KARNATAKA ELECTRICITY REGULATORY COMMISSION, BANGALORE

NOTIFICATION

No. S/03/1, Bangalore, dated 20\textsuperscript{th} December 2011

KERC (Procurement of Energy from Renewable Sources) (First Amendment) Regulations, 2011

Preamble

In exercise of powers conferred under Clause (e) of sub Section (1) of Section 86 read with Section 181 of the Electricity Act, 2003 (Central Act 36 of 2003) and all other powers enabling it in this behalf, the Karnataka Electricity Regulatory Commission had issued KERC (Procurement of Energy from Renewable Sources) Regulations, 2011 [herein called as Principal Regulations], vide Notification No. S/03/1 dated 16.03.2011, which has been published in the Gazette on 31.03.2011.

The Commission vide its notification dated 30.05.2011 proposed certain amendments to the principal Regulations and had invited comments/suggestions from interested person. Nineteen Persons submitted their written comments including the Government and the distribution licensees of the State. After conducting a public hearing on 23.08.2011 and duly considering the comments/suggestions, the Commission hereby makes the following amendments to the existing Regulations:

KERC (Procurement of Energy from Renewable Sources) (First Amendment) Regulations, 2011

1. **Short Title application and commencement.** -

(i) These Regulations shall be called the Karnataka Electricity Regulatory Commission (Procurement of Energy from Renewable Sources) (First Amendment) Regulations, 2011.

(ii) These Regulations shall extend to the whole of the State of Karnataka.

(iii) These Regulations shall come into force from the date of publication in the official gazette.

2. The existing clauses, sub-clauses and provisos as in column-2 of Table below shall be substituted by clauses, sub-clauses and provisos as in column-3:
<table>
<thead>
<tr>
<th>Column-1</th>
<th>Column-2</th>
<th>Column-3</th>
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<tbody>
<tr>
<td>Clause 3(ii)</td>
<td>Any other person consuming electricity generated from captive generating plant or plants, using other than renewable sources and having a total capacity exceeding 5 MW; and</td>
<td>Any other person consuming electricity generated from grid connected captive generating plant or plants, using other than renewable sources and having a total capacity exceeding 5 MW; and</td>
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<tr>
<td>Proviso to Clause 4(i)</td>
<td>Provided that, a distribution licensee may in case of non-availability of solar power generated in the State of Karnataka procure from other renewable sources of energy or REC to the extent of shortfall in its RPO in any year.</td>
<td>Deleted</td>
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<td>Clause 5</td>
<td>Renewable Energy Certificates (REC). – The distribution licensees, Captive Consumers and Open Access Consumers specified in Clause 3 above, may purchase REC to meet either partly or entirely the RPO specified at Clause 4 (i) above.</td>
<td>Renewable Energy Certificates (REC). – The distribution licensees, Captive Consumers and Open Access Consumers specified in Clause 3 above, may purchase REC to meet either partly or entirely the RPO specified at Clause 4 (i), 4(ii) and 4(iii) respectively. Provided that, the obligation of a distribution licensee to purchase electricity from solar energy may be fulfilled by purchase of solar REC’s only.</td>
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<td>Clause 7(c)</td>
<td>A Generating Company opting for REC Scheme shall sell the electricity generated by it to ESCOMs of the State at the pooled cost of power purchase as approved by the Commission for the previous year in its tariff orders escalated for inflation.</td>
<td>A Generating Company opting for REC Scheme shall sell the electricity generated by it to ESCOMs of the State at the pooled cost of power purchase of the State, as notified by the Commission from time to time. “Explanation.” for the purpose of these regulations ‘Pooled Cost of Purchase’ means the weighted average pooled price at which the State distribution licensees put together have purchased the electricity including cost of self generation, if any, in the previous year from all the energy suppliers long-term and short-term, but excluding those based on renewable energy sources, as the case may be;</td>
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</table>

Approved by the Commission

**Secretary**

Karnataka Electricity Regulatory Commission