమక్షంలో ట్రాన్స్మిషన్ కార్పొరేషన్ ఆఫ్ తెలంగాణ లిమిటెడ్ (TSTRANSCO) ఫైలింగ్ను దాఖలు చేసినది. ఈ ఫైలింగ్ వరుసగా ఓ.పి. నెం.1/2024 మరియు ఓ.పి.నెం.2/2024లో కమిషన్చే పరిగణనలోకి తీసుకోబడినవి.
- సదరు ఫైలింగ్ కౌన్సిల్ చీఫ్ ఇంజనీర్ (కమర్షియల్ అండ్ అర్విసి) కార్యాలయం, యామ్ నెం.149, 'ఎ' బ్లాక్, TSTRANSCO, విద్యుత్ పోస్ట్, హైదరాబాద్-500082 మరియు డి.పి. ఇంజనీర్/మెట్రిక్ షోన్, ధూరల్ షోన్, కరీంనగర్ షోన్ మరియు వరంగల్ షోన్ మరియు సూపరింటెండింగ్ ఇంజనీర్ /ఓఎంఐ/TSTRANSCO (ఖమ్మం, నవాపూరాబాద్, అదిలాబాద్, కరీంనగర్, నల్గొండ, మహబూబ్ నగర్, వరంగల్, మెట్రిక్ షోన్, మెట్రిక్ వెస్ట్, మెట్రిక్ సెంట్రల్, సంగారెడ్డి- హైదరాబాద్ వద్ద ఉన్నవి)లలో లభిస్తాయి. అనుక్రమ వ్యక్తులు కార్యాలయ వేళల్లో సదరు ఫైలింగ్ను సదరు ఏజెన్సీ కార్యాలయం వద్ద ఉచితంగా తెలిపి చేసుకోవచ్చును/ తదుపరి ద్వారా మరియు పోస్ట్ చేసుకోవచ్చును. ఈ ప్రతిపాదనలు www.tstransco.in వారి లభిస్తాయి మరియు వీటిని www.tserc.gov.in వారు పొందవచ్చును. ఈ ఫైలింగ్ యొక్క కాపీని ట్రాన్స్మిషన్ డివిజన్ అండ్ ఎన్ఎల్డిఐ ఫైలింగ్ కొరకు సగటు రూపేణ పోస్ట్ కాపీయింగ్ ఛార్జీలను చెల్లించి పై కార్యాలయాల నుండి 5-2-2024 నుండి పొందవచ్చును.
- సదరు ఫైలింగ్పై అక్షేపణలు/ సలహాలు ఏమేమి ఉంటే, మద్దతుగా అలాంటి చీఫ్ ఇంజనీర్ (Comm & RAC), 'ఎ' బ్లాక్, యామ్ నెం.149, TSTRANSCO, విద్యుత్ పోస్ట్, హైదరాబాద్-500082కు స్వయంగా లేదా రిజిస్టర్డ్ పోస్టు ద్వారా 28-02-2024 సా. 5 గం లోగా చేరాలి వంటవలెను. దీని ఒక కాపీని సైన్ చేసిన రియనామా వద్ద కమిషన్ సెక్రెటరీ, డి.పి.ఇ.ఆర్.సి. పూర్తి దాఖలు చేయవలెను. అక్షేపణలు/ సలహాలు తగువిధంగా పంపకం చేయబడి ఉండవలెను మరియు సదరు అక్షేపణలు/ సలహాలను సంపే వ్యక్తుల పూర్తి పేరు మరియు తపాలా దిరునామా కలిగియుండవలెను. ఏమీ సంస్థ లేదా ఏమీ వినియోగదారుల తేటగిరి తరఫున అక్షేపణలు/ సలహాలు దాఖలు చేయబడినట్లయితే, స్పష్టంగా పేర్కొనవలెను.
- సదరు అక్షేపణలు/ సలహాలకు ఈ క్రింది వివరాలను జతపరచవలెను:

అక్షేపణదారుని పేరు మరియు పూర్తి దిరునామా	అక్షేపణలు/ సలహాల సంబంధ వివరాలు	SLDC కార్యకలాపం మరియు ట్రాన్స్మిషన్ వ్యాపారం కొరకు వార్షిక నిర్వహణ సమీక్ష (క్రూ ఆఫ్) నిమిత్తం ఫైలింగ్ మీద TSTRANSCOచే అక్షేపణలు	TSTRANSCO కార్యాలయం వద్ద అందజేసిన అక్షేపణలు/ సలహాల యొక్క కాపీ మరియు యూఎస్ఐ జతపరిచాలా (అవును/ లేదు)	అక్షేపణదారు స్వయంగా విచారణలో పాల్గొనడంవల్లా (అవును/ లేదు)
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5. ఈ విషయంలో తెలంగాణ స్టేట్ ఎలక్ట్రిసిటీ రెగ్యులేటరీ కమిషన్ 14-02-2024 (గురువారం) ఉ.11.00 గం నుండి డి.పి.ఇ.ఆర్.సి. యొక్క కోర్టు హాలు, 5వ అంతస్తు, సింగరేణి భవన్, లక్ష్మీకాపురం, హైదరాబాద్ నుంచి బహిరంగ విచారణను నిర్వహించ దంవివది. స్వయంగా విచారణకు హాజరు కాగోరు స్టేట్ హోల్డర్లు బహిరంగ విచారణ తేదీ లోగా సెక్షన్, డి.పి.ఇ.ఆర్.సి. సహాయం ఇవ్వవలెను.

సం/-
చైర్మన్ అండ్ మేనేజింగ్ డైరెక్టర్
TSTRANSCO

ప్రచేశం: హైదరాబాద్,
తేదీ: 05-02-2024

DIPR RO. No. 10069-PP/CL/ADVT/1/2023-24, Dt. 3-2-2024

**BEFORE THE HON'BLE
TELANGANA STATE ELECTRICITY REGULATORY
COMMISSION**



**TRANSMISSION CORPORATION OF TELANGANA LIMITED
(TSTRANSCO)**

PUBLIC NOTICE

O.P. No.1 of 2024 and O.P. No.2 of 2024

1. Notice is hereby given to all that the Transmission Corporation of Telangana Limited (TSTRANSCO) has filed before the Telangana State Electricity Regulatory Commission (TSERC) for Annual Performance Review (True up) for FY 2022-23 for State Load Despatch Centre (SLDC) activity and Transmission Business of TSTRANSCO. These filings have taken on record by the Commission in O.P. No 1 of 2024 and O.P. No 2 of 2024 respectively.

2. Copies of the filings referred are available in the Office of the Chief Engineer (Comml & RAC), Room No. 149, 'A' Block, TSTRANSCO, Vidyut Soudha, Hyderabad- 500082 and the Chief Engineer/(Metro Zone, Rural Zone, Karimnagar Zone and Warangal Zone) and Superintending Engineer /OMC/ TSTRANSCO (Khammam, Nizamabad, Adilabad, Karimnagar, Nalgonda, Mahabubnagar, Warangal, Metro East, Metro West, Metro Central, Sangareddy- located at Hyderabad). Interested persons may inspect/ peruse the said filings and take note thereof during office hours at any of the said offices free of cost. These proposals are also available on www.tstransco.in and the same may be accessed at www.tserc.gov.in. A copy of these filings can be obtained from the above offices from 05.02.2024 onwards on payment of photocopying charges by cash for Transmission Business and SLDC filings.

3. Objections/ suggestions if any, on the said filings together with supporting material may be sent to the Chief Engineer (Comml & RAC), 'A' Block, Room No.149, TSTRANSCO, Vidyut Soudha, Hyderabad-500082 in person or through Registered Post so as to reach on or before 26.02.2024 by 5 pm. A copy of the same must also be filed with the Commission Secretary, TSERC, at the address mentioned above. The objections/suggestions should be duly signed and should carry full name and postal address of the person(s) sending the objections/suggestions. If the objections/suggestions are filed on behalf of any organization or any category of consumers, it should be clearly mentioned.

4. The objection/suggestion should accompany the following statement as an overleaf-

Name & full address of the Objector	Brief details of Objection(s)/ Suggestion(s)	Objections against filings by TSTRANSCO for Annual Performance Review (True up) for SLDC activity and Transmission Business	Whether copy of objection & proof of delivery at TSTRANSCO's office enclosed (Yes/No)	Whether Objector wants to be heard in person (Yes/No)

5. Telangana State Electricity Regulatory Commission intends to conduct a Public Hearing in the Court Hall of TSERC, 5th floor, Singareni Bhavan, Lakdi-ka-pul, Hyderabad on 14.03.2024 (Thursday) from 11:00 hrs onwards. The Stakeholders desiring to be heard in person shall inform to Secretary, TSERC before the date of Public Hearing.

Place: Hyderabad

Date: 05.02.2024

R.O.No.: 905-PP/CL-AGENCY/ADVT/1/2023-24, Date:03.02.2024

Sd/-
Chairman and Managing Director
TSTRANSCO

بہ اجلاس معزز تلنگانہ اسٹیٹ الیکٹریسیٹی ریگولیشن کمیٹیشن

ٹرانسمیشن کارپوریشن آف تلنگانہ لمیٹڈ (ٹرانسکو)



اعلان عام

O.P.No.1 of 2024 and O.P.No.2 of 2024

1. سب کے لئے یہ اعلان کیا جا رہا ہے کہ ٹرانسمیشن کارپوریشن آف تلنگانہ لمیٹڈ (TRANSCO) نے اسٹیٹ لوڈ سپلائی منسٹر (SLDC) ایکٹیوٹی اور ٹرانسکو کے ٹرانسمیشن برانس کیلئے مالیاتی سال 2022-23 کیلئے ایٹول پر فارمیٹس ریویو (ٹرواپ) کیلئے تلنگانہ اسٹیٹ الیکٹریسیٹی ریگولیشن میں فائنلکس داخل کئے ہیں۔ ان فائنلکس کو باترتیب O.P.No.1 of 2024 اور O.P.No.2 of 2024 میں کمیٹیشن کے ریکارڈ پر لیا گیا ہے۔

2. مذکورہ فائنلکس کی کامیاب دفتر چیف انجینئر (کمرشل اینڈ آر اے سی) روم نمبر 149 'A' بلاک ٹرانسکو، یوٹ سدا حیدرآباد 500082 اور چیف انجینئر (میٹرو ذون راول ذون) کریم نگر ذون اور ونگل ذون اور سپر ٹینڈنگ انجینئر اور ایم سی ٹرانسکو (گھم نظام آباد) عادل آباد، کریم نگر، تلنگانہ، ممبئی، نگر، ونگل، میٹرو ایسٹ، میٹرو سنٹرل، سنگار پٹی - واقع حیدرآباد میں) دستیاب ہیں۔ دلچسپی رکھنے والے اشخاص مذکورہ فائنلکس کو مذکورہ بالا کسی بھی دفتر میں اوقات دفتر کے دوران مفت دیکھ سکتے ہیں اور اس کا نوٹ لے سکتے ہیں۔ یہ پروپوزس www.tetransco.in پر بھی دستیاب ہیں۔ اور یہ www.tserc.gov.in پر دستیاب ہیں۔ ان فائنلکس کی ایک کاپی 05-02-2024 سے مذکورہ بالا دفتر سے ٹرانسمیشن برانس اینڈ ایس ایل ایف فائنلکس کیلئے فوٹو کاپی چارجس نقد ادا کرتے ہوئے حاصل کی جاسکتی ہے۔

3. اگر مذکورہ فائنلکس پر کوئی اعتراضات اٹھائے ہوں تو انہیں سپورٹنگ میٹریل کے ساتھ چیف انجینئر (کمرشل اینڈ آر اے سی) روم نمبر 149 'A' بلاک روم نمبر 500082 کو شخصی طور پر یا رجسٹرڈ پوسٹ کے ذریعہ روانہ کیا جاسکتا ہے۔ تاہم 26-02-2024 کو شام 5.00 بجے تک یا اس سے قبل بھیجنا چاہیے۔ اس کی ایک کاپی مذکورہ بالا پتے پر کمیٹیشن سکرٹری ٹی ایس ای آر سی کے پاس بھی داخل کرنا ہوگا۔ اعتراضات اٹھانے کے ساتھ انہیں روانہ کرنے والے خطوں یا اشخاص کے دستخط پورا نام لاک کا پتہ ہونا چاہیے۔ اگر اعتراضات اٹھانے پر کسی تنظیم یا سارا فین کے کسی ذمہ دار کی جانب سے داخل کئے جائیں تو اس کا واضح طور پر ذکر کرنا چاہیے۔

4. اعتراضات اٹھانے کے ساتھ ایک اور ایک ہرق کے پشت پر تحریر کے طور پر مندرجہ ذیل دستخط ہونا چاہئے۔

اعتراض کنندہ کا نام اور پتہ	اعتراض (اعتراضات) تجویز اٹھانے کی مختصر تفصیلات	ایس ایس ڈی سی ایکٹیوٹی اور ٹرانسمیشن برانس کیلئے ایٹول پر فارمیٹس ریویو (ٹرواپ) کیلئے ٹرانسکو کی فائنلکس کے خلاف اعتراضات	آیا اعتراض کی کاپی اور ٹرانسکو کے آفس پر ایکٹیوٹی کا ثبوت منسلک کیا گیا (ہاں/ نہیں)	آیا اعتراض کنندہ اس کی شخصی طور پر سماعت چاہتا ہے۔
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5. تلنگانہ اسٹیٹ الیکٹریسیٹی ریگولیشن کمیٹیشن کا ارادہ 14-03-2024 کو 11.00 بجے دن سے ایک عمومی سماعت کی ایس ای آر سی کے کورٹ ہال یا ٹی بی بی جی میں حوالہ سنگار پٹی جی ایم اے ٹی کالونی حیدرآباد پر منعقد کرنے کا ہے۔ اس میں شخص سماعت کئے جانے کے خواہاں اسٹیک ہولڈرز کو عمومی سماعت کی تاریخ سے قبل اس کی اطلاع سکرٹری ٹی ایس ای آر سی کو دینا ہوگا۔

مقام: حیدرآباد
 مورخہ: 05-02-2024
 چیئرمین اینڈ مینیجنگ ڈائریکٹر
 ٹی ایس ٹرانسکو
 R.O.No. 905-PR/CL-AGENCY/ADVT/1/2023-24 Date: 05-02-2024

Annexure-II
**List of Stakeholders who submitted Written Objections/
Suggestions**

Sl. No.	Name and Address of the stakeholders
1	Southern Power Distribution Company of Telangana Limited, # 6-1-50, Corporate Office, Mint Compound, Hyderabad 500 063.



Annexure-III
List of Stakeholders who attended the Public Hearing held on
14.03.2024

Sl. No.	Name and Address of the stakeholders
1	Southern Power Distribution Company of Telangana Limited (TGSPDCL), # 6-1-50, Corporate Office, Mint Compound, Hyderabad 500 063.
2.	Transmission Corporation of Telangana Limited (TGTransco), Vidyut Soudha, Hyderabad 500 082.
3.	Northern Power Distribution Company of Telangana Limited (TGSPDCL), H.No.2-5-31/2, Corporate Office, Vidyut Bhavan, Nakkalagutta, Hanamkonda - 506 001.

