**SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED & NORTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED**

**RESPONSES TO OBJECTIONS / SUGGESTIONS**

**Received during Public Hearing**

**On**

**Filing of Resource Plan and Business Plan for 5th and 6th Control Periods**

**(FY 2024-25 to FY 2028-29 &**

**FY 2029-30 to FY 2033-34)**

**INDEX**

| **S.No.** | **Name and Address of the Objector** | **Pg.No.** |
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| 1 | **M. Venugopala Rao,** Senior Journalist & Convener, Centre for Power Studies, H.No.1-100/MP/101, Monarch Prestige, Journalists’ Colony, Serilingampally Mandal, Hyderabad - 500 032 | **3-12** |
| **2** | **Sreekumar Nhalur and Maria Chirayil, Prayas (Energy Group),**Unit III A and B, Devgiri, Joshi Museum Lane, Kothrud Industrial Area,  Kothrud, Pune - 411 038, India, Phone: +91-20-2542 0720, 2542 0722, Fax: 2543 9134; https://energy.prayaspune.org , energy@prayaspune.org. | **13-14** |

1. **Response to M. Venugopala Rao**

| **1** | **M. Venugopala Rao, Senior Journalist & Convener, Centre for Power Studies, H.No.1-100/MP/101, Monarch Prestige, Journalists’ Colony, Serilingampally Mandal, Hyderabad - 500 032** | |
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| **S.No.** | **Summary of Objections / Suggestions** | **Response of the Licensee** |
| **1.** | **The DISCOMs have simply stated that the suggestion of the objector regarding analysis of load forecast, etc., for the 4th control period is noted. The Hon’ble Commission should have directed the DISCOMs to submit analysis of the subject plans approved by TSERC for the 4th control period for the reasons explained in our written submissions dated 11.7.2023. We once again request the Hon’ble Commission to direct the DISCOMs to submit a detailed analysis of the implementation and consequences of the subject plans for the 4th control period and provide us the same to study and make further submissions.** | In line with the directions of the Hon’ble Commission, the analysis of 4th Control Period is attached as **AnnexureI** to this response. |
| **2.** | **The generalised contention of the DISCOMs that they “have to plan their power generation sources and in discharge of the same itself the TS Discoms have signed all the power purchase agreements and subsequently approached Hon’ble Commission for approval of the same” cannot justify their hasty decisions, obviously, at the behest of the state government, to enter into long-term power purchase agreements to purchase excess and unwarranted power and get consents of the Commission to the same.**  **By no stretch of imagination that a surplus of 43.24% for 2024-25, of 41.97% for 2025-26, of 34.13% for 2026-27, of 26.29% for 2027-28 and of 15.22% for 2028-29 be considered justifiable and required to meet fluctuating and growing demand. Nor does such an availability of abnormal surplus reflect “ideal power mix.”**  **The argument of the DISCOMs that availability of surplus power as projected for future years is not constant has no relevance, for, it cannot avoid imposition of avoidable burdens on consumers of power in the form of paying fixed charges for surplus power backed down and higher tariffs being paid for purchasing power through exchanges and in the market. If analysis of actual position of availability of power, surplus power, fixed charges paid for backing down, quantum of costs of power purchased through exchanges and in the market, etc., for the 4th control period is provided with all relevant data, hollowness of the claims of the DISCOMs would be exposed thoroughly. The response of the DISCOMs that they “shall provide detailed justifications in the relevant Petition(s) to be filed before the Hon’ble TSERC” is evasive, as in the subject petitions, too, such information needs to be provided and examined.**  **The argument of the DISCOMs that “if we consider the projected demand from LIS Department, there is no question of surplus energy, the energy requirement for respective years will increase drastically, hence that could meet the availability” falls in the hypothetical realm of uncertainty. That the DISCOMs have been constrained to drastically reduce the demand for lift irrigation schemes projected by the department concerned for the purpose of formulating the subject plans confirms that considering the demand projected by LIS department is unrealistic and does not correspond to ground reality. The DISCOMs also could not provide any substantiation and justification for requirement of the projected availability of surplus power during the 5th control period to meet demand of lift irrigation schemes with any degree of certainty. The DISCOMs have not explained as to how much power is supposed to be required for lift irrigation schemes even as per the projections of the department concerned and even after that how much would be the surplus power projected to be available during the fifth control period. Such a haphazard approach cannot be considered as planning. Moreover, that the DISCOMs have been maintaining silence as to who should bear the avoidable burdens arising as a result of the projected availability of abnormal quantum of surplus power that cannot be consumed as per the demand projected by the LIS department and others shows irresponsibility in decision making, without any accountability.** | The licensees re iterate that the projection of demand and supply of electricity is done as per certain assumptions and any variation in the projected demand and supply of electricity with that of actual scenario leads to gap between the demand and supply. It is to be noted that the projection of demand for electricity has to be supported with installation of generation capacity and this installation of new generating capacity requires time in the span of years (minimum 4 to 5 years for thermal generation capacity and 1.5 to 2 years for renewable energy sources). Considering the above stated time constraints and challengs of ensuring demand for electricity, the Discoms have to plan their power generation sources and in discharge of the same itself the TS Discoms have signed all the power purchase agreements and subsequently approached Hon’ble Commission for approval of the same. The PPAs entered by the TS Discoms are considering the demand projections for the 4th and 5th Control Period including the significant projections received from I&CAD. Detailed justification in this regard are attached as **AnnexureII.**  It is submitted the decision(s) of power purchase are made only after detailed deliberations and are submitted before the Hon’ble Commission for approval and the Hon’ble Commission provides approvals for any procurement only after due considerations to the submissions made by the stakeholders.  As regards to submission on projection of surplus power, it is submitted that the surplus capacity which is the difference between the availability and the actual demand is dependent on the assumptions of both the availability and demand, and any variation, whether minor or major will have an impact on the quantum of surplus power. For instance, in the year FY 2022-23 on account of shortage of coal in the market there has been a reduction in the availability of power when compared to the projections of availability of power in the tariff Order for FY 2022-23. This variation has led to the purchase of short-term power in the market at higher rates. These types of instances are regularly observed during the operation of power system in any year and licensees cannot project such instances before the start of any year in their tariff filings. In this regard, a detailed justification of the energy balance scenario observed in 4th Control Period and the calculation of energy balance for 5th and 6th Control Periods considering the projection of availabilities with historical average PLFs along with other scenarios impacting energy balance is provided in the **Annexures I&II** attached.  It is further to be noted that dispatch of power is done following Merit Order dispatch principle for scheduling of power on daily basis from all the available generating stations and have resorted to purchase from short term sources in the cases when the availability of power is not matching with the demand and in certain cases is done when the variable charges per unit of generating stations is more than the prices of power in exchanges only to optimize the overall power purchase cost and pass on the benefits to the consumers. While following the Merit Order dispatch principle, the total available capacity from must run sources is dispatched and from the sources other than must run sources the power is scheduled from the sources with ascending order of variable charges. In view of the above, the submission of the stakeholder that surplus power backed down and higher tariffs being paid for purchasing power through exchanges and in the market does not even arises.  As regards to providing of details relating to availability of power from committed sources etc., the licensees re-iterate that they shall provide detailed justifications in the relevant Petition(s) to be filed before the Hon’ble TSERC as the current filings are made on the Resource Plan only.  Considering the lower actual sales recorded for Lift Irrigation Schemes (132 kV and above voltage level), the Discoms in the current Resource Plan filings have sought for the realistic projections from I&CAD, however there has been a delay in receipt of the projected sales from I&CAD department. In view of the delay in receipt of the information, the Discoms have projected the sales against the lift irrigation schemes considering a growth rate of 10% based on the historical actual sales (TSSPDCL considered the base sales as recorded in FY 2021-22 and TSNPDCL considered the base sales as recorded in FY 2020-21).  In this regard, a detailed justification of sales projections received from I&CAD and the energy balance scenarios of 5th and 6th Control Periods is provided in the **AnnexureII** attached |
| **3.** | **The DISCOMs claim on the one hand that “all efforts are being made to sell the surplus power through Exchanges in a most effective way”, and on the other, they claim that “it is difficult to project the quantum of sale of surplus power.” This dichotomy brings to the fore the fact that any efficient planning should not lead to availability of abnormal quantum of surplus power. It also implies that planning should not lead to availability of abnormal quantum of surplus power in the hope of selling it in the market, without any certainty.** | It is to be noted the words “all efforts are being made to sell the surplus power through Exchanges in a most effective way” will be applicable during the operation of the power system on day-to-day basis. Regarding the narrative of difficulty of projection of quantum of surplus power, the same pertains to the time when projections are made during the filings before the Hon’ble Commission before the start of the financial year. In view of the same, the above two narratives need to be looked in separately. |
| **4.** | **While pointing out that their priority is procuring power from plant which is nearer to the load centres, the DISCOMs have maintained that “if the landing variable charge is lower in case a RE plant outside the state, it is prudent to purchase power from the said plant which will allow the consumers of Telangana with benefit of economical power.” Was that the basis for the DISCOMs when they entered into long-term PPAs with entities like SECI and CPSUs like NTPC, which act as middlemen, to purchase solar power of private power projects set up in other states?** | The licensees re-iterate that it is the priority of the TS DISCOMS to procure power from a plant which is nearer to the load centers. However, in case the if the landing variable charge is lower in case a RE plant outside the state, it is prudent to purchase power from the said plant which will allow the consumers of Telangana with benefit of economical power. The following points can be considered in support of the above:   1. Even though the power is wheeled from other States, the landed cost does not include the impact of Inter State Transmission losses and Inter State Transmission charges as per the notifications issued by MoP, GoI for the RE plants installed till 30.062025. 2. Further, one of the important aspects of landed cost of solar power i.e., the cost of land (contributing about 5%-20% of total cost), in the State of Telangana the cost of land is on the higher side compared to the cost of land in other States (Even in 2017, the cost of land in Telangana is Rs. 10-20 Lakh per acre when compared to the States like Madhya Pradesh and Rajasthan where the cost was in the range of Rs. 5-10 Lakh per acre; Source- https://shaktifoundation.in/wp-content/uploads/2018/01/Study-Report-Addressing-Land-Issues-for-Utility-Scale-Renewable-Energy-Deployment-in-India.pdf) considering that there are no barraen lands and more area being cultivated year on year. |
| **5.** | **The contention of the DISCOMs that “the additional RE sources PPA would serve part of peak demand in the day and add to energy security during the 6th CP when there is a deficit” needs to be substantiated. Moreover, to meet deficit during the 6th CP, entering into long-term PPAs with RE units during the 4th and 5th control periods is premature and unwarranted. In the name of meeting demand during the 6th control period, a situation of availability of abnormal quantum of surplus power should not be created during the preceding control periods.** | It is submitted that the PPAs with RE sources will help Discoms to meet the power requirements of the State and also enable to bring down the average power purchase cost, while complying with the Renewable Power Purchase Obligation targets fixed by the Hon’ble Commission.  Though at present, it is not mandatory for the State DISCOMs to comply with the MoP notified RPPO trajectory, it is likely that the State RPPOs may be directed to align with the MoP RPPO, in terms of various notifications issued. And particularly in view of the proposed amendment to the section 142 of the Electricity Act 2003, which proposes for imposing penalties (ranging from Rs. 0.25/kWh to Rs. 0.55/kWh) for non-compliance of RPPO targets, it is required that the TS Discoms shall be prepared to meet the larger RPPO targets in phased manner, that may be imposed in future by MOP, GoI on all the states, including the State of Telangana.   |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | | **MNRE RPPO Targets** | **2022-23** | **2023-24** | **2024-25** | **2025-26** | **2026-27** | **2027-28** | **2028-29** | **2029-30** | | Wind | 0.81 | 1.60 | 2.46 | 3.36 | 4.29 | 5.23 | 6.16 | 6.94 | | Hydro including PSP | 0.35 | 0.66 | 1.08 | 1.48 | 1.80 | 2.15 | 2.51 | 2.82 | | Others | 23.44 | 24.81 | 26.37 | 28.17 | 29.86 | 31.43 | 32.69 | 33.57 | | **Total RPPO target** | **24.60** | **27.07** | **29.91** | **33.01** | **35.95** | **38.81** | **41.36** | **43.33** |   (source: https://powermin.gov.in/sites/default/files/webform/notices/Renewable\_Purchase\_Obligation\_and\_Energy\_Storage\_Obligation\_Trajectory\_till\_2029\_30.pdf)  It is also submitted that even before the 5th CP starts, PPA’s of 1287 MW of the generation capacity (TS share) will expire. Since the demand is continuously increasing and old PPA’s will shortly expire, it is prudent to sign new PPA’s with a diverse supply mix.  Further, a detailed justification of the energy balance for 5th and 6th Control Periods considering the various scenarios impacting energy balance is provided in the **AnnexureII** attached. |
| **6.** | **The DISCOMs have contended that “it is to be noted that projection of demand and supply of electricity is done as per certain assumptions and any variation in the projected demand and supply of electricity with that of actual scenario leads to gap between the demand and supply.” While the contention of the DISCOMs that “certain assumptions” and “any variation in the projected demand and supply of electricity with that of actual scenario leads to gap between the demand and supply,” is unsubstantiated, projection of availability of abnormal quantum of surplus power during the 5th control period will certainly not be in tune with the likely gap between the demand and supply in view of the fact that the said availability of surplus power is projected based on availability of power from stations with whom the DISCOMs had PPAs with specified threshold levels of PLF/CUF. Even the variations in generation of power by those stations for any reasons cannot be in tune with the likely gap between the demand and supply in view of high degree of availability of abnormal quantum of surplus power. In other words, likely gap between demand and supply cannot absorb the projected surplus power. On the other hand, if the projected demand decreases, availability of surplus power would increase during the 5th control period, with resultant adverse consequences.** | It is once again humbly, submitted that the surplus capacity which is the difference between the availability and the actual demand is dependent on the assumptions of both the availability and demand, and any variation, whether minor or major will have an impact on the quantum of surplus power.  For instance, in the year FY 2022-23 on account of shortage of coal in the market there has been a reduction in the availability of power when compared to the projections of availability of power in the tariff Order for FY 2022-23. This variation has led to the purchase of short-term power in the market at higher rates. These types of instances are regularly observed during the operation of power system in any year and licensees cannot project such instances before the start of any year in their tariff filings.  In this regard, a detailed justification of the energy balance scenario observed in 4th Control Period and the calculation of energy balance for 5th and 6th Control Periods considering the projection of availabilities with historical average PLFs along with other scenarios impacting energy balance is provided in the **Annexures I&II** attached. |
| **7.** | **The DISCOMs have pointed out that “the Telangana government has initiated the ambitious Kaleshwaram lift irrigation project along with the existing ones, to meet the needs of the agriculture consumers in the State. The growth trend in this category has many variations due to variations in the operation of Lift Irrigation pumps based on rainfall, water levels in reservoirs, etc.”**  **To meet the said needs the DISCOMs are expected to procure required power and create required distribution network.**  **If many variations take place in the growth trend in this category, i.e., if projected demand comes down substantially, who should bear the resultant burdens is the point on which the DISCOMs have been and continue to be evasive. If projected demand for this category comes down substantially, revenue to the DISCOMs would come down proportionately, availability of surplus power would increase, proportionate capacity in transmission and distribution networks would remain idle - who should bear the burden of all these non-utilisations? Is it all the consumers or consumers under this category?**  **The DISCOMs have been deciding contracted maximum load and load factor for HT industries and collecting charges applicable. The DISCOMs have been avoiding to respond to our requests for the kind of terms and conditions in the agreements, if any, they had with the department concerned for supply of power to LIS schemes.** | \  It is to be noted that the major planning for infrastructure of lift irrugation schemes is done at 132 kV level and does not affect the planning of distribution infrastructure (which is up to 33 kV voltage level).  Considering the lower actual sales recorded for Lift Irrigation Schemes (132 kV and above voltage level), the Discoms in the current Resource Plan filings have sought for the realistic projections from I&CAD, however there has been a delay in receipt of the projected sales from I&CAD department. In view of the delay in receipt of the information, the Discoms have projected the sales against the lift irrigation schemes considering a growth rate of 10% based on the historical actual sales (TSSPDCL considered the base sales as recorded in FY 2021-22 and TSNPDCL considered the base sales as recorded in FY 2020-21).  In this regard, a detailed justification of sales projections received from I&CAD and the energy balance scenarios of 5th and 6th Control Periods is provided in the **AnnexureII** attached.  In case the projected demand is less than the actual demand, the existing system is capable of handling the variation and in case the actual demand is lower than the projected demand there shall be lower utilization of transmission infrastructure created and it does not result in idling of distribution infrastructure. It is to be noted that the idling of infrastructure (either generation, transmission or distribution) is not during the entire year and corresponds to certain period/days/months of an year, whereas the planning of power system has to be made taking into consideration the peak demand which might not be the case of entire duration of demand and considering the same the narrative of burden of non utilization during certain period cannot be made.  The supply of power to LIS schemes and the tariff being levied to lift irrigation schemes is as per the terms and conditions specified by the Hon’ble Commission for HT IV (B) tariff category in the RST Orders for respective years. |
| **8.** | **The DISCOMs have reiterated that “the surplus power arises during few time blocks of the day and some unseasonal period during the year. It is also submitted that there are deficit of power in certain time blocks on the days of surplus power due to dynamic and fluctuating loads there is no unwarranted fixed charges paid by the TS Discoms.” Due to the said variations, provision for five percent of spinning reserve or reserve margin is generally considered sufficient. The abnormal quantum of surplus power projected to be available during the 5th control period by the DISCOMs is unwarranted. Due to entering into long-term PPAs for purchasing unwarranted power indiscriminately and getting regulatory consents for the same, unmindful of the need for maintaining ideal power mix to be in tune with fluctuating demand to the extent technically and practically possible, a situation of backing down abnormal quantum of surplus power and paying fixed charges therefor has been arising as per terms and conditions in the PPAs concerned. Therefore, the contention of the DISCOMs that “no unwarranted fixed charges paid” by them for backing down surplus power does not hold water.**  **It is mainly due to indiscriminate entering into long-term PPAs and getting regulatory consents to the same, that a situation of availability of abnormal quantum of surplus power, far exceeding the technically unavoidable surplus, has been arising and such unwarranted decisions and orders are mainly responsible for the unwarranted situation of backing down abnormal quantum of surplus power and paying fixed charges therefor, and as such, backing down avoidable and unwarranted surplus power and payment of fixed charges therefor and imposing the burden thereof on consumers of power is unwarranted and avoidable. It is the imprudent decisions taken by the GoTS and imposed on the DISCOMs and regulatory consents given to the same which are responsible for this unwarranted situation. That is the reason why experience during the 4th control period needs to be analysed, proper lessons be drawn, possible corrections be carried out and costly blunders should not be repeated during the next control periods.** | It is humbly submitted that as per the 5th Amendment to IEGC, spinning reserve is “the Capacities which are provided by devices including generating station or units thereof synchronized to the grid and which can be activated on the direction of the System Operator and effect the change in active power (Source- <https://cercind.gov.in/2017/regulation/130.pdf)>”. From the quoted definition it can be inferred that spinning reserve is the capacity which can be used to balance the real-time fluctuations of supply and demand of the power system, whereas, the surplus or deficit capacities in certain time blocks pertain to the submissions made by the Discoms to the respective load dispatch centres for T+1 day (day ahead basis).  Further, a detailed justification of the energy balance scenario for 5th and 6th Control Periods considering the projection of availabilities with historical average PLFs along with other scenarios impacting energy balance is provided in the **AnnexureII** attached. |
| **9.** | **Even while stating in its business plan that it had already purchased 18812 pre-paid meters and installed 15035 meters to offices of the government, NPDCL has avoided to reveal the price per unit paid and annual maintenance charges being paid. It is the consumers of power who have to bear the burden of these unwarranted pre-paid meters and as such they are entitled to know those burdens they have to bear. NPDCL has simply replied that the procurement of the pre-paid meters is being done by following the standard practice of competitive bidding with the process being done in the e-procurement platform. If the entire process of calling for tenders, their terms and conditions, finalising them and giving orders for purchase and maintenance of pre-paid meters is transparent and prudent, the DISCOMs should not avoid revealing of those details. How many prospective bidders participated in the pre-bid meeting, if any held by the DISCOMs, who are the bidders who actually participated in the bidding and what are the rates quoted by them for sale of pre-paid meters and charges for their annual maintenance? How much amount the DISCOMs are collecting from the consumers and how for installing pre-paid meters, and whether such installation is being carried out with consent of the consumers concerned need to be explained. All this information also needs to be examined by the Hon’ble Commission for prudence check and appropriate decisions. We request the Hon’ble Commission to call for records from the DISCOMs relating to these issues, examine them and subject them to prudence check. We also request the Hon’ble Commission to direct the DISCOMs to provide the said information to us to enable us to study them and make further submissions. In this connection, we would like to inform the Hon’ble Commission that, in response to our persistent requests during the public hearing held on the 19th instant, Hon’ble APERC has directed AP DISCOMs to provide cost analysis of pre-paid meters purchased by them, their annual maintenance charges and analysis of the subject plans for the 4th control period (on direction, the DISCOMs submitted it to APERC) to objectors within one week and permitted the objectors to make further submissions within two weeks thereafter.** | Vide GO MS No.1, Dt:03.01.2016, Energy (Budget) Department, Govt. of Telangana decided that all Govt. Departments should have prepaid meters at their own cost w.e.f 1st April, 2016. In this regard it is to be noted that the prepaid meters were procured, installed and are being maintained with the cost being borne by the respective departments of GoTS. In view of the above GO, TS Discoms have floated tenders with specification Nos.CGM/P&MM/STN-113/15 and STN-114/15. Pre-bid meeting was conducted on 29.01.2016 and participation from 6 and 7 prospective bidders was seen for three phase and single-phase bids respectively. The price quotes from all the qualified bidders for Supply, Installation and FMS were matched in the bidding process. Purchase Order for single phase meters were placed on 3 successful bidders, however only two parties have supplied the meters and for 3 phase Purchase Orders were placed on 4 successful bidders, however only two parties have supplied the meters. The cost of the meter was included in the CC bills of the Government Services where prepaid meters were installed and they were allowed to pay the meter cost in three (3) installments as per the orders contained in the above G.O cited.  The cost per meter, installation and annual maintenance charges per meter paid from whom the materials were supplied are as follows:   |  |  |  |  | | --- | --- | --- | --- | | **Prepaid Meters supply cost** | | | | | **Sl. No.** | **Name of the supplier** | **Single phase**  **Rs.** | **3-phase**  **Rs.** | | 1 | M/s. HPL Electric & Power Ltd., New Delhi | 8192.16 | 10757.08 | | 2 | M/s. Genus Power Infrastructures Limited, Jaipur | 8036.80 | 10492.91 |  |  |  |  |  | | --- | --- | --- | --- | | **Prepaid Meters Installation cost** | | | | | **Sl. No.** | **Name of the supplier** | **Single phase**  **Rs.** | **3-phase**  **Rs.** | | 1 | M/s. HPL Electric & Power Ltd., New Delhi | 494.64 | 521.64 | | 2 | M/s. Genus Power Infrastructures Limited, Jaipur | 650.00 | 785.81 |  |  |  |  |  | | --- | --- | --- | --- | | **Facility Management Service (FMS) charges per month** | | | | | **Sl. No.** | **Name of the supplier** | **Single phase**  **Rs.** | **3-phase**  **Rs.** | | 1 | M/s. HPL Electric & Power Ltd., New Delhi | 100.58  (Per month) | 118.09  (Per month | | 2 | M/s. Genus Power Infrastructures Limited, Jaipur | 100.58  (Per month) | 118.09  (Per month |  | **Facility Management Service (FMS) charges paid** | | | | | --- | --- | --- | --- | | **Sl. No.** | **Name of the supplier** | **Single phase**  **Rs./LOA.No.** | **3-phase**  **Rs./LOA No.** | | 1 | M/s. HPL Electric & Power Ltd., New Delhi | Rs.20,62,230.00  82/25.07.2022 | Rs.5,23,478.00  83/25.07.2023 | | Rs.6,98,008.00  88/23.03.2023 | Rs.1,61,329.00  89/22.03.2023 | | 2 | M/s. Genus Power Infrastructures Limited, Jaipur | Rs.10,71,272.00  84/28.01.2023 | Rs.3,37,759.00  87/28.01.2023 | | Rs.15,26,809.00  85/28.01.2023 | Rs.3,67,458.00  86/28.01.2023 | |
| **10.** | **We request the Hon’ble Commission to permit us to make further submissions during the public hearing scheduled on the 1st September.** | No Comments | |

**2. Response to Sreekumar Nhalur and Maria Chirayil**

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| **2** | **Sreekumar Nhalur and Maria Chirayil, Prayas (Energy Group), Unit III A and B, Devgiri, Joshi Museum Lane, Kothrud Industrial Area, Kothrud, Pune - 411 038, India, Phone: +91-20-2542 0720, 2542 0722, Fax: 2543 9134; https://energy.prayaspune.org , energy@prayaspune.org** | |
| **S.No.** | **Summary of Objections / Suggestions** | **Response of the Licensee** |
|  | Optimize time while presenting before Hon’ble Commission  A lot of replies are qualitative, comparison of reliability and safety indices for network plan should be given.  Lower participation of stakeholders in the current proceedings  Demand growth is less but the supply is much higher. How Optimization of power purchase will be done is not given in the plan.  Storage is not economical – surprised with the submission of Discoms on the aspect of cost  The current tariff proceedings followed by the Hon’ble Commission is not an MYT process at all. There is need for better regulations and guidelines for resource plan. Commission needs to review it.  The granular information used in projections of Resource Plan and Business Plan filings needs to be made available to the stakeholders | Discoms have noted the objections and shall improve in future submissions  Discoms have noted the objections. However, quantitative inputs viz. on reliability, safety are provided to the Hon’ble Commission as part of SoPs of the Discoms  Discoms have taken the measures to publish the Resource Plan and Business Plan for 5th and 6th Control Period in leading Daily newspapers including notices for extension of Public Hearings as informed by the Hon’ble Commission along with placing them in their websites for access to the stakeholders.  Discoms in the Annexure II attached have provided various factors which impact the energy balance of the Discoms. Notwithstanding the above, Discoms shall strive to narrow the difference between supply and demand in future. With regards to the surplus power, TS Discoms submit that they shall closely monitor the progress of the construction of new generating stations along with the materialization of additional loads (MU) and accordingly estimate the timelines of availability of power from such generating stations and shall strive to better utilize resultant surplus power in the times blocks/ days / months and reduce the burdens on the consumers of the state. In delivering the stated objective, Discoms shall consider the following possibilities either individually or combined:  Discoms shall explore the possibility of entering Banking Agreements with other states who have different power requirement patterns based on the availability/requirement of power. Banking of power is always beneficial to Discoms as Power will be received during Peak season where market rates will be higher and returned during non-peak season.  Discoms shall utilize the Surplus Power Portal i.e., PUShP platform an initiative by MoP, GoI where it is possible for the Discoms to indicate their surplus power in times blocks/ days / months on portal from all of their tied-up sources. Those Discoms of other States who need power will be able to requisition the surplus power and the new buyer has to pay both Fixed Charges and Variable Charges as determined by the appropriate Regulatory Commission. This shall reduce the fixed cost burden on the Discoms and will also enable all the available generation capacity to be utilized. TS Discoms, have already utilized the services of PUShP platform in order to meet its requirements in the month of May 2023.  Apart from the above two possibilities, Discoms shall also strive to materialize revenue from any resultant surplus in smaller time periods by selling the surplus power in the power exchanges.  TS Discoms shall explore the Battery energy storage systems for utilizing the surplus energy and feeding back to the system during the period of peak hours thereby reducing the dependency on the short-term power purchases to balance the demand and supply.  The ancillary services for Energy Storage Systems are the emerging trends and due to shortage of said services it is not economical at this juncture. As and when the said services are ample, the Discoms shall explore the possibility of storage of surplus energy when it is feasible.  Discoms shall abide by the directions of the Hon’ble Commission in this regard  Discoms have already provided information to the Hon’ble Commission and also placed the same in their websites. |