

KERALA STATE ELECTRICITY REGULATORY COMMISSION
THIRUVANANTHAPURAM

Present : **Shri. PremanDinaraj, Chairman**
Shri. K. Vikraman Nair, Member
Shri S.Venugopal, Member

Petition No. OP 57/2018

In the matter of : Approval of Draft PPA format and payment terms as per Hon. Commission, in the petition No 10/2017 for Kochi Municipal Corporation, 10MW Waste to Energy Project

Petitioner : Kochi Municipal Corporation,
Avenue Road, Boat Jetty,
Ernakulam – 682 011, Kerala.

Respondent : Kerala State Electricity Board,
Vydyuthi Bhavanam, Pattom, Thiruvananthapuram.
Pin No. 695004.
Represented by the Secretary.

Order dated 05.03.2019

1. M/s. Kochi Municipal Corporation (herein after referred to as the petitioner or KMC), on 14.08.2018 has filed a petition before the Commission for the approval of the draft Power Purchase Agreement (PPA) to be signed between KSEBL and M/s. G.J Eco Power Private Limited (concessionaire of M/s KMC) for supplying the electricity generated from 10MW Waste to Energy Plant at Brahmapuram, Kochi.
2. M/s.Kochi Municipal Corporation further submitted that;
 - (i) The Commission, vide order dated 06.03.2018 in OP No. 10/2017 filed by M/s. KMC, had approved the tariff for the electricity generated from 10MW Waste to Energy Plant at Rs. 6.17 per unit for a period of 20 years from the Commercial Operation Date (COD).
 - (ii) M/s. KMC issued a Letter of Award (LOA) dated 08.01.2016 to M/s. G.J Eco Power Private Limited, and executed a concession agreement on 17.02.2016 for the development, operation and maintenance of the proposed 10 MW Waste to Energy plant at Brahmapuram, for 20 years.

- (iii) As per the concession agreement, the PPA with KSEBL for the sale of electricity from 10MW Waste to Energy Plant has to be signed by the concessionaire M/s. G.J Eco Power Private Limited.
 - (iv) The Council of Kochi Municipal Corporation issued a No Objection Certificate (NOC) to the concessionaire M/s. G.J Eco Power Private Limited for executing the power purchase agreement with KSEBL. M/s. Kochi Municipal Corporation also remitted Rs.50000/- as fee along with the petition.
3. The Commission has examined the petition filed by M/s. Kochi Municipal Corporation for the approval of power purchase agreement to be entered into between the distribution licensee, KSEBL and M/s. G.J Eco Power Private Limited. M/s KMC has submitted a copy of the concession agreement dated 17.02.2016, signed between the M/s KMC and M/s G.J Eco Power Pvt Ltd for the execution of the project. As per the concession agreement dated 17.02.2016, the concessioner M/s G.J. Eco Power Pvt Ltd is entrusted with 'design, build, finance, operate and transfer' the 10 MW Waste to Energy Plant at Brahmapuram. The period of concession agreement was for 20 years from the date of award of concession. As per Article 6.5 (c) and article 7.1(a) (xv) (b) of the concession agreement, concessionaire has to enter into PPA with KSEBL. Further, as per Schedule 7.5 of the concession agreement, concessionaire is eligible to get only the difference between the energy charges as per the power tariff rate as per bid and the sale rate as per PPA with KSEBL, from KMC.

As per the provisions of the concession agreement, electricity generation and supply was the responsibility of the concessionaire M/s G.J Eco Power Pvt Ltd. during the period of concession.

The Council of Kochi Municipal Corporation has authorized M/s G J Eco Power Private Ltd to sign the Power Purchase Agreement with KSEBL for supplying electricity generated from the 10MW Waste to Energy Plant.

Accordingly, M/s. Kochi Municipal Corporation is not a party to the PPA to be signed with the KSEBL for supplying electricity from 10MW Waste to Energy Plant. The PPA submitted by M/s. Kochi Municipal Corporation along with the petition was not initialed by the party to the agreement, KSEBL.

4. As per the provisions of the Electricity Act, 2003 and the Regulations notified by the Commission, the petition for approval of PPA has to be filed before the Commission, either by the distribution licensee KSEBL or the developer M/s. G.J Eco Power Private Limited. Accordingly, the petition filed by Kochi

Municipal Corporation for the approval for PPA to be signed between KSEBL and M/s. G.J Eco Power Private Limited is not maintainable.

5. In the meanwhile, on 20.12.2018, M/s. G.J Eco Power Private Limited has filed the petition for the approval of PPA to be signed with KSEBL for supplying power from 10MW Waste to Energy Plant at Brahmapuram, Kochi. The petitioner on 01.02.2019 has remitted the required fee of Rs. 50,000/- before the Commission.
6. In the above circumstances, the petition filed by M/s. Kochi Municipal Corporation on 14.08.2018 become infructuous and hence been rejected. Since the Commission has not processed the petition filed by M/s. Kochi Municipal Corporation, the Commission decides to refund the fee remitted by the Petitioner, M/s. Kochi Municipal Corporation.

Order of the Commission

7. Considering the facts and circumstances as detailed above, the Commission orders as follows;
 - (1) Reject the petition dated 14.08.2018 filed by M/s. Kochi Municipal Corporation for the approval of draft PPA to be signed with KSEBL and M/s G.J Eco Power Private Limited, as infructuous.
 - (2) Refund the petition fee amounting to Rs.50, 000/- remitted by M/s. Kochi Municipal Corporation.

Petition disposed of accordingly.

Sd/-

K.Vikraman Nair
Member

Sd/-

S.Venugopal
Member

Sd/-

PremanDinaraj
Chairman

Approved for issue

Sd/-

G.Jyothichudan
Secretary