

KERALA STATE ELECTRICITY REGULATORY COMMISSION
THIRUVANANTHAPURAM

Present: Shri. R. Preman Dinaraj
Adv. A.J. Wilson

OP.No.44/2020

In the matter of : Dispute with KSEB relating to Non-payment of Invoice dated 13.07.2020 raised by the petitioner M/s Indsil Hydro Power and Manganese Ltd for banked energy.

Petitioners : M/s. Indsil Hydro Power and Manganese Ltd.
(represented by Shri. Joseph Kodianthara, Advocate).

Respondents : M/s. Kerala State Electricity Board Ltd. (KSEBL)
(represented by Smt.Latha S.V., Asst. Exe. Engineer)

Date of hearing: 25.01.2021 (First hearing)

Daily Order dated 02..02..2021

1. The petitioner M/s. Indsil Hydro Power and Manganese Ltd filed the instant petition regarding the dispute between KSEB Ltd. and the petitioner in connection with the non-payment of invoice raised by the petitioner for banked energy as per the provisions of agreement executed on 30.12.1994 between KSEB and the petitioner. The prayers in the petition are

- Direct the respondent, KSEB Ltd. settle and pay the petitioner's invoice dated 13.07.2020 in full with interest at the rate at which the respondent charge interest on its consumers in accordance with clause 11 of the agreement executed between the petitioner (previously Indsil Electrosmelts Ltd.) and the erstwhile Kerala State Electricity Board on 30.12.1994.
- Pass such orders as are deemed just and necessary in the facts and circumstances of the case.

2. The matter was heard on 25.01.2021 at 11.00 AM through video conference mode. The advocate appeared for the petitioner Shri. Joseph Kodianthara explained with reasons, the situation in which the banking of 1,16,29,665 units of energy taken place. He also explained the petitioner's right to claim the amount of invoice raised citing the provisions of the agreement executed between the petitioner and the erstwhile Kerala State Electricity Board on

30.12.1994 in connection with the set up and operation of a 21 MW Hydro Electric Project at Kuthungal, Idukki district. According to him as per clause 11 of the agreement when there is banked energy, the same is to be settled yearly basis in the month of July at the EHT tariff applicable to the petitioner which is Rs.5.50/unit. The excess energy was generated due to lockdown imposed by the Government. In the history of the plant first time there is such a banked energy and KSEB Ltd did not, as per clause 12 inform the petitioner to restrict the generation. He further added that as per the provisions of the agreement the petitioner has no other option but to sell the energy produced in excess of the requirement to the respondent KSEB Ltd only.

3. KSEB Ltd. represented by Smt. Latha S.V., Asst. Exe. Engineer submitted that, neither KSEB Ltd. nor the SLDC were aware about the excess generation of energy by the petitioner and the intimation regarding the excess generation was received only on 16.05.2020. She further submitted that, as per the agreement, banking of excess energy is only an option to the petitioner and not mandatory. She also added that, the provisions of Regulations 77 and 78 of the MYT Regulations 2018, which states about the prior approval of the Commission for short term purchase are also not complied with by the petitioner.
4. The Commission after hearing directed both parties to submit their detailed argument notes/submissions latest by 15th of February 2021.

Sd/-

Adv. A.J. Wilson
Member (Law)

Sd/-

Preman Dinaraj
Chairman

Approved for Issue

Sd/-
Secretary (i/c)