

KERALA STATE ELECTRICITY REGULATORY COMMISSION
THIRUVANANTHAPURAM

Present: Shri. S. Venugopal, Member
Shri. K.Vikraman Nair, Member

No. 655/DD(T)/KSIE/2017/KSERC

In the matter of (i) Grid Connectivity of 50 kWp Battery-less Roof Top SPV Power Plant for Trivandrum Air Cargo Terminal by Kerala State Industrial Enterprises Ltd (KSIE)-Exemption for re registration.
(ii) Refund of registration fee remitted by Amal Jyothi College of Engineering for the Roof top Solar Photovoltaic Power Generating Plant.

Applicant(s) : (1) Kerala State Industrial enterprises Ltd.
St.Joseph's Press Buildings,
Cotton Hill, Thiruvananthapuram-695 014

(2) Amal Jyothi College of Engineering
Kanjirappally, Koovappally P.O.,
Kottayam -686 518

Order dated 03.07.2017

1. Kerala State Industrial Enterprises Ltd. (hereinafter referred to as KSIE), vide the letter dated 24.4.2017 submitted as follows:
 - (i) KSIE, a public sector undertaking under the Government of Kerala, had registered with K S E B Ltd. for installation of a 50 kW roof top solar plant at Trivandrum Air Cargo Complex at Shangumukham, Thiruvananthapuram by remitting a fees of Rs.50000/- on 27.5.2015. KSIE obtained the scheme approval on 26.11.2015 and energisation approval on 25.11.2016 from the Electrical inspectorate. KSIE after installing the plant gave an application to KSEB Ltd for grid connectivity on 09.12.2016. However, KSEB Ltd informed KSIE that, since installation was complete after one year from registration date action to re-register the plant, should be taken.
 - (ii) KSIE further submitted that, KSIE completed the installation before 3.8.2016 and the circular for grid connectivity was issued by KSEB Ltd

on 9.9.2016 only where in the time limit for installation is stipulated. As there was no other communication, KSIE was not aware of the time limit for completion of the plant. Also, KSIE being State Government PSU it was requested that they be exempted from re-registering the plant incurring Rs 50000/- again.

2. Amal Jyothi College of Engineering, Kanjirappally (hereinafter referred to as AJCE), vide the letter dated 11.5.2017 has submitted that:

- (1) During August 2015, AJCE had planned to install 50 kWp Solar Power Plant under the Solar Connect Programme (2015-16) of the ANERT. AJCE obtained registration for the 50kWp plant on 20.08.2015, after remitting the registration fee of Rs 50,000/- @Rs 1000 per kWp. M/s Tata Solar, an empanelled supplier under ANERT for the Solar Connect Programme 2015-16, was selected to install the 50kWp solar plant but they did not turn up to install the plant. The Solar Connect Programme 2015-16 was closed by ANERT and they launched the Solar Connect Programme 2016-17. However, ANERT, under the Solar Connect Programme 2016-17, completed almost all the formalities to install a 100kWp roof solar plant instead of the 50 kWp plant proposed under Solar Connect Programme 2015-16. M/s AJCE, applied for the registration of the 100kWp solar plant after remitting Rs 50,000/- and after adjusting the balance amount from the registration fee Rs 50,000/- already remitted on 28.05.2015. However, KSEB Ltd has informed that, the already remitted registration fee of Rs 50,000/- on 28.05.2015 towards the 50kWp solar plant cannot be adjusted towards the registration fee for 100kWp solar power applied on 07.03.2017, since the validity period of registration of the 50kWp was already over. Hence, KSEB Ltd directed M/s Amal Jyothi Engineering College to remit Rs 1,00,000/- towards the registration fee. Accordingly, M/s Amal Jyothi Engineering College was constrained to remit the registration fee of Rs 1,00,000/- on 29.04.2017, for the 100kWp solar plant under Solar Connect Programme 2016-17.
- (2) M/s AJCE further submitted that, registration for 50 kWp solar plant was obtained from KSEBL and AJCE had taken all efforts to get the solar plant installed. There was no intention to misuse the facility for connectivity offered by KSEBL or to hurt anybody. Hence, AJCE requested before the Commission to issue necessary direction to the KSEB Ltd to refund the registration fee of Rs.50000/- collected for the uninstalled 50 kWp.

3. The Commission vide letter dated 19.5.2017 forwarded copies of the submission of KSIE and AJCE to KSEB Ltd for their remarks. KSEB Ltd in their letter dated 01.06.2017 has submitted as follows:

- (1) The registration made under the Kerala State Electricity Regulatory Commission (Grid Interactive Distributed Solar Energy Systems) Regulations, 2014 shall be valid only for a period of six months from the date of registration and the distribution licensee may allot to other applicants in accordance with the provisions of these regulations, such capacity for connectivity of solar energy system, if the eligible consumer whose scheme has been registered does not avail the connectivity within the period of six months.
- (2) As per the Kerala State Electricity Regulatory Commission (Grid Interactive Distributed Solar Energy Systems) Amendment Regulations, 2016, the distribution licensee may, on application from an eligible consumer, extend the validity for further period of six months. The distribution licensee can, before the expiry of the validity of his registration, allow the applicant to withdraw his application and in such case, the distribution licensee shall refund eighty percent of the registration fee to the applicant.
- (3) The registration fee shall be forfeited, if the applicant fails to install the solar energy system within the period of validity of his registration or to withdraw the application.

4. KSEB Ltd further submitted that:

- (1) Kerala State Industrial Enterprises Limited (KSIE) had remitted a registration fee of Rs.50,000/- on 27-5-2015 for installing 50KWp grid connected roof top solar PV system at Trivandrum Cargo Terminal as per the provisions in KSERC (Grid Interactive Distributed Solar Energy Systems) Regulations, 2014. KSIE did not install the solar energy system within the validity period of registration, and nor did they approach KSEBL for extension of validity of the registration as per the provisions of Regulation 13(9)(c) or withdraw the application as per the provisions of Regulation 13(9)(g) of the amended Regulations issued in 2016. Instead they applied for grid connectivity on 9-12-2016, one and half years after the date of registration.
- (2) AJCE had remitted a registration fee of Rs.50,000/- on 20-8-2015 for installing 50KWp grid connected roof top solar PV system. AJCE did not install the solar energy system within the validity period of registration, and nor did they approach KSEBL for extension of validity of the registration as per the provisions of Regulation 13(9)(c) or withdraw the application as per the provisions of Regulation 13(9)(g) of the amended Regulations issued in 2016. AJCE filed an application on 7-3-2017 for registering a 100KWp solar plant and

requested to adjust the already remitted amount of Rs.50,000/- in the registration fee of Rs.1,00,000/- payable for the 100KWp system.

- (3) As per Regulation 13(9)(h) the applicant either forfeits the registration fee paid if he fails to install the solar energy system within the period of validity of his registration or he may withdraw the application. K S E B Ltd. further submitted that the action of KSEBL is in line with the Regulations issued by the Commission in this regard.

Analysis and Decision

5. The Commission has examined the submissions of the Kerala State Industrial Enterprises Ltd (KSIE) and Amal Jyothi College of Engineering, Kanjirappaly (AJCE) and reply submitted by KSEB Ltd, and the provisions of the Electricity Act-2003 and the regulations notified by the Commission for the facilitating the 'renewable energy' in general and 'solar energy' in particular.
6. As per the clause(e) of subsection (1) of Section 86 of the Electricity Act, 2003, promotion of energy generation from renewable sources is one of the statutory functions of the State Electricity Regulatory Commission.
7. Duly considering the above statutory functions for promoting and harnessing of solar energy, the Commission notified Kerala State Electricity Regulatory Commission (Grid Interactive Distributed Solar Energy Systems) Regulations, 2014, vide the notification No. 2096/KSERC/CT/2014 dated 10.06.2014 (herein after referred as Solar Regulation, 2014). The sub regulation (9) of Regulation (13) of the Solar Regulation, 2014 deals with the registration fee to be remitted by the eligible consumer, who intends to install solar power plant, to the distribution licensee.
8. The sub regulation (9) of the Regulation (13) of the Solar Regulation, 2014 stipulates that;
 - (i) The distribution licensee shall, register the application and assign a registration number
 - (ii) The registration is valid only for a period of six months from the date of registration and the distribution licensee may allot to other applicants in accordance with the provisions of these regulations, such capacity for connectivity of solar energy system, if the eligible consumer whose scheme has been registered does not avail the connectivity within the period of six months;
 - (iii) the registration fee remitted shall not be refundable.
 - (iv) The registration fee to be remitted by the eligible consumer to the distribution licensee is @Rs 1000/ kW or part thereof.
9. Many consumers, who propose to install grid interactive solar energy system have brought to the notice of the Commission that the registration fee

authorised to be collected by the distribution licensee under regulation 13 of the Solar Regulation 2014, is exorbitantly high.

10. Hence, Commission issued order No. 1521/CT/2015 dated 01.01.2016, 'in the matter of the petition under regulation 18 (1) and regulation 19 of the KSERC (Grid Interactive Distributed Solar Energy Systems) Regulations, 2014, seeking modifications in the regulation 13 in the matter of procedure for granting connection to solar energy system' after appraising the issue in detail. The Commission vide the above order has, clarified the basic intent of introducing high registration fee, i.e., to discourage the frivolous applicants from registering for the installation of solar energy system and thereby blocking the chances of the genuine prosumers. There is also a limit up to which solar energy systems can be connected to a feeder. If frivolous applicants register for installation of solar energy systems and the capacity in a feeder for granting connectivity is reserved for them by the distribution licensee, the genuine applicants will not get chance to install solar energy systems on tenure. A high registration fee was introduced in the above context.
11. The Commission, vide the notification No. 252/ADL/KSERC/2015 dated 15th March 2016 amended the sub regulation (9) of Regulation-13 of the Solar Regulation, 2014 and notified the KSERC (Grid Interactive Distributed Solar Energy Systems) Amendment Regulation, 2016 (herein after referred as Solar (amendment) Regulation, 2016), duly addressing some of the concerns raised by the eligible consumers regarding the registration fee and related issues.
12. As per the sub regulation (9) of Regulation-13 of the Solar (amendment) Regulation, 2016,
 - (i) The registration given shall be valid for a period of six months from the date of registration, unless the validity period is extended by the distribution licensee.
 - (ii) The distribution licensee may on application from an eligible consumer, for good and sufficient reasons beyond the control of the applicant, extend the validity of registration for a period not exceeding six months.
 - (iii) The distribution licensee shall refund to the eligible consumer eighty percent of the registration fee collected by it, if the eligible consumer has installed the solar energy system within the period of validity of the registration. This clause shall apply retrospectively to all the eligible consumers who have already installed the grid interactive distributed solar energy systems.
 - (iv) The distribution licensee may, on receipt of a written request from the eligible consumer before the expiry of the validity of his registration, allow him to withdraw his application, on satisfaction that he is not able to install the solar energy system within the period of validity of the registration, due to reasons beyond his control and in such case, the

distribution licensee shall refund eighty percent of the registration fee to the applicant.

- (v) The registration fee shall be forfeited, if the applicant fails to install the solar energy system within the period of validity of his registration or to withdraw the application.
13. The Commission has examined the submissions of KSIE and AJCE as per the provisions of the Solar Regulation, 2014 and its amendments in 2016.
14. KSIE, had already installed the 50 kWp roof top solar plant and applied for solar connectivity on 09.12.2016. However, KSEB Ltd is yet to give connectivity on the reason that, their validity of the registration is already expired and KSIE has to again apply for re-registration by remitting Rs 50,000/- as registration fee. The Commission had examined the submission of KSIE and KSEB Ltd, and observed the following.
- (i) KSIE, applied for registration on 27.05.2015 for their proposed 50kWp solar plant by remitting Rs 50000/- as registration fee. However, they could not install the solar plant within the validity period of registration. KSIE, reported that, the delay was not intentional and occurred due to reasons beyond their control.
 - (ii) Now, KSIE installed their 50kWp solar installation. Hence, KSIE cannot be considered as a frivolous applicant, who applied for solar installation for the purpose of blocking the transformer capacity available with KSEB Ltd. Further, KSEB Ltd has also not reported any evidence to prove intentional blocking of the opportunity of solar installation by other eligible consumers.

The Commission is of the considered opinion that, the registration fee remitted by KSIE on 27.05.2015 for the installation of the 50kWp solar plant has to be considered for re-registration for their 50 kWp solar plant already installed by them and KSEB Ltd shall provide connectivity for the 50 kWp solar plant installed by KSIE.

15. M/s Amal Jyothi College of Engineering, Kanjirapally (AJCE), had obtained registration from KSEB Ltd for their 50kWp on 20-8-2015, after remitting the registration fee of Rs 50,000/- @ Rs 1000.00/kW. However, due to failure from the part of M/s TATA Power Solar Systems Ltd, the empanelled supplier of the ANERT, the solar plant was not installed in time. Thereafter, M/s ANERT, under the Solar Connect Programme (2016-17) proposed to install 100kWp instead of 50 kWp and completed all the formalities of installation. K S E B Ltd. informed that the already remitted

registration fee of Rs 50,000/- (on 28.05.2015) towards the 50kWp solar plant cannot be adjusted towards the registration fee of additional requirement of 100kWp solar power applied on 07.03.2017, since the validity period of registration of the 50kWp expired. Hence, as directed by KSEB Ltd, AJCE remitted Rs 1,00,000/- towards the registration fee. From the details submitted before the Commission, it is observed that;

- (i) M/s AJCE could not install the 50 kWp solar plant proposed during the year 2015-16 as part of the Solar Connect Programme 2015-16, as per the registration dated 20.08.2015, on account of the failure from the part of the TATA solar, the empanelled supplier of solar installation by ANERT.
- (ii) However, AJCE could complete the solar installation of 100kWp during the year 2016-17, as part of the Solar Connect Programme 2016-17 of ANERT, instead of the 50kWp proposed in the year 2015-16. M/s AJCE cannot be considered as a frivolous applicant. KSEB Ltd has not reported any evidence for blocking the opportunity entitled solar installation of other consumers on account of this registration.

Hence the Commission is of the opinion that, AJCE is entitled to get the refund of the registration fee remitted for the 50 kWp solar plant proposed in the year 2015-16 . KSEB Ltd shall refund the amount of Rs 50,000/- collected towards the registration fee on 20.08.2015, for the 50kWp solar plant proposed for the year 2015-16.

16. The Regulation 18 Solar Regulation, 2014 provides the powers to the Commission for relaxation or to remove the difficulties in implementing any of the provisions of the Solar Regulation, 2014. The relevant portion of the regulation is extracted below.

18.Power of relaxation and power to remove difficulties.- (1) The Commission may in public interest, by general or special order, for reasons to be recorded in writing, and after giving to the concerned parties likely to be affected, an opportunity of being heard, relax any of the provisions of these Regulations on its own motion or on an application made before it by any person.

(2) If any difficulty arises in giving effect to any of the provisions of these regulations or there is a dispute regarding interpretation of any of the provisions of these regulations, the Commission may, by a general or special order, not being inconsistent with the provisions of these regulations or the Act do or undertake to do things or direct to do or undertake such things which appear to be necessary or expedient for the purpose of removing the difficulties.

Order of the Commission

17. Duly considering the submissions of Kerala State Industrial Enterprises Ltd (KSIE) and Amal Jyothi College of Engineering, Kanjirappally (AJCE) and the reply submitted by KSEB Ltd on the issue raised by them, and by invoking the statutory powers of the Commission conferred under clause (e) of sub section (1) of Section-86 of the Electricity Act-2003 and the powers conferred on the Commission under Regulation 18 of the KSERC (Grid Interactive Distributed Solar Energy Systems) Regulations, 2014, the Commission orders as follows;
- (i) KSEB Ltd shall account the registration fee of Rs 50,000/- remitted by Kerala State Industrial Enterprises Ltd (KSIE), for installation of the 50kWp solar plant without insisting for re-registration of the solar plant and provide connectivity to the already installed 50 kWp solar plant.
 - (ii) KSEB Ltd shall refund Rs 50,000/- to Amal Jyothi College of Engineering, Kanjirappaly, collected on 20.08.2015 towards the registration fee for the 50 kWp solar plant proposed during the year 2015-16, within one month from the date of this order.

Sd/-
K.Vikraman Nair
Member

Sd/-
S.Venugopal
Member

Approved for Issue

Sd/-

Santhosh Kumar. K.B

Secretary