

KERALA STATE ELECTRICITY REGULATORY COMMISSION
THIRUVANANTHAPURAM

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

OP No 31/2020

First Hearing on : 18.11.2020
Second hearing on : 11.12.2020
Third hearing on : 19.03.2021
Fourth hearing on : 15.04.2021
Fifth Hearing on : 25.05.2021

In the matter of : Petition seeking interim Order for approval for procurement of 200 MW Solar Power from Inter State Transmission System Grid Connected Solar Photo Voltaic projects through Solar Energy Corporation Limited (SECI) on long term basis to meet the RPO of KSEB Ltd as specified in KSERC (Renewable Energy & Net Metering) Regulations, 2020

Petitioner : Kerala State Electricity Board Ltd (KSEB Ltd)

KSEB Ltd represented by : Sri K G P Nampoothiri, EE

Respondent : Solar Energy Corporation of India Ltd (SECI)

Respondent represented by : Smt. Tanya Sareen, Advocate
Sri. Ravi Nair, Advocate
Sri. Mudit Jain, SECI

Daily Order dated 28.05.2021

1. Kerala State Electricity Board Ltd (hereinafter referred as KSEB Ltd, or the Petitioner) on 27.10.2020 filed a petition before the Commission with the following prayers:

“to grant an interim Order approving the procurement of 200MW solar power from ISTS grid connected solar photo voltaic projects selected by SECI as per their offer letter dated 7-8-2020”.

2. The petition was filed based on the offer of M/s Solar Energy Corporation of India (SECI) for 200 MW from 1st Tranche of 6000 MW ISTS connected Solar PV projects linked with Manufacturing plant in India on ‘Build Own Operate’

Basis to KSEB Ltd at a weighted average tariff of Rs 2.66 per unit plus trading margin @Rs 0.07/unit. During third hearing, SECI submitted that, they, vide the revised offer dated 10th February 2021, offered 500MW ISTS connected Solar Power under Tranche-IX at tariff of Rs 2.44/kWh (including SECI's trading margin @Rs 0.07/unit) to make it competitive and KSEB Ltd vide letter dated 15.03.2021 intimated that they are interested in procuring upto 300MW.

3. KSEB Ltd further submitted that, once KSEB Ltd receives the modified PSA from SECI incorporating the modifications suggested based on the Order of the Commission in the earlier offer, for adopting the PSA in the revised offer, KSEB Ltd shall submit the revised petition for the approval of the Hon'ble Commission.
4. The fourth hearing on the petition was conducted on 15.04.2021 through video conference. The representative of the SECI submitted that, they require another three weeks to finalize the draft PSA incorporating the suggestions made by KSEB Ltd. KSEB Ltd, assured that they shall file the amendment to the original petition, within 10 days from the date of receiving the draft initialed PSA from SECI. Based on the deliberations during the hearing, the Commission issued the following directions to KSEB Ltd and SECI for immediate compliance.
 - (i) *SECI shall finalise the draft PSA incorporating the comments of KSEB Ltd and forward it to KSEB Ltd, latest by 4th May 2021.*
 - (ii) *KSEB Ltd shall file the amendment to the original petition and also the draft initialed PSA for approval as per the Order of the Commission dated 23.03.2021.*
5. Thereafter, Counsel of SECI vide e mail dated 24.05.2021 submitted as follows:

In view of the spread of Covid-19 and imposition of lockdown in Delhi since 19.04.2021, SECI is functioning in a restricted manner. Moreover, several employees of SECI had been affected by Covid-19. Therefore, SECI was not able to provide its comments and observation to the Petitioner, Kerala State Electricity Board (KSEB) by 04.05.2021. Presently, the Respondent, Solar Energy Corporation of India Limited (SECI) is in the process of reviewing the comments submitted by KSEB vide its communication dated 13.04.2021 with regard to Standard Power Sale Agreement under Tranche-IX Solar scheme of SECI. In the circumstances, the counsel for SECI will be asking for further time namely one month time to submit comments and observations on behalf of SECI with respect to communication dated 13.04.2021 of KSEB.

6. The fifth hearing on the petition was conducted on 25.05.2021 through video conference. Sri. K.G.P Nampoothiri appeared on behalf of KSEB Ltd and Adv Tanya Sareen on behalf of SECI. The summary of the deliberations during the hearing is given below.

- (1) Due to the second spread of Covid 19 pandemic, the complete lock down was declared in Delhi since the last hearing conducted on 15.04.2021. The office of the SECI also not fully functional due to the lock down and also few staff of the SECI also infected by Covid-19. Hence SECI requested for another month to finalise the draft SA incorporating the suggestions of KSEB Ltd as directed by the Commission.
- (2) KSEB Ltd submitted its concurrence for allowing another one month time for SECI to finalise the PSA. KSEB Ltd further submitted that, the Commission may allow 10 days time to submit the amendment to the original petition for approval of the draft initialed PSA, after submitting the draft PSA by SECI.
- (3) During the deliberations, the Commission directed SECI, to clarify whether they are serious in supplying power to KSEB Ltd from Tranche IX @Rs 2.44/unit including trading margin. Commission further clarified that the Commission is not intended to prolong the matter since various competitive offers for supplying Solar power to the KSEB Ltd are kept in abeyance for want of final confirmation from SECI.

7. Based on the deliberations during the hearing, the Commission hereby directs that,

- (i) SECI shall finalise the draft PSA incorporating the comments of KSEB Ltd and forward to KSEB Ltd, latest by 22nd June 2021, with copy to the Commission.
- (iii) KSEB Ltd shall file the amendment to the original petition with draft initialled PSA by SECI and KSEB Ltd, for its approval as per its order dated 23.03.2021, on or before 10th of July 2021.

The next hearing on the petition is scheduled on **14.07.2021 at 11 AM** through video conference.

Sd/-

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

Sd/-

**Preman Dinaraj
Chairman**

Approved for issue

**C R Satheeshchandran
Secretary (i/c)**

