

# KERALA STATE ELECTRICITY BOARD

## Abstract

Providing power to small distribution licensees in Kerala – in-principle power allocation – provisionally for one year - sanctioned – orders issued.

### **Corporate Office (Tariff and Regulatory Affairs Cell)**

B.O (FM) No.2258/2012 (KSEB/TRAC/Licensees/2012) Thiruvananthapuram dated 27.-11-2012

Read : 1. B.O.(FB) No.1621/2011(KSEB/TRAC/Licensees PPA/2010) dated 28-06-2011.  
2. Note No. KSEB/TRAC/Licensees/2012 dated 11-09-2012 of the Chief Engineer (Commercial & Tariff) submitted to the Full Time Members.

## **ORDER**

Board vide order read above had formulated a policy on the matter of providing power to other distribution licensees operating in Kerala. Even though KSEB, as per the policy, allowed these licensees to freely procure power from any source of their choice and wheel the same through transmission network of KSEB, all the licensees are still seeking additional power allocations from KSEB.

Meanwhile, Hon. KSERC has issued orders revising the BST applicable to all licensees along with the Retail Supply Tariff (RST) applicable to all categories of consumers in the State, with effect from 01-07-2012, vide its order dated 25-07-2012 in petition No. 23 of 2012 filed by KSEB. The above order of the Hon. Commission has addressed to some extent, the concern of KSEB regarding the undue surplus cornered by the small licensees.

The Chief Engineer (Commercial & Tariff) has reported as follows: The Hon. Chief Minister of Kerala convened a meeting with the Hon. Minister for Industries and Hon. Minister for Power & Transport along with officials of KSEB, Technopark and Infopark on 05-07-2012, wherein it was decided to provide power to licensees on a "No Profit No Loss" basis. Based on the decision, Member (Finance), KSEB convened a meeting with the officials of Technopark and Infopark on 11-07-2012, for evolving proposals so that power allocation on "No Loss No Profit" basis. Similarly, a meeting with M/s. KINESCO Power Utilities Private Limited (KPUPL), was convened by the Addl. Chief Secretary (Power & Transport), Government of Kerala on 09-08-2012 with the officials of KSEB and KINESCO, as per interim order dated 12-05-2012 of Hon. High Court of Kerala in W.P. (C) No. 37700 of 2010.

In view of the facts reports above, the Chief Engineer (Commercial & Tariff) has taken up the request for power requirement by Technopark, Infopark and KPUPL before the Full Time Members of the Board vide note read as 2<sup>nd</sup> paper above for in-principle allocation of power, for a provisional period of one year, subject to approval of the Full Board. Further, in the case of M/s. Technopark it was noted that the additional power could be provided only after strengthening of transmission system including enhancing the capacity of 110 kV Substation at Technopark for which they have to provide additional land and remit the estimated cost.

Having considered the note of the Chief Engineer (Commercial & Tariff), Board hereby authorizes the Chief Engineer (Commercial & Tariff) to issue in-principle power allocation to the licensees, for a provisional period of one year, as detailed below, in anticipation of approval of Full Board:

1. 6 MVA to M/s. Technopark at Kollam and 3 MVA to M/s. Technopark at Thiruvananthapuram subject to the conditions that (a) the tariff classification of consumers inside the park will be similar to that of KSEB

and (b) the matter of recovery of higher infrastructure cost of Technopark without adversely affecting the BST would be sorted out at Government level.

2. 0.75 MVA to M/s. Infopark subject to the conditions that (a) the tariff classification of consumers inside the park will be similar to that of KSEB and (b) the matter of recovery of higher infrastructure cost of Infopark without adversely affecting the BST would be sorted out at Government level and (c) until KSEERC determines Bulk Supply Tariff for Infopark based on ARR & ERC, tariff applicable to Technopark would be followed.
3. 2 MVA to M/s. Kinesco Power and Utilities Private Limited at KINFRA Park, Kakkanad, 1 MVA at KINFRA Hi-Tech Park, Kalamassery and 1 MVA at KINFRA Integrated Textile Park, Palakkad subject to the conditions that (a) the tariff classification of consumers inside the park will be similar to that of KSEB and (b) the matter of recovery of higher infrastructure cost of KINESCO without adversely affecting the BST would be sorted out as part of new regulations.

Board, further authorizes the Chief Engineer (Transmission - South) to process the requests of M/s. Technopark, Kollam, M/s. Technopark, Thiruvananthpuram, M/s. Infopark and M/s. Kinesco Power and Utilities Private Limited for connectivity with the grid by following due procedure and after collecting necessary charges, including the estimate charges for strengthening / enhancing the transmission system as may be required.

Board, also authorizes the Deputy Chief Engineer, Electrical Circle, Palakkad to process request of 1 MVA at KINFRA Integrated Textile Park, Palakkad by M/s. Kinesco Power and Utilities Private Limited for connectivity with the grid by following due procedure and after collecting necessary charges, including the estimate charges for strengthening / enhancing the transmission or distribution system as may be required.

By order of the Board  
Sd/-  
S.Roopakala Jagath  
Secretary

To:  
The Chief Engineer (Commercial & Tariff)  
The Chief Engineer (Transmission – South)  
The Deputy Chief Engineer, Electrical Circle, Palakkad

Copy to:  
The Financial Advisor / Chief Internal Auditor  
The Director (IT)  
TA to Chairman/M(T&G(O))/M(D)/M(G)  
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Asst. Executive Engineer