

808
7/12/2020



KERALA STATE ELECTRICITY BOARD LIMITED

(Incorporated under the Companies Act, 1956) CIN: U40100KL2011SGC027424
Registered Office, Vidyuthi Bhavanam, Pattom, Thiruvananthapuram - 695 004, Kerala
Phone: +91 471 2514366 E-mail: dce.cp@kseb.in Web site : www.kseb.in

Abstract

Deviyar Micro Hydro Electric Project(50kW) by M/s Hydro Power- Purchase of Power at Interim Tariff- Sanctioned - Orders issued

Corporate Office (Commercial & Planning)

BO(FTD)No.727/2020/CML-EE2-AEE-2/Deviar MHEP/2020-21/CE(C&T)/TVM dated 02.12.2020

- Read:-
1. G.O No. 6130/B1/12/PD date 27.02.2013
 2. KSERC order dated 14.09.2020 in OP 56/2019 filed by M/s Hydro Power.
 3. Note No.CML-EE2-AEE-2/Deviar MHEP/2020-21/CE(C&T)/761 dated 19.11.2020 of Deputy Chief Engineer (Commercial & Planning) with full powers of Chief Engineer. (Agenda 94/11/2020)

ORDER

The Government. of Kerala (GoK) had accorded no objection as per GO read as (1) above to M/s.Hydro power for installation of Deviar Micro Hydro Electric power plant of capacity 50 kW at Kanjiraveli near Neriya mangalam in Idukki district in own land, utilizing the potential energy of excess water available in the Kanjiraveli scheme of Irrigation Department.

Two micro generators each having capacity 25kW installed at Kanjiraveli-Neriya mangalam have been put into service and connected to the KSEBL grid on 05.07.2016 through a bi-directional meter, since then continuing injecting power to the KSEB grid. M/s. Hydro power proposed selling of power generated to KSEBL as IPP.

The project was connected to the grid on 05.07.2016 and the Commercial operation of the project was declared by M/s Hydro Power w.e.f 23.11.2017. The draft PPA approved by KSEBL was initialed by both KSEBL and M/s Hydro Power on 28.05.2019 for submitting before Hon'ble KSERC for approval.

The developer vide OP 56/2019 submitted before the Hon'ble Commission to approve the initialed PPA and to determine a reasonable project specific tariff considering the constraints in developing the micro projects and the associated high cost. KSERC as per order read as (2) above ordered that

28. (1) "Since the petitioner has not submitted the authenticated documents to the Commission, the prayer to approve the PPA is not agreed to due to reasons explained under para 20 to 24 above, till such time the project specific tariff is determined and incorporated in the PPA".

- (2) The petitioner is hereby directed to submit complete details of the capital cost of the project along with the authenticated supporting documents within the time limit specified under para 24 above. The petitioner is also permitted to file a fresh petition for determination of project specific tariff and approval of the Draft PPA as per the provisions of the KSERC (Conduct of Business) regulations 2003, but not later than 31.03.2022. As a special case the petitioner is exempted from remitting the petition fee for filing this petition for determination of tariff as per this Order of the Commission.
- (3) The request of the petitioner to approve an interim tariff for claiming payments for the energy injected into the grid since the date of connection ie 05.07.2016 is approved subject to the following:
- (i) Till such time the project specific tariff is determined, KSEB Ltd shall pay Hydro power an interim tariff at the rate of the average cost of power purchase from sources other than from KSEB Ltd's own plants as applicable for each of the Financial Years.
- (ii) KSEB shall, within two weeks from the date of this order, communicate the APPC as explained in Para-26 above to enable the petitioner to claim the interim payments for the energy injected since 05.07.2016.
- (iii) Hydro power shall within one month of the date of this Order and before receiving the first interim payment execute an undertaking that any overpayment detected at a later stage shall be deducted from the payments due to Hydro power.
- (iv) Similarly, any payment due to Hydro power on account of this interim tariff being lower than the final tariff fixed shall be paid by KSEB Ltd based on an invoice raised by Hydro power.
- (v) Once the invoice is raised by the petitioner, KSEB Ltd shall make payments within one month from the date of the invoice raised by the petitioner. If KSEB Ltd make delay the payments, it shall pay interest @ 1.25 % per month for the delay from the due date , ie., delay counted from one month after the date of invoice.
- (vi) Petitioner is not eligible for interest for the delay in raising the invoice. Petitioner is also not eligible for the interest for the delay in claiming the interim tariff for the energy injected into the grid since 05.07.2016 till date, for want of approved tariff.
- (vii) Petitioner is allowed to claim interim tariff only for the energy injected into the grid till 31.03.2022. Within the said period, ie., by 31.03.2022, the petitioner shall get approval of the project specific tariff of the project by filling proper petition as detailed under paragraph 24 above.

The Deputy Chief Engineer (Commercial & Planning) with full powers of Chief Engineer has as per note read as 3rd paper above reported that, the Average Cost of Power purchase from sources other than from KSEBL own plant as approved by KSERC from 2016-2017 to 2020-21 are as tabulated below.

TABLE A

Period	RS/unit
2016-17	3.96
2017-18	3.90
2018-19	4.23
2019-20	4.07
2020-21	4.07

However as per the KSEBL approved PPA, the purchase of energy from the developer by KSEBL is stipulated from and after CoD on a tariff determined by the Commission. KSERC order read as (2) above has directed that till the project specific tariff is determined, KSEBL has to pay M/s Hydro power for the purchase of power at an interim tariff at the rate of the average cost of power purchase from sources other than from KSEB Ltd's own plants as applicable for each of the Financial Years since date of injection into the grid, ie., from 05.07.2016 and not from CoD as per initialed PPA. (ie. payment of Infirm Power to be included). KSERC (Renewable Energy and Net Metering) Regulations, 2020 dated

07.02.2020 defines Infirm Power as "the power injected by a generation project into the grid before the Date of Commercial Operation (COD), for testing, trial run & commissioning of the project. Since power from renewable energy sources is non firm in nature, the tariff fixed by the Commission post COD shall also be applicable for the power injected into the licensee system prior to CoD, subject to the condition that the RE generator enters into an agreement with the licensee to supply power from the RE plant at the tariff determined by the Commission.

Provided that, if energy injected into the system by the RE generator prior to CoD without identifying a buyer or if there is no agreement with the licensee regarding the sale of power, SLDC shall settle the transactions at the Deviation Settlement Rates".

Accordingly the Deputy Chief Engineer (Commercial & Planning) with full powers of Chief Engineer has recommended as per note read as 3rd paper above that KSERC order may be complied for allowing payment at interim tariff at the applicable average cost of power purchase from sources other than from KSEBL own plants from 05.07.2016. Also the rate applicable till 31.03.2021 may be communicated to the developer with intimation that first interim payment may be released upon executing required undertaking as per 3(iii) of KSERC order.

Having considered the matter in detail, the FTD in its meeting held on 20/11/2020 Resolved to accord sanction

a. to pay M/s Hydro power an interim tariff at the rate of the average cost of power purchase from sources other than from KSEB Ltd's own plants as applicable for each of the Financial Years for the purchase of power by KSEB Ltd from the Project since date of injection into the grid, ie., from 05.07.2016 to 31.03.2022 till Hon'ble KSERC determines project specific tariff for Deviar Micro Hydro Electric project (50kW), whichever is earlier, subject to M/s Hydro Power executing an undertaking that any overpayment detected at a later stage shall be deducted from the payments due to M/s Hydro power.

b. Further resolved to accord sanction to communicate the average cost of power purchase as mentioned in **Table A** to enable M/s Hydro Power to claim the interim payments for the energy injected since 05.07.2016 to 31.03.2021 ie for Financial years from 2016-17 till 2020-21.

Orders are Issued accordingly

By Order of the Full Time Directors

LEKHA . G
COMPANY SECRETARY

To

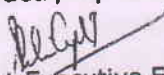
The Deputy Chief Engineer (Commercial & Planning) with full powers of Chief Engineer

Copy to:

The CE (Renewable Energy & Energy Savings)
The Chief Engineer (Transmission & System Operation)/The Deputy CE TRAC
The Financial Adviser /The Chief Internal Auditor.
The Chief Engineer (IT).
The TA to The Chairman and Managing Director / Director (Distn.,IT & HRM)/

Director (Trans. & System Operation)/Director (Generation-Civil)/
Director (Planning & Safety)/ Director (Generation (Ele) & SCM,
The PA to Director (Finance)/ The Senior CA to Chief Vigilance Officer/
Secretary (Administration).
The Fair Copy Superintendent, Office of the Secretary (Administration).
Library/Stock file/General Stock file.

Forwarded / By Order


Assistant Executive Engineer