

Chairman & Managing Director/TSSPDCL responses to the objections raised by various objectors on TSSPDCL's filing of ARR & Proposed Tariffs for Retail Supply Business including Cross Subsidy Surcharge for FY2022-23 during the Public Hearing held on 23rd February, 2022 at Kalyana Sai Gardens, Wanaparthy

List of Objectors (Sri/Smt./M/s.):

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| 1. G.Vinod Kumar | 12. K.Suresh |
| 2. Ramadevi | 13. M.Rajeshwar Reddy |
| 3. Sreedhar Reddy | 14. Chenna Ramulu |
| 4. Suryavansham Giri | 15. Md.Jabbar, CPM Party |
| 5. P.Mahesh | 16. Ummala Ram |
| 6. N.Vijay Kumar | 17. Venkat Reddy |
| 7. Veeraswamy | 18. Ananth Reddy |
| 8. Bapu Reddy | 19. G.Nagaraju |
| 9. B.Narasimha, Venkat Sai Industry | 20. Muneendra |
| 10. Ramesh Reddy, Telangana Rice Mills Association | 21. Anjaneyulu |
| 11. M.Gopal Reddy | |

CMD/TSSPDCL Reply:

Representations were received from the respective objectors and accordingly, proper action will be taken

1. Shifting of Lines over Houses:

- There is no provision for shifting of lines free of cost by the department. Hence, it is requested for the concerned people/consumers to apply for such shifting which will be done at an optimal cost. Further, the possibility of covering it under Govt. Scheme will be examined.

2. Loose Lines:

- It is to mention that, in the last 4 years 3,35,263 inter poles were erected under Pallepragathi/Pattanapragathi works.
- Rectification works (loose wires, inter-poles) in Agl fields will be taken up simultaneously.
- Loose lines in the fields are due to breakage of stay wires. Hence, it is requested to the consumers not to destroy the stay wires. Further, Instructions will be issued to the field accordingly for maintenance of stay wires.

- Action plan will be designed for rectification of works relating to Agl.
- Further, it is to mention that 25kVA DTRs are used extensively for better voltage regulation
- Particular case of Raichur Gadwal (usage of unauthorized DTRs by consumers) – Assembled DTRs are quality deficient. It is requested to the consumers to bring in notice of the same replace with DTRs provided by the department for qualitative supply.

3. Delay in Release of Agl connections:

- Agl connections are provided free of cost (i.e., including DD amount of Rs.5000/- paid by the consumer & Departmental Subsidy of Rs.70,000/-) for material requirement upto 3 poles. If the release of supply requires additional material, ORC amount is collected.
- Limitations on release of Agl services per year on the Discom due to the financial constraints. Further, the problem is more aggravated in the areas of canal cultivation viz., districts of Wanaparthi, Nagarkurnool & Gadwal due to the receipt of large number of applications. Hence, applications are released as per seniority (district wise).
- Further, it is planned to mobilize financial resources for the same.

4. Removal of Iron poles:

It is practically difficult to replace all the iron poles in view of financial feasibility to the Discom. Hence, the poles that are extremely damaged will be replaced. It is to mention that, major portion of the Old wires/Joints in villages & Towns were replaced under DDUGJY scheme.

5. Ex-gratia:

Pending Ex-gratia applications will be processed immediately and the Ex-gratia relating to Smt.Renuka is sanctioned and the same will be disbursed immediately.

6. Linemen for each village:

Financially not feasible and hence as per the work load, staff is being recruited and allocated.

7. Metering & Billing Related:

- Slab shift due to non-periodical meter reading - Based on the inbuilt software, Billing is done for 30 days only even though meter readings are not taken for 30 days.

- HT billing to Rice Mills if load limit exceeds 100 HP occasionally - If load limits exceeds more than once, it will be billed in HT as per the directions of TSERC.
- Enhancing Load limits for Rice mills for LT (100 HP to 150 HP) and HT (150 HP to 200 HP) – It is under the scope of TSERC

8. Tariff & Subsidy Related:

- Tariff for LT Domestic > Gated communities (HT VI) - Gated communities are in HT category with lower Cost of Service compared to LT Domestic. Further, they are charged with fixed charges along with energy charges.
- Subsidy for LT-Domestic with consumption upto 101 units/month (Extension to BC, EWS) – It is related to GoTS policy matter. Further, the same is made applicable to the eligible SC/ST consumer as per the guidelines/instructions of SC/ST Corporation. In this regard, a press note will be issued subsequently.

Further, the non-revision of tariff from 5 years and increased cost commitments of the Discom made the tariff hike inevitable and hence, the Discoms have submitted the present proposals of tariff hike before the Hon'ble TSERC.

Chairman & Managing Director/TSSPDCL responses to the objections raised by various objectors on TSSPDCL's filing of ARR & Proposed Tariffs for Retail Supply Business including Cross Subsidy Surcharge for FY2022-23 during the Public Hearing held on 25th February, 2022 at FTCCI Hall, Red Hills, Hyderabad

List of Objectors (Sri/Smt./M/s.):

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| 1. D. Sridhar Babu, MLA | 16. K.Kumar |
| 2. Venugopal | 17. Katta Venkat Reddy |
| 3. Swamy Jaganmayananda | 18. Narayan Reddy |
| 4. Mallikarjuna Rao, South Central Railway | 19. Pentayya |
| 5. Revanth Reddy, MP | 20. K Jagdeesh |
| 6. Telangana Ferro Alloys | 21. Shankarayya |
| 7. Y. Chandrasekhar | 22. P. Padma, General Secretary, TS Farmers Association |
| 8. FTCCI | 23. Pandari Varma, Sarvotham Care |
| 9. Raghunandhan Nair, TCS | 24. A.Venkatesh |
| 10. Sathi Reddy | 25. Laxmi Narayana, Retd.ED/CSPDCL |
| 11. Thimma Reddy | 26. Krishna Reddy |
| 12. Sampath Rao, Bharatiya Kisan Sangh | 27. Ranjit Kumar, Joule Point, EV Charging |
| 13. Megha Engineering and Infra Structure | 28. Gopayya |
| 14. L&T Metro Rail Ltd. | 29. G.Naga Raju |
| 15. Fortum Charge and Drive India Pvt. Ltd. | |

CMD/TSSPDCL Reply:

Representations were received from the respective objectors and accordingly, proper action will be taken.

1. Delay in release of Agl services:

- There are financial constraints on the licensee for releasing Agl services (i.e., Rs.350 to Rs.400Cr./year). Hence, leading to the delay in release of services.
- This is particularly predominant in areas with canal cultivation where applications are more viz., Nagarkurnool, Gadwal, Wanaparthy, Suryapet, Huzurnagar & Miryalaguda.

- In this financial year, 60,000 Nos. of services are released and further 10,000 Nos. of services are expected to be released.
- It is to mention that, Agl connections are provided free of cost (i.e., including DD amount of Rs.5000/- paid by the consumer & Departmental Subsidy of Rs.70,000/-) for material requirement upto 3 poles. If the release of supply requires additional material, ORC amount is collected.
- Further, the departmental subsidy was increased from Rs.50,000/- per connection to Rs.70,000/- after the formation of Telangana State. It is difficult to further enhance such subsidy amount.

2. Metering & Billing Related Issues:

- Man power utilization in the company as per the financial feasibility.
- Simultaneous collection during billing is not feasible due to man power constraints that shall be leading to delay in billing the services in a particular area. Further, 70% of the bill payments are received online and the wide advertising shall be given to encourage online payments.
- Slab shift due to non-periodical meter reading - Based on the inbuilt software, Billing is done for 30 days only even though meter readings are not taken for 30 days
- Development charges are levied as per the prevailing regulations & GTCS.
- HT billing to Rice Mills if load limit exceeds 100 HP occasionally - If load limits exceeds more than once, it will be billed in HT as per the directions of TSERC.

3. Financials Related:

- The outstanding loans of the Discoms as on 31.03.2021 are Rs, 31,701 crores.
- Discoms are receiving subsidy from GoTS every month as approved by TSERC

4. Operational Related Issues:

- Action plan (comprising short, medium and long term plan) shall be designed for Rectification works of loose lines relating to Agl.
- Shifting of lines shall be done as per the regulations after payment of relevant charges.
- Ex-gratia for accidents – Instructions were issued to field to clear the pending cases and proper action shall be taken in due course of time.

- High AT&C losses in Siddipet & Gajwel due to the prevailing dues of LIS Department in the respective circles.

5. ARR & Tariff Related:

a. Sales projections-

- Agl sales are projected as per the ISI methodology in accordance with the directions of the Hon'ble commission.
- The Discoms have considered the LIS sales projections in confirmation with the ICAD Department
- Further, LT Domestic sales are projected with a growth rate of 7% based on the historical growth rate and anticipating a higher load in view of domestic connections released this year (i.e., 4,50,000 Nos. till date – 50% higher compared to normal years)

b. Power Purchase Projections –

- The Discoms have entered into PPAs with the solar power generators through E-tendering process in a transparent manner and further, the solar power generation rates were the lowest at that time.
- PPAs with Solar power generators were planned to meet the needs of Agl consumers exclusively. Such prudent planning had led the state to be one of the leaders in renewable energy in the country.
- Hydel generation projections are lesser based on the average generation for last 5 years.

c. Tariff Proposals –

- The methodology adopted for Green Tariff proposals are based on the MERC order.
- Grid Support Charges (GSC) are necessary in view of ancillary service that is being provided to the captive power plants & the grid stability. Further, the proposed GSC is lower compared to other states.
- Ferro Alloys – Separate category is present only in TS, AP with a condition of Deemed Energy Charges. However, the consumers are defaulting the above mentioned charges and further, leading to legal complications. In view of the above, it is proposed to merge the Ferro Alloys category (lower No.- existing 3 consumers) with Industry.
- HMR – Concessional agreement does not necessitate the Discom to provide supply at a tariff lower than Cost of Service. Accordingly, the licensee has proposed the tariff for HMR.
- **Tariff Hike** – Comparison of Domestic tariffs with major states reveal that, TS has one of the lowest tariffs across the country. Accordingly,

the Discoms have filed the present tariff proposals before Hon'ble TSERC after duly comparing the existing tariffs in the states with various major states such as Gujarat, Maharashtra, Uttar Pradesh, West Bengal, Karnataka, Rajasthan etc.