



SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED

From
Chief Engineer (IPC &RAC),
TGSPDCL, Corporate Office,
6-1-50, Mint Compound,
Hyderabad – 500 063.

To
The Commission Secretary,
TGERC, Vidyuth Nyantran Bhavan,
GTS Colony, Kalyan Nagar,
Hyderabad – 500 045.

Lr.No.CE(IPC&RAC)/SE/DE(RAC)/ADE-III/F.No.A-116/D.No.2707/25, Dt: 10-11-25.

Sir,

Sub: TGSPDCL - RAC – Re-filing of Power Purchase cost true up petitions of Retail supply Business for FY 2022-23, FY 2023-24 and Revenue True-up for FY 2023-24 along with petitions for condonation of delay after duly attending the remarks- Submission – Reg.

- Ref:-1.Lr.No.CE(IPC&RAC)/SE(RAC)/ADE-III/F.No.A-116/D.No.252/25, Dt.17.07.25.
2. TGERC Lr. No. S/R.O.1/8-B2 D.No. 782, Dt. 29.10.2025.
3. TGERC Lr. No. S/R.O.1/9/C-9 D.No. 783, Dt. 29.10.2025.

It is to submit that, in compliance to the section 62 of the Electricity Act, 2003 for determination of Power Purchase Cost True-ups for Retail Supply Business for FY 2022-23 & FY 2023-24 in accordance with the Clause (2) of Regulation No. 1 of 2014 and Revenue True-up for Retail Supply Business for FY 2023-24 in accordance with the Telangana State Electricity Regulatory Commission Regulation No. 1 of 2023, the Licensee is re-filing the petitions for Power Purchase cost True ups for the FY 2022-23, FY 2023-24 and Revenue True-up for FY 2023-24 before the Hon'ble Commission after duly attending the remarks communicated through the above references. Hence, it is requested to place the petitions before the Hon'ble Commission to accord approval.

- Encl: 1. Petitions along with condonation of delay
petitions for FY 23 & FY 24 in 6 sets.
2. 4 nos. cheques bearing nos. 613952, 613953,
613954, 613955, Dt. 10.11.25 for Rs.1,00,000/-

Yours faithfully,

Chief Engineer (IPC &RAC)

Name: K. Srinivasa Rao,
Mobile No.8712468168,
Email Id: ractsspdcl@gmail.com

copy to stock file

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**BEFORE THE HONOURABLE TELANGANA ELECTRICITY REGULATORY
COMMISSION**

At Its Office at Vidyuth Niyamtran Bhavan, Kalyan Nagar, GTS Colony,
Hyderabad - 500 045.

FILING NO. _____/2025
CASE NO. _____/2025

In the matter of:

Filing of the Power Purchase True-up application for Retail Supply Business for FY 2023-24 in accordance with the “Andhra Pradesh Electricity Regulatory Commission (Terms and Conditions for determination of Tariff for Wheeling and Retail Sale of Electricity) Regulation, 4 of 2005” and its first amendment Regulation 1 of 2014 (adopted by TGERC) and Revenue True Up for FY 2023-24 in accordance with Telangana State Electricity Regulatory Commission Regulation, 1 of 2023 thereof by the Southern Power Distribution Company of Telangana Limited (‘TGSPDCL’ or ‘the Company’ or ‘the Licensee’) as the Distribution and Retail Supply Licensee

In the matter of:

SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED

...
Applicant

The Applicant respectfully submits as under: -

1. Consequent to the formation of Telangana State on 02-06-2014 as per the Andhra Pradesh Reorganisation Act, 2014, a separate Telangana Electricity Regulation Commission was constituted on 03-11-2014. TGERC vide Telangana Official Gazette has issued its first regulation, Regulation No. 1 of 2014 on 10.12.2014 (Adoption of Previously Subsisting Regulations, Decisions, Directions or Orders, Licenses and Practice of Directions) wherein clause 2 states that:

“All regulations, decisions, directions or orders, all the licences and practice directions issued by the erstwhile Andhra Pradesh Electricity Regulatory Commission (Regulatory Commission for States of Andhra Pradesh and Telangana) as in existence as on the date of the constitution of the Telangana State Electricity Regulatory Commission and in force, shall mutatis-mutandis apply in relation to the stakeholders in electricity in

the State of Telangana including the Commission and shall continue to have effect until duly altered, repealed or amended, any of Regulation by the Commission with effect from the date of notification as per Notification issued by the Government of Telangana in G.O.Ms.No.3 Energy (Budget) Department, dt.26-07-2014 constituting the Commission.”

2. This filing is made by the **SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED (TGSPDCL)** under Section 62 of the Electricity Act 2003 for determination of the Power Purchase True-up application for Retail Supply Business for FY 2023-24 in accordance with the “Andhra Pradesh Electricity Regulatory Commission (Terms and Conditions for determination of Tariff for Wheeling and Retail Sale of Electricity) Regulation, 4 of 2005” and its first amendment Regulation 1 of 2014 (adopted by TGERC) and Revenue True Up for FY 2023-24 in accordance with Telangana State Electricity Regulatory Commission Regulation, 1 of 2023.
3. Accordingly, the Licensee in this filing submits the following Proposal of Power Purchase True-up **for FY 2023-24** and Revenue True-Up for **FY 2023-24**.

4. Power Purchase True-up for FY 2023-24:

- i. The licensee has submitted ARR and FPT for Retail Supply Business for FY 2023-24 and the Hon’ble Commission has issued Tariff Order for the same vide Order dated 24.03.2023.
- ii. In accordance with the Regulation 1 of 2014, the Licensee submits the Hon’ble Commission that the power purchase cost is computed by considering the minimum of actual and approved agricultural sales in the Tariff Order for FY 2023-24.
- iii. The licensee has computed the Power Purchase Cost True-up for FY 2023-24 and summary of Power Purchase True-up is submitted below:

FY 2023-24	Value (Rs. Crs)
Approved Power Purchase Cost	29,960
Actual Power Purchase Cost	34,733
Net True Up for TGSPDCL	4,774

5. Revenue True-Up for FY 2023-24

- i. Licensee has computed Revenue True-Up for FY 2023-24 in accordance with the TGERC Regulation 1 of 2023 and summary of Revenue True-up is submitted below:.

FY 2023-24	(Rs. Cr)
Approved Revenue (LT)	11,029.52
Approved Revenue (HT)	22,944.97
Revenue from other sources (NTI+CSS+AS)	149.66
Total Approved Revenue (LT + HT)	34,124.16
Actual Revenue (LT)	11,989.82
Actual Revenue (HT)	19,509.79
Less: Revenue from other sources	289.10
Total Actual Revenue (LT + HT) (NTI+CSS+AS)	31788.71
Total True Up(+)/ True Down(-)	2335.45

6. **Treatment of True-Up:**

- i. The licensee requests the Hon'ble Commission to approve the power purchase true- up for FY 2023-24.
 - ii. In accordance with the provision in clause 12.5.2 (d) of Regulation No. 1 of 2023, which stipulates that claims arising from failure to pass on FCA charges within the prescribed timelines shall not be allowed, the DISCOM respectfully submits that **it is not claiming the Power Purchase True-up amount for the FY2023-24** and accordingly pass necessary orders.
 - iii. The licensee requests the Hon'ble Commission to approve the Revenue True Up for FY 2023-24.
 - iv. **The Hon'ble Commission may request the Government of Telangana to extend financial support of Revenue True-up amount of Rs.2335.45 Cr for FY2023-24 to TGSPDCL in order to recover financial losses.**
7. Based on the information available, the applicant has made sincere efforts to comply with the Regulation of the Hon'ble Commission and discharge its obligations to the best of its abilities. However, should any further material information become available in the near future, the applicant reserves the right to file such additional information and consequently amend/ revise the application.
8. This filing has been discussed and approved by the Board of Directors of TGSPDCL and K. Srinivasa Rao, Occupation: Chief Engineer (IPC&RAC), TGSPDCL has been authorised to execute and file the said application. Accordingly, the current filing

application are signed and verified by, and backed by the affidavit of Sri K. Srinivasa Rao, Occupation: Chief Engineer (IPC&RAC), TGSPDCL.

9. In the aforesaid facts and circumstances, the Applicant requests that this Hon'ble Commission may be pleased to:


- a) Admit the Power Purchase True-up Petition filed by the Licensee, in accordance with Sub clause 12.5 of APERC Regulation 1 of 2014 for the FY 2023-24.
- b) Admit the Revenue True-up Petition filed by the Licensee, in accordance with TGERC Regulation 1 of 2023 for the FY 2023-24.
- c) Approve the Power Purchase True-up cost as submitted in the Petition and **DISCOM is not claiming the Power Purchase True-up amount for the FY2023-24** and accordingly pass necessary orders.
- d) Approve the Revenue True-up as submitted in the Petition in order to recover financial losses of the DISCOM.
- e) **The Hon'ble Commission may request the Government of Telangana to extend financial support of Revenue True-up amount of Rs.2335.45 Cr for FY2023-24 to TGSPDCL in order to recover financial losses.**
- f) Grant suitable opportunity to TGSPDCL within a reasonable time frame to file additional material information that may be subsequently available;
- g) Consider and approve TGSPDCL's Power Purchase True-Up and Revenue True-Up application including all requested regulatory treatments in the filing;
- h) Pass such order as the Hon'ble Commission may deem fit and proper in the facts and circumstances of the case.

SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED

(APPLICANT)

Through

Place: Hyderabad
Dated: 10.11.2025


CHIEF ENGINEER,
IPC & RAC/TGSPDCL
CHIEF ENGINEER
IPC&RAC TGSPDCL
Corporate Office, 6-1-50,
Mint Compound, Hyd-500004.

**BEFORE THE HONOURABLE TELANGANA ELECTRICITY REGULATORY
COMMISSION**

At Its Office at Vidyuth Niyantran Bhavan, Kalyan Nagar, GTS Colony,
Hyderabad - 500 045.

FILING NO. _____/2025
CASE NO. _____/2025

In the matter of:

Filing of the Power Purchase True-up application for Retail Supply Business for FY 2023-24 in accordance with the “Andhra Pradesh Electricity Regulatory Commission (Terms and Conditions for determination of Tariff for Wheeling and Retail Sale of Electricity) Regulation, 4 of 2005” and its first amendment Regulation 1 of 2014 (adopted by TGERC) and Revenue True Up for FY 2023-24 in accordance with Telangana State Electricity Regulatory Commission Regulation, 1 of 2023 thereof by the Southern Power Distribution Company of Telangana Limited (‘TGSPDCL’ or ‘the Company’ or ‘the Licensee’) as the Distribution and Retail Supply Licensee.

In the matter of:

SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED

... Applicant


**AFFIDAVIT OF APPLICANT VERIFYING THE APPLICATION
ACCOMPANYING FILING AS PER TERMS AND CONDITIONS OF TARIFF FOR
RETAIL SALE OF ELECTRICITY**

I, K. Srinivasa Rao, S/o. Late Sri K.V.Chalamaiah, aged 60 years, Occupation: Chief Engineer (IPC&RAC), TGSPDCL working for gain at the Southern Power Distribution Company of Telangana Limited do solemnly affirm and say as follows:

- 1 I am the Chief Engineer, IPC & RAC of TGSPDCL, the Licensee that has, vide the Hon'ble Commission's approval in proceedings No. APERC/Secy/Engg/No.6 dt.31.3.2000, been granted the distribution and retail supply functions that Transco was authorised to conduct or carry out under the Act and the license, with respect to the business of distribution and retail supply of electricity in the Southern distribution zone in Telangana. On December 27, 2000, the Hon'ble Commission has awarded a Distribution and Retail Supply Licence to TGSPDCL effected from April 1, 2001.

- 2 I am competent and duly authorised by TGSPDCL to affirm, swear, execute and file this affidavit in the present proceedings.
- 3 As such, I submit that I have been duly authorised by the Board of Directors of TGSPDCL to submit the Power Purchase True-up and Revenue True-Up for Retail Supply Business for the period **FY 2023-24** in accordance with Telangana State Electricity Regulatory Commission Regulation, 1 of 2023.
- 4 I submit that I have read and understood the contents of the appended application of TGSPDCL. The facts stated in the application are true to the best of my knowledge, which are derived from the official records made available and certain facts stated are based on information and advice which, I believe to be true and correct.
- 5 I submit that for the reasons, and facts stated in the appended application this Applicant pray that the Hon'ble Commission may be pleased to:

- Admit the Power Purchase True Up and Revenue True Up Petition filed by the Licensee, in accordance with TGERC Regulation, 1 of 2023 for the FY 2023-24.
- Approve the Power Purchase True Up cost as submitted in the Petition.
- **DISCOM is not claiming the Power Purchase True-up amount** for the FY2023-24 and accordingly pass necessary orders.
- Approve the Revenue True Up as submitted in the Petition in order to recover financial losses of the licensee.
- **The Hon'ble Commission may request the Government of Telangana to extend financial support of Revenue True-up amount of Rs.2335.45 Cr for FY2023-24 to TGSPDCL in order to recover financial losses.**
- Grant suitable opportunity to TGSPDCL within a reasonable time frame to file additional material information that may be subsequently available;
- Consider and approve TGSPDCL's Power Purchase True-up and Revenue True-up application including all requested regulatory treatments in the filing;
- Pass such order as the Hon'ble Commission may deem fit and proper in the facts and circumstances of the case.


DEPONENT
CHIEF ENGINEER
IPC&RAC TGSPDCL
Corporate Office, 6-1-50,
Mint Compound, Hyd-500004.

VERIFICATION:

I, the above-named Deponent solemnly affirm at Hyderabad on this 10th day of November, 2025 that the contents of the above affidavit are true to my knowledge, no part of it is false and nothing material has been concealed there from.

Solemnly affirmed and signed before me.


CHIEF ENGINEER
TGSPDCL, Corporate Office,
6-1-50, Mint Compound,
Hyderabad-500 004.


DEPONENT
CHIEF ENGINEER
IPC&RAC TGSPDCL
Corporate Office, 6-1-50,
Mint Compound, Hyd-500004.

**BEFORE THE HONOURABLE TELANGANA ELECTRICITY REGULATORY
COMMISSION**

AT ITS OFFICE AT Vidyut Niyantran Bhavan, G.T.S.Colony, Kalyan Nagar,
Hyderabad – 500 0045

FILING NO. _____/2025

CASE NO. _____/2025

In the matter of

Application for condonation of delay for Filing of the Power Purchase True-up application for Retail Supply Business for FY 2023-24 in accordance with the “Andhra Pradesh Electricity Regulatory Commission (Terms and Conditions for determination of Tariff for Wheeling and Retail Sale of Electricity) Regulation, 4 of 2005” and its first amendment Regulation 1 of 2014 (adopted by TGERC) and Revenue True Up for FY 2023-24 in accordance with Telangana State Electricity Regulatory Commission Regulation, 1 of 2023 thereof by the Southern Power Distribution Company of Telangana Limited (‘TGSPDCL’ or ‘the Company’ or ‘the Licensee’) as the Distribution and Retail Supply Licensee.

In the matter of

SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED
.....Applicant

As per the directions of the ERC, the due date for filing petitions was 2nd July 2025. However, the licensee was unable to file within the stipulated time resulting in a delay of 16 days. The applicant respectfully submits the reasons for delay in filing the petition are as under:

The Licensee was unable to file the Power Purchase True-up application for Retail Supply Business for the FY 2023-24 and Revenue True Up for FY 2023-24 due to the below reasons:

1. The Licensee had submitted the ARR for 5th Control Period from FY 2024-25 to FY 2028-29 in September 2024 and the Hon’ble Commission had released the Tariff Order on 28.10.2024.

2. The Licensee had undertaken analysis of the tariff order released by the Hon'ble Commission and further was also developing certain proposals for the subject petition.
3. Consequent to this the licensee filed the ARR for FY 2025-26 on 28.01.2025.
4. Given the interdependencies between these filings, the licensee had to prioritize the ARR submission before proceeding with the petitions for FY 2022-23 and FY 2023-24 for power purchase True Up and FY 2023-24 for Revenue True Up.
5. Further, the licensee had requested the State Government of Telangana for approval of filing of Power Purchase True-ups of FY 2022-23 and FY 2023-24 pertaining to Retail Supply Business.
6. Enforcement of Model code of conduct regarding Biennial Election to the Telangana Legislative Council Graduates and Teachers Constituencies 2025.
7. The TGDIs were engaged in making the Power Supply arrangements to meet the unprecedented demand in the state of Telangana to ensure uninterrupted power supply to all the consumers.
8. In view of the above difficulties faced, the Licensee humbly submits before the Hon'ble Commission a request to condone the delay in filing the true-up petition for Power Purchase Cost for FY 2023-24, as well as the petition for Revenue True-Up for FY 2023-24.

Prayer

In the aforesaid facts and circumstances, the petitioner humbly prays to the Hon'ble Commission to:

- (i) Condonation of delay in filing of the Power Purchase True-up application for Retail Supply Business for the FY 2023-24 and Revenue True Up for FY 2023-24 for the reasons stated above.


Petitioner
CHIEF ENGINEER
IPC&RAC TGSPDCL
Corporate Office, 6-1-50,
Mint Compound, Hyd-500004.

**BEFORE THE HONOURABLE TELANGANA ELECTRICITY REGULATORY
COMMISSION**

AT ITS OFFICE AT Vidyut Niyantran Bhavan, G.T.S.Colony, Kalyan Nagar,
Hyderabad – 500 0045

FILING NO. _____/2025

CASE NO. _____/2025

In the matter of

Application for condonation of delay for Filing of the Power Purchase True-up application for Retail Supply Business for FY 2023-24 in accordance with the “Andhra Pradesh Electricity Regulatory Commission (Terms and Conditions for determination of Tariff for Wheeling and Retail Sale of Electricity) Regulation, 4 of 2005” and its first amendment Regulation 1 of 2014 (adopted by TGERC) and Revenue True Up for FY 2023-24 in accordance with Telangana State Electricity Regulatory Commission Regulation, 1 of 2023 thereof by the Southern Power Distribution Company of Telangana Limited (‘TGSPDCL’ or ‘the Company’ or ‘the Licensee’) as the Distribution and Retail Supply Licensee.

In the matter of

SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED

.....Applicant

AFFIDAVIT OF APPLICANT VERIFYING THE ACCOMPANYING PETITION

I, Sri K. Srinivasa Rao, working for gain at the Southern Power Distribution Company of Telangana Limited do solemnly affirm and say as follows:


- 1) I am the Chief Engineer - IPC & RAC of Southern Power Distribution Company of Telangana Limited (TGSPDCL)
- 2) I am competent and duly authorized by TGSPDCL to affirm, swear, execute, and file this petition.
- 3) I have read and understood the contents of the accompanying Affidavit drafted pursuant to my instructions. The statements made in the accompanying Affidavit now shown to me are true to my


knowledge derived from the official records made available to me and are based on information and advice received which I believe to be true and correct.

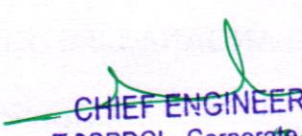
VERIFICATION

The above-named Deponent solemnly affirm at Hyderabad on this 10th day of November, 2025 that the contents of the above Affidavit are true to my knowledge no part of it is false and nothing material has been concealed there from.

Solemnly affirmed and signed before me.


DEPONENT
CHIEF ENGINEER
IPC&RAC TGSPDCL
Corporate Office, 6-1-50,
Mint Compound, Hyd-500004.


DEPONENT
CHIEF ENGINEER
IPC&RAC TGSPDCL
Corporate Office, 6-1-50,
Mint Compound, Hyd-500004.


CHIEF ENGINEER / IT
TGSPDCL, Corporate Office
6-1-50, Mint Compound,
Hyderabad-500 004.

1 Power Purchase True-up for FY 2023-24

1.1 Introduction

Regulatory Provisions:

Sub clause 12.5 of APERC Regulation 1 of 2014 stipulates as follows:

"12.5 True-up for Retail Supply Business

a. The Distribution Licensee shall include the power purchase cost variation over the previous year Power Purchase cost in the Tariff Order as expense (in the event of incurring excess cost)/rebate (in case of cost saving) in the ARR as special item with relevant details. To arrive the power purchase cost variation, the least of the following power purchase quantity is to be considered:

i) Actual power purchase quantity procured by the Discoms for its consumers.

ii) Power purchase quantity computed based on actual sales except LT Agriculture sales. LT Agricultural sales will be limited to Tariff Order quantity. These aggregated sales will be grossed up with approved losses for the relevant year in the MYT orders.

b. Since the complete information of cost actually incurred relating to previous year will not be available at the time of filing of ARR for a particular tariff year, the Licensee may include provisional cost variation for the previous year in ARR filings which will be subject to final correction by the Commission as and when final accounts for that year become available.

c. The Licensees shall also include in the ARR the amounts to be collected on final basis being the difference between the cost incurred based on audited annual accounts report and costs provisionally approved by the Commission in the Tariff Order for the year immediately preceding the previous year."

Further, as per clause (2) of Regulation 1 of 2023, the revenue from sale of power from consumers is treated as uncontrollable as follows:

Retail Supply Business	
ARR Item	"Controllable"/"Uncontrollable"
Cost of Power Purchase	Uncontrollable
Sale of Power to the Consumers	Uncontrollable
Revenue from Sale of Power from consumers	Uncontrollable

Therefore, in accordance with the above regulations, the Licensee is now filing for the true-up of the following:

- i. Power purchase cost true-up for FY 2023-24
- ii. Revenue true-up for FY 2023-24

The licensees have submitted Aggregate Revenue Requirement (ARR) and FPT for Retail Supply Business for FY 2023-24 and the Hon'ble Commission has issued Tariff Order for the same vide Order dated 24.03.2023.

It is to further submit that licensee had requested the Hon'ble Commission for extension of time for filing ARR and Tariff proposals of Retail Supply Business for FY 2024-25 from 30.11.2023 to 02.01.2024 considering the enforcement of Model Code of Conduct in Telangana state in view of the Assembly elections 2023, formal approval from the State Government for the filings was awaited and since the approval of Resource plan was still under process.

Considering the nature of the request of the licensee, Hon'ble Commission accorded extension of time for filing of ARR and Tariff proposals of Retail Supply Business for FY 2024-25 from 30.11.2023 to 02.01.2024.

Further, the Hon'ble Commission issued Telangana State Electricity Regulatory Commission (Multi Year Tariff) Regulation, 2023 on 30.12.2023. In accordance to the said Regulations, the licensee shall file ARR and Tariff proposals on or before 31.01.2024.

The Licensees in the state of Telangana purchase power from TGGENCO thermal and hydro stations, Central generating stations and other sources such as, Solar and other RE sources, IPPs, viz. Singareni, Thermal Power Tech and short-term sources to meet the energy requirement of the State.

In accordance with the Regulation 1 of 2014, the Licensee submits the Hon'ble Commission that the power purchase cost is computed by considering the minimum of actual and approved agricultural sales in the Tariff Order for FY 2023-24.

A summary of Power Purchase True up claimed by TGSPDCL, in this Petition is provided in the table below:

Year	Power Purchase True-up of TGSPDCL (in Rs. Cr)
Final True Up of FY 2023-24	4,774

1.2 Power Purchase True up for the FY 2023-24 at the State level

- The licensees have considered the approved power purchase cost, SLDC and transmission cost for FY 2023-24 in the RST Order for arriving at the True-up for FY 2023-24.
- Further, the Licensees has been supplying 24 hrs power to all agricultural consumers from January 1, 2018.
- The Licensee has computed the actual Power Purchase cost by grossing up the sales i.e., actual metered sales plus minimum of actual and agriculture sales approved in the Tariff order with approved transmission and distribution losses in the relevant MYT Transmission and Wheeling tariff orders
- The Power purchase cost (including transmission charges) arrived at a cost of Rs. 34,733 Cr for TGSPDCL and Rs 14,162 Cr. for TGNPDCL, aggregating to Rs. 48,895 Cr. for the State of Telangana for FY 2023-24 as shown in the table below

PP Cost Variation Analysis TG DISCOMS - FY24											
Category	Energy Dispatched (MUs)		Fixed Cost (Rs Cr)		Variable Cost (Rs Cr)		Other Cost (Rs Cr)		Total Impact (Rs Cr)		
	Appr.	Actual	Appr.	Actual	Appr.	Actual	Appr.	Actual	Appr.	Actual	Diff
Genco Thermal	26211	26317	5028	4804	6842	9442	0	0	11870	14245	2376
Genco Hydel	5677	1181	1224	1242	0	0	0	0	1224	1242	19
CGS	21127	16787	2854	2319	6023	6108	0	144	8877	8571	-306
NCE	11896	11007	0	0	5074	5259	0	0	5074	5259	184
Others	21464	14662	4268	2756	5578	4901	0	-28	9846	7629	-2217
Market	1505	9895	0	-2	527	5290	0	0	527	5289	4762
Interstate Sale/UI/Sale/Purchase in 33kV & below	-3724	-1388	0	0	-1862	-735	0	0	-1862	-735	1127

PP Cost Variation Analysis TG DISCOMS - FY24											
D-D	0	0	0	0	0	0	0	0	0	0	0
Interest on Pension bonds	0	0	0	0	0	0	1379	1168	1379	1168	-211
Transmission charges	0	0	5376	6090	0	30	0	-6	5376	6113	737
Miscellaneous Charges (Water charges, UI-SRPC/ Deviation charges, Reactive charges, Wheeling KPTCL charges, Reactive KPTCL charges)	0	0	0	-20	0	0	0	134	0	114	114
Total	84156	78460	18750	17189	22182	30295	1379	1411	42311	48895	6584

1.2.1 Reasons for deviation in Power Purchase Quantum and Cost for the State:

The actual energy dispatched by the State is 7% lower (than the approved) for FY 2023-24. The detailed explanation for the same is presented below:

i) Deviations in Energy Dispatch:

- **Hydel Power:** The state witnessed considerably lower generation from Hydel Power Stations. The state witnessed an actual generation of only 1,181 MUs as against 5,677 MUs approved, resulting in 79% fall in generation. The cause for lower generation is primarily attributed due to poor inflows from upstream states into major reservoirs in Telangana.
- **Central Generating Stations (CGS):** The Central Generating Stations too witnessed a shortfall of 4,340 MUs, thereby recording a reduction of 21% in generation. The cause of lower generation is attributed to overall delay in commissioning of Telangana STPP power plant.
- **State GENCO - (Thermal):**
 - There is higher dispatch witnessed from GENCO thermal stations as compared to approved dispatch. 26,317 MUs were procured from TGGENCO Thermal stations during the FY 2023-24, which is 0.4% lower than the approved dispatch by the Hon'ble Commission.
- **Non-Conventional Energy Sources (NCEs):**
 - The Licensees are committed to procure clean and sustainable energy sources to meet the Renewable energy obligation requirement.

- However, there has been a 7.47% shortfall in energy dispatched by NCEs, leading to reduced generation of 889 MUs
- **Others:**
 - Even though in terms of variable cost, CGSPDCL comes higher in the merit order dispatch, there have been no power taken from it in FY 2023-24
- **Short term power sources:**
 - It is Pertinent to mention that the state of Telangana had been supplying 24 * 7 power to agricultural sector from January 1, 2018. This has increased the power purchase requirement for the whole FY 2023-24.
 - The Licensees, after exhausting all their sources, had resorted to procure power from short term market for the FY 2023-24. The Licensees submit that the power was procured to meet the sudden increase in power demand in the state for the FY 2023-24.
 - To meet the power demand, the Licensees procured a total of 9,895 MUs from the Short-term market for the State of Telangana for the FY 2023-24. An additional 8,389 MUs were procured in addition to Commission's approval which stood at 1,505 MUs. The considerable additional short term power purchase was considering zero dispatch from NTPC TSTPP & CSPDCL.
 - The Licensees submit that they would be making enormous effort to procure power from long term sources.
 - In this context, the Licensees humbly requests the Hon'ble Commission to allow the Short-term power purchase quantum for the FY 2023-24.
- ii) **Deviations in Power Purchase Cost:** The deviations in power purchase cost is further classified into two categories (fixed cost and variable cost) and is discussed below in detail:
 - **Variations in Fixed Cost (FC):** There is an overall change in the fixed costs from the approved Rs. 18,750 Cr. to Rs. 17,189 Cr. (8% decrease from approved value) incurred by the Licensees during the FY 2023-24.
 - **Variations in Variable cost (VC):** Variable Costs has increased to the tune of Rs.8,113 Cr. from the approved costs. The reason for such increase can be

mostly attributed to the increase in per unit VC of TGGENCO & CGS Thermal power stations and procurement from Short term market to meet the 24 * 7 power supply initiative to the agricultural consumers in the state. The details have been further explained below:

- For Thermal Stations (TGGENCO Thermal power stations, CGS, Singareni, Thermal Power Tech) at the time of issuance of order, the cost assumptions considered by the Hon'ble Commission were provisional, but due to increase in cost of Coal, Freight, Royalty and levy of Green CESS, the variable cost of thermal stations has increased. While TGGENCO recovers the deviation in actual variable cost on a quarterly basis from the licensees, the same is not passed on to the consumers by the DISCOM.
- **TGGENCO Thermal Stations:** The variable costs of the TGGENCO stations have increased from the approved value Rs 2.61/kWh to Rs.3.59/kWh. With the increase in power procurement from these stations, the overall Variable cost has increased to an extent of Rs. 2,600 Cr for the FY 2023-24.
- **CGS Stations:** The Variable cost has increased significantly from the approved costs by the Hon'ble Commission (from Rs. 2.85/kWh to Rs. 3.64/kWh).
- **Other Stations (Thermal Power tech and Singareni):** For IPP – Thermal Powertech and Singareni, increase in power purchase cost is witnessed due to the increase in domestic coal prices, freight charges and forex rate variations on the imported coal component. The Variable cost has increased significantly from the costs approved by the Hon'ble Commission (from Rs.2.60/kWh to Rs.3.34/kWh).
- **Transmission charges, PGCIL charges and SLDC charges:** There is an increase of around Rs. 737 Cr. (14%) in transmission charges, as compared to approved charges. The increase in charges is primarily attributable to increase in PGCIL charges.
- The **dispatch from NCEs**, being the must-run stations has a per unit cost of Rs.4.78/kWh vis-à-vis approved cost of Rs.4.27/kWh. This has led to an increase in the cost by Rs 184 Cr.
- **Short-Term Power:** As explained in the earlier sections, the Licensees has to source additional power requirement for the state by procuring power from short

term sources. This has increased the power purchase costs of the Licensees by Rs.4,762 Cr.

1.2.2 Power Purchase True-up for TGSPDCL for FY 2023-24

- Basis the above power purchase cost incurred at the State level for the FY 2023-24, TGSPDCL is allocated its share of the Power Purchase cost in the approved ratio of 70.55% and further additions for any additional energy required to meet demand.
- It is pertinent to mention that the licensee had prayed before the Hon'ble Commission at various junctures to include the impact of supply of 24 hrs agricultural sales in the relevant regulations.
- However, the same has been declined by the Hon'ble Commission stating that submissions of the TGDISCOMs would be treated as suggestion/input as and when the Commission initiates the process of adding to or amending or varying regulation.
- In accordance with the Regulation 1 of 2014, the Licensee submits the Hon'ble Commission that the power purchase cost is computed by considering the minimum of actual and approved agricultural sales in the Tariff Order for FY 2023-24.

PP Cost Variation TGSPDCL - FY24					
Category	Energy Dispatched (MUs)		Total Impact (INR Cr)		
	App	Actual	App	Actual	Diff
Genco Thermal	18,492	18,567	8,374	10,050	1,676
Genco Hydel	4,005	833	863	876	13
CGS	14,905	11,843	6,263	6,047	(216)
NCE	7,944	7,768	3,487	3,762	274
Others	15,143	10,344	6,947	5,382	(1,564)
Market	1,062	6,981	372	3,731	3,359
Interstate Sale/UI/Sale/Purchase in 33kV & below	(2,627)	(979)	(1,314)	(519)	795
D-D purchase/UI	1,134	-	210	-	(210)
Interest on Pension Bonds	-	-	973	824	(149)
Transmission Charges	-	-	3,785	4,305	520
Miscellaneous Charges (Water charges, UI-SRPC/Deviation charges, Reactive charges, Wheeling KPTCL charges, Reactive KPTCL charges)	-	-	-	275	275
Total	60,057	55,356	29,960	34,733	4,774

1.3 Treatment of True-up

1.3.1 The Context

- PP Cost true-ups are warranted as tariff filings and tariff orders are issued based on futuristic projections of various revenue and cost elements. The variations in projections and actuals should ideally be due to unforeseen changes such as new regulations (increase in Taxes /Coal CESS), natural disasters leading to higher capital investments / operating expenses and other force majeure conditions.
- Efforts should be made by all the stakeholders involved to reduce such true ups of costs in business-as-usual scenarios. Higher true ups will have an adverse effect on both the performance of utility (as the gap has to be funded through short term sources) and customers (tariff increases to recover such gaps with carrying costs).
- This leads to reduced financial capacity of the utility to raise long term finances at competitive rates. Current true ups and the carrying costs have to be borne by customers for future energy procurement.

1.3.2 Power Purchase True Up

- The Licensee has already elaborated the basis on which it claims the Power purchase true up for the FY 2023-24 in the relevant sections of this Petition.
- The below table briefs about the Power Purchase true up for TGSPDCL

FY 2023-24	Value (Rs. Crs)
Approved Power Purchase Cost	29,960
Actual Power Purchase Cost	34,733
Power Purchase True Up for TGSPDCL	4,774

1.4 Prayer

The Licensee requests the Hon'ble Regulatory Commission:

- To admit the Power Purchase true-up Petition filed by the Licensee
- To condone any errors/omissions and to give opportunity to rectify the same
- To permit the Licensees to make further submissions, addition and alteration to this True-up as may be necessary from time to time.
- To approve the Power Purchase True-up cost for FY 2023-24 as per the table below.

FY 2023-24	Value (Rs. Crs)
Approved Power Purchase Cost	29,960
Actual Power Purchase Cost	34,733
Power Purchase True Up for TGSPDCL	4,774

- In accordance with the provision in clause 12.5.2 (d) of Regulation No. 1 of 2023, which stipulates that claims arising from failure to pass on FCA charges within the prescribed timelines shall not be allowed, the DISCOM respectfully submits that **it is not claiming the Power Purchase True-up amount** for the FY2023-24 and accordingly pass necessary orders.

2 Revenue True-Up

2.1 Introduction

Regulatory Provisions:

Sub clause 12.5.6(c) of Regulation 1 of 2023 states that:

“The distribution licensee, after completion of audited annual accounts, shall file the true up petition for passing through of gains and losses by claiming variations in “uncontrollable” items in the ARR for the year and also submit details of FCA charges already passed on to the consumers along with the true up petition to the Commission. In case of failure of distribution licensee in filing of true ups of uncontrollable items, the distribution licensee shall not claim the FCA charges in the consumers bill till the true-up petitions for claiming the variations in uncontrollable items are filed”.

Further, clause (2) of Regulation 1 of 2023 the revenue from sale of power from consumers is treated as uncontrollable as follows:

Retail Supply Business	
ARR Item	“Controllable”/“Uncontrollable”
Cost of Power Purchase	Uncontrollable
Sale of Power to the Consumers	Uncontrollable
Revenue from Sale of Power from consumers	Uncontrollable

Therefore, in accordance with the above regulations, the Licensee is now filing for the true up of the following:

- Power purchase cost true-up for FY 2023-24
- Revenue true-up for FY 2023-24

2.2 Revenue True up for the FY 2023-24

As per Tariff order of FY 2023-24, the Hon'ble commission had determined the revenue for TGSPDCL at reference tariffs. The table below summarizes the comparison between actual revenue realized by the licensee vis-à-vis revenue approved at reference tariffs for LT Consumers

Category	Particulars	Approved Revenue (Rs Cr)	Actual Revenue (Rs Cr)	True Up (-) True Down(+) (Rs Cr)
A	B	C	D	E = D - C
LT-I	Domestic	6,218.41	6069.71	148.7
LT-II	Non-Domestic/Commercial	3,432.26	4228.41	-796.15

Category	Particulars	Approved Revenue (Rs Cr)	Actual Revenue (Rs Cr)	True Up (-) True Down(+) (Rs Cr)
A	B	C	D	E = D - C
LT-III	Industrial	757.17	994.94	-237.77
LT-IV	Cottage Industries	4.41	4.58	-0.17
LT-V	Agricultural	58.34	51.17	7.17
LT-VI	Street Lighting & PWS	349.98	396.86	-46.88
LT-VII	General Purpose	82.59	83.93	-1.34
LT-VIII	Temporary Supply	124.91	158.52	-33.61
LT-IX	Electric Vehicle Charging Stations	1.45	1.7	-0.25
Total		11,029.52	11,989.82	960.30

The table below summarizes the comparison between actual revenue realized by the licensee vis-à-vis revenue approved at reference tariffs for HT Consumers

Category	Particulars	Approved Revenue (Rs Cr)	Actual Revenue (Rs Cr)	True Up (Rs Cr)
A	B	C	D	E = D - C
HT-I	Industrial & Ferro Alloys	14,840.97	12721.69	2119.28
HT-II	Non Industrial/ Others	3,670.44	3951.72	-281.28
HT-III	Airport, Railway stations, Bus etc.	54.65	82.88	-28.23
HT-IV	Irrigation & CPWS	3,173.35	1582.17	1591.18
HT-V	Rail Traction & HMR	558.38	461.18	97.2
HT-VI	Residential Colonies	312.30	286.07	26.23
HT-VII	Temp. Supply	330.16	415.99	-85.83
HT-VIII	RESCO	0.00		-
HT-IX	EVCS	4.72	8.09	3.29
Total		22,944.97	19,509.79	3435.18

The below table briefs about the Revenue True up for TGSPDCL:

FY 2023-24	(Rs. Cr)
Approved Revenue (LT)	11,029.52
Approved Revenue (HT)	22,944.97
Revenue from other sources	149.66
Total Approved Revenue (LT + HT)	34,124.16
Actual Revenue (LT)	11,989.82
Actual Revenue (HT)	19,509.79
Less: Revenue from other sources	289.10
Total Actual Revenue (LT + HT)	31788.71
Total True Up(+)/ True Down(-)	2335.45

The licensee requests the Hon'ble Commission to approve the Revenue True Up for FY 2023-24 of **Rs.2335.45 Cr.**

2.3 Treatment of True-up

2.3.1 The Context

- Revenue true ups are warranted as tariff filings and tariff orders are issued based on futuristic projections of various revenue elements. The variations in projections and actuals should ideally be due to unforeseen changes such as new regulations (increase in Taxes /Coal CESS), natural disasters leading to higher capital investments / operating expenses and other force majeure conditions.
- Efforts should be made by all the stakeholders involved to reduce such true ups of revenue in business-as-usual scenarios. Higher true ups will have an adverse effect on both the performance of utility (as the gap has to be funded through short term sources) and customers (tariff increases to recover such gaps with carrying costs).
- This leads to reduced financial capacity of the utility to raise long term finances at competitive rates. Current true ups and the carrying costs have to be borne by customers for future energy procurement.

2.3.2 Revenue True up

- The Licensee has already elaborated the basis on which it claims the Revenue true up for the FY 2023-24 in the relevant sections of this Petition.

The below table briefs about the Revenue true up for TGSPDCL:

FY 2023-24	(Rs. Cr)
Approved Revenue (LT)	11,029.52
Approved Revenue (HT)	22,944.97
Revenue from other sources	149.66
Total Approved Revenue (LT + HT)	34,124.16
Actual Revenue (LT)	11,989.82
Actual Revenue (HT)	19,509.79
Less: Revenue from other sources	289.10
Total Actual Revenue (LT + HT)	31788.71
Total Revenue True Up(+)	2335.45

2.4 Prayer

The Licensee requests the Hon'ble Regulatory Commission:

- To condone any errors/omissions and to give opportunity to rectify the same
- To permit the Licensees to make further submissions, addition and alteration to this True Up as may be necessary from time to time

- To approve the Revenue True-up as follows for the FY 2023-24

FY 2023-24	(Rs. Cr)
Approved Revenue (LT)	11,029.52
Approved Revenue (HT)	22,944.97
Revenue from other sources	149.66
Total Approved Revenue (LT + HT)	34,124.16
Actual Revenue (LT)	11,989.82
Actual Revenue (HT)	19,509.79
Less: Revenue from other sources	289.10
Total Actual Revenue (LT + HT)	31788.71
Total Revenue True Up(+)	2335.45

- To approve the deviation from the approved values for revenue.
- **The Hon'ble Commission may request the Government of Telangana to extend financial support of Revenue True-up amount of Rs.2335.45 Cr to TGSPDCL in order to recover financial losses.**
- To pass an order as the Hon'ble Commission may deem fit and appropriate under the circumstances of the case and in the interest of justice.



Southern Power Distribution Company of Telangana Ltd.

(A Govt. of Telangana Undertaking)

Corporate Office : # 6-1-50, Mint Compound, Hyderabad - 500 063. (Telangana, India)
CIN No. U40109TG2000SGC034116, Website : www.tgsouthernpower.org

Date 20.08.2025

AUTHORIZATION LETTER

SUB:- AUTHORIZATION TO CHIEF ENGINEER/(IPC & RAC)/ TGSPDCL TO FILE PETITIONS/AFFIDAVITS/COUNTER AFFIDAVITS AND OTHER RELATED DOCUMENTS etc., ON BEHALF OF TGSPDCL BEFORE HON'BLE TGERC/BEFORE ANY COURT OF LAW - REG.

The Chief Engineer/IPC & RAC/TGSPDCL in his officiating capacity is Authorized for signing Vakalatnamas and filing petitions, affidavits, counter affidavits, additional filings etc., in respect of legal matters in various courts like High Courts, Civil Courts, Supreme Court etc., before regulatory authorities like TGERC, CERC, APTEL etc., on behalf of TGSPDCL in respect of cases pertaining to Fuel Cost Adjustments, ARR & tariff Filings, extension of time limit pertaining to ARR & Tariff Filings and any other Tariff / Tariff order related issues.

FOR SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED

V. Anil Kumar.

COMPANY SECRETARY
TGSPDCL, Corporate Office,
Mint Compound, Hyderabad-500 063.

V.ANIL KUMAR
COMPANY SECRETARY

