

BEFORE THE KARNATAKA ELECTRICITY REGULATORY COMMISSION, BENGALURU

Y/04/2012/Vol-10

1250

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 Vijayaa Steels Ltd., Tumkur

ORDERS

Preamble:

The Commission, based on the information furnished by the State Load Dispatch Centre, had noted that the **Vijayaa Steels Ltd, Ancephalya, Kunigal Taluk, Tumkur [hereinafter referred to as 'the Company']**, had not complied with Solar RPO for FY-17 to an extent of **384.97MWh** and Non-Solar RPO to an extent of **1098.12MWh** as mandated in the 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 **423.47MWh** (110% of shortage) and Non-Solar RPO to an extent of **1207.93 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 Commission had noted that the Company had not replied to the above show-cause notice. Hence, the Company was directed to appear before the Commission on 05.07.2018 and furnish explanation for not replying to the notice and also for the Non-Compliance of the Solar and Non-solar RPO.



Whereas, **Shri Shridhar Prabhu**, Advocate undertook to appear for the Company during the proceedings before the Commission on 05.07.2018 and requested for time to file compliance. Hence, the Commission provided a final opportunity to the **Vijayaa Steels Ltd., Anchepalya** to appear before the Commission on **31.07.2018 at 3.00 PM**, with relevant facts and figures to show its RPO Compliance for 2016-17.

Whereas, **Shri Shridhar Prabhu**, Advocate appeared on 31.07.2018 and sought time to file the compliance. As such the Commission granted time upto 04.09.2018. On 04.09.2018, the Advocate for the company, sought further time upto 25.09.2018, which was granted by the Commission. On 25.09.2018, the Counsel for the company filed copies of RECs purchased to comply with RPO for FY17.


On verification of the documents submitted, the Commission notes that the company has purchased 1200 solar RECs bearing S.No. PXI/29082018/SL/00007 dated 29.08.2018 and 1100 Solar RECs bearing S.no. PXI/30052018/SL/00017 dated 30.05.2018, totaling to 2300 Solar RECs, against the solar RPO target of 423.47 MWh (110% of shortage). Similarly, the Company has furnished details of Non-solar RECs purchased on 30.03.2016(500 nos.), 29.06.2016(502 nos.), 31.08.2016(500 nos.), 30.11.2016(720 nos.), 22.02.2016(230 nos.), 31.03.2017(275 nos.), 26.04.2017(500 nos.), 27.09.2017(325 nos.), 25.10.2017(300 nos.), 29.11.2017(250 nos.), 27.12.2017 (250 nos.) and 31.01.2018 (260 nos.). Thus, during the period August,2016 to April,2017, the Company has purchased 2225 Non-solar RECs, which is within the time stipulated in the Regulations for complying with RPO. The Commission has not considered the RECs purchased during March,2016 and June 2016, as there is no clarity as to whether these certificates have been already accounted for FY16 RPO compliance. Thus, the Commission decides to set-off 1098.12 MWh against 2225 Non- Solar RECs purchased for Non-solar RPO Compliance of FY17.

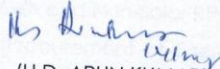
✍

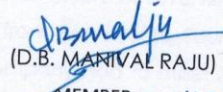
2. Hence, the following orders, -

ORDER

The Commission notes that, **Vijayaa Steels Ltd, Anchepalya, Kunigal Taluk, Tumkur** has purchased **2225 Non-solar RECS [Two Thousand two hundred and twenty-five only]** during the period August,2016 to April,2017 to meet its Non-Solar RPO of 1098.12 MWh and has purchased **2300 Solar RECS [Two thousand three hundred only]** to meet its solar RPO of 423.47 (110% of shortage). Thus, for FY17, the Commission sets off 1098.12 MWh [One thousand and ninety eight point one-two only] MWh [including the fractional MWh] out of 2225 non-solar RECS purchased against the Non-solar RPO and **423.47 MWh [Four hundred and twenty-three point four seven only]** [including the fractional MWh] out of **2300 Solar RECS 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 RECs by the Company, for complying with the RPO for FY17. Therefore, 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.**


(M.K. SHANKARALINGE GOWDA)
CHAIRMAN


(H.D. ARUN KUMAR)
MEMBER


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