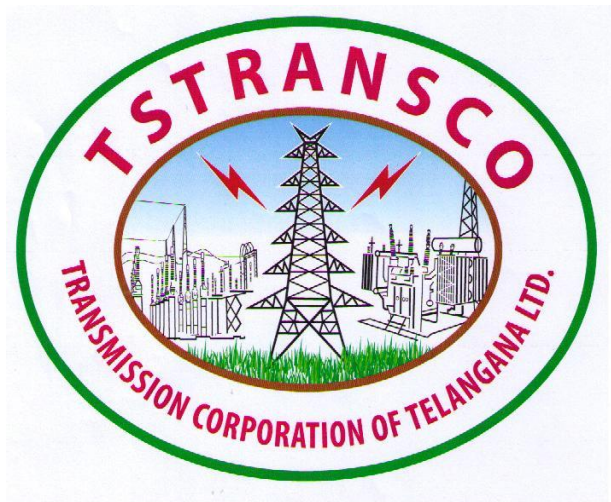


**Transmission Corporation of Telangana Limited
(State Transmission Utility)**



**Filing of Annual Performance Review (True-Up)
for FY2020-21 of SLDC Activity**

December, 2021

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

AT ITS OFFICE AT Vth FLOOR, SINGARENI BHAVAN, RED HILLS, HYDERABAD

FILING NO. _____/2021

CASE NO. _____/2021

In the matter of:

Filing of the Annual Performance Review for the FY 2020-21 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

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

I, D. Prabhakar Rao, S/o D. Pashupathi Rao 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.

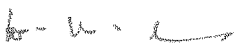
I am competent and duly authorized by TSTransco to affirm, swear, execute and file this affidavit in the present proceedings.

2. I have read and understood the contents of the accompanying Filing of Annual Performance Review for SLDC Activity for the FY 2020-21. 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 ^{29th} day of **December, 2021 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
RAVI KUMAR SULUVA
BCA, FOS
COMPANY SECRETARY, TSTRANSCO,
VIDYUT SOUDHA, HYDERABAD-500 082.

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

AT ITS OFFICE AT Vth FLOOR, SINGARENI BHAVAN, RED HILLS, HYDERABAD.

FILING NO. _____/2021

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In the matter of:

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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 2019-20 for SLDC Activity on dt. 20.03.2021 and the Hon'ble Commission issued order dt. 02.09.2021.
4. TSTRansco filed Review Petition before TSERC on 02.12.2021 w.r.t. the order dt. 02.09.2021 on Annual Performance Review (True up) for FY 2019-20 for SLDC Activity.
5. TSTRansco herein files Annual Performance Review (True up) for the FY 2020-21 for SLDC Activity along with the information in the booklet, for taking approval of the Hon'ble Commission.

6. 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 2020-21 for SLDC Activity on record.
 - b) Grant suitable opportunity to TSTRANSCO within a reasonable timeframe to file additional information, if required.
 - c) Consider the facts and circumstances of the present petition and pass an appropriate order.

TRANSMISSION CORPORATION OF TELANGANA LIMITED
(APPLICANT)

Through

Place: HYDERABAD
Dated: 29th December, 2021


D. PRABHAKAR RAO
CHAIRMAN AND MANAGING DIRECTOR

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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, dated 21-06-2014. TSTRANSCO is presently carrying out solely, the Transmission & SLDC business as per the Licence No.1 of 2014 granted by the erstwhile APERC on Deemed Licence 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 4th Control Period, the Hon'ble TSERC had issued order for Annual Fee and Operating Charges for SLDC for the 4th Control 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 2020-21 by 31st December 2021.

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:

- i. True Up - Analysis of Performance for FY 2020-21.
- ii. Analysis of Performance of SLDC Activity for FY 2020-21.

2. TRUE-UP FOR FY 2020-21

Annual Performance Review petition filing is made by the Transmission Licensee, TRANSMISSION CORPORATION OF TELANGANA LIMITED (TS TRANSCO) for FY 2020-21 as per the New Directive No.5 of SLDC tariff order dt.02.03.2020 and in accordance with the Telangana Electricity Regulatory Commission (Levy and collection of fees and charges by State Load Dispatch Centre) Regulation No.1 of 2006 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 FY 2020-21.

TS TRANSCO submitting the following True up filings in respect of SLDC business for FY 2020-21 in compliance with New Directives No. 5 of SLDC Tariff Order for 4th Control Period:

- 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 2020-21 is arrived based on actual revenue during the year.

(a) **Operation and Maintenance (O&M) Expenses True Up:** The O&M Expenses cover the Employees Cost, Administrative & General Expenses and Repairs & Maintenance Expenses.

Table 1: True Up: O&M Expenses:

(Rs. In crores)

Particulars	FY 2020-21		
	Tariff Order	Actuals	Deviation
Employees Cost	34.24	39.28	5.04
Administration and General Exp.	2.65	0.35	-2.30
Repairs & Maintenance Exp.	0.50	0.75	0.25
Other Expenses (Spl. Appr. Allowed)	8.74	0.00	-8.74
Total:	46.13	40.38	-5.75

- It could be seen from the above that, (i) there is an increase of Rs.5.04 Crores towards employee cost due to normal increase of DA and Annual Grade Increments when compared to previous year actuals (ii) A&G expenses have been decreased to the extent of Rs.2.30 Crores mainly due to Covid-19 Pandemic (iii) Hon'ble Commission had allowed Rs.8.74 Crores as other expenses during FY 2020-21 as against a claim of Rs.19.69 Crores towards revenue gap of 3rd control period and Company has adjusted the same in SLDC Revenue. Thereby, there is an overall decrease of Rs.5.75 Crores in O&M cost for FY 2020-21 over the approved cost as per the Tariff Order.

- (b) **Capital Cost True Up:** Capital Cost is a recovery towards Interest & Finance Charges and Depreciation is a claim towards replacement of cost of fixed assets.

Table 2: Capital Cost:

(Rs. In crores)

Particulars	FY 2020-21		
	Tariff Order	Actuals	Deviation
Capital Cost	4.98	1.35	-3.63
Total:	4.98	1.35	-3.63

i) Company is claiming depreciation on fixed assets amounting to Rs.1.35 Crores as capital cost for the year as per CERC norms and request Hon'ble Commission to consider and allow the same as capital cost to be recovered by way of Annual Fee for funding of its investments since, TSSLDC has not availed any loans during the year.

ii) Further, the capital expenditure of SLDC activity for the year was met from TSTRANSCO's Equity. TS SLDC is running with no profit and no loss basis hence, no funds are available to finance its investments.

- (c) **Revenue:** The following is the position of Revenue during FY 2020-21:

Table 3: Revenue:

(Rs. In crores)

Particulars	FY 2020-21		
	Tariff Order	Actuals	Deviation
<u>Revenue from SLDC Charges :</u>			
Operating Charges	45.13	38.98	-6.15
Annual Fees	4.98	4.96	-0.02
Sub-Total:	50.11	43.94	-6.17
Other Income	1.00	1.19	0.19
Total:	51.11	45.13	-5.98

Actual Revenue earned from SLDC Charges during FY 2020-21 is Rs.38.98 Crores as against Rs.45.13 Crores approved by the Hon'ble TSERC. There is a decrease of SLDC Operating charges of Rs.6.15 Crores after considering reversal of Regulatory Asset of Rs.8.74 Crores allowed in Tariff for FY 2020-21, which resulted in overall decrease in revenue by Rs.5.98 Crores.

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

Table 4: ARR Deviation – (Tariff Order vis-à-vis Actual):

(Rs. In crores)

Particulars	FY 2020-21		
	Tariff Order	Actuals	Deviation
Total Expenditure	51.11	41.73	-9.38
Revenue from SLDC Charges :	51.11	45.13	-5.98
Surplus/(Deficit)	0.00	3.40	3.40

It could be seen from the above, that (i) actual expenditure over the approved amount was decreased by Rs.9.38 Crores (ii) actual revenue over the approved revenue was also decreased by Rs.5.98 Crores after adjusting special appropriation amount of Rs.8.74 Crores allowed by Hon'ble Commission during FY 2020-21. In view this, the net ARR is showing a surplus of Rs.3.40 Crores for FY 2020-21 and the same is shown as pass through in SLDC.

Hon'ble Commission is requested to allow the depreciation as capital cost in SLDC and admit the above true up (surplus) amount of Rs.3.40 Crores.

1. Status of capital works during for FY 2020-21

A) A write up of works completed and on-going works of SLDC is given below.

1. Creation of Backup SLDC:

POSOCO suggested to go for unified Replacement/Upgradation of SCADA systems in Southern Region for Main and Back-up SLDC, after getting management approval, vide Lr dt.13.11.2020. It was requested to M/s.PGCIL to cancel the tendering process and initiate closer of agreement entered in 23.01.2019 & supplementary agreement on 10.02.2020. Further, it is also requested to refund 10% advance payment on consultancy charges which was made to M/s.PGCIL, requested PGCIL to cancel the agreement.

2. Construction of backup SLDC:

As establishment of back-up SLDC is put on hold, Management instructed to halt construction of building.

3. Meeting Hall & Video Conference rooms:

Proposal for providing of meeting hall and video conference room for SLDC is kept on hold by Management.

4. Automatic Generation Control (AGC):

TSGENCO procured new M/s Schnieder Make RTU and completed commissioning works. AGC logic testing is under progress.

5. Projects (SAMAST AMR):

Awaiting for PSDF Sanction.

6. Telecom Equipments:

a) Back up SLDC:

Procurement for back-up SLDC is put on hold as per suggestion of POSOCO.

b). REMC Project:

Procurement of Telecom equipment is in progress for REMC.

B) Status of works and capital works carried out during for FY 2020-21

Procurement of Refrigerator, Oven, Stove & Treadmill: -

As SLDC works round the clock and carries out shift operations i.e., Load generation balancing, Network Monitoring, Weather forecasting, Real Time Market related operation and dealing emergency situations. To facilitate

convenience and relief Refrigerator, Oven, Stove & Treadmill are procured with the approval of TSTransco.

Web based Energy Accounting (EBC): -

Procurement of Servers (Database, Application), Firewalls, SAN, NAS, Server Racks was taken up for establishment of Web Based Energy Accounting System for calculation of transmission losses, Open Access and FBSS Settlements etc. The entire IT hardware was erected, softwares loaded and system was put to use in December 2020.

Procurement of OFC and Power Supply Unit(Telecom): -

- Supply and Laying of 24F OFC along with HDPE pipes from Vidyut Soudha main gate to SLDC communication room for redundant optical path for transmission of voices.
- Procurement of 1 No PSU for the Digital telephone exchange in the office of CMD/TSTransco.

C) Summary

Table 5: Summary – Annual Performance of SLDC for FY 2020-21

Sl. No.	Description	Unit	Value
i	Employees Cost	(Rs. Cr.)	39.28
ii	Administration and General Exp.	(Rs. Cr.)	0.35
iii	Repairs & Maintenance Exp.	(Rs. Cr.)	0.75
A	Total O&M Cost (i+ii+iii)	(Rs. Cr.)	40.38
B	Capital Cost	(Rs. Cr.)	1.35
(I)	Total Expenditure(A+B)	(Rs. Cr.)	41.73
a	Revenue from Operating Charges	(Rs. Cr.)	38.98
b	Revenue from Annual Fees	(Rs. Cr.)	4.96
c	Other Income	(Rs. Cr.)	1.19
(II)	Total Revenue(a+b+c)	(Rs. Cr.)	45.13
	Revenue: (+) Surplus / (-) deficit(II) - (I)	(Rs. Cr.)	(+) 3.40
	Contracted Capacity	(MW)	15,883.74

ANNEXURE – A: LIST 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 Contract Capacities in MW for FY 2020-21

TS SLDC Contract Capacities for FY 2020-21 (Actuals, in MW)				
Generating Station / Source	Installed/ Contracted Capacity (MW)	Net Capacity TS Share	2020-21	
			TSSPDCL	TSNPDCL
TSGENCO THERMAL				
KTPS-D(V)(2x250)	500.00	455.00	321.00	134.00
KTPS-VI(1x500)	500.00	462.50	326.29	136.21
RTS-B (1x62.5)	62.50	56.25	39.68	16.57
KTPP St.I(1x500)	500.00	462.50	326.29	136.21
KTPP St.II (1x600)	600.00	558.00	393.67	164.33
KTPS VII	800.00	758.00	534.77	223.23
BTPS	810.00	741.15	522.88	218.27
TOTAL TSGENCO THERMAL	3772.50	3493.40	2464.59	1028.81
TSGENCO HYDEL				
N.SAGAR (ph) (NSPH)(7x100.8+1x110)	815.60	807.44	569.65	237.79
NSLCPH(2*30)	60.00	59.40	41.91	17.49
Pochampadu	36.00	35.64	25.14	10.50
Srisailam LBPH(SLBHES)(6x150)	900.00	889.20	627.33	261.87
Jurala HES (6)(Priyadarshini) (50% share to Karnataka)	234.00	115.83	81.72	34.11
Singur(2x7.5)	15.00	14.85	10.48	4.37
Nizam Sagar(2*5)	10.00	9.90	6.98	2.92
Mini Hydel (Peddapalli,)	9.16	9.07	6.40	2.67
Mini Hydel (Palair)	2.00	1.98	1.40	0.58
Lower Jurala Hydro Electric Project(6x40)	240.00	237.60	167.63	69.97
Pulichintala(4x30)	120.00	118.80	83.81	34.99
TOTAL TSGENCO HYDEL	2441.76	2299.71	1622.45	677.27
INTER STATE HYDEL PROJECTS				
Machkund PH	120.00	44.81	31.62	13.20
Tungabhadra PH & Hampi	72.00	30.73	21.68	9.05
TOTAL IS HYDEL	192.00	75.55	53.30	22.25
CENTRAL GENERATING STATIONS				
NTPC (SR)-I&II	2100.00	333.14	235.03	98.11
NTPC (SR) Stage-III	500.00	84.25	59.44	24.81
NTPC (Simhadri) I	1000.00	507.91	358.33	149.58
NTPC (Simhadri) II	1000.00	233.27	164.57	68.70
NTPC Talcher-II	2000.00	205.34	144.87	60.47
NLC - Stage-I	630.00	53.15	37.50	15.65
NLC - Stage-II	840.00	95.36	67.28	28.08
NPC (Kaiga) Unit I & II	440.00	62.12	43.83	18.29
NPC (Kaiga) Unit III & IV	440.00	65.99	46.56	19.43

Generating Station / Source	Installed/ Contracted Capacity (MW)	Net Capacity TS Share	2020-21	
			TSSPDCL	TSNPDCL
NPC (MAPS)	440.00	20.14	14.21	5.93
NTECL Valluru Thermal Power	1500.00	101.23	71.42	29.81
NLC tamil(Tuticorin) Unit I COD18.6.15 & Unit II COD 29.08.15	1000.00	141.91	100.12	41.79
New Nyvelly Thermal Power Station	500.00	58.22	41.07	17.15
Kuddankulam Nuclear Power Plant (KKNP)	1000.00	46.10	32.52	13.58
Kudigi Unit-I&II	2400.00	271.35	191.44	79.91
NVVNL Bundled Power COAL	85.00	43.00	30.34	12.66
NSM II(Coal)(NTPC 200 MW)	200.00	200.00	141.10	58.90
TOTAL CGS	16075.00	2522.48	1779.61	742.87
OTHERS				
Vemagiri	370.00	193.03	136.18	56.85
GVK Extension	220.00	115.43	81.44	33.99
Gautami	464.00	242.50	171.08	71.42
Konaseema	444.00	231.83	163.56	68.27
Thermal Powertech (Unit-I)	660.00	269.45	190.10	79.35
Thermal Powertech (Unit-II)	660.00	570.00	402.14	167.87
Singareni Thermal Power Project Stage-I	1200.00	1131.00	797.92	333.08
Chattisgarh Power Purchase	1000.00	948.00	668.81	279.19
OTHERS TOTAL	5018.00	3701.24	2611.22	1090.02
NCE				
Bio-Mass	36.00	36.00	12.00	24.00
Bagasse	54.20	54.20	15.00	39.20
Industrial-Waste	15.00	15.00	7.50	7.50
MSW	19.80	19.80	19.80	0.00
Wind Power	100.80	100.80	100.80	0.00
Mini-Hydel	7.55	7.55	1.55	6.00
Solar	3243.74	3243.74	2228.94	1014.80
Solar JNNISM Ph-I Bundled ISTS	45.81	45.81	32.32	13.49
Total NCE	3522.90	3522.90	2417.91	1104.99
Discom Total		15615.29	10949.09	4666.20
Open Access		268.45	268.45	
Grand Total Contractual Capacity		15883.74	15883.74	
Note: APGPCL Contracted Capacity is not included as TSDISCOMs decided not to schedule power from APGPCL from Feb 2020 onwards.				