

Kerala State Electricity Regulatory Commission

Thiruvananthapuram

Present : **Shri Preman Dinaraj, Chairman**

Petition No. OP 18/2020

In the matter of : **Petition submitted by Cochin International Airport Limited, seeking final order dated 27.4.2017 in OP 3/2017 in the matter of refund of the registration fee paid and execution of banking agreement for the solar PV plants owned by it and connected to the KSEB Ltd grid.**

Petitioner : Cochin International Airport Limited
Nedumbassery

Respondent : Kerala State Electricity Board Limited
Vydyuthi Bhavanam, Pattom

Petitioner represented by : Sri. ACK Nair, Airport Director, CIAL, India.
Sri. Satheesh Kumar Pai, CIAL

KSEB Ltd represented by : Sri. KGP Nampoothiri, Deputy CE, TRAC
Smt. Latha S V, AEE, TRAC

Daily Order dated 24.07.2020

1. M/s Cochin International Airport Limited (hereinafter referred to as CIAL or the petitioner) on 26.5.2020, filed a petition before the Commission with following prayers.
 - (1) Issue a Final Order on the petition No. 03/2017, taking appropriate decision on the balance 20% of the registration fee collected for the 12MWp solar plant.
 - (2) Permit the petitioner to present the case in person and submit other details / information as may be necessary before the Commission to enable to take a final decision on the matter.
2. Summary of the petition filed by M/s CIAL is given below.
 - (i) On 15-03-2017, CIAL filed Petition No. 03/2017 before Kerala State Electricity Regulatory Commission (hereinafter referred to as the Commission), praying to the Commission to issue appropriate instructions to Kerala State Electricity Board Ltd (hereinafter referred to as K S E B Ltd. or the respondent) to:-

- a) Refund the registration fee of Rs. 1.3 crore along with interest to the petitioner, paid for getting grid connectivity for 1MWp and 12MWp solar power plants.
 - b) Execute a banking agreement with the petitioner vide section 15(2) of the KSERC (Renewable Energy) Regulations, 2015, for 1MWp and 12MWp solar plants owned by the petitioner and connected to KSEBL grid.
- (ii) Commission vide the interim order dated 27-04-2017, issued following directions to M/s CIAL and KSEB Ltd for compliance.
- (1) The 1MWp and 12MWp solar plants installed by CIAL are connected to the grid of KSEB Limited, though these plants are not directly connected to the transmission grid of KSEB Limited.
 - (2) KSEBL shall refund to CIAL, 80% of the registration fee of Rs. 1.3 crores paid for getting grid connectivity for 1MWp and 12MWp solar power plants.
 - (3) KSEBL to pay an interest of 12% to CIAL, if the above refund is not made on or before 31-05-2017.
 - (4) CIAL shall pay to KSEB Ltd. an amount of Rs. 50,000/-for the 12MWp solar plant, as connectivity fee. The claims of KSEB Ltd., for application fee of Rs. 2000/- for long term access and for banking agreement execution fee, are declined.
 - (5) CIAL and KSEBL shall enter into a formal connectivity agreement with necessary and sufficient conditions relating to the safety standards and operation of the grid on or before 31-05-2017. A copy of the agreement shall be submitted before the Commission for formal approval.
 - (6) In view of the Kerala Solar Policy, 2013, the solar energy injected from the 1MWp and 12 MWp solar plants installed by CIAL is completely exempted from the payment of open access charges, wheeling charges and transmission losses if any, for availing banking facility as per the provisions of the Renewable Energy Regulations, 2015.
 - (7) CIAL is eligible to use the solar energy generated by it and injected into the system of KSEB Ltd. under regulation 26 of the KSERC (Renewable Energy) Regulations, 2015. CIAL and KSEB Ltd. may discuss and decide the terms and conditions for the use of solar energy as per the said regulation and shall, on or before 31.05.2017, enter into a formal agreement, for availing the facility as per the provisions of the Renewable Energy Regulations, 2015. A copy of the agreement shall be submitted before the Commission for formal approval.

- (8) CIAL shall
- a) install on or before 31-12-2017, the reactive power compensation devices in consultation with KSEBL.
 - b) compensate KSEBL for the reactive power drawn from the grid of KSEBL at the rate of Rs. 0.25 per kVARh till the reactive power compensation devices are installed.
 - c) provide on or before 31-12-2017, the necessary facility for SCADA visibility at SLDC Kalamassery, for the solar plants installed by them.
 - d) provide on or before 31-12-2017, the necessary protection device as per the relevant statute and regulations.
- (9) CIAL may, on compliance of the above directions, approach the Commission for the decision on the balance 20% of the registration fee collected for the 12MWp solar plant installed by them.

(iii) CIAL further submitted that, CIAL and KSEB Ltd complied with the order of the Commission and the summary of the compliance report is given below.

Clause No	Order by KSERC	Compliance details
(1)	The 1MWp and 12MWp solar plants installed by CIAL are connected to the grid of KSEBL	Accepted
(2)	KSEBL shall refund to CIAL, 80% of the registration fee paid for getting grid connectivity for its solar plants	KSEBL has duly refunded 80% of registration fees amounting to Rs. 1.04 crores, vide chq No. 165949 dated 29-05-17 drawn on SBI
(3)	KSEBL to pay an interest @12%, if the above refund is not made on or before 31-05-2017	Refund issued within stipulated time and hence interest clause is not applicable
(4)	CIAL shall pay to KSEBL, a connectivity fee of Rs. 50,000/- for the 12MWp solar plant	Connectivity fee of Rs. 50,000/- paid on 16-06-2017 vide DD no. 565872 dated 14-06-2017 drawn on Federal Bank
(5)	CIAL and KSEBL shall enter into a formal connectivity agreement with necessary and sufficient conditions relating to the safety standards and operation of the grid on or before 31-05-2017.	Connectivity agreement dated 18-05-2016 for 1MWp plant was already in place and the same is attached as Exhibit No-2A. Connectivity agreement for 12MWp plant has been entered into on 11-12-2017 and the same is attached as Exhibit No-2B
(6)	As per Kerala Solar Policy 2013, the two solar plants of CIAL are exempted from open access charges, wheeling charges and transmission losses, for availing banking facility as per the provisions of KSERC (Renewable Energy) Regulations, 2015	Accepted

(7)	CIAL is eligible to use the solar energy generated by it and injected into the system of KSEBL under regulation 26 of KSERC (Renewable Energy) Regulations, 2015. CIAL and KSEBL may, enter into a formal agreement, on or before 31-05-2017, for availing the grid facility as per above regulation	CIAL and KSEBL have entered into a formal Banking Agreement on 16-09-2019, as per the provisions of KSERC (Renewable Energy) Regulations 2015. The same is attached herewith as Exhibit No-3
(8)	<p>CIAL shall</p> <p>(i) Install on or before 31-12-17, reactive power compensation devices in consultation with KSEBL</p> <p>(ii) Compensate KSEBL for the reactive power drawn from the grid of KSEBL at the rate of Rs.0.25 per kVarh, till the reactive power compensation devices are installed</p> <p>(iii) Provide on or before 31-12-2017, the necessary facility for SCADA visibility at SLDC Kalamassery</p> <p>(iv) Provide on or before 31-12-2017, the necessary protection device as per the relevant statute and regulations</p> <p>The installation of above devices have been duly communicated by CIAL to KSEBL, vide letter No. CIAL/CIAL-Infra/SPV-G/3 dated 01-12-2017. This was duly inspected and approved by KSEBL officials.</p>	<p>CIAL has installed reactive power compensation devices</p> <p>KSEBL is collecting the reactive power charges in the monthly electricity bill raised on CIAL</p> <p>CIAL has provided SCADA visibility at SLDC Kalamassery</p> <p>CIAL has installed distance relay for the protection of the grid</p>
(9)	CIAL may, on compliance of the above directions, approach the Commission for the decision on the balance 20% of the registration fee collected for the 12MWp solar plant installed by them	Praying to the Honourable Commission as given below

(3) The petitioner reported that, since they had complied with all the directions issued by the Commission in its interim order dated 27-04-2017, the Commission may take appropriate decision to refund the balance 20% of the registration fee collected for the 12 MWp solar plant.

3. Commission admitted the petition as OP 18/2020 and heard the matter on 17-07-2020, through video conference. Sri. ACK Nair and Sri Satheesh Kumar Pai, presented the petition on behalf of the petitioner M/s CIAL. Sri. K. G.P Nampoothiri and SmtLatha S V presented the comments of KSEB Ltd. The summary of the deliberations on the petition during the hearing is given below.

(1) M/s CIAL submitted that, they had complied with all the directions as per the interim order of the Commission dated 27.03.2017. Hence they are eligible to get back the balance 20% of the registration fee collected by KSEB Ltd for the 12 MWp Solar plant installed by them.

On a clarification raised by the Commission, M/s CIAL submitted that, as of now, they have commissioned and connected about 38.4 MW solar PV with the KSEB grid, out of which connectivity agreement and banking agreement was signed with KSEB Ltd for 29.029 MWp. CIAL has already applied to KSEB Ltd for entering into connectivity agreement for the balance capacity.

- (2) KSEB Ltd submitted that, M/s CIAL had not complied with all the requirements as per the Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010 (herein after referred as CEA Safety Regulations) and Kerala State Electricity Regulatory Commission (Connectivity and Intra – state Open Access) Regulations, 2013 for connecting the balance capacity with the State Grid. As per the CEA Safety Regulations, LILO arrangements has to be provided by the generators for connecting about 40 MW capacity with grid. KSEB Ltd also submitted that, as per the Regulations 44(6) of the CEA Safety Regulations, 2010, there shall not be any tapping for lines above 66 kV.

KSEB Ltd further submitted that, SCADA visibility is not completely functional and all feeders are not included. The protection devices, especially the distance protection relays also not functioning properly since the LILO arrangement is not in place.

Since the CIAL has not fully complied with all the directions of the Commission as per the interim order dated 27.04.2017, and not signed the connectivity agreement for the entire capacity, KSEB Ltd requested before the Commission to allow them to retain the balance 20% registration fee till CIAL fully comply with the directions contained in the interim order dated 27.04.2017 and sign the connectivity agreement for the entire capacity connected with the grid of KSEB Ltd.

- (3) In reply to the arguments of KSEB Ltd, CIAL submitted the following.
- (i) CIAL as an international airport, has to observe and comply with the Civil Aviation protocols.
 - (ii) CIAL has commissioned a separate substation for the solar plant. CIAL has constructed the substation and allied works only after getting the permission from Chief Engineer (Transmission-North) of KSEB Ltd.
 - (iii) All the feeders of CIAL as under SCADA visibility and is being communicated with the SLDC. CIAL has also already installed adequate reactive power compensation. Further the distance relay is also installed and commissioned. Hence the above issues have been complied with and there is no reason for retaining the balance 20% any more.

4. Based on the deliberations during the hearing and other documents, Commission hereby direct the petitioner M/s CIAL and the respondent KSEB Ltd submit the clarifications on the following, latest by 03.08.2020.

- (1) CIAL shall submit the following details.
 - (a) Present 'contract demand' of CIAL with KSEB Ltd.
 - (b) Year wise details of the Solar PV plants installed and connected to the Grid.
 - (c) Details of the pending applications for connectivity with KSEB Ltd with documentary evidence, and communications if any received from KSEB Ltd in this regard.
 - (d) Details of the substations and other evacuation facilities constructed, and presently maintained by CIAL.
 - (e) Details of the permission and approvals obtained from Chief Engineer (Transmission- North) and other offices of KSEB Ltd for constructing the separate substations for the Solar Plants installed by CIAL.
 - (f) Documentary evidence to show that, CIAL comply with the Regulations notified by CEA and KSERC (including CEA Safety Regulations and KSERC (Intra State Open Access & Connectivity) Regulations, 2013 while installing the Solar plants and the substations.
 - (g) Copy of the guidelines issued by 'International Civil Aviation Organization (ICAO)' regarding maintaining redundancy in power supply and other measures to be followed for availing power supply. How, the ICAO guidelines affects in providing LILO arrangements for the connectivity of the 40 MWp Solar plant with the State Grid.
 - (h) Details of the SCADA visibility and communications provided by CIAL, with documentary evidence on whether these are in functional and commutation with SLDC of Kerala.
 - (i) Any other relevant details.

- (2) KSEB Ltd shall submit the following details,
 - (i) Details of the pending applications submitted by CIAL with KSEB Ltd for connecting of the Solar plants with Grid.

KSEB Ltd may submit the reasons for delay, if any, in granting connectivity, and also submit the copies of the communications with CIAL in this regard.
 - (ii) Details of the SCADA visibility installed by CIAL, and the documentary evidence on the statement that, SCADA visibility installed by CIAL is not functional.
 - (iii) Written comments on the petition filed CIAL.
 - (iv) Any other relevant details.

- (3) Both parties shall share their comments on either side and may submit additional comments, if any, by return.
- (4) Commission propose to schedule final hearing on the subject petition on 13.08.2020 at 11.00 AM.

**sd/-
PremanDinaraj
Chairman**

Approved for issue,

**C.R.Satheesh Chandran,
Secretary-in-charge**