

KERALA STATE ELECTRICITY REGULATORY COMMISSION

THIRUVANANTHAPURAM

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

OP. No. 03/ 2021

In the matter of : Petition filed by M/s Kerala Health Care Pvt. Ltd. requesting direction to the Licensee to provide feasibility for the 1 MW Grid interactive solar power plant of the consumer under Net metering system, as per the provisions of KSERC (Renewable Energy and Net Metering) Regulations, 2020.

**Petitioner : Sri. Ajith Prasad, M/s Kerala Health Care Pvt. Ltd.,
Ahalia Campus, Elippara, Palakkad – 678 557**

**Represented by : Sri. Yedukrishnan, Assistant Project Manager,
: Smt. Darsana, Junior Engineer (Electrical),
: Sri. Radhakrishna Kumar, Consultant.**

**Respondents : 1) The Chairman and Managing Director,
Kerala State Electricity Board Ltd., Vydhyuthi Bhavanam,
Pattom, Thiruvananthapuram – 695 004
2) The Chief Engineer, REES, KSEB Ltd, Vydhyuthi Bhavanam,
Pattom, Thiruvananthapuram – 695 004**

**Represented by : Sri. Joseph. V. K, CE, REES;
: Smt. Latha. S.V, AEE, TRAC**

Date of hearing : 22.04.2021, thro' Video conference mode

Order dated 26.04.2021 in OP. No. 03/ 2021

1. The petitioner, M/s Kerala Health Care Private Limited, is a HV Consumer (22 kV) of Kerala State Electricity Board Limited (KSEB Ltd) under; the Electrical Distribution Section – Velanthavalam of Electrical Circle – Palakkad. They bear the Consumer No. LCN: 15/ 4309, under Tariff HT II (B) General, have a Contract demand of 1000 kVA, and is connected to the grid through a 22 kV feeder from the

110 kV substation, Walayar. The consumer has filed this petition requesting the Commission, to direct the Licensee to provide feasibility for the 1 MW Grid interactive solar power plant being installed by the consumer under Net metering system, as per the provisions of *KSERC (Renewable Energy and Net Metering) Regulations, 2020*. The background of the issue and the averments, as provided in the petition, are as follows :-

2. The Petitioner submitted an application dated 23.08.2017 to KSEB Ltd, for obtaining the feasibility certificate for installing a 1000 kW Grid connected solar plant in their premises with Net metering facility. For this they remitted an Application fee of Rs.1000/-, as stipulated in the schedule of *KSERC (Grid Interactive Distributed Solar Energy Systems) Regulations, 2014*.
3. After processing the above application, DyCE, Electrical Circle, Palakkad issued the feasibility on 03.10.2017, for connecting a 500 kWp capacity Solar Plant only and directed the consumer to remit Rs. 500,000/- as Registration fee. The Petitioner remitted the amount of Rs. 500,000/- on 11.04.2018 and submitted the Application for Registration of 500 kWp solar plant, indicating the completion date as 30.06.2018.
4. The Commission has noted that the feasibility for the reduced capacity of 500 kWp was sanctioned by KSEB Ltd to the consumer, based on the then prevailing applicable *Regulations 5 & 6 of 'KSERC (Grid Interactive Distributed Solar Energy Systems) Regulations, 2014'* quoted below;

"5. Obligation of the distribution licensee to give connectivity to the low tension feeders.- (1) The distribution licensee shall, without any discrimination, provide to the eligible low tension consumers in its area of supply, the connectivity to its low tension distribution feeder for installing the solar energy system subject to compliance with the other provisions as per these regulations and the technical limit specified in sub-regulation (2).

(2) The distribution licensee shall give connectivity to the solar energy system of any eligible low tension consumer only till the cumulative capacity of the solar energy systems connected to a particular low tension distribution feeder is less than eighty percent of the average minimum load of all the consumers of the said feeder between 8 AM and 4 PM during the period of seven days succeeding the date of submission of the application form by the eligible consumer for connecting the solar energy system to the said feeder:

Provided that the distribution licensee may adopt the average minimum load of the low tension distribution feeder assessed between 8 AM and 4 PM within a period of six months prior to the date of submission of the

application form, if the licensee is convinced that there has been no considerable change of load in the said feeder after the previous assessment.

6. Obligation of the distribution licensee to give connectivity to the high tension feeders.- (1) The distribution licensee shall, without any discrimination, provide to the eligible high tension consumers in its area of supply, the connectivity to its high tension distribution feeder for the installation of solar energy system subject to compliance with the other provisions as per these regulations and the technical limit specified in sub-regulation (2).

(2)The distribution licensee shall give such connectivity to the solar energy system of any eligible consumer, generating electricity at 11000 volts, provided the cumulative capacity of the solar energy systems connected to the distribution feeder under a particular power transformer in the feeding substation is less than eighty percent of the average minimum load of that feeder as assessed from the data available at the substation, relating to three hundred and sixty five days preceding the date of submission of the application form:

Provided that, in the case of new feeders, the average minimum load of a high tension feeder for a period less than three hundred and sixty five days may also be considered for the purpose.”

5. As seen from the above regulation, only 80% of the average load of the previous one year on the connectivity feeder was considered, as the feasible capacity for connectivity of Grid tied Solar Plant.
6. Meanwhile, KSSIA (OP 05/18) on 04.01.2018 and KREEPA (OP 06/18) on 09.03.2018 filed petitions before the Commission, requesting changes/ clarifications in the Net metering Regulations, 2014; to remove the difficulties faced by the Industry in the installation of Grid tied Solar Plants. Vide the Common Order dated 03.10.2018 on these petitions, Commission has ordered that; *‘in the case of consumers having dedicated feeder/ transformer, the load of that particular consumers, through the dedicated feeder/ transformer only be considered while appraising the feeder capacity and transformer capacity, as the case may be. If any of the consumers having dedicated feeders/ transformers faces any difficulty in this regard, such consumers can approach the Commission with the relevant details’ (Para 23.2)*
7. Based on the above order, the Petitioner, vide letters dated 08.11.2018, 16.11.2018, 23.02.2019 & 05.10.2019 requested to KSEB Ltd to enhance the feasibility to 1000 kW. Meanwhile the petitioner remitted approx. Rs.5.9 lakh (the

amount for converting the 22 KV feeder as dedicated feeder) to KSEB Ltd under deposit work. In May 2019, the 22 kV feeder was converted into a dedicated feeder.

8. Vide letter dated 26.12.2019, DyCE, Palakkad informed that the issue has been referred to the Chief Engineer, REES, Thiruvananthapuram, for clarifications.
9. Since no further directions were received, the Petitioner submitted another application dated 13.08.2020 for connectivity of the Solar Plant, as per the provisions of the KSERC (Renewable Energy and Net Metering) Regulations, 2020. Further, a letter dated 26.11.2020 was submitted by the Petitioner to the Commission, requesting to direct KSEB Ltd to provide feasibility for 1 MW plant.
10. There after the petitioner filed this petition dated 01.01.2021, after remitting the required fees. The relief sought through the Petition are:
 - (1) Direct KSEB Ltd to give feasibility for the 1 MW Grid connected Solar Plant with Net Metering;
 - (2) Direct KSEB Ltd to collect further Rs. 5 lakhs only towards Registration fees, because they have collected Rs. 5 lakhs on 11.04.2018.
11. The petition was registered on 18.01.2021, as OA No. 03/2021 and Form 3A notice was issued to the respondents. E-hearing on the petition was held on 23.03.2021. The hearing was attended by the representatives of the Petitioner and Respondents. In the hearing the representatives of the petitioner presented the details of the petition. But, they were unable to answer the specific questions raised by the Commission, on the technical as well as regulatory issues related to the petition. Hence, the hearing was adjourned for 22.04.2021, to enable them to present the matters more vividly.
12. The second hearing was held through video conference mode at 11 AM on 23.04.2021. Sri. Radhakrishna Kumar, Consultant of the Petitioner presented the details of the case in the chronological order and informed that the installation is ready for energization since February 2021. He requested for early approval for feasibility and connectivity of the 1 MW solar plant and orders to collect the registration fee after adjusting the Rs. 5 lakhs already remitted.
13. On behalf of KSEB Ltd Sri. Joseph, CE and Smt. Latha, AEE answered the queries. They informed that feasibility sanction for 500kW plant was given based on the 2014 Regulations and the Registration fee collected cannot be refunded, since the installation was not completed in the time frame stipulated in the Regulations. They

also informed that in the 2020 Regulations also there is no clarity on the loads that can be connected to the dedicated feeders and requested for directions in this regard.

Analysis and Decision

14. On the basis of the facts presented in the Petition, the hearings held on 23.03.2021 & 22.04.2021 and examination of relevant provisions of the KSERC (Renewable Energy and Net Metering) Regulations, 2020 and the related documents, the following are observed:
 - (1) The Grid connected Net Metering Solar system for Prosumers was introduced in the State through KSERC (Grid Interactive Distributed Solar Energy Systems) Regulations, 2014 notified on 30.06.2014. As per this Regulation, this facility shall apply to consumers availing power at the voltage level 'of and below 11 kV' (*Regn.1.2*). Since the Petitioner is a 22 kV Consumer, the provisions of this Regulation was not applicable to this consumer and hence they were not eligible for the net metering facility as per the 2014 Regulations.
 - (2) However the Petitioner submitted an application seeking feasibility for connecting 1 MW capacity Solar Power Plant (Max. capacity permissible under the Net metering Regulations, 2014) on 23.08.2017. Without considering the provision for eligibility under *Regulation 1.2*, KSEB Ltd, gave feasibility approval on 03.10.2017, for connecting a 500 kW solar plant. They however limited the capacity as per *Regulation 5 & 6*, and directed the consumer to remit Rs. 5 lakhs towards the Registration fee for 500 kW plant. The consumer remitted the amount on 11.04.2018.
 - (3) *Provisos to Regulation 13.9 of the 2014 Regulations* indicates that unless the installation is completed within 6 months from the date of Registration, the Registration fee remitted will not be refunded. This was amended; vide the (*Amendment*) *Regulations, 2016 dated 15.03.2016. Vide Regulation 13.9 (b, c, f, g & h) of the 2016 Amendment*, this period can be further extended for a period of 6 months, for good and sufficient reasons beyond the control of the Applicant. In such cases, 80% of the amount can be refunded, provided the installation is completed within the validity of the extended period. Otherwise, the registration fee shall be forfeited.
 - (4) The Commission notes that since, the Application submitted by the Consumer on 23.08.2017, the feasibility approval issued on 03.10.2017 and the

Registration fee collected by KSEB Ltd, do not conform to the provisions of the 'KSERC (Grid Interactive Distributed Solar Energy Systems) Regulations, 2014', the provisions for refund/ forfeit cannot be applied as per the provisions of these Regulations. Accordingly, the amount collected as Registration fees can only be considered as an advance received from the consumer.

- (5) The Stakeholders in the Industry have also pointed out difficulties in implementing some of the provisions of the Regulations which was hindering the Installation and Commissioning of Solar Plants in the State, through Petitions OP Nos. 05/18 & 06/18 and the Commission, vide the Order dated 03.10.2018 clarified the same. This includes the capacity utilization of dedicated feeders also, as indicated in Para 5 of this order.
- (6) Meanwhile, KSEB Ltd has converted the 22 kV feeder to the Consumer into a dedicated feeder in 5/2019, after collecting an amount of Rs.5.9 lakh (approx) as expenses from the consumer.
- (7) Thereafter the Commission's KSERC (Renewable Energy and Net Metering) Regulations, 2020 dated 07.02.2020 was notified, repealing all the existing Regulations on RE and Net metering. **As per KSERC (Renewable Energy and Net Metering) Regulations, 2020, no voltage restriction is stipulated for the consumers for availing Net metering facility upto 1 MW.** As such, in view of the clarifications issued by the Commission, vide order dated 03.10.2018 in OP Nos.05/18 & 06/18, the Petitioner consumer (22 kV with dedicated feeder and contract demand 1000 kVA) is eligible to install a solar plant with capacity upto 1 MW, with Net metering facility. Accordingly the Application submitted by the Consumer on 13.08.2020 need to be considered as an Application under the KSERC (Renewable Energy and Net Metering) Regulations, 2020 and has to be processed as per the provisions of this Regulation.
- (8) Since the Registration fee collected earlier is to be considered as an advance, KSEB Ltd shall collect only the balance amount towards the Registration fees, after issuance of a fresh feasibility certificate based on the new application. The Consumer shall remit such amount as balance Registration fees and complete the installation in a time bound manner, complying with all the statutory requirements.

Order of the Commission

15. After due scrutiny of; the Petition, related documents, clarifications provided during the hearing, the provisions of the Electricity Act 2003, KSERC (Grid Interactive Distributed Solar Energy Systems) Regulations 2014 & (Amendment) Regulations

2016, and KSERC (Renewable Energy and Net Metering) Regulations, 2020; the Commission hereby orders as follows:-

i) The Application dated 13.08.2020 of the Petitioner consumer for connectivity of the 1 MW solar power plant being installed in their premises, shall be processed and feasibility issued by KSEB Ltd within two weeks, as per the provisions of the KSERC (Renewable Energy and Net Metering) Regulations, 2020 and the Order dated 03.10.2018 of the Commission in OP Nos 05/18 & 06/18;

ii) It is clarified that as per KSERC (Renewable Energy and Net Metering) Regulations, 2020, there shall be no voltage based restriction and consumers / prosumers applying for net-metering facility upto 1 MW shall be permitted to avail this facility without any restriction subject to applicable regulations as specified in Chapter III of the regulations.

iii) The Registration Fees amount of Rs. 5 lakhs collected by KSEB Ltd from the consumer on 11.04.2018 shall be treated as an advance received and the amount shall be adjusted in the amount to be collected as Registration fees for the Application dated 13.08.2020.

(iv) The Petitioner consumer shall complete the installation of the proposed solar plant as per the provisions of; the *KSERC (Renewable Energy and Net Metering) Regulations, 2020*, complying the applicable Technical, Connectivity, Construction & Safety Regulations in force, and the statutory requirements thereof.

The Petition is disposed off as ordered above.

Sd/-
Adv. A. J. Wilson
Member (Law)

Sd/-
Preman Dinaraj
Chairman

Approved for Issue

Sd/-
Secretary