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BEFORE THE HON'BLE KERALA STATE ELECTRICITY REGULATORY COMMISSION

at its office at C V Raman Pillai Road, Vellayambalam, Thiruvananthapuram

FILING NO	/2023
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CASE No.

IN THE MATTER OF:

Petition seeking review of KSERC order dated 16.05.2023 in OP No 07/2023 filed by M/s. KSPPL & M/s BPCL, with respect to the tariff assigned to M/s KSPPL

AND

IN THE MATTER OF:

Kerala State Electricity Board Limited, Vydyuthi Bhavanam, Pattom, Thiruvananthapurm

Applicant

Chief Engineer (Commercial & Tariff) Kerala State Electricity Board Limited AFFIDAVIT VERIFYING THE APPLICATION ACCOMPANYING THE REVIEW PETITION AGAINST KSERC ORDER DATED 16.05.2023 IN OP No 07/2023 IN THE MATTER OF DETERMINATION OF TARIFF TO M/s KSPPL

I, Sajeev G, son of Sri N. Gopalakrishnan, aged 52 years, residing at Muraleegopalam, TC 2/990(4), KPRA-A59(2), Koonamkulam Lane, Murinjapalam, Medical College P O . Thiruvananthapuram – 695011 do solemnly affirm and state as follows:

I am the Chief Engineer (Commercial & Tariff) of the Kerala State Electricity Board Limited, Vydyuthi Bhavanam, Pattom, Thiruvananthapuram, and the petitioner in the above matter and I am duly authorized by KSEB Ltd to make this affidavit on its behalf. I solemnly affirm at Thiruvananthapuram on this the 32 day of March 2023 that the contents of the above petition 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.

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 3.2. day of March 2023 that the contents of the affidavit 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

T.N. OMANA

Pipul ynnos aika Rieray Advocate & Notary

Pipul innos aika Rieray Advocate & Notary

Advocate & T.N. OMANA

BEFORE THE HON'BLE KERALA STATE ELECTRICITY REGULATORY COMMISSION

at its office, KPFC Bhavan, Vellayambalam, Thiruvananthapuram

In the Matter of: Petition seeking review of KSERC order dated 16.05.2023 in OP No

07/2023 filed by M/s. KSPPL & M/s BPCL, with respect to the tariff

assigned to M/s KSPPL

Petitioner: Kerala State Electricity Board Limited,

Vydyuthi Bhavanam, Pattom,

Thiruvananthapuram

Respondent: 1. Chief Executive Officer, Kochi Salem Pipeline Pvt Ltd

Malayil Majesty Buildings, Near Railway Overbridge,

Refinery Road, Thripunithura, Ernakulam – 682 302

2. Chief General Manager(Operations),

Bharat Petroleum Corporation Ltd - Kochi Refinery (BPCL-KR),

Ambalamugal, Ernakulam - 682 302

KSEBL MOST HUMBLY SUBMITS THE FOLLOWING:

- Kerala State Electricity Board Limited (KSEBL), is an integrated State Public Sector power utility company constituted by the State Government. KSEBL is carrying out the Generation, Transmission and Distribution functions through three strategic business units.
- The instant petition is filed seeking a review of the order dated 16.05.2023 in OP No 07/2023 filed by M/s. KSPPL & M/s BPCL with respect to limited ground on the directions of assigning HT 1(A) industry tariff to M/s KSPPL as ordered by Hon'ble Commission in the said order. A brief background of the matter is submitted below.

Background of the petition:

3. M/s Kochi Salem Pipeline Pvt Ltd (M/s KSPPL) and M/s Bharat Petroleum Corporation Limited(M/s BPCL) on 11.01.2023 filed a petition before the

- Commission with the prayer to 'issue favourable orders permitting KSPPL to draw up to 2.2 MVA power at 6.6KV Voltage level from BPCL-KR Electrical network'.
- 4. The pipeline is meant for reducing the road movement of LPG through trucks, which has become a major concern for the Government due to the increase in number of road accidents and related safety consequences.
- 5. Hon'ble Commission has issued orders on the above petition on 16.05.2023 after hearing on 23.02.2023.
- 6. In due regards to and recognition of the directions of the Hon'ble Commission in the above order, it is humbly submitted that the tariff assigned to M/s KSPPL is not in line with the Hon'ble Commission order dated 25.06.2023 in OP 11/2022.
- 7. Hon'ble Commission in para 11 of the order dated 16.05.2023 has observed the following as extracted below

"11

(iii) Until separate HT tariff at 6.6kV voltage level is determined by the Commission, KSEB Ltd can raise the electricity bills to the KSPPL at HT-1(A) electricity tariff determined by the Commission from time to time"

- 8. As extracted above, Hon'ble Commission has assigned HT -1(A) Industry tariff to M/s KSPPL till separate HT tariff at 6.6kV is determined by the Hon'ble Commission.
- 9. It is respectfully submitted that Hon'ble Commission in the tariff order dated 25.06.2023 in OP 11/2022, has classified HT IA tariff and HT -IV A tariff as follows

"HIGH TENSION- I - INDUSTRY (A) {HT- I (A)}

Tariff applicable to general purpose industrial load of all classes of consumers listed in LT-IV (A) category availing supply of electricity at high tension.

HIGH TENSION - IV (A) COMMERCIAL [HT - IV(A)]

Tariff applicable to all classes of commercial consumers listed in LT-VII (A) and LT-VII (C) categories availing supply of electricity at high tension, except those who categorize under HT-IV (B).'

 The tariff order specifically states that LT – IVA Industry tariff is applicable for general purpose industrial loads. The relevant portion of the order is extracted below

"LT-IV (A) Industry

7.38 As per the prevailing tariff order, the LT-IV (A) Industrial tariff is applicable for the general purpose industrial loads (single phase or three phase) which include.....

(xviii) units carrying out extraction of oil in addition to the filtering and packing activities carrying out in the same premise under the same service connection"

11. Hon'ble Commission has also defined LT – VII A Commercial tariff as extracted below

"LOW TENSION - VII - COMMERCIAL (A) [LT- VII (A)]

7.54 The tariff under LT-VII (A) category is applicable to commercial and trading establishment such as,

(vii) petrol/diesel/ LPG /CNG bunks, LPG bottling plants"

- 12. During the hearing of the petition OP No 07/2023, it was stated that M/s KSPPL is in the process of laying 429km pipeline connecting Kochi Refinery and Puthuvypeen Import Terminal for supply of LPG to bottling plants at Udayamperoor, Palakkad via Erode and Salem. KSPPL is formed to reduce the LPG Bullet tanker movements through road. The power requirement of KSSPL is 2.22MVA at 6.6KV Voltage level. The Major equipment in the KSPPL are Main line Pump with VFD 1300 KW at 6.6 kV, Booster Pump with VFD 450 KW at 415 Voltage and HVAC system 100 KW at 415 Voltage. Hence it is clear that no manufacturing process is undergoing in the premises of M/s KSPPL.
- 13. The purpose is similar to bottling plants, instead of LPG bullet tanker, LPG is supplied through pipelines, ie only distribution of petroleum products alone is done at the premises of M/s KSPPL.
- 14. As per the prevailing tariff order dated 25.06.2022 which is in effect from 26.06.2022, all manufacturing units and units carrying out extraction of oil in addition to the filtering and packing activities carrying out in the same premise and under the same service connection comes under Industrial tariff whereas, the LPG bottling plants and units carrying out filtering, packing and other associated activities of oil brought from outside are categorised under commercial tariff.
- 15. It is humbly submitted that, in connection with the tariff applicable to the LPG bottling plants and petroleum terminal and depot, the Hon'ble Commission as per the order dated 01.08.2018 in OP 18/2017, had categorically stated that the tariff applicable to the above is commercial tariff. The above order was issued in connection with a petition filed by HPCL, Irumpanam which was based on the directions issued from the Hon'ble Supreme Court. The petitioner, M/s HPCL as per the above petition had requested before the Hon'ble Commission for providing Industrial tariff to the LPG bottling plants and the petroleum terminal and depot. As per their contentions the said LPG bottling plants carry out the operations of LPG cylinder filling and Petroleum Oils and Lubricants terminal and depot carry out blending and distribution of petroleum products to retail outlets. However, the

Hon'ble Commission on analysing the matter in detail had ordered to categorise the consumer under commercial tariff. The order is extracted below;

"The Commission, in view of the direction of the Hon'ble Supreme Court dated 09.12.2016 in Civil Appeal No. 11150/2016, has carefully examined the entire documents and other materials placed before it by the petitioner, the counter argument of the respondent, and other relevant facts and documents submitted as per the provisions of the Electricity Act, 2003 in the matter of electricity tariff determination and concluded that, the LPG bottling/ filling plants, Petroleum Terminals and Depots of the petitioner and the similarly placed consumers falls under 'commercial category' for the purposes of levy of electricity charges."

- 16. In view of the above, it is humbly submitted that, the Petroleum Terminal and Depots where blending and distribution of petroleum products alone is carried out without any extraction of oil only can only be categorised under commercial tariff.
- 17. KSEBL humbly requests the Hon'ble Commission to review the order dated 16.05.2023 in OP No 07/2023 to the extent to reassign the tariff of M/s KSPPL to HT IVA Commercial.

Prayer

Considering the above facts and reasons on the matter as detailed in the paragrahs above, KSEBL requests before the Hon'ble Commission to kindly review the order date: 16.05.2023 in petition OP No 07/2023 to the extent to reassign the tariff of M/s*SPPL to HT – IVA Commercial.

Chief Engineer(Commercial and Tariff)