

भारतीय स्टेट बैंक
 State Bank of India
 Issuing Branch: COCHIN
 पिन कोड नं. 7517
 टी. नं. 04846/25553

मांगद्वारा
DEMAND DRAFT

कॉड SEJZ
 अ. नं. 57457

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 D O W N Y Y Y

श्री जयंत THE SECRETARY KERALA STATE ELECTRICITY REGULATORY COMMISSION

श्री जयंत जयंत जयंत

ON DEMAND PAY TO

DE. ORDER

रुपये RUPEES Ten Thousand Only

अंश ₹ 10000 00

ICR 000507555546
 Name of Applicant

कॉड SEJZ अ. नं. 57457
 JAMESKUTTY THOMAS

AMOUNT BELOW 10000 00

रुपये मात्र (PALE RECEIVED)



भारतीय स्टेट बैंक

STATE BANK OF INDIA

ड्राफ्ट शाखा / DRAWEE BRANCH: TRIVANDRUM CITY

पिन कोड नं. 70028

अधिकृत हस्ताक्षर
 AUTHORIZED SIGNATORY

(Signature)
 प्रबंधक
 (MANAGER)

कंप्यूटर द्वारा मुद्रित होने पर ही वैध
 VALID ONLY IF COMPUTER PRINTED

वैधता 1 महीने के लिए है
 VALID FOR 1 MONTH ONLY

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 THIS DRAFT IS VALID ONLY WHEN PRESENTED AT THE BRANCHES OF STATE BANK OF INDIA

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जॉर्ज मोहन एन. (एम.एस.)
 George Mohan A.N. (A.A.1615)

SEBMAASAM/1575-2018

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FORM 1

[See Regulation 24(3)]

General Heading for petitions

**BEFORE THE KERALA STATE ELECTRICITY
REGULATORY COMMISSION**

PETITION NO:

(To be filled by the Office, if number has not earlier been assigned)

IN THE MATTER OF: Average Pooled Cost of Power Purchase (APPC rate) for the purpose of settling the Net banked energy by prosumers and captive consumers in the Order dated 30. 06. 2025 in OP. No 49/2024 for Truing up of accounts of M/s KSEB Ltd for the financial year 2023-24

(Gist of the purpose of the petition or application)

NAME(S) AND FULL ADDRESS(ES) OF PETITIONER(S)/APPLICANT(S)

1. Jameskutty Thomas Aged 60 Years S/O.C.Thomas, Ambanadu, Jrwal 27/13 Sahakarana Road, Janatha, Vyttila P.O., Kochi, Pin-682019
2. V Sureshkumar, aged 60 years S/o K Viswambharan, Sivanandana, MERA-128, Chalakuzhy, Medical college PO, Thiruvananthapuram, Pin 695011
3. Mohan Varughese, aged 72 years, S/o M.M. Varughese, TC 3/1065(5), VN - 79 B, Vyasa nagar, Paruthipara, Pattom P.O. 695004, Thiruvananthapuram
4. Sabu.T, aged 61, S/o Thankappan KK, Kumpukkal, RVRA -10, Kanjirampara PO, Thiruvananthapuram 695030

Names and Full Addresses of Respondent:

Kerala State Electricity Board Ltd. Represented by its Chairman & Managing Director, Vydhyuthi Bhavanam, Pattom, Thiruvananthapuram, Pin -695004



FORM 2

[See Regulation 24(5)]

BEFORE THE KERALA STATE ELECTRICITY REGULATORY COMMISSION

PETITION NO:

(To be filled by the Office if number has not earlier been assigned)

IN THE MATTER OF: Average Pooled Cost of Power Purchase (APPC rate) for the purpose of settling the Net banked energy by prosumers and captive consumers in the Order dated 30. 06. 2025 in OP. No 49/2024 for Truing up of accounts of M/s KSEB Ltd for the financial year 2023-24
(Gist of the purpose of the petition or application)

Name(s) and Full address(es) of the Petitioner(s) and name(s) and full address(es) of the respondent(s)

1. Jameskutty Thomas Aged 60 Years S/O.C.Thomas, Ambanadu, Jrwal 27/13 Sahakarana Road, Janatha, Vyttila P.O., Kochi, Pin-682019
2. V Sureshkumar, aged 60 years S/o K Viswambharan, Sivanandana, MERA-128, Chalakuzhy, Medical college PO, Thiruvananthapuram, Pin 695011
3. Mohan Varughese, aged 72 years, S/o M.M. Varughese, TC 3/1065(5), VN - 79 B, Vyasa nagar, Paruthipara, Pattom P.O. 695004, Thiruvananthapuram
4. Sabu.T, aged 61, S/o Thankappan KK , Kumpukkal, RVRA -10, Kanjirampara PO, Thiruvananthapuram 695030.

Names and Full Addresses of Respondent:

Kerala State Electricity Board Ltd. Represented by its Chairman & Managing Director, Vydhyuthi Bhavanam, Pattom, Thiruvananthapuram, Pin -695004

We,

1. Jameskutty Thomas Aged 60 Years S/O.C.Thomas, Ambanadu, Jrwal 27/13 Sahakarana Road, Janatha, Vyttila P.O., Kochi, Pin-682019
2. V Sureshkumar, aged 60 years S/o K Viswambharan, Sivanandana, MERA- 128, Chalakuzhy, Medical college PO, Thiruvananthapuram, Pin 695011



3. Mohan Varughese, aged 72 years, S/o M.M. Varughese, TC 3/1065(5), VN - 79 B, Vyasa nagar, Paruthipara, Pattom P.O. 695004, Thiruvananthapuram
4. Sabu.T, aged 61, S/o Thankappan KK, Kumpukkal, RVRA -10, Kanjirampara PO, Thiruvananthapuram 695030

do solemnly affirm and state as follows:-

1. We are the petitioners in the above matter.
2. The statements made in paragraphs of the petition herein now shown to me and marked with the letter "1-11" are true to my knowledge and the statements made in paragraphs "1-11" are based on information received and I believe them to be true.

Solemnly affirmed at Thiruvananthapuram on this day of 25/8/25 that the contents of the above affidavit are true to our knowledge, no part of it is false and nothing material has been concealed therefrom.

Petitioner/Applicant/Respondent Identified before me

1. Jameskutty Thomas
2. V.Sureshkumar
3. Mohan Varughese
4. Sabu.T

Jameskutty Thomas
V.Sureshkumar
Mohan Varughese
Sabu.T

Identified before me Notary

Gireesakumar K Malle
25/8/25
GIREESAKUMAR. K MALLE S
Advocate & Notary
Roll No. K/1166/1993
Near H.S.S Building
Malloor Road, Vanchiyoor
Thiruvananthapuram, Kerala
Mob: 98-7929450



BEFORE THE HONOURABLE KERALA STATE ELECTRICITY REGULATORY
COMMISSION, THIRUVANANTHAPURAM.

Petition No:

In the Matter of: Average Pooled Cost of Power Purchase (APPC rate) for the purpose of settling the Net banked energy by prosumers and captive consumers in the Order dated 30. 06. 2025 in OP. No 49/2024 for Truing up of accounts of M/s KSEB Ltd for the financial year 2023-24

Name and full address of Petitioners:

1. Jameskutty Thomas Aged 60 Years S/O.C.Thomas, Ambanadu, Jrwal-27/13 Sahakarana Road, Janatha, Vyttila P.O., Kochi, Pin-682019
2. V Sureshkumar, Aged 60 years S/o K Viswambharan, Sivanandana, MERA- 128, Chalakuzhy, Medical college PO, Thiruvananthapuram, Pin 695011
3. Mohan Varughese, Aged 72 years, s/o M.M. Varughese, TC 3/1065(5), VN - 79B, Vyasa nagar, Paruthipara, Pattom P.O. 695004, Thiruvananthapuram
4. Sabu.T, Aged 61,S/o Thankappan KK , Kumpukkal,RVRA -10, Kanjirampara PO, Thiruvananthapuram- 695030

Names and Full Addresses of Respondent:

Kerala State Electricity Board Ltd.
Represented by its Chairman & Managing Director,
Vydhyuthi Bhavanam, Pattom, Thiruvananthapuram, Pin -695004



A Petition on

Average Pooled Cost of Power Purchase (APPC rate) for the purpose of settling the Net banked energy by prosumers and captive consumers in the Order dated 30. 06. 2025 in OP. No 49/2024 for Truing up of accounts of M/s KSEB Ltd for the financial year 2023-24

Introduction

The petitioners are roof top solar prosumers who owns captive RTS plant installed for their own consumption believed in the promotional offers extended by the Centre, state and the utility. Aggrieved by the arbitrary fixing of the APPC rate, violating accepted methodologies based on prevailing regulations and natural definitions, we are here to pray for the review of the APPC rate as the approved rate violates the natural justice and affects the financial returns on the investment made by the petitioners. Accordingly, we are submitting this petition before the Honourable Kerala Electricity Regulatory Commission for kind consideration and early settlement.

Tariff Principles and Solar Roof top Plants

Roof Top Solar Plants installed by the prosumers are captive generation plants (Renewable energy plant for own use). Section 9 of Electricity Act 2003 deals with the basic laws related to the Captive Generation and injection of electricity from such plants to the electricity network. Accordingly,

- A person may construct, maintain, or operate a captive generating plant.
- The supply of electricity from the captive generating plant through the grid is regulated like any other generating station.

The tariff for generation, transmission and distribution is governed by Section 61, of Electricity Act 2003. Accordingly, the Appropriate Commission shall, subject to the provisions of the Electricity Act, specify the terms and conditions for the determination of tariff, and in doing so, shall be guided by following among others, namely;

- **the principles and methodologies specified by the Central Commission for determination of the tariff applicable to generating companies and transmission licensees.**
- **the promotion of co-generation and generation of electricity from renewable sources of energy.**



- the National Electricity Policy and tariff policy:

Based on Section 61 of Electricity Act, KSERC has notified Terms and Conditions of Tariff, 2021 and the present retail tariff order issued by KSERC is supposed to be complied with the requirements and methodologies specified in this tariff regulation under Section 61 and Section 62 of Electricity Act.

KSERC (T&C for Determination of Tariff) Regulations, 2021.

- **Regulation 3(9) KSERC (T&C of Tariff) 2021, Definitions:** “Average Power Purchase Cost” or “APPC” during a year means the weighted average cost of power purchased by the distribution licensee including the cost of self-generation by the Licensee, for the previous year as approved by the Commission.
- **Regulation 85 (10) of KSERC (T&C of Tariff) 2021, Determination of Tariff, (Distribution):** Distribution licensee shall purchase the excess energy injected into the system by a renewable energy prosumer, as provided in sub regulation 5 of Regulation 21 of KSERC (Renewable and Net Metering) Regulations, 2020 at the Average Power Purchase Cost. The Commission shall determine the APPC every financial year based on a petition filed by the distribution licensee not later than 31st July.

KSERC (RE & Net-metering) Regulations, 2020

The energy exchange between utility network and the RE-Captive Generation (the solar roof top plant) is regulated by KSERC (RE & Net-metering) Regulations 2020. As per sub-regulation 5 of regulation 21, sub-regulation 5 of regulation 26 and sub-regulation 7 of regulation 27 in KSERC (RE & Net Metering) Regulation 2020, “The licensee shall pay to the prosumer for the net electricity balance in his account at the end of the settlement period, at the Average Power Purchase Cost (APPC) approved by the Commission.

Provided that, in case of delay in payment of the net amount due to the prosumer beyond 30 days from the settlement date, the licensee shall pay interest to the prosumer at the FBIL rate + 200 base points prevailing on 1st April of the settlement year.”



Later in KSERC (Renewable Energy and Net Metering) (First Amendment) Regulations, 2022; the definition for APPC was inserted as clause (da) under Sub-Regulation 2(1) as follows:

"Average Power Purchase Cost" or "APPC" during a year means the weighted average cost of the power purchased by KSEB Ltd including the cost of self-generation by KSEB Ltd, for the previous financial year as approved by the Commission."

As such, the regulation is clear and specific about the amount that to be paid to the prosumer for the net energy balance in his account at the end of the settlement period and it must be the APPC rate of the previous financial year as arrived and approved by the commission.

Deviation in arriving APPC rate for FY 2023-24 for the purpose of settling the Net banked energy by prosumers and captive consumers

As per para 5.131 of the truing up order for FY 2023-24 dated 30.06.2025, the average cost of power purchase including the cost of self-generation for the FY 2023-24 for KSEBL as a distribution utility is Rs. 4.34/- per unit. But instead of approving the same for settling the net banked energy by prosumers as on 31.03.2025, honourable commission, even without a specific request from the utility, unreasonably linked the events like failure of southwest monsoon, unprecedented increase in energy demand and peak demand and the cancellation of unapproved DBFOO Contract with the settling rate for the net banked energy of the prosumers and unilaterally undervalued the APPC rate arbitrarily to Rs 3.26/- per unit.

(Note: As per the heading provided in the Order, the rate is for the purpose of settling the Net banked energy by prosumers and captive consumers as on 31.03.2024 and as per the body of the paragraph the APPC @3.26/unit is for settling the net surplus energy banked and at the credit of the prosumers and captive consumers as on 31.03.2025. As such, we may submit that the order and rate provide room for confusion and misunderstanding)

As per the Honourable Commission, the southwest monsoon failure and unprecedented increase in energy demand are 'force majeure' conditions and cancellation of the unapproved DBFOO contracts are beyond the control of the utility. Hence Honourable commission concluded that solar prosumers do not deserve the normal APPC rate as specified in the KSERC (RE & Net-metering) regulations, 2020.

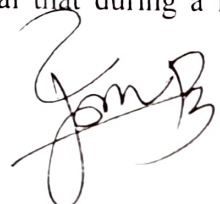
In addition, Commission finds that “the additional injection of the RE energy to the State Grid especially by the Solar prosumers during surplus day time could not help the State to meet the peak demand and night off-peak demand. Allowing settlement of such surplus energy at a rate that resulted from force majeure situations could lead to windfall benefits to a few at the cost of the vast majority of ordinary consumers.”

Based on the above inference and conclusion, the Commission invented another innovative way to arrive the settling rate for settling the net surplus energy banked and at the credit of the prosumers and captive consumers as on 31.03.2025. Accordingly, the APPC approved for the normal monsoon year (2022-23) having consistent electricity demand, can be considered as base year and applying the average CAGR over it may be adopted as the principle for approval of APPC for the abnormal year. Considering these aspects, the Commission has decided to adopt the APPC @Rs 3.15/unit for the Year 2022-23 as the base and escalating the same at the inflation index @3.41% with the weighted average of CPI and WPI in the ratio of 70:30 as the principle for approving the APPC for the Year 2023-24.

Evaluation of the reasoning, finding and conclusion of the Honourable Commission in undervaluing the rate for settling the net surplus energy banked and at the credit of the prosumers and captive consumers as on 31.03.2025.

1. **As per the Honourable Commission, the southwest monsoon failure and unprecedented increase in energy demand are ‘force majeure’ conditions!**

It is observed that even the distribution utility KSEBL did not make such a request in its petition to consider these two events as ‘force majeure’. Moreover, it is observed that KSERC did not relied upon any document from appropriate government or responsible department competent to declare such calamity to consider reduction southwest monsoon or the increase in energy demand as a “force majeure’ condition in power sector energy transactions. On the contrary the Hydro generation data from the SLDC system statistics for the FY 2000-01 to FY2024-25 shows that 5734 MU hydro generation for the FY 2023-24 is not an isolated event but recurring consequences due to periodic weather changes that happens cyclically in Kerala. It is not a Monsoon failure, but a reduction of 20-24% in the monsoon for the year. Moreover, it is natural that during a lean



monsoon, Kerala shall have a warm year. A rise in demand for electricity is natural and expected during a warm year in Kerala. The utility must be competent enough to forecast the demand variations with required accuracy, using scientific models and data engaged for the purpose.

The data in the table below which provides hydro generation, and electricity consumption for the last 25 years is self-explanatory. Kindly note that the total consumption during 2024-25 with 7432 MU hydro generation is 2.2% higher than that of 2023-24 consumption. This shows the irrelevance of the unilateral decision based on the concluded 'forced majeure' situation.

Data for 25 years from FY 2000-01 to 2024-25 (Source: SLDC system Statistics)

FY	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Hydro Generation (MU)	6968	7142	5476	4488	6377	7601	7746	8704	6495	7240	7415	8351	5398	9796	8596	6720	4526	5963	7687	6049	7637	9977	8882	5734	7432
Total Consumption (MU)	12511	12842	12807	12503	12768	14302	15896	16779	16124	17444	17927	19614	20299	20758	21739	21144	23726	24388	24842	26010	25145	26610	27739	30966	31620

During 2023-24, the hydro generation was 19% of the total consumption. Even during the normal monsoon year of FY 2024-25, only 24% of the total electricity was consumed from hydro generation. As such, a variation of 5% in hydro generation with respect to the total consumption cannot be considered normally as 'forced majeure' situation. Hence, we may submit that Honourable Commission is wronged in the conclusion of forced majeure situation prevailed in FY 2023-24 with respect to energy transactions for the state.

2. Cancellation of the unapproved DBFOO contracts is beyond the control of the utility!

As per the description itself, the contracts are unapproved! We may submit that RTS prosumers are not responsible for the approval of the power purchase contracts executed by the utility and undervaluing the rate of banked energy by the prosumers linking cancellation of unapproved DBFOO contracts is without any logic. KSEBL as the distribution utility and KSERC as the regulator are responsible for long term, medium term and short-term resource planning, its approval, monitoring and implementation. Trying to transfer the consequences due to the failures in



these aspects to the RTS prosumers cannot be accepted. As per the information available to us, the DBFOO contracts were not approved by KSERC since 2016 and finally cancelled in 2023 by KSERC itself. The cancellation was upheld by the Honourable Supreme Court of India. Whether the cancellation of DBFOO contract is beyond the control of the utility is to be decided by appropriate legal forum and RTS prosumers have nothing to do with its process and final outcome. Linking the same with the settling rate of the banked energy from the RTS prosumers cannot be accepted under any circumstances.

Even if the reasoning by the honourable commission about the 'force majeure' situation and cancellation of contracts are true, as solar prosumers, we are at loss to digest the reasoning that prosumers must suffer the consequences in the compensation rate in the banked energy that decided as per the order dated 30.06.2025 for the energy transactions made from 01.04.2024 to 31-03-2025 in FY 2024-25.

3. **"The additional injection of the RE energy to the State Grid especially by the Solar prosumers during surplus day time could not help the State to meet the peak demand and night off-peak demand. Allowing settlement of such surplus energy at a rate that resulted from force majeure situations could lead to windfall benefits to a few at the cost of the vast majority of ordinary consumers."**

Actually, the energy generated, consumed and injected by the RTS prosumers during the period helped distribution utility to meet the higher consumption demand from the RTS sources in the distribution network itself and helped KSEBL to save the precious hydro resources for balancing the grid variations and meeting the peak demand. Moreover, by meeting the demand from the RTS distribution source, KSEBL saves ISTS transmission charges, internal transmission and distribution infrastructure requirements in addition to the saving in transmission and distribution losses. It is unfortunate that the Commission, instead of acknowledging and rewarding the contribution of RTS prosumers in meeting the real time demand during the warm year with less hydro resource availability, accuses them with availing windfall benefits at the cost of ordinary consumers.

This statement, "windfall benefits to a few at the cost of the vast majority of ordinary consumers" in the order of the honourable commission is an

accusation and insult to the RTS prosumers who installed their roof top plant, based on the assurance and encouragement given by Central and State governments, by spending money from their own pocket to participate in the green energy transition targets envisaged for the country and the state. Kindly note that the so-called windfall benefit is allowed according to the prevailing KSERC regulations only and same benefit in par is allowed in almost all the states in the country. Accusing and insulting investors and prosumers who cooperate with the government policies and earns benefits as per the rules and regulations in the land is unfortunate. Such statements by KSERC may end up at losing its credibility and discourage private investment in the sector and investments by consumers RTS sector. Kindly note that the benefits are as per the regulatory framework specified by KSERC itself. Changing the process for deciding the settling rate for the energy transaction happened during 2023-24 on 30.06.2025 is like changing the goal post location months after scoring the goals in a match and disallowing goal.

4. **Commission has decided to adopt the APPC @Rs 3.15/unit for the Year 2022-23 as the base and escalating the same at the inflation index @3.41% with the weighted average of CPI and WPI in the ratio of 70:30 as the principle for approving the APPC for the Year 2023-24.**

It is observed that, for reasons unknown, the commission is prejudiced about the settling rate for the banked energy by the RTS prosumers and wants to devalue the settling rate of their banked energy. To achieve this objective, decided not to follow the process specified in its own regulation, KSERC (RE & Net-Meter) regulations, 2020. Instead finds some innovative ways to achieve the objectives as per someone's whims and fancies. It is observed that the adopted mechanism does not have any legal backing and is a breach of contract and faith. KSERC (RE & Net-Meter) regulations, 2020 the basic regulation based on which the investment is made by RTS prosumer. It is part of contract between the utility and prosumer and need to be complied in its letter and spirit. Installation and maintenance of RTS plants in Kerala, with sloped roof is costly compared to the ground mounted or flat roofed structures and hence deserve better return. The decision of the commission to devalue the settling rate of banked energy by the prosumers as on 31/03/2025 from the APPC rate of Rs 4.34/- as per sub-regulation 5 of regulation 21 in KSERC (RE & Net Metering) Regulation 2020 to Rs 3.26/- is violation of its own regulation and natural justice.



As per Section 86(1) (e) of Electricity Act 2003, The State Commission shall discharge the following functions, namely:

“Promote cogeneration and generation of electricity from renewable sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person, and also specify, for purchase of electricity from such sources, a percentage of the total consumption of electricity in the area of a distribution licensee.”

We may point out that the decision of the Honourable Commission is not in tune with this function specified in the Electricity Act, 2003.

Summary of the facts

The decision of the honourable Commission to devalue the settling rate for the banked energy of the RTS prosumers as on 31/03/2025 is non-compliance of sub-regulation 5 of regulation 21 in KSERC (RE & Net Metering) Regulation 2020 read with clause (da) under Sub- Regulation 2(1) and Regulation 85 (10) of KSERC (T&C of Tariff) 2021, Determination of Tariff, (Distribution).

The reasons narrated to devalue the settling rate is baseless, misconceived and prejudiced. They are not evaluated according to the real facts happening in the distribution network and not in tune with the policies and programs rolled out by Government of India for achieving the targets envisaged for the energy transition from fossil fuel-based energy to clean energy. Moreover, the decision of the Honourable Commission is not in tune with their functional responsibility of promoting electricity generation from renewable sources of energy as specified in the Electricity Act, 2003.

Hence, we request that

1. The sentences, “The additional injection of the RE energy to the State Grid especially by the Solar prosumers during surplus day time could not help the State to meet the peak demand and night off-peak demand. Allowing settlement of such surplus energy at a rate that resulted from force majeure situations could lead to windfall benefits to a few at the cost of the vast majority of ordinary consumers”. which are accusing and insulting the solar prosumers and against ground realities may be removed from the order.

2. APPC rate Rs.4.34/- as arrived as per the KSERC (RE & Net meter) regulation 2020, may be approved as settlement rate for banked energy by RTS prosumers as on 31.03.2025.

Apart from petitioners here in, on behalf of all other petitioners and prosumers affected by the noncompliance of KSEBL

Dated 27th day of August 2025

1. Jameskutty Thomas Aged 60 Years S/O.C.Thomas, Ambanadu, Jrwal-
27/13 Sahakarana Road, Janatha, Vyttila P.O., Kochi, Pin-682019

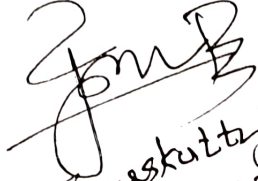
2. V Sureshkumar, Aged 60 years S/o K Viswambharan, Sivanandana
MERA- 128, Chalakuzhy, Medical college PO, Thiruvananthapuram, Pin
695011

3. Mohan Varughese, Aged 72 years, S/o M.M. Varughese, TC 3/1065(5),
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Thiruvananthapuram

4. Sabu.T, Aged 61, S/o Thankappan KK , Kumpukkal,RVRA -10,
Kanjirampara PO, Thiruvananthapuram- 695030

Exhibits:-

1. Related pages (Page No. 123 & 124) of the order dated 30. 06. 2025 in OP. No 49/2024 for Truing up of accounts of M/s KSEB Ltd for the financial year 2023-24
2. Electricity Bill showing Bank closing of 199.288 units, which is paid @ Rs 3.26 per unit. (Bank Statement enclosed as exhibit -3 below.)
3. Bank statement showing payment of Rs 650/- (for the units exported as per exhibit-2 shown above.)
4. Definition of APPC as per Kerala State Electricity Regulatory Commission (Renewable Energy and Net Metering) (First Amendment) Regulations, 2022
5. Regulation 21(5) under Kerala State Electricity Regulatory Commission (Renewable Energy and Net Metering) Regulations, 2020


Jameskutty Thomas
Ph: 7012204187
jameskuttythomas
@gmail.com

Net Average Power Purchase Cost

5.130 Based on the approvals given, the average power purchase cost approved for the year 2023-24 is as shown below:

Table 5.63
Approved Power Purchase Cost for 2023-24

Sl No	Particulars	Quantity	Amount
		(MU)	(Rs. Cr)
1	Power purchase and cost	25711.29	12773.50
2	Less		
	(i) Energy sale outside the State	71.27	60.60
	(ii) Energy banked/return	552.68	
	(iii) DSM export	61.49	2.52
3	Net Power purchase and cost for sale within the State)	25025.85	12710.38
2	Average power purchase cost (Rs/unit)		5.08

As above, the average cost of power purchase for the year 2023-24 is Rs.5.08/unit.

5.131 The average cost of power purchase including the cost of self-generation for the year 2023-24 is given below.

Table- 5.64
Average cost of power purchase (including self-generation) for the year 2023-24

Sl No	Particulars	Quantity	Amount
		(MU)	(Rs. Cr)
1	Internal generation	5657.40	598.70
2	Power purchase and cost	25711.29	12773.50
	Sub total	31368.69	13372.20
2	Less		
	(i) Energy sale outside the State	71.27	60.60
	(ii) Energy banked/return	552.68	
	(iii) UI Export	61.49	2.52
3	Net Power purchase and cost by SBU-D	30683.25	13311.60
2	Average power purchase cost (Rs/unit)		4.34

As above, the net cost of power purchase of SBU-D of KSEBL including self generation for the Year 2023-24 is Rs 4.34/unit.

Average Pooled Cost of Power Purchase for the purpose of settling the Net banked energy by prosumers and captive consumers as on 31.03.2024

5.132 As per the Regulation 21(5), 26(5) and 27(7) of the KSERC (Renewable Energy and Net Metering) Regulations, 2020, the net surplus banked energy available at the credit of the prosumer/ captive consumer at the end of the settlement

period shall be settled at the Average Pooled Power Purchase Cost (APPC) of the licensee approved by the Commission from time to time.

5.133 However, as discussed in the previous paragraphs, the power situation in the State was very critical and extra ordinary in the Year 2023-24 due to the following reasons;

- (1) Failure of southwest monsoon, which resulted in reduction in hydro generation by 1477MU during the Year 2023-24.
- (2) Unprecedented increase in energy demand and peak demand including the demand increase in late night hours, which has resulted in increase of about 2422MU over the demand anticipated.
- (3) Additional power procurement of about 2467MU for meeting shortfall in energy availability due to the cancellation of unapproved DBFOO contracts.

5.134 Out of the above, first two are 'force majeure' conditions and beyond the control of the utility. Further, due to the prevailing market conditions across the County, KSEBL could not tie-up adequate power at competitive rates for meeting the short fall in energy availability from the unapproved DBFOO contracts.

The additional power purchase especially for meeting the demand during peak and night off-peak hours in the extra ordinary circumstances resulted in excessive cost of power purchase and this has to be passed on to the consumers of the State.

Further, the additional injection of the RE energy to the State Grid especially by the Solar prosumers during surplus day time could not help the State to meet the peak demand and night off-peak demand. Allowing settlement of such surplus energy at a rate that resulted from force majeure situations could lead to windfall benefits to a few at the cost of the vast majority of ordinary consumers.

5.135 Considering these reasons, the Commission is of the considered view that, the APPC approved for the normal monsoon year(2022-23) having consistent electricity demand, can be considered as base year and applying the average CAGR over it may be adopted as the principle for approval of APPC for the abnormal year. Considering these aspects, the Commission has decided to adopt the APPC @Rs 3.15/unit for the Year 2022-23 as the base and escalating the same at the inflation index @3.41% with the weighted average of CPI and WPI in the ratio of 70:30 as the principle for approving the APPC for the Year 2023-24.

Accordingly, the Commission hereby approve the APPC @3.26/unit, for settling the net surplus energy banked and at the credit of the prosumers and captive consumers as on 31.03.2025.

Solar OnGrid Consumer (Generator)

1155565026062

JAMESKUTTY THOMAS

555600139

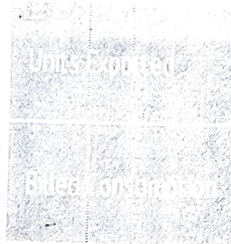
5 KW

11-09-2020

Bank Statement for 202504 (Generator)



503 kWh



664 kWh

279.926

0 kWh

199.288

Bank Closing as on 01/04/2025 (Upto 31/3/2025) = 199.288 Units

Payment Received in Bank:- Rs. 650/-

Rate given per Unit = Rs. 3.26

SBI

Account Name : Mr. JAMESKUTTY THOMAS, Mrs. ANITHA JAMES
 Address : AMBANADU, JRWA - L 27/13
 SAHAKARANA ROAD, VYTILLA P O
 KOCHI-682019
 Ernakulam
 Date : 21 Aug 2025
 Account Number : 00000030014212156
 Account Description : SBCHQ-CSA-PUB IND-CSGOLD-INR
 Branch : VYTILLA BRANCH
 Drawing Power : 0.00
 Interest Rate(% p.a.) : 2.5
 MOD Balance : 0.00
 CIF No. : 85007950033
 CKYCR Number :
 IFS Code : SBIN0008694
 (Indian Financial System)
 MICR Code : 682002013
 (Magnetic Ink Character Recognition)
 Nomination Registered : Yes
 Balance as on 13 Aug 2025 : 95,634.73

Account Statement from 13 Aug 2025 to 13 Aug 2025

Txn Date	Value Date	Description	Ref No./Cheque No.	Debit	Credit	Balance
13 Aug 2025	13 Aug 2025	BULK POSTING-BY SALARY-			650.00	96,284.73

Please do not share your ATM, Debit/Credit card number, PIN (Personal Identification Number) and OTP (One Time Password) with anyone over mail, SMS, phone call or any other media. Bank never asks for such information.

**This is a computer generated statement and does not require a signature.



KERALA STATE ELECTRICITY REGULATORY COMMISSION

Notification

No. 1204/D(T)/2019/KSERC

Dated, Thiruvananthapuram 15.07.2022

In exercise of the powers conferred by sub-section (1) of Section 181 of the Electricity Act, 2003, Regulation 72 of the Kerala State Electricity Regulatory Commission (Conduct of Business) Regulations, 2003 and all other powers enabling it in this behalf and after previous publication; the Kerala State Electricity Regulatory Commission hereby makes the following Regulations to amend the Kerala State Electricity Regulatory Commission (Renewable Energy and Net Metering) Regulations, 2020 namely: -

THE KERALA STATE ELECTRICITY REGULATORY COMMISSION (RENEWABLE ENERGY AND NET METERING) (FIRST AMENDMENT) REGULATIONS, 2022.

1. Short title and commencement.-

- (1) These Regulations may be called the "Kerala State Electricity Regulatory Commission (Renewable Energy and Net Metering) (First Amendment) Regulations, 2022".
- (2) These Regulations shall come into force from 01.08.2022.

2. Amendment to the existing Regulations, - In the Kerala State Electricity Regulatory Commission (Renewable Energy & Net Metering) Regulations, 2020;

- (1) Regulation 1(2) of the existing Regulations, shall be amended as follows;
Regulation 1 (2) These Regulations shall apply to all the new Grid Interactive Renewable Energy Systems, consumers, prosumers, captive consumers, captive generating plants, generating companies, distribution licensees and obligated entities, in the matter of Determination of Tariff of Renewable Energy, Net Metering, Banking, Generation Based Incentives and related matters.

Provided that, the captive generators/ consumers existing in the State prior to the enactment of the Electricity Act-2003 and governed by the

agreements entered into between the licensee and generators as per the policies then existing, shall be allowed to continue till the expiry of the term of the agreement as per the provisions of such agreements as long as the provisions of such agreements are consistent with the Act;

Provided further that the bills issued during the period from 5th June 2020 to the date of effect of these Regulations need not be revised:

Provided also that the provision for 'gross metering' will be introduced in the State by the Commission at an appropriate time only after full compliance of the RPO by the Licensees;

Explanatory Note: In the Kerala State Electricity Regulatory Commission (Renewable Energy and Net Metering) Regulations 2020, Clause 1.(2) it was mentioned that 'These regulations shall apply to all existing and new Grid Interactive Renewable Energy Systems, consumers, prosumers, captive consumers, captive generating plants, generating companies, distribution licensees and obligated entities in the matter of Determination of Tariff of Renewable Energy, Net Metering, Banking, Generation Based Incentives and related matters'. This was an inadvertent error which had crept into the Regulation. It is hereby clarified that all the existing entities including prosumers, obligated entities, distribution licensees, captive consumers, open access consumers, entities eligible for generation based incentives etc. and who were governed by the Kerala State Electricity Regulatory Commission (Renewable Energy) Regulations, 2015 and its amendments and Kerala State Electricity Regulatory Commission (Grid Interactive Distributed Solar Energy Systems) Regulations, 2014 and its amendments shall continue to be governed as per those Regulations. However, the facilities including banking permitted in the RE Regulations, 2020 on payment of fees and charges for usage of transmission and distribution system, as the case may be shall be applicable to them. The intent of this amendment is to clarify and to rectify this error.

- (2) Insert Regulation 2(1) (da), in between Regulations 2(1) (d) and Regulation 2(1) (e), as follows: -

Regulation 2(1) (da).

"Average Power Purchase Cost" or "APPC" during a year means the weighted average cost of the power purchased by KSEB Ltd including

the cost of self-generation by KSEB Ltd, for the previous financial year as approved by the Commission.

Note: This will be applicable for the whole State, as long as uniform retail tariff for consumers exists in the State.

- (3) Insert Regulation 2(1) (aca) in between Regulations 2(1) (ac) and Regulation 2(1) (ad), as follows:

Regulation 2(1) (aca)

"Gross-Metering" means a mechanism whereby the total renewable energy generated from Grid Interactive Renewable Energy Systems and fed into the grid by a consumer/ prosumer vis-à-vis the total energy consumed by such consumer/ prosumer is separately accounted for at their applicable tariff as determined by the Commission.

- (4) Insert Regulation 2(1) (aea), in between Regulations 2 (1) (ae) and Regulation 2(1) (af)

Regulation 2(1) (aea).

"Hydro Power Obligation" or "HPO" means the obligation of an entity to purchase electricity generated from Large Hydropower Projects (LHPs) including pumped storage projects having capacity of more than 25 MW which has come into commercial operation on or after 08.03.2019 as renewable energy source.

- (5) Insert Regulation 2(1) (ata) in between Regulations 2(1) (at) and Regulation 2(1)(au), as follows:-

Regulation 2(1) (ata)

"**Ocean Energy**" means the energy produced using various forms of ocean energy sources such as tidal, wave, ocean thermal energy etc.

- (6) Regulation 2(1) (bk) of the existing Regulations, shall be revised as;

Regulation 2(1)(bk)

"**Settlement Period**" for the purposes of these Regulations 'is the period from the first day of April in a Gregorian calendar year to the thirty first day of March in the next calendar year;

its RPO.

21. Net metering, Energy Accounting, Banking and Settlement.-

(1) The distribution licensee shall take the meter reading of the 'renewable energy system' regularly for each 'billing period' and record the readings of both the renewable energy meter and the net meter.

(2) For each billing period, the distribution licensee shall make the following information available in its bill to the prosumer:

- (i) Time period wise (normal hours, peak hours and off-peak hours) Renewable energy generation recorded in the energy meter for the prosumer with connected load above 20 kW, and total generation from the RE system for the prosumers with connected load 'of and below 20kW'.
- (ii) Time period wise electricity consumption of the prosumer with connected load above 20 kW, and total consumption in the case of the prosumer with connected less than 20 kW.
- (iii) Net billed electricity, if any, for which payment is to be made by the prosumer;
- (iv) Excess energy brought forward from the last billing period;
- (v) Excess energy carried forward to the next billing period.

(3) The energy accounting, banking and settlement of energy generated, drawn and injected by a prosumer with connected load of and below 20 kW shall be done as below;

- (i) The distribution licensee, during a billing period shall extend the facility to the prosumer having connected load of and below 20 kW under net metering arrangements, to draw back from the grid, the electricity injected during a time block at a different time period without any restriction.
- (ii) In case the electricity supplied by the distribution licensee during any billing period exceeds the electricity injected in to the grid by the prosumer from his renewable energy system, the distribution licensee shall raise a bill for the net electricity consumption at the prevailing tariff, after adjusting any excess electricity banked from the previous billing period;
- (iii) In case the electricity injected by the prosumer's renewable energy system exceeds the electricity consumed from the

distribution licensee during the billing period, such excess energy shall be allowed to be banked and be carried forward to the next billing period as specified under Regulation 20(1) above.

- (4) Accounting and settlement of energy generated, drawn and injected by the prosumer having connected load above 20 kW;
 - (i) The electricity injected from the renewable energy system in a time period during a billing period shall be first set off against the electricity consumed during the same time period.
 - (ii) Any excess generation over consumption in that time period during the billing period shall thereafter be set-off against other time period, subject to the following.
 - (a) 80% of the net energy injected in time periods other than peak hours, be allowed to adjust against peak hour consumption.
 - (b) The net energy injected during peak hours shall be allowed to be adjusted 100% during the peak hour and the balance shall be allowed to be adjusted 120% during other time blocks.
 - (c) At all other time periods, except energy injection during peak hours, 100% of the net energy injected in any time periods will be allowed to adjust against the consumption, during the time period other than peak hours.
 - (iii) Any excess generation during a billing period, after adjusting against the consumption during the same billing period as per clause (i)&(ii) above shall be banked and carried forward, to the next billing period as specified under Regulation-20(1) above.
 - (iv) Such surplus energy carried forward to the next billing period after accounting for the banking charges specified therein shall be, accounted along with the renewable energy generation during the subsequent billing period, and the same shall be settled against the energy drawn in the subsequent billing period as per the procedures specified under clause (i) & (ii) above.
 - (v) If the electricity injected into the system by the prosumer as measured in the net meter, is less than the total electricity drawn from the licensee, during any billing period, the licensee shall recover from such prosumer, the electricity charges at the rates

applicable as per the tariff order issued by the Commission, for the net quantum of electricity drawn by him from the distribution system, after taking into account any balance electricity banked in the previous billing period.

(5) The licensee shall pay to the prosumer for the net electricity balance in his account at the end of the settlement period, at the Average Power Purchase Cost (APPC) approved by the Commission;

Provided that, in case of delay in payment of the net amount due to the prosumer beyond 30 days from the settlement date, the licensee shall pay interest to the prosumer at the FBIL rate +200 base points prevailing on 1st April of the settlement year.

(6) The prosumer is exempted from the payment of transmission charges, wheeling charges, cross subsidy surcharges for the electricity generated and consumed at the same premises from the renewable energy system under net metering facility.

(7) The quantum of electricity generated from the renewable energy system of the prosumer, shall qualify for accounting towards the Renewable Purchase Obligation (RPO) of the distribution licensee, as specified elsewhere in these Regulation.