

Y/04/2012/Vol-10

BEFORE THE KARNATAKA ELECTRICITY REGULATORY COMMISSION, BENGALURU

Dated : 11.10. 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 Khayathi Steels Industries P. Ltd.,

ORDERS

Preamble:

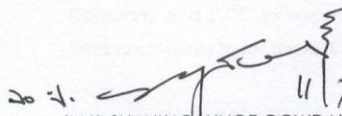
1. The Commission, based on the information furnished by the State Load Dispatch Centre, had noted that the **Khayathi Steel Industries Pvt Ltd.[hereinafter referred to as 'the Company']**, had not complied with Solar RPO for FY-17 to an extent of **533.70MWh** and Non-Solar RPO to an extent of **3913.77MWh** 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 **587.07MWh** (110% of shortage) and Non-Solar RPO to an extent of **4305.15 MWh** (110% of shortage) through purchase of RECs. Hence, a notice was issued to the Company 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.
2. Whereas, the Company had furnished its reply on 14.12.2017 stating it has complied with both solar and non-solar RPO. The Commission after examining the reply had noted that the energy considered by the Company was 73844 MWh which was different from that furnished by SLDC. Hence, fresh notice were issued to the Company and SLDC to appear before the Commission on 05.07.2018 with relevant facts and figures to reconcile the RPO data.
3. Whereas, the SLDC in its written submission dated 05.07.2018, furnishing month-wise data has confirmed that the energy purchased by the Company is 73844.35 MWh.

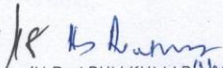
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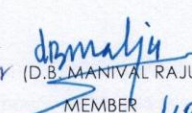
4. Whereas, the representative of the Company ,appeared before the Commission on 05.07.2018 as directed in the Notice dated 22.06.2018 and submitted that the RPO has been met, without submitting any documents. Subsequently, vide letter dated 06.07.2018, the Company had furnished the details indicating that it has met the RPO.Hence, the Commission directed the Chief Engineer, SLDC to appear **before the Commission on 31.07.2018** at 3.00 PM **and** submit a report on RPO compliance by the **Company for 2016-17, after** verifying the data furnished **vide reply dated 06.07.2018** by the Company.
5. The Commission on 31.07.2018 noted that, **SLDC after verifying the documents submitted, has confirmed that the solar RPO of 554 MWh, has been met by purchase of 558 RECs bearing No. C-IEX_SL006129 dated 22.02.2017 and the Non-solar RPO of 4061 MWh by purchase of 17700 MWh Wind energy.**
6. In view of the above submissions made and after verifying the documents submitted by SLDC, the Commission is of the view that the company has met its Non-solar RPO of 4061.44 MWh as per the Regulations, by purchasing 17700 MWh of wind energy. Further, in the case of Solar RPO, the Company has purchased solar RECs in February, 2017 and has met the solar RPO of 553.83 MWh for FY17, which is considered by the Commission for compliance of solar RPO of FY17.
7. Hence, the following orders, -

ORDER

The Commission notes that, as per the written submissions made on 06.07.2018, the **Khayathi Steel Industries Pvt Ltd**, has purchased 17,700 [seventeen thousand seven hundred only]MWh of wind energy to meet its Non-Solar RPO and **558**[Five hundred and fifty-eight only] **solar RECs bearing No. C-IEX_SL006129 dated 22.02.2017**. Thus, for FY17, the Commission sets off 4062 [Four thousand and sixty-two only] MWh [including the fractional MWh] out of 17,700 MWh wind energy purchased against the Non-solar RPO and **554 [Five hundred and fifty-four only] Solar RECs out of 558 RECs purchased against Solar RPO. Therefore, the Company having fully met its Non-Solar and 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
11/10/18