THE SECRETARY TO GOVERNMENT,
ENERGY DEPARTMENT,
BANGALORE - 560 001.

The Managing Director,
Karnataka Power Corporation Ltd.,
No.82, Shakti Bhavan,
Race Course Road,
Bangalore - 560 001.

Sub: Encouraging Independent Power Producers,
to participate in development of Mini
Hydel Schemes in consonance with the
policy of the Government.

In connection with the above subject, I am directed
that the State Government has been encouraging develop-
ment of non-conventional energy resources in the State by invi-
ting bids from Independent Power Producers to participate in the power
sector so that the power sector attracts more and more invest-
ment. This policy have been evolved on the basis of the policy
of the Government of India to encourage renewable non-conventional
energy sources and the said policy envisages that the Mini Hydel
Schemes of less than 25 MW capacity should be allotted to the
Karnataka Power Corporation Ltd. The experience has been that there
is great demand from Independent Power Producers for allocation
of Mini Hydel Projects.

Having regard to these factors, I am to impress upon
that Mini Hydel Projects should be reserved for private
developers and that M/s. Karnataka Power Corporation Ltd.,
concentrate on Mega Projects of more than 25 MW capacity.

Yours faithfully,

[Signature]

[Stamp]