

**KERALA STATE ELECTRICITY REGULATORY COMMISSION**  
**THIRUVANANTHAPURAM**

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

**Petition No. 30/2019**

In the matte of                       : Grant of power factor incentive for leading power factor to Kochi Metro Rail Ltd.

Petitioner                               : Kochi Metro Rail Ltd

Respondent                             : KSEB Ltd

Petitioner represented by           : Sri. A R Rajendran, General Manager  
  Sri. Paul Jasy Anter, Deputy GM (P&T)  
  Sri. Thomas, C R

Respondent represented by         : Sri. Bipin Sankar , Deputy CE, TRAC  
  Sri. K G P Nampoothiri, EE TRAC  
  Sri. Rajesh R AEE, TRAC  
  Sri. Sreekumar C, SS, SOR  
  Sri. Justin R, SA, SOR

**Daily Order dated 08.03.2019**

1. Kochi Metro Rail Ltd (KMRL) filed a petition before the Commission with the following prayers;
  - (i) *Leading power factor of KMRL to be treated as Unity Power factor since KSEBL specifications call for leading power factor to be treated as unity and Power factor incentives may be granted.*
  - (ii) *Power factor Incentive from the period starting from Demand Notice June 2017 may be awarded to KMRL.*
  
2. The Commission admitted the petition as OP No. 30/2019 and the hearing on the petition was conducted on 5.3.2019 at the Court hall of the Commission. Sri. A. R. Rajendran, General Manager, KMRL, presented the matter on behalf of the petition and Sri. Bipin Sankar P, Dy. CE, TRAC presented the counter argument on behalf of the respondent KSEB Ltd.

3. During hearing, Sri. A R Rajendran, General Manager, KMRL submitted the following.
- (i) KMRL is an EHT consumer of KSEB Ltd, availing power w.e.f 21.07.2016. Initially, the billing was based on the readings on the energy meter installed at the 220 KV substation of KSEB Ltd at Kalamassery. The energy meter installed at Kalamassery was a unidirectional meter complying with specifications of KSEB Ltd, recording the leading power factor as unity power factor and KMRL was getting power factor incentives.
  - (ii) Subsequently, on 23.05.2017, the metering point was shifted to 110kV substation of KMRL at Muttom, and the energy meter installed is bi-directional meter. The meter installed at Muttom records leading power factor and initially KSEB Ltd imposed penalty, and subsequently KSEB Ltd withdrawn the penalty. However, no incentive was provided by KSEB Ltd. According to the petitioner, KSEB Ltd has to treat the leading power factor as unity, and has to provide incentive.
  - (iii) KMRL also submitted that, they have another connection at Kaloor at 33kV level for availing 1 MVA load, wherein the energy meter installed is unidirectional meter, recording the leading power factor as unity power factor and getting incentive.
  - (iv) KMRL further submitted that, they are making investments for power factor correction for avoiding penalty if any likely to be imposed by KSEB Ltd for leading power factor.
4. Sri. Bipin Sankar, Dy.CE on behalf of KSEB Ltd submitted before the Commission the following:
- (i) The Commission may, completely revisit the power factor incentive and penalty prevailing in the State, duly considering the investment made by the consumers for improving the power factor and the benefits already accrued by the consumers.
  - (ii) There is no advantage to the KSEB Ltd due to the leading pf injected into the system by KMRL.
  - (iii) However, KSEB Ltd decided not to impose any penalty for the leading power factor injected by KMRL. Both the leading and lagging power factor is detrimental to the power system. Hence KSEB Ltd decided not to grant incentive for leading power factor.
  - (iv) While finalising the existing technical specifications of meters, KSEB Ltd not anticipate the case of leading power factor. However, KSEB Ltd may change the existing metering specifications so that, the meters to be installed shall record both the leading and lagging power factor.

5. The Commission, during the hearing clarified to the KSEB Ltd that, the Commission vide the order dated 13.11.2017 had issued following directions to the KSEB Ltd for compliance.

*“27. The Commission has noted the issues raised by KSEB Ltd and HT & EHT Association regarding the power factor and related issues. Almost all the issues raised by KSEB Ltd are the same raised during the public hearings of the suo-motu determination of tariff and the Commission has considered the same while issuing the tariff order dated 17.04.2017. The new issues raised by the KSEB Ltd including the revenue shortfall on account of the power factor incentive is out of the purview of the review jurisdiction of the Commission. Hence the plea of the KSEB Ltd in this matter is rejected. However, KSEB Ltd may, at its liberty can file a separate petition on power factor incentive/penalty and related issues before the Commission for consideration and approval. The Commission may decide on the matter, after inviting comments of the stake holders etc, as per the provisions of the Electricity Act, 2003 and KSERC (Conduct of Business) Regulations, 2003 and its amendments.”*

However, KSEB Ltd is yet to comply with the above direction. It is upto the KSEB Ltd to file a proper petition with necessary supporting documents to completely revisit the pf incentive and penalty scheme in the State.

6. Based on the deliberations on the subject matter, the Commission hereby direct the KSEB Ltd to submit the clarification/ additional details on the following.

(1) Month wise energy meter reading details of KMRL Feeder at the 220 KV substation of KSEB Ltd at Kalamassery and at the 110kV substation of KMRL at Muttom from May 2017 onwards.

The above details, and additional documents if any, shall be submitted by KSEB Ltd and KMRL, latest by 20.03.2019.

**Sd/-**  
**K. Vikraman Nair**  
**Member**

**Sd/-**  
**S. Venugopal**  
**Member**

**Sd/-**  
**Preman Dinaraj**  
**Chairman**

**Approved for issue**

**Sd/-**  
**Secretary**