



KERALA STATE ELECTRICITY BOARD LIMITED

(Incorporated under the Companies Act, 1956) CIN: U40100KL2011SGC027424

Registered Office: Vidyuthi Bhavanam, Pattom, Thiruvananthapuram-695004 Website: www.kseb.in

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Abstract

KDPP- Scheduling of KDPP machines for meeting the power crisis in the State – Purchase of LDO, HSD and Lube oil - Sanctioned –Orders issued.

Corporate Office (SBU-G/E)

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B.O (FTD) No. 755 /2021 (DGE/G1/KDPP/LSHS/ 2021-22) Thiruvananthapuram. Dated: 13 -10- 2021

- Read:
1. Decision taken in the meeting held on 11-10-2021 by the Chairman & Managing Director.
 2. Letter No. CEG/AEE-3/GC Kozhikode/KDPP/2021-22 dated 12-10-2021 of the Chief Engineer (Generation & PED).
 3. Note No. DGE/ G1 /KDPP/LSHS/ 2021-22 dated 12-10-2021 of the Director (Generation -Electrical) to the Full Time Directors.

ORDER

The Chief Engineer (Generation & PED) as per the letter read 2nd above has reported that the Chairman & Managing Director, KSEBL in the meeting held on 01.10.2021, directed to explore the feasibility of scheduling KDPP machines during 5th, 6th & 7th of October 2021 to overcome the power shortage in the State, but due to the non availability of the operating fuel LSHS, it was failed. KDPP also sought for alternate fuel VLSFO, but M/s BPCL, the supplier, has not offered the item because of lack of transferring facilities which is time consuming. Hence could not schedule KDPP machines during those days. Of late, on 11.10.2021, it was further directed to seek for the purchase of another alternate operating fuel LDO (Low Diesel Oil) due to the non availability of LSHS and VLSFO for scheduling KDPP machines to overcome the present power crisis in the State.

Presently Kerala Power System is experiencing a deficit of around 860MW of Power (340 MW from Central Generating Stations and 520MW from Long Term Contract) mainly due to coal shortage crisis prevailing in the country. At present, Hydel Power available in the state is approximately 1729MW. The deficit is made through purchase of power from the open market @Rs. 20/KWH. This is more expensive than running the machines of KDPP which can be made available at Rs 14.069/KWH with Light Diesel Oil (LDO).

Presently there is only about 30MT of LSHS available for meeting testing purposes and the LSHS stock available at BPCL tank is a dead stock more than 20 years old with presence of water accumulated in the bottom of the tank and difficult to pump out. Separate heating arrangement is required to heat up the fuel for transfer. The probable quantity of LSHS available is below 100MT and after purification it would be about 80MT and it is sufficient for only 27hrs of running one number DG set. Hence it is required to purchase approximately 500kL of LDO for meeting the present Power Crisis.

As there is no operable stock of Diesel (HSD) and Lube Oil, an approximate quantity of 40KL Diesel has to be urgently procured, out of which 30kL is required to top up the tank to make it pumpable and balance is for running the Steam Generator (Boiler) and preheating the DG sets before starting during generation process. Similarly a quantity of around 5KL of Lube Oil is also required for running the DG sets.

The Chief Engineer (Generation & PED) has further reported that considering the limited stock of LSHS, Diesel (HSD) and Lube Oil, it is urgently required to purchase 500kL LDO, 40KL HSD and 5.225KL Lube Oil for overcoming the present crisis which helps in producing power at a lower cost than purchasing Power from the open market. An estimate amounting Rs.3,63,00,000/- (Rupees Three Crores Sixty Three Lakhs Only) was prepared based on the quotes collected from

M/s. OSCON SUPPLIES (Authorised distributor of Lubricant manufactured and marketed by M/s. SHELL INDIA MARKETS Pvt Ltd in KERALA) for the purchase of Lube Oil and offer from M/s BPCL for the purchase of LDO and HSD. The Chief Engineer (Generation & PED) has requested sanction for the purchase of 500KL LDO, 40KL HSD & 5.225KL Lube Oil. The balance fuel can be used to Schedule KDPP machines at regular intervals for making it smooth for overcoming power shortage.

The subject matter was placed before the Full Time Directors as per Note read as 3rd above.

Having considered the matter in detail, the Full Time Directors in its meeting held on 12-10-2021 resolved to accord sanction to the Chief Engineer (Generation & PED) for the purchase of 500KL of LDO, 40KL of HSD and 5.225KL of Lube oil for running the machines at KDPP during the month of October 2021 for a total financial commitment of Rs.3,63,00,000/- (Rupees Three Crores and Sixty Three Lakhs only) for meeting the power crisis in the State as per the estimate annexed.

Orders are issued accordingly.

By Order of the Full Time Directors,
Sd/-
Lekha G
Company Secretary (In charge)

To

The Chief Engineer (Generation & PED), Moolamattom.

The Deputy Chief Engineer, Generation Circle, Kozhikode.

Copy to:

The Financial Advisor/ The Chief Internal Auditor/The Company Secretary:

The Deputy Chief Engineer (IT)/ The RCAO/The RAO.

he TA to {Chairman & MD/ Director (GE)/ Director(GC)/ Director (Trans.& SO)/

Director (D&IT) /Director (Planning, Safety & SCM)/Director (REES, Soura,Sports &Welfare)}

The PA to Director (Finance)/CA to Secretary (Admn.).

Forwarded / By Order


Asst. Exe. Engineer

Annexure To BO (FTD) No. 755/2021 (DGE/G1/KDPP/LSHS/2021-22) dated 13-10-2021

Estimate

Name of work:- KDPP-Purchase of LDO (Light Diesel Oil), HSD and Lube Oil for
Scheduling KDPP
machines for meeting the Power crisis

Sl. No.	Description	Qty	Unit	Rate	Total
1	Light Diesel Oil (LDO)(confirming to IS 1460 latest revision &Bharath IV Specification)	500	KL	51,470	25735000.00
	GST@18%				4632300.00
	Transportation charges		KL	1,145.26	572630.00
	Total for LDO A				30939930.00
2	LUBE OIL (Shell Argina S5 40) – B	5225	L	240.00	1254000.00
	GST@18%				225720.00
	Total for Lube oil				1479720.00
3	High Speed Diesel (confirming to IS 1460 latest revision & Bharath IV Specification)	40	KL	76,292.65	3051706.00
	VAT,CESS etc		KL	18,547.85	741914.00
	TOTAL for HSD -- C				3793620.00
	Total – A+B+C				36213270.00
	Round off				86730.00
	GRAND TOTAL (Rs)				36300000.00
Rupees Three Crore and Sixty Three lakh only					

Sd/-
Company Secretary (In charge)