

Karnataka RE Policy - 2014

HIGHLIGHTS

Nodal Agency	Karnataka Renewable Energy Development Ltd (KREDL)							
Applicable Technologies	Biomass & bagasse co-generation, small hydro, mini grids, wind power, MSW, and hybrid projects							
Policy Period	2014-2020							
Targets under Policy	Source	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	Total
	Wind (MW)	350	400	425	450	475	500	2600
	Mini, Micro, Small Hydro (MW)	50	100	100	100	125	125	600
	Biomass, cogeneration, and MSW (MW)	35	65	75	75	75	75	400
	Total (MW)	435	565	600	625	675	700	3600
Incentive Amount	Government of India incentives shall be extended to the project developers							
Eligibility Conditions	All wind, small hydro, biomass, co-generation and MSW projects in the state							
Security Deposit for Biomass, Co-gen & MSW	Bank guarantee @Rs.1 Lakh per MW							
Policy Evaluation	Govt. will undertake evaluation in 2017							
Evacuation Arrangement	Not mentioned							

OTHER PROVISIONS

This policy encourages decentralized generation and distribution of energy where grid is inaccessible, and pilots and demonstration projects of

various technologies like waste-to-energy, hybrid technology projects etc.

<p>Wheeling and banking arrangements</p>	<p>Wheeling to the desired location(s) within the state, and banking of such energy, shall be on such terms and payment of relevant charges as determined by KERC.</p>
<p>Metering of electricity</p>	<p>Metering will be as per CEA (installation and operation of meters) Regulations, 2006 and amendments.</p> <p>Developers will have to install Remote Transmitting Unit (RTU) for transferring real time data to SLDC for monitoring purposes. Electricity generated from such projects, shall be metered, and readings taken jointly by Power Project Developer with transmission company/ESCOMs at the metering point, on a monthly basis.</p>
<p>Additional focus areas forgovt.</p>	<p>Encouraging re-powering of wind projects.</p> <p>Setting up “Biomass parks” of Biomass, bagasse based co-generation projects, in rural areas to supply fuel, and encourage biomass fuel plantation in dedicated village zones identified by the gram panchayats.</p> <p>KREDL will seek support from CSTEP to undertake wind resource mapping using GIS. A separate dedicated cell will identify potential sites, watershed basin-wise, including canal-based projects, and offer them for development of small hydro projects. Potential assessment study will also be conducted for biomass resources.</p>

**Policy Initiatives
under consideration**

Akshaya Shakthi Nidhi (Green Energy Fund) Green Energy cess of Re.0.05 per unit would be levied on the electricity supplied to commercial and industrial consumers.

- 90% of the funds will be for RE project financing.

Land

- A separate dedicated cell with staff drawn from revenue department shall be created to ensure creation of Government land banks for development of RE projects.
- The government shall develop barren land as per Karnataka Industrial Policy. 10% of such land will be earmarked for KREDL for developing the land to set up RE power projects.

Allotment and Clearances

- Time bound clearance for evacuation approval from KPTCL. Reduction of supervision charges by KPTCL /ESCOMs to 5%.
- All projects allotted 10 years before the announcement of this policy and have failed to show any satisfactory progress, shall be deemed as cancelled.

Hybrid and Distributed Generation Projects

- State govt. shall promote large scale hybrid (wind-solar, biomass solar) projects.
- Similar small-scale hybrid projects shall be promoted in remote villages in the state where the grid is inaccessible.
- For biomass projects up to 2 MW, ESCOM's shall facilitate grid connectivity for such small power producers at 11 kV and work for grid availability, especially in rural areas

Biomass resource specific

- The state govt. contemplates licensing/registration of biomass material trading/trader to bring in consolidation of biomass trading as well as help organize the process effectively.
- The state government would also ensure viability of biomass prices and would register all the biomass planters and traders.

Waste to Energy Projects

- The state govt. intends to undertake, through KREDL, a pilot project on MSW to energy. The pilot will be undertaken on a small scale to establish viability.
- BBMP/local body responsible along with KREDL will identify land and design the framework for executing the project.

Support for R&D Institutes

The state govt. shall facilitate indigenous R&D for new and emerging renewable technologies and improvement of available technologies. Time-bound specific tasks for identified R&D activities shall be assigned to recognized/identified institutions and industry with clear understanding on achievement of results.

Fiscal incentives by MNRE & the Govt. of Karnataka	<ul style="list-style-type: none"> • MNRE fiscal and financial incentives include concessions such as Central Financial Assistance, concessional custom duty on specified items, excise duty exemption, sales tax exemption, tax holidays etc. Same shall be extended to developers. • Projects implemented under this policy shall receive the status of ‘industry’ and shall be eligible for all the incentives provided under “Karnataka Industrial Policy 2014” as amended from time to time. • Tax concessions in respect of entry tax, stamp duty and registration charges shall be as per Karnataka Industrial Policy as amended from time to time. • Reduction in contract demand shall be allowed pro-rata on a permanent basis subject to decision of KERC. · No green energy cess is applicable.
Links	http://kredlinfo.in/
References	http://kredlinfo.in/Policy/RE%20Policy%202014-20.pdf