

KERALA STATE ELECTRICITY REGULATORY COMMISSION
THIRUVANANTHAPURAM

Present: Shri. Preman Dinaraj, Chairman
Adv. A.J Wilson, Member (Law)

OP No 31/2020

First Hearing on : 18.11.2020
Second hearing on : 11.12.2020
Third hearing on : 19.03.2021
Fourth hearing on : 15.04.2021

In the matter of : Petition seeking interim Order for approval for procurement of 200 MW Solar Power from Inter State Transmission System Grid Connected Solar Photo Voltaic projects through Solar Energy Corporation Limited (SECI) on long term basis to meet the RPO of KSEB Ltd as specified in KSERC (Renewable Energy & Net Metering) Regulations, 2020

Petitioner : Kerala State Electricity Board Ltd (KSEB Ltd)

KSEB Ltd represented by : Sri K G P Nampoothiri, EE

Respondent : Solar Energy Corporation of India Ltd (SECI)

Respondent represented by: Smt. Tanya Sareen, Advocate
Mr A.K Nair, SECI

Daily Order dated 16.04.2021

1. Kerala State Electricity Board Ltd (hereinafter referred as KSEB Ltd, or the Petitioner) on 27.10.2020 filed a petition before the Commission with the following prayers:
“to grant an interim Order approving the procurement of 200MW solar power from ISTS grid connected solar photo voltaic projects selected by SECI as per their offer letter dated 07-08-2020”.
2. Ms Solar Energy Corporation of India (SECI) offered 200 MW from 1st Tranche of 6000 MW ISTS connected Solar PV projects linked with Manufacturing plant in India on ‘Build Own Operate’ Basis to KSEB Ltd. Ms SECI, during the deliberations of the subject petition clarified that, out of the 6200MW in 1st Tranche, 3000 MW is from Solar Manufacturing Plants (Solar

plants installed by Solar Cell Manufactures for sale) and 3200MW from other ISTS connected Solar Plants. The tariff quoted in the 1st Tranche ranges from Rs 2.36/unit to Rs 2.92/unit. Rs 2.66 per unit is the weighted average rate of the quoted tariff of all bidders in Tranche-I on capacity basis. SECI further submitted that, this rate may vary if all the capacity out of the 6200MW in the 1st Tranche is not materialised. However, the final rate will be in between Rs 2.36 per unit to Rs 2.92/unit, and in any case, it will not exceed Rs 2.92/unit.

3. During third hearing held on 19.03.2021, the Respondent SECI submitted that, it had given a revised offer to KSEB Ltd to supply 500MW ISTS connected Solar Power under Tranche-IX at tariff of Rs 2.44/kWh (including SECI's trading margin @Rs 0.07/unit) to make it competitive. KSEB Ltd confirmed that they are interested in procuring upto 300MW power from ISTS grid connected Solar PV Power Projects, Tranche IX of SECI @ Rs 2.44/unit (inclusive of trading margin of 7 paise/kWh) instead of 200 MW Solar power earlier offered from manufacturing linked 1st Tranche @Rs 2.66/unit plus trading margin @7 paise/kWh) subject to the approval of the Commission. Accordingly, the Commission, vide daily Order dated 23.03.2021 directed KSEB Ltd as follows:

- (1) KSEB Ltd shall, file an amendment to the original petition, for procuring 300MW ISTS grid connected Solar PV Power Projects, from Tranche IX of SECI @ Rs 2.44/unit (inclusive of trading margin of 7 paise/kWh) instead of 200 MW Solar power earlier offered from manufacturing linked 1st Tranche @Rs 2.66/unit plus trading margin @7 paise/kWh).
- (2) KSEB Ltd shall also submit draft initialled PSA jointly by KSEB Ltd and SECI, incorporating the suggestions ordered by the Commission earlier.

4. The fourth hearing on the petition was conducted on 15.04.2021 through video conference. Sri. K.G.P Nampoothiri appeared before the Commission on behalf of the petitioner KSEB Ltd and Adv Tanya Sareen represented SECI during the hearing.

KSEB Ltd submitted, they already forwarded their comments to SECI to incorporate in the draft PSA to be submitted before the Commission. The represented of the SECI submitted that, they may require another three weeks to finalize the draft PSA incorporating the suggestions of the KSEB Ltd. KSEB Ltd, assured that they shall file the amendment to the original petition, within 10 days from the date of receiving the draft initialled PSA from SECI.

- 5.** Based on the deliberations during the hearing, the Commission hereby directs that,
- (i) SECI shall finalise the draft PSA incorporating the comments of KSEB Ltd and forward to KSEB Ltd, latest by 4th May 2021.
 - (ii) KSEB Ltd shall file the amendment to the original petition and also the draft initialled PSA for approval as per the Order of the Commission dated 23.03.2021.

The next hearing on the petition is scheduled on **25.05.2021 at 11 AM** through video conference.

Sd/-
Adv. A.J. Wilson
Member (Law)

Sd/-
Preman Dinaraj
Chairman

Approved for issue

C R Satheeshchandran
Secretary (i/c)