



KERALA STATE ELECTRICITY BOARD LIMITED

(Incorporated under the Companies Act, 1956)

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Abstract

Procurement of power from THDC India Ltd's Solar PV Project of 50MW capacity at Paivalike in Kasargod Solar Park – modification of the initialled PSA dated 16.01.2019 as per the orders of the Hon'ble KSERC dated 17.03.2021–Sanctioned - Orders issued.

CORPORATE OFFICE (Planning)

B.O. (FTD) No. 525/2021 (CE(C&P)/KSP-THDCL-Paivalike/2021-22) dated Tvpm, 06.07.2021

Read: 1. PSA initialled between KSEBL and THDCIL on 16.01.2019.

2. KSERC Order dated 17.03.2021.

3. Letter No. THDC/Solar/NCR/360 dated 07.05.2021 from THDCIL

4. Note No. CE (C&P)/ KSP-THDCL-Paivalike/2021-22/171 dated 17.05.2021 of the Chief Safety Commissioner with additional charge of Chief Engineer (Commercial & Planning). (Agenda No. 39/5/21).

5. B.O (FTD) No. 409/2021 (Est III/T&P/CE (Ele) 2018 dated 31.05.2021.

6. Note No. CE (C&P)/ KSP-THDCL-Paivalike/2021-22/286 dated 22.06.2021 of the Chief Engineer (Commercial & Tariff). (Agenda No. 70/6/21).

ORDER

As part of the Government of India scheme for the installation of 25 solar parks targeting 20000 MW solar power, the Ministry of New and Renewable Energy (MNRE), Government of India had granted approval for setting up 200 MW solar park at Kasargod District in the State of Kerala. 500 acres of land was allocated by the Government of Kerala in two 250 acres plot respectively in Ambalathara and Paivalike regions in Kasargod for setting up 105 MW Solar park under Phase I. For the development and management of the proposed Solar Park, Renewable Power Corporation of Kerala Limited (RPCKL), a Joint Venture company between KSEBL and SECI with 50% equity for both partners was incorporated on 15th January 2016. Out of the 200 MW, 50 MW solar plant by IREDA at Ambalathara was declared CoD on 14.09.2017.

M/s Tehri Hydro Development Corporation of India Ltd (THDCIL) was allocated a 50MW project in Paivalike at Kasargod. A Power Sale Agreement read as 1st above was signed between THDCIL and KSEBL and the Clause (7) of the PSA, provides for a ceiling on tariff as under:

"The Tariff will be at a levellised tariff not exceeding Rs.3.10/kWh, which is subject to further reduction based on project cost discovered through reverse bidding for selection of EPC

contractor or the rate as approved by Kerala State Electricity Regulatory Commission, whichever is lower"

M/s THDCIL has filed petition before the KSERC for approval of the tariff and the KSERC as per order read as 2nd above has approved the tariff for the supply of electricity from the project @ Rs 3.10/unit (inclusive of all taxes and duties including tax on RoE) and also directed M/s THDC India Ltd and KSEB Ltd to modify the initialled PSA with the approved tariff and shall file a separate petition for approval of the PSA as per the provisions of the Electricity Act, 2003 and the Regulations notified by the Commission.

The Chief Safety Commissioner with additional charge of Chief Engineer (Commercial & Planning) has reported that, THDCIL as per letter read as 3rd above has requested KSEBL to share the modified PSA as per the KSERC order. In view of the above, it was suggested as per note read as 4th above that the PSA dated 16.01.2019 initialled between KSEBL and THDCIL for procurement of power from the 50 MW solar power project at Paivalike of Kasargod may be modified as directed in the KSERC order with approved levelized tariff as Rs 3.10/unit, inclusive of all taxes and duties including tax on RoE. The levelized tariff is applicable for the entire electricity injected into the grid from the date of synchronization (31.12.2020) upto 25 years. The sanction was also requested to forward the modified PSA to THDCIL for concurrence and initialling and to entrust the Chief Safety Commissioner with additional charge of Chief Engineer (Commercial & Planning) to initial the modified PSA on behalf of KSEBL.

Subsequently, the Chief Engineer (Commercial and Tariff) as per note read as 6th above reported that, designation of the Agreement Authority has been changed to the Chief Engineer (Commercial and Tariff) as per B.O read as 5th above.

Having considered the matter in detail, the Full Time Directors in its meeting held on 17.05.2021 and 22.06.2021, resolved to accord sanction to modify the clause 7 of PSA dated 16.01.2019 initialled between KSEBL and THDCIL for procurement of power from the 50 MW solar power project at Paivalike of Kasargod as below:

"As approved by KSERC in its order dated 17.03.2021, the levelized tariff for the electricity generated from the 50 MW Solar Project is Rs 3.10 per unit, inclusive of all taxes and duties including tax on RoE. THDCIL is not eligible to reimburse the tax on RoE from KSEB Ltd and also not eligible to pass through the taxes and duties to KSEB Ltd. This levelized tariff is applicable for the entire electricity injected into the grid from the date of synchronization (i.e. 31.12.2020) upto 25 years."

Further resolved to forward the modified PSA to THDCIL for concurrence and initialling.

Further resolved to authorise the Chief Engineer (Commercial & Tariff) to initial the modified PSA on behalf of KSEBL upon concurrence and initialling of modified PSA by THDCIL.

Orders are issued accordingly

By Order of the Full Time Directors,
Sd/-
LEKHA.G
Company Secretary in-charge

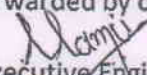
To

1. The Chief Engineer (Commercial & Tariff)
2. The Deputy Chief Engineer (TRAC)

Copy to:

1. The Financial Advisor/Chief Internal Auditor/LA & DEO
2. TA to CMD/ Director (T& SO)/ (SCM &Gen-E)/ (D, IT& HRM)/ Gen (Civil)/(Plg&Safety)
3. PA to Director (Finance)
4. Senior CA to Secretary/Company Secretary i/c/The Fair Copy Superintendent
5. Library / Stock File.

Forwarded by order


Assistant Executive Engineer