

**Kerala State Electricity Regulatory Commission**  
**Thiruvananthapuram**

Present : Shri Preman Dinaraj, Chairman  
Shri K.Vikraman Nair, Member  
Shri S.Venugopal, Member

**OA No. 11/2018**

In the matter of Petition under Section 61, 62, 86 and 181 of the Electricity Act, 2003 and as per the Kerala State Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff) Regulations, 2014 seeking determination of project specific preferential tariff for wind mill project of Kosamattam Finance Ltd for the sale of such power to Kerala State Electricity Board or any other distribution licensee in the State of Kerala.

Petitioner : M/s. Kosamattam Finance Ltd

Respondent : M/s Kerala State Electricity Board Limited,

Petitioner represented by - Sri. Jayaraj T, Chartered Accountant,  
Sri. Tomy Augustine,  
Sri. Shaji Sebastian,  
Ms. Neenu Skaria.

Respondent represented by - Sri KGP Nampoothiri, Executive Engineer  
Smt. Latha S V, AEE

**Daily Order dated 16.05.2019**

1. M/s Kosamattam Finance Ltd. (hereinafter referred to as the petitioner or M/s KFL), a generating company, has filed a petition before the Commission on 22.05.2018 with the following prayers.

- (1) *The proposed Project Specific Tariff may be accepted and confirmed as Rs.6.33/- per kWh.*
- (2) *Hon. Commission may declare 21.05.2018, as our date of Commercial Operation, and allow us to inject infirm power continuously to the KSEBL Grid.*

- (3) *Hon. Commission may direct KSEBL to pay us Rs.3.90/- (APPC) per kWh till Hon. Commission is coming out with an order in our tariff petition claiming Rs.6.33/- per kWh.*
  - (4) *Hon. Commission may direct KSEBL to allow us PPA rate confirmed by the Commission, with effect from the date 21.05.2018.*
  - (5) *Hon. Commission may allow us to submit our draft PPA within three weeks' time from 21.05.2018.*
2. The petition was admitted as OP No. 11/2018. The first hearing on the petition was held on 26.09.2018. Based on the deliberations during the hearing, the Commission vide the daily order dated 04.10.2018 has issued following directions to the petitioner KFL and the respondent KSEB Ltd for immediate compliance.  
  
*"6. Based on the deliberations, the Commission here by directs the petitioner to submit the details of the project with supporting tax invoices. The petitioner may discuss with the management of the respondent KSEB Ltd for procuring the power injected from the project at the tariff determined by the Commission duly considering the decisions in the meeting chaired by Hon'ble Chief Minister on 01.07.2017. The petitioner shall also provide a copy of all submissions made before the Commission to KSEB Ltd also for their comments. All the details shall be submitted before the Commission within one month from the date of this order."*
3. In compliance of the directions of the Commission, the petitioner M/s KFL submitted the following documents before the Commission on 20.12.2018, with a copy to KSEB Ltd.
  - (i) The tax invoices, work orders and other claims in support of the capital cost of the project.
  - (ii) The initialed draft Power Purchase Agreement (PPA) with KSEBL for supplying the electricity generated from the plant at the tariff approved by the Commission.
4. KSEB Ltd submitted its comments on the documents filed by M/s KFL on 26.03.2019.
5. The Commission conducted detailed hearing on the petition on 08.05.2019. During the hearing, Sri. Jayaraj, T, on behalf of the petitioner presented the detailed comments on the objections and comments filed by KSEB Ltd. The petitioner further submitted that, KSEB Ltd proposed to account the transmission loss in the evacuation system upto the nearest substation of KSEB Ltd at the cost of the

petitioner. On further query, the petitioner further clarified that, the petitioner is using the transmission system constructed and maintained by M/s VESTAS for their wind farm.

6. The Commission has noticed that, the petitioner M/s KFL and the respondent has not arrived consensus on the following.
- (i) Date of Commercial Operation.
  - (ii) Tariff period.
  - (iii) Effective date and term of the Power Purchase Agreement (PPA).

The Commission clarified that, the petitioner and the respondent has to arrive at a consensus on the above issues, for getting approval of the PPA to be entered into between the petitioner M/s KFL and respondent KSEB Ltd.

7. Based on the deliberations during the hearing on 08.05.2019, the Commission hereby issues the following directions to the petitioner M/s KFL and the respondent KSEB Ltd for compliance and report within 15 days from the date of this order.
- (1) The petitioner shall submit the justification i.e., on the high capital cost claimed by the petitioner for the project along with the tax invoice and other supporting documents.
  - (2) The petitioner M/s KFL and respondent KSEB Ltd shall strive for a consensus on the issues addressed in paragraph 6 above, and report the same to the Commission.
  - (3) KSEB Ltd shall clarify the treatment of transmission losses from the pooling stations to the nearest substation of KSEB Ltd in the case of the wind farms developed by M/s VESTAS at Ramakkalmedu and the proposed treatment of losses in the case of the 1 MW wind plant developed by the petitioner M/s KFL.

**Sd/-**  
**K.Vikraman Nair**  
**Member**

**Sd/-**  
**S.Venugopal**  
**Member**

**Sd/-**  
**Preman Dinaraj**  
**Chairman**

**Approved for issue**

**G.Jyothichudan**  
**Secretary**