

**KERALA STATE ELECTRICITY REGULATORY COMMISSION
THIRUVANANTHAPURAM**

O.P. No. 3 of 2014

**In the Matter of Approval of Draft PPA with KSEB for 3 MVA power at
Infopark Kochi, Phase II.**

Petitioner : M/s. Infoparks Kerala, Kakkanad

Respondent : K.S.E.B.Ltd.

**Present : Shri T.M. Manoharan, Chairman
Shri P. Parameswaran, Member
Shri Mathew George, Member**

Order dated 30.04.2014

Introduction:

The Commission vide Notification No. KSERC/II/**LP-8**/2008 dated 10-05-2010 has granted licence to M/s.Infopark Kerala for distribution of electricity in the I.T. Park, Cherthala. Subsequently, the Commission has accorded approval for inclusion of Infopark Phase II area at Kunnathunad and Puthencruz villages, as the extension of IT park, Cherthala in the licence for distribution of electricity vide Order No. 981/C.Engg/**LP-11**/KSERC/2011 dated 18-10-2011. The Chief Executive Officer, INFOPARK Kerala has filed a petition on 24-1-.2014, in the matter of approval of PPA for availing 3 MVA power at Infopark Kochi, Phase II, Kakkanad for a period of one year.

Hearing of the matter:

2. The petition was admitted as O.P. No. 3/2014 and hearing held on 12-03-2014. Sri. V.R. Vijayan, Manager (Projects), Infopark Kochi represented the Petitioner and Sri. B. Pradeep, Exe. Engineer, TRAC, K.S.E.B.Ltd represented the Respondent. The draft PPA submitted to the Commission is initialed by both INFOPARK and KSEB Ltd and is for supply of 3MVA power

for a period of one year. The prayer of the Petitioner is to approve the PPA, as initialed and forwarded by them, with certain minor corrections.

Arguments presented by the Petitioner

3. The Petitioner has observed the following discrepancies in the draft PPA and has requested to effect the corrections, as proposed.

(a) The Licensed area comes under **Kunnathunad Taluk**, whereas it is mentioned in the draft PPA as **Kanayannur Taluk**. (para 4/page 1, para2 /page2 , Schedules I & II of page 11). This was due to the fact that the same error has crept in the notification itself. The petitioner has requested to effect a correction to this effect.

In the application for licence in Form I, furnished along with the request on 14-06-2010, the column, "area the licensee propose to operate" was filled in erroneously as Kunnathunad and Puthencruz Village in Kanayannur Taluk, Ernakulam District, instead of Kunnathunad Taluk. Before the public hearing, they have brought the matter to the attention of the Commission vide letter dated 22-02-2011 and resubmitted the Form I, duly corrected. The order granting licence was issued on 18-10-2011, which was notified in the Kerala Gazette also based on the details in the original application dated 14-06-2010. They have requested to get this defect corrected, in another letter submitted along with this petition.

(b) As per the notification dt. 18-10-2011, the area specified for the power distribution is Infopark Phase II at Kakkanad. But in the draft PPA it is recorded as Infopark, Kakkanad, (para 6 / page 1, para2 / page2 , Article 3.2 of page 3 and Schedules I & II of page 11.)

4. In the draft PPA, the name of the first party to the agreement is noted as **K.S.E.B.**, which has to be changed as **K.S.E.B. Ltd.**

Analysis

5. The Commission heard the views of the Petitioner and K.S.E.B.Ltd. and scrutinized the draft PPA initialed by both parties.

6. The words appearing as KSEB has to be substituted as K.S.E.B.Ltd. in the PPA to reflect the present status of K.S.E.B.Ltd.
7. The paragraph 3 is to be redrafted to exclude the expression “No Profit No Loss” which is not appearing in the Minutes cited.
8. The term of the agreement is given as one year from the date of signing of the agreement. The Power Purchase Agreements between licensees shall be for a larger period. K.S.E.B.Ltd. is expecting a regulation on the terms and conditions for determination of tariff based on which the BST applicable to the licensee will be determined. Both the parties may consider entering into an agreement for longer period for ensuring business stability.
9. The K.S.E.B.Ltd. shall decide based on the Transfer Scheme 2, the appropriate authority for signing the PPA and make necessary changes, if necessary.
10. The errata notification has been issued by the Commission effecting the change in the name of Taluk as Kunnathunad. The correct name of Taluk is to be incorporated in the PPA, wherever necessary. Similarly, the area specified for power distribution shall be changed as “*Infopark Phase II at Kakkanad*”, wherever applicable in the agreement.

Orders of the Commission

11. The Commission approves the draft PPA initialed by M/s. Infopark for stage II at Kakkanad and K.S.E.B.Ltd., subject to the remarks given above. A copy of the PPA entered between the parties shall be submitted to the Commission for record.

Petition is disposed off accordingly.

Sd/

**P.Parameswaran
Member (E)**

Sd/

**Mathew George
Member (F)**

Sd/

**T.M.Manoharan
Chairman**

Approved for issue

Secretary