

KARNATAKA ELECTRICITY REGULATORY COMMISSION

(Determination of Wheeling and Banking Charges in respect of Renewable Sources of Energy)

Order dated 4th July 2014

| Sl. No. | Description | Summary |
|---------|---------------------------|---|
| 1. | Preamble | <p>(i) The Commission had determined vide orders dated 9th June 2005, wheeling charges for RE sources as 5%, and banking charges (banking charges only for Wind and mini Hydel projects) at 2% of the energy injected subject to payment of the difference of unscheduled interchange (UI) charges between the time of injection and the time of drawl of power.</p> <p>(ii) The Commission vide its order dated 11-7-2008 continued the same rates for RE projects commissioned between 11-07-2008 and 10-07-2013.</p> <p>(iii) The same rates were made applicable for 10 years from the date of their commercial operation.</p> <p>(iv) The Commission on 20-06-2013 issued a discussion paper on above charges and after hearing the stakeholders passed orders dated 9th October 2013 and decided as under:</p> <p>(a) Wheeling and Banking Charges as decided in orders dated 9-6-2005 and 6-5-2013 shall continue upto 31-3-14 in respect of RE generators except captive generators opting for participation in the REC mechanism.</p> <p>(b) Captive generators who desire to avail the benefit of REC mechanism shall be entitled to exercise an option to that effect after which they shall be liable to pay normal transmission, wheeling and other charges as per the tariff order in force. They shall be allowed banking facility on a monthly basis. The excess energy injected at the end of each month shall be deemed to have been purchased by the Distribution Licensee of the area where the generator is situated and shall be paid for at the APPC rate determined by the Commission from time to time.</p> <p>(c) The validity of these orders was extended upto 30-06-2014 or the date of issue of a revised order whichever is earlier.</p> <p>(d) Based on the above the Commission issued a discussion paper on Wheeling and Banking charges.</p> |
| 2 | Commission's Order | <p>For the reasons stated above and in exercise of the powers conferred under clause 11 of KERC (Terms and Conditions for Open Access) Regulations 2004, as amended from time to time and all other powers enabling in this behalf, it is ordered as follows:</p> <p>(i) The Wheeling charges shall be 5% of the injected energy for Wind, mini-Hydel, Bagasse based co-generation plants and Biomass based projects;</p> <p>(ii) The banking charges shall be 2% of the injected energy and shall be applicable for Wind and mini-Hydel projects only;</p> <p>(iii) The annual banking facility is continued for non-REC Wind, mini Hydel and Solar energy projects and henceforth the banked energy unutilized at the end of the wind year, water year or financial year, as the case may be shall be deemed to have been purchased by the Distribution Licensee of the area where the generator is located and shall be paid for at 85% of the generic tariff determined by the Commission in this latest orders in case of Wind, mini-Hydel and Solar projects.</p> <p>(iv) These charges shall be applicable for the above mentioned renewable energy projects wheeling energy to consumers within the State of Karnataka and commissioned on or before 31-3-2018 and shall be valid for a period of 10 years from the date of commissioning of the project or units;</p> <p>(v) For REC route captive power plants, the wheeling and banking charges as specified in the order dated 09-10-2013 shall continue.</p> |