



TELANGANA ELECTRICITY REGULATORY COMMISSION
5th Floor, Singareni Bhavan, Red Hills, Lakdi-ka-pul, Hyderabad 500 004

ORDER

ON

**ANNUAL PERFORMANCE REVIEW OF
TRANSMISSION BUSINESS FOR FY 2022-23**

FOR

**TRANSMISSION CORPORATION OF TELANGANA LIMITED
(TGTransco)**

07.06.2024

Table of Contents

Chapter-1 Introduction.....	1
1.1 Background.....	1
1.2 Admission of Petition and Regulatory Process.....	4
1.3 Data Gaps and Applicant's Responses	4
1.4 Correspondence with TGTransco	4
1.5 Public Notice.....	5
1.6 Response to Public Notice	5
1.7 Public Hearing	Error! Bookmark not defined.
Chapter-2 Summary of Filings	7
2.1 APR for FY 2022-23.....	7
2.2 Financial Performance for FY 2022-23.....	7
2.3 Operation & Maintenance (O&M) Expenses.....	7
2.4 Depreciation.....	8
2.5 Taxes on Income	8
2.6 Return on Capital Employed (RoCE).....	9
2.7 Revenue	10
2.8 Aggregate Revenue Requirement (ARR) for FY 2022-23.....	10
2.9 APR of Technical Performance for FY 2022-23	11
Chapter-3 Issues Raised by Stakeholder, Responses of Applicant and Commission's View	14
3.1 Objections/Suggestions made on Filings	14
3.2 Availability.....	14
3.3 O&M Expenses.....	14
3.4 Interest During Construction (IDC)	15
Chapter-4 Analysis and Conclusions on APR for FY 2022-23.....	16
4.1 Regulatory Provisions	16
4.2 TRANSMISSION NETWORK.....	16
4.3 Operation and Maintenance (O&M) Expenses	17
4.4 Capitalisation	19
4.5 Regulated Rate Base (RRB)	20
4.6 Weighted Average Cost of Capital	21
4.7 Return on Capital Employed	22
4.8 Depreciation.....	23
4.9 Taxes on Income	24
4.10 Non-Tariff Income	25
4.11 Revenue Requirement for FY 2022-23.....	26
4.12 Summary of APR	26
4.13 Recovery of Revenue Gap/(Surplus).....	27
Annexure-I Public Notice.....	28
Annexure-II List of Stakeholders who submitted Written Objections/ Suggestions	31
Annexure-III List of Stakeholders who attended the Public Hearing held on 14.03.2024.....	32

List of Tables

Table 2.1: O&M expenses claimed by the Applicant	7
Table 2.2: Depreciation claimed by the Applicant	8
Table 2.3: Taxes on Income claimed by the Applicant	8
Table 2.4: ROCE claimed by the Applicant	9
Table 2.5: Revenue claimed by the Applicant	10
Table 2.6: Summary of APR as claimed by the Applicant	10
Table 2.7: Network addition during FY 2022-23 (including LIS)	Error!
Bookmark not defined.	
Table 2.8: Season-wise system load details for FY 2022-23	12
Table 2.9: Season-wise system load details for FY 2022-23	12
Table 4.1: Actual Addition of Network for FY 2022-23 submitted by the Applicants	17
Table 4.2: Variance in Employee expenses due to Pay revision and Terminal Benefits	18
Table 4.3: O&M expenses claimed and approved for FY 2022-23	19
Table 4.4: Capitalisation claimed and approved for FY 2022-23	20
Table 4.5: RRB claimed and approved for FY 2022-23	21
Table 4.6: WACC claimed and approved for FY 2022-23	22
Table 4.7: Return on Capital Employed claimed and approved for FY 2022-23	22
Table 4.8: Depreciation claimed and approved for FY 2022-23	24
Table 4.9: Tax on Income claimed and approved for FY 2022-23	25
Table 4.10: Non-Tariff Income as per audited accounts for FY 2022-23	25
Table 4.11: Non-Tariff Income claimed and approved for FY 2022-23	25
Table 4.12: Revenue Requirement claimed and approved for FY 2022-23	26
Table 4.13: Revenue gap/(surplus) approved for FY 2022-23	27

List of Abbreviations

A&G	Administrative and General
APR	Annual Performance Review
ARR	Aggregate Revenue Requirement
CAG	Comptroller and Auditor General of India
CERC	Central Electricity Regulatory Commission
FCC	Financial Completion Certificate
FY	Financial Year
Gol	Government of India
GoT	Government of Telangana
GFA	Gross Fixed Assets
I&CAD	Irrigation & Command Area Development
IEGC	India Electricity Grid Code
IND AS	Indian Accounting Standard
ISTS	Inter State Transmission System
kV	kilo Volt
LIS	Lift Irrigation Scheme
MAT	Minimum Alternate Tax
MoP	Ministry of Power
MVA	Mega Volt Ampere
MW	Mega-Watt
MYT	Multi Year Tariff
NLDC	National Load Despatch Centre
O&M	Operation and Maintenance
OP	Original Petition
OCFA	Original Cost of Fixed Assets
PCC	Optical Fibre Cable
PPA	Power Purchase Agreement
NCE	Non-Conventional Energy
PGCIL	Power Grid Corporation of India Limited
R&M	Repairs and Maintenance
ROCE	Return on Capital Employed
RoE	Return on Equity
RoW	Right of Way
RRB	Regulated Rate Base
Rs.	Rupees
SLDC	State Load Dispatch Centre
SRLDC	Southern Regional Load Dispatch Centre
STU	State Transmission Utility
TGERC	Telangana Electricity Regulatory Commission
TGTransco	Transmission Corporation of Telangana Limited
WACC	Weighted Average Cost of Capital



TELANGANA ELECTRICITY REGULATORY COMMISSION
5th Floor, Singareni Bhavan, Red Hills, Lakdi-ka-pul, Hyderabad 500 004

O. P. No. 2 of 2024

Dated 07.06.2024

Present

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

Transmission Corporation of Telangana Limited

... Applicant

The Transmission Corporation of Telangana Limited (TGTransco) filed Petition on 30.12.2023 for Annual Performance Review (APR) for FY 2022-23 for its Transmission Business in accordance with the directions given in Order dated 20.03.2020 on Aggregate Revenue Requirement and Transmission Tariff for 4th control period (FY 2019-20 to FY 2023-24), read with Regulation No. 5 of 2005 as adopted by TGERC in its Regulation No.1 of 2014.

The Petition having been taken on file, and having considered objections/suggestions of the stakeholders, issues that are raised during the Public Hearing held on 14.03.2024, responses of the Applicant, and all other relevant material, passed the following:

ORDER

CHAPTER-1
INTRODUCTION

1.1 BACKGROUND

1.1.1 With the enactment of Andhra Pradesh Reorganisation Act, 2014, the Telangana State has been carved out from the undivided Andhra Pradesh State as the 29th State of the Republic India on 02.06.2014.

- 1.1.2 The erstwhile Electricity Regulatory Commission which was functioning as joint regulatory body as per Section 92 read with the Twelfth Schedule of the Andhra Pradesh Reorganisation Act had notified 'Reorganisation' Regulation No.3 of 2014 on 26.05.2014, wherein clause 3 of the Regulation specified that "*All the notified regulations as well as their supplementary regulations/amendments, rules, orders proceedings, guidelines, memos, notifications, other instruments issued immediately before 2nd June, 2014 by the APERC for conduct of business and other matters shall fully & completely apply to the whole of the states of Telangana and Andhra Pradesh and shall similarly apply in relation to all matters falling within the jurisdiction of the Commission until they are altered, repealed or amended by the respective State Electricity Regulatory Commissions*".
- 1.1.3 In pursuant to provisions of the Andhra Pradesh Reorganisation Act, 2014, the then Government of Andhra Pradesh vide G.O.Ms.No.26 Energy (CC) Department, dated 29.05.2014 had created a separate Transco for Telangana State. Accordingly, Transmission Corporation of Telangana Limited was formed and got incorporated on 29.05.2014 under the Companies Act, 2013 for undertaking power transmission business in Telangana State. The Government of Telangana, under Section 31(1) of the Electricity Act, 2003 has notified Transmission Corporation of Telangana Limited (as the State Transmission Utility (STU) in the State vide G.O.Ms.No.1, dated 21.06.2014. TGTransco is presently carrying out solely, the Transmission business and SLDC activity as per the Licence No.1 of 2014 granted by the erstwhile APERC on Deemed Licence Conditions of Licensee, Transitional (Reorganisation) Regulations, etc.
- 1.1.4 In exercise of the powers conferred under schedule XII(c)(3) of AP Reorganization Act, 2014 under Section 92 of A.P. Reorganisation Act, 2014, read with Section 82 of the Electricity Act, the Government of Telangana (GoT) has constituted Telangana Electricity Regulatory Commission (TGERC) vide G.O.Ms.No.3, Energy (Budget), dated 26.07.2014, which came into existence on 03.11.2014.
- 1.1.5 The Commission (TGERC) has notified its first Regulation 'Adoption' Regulation No.1 of 2014, wherein clause 2 specifies that "All regulations, decisions, directions or orders, all the licences and practice directions issued

by the erstwhile Andhra Pradesh Electricity Regulatory Commission (Regulatory Commission for State 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 Regulations 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, dated 26.07.2014 constituting the Commission”.

1.1.6 In accordance with the above Regulation, all the regulations framed by erstwhile APERC will continue to apply for the State of Telangana.

1.1.7 The Commission in its Order dated 20.03.2020 in O.P.No.3 of 2019 on Aggregate Revenue Requirement (ARR) and Transmission Tariff for 4th control period (FY 2019-20 to FY 2023-24) had given directions to Applicant herein to file the Performance Review for each year of 4th Control Period before 31st December of the following year.

1.1.8 In compliance to the said directive the Applicant (Transmission Corporation of Telangana Limited), the State Transmission Utility and Transmission Licensee managing the Transmission business) has filed this Petition on 03.01.2024 for APR for FY 2022-23 with the following prayers to:

- a) Take the accompanying petition on Annual Performance Review (APR) for the FY 2022-23 for Transmission Business on record.
 - i) Consider the surplus of Rs.252.33 crore as pass-through by way of special appropriation in the next control period.
 - ii) Consider the depreciation on addition during the year from the date of capitalization during the year from the date of capitalization as per CERC Regulation No.33, vide notification No.L-1/236/2028/ CERC dated: 07.03.2019.
 - iii) Allow the entire capitalization amount in Regulated Rate Base (RRB) computation.

- iv) Consider to grant an incentive to the Applicant in terms of Clause 18(1) of Regulation No.5 of 2005, for maintaining transmission system losses below the approved loss bands during the last 4 years of 4th MYT period.
- b) Grant suitable opportunity to TGTransco within a reasonable time-frame to file additional material information if required.
- c) Consider the facts and circumstances of the present petition and pass an appropriate order.

1.2 ADMISSION OF PETITION AND REGULATORY PROCESS

- 1.2.1 The Petition was found to be generally in order as required under the (Conduct of Business) Regulations, 2015 (Regulation No.2 of 2015) and the same was admitted and taken on record by assigning the O.P.No.2 of 2024.

1.3 DATA GAPS AND APPLICANT'S RESPONSES

- 1.3.1 During scrutiny, the filings of the Applicant, certain information was found to be deficient in certain aspects. Subsequently, the Applicant submitted the additional information as sought by the Commission. The Commission has considered the original filings and the additional information submitted by the Applicant.

1.4 CORRESPONDENCE WITH TRANSMISSION CORPORATION OF TELANGANA LIMITED

- 1.4.1 The Commission in its letter No. TSERC/Secy/F. No. E-654728/D.No.50/24, dated 12.01.2024 informed the applicant that their APR petitions of SLDC activity & Transmission business were taken on record as O.P.No.1 of 2024 and O.P.No.2. of 2024 respectively and directed the applicant to publish a Public Notice in the format specified in two (2) Telugu, two (2) English and One (1) Urdu daily newspapers on 13.01.2024 inviting objections/suggestions, if any, by the affected or interested person(s)/stakeholders duly uploading their filings in their official website for facilitating interested person(s) to view/download and schedule of public hearing in the Court Hall of TGERC on 12.02.2024 from 11:00 AM onwards and 13.02.2024 from 11:00 AM onwards for Transmission business and SLC activity respectively.

1.4.2 The Applicant vide Lr. No. CE (Comml. & RAC)/SE(Plg.)/RAC/F.APR-22-23/D.No.117/23, dated 23.01.2024 requested to reschedule the public hearing by two (2) months and to communicate the revised schedule submitting the following reasons:

- i) The concerned wings of TGTransco are busy in the preparation of filings for 5th control period as per the new MYT Regulations, 2023.
- ii) A time of ten (10) days be given from the date of intimation from the Commission to the date of publication of the notice in the newspapers, because of change in the procedure to be adopted for publication of any notices.

1.4.3 The Commission vide letter No. TSERC/Secy/F.No. E-654728/D.No.87/24, dated 31.01.2024, informed that their request is not accepted and communicated new timelines for publication of a Public Notice in daily newspapers by 05.02.2024.

1.5 PUBLIC NOTICE

1.5.1 The Applicant, as directed by the Commission, issued a Public Notice (Annexure-I) in two (2) English , two (2) Telugu and one Urdu daily newspapers, informing the general public that the Applicant has filed the Petition for APR for its Transmission Business for FY 2022-23 before the Commission and inviting objections/suggestions on the filings of the Applicant from all the stakeholders and general public at large on or before 26.02.2024 by 5:00 PM and also informing that in this regard the Commission shall conduct a Public Hearing on 14.03.2024 from 11:00 hours onwards. The filings along with supporting material have been made available by the Applicant to the public at large including all stakeholders. The Public Notice, filings and supporting material were also hosted on the websites of the Applicant as well as the Commission.

1.6 RESPONSE TO PUBLIC NOTICE

1.6.1 In response to the Public Notice, objections/suggestions were received from One (1) stakeholder. The details of stakeholder who submitted objections/suggestions is enclosed as Annexure-II.

1.6.2 The Applicant was directed to give its response in writing to all the written objections received, by 26.02.2024 by sending the same to the respective

objector with a copy to the Commission before the scheduled date of Public Hearing.

- 1.6.3 The Commission has conducted Public Hearing on 14.03.2024. During the hearing, the Applicant made a brief presentation on the filings and then the Commission heard the stakeholders desiring to be heard. The details of stakeholder who attended the Public Hearing is enclosed at Annexure-III.



CHAPTER-2 Summary of Filings

2.1 APR FOR FY 2022-23

2.1.1 In compliance to the Directive No.3 in Order dated 20.03.2020 in O.P.No.3 of 2019 on Aggregate Revenue Requirement (ARR) and Transmission Tariff for 4th control period (FY 2019-20 to FY 2023-24), TGTransco has filed the following in the Annual Performance Review (APR) Petition for FY 2022-23:

- a) Financial Performance for FY 2022-23;
- b) Technical Performance for FY 2022-23.

2.2 FINANCIAL PERFORMANCE FOR FY 2022-23

2.2.1 TGTransco has submitted the following filings for its Transmission Business for FY 2022-23:

- Statement of variance with the Tariff Order for each item in the Aggregate Revenue Requirement (ARR) and reasons for variations;
- ARR for the year computed based on actual investments, interest and other costs;
- The surplus/deficit for FY 2022-23 has been arrived based on revenue earned for FY 2022-23.

2.3 OPERATION & MAINTENANCE (O&M) EXPENSES

2.3.1 The actual O&M expenses claimed by the Applicant is as shown in Table below:

Table 2.1: O&M expenses claimed by the Applicant

Rs.in crore

Particulars	Approved in MYT Order	Claimed	Deviation
Gross O&M costs	1130.28	1410.15	279.87
Employee cost		1292.54	
Administrative & General (A&G) expenses	1130.28	70.44	279.87
Repair & Maintenance (R&M) expenses		47.17	
Less: O&M Expenses capitalised	160.89	142.49	-18.40
Net O&M expenses	969.39	1267.66	298.27

2.3.2 The Net O&M Expenses for the year have been increased by Rs. 298.27 crore.

2.3.3 The O&M cost as per Tariff Order is arrived/computed based on O&M approved norms, whereas, the Company has submitted the actual O&M cost as per audited accounts for FY 2022-23.

2.3.4 Capitalization of expenses has been decreased due to change of policy in capitalization of Administration & General expenses from FY 2020-21 onwards as per Indian Accounting Standard IND AS 12 commented by C&AG.

2.4 DEPRECIATION

2.4.1 In compliance to the Commission's Directive No.5 in the Order dated 20.03.2020, the Applicant has changed depreciation policy duly charging depreciation as per the rates specified by Central Electricity Regulatory Commission (CERC) with effect from FY 2020-21. The depreciation for FY 2022-23 claimed by the Applicant is as shown in Table below:

Table 2.2: Depreciation claimed by the Applicant

Rs.in crore

Particulars	Approved in MYT Order	Claimed	Deviation
Depreciation	1245.29	1036.64	-208.65

2.4.2 The actual depreciation amount has been decreased due to:

- i) Change in Depreciation methodology and rates;
- ii) Less capitalisation during the year.

2.4.3 Depreciation has been arrived as per CERC depreciation rates under straight line method on opening assets and also on additions to assets during the year proportionately in accordance with CERC Regulations, 2019.

2.4.4 The Company requested to consider the depreciation on the additions during the year from the date of capitalization as per CERC Regulations, 2019.

2.5 TAXES ON INCOME

2.5.1 Tax on Income was calculated as per Clause 5.13.5 of 4th MYT Order at current rate of Minimum Alternate Tax (MAT) on the Return on Equity (RoE) @ 14% on 25% of actual Regulated Rate Base (RRB) in accordance with the Regulation No.5 of 2005:

Table 2.3: Taxes on Income claimed by the Applicant

Rs.in crore

Particulars	Approved in MYT Order	Claimed	Deviation
Income Tax	104.28	81.94	-22.34

2.5.2 Tax on income was calculated at current rate of Minimum Alternate Tax (MAT) on the Return on Equity (RoE) @ 14% on 25% of actual Regulated Rate base.

2.6 RETURN ON CAPITAL EMPLOYED (RoCE)

2.6.1 The Return on Capital Employed (RoCE) covers:

- (i) the interest charges on the debt portion; and
- (ii) RoE on the claimed RRB @ Debt Equity ratio of 75:25;

2.6.2 RoCE has been claimed by adding the actual interest charges (net of interest capitalised) and RoE @ 14% on 25% of claimed RRB. The RoCE claimed by the Applicant for FY 2022-23 as per the methodology specified in Regulation No.5 of ~~2015~~ 2005 is as shown in the Table below:

Table 2.4: ROCE claimed by the Applicant

Rs.in crore

Particulars	Approved in MYT Order	Claimed	Deviation
Assets		22900.11	
Original Cost of Fixed Assets (OCFA)		21296.49	
Additions to OCFA		1603.62	
Depreciation		8035.24	
Opening Balance		6998.60	
Depreciation during the year		1036.64	
Consumer Contributions		3769.01	
Opening Balance		3590.02	
Additions during the year		179.00	
Working Capital		156.29	
Change in Rate Base		193.99	
Regulated Rate Base (RRB)	14073.03	11058.15	-3014.88
Cost of Debt(Interest & Finance Charges)	1039.65	935.53	-104.11
Return on Equity @ 14% on 25% of RRB	492.56	387.04	-105.52
RoCE	1532.20	1322.57	-209.63

2.6.3 The depreciation for the year has been calculated on straight line method considering the depreciation rates as notified in CERC (Terms and Conditions of Tariff) Regulations, 2019.

2.6.4 The additions to OCFA as per the audited accounts for FY 2022-23 is Rs.1603.62 crore which is after adjustment of Asset withdrawals of Rs.121.13 crore during the year.

2.6.5 The RoCE for the year is computed considering the net interest expenditure at actual (i.e., after adjustment of interest capitalized and interest on working capital loans provided to TGDISCOMs). Whereas, RoE is considered as @ 14% on 25% of actual Regulated Rate Base as per Regulation No.5 of 2005.

2.7 REVENUE

2.7.1 The following is the position of Revenue for FY 2022-23 as claimed by the Applicant.

Table 2.5: Revenue claimed by the Applicant

Rs.in crore

Particular	Approved in MYT Order	Claimed	Deviation
Revenue from Transmission Charges	3398.66	3415.79	17.13
Other Income	452.51	545.36	92.85
Total	3851.17	3961.15	109.98

2.7.2 The total revenue for the company for the year increased to the extent of Rs.109.98 crore majorly due to increase in Non-Tariff Income (Other income). The increase in Non-tariff income is primarily on account of Interest on Inter corporate deposits for an amount of Rs.122.43 crore arranged to TGDIs for working capital requirement by borrowing short terms loans from Banks and Financial Institutions.

2.8 AGGREGATE REVENUE REQUIREMENT (ARR) FOR FY 2022-23

2.8.1 The total Aggregate Revenue Requirement (ARR) for FY 2022-23 claimed by the Applicant is as shown in Table below:

Table 2.6: Summary of APR as claimed by the Applicant

Rs.in crore

Particular	Approved in MYT Order	Claimed	Deviation
Expenditure	2479.85	2528.73	48.88
O&M expenses	1130.28	1410.15	279.87
Depreciation	1245.29	1036.64	-208.65
Taxes	104.28	81.94	-22.34
Less: Expenses Capitalised	160.89	142.49	-18.40
O&M Expenses Capitalized	160.89	142.49	-18.40
Net Expenditure	2318.96	2386.24	67.28
ROCE	1532.20	1322.57	-209.63
Gross ARR	3851.16	3708.81	-142.35
Non-Tariff Income	452.51	545.36	92.85
Revenue from Tariff	3398.66	3415.79	17.13
Total Revenue	3851.17	3961.15	109.98
Surplus/(Deficit)	0.01	252.34	252.33

2.8.2 The net expenditure of the company increases by Rs.67.28 crore due to increase in O&M cost.

2.8.3 RoCE has been decreased by Rs.209.63 crore due to reduction in RRB and thereby the Gross ARR decrease to the extent of Rs.142.35 crore.

2.8.4 The total revenue of the Company increased by Rs.109.98 crore on account of Non-tariff income which includes Interest on Inter corporate deposits arranged to TGDIs for working capital requirement by borrowing short terms loans from Banks and Financial Institutions.

2.8.5 Consequently, the company has earned a surplus of Rs.252.33 crore for FY 2022-23.

2.9 APR OF TECHNICAL PERFORMANCE FOR FY 2022-23

Capital works are being taken up for catering to new loads of distribution licensees, open access consumes, captive power plants and for evacuation of power from the up-coming generating stations. The construction of new 400 kV, 220 kV and 132 kV substations and connected lines are being executed with the funding of REC, PFC and internal funding. Further, Lift Irrigation Schemes (LIS) works were taken up by TGTransco under Deposit Contribution Works (DCW).

The Strengthening of the transmission system is being planned to improve the system voltage profile, decrease losses and to enhance the reliability of the system. Plan to improve transmission system performance consists the following activities:

- 2nd set of battery set is being installed in all 220 kV substations to have reliable transmission network.
- All the static relays in the control and relay panels are being replaced with numerical relays in the control & relay panels in a phased manner.
- Old conductor is being replaced with HTLS conductor to improve transfer capacity of transmission lines using existing towers.
- Emergency Restoration System (ERS) is being introduced for transmission lines.
- Special Protection Scheme (SPS) are being introduced to avoid the cascade tripping in the important grid connected substations.
- Installation of capacitor banks in the transmission system for reactive

power compensation.

2.9.1 The system load details for three seasons viz., summer, winter and monsoon are as follows:

Table 2.7: Season-wise system load details for FY 2022-23

Season	Occurrence of Maximum system Load			Occurrence of Minimum system Load	
	Date	System Load	System load continuously maintained above	Date	System Load
Summer	30.03.2023	15497 MW	8739 MW	02.05.2022	4688
Monsoon	26.09.2022	13191 MW	6003 MW	29.07.2022	3760
Winter	28.02.2023	14794 MW	7232 MW	30.11.2022	4266

Thus, the highest system peak demand recorded during summer season is 15497 MW on 30.03.2023 at 11:01 am and the lowest system demand recorded during monsoon season is 3760 MW on 29.07.2022, for FY 2022-23

2.9.2 The number and duration of supply interruptions on EHT lines during FY 2022-23 are shown in table below:

Table 2.8: Season-wise system load details for FY 2022-23

EHT line voltage	No. of interruptions	Total time of interruptions (hrs)	Average duration per interruption(hrs)
400 kV	21	306.87	14.61
220 kV	100	1273.75	12.73
132 kV	116	1363.05	11.75

2.9.3 The transmission system availability factor calculated as per guidelines of CERC of TGTransco system during FY 2022-23 is 99.98%.

2.9.4 The following steps have been implemented to improve the performance and monitoring of transmission system.

- Replacement of aged conductors in a phased manner, since conductor snapping and jumper failures are found to be the major causes for interruptions.
- Replacement of old and failed insulators on existing lines.
- Reinforcement of the conductor of overloaded lines, periodical tree cutting work to prevent falling of branches with conductor, conducting quarterly inspection of lines and timely rectification of defects noticed.
- Breakdown staff attending supply interruptions is arranged round the clock.

- Emergency vehicles are kept ready for breakdown staff round the clock to facilitate quick and timely deployment of staff and minimize the duration of interruptions.
- Safety appliances such as gloves, safety shoes, helmets, earthing rods are also provided to the breakdown staff with necessary T&P.
- Use of off-line signature preventive maintenance and line fault locators for locating the fault on lines during breakdowns.
- Carrying hot line works very effectively in the live line maintenance from 132 kV to 400 kV lines and sub-stations like replacement of damaged insulators, tightening of bolts and nuts of jumpers, shoe clamp, tension clamp and bay-to-bay jumper connections, etc., by adopting –
 - i) hot stick method-using insulated sticks;
 - ii) bare hand technique – using conductive suit along with insulated ladder.

CHAPTER-3

Issues Raised by Stakeholder, Responses of Applicant and Commission's View

3.1 OBJECTIONS/SUGGESTIONS MADE ON FILINGS

- 3.1.1 One (1) stakeholder has filed written objections/suggestions on the petition for APR of Transmission Business for FY 2022-23. The Applicant has filed replies on the objections/suggestions received from the stakeholder. The Commission has concluded all the objections/suggestions of the stakeholders made in writing as well as during the course of Public Hearing and the responses to them by the Applicant. For the sake of brevity, the objections/suggestions raised by the stakeholder and responses of the Applicant have been consolidated and summarised issue-wise for analysis and conclusion on APR for FY 2022-23 in this Chapter.

3.2 AVAILABILITY

Stakeholders' Submissions

- 3.2.1 The transmission system availability factor has been claimed as 99.98% whereas as per the available data workouts to 96.5%.

Applicant's Response

- 3.2.2 The transmission system availability factor is calculated in accordance with the CERC's Procedure for Calculation of Transmission System Availability Factor for a Month (TAFM) and workouts to 99.98%.

Commission's View

- 3.2.3 The Commission has taken note of the submissions of the stakeholder and reply of TGTransco.

3.3 O&M EXPENSES

Stakeholders' Submissions

- 3.3.1 The Commission has approved the normative O&M expenses for 4th control period in accordance with the provisions of Regulation 5 of 2005, with an escalation rate of 3.51% for each year of 4th control period. Therefore, the stakeholder requested to allow Net O&M expenses (as per actuals) claimed by the TGTransco as per provisions of Regulation 5 of 2005 after prudent check.

Applicant's Response

- 3.3.2 The Applicant submitted the actual O&M cost as per audited accounts for FY 2022-23 and increase in net O&M cost is due to pay revision to the employees (due as on 01.04.2022) which was not considered in the filings of MYT 4th control period, annual grade increments & DA and terminal benefits as per actuarial valuation.

Commission's View

- 3.3.3 The Commission has taken note of the submissions of the stakeholder and reply of TGTransco. The Commission has examined the issue in detail in subsequent Chapters of this Order.

3.4 INTEREST DURING CONSTRUCTION (IDC)

Stakeholders' Submissions

- 3.4.1 The stakeholder submitted that the works proposed to be carried out by TGTransco in 4th control period were not executed as per the schedule which result in increase of interest during construction (IDC). TGTransco may be directed to provide justification for delay in execution for works.
- 3.4.2 The stakeholder further requested the Commission to allow IDC as per justification provided by TGTransco for delay, after prudent check.

Applicant's Response

- 3.4.3 The Applicant has not submitted any reply to the above said comment of the Stakeholder.

Commission's View

- 3.4.4 The Commission has taken note of the submissions of the stakeholder.

CHAPTER-4

Analysis and Conclusions on APR for FY 2022-23

4.1 REGULATORY PROVISIONS

4.1.1 The ARR of Transmission Licensee for each year of control period shall contain the following items:

- Operation and Maintenance (O&M) expenses;
- Return on Capital Employed (ROCE);
- Depreciation;
- Taxes on Income;
- Corrections for “uncontrollable” items and “controllable” items; and
- Any other relevant expenditure.

4.1.2 The clause 5 of the Regulation No.5 of 2005 stipulates that till such time as there is complete segregation of accounts between SLDC activity and Transmission Business, the Transmission Licensee shall apportion its costs on the basis of an Allocation Statement.

4.1.3 TGTransco has filed the APR for FY 2022-23 in accordance with provisions of Regulation No.5 of 2005. TGTransco has also submitted its audited accounts for FY 2022-23 along with the Allocation Statement segregating its actual expenses and revenue between Transmission business and SLDC activity for FY 2022-23.

4.2 TRANSMISSION NETWORK

Applicant's Submissions

4.2.1 The Applicant has submitted that the transmission system of TGTransco as of March 31, 2023 consists of 6357 Circuit kMs of 400 kV lines, 9317 Circuit kms of 220 kV lines, 12141 Circuit kMs of 132 kV lines, 25 Nos. 400 kV sub-stations, 101 Nos. 220 kV sub-stations and 250 Nos. 132 kV sub-stations.

Commission's View

4.2.2 The Commission observed that there was ambiguity in the Applicant's submission and directed the Applicant to verify the same. In its reply to the Commission query, the Applicant vide mail dated 21st May, 2024 revised the details of network infrastructure as shown below:

Table 4.1: Actual Addition of Network for FY 2022-23 submitted by the Applicant

S. No.	Particulars	FY 2022-23			
		Opening	Addition	Addition under LIS	Closing
A	Lines (ckt km)				
1	400 kV		43.24	0	
2	220 kV		259.33	0	
3	132 kV		171.65	0	
	Total	26153.55	474.22	0	26627.77
B	Bays (No.)				
1	400 kV		3	3	
2	220 kV		14	3	
3	132 kV		35	6	
	Total	3169	52	12	3233

4.2.3 The Commission has considered the above submission for deriving the normative Operation and Maintenance expenses as detailed below.

4.3 OPERATION AND MAINTENANCE (O&M) EXPENSES

Applicant's Submissions

4.3.1 The Applicant has claimed O&M expenses of Rs.1267.66 crore as against the approved normative expenses of Rs.969.39 crore for FY 2022-23.

Commission's View

4.3.2 On prudence check, the Commission observed that TGTransco has claimed O&M Expenses as per audited accounts for FY 2022-23. The Commission examined the audited accounts of the Applicant and observed that increase in O&M Expenses is on account of increase in employee expenses due to pay scale revision and terminal benefits. The relevant extract of audited accounts of FY 2022-23 of TGTransco are as follows:

"21.1 The net defined benefits obligation towards Pension and Gratuity in respect of employees who are on roll as on 31.01.1999 lies with the Company and Master Trust in the ratio of 26:74. Accordingly, Company has obtained Actuarial Valuation reports and provided the liability in the books of accounts.

21.2 The expenditure accounted towards Leave encashment and Gratuity of employees joined after 31.01.1999 are accounted as per the actuarial valuation Reports. However, the actual contribution to Trusts towards Pension & Gratuity in respect of the employees appointed prior to 01.02.1999 was paid @33.15% and Contribution towards Gratuity in respect of employees appointed after 01.02.1999 was paid @6.08% on

Pay plus D.A.

- 21.3 *During the year Company has provided the liability towards terminal benefits (including Gratuity to Artisans) as per the Actuarial Valuation reports in the books of accounts by adapting maximum Gratuity Ceiling of Rs.16.00 lakh to GPF Employees as per TOO No 1623 dated 20.04.2023 (GOMs. No.56, Dt. 11.06.2021) and Rs.20.00 lakh in respect of EPF Employees and Artisans as per Gratuity Act, 1972.*
- 21.4 *Company has provided the Short-term medical liability as per Actuarial Valuation.*
- 21.5 *During the year Company has given Pay Revision to Employees and Artisans @7% of their existing Basic pay w e f. 01.04.2022 vide TOO Ms. No.1637 dt. 28.04.2023 and TOO.Ms. No 1633 dt. 2.704.2023 respectively. Due to which there is an increase in Employee cost by 13.37% in Basic Pay, 58.72% in HRA and 27.78% in other allowances.”*
- 4.3.3 Clause 10.4 of Regulation No. 5 of 2005 stipulates O&M Expenses as controllable factor. Accordingly, the Commission computed the normative O&M expenses for FY 2022-23 by applying the O&M norms for transmission lines and bays approved in MYT Order and considering the actual transmission Lines (ckt km) and Bays (No.) submitted by the Applicant in its revised submissions. The normative O&M expenses for FY 2022-23 works out to be Rs 887.35 Core.
- 4.3.4 The Commission observed that there is large variation between the normative and the actual O&M expenses claimed in the Petition. Consequently, the Commission directed the Applicant to submit the justification for this variance along with supporting documents. In reply, the Applicant submitted in their additional information that net O&M expenses for FY 2022-23 have been increased mainly due to pay revision and terminal benefits. The details are as follows:

Table 4.2: Variance in Employee expenses due to Pay revision and Terminal Benefits (Rs Crore)

Particular	Amount
Increase in Employee Cost due to Pay revision	147.8
Increase in Actuarial Valuation, Terminal Benefits due to Pay Revision	88.25
Increase due to Annual Grade Increment & DA and Other Employee Costs	43.82

- 4.3.5 The Commission noted that the primary reason for the increase in the O&M expenses from the approved O&M expenses is due to the Pay Revision and Actuarial Valuation Liability. As this variation is beyond the control of the Applicant and depends on the pay revision guidelines as per the Government

of Telangana the Commission finds its prudent to allow the pay revision and terminal benefits on actuals for FY 2022-23 as per the audited accounts which amounts to Rs. 236.05 Crore (Rs 147.8 Crore plus Rs 88.25 Crore) in addition to normative O&M expenses computed based on the actual transmission Lines (ckt km) and Bays (No.) in accordance with the Regulation 05 of 2005. Whereas the increase due to Annual Grade Increment & DA and Other Employee Costs are already covered in the normative O & M expenses and hence the same are not allowed separately.

4.3.6 The Commission observes that the recomputed normative O&M expenses considering the actual network addition by the applicant including uncontrollable expenses due to pay revision and actuarial valuation is lower than the actual O&M expenses. Therefore, the Commission deems it appropriate to approve the normative O&M expenses plus uncontrollable O&M expenses. The O&M expenses claimed by the Applicant, the recomputed O&M expenses and those approved by the Commission are shown in the Table below:

Table 4.3: O&M expenses claimed and approved for FY 2022-23

Rs.in crore

Particulars	Approved in MYT Order dated 20.03.2020	Claimed in APR	Normative O&M on actual transmission lines and bays	Normative computed on actual Transmission Network including pay revision and Actuarial Valuation	Approved
Employee Expenses	1130.28	1292.54	1029.84	1265.89	1265.89
R&M expenses		47.17			
A&G expenses		70.44			
Capitalised expenses	160.89	142.49	142.49	142.49	142.49
Net O&M expenses	969.39	1267.66	887.35	1123.40	1123.40

4.4 CAPITALISATION

Applicant's Submissions

4.4.1 The Applicant has claimed the capitalisation of Rs.1603.62 crore as against Rs.2555.27 crore approved by the Commission for FY 2022-23.

Commission's View

4.4.2 The Commission observed that the Applicant has claimed capitalisation as Rs. 1603.62 crore against the actuals of Rs. 1603.93 crore as per audited accounts of the Applicant for FY 2022-23.

- 4.4.3 In view of the above and considering that the actual capitalisation is lower than the capitalisation approved in the MYT Order, the Commission approves the capitalisation for FY 2022-23 on actuals as per audited accounts as given in table below:

Table 4.4: Capitalisation claimed and approved for FY 2022-23

Rs.in crore

Particulars	Approved in the MYT Order dated 20.03.2020	Claimed in APR	Actuals as per audited accounts	Approved
Capitalisation	2555.27	1603.62	1603.93	1603.93

- 4.4.4 The variation in capitalisation from MYT Order and APR Order is on the account of less capitalisation compared to that approved in MYT order.

4.5 REGULATED RATE BASE (RRB)

Applicant's Submissions

- 4.5.1 The Applicant has claimed the Regulated Rate Base (RRB) of Rs.11058.15 crore as against Rs.14073.03 crore approved by the Commission for FY 2022-23.

Commission's View

- 4.5.2 The Commission has approved the RRB for FY 2022-23 in accordance with the provisions of the Regulation No.5 of 2005. The Commission has considered the closing balances of GFA, accumulated depreciation and consumer contribution for FY 2021-22 approved in the APR Order dated 26.05.2023 as opening balances of GFA, accumulated depreciation and consumer contribution for FY 2022-23.
- 4.5.3 The approved capitalisation during the year has been considered as investments capitalised. The actual consumer contributions received during the year has been considered as per audited accounts on actuals. The approved depreciation during the year has been considered as the depreciation addition for FY 2022-23. The working capital requirement for computation of RRB for FY 2022-23 has been considered as equivalent to 45 days of approved net O&M expenses.
- 4.5.4 The RRB claimed by the Applicant and approved by the Commission for FY 2022-23 is as shown in the Table below:

Table 4.5: RRB claimed and approved for FY 2022-23

Rs.in crore

Particulars	Approved in MYT Order dated 20.03.2020	Claimed in APR	Approved
Original Cost of Fixed Assets at the beginning of the year		21296.49	21261.77
Accumulated Depreciation at the beginning of the year		6998.60	6855.47
Grant/Consumer Contribution at the beginning of the year		3590.02	3557.46
Change in Rate Base			
Investments capitalised during the year		1603.62	1603.93
Depreciation during the year		1036.64	1034.95
Grant/Consumer Contribution addition during the year		179.00	179.00
Change in Rate Base		193.99	194.99
Working Capital			
Working Capital		156.29	138.50
Regulated Rate Base for RoCE	14073.03	11058.15	11182.33

4.6 WEIGHTED AVERAGE COST OF CAPITAL

Applicant's Submissions

- 4.6.1 The Applicant has claimed the Weighted Average Cost of Capital (WACC) of 11.96% as against the WACC of 10.89% approved by the Commission for FY 2022-23.

Commission's View

- 4.6.2 The Commission has approved ROCE for FY 2022-23 in accordance with the provisions of the Regulation No.5 of 2005. The Debt Equity ratio has been considered as 75:25, the same as approved in the MYT Order and as claimed by the Applicant. The Applicant has filed the cost of debt as Rs.935.53 Crore. From the actual loan balances and interest submitted by the Applicant, the Commission has worked out the cost of debt for FY 2022-23 as 9.94%. Therefore, the Commission has considered the cost of debt as 9.94%. The Commission has considered the cost of equity as 14%, same as that approved in the MYT Order.
- 4.6.3 The Weighted Average Cost of Capital (WACC) claimed by the Applicant and approved by the Commission for FY 2022-23 is as shown in the Table below:

Table 4.6: WACC claimed and approved for FY 2022-23

Particulars	Approved in the MYT Order dated 20.03.2020	Claimed in APR	Approved
Debt	75%	75%	75%
Equity	25%	25%	25%
Debt equity ratio	3	3	3
Cost of Debt	9.85%	11.28%	9.94%
Cost of Equity	14.00%	14.00%	14.00%
WACC	10.89%	11.96%	10.96%

4.7 RETURN ON CAPITAL EMPLOYED

Applicant's Submissions

4.7.1 The Applicant has claimed Return on Capital Employed (RoCE) of Rs.1322.57 crore as against the RoCE of Rs.1532.20 crore approved by the Commission in its MYT order for FY 2022-23.

Commission's View

4.7.2 The Commission has approved RoCE for FY 2022-23 considering the approved RRB and WACC for the year. The RoCE claimed by the Applicant and approved by the Commission for FY 2022-23 is as shown in the Table below:

Table 4.7: Return on Capital Employed claimed and approved for FY 2022-23

Rs.in crore

Particulars	FY 2022-23		
	Approved in MYT Order dated 20.03.2020	Claimed in APR	Approved
Regulated Rate Base			
Original Cost of Fixed Assets at the beginning of the year		21296.49	21261.77
Accumulated Depreciation at the beginning of the year		6998.60	6855.47
Consumer Contribution at the beginning of the year		3590.02	3557.46
Change in Rate Base			
Investments capitalised during the year		1603.62	1603.93
Depreciation during the year		1036.64	1034.95
Consumer Contribution addition during the year		179.00	179.00
Change in Rate Base		193.99	194.99

Particulars	FY 2022-23		
	Approved in MYT Order dated 20.03.2020	Claimed in APR	Approved
Working Capital			
45 days of net O&M expenses		156.29	138.50
Working Capital		156.29	138.50
Regulated Rate Base for RoCE	14073.73	11058.15	11182.33
Weighted Average Cost of Capital	10.89%	11.96%	10.96%
Return on Capital Employed	1532.20	1322.57	1225.16

4.8 DEPRECIATION

Applicant's Submissions

- 4.8.1 The Applicant has claimed the depreciation of Rs.1036.64 crore against the depreciation of Rs.1245.29 crore approved by the Commission for FY 2022-23.

Commission's View

- 4.8.2 As regards depreciation, clause 15 of the Regulation No.5 of 2005 stipulates as under:

"15 DEPRECIATION

Depreciation shall be computed in the following manner:

- 15.1 *For each year of control period, depreciation shall be calculated on the amount of Original Cost of the Fixed Assets included in the RRB at the beginning of each year of control period:*

Provided that depreciation on assets funded by consumer/user contributions or through any capital subsidy/grant etc shall not be allowed in the revenue requirement of the Transmission Licensee.

- 15.2 *Depreciation allowance for each year of control period shall be determined, generally based on the methodology, rates and other terms as decided by CERC from time to time.*

- 15.3 *Depreciation shall be charged from the 1st April of the following year from the date the asset is put to use."*

- 4.8.3 The Applicant has claimed that the depreciation was calculated considering the rates of depreciation as notified in CERC (Terms and Conditions of Tariff) Regulations, 2019. The opening value of fixed assets of FY 2022-23 has been considered as equal to the closing value of GFA approved in APR Order dated 26.05.2023 after taking into account the release of withheld 5% capitalisation (Rs.735 crore) in APR Order dated 26.05.2023 for the period from FY 2014-15 to FY 2020-21. The Commission has computed the depreciation considering the approved opening GFA for FY 2022-23 and considering the depreciation

rate on actuals as per audited accounts. The depreciation claimed by the Applicant and approved by the Commission for FY 2022-23 is as shown in the Table below:

Table 4.8: Depreciation claimed and approved for FY 2022-23

Particulars	Approved in the MYT Order dated 20.03.2020	Claimed in APR	Rs.in crore
			Approved
Depreciation	1245.29	1036.64	1034.95

4.9 TAXES ON INCOME

Applicant's Submissions

- 4.9.1 The Applicant has claimed the tax on income of Rs.81.94 crore as against Rs.104.28 crore approved by the Commission for FY 2022-23.

Commission's View

- 4.9.2 As regards Tax on Income, clause 16 of the Regulation No.5 of 2005 stipulates as under:

- "16. Taxes on Income
- 16.1 Taxes on Income, if any, on the income stream of the licensed business of the Transmission Licensee shall be treated as an expense and shall be recoverable through ARR.
- 16.2 Taxes on Income actually payable and paid shall be included in the ARR, limited, however, to tax on Return on Equity component of the Return on Capital Employed, and excluding tax on profit, if any, of excess of such return "(arising out of any reason, including efficiency of the Transmission Licensee or any explicit incentive provided in the ARR), penalties, interest on delayed payment of tax etc., and duly adjusted for any refunds, etc. received for the previous periods.
- 16.3 Tax incidence on income arising out of true-up of cost adjustments of previous year(s) due to un-controllable factors shall also be considered as pass-through, on actual basis, provided the tax. so claimed and that already allowed for the year (s) which the true-up relates does not exceed the overall ceiling specified in clause 16.2 adjusted against the tax already provided in the previous year(s)."

- 4.9.3 The Commission has observed that the actual income tax paid for FY 2022-23 is nil for current year as per audited account for FY 2022-23. Therefore, the Commission has considered Tax on Income as nil in accordance to Clause 16.2 of the above said Regulation. The tax on income claimed by the Applicant and approved by the Commission for FY 2022-23 is as shown in the Table below:

Table 4.9: Tax on Income claimed and approved for FY 2022-23*Rs.in crore*

Particulars	Approved in the MYT Order dated 20.03.2020	Claimed in APR	Approved
Tax on Income	104.28	81.94	0.00

4.10 NON-TARIFF INCOME***Applicant's Submissions***

4.10.1 The Applicant has claimed the Non-Tariff Income (NTI) of Rs.545.36 crore as against NTI of Rs.452.51 crore approved by the Commission for FY 2022-23.

Commission's View

4.10.2 The Commission observed that the Applicant has not provided the detailed computation of NTI and its reconciliation with the audited accounts.

4.10.3 The Commission has scrutinized the audited accounts of TGTransco and approved the NTI for FY 2022-23 as per audited accounts. The NTI claimed by the Applicant and approved by the Commission as per audited accounts is as shown in the Table below:

Table 4.10: Non-Tariff Income as per audited accounts for FY 2022-23*Rs.in crore*

Particular	As per Accounts
Interest on Staff loans and advances	0.63
Income from loans to TSDISCOMs	112.44
Income from investments	15.13
Interest on Contingency Reserve investments	4.89
Supervision Charges	90.96
Amortisation of Consumer Contributions, Grants towards cost of fixed assets - LIS Assets	186.02
Amortisation of Consumer Contributions, Grants towards cost of fixed assets - Other than LIS Assets	99.89
Registration Fees	0.12
Operating & Maintenance/AMC	4.16
Others	32.53
Total Non-Tariff Income	546.77

4.10.4 The NTI claimed by the Applicant and approved by the Commission is as shown in the Table below:

Table 4.11: Non-Tariff Income claimed and approved for FY 2022-23

Rs.in crore

Particulars	Approved in the MYT Order dated 20.03.2020	Claimed in APR	Approved
NTI	452.51	545.36	546.77

4.11 REVENUE REQUIREMENT FOR FY 2022-23

Applicant's Submissions

4.11.1 The Applicant has claimed the net revenue requirement of Rs.3163.45 crore as against Rs.3398.66 crore approved by the Commission in its MYT Order for FY 2022-23.

Commission's View

4.11.2 Based on the above, the revenue requirement approved by the Commission for FY 2022-23 are as shown in the Table below:

Table 4.12: Revenue Requirement claimed and approved for FY 2022-23

Rs.in crore

Particulars	Approved in MYT Order dated 20.03.2020	Claimed in APR	Approved
Net O&M expenses	969.39	1267.66	1123.40
Return on Capital Employed	1532.20	1322.57	1225.16
Depreciation	1245.29	1036.64	1034.95
Taxes on Income	104.28	81.94	0.00
Gross ARR	3851.16	3708.81	3383.51
Less: Non-Tariff Income	452.51	545.36	546.77
Net ARR	3398.66	3163.45	2836.74

4.12 SUMMARY OF APR

Applicant's Submissions

4.12.1 The Applicant has claimed the revenue surplus of Rs.252.34 crore for FY 2022-23.

Commission's View

4.12.2 Based on the approved ARR and revenue for FY 2022-23, the total revenue gap/(surplus) approved by the Commission is as shown in the Table below:

Table 4.13: Revenue gap/(surplus) approved for FY 2022-23

Rs.in crore

Particulars	Approved in MYT Order dated 20.03.2020	Claimed in APR	Approved
Net ARR	3398.66	3163.45	2836.74
Revenue from Transmission Charges	3398.66	3415.79	3415.79
Revenue Gap/(Surplus)	0.00	(252.33)	(579.05)

4.12.3 As against the revenue surplus of Rs. 252.33 crore claimed for FY 2022-23 by the Applicant, the Commission has approved the revenue surplus of Rs. 579.05 Crore on APR for FY 2022-23.

4.13 RECOVERY OF REVENUE GAP/(SURPLUS)

4.13.1 The Commission directs the Applicant to include and propose the adjustment mechanism of the total approved revenue surplus of Rs. 527.29 crore (gap of Rs. 64.89 crore for FY 2019-20, surplus of Rs. 173.93 crore for FY 2020-21, gap of Rs. 160.80 crore for FY 2021-22 and surplus of Rs. 579.05 Crore for FY 2022-23) in its end of control period review petition for 4th control period.

4.13.2 The Petition is disposed of in the above terms.

This Order is corrected and signed on this the 7th day of June, 2024.

Sd/-

(BANDARU KRISHNAIAH)
MEMBER

Sd/-

(M. D. MANOHAR RAJU)
MEMBER

Sd/-

(T. SRIRANGA RAO)
CHAIRMAN

//CERTIFIED COPY//

**Annexure-I
Public Notice**

Appeared in SAKSHI and Eenadu (Telugu) on 05.02.2024

**గౌరవనీయ
తెలంగాణ స్టేట్ ఎలక్ట్రిసిటీ రెగ్యులేటరీ కమిషన్**

**5వ అంతస్తు, సింగరేణి భవన్, రెడ్ హిల్స్, లక్ష్మీకాపురం,
హైదరాబాద్- 500004 సమక్షంలో**

ట్రాన్స్మిషన్ కార్పొరేషన్ ఆఫ్ తెలంగాణ లిమిటెడ్ (TSTRANSCO)

బహిరంగ ప్రకటన

ఓ.పి.నెం. 1/2024 మరియు ఓ.పి.నెం. 2/2024

- యావత్తుంటే ఇంచుమూలముగా తెలియజేయునది ఏమనగా స్టేట్ లోడ్ డిస్ట్రీబ్ సెంటర్ (SLDC) కార్యకలాపం మరియు TSTRANSCO యొక్క ట్రాన్స్మిషన్ వ్యాపారం నిమిత్తం ఎన్ఎస్ 2022-23 కొరకు వార్షిక నిర్వహణ సమీక్ష (ట్రూ అప్) కై తెలంగాణ స్టేట్ ఎలక్ట్రిసిటీ రెగ్యులేటరీ కమిషన్ (TSERC) సమక్షంలో ట్రాన్స్మిషన్ కార్పొరేషన్ ఆఫ్ తెలంగాణ లిమిటెడ్ (TSTRANSCO) పైలింగ్ను చాటు చేసినది. ఈ పైలింగ్ వరుసగా ఓ.పి. నెం.1/2024 మరియు ఓ.పి.నెం.2/2024లో కమిషన్ చే పరిగణనలోకి తీసుకోబడినది.
- సదరు పైలింగ్ కాపీలు చీఫ్ ఇంజనీర్ (కమరియల్ అండ్ అర్వీస్) కార్యాలయం, యామ్ నెం.149, 'ఎ' బ్లాక్, TSTRANSCO, విద్యుత్ పోడ, హైదరాబాద్-500082 మరియు టీఎం ఇంజనీర్/(మెట్లో జోన్, యాకల్ జోన్, కరీంనగర్ జోన్ మరియు వరంగల్ జోన్) మరియు సూపరింటెండింగ్ ఇంజనీర్ /ఓఎంఏ/TSTRANSCO (ఖమ్మం, నిజామాబాద్, అదిలాబాద్, కరీంనగర్, నల్గొండ, మహబూబ్ నగర్, వరంగల్, మెట్లో థర్డ్, మెట్లో వెస్ట్, మెట్లో సెంట్రల్, సంగారెడ్డి- హైదరాబాద్ వద్ద ఉన్నది)లలో లభిస్తాయి. అవకాశం వ్యక్తులు కార్యాలయ వేళల్లో సదరు పైలింగ్ను సదరు ఏదేని కార్యాలయం వద్ద ఉచితంగా తెనిగి చేసుకోవచ్చును/ చదువుకోవచ్చును మరియు పోల్ చేసుకోవచ్చును. ఈ ప్రతిపాదనలు www.tstranSCO.in కూడా లభిస్తాయి మరియు వీటిని www.tserc.gov.in నందు పొందవచ్చును. ఈ పైలింగ్ యొక్క కాపీని ట్రాన్స్మిషన్ విజిలెన్స్ అండ్ ఎన్ఎల్ఓడిని పైలింగ్ కొరకు సగటు రూపేజి ఫోలో కాపీయింగ్ డార్టీలను చెల్లించి పై కార్యాలయాల నుండి 5-2-2024 నుండి పొందవచ్చును.
- సదరు పైలింగ్పై అక్షేపాలు/ సలహాలు ఏదేని ఉంటే, మద్దతుగా ఆధారాలతో చీఫ్ ఇంజనీర్ (Comm & RAC), 'ఎ' బ్లాక్, యామ్ నెం.149, TSTRANSCO, విద్యుత్ పోడ, హైదరాబాద్-500082కు స్వయంగా లేదా రిజిస్టర్డ్ పోస్టు ద్వారా 28-02-2024 సా. 5 గం. లోగా చేరేలా పంపవలెను. దీని ఒక కాపీని సైన్ చేసిన రియనామా వద్ద కమిషన్ సెక్రటరీ, టిఎన్ఐఆర్ఐసి ఓ.పి. చాటు చేయవలెను. అక్షేపాలు/ సలహాలు తగువిధంగా పరిశీలించి తీసుకుంటే ఉండవలెను మరియు సదరు అక్షేపాలు/ సలహాలను పంపే వ్యక్తుల పూర్తి పేరు మరియు తపాలా రియనామా కలిగియుండవలెను. ఏదేని సంస్థ లేదా ఏదేని వినియోగదారుల తేటగిరి తరఫున అక్షేపాలు/ సలహాలు చాటు చేయబడినట్లయితే, స్పష్టంగా పేర్కొనవలెను.
- సదరు అక్షేపాలు/ సలహాలకు ఈ క్రింది వివరాలకు జతపరచవలెను:

అక్షేపాలదారుని పేరు మరియు పూర్తి రియనామా	అక్షేపాలు/ సలహాల సంబంధ వివరాలు	SLDC కార్యకలాపం మరియు ట్రాన్స్మిషన్ వ్యాపారం కొరకు వార్షిక నిర్వహణ సమీక్ష (ట్రూ అప్) నిమిత్తం పైలింగ్ మీద TSTRANSCO అక్షేపాలు	TSTRANSCO కార్యాలయం వద్ద అందజేసిన అక్షేపాలు/ సలహాల యొక్క కాపీ మరియు యూఎస్ఐ జతపరిచారా (అవును/ లేదు)	అక్షేపాలదారు స్వయంగా విచారణలో పాల్గొనడంకారా (అవును/ లేదు)
--	--------------------------------	---	--	---

5. ఈ విషయంలో తెలంగాణ స్టేట్ ఎలక్ట్రిసిటీ రెగ్యులేటరీ కమిషన్ 14-02-2024 (గురువారం) ఉ.11.00 గం. నుండి టిఎన్ఐఆర్ఐసి యొక్క కోర్టు హాలు, 5వ అంతస్తు, సింగరేణి భవన్, లక్ష్మీకాపురం, హైదరాబాద్ నందు బహిరంగ విచారణను నిర్వహించ దలచినది. స్వయంగా విచారణకు హాజరు కాగోరు స్టేక్ హోల్డర్లు బహిరంగ విచారణ తేదీ లోగా సెక్రటరీ, టిఎన్ఐఆర్ఐసి సమాచారం ఇవ్వవలెను. స/:-

ప్రత్యేకం: హైదరాబాద్,
తేది: 05-02-2024

చైర్మన్ అండ్ మేనేజింగ్ డైరెక్టర్
TSTRANSCO

DIPR RO. No. 10069-PP/CL/ADVT/1/2023-24, Dt. 3-2-2024

BEFORE THE HON'BLE TELANGANA STATE ELECTRICITY REGULATORY COMMISSION				
TRANSMISSION CORPORATION OF TELANGANA LIMITED (TSTRANSCO)				
PUBLIC NOTICE O.P. No.1 of 2024 and O.P. No.2 of 2024				
1. Notice is hereby given to all that the Transmission Corporation of Telangana Limited (TSTRANSCO) has filed before the Telangana State Electricity Regulatory Commission (TSERC) for Annual Performance Review (True up) for FY 2022-23 for State Load Despatch Centre (SLDC) activity and Transmission Business of TSTRANSCO. These filings have taken on record by the Commission in O.P. No 1 of 2024 and O.P. No 2 of 2024 respectively. 2. Copies of the filings referred are available in the Office of the Chief Engineer (Comm & RAC), Room No. 149, 'A' Block, TSTRANSCO, Vidyut Soudha, Hyderabad- 500082 and the Chief Engineer (Metro Zone, Rural Zone, Karimnagar Zone and Warangal Zone) and Superintending Engineer /OMC/ TSTRANSCO (Khammam, Nizamabad, Adilabad, Karimnagar, Nalgonda, Mahabubnagar, Warangal, Metro East, Metro West, Metro Central, Sangareddy- located at Hyderabad). Interested persons may inspect/ peruse the said filings and take note thereof during office hours at any of the said offices free of cost. These proposals are also available on www.tstransco.in and the same may be accessed at www.tserc.gov.in. A copy of these filings can be obtained from the above offices from 05.02.2024 onwards on payment of photocopying charges by cash for Transmission Business and SLDC filings. 3. Objections/ suggestions if any, on the said filings together with supporting material may be sent to the Chief Engineer (Comm & RAC), 'A' Block, Room No.149, TSTRANSCO, Vidyut Soudha, Hyderabad-500082 in person or through Registered Post so as to reach on or before 26.02.2024 by 5 pm. A copy of the same must also be filed with the Commission Secretary, TSERC, at the address mentioned above. The objections/suggestions should be duly signed and should carry full name and postal address of the person(s) sending the objections/suggestions. If the objections/suggestions are filed on behalf of any organization or any category of consumers, it should be clearly mentioned. 4. The objection/suggestion should accompany the following statement as an overleaf-				
Name & full address of the Objector	Brief details of Objection(s)/ Suggestion(s)	Objections against filings by TSTRANSCO for Annual Performance Review (True up) for SLDC activity and Transmission Business	Whether copy of objection & proof of delivery at TSTRANSCO's office enclosed (Yes/No)	Whether Objector wants to be heard in person (Yes/No)
5. Telangana State Electricity Regulatory Commission intends to conduct a Public Hearing in the Court Hall of TSERC, 5th floor, Singareni Bhavan, Lakdi-ka-pul, Hyderabad on 14.03.2024 (Thursday) from 11:00 hrs onwards. The Stakeholders desiring to be heard in person shall inform to Secretary, TSERC before the date of Public Hearing.				
Sd/- Chairman and Managing Director TSTRANSCO				
Place: Hyderabad Date: 05.02.2024 R.O.No.: 905-PP/CL-AGENCY/ADVT/1/2023-24, Date:03.02.2024				

تہ اجلاس معزز تلنگانہ اسٹیٹ الیکٹریسیٹی ریگولیشن کمیٹیشن

ٹرانسمیشن کارپوریشن آف تلنگانہ لمیٹیڈ (ٹرانسکو)



اعلان عام

O.P.No.1 of 2024 and O.P.No.2 of 2024

1. سب کے لئے یہ اعلان کیا جا رہا ہے کہ ٹرانسمیشن کارپوریشن آف تلنگانہ لمیٹیڈ (TRANSCO) نے اسٹیٹ ٹوڈو سیٹیا ج سنٹر (SLDC) ایکٹیوٹی اور ٹرانسکو کے ٹرانسمیشن پرنسپل کے مابین سال 2022-23 کیلئے اینڈل پر فارمیشن ریویو (فرواپ) کیلئے تلنگانہ اسٹیٹ الیکٹریسیٹی ریگولیشن کمیٹیشن میں فائلنگس داخل کئے ہیں۔ ان فائلنگس کو بائریٹب O.P.No.1 of 2024 اور O.P.No.2 of 2024 میں کمیٹیشن کے ریکارڈ پر لیا گیا ہے۔

2. مذکورہ فائلنگس کی کامیاب دفتر چیف انجینئر (کمرشل اینڈ آر اے سی) روم نمبر 149 'A' بلاک ٹرانسکو، دیوٹ سدھیا، حیدرآباد - 500082 اور چیف انجینئر (میٹرو ڈون رول ڈون کریم لکڑ ڈون اور ورلڈ ڈون) اور سپرٹنڈنٹ انجینئر (ایڈمنسٹریٹو) ٹرانسکو (مجموعہ نظام آباد، حال آباد، کریم لکڑ، تلکچڑ، محبوب نگر، ورلڈگل، میٹرو، ایسٹ میٹرو سنٹرل، سنگار پٹی - واقع حیدرآباد میں) دستیاب ہیں۔ ان کی رکنیت کے واسطے اشخاص مذکورہ فائلنگس کو مذکورہ بالا کسی بھی دفتر میں ادائیگت دفتر کے دوران مفت دیکھ سکتے ہیں اور اس کا نوٹ لے سکتے ہیں۔ یہ پروپوزیشن www.tstransco.in پر بھی دستیاب ہیں۔ اور یہ www.tserc.gov.in پر دستیاب ہیں۔ ان فائلنگس کی ایک کاپی 05-02-2024 سے مذکورہ بالا دفتر سے ٹرانسمیشن پرنسپل اینڈ ایس ایل ڈی سی فائلنگس کیلئے فوٹو کاپی چار جس تعداد کرتے ہوئے حاصل کی جاسکتی ہے۔

3. اگر مذکورہ فائلنگس پر کوئی اعتراضات اٹھائے ہوں تو انہیں سپورٹنگ میٹریل کے ساتھ چیف انجینئر (کمرشل اینڈ آر اے سی) 'A' بلاک روم نمبر 149 ٹرانسکو، دیوٹ سدھیا، حیدرآباد - 500082 کو شخصی طور پر یا رجسٹرڈ پوسٹ کے ذریعہ روانہ کیا جاسکتا ہے۔ جو 26-02-2024 کو شام 5.00 بجے تک یا اس سے قبل پہنچ جائے۔ اس کی ایک کاپی مذکورہ بالا پتہ پر کمیٹیشن سکرٹری ٹی ایس ای آر سی کے پاس بھی داخل کرنا ہوگا۔ اعتراضات اٹھانے کے ساتھ انہیں روانہ کرنے والے شخص یا اشخاص کے دستخط پورا نام لاک کا پتہ ہونا چاہیے۔ اگر اعتراضات اٹھانے پر کسی تنظیم یا سارا فین کے کسی ذمہ دار کی جانب سے داخل کئے جائیں تو اس کا واضح طور پر ذکر کرنا چاہیے۔

4. اعتراضات اٹھانے کے ساتھ ایک اور ایک ورق کے پشت پر تحریر کے طور پر مندرجہ ذیل اسٹیٹمنٹ ہونا چاہئے۔

اعتراض کنندہ کا نام اور پتہ	اعتراض (اعتراضات) تجویز اٹھانے کی مختصر تفصیلات	ایس ایل ڈی سی ایکٹیوٹی اور ٹرانسمیشن پرنسپل کے مابین سال 2022-23 کیلئے اینڈل پر فارمیشن ریویو (فرواپ) کیلئے ٹرانسکو کی فائلنگس کے خلاف اعتراضات	آیا اعتراض کی کاپی اور ٹرانسکو کے آفس پر انجینئر کی کاپی منسلک کیا گیا (ہاں/نہیں)	آیا اعتراض داخل کنندہ اس کی شخصی طور پر سماعت چاہتا ہے۔

5. تلنگانہ اسٹیٹ الیکٹریسیٹی ریگولیشن کمیٹیشن کا ارادہ 14-03-2024 کو 11.00 بجے دن سے ایک عمومی سماعت کی ایس ای آر سی کے کورٹ ہال یا ٹی بی سی جنرل سنگار پٹی جھونک لکڑی کاپی حیدرآباد پر منعقد کرنے کا ہے۔ اس میں شخص سماعت کئے جانے کے خواہاں اسٹیک ہولڈرز کو عمومی سماعت کی تاریخ سے قبل اس کی اطلاع سکرٹری ٹی ایس ای آر سی کو دینا ہوگا۔

شرحدست خط

چیرومین اینڈ مینیجنگ ڈائریکٹر

ٹی ایس ٹرانسکو

مورخہ: 05-02-2024

R.O.No. 905/PP/CL-AGENCY/ADVT/1/2023-24

Date: 05-02-2024

Annexure-II
**List of Stakeholders who submitted Written Objections/
Suggestions**

Sl. No.	Name and Address of the stakeholder
1	Southern Power Distribution Company of Telangana Limited, # 6-1-50, Corporate Office, Mint Compound, Hyderabad 500 063.



Annexure-III
List of Stakeholders who attended the Public Hearing held on
14.03.2024

Sl. No.	Name and Address of the stakeholder
1	Southern Power Distribution Company of Telangana Limited (TGSPDCL), # 6-1-50, Corporate Office, Mint Compound, Hyderabad 500 063.
2.	Transmission Corporation of Telangana Limited (TGTransco), Vidyut Soudha, Hyderabad 500 082.
3.	Northern Power Distribution Company of Telangana Limited (TGNPDCL), H.No.2-5-31/2, Corporate Office, Vidyut Bhavan, Nakkalagutta, Hanamkonda 506 001.

