

## TELANGANA STATE ELECTRICITY REGULATORY COMMISSION #11-4-660, 5th Floor, Singareni Bhavan, Red Hills, Khairatabad Hyderabad 500 004

## PUBLIC NOTICE

In the matter of passing consequential order as per the Hon'ble Appellate Tribunal for Electricity (APTEL) order dated 08.03.2022 for determining the variable component of tariff for biomass and bagasse-based power plants for the period from 01.04.2014 to 31.03.2019.

The Hon'ble Appellate Tribunal for Electricity passed order on 08.03.2022 in Appeal Nos 250 of 2014, Appeal No 284 of 2014, Appeal No 297 of 2014 & Appeal No 42 of 2016 filed by the Biomass Energy Developers Association & Others, South Indian Sugar Mills Association & Others and APSPDCL & APEPDCL on the orders passed by the Commission on 16.05.2014 and 19.07.2014 In the said order, inter alia the Hon'ble APTEL gave the following directions:

- i. The Commission shall consider afresh the detailed submissions made by the Appellant which require reasonable consideration and issue revised fuel cost for Biomass-based plants on the basis of the actual market purchase price, the composition of fuel mix, and related parameters.
- ii. The State Commission shall relook at the fuel cost escalation for Biomass based plants based on the contention of the appellant and formulate a revised escalation index.
- iii. The Commission shall review the bagasse fuel cost considering the submissions of the Appellants and the Respondents inter-alia the prevailing market price of the bagasse and the landed market cost of fuel, as available, for the coal-based generating stations.

2. In view of the above directions of the Hon'ble APTEL, the Commission has initiated action by constituting a Study committee for determining the normative parameters for Biomass and Bagasse based power plants.

3. Study committee recommendations report on normative parameters for determining the variable component, is placed on the website of the Commission.

4. The Commission proposes the following normative parameters based on the study committee recommendations for determining the variable component of tariff for biomass and bagasse-based power plants for the period from 01.04.2014 to 31.03.2019.

| SI.<br>No. | Parameter Description                    | units    | Proposed normative parameters |
|------------|--|----------|-------------------------------|
|            | A. Biomass                               |          |                               |
| 1          | Station Heat Rate                        | kcal/kwh | 4200                          |
| 2          | Gross Calorific Value of fuel            | Kcal/kg  | 3203                          |
| 3          | Fuel Price base year<br>(FY 2014-15)     | Rs/MT    | Rs.2855/-                     |
| 4          | Specific Fuel Consumption                | Kg/kWh   | 1.311                         |
| 5          | Fuel Cost Escalation                     | %        | 2%                            |
| 6          | Auxiliary consumption                    | %        | 10%                           |
|            | B. Bagasse                               |          |                               |
| 7          | Fuel Cost of Bagasse based power plants: | Rs/ MT   | Rs.1489/-                     |

5. The Commission intends to invite views/objections/suggestions from any interested persons/stakeholders in respect of the above. Copies of the orders passed by the Commission on 16.05.2014 and 19.07.2014 and APTEL Order dated 08.03.2022 in Appeal Nos 250 of 2014, Appeal No 284 of 2014, Appeal No 297 of 2014 & Appeal No 42 of 2016 are placed on the website of the Commission (<u>www.tserc.gov.in</u>). Views/Objections/ suggestions may be sent to the Secretary, TSERC on or before 21-06-2023, 5:00 P.M.

6. The subject matter will be taken up for public hearing **on 28-06-2023 at 11:30** A.M. in the Court hall of the Commission

Place: Hyderabad Date:01.06.2023 Sd/-Commission Secretary (FAC)