

**BEFORE THE HONOURABLE KERALA STATE ELECTRICITY REGULATORY
COMMISSION**

At its office at CV Raman Pillai Road, Vellayambalam, Thiruvananthapuram.

FILING NO /2021

CASE No.

IN THE MATTER OF:

Petition in the matter of determination of generic Tariff for Electricity generated from Municipal Solid Waste (MSW) to energy Projects under Section 62, Section 86 (1) (e) of Electricity Act 2003.

AND

PETITIONER:

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

Applicant


Chief Engineer (Commercial & Tariff)
Kerala State Electricity Board Limited

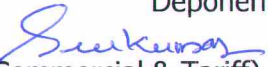
AFFIDAVIT VERIFYING THE APPLICATION

I, **P.K. Sreekumar**, son of **P.K. Kunjukrishnan Nair** aged **55** years, residing at Sreedeeepam, Elankathu Nagar, Thirumala, Thiruvananthapuram do solemnly affirm and state as follows:

I am the **Chief Engineer (Commercial & Tariff)** of the Kerala State Electricity Board Limited, Vidyuthi Bhavanam, Pattom, Thiruvananthapuram, and the **respondent** 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 the **03.08.2021** that

- (i) 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.
- (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, Vidyuthi Bhavanam,
Pattom, Thiruvananthapuram – 695 004

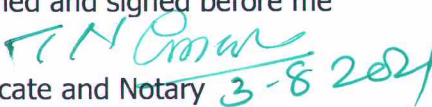
VERIFICATION

I, the above named deponent, solemnly affirm at Thiruvananthapuram on this the **03.08.2021** 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, Vidyuthi
Bhavanam,
Pattom, Thiruvananthapuram – 695 004

Solemnly affirmed and signed before me


Advocate and Notary 3-8-2021

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



- v. A high-level meeting was convened by Chief Principal Secretary (CPS) to the Chief Minister, Government of Kerala on 25/06/2021 to discuss the standardisation of electricity tariff for solid waste management in the state. It was observed that arriving at the tariff of the electricity generated from solid waste is one serious point of delay in project implementation and tendering process.
- vi. The Government has decided to request the state Electricity Regulatory Commission for fixing a general tariff for electricity from the solid waste projects in the state, which would be valid for a specified period as specified by the commission.
- vii. The high-level meeting also observed that, The electricity regulatory commission Karnataka has issued an order which standardized the tariff for electricity from solid waste.
- viii. It is submitted that Electricity Regulatory Commissions of other states including Tamil Nadu, Haryana, Maharashtra etc have determined generic tariff for waste to Energy Projects.
- ix. Regulation 55 of the said Regulations provides for the determination of tariff of projects using MSW for generation of power. It is stated therein that ***“The Commission shall determine only project specific capital cost and tariff based on prevailing market trends for MSW projects”***.
- x. This Hon’ble commission has determined project specific Tariff for 10 MW MSW based Waste to Energy (WtE) Plant (OP:10/2017) located at Brahmapuram, Cochin (@Rs 6.17/unit) and 6 MW ISWM Waste to Energy (WtE) Project (OA No 06/2020), Njalianparambu, Kozhikode (@ Rs 6.81/unit without the benefit of accelerated depreciation and Rs 6.31/unit with the benefit of accelerated depreciation).
- xi. It is submitted that in the case of MSW to energy project at Kozhikode this honorable Commission has provisionally considered a generic capital cost of Rs 15.00 crore/MW, as specified by CERC, in the CERC (Terms and Conditions for Tariff Determination from Renewable Energy Sources) (fourth amendment) Regulations, 2015 notified in October, 2015 as the primary basis for tariff determination for the base year 2015. In addition to this honorable commission has considered the costs required to comply with various environmental norms introduced thereafter, other site specific requirements, additional costs for site development, scientific landfill for the

rejects, end of process waste etc. Accordingly, the Commission has provided Rs 1.00 crore/MW additionally for the MSW project at Kozhikode. Escalation based on Whole Sale Price index has also been done to arrive at the capital cost at 2020 price level.

- xii. The commission order for the petition (OA No 06/2020) dated 10.02.2021, the Hon'ble commission observed that, as per the Order of the MNRE, Central Government dated 28.02.2020 and 17.06.2020 in File No. 20/222/2016-17, the Central Finance Assistance up to Rs 5.00 crore/MW is available to MSW projects. It is requested to consider all such grant/subsidies available for Waste to Energy project before finalising the generic tariff.
- xiii. Further to this the capital cost is subject to variation based on the technology adopted for the project. It is also submitted that various state commissions have determined the tariff for waste to energy projects and is indicated below:

Sl No	State	Tariff (Rs/kWh)	Remark
1	KARNATAKA	Rs. 7.08	MSW plant order issued on 19.09.2016 and extended the validity (3 times) up to 31.03.2021
2	MAHARASHTRA	Rs. 6.08	Levelised Tariff (with CFA) order issued on 22/03/2021 (in connection with tariff determination of Pune Bioenergy Systems Pvt. Ltd 13.19 MW)
3	HARYANA	Rs. 6.66	Suo Motu order dated 20.12.2019 for WtE for FY 2019-20 & FY 2020-21
4	Andra predash	Rs. 7.50	Retained the tariff (2016 & 2019) for enhancement project order dated 8/04/2019
5	TAMILNADU	Rs. 6.28	Comprehensive Tariff Order for MSW plant dated 28-03-2019

- xiv. Accordingly, in line with the Government decision KSEBL is submitting the current petition as per Section 62, Section 86 (1) (e) (*promote co-generation and generation of electricity from renewable sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person, and also specify, for purchase of electricity from such sources, a percentage of the total consumption of electricity in the area of a distribution licensee*) of Electricity Act, 2003 in order to enable this honourable Commission for looking into the possibility of initiating steps to determine generic Tariff for Electricity generated from Municipal Solid to Waste (MSW) to energy Projects.

Prayer

- i. KSEBL humbly prays before this Hon'ble Commission for looking into the possibility of determining generic Tariff for Electricity generated from Municipal Solid to Waste (MSW) to energy Projects in accordance with Section 62, Section 86 (1) (e) of Electricity Act,2003, as decided by the Government of Kerala.


Chief Engineer
Commercial & Tariff

Acc: Annexure I.

2552/2021/cm
 28/6

Deputy Chief Engineer (Comm. & Plg.) with full powers of Chief Engineer	
DY. CE	
EE-I	
EE-II	
DY. CE (TRAC)	
EE (PLG)	
INWARD No:	550
INITIAL & DATE	28/6/2021

CMD KSEB
28 JUN 2021 CMD KSEB

Minutes of the meeting convened by Chief Principal Secretary to Chief Minister on 25.06.2021 to discuss the standardization of Electricity Tariff for Solid Waste Management Projects in the State.

The meeting started at 04.00 pm with the following participants.

Sl No.	Name	Designation
1	Shri. M C Dathan	Mentor (Science) to Hon CM
2	Shri. Bishwanath Sinha IAS	Principal Secretary, LSGD (Urban)
3	Dr. B Ashok IAS	Secretary, Power
4	Shri. N S Pillai	Chairman, KSEB

TRAC	
INW	550
DT	28/6/21
DCE	
EEI/II	
AEE/SA	

- Opening the discussion, CPS to Chief Minister informed that arriving at the tariff of electricity generated from the Solid Waste is one serious points of delay in the project implementation. The Electricity Regulatory Commission Karnataka has issued an order which standardized the tariff for electricity from solid waste and a similar strategy can be adopted in our State also.
- The Chairman KSEB informed that as per the Electricity Act only the Electricity Regulatory Commission of the State can fix the tariff of electricity. But the Commission can fix the general tariff also in specific cases like that of Solid Waste also. Chairman also informed that in view of the social priority of such projects attached by Government to WTE project, KSEB will not contest in the rate fixed by the Commission. Furthermore, he said that the volume of electricity is very meagre from the Solid Waste and the Board would accept this in public interest.
- Secretary, Power advised that it may not be a proper use of Section 108 to get the Commission to fix a specified tariff under that Section. However, Government can move the Commission for fixing a general tariff for WTE plants.
- Principal Secretary LSGD also opined that fixing of general tariff for a specific period will reduce the time for fixing the individual tariffs of different projects in the State and it will enable speeding up of the tender process of the project. Mentor (Science) to Hon. CM also supported this view.
- Considering the consensus it was decided that Electricity Regulatory Commission shall be requested by Government for fixing a general tariff for electricity from the Solid Waste Projects in the State which would be valid for a specified period as

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specified by the Commission. The successful bidder would not be precluded from approaching the Commission for fixing the tariffs where it feels that the tariff allowed to it is not in line with the general prevailing tariff and if it has a grievance on such grounds.

6. The meeting concluded at 4.30 pm.

Chief Principal Secretary to Chief Minister