Ref.no. PEG/2023/54

The Commission Secretary Telangana Electricity Regulatory Commission 11-4-660, 5th Floor, Singareni Bhavan Red Hills, Lakdi-ka-pul, Hyderabad - 500 004

Sub: Prayas (Energy Group) Comments and Suggestions on Suo-Moto determination of Renewable Power Purchase Obligation compliance of obligated entities for FY 2019-20 to 2021-22

22nd September, 2023

TSERC has initiated Suo-Moto determination of Renewable Power Purchase Obligation compliance for FY 2019-20 to 2021-22 on 30th August, 2023 and has invited comments from public and all stakeholders by 20th September, 2023.

Our suggestions and comments on the proceedings are attached and we request you to take it on record. We also request to condone the delay in submitting the comments.

We also request the Commission to additionally hold virtual hearings which will enable us to participate in the public hearing.

Kind Regards,

Ashwin Gambhir, Saumendra Aggarwal, Sreekumar Nhalur

Prayas (Energy Group)

Prayas (Energy Group)'s comments on TSERC's proceeding for Suo-Moto determination of Renewable Power Purchase Obligation compliance for FY 2019-20 to 2021-22

TSERC has initiated <u>Suo-Moto determination of Renewable Power Purchase Obligation compliance for</u> <u>FY 2019-20 to 2021-22</u> on 30th August, 2023 and has invited comments from public and all stakeholders by 20th September, 2023.

Our detailed comments on this suo-motu proceeding as noted below.

- 1. Need for timely RPPO compliance proceedings: While we welcome the commission's proceeding for Suo-Moto determination of Renewable Power Purchase Obligation compliance for the years, FY 2019-20 to 2021-22, such a long delay in RPO compliance verification can undermine the whole purpose of the RPO targets. The reporting and verification of RPO compliance by obligated entities should be done regularly on an annual basis.
- 2. Need for stricter data reporting and compliance verification timelines: In this regard, stricter data reporting and compliance verification timelines should be included in the RPPO regulations or the commission can take pro-active action by directing all obligated entities to report the RPO compliance on an annual basis. The Commission should also direct the TSSLDC (nodal agency for RPO compliance monitoring) to collect RPO compliance from all obligated entities and report the compliance to the Commission in time-bound manner. We also suggest that the Commission ask for much granular data on RE procurement by obligated entities, which can include, but not be limited to, source-wise RE procurement, procurement from GTAM and GDAM, REC procurement, future RE procurement plans and contracted capacity etc.
- 3. Need for text searchable data reporting: We strongly appreciate TSSLDC's efforts in putting out the RPPO compliance data for these years, not just for the two DISCOMs, but also for the 100 OA and CPP obligated entities. However, it would be better if TSSLDC can report this data in excel formats which are searchable and editable rather than putting them out as scanned pdfs.
- 4. Limit or disallow carry forward: We request the Commission to limit the carry forward of shortfall or surplus at the most up to one year and impose appropriate penalty on obligated entities in case of non-compliance. Allowing carry forward of shortfall for a longer duration (more than a year), as in this case, for 2018-19 to 2021-22 may result in non-seriousness on behalf of obligated entities to comply with the RPO targets specified by the Commission. Further, reasons for non-compliance by obligated entities if any should be clearly mentioned and explained in the final Suo-motu order by the Commission. Source wise RPO compliance for other states & DISCOMs for comparison can be seen on our India RE data portal (http://indiaredata.org/rpo/compliance-visualisation/compliance-overview)
- 5. Revise RPPO targets urgently in line with MoP guideline of 43% by 2030: The analysis of RPO compliance by DISCOMs shows that the RPO trajectory provided by the commission is very low (refer Figure 1 & 2 below) and needs to be revised. We suggest that the commission revise the trajectory upwards and in line with MoP trajectory of 43.3% RPO by 2030 and 4% ESO. Source wise targets for other states for comparison can be seen on our India RE data portal (http://indiaredata.org/rpo/compliance-visualisation/sourcewise-rpo-trajectory)



Figure 2: RPO trajectory by MoP and Telangana SERC
