



KERALA STATE ELECTRICITY BOARD LIMITED

(Incorporated under the Companies Act, 1956)

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Abstract

ANERT – 2 MW Solar plant at Kuzhalmannam– Initialling of Power Purchase Agreement – Sanctioned Orders issued.

CORPORATE OFFICE (Planning)

B.O. (FTD) No. 740/2020 (CE (C&P)/Kuzhalmannam-Solar/2020-21) dated Tvp, 16.12.2020

- Read: 1. B.O (DF) No.3544/2016 (CE (REES)/AE-1/Anert PPA/2016-17)dated 20.12.2016
2. Letter No. ANERT-TECH/119/2018-PO (AG) dated 16.09.2020 of the Director, ANERT to Chairman and Managing Director, KSEBL.
 3. Draft PPA for 2MWp solar photo voltaic power plant.
 4. Note No. (CE (C&P)/Kuzhalmannam-Solar/2020-21/785 dated 27.11.2020 of the Deputy Chief Engineer (C&P) with full powers of Chief Engineer submitted to the Full Time Directors. (Agenda No.21/12/20).

ORDER

In order to tap the vast potential of Solar Power in the State, Kerala Solar Energy Policy was formulated in the State in the year 2013. In administering this policy, being the nodal agency for the non-conventional energy in the State, ANERT was entrusted with the responsibility to directly setup solar energy installation manufacturing units as paradigm centres. Being the integrated utility on transmission and distribution in the State, KSEBL was vested with the responsibility to assess the feasibility and provide connectivity to grid connected solar projects in a timely manner.

M/s ANERT proposed a 2MWp Solar photo voltaic power plant at ANERT's own land at Kuzhalmannam, Palakkad and requested KSEBL for power evacuation arrangement through the nearest Substation. The Chief Engineer (Corporate Planning) and the Safety Commissioner has, communicated to ANERT on 28.06.2014 that it is technically feasible to evacuate power from the plant at 11 kV to KSEBL.

In response to ANERT's request, KSEBL vide letter dated 13.10.2015 intimated KSEBL's willingness to purchase electricity generated from 2 MW Kuzhalmannam Solar plant. The draft Power Purchase Agreement (PPA) for Solar Power Projects vetted by the Director (CP& SCM), Chief Engineer (Commercial and Tariff), Chief Engineer (System Operation), LA and DEO and the

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18/12/2020

Financial Adviser was forwarded to ANERT on 22.07.2016 by the Chief Engineer (REES) for their comments/remarks.

The Deputy Chief Engineer, Electrical Circle Palakkad vide letter dated 24.11.2016 reported that

- M/s ANERT completed the construction of 2 MW Solar power plant and has submitted the approval from Electrical Inspectorate.
- KSEBL completed the interconnection line for power evacuation by constructing 144m of 11 kV line and connecting the same to 11 kV Kuzhalmannam feeder of 66 kV Kannampulli substation. Metering arrangements have also been completed.

Hence a Coordination Committee was constituted as per B.O read as 1st above with the Deputy Chief Engineer, Electrical Circle Palakkad as Convenor of the Committee for conducting the pre commissioning and performance tests for the successful commissioning of the project and to declare the Commercial Operation Date as per the Draft Power Purchase Agreement.

The Deputy Chief Engineer Electrical Circle, Palakkad reported that Coordination Committee meeting was held on 09.12.2016, the prerequisite tests has been conducted successfully and the plant was under trial operation since 09.12.2016. The coordination committee in its meeting held on 23.05.2018 reported that continuous logging of power generation started from 19.12.2016 onwards and hence the commercial date of operation (CoD) may be fixed as 19.12.2016 subject to the decision regarding SCADA visibility as per the requirement of SLDC.

As real-time SCADA was established in ANERT 2MW Kuzhalmannam PV Power plant, the Connection Agreement was executed on 14.08.2020 by the Chief Engineer (Distribution North) with Director ANERT for connection of the ANERT 2 MW Kuzhalmannam Solar power plant to the Transmission/Distribution and Communication system of KSEBL.

A meeting was conducted by the Secretary, Power Department on 13.01.2020 with the Director ANERT and KSEBL officials, and as per the minutes of the meeting, the PPA remains to be signed with ANERT at the rate fixed by KSERC considering ANERT as an IPP and as an interim measure, KSEBL shall release payment at the Average Pooled Purchase Cost (APPC) rate to ANERT until a PPA as directed by the Government comes into force.

As per letter read as 2nd above, the Director ANERT intimated that 2 MW Kuzhalmannam Solar PV plant has been feeding electricity to the grid since its Commercial Date of Operation i.e 19.12.2016 as agreed between KSEBL and ANERT and in compliance with the Government direction. Hence they requested the payment for the cost of electricity exported to the KSEBL grid. A copy of the agreed draft Power Purchase Agreement with edited clause 6.3 of Tariff for the interim payment at APPC rate was also enclosed.

The Deputy Chief Engineer (Commercial & Planning) with full powers of Chief Engineer in the note read as 4th above intimated that after scrutiny of the draft PPA forwarded by ANERT some of the clauses in the PPA that required further clarification was taken up with ANERT and concurrence has been given by ANERT on 09.11.2020 for signing the PPA by including the modifications proposed by KSEBL. The maximum and minimum capacity Utilization Factor (CUF) as per the PPA is 19% and 14% respectively. The Commercial Operation Date (COD) of the plant approved by the Co-ordination committee is 19.12.2016. The Average Pooled power Purchase Cost (APPC) for the FY 2016-17 computed with the approved power purchase cost of KSEBL for the year 2015-16 is Rs 2.69 per unit.

Considering the above, the Deputy Chief Engineer (Commercial & Planning) with full powers of Chief Engineer suggested that Power Purchase Agreement may be initialled with M/s ANERT for purchase of power from ANERT's 2 MW Solar plant at Kuzhalmannam, Palakkad. It was also suggested that KSEBL may release interim payment at the Average Pooled Purchase Cost (APPC) rate for the FY 2016-17 i.e. @ Rs 2.69 per unit to ANERT from CoD of the project i.e. 19.12.2016 until a tariff approved by KSERC comes into force.

Having considered the matter in detail, the Full Time Directors in its meeting held on 02.12.2020,

1. Resolved to authorize the Deputy Chief Engineer (Commercial & Planning) with full powers of Chief Engineer to initial the draft Power Purchase Agreement (PPA) for purchase of power from ANERT's 2 MW Kuzhalmannam Solar Power Plant.
2. Also resolved to direct M/s ANERT to file petition before KSERC for approval of initialled PPA and tariff.

3. Further resolved that on initialling the PPA, KSEBL shall release interim payment to ANERT at the Average Pooled Purchase Cost (APPC) rate for the FY 2016-17 i.e. @ Rs 2.69 per unit from the CoD of the project i.e. 19.12.2016 until a tariff approved by KSERC comes into force.

Orders are issued accordingly

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


To

1. The Deputy Chief Engineer (Commercial & Planning) with full powers of Chief Engineer.
2. The Deputy Chief Engineer (TRAC)
3. The Chief Engineer (REES)

Copy to:

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

Forwarded by order


Assistant Executive Engineer