



KERALA STATE ELECTRICITY BOARD LIMITED

(Incorporated under the Companies Act, 1956)

CIN:U40100KL2011SGCO27424, Registered office : Vidyuthi Bhavanam, Pattom,
Thiruvananthapuram 695 004, Phone (O) +91 471 2514617,2514317,2514650

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ABSTRACT

**Filing of fuel Surcharge petition for the period from October to December 2019 –
sanctioned-Orders issued**

CORPORATE OFFICE (COMMERCIAL & PLANNING)

B.O.(FTD) No. /76/2020 (KSEB/TRAC /FSP/29/FY2019-20) Dtd. 01.01.2020

Read: 1. Note No. KSEB/ TRAC/ FSP/29/FY2019-20/ dated 28.01.2020 of the Deputy
Chief Engineer (Commercial & Planning) with full powers of Chief Engineer.
(Agenda 90/01/2020)

ORDER

The Kerala State Electricity Regulatory Commission (KSERC) as per notification No. 2076/F&T/2017/KSERC dated 26th October 2018 notified the KSERC (Terms and Conditions for Determination of Tariff) Regulations, 2018. As per Regulation 86 of Tariff Regulation 2018, (Fuel surcharge formula), every distribution licensee can recover/remit the additional expenditure/savings due to the difference between the actual cost of fuel and the cost of fuel approved in Aggregate Revenue Requirement by the Commission for the generation of electricity in the generating stations owned by the distribution business/licensee; and the difference on account of the change in cost of fuel, between the actual cost of power purchase and the cost of power purchase as approved by the Commission in the Aggregate Revenue Requirement.

The KSERC as per order dated 08.07.2019 had approved the total power purchase cost of KSEB Ltd as Rs. 8613.94 crore and the quantum of generation and power purchase as 28128.83 MU, for the year 2019-20. The Honourable Commission approved 6998.42 MU as internal hydro generation, 11241.96 MU from central Generating Stations and 8647.06 MU through long term contracts for the year 2019-20. As per the Regulation 86 (4) (c) of Tariff Regulations, the difference between the actual cost of power purchase and the approved cost of power purchase on account of change in cost of fuel shall be computed with respect to the month wise quantity of power purchase as approved in the ARR of the licensee based on merit order.

As part of long term contracts through DBFOO basis, KSERC is yet to adopt the rate for 350 MW of power contracted through DBFOO basis ie; 100 MW from M/s Jindal India Thermal Power Limited, 100 MW from Jhabua Power limited and 150 MW from Jindal Power Limited, but had allowed drawal of power against these PSAs at the overall power purchase rate of M/s BALCO. Since KSERC has not separately approved the variable cost of these three stations, KSEBL provisionally assessed the additional

liability due to these purchases based on the variation of actual variable cost of these stations with respect to the variable cost used for estimation in the MYT petition dated 31.10.2018.

There has been considerable change in the actual per unit variable cost of power purchase in third quarter of FY 2019-20. KSEBL has prepared fuel surcharge petition based on the variation in fuel cost on actual monthly power purchase from approved sources for the third quarter for an amount of Rs 70.10 crores for the third quarter of financial year 2019-20. As per the KSERC (Conduct of Business) Amendment Regulations, 2015, a petition fee of Rs 105150/- (Rupees One Lakh five thousand one hundred and fifty only) (@0.015% of the increase in revenue expected) is to be submitted along with the petition.

The Deputy Chief Engineer (Commercial & Planning) with full powers of Chief Engineer as per note read above has submitted the draft petition to be submitted before KSERC, before the Full Time Directors for approval.

Having considered the recommendations of Deputy Chief Engineer (Commercial & Planning) with full powers of Chief Engineer, the Full Time Directors in its meeting held on 31.01.2020

- i. Resolved to approve the Draft Petition on fuel surcharge for the third quarter of FY 2019-20 amounting to Rs 70.10 crores for filing before KSERC.
- ii. Further resolved to authorize the Deputy Secretary (Administration) to release a cheque amounting to Rs 105150/- towards the fee for filing Fuel Surcharge Petition for the third quarter of FY 2019-20.

Orders are issued accordingly.

By Order of the Full Time Directors

Sd/-

Lekha.G

Company Secretary (I/c)

To

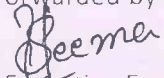
The Deputy Chief Engineer (Commercial & Planning) with full powers of Chief Engineer
The Deputy Secretary (Administration)

Copy to:

Financial Advisor,
Legal Advisor & Disciplinary Enquiry Officer
Chief Internal Auditor

Deputy Chief Engineer (TRAC)
T.A to (Chairman & Managing Director),
T.A to Director (Distribution,IT&HRM)
T.A to Director (Trans. System Operation & Safety)
T.A to Director (Generation Civil), Director (Generation Electrical & SCM),
PA to Director (Finance)/ Sr. CA to Secretary
CA to IGP (CVO, KSEB),Chief Public Relations Officer
Fair Copy Superintendent / Library

Forwarded by order



Asst. Executive Engineer