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BEFORE THE HONOURABLE TELANGANA STATE ELECTRICITY REGULATORY  
COMMISSION AT ITS OFFICE AT DOOR NO.11-4-660, 5<sup>TH</sup> FLOOR, SINGARENI  
BHAVAN, REDHILLS, HYDERABAD - 500 004.

File No:  
Case No: O.P.No.76/2015

IN THE MATTER OF:

Filing of AGGREGATE REVENUE REQUIREMENT  
(ARR) AND FLING FOR PROPOSED TARIFF FOR THE  
RETAIL SUPPLY BUSINESS FOR THE F.Y.2015-16 by  
Southern Power Distribution Company of  
Telangana Limited (TSSPDCL)

Southern Power Distribution Company of Telangana  
Limited represented by Its Chairman and Managing Director,  
Having its corporate office at Door No. 6-1-50,  
MINT COMPOUND, HYDERABAD - 500 063.

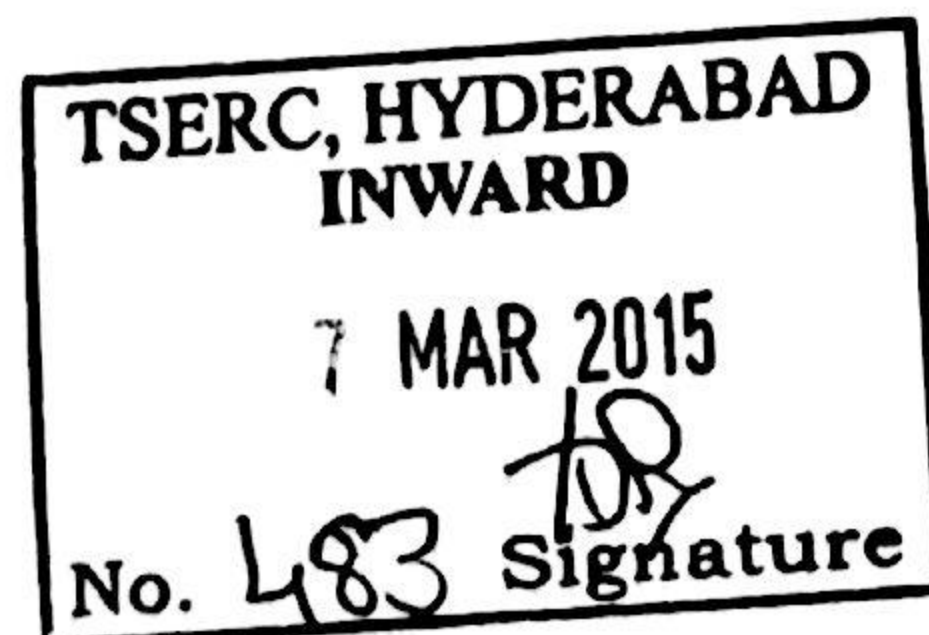
.... Applicant

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Date:- 07-03-2015

*Prasad*  
Objector



BEFORE THE HONOURABLE TELANGANA STATE ELECTRICITY REGULATORY  
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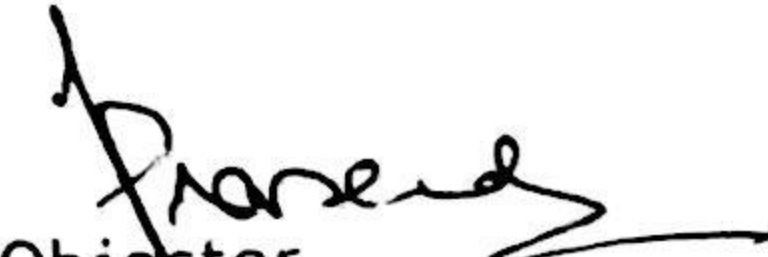
Filing of AGGREGATE REVENUE REQUIREMENT  
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Name & Full Address of the Objector	Brief Details of Objection/s & Suggestion/s	Objections against Tariff Proposals of TSSPDCL	Whether Copy of Objection & Proof of Delivery at Licensee's Office enclosed (Yes/No)	Whether Objector wants to be heard in person (Yes/No)
Dhulipalla V.A.S.Ravi Prasad, Advocate, B2-106, Survey No.117 Part, Tatti annaram, GSI(SR)Post, Hyderabad - 500 068. Mobile No.9440234074	Proposed increase in the Demand Charges, TOD charges and customer charges are not scientific, contrary to the public interest, arbitrary as such, the increase will have cascading effect on the consumers.	YES	YES	YES

Date: - 07-03-2015

  
Objector



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STATEMENT OF OBJECTIONS TO THE AGGREGATE REVENUE REQUIREMENT  
(ARR) AND FLING FOR PROPOSED TARIFF FOR THE RETAIL SUPPLY BUSINESS  
FOR THE F.Y.2015-16 by Southern Power Distribution Company of Telangana  
Limited (TSSPDCL) VIDE O.P.NO.76 OF 2015.

It is respectfully submitted as under:

1. At the outset, we submit that the proposals submitted by the Southern Power Distribution Company of Telangana Limited (for brevity TSSPDCL/"DISCOMs") for determination of AGGREGATE REVENUE REQUIREMENT (ARR) AND FLING FOR PROPOSED TARIFF FOR THE RETAIL SUPPLY BUSINESS FOR THE F.Y.2015-16 with the of Telangana State Electricity Regulator Commission (for brevity "Commission") are not strictly in accordance with the rules and regulations framed from time to time and the provisions of The Indian Electricity Act,2003 and The Electricity Rules,2005 and



Business regulations of Andhra Pradesh Electricity Regulatory Commission and against the interest of all types of Consumers.

2. It is respectfully submitted that DISCOMs have submitted their proposals before the Learned Commission for determination of AGGREGATE REVENUE REQUIREMENT (ARR) AND FLING FOR PROPOSED TARIFF FOR THE RETAIL SUPPLY BUSINESS FOR THE F.Y.2015-16 and the same have been taken on Record by the learned Commission in O.P.No.76 of 2015. On 11-02-2015 consequent upon which, the Commission has issued Press release in news paper informing that the Public hearing will be held on 13-03-2015 and accordingly, fixed 07-03-2015 as the last date for submission of objections/suggestions.
3. It is respectfully submitted that even though, at present, the power supply position in Telengana is satisfactory without any power cuts being imposed - the proposed increase in power tariff effective 2015-16 will definitely put additional burden on the consumers.
4. It is respectfully submitted that as per the proposal of the TSSPDCL, the aggregate revenue requirement for F.Y.2015-16 was stated to be Rs. 18,874.82 crores. TSSPDCL proposes to introduce tariff





rationalisation across all categories and increase in tariffs as mentioned below:

The Licensee has proposed a lower increase in energy charges for consumers with monthly consumption in the range 101-200 units (-4%). For Domestic consumers with monthly consumption >200 units, the licensee has proposed an increase of 5.75% in the existing energy charges. The Applicant proposed the following tariff structure for the domestic consumers

LT I (A): UPTO 50 units/month Rs.1.45/unit

LT I (B): Above 50 units/month and Up to 100 Units/month

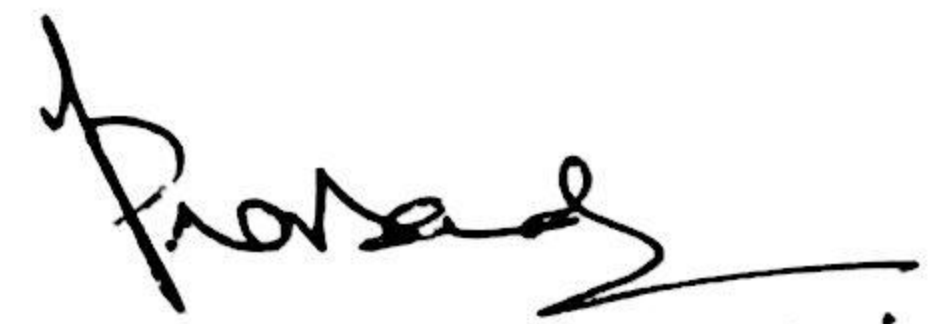
- Up to 50 Units per month - 1.45/Unit
- 51-100 Units per month - 2.60/Unit

LT I(C): Above 100 Units/Month and Up to 200 Units/Month

- Up to 50 Units per month - Rs. 2.70/Units
- 51-100 - Rs.2.70/Unit
- 101-150 - Rs. 3.75/Unit
- 151-200 - Rs. 3.75/Unit month

LT I (D) : Above 200 Units/Month

- Up to 50 Units per month - Rs. 2.75/Units
- 51-100 - Rs.3.44/Unit
- 101-150 - Rs. 5.16/Unit
- 151-200 -Rs.5.95/Unit
- 201-250 - Rs.6.50/Unit
- 251-300 - Rs.7.28/Unit
- 301-400 -Rs.7.80/Unit
- 401-500 -Rs.8.33/Unit
- >500 -Rs.8.86/Unit



**HT VI – Townships and Residential Colonies (for all Voltage levels)**

- Proposed Demand charge:Rs.52.92/KVA/month

- Proposed Energy charges – Rs.6.01/unit

It is respectfully submitted that the DISCOM proposed to increase the tariff by 5.75% on LT consumers and this is burdensome on the LT consumers as they are already fastened with higher billing.

5. It is respectfully submitted that the Learned Commission may kindly note the following views and suggestions while determining the ARR Proposal and also Tariff Proposals:

A) There is no clarity how the categorization of consumers on the basis of consumption was taken and same is the case with the mode for arriving at the categorization. The proposed increase of tariff for the consumers who consume above 200 units is not proportionate and reasonable. The mid-segment will be hit hard and if at all, the categorization has to be done, there should be more categories and all the consumers above 200 units cannot be clubbed. The Proposed increase for the consumers consuming beyond 200 and up to 400 units should be fixed proportionately on the lines of increase proposed in the previous category and





the Learned Commission may be kind enough to consider the above submission and issue appropriate directions. It is further submitted that there are unorganized housing sector by various class of people, daily labourer, workers and other consumers whose consumption was never accounted for as this unorganized housing sector was never metered nor any steps were taken to regularly monitor the illegal connections like connecting during the night and disconnecting in the day time which is rampant in urban areas and this burden and cost of consumption is passed on to the other consumers and the individual consumers are worst hit by the above count. It is right time that the learned commission should consider appointing monitoring committees in various places to check fly by night connections so that there will be saving in the power consumption and cost of the actual power consumed is remitted to the DISCOMs. It is also further submitted that there has been lot of pilferage of power and so far DISCOMS have not bothered to conduct any study and correct statistics and take steps to prevent pilferage and unfortunately the cost of the Pilferage because of the negligence of the Discoms is passed on to the genuine consumers and thus, the honest consumers are taxed for their honesty.

A handwritten signature in black ink, appearing to read 'Pranesh', with a long horizontal line extending to the right.

- B) Discom has not followed a scientific approach to determine the revenue requirement, revenue and energy deficit and the figures on the above count are imaginary and intended to suite the requirements of the DISCOM.
- C) Compared to the previous years, the growth rate on actual ground has come down which is as per the statistics in the public domain. These facts have not been considered by the DISCOM for the energy deficit and power purchase.
- D) The increased tariff by DISCOMS is artificial. In this connection it is essential to note that the Government in the State of Delhi and which came into power again has reduced the tariff by 50% and ordered audit of the DISCOMS to find out the correctness or otherwise of revenue and expenditure of the DISCOM. It is therefore necessary that the learned commission should contemplate issuing orders for audit of the DISCOMS by the C&AG as is being done in state of DELHI and until such time, be pleased to direct that the present proposal to increase the rate to be held in abeyance.
- E) Private power producing companies are inflating the cost of coal and fuel etc., and thereby inflating the selling price of the





power under power purchase agreements. This is going unchecked and DISCOMS are buying the power from these private companies without appreciating the artificial hiking of the Purchase price by these companies.

F) The very fact that there is no uniformity in the purchase price of power per unit from various companies reveal that the DISCOMS are not trying to scrutinize the reasonableness of the price being quoted by the power producers. It is therefore suggested to have a mechanization to ascertain that the Power producing companies do not make unreasonable gains at the cost of the energy consumers. The learned commission may also contemplate appointing scrutinizers, persons from consumer's side and independent technical consultants to audit the power producing companies to ensure that these companies do not inflate the cost and expenses and thereby make unreasonable gains.

G) The DISCOMS have not made any exercise in ascertaining and arresting energy pilferage with the result, the cost of the pilferage is passed on to the consumers and the DISCOMS are being let off and allowed to pass on the additional cost arising on account of their negligence on to the consumers.



H) DISCOMS are also silent on Metering of agricultural consumers and consequential impact of the same on other consumers.

I) The learned commission's directives contained in tariff order for the year 2013 and 14 have not been complied with substantially by the DISCOM and its replies to the compliance of the above directive are evasive in most of the cases and on this count alone, the present ARR and Tariff proposal for to2015-16 could be held in abeyance till the Directives issued by the learned commission have been substantially complied with by the DISCOM. In this regard it is suggested that the learned commission may kindly appoint a committee with the representatives of each category of Consumers apart from the other members of repute and calibre to study and give a report on the compliance of the Directives of this learned commission by the DISCOM. For instance some directives of the learned commission reproduced by the TSSPDCL in its ARR & Tariff proposal for the FY2015-16 under FRESH DIRECTIVES at page no.88 TO 97 however, they have not been complied with by the Discom. It is also submitted that some of the directives issued by the Learned Commission in its order for the financial year 2012 - 2013 have also not been complied with by the Discom till date





and it is evidenced by the statements of the Discom in its proposal for the financial year 2015 - 2016.

- J) There are differences in the revenue loss shown to have occurred for 2013 - 2014 but the figures do not match as shown in the petition more particularly with reference to Rs.2135 crores in case of TSSPDCL and this needs to be explained by the DISCOMs.
- K) The sales reduction is shown as 12.97% in the petition but the same does not tally with the figures shown in tables and other places.
- L) The estimated gap in the prayer is 1293.56 crores for the year under review and the same does not match with the figures provided in the table in the petition. No rationale was given for imposing a tariff to consumers who consume less than 200 units and who consume more than 200 units.
- M) The cost of service is not reflected in the tariff proposed for both the domestic and industrial.
- N) Resorting to short term purchase will burden the consumers of all categories. The Discoms by this time should have a long term



plan but, every year, the Discoms resort to short term plans and burden the consumers and this is highly discriminating, irresponsible and without any concern for the suffering consumers. The Learned Commission may kindly take note of this concern and give appropriate directions to the Discoms for the long term plans and purchase of power at reasonable rates.

- O) The claims of the Discoms for recovery of the principal and interest thereon of the short-term loans during 2015-16 and/or thereafter from consumers through true-up or tariff as also FSA amounts from 2009-10 to 2011-12 are not permissible in the present application by the Discoms.
- P) Though then erstwhile APERC directed the Discoms to resubmit their ARR and tariff proposals in view of bifurcation of the State with updated details, the Discoms did not do so as such, the Discoms by virtue of their default and omission should not be permitted to recover carrying cost of Rs.132 crore for the year 2014-15 from the consumers.

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Q) Discoms have shown agricultural consumption exceeding the levels permitted by the Commission by 406 MU for TSNPDCL and an increase for 2014-15 to 37.28% from 32.87% in 2013-14; and by 1116.57 MU for TSSPDCL for the year 2013-14 and an increase for 2014-15 to 22.98% from 20.95% in 2013-14. Since the Government is giving subsidy including cross subsidy, the Commission should not permit true-up of expenditure for revised excess consumption for agriculture and the same should be provided as additional subsidy by the Government. Since the Government has agreed to provide substantial subsidy for 2015-16, the Discoms should explain what the above said subsidy covers and in the absence of the same, it has to be presumed that the same covers expenditure for revised excess consumption for agriculture.


R) Other objection/suggestions will be urged at the time of hearing.

For the reasons stated above and also, further grounds and reasons as may be discovered and urged later, either on the Consumer's own effort or from the papers and information submitted by the Discoms, during the course of prosecution of the cases, we pray that the Learned

A handwritten signature in black ink, appearing to read 'Prasad', with a horizontal line extending to the right.

Commission may consider the above objections and pass appropriate orders to reject or modify the proposals filed in O.P.No.76 of 2015 in the interest of justice.

Date: - 07-03-2015.  
Place:- Hyderabad.

  
Objector.



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I, Dhulipalla V. A. S. Ravi Prasad, S/o.Venkatappaiah, do hereby solemnly  
affirm and confirm that the contents in the objections/suggestions filed by  
me are true to the best of my knowledge, information and belief.

I request the Hon'ble Commission to provide me an opportunity to make a  
presentation in person during the public hearings on ARR and PROPOSED  
TARIFF FOR THE RETAIL SUPPLY BUSINESS FOR THE F.Y.2015-16.

Place: Hyderabad  
Date:- 07 .03.2015.

  
DEPONENT.