

BEFORE THE KARNATAKA ELECTRICITY REGULATORY COMMISSION, BENGALURU

Y/04/2012/Vol-10

1249

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 S.K Steel Tech. Ltd., Nelamangala

ORDERS

Preamble:

The Commission, based on the information furnished by the State Load Dispatch Centre, had noted that **SK Steel Tech, Nelamangala [herein-after referred to as 'the Company']**, had not complied with Solar RPO for FY-17 to an extent of **250.35MWh** and Non-Solar RPO to an extent of **1835.91MWh** as mandated in KERC (Procurement of Energy from Renewable Sources) Regulations, 2011. Thus, as per the Regulations the company had to meet Solar RPO to an extent of **275.39 MWh** (110% of shortage) and Non-Solar RPO to an extent of **2019.50 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 filed its reply on 15.12.2017 stating that it has not complied with both solar and Non-solar RPO and that it would fulfill the same in 2017-18. The Commission after examining the reply had noted that the company had not complied with both solar and non-solar RPO. Hence, notice was issued to the Company to appear before the Commission on 05.07.2018 with relevant facts and figures and also explain the reasons for the non-compliance of both solar and non-solar RPO.



Whereas, **SK Steel Tech, Nelamangala**, had not appeared before the Commission on 05.07.2018 as directed in the Notice dated 22.06.2018. Hence, the Commission provided a final opportunity to **SK Steel Tech, Nelamangala** to appear before the Commission on **31.07.2018 at 3.00 PM** with relevant facts and figures regarding Solar and Non-Solar RPO compliance.

Representative of the company appeared before the Commission on 31.07.2018 and sought two-months' time to submit RPO compliance report. The Commission directed the company to submit the compliance report on 04.09.2018. The representative of the Company submitted partial compliance on 04.09.2018 and sought time. The Commission as per his request, granted time upto 25.09.2018.

Meanwhile, the partial reports submitted by the company were sent to SLDC for verification on 12.09.2018. SLDC vide its letter dated 19.09.2018, reported that the company has procured 33,381 MWh of energy from power exchange and has to meet 250 MWh of solar RPO and 1836 MWh of non-solar RPO and that the Company has also purchased 3360 MWh of wind energy in August,2018.

The Representative of the company, as directed by the Commission, appeared before the Commission on 25.09.2018 and filed a compliance report.

On verification of the records submitted, the Commission notes that S.K. Steel Tech. has purchased 1000 MWh of solar energy as per BESCO OM No. GM(Elec.)/PP/BC-39/DGM2/AGM2/AE/F-9867/2017-18/CYS-228 dated 31.08.2018 and 2360 MWh of wind energy as per BESCO OM No. GM(Elec.)/PP/BC-39/DGM2/AGM2/AE/F-7621/2017-18/CYS-228 dated 31.08.2018.

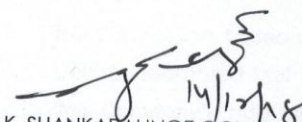
Thus, the Commission, notes that, after setting off 275.39 MWh against 1000 MWh of solar energy purchased and after setting off 2019.55 MWh against 2360 MWh of Non-solar energy purchased, the Company has met the solar and non-solar RPO for FY17.

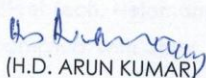



1. Hence, the following orders -

**ORDER**

The Commission notes that, **SK Steel Tech, Nelamangala** has purchased **2360 MWh [Two Thousand three hundred and sixty only] non-solar wind energy and 1000 MWh of solar energy** [one thousand only], to meet its shortfall in RPO. Accordingly for FY17, the Commission sets off 2019.55 MWh [Two thousand and nineteen point five-five only] MWh [including the fractional MWh] out of 2360 MWh wind energy purchased against the Non-solar RPO and 275.39 MWh [Two hundred and seventy five point three nine only] of solar energy out of 1000 MWh of solar energy purchased against solar RPO. Further, keeping in view the Hon'ble Supreme Court's order staying the trading of RECs, the Commission hereby condones the delay in purchase of both solar and non-solar energy by the Company, for complying with the RPO for FY17. The Company having fully met its Solar and Non-solar RPO for FY17, the Commission hereby treats the proceedings initiated against the Company as closed.

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(M.K. SHANKARALINGE GOWDA)  
CHAIRMAN

  
(H.D. ARUN KUMAR)  
MEMBER

  
(D.B. MANIVAL RAJU)  
MEMBER  
14/12/18