



**Telangana State Electricity Regulatory Commission**  
5<sup>th</sup> Floor, Singareni Bhavan, Red Hills, Lakdi-ka-pul, Hyderabad 500 004

## **TARIFF ORDER**

**RETAIL SUPPLY TARIFFS &  
CROSS SUBSIDY SURCHARGE FOR FY 2022-23**

**IN THE SUPPLY AREAS OF**

**SOUTHERN POWER DISTRIBUTION COMPANY OF  
TELANGANA LIMITED (TSSPDCL)**

**AND**

**NORTHERN POWER DISTRIBUTION COMPANY OF  
TELANGANA LIMITED (TSNPDCL)**

**23.03.2022**



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## LIST OF ABBREVIATIONS

AFC	Annual Fixed Cost
ARR	Aggregate Revenue Requirement
ATE/APTEL	Appellate Tribunal for Electricity
BTPS	Bhadradri Thermal Power Station
CAG	Comptroller and Auditor General of India
CAGR	Compound Annual Growth Rate
CEA	Central Electricity Authority
CERC	Central Electricity Regulatory Commission
CESS	Co-operative Electric Supply Society
CGRF	Consumer Grievance Redressal Forum
CGS	Central Generating Stations
CSERC	Chhattisgarh State Electricity Regulatory Commission
CL	Connected Load/Contracted Load
CMD	Contracted Maximum Demand
CoD	Commercial Operation Date
CoS	Cost of Service
CPWS	Composite Protected Water Supply
CSPDCL	Chhattisgarh State Power Distribution Company Ltd.
CSPTCL	Chhattisgarh State Power Transmission Company Ltd.
CUF	Capacity Utilisation Factor
D-to-D	Discom to Discom
DPS	Delayed Payment Surcharge
DSM	Demand Side Management
DTR	Distribution Transformer
EHT	Extra High Tension
EPS	Electric Power Survey
ERC	Electricity Regulatory Commission
FCRTS	Full Cost Recovery Tariff Schedule
FPT	Filing for Proposed Tariff
FSA	Fuel Surcharge Adjustment
FY	Financial Year
GCV	Gross Calorific Value
GoTS	Government of Telangana State
Gol	Government of India
HMWSSB	Hyderabad Metropolitan Water Supply and Sewerage Board
HT	High Tension
I&CAD	Irrigation & Command Area Development
JNNSM	Jawaharlal Nehru National Solar Mission



KTPP	Kakatiya Thermal Power Plant
KTPS	Kothagudem Thermal Power Station
kVA	kilo Volt Ampere
kW	kilo Watt
kWh	kilo Watt hour
LJHES	Lower Jurala Hydro Electric Project
LT	Low Tension
MoP	Ministry of Power
MoU	Memorandum of Understanding
MU	Million Units
MW	Mega Watt
MYT	Multi Year Tariff
NPCIL	Nuclear Power Corporation of India Ltd.
NLC	Neyveli Lignite Corporation
NTPC	National Thermal Power Corporation
PCHES	Pulichintala Hydro Electric Project
PGCIL	Power Grid Corporation of India Ltd.
PLF	Plant Load Factor
PPA	Power Purchase Agreement
PTC	Power Trading Corporation
RBI	Reserve Bank of India
RRB	Regulated Rate Base
RST	Retail Supply Tariff
RSTS	Retail Supply Tariff Schedule
SEIL	Sembcorp Energy India Limited
SLBHES	Srisaillam Left Bank Hydro Electric Scheme
SLDC	State Load Dispatch Centre
TPCIL	Thermal Powertech Corporation India Ltd.
TSERC	Telangana State Electricity Regulatory Commission
TSGenco	Telangana State Power Generation Corporation Ltd.
TSNPDCL	Northern Power Distribution Company of Telangana Limited
TSSPDCL	Southern Power Distribution Company of Telangana Limited
TSTransco	Transmission Corporation of Telangana Ltd.
UDAY	Ujjwal Discom Assurance Yojana
YTPS	Yadadri Thermal Power Station





# **Telangana State Electricity Regulatory Commission**

**5<sup>th</sup> Floor, Singareni Bhavan, Red Hills, Lakdi-ka-Pul, Hyderabad 500 004**

**O.P.No.58 of 2021 &  
O.P.No.59 of 2021**

**Dated: 23.03.2022**

## **Present**

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

**Southern Power Distribution Company of Telangana Limited (TSSPDCL)**

**Northern Power Distribution Company of Telangana Limited (TSNPDCL)**

Applicants

The Southern Power Distribution Company of Telangana Limited (TSSPDCL) and the Northern Power Distribution Company of Telangana Limited (TSNPDCL) (hereinafter collectively referred to as "DISCOMs") filed Petitions under Section 64 of the Electricity Act, 2003, before the Telangana State Electricity Regulatory Commission on 30.11.2021 for approval of Aggregate Revenue Requirement (ARR) for retail supply business for FY 2022-23. Subsequently, the Filings of Proposed Tariff (FPT) along with Cross Subsidy Surcharge (CSS) for retail supply business were filed on 27.12.2021. The Petitions were admitted by the Commission and assigned O.P.Nos.58&59 of 2021 for TSSPDCL & TSNPDCL respectively.

The Commission, in exercise of its powers under the Electricity Act, 2003 and the Regulation No.4 of 2005 being (Terms and Conditions for determination of tariff for Wheeling and Retail Sale of electricity) Regulation, 2005 and after considering the DISCOMs submissions, suggestions and objections of the stakeholders, the issues raised during the Public Hearings, responses to the same by the DISCOMs and all other relevant material placed on record, passed the following:

# COMMON ORDER

## CHAPTER 1 INTRODUCTION

### 1.1 BACKGROUND

1.1.1 Telangana State Electricity Regulatory Commission (herein referred to as “TSERC” or “the Commission”) was constituted by the Government of Telangana State (GoTS) in terms of the provisions of Schedule XII(C)(3) of the A.P. Reorganisation Act of 2014, read with Section 82 of the Electricity Act, 2003 (Act) vide G.O.Ms.No.3, Energy (Budget) Department, dated 26.07.2014.

1.1.2 This Commission having been established under Section 82(1) of the Act is required to exercise the powers and functions vested in it under Section 86 and Section 62(1) of the Act to determine the tariff for (1) supply of electricity by a generating company to a distribution licensee; (2) transmission of electricity; (3) wheeling of electricity; and (4) retail sale of electricity as the case may be within the Telangana State.

1.1.3 The Commission issued Regulation, viz., Regulation No.1 of 2014, on 10.12.2014 being Adoption of Previously Subsisting Regulations, Decisions, Directions or Orders, Licenses and Practice of Directions. Clause 2 of this regulation specifies as follows:

*“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.”*

1.1.4 In accordance with the above Regulation, all the Regulations framed by the erstwhile Andhra Pradesh Electricity Regulatory Commission (APERC) will continue to apply for the Telangana State, till further modification.

1.1.5 In accordance with the provisions of Section 64 of the Act, it is incumbent upon

the distribution licensees to make an application to the Commission to determine the tariff in such manner and terms as may be specified by the Regulations framed by the Commission.

## **1.2 EARLIER PETITIONS AND ORDERS**

- 1.2.1 The Commission vide its Orders dated 27.03.2018 in O.P.Nos.21&22 of 2017 determined the Retail Supply Tariffs (RST), Cross Subsidy Surcharge (CSS) and Additional Surcharge (AS) for FY 2018-19. Subsequently, the Commission vide its Orders dated 06.11.2019, 20.03.2020 and 27.03.2021 in IA No.3 of 2019, IA No.8 of 2020 and IA No.4 of 2021 respectively in O.P.Nos.21&22 of 2017 extended the applicability of RST, CSS and Additional Surcharge as applicable on 31.03.2019 for FY 2019-20, FY 2020-21 and FY 2021-22 respectively.
- 1.2.2 The DISCOMs filed the Petitions for determination of ARR for FY 2019-20, FY 2020-21 and FY 2021-22 on 31.03.2021 not accompanying the FPT for FY 2021-22. The Commission directed the DISCOMs to submit the FPT for FY 2021-22 or otherwise it cannot further proceed with the same. The Commission vide its Order dated 22.12.2021 in O.P.(SR) No.14 of 2021 and O.P.(SR) No.15 of 2021 deemed it appropriate to decline from entertaining the ARR Petitions mainly for the reason that the time period for which they sought was already lapsed.
- 1.2.3 The Commission vide its Order dated 18.09.2020 in O.P.No.23 of 2020 directed the DISCOMs to submit their filings for determination of Additional Surcharge for the 1<sup>st</sup> half of the ensuing financial year i.e., for the period from April to September of the ensuing financial year latest by 30<sup>th</sup> November of the current financial year and for the 2<sup>nd</sup> half of the ensuing financial year i.e., for the period from October to March of the ensuing financial year latest by 31<sup>st</sup> May of the ensuing financial year. Accordingly, the Commission vide its Order dated 24.12.2021 in O.P.Nos.48 to 51 of 2021 determined the Additional Surcharge applicable for the period from 01.01.2022 to 31.03.2022. With the said Order, the applicability of Additional Surcharge as on 31.03.2019 discontinued w.e.f. 01.01.2022.

### **1.3 PRESENT PETITION**

- 1.3.1 The distribution licensees were to file their ARR and tariff proposals for FY 2022-23 on or before 30.11.2021, so as to make available to the Commission the statutory time of 120 days for determination of tariff for FY 2022-23 commencing from 01.04.2022. The DISCOMs filed the ARR Petitions on 30.11.2021. The Commission on hearing the DISCOMs on 20.12.2021 granted time to file FPT for FY 2022-23 on or before 27.12.2021. Accordingly, the DISCOMs have submitted the FPT and CSS for retail supply business for FY 2022-23 on 27.12.2021.

### **1.4 ADMISSION OF PETITIONS AND REGULATORY PROCESS**

- 1.4.1 The Petitions submitted by the DISCOMs for approval of ARR and tariff for retail supply business for FY 2022-23 were scrutinized and found to be generally in order as required under the TSERC (Conduct of Business) Regulation, 2015 (Regulation No.2 of 2015). The Commission admitted the filings and the same were taken on record by assigning the following Original Petition (OP) numbers:

O.P.No.58 of 2021 for TSSPDCL;

O.P.No.59 of 2021 for TSNPDCL.

### **1.5 PUBLIC NOTICE**

- 1.5.1 The DISCOMs, as directed by the Commission, published for information of all stakeholders a notice in two (2) English, two (2) Telugu and one (1) Urdu newspapers on 29.12.2021. The notice was to inform the general public that the licensees have filed the ARR and tariff proposal in respect of their retail supply business for FY 2022-23 before the Commission.

- 1.5.2 The Public Notice and filings along with supporting material have been made available by the DISCOMs to the public at large including all stakeholders by placing them at the offices of the Chief General Manager and Superintending Engineer, operation circles. The Public Notice, filings and supporting material were also hosted on the website of the DISCOMs as well as the Commission.

- 1.5.3 It was also notified in the Public Notice (Annexure-1) that, objections/suggestions on the ARR filings and tariff proposals may be filed with the DISCOMs by 28.01.2022 with a copy marked to the Commission.

- 1.5.4 Subsequently, as directed by the Commission, the DISCOMs have published

another Public Notice on 12.02.2022 indicating the venues of Public Hearings to be held in the respective areas of supply of the respective DISCOM as under:

**Table 1-1: Venues of Public Hearings**

<b>DISCOM</b>	<b>Date</b>	<b>Place</b>
TSNPDCL	21.02.2022	Zilla Praja Parishad Hall, Opp. District Courts Building Complex, Hanumakonda
TSSPDCL	23.02.2022	Kalyana Sai Gardens, Pulla Reddy Colony, Near Scholars B. Ed. College, Peddamandi Road, Wanaparthy
TSSPDCL	25.02.2022	Federation of Telangana Chambers and Commerce Industry (FTCCI), Federation House, Hyderabad

## **1.6 RESPONSE TO THE PUBLIC NOTICE**

1.6.1 In response to the Public Notice, two hundred eighty four (284) number of objections/suggestions were received (Annexure-2) by the Commission both in writing as well as oral during the public hearing. The DISCOMs were directed to give their response in writing to all the written objections received by 28.01.2022 by sending the same to the respective objector with a copy to the Commission before 11.02.2022. The replies were also posted on the websites of the DISCOMs as well as that of the Commission.

## **1.7 STATE ADVISORY COMMITTEE MEETING**

1.7.1 The State Advisory Committee (SAC) meeting was held on 28.01.2022 (via online video conference) to elicit views of members on the ARR and tariff proposals of the DISCOMs for FY 2022-23. The views of the members have been taken into consideration, wherever appropriate, while determining the retail supply tariffs for FY 2022-23.

## **1.8 CORRESPONDENCE WITH GoTS FOR MAKING STATEMENT ON PROPOSALS**

1.8.1 The Commission vide its letter dated 11.02.2022 corresponded with the GoTS intimating the filings made by the DISCOMs on ARR and FPT for FY 2022-23 and accordingly to make a statement on the proposals of the DISCOMs at the venues of the Public Hearings.

## **1.9 PUBLIC HEARING**

1.9.1 The Commission conducted the Public Hearings at respective places of the DISCOMs as per schedule at Table 1-1. During the public hearings, the DISCOMs made brief presentations on their respective filings and then the

Commission heard the objectors desiring to be heard in person. At the public hearings, apart from the registered objectors, the persons/organizations who had turned up at the venue directly were also heard and their objections/suggestions were also considered. At the end, as directed by the Commission, the respective DISCOMs responded on the issues raised by the objectors during the hearing and also as directed by the Commission, the DISCOMs have submitted written submissions.

- 1.9.2 The authorized representative from the Energy Department on behalf of the Government of Telangana State (GoTS) has made a statement, in the public hearing held at Hyderabad on 25.02.2022 reproduced hereunder:

*“... .. the Government is committed to provide necessary financial assistance to power sector and subsidy to the utilities in accordance with the provisions of Section 65 of the Electricity Act, 2003, for Financial Year 2022-23. This would enable the Government to meet its objective of ensuring quality power supply to all consumers and also in extending necessary assistance to BPL families and farm sector.”*

- 1.9.3 The Commission places on record its profound appreciation for the awareness and public spirit exhibited in the form of objections/suggestions made both in writing as well as oral submissions on the DISCOMs proposals. The Commission also admires the suggestions of the stakeholders regarding the rostering of supply to agricultural consumers for economic peak load management by the DISCOMs. The Commission has noted the spirit and essence of the objections/suggestions and attempted earnestly to respond to the issues being germane to the determination of the ARR and the Retail Supply Tariffs for FY 2022-23.

## **1.10 DATA GAPS**

- 1.10.1 Upon scrutiny of the filings of the DISCOMs, the Commission identified certain data gaps and directed the DISCOMs to furnish additional information. As directed by the Commission, the DISCOMs furnished additional information and placed the same on their respective websites and the same have also been placed on the Commission's website.



## CHAPTER 2 SUMMARY OF FILINGS

The salient features of the filings of the DISCOMs for projecting the various components of ARR and FPT for FY 2022-23 are summarised as below.

### 2.1 SALES PROJECTIONS

2.1.1 The summary of consumer category wise sales projected by the DISCOMs is as shown in the Table below:

**Table 2-1: Category wise sales claimed by the DISCOMs**

Category		(MU)		
		FY 2022-23		
		TSSPDCL	TSNPDCL	Total
<b>LT Category</b>		<b>25246.12</b>	<b>13261.33</b>	<b>38507.45</b>
LT-I	Domestic	9883.53	4258.99	<b>14142.52</b>
LT-II	Non-Domestic/Commercial	2638.68	819.84	<b>3458.52</b>
LT-III	Industry	929.88	250.79	<b>1180.67</b>
LT-IV	Cottage Industries	9.76	8.58	<b>18.34</b>
LT-V	Agricultural	11181.74	7525.14	<b>18706.88</b>
LT-VI	Street Lighting & PWS Schemes	473.02	340.77	<b>813.79</b>
LT-VII	General Purpose	56.92	52.67	<b>109.59</b>
LT-VIII	Temporary Supply	70.84	4.56	<b>75.40</b>
LT-IX	Electric Vehicle Charging Stations	1.74	0.00	<b>1.74</b>
<b>HT Category</b>		<b>23576.78</b>	<b>12643.33</b>	<b>36220.01</b>
<b>HT Category at 11 kV</b>		<b>6665.24</b>	<b>2330.86</b>	<b>8996.11</b>
HT-I	Industry	4408.52	960.76	<b>5369.28</b>
HT-I(B)	Ferro Alloys	0.00	0.00	<b>0.00</b>
HT-II	Others	1741.44	133.38	<b>1874.83</b>
HT-III	Airports, Railway Stations and Bus Stations	5.98	7.38	<b>13.36</b>
HT-IV(A)	Lift Irrigation	57.51	32.59	<b>90.11</b>
HT-IV(B)	CPWS Schemes	154.57	149.59	<b>304.16</b>
HT-VI	Townships and Residential Colonies	158.63	8.79	<b>167.42</b>
HT-VII	Temporary Supply	124.57	20.92	<b>145.49</b>
HT-VIII	RESCOs	0.00	1012.61	<b>1012.61</b>
HT-IX	Electric Vehicle Charging Stations	14.02	4.84	<b>18.86</b>
<b>HT Category at 33 kV</b>		<b>7156.42</b>	<b>648.65</b>	<b>7805.07</b>
HT-I	Industry	5721.31	159.20	<b>5880.51</b>
HT-I(B)	Ferro Alloys	35.82	63.65	<b>99.47</b>
HT-II	Others	1006.27	10.41	<b>1016.68</b>
HT-III	Airports, Railway Stations and Bus Stations	0.00	0.00	<b>0.00</b>
HT-IV(A)	Lift Irrigation	18.83	27.08	<b>45.90</b>
HT-IV(B)	CPWS Schemes	233.67	335.02	<b>568.69</b>
HT-VI	Townships and Residential Colonies	113.87	38.48	<b>152.35</b>
HT-VII	Temporary Supply	26.65	14.81	<b>41.46</b>
HT-IX	Electric Vehicle Charging Stations	0.00	0.00	<b>0.00</b>
<b>HT Category at 132 kV</b>		<b>9755.02</b>	<b>9663.81</b>	<b>19418.83</b>
HT-I	Industry	3534.58	610.82	<b>4145.39</b>
HT-I(B)	Ferro Alloys	163.90	0.00	<b>163.90</b>
HT-II	Others	46.06	3.40	<b>49.47</b>
HT-III	Airports, Railway Stations and Bus Stations	79.60	0.00	<b>79.60</b>
HT-IV(A)	Irrigation & Agriculture	5248.49	8441.78	<b>13690.27</b>



Category		FY 2022-23		
		TSSPDCL	TSNPDCL	Total
HT-IV(B)	CPWS Schemes	234.54	28.11	<b>262.65</b>
HT-V(A)	Railway Traction	303.26	480.48	<b>783.74</b>
HT-V(B)	HMR	144.59	0.00	<b>144.59</b>
HT-VI	Townships and Residential Colonies	0.00	99.23	<b>99.23</b>
HT-VII	Temporary Supply	0.00	0.00	<b>0.00</b>
HT-VIII	RESCOs	0.00	0.00	<b>0.00</b>
HT-IX	Electric Vehicle Charging Stations	0.00	0.00	<b>0.00</b>
<b>Total</b>		<b>48822.08</b>	<b>25904.66</b>	<b>74726.74</b>

## 2.2 POWER PURCHASE REQUIREMENT

2.2.1 The power purchase requirement projected for FY 2022-23 is as shown in the Table below:

**Table 2-2: Power purchase requirement projected by the DISCOMs**

Particulars	Units	TSSPDCL	TSNPDCL	Total
<b>Energy Sales</b>		<b>48822.80</b>	<b>25904.66</b>	<b>74727.46</b>
LT, 11 kV and 33 kV	MU	39067.78	16240.84	<b>55308.63</b>
EHT	MU	9755.02	9663.81	<b>19418.83</b>
<b>Energy losses</b>		<b>6476.28</b>	<b>3018.03</b>	<b>9494.31</b>
Distribution System losses	MU	4271.34	1947.55	<b>6218.89</b>
Transmission System losses	MU	2204.94	1070.48	<b>3275.42</b>
<b>Energy losses</b>		<b>11.71%</b>	<b>10.43%</b>	<b>11.27%</b>
Distribution System losses	%	9.86%	10.71%	<b>10.11%</b>
Transmission System losses	%	3.99%	3.70%	<b>3.89%</b>
<b>Input to Distribution System</b>	<b>MU</b>	<b>43339.13</b>	<b>18188.40</b>	<b>61527.52</b>
<b>Power Purchase Requirement</b>	<b>MU</b>	<b>55299.08</b>	<b>28922.69</b>	<b>84221.77</b>

## 2.3 ENERGY AVAILABILITY

2.3.1 The energy availability projected for FY 2022-23 is as shown in the Table below:

**Table 2-3: Energy availability projected by DISCOMs for FY 2022-23**

Sl. No.	Source	Energy availability (MU)
1	TSGenco	31434.99
2	CGS	23150.77
3	Others	23748.70
4	NCE	8953.18
	<b>Total</b>	<b>87287.63</b>

2.3.2 Out of the total energy availability projected for FY 2022-23, the DISCOM wise share from all the sources except NCE sources within the State has been considered as 70.55% and 29.45% for TSSPDCL and TSNPDCL respectively.

## 2.4 POWER PURCHASE COST

2.4.1 The power purchase cost projected by the DISCOMs for FY 2022-23 is as shown in the Tables below:

**Table 2-4: Power purchase cost claimed by TSSPDCL for FY 2022-23**

Source	TSSPDCL				
	Quantum	Fixed Cost	Variable Cost	Other Cost	Total
	MU	Rs.crore	Rs.crore	Rs.crore	Rs.crore
TSGenco	22015.90	4964.12	5336.87	1011.82	11312.81
CGS	13756.92	1871.10	3852.95	0.00	5724.04
Others	17329.18	3246.59	4313.32	46.00	7605.92
NCE	6271.16	0.00	3161.69	0.00	3161.69
D-D purchase					0.00
D-D sale	-4074.07		-1393.26		-1393.26
<b>Total</b>	<b>55299.08</b>	<b>10081.80</b>	<b>15271.57</b>	<b>1057.82</b>	<b>26411.20</b>

**Table 2-5: Power purchase cost claimed by TSNPDCL for FY 2022-23**

Source	TSNPDCCL				
	Quantum	Fixed Cost	Variable Cost	Other Cost	Total
	MU	Rs.crore	Rs.crore	Rs.crore	Rs.crore
TSGenco	9190.20	2072.19	2227.79	422.56	4722.54
CGS	5742.61	781.06	1608.35	0.00	2389.41
Others	7233.79	1355.24	1800.53	19.02	3174.78
NCE	2682.02	0.00	1323.87	0.00	1323.87
D-D purchase	4074.07		1393.26		1393.26
D-D sale					0.00
<b>Total</b>	<b>28922.69</b>	<b>4208.49</b>	<b>8353.81</b>	<b>441.57</b>	<b>13003.88</b>

**Table 2-6: Power purchase cost claimed by DISCOMs for FY 2022-23**

Source	Both the DISCOMs				
	Quantum	Fixed Cost	Variable Cost	Other Cost	Total
	MU	Rs.crore	Rs.crore	Rs.crore	Rs.crore
TSGenco	31206.10	7036.31	7564.66	1434.38	16035.35
CGS	19499.53	2652.16	5461.30	0.00	8113.45
Others	24562.97	4601.83	6113.85	65.02	10780.70
NCE	8953.18	0.00	4485.57	0.00	4485.57
D-D purchase	4074.07	0.00	1393.26	0.00	1393.26
D-D sale	-4074.07	0.00	-1393.26	0.00	-1393.26
<b>Total</b>	<b>84221.77</b>	<b>14290.30</b>	<b>23625.38</b>	<b>1499.39</b>	<b>39415.07</b>

## 2.5 OTHER COMPONENTS OF AGGREGATE REVENUE REQUIREMENT

- 2.5.1 **Distribution cost:** The distribution cost of the respective DISCOM for FY 2022-23 has been considered as per the MYT Order for the 4<sup>th</sup> Control Period from FY 2019-20 to FY 2023-24.
- 2.5.2 **Intra State Transmission (InSTS) charges:** The InSTS charges for FY 2022-23 have been considered the same as approved in the MYT Order for TSTransco for the 4<sup>th</sup> Control Period from FY 2019-20 to FY 2023-24.
- 2.5.3 **Inter State Transmission (ISTS) charges:** The ISTS charges for FY 2022-23 have been projected based on the actuals for H1 of FY 2021-22.
- 2.5.4 **State Load Despatch Centre (SLDC) charges:** The SLDC charges for FY 2022-23 have been considered the same as approved in the MYT Order for

SLDC for the 4<sup>th</sup> Control Period from FY 2019-20 to FY 2023-24.

2.5.5 **Interest on Consumer Security Deposit (CSD):** The interest on CSD has been projected based on the CSD projections for FY 2022-23 and the Bank Rate of Reserve Bank of India of 4.25%.

2.5.6 **Supply Margin:** The supply margin has been projected considering the approved norm of 2% of equity component of approved Regulated Rate Base (RRB) for FY 2022-23.

## 2.6 AGGREGATE REVENUE REQUIREMENT (ARR)

2.6.1 Based on the above, the ARR claimed by the DISCOMs for FY 2022-23 is as shown in the Table below:

**Table 2-7: ARR claimed by the DISCOMs for FY 2022-23**

(Rs.crore)

Particulars	FY 2022-23		
	TSSPDCL	TSNPDCL	Total
Power purchase cost	26411.20	13003.88	<b>39415.07</b>
Distribution cost	4670.72	3601.25	<b>8271.97</b>
InSTS charges	2383.64	1005.43	<b>3389.07</b>
ISTS charges	1160.55	484.45	<b>1645.01</b>
SLDC charges	31.67	13.23	<b>44.90</b>
Interest on CSD	174.75	49.09	<b>223.84</b>
Supply Margin	37.65	26.04	<b>63.68</b>
<b>Aggregate Revenue Requirement</b>	<b>34870.18</b>	<b>18183.37</b>	<b>53053.54</b>

## 2.7 COST OF SERVICE (CoS)

2.7.1 The DISCOMs have computed the CoS based on embedded cost methodology. The CoS claimed by the DISCOMs for FY 2022-23 is as shown in the Table below:

**Table 2-8: CoS claimed by the DISCOMs for FY 2022-23**

(Rs./kWh)

Consumer Category		FY 2022-23	
		TSSPDCL	TSNPDCL
<b>LT Categories</b>			
LT-I	Domestic	7.82	8.92
LT-II	Non-Domestic/Commercial	7.20	8.23
LT-III	Industrial	7.05	7.85
LT-IV	Cottage Industries	7.17	10.29
LT-V	Agricultural	9.20	8.96
LT-VI	Street Lighting & PWS	7.58	10.09
LT-VII	General Purpose	8.23	9.77
LT-VIII	Temporary Supply	8.23	9.77
LT-IX	Electric Vehicle Charing station	8.94	9.77
<b>HT Categories</b>			
HT-I	Industry Segregated		
	11 kV	6.78	5.88

Consumer Category		FY 2022-23	
		TSSPDCL	TSNPDCL
	33 kV	5.82	5.37
	132 kV	5.29	4.96
HT-I(B)	Ferro Alloys		
	11 kV		
	33 kV	4.83	5.03
	132 kV	4.57	
HT-II	Others		
	11 kV	6.09	6.25
	33 kV	5.82	5.79
	132 kV	5.23	10.46
HT-III	Airports, Railways and Bus Stations		
	11 kV	5.60	5.75
	33 kV		
	132 kV	4.38	
HT-IV(A&B)	Irrigation & Agriculture		
	11 kV	6.67	6.23
	33 kV	5.98	5.28
	132 kV	5.56	4.91
HT-V(A)	Railway Traction	5.73	5.00
HT-V(B)	HMR	5.09	
HT-VI	Townships and Residential Colonies		
	11 kV	5.93	6.12
	33 kV	5.55	5.36
	132 kV		4.91
HT-VII	Temporary Supply		
	11 kV	6.35	6.28
	33 kV	5.46	5.76
	132 kV		
HT-VIII	RESCOs		4.62
HT-IX	Electric Vehicle Charing station	6.35	6.28
<b>Total</b>		<b>7.14</b>	<b>7.02</b>

## 2.8 REVENUE DEFICIT/(SURPLUS) AT CURRENT TARIFFS

2.8.1 The revenue deficit/(surplus) at current tariffs claimed by the DISCOMs is as shown in the Table below:

**Table 2-9: Revenue deficit/(surplus) at current tariffs claimed by the DISCOMs**

(Rs.crore)

Particulars	FY 2022-23		
	TSSPDCL	TSNPDCL	Total
Aggregate Revenue Requirement	34870.18	18183.37	<b>53053.55</b>
Revenue from Current Tariffs	25421.76	10702.75	<b>36124.51</b>
Non-Tariff Income	33.10	29.41	<b>62.51</b>
Revenue from Cross Subsidy Surcharge	209.27	-	<b>209.27</b>
Revenue from Additional Surcharge	77.48	-	<b>77.48</b>
Revenue Deficit/(Surplus) at Current Tariffs	9128.57	7451.21	<b>16579.78</b>

## 2.9 PROPOSED TARIFFS

2.9.1 The retail supply tariffs proposed by the DISCOMs for FY 2022-23 is as shown in the Table below:

**Table 2-10: Summary of existing and proposed retail supply tariff by DISCOMs**

Consumer Category/Sub-Category/Slab Structure (units)	Fixed / Demand Charge unit	Existing Tariff		Proposed Tariff	
		Fixed/Demand Charge (Rs./month)	Energy Charge (Rs./kWh or kVAh)	Fixed/Demand Charge (Rs./month)	Energy Charge (Rs./kWh or kVAh)
<b>LT-I Domestic</b>					
LT-I(A): Upto 100 Units/Month					
0-50	kW	-	1.45	15	1.95
51-100	kW	-	2.60		3.10
LT-I(B)(i): Above 100 units/month & up to 200 units/month					
0-100	kW	-	3.30	15	3.80
101-200	kW	-	4.30		4.80
LT-I(B)(ii): Above 200 units/month					
0-200	kW	-	5.00	15	5.50
201-300	kW	-	7.20		7.70
301-400	kW	-	8.50		9.00
401-800	kW	-	9.00		9.50
Above 800 units	kW	-	9.50		10.00
<b>LT-II: Non Domestic/Commercial</b>					
LT-II(A): Upto 50 Units/Month					
0-50	kW	50	6.00	60	7.00
LT-II(B): Above 50 Units/Month					
0-100	kW	60	7.50	70	8.50
101-300	kW	60	8.90	70	9.90
301-500	kW	60	9.40	70	10.40
Above 500	kW	60	10.00	70	11.00
LT-II(C): Advertisement Hoardings					
	kW	60	12.00	70	13.00
LT-II(D): Haircutting Salons consuming upto 200 Units/Month					
0-50	kW	60	5.30	60	5.30
51-100	kW	60	6.60	60	6.60
101-200	kW	60	7.50	60	7.50
<b>LT-III: Industry</b>					
Industries	kW	60	6.70	75	7.70
Seasonal Industries (off-season)	kW	60	7.40	75	8.40
Pisciculture/Prawn Culture	kW	21	5.20	36	6.20
Sugarcane Crushing	kW	21	5.20	36	6.20
Poultry Farms	kW	50	6.00	65	7.00
Mushroom, Rabbit, Sheep & Goat farms	kW	60	6.30	75	7.30
<b>LT-IV: Cottage Industries</b>					
LT-IV(A): Cottage Industries	kW	20/kW subject to a minimum of Rs.30/Month	4.00	20/kW subject to a minimum of Rs.30/Month	4.00
LT-IV(B): Agro Based Activities	kW	20/kW subject to a minimum of Rs.30/Month	4.00	20/kW subject to a minimum of Rs.30/Month	4.00
<b>LT-V: Agricultural</b>					
LT-V(A): Agricultural (DSM Measures Mandatory)					
Corporate Farmers	HP	-	2.50	-	2.50

Consumer Category/Sub-Category/Slab Structure (units)	Fixed / Demand Charge unit	Existing Tariff		Proposed Tariff	
		Fixed/Demand Charge (Rs./month)	Energy Charge (Rs./kWh or kVAh)	Fixed/Demand Charge (Rs./month)	Energy Charge (Rs./kWh or kVAh)
Other than Corporate Farmers	HP	-	0.00	-	0.00
<b>LT-V(B): Others</b>					
Horticulture Nurseries with CL upto 15 HP	HP	20	4.00	20/HP	4.00
<b>LT-VI: Street Lighting and PWS Schemes</b>					
<b>LT-VI(A): Street Lighting</b>					
Panchayats	kW	32	6.10	32	7.10
Municipalities	kW	32	6.60	32	7.60
Municipal Corporations	kW	32	7.10	32	8.10
<b>LT-VI(B): PWS Schemes</b>					
Panchayats	HP	32/HP subject to a minimum of Rs.50/month	5.00	32/HP subject to a minimum of Rs.50/month	6.00
Municipalities	HP	32/HP subject to a minimum of Rs.100/month	6.10	32/HP subject to a minimum of Rs.100/month	7.10
Municipal Corporations	HP	32/HP subject to a minimum of Rs.100/month	6.60	32/HP subject to a minimum of Rs.100/month	7.60
<b>LT-VII: General</b>					
LT-VII(A): General Purpose	kW	21	7.30	21	8.30
<b>LT-VII(B): Wholly Religious Places</b>					
Load Upto 2 kW	kW	21	5.40	21	6.40
Load above 2 kW	kW	21	6.00	21	7.00
<b>LT-VIII: Temporary Supply</b>	kW	21	11.00	21	12.00
<b>LT-IX: Electric Vehicle Charging Stations</b>	kW	-	6.00	50	7.00
<b>HT-I: Industry</b>					
<b>HT-I(A): Industry-General</b>					
11 kV	kVA	390	6.65	475	7.65
33 kV	kVA	390	6.15	475	7.15
132 kV & above	kVA	390	5.65	475	6.65
<b>HT-I(A): Light and Fans</b>					
11 kV		-	6.65	-	7.65
33 kV		-	6.15	-	7.15
132 kV & above		-	5.65	-	6.65
<b>HT-I(A): Poultry Farms</b>					
11 kV	kVA	390	6.65	475	7.65
33 kV	kVA	390	6.15	475	7.15
<b>HT-I(A): Industrial Colonies</b>					
11 kV		-	6.30		7.3
33 kV		-	6.30		7.3
132 kV & above		-	6.30		7.3



Consumer Category/Sub-Category/Slab Structure (units)	Fixed / Demand Charge unit	Existing Tariff		Proposed Tariff	
		Fixed/Demand Charge (Rs./month)	Energy Charge (Rs./kWh or kVAh)	Fixed/Demand Charge (Rs./month)	Energy Charge (Rs./kWh or kVAh)
<b>HT-I(A): Seasonal Industries</b>					
11 kV	kVA	390	7.60	475	8.60
33 kV	kVA	390	6.90	475	7.90
132 kV & above	kVA	390	6.70	475	7.70
<b>HT-I(A): Optional Category with Load Upto 150 kVA</b>					
11 kV	kVA	80	7.00	100	8.00
<b>HT-I(A): HMWSSB</b>					
11 kV	kVA	390	3.95	475	4.95
33 kV	kVA	390	3.95	475	4.95
132 kV & Above	kVA	390	3.95	475	4.95
<b>HT-I: Time of Day Tariffs (6 AM to 10 AM)</b>					
11 kV		-	7.65	-	8.65
33 kV		-	7.15	-	8.15
132 kV & above		-	6.65	-	7.65
<b>HT-I: Time of Day Tariffs (6 PM to 10 PM)</b>					
11 kV		-	7.65	-	8.65
33 kV		-	7.15	-	8.15
132 kV & above		-	6.65	-	7.65
<b>HT-I: Time of Day Tariffs (10 PM to 6 AM)</b>					
11 kV		-	5.65	-	7.15
33 kV		-	5.15	-	6.65
132 kV & above		-	4.65	-	6.15
<b>HT-I(A): Poultry Farms – Time of Day Tariffs (6 AM to 10 AM)</b>					
11 kV		-	7.65	-	8.65
33 kV		-	7.15	-	8.15
<b>HT-I(A): Poultry Farms – Time of Day Tariffs (6 PM to 10 PM)</b>					
11 kV		-	7.65	-	8.65
33 kV		-	7.15	-	8.15
<b>HT-I(A): Poultry Farms – Time of Day Tariffs (6 PM to 10 PM)</b>					
11 kV		-	5.65	-	7.15
33 kV		-	5.15	-	6.65
<b>HT-I(B): Ferro Alloys</b>					
11 kV		-	5.90	475	7.65
33 kV		-	5.50	475	7.15
132 kV & above		-	5.00	475	6.65
<b>HT-II: Others</b>					
11 kV	kVA	390	7.80	475	8.80
33 kV	kVA	390	7.00	475	8.00
132 kV & above	kVA	390	6.80	475	7.80
<b>HT-II: Time of Day Tariffs (6 AM to 10 AM)</b>					
11 kV		-	8.80	-	9.80
33 kV		-	8.00	-	9.00
132 kV & above		-	7.80	-	8.80
<b>HT-II: Time of Day Tariffs (6 PM to 10 PM)</b>					
11 kV		-	8.80	-	9.80
33 kV		-	8.00	-	9.00
132 kV & above		-	7.80	-	8.80
<b>HT-II: Time of Day Tariffs (10 PM to 6 AM)</b>					
11 kV		-	6.80	-	8.30
33 kV		-	6.00	-	7.50
132 kV & above		-	5.80	-	7.30
<b>HT-III: Airports, Bus Stations and Railway Stations-</b>					
11 kV	kVA	390	7.5	475	8.5



Consumer Category/Sub-Category/Slab Structure (units)	Fixed / Demand Charge unit	Existing Tariff		Proposed Tariff	
		Fixed/Demand Charge (Rs./month)	Energy Charge (Rs./kWh or kVAh)	Fixed/Demand Charge (Rs./month)	Energy Charge (Rs./kWh or kVAh)
33 kV	kVA	390	6.85	475	7.85
132 kV & above	kVA	390	6.45	475	7.45
<b>HT-III: Time of Day Tariffs (6 AM to 10 AM)</b>					
11 kV		-	8.50	-	9.50
33 kV		-	7.85	-	8.85
132 kV & above		-	7.45	-	8.45
<b>HT-III: Time of Day Tariffs (6 PM to 10 PM)</b>					
11 kV		-	8.50	-	9.50
33 kV		-	7.85	-	8.85
132 kV & above		-	7.45	-	8.45
<b>HT-III: Time of Day Tariffs (10 PM to 6 AM)</b>					
11 kV		-	6.50	-	8.00
33 kV		-	5.85	-	7.35
132 kV & above		-	5.45	-	6.95
<b>HT-IV(A): Irrigation &amp; Agriculture</b>					
11 kV	kVA	165	5.80	275	6.30
33 kV	kVA	165	5.80	275	6.30
132 kV & above	kVA	165	5.80	275	6.30
<b>HT-IV(B): CP Water Supply Schemes</b>					
11 kV	kVA	-	5.10	-	6.10
33 kV	kVA	-	5.10	-	6.10
132 kV & above	kVA	-	5.10	-	6.10
<b>HT-V: Railway Traction &amp; HMR</b>					
HT-V(A): Railway Traction	kVA	390	4.05	475	5.05
HT-V(B): HMR Traction	kVA	390	3.95	475	4.95
<b>HT-VI: Townships &amp; Residential Colonies</b>					
11 kV	kVA	60	6.30	260	7.30
33 kV	kVA	60	6.30	260	7.30
132 kV & above	kVA	60	6.30	260	7.30
<b>HT-VII: Temporary</b>					
11 kV	kVA	500	10.80	500	11.80
33 kV	kVA	500	10.00	500	11.00
132 kV & above	kVA	500	9.80	500	10.80
<b>HT-VIII: RESCO</b>					
11 kV			4.52		5.52
<b>HT-IX: Electric Vehicle Charging Stations</b>					
11 kV	kVA	-	6.00	100	7.00
33 kV	kVA	-	6.00	100	7.00
132 kV & above	kVA	-	6.00	100	7.00
<b>HT-IX: Time of Day Tariffs (6 AM to 10 AM)</b>					
11 kV		-	7.00	-	8.00
33 kV		-	7.00	-	8.00
132 kV & above		-	7.00	-	8.00
<b>HT-IX: Time of Day Tariffs (6 PM to 10 PM)</b>					
11 kV		-	7.00	-	8.00
33 kV		-	7.00	-	8.00
132 kV & above		-	7.00	-	8.00
<b>HT-IX: Time of Day Tariffs (10 PM to 6 AM)</b>					
11 kV		-	5.00	-	6.50
33 kV		-	5.00	-	6.50
132 kV & above		-	5.00	-	6.50

## 2.10 CUSTOMER CHARGES

2.10.1 The customer charges proposed by the DISCOMs for FY 2022-23 is as shown in the Table below:

**Table 2-11: Existing and proposed Customer charges for FY 2022-23**

Category	Existing Customer Charges (Rs./Month)	Proposed Customer Charges (Rs./Month)
<b>Low Tension</b>		
<b>LT-I: Domestic (units/month)</b>		
0-50	25	40
51-100	30	70
101-200	50	90
201-300	60	100
301-400	80	120
401-800	80	140
Above 800	80	160
<b>LT-II:(A&amp;B) Non-Domestic/Commercial (units/month)</b>		
0-50	45	50
51-100	55	90
101-300	65	105
301-500	65	120
Above 500	65	160
<b>LT-II(C): Advertisement Hoardings</b>	70	160
<b>LT-II(D): Haircutting Saloons with consumption up to 200 units per month</b>		
0-50	45	45
51-100	55	55
101-300	65	65
LT-III: Industry up to 20 HP	75	100
LT-III: Industry up to 21 -50 HP	300	350
LT-III: Industry up to 51-100 HP	1125	1200
LT-IV: Cottage Industries	45	50
LT-V: Agricultural	30	30
LT-VI: Street lighting & PWS Schemes	50	120
LT-VII: General Purpose	60	100
LT-VIII: Temporary Supply	65	100
LT-IX: Electric Vehicle charging stations	-	120
<b>High Tension</b>		
HT: 11 kV	1685	2000
HT: 33 kV	1685	3500
HT: 132 kV and above	3370	5000

## 2.11 CROSS SUBSIDY SURCHARGE (CSS)

2.11.1 The CSS proposed by the DISCOMs for FY 2022-23 is as shown in the Table below:

**Table 2-12: Existing and proposed CSS**

Particulars	TSSPDCL (Rs./Unit)		TSNPDCL (Rs./Unit)	
	Existing	Proposed	Existing	Proposed
<b>11 kV</b>				
HT-I: Industry	1.65	1.91	1.66	1.03
HT-II Others	2.03	2.32	1.97	2.43

Particulars	TSSPDCL (Rs./Unit)		TSNPDCL (Rs./Unit)	
	Existing	Proposed	Existing	Proposed
HT-III Airports, Railway Stations and Bus Stations	1.8	2.03	1.77	1.84
HT-IV Lift Irrigation and CPWS Schemes	0.36	0.84	0.21	1.73
HT-VI Townships and Residential Colonies	1.31	1.87	0.90	0.53
HT-VII Temporary Supply	2.76	3.14	-	3.02
<b>33 kV</b>				
HT-I: Industry	1.46	1.70	1.44	1.84
HT-I(B) Ferro Alloys	-	1.54	-	1.59
HT-II Others	1.76	2.03	1.78	2.31
HT-IV Lift Irrigation and CPWS Schemes	1.07	2.26	0.86	2.15
HT-VI Townships and Residential Colonies	1.32	1.80	1.29	1.71
HT-VII Temporary Supply	-	2.82	-	2.76
<b>132 kV and above</b>				
HT-I: Industry	1.3	1.55	1.31	1.47
HT-I(B) Ferro Alloys	-	1.48	-	-
HT-II Others	1.69	1.97	3.55	6.31
HT-III Airports, Railway Stations and Bus Stations	1.49	1.66	-	-
HT-IV Lift Irrigation and CPWS Schemes	1.24	1.44	1.27	1.37
HT-V Railway Traction & HMR	1.27	1.80	1.05	1.30
HT-VI Townships and Residential Colonies	-	-	1.28	1.65

## 2.12 REVENUE DEFICIT/(SURPLUS) AT PROPOSED TARIFFS

**Table 2-13: Revenue deficit/(surplus) at proposed tariffs claimed by the DISCOMs**

(Rs.crore)

Particulars	FY 2022-23		
	TSSPDCL	TSNPDCL	Total
Revenue Deficit/(Surplus) at Current Tariffs	9128.57	7451.21	<b>16579.78</b>
Revenue charged through proposed tariff (including Cross Subsidy Surcharge & Additional Surcharge)	5044.27	1786.63	<b>6830.90</b>
Net Deficit/(Surplus)	4084.30	5664.58	<b>9748.88</b>

## 2.13 OTHER TARIFF PROPOSALS

### **Green Tariff for industrial and commercial consumers**

2.13.1 The DISCOMs requested the Commission to allow them to charge Rs.2.00/kWh as green tariff over and above the retail supply tariffs for the respective industrial and commercial categories.

### **Parallel Operation Charges/Grid Support Charges**

2.13.2 The DISCOMs requested the Commission to allow levy of Grid Support Charges (GSC) as below:

*“Persons operating Captive Power Plants (CPPs) in parallel with T.S.*

Grid have to pay 'Grid Support Charges' for FY 2022-23 on the difference between the capacity of CPP in kVA and the contracted Maximum Demand in kVA with Licensee and all other sources of supply, at a rate equal to 50% of the prevailing demand charge for HT Consumers. In case of CPPs exporting firm power to TSTRANSCO, the capacity, which is dedicated to such export, will also be additionally subtracted from the CPP capacity."

**Proposed changes in general and specific conditions of tariff**

2.13.3 The DISCOMs requested the Commission to amend the general and specific conditions of tariff for LT Domestic category as shown in the Table below:

**Table 2-14: Proposed changes to general and specific conditions of tariff**

Existing Clause	Proposed Clause
<p><b>Category wise specific conditions of LT tariff</b></p> <p><b>LT-I: Domestic</b></p> <p><b>7.44</b> Where electricity supplied to domestic premises is required to be used for non-domestic or commercial purposes, a separate connection should be taken for such loads under LT-II category, failing which the entire supply shall be charged at LT-II category tariff, apart from liability for penal charges as per the terms and conditions of the supply.</p>	<p><b>Category wise specific conditions of LT tariff</b></p> <p><b>LT-I: Domestic</b></p> <p><b>7.44</b> Where electricity supplied to domestic premises is required to be used for non-domestic or commercial purposes, a separate connection should be taken for such loads under LT-II category, failing which the entire supply shall be charged at LT-II category tariff, apart from liability for penal charges as per the terms and conditions of the supply.</p> <p><b>Where multiple services are provided for a multi-storied building/ apartment/ residential houses under any LT categories and billed accordingly and subsequently found that the consumer utilizes these services for a single common purpose like offices, hostels, schools, etc., such services are to be clubbed into a single service and categorized based on their purpose of usage and billed accordingly.</b></p>
<p><b>7.45</b> For common services like water supply, common lights in corridors and supply for lifts in multi-storied buildings, consumers shall be billed electricity charges as follows:</p> <ol style="list-style-type: none"> <li>At LT-I(B)(ii) if the plinth area occupied by the domestic consumers is 50% or more of the total plinth area.</li> <li>At LT-II(B) if the plinth area occupied by the domestic consumers is less than 50% of the total plinth area.</li> <li>If the service in a flat is for domestic purpose, it shall be charged at LT-I (Domestic) as applicable. If the service in a flat is for commercial or office use or any other purpose, which does not fall under any of LT-I and/or LT-III to VIII, it shall be charged at LT-II(A), II(B) or II(D) Non-Domestic/ Commercial as applicable.</li> </ol>	<p><b>7.45</b> For common services like water supply, common lights in corridors and supply for lifts in multi-storied buildings, consumers shall be billed electricity charges as follows:</p> <ol style="list-style-type: none"> <li>At LT-I(B)(ii) if the plinth area occupied by the domestic consumers is 50% or more of the total plinth area.</li> <li>At LT-II(B) if the plinth area occupied by the domestic consumers is less than 50% of the total plinth area.</li> <li>If the service in a <b>flat/apartment/ residential houses</b>/multi-storied buildings is for domestic purpose, it shall be charged at LT-I(B)(ii) (Domestic) as applicable. If the service in a flat is for commercial or office use or any other purpose, which does not fall under any of LT-I and/or LT-III to VIII, it shall be charged at LT-II(A), II(B) or II(D) Non-Domestic/ Commercial as applicable.</li> <li><b>Number of service connections for common usage in multi-storied</b></li> </ol>

Existing Clause	Proposed Clause
	<p>buildings/apartments/flat/ Residential houses are limited to one and the same is to be billed under LT-I(B)(ii) or LT-II(B) as applicable.</p> <p>v. If more than one service is provided for common usage in the same premises, multi-storied buildings/ apartments/ flat /Residential houses the consumption of all the common meters shall be clubbed and billed under LT-I(B)(ii) or LT-II(B) as applicable.</p>

2.13.4 The DISCOMs proposed the following condition for levy of fixed/demand charges on LT-I, LT-II, LT-IV, LT-VI, LT-VII and LT-VIII and LT-IX categories:

*“The connected load shall not exceed the contracted load specified in the agreement as per sanction accorded for the service. The fixed charges shall be computed based on the Contracted Load or actual Recorded Demand whichever is higher.”*

2.13.5 The DISCOMs proposed the following additional conditions to be included in respect of deration/restoration of CMD of HT consumers:

**“Deration and Restoration of Contracted Maximum Demand (CMD):**  
*The consumer may seek and avail deration of CMD once in a financial year only. Subsequent restoration of initial CMD if any, shall be allowed on payment of 50% of fixed/demand charges applicable as per the relevant tariff order. Further, in case of application of additional load more than the initial CMD, the consumer is liable to pay the full development charges applicable as per the Regulation No.4 of 2013.”*

2.13.6 The DISCOMs requested the Commission to include the clarification issued on availing of seasonal benefits under HT-I(A) Optional Category vide letter dated 24.07.2020, in the terms and conditions tariff, as below:

*“A consumer cannot fall both under HT-I Optional sub-category with a load upto 150 kVA and HT –Seasonal Industry at the same time. A consumer who has chosen the HT-I Optional Sub-Category with a load up to 150 kVA, cannot be charged any other tariff than that approved for optional category.”*

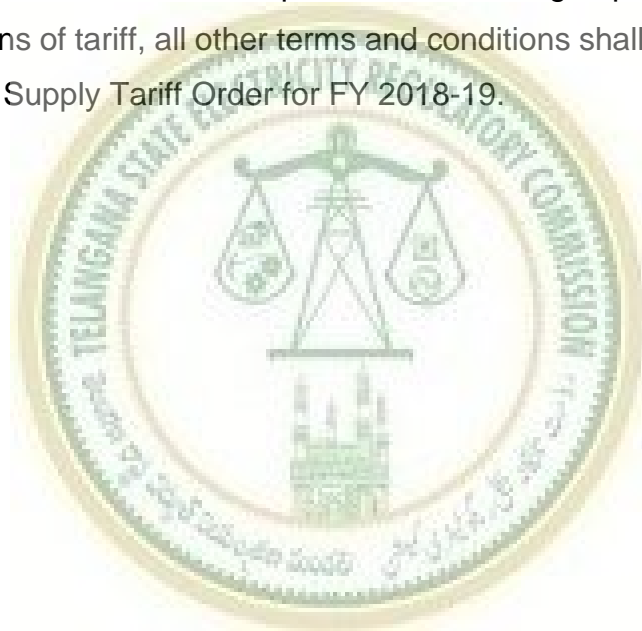
2.13.7 The DISCOMs requested the Commission to approve kVAh billing under LT-III and LT-IX category for the consumers with connected load of 10 kW and above.

2.13.8 The DISCOMs requested the Commission to approve applicability of delayed payment charges for LT-VIII and LT-IX categories.

2.13.9 The DISCOMs requested the Commission to include the following condition with regards to LT and HT Temporary Supply:

*“The Minimum agreement period of 1 year shall not be made applicable to Temporary Supply Category under LT & HT.”*

- 2.13.10 The DISCOMs requested the Commission to approve the applicability of other miscellaneous charges, consumer security deposit and category specific terms and conditions to the LT-IX and HT-IX categories the same as that of LT-II(B) and HT-II categories respectively.
- 2.13.11 The DISCOMs have proposed mandatory prepaid metering for all Government services under various categories.
- 2.13.12 The DISCOMs have proposed the levy of Facilitation Charges of Rs.20000 per month or part thereof (at a rate of 5% increment every year) for providing under the head “*Other Charges in HT*” in order to meet the cost being incurred in providing the Open Access (OA) facility to the OA users.
- 2.13.13 The DISCOMs submitted that apart from the changes proposed to the terms and conditions of tariff, all other terms and conditions shall remain the same as in the Retail Supply Tariff Order for FY 2018-19.





## **CHAPTER 3**

### **ISSUES RAISED BY STAKEHOLDERS, RESPONSES OF PETITIONER AND COMMISSION'S VIEWS**

#### **3.1 OBJECTIONS/SUGGESTIONS ON FILINGS**

3.1.1 Two hundred and eighty four (284) stakeholders have filed objections/suggestions on the filings of the DISCOMs for determination of ARR and retail supply tariffs for FY 2022-23. The DISCOMs have filed the replies on the objections/suggestions received from the stakeholders. For the sake of clarity, the objections/suggestions raised by the stakeholders and responses of the DISCOMs have been consolidated and summarized issue-wise. The Commission has concluded all the objections/suggestions of the stakeholders and the responses to them by the DISCOMs.

#### **3.2 SALES PROJECTION**

##### ***Stakeholders' submissions***

- 3.2.1 The high electricity consumption growth rates projected by DISCOMs for FY 2022-23 do not appear to be supported by historical experience and requires moderation. Arbitrary escalation has been considered by the DISCOMs for projecting the sales for FY 2021-22 (H2) and FY 2022-23. The growth rates considered are higher than CAGR of 4.42% considered by the Central Electricity Authority (CEA) for demand projections for the period from FY 2021-22 to FY 2026-27 for Telangana State under the Optimistic scenario.
- 3.2.2 The growth rate of LT domestic consumers needs to be reviewed considering the growth rate of less than 5% in FY 2021-22 and easing of COVID-19 restrictions.
- 3.2.3 TSSPDCL, while projecting the sales for LT-V Agricultural sales have not submitted the basis of arriving at the electricity consumption. TSNPDCL has submitted that the ISI methodology approved by the Commission has been considered for projection of agricultural sales. The DISCOMs have stated that release of new services is one of the reasons for increase in agricultural sales, however, the percentage increase in number of agricultural connections and percentage growth in sales over the period FY 2016-17 to FY 2018-19 do not justify the DISCOMs claims regarding electricity consumption by agricultural



consumers.

- 3.2.4 The DISCOMs in the case of projection of sales for Lift Irrigation Schemes (LIS) have requested the true up of actual sales and revenue for this category be allowed as an exception in the coming year and further requested the Commission to consider necessary additional provisions to the existing clauses in Regulation No.4 of 2005. In this regard, there has to be a necessary coordination between the irrigation department and the DISCOMs for synchronization of commissioning of LIS and necessary arrangements for supply of required power to them with obligations on both sides to stick to their respective schedules and to bear the burdens of deviations that may arise in practice. Such burdens should not be imposed on the consumers of power and there is no scope for an exception. Therefore, the Commission is requested not to make any additional provisions to the existing clauses in the Regulation.
- 3.2.5 Impact of increasing cultivation under lift irrigation/surface irrigation on electricity consumption by agricultural consumption has to be carefully analyzed and accordingly the sales have to be approved for the DISCOMs.
- 3.2.6 The DISCOMs have projected very high consumption growth rates in the case of LIS. Together, the DISCOMs have projected the increase of 204% over the sales during FY 2021-22. Considering the record and general trend of the irrigation department in implementation of projects, with longer delays, the sales projected are unrealistic and inflated. Further, lot of developments are going under way like regulation of irrigation pumps as per the water needs and such developments are expected to bringdown the electricity consumption by LIS in the State. Further, the capacities of transmission and distribution networks created for meeting the projected requirements of the LIS would remain stranded and availability of surplus power would increase. The Commission may seek the status of upcoming LIS from the irrigation department for appropriate sales projection.
- 3.2.7 TSSPDCL, while projecting the sales for EV category, based on the number of services released in FY 2020-21 and H1 of FY 2021-22, has concluded to presume the growth rate of 10%. Such assumptions are made without examining any empirical data and/or considering the current dynamics of the sector. It is to be noted that the policies of both State and Central governments