



KERALA STATE ELECTRICITY BOARD LIMITED

Incorporated under the Companies Act, 1956

Corporate identity Number: U40100KL2011SGC027424

Regd Office: Vydyuthi Bhavanam, Pattom, Thiruvananthapuram – 695004

Phone (O) +91 471 2514617, 2514317, 2514650

E-mail: trac@kseb.in, web: www.kseb.in

ABSTRACT

Enhancement of contract demand from 1500 kVA to 3000 KVA and Request for Extension of validity of the Power Purchase Agreement (PPA) for supply of power at KINFRA Hi Tech Park, HMT Colony , Kalamassery - Initialing of supplementary Power Purchase Agreement -Sanction accorded – Orders issued.

CORPORATE OFFICE (Commercial & Tariff)

B.O(FTD) No. 751/2022(KSEB/TRAC/AE2/Hi Tech Park/22-23) dated, Tvpm 02.09.2022

- Read:
1. Power Purchase Agreement dated 01.10.2014
 2. Power Purchase Agreement dated 04.08.2016
 3. Supplementary Power Purchase Agreement dated 23.03.2020
 4. Connection Agreement No 01/2022-23 dated 05.04.2022
 5. Letter No KINESCO/KSEBL/PPA/KIsy/2022-23/16 dated 28.04.2022
 6. Letter No KINESCO/KSEBL/PPA/2022-23/078 dated 19.07.2022
 7. Note No. KSEB/TRAC/AE2/Hi Tech Park/22-23 dated 16-08-2022 of the Chief Engineer(Commercial & Tariff) (Agenda No.78/8/22)

ORDER

M/s Kinesco Power and Utilities Private Limited (KPUPL) is a distribution licensee supplying power at 4 licence areas located each at Kakkanad and Kalamassery and 2 areas in Palakkad.

M/s KPUPL had entered into a PPA on 01-10-2014 for purchase of power from KSEB for their 3 parks in Kakkanad (11MVA), Kalamassery (1 MVA) and Palakkad (Kanjikode) (1MVA) for a provisional period of one year from 01-09-2014. The validity of this PPA expired on 31-08-2015. Later this agreement was extended till new agreement was executed. The new PPA for Kalamassery for 1 MVA was signed on 04.08.2016 and the term of agreement expired on 3.8.2017. Later, the validity of PPA for Kalamassery was extended for five years

w.e.f. 4.8.2017 with an enhanced contract demand of 1500kVA, as per the supplementary agreement read as 3rd above.

As per letter read as 5th above, M/s KPUPL requested for enhancement of contract demand from 1500kVA to 3000kVA at 11kV for KINFRA Hi Tech Park, HMT Colony, Kalamassery. and executed Connection Agreement read as 4th above with Chief Engineer (Distribution Central) for 3000 kVA.

As per the procedure, the draft supplementary PPA shall be initialed by KSEBL & KPUPL, and KPUPL shall submit the same before KSERC for approval. Based on the initialed PPA by both parties the change in contract demand can be implemented and billing can be started from the date of initialing the draft supplementary PPA in anticipation of the approval by the Commission. After getting approval of KSERC, supplementary PPA is to be executed.

The article 3.6 and the article 8.6 of the PPA dated 04.08.2016 mentions about average power factor to be maintained and power factor charges. The power factor charges have been revised by KSERC vide tariff order dated 25.06.2022. Therefore, the revised power factor incentive / disincentive charges are also included in the supplementary agreement.

Also as per letter read 6th above, M/s Kinesco Power and Utilities Private Limited (KPUPL) has requested for extension of validity of the PPA for another five years up to 04.08.2027 with the same terms and condition in line with clause 2.2 of Power Purchase Agreement.

The Chief Engineer (Commercial & Tariff) as per note read as 7th above pointed out that, as per the conditions made in the main PPA signed by M/s. Kinesco Power and Utilities Private Limited (KPUPL), the entire power requirement of the licensed area of KINFRA, will be met from KSEB Ltd. Hence extending the PPA will ensure a fixed load to be taken from KSEBL for the period of agreement.

The Chief Engineer (Commercial and Tariff) recommended to enhance the contract demand with extended validity and to initial the draft supplementary PPA for submission before KSERC for approval.

Having considered the matter in detail, the Full Time Directors in its meeting held on 26-08-2022 resolved to accord sanction for the following.

1. To enhance the contract demand of M/s KPUPL at KINFRA Hi Tech Park, Kalamassery to 3MVA from 1.5MVA.
2. To extend the validity of PPA for supply of power to KINFRA Hi Tech Park, Kalamassery for five more years w.e.f 04.08.2022.
3. To approve the draft supplementary PPA to the PPA dated 04.08.2016 for enhanced contract demand of 3000 kVA at 11kV and extended validity upto 03.08.2027, attached as annexure, for initialing on behalf of KSEBL for supply of power at KINFRA Hi Tech Park, Kalamassery.

4. To authorize the Chief Engineer (Commercial & Tariff) to initial the draft supplementary PPA on behalf of KSEBL.
5. To request M/s KPUPL to seek approval of KSERC for the same.

Orders are issued accordingly

By Order of Full Time Directors

Sd/-

Lekha G
Company Secretary

To

1. The Chief Engineer (Commercial & Tariff).
2. The Special Officer Revenue

Copy to:

The Financial Advisor/ Deputy Chief Engineer (Commercial & TRAC)/ The Chief Internal Auditor/ TA to (CMD)/ PA to Director (Finance & HRM)/ TA to Director (Distribution, SCM & IT)/ TA to Director(GC)/ TA to Director(T, SO, Planning & Safety)/TA to Director(GE)/ TA to Director(R,S,S&W)/ CA to Company Secretary/ Sr.CA to Secretary (Administration)/ CA to IGP (CVO, KSEBL)/ Chief PRO/ FCS/ Library.

Forwarded by order



Assistant Engineer

**SUPPLEMENTARY POWER PURCHASE AGREEMENT TO THE POWER PURCHASE AGREEMENT
ENTERED ON 04.08.2016 BETWEEN KINESCO POWER AND UTILITIES PRIVATE LIMITED AND
KERALA STATE ELECTRICITY BOARD LIMITED**

THIS **SUPPLEMENTARY POWER PURCHASE AGREEMENT (SPPA)** entered into on this day
of, 2022 at Thiruvananthapuram

BETWEEN

the **Chief Engineer (Commercial & Tariff)** for and on behalf of the **KERALA STATE ELECTRICITY BOARD LIMITED**,(CIN No. U40100KL2011SGC027424), a deemed licensee and State Transmission Utility, as per the transfer scheme notified by Government of Kerala vide G.O (P) No. 46/ 2013/PD dated 31.10.2013 as per section 131 and 133 of Electricity Act 2003 and a company constituted under the Companies Act, 1956, having its head office at Vidyuthi Bhavanam, Pattom, Thiruvananthapuram (hereinafter referred to as "**KSEBL**" which expression shall wherever the context so admits or implies, be deemed to include its successors or assignees as well) as a party on the one part

AND

the **Chief Executive Officer** for and on behalf of the **M/s. KINESCO Power and Utilities Private Limited (KPUPL)**, a Joint Venture Company constituted under the Companies Act, 1956, having its registered office at KINFRA HOUSE, TC 31/2312, Sasthamangalam, Trivandrum – 695010 and having its head office at Room Nos 302-306, 2nd Floor, CFC Building, KINFRA Park Office, Kusumagiri P.O., Kakkanad, Kochi – 682030 (address for communication) (hereinafter referred to as "**KPUPL**" which expression shall wherever the context so admits or implies, be deemed to include its successors or assignees as well) as a party of the other part. Each of the parties of the first and second above is individually referred to as "Party" and collectively as the "Parties"

AND WHEREAS KPUPL has entered into a PPA with KSEBL for purchase of power for supplying power to 3 industrial parks in Kerala viz Kakkanad (11MVA), Kalamassery (1 MVA) and Palakkad (Kanjikode) (1MVA) for a period of one year from 1.9.2014

AND WHEREAS, KPUPL had entered into a new Power Purchase Agreement(PPA) with KSEB on 04.08.2016 for a contract demand of 1000kVA at 11kV for KINFRA Hi Tech Park, HMT Colony , Kalamassery for a period of one year from the date of signing of the agreement which was further extended for a period of five years effective from 04.08.2017.

AND WHEREAS, as per amendment dated 23.3.2020 to the Power Purchase Agreement dated 04.08.2016, the contract demand for KINFRA Hi Tech Park, HMT Colony , Kalamassery was enhanced to 1.5 MVA at 11kV

AND WHEREAS, KPUPL had requested to enhance the contract demand for KINFRA Hi Tech Park, HMT Colony , Kalamassery from 1.5 MVA at 11kV to 3 MVA at 11 kV and KSEBL had

agreed to enhancement of contract demand from 1.5 MVA to 3 MVA with effect from the date of initialing of the supplementary PPA.

AND WHEREAS, KPUPL as per letter No. KINESCO/KSEBL/PPA/2022-23/078 dt 19.07.2022 had requested for extending the validity of the PPA for further period of 5 years with the same terms and conditions in line with clause 2.2 of PPA and KSEBL had agreed for extending the validity of PPA for further 5 years.

AND THEREFORE, this agreement is signed supplemental to the principal PPA executed on 04.08.2016 and its amendments dated 23.3.2020.

Now therefore, in consideration of the premises and mutual agreements, covenants and conditions set forth herein, it is hereby agreed by and between the Parties to amend PPA dated 04.08.2016, its amendment dated 23.3.2020 as follows:

1. Para 2.1, Article 2, the second sentence is amended as "the agreement shall remain valid upto 04.08.2027"
2. The Article 3.2 of the PPA dated 23.3.2020 shall be modified as ;
"KSEBL shall supply to KPUPL at the point of supply at Kalamassery and KPUPL shall take from KSEBL power up to a total quantity of 3 MVA at 11KV at KINFRA Hi Tech Park, Kalamassery for its own use and for the purpose of supply to the consumers within in the area of supply as provided in the license of distribution of electricity "
3. The Article 3.6 of the PPA dated 04.08.2016 shall be modified as

KPUPL agrees to maintain the average power factor of the intake electricity supply at each point of supply at not less than 0.95 lag by suitable power factor correction equipment's at its cost. Should the average power factor drop below 0.9 and so remain for a period of two consecutive months it must be brought to not less than 0.95 within a further period of six months by KPUPL, failing which without prejudice to the right of KSEBL to collect the extra charges and without prejudice to such other rights as having accrued to KSEBL or any other rights, the supply to KPUPL is liable to be discontinued after giving notice and opportunity of being heard and subject to the provisions of applicable regulations notified/to be notified by KSERC.

4. The Article 8.6 of the PPA dated 04.08.2016 shall be modified as

If the power factor drops below 0.95 lag, the following extra charge or charges for the entire reactive energy as determined by the commission shall be payable by KPUPL

Below 0.95 lag and upto 0.90 lag - 0.50% of the energy charges for every reduction of 0.01 fall in power factor below 0.95 and upto 0.90.

Below 0.90 - 1% of the energy charge for every reduction of 0.01 fall in power factor from 0.90.

SUPPLEMENTARY PPA

Or as notified by the Commission from time to time

The power factor incentive / disincentive shall be applicable as decided by KSERC in the prevailing tariff order and as amended from time to time.

5. In Schedule IIA, the 3rd row is amended as "Rate for supply shall be at the tariff approved by the Commission from time to time."
6. In Schedule IIA, the 4th row is amended as "Maximum output required by KPUPL, Kalamassery is 3MVA at 11kV"
7. All the terms and conditions specified in the Articles of the PPA entered by the parties on 04.08.2016 and its amendment dated 23.3.2020 shall hold good in respect of this SUPPLEMENTARY PPA executed for the purpose for change in contract demand from 1.5MVA at 11kV to 3MVA at 11kV also, except for those specified herein above.

IN WITNESS thereof Shri. Jayaraj V , the Chief Engineer (Commercial & Tariff) for and on behalf of the Kerala State Electricity Board Limited and Sri. _____ , Chief Executive Officer for and on behalf of M/s KPUPL, Kerala have set their hands and seals on the first above written.

Signature of the
Chief Engineer (Commercial & Tariff)
KSEBL

Signature of the
Chief Executive Officer
KPUPL

Witnesses:
(For KSEBL)

Witnesses:
(For KPUPL)

1.

1.

2.

2.