

KARNATAKA ELECTRICITY REGULATORY COMMISSION
No. 16 C-1, Miller Tank Bed Area, Vasanthanagara, Bengaluru-560 052

Notification No. Y/01/22/1648, dated 29.03.2022

KERC (Procurement of Energy from Renewable Sources) (Eighth Amendment) Regulations, 2022

Preamble

1. In exercise of the 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 the other powers enabling it in this behalf, the Commission has notified the Karnataka Electricity Regulatory Commission (Procurement of Energy from Renewable Sources), Regulations, 2011, as amended from time to time. The Commission in the sixth amendment to the above Regulations has specified Renewable Purchase Obligation (RPO) trajectory till the year 2021-22. There is a need to specify the RPO trajectory for compliance by the distribution licensees and other obligated entities in the State for the period beyond 2021-22. Meanwhile, the Ministry of Power (MoP), the Government of India (GoI), has notified the trajectory for Hydro Power Purchase obligation (HPO), for the period from 2021-22 to 2029-30, which also needs to be included in the State Regulations.
2. Under the above circumstances, the Commission, hereby, proposes to amend the Regulations referred above, to modify and specify the RPO trajectory for the obligated entities in the State. As required under sub-section (3) of Section 181 of the Act, the draft of the proposed amendments is, hereby, notified for information of all the persons likely to be affected and Notice is hereby given that, the said draft will be taken into consideration for finalizing the amendments, after twenty-one days from the date of its publication in the Official Gazette. The stakeholders and interested persons may file their objections / suggestions / views on the proposed draft, within twenty-one days from the date of publication to:

**The Secretary,
Karnataka Electricity Regulatory Commission,
No. 16, C-1, Millers Tank Bed Area, Vasanthanagar,
BENGALURU - 560 001.**

Draft Regulations

1. Short Title, Application and Commencement, -

(i) These Regulations shall be called the Karnataka Electricity Regulatory Commission (Procurement of Energy from Renewable Sources) (Eighth Amendment) Regulations, 2022.

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

(iii) These Regulations shall come into force from 01.04.2022

2. In the Karnataka Electricity Regulatory Commission (Procurement of Energy from Renewable Sources), 2011, in Regulation 4, Clauses 4(i), 4(ii) and 4(iii) as at column (1) of the Table below, shall be substituted as indicated in column (2) and new Clause 4 (iv) shall be inserted, namely, -

1 Existing Regulations	2 Amended Regulations																																																																																																																																																																			
<p>4(i) Every Distribution Licensee shall purchase a minimum quantity of electricity from renewable sources of energy, expressed as a percentage of its total procurement, excluding the procurement from hydro power during a financial year, as specified below:</p> <p>(a) Non-Solar RPO</p> <table border="1"> <thead> <tr> <th rowspan="2">Non-Solar RPO</th> <th colspan="4">Year wise</th> </tr> <tr> <th>2015-16</th> <th>2016-17</th> <th>2017-18</th> <th>2018-19</th> </tr> </thead> <tbody> <tr> <td>DISTRIBUTION LICENSEE</td> <td>10%</td> <td>11%</td> <td>12.00%</td> <td>12.00%</td> </tr> <tr> <td>MESCOM</td> <td>10%</td> <td>11%</td> <td>12.00%</td> <td>12.00%</td> </tr> <tr> <td>MESCOM</td> <td>10%</td> <td>11%</td> <td>12.00%</td> <td>12.00%</td> </tr> <tr> <td>CESC</td> <td>10%</td> <td>11%</td> <td>11.00%</td> <td>12.00%</td> </tr> <tr> <td>MESCOM</td> <td>7%</td> <td>7.5%</td> <td>8.50%</td> <td>9.50%</td> </tr> <tr> <td>GESCOM</td> <td>5.0%</td> <td>5.50%</td> <td>6.00%</td> <td>7.00%</td> </tr> <tr> <td>MRECS</td> <td>7%</td> <td>7.5%</td> <td>8.50%</td> <td>9.50%</td> </tr> <tr> <td>DEEMED LICENSEE(s)</td> <td colspan="4">RPO target shall be same as that of the ESCOM where the deemed Licensee(s) is situated.</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>DISTRIBUTION LICENSEE</th> <th>2019-20</th> <th>2020-21</th> <th>2021-22</th> <th rowspan="7">To be determined</th> </tr> </thead> <tbody> <tr> <td>MESCOM</td> <td>12.00%</td> <td>12.00%</td> <td>12.00%</td> </tr> <tr> <td>MESCOM</td> <td>13.00%</td> <td>13.00%</td> <td>13.00%</td> </tr> <tr> <td>CESC</td> <td>12.00%</td> <td>12.00%</td> <td>12.00%</td> </tr> <tr> <td>MESCOM</td> <td>11.00%</td> <td>11.00%</td> <td>11.00%</td> </tr> <tr> <td>GESCOM</td> <td>8.00%</td> <td>8.00%</td> <td>8.00%</td> </tr> <tr> <td>MRECS</td> <td>11.00%</td> <td>11.00%</td> <td>11.00%</td> </tr> <tr> <td>DEEMED LICENSEE(s)</td> <td colspan="3">RPO target shall be same as that of the ESCOM where the deemed Licensee(s) is situated.</td> </tr> </tbody> </table>	Non-Solar RPO	Year wise				2015-16	2016-17	2017-18	2018-19	DISTRIBUTION LICENSEE	10%	11%	12.00%	12.00%	MESCOM	10%	11%	12.00%	12.00%	MESCOM	10%	11%	12.00%	12.00%	CESC	10%	11%	11.00%	12.00%	MESCOM	7%	7.5%	8.50%	9.50%	GESCOM	5.0%	5.50%	6.00%	7.00%	MRECS	7%	7.5%	8.50%	9.50%	DEEMED LICENSEE(s)	RPO target shall be same as that of the ESCOM where the deemed Licensee(s) is situated.				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(b) Solar RPO

DISTRIBUTION LICENSEE	Year wise			
	2015-16	2016-17	2017-18	2018-19
BESCOM	0.25%	0.75%	2.75%	6.00%
MESCOM	0.25%	0.75%	2.75%	6.00%
CESC	0.25%	0.75%	2.75%	6.00%
HESCOM	0.25%	0.75%	2.75%	6.00%
GESCOM	0.25%	0.75%	2.75%	6.00%
HRECS	0.25%	0.75%	2.75%	6.00%
DEEMED LICENSEE(s)	0%	0.75%	2.75%	6.00%

DISTRIBUTION LICENSEE	2019-20	2020-21	2021-22	2022-23 and onwards
BESCOM	7.25%	8.50%	10.50%	To be determined
MESCOM	7.25%	8.50%	10.50%	
CESC	7.25%	8.50%	10.50%	
HESCOM	7.25%	8.50%	10.50%	
GESCOM	7.25%	8.50%	10.50%	
HRECS	7.25%	8.50%	10.50%	
DEEMED LICENSEE(s)	RPO target shall be same as that of the ESCOM where the deemed Licensee(s) is situated.			

Provided that, the HRECS and deemed Licensee(s), procuring bulk power, partly or wholly, from the ESCOM(s), shall be deemed to have complied with the RPO to the extent of such procurement from the ESCOM(s) if, such ESCOM(s) has/have complied with the RPO. In such cases, the concerned ESCOM(s) shall submit a copy of the quarterly RPO compliance report to the HRECS or such deemed licensee(s), as the case may be.

ESCOMs	BESCOM	MESCOM	CESC	HESCOM	GESCOM	HRECS
2011-12	14%	16%	12%	13%	11%	13%
2012-13	16%	17%	12.5%	14%	12%	14%
2013-14	17%	18%	13%	16.5%	16%	16.5%
2014-15	19%	21%	13.5%	17.5%	17%	17.5%
2015-16	21%	23%	14%	19.5%	19%	19.5%
2016-17	23%	25%	15%	21.5%	21%	21.5%
2017-18	24%	26%	16%	22.5%	23%	22.5%
2018-19	26%	28%	17%	24.5%	24.5%	24.5%
DEEMED LICENSEE(s)	RPO target shall be same as that of the ESCOM where the deemed Licensee(s) is situated.					

(b) Solar RPO

DISTRIBUTION LICENSEE	Year wise			
	2015-16	2016-17	2017-18	2018-19
BESCOM	0.25%	0.75%	2.75%	6.00%
MESCOM	0.25%	0.75%	2.75%	6.00%
CESC	0.25%	0.75%	2.75%	6.00%
HESCOM	0.25%	0.75%	2.75%	6.00%
GESCOM	0.25%	0.75%	2.75%	6.00%
HRECS	0.25%	0.75%	2.75%	6.00%
DEEMED LICENSEE(s)	0%	0.75%	2.75%	6.00%

DISTRIBUTION LICENSEE	2019-20	2020-21	2021-22
BESCOM	7.25%	8.50%	10.50%
MESCOM	7.25%	8.50%	10.50%
CESC	7.25%	8.50%	10.50%
HESCOM	7.25%	8.50%	10.50%
GESCOM	7.25%	8.50%	10.50%
HRECS	7.25%	8.50%	10.50%
DEEMED LICENSEE(s)	RPO target shall be same as that of the ESCOM where the deemed Licensee(s) is situated.		

ESCOMs	BESCOM	MESCOM	CESC	HESCOM	GESCOM	HRECS
2012-13	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%
2013-14	12.50%	12.50%	12.50%	12.50%	12.50%	12.50%
2014-15	13.50%	13.50%	13.50%	13.50%	13.50%	13.50%
2015-16	14.50%	14.50%	14.50%	14.50%	14.50%	14.50%
2016-17	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%
2017-18	16.50%	16.50%	16.50%	16.50%	16.50%	16.50%
2018-19	17.50%	17.50%	17.50%	17.50%	17.50%	17.50%
2019-20	19.00%	19.00%	19.00%	19.00%	19.00%	19.00%
DEEMED LICENSEE(s)	RPO target shall be same as that of the ESCOM where the deemed Licensee(s) is situated.					

Provided that, the HRECS and deemed Licensee(s), procuring bulk power, partly or wholly, from the ESCOM(s), shall be deemed to have complied with the RPO to the extent of such procurement from the ESCOM(s) if, such ESCOM(s) has/have complied with the RPO. In such cases, the concerned ESCOM(s) shall submit a copy of the quarterly RPO compliance report to the HRECS or such deemed licensee(s), as the case may be.

Provided further that, the HRECS and the deemed Licensee(s), procuring bulk power, partly or wholly, from the ESCOM(s) shall be deemed to have not complied with the RPO to the extent of such procurement from the ESCOM(s) if, such ESCOM(s) have not complied with the RPO. In such cases, the onus of meeting the RPO shall be that of the HRECS or such deemed licensee(s), as the case may be.

Provided also that, any distribution licensee failing to achieve the specified Non-Solar RPO or any part thereof, for the relevant year, within the time specified but, having achieved compliance of such Non-solar RPO to the extent of 85%, shall be permitted to meet the shortfall by excess Solar energy or Solar RECs purchased beyond the specified Solar RPO for that relevant year.

Provided also that, any distribution licensee failing to achieve the specified Solar RPO or any part thereof, for the relevant year, within the time specified but, having achieved compliance of such solar RPO to the extent of 85%, shall be permitted to meet the shortfall by excess Non-Solar energy or Non-Solar RECs purchased beyond the specified Non-Solar RPO for that relevant year.

Explanation:

The exclusion of hydro power from the total procurement of energy shall be applicable from the year 2017-18 and onwards and such hydro power, shall not include energy procured from Mini-Hydel sources.

Provided further that, the HRECS and the deemed Licensee(s), procuring bulk power, partly or wholly, from the ESCOM(s) shall be deemed to have not complied with the RPO to the extent of such procurement from the ESCOM(s) if, such ESCOM(s) have not complied with the RPO. In such cases, the onus of meeting the RPO shall be that of the HRECS or such deemed licensee(s), as the case may be.

Provided also that, any distribution licensee failing to achieve the specified Non-Solar RPO or any part thereof, for the relevant year, within the time specified but, having achieved compliance of such Non-solar RPO to the extent of 85%, shall be permitted to meet the shortfall by excess Solar or Hydro energy or Solar or Hydro RECs purchased beyond the specified Solar RPO or HPO for that relevant year.

Provided also that, any distribution licensee failing to achieve the specified Solar RPO or any part thereof, for the relevant year, within the time specified but, having achieved compliance of such solar RPO to the extent of 85%, shall be permitted to meet the shortfall by excess Non-Solar or Hydro energy or Non-Solar or Hydro RECs purchased beyond the specified Non-Solar RPO or HPO for that relevant year.

Explanation:

The exclusion of hydro power from the total procurement of energy shall be applicable from the year 2017-18 and onwards and such hydro power, shall not include energy procured from Mini-Hydel sources.