

BEFORE THE KERALA STATE ELECTRICITY REGULATORY

COMMISSION

THIRUVANANTHAPURAM

PETITION NO. _____ OF 2017

IN THE MATTER OF :

PETITION UNDER SECTIONS 62 & 86(1)(b) OF THE ELECTRICITY ACT, 2003 and in the light of the Honorable Commission's order no 442/CT/2015/KSERC dated 11.11.2015 FOR APPROVAL OF TARIFF FOR 16 (8X2) MW WIND POWER PROJECT COMMISSIONED BY THE PETITIONER IN THE LAND ALLOCATED BY KINFRA AT TEXTILE PARK, KANJIKODE, PALAKKAD DISTRICT, KERALA.

INOX RENEWABLES LIMITED
PLOT NO. 17 SECTOR 16A
NOIDA-201301

... PETITIONER

THE SECRETARY ,
KERALA STATE ELECTRICITY BOARD LIMITED,
VYDYUTHI BHAVANAM,
PATTOM,
THIRUVANANTHAPURAM- 695004

..RESPONDENT

Petitioner most humbly submits as follows:

1. The above named Petitioner is filing the present petition under Sections 62 & 86(1)(b) of the Electricity Act, 2003 and in the light of honorable commissions order no 442/CT/2015/KSERC dated 11.11.2015, for approval of tariff for its 16 (8x2) MW Wind Power Project commissioned by the Petitioner in the land allocated by KINFRA at Textile Park, Kanjikode, Palakkad District, Kerala.

2. The facts leading to the filing of the instant petition are being narrated herein below for the kind consideration of this Hon'ble Commission.
3. In terms of the mandate for promoting renewable energy sources in the State of Kerala and keeping in view the wind energy potential in the state, the Petitioner herein gave a proposal dated 20.08.2011 to Agency for Non Conventional Energy and Rural Technology (ANERT) the Nodal Agency for development of Renewable Energy Sources in the State of Kerala, to establish 11 nos. Wind Energy Generators (WEGs), each of 2 MW, on the land allotted to it in KINFRA Textile Park, Kanjikod in Palakkad District.
4. The Managing Director, KINFRA gave its No objection on 02.05.2012 to the aforesaid proposal given by the Petitioner for executing the wind power project after obtaining necessary consents/ licenses/ permits from respective agencies subject to the approval by board of KINFRA and also in line with the KINFRA Land Disposal Regulations.
5. Subsequently the Petitioner was granted all the requisite permissions and consequently, the ANERT herein also granted its technical approval to the project of the petitioner on 13.06.2012 at the location specified by the Petitioner for establishment of 11 nos. WEGs (total 22 MW). The said technical approval was to be valid for 2 (two) years. A copy of the said technical approval dated 13.6.2012 issued by the ANERT is annexed herewith and marked as **ANNEXURE P1**.

6. After receiving the aforesaid technical approval, the Petitioner duly started construction of its project. However, for some reasons beyond its control, it could not finish the project within 2 years, and therefore, the Petitioner vide its letter dated 13.03.2015 requested for an extension of the validity period of aforesaid technical approval.
7. In view of the aforesaid request made by the Petitioner, the ANERT vide its letter dated 15.03.2017 extended the validity period of the aforesaid technical approval granted to the Petitioner for another 2 years with effect from 01.12.2016. A copy of the said letter dated 15.03.2017 passed by the ANERT is annexed herewith and marked as **ANNEXURE P2.**
8. Further to the above technical approval, the Petitioner herein duly commissioned 8 nos. WEGs each having a capacity of 2 MW (total 16 MW) on 28.03.2017 and the same was connected to KSEB Grid through 22KV Feeders INOX I and INOX II at 220/110/22 KV KSEB substation at Kanjikode , Palakkad. A commissioning certificate was also issued in the name of M/s Damodar .Jagannath .Malpani, the investor in 22 MW wind power project being developed by petitioner in the land allocated by KINFRA at Textile Park, Kanjikode, Palakkad District, Kerala. , by the KSEBL on 21.04.2017 and a copy of the same is annexed herewith and marked as **ANNEXURE P3.**

9. On the request of Petitioner in its letter dated 04.07.2017 to Chairman KSEBL, The petitioner has received a reply dated 5.7.2017 from respondent stating as under :

"Please refer to the above. Board has accorded sanction to inject power from M/s Inox Renewables Ltd. on temporary basis to KSEBL grid for maintaining the system healthy at Unscheduled Interchange Tariff/Deviation Settlement charge subject to furnishing an unconditional undertaking that M/s Inox is agreeing to offer power at UI rates till such time PPA is signed. Subsequently you may approach KSERC for fixing the tariff. Kindly note that KSEBL will be absorbing the power only if the rate fixed by KSERC is affordable to KSEBL.

A copy of the said letter dated 5.7.2017 is annexed hereto and marked as **ANNEXURE P-4**.

10. It is thus evident that the Petitioner herein has commissioned 8 nos. out of 11 nos. WEGs having a total capacity of 16 MW out of 22 MW in the financial year 2016-17 and has started injecting the power into the Kerala state grid. Thus, the Petitioner is entitled to sign a Power Purchase Agreement with the Respondent at the preferential tariff determined by this Hon'ble Commission for the financial year 2016-17.
11. It is relevant to mention here that this Hon'ble Commission in exercise of its powers conferred under Section 86 (1) (e) read with Section 181 (1) of the Electricity Act, 2003 enacted Kerala State Electricity Regulatory Commission (Renewable Energy) Regulations 2015 on 11/11/2015 (hereinafter referred as RE Regulations) whereby this Hon'ble Commission has provided the generic tariff for wind energy

projects for financial year 2014-15 and 2015-16 respectively to be applicable for next 25 years. Further, the said regulations have a control period of 5 years where 2012-13 was deemed to be the first year of the control period and 2016-17 was supposed to be the fifth and last financial year of the control period. As per regulation 20(7) of Renewable Energy Regulation the project developer shall submit the details for classification of the project wind zone for claiming the tariff applicable. A copy of the said RE Regulations 2015 issued by this Hon'ble Commission is annexed hereto and marked as **ANNEXURE P-5**.

12. It is a settled position of law that wind energy projects commissioned in a particular year are entitled to execute a Power Purchase Agreement with the distribution licensee at the preferential tariff determined by the State Electricity Regulatory Commission for that particular year only. Accordingly, the Petitioner herein having commissioned its 8 nos. WEGs on 28.03.2017 are entitled for the wind energy tariff determined by this Hon'ble Commission for the financial year 2016-17.

13. Further, as 8 nos. WEGs of the Petitioner were commissioned; it has requested the Respondent to execute a power purchase agreement for the energy being supplied by it to KSEBL Grid. Accordingly, the Respondent sent a draft Power Purchase Agreement to the Petitioner herein which interalia provided as under:

“ 6.9. Tariff for power generated from the plant shall be as per the order dated _____ of KSERC, annexed to the agreement , which shall form an integral part of the agreement.”

A copy of the draft power purchase agreement supplied by the Respondent No.1 is annexed herewith and marked as **ANNEXURE P6.**

14. The Honorable KSERC has published draft (Renewable Energy) amendment regulations 2016 vide notification no 442/CT/2015/KSERC dated 04.11.2016 for proposing the normative norms and the tariff applicable to the renewable energy project commissioned during FY-2016-17. The KSERC has proposed tariff of Rs 6 / KWh for the wind power project falling under wind Zone-2. However, as this Hon'ble Commission has not finalized preferential tariff for wind energy projects for the financial year 2016-17 till date and also as the project specific zone based tariff needs to be determined, the petitioner is unable to execute the aforesaid power purchase agreement. in the absence of the applicable tariff order passed by this Hon'ble Commission and as an interim arrangement, KSEB has proposed the unscheduled interchange tariff / deviation settlement charges for the power being injected by it in the KSEBL grid which is not fixed and being variable is causing difficulties for the petitioner in doing financial planning and Petitioner is finding it difficult to operate where it is not able to serve its debt even.

15. In view of the above and to protect the interest of the petitioner in the long run, this Hon'ble Commission may be pleased to direct the

Respondent herein to execute the Power Purchase Agreement with the Petitioner herein at a provisional tariff of Rs.5.98 /Kwh determined by this Hon'ble Commission for financial year 2015-16 subject to adjustments later on as and when this Hon'ble Commission is pleased to determine the preferential tariff for the financial year 2016-17 being applicable in the case of the petitioner herein.

PRAYER

In view of the above facts and circumstances it is most respectfully prayed that this Hon'ble Commission may be pleased to :

- a) Approve the draft power purchase agreement and direct the Respondent herein to execute the same with the Petitioner herein at the provisional tariff of Rs. 5.98 /Kwh applicable from the date of commissioning of the 8 no of WTGs commissioned by petitioner on 28.03.17, as determined by this Hon'ble Commission for financial year 2015-16 subject to adjustments subsequently as and when the preferential tariff for financial year 2016-17 is determined by this Hon'ble Commission for wind energy projects as applicable in the case of Petitioner herein.
- b) Pass any other or further order / s as this Hon'ble Commission may deem fit and proper in the facts and circumstances of the present case.

PLACE: Thiruvananthapuram
DATE: 12.07.2017



PETITIONER

