

**Government of Karnataka
Energy Department
Karnataka Renewable Energy Development Limited, Bangalore**

**Draft Karnataka Renewable Energy Policy 2014-2020.
(Wind, Small Hydro, Biomass, Cogeneration and MSW)**

Preamble

Karnataka is blessed with ample renewable energy resources of all forms including wind, solar, small hydro, biomass and cogeneration. The State has an installed renewable energy capacity of 4386 MW at the end of FY 2013-14. Considering all the above mentioned sources it is anticipated that the State has the potential to generate an estimated capacity of 30,000 MW. Technological advances and increasing efficiencies brought in wind and solar sectors, the potential for development is significantly higher than the projected capacity.

The energy demand in the State grew at a higher Compound Annual Growth Rate (CAGR) than the supply resulting in a deficit of energy during 2006 - 14. Similarly the peak load of the State during 2013-14 was higher than that was met resulting in peak demand & supply mismatch. At present, there has been an increased dependence on high cost short term power by the ESCOM's to meet the energy requirement.

In this context, Government of Karnataka recognizing the need for long term energy security and considering the scenario of volatile fossil fuel costs, global warming & climate change has been promoting renewable power generation in the State through its nodal agency KREDL. Government of Karnataka issued "The Karnataka Renewable Energy Policy 2009-14" to promote and to harness the renewable potential in the State. **The policy initiatives have enabled capacity addition of 2104 MW during the 5 years of the policy period.**

Considering the huge renewable energy potential yet to be tapped, the State can accomplish more substantial achievement to make it the leading renewable energy State in the Country. The State wishes to put due emphasis on accelerating the growth of renewable energy sector in future. As an initiative the State has issued "Solar policy 2014-2021" which sets aggressive solar capacity addition targets in the State during the coming years. GoK has now decided to pronounce a new Renewable Energy Policy for the other renewable sources to accelerate capacity addition and to achieve energy security and sustainability in the State.

RESOLUTION:

1. Title:

This policy shall be known as the “Karnataka Renewable Energy Policy 2014-20” (Wind, Small Hydro, Biomass, Cogeneration and Municipal Solid Waste).

2. Nodal Agency:

KREDL shall be the nodal agency for implementation of the new Renewable Energy Policy.

3. Operative Period:

This policy will come into force with effect from the date of issue of Government Order and shall remain in operation for a period of Six years, which will be the operative period of the policy.

However in order to bring in course corrections and also evaluate the impact of policy, Government of Karnataka will undertake an evaluation of the policy in the year 2017. The evaluation will assess the impact of the policy on the sector and the achievements against the growth targets and in case of a requirement, issue amendments to the policy with the required changes.

4. Objectives

- Achieve a minimum capacity addition 3600 MW by 2020 in a phased manner.
- Provision of “single window” for clearances, approvals and technical consultation
- To translate Karnataka in to an investor friendly State.
- Encourage decentralized generation & distribution of energy where grid is inaccessible.
- Promote R&D and innovations, skill development in the sector.
- Take up pilots and demonstration projects to establish cost effectiveness, viability and reliability of various technologies like Waste-to-Energy, Hybrid technology projects etc.,

5. Capacity addition targets

The State of Karnataka will remain a pioneer in the area of renewable energy development in the country. As a part of its endeavor to be on par with the renewable energy obligations set by the National Action Plan for Climate Change and maximize the potential from the renewable energy sources, Government of Karnataka intends to realize a minimum capacity addition of 3600 MW during the policy period in a phased manner from various technologies. The proposed year-wise targets are as given below:

RE Source	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	Total
Wind Power	350	400	425	450	475	500	2600
Mini, Micro & Small Hydro	50	100	100	100	125	125	600
Biomass, Cogeneration and MSW	35	65	75	75	75	75	400
Total	435	565	600	625	675	700	3600

The Government of Karnataka, in order to meet the target capacity additions during the operative Period would encourage setting up of projects under any of the following categories

- Feed-in-Tariff based or Competitive Bidding based projects
- Projects under Captive/Group Captive and Independent Power Producer mechanism
- Projects under REC mechanism

6. Eligibility

All Wind, Small Hydro, Biomass, Cogeneration and Municipal Solid Waste Management projects established in the State of Karnataka during the Operative period shall be eligible for benefits under this policy.

7. Regulatory Frame Work.

The Electricity Act 2003 mandates Karnataka Electricity Regulatory Commission to determine tariffs for renewable energy, to issue regulations regarding percentage of renewable purchase obligation to ESCOMs and determine charges with respect to wheeling, banking and cross subsidy charges. Conditions for getting accreditation to avail Renewable Energy Certificates shall be governed by CERC and KERC regulations.

Orders / regulations or any other dispensation issued by the State Commission from time to time shall be applicable to the provisions of this policy including the Acts passed by GoI. In case of any discrepancy between the provisions of this policy, orders/ regulations issued by KERC will prevail.

8. Governance & Institutional Structure for implementation of RE projects

A High Level Committee for Renewable Energy (HLC-RE) with Chief Secretary, GoK as Chairman. will be constituted by the GoK under this policy in order to fast track implementation of renewable energy projects and thus capacity addition in the State.

8.1 HIGH LEVEL COMMITTEE FOR RENEWABLE ENERGY (HLC-RE)

The HLC-RE in the state will comprise of the following members.

- Chief Secretary, GoK- Chairman
- Additional Chief Secretary/Principle Secretary, Energy Department- Member
- Principal Secretary, Finance Department-Member
- Principal Secretary, Revenue Department-Member
- Principal Secretary, Irrigation Department-Member
- Principal Secretary, Industries Department-Member
- Principal Secretary, Forest Department-Member
- Managing Director, KPTCL-Member
- Managing Director, concerned ESCOM-Member
- Managing Director, KREDL- Convenor & Member

The committee will review the issues relating to the statutory clearances of various departments. **The clearances / approvals which are not accorded within the specified time period will be dealt by the HLC-RE.** Inter departmental co-ordination will be strengthened to achieve faster clearances.

The HLPAC-RE shall meet once in every three months during the financial year. The implementation of the RE projects will be monitored by the Energy Department to ensure timely commissioning of the projects.

In addition to above, depending upon the need KREDL could invite RE technology (Wind, Small Hydro, Biomass, Co-gen, MSW) specific representation through RE associations/developers and academic experts to discuss specific issues.

The Allotment Committee for RE projects shall meet once in every three months. KREDL will examine and submit proposals with relevant details to Allotment Committee along with its recommendations. The developer will approach different departments for clearance/approvals after the issue of allotment Government Order. The developer may also forward the applications to the relevant departments through KREDL. The concerned department will convey the approval/clearance/observation or comments if any within a stipulated time period of 45 days.

KREDL shall submit a report to the HLC-RE seven days in advance to the meeting for its review and deliberations. The said report shall cover Note on project clearance issues to be resolved during inter-departmental meeting.

KREDL as a State Nodal Agency shall carry out the following functions:

- a) Preparation of guidelines for allocation and implementation of RE Projects.
- b) Act upon the guidelines of Allotment Committee and in accordance with this policy provisions.
- c) Verification and Recommendation of proposal to Allotment Committee.
- d) Act as a facilitator to obtain all statutory clearances.

- e) Resolution of policy level issues for accelerating deployment of various RE technologies.
- f) Monitoring the progress of project implementation.
- g) Recommendation to GoK for cancellation of RE projects upon non-implementation within the stipulated period.
- h) Recommendation for Re-allocation of cancelled projects.
- i) KREDL shall act as a single window agency for implementation of RE Projects.
- j) KREDL shall be strengthened suitably with necessary manpower and resources for successful implementation within 6 months from notification of this policy.

9. Procedure for Application and Allotment:

Common for all RE Projects

- a) The applicant shall furnish the details as per the prescribed application form along with required documents by paying application fee as prescribed by the GoK from time to time.
- b) The net worth of the company shall be at least 30% of the total project cost and the format should be as per **Government order No: EN 240 NCE 2011 dated 30-05-2011** or as amended by the GoK from time to time.
- c) The capital cost per MW considered by KERC and revised from time to time in the respective tariff orders for Wind, Small Hydro, Biomass and Cogeneration projects can be used as reference for estimating the net worth requirements. However, in case of Cogeneration Projects Sugar factory cost to be excluded and only Cogeneration Power Project cost to be considered.
- d) The developer has to identify the site area. The details of the land required for the proposed project, such as break up of Private/Revenue/Forest land along with tentative Survey Nos, RTC's and extent of land shall be marked in a Topo sheet and furnished.

Wind

- a) Proposal containing the preliminary details required for the implementation of the project shall be furnished.
- b) If the Allotment Committee approves the proposal, a facilitation letter valid for a period of 2 years will be issued by the Government to the developer to study the wind potential, preparation & submission of the Detailed Project Report.
- c) Government order for Allotment will be issued only after submission of Detailed Project Report and payment of prescribed processing fee as notified by GoK from time to time. If the developer fails to submit Detailed Project Report by the end of 2 years, the allotment is deemed to be rejected.
- d) The allottee will execute an Implementation Agreement within 45 days from the date of Government Order with KREDL.
- e) One time Capacity enhancement is allowed on the first proposal.

Small Hydro

- a) A Pre-Feasibility Report/Detailed Project Report as applicable containing the preliminary details required for the implementation of the project shall be furnished along with the Application.
- b) The Developer shall take the following into consideration before applying:
 - Water Discharge, levels, Head, location of Weir, Power House details shall be provided in the PFR/DPR.
 - The PFR/DPR shall be prepared considering the fact that the release of water shall be strictly as per irrigation/domestic demands and the generation will have to be synchronized with these releases.
 - Irrigation Department reserves the right to decide the water release schedule and modify it from time to time as per the requirements. Irrigation Department shall make efforts to release maximum volume of water in such a manner that it can be used for generation of electricity at desired time. However, the decision of Irrigation/Small Irrigation Department in this regard shall be final and binding.
 - The developer is required to submit a No Objection Certificate from KPCL and Forest Department.
- c) In case of submission of PFR, if the Allotment Committee approves the proposal, a facilitation letter valid for one year will be issued to the developer to prepare the DPR. After submission of the Detailed Project Report along with the prescribed DPR processing fees to KREDL, Allotment GO will be issued.
- d) The allottee has to execute an Agreement within 45 days from the date of Government Order with KREDL.

Biomass, Cogen and MSW

- a) The developer shall submit Detailed Project Report along with prescribed application and processing fee (Processing fee is not applicable for Cogen Power Projects as per the prevailing GO).
- b) In case of Biomass, Cogeneration or MSW power projects, the Developer shall take the following into consideration before applying.
 - In case of Biomass or Cogeneration projects the technology proposed, the fuel availability and catchment area for fuel shall be provided. The raw materials available in the radius of 40kms surroundings will be taken in to consideration for allotment of the Biomass Power Projects to avoid the overlapping of the other projects.
 - Applications in respect of Cogeneration will be considered only after Sugar Cane allotment from the Department of Industries and Commerce, GoK.

- Applications in respect of MSW Projects will be considered only after allotment of Municipal Solid Waste from the concerned local bodies, details of waste storage shall be furnished along with the initial consent from Pollution Control Board.
- c) After verifying the proposal, KREDL will recommend to GoK for issuing NOC.
 - d) Apart from this, the details of the availability of Municipal Solid Waste in each Taluk will be published / uploaded in KREDL web site after the detailed study and with authenticated input from the local governing bodies/authorities including the Municipal Authorities to ensure decentralized energy generation in each Taluk place. This will also help in minimizing MSW transportation and the eradication of the Epidemics.
 - e) The availability of Biomass in each village in each season with its type, quantity and calorific values will also be published / uploaded in KREDL website after the detailed study with authenticated input from the local governing bodies / authorities including the Agriculture Department to ensure decentralized energy generation and to increase the economic activities / GDP of Rural Karnataka while creating lot of rural job opportunities.

10. Timelines for Implementation:

Wind Power Projects

Total time period required for implementation of the project is 5 years 6 months from the date of issue of Allotment GO.

Stage 1: Two years for data collection and submission of DPR with enhancement if any.

Stage 2: One year three months for obtaining all statutory clearances.

Stage 3: Three months for technical clearance.

Stage 4: Two years for completion and commissioning of the project.

Small Hydro Power Projects:

Total time period required for implementation of the project is 5 years from the date of issue of Allotment GO.

Stage 1: One year for preparation and submission of DPR with enhancement if any.

Stage 2: One year for obtaining all statutory clearances.

Stage 3: Three months for technical clearance.

Stage 4: Two years nine months for completion and commissioning of the project.

Biomass, Cogeneration and MSW Projects:

After issuance of NOC total time period for implementation of the project is 24 months.

Security Deposit or Performance Guarantee:

The Developer shall provide Security Deposit in the form of Bank Guarantee @ Rs 1 Lakh per MW or as per the prevailing Government order payable to KREDL based on allotted capacity within 45 days of Allotment GO or before the signing of agreement, whichever is earlier.

The project must be commissioned within the timelines mentioned in this policy.

In order to encourage Biomass and MSW projects, the performance guarantee clause is waived off as in Co-gen Power Projects.

11. Time Extension

Time extension may be recommended by the Nodal Agency to the Government if and only if the delays are due to reasons beyond the Developer's control. The Developer must approach the agency atleast 6 months before the scheduled commissioning date with the application for seeking extension with valid justification.

In case of delay in achieving CoD, the Nodal Agency may recommend to GoK to allow one-time extension along with payment of prescribed fee, provided the Developer is able to show adequate proof for the delay being beyond the control of the Developer.

In case the Developer fails to Commission the Project or approach the Nodal Agency seeking time extension within the stipulated period, KREDL will recommend the proposal to GoK for cancellation duly forfeiting the Performance Guarantee.

Progress Reports:

The Developer shall submit quarterly progress reports of the project related to approvals from other concerned departments, Power Purchase Agreement, financial closure and construction from the date of issue of Government Order.

12. a) Power Purchase Agreement

The Government will assign the PPA to the jurisdictional ESCOM at the time of allotment. The sale of electricity by independent power producer will be governed by the power purchase agreements executed between the sellers and purchasers and approved by the KERC.

12. b) Wheeling & Banking Agreement

The wheeling of electricity generated from the renewable sources mentioned in this policy, to the desired location(s) within the State and banking of such energy, shall be allowed on such terms and on payment of relevant charges as determined by KERC from time to time.

13. Land

- a) The land required for setting up of projects shall be acquired by the Developer.
- b) If the required land is private land, Developer has to acquire the same directly from land owners by any mode of transfer. If it is on lease, the minimum period of lease shall be 30 years.
- c) If the required land belongs to Government, the Developer shall approach concerned Department, i.e., Revenue/Forest or irrigation Department, as the case may be for obtaining the land on lease basis in favour of the company, as per the circular No: **RD 78 LPG 2009 dated 4.1.2011** and subsequent orders of Revenue Department. Revenue Department will directly lease the land to the company for a period of 30 years. At the end of 30 years the lease shall be extended for 5 years at a time, subject to condition stipulated by Government.
- d) In case, the land belongs to Forest Department, Forest Department should issue facilitation letter as per the standard draft approved by MOEF, GOI, New Delhi vide letter No: **F. No: 11-113/2008 FC dated 30.12.2008** and subsequent orders.
- e) No projects will be entertained in the regions categorized as ecologically sensitive by the State.
- f) Shifting/Change of locations for allotted Wind/Small Hydro/ Biomass/Co-gen/MSW Projects is not permitted. The developer has to apply afresh for seeking allotment in the new location.
- g) The concerned Government departments shall make land available including waste land for developing Renewable Energy projects. KREDL shall explore feasibility of those sites for any probable RE development, which forms the land bank for respective RE technology.
- h) The Municipal Bodies will identify and reserve the land for waste to energy projects. On feasibility check by KREDL or any third party authorized agency, the identified land will be acquired through the Karnataka Industrial Area Development Board (KIADB), under the provisions of the Karnataka Industrial Policy and the same is made available to KREDL.

14. Metering of Electricity:

The metering will be done as per Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006 and amendments issued from time to time.

The Project developers will have to install Remote Transmitting Unit (RTU) for transferring real time data to SLDC for its monitoring purpose. The electricity generated from the projects, shall be metered and readings taken jointly by Power Project Developer with transmission company/ESCOs at the metering point, on a monthly basis.

15. Reactive Power Charges:

The drawl of reactive power shall be charged as per the KERC order, as amended from time to time.

16. Government of India incentives:

MNRE, Govt. of India provides a package of fiscal and financial incentives which include concessions such as Central Financial Assistance, concessional custom duty on specified items, excise duty exemption, sales tax exemption, tax holidays etc. The same shall be extended to the project developers.

17. Additional focus areas for the Government include:

Encouraging repowering of wind projects:

- In order to maximize the tapping of energy from the existing projects, Government encourages repowering of wind projects.
- Projects commissioned with lower capacity Wind Turbines are eligible for repowering under this policy. The excess capacity can be considered to get the benefits at the prevailing tariff.

Biomass, Bagasse based cogeneration Projects:

- The State government shall address the issues of non availability of biomass fuel for power generation.
- GoK considers setting up “Biomass Parks” in rural areas of the State, dedicated for supply of biomass fuel to designated biomass power projects.
- The State government shall encourage plantation of biomass fuel in the dedicated zones identified by the Gram Panchayats of villages (or cluster of villages) where such potential exists.

Potential Assessment

- GoK intends to study the potential for zone based tariff and to carry out this study private players are encouraged & to set up met masts in different regions in the State and collect the necessary data. KREDL will seek support from CSTEP and undertake wind and solar mapping using Geospatial mapping.
- A separate dedicated cell with staff drawn from KREDL, KPCL, Revenue department and Irrigation department will take steps to identify the potential sites watershed basin wise including canal based projects and offer the identified sites for

development of Small hydro projects on Public Private Partnership/Build Operate Own Transfer mode.

- GoK intends to study the potential for MSW power projects with in BBMP/local body limits. Also GoK will work in consultation with Stakeholders/ESCOMs to seek viable tariff for such projects from KERC.
- GoK is contemplating through KREDL to study the availability of any raw material in the region and assess the potential and allot capacities on that basis.

18. Policy initiatives under consideration of GoK to promote renewable power projects.

Akshaya Shakthi Nidhi (Green Energy Fund)

- In order to facilitate Renewable Energy project financing and Energy Conservation and Efficiency measures Green Energy Fund “Akshaya Shakthi Nidhi” was announced in the last policy which will be taken up in this policy period.
- “Green Energy Cess” of Rs 0.05 (five paise) per unit would be levied on the electricity supplied to commercial and industrial consumers. 10 % of this fund will be set apart as contribution to Energy Conservation Fund for Energy Conservation activities. The balance will be set apart for Renewable Energy project financing.
- The Akshaya Shakthi Nidhi will be administered by KREDL for promotion of Renewable Energy particularly in Public Private Participation (PPP) mode, decentralized generation and distribution Renewable Energy projects for the benefit of rural sector.
- The funds may also be utilized for land acquisition and land development activity for Renewable Energy projects including compensatory afforestation, soil moisture conservation etc. for forest land clearance. A detailed framework for its implementation will be announced separately.

Land

- GoK contemplates to facilitate deemed conversion of land for projects by amending section 95 of Land Revenue ACT 1964.
- GoK contemplates time bound permissions and for vesting Deputy Commissioners with full powers to approve purchase of agriculture lands U/s 109 of Land Reforms Act for development of RE projects.
- Necessary amendments to section 79(a), 79(b) and 80 of the Karnataka Land Reforms Act are to be made to enable the Renewable Energy project developers to purchase suitable private land directly from the owners of the land.

- A separate dedicated cell with staff drawn from revenue department shall be created to ensure creation of Government land banks for development of renewable energy projects on lease basis including formulation of modalities, fees, etc.
- The Government shall develop barren land in Karnataka as per Clause 5.1.1 of the Karnataka Industrial Policy. The barren Government land, reserved, as per the industrial planning for industrial use, at declared Renewable Energy sites, 10% of such land will be earmarked for KREDL for developing the land to set up the Renewable Energy power projects.
- The barren land upon feasibility study shall be developed by KREDL to facilitate setting up of various RE projects. The Green Energy Fund will be utilized to develop the land including the payment towards Compensatory Afforestation in case of Forest Land. This will enable the State to offer ready to use developed land to set up Renewable Energy projects.
- Developers will be allowed to start project execution without waiting for formal approval on filing application for conversion of agricultural land for setting up of wind power projects on payment of specified fees.

Allotments and Clearances

- Time bound clearance for evacuation approval from KPTCL. Reduction of supervision charges by KPTCL /ESCOMs to 5%.
- Allotment of cancelled sites: For among the sites for which allotment has been cancelled, KREDL will shortlist sites which can be re-alloted.
- Cancellation of allotments beyond 6 years: Any allotments which failed to show any progress or intent in developing the projects within 6 years from the date of announcement of the policy shall deemed to be cancelled. Government reserves the right to extend time period for projects awaiting forest clearances.
- **All projects allotted 10 years before the announcement of this policy and have failed to show any satisfactory progress, their allotments shall be deemed as cancelled.**

Hybrid and Distributed Generation projects

- The GoK encourages large scale grid connected projects that can benefit from existing project infrastructure. In this regard “wind with solar hybrid projects” or “biomass with solar hybrid projects” shall be promoted through this policy.
- GoK also intends to promote small scale hybrids particularly in remote villages in the State where the grid is inaccessible.
- GoK recognizes supporting setting up of upto 2 MW biomass or MSW power project, as smaller plant capacities face no difficulties in sourcing (including transportation, storage and fuel security) and would be ideal for decentralized power production. The target under the category is 25 MW during the Operative Period of the policy. Such

plants are encouraged to be connected to the 11 kV distribution line and improve, stabilize the power supply at the local level. In this context;

- ESCOM's shall facilitate grid connectivity for such small power producers at 11 kV and work for grid availability, especially in rural areas.
- ESCOM's shall evaluate options to reduce power supply to rural areas and irrigation users through use of Biomass and MSW power projects.

Biomass resource specific

- GoK contemplates licensing/registration of biomass material trading/trader to bring in consolidation of biomass trading as well as help organize the process effectively.
- GoK will draw plans for investment to set up, manage and use of biomass resources available in the State for power generation projects. Appropriate rates and payment mechanism for the fuel sold to the biomass power producers shall be worked out.
- GoK is contemplating to project capacity that can be allocated in the region based on raw material available.
- GoK is contemplating to promote Biomass – Solar Hybrid power projects in the State based on viability.
- The State government would also ensure viability of biomass prices and would register all the biomass planters and traders.
- Besides, pilot schemes on Biomass-Wind hybrid projects in the State shall be established to demonstrate the mutual benefits offered by the technology and thereby promotion of Biomass projects.

Waste to Energy projects

- GoK intends to undertake through KREDL a pilot project on MSW to energy. The pilot will be undertaken on a small scale to establish viability.
- GoK will study the viability of the project, undertake stakeholder discussions in consultation with KERC to ensure successful implementation of the project.
- BBMP / Local Body responsible along with KREDL will identify land and design the framework for executing the project.

Support for R&D institutes and Technology Development centers

- GoK shall facilitate indigenous R&D for new and emerging renewable technologies and improvement of available technologies. GoK, in consultation with RE technology experts and experts from academic / R&D institutions, shall identify the priority areas for R&D. Time bound specific tasks for identified R&D activities shall be assigned to recognized / identified institutions and industry with clear understanding on the achievement of results.
- **Biomass, Waste to Energy and Storage:** The Centre for Sustainable Technologies (CST), Indian Institute of Science (IISc) has been working in the area of

R&D for biomass, waste to energy and storage of energy. GoK shall strengthen the capacity of CST, IISc to facilitate research in this field.

- **Other RE Sources:** Advances in basic science will be the foundation for progress on RE technologies. Creating linkages between basic research and applied technology development will be crucial to ensuring the needed technology breakthroughs. Therefore, GoK shall facilitate creation of a R&D center for renewable energy at a suitable Institution.
- **Private Sector Participation in R&D Activities:** Initiatives from the private sector in research and development activities for advancement of renewable energy shall be encouraged by GoK.

19. Fiscal Incentives from GoK to promote Renewable projects.

- 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” of State government as amended from time to time. If there is any contradiction between the provisions of this policy and the Industrial Policy then the provision of this policy shall be applicable.
- Tax concessions in respect of entry tax, stamp duty and registration charges shall be as per Karnataka Industrial Policy as amended by GoK from time to time.
- The Industrial Consumers opting to procure power from Project set up under this policy, through Captive/Group captive route or Independent Power Producer route shall be allowed corresponding pro-rata reduction in Contract Demand on a permanent basis but subject to the decision of KERC in this regard.
- No green energy cess is applicable on the power procured from renewable energy power projects in the State.

20. General Conditions:

- a) If the developers fail to commission at least 50% of the allotted capacity within the stipulated time period, no further allotment shall be entertained. Developers’ history in implementation of projects will also be given a consideration to decide on further allotments.
- b) One year time extension shall be permitted after furnishing the valid reasons on payment of time extension fee and the Performance Bank Guarantee in force at that time.
- c) The enhancement of the already allotted capacity shall be considered only within the stipulated time period of the original allotment. The enhancement of capacity shall be limited to 3 times the original capacity.
- d) The capacity allotted to developer shall be permitted to transfer the capacity to the investors only after achieving sufficient physical and financial progress duly paying

necessary transfer fees in force at that time for Wind Projects. For other RE Projects transfer of capacity can be considered only after commissioning of the project.

- e) Any capacity surrendered or cancelled shall be re-allotted on a first cum first serve basis.
- f) Land owners shall be given priority for installation of wind mills in the area allotted to a third party. In which case the original allottee shall be given due notice with regard to the re-allotment. Additionally the new applicant or land owner shall have to ensure that wind turbine generator being installed at the project site should comply to the technical requirements of inter-turbine spacing as per MNRE guidelines and from the other nearest previously identified/installed wind turbine generators of the original allottee.
- g) Notwithstanding anything contained in this resolution, the provisions of the Electricity Act-2003 and KERC order as issued from time to time, shall prevail, for the purpose of the implementation of this policy.

21. Power to amend & interpret the policy.

Government of Karnataka will have power to amend/ Review/ Relax/ interpret any of the provisions under this policy as and when required.

Note-

Documents to be submitted for Facilitation Letter:

1. Application in the prescribed format
2. Detailed Proposal/DPR/PFR
3. Area/Location marked in the topo sheet 1:50,000 scale
4. Net worth certificate duly signed by registered Chartered Accountant in the Government approved format.
5. ROC certificate/MOA/AOA
6. Land details like Survey Nos., RTC with extent of land etc.