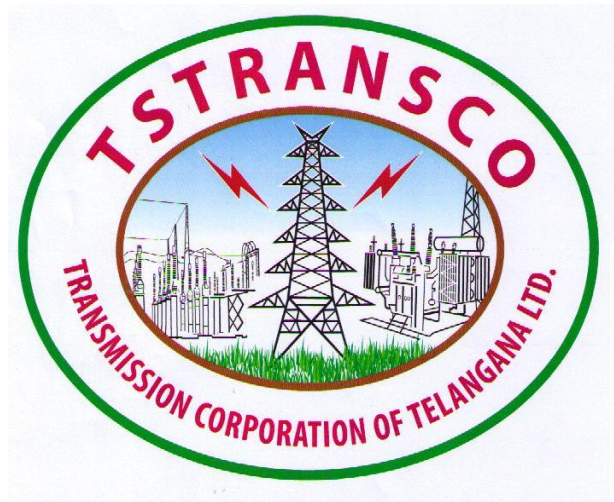


**Transmission Corporation of Telangana Limited
(State Transmission Utility)**



**Filing of
ANNUAL PERFORMANCE REVIEW (True-Up)
for FY:2022-23 of SLDC Activity**

December, 2023

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**BEFORE THE HONOURABLE TELANGANA STATE ELECTRICITY
REGULATORY COMMISSION**

AT ITS OFFICE AT 5th FLOOR, SINGARENI BHAVAN, RED HILLS,
HYDERABAD

FILING NO. _____/2023

CASE NO. _____/2023

In the matter of:

Filing of the Annual Performance Review (True up) for the FY 2022-23 of the SLDC Activity w.r.t. Tariff Order dated 02.03.2020 for the 4th Control Period i.e., from FY 2019-20 to FY 2023-24, read with Regulation No.1 of 2006 of APERC adopted by TSERC as per Regulation No.1 of 2014.

In the matter of:

TRANSMISSION CORPORATION OF TELANGANA LIMITED ... Applicant

**AFFIDAVIT OF APPLICANT VERIFYING THE APPLICATION ACCOMPANYING
FILING OF ANNUAL PERFORMANCE REVIEW**

I, am Sri S.A.M.Rizvi S/o Dr.S.A.H.Rizvi working for gain at the Transmission Corporation of Telangana Limited do solemnly affirm and say as follows:

1. I am the Chairman and Managing Director of TSTRANSCO, the licensee company operating and controlling the Transmission Business & SLDC Activity of electricity in Telangana state pursuant to the license granted by the erstwhile Hon'ble APERC and in terms of Government of Telangana state (GoTS) orders vide G.O.Ms.No.9 dated 17-09-2014.

I am competent and duly authorized by TSTransco to affirm, swear, execute and file this affidavit in the present proceedings.

2. I have read and understood the contents of the accompanying Filing of Annual Performance Review for SLDC Activity for the FY 2022-23. The statements made in the paragraphs of the accompanying application 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

VERIFICATION:

I, the above named Deponent solemnly affirm at Hyderabad on this **day of December, 2023** 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.

DEPONENT

Solemnly affirmed and signed before me.

COMPANY SECRETARY
TSTRANSCO/HYDERABAD

**BEFORE THE HONOURABLE TELANGANA STATE ELECTRICITY
REGULATORY COMMISSION**

AT ITS OFFICE AT 5th FLOOR, SINGARENI BHAVAN, RED HILLS,
HYDERABAD.

FILING NO. _____/2023

CASE NO. _____/2023

In the matter of:

Filing of the Annual Performance Review (True up) for the FY 2022-23 of the SLDC Activity w.r.t. Tariff Order dated 02.03.2020 for the 4th Control Period i.e., for FY 2019-20 to FY 2023-24, read with Regulation No.1 of 2006 of APERC adopted by TSERC as per Regulation No.1 of 2014.

In the matter of:

TRANSMISSION CORPORATION OF TELANGANA LIMITED ... Applicant

The applicant respectfully submits as under:

1. Hon'ble TSERC, as per Tariff order for SLDC Activity for the 4th MYT (FY 2019-20 to FY 2023 -24) dt. 02.03.2020 directed TSTRANSCO to comply with the directives stipulated for each year of the MYT period.
2. As per the Directive No.5 of the Tariff Order dt.02.03.2020, TSTRANSCO is required to file Annual Performance Review (True up) for each year of the 4th Control Period before 31st December of the following year.
3. It is to submit that TSTRANSCO filed Annual Performance Review (True up) for the FY 2021-22 for SLDC Activity on dt.29.12.2022 and the Hon'ble Commission issued order dt.23.05.2023.
4. TSTransco herein files Annual Performance Review (True up) for the FY 2022-23 for SLDC Activity along with the information for taking approval of the Hon'ble Commission.
5. In the aforesaid circumstances, the applicant respectfully prays Hon'ble TSERC to
 - a) Take the accompanying petition on Annual Performance Review (True up) for the FY 2022-23 for SLDC Activity on record.
 - b) Allow the depreciation to recover the same from the Generators on monthly basis.

- c) Admit the deficit amount of Rs.**12.51** Crores for FY 2022-23.
- d) Grant suitable opportunity to TSTRANSCO within a reasonable timeframe to file additional information, if required.
- e) Consider the facts and circumstances of the present petition and pass an appropriate order.

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

Through

Place: HYDERABAD

Dated: December, 2023
DIRECTOR

S.A.M.RIZVI
CHAIRMAN AND MANAGING

1 Introduction

Pursuant to the applicable provisions of the Electricity Act, 2003, the State Government shall establish a State Load Dispatch Center (SLDC). Section 31(2) of the Act, provides that the said SLDC shall be operated by a Government Company / Authority / Corporation constituted by or under any State Act and that until such Company / Authority / Corporation is notified by the State Government, the State Transmission Utility (STU) shall operate the SLDC.

As per the provisions of Andhra Pradesh Reorganization Act, 2014, by enactment of which, Telangana State was formed as the 29th State of the Republic India on 02.06.2014, has necessitated formation of TRANSCO and SLDC for the new State, the Government of AP has created TRANSCO for Telangana to function as Transmission Utility for Telangana and incorporated under Companies Act, 2013.

The Government of Telangana, under the Section 31(1) of the EA 2003 has notified Telangana TRANSCO as the State Transmission Utility (STU) in the state vide G.O.Ms.No.1, Dt.21-06-2014. TSTRANSCO is presently carrying out solely, the Transmission & SLDC business as per the License No.1 of 2014 granted by the erstwhile APERC on Deemed License Conditions of Licensee, Transitional (Reorganization) Regulations, etc.

Under the provisions of Section 31(2) of the EA 2003, the existing SLDC was declared as deemed to have been established by the Government of Telangana vide G.O.Ms.No. 9, dated 17-09-2014 and since been operated by the State Transmission Utility (TSTRANSCO).

The Telangana SERC has adopted vide its Regulation No. 1 of 2014, previously subsisting Regulations, Decisions, Directions, or Orders, Licenses and Practice of Directions or orders, all the licenses and practice directions issued by the erstwhile Andhra Pradesh Electricity Regulatory Commission (Regulatory Commission for States of Andhra Pradesh and Telangana) until duly altered, repealed or amended, any of Regulation by the Commission.

Based on ARR proposals and FPT submitted by TSTRANSCO for 4thControl Period, the Hon'ble TSERC had issued order for Annual Fee and Operating Charges for SLDC for the 4thControl Period (FY 2019-20 to FY 2023-24), on 02.03.2020.

The TSERC, vide directive No.5 (Appendix-B) of the SLDC tariff order, had directed the licensee to file Annual Performance Review (True-up) for each year of the 4th Control Period by 31st December of the next financial year. As such, the licensee is required to file Annual Performance Review (True-up) for FY 2022-23 by 31st December 2023.

In compliance with the Regulations and Guidelines issued by the TSERC, TSTRANSCO, the State Transmission Utility & Transmission Licensee managing the SLDC business herein submits the following in this Annual Performance Review (True-up) Petition:

True Up - Analysis of Performance of SLDC Activity for FY 2022-23.

2 True-up for FY 2022-23

This Annual Performance Review filing is made by the Transmission Licensee, TRANSMISSION CORPORATION OF TELANGANA LIMITED (TS TRANSCO) for the FY 2022-23 as per the New Directive No.5 of Telangana Electricity Regulatory Commission, read with APERC regulation no. 1 of 2006 (Levy and collection of fees and charges by State Load Dispatch Centre) for variations in recovery of capital cost and operating charges over the fees and charges fixed for a year on account of variations in SLDC usage for the FY 2022 - 23.

The TS TRANSCO submits the following in the APR petition of SLDC business for FY 2022-23.

- Statement of variance with the Tariff Order for each item in the Aggregate Revenue Requirement and reasons for variation.
- Actual Aggregate Revenue Requirement (ARR) for the year computed based on O&M Charges and actual interest and other costs.
- The Surplus/Deficit for the FY 2022-23 is arrived based on actual revenue for the year.

(a) Operation and Maintenance (O&M) Expenses:

The O&M Expenses cover the Employees Cost, Administrative & General Expenses, Repairs & Maintenance Expenses.

Table 1: O&M Expenses:

(Rs.in Crores)

Particulars	FY 2022-23		
	Tariff Order	Actuals	Deviation
Employees Cost	36.69	56.94	20.25
Administration and General Exp.	2.84	0.58	-2.26
Repairs & Maintenance Exp.	0.54	0.83	0.29
Other Expenses (Spl. Appr. Allowed)	-	-	-
Total:	40.07	58.35	18.28

It could be seen from the above that,

- (i) There is an increase of Rs.20.25 crores towards employee cost compared to Approved Tariff Order. The increase in Employee benefits expenses is mainly due to Pay Revision which was due as on 01.04.2022 and due to Annual Grade increments and D.A. However while filing the 4th MYT Control Period the PRC impact was not considered.
- (ii) Whereas, the actual increase in Employee cost is Rs.14.48 crores, compared to Last year i.e 2021-22 actuals (34.10%). The main reason for the above increase is due to Pay revision effect from 01.04.2022.

The Details are as follows:-

S.No	Particulars	2021-22	2022-23	Difference	%
1	Basic+D.A	28.09	36.36	8.27	29.44
2	Leave Encashment	1.11	2.09	0.98	88.29
3	Employer Contribution	1.64	2.01	0.37	22.56
4	Pension & Gratuity Contribution	5.46	8.18	2.72	49.82
5	Other Allowences	6.16	8.3	2.14	34.74
	Total	42.46	56.94	14.48	34.10

- (iii) There is a normal increase in actual A&G expenses compared to previous year actuals.
- (iv) There is a normal increase in actual R&M expenditure due to increase in consumption of O&M material and increase in R&M of Office Equipment expenses compared to previous year actual.

(b) Capital Cost:

Capital Cost is a recovery towards Interest & Finance Charges and Depreciation is a claim towards replacement cost of fixed assets.

Table 2: Capital Cost:

(Rs. in Crores)

Particulars	FY 2022-23		
	Tariff Order	Actuals	Deviation
Capital Cost	6.58	1.32	-5.26
Total:	6.58	1.32	-5.26

- The Annual Charges of any Load Dispatch Centre Clause (18) of CERC (Fee and Charges of RLDCs) Regulations, 2019 consists of following,
 - a. Return on Equity
 - b. The Interest on loan Capital
 - c. Depreciation
 - d. Operation & Maintenance cost (excluding HRD expenses)
 - e. Human Resource expense (employee cost)
 - f. Corporate Office Expenses and
 - g. Interest on working capital.
- In view of the above, Hon'ble Commission is requested to allow the depreciation to recover the same from the Generators on monthly basis.

(c) Revenue:

The following is the position of Revenue during FY2022-23:

Table 3: Revenue:

(Rs. in crores.)

Particulars	FY 2022-23		
	Tariff Order	Actuals	Deviation
<u>Revenue from SLDC Charges:</u>			
Operating Charges	39.06	40.01	0.95
Add: Annual Fees	6.58	6.58	0.00
Sub-Total:	45.64	46.59	0.95
Other Income	1.00	0.56	-0.44
Total:	46.64	47.15	0.51

- It could be seen from the above, that, the total Revenue of SLDC is showing an increase of Rs.0.51 crores due to Open Access.

(d) Aggregate Revenue Requirement (ARR) and Surplus/(Deficit):

Table 4: ARR Deviation – (Tariff Order vis-à-vis Actual): (Rs. in crores)

Particulars	FY 2022-23		
	Tariff Order	Actuals	Deviation
Total Expenditure	46.65	59.67	13.02
Revenue from SLDC Charges :	46.64	47.15	0.51
Deficit	0.01	12.52	12.51

- It could be seen from the above, that (i) actual expenditure over the approved was increased by 13.02 crores and (ii) actual revenue over the approved was increased by 0.51 crores. Thereby, there is a net Deficit in SLDC Operating Charges for an amount of Rs.12.51 crores during FY2022-23.

In view of the above, the Hon'ble Commission is requested to admit the above **Claim/Deficit** an amount of **Rs.12.51 crores** for FY2022-23.

3 Status of Capital works in FY 2022-23

a) Status of Capital works at SLDC

Sl.No.	Works	Present Status
1	Creation of Backup SLDC	Unified Replacement/Upgradation of SCADA systems in Southern Region for Main and Back-Up SLDC is taken up with proposed commissioning by 2025. Tenders are floated by SRLDC and Pre bid queries of vendors are under discussion
2	Construction of Backup SLDC	In order to meet the commissioning timelines of 2025, Construction process of Back-up SLDC building at Warangal is initiated.
3	Meeting hall & Video conference rooms	Proposal will be taken up in 5th Control period
4	AGC	Proposal for obtaining PSDF funding was sent.
5	Projects(SAMAST AMR)	Preparation of Scope of Work is under process
6	Telecom Equipments for Backup SLDC & REMC Project	Procurement of Communication equipment is under process

b) Write up for completed works in SLDC in FY 2022-23:

i) Supply and installation of NVR, IP Cameras.

Surveillance system was upgraded for better quality, resolution and storage to fulfill requirements of ISO 27001.

ii) Procurement of Computers & Servers.

Procurements of computers were taken up for setting up of emergency control room at SLDC Conference room located at 5th Floor, VS and to replace old PCs of various wings.

Further, Servers were procured to establish Syslog system to receive log and manage logs of Corporate Firewalls, Scada Servers etc.

4 Summary

Table: 5 Summary – Annual Performance of SLDC for FY 2022-23

Sl. No.	Description	Amount (Rs. in Crores)
i	Employees Cost	56.94
ii	Administration and General Exp.	0.58
iii	Repairs & Maintenance Exp.	0.83
iv	Other Expenses (Spl. Appr. Allowed)	0.00
A	Total O&M Expenses(i+ii+iii+iv)	58.35
B	Capital Cost	1.32
(I)	Total Expenditure (A+B)	59.67
a	Revenue from Operating Charges	40.01
b	Less: Special Appropriation of Amount Allowed under Other Expenses	0.00
c	Revenue from Annual Fees	6.58
d	Other Income	0.56
(II)	Total Revenue (a+b+c+d)	47.15
	Surplus/(deficit)(II) - (I)	-12.52

Contracted Capacity for FY2022-23 (in MW)	17076.46
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ANNEXURE – A

COMPLIANCE OF DIRECTIVES

Sl. No.	Directive	Subject of Directive	Status/Action Taken Report
1	Details of Completed Capital Works	The Commission directs the Petitioner to submit the details of completed capital works pertaining to SLDC operations along with Project Completion Certificate (PCC) and Financial Completion Certificate (FCC) as is being done for transmission projects. The Commission also directs the Petitioner to file a monthly report with the Commission on progress in capital works pertaining to SLDC operations by 25 th of every month relating to the previous month.	Complied with.
2	Details of Actual Costs and Revenue	The Commission directs the Petitioner to file the actual costs and revenues by 25 th of every month relating to previous month in the format prescribed for this purpose by the Commission. The Commission also directs the Petitioner to state its own observations on cost, revenue and capacities along with the monthly report.	Complied with.
3	Proposal for Determining Norms of O&M Expenses	The Commission directs the Petitioner to submit the proposal for determining the norms of O&M expenses in accordance with Regulation No. 1 of 2006 by 30.06.2020.	Complied with.
4	Optimum Utilisation of SLDC Assets	The Commission directs the Petitioner to make needful study and send the proposal for approval regarding the optimum utilisation of SLDC assets by engaging in other business activity and amount of financial gains to be accrued on account of the above.	Complied with.
5	Annual Performance Review	The Commission directs the Petitioner to file the Performance Review (true-up) for each year of the 4 th Control Period before 31 st December of the following year. As a first step, the Petitioner shall file the Annual Performance Review for FY 2019-20 by 31.12.2020.	Complied with.

ANNEXURE – B

TSSLDC Actual Contracts (in MW) for FY 2022-23

As on 31-03-2023

Sl. No	Generating Station/Source	Installed/ Capacity (MW)	Actual TSSLDC Contracted Capacities (MW) as on 31.03.2023		
			TSSPDCL	TSNPDCL	Total
I	TSGENCO THERMAL				
1	KTPS-D(V)(2x250)	500.00	321.00	134.00	455.00
2	KTPS-VI(1x500)	500.00	326.29	136.21	462.50
3	RTS-B (1x62.5)	62.50	39.68	16.57	56.25
4	KTPP St.I(1x500)	500.00	326.29	136.21	462.50
5	KTPP St.II (1x600)	600.00	393.67	164.33	558.00
6	KTPS VII (1x800)	800.00	534.77	223.23	758.00
7	BTPS (4x270)	1080.00	697.18	291.02	988.20
Total TSGENCO Thermal		4042.50	2638.89	1101.56	3740.45
II	TSGENCO HYDEL				
1	N.SAGAR PH (NSPH)(1x110+7x100.8)	815.60	569.65	237.79	807.44
2	NSLCPH(2*30)	60.00	41.91	17.49	59.40
3	Pochampadu(3x9 +1x9)	36.00	25.14	10.50	35.64
4	Srisaillam LBPH(SLBHES)(6x150)	900.00	627.33	261.87	889.20
5	Jurala HES (6)(Priyadarshini) (50% share to Karnataka) (6x39)	234.00	81.72	34.11	115.83
6	Singur(2x7.5)	15.00	10.48	4.37	14.85
7	NizamSagar(2*5)	10.00	6.98	2.92	9.90
8	Mini Hydel (Peddapalli,) (total 19 units)	9.16	6.40	2.67	9.07
9	Mini Hydel (Palair)	2.00	1.40	0.58	1.98
10	Lower Jurala Hydro Electric Project(6x40)	240.00	167.63	69.97	237.60
11	Pulichintala(4x30)	120.00	83.81	34.99	118.80
Total TSGENCO Hydel		2441.76	1622.45	677.26	2299.71
III	INTER STATE HYDEL				
	Machkund PH	120.00	0.00	0.00	0.00
	Tungabhadra PH &Hampi	72.00	0.00	0.00	0.00
	TOTAL IS Hydel	192.00	0.00	0.00	0.00

Sl. No	Generating Station / Source	Installed/ Capacity (MW)	Actual TSSLDC Contracted Capacities (MW) as on 31.03.2023		
			TSSPDCL	TSNPDCL	Total
IV	CENTRAL GENERATING STATIONS				
1	NTPC (SR)-I&II	353.01	231.52	96.64	328.16
2	NTPC (SR) Stage-III	88.50	58.54	24.43	82.97
3	NTPC (Simhadri) I	538.90	358.33	149.58	507.91
4	NTPC (Simhadri) II	256.82	170.77	71.28	242.05
5	NTPC Talcher-II	217.41	143.80	60.02	203.82
6	NLC - Stage-I	5.25	3.33	1.39	4.72
7	NLC - Stage-II	6.91	4.39	1.83	6.22
8	NLC TPS-I Expn	5.47	3.53	1.48	5.01
9	NLC – TPS-II Expn	6.51	4.13	1.73	5.86
10	NPC (Kaiga) Unit I & II	67.70	42.75	17.84	60.59
11	NPC (Kaiga) Unit III & IV	72.01	45.47	18.98	64.45
12	NPC (MAPS)	22.04	13.92	5.81	19.73
13	NTECL Valluru Thermal Power	106.13	70.20	29.30	99.50
14	NLC tamil(Tuticorin) Unit I & II	147.49	98.07	40.94	139.01
15	New Nyvelly Thermal Power Station	61.92	40.95	17.10	58.05
16	Kuddankulam Nuclear Power Plant (KKNP) Unit- I	4.34	2.82	1.18	4.00
17	Kuddankulam Nuclear Power Plant (KKNP) Unit- II	50.00	35.28	14.72	50.00
18	Kudigi Unit-I&II	281.12	185.93	77.62	263.55
19	NVVNL Bundled Power COAL	45.81	32.32	13.49	45.81
20	NSM II(Coal)(NTPC 200 MW)	200.00	141.10	58.90	200.00
Total CGS		2537.34	1687.15	704.26	2391.41
VI	OTHERS				
1	Sembcorp. (Unit-I)	660	190.10	79.35	269.45
2	Sembcorp. (Unit-II)	660	402.14	167.86	570.00
3	Singareni Thermal Power Project	1200	797.92	333.08	1131.00
4	Chattisgarh Power Purchase	1000	668.81	279.19	948.00
Total Others		3520	2058.97	859.48	2918.45

Sl. No	Generating Station / Source	Installed/ Capacity (MW)	Actual TSSLDC Contracted Capacities (MW) as on 31.03.2023		
			TSSPDCL	TSNPDCL	Total
VII	NCE				
1	Bio-Mass	30.00	12.00	18.00	30.00
2	Bagasse	78.40	15.00	63.40	78.40
3	Mini-Hydel	2.55	0.55	2.00	2.55
4	Industrial-Waste	15.00	7.50	7.50	15.00
5	MSW	19.80	19.80	0.00	19.80
6	Wind Power	128.10	128.10	0.00	128.10
7	Solar	5101.54	3554.62	1546.92	5101.54
Total NCE		5375.39	3737.57	1637.82	5375.39
Discom Total		18108.99	11745.03	4980.38	16725.41
Open Access			351.05		351.05
Grand Total Contractual Capacity (in MW)			17076.46		17076.46
Note: APGPCL Contracted Capacity is not included as TSDISCOMs decided not to schedule power from APGPCL from Feb 2020 onwards.					