

KERALA STATE ELECTRICITY REGULATORY COMMISSION
THIRUVANANTHAPURAM

Present : Shri. Preman Dinaraj, Chairman
Adv. A.J Wilson, Member (Law)

OP No 46/2021

In the matter of : Petition filed by KMRL in the matter of seeking (1) Waiver of Supervision charges for preparatory works in shifting of electrical utility/transmission lines as part of Kochi Metro Phase-II project from Jawaharlal Nehru Stadium Station to Infopark-II Station and (2) Inclusion of tariff for electric vehicle charging stations in invoices in favour of KMRL

Petitioner : Kochi Metro Rail Ltd (KMRL)

KMRL represented by : Sri. Rajendran A.R, CGM, KMRL
Sri. Anoop.T, Manager (P&T), KMRL

Respondent : Kerala State Electricity Board Ltd.

KSEB Ltd represented by : Sri. Manoj.G., AEE, TRAC

Date of the hearing : 22.10.2021

Interim Order dated 29.10.2021

1. M/s Kochi Metro Rail Limited (hereinafter referred to as KMRL or the petitioner), filed a petition before the Commission on 09.09.2021 with the following prayers:
 1. *Commission may issue necessary orders for exempting KMRL from paying supervision charge (administrative and overhead charges) to KSEBL for the works in connection with the SHIFTING OF ELECTRICAL UTILITY (HT/LT) and EHT TRANSMISSION LINE works, as part of preparatory works for Kochi Metro Phase-II project. It is also requested that the supervision charges already paid may be reimbursed / adjusted in the future invoices.*

2. *Issue necessary orders to amend the order under para 22 of petition No. OP.10/2020 dated 15.09.2020 to include tariff **LT-X: Electric Vehicle Charging Stations/ HT-VI: Electric Vehicle Charging Stations tariff or at such category of tariff as notified by the Commission** in the KMRL invoices, to permit KMRL electrical energy to be billed at LT-X/HT-VI tariff by using separate energy meter/s at Metro Stations. The consumption of EV Charging stations to be metered separately by KSEB Ltd at the applicable energy charges of LT-X/HT-VI tariff or at such category of tariff as notified by the Commission, is to be deducted from the total consumption recorded at KMRL point of supply for billing the KMRL Tariff load. A single invoice for the KMRL load may be issued by KSEBL along with charges for commercial consumption, KMRL corporate office consumption and EV Charging Station consumption.*

2. From the above, the two issues submitted by KMRL before the Commission for consideration are as follows:
 - (1) Waiver of Supervision charges for preparatory works in shifting of electrical utility/transmission lines as part of Kochi Metro Phase-II project from Jawaharlal Nehru Stadium Station to Infopark-II Station.
 - (2) Inclusion of tariff for electric vehicle charging stations in invoices in favour of KMRL.

3. KMRL, in its petition, submitted that, Kochi Metro Rail Ltd is a special purpose vehicle (SPV) with equal equity participation by the Government of India and the Government of Kerala. KMRL comes under the definition of **“Public Office run by Central / State Government”**, as per GO (P)No 171/2013/LSGD/ dated 10th May 2013, the services of KMRL are to be treated essential to the life of the community. Kochi Metro being a public utility is committed to provide reliable, economical, and speedy transport to the public. The beneficiaries of these public transport vehicles are the common people.

4. Regarding Issue 1, ‘Waiver of Supervision charges for preparatory works in shifting of electrical utility/transmission lines as part of Kochi Metro Phase-II project from Jawaharlal Nehru Stadium Station to Infopark-II Station’, M/s KMRL submitted the following before the Commission.
 - (1) The Phase-I of the Kochi Metro Rail Project was executed by Delhi Metro Rail Corporation, on behalf of KMRL and the supervision charges for the electrical utility shifting works were waived off by GoK/KSEB Ltd.
 - (2) Ministry of Housing and Urban Affairs, GoI accorded approval for the extension of Phase-II project from Jawaharlal Nehru Stadium Station to Infopark-II station and the Government of Kerala has accorded sanctions for preparatory works like widening of roads along the proposed corridor, shifting of electrical and other utilities along the alignment.
 - (3) The Phase-II works are planned to be executed directly by KMRL without the involvement of DMRC. KSEB Ltd has accorded administrative sanction for the necessary works and demanded an

amount of Rs 2.16 Crore as supervision charges for transmission and Rs 60 Lakh for distribution works. KMRL remitted the amount so that the preparatory works of KMRL does not get delayed on this count.

KMRL is now requesting the Commission for exemption of supervision charges for works undertaken by them as part of phase II project of KMRL.

5. The second issue is the 'Inclusion of Tariff for EV charging station in the invoices issued by KSEB Ltd to KMRL'. KMRL submitted that, it has also taking the initiative to set up Electric Vehicle (EV) Charging Stations in line with the EV policy of GoK. It is proposed to set up EV charging stations as part of the Metro Rail Stations, most of which are located in the National Highway/ State Highway. KMRL is in discussion with the service providers for last mile connectivity for the EV charging station. During the discussions, they pointed out that EV stations need to be charged at the rates approved by KSERC and not at commercial rates. Presently, the tariff category allowed to KMRL are only of commercial and corporate office along with the Traction. KMRL requested that a single bill for the KMRL loads may be issued by KSEB Ltd comprising of charges for traction load, commercial loads, corporate office and EV charging stations, for which approval of the Commission is necessary.
6. KSEB Ltd submitted their comments vide letter dated 21.10.2021 as follows;
 - (i) In case of projects funded by KIIFB, KSEB Ltd had filed a petition before the Commission as per the direction issued by the State Government, and the Commission had waived off the supervision charges. In case of supervision charges for NHAI projects, the Commission restricted the supervision charges to 2.5 % based on the request of Government. Now KMRL has filed a petition for waiver of supervision charges. KSEB Ltd submitted that the supervision charges are claimed by KSEB Ltd, based on the orders and regulations issued by the Commission. If supervision charges are waived, it will be passed on to the consumers through tariff.

Hence KSEB Ltd requested the Commission to reject the request of the petitioner to waive the supervision charges.
 - (ii) As per Order dated 12.07.2017 and 15.09.2020, the Commission has issued orders how to treat the commercial loads and corporate office loads. The arrangement is approved considering the nature of supply at metro stations. As a settled position, KSEB Ltd has no objection in extending the same to EV charging stations also.
7. The Commission admitted the petition as OP 46/2021. The hearing of the petition was held on 22.10.2021 at KMRL office at Kaloor. Sri. Rajendran A.R, CGM, KMRL, presented the petition on behalf of the petitioner Kochi Metro Rail Ltd. Sri.Manoj. G, Asst. Executive Engineer, TRAC presented the comments of KSEB Ltd. The summary of the deliberations during hearing is given below:

- (1) The petitioner made a presentation before the Commission detailing the issues submitted by KMRL. Regarding first prayer, the petitioner submitted as follows:
- (i) KMRL submitted that it comes under the public office run by Central/State services and submitted the GO dated 10th May 2013 to that effect, during hearing. KMRL further submitted that the Tripartite Agreement signed between the Central Government, State Government and KMRL includes a clause that when there is a short fall in operational expenditure, it will be reimbursed by the Government of Kerala. Further, while sanctioning the project, GoI puts a condition that whenever the project cost goes beyond the sanctioned cost, GoK has to fund this liability.
 - (ii) Government of Kerala has waived off the supervision charges for the construction of Phase I of the Kochi Metro Rail Project which was executed through DMRC.
 - (iii) Phase II of the project envisages extension of the metro rail from JLN metro station to Infopark-II station. For smooth execution of Phase II part of the project, road widening is required, which in turn requires shifting of utilities such as Pipeline, Gas Pipeline, Electrical, Telecom etc.
 - (iv) The total estimate for the shifting of the distribution utility comes to Rs. 18.75 Crores. This amount includes converting OH lines to UG cables, Erection of RMUs etc which will be beneficial to KSEB in terms of ease of operation, enhanced reliability, ensuring safety of Public and workmen of KSEB, reduction in supply interruption, improvement in aesthetics and modernization of the distribution system.
 - (v) The supervision charges for shifting of the seven EHT tower line crossings come to the tune of Rs. 2.16 Crores and the supervision charges for the distribution utility shifting works is estimated at about Rs. 60 Lakhs. Thus, the total amount of supervision charges comes to approx. 2.76 Crores.
 - (vi) Petitioner submitted that in the Phase II, the preparatory works are sanctioned and funded by the Government of Kerala and the Metro works are sanctioned by the Central Government.
 - (vii) Petitioner further submitted that there are 7 EHT line crossings, involving 13 tower locations at different voltage levels (66 kV, 110 kV, 220 kV). The supervision charges for shifting of the 7 Nos of EHT tower line crossings amounting to Rs 2.16 Crores is paid by

KMRL, to avoid delay. The supervision charges for the shifting of the distribution works amounts to Rs 60 Lakhs approximately. Discussions are being held for executing the distribution side works on deposit basis by KSEB Ltd.

- (viii) As per Order dated 05.05.2021 in OP No. 22/2021, the Commission directed KSEB Ltd to exclude supervision charge (administrative and overhead charges) for the works in connection with the electrical utility shifting in respect of the projects financed by KIIFB, considering the large public interest involved.
- (ix) KMRL submitted that since both KIIFB and Kochi Metro Rail Projects are high value infrastructure projects benefitting large section of public, the consideration extended to KIIFB projects may be extended to KMRL projects also.
- (x) The respondent KSEB Ltd submitted that KSEB Ltd had waived the supervision charges of Phase I based on the Order issued by the State Government. KSEB Ltd requested the Government to reimburse the amount, but the Government expressed its inability. But in case of Phase II of the project, the Government has not issued any Order for the waiver of supervision charges.
- (xi) KSEB Ltd further submitted that the waiver of supervision charges to KMRL will result in reduced non-tariff income for KSEB Ltd, which will be reflected in the ARR. This, in turn will have to be passed on to the consumers of the State. Sri Manoj added that KSEB Ltd is charging supervision charges based on the Orders / Regulations issued by the Commission.
- (xii) The Commission clarified that it had waived the supervision charges for KIIFB funded projects based on the petition filed by KSEB Ltd as per the direction of the State Government. In case of KMRL, no specific direction is issued by the State Government. The waiver of supervision charges necessarily has impact on the tariff of the consumers in the State.

Under such circumstances, the Commission advised KMRL to take up the matter with Government of Kerala for appropriate decision/orders. The Commission will take a decision after obtaining the views of the State Government.

(2) The second prayer of the petitioner was to include the tariff of EV charging station in the invoices issued by KSEB Ltd to KMRL. The petitioner submitted as follows:

- (i) Government of Kerala vide Order dated 10.03.2019 published the policy on EV for the State. In light of the policy, KMRL proposes to setup EV charging stations in the premises of KMRL, as sufficient area is available in their premises. The public will be more benefitted if the charging station is constructed in the premises of KMRL, which are easily accessible. The charging station is exclusively for the need of general public and not for KMRL purposes. The tariff for the EV charging stations has been approved by the Commission as LT-X and HT-VI, vide Order dated 08.07.2019.
- (ii) KSEB Ltd submitted that KSEB Ltd has no objection to the setting up of EV charging station by KMRL and for including the EV tariff to the bills issued to KMRL similar to that being done for commercial and corporate office loads. The only concern of KSEB Ltd is that, KMRL has to restrict the installation of the EV charging stations to their premises alone. During hearing, KMRL clarified that, KMRL propose to install charging stations at their exclusive area alone.
- (iii) KMRL clarified that KSEB Ltd has been issuing bills by including the commercial loads and corporate office loads as per Order dated 12.07.2017 in RP 04/2017 as amended vide Order dated 15.09.2020 in OP 10/2020 issued by the Commission. As per the Order of the Commission, tariff categories of LT VIIA Commercial and LT VI (B) / HT II (A) are approved to be included in the bills issued to KMRL. These are separately metered and the consumption is reduced from KMRL consumption. To include tariff of EV charging stations in the bill, KSEB Ltd requires the approval of the Commission. KSEB Ltd clarified that once approval of the Commission is received, it had no difficulty in issuing the bills.
- (iv) KMRL clarified that the only request is to include the tariff approved by the Commission for EV charging stations vide Order dated 08.07.2019 also in the bills issued by KSEB Ltd to KMRL. The procedure is already existing, covering commercial and corporate office loads.

KMRL further clarified that there will be separate metering for these EV charging stations and KSEB Ltd can take the meter reading along with the reading of other meters. KSEB Ltd has also concurred to this.

Analysis and decision of the Commission:

8. The Commission considered the issue raised by KMRL and observed as follows:
9. In the case of the first prayer of exempting supervision charges for Phase II project being executed by KMRL, the Commission during hearing directed the petitioner to approach State Government as detailed in para 6(1) above. The Commission will be taking an appropriate decision thereafter.
10. Regarding the second prayer of the petitioner, the Commission observed as follows;

- (i) The Commission vide para 22 of the Order dated 12.07.2017 in RP 04/2017 issued the following direction on the billing of KMRL

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- b. *The Offices of the KMRL shall be charged under LT VI (B) /HT II (A) tariff.*
 - c. *The commercial loads at the Stations of KMRL are to be metered at one point at each station by KSEB Ltd and the total energy consumption of such commercial loads shall be billed at the applicable energy charges of LT VII A tariff. The consumption of commercial loads is to be deducted from the total consumption recorded at KMRL point of supply at Muttom for billing the traction load. A single bill for the traction load is to be issued along with charges for commercial consumption as above.*
 - d. *KMRL shall charge the commercial loads in the stations separately at the applicable LT VII A tariff for both fixed and energy charges.*
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- (ii) As per the above Order, commercial loads are to be metered at one point. The number of commercial establishments at KMRL metro stations have increased thereafter. As the auxiliary transformers installed at metro stations have limited capacity in certain stations, additional auxiliary transformers were installed so as to meet the increase in load requirements at metro stations. KSEB Ltd therefore directed KMRL to approach KSERC for amendment to facilitate multiple commercial metering points at each metro stations.

- (iii) KMRL filed petition OP 10/2020 before the Commission. The Commission, vide para 22 of the Order dated 15.09.2020 in OP 10/2020 has modified the subparagraph (c) in the paragraph 22 of the above Order of the Commission dated 12.07.2017 in petition RP No. 04/2017 as follows:

“ The commercial loads at each of the Metro Stations of KMRL are to be metered at one point at each of the Auxiliary Transformers installed at each metro station by KSEB Ltd. The total energy consumption of such commercial loads shall be billed at the applicable energy charges of LT VII A tariff or at such category of tariff as notified by the Commission. KMRL corporate office load is to be metered separately at JLN Metro Station at Kaloor through separate feeder/ auxiliary transformer by KSEB Ltd at the applicable energy charges of LT VI (B)/HT II(A) tariff or at such category of tariff as notified by the Commission. The consumption of commercial loads

and corporate office load is to be deducted from the total consumption recorded at KMRL point of supply at Muttom for billing the traction load. A single bill for the traction load is to be issued along with charges for commercial consumption and KMRL corporate office consumption as above.”

11. The Commission further observed that, the Commission vide Order dated 08.07.2019 has specified the tariff of EV charging stations as LT-X / HT VI. Hence, KSEB Ltd / KMRL can provide electricity connection to EV charging stations at this category of tariff alone. The Commission is also of the considered opinion that facilitating EV charging stations by KMRL is a good initiative considering the EV policy of State Government. The Commission also observed that KSEB Ltd also has no objection to the installation of EV charging stations in the premises of KMRL. Hence the Commission has no objection to KMRL installing EV charging stations provided it is within their premises alone.
12. Having considered the request of KMRL and also based on the discussions in the hearing, the Commission provisionally approves the following modification to the sub-paragraph (c) in the paragraph 22 of the Order of the Commission dated 12.07.2017 in petition RP No. 04/2017, as amended vide Order dated 15.09.2020 in OP 10/2020, by including the EV charging stations:

“ The commercial loads at each of the Metro Stations of KMRL are to be metered at one point at each of the Auxiliary Transformers installed at each metro station by KSEB Ltd. The total energy consumption of such commercial loads shall be billed at the applicable energy charges of LT VII A tariff or at such category of tariff as notified by the Commission. KMRL corporate office load is to be metered separately at JLN Metro Station at Kaloor through separate feeder/ auxiliary transformer by KSEB Ltd at the applicable energy charges of LT VI (B)/HT II(A) tariff or at such category of tariff as notified by the Commission. The Electric Vehicle charging stations are also to be separately metered and billed at applicable tariff of LT X / HT VI as notified by the Commission. The consumption of commercial loads, corporate office load and EV charging stations are to be deducted from the total consumption recorded at KMRL point of supply for billing the traction load. A single bill for the traction load is to be issued along with charges for commercial consumption, KMRL corporate office consumption and consumption of EV charging station as above.”

Difficulty, if any, arising during its implementation, may be brought to the notice of the Commission by KSEB Ltd or KMRL for consideration while issue of final order.

Orders of the Commission:

13. The Commission, after examining the petition filed by M/s KMRL as per the provisions of the Electricity Act, 2003, Regulations issued by the Commission and other materials and documents placed before it, hereby issues the interim order that,

- (1) The petitioner KMRL may take up the waiver of supervision charges for Phase II with the Government of Kerala for appropriate Orders.
- (2) The second prayer of the petitioner to amend the para 22 of Order dated 15.09.2020 in No.OP.10/2020 so as to include the Tariff of EV charging station is provisionally allowed, as explained in paragraph 12 of this Order.
- (3) KMRL shall approach the Commission not later than 3 months form the date of this Order with sufficient documents for issue of final Order.

Sd/-

**Adv. A J Wilson
Member (Law)**

Sd/-

**Preman Dinaraj
Chairman**

Approved for issue

C R Satheeshchandran
Secretary (i/c)