

**KERALA STATE ELECTRICITY REGULATORY
COMMISSION
THIRUVANANTHAPURAM**

Petition No: OP 19 / 2022

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

In the matter of : Approval of Supplementary Power Purchase Agreement (PPA) for the enhancement of contract demand from 1400 kVA to 2000 kVA between KSEB Ltd and KPUPL in respect of KINFRA Integrated Industrial & Textile Park, Kanjikode, Palakkad.

Petitioner : M/s KINESCO Power Utilities Private Limited (KPUPL)
KINFRA Park office, Infopark P O, Kakkanadu, Kochi.

Order Dated 17.03.2022

1. M/s KINESCO Power Utilities Private Limited (hereinafter referred to as the petitioner or KPUPL) has filed a petition before the Commission on 03.03.2022 seeking approval of the Supplementary Power Purchase Agreement (PPA) for the enhancement of contract demand from 1400 kVA to 2000 kVA between KSEB Ltd and KPUPL in respect of KINFRA Integrated Industrial & Textile Park, Kanjikode, Palakkad.
2. Kerala Industrial Infrastructure Development Corporation (KINFRA) is a statutory body formed by Kerala Government to develop, promote and maintain Industrial Infrastructure in the state of Kerala as per the provisions of the Kerala Industrial Infrastructure Development Act, 1993. KPUPL is a subsidiary company of KINFRA, established for distribution of electricity with in the industrial parks and special economic zones, developed by KINFRA. M/s KINESCO Power and Utilities Private Limited (KPUPL) is authorised to distribute electricity at KINFRA Integrated Industrial & Textile Park (KIITP) at Kanjikode, Palakkad.
3. KPUPL started operation at KIITP at Palakkad with effect from 05.08.2016. Initially, on 10.06.2016, KPUPL had entered into power purchase agreement (PPA) with KSEB Ltd for a contract demand of 500 kVA for meeting the load requirement at KIITP at Palakkad. Subsequently, vide the supplementary PPA 17.10.2018 to the original PPA dated 10.06.2016, KPUPL enhanced the contract

demand from 500 kVA to 1000 kVA. Vide PPA dated 23.03.2020, the contract demand was increase further to 1400 kVA.

4. Now vide the petition dated 03.03.2022, M/s KPUPL submitted that the present power requirement at KIITP exceeded above 1400 kVA and a draft supplementary PPA for enhancing the contract demand from 1400 kVA to 2000 kVA has been initialed by KPUPL and KSEB Ltd and the same is also submitted along with the petition.
5. The Commission examined the petition filed by KPUPL along with the draft supplementary PPA to the original PPA, supplementary PPAs signed between KSEB Ltd and KPUPL for purchasing power from KSEB Ltd for distributing within the licensed area of KIFRA Integrated Industrial & Textile park at Kanjikode, Palakkad.
6. The present petition is for entering into a supplementary PPA with KSEB Ltd for enhancing the contract demand from 1400 kVA to 2000 kVA. Accordingly, the Commission approves the following amendments in the PPA dated 10.06.2016 and supplementary PPAs dated 17.10.2018 & 23.03.2020.

1. *Para 2.1, Article 2, the second sentence is amended as the agreement shall remain valid up to 09.06.2022"*

2. *The Article 3.2 of the PPA dated 23.03.2020 shall be modified as*

"KSEB Ltd shall supply to KPUPL at the point of supply at Palakkad and KPUPL shall take from KSEB Ltd power up to a total quantity of 2 MVA at 22 kV at KINFRA Integrated Industrial and Textile Park , Kanjikode, Palakkad for its Own use and for the purpose of supply to the consumers within in the area of supply as provided in the license of distribution of electricity

3. *The Article 8.6 of the PPA dated 10.6.2016 shall be modified as:*

If the power factor drops below 0.95 lag, the following extra charge or charges for the entire reactive energy as determined by the Commission shall be payable by KPUPL

Below 0.95 lag and upto 0.90 lag 0.50%% of the energy charges for every reduction of 0.01 fall in power factor below 0.95 and upto 0.90.

Below 0.90 - 1% of the energy charge for every reduction of 0.01 fall in power factor from 0.90

Or as notified by the Commission from time to time

4. *In Schedule II A, the 3rd row is amended as "Rate for supply shall be at the tariff approved by the Commission from time to time."*
5. *In Schedule II A, the 4th row is amended as Maximum output required by KPUPL, Palakkad is 2 MVA at 22 kV"*
6. *All the terms and conditions specified in the Articles of the PPA entered by the parties on 10.6.2016 and its amendments dated 17.10.2018 and 23.3.2020 shall hold good in respect of the Supplementary PPA executed for the purpose for change in contract demand from 1.4 MVA at 22 kV to 2 MVA at 22 kV also, except for those specified herein above.*
7. A copy of the signed supplementary PPA entered into between the parties shall be submitted to the Commission for approval.

The petition disposed of accordingly.

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

Sd/-
Preman Dinaraj
Chairman

By Order of the Commission
Sd/-
C.R.Satheesh Chandran
Secretary