



KERALA STATE ELECTRICITY BOARD LIMITED

Incorporated under the Companies Act, 1956

Corporate identity Number: U40100KL201 ISGC0272424

Regd Office: Vidyuthi Bhavanam, Pattom, Thiruvananthapuram – 695004

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No: TRAC/GL/Petition-Nippon Mall/21-22/501

dated 8.11.2021

To

The Secretary,
Kerala State Electricity Regulatory Commission
KPFC Bhavanam,
C. V. Raman Pillai Road,
Vellayambalam, Trivandrum.

Sir,

Sub: Tariff applicable to the single point supply connection of M/s Nippon Mall – Petition to be filed before Hon'ble KSERC- reg.

I am directed by the Board to submit a petition in the matter seeking determination of Single Point Supply tariff and it's conditions of M/s Nippon Infra Q1 Projects, Ernakulam. Six copies of the petition along with the petition filing fee of Rs 10,000/- (Ten Thousand only) is enclosed herewith. It is requested that Hon'ble Commission may kindly register and admit the petition.

Yours faithfully,


Chief Engineer (Commercial & Tariff)

- Acc: 1. Petition (original + 5 copies)
2. Cheque No. 148572 dated 06.11.2021

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BEFORE THE HON'BLE KERALA STATE ELECTRICITY

REGULATORY COMMISSION

Petition No :

In the Matter of : Petition filed for determination of Single Point Supply tariff and it's conditions of M/s Nippon Infra Q1 Projects, Ernakulam.

Petitioner : Kerala State Electricity Board Ltd
Vydyuthi Bhavanam, Pattom
Thiruvananthapuram 695004

Respondent : M/s Nippon Infra Q1 Projects,
NH Bypass, Near EMC,
Palarivattom, Ernakulam

AFFIDAVIT VERIFYING THE APPLICATION

I, Sasankan Nair C.S, son of G Chellappan Pillai, aged 55 years, residing at Sasindu, Snehapuri Road, Karimom, Thiruvananthapuram-13 do solemnly affirm and state as follows:

I am the Chief Engineer (Commercial & Tariff) of Kerala State Electricity Board Limited, Vydyuthi Bhavanam, Pattom, Thiruvananthapuram, representative of the petitioner in the above matter and I am duly authorized by the Board to make this affidavit on its behalf. I solemnly affirm at Thiruvananthapuram on this theday of November of 2021 that

- (i) Contents of the above counter affidavit are true to my information, knowledge and belief. I believe that no part of it is false and no material has been concealed there from.
- (ii) That the statements made in paragraphs of the accompanying application now shown to me are true to my knowledge and are derived from the official records made available to me and are based on information and advice received which I believe to be true and correct.

Deponent



Chief Engineer (Commercial & Tariff)
Kerala State Electricity Board Limited,
Vydyuthi Bhavanam, Pattom
Thiruvananthapuram – 695 004

VERIFICATION

I, the above named deponent, solemnly affirm at Thiruvananthapuram on this the 8th day of November of 2021 that the contents of the petition are true to my information, knowledge and belief, that no part of it is false and that no material has been concealed there from.

Deponent



Chief Engineer (Commercial & Tariff)
Kerala State Electricity Board Limited,
Vydyuthi Bhavanam, Pattom
Thiruvananthapuram – 695 004

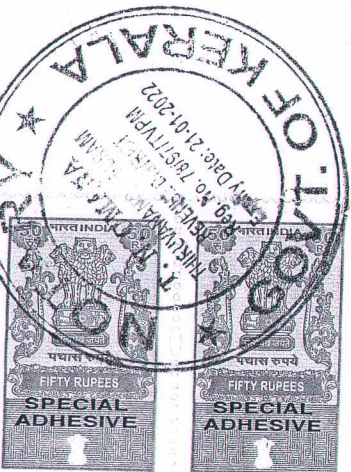
Solemnly affirmed and signed before me



Advocate and Notary

08-11-2021

T. N. OMANA
Advocate & Notary
Thiruvananthapuram Revenue District
Kerala State South India



BEFORE THE HON'BLE KERALA STATE ELECTRICITY REGULATORY COMMISSION

at its office, KPFC Bhavan, Vellayambalam, Thiruvananthapuram

In the Matter of : Petition filed for determination of Single Point Supply tariff and it's conditions of M/s Nippon Infra Q1 Projects, Ernakulam.

Petitioner : Kerala State Electricity Board Limited,
Vydyuthi Bhavanam,
Pattom, Thiruvananthapuram

Respondent : M/s Nippon Infra Projects Pvt Ltd,
NH Bypass, Near EMC,
Palarivattom, Ernakulam

THE PETITIONER SUBMITS THE FOLLOWING THAT:

1. M/s Nippon Infra Projects Pvt Ltd had submitted an application for availing Single Point Supply to the extent of 2967kVA at Nippon Infra Q1 mall at Palarivattom, Ernakulam. The DPR along with the scheme approval obtained from the Electrical Inspector has been attached along with the application for favour of taking up the matter with the Hon'ble Commission for fixing the tariff of the connection, in compliance to regulation 49(8) and 56 of Kerala Electricity Supply Code, 2014 (KESC, 2014). The said DRP and the Scheme approval given by the applicant are attached herewith as **Exhibit P1 and P2** respectively.
2. M/s Nippon Q1 Mall is a commercial complex located at NH 47 Bypass near Palarivattom in Ernakulam district. The building is of 4,40,000 sq ft area with 9 floors for office spaces, 3 lower floors for shopping and two floors for other amenities like food court, exhibition halls, business centre etc. At the basement, there are two levels of car parking. Altogether, it was reported that there will be one HT consumer for the common connection and 189 LT consumers to be serviced in the building with provision for adding 25 more LT consumers. The HT connection inclusive of lift, escalators, fire protection systems, water pumps, air conditioning systems etc will be catering a load of 2005KW whereas the LT connections load comes to 2011KW . Five DG sets are proposed for standby power applications.
3. However, since the DPR submitted lacks the details of individual beneficiaries and the metering arrangements for favour of billing the beneficiaries and single point supply consumer and also for sharing of charges, the same had been called for from the consumer to which the consumer had submitted the details of individual beneficiaries along with the metering arrangement which is attached herewith as **Exhibit P3**.
4. As per regulation 56 of the KESC, 2014, issued by the Hon'ble Commission, Single point supply can be provided to a premise having multiple beneficiaries subject to certain

conditions. The Regulation 56 of the Supply Code, 2014 specifies the conditions laid down for providing single point supply. The said regulation is extracted below;

“56. Single point supply and sharing of electricity charges.- (1) The licensee may give single point supply to the following premises with multiple beneficiaries subject to the conditions specified in the subregulations hereunder:-

(i) multi-storeyed buildings;

(ii) colony developed by any development authority or private builder or promoter or developer;

(iii) domestic, commercial or industrial complex;

(iv) residential complex constructed by any employer for his employees or by a panchayat or a cooperative society or a registered association of beneficiaries.

(2) The development authority or promoter or builder or developer or panchayat or cooperative society or registered association of beneficiaries shall submit an application to the licensee for availing single point supply with a detailed project report (DPR) on the scheme for giving supply to all beneficiaries and such other necessary particulars.

(3) The development authority or promoter or builder or developer or panchayat or cooperative society or registered association of beneficiaries shall bear the expenditure for the augmentation or upgradation or uprating of the distribution system, exclusively required for the supply of electricity to the entire premises included in the detailed project report (DPR) and shall also construct at his cost the internal distribution network within the project area as per the standards and specifications stipulated in this Code. Provided that the expenditure to be borne by the development authority or promoter or builder or developer or panchayat or cooperative society or registered association of beneficiaries shall be governed by the relevant provisions in regulation 36.

(4) Supply may be provided by the development authority or promoter or builder or developer or panchayat or cooperative society or registered association of beneficiaries to the individual beneficiaries and for common service by installing sub-meters.

(5) The development authority or promoter or builder or developer or panchayat or cooperative society or registered association of beneficiaries shall remit the charges for the entire electricity availed at such single point of supply as per the bill preferred by the licensee within such time as indicated in the bill.

(6) The development authority or promoter or builder or developer or panchayat or cooperative society or registered association of beneficiaries shall collect, on a no profit no loss basis, the cost of energy consumed by individual beneficiaries.

(7) The tariff charged from the individual beneficiaries shall under no circumstances exceed the tariff specified by the Commission for the respective category of consumers.

(8) Providing of connection to individual beneficiaries in such premises with multiple consumers and sharing of expenses of consumption of electricity as per the above

provisions shall not be construed as unauthorised extension of supply or resale of energy.

(9) The maintenance of internal distribution network and providing services to individual beneficiaries shall be the responsibility of the development authority or promoter or builder or developer or panchayat or cooperative society or registered association of beneficiaries.

(10) The tariff applicable to the single point supply shall be as determined by the Commission:

Provided that the provisions of this regulation shall not in any way affect the right of a person residing in the housing unit sold or leased by such development authority or promoter or builder or developer or panchayat or cooperative society or registered association of beneficiaries, to demand supply of electricity directly from the distribution licensee of the area."

5. On scrutiny of the application submitted by M/s Nippon Infra Projects (P) Ltd for availing single point supply, the conditions laid out by the regulation 56 of KESC, 2014 had been satisfied to the following extent.
- i) The Nippon Infra Q1 mall is a building with total built up area of 4,40,000 sq ft having 9 floors for office space, 3 floors for shopping and 2 floors for amenities and basement 2 level for car parking. Since this comes under the criteria of commercial complexes and multi storied building with multiple beneficiaries they are eligible for availing single point supply as per Regulation 56(1) of the Supply Code, 2014.
 - ii) The consumer had submitted the detailed project report in compliance to regulation 56(2) of KESC, 2014. Further details called for of the individual beneficiaries have also been submitted by the consumer. The consumer had also reported that the two 2MVA distribution transformers located in the premises which is expected to be loaded by 75% has a transformer loss as follows;
No load loss - 3.182KW
Full load loss – 15.544KW
 - iii) M/s Nippon Infra Projects (P) Ltd, the developer had agreed to comply with Regulation 56 (3) of Supply Code 2014 as to meet the expenditure for the augmentation /upgradation / uprating of the distributing system, exclusively required for supply of electricity to the entire premises. Further, the developer had agreed to construct the internal distribution network within the project area at their cost and to install sub meters as per Regulation 56(4) of Supply Code, 2014 for providing supply to the individual beneficiaries. Dual register meters will be provided to the individual beneficiaries for getting separate readings of energy used from KSEBL supply and DG supply. An undertaking submitted by M/s Nippon Infra Projects (P) Ltd for favour of complying with regulation 56 of KESC, 2014 in availing Single Point Metering Supply at Q1Mall is attached herewith as **Exhibit P4**.

iv) The consumer had reported that all the LT consumers will be provided with TOD tariff meters of class 0.5S accuracy. The meters will be having communication capability through Modbus or Ethernet protocol for a smart computer based energy management system. Automated energy management and billing software will be designed such that initial billing is made with applicable tariff from the category of the consumer and then compared for no loss/ no profit pattern with reference to the KSEBL bill received for the SPS consumer. Lowest of the above two methods of bills will be served to the beneficiary consumers. Further electricity duty as per orders will be collected from the respective beneficiary consumers and will be remitted at KSEBL.

6. Eventhough, the regulation 56(1) to 56(10) of KESC, 2014 specifies the conditions laid out for providing single point supply, it is felt that a detailed guidelines needs to be issued on the matter for an effective implementation of the above regulation. The apprehensions of KSEBL in implementing the above regulation for providing Single point supply and sharing of electricity charges has been detailed in the additional affidavit filed by KSEBL on 29.03.2021 on petition no. OP-08/2021. However, the petition is still under the consideration of the Hon'ble Commission. The major concerns/suggestions of KSEBL in providing single point supply are detailed below;

- a) The Regulation 56(1) of KSEC, 2014 states that *"The licensee may give single point supply to the following premises with multiple beneficiaries subject to the conditions specified in the subregulations hereunder:-*
- (i) multi-storeyed buildings;*
 - (ii) colony developed by any development authority or private builder or promoter or developer;*
 - (iii) domestic, commercial or industrial complex;*
 - (iv) residential complex constructed by any employer for his employees or by a panchayat or a cooperative society or a registered association of beneficiaries."*

In Supply Code, 2014 the words Multi storied building and Complexes are not defined. Accordingly, if a general meaning is taken for the above then it can be considered as follows;

- Multi storied building – any building having more than 1 floor
- Complex – As per dictionary means a group of buildings that are related, or a large building having different parts. Accordingly, whether any building having more than one commercial, industrial or domestic use can be termed as a complex.

If such an interpretation is taken, then any double storied building will be eligible for having single point connection. In order to restrict the connection to the most eligible ones (one having space constraints, to limit wastage of resources etc) it is recommended that certain other conditions may also be incorporated for being eligible to avail single point supply. The qualifying criteria may also be limited to;

- (i) Above a certain number of beneficiaries of same category.*
- (ii) Buildings having area above a minimum area (sq mtr)*
- (iii) Above a specified total connected load*

(iv) HT/EHT Supply

(v) On submission of resolution of beneficiaries demanding SPS (cases where more than 80% of the beneficiaries demands Single point supply)

(vi) Any combination of the above.

- b) *The Regulation 56(2) states that, "The development authority or promoter or builder or developer or panchayat or cooperative society or registered association of beneficiaries shall submit an application to the licensee for availing single point supply with a detailed project report (DPR) on the scheme for giving supply to all beneficiaries and such other necessary particulars."*

It needs to be clarified what are the mandatory details to be submitted in the DPR. Presently, minimum data is provided in the DPR given by the consumer for availing single point supply. The details of the beneficiaries including connected load, contract demand, purpose of usage, anticipated consumption etc were not submitted initially but later it was submitted on request. Further, the metering details of each beneficiary along with the sketch showing how the supply is provided to the beneficiaries needs to be given by the consumer. Normally, the Sketch approved by the Electrical Inspector is given by the consumers wherein the meter panels of the all beneficiaries are not shown. Hence, an additional sketch wherein the meter details of the beneficiaries needs to be given by the single point consumer to the licensee for favour of information and verification.

- c) *The Regulation 56(3) states that, "The development authority or promoter or builder or developer or panchayat or cooperative society or registered association of beneficiaries shall bear the expenditure for the augmentation or upgradation or uprating of the distribution system, exclusively required for the supply of electricity to the entire premises included in the detailed project report (DPR) and shall also construct at his cost the internal distribution network within the project area as per the standards and specifications stipulated in this Code. Provided that the expenditure to be borne by the development authority or promoter or builder or developer or panchayat or cooperative society or registered association of beneficiaries shall be governed by the relevant provisions in regulation 36."*

It needs to be clarified on to what extent the regulation 36 is applicable in the above case. It was specified in the above regulation that the Single point consumer shall bear the expenditure for the construction of the internal distribution network within the project area but limited to regulation 36.

Further clarification is also needed as to whether the construction of internal distribution network for providing direct supply to the beneficiary by licensee shall be borne by the single point consumer or the licensee. If direct supply can be given only using the internal distribution network, the licensee needs to be authorized to use the internal network system in the premises. This needs to be incorporated in the agreement.

- d) *The Regulation 56(4) states that, "Supply may be provided by the development authority or promoter or builder or developer or panchayat or cooperative society or*

registered association of beneficiaries to the individual beneficiaries and for common service by installing sub-meters."

It needs to be clarified on the type of meters (accuracy class, ToD etc) to be insisted for the sub meters to be provided by the developer. Whether dual meters with ToD facility may be insisted on sub meters for measuring KSEBL supply and generator supply separately.

The methodology for billing the beneficiary in the case of meter being faulty and the time limit for replacing the faulty meter needs to be specified. Further clarification may also be given on the billing methodology to be taken for clubbed space usage. ie; a single beneficiary had clubbed individual spaces for his usage and accordingly his total usage is measured in more than one meter. It is felt that the each beneficiary needs to be measured by a single meter in order to measure the maximum demand of the beneficiary.

- e) *The Regulation 56(5) states that, "The development authority or promoter or builder or developer or panchayat or cooperative society or registered association of beneficiaries shall remit the charges for the entire electricity availed at such single point of supply as per the bill preferred by the licensee within such time as indicated in the bill."*

The provision for cutting the power supply in case the single point consumer fails to remit the dues within the time limit may be provided to the licensee. Non-payment of electricity charges by any beneficiary shall not be a reason for non-payment of electricity charges by the single point consumer to the licensee.

In the above cases, the following points also need consideration;

- 1) If beneficiary had remitted his payment to the SPS consumer and the SPS consumer had defaulted payment.
 - 2) If a beneficiary had been given direct supply by licensee using the SPS distribution network, the same also needs to be addressed.
- f) *The Regulation 56(6) states that, "The development authority or promoter or builder or developer or panchayat or cooperative society or registered association of beneficiaries shall collect, on a no profit no loss basis, the cost of energy consumed by individual beneficiaries."*

The following points needs to be clarified for complying with the above regulation; The Contract Demand and tariff of each beneficiary need to be given to the licensee in advance.

The energy readings of all the beneficiaries may be made available to the licensee every month in order to verify with that of the HT readings.

Whether no profit no loss billing needs to be considered on a monthly or annually basis.

Misuse and theft of energy by the beneficiaries of the Single point consumer needs to be dealt with.

The difference in the consumption of the Single point supply and the individual beneficiaries should be limited to the allowed loss (ie; any consumption above the allowed loss should be billed at the highest applicable tariff).

No energy consumption should go unmetered.

- g) *The Regulation 56(7) states that, "The tariff charged from the individual beneficiaries shall under no circumstances exceed the tariff specified by the Commission for the respective category of consumers."*

The following points needs to be clarified as far as the above regulation is concerned;

The reconciliation of duty with respect to the beneficiary billing needs to be addressed.

The bills issued to the individual beneficiaries by the single point consumer should not be clubbed with common charges.

If a beneficiary has clubbed spaces for his usage thereby having his consumption from more than one meter then the methodology to arrive at his maximum demand for billing needs to be specified.

Whether an approved billing software needs to be incorporated for the beneficiary billing.

- h) *The Regulation 56(8) states that, " Providing of connection to individual beneficiaries in such premises with multiple consumers and sharing of expenses of consumption of electricity as per the above provisions shall not be construed as unauthorised extension of supply or resale of energy."*

It needs to be clarified whether approval is needed for the following;

- *A new beneficiary addition/ deletion which was not covered in DPR by the single point consumer.*
 - *If a clubbed space used by a beneficiary is later divided and used by 2 beneficiaries.*
 - *Load change or tariff change of the beneficiary.*
 - *It may further be clarified that whether the licensee can initiate action on finding that the details of the beneficiary had been changed from the approval given.*
- i) *The Regulation 56(9) states that, "The maintenance of internal distribution network and providing services to individual beneficiaries shall be the responsibility of the development authority or promoter or builder or developer or panchayat or cooperative society or registered association of beneficiaries."*

The apprehensions /clarifications regarding the above regulation is detailed below;

- *Whether the development of internal distribution network for providing direct supply to the consumer also comes under the purview of the single point consumer. If sanction is required from the Electrical Inspectorate for the same who is to obtain sanction.*

- *The liberty of KSEBL to use the internal distribution network laid out by the consumer for providing direct connection needs to be ensured (needs of an agreement).*
- *If the Single point consumer is an LT consumer, who will be responsible for any mal operation done in the internal distribution network?*

j) *The proviso to Regulation 56 (10) states that, "Provided that the provisions of this regulation shall not in any way affect the right of a person residing in the housing unit sold or leased by such development authority or promoter or builder or developer or panchayat or cooperative society or registered association of beneficiaries, to demand supply of electricity directly from the distribution licensee of the area."*

The apprehensions regarding the implementing of the above proviso is detailed below;

- The provision for providing direct supply by the licensee to the beneficiary needs to be properly addressed. If the same can be provided only through the internal network of the SPS consumer then the liberty of the licensee to use the network needs to be addressed.
- The construction and maintenance of internal distribution network for direct connection to the beneficiary. The sanction for the same from the appropriate authority.

k) In connection with the implementation of the above regulation, it is felt that the following point also needs to be addressed effectively for smooth implementation of single point supply;

- The dispute resolution mechanism between beneficiary and single point consumer needs to be addressed.
- Reconciliation mechanism of billing of beneficiaries and single point consumer to achieve the no profit no loss criteria.
- The Licensee has to be indemnified from any loss, damage, cost of litigation incurred on account of disputes between the SPS consumer and beneficiaries.
- Less consumer means a reduction in the normative O&M charges to the licensee.
- Smooth implementation for providing direct supply to the beneficiary need to be ensured.

J) In connection with the implementation of the above regulation, it is felt that the following point also needs to be addressed effectively for smooth implementation of single point supply;

- The dispute resolution mechanism between beneficiary and single point consumer needs to be addressed.
- Reconciliation mechanism of billing of beneficiaries and single point consumer to achieve the no profit no loss criteria.
- The Licensee has to be indemnified from any loss, damage, cost of litigation incurred on account of disputes between the SPS consumer and beneficiaries.
- Less consumer means a reduction in the normative O&M charges to the licensee.
- Smooth implementation for providing direct supply to the beneficiary need to be ensured.

7. Moreover, the licensee needs to be empowered to use the internal network laid by the single point consumer for giving direct connections as envisaged in Supply Code, 2014. In order to comply with the same, a separate agreement with the Single point supply consumer incorporating necessary provisions for utilizing internal distribution network is also needed.

8. Prayer

- (i) The single point tariff applicable to M/s Nippon Infra Q1 mall, Palarivattom, Ernakulam and sharing of electricity charges may be fixed in compliance to Regulation 56(10) of Supply Code, 2014.
- (ii) The general guidelines for single point supply connection and the supplementary agreement format to be executed by the single point supply consumer with the licensee may be issued.


Chief Engineer (Commercial & Tariff)
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