

No. N/16/17

BEFORE THE KARNATAKA ELECTRICITY REGULATORY COMMISSION, BENGALURU

Dated: 20th July, 2017

Present:

- | | |
|----------------------------------|----------|
| 1) Shri M.K. Shankaralinge Gowda | Chairman |
| 2) Shri H.D. Arun Kumar | Member |
| 3) Shri D.B. Manival Raju | Member |

OP No. 4/2017

BETWEEN:

GM Sugar and Energy Ltd.
Sangur – 581 148,
Haveri District.
(Represented by Navayana Law Offices, Advocates)

.....Petitioner

AND:

1. Bangalore Electricity Supply Company Ltd
K.R. Circle, Bengaluru – 560 001.
2. Chamundeshwari Electricity Supply Corporation Limited,
29, Kaveri Grameena Bank Road,
Vijayanagar 2nd Stage, Mysuru – 570 009.
3. Gulbarga Electricity Supply Company Ltd.
Corporate Office, Station Main Road,
Kalaburagi – 585 102.
4. Hubli Electricity Supply Company Ltd.
Corporate Office, P.B. Road,
Navanagar, Hubballi – 580 025.
5. Mangalore Electricity Supply Company Ltd
Corporate Office, MESCOM Bhavan,
Bejai Kavour Cross Road, Mangaluru - 575 004

(Respondent-3 represented by M Raghavendra Achar & Associates, Advocates;

Respondent-4 represented by Just Law, Advocates)

.....Respondents

ORDER

1. The petitioner, running a Bagasse-based Cogeneration Plant of 16 MW exportable capacity at Sangur, Haveri District, which has no Power Purchase Agreement (PPA) with the Electricity Supply Companies (ESCOs) in Karnataka, has expressed its willingness to enter into PPA with the ESCOMs for supply of exportable capacity of electricity and has filed the above Petition praying to determine a just and reasonable tariff for supply of energy by its co-generation Plant as per the applicable norms and Regulations and to direct the ESCOMs for executing the PPA and further requesting to exempt it from Merit Order Despatch.
2. On issue of Notices, the Respondents 3 and 4 have entered appearance through their Counsel. The Counsel for Respondent-4, vide Memo dated 11.7.2017, has submitted that the State Government has accorded approval for purchase of power by the ESCOMs from the 28 bagasse based co-generation plants in the G O dated 11.11.2016, which includes the petitioner and hence, the Commission's Order dated 11.4.2017 will be applicable to the petitioner. The Counsel for Respondent-3 has also submitted that a PPA has been entered into by the petitioner with the ESCOMs on 2.1.2017.
3. The Commission, vide Order dated 11.4.2017 in OP Nos.38/2016 to 56/2016, 58/16 to 63/2016, 65/16 to 68/2016 and 85/2016, filed by similar co-generation plants/ESCOs, had passed Orders determining tariff for supply of energy for a period of five years by co-generation plants to the ESCOMs.
4. The operative portion of the Order dated 11.4.2017 reads as follows:
“(a) The tariff payable per unit for the energy supplied from the Cogen Plants commissioned in different years during the period from 2005 or earlier to 2014, shall be as detailed below:

Year of Commissioning		FY17 (Rs. Ps.)	FY18 (Rs. Ps.)	FY19 (Rs. Ps.)	FY20 (Rs. Ps.)	FY21 (Rs. Ps.)
	VC---)	3.14	3.32	3.51	3.71	3.92
2005 and earlier		3.98	4.16	4.35	4.55	4.76
2006		3.96	4.14	4.33	4.53	4.74
2007		3.95	4.13	4.32	4.52	4.73
2008		4.01	4.19	4.38	4.58	4.79
2009		4.08	4.26	4.45	4.65	4.86
2010		4.58	4.76	4.95	5.15	5.36
2011		4.71	4.89	5.08	5.28	5.49
2012		4.85	5.03	5.22	5.42	5.63
2013		4.91	5.09	5.28	5.48	5.69
2014		4.96	5.14	5.33	5.53	5.74

(b) The Cogen Plants commissioned within one year after the commencement of the generic Tariff Order dated 1.1.2015 shall be treated as having been commissioned during the year 2014 for the applicability of the tariff;

(c) The Cogen Plants commissioned within one year after the commencement of the Effective Date of the generic Tariff Order dated 11.12.2009 shall be treated as having been commissioned during the year 2009 for the applicability of the tariff;

(d) If any of the Cogen Plants referred to in (b) and (c) above could produce evidence to establish that, the whole or a substantial part of the Project Cost was incurred by it in the year 2015 or 2010, as the case may be, the Commission would then revise the tariff suitably in such cases;

(e) *The owners of the Cogen Plants shall produce the Commissioning Certificates in proof of the date of commissioning of the Cogen Plants / any of its Units, before entering into a PPA with the ESCOM concerned;*

(f) *The owners of the Cogen Plants, who are entering into PPAs with the ESCOMs for sale of energy, as per the tariff determined in this Order, shall do so within one month from the date of this Order, failing which, they shall not have any claim for entering into a PPA with any ESCOM...."*

5. Considering the submissions of the Counsel for Respondents, which is not contested by the petitioner, we feel that there is nothing more to decide in this case. The tariff determined in the aforesaid Order dated 11.4.2017 is applicable to the petitioner. The petition is disposed of, accordingly.

Sd/ (M.K. SHANKARALINGE GOWDA) CHAIRMAN	Sd/- (H.D. ARUN KUMAR) MEMBER	Sd/- (D.B. MANIVAL RAJU) MEMBER
---	-------------------------------------	---------------------------------------