

BEFORE THE KARNATAKA ELECTRICITY REGULATORY COMMISSION, BENGALURU

Y/04/2012/Vol-10

1252

Dated: 14.12. 2018

Present: Shri M.K. Shankaralinge Gowda .. Chairman

Shri H.D. Arun Kumar .. Member

Shri D.B. Manival Raju .. Member

In the matter of RPO Compliance for FY17 by HRG Alloys & Steel P. Ltd., Hirekasanakandi Village, Koppal District

ORDERS

Preamble:

The Commission, based on the information furnished by the State Load Dispatch Center, had noted that the **HRG Alloys & Steel Private Limited, Hirekasanakandi Village, Koppal District** [hereinafter referred to as 'the Company'], had not complied with Non-Solar RPO for FY-17 to an extent of **3.78 MWh** as mandated in the KERC (Procurement of Energy from Renewable Sources) Regulations, 2011. Thus, as per the Regulations the company had to meet RPO to an extent of **4.16 MWh** (110% of shortage). Hence, a notice was issued to show cause as to why action under Section 142 of the Electricity Act, 2003, should not be initiated against the Company for failure to comply with the aforesaid Regulations.

Whereas, the Company had furnished its reply on 14.12.2017, stating that it would comply with non-solar RPO of 4.16 MWh by purchasing RECs. The Commission after examining the reply had noted that the Company had not furnished the documentary proof for having met the RPO and had also considered the energy purchased by the Company as 22,698.33 MWh, as against SLDC figure of 22723.27 MWh. Hence, one more notice was issued to the Company and SLDC to **appear before the Commission on 05.07.2018** with relevant facts and figures to prove non-solar RPO compliance and to reconcile the data.



Whereas, the SLDC in its submission dated 05.07.2018, furnishing month-wise data has confirmed that the energy purchased by the Company from IEX is 22723.27 MWh.

Whereas, the Company, had not appeared before the Commission on 05.07.2018, as directed in the Notice dated 22.06.2018. Hence, the Commission providing a final opportunity to the Company, vide notice dated 17.07.2018 directed the company to appear before the Commission **on 31.07.2018 at 3.00 PM** with relevant facts and figures regarding Non-Solar RPO compliance, failing which the Commission would initiate legal action under the provisions of the Electricity Act,2003.

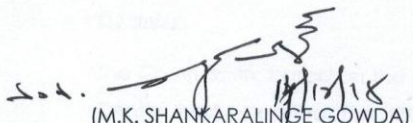
The Commission noted that even though the Company had not appeared before them on 31.07.2018, the company had submitted compliance report. On verification, the Commission noted that, the Company vide its reply dated 05.07.2018, which was received in the Commission's office on 23.07.2018, had submitted that it would purchase the RECs in July,2018. Subsequently, vide letter dated 07.08.2018, the Company submitted that it would purchase the required number of non-solar RECs in August,2018. Hence, the Commission issued one more notice on 20.08.2018, directing the Company to appear before the Commission on 25.09.2018 and to submit the RECs purchased to meet the shortfall in Non-Solar RPO compliance. On 25.09.2018, representative of the Company filed a report dated 21.09.2018. The Company in the said report had requested time upto the first week of November,2018 to complying with the RPO. In the meanwhile, the Company on 27.09.2018, filed the compliance for having purchased five non-solar RECs bearing Sl.No. PXI/26092018/NS/00004 dated 26.09.2018, which is considered by the Commission for meeting the shortfall in RPO to an extent of 4.16 MWh.

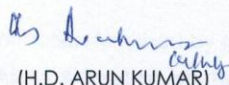
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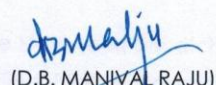
2. Hence, the following orders, -

ORDER

The Commission notes that HRG Alloys & Steel Private Limited Hirekasanakandi Village, Koppal District has purchased 5-Non-Solar RECS [five only] on 26.09.2018 bearing S.NO. PXI/26092018/NS/00004 to meet its Non-Solar RPO of 4.16 MWh (110% of shortfall) for FY17. Further, keeping in view the Hon'ble Supreme Court's order staying the trading of RECs and the explanation given by the Company, the Commission hereby condones the delay in purchase of RECs by the company, for complying with the RPO for FY17. Therefore, the Company having fully met Non-solar RPO for FY17, the Commission hereby treats the proceedings initiated against the Company as closed.


(M.K. SHANKARALINGE GOWDA)
CHAIRMAN


(H.D. ARUN KUMAR)
MEMBER


(D.B. MANIVAL RAJU)
MEMBER

14/12/18