

For perusal

Secretary

Member/T

Chairman

Hyderabad

TSERC, HYDERABAD
INWARD

26 OCT 2015

No. 1732 Signature

HYDERABAD
DT: 16-10-15

To
The Secretary,
Red Hills
Sir,

With reference to the Public Notice issued by TSERC, inviting objections in respect of the PPA entered by the DISCOMs for purchase of 1000 MW from Chhattisgarh, the following objections are filed

1. TSGENCO has already planned so many Generation Projects and many of them may start coming up by the time the power from Chhattisgarh starts. Hence, there is no point in purchasing this power from Chhattisgarh state. Hence, TSERC should not give approval for this PPA
2. There is no guarantee that the 765 KV PGCIL Transmission line is charged in 2 years to enable Telangana to tap power from Chhattisgarh. Even if it is charged, there is no guarantee that Telangana gets approval for 1000 MW. Hence, the PPA clauses, particularly the Tariff related clauses should be very clear such that (i) until PGCIL 765 Line is effective, Telangana will not pay any charges to Chhattisgarh (ii) Even after PGCIL line becomes effective also; Telangana's obligation towards payment of Charges should be limited to the Quantum of power for which PGCIL gives approval (iii) Contracted Capacity should be as lower of Net Capacity and the Capacity for which PGCIL issued approval (iv) Delivery Date should be Scheduled Delivery Date or Effective Date of PGCIL Line for use by Telangana (v) all fixed charges to be recovered should not be collected from Telangana
3. Seems Chhattisgarh has a plan to put its costly Power Plant on the head of Telangana. This should not take place. For this, PPA clauses should be tightened further.
4. By the time PGCIL Line is charged, the 2 Nos of 500 MW units of Chhattisgarh GENCO start generating power. Where is the need for Adhoc Tariff?
5. PPA should have been with the Generator directly and the Tariff determination should be in the hands of TSERC for better monitoring of payments.
6. Delivery Point should be STU Interface of TSTRANSCO
7. Transmission facility within Chhattisgarh state should not be kept on the shoulders of Telangana and Telangana should not be penalised for Chhattisgarh Lines failures.
8. If one of the Telangana Procurers draws lesser power, Supplier should not have any right to sell the balance. The right should be with the other Procurer
9. Fixed charges should be capped to Normative Availability and Incentive should be payable for beyond Normative Availability.

Yours Sincerely

SL Narayana Retd APSEB Engineer
SRT 135/12, Sanathnagar, Hyderabad

MEMBER (T) PESHI
No : 1057
DATE : 27/10/15

MEMBER (F) PESHI
No : 1071
DATE : 27/10/15

CHAIRMAN PESHI
No : 1100
DATE : 28/10/15