SRM.134 8 2022

BEFORE THE TELANGANA STATE ELECTRICITY REGULATORY COMMISSION

Office at 5th Floor, Singareni Bhavan, Red Hills, Hyderabad - 500 004

1 7 DEC 2022

In the matter of

Application for condonation of delay for Filing of the Power Purchase True-up application for Retail Supply Business for the period FY 2017-18 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 thereof (adopted by TSERC).

In the matter of

NORTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITEDApplicant

The applicant respectfully submits as under

- 1. As per sub clause 12.5 of "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 notified by erstwhile APERC and adopted by TSERC, the Licensees shall include the final power purchase true-up of relevant year as an expense in the ARR Filings of the licensee immediately succeeding the ensuing year.
- 2. In this regard, it is to mention that, the Licensee in the ARR filing for the FY 2018-19 requested the Hon'ble Commission to allow to file the provisional true-up for the FY 2017-18 & final true-up for the FY 2016-17 separately in view of high degree of uncertainty involved in estimating

the truing up for FY 2017-18 due to 24 hours supply to agricultural consumers w.e.f. 01.01.2018 as well as energization of Lift Irrigation (LI) schemes

- 3. Further, the Licensee has submitted an application to the Commission for making amendments to the Principal Regulation No. 4 of 2005 on 16.08.2017 wherein the licensee has requested the Hon'ble Commission to amend the regulation on True-up by allowing the actual agricultural sales in arriving Power Purchase cost True-ups so as to allow the DISCOMs to pass on the excess Power purchase cost in the ARR of Retail Supply Business. The matter was still under consideration by the Hon'ble Commission at that juncture.
- 4. Hence, to avoid any undue burden on the consumers, the licensees requested the Commission for filing of truing up in the ensuing year. (Ref: Pg 44 of RST for the FY 2018-19).
- 5. Eventually, the licensee had submitted the petition for ARR for Retail Supply Business for FY2019-20, FY2020-21 and FY2021-22 before the Hon'ble Commission dated 31.03.2021 with a request to condone the delay in filing the aforementioned petition within the stipulated timeline due to certain unavoidable situations that are beyond the control limit of the licensee viz., enforcement of Model Code of Conduct in view of elections to the Parliament, State Legislature, local bodies; non-operational of the Hon'ble commission for a certain period and further imposition of lockdown in the country in view of outbreak of pandemic COVID-19.
- 6. It is pertinent to mention that, the licensee had once again filed the petition for Amendment of Regulation No. 4 of 2005 on 30.09.2019 requesting the Hon'ble Commission proposing certain additions to the uncontrollable items in the ARR and modifications to the existing uncontrollable items viz., considering actual Agriculture Sales, actual T&D losses etc., for passing through the gains or losses of the licensees to cope up with the present day situations.

- In view of the aforementioned proposals, the licensee could not file the power purchase true-ups for FY 2017-18 along with the filings of ARR for Retail Supply Business of the licensee for FY2019-20 to FY2021-22 dated 31.03.2021.
- 8. Eventually, the Hon'ble Commission has dismissed the petition vide order in O.P.(S.R.) No.33 of 2019 dated 02.06.2021 stating that the regulation which is termed as subordinate or delegated legislation, cannot be amended or varied by invoking power either through the adjudicatory proceedings or inherent rule making power at the instance of any of the stakeholders and further opined that the submissions of the TSDISCOMs would be treated as suggestion/input as and when the Commission initiates the process of adding to or amending or varying regulation.
- 9. The licensee could not file the power purchase true-ups in the ARR filings for FY22-23 to avoid undue burden on the consumers in view of proposed tariff hike. Hence, the licensee proposed to file the power purchase true-ups separately to pass-on the burden in the ensuing tariff order.
- 10. Further, the licensee had received loss funding pertaining to the FY 2017-18 (as per the Clause 8.1 of UDAY guidelines communicated by Ministry of Power vide letter dated 20.11.2015) from Government of Telangana in June 2022.
- 11. Due to the aforementioned reasons, the licensee could not file the power purchase true-ups in the stipulated timeline.
- 12. Hence, licensee humbly request the Hon'ble Commission to condone the delay in filing of the Power Purchase True-up application for Retail Supply Business for the period FY 2017-18 in view of involvement of huge amounts.

Prayer

- 13. In the aforesaid facts and circumstances, the petitioner humbly prays the Hon'ble Commission to:
 - (i) Condone the delay in filing of the Power Purchase True-up application for Retail Supply Business for the period FY 2017-18 for the reasons stated above

Chief General Manager IPC & RAC TSNPDCL, Warangal.

BEFORE THE HONOURABLE TELANGANA STATE ELECTRICITY REGULATORY COMMISSION

Office at 5th Floor, Singareni Bhavan, Red Hills, Hyderabad - 500 004

Chief General Manages	FILING NO	/2022
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In the matter of

NORTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITEDApplicant

AFFIDAVIT OF APPLICANT VERIFYING THE ACCOMPANYING PETITION

- I, Sri T. Madhusudhan, S/o T. Laxmipathi, aged 57 years, Occupation: Chief General Manager (IPC&RAC), TSNPDCL, Hanumakonda, R/o Hanumakonda do solemnly affirm and say as follows:
- I am Chief General Manager (IPC&RAC)/TSNPDCL, I am competent and duly authorized by TSNPDCL to affirm, swear, execute and file this petition.
- 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.

DEPONENT

Chief General Manager

IPC & RAC ISNEDCI

VERIFICATION

The above named Deponent solemnly affirm at Hanumakonda on this day of December, 2022 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 General Manager IPC & RAC TSNPDCL, Warangal.