

THE KARNATAKA ELECTRICITY REGULATORY COMMISSION, BENGALURU**Discussion Paper on Determination of Generic Tariff for Wind Power Projects for 2021-22****I. Preamble**

1. The Commission vide its Order dated 05.06.2018, mandated procurement of wind power by DISCOMs only through competitive e-reverse bidding, with the Generic Tariff determined by the Commission from time to time, as the ceiling price. As such the tariff of Rs.3.26 determined vide Order dated 27.02.2019 was prescribed as the ceiling tariff for the purpose of tariff based reverse bidding for wind power projects during FY20. The above tariff was also made applicable for payment towards any banked energy purchased by the Distribution Licensees and in such other cases, as specified in the relevant orders of the Commission.
2. The tariff determined in the Order dated 27.02.2019, was in force with effect from 1st April, 2019 to 31st March, 2020. Subsequently, vide order dated 06.05.2020, the Commission continued the above ceiling tariff for bidding purpose and for payment towards banked energy purchased by ESCOMs for the financial year 2020-21.
3. Thus, the validity of the above ceiling tariff is upto 31.03.2021 and therefore, there is a need for determining the ceiling tariff for FY22.
4. In this regard, the Commission notes that in the recent past, the wind tariff discovered under bidding is below Rs.3.00 per unit. The details obtained from SECI indicate the following price discovered during FY20:

Tranche VII: Rs. 2.79 to Rs.2.83 per unit
Tranche VIII: Rs. 2.83 to Rs.2.84 per unit
5. It is also noted that TNERC has approved Rs.2.91/unit as the tariff for procurement of wind power by the distribution licensee, which includes trading margin of 7 paise/unit.

6. In view of the above, the Commission hereby proposes a ceiling Tariff of Rs. 2.91/Unit for the wind energy that would be procured through bidding by the Distribution Licensee in the State for FY 22.

II. **Applicability of the proposed tariff:**

- a. The proposed tariff of Rs. 2.91/Unit, shall be the ceiling tariff for calling bids, if any, for procurement of wind power by distribution licensees in the State during the financial year 2021-22
- b. The proposed tariff shall also be applicable for payment towards any banked energy purchased by the Distribution Licensees [85% of the Generic tariff] and in such other cases as specified in the relevant orders of the Commission; and
- c. The proposed tariff shall be in force with effect from 1st April, 2021 and till 31st March, 2022.

III. The Commission, hereby, invites comments/ views/ suggestions from Stakeholders and interested persons on the above proposal, with a request to submit the objections/ comments/ suggestion to the Commission on or before 08.04.2021 to:

**The Secretary,
Karnataka Electricity Regulatory Commission
NO.16C-1, MILLERS TANK BED AREA, VASANTHA NAGAR,
BENGALURU- 560 052
E-mail:kerc-ka@nic.in**

Approved by the Commission


**SECRETARY
KERC**