

BEFORE THE KARNATAKA ELECTRICITY REGULATORY COMMISSION AT

BENGALURU

Order dated 3<sup>rd</sup> June, 2021

Present:

Shri Shambhu Dayal Meena	..	Chairman
Shri H.M. Manjunatha	..	Member
Shri. M.D. Ravi	..	Member

In the matter of:

Extension the Validity of Tariff Order dated 21<sup>st</sup> August, 2020 in respect of Waste to Energy Plants to be commissioned in the State of Karnataka.

ORDER

The Commission had passed an Order in the OP NO:20/2016 on 19.09.2016, fixing the tariff of Rs.7.08 per unit, in respect of the Waste to Energy Projects (WtE) to be commissioned in the State of Karnataka. The Commission has extended the validity of the said Order from time to time. In its Order dated 21.08.2020, the Commission had extended the validity of the said order upto 31.03.2021.

The Commission, taking note of the CREC Regulations and the latest parameters considering the present market rates, had issued a 'Discussion Paper' on 08.01.2021 proposing re-fixation of the tariff in respect of WtE projects to be commissioned after 1<sup>st</sup> of April, 2021 and had sought suggestions/comments/views from the stake holders,



thereon. In the Discussion paper the Commission has proposed generic tariff of Rs.5.62 per unit for all the WtE projects to be commissioned after 1<sup>st</sup> of April, 2021.

The Commission also held a Public Hearing on 22.03.2021 wherein the stakeholders requested the Commission to continue the existing Tariff of Rs.7.08 per Unit, for further period in view of the fact that even at the current rate of Rs.7.08 per unit no new WtE projects have come up in Karnataka.

During the public Hearing, the Commission had sought the justification/ documents in support of the current Capital Cost, for retaining the Tariff of Rs.7.08 per unit.

The Commission has re-examined the issue after obtaining the documents from the stakeholders and has observed that though a Tariff of Rs.7.08 per unit was fixed in the year 2016 and continued the same till 31.03.2021, no WtE project has come up in the State except the project taken up by KPCL and that any reduction in the existing Tariff, as proposed in the discussion paper may not attract any new investment /projects in the State of Karnataka.

Hence, in order to encourage establishment of new WtE projects in the State, the Commission hereby decides to retain the existing Tariff of Rs.7.08 per unit, for a further period of one-year w.e.f 01.04.2021 to 31.03.2022.



Hence, the following order:


**ORDER**

The validity of Commission's Order dated 21.08.2021, in the matter of extension of Generic Tariff determined vide its Order dated 19<sup>th</sup> September, 2016, applicable to all the Municipal Solid Waste based Power Plants/ projects in the State of Karnataka, is ordered to be extended for a further period of one year from 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022.

The parameters and the other contents of the Order dated 19<sup>th</sup> September, 2016 remain un-altered.

This order is signed and issued by the Karnataka Electricity Regulatory Commission at Bengaluru, this day, the 3<sup>rd</sup> of June, 2021.

  
(SHAMBHU DAYAL MEENA)  
CHAIRMAN  
31/6/2021

  
(H.M.MANJUNATHA)  
MEMBER 31/6/2021

  
(M.D. RAVI)  
MEMBER  
31/6/2021