

KERALA STATE ELECTRICITY REGULATORY COMMISSION
THIRUVANANTHAPURAM

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

OP No 42/2019

In the matter of : Petition for the approval of Power Purchase Agreement (PPA) for the purchase of 3000kVA power from KSEBL for distributing power within the licensed area of SmartCity (Kochi) Infrastructure Pvt. Ltd.

Applicant : SmartCity (Kochi) Infrastructure Pvt. Ltd.
SmartCity Pavilion,
Brahmapuram P O
Kochi – 682 303

Order dated 18.06.2019

1. M/s. SmartCity (Kochi) Infrastructure Pvt. Ltd. (hereinafter referred to as the petitioner or SCK), on 26.02.2019, filed a petition before the Commission for the approval for purchase of 3000kVA power from KSEBL for supplying it within the licensed area of SmartCity (Kochi) Infrastructure Pvt. Ltd.
2. The background details of the petition are given below,
 - (1) The Commission vide notification dated 17.07.2014 granted license to M/s. SmartCity (Kochi) Infrastructure Pvt Ltd, for distributing electricity within the licensed area. Subsequently, the Commission vide the order dated 21.05.2015 has approved the Power Purchase A to be signed between M/s.SCK and KSEBL for procuring 3000kVA Power from KSEBL for supplying it within the licensed area of SCK. Subsequently, as requested by the SCK, the Commission vide the order dated 17.09.2015, has granted permission to reduce the quantum of power purchase from 3000kVA to 1500kVA.
 - (2) In the petition dated 26.02.2019, M/s. SCK has requested to grant approval to enhance the quantum of purchase power from 1500 kVA to 3000kVA. The petitioner also reported that by the year 2020, the estimated power requirement of M/s. SCK will be 5 to 6MVA. The petitioner further reported that, the Government of Kerala directed M/s.

SCK to draw power up to 10MVA through the 220/33kV GIS Substation at Infopark and KSEBL also granted consent for allocating upto 10MVA power to M/s SCK through the 220 kV substation of Infopark

- (3) The draft PPA submitted by M/s. SCK is initialed by both the petitioner, M/s.SCK and the supplier, KSEBL.

Analysis and Decision

- (4) The Commission has examined the draft PPA submitted by M/s Smart City Kochi for the purchase of 3 MVA power from KSEB Ltd for distributing within the licensed area of M/s SCK. The draft PPA was initialed by both the parties to the agreement, M/s SCK and KSEB Ltd.

KSEB Ltd agrees to provide the supply as per the agreement at the Bulk Supply Tariff (BST) approved by the Commission and subjected to the terms and conditions specified in the agreement.

- (5) The Commission has noted that, the petitioner SCK already have a PPA dated 02.12.2015, with KSEB Ltd for availing 1.5 MVA power from KSEB Ltd at 11 KV at Smart City Kochi. In this draft PPA, M/s SCK submitted that, the PPA dated 02.12.2015 for supply of 1.5 MVA at 11 kV at SCK will automatically be terminated, from the day on which energization of the supply commence as per this agreement.
- (6) As per the direction of the State Government, M/s SCK proposes to draw the 3 MVA power through the 220 kV substation at Infopark by using 2 Nos of 33 kV feeder from Infopark's 220/33 kV substation. Accordingly, the delivery point as per the Article 1.1.7 of the draft PPA is as follows.

“Delivery Point” means the point of supply at 220kV substation Brahmapuram where the metering arrangements are located for providing supply to Infopark by KSEBL and can be as mutually agreed by parties until metering arrangements are put in place at Brahmapuram.”

Further as per the Article 3.1 and 3.2 of the draft PPA read as follows.

“3.1 the point of delivery of power by KSEB Ltd for licensed area of SCK shall be the delivery point of Infopark, at 220 kV substation, Brahmapuram and the charges and losses beyond the delivery point shall be borne by SCK.

3.2 KSEB shall supply to SCK through the Infopark substation at delivery point and SCK shall take from KSEBL power upto a quantity of 3 MVA at delivery point for its own use and for the purpose of supply of consumers

within the area of supply as provided in the license for distribution of electricity.”

Further, as per the Article 1.1.11 of the draft PPA, the interconnection point is defined as;

“ 1.1.11 “interconnection point” means the point at which interconnection is made between Infopark and SCK near the entry gate inside 220 kV substation yard of Infopark where the metering arrangements with necessary CT/PT and ABT meter is located.”

Further, as per the Article 4.3 of the draft initialed PPA, the SCK has to enter into connection agreement with Infopark and in turn the Infopark has to revise the connection agreement with KSEB Ltd for catering the 3 MVA load of SCK.

The Commission has noted the above provisions in the draft initialed PPA submitted before the Commission for approval by the petitioner.

SmartCity Kochi (SCK) is an integrated business township promoted by Government of Kerala and Dubai Holding Company. Infopark Kochi is an IT park developed by Government of Kerala. The Commission has granted distribution license for, both the SCK and Infopark for distributing electricity within their areas. Both SCK and Infopark are availing power from KSEB Ltd, the State Government owned incumbent distribution licensee, at the Bulk Supply Tariff approved by the Commission

The 220 kV substation and associated system were established at Infopark with Government grant. Since these assets are created with Government grant, the Commission has been allowing only the Operation and Maintenance cost for maintaining these assets. Due to the low electricity demand at Infopark Kochi, the 220 kV substation is underutilized. Under these circumstances, the State Government issued direction to the SCK and Infopark to share power from 220 kV substation of Infopark, upto 10 MVA by SCK. KSEB Ltd has also given consensus for providing supply to both the SCK and Infopark through the 220 kV substation at Infopark. Hence, the SCK has to share the O&M cost approved by the Commission for maintaining the asset, on proportional basis of the actual drawal of power by both the parties, on annual basis.

As per the information, the delivery point of supply by KSEB Ltd to both the Infopark and SCK is at the 220 kV substation at Infopark. Hence, Infopark and SCK shall reach a consensus for metering the energy drawal, sharing of distribution losses if any associated with drawal of power by SCK, by both the parties from KSEB Ltd. The Article 5 of the draft initialed PPA deals with

metering and energy accounting of energy supplied by KSEB Ltd to SCK and shall be adhered to.

With these observations, the Commission approves the definition of the delivery point as per Article 1.1.7, interconnection point as defined under Article 1.1.11 and also the Article 3.1 and 3.2 of the draft initialed PPA submitted before this Commission for approval.

- (7) All other terms of the draft initialed PPA, is similar to the Articles of the existing PPA dated 02.12.2015 between SCK and KSEB Ltd for the drawal of 1.5 MVA power from KSEB Ltd.

Order of the Commission

- (8) The Commission, after examining the draft initialed PPA submitted by M/s SmartCity Kochi for the purchase of 3 MVA power KSEB Ltd, and other documents placed before the Commission as per the provisions of the Electricity Act, 2003, hereby orders that,
- (i) The draft initialed PPA between M/s SmartCity (Kochi) Infrastructure Pvt Ltd and KSEB Ltd, for the purchase of 3 MVA power from KSEB Ltd as per the conditions stipulated in the draft PPA is hereby approved for formally signing the agreement.
- (ii) A copy of the signed PPA shall be forwarded to the Commission for records.

The petition disposed of accordingly.

Sd/-

K.Vikraman Nair
Member

Sd/-

S.Venugopal
Member

Sd/-

Preman Dinaraj
Chairman

Approved for Issue

G. Jyothichudan
Secretary