



KARNATAKA ELECTRICITY REGULATORY COMMISSION



TWENTIETH ANNUAL REPORT

2018-19

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Shambhu Dayal Meena, IAS (Rtd.)
CHAIRMAN

KARNATAKA ELECTRICITY REGULATORY COMMISSION

No16 C-1, Miller Tank Bed Area,
Vasanthanagara, Bengaluru-52

FOREWORD

I am happy to present this twentieth Annual Report of Karnataka Electricity Regulatory Commission for the financial year, 2018-19, in compliance with Section 105 of the Electricity Act, 2003.

The report is a summary of the activities carried out by the Commission during the financial year, 2018-19 which includes the annual budget indicating the actual receipt and expenditure for the year. The report also includes the activities planned for the ensuing financial year 2019-20.

The Commission has issued Tariff Orders in respect of Transmission licensee i.e. KPTCL and five Distribution licensees namely, BESCO, MESCOM, CESC, HESCO and GESCOM, one Rural Electric Co-operative Society-HRECS, two Special Economic Zones (SEZs) namely, MSEZ and AEQUUS SEZ, for the financial year 2018-19. During the financial year, the Annual Performance Review of all the above companies, except one SEZ for the FY: 2016-17 was also carried out. The Orders on the Annual Performance Review for FY18 and the Tariff Orders for the next Control period FY20-22 in respect of KPTCL, ESCOMs and other Distribution Licenses could not be issued within 31st March, 2019 because of announcement of General Elections to the Parliament by the Election Commission of India vide Notification dated 18.03.2019 and Election Code of Conduct is in force till 23.05.2019.

During the financial year, the Commission has issued the Regulations on, amendments to Conditions of Supply; amendments to Recovery of Expenditure, Procurement of power from RE sources and also issued various directives to all the Licenses, as a part of Tariff-orders and monitored their compliance.

During the year, my predecessor, Sri M.K. Shankaralinge Gowda has demitted office as Chairman KERC on completion of his tenure. The other two members of the Commission namely, Sri. D.B. Manivalraju and Sri H.D. Arun Kumar have also demitted their office as Members of KERC on completion of their tenure. In their place new Members namely, Sri H.M. Manjunatha and Sri M.D. Ravi have assumed charge as Members of the Commission.

During the tenure of the previous Commission, a number of new initiatives were taken for improvement of the power sector. I would like to place on record their excellent services to the sector.

My colleague Members, have been extending their full support to me in discharge of functions of the Commission. The Officers, Consultants and members of the Staff, have assisted the Commission in discharge of its functions. I would also like to place on record the valuable advice, received from Members of the Advisory Committee, Stake holders and the Utilities.

Shambhu Dayal Meena, IAS (Rtd.)
CHAIRMAN





Brief History of Karnataka Electricity Regulatory Commission





2. INTRODUCTION

The Karnataka Electricity Regulatory Commission (KERC) was established in 1999 as per the provisions of the Karnataka Electricity Reforms Act, 1999 and began functioning from 15th November, 1999. Consequent to the enactment of the Electricity Act, 2003, the KERC continued to function under the provisions of the Central Act.

As per Section 105(1) of the Electricity Act, 2003, the KERC is required to prepare an Annual Report and the copies of the Report are to be forwarded to the State Government. Further, as per Section 105(2) of the Electricity Act, 2003, the copies of the Annual Report shall be laid before the State Legislature.

The Annual Report includes summary of the activities of the Commission during the financial year 2018-19 and the proposed program for the financial year ahead i.e., 2019-20. It also contains the Budget for the financial year 2019-20 and the actual expenditure for the financial year 2018-19.

The Commission has issued the Tariff Orders for the financial year 2017-18 on 11th April, 2017, for the reason that the distribution licensees made modifications in their tariff petitions at a very late stage.

Further, during the financial year 2017-18, the Commission completed the proceedings relating to disposal of Tariff petitions for Financial Year 2018-19, filed by the Transmission Licensee - Karnataka Power Transmission Corporation Limited [KPTCL] and the Distribution Licensees including Special Economic Zones (SEZ) namely, Bangalore Electricity Supply Company Limited [BESCOM], Mangalore Electricity Supply Company Limited [MESCOM], Chamundeshwari Electricity Supply Corporation Limited [CESC], Hubli Electricity Supply Company Limited [HESCOM], Gulbarga Electricity Supply Company Limited [GESCOM], Hukkeri Rural Electric Co-operative Society [HRECS], Mangalore SEZ [MSEZ] and AEQUS SEZ. However, due to prevalence of model code of conduct relating to the declaration general election to the Legislative Assembly scheduled on 12th May, 2018, the Tariff Orders were issued on 14th May, 2018.

The Commission has disposed of 144 petitions arising out of disputes among licensees and generators as well as licensee and open access consumers during the year. The Summary of the Commission's activities is discussed in the subsequent chapters.





Functions of the Commission

...As per the Electricity Act, 2003



MEMBERS & SECRETARY OF THE COMMISSION



H. M. Manjunatha
Hon'ble Member



M. D. Ravi
Hon'ble Member



S. S. Pattannashetti
Secretary I/C



3. THE COMMISSION & ITS FUNCTIONS:

3.1 THE COMMISSION

The Commission consists of three Members including the Chairman Shri Shambhu Dayal Meena, IAS (Retd.) is the Chairman of the Commission. Shri H.M. Manjunatha and Shri M.D. Ravi are the Members of the Commission.

3.2 FUNCTIONS OF THE COMMISSION

- (1) As per Section 86 of the Electricity Act, 2003, the State Electricity Regulatory Commissions are required to discharge the following functions:
 - (a) Determine the tariff for generation, supply, transmission and wheeling of electricity, wholesale, bulk or retail, as the case may be, within the State;
 - (b) Regulate electricity purchase and procurement process of distribution licensees including the price at which electricity shall be procured from the generating companies or licensees or from other sources through agreements for purchase of power for distribution and supply within the State;
 - (c) Facilitate intra-state transmission and wheeling of electricity;
 - (d) Issue licenses to persons seeking to act as transmission licensees, distribution licensees and electricity traders with respect to their operations within the State;
 - (e) Promote cogeneration and generation of electricity from renewable sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person, and also specify, for purchase of electricity from such sources, a percentage of the total consumption of electricity in the area of a distribution licensee;
 - (f) Adjudicate upon the disputes between the licensees, and generating companies and to refer any dispute for arbitration;
 - (g) Levy fee for the purposes of the Electricity Act;
 - (h) Specify State Grid Code consistent with the Grid Code specified under clause (h) of sub-section (1) of section 79;
 - (i) Specify or enforce standards with respect to quality, continuity and reliability of service by licensees;
 - (j) Fix the trading margin in the intra-State trading of electricity, if considered necessary; and



- (k) Discharge such other functions as may be assigned to it under this Act.
- (2) The State Commission is also required to advise the State Government on all or any of the following matters, namely: -
- (i) promotion of competition, efficiency and economy in activities of the electricity industry;
 - (ii) promotion of investment in electricity industry;
 - (iii) reorganization and restructuring of electricity industry in the State;
 - (iv) matters concerning generation, transmission, distribution and trading of electricity or any other matter referred to the State Commission by the State Government.

The State Commission is required to ensure transparency while exercising its powers and discharging its functions.

In discharge of its functions, the Commission is being guided by the National Electricity Policy, National Electricity Plan and Tariff Policy published under Section 3 of the Electricity Act, 2003.



**Functions of Secretary
&
Activities of the Office of the Commission**





4. THE COMMISSION'S OFFICE & FUNCTIONS OF THE SECRETARY:

1.1 THE COMMISSION'S OFFICE

The Chairman of the Commission is its Chief Executive as per Section 84 of the Electricity Act, 2003. The Commission is supported by a Secretariat, headed by the Secretary.

Besides, the Commission's Office has senior level officers on contract serving as Director (Tariff), Consultants (Tech) and Consultant (Legal). Further, there are Deputy Directors both on its rolls and on deputation, with expertise in specific areas of Transmission, Distribution, Tariff, etc., to assist the Commission.

The details of the Officers and members of Staff working in the Commission are mentioned later in this report. The Organizational Chart of the Commission is enclosed at **Annexure – 1**.

1.2 FUNCTIONS OF THE SECRETARY:

The functions of the Secretary are as follows:

- (a) To supervise and guide the functioning of all the Officers and Staff of the Commission;
- (b) To prepare or cause to be prepared briefs and summaries of all pleadings presented by various parties in each case before the Commission in discharge of its functions;
- (c) To assist the Commission in the proceedings relating to the powers exercisable by the Commission;
- (d) To ensure execution of the Orders passed by the Commission;
- (e) To collect from the State Government or other offices, companies or firms or any other party as may be directed by the Commission, such information as may be considered useful for the purpose of efficient discharge of the functions of the Commission under the Act and place the said information before the Commission; and
- (f) To keep in his custody, the seal and records of the Commission.

5. ADMINISTRATION:

The office consists of permanent employees, officers/officials on deputation and contract. The total sanctioned post is 58 and the working strength of the members of staff of the Commission at the end of the Financial Year 2018-19 is 43.



The break-up is as follows:

a)	Permanent Employees	18
b)	Officers/Staff on deputation	06
c)	Employees on Contract basis	13
d)	Employees on outsource basis	06
e)	Vacant	15

6. BUDGET & ACTUAL EXPENDITURE OF THE COMMISSION

The following table shows the details of budget estimates and actual expenditure for the FY 2018-19:

In Rs. lakhs

Major Expenditure Head	Budget Estimate	Expenditure for 2018-19	Variation in Budget Estimates
Establishment expenses	658.46	748.74	-90.28
Office Expenses	1044.25	955.79	88.46
Total	1702.71	1704.53	-1.82

The State Government provided a total grant of Rs.452 lakhs during the financial year 2018-19 which was fully drawn. The expenditure, in excess of grant received, was met out of the annual License/ Tariff Application fee and other fee collected during the financial year.

The Budget estimate for the financial year 2019-20 is as follows:

Details of Budget Estimates for 2019-20		
Si No	Particulars	Amount in Rs.lakhs
1	Estimated Revenue expenditure for 2019-20	1123.30
2	Estimated Revenue receipts for 2019-20	653.00
3	Budget sought from GOK	470.30

7. IMPLEMENTATION OF THE RTI ACT:

Compliance of the RTI Act:

The Status of applications and appeals received and disposed of during 2018-19 under the RTI Act, 2005:

No. of applications received	No. of applications disposed of	Fee collected in Rs.	No. of appeals received	No. of appeals disposed of during the year
70	67	3984	02	02



Public Information Officer:

The designated Public Information Officer and his address is as under:

Assistant Secretary,
No.16 C-1, Miller Tank Bed Area, Vasanthnagar,
Bengaluru-52
Phone :080-22268677/78/79 Fax:080-22268667
E-mail: kerc-ka@nic.in website:www.karnataka.gov.in/kerc

The designated First Appellate Authority and his address is as under:

Secretary,
No.16 C-1, Miller Tank Bed Area, Vasanthnagara,
Bengaluru-52
Phone :080-22268677/78/79 Fax:080-22268667
E-mail:kerc-ka@nic.in website:www.karnataka.gov.in/kerc

8. USE OF KANNADA IN THE COMMISSION'S ADMINISTRATION:

Kannada is being used as a medium of communication. The Annual Report is published both in Kannada and English languages.

All Regulations and Notices of public interest are being issued in Kannada language. The Commission is making conscious and sustained efforts for implementation of Kannada as the official language.





**Status of Generation, Transmission
&
Distribution**

Overview for 2018-19



9.0 POWER SECTOR – AN OVERVIEW

9.1 STATUS OF POWER GENERATION IN THE STATE:



The installed capacity of power generation in Karnataka as on 31.03.2019 including the share of the State in the central projects is indicated below: -

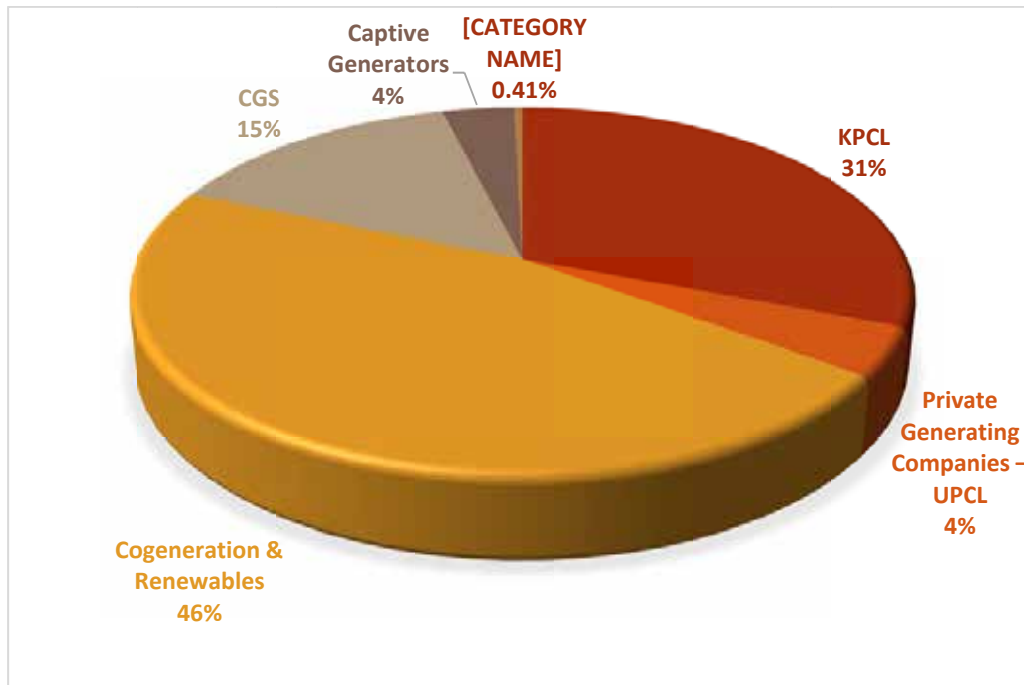
INSTALLED CAPACITY OF POWER GENERATION IN KARNATAKA AS ON 31.03.2019 (Figures in MW)

Source	Hydel	Thermal	RE Sources	Waste Re-covery/ Gas	Total
KPCL	3681	5020	13.55		8714.55
Private Generating Companies –UPCL		1200			1200.00
Cogeneration & Renewables			13079.45		13079.45
CGS		4163			4163.00
Captive Generators				983	983.00
Others	117				117.00
State Total	3798	10383	13093	983	28257

Source: SLDC/PCKL



INSTALLED CAPACITY OF POWER GENERATION IN KARNATAKA AS ON 31.03.2019



9.2 GREEN POWER IN KARNATAKA:

Following is the potential, commissioned and envisaged addition of green power capacity upto March, 2019, in the State:

POTENTIAL OF GREEN POWER IN KARNATAKA

Figures in MW

SL No	Renewable Energy Sources	Capacity Allotted	Capacity Com-missioned	Cancelled Capacity	Balance Allotted capacity to be Commissioned
1	Wind	18282.97	4779.14	7927.88	5575.95
2	Hydro	3010.05	853.46	737.51	1419.08
3	Solar	9336.68	6128.85	380.00	2827.83
4	Co-generation	2177.65	1731.16	0	446.49
5	Biomass	391.18	134.03	0	257.15
6	Municipal Solid Waste	25.50	0	0	25.50
	Total	33224.03	13626.64	9045.39	10552

Source : KREDL Website



9.3 TRANSMISSION SYSTEM IN THE STATE:

The transmission of electricity in the State is undertaken by Karnataka Power Transmission Corporation Limited [KPTCL] being the State Transmission Utility [STU].

An overview of the Transmission system in the State as on 31.03.2018 is shown below:

Voltage Level in kV	No.of Stations	Transmission Line in Ckt. Km
400	05	3568.456
220	105	11502.889
110	423	10712.139
66	657	11074.844
33*	352	10028.28
TOTAL	1542	46886.608

(Source: KPTCL Website)

* 33kV system is maintained by ESCOMs

During the FY19, the KPTCL has handled the highest peak load of 12881MW on 29.03.2019 and the highest energy consumption of 259 MU was recorded on 27.03.2019

9.4 DISTRIBUTION SYSTEM IN THE STATE:

The Distribution of Electricity, including retail supply, in the State is being undertaken by the five Distribution Companies (ESCOMs). Further, one Rural Electricity Co-operative Society and two Special Economic Zones are also operating as the Distribution Licensees.

1. The BESCOM Distribution area comprises of the districts of Bengaluru Urban, Bengaluru Rural, Chikkaballapura, Chitradurga, Davanagere, Kolar, Ramanagara and Tumakuru.
2. The MESCOM Distribution area comprises of Dakshina Kannada, Udupi, Shivamogga and Chikkamagaluru.
3. The CESC Distribution area comprises of Mysuru, Hasana, Mandya, Chamarajanagara and Kodagu
4. The HESCOM Distribution area comprises of Bagalakote, Belagavi, Vijayapura, Dharwad, Gadag, Haveri and Uttara Kannada.
5. The GESCOM Distribution area comprises of Bellary, Bidar, Kalaburagi, Koppala, Raichur and Yadgir.
6. The HRECS Distribution area comprises of Hukkeri Taluk of Belagavi district.
7. The MSEZ operates in its exclusive area under Dakshina Kannada district.
8. The AEQUS SEZ operates in its exclusive area under Belagavi district.



THE BIRD'S EYE VIEW OF THE DISTRIBUTION SYSTEM IN THE STATE AS ON 31.03.2018:

Sl. No.	Particulars (As on 31.03.2018)		BESCOM	MESCOM	CESC	HESCOM	GESCOM RECS	Hukeri	TOTAL
1	Area	Sq. km.	41092	26222	27773	54513	43861	991	194452
2	Districts	Nos.	8	4	5	7	6	0	30
3	Taluks	Nos.	46	22	26	49	31	1	175
4	Population	lakhs	207	61.55	81.59	148	121	3.99	623.13
5	Consumers	lakhs	112	22.84	30.598	46.06	29.456	1.24	242.194
6	Energy Consumption	MU	25967	4881.92	5798.11	10699.28	6505.16	265.63	54117.1
7	Zone	Nos.	4	1	1	2	2	0	10
8	DTCs	Nos.	306467	66843	116334	192575	92722	2374	777315
9	Assets	Rs. in Crores	20320	4673.88	6817.11	11199.43	7420.24	80.84	50511.5
10	HT lines	Ckt. kms	100120.74	36336	54768	77913.31	58444.9	1424	329006.95
11	LT lines	Ckt. kms	165958.5	80609	83313	123987.15	86472.11	4241	544580.76
12	Total employees strength:								
A	Sanctioned	Nos.	23315	9032	10442	17181	10309	330	70609
B	Working	Nos.	15595	5560	6920	9779	6879	277	45010
13	Demand	Rs. in Crores	18001	3190.34	3675.95	6887.55	4291.76	169.82	36208.1
14	Collection	Rs. in Crores	19084	3282.52	3680.24	6809.74	4829.45	161.50	37849.16

9.4.1 SOURCE-WISE GENERATION:

The source-wise generation to meet the demand of the ESCOMs in the State during the FY19 is indicated below:

SOURCE	Energy* in MU
KPCL Hydel	11857.17
KPCL Thermal	12547.029
Central Generating Stations	20416.66
Major IPPs	4779.65
RE sources	17317.99
Short-term	965.83
Others (TBHES, Jurala.)	1758.171
Total	69642.50

* Provisional data as furnished by SLDC/PCKL



9.4.2 ENERGY CONSUMPTION IN THE STATE FROM FY14 TO FY18:

The category-wise sales made by the ESCOMs and the Hukkeri RECS in the State are as follows:

Category	Consumer Category	FY14		FY15		FY16		FY17		FY18	
		No. of Installations	Energy Sold in MU	No. of Installations	Energy Sold in MU	No. of Installations	Energy Sold in MU	No. of Installations	Energy Sold in MU	No. of Installations	Energy Sold in MU
LT-1	BhagyaJyothi	2753905	551.16	2809060	492.61	2834626	574.8	2544654	300.23	2900526	845.44
LT-2	Domestic AEH & Pvt. Educational Institutions	12510022	9189.11	13082516	10048.1	13809568	10605.93	14771352	11409.37	15062506	11559.208
LT-3	Commercial	1680917	2614.95	1766970	2839.28	1903128	3031.77	2002068	3207.07	2103886	3430.38
LT-4a	Irrigation Pump sets-upto 10 HP	2110075	16810.87	2260411	17732.15	2400076	18924.92	2499505	21344.45	2612924	19696.019
LT-4(b) & (c)	Irrigation Pump sets-More than 10 HP & Horticulture	11962	49.85	13206	55.47	13377	44.34	16780	55.21	17841	55.57
LT-5	LT Industries	370168	1839.34	387471	1889.12	414198	1904.81	431881	1925.97	450217	1954.1456
LT-6	Water Supply	127131	1054.96	138769	1037.19	146294	1068.17	161101	1401.85	179627	1712.24
LT-6	Street Lights	118847	814.52	125217	876.33	130372	882.56	1366	923.22	141212	1023.3795
LT-7	Temporary Power & Advertising Hoardings	350997	209.32	449127	263.05	593780	241.74	667869	241.29	770045	240.02
LT- Total		20034024	33134.08	21032747	35233.32	22245419	37279.04	23231856	40808.66	24238784	40516.4
HT-1	HT- Water Supply	629	1338.12	714	1439.67	770	1476.66	828	1499.36	949	1539.51
HT-2a	HT- Industries	8647	8484.53	9261	8196.85	10453	7901.75	10791	7430.82	11503	7709.02
HT-2b	HT Commercial	6384	3288.01	6679	3235.59	7765	3089.21	7763	3114.91	8398	3068.12
HT-2c	HT- Educational Institutions / Hospitals	735	252.94	1070	431.17	1351	502.97	1514	557.79	1675	596.788
HT-3(a) & (b)	HT Irrigation & LI Schemes	488	321.25	558	333.18	623	391.33	692	403.29	793	464.715
HT-4	Residential Apartments	336	175.17	342	175.85	395	145.61	347	156.53	348	118.65
HT-5	Temporary Power	237	90.88	399	322.84	593	107.8	871	130.91	1069	128.8
HT- Total		17456	13950.9	19023	14135.14	21950	13615.34	22806	13293.61	24734	13625.61
Total		20051480	47084.98	21051770	49368.43	22267369	50894.38	23254662	54102.26	24263519	54142.01

9.5 TRANSMISSION AND DISTRIBUTION LOSSES:

The Karnataka Power Transmission Corporation Ltd., is the State Transmission utility vested with the function of transmitting power from the generating stations to the interface points with the ESCOMs. The transmission loss is due to the loss of energy for technical reasons incurred in the transmission system. In order to contain these losses, the KPTCL is augmenting existing stations / lines besides adding new stations / lines in the transmission system. The KPTCL had reported transmission loss of 3.222% for the FY18, a reduction of 0.061 percentage point from the previous year, as against the approved transmission loss of 3.27%. The approved loss level as per MYT Tariff Order for the FY19 was 3.27%.



Transmission losses of the KPTCL in the past five years are as follows:

Figures in percentage

Particulars	FY14	FY15	FY16	FY17	FY18	FY19
As approved by KERC	3.94	3.92	3.90	3.47	3.37	3.27
As reported by KPTCL	3.80*	3.67*	3.535*	3.283*	3.222*	-

* Transmission losses excluding southern region losses.

The ESCOMs enter into power purchase agreements with generators and the same is accounted as power purchase quantum in million units, at the generation bus of the generating stations. This energy is transmitted through transmission system of the KPTCL to the interface points with ESCOMs. The difference of the energy at generation bus and energy at the interface points with ESCOMs is reckoned as transmission losses. The ESCOMs distribute the energy through their distribution network to cater to the needs of different categories of consumers in their areas of operation. The difference of energy recorded at the interface points and the sum of the energy recorded at the consumer level is reckoned as distribution loss. The losses in the distribution system are due technical and commercial reasons like errors in metering, billing and theft / pilferage of electricity etc.

9.5.1 The approved distribution losses for the ESCOMs for the year FY18 and FY19 are as follows:

Figures in percentage

Name of the ESCOM	Approved distribution losses for FY18	Approved revised distribution losses for FY19
BESCOM	12.50	12.25
MESCOM	11.05	10.95
CESC	13.00	12.75
HESCOM	15.50	14.90
GESCOM	16.00	15.00
Hukeri RECS	14.50	14.32

9.5.2 The actual distribution losses of the ESCOMs and Hukeri RECs in the past five years are as follows:

Figures in percentage

Name of the ESCOM	FY14	FY15	FY16*	FY17*	FY18
BESCOM	13.89	13.53	13.51	13.19	13.17
MESCOM	11.93	11.57	11.50	11.40	11.32
CESC	14.73	13.89	17.26	13.10	13.20
HESCOM	18.05	16.74	20.92	16.02	14.76
GESCOM	17.77	18.93	18.71	17.33	16.39
Hukeri RECS	15.25	15.04	15.12	14.93	14.48

The losses for FY16 and FY17 are as approved in APR for FY19*



9.5.3 The overall transmission and distribution losses for the state are as follows:

Figures in percentage

FY14	FY15	FY16	FY17	FY18	FY19
18.92	18.63	18.97	17.68	16.61	*15.82

* As per the approved figures in the ARR for FY18 and FY19

Transmission Tariff for FY19:

The approved revised transmission tariff for FY19 as per the Commission's Tariff Order dated 14th May, 2018 effective from 1st April, 2018 is as follows:

Revised Transmission Charges payable by ESCOMs for FY19			
Particulars	Capacity Allocation in MW	Transmission charges for FY19 Rs.Crores per annum	Transmission charges for FY19 Rs.Crores per Month
BESCOM	11003	1528.660	127.388
MESCOM	1615	224.374	18.698
CESC	2252	312.873	26.073
HESCOM	4000	555.725	46.310
GESCOM	2550	354.275	29.523
TOTAL (MW)	21420	2975.91	247.992
Transmission Tariff (Rs./MW/ Month)	115776		
Transmission Charges (Rs/MW) for Short-term Users			
Transmission Charges (Rs/MW)	Amount in Rs/MW		
More than 12 Hrs&upto 24 Hrs in a day in one block	951.58		
More than 6 Hrs&upto 12 Hrs in a day in one block	475.79		
Upto 6 Hrs in a day in one block	237.90		

Further, the Commission has determined the SLDC charges of Rs.36.22 per day per MW to be paid to SLDC by open access consumers for utilizing the services of SLDC during FY19.

9.6 THE RPO COMPLIANCE OF THE ESCOMs IN THE FY18:

Renewable Energy Purchase Obligation (RPO)



Section 86(1)(e) of the Electricity Act, 2003 mandates the Commission to promote co-generation and generation of electricity from renewable sources of energy by providing suitable measures for connectivity with the grid and also specify, for purchase of electricity from such sources, a percentage of the total consumption of electricity in the area of a distribution licensee. Accordingly, the Commission has specified through Regulations, the percentage of energy to be sourced from renewable sources by the obligated entities namely the distribution licensees, captive consumers and open access consumers. The RPO specified by the Commission for FY 2017-18 is indicated below:

Obligated Entity	% Non-solar RPO specified	% Solar RPO specified
BESCOM	12.00	2.75
MESCOM	12.00	2.75
CESC	11.00	2.75
HESCOM	8.50	2.75
GESCOM	6.00	2.75
HRECS	8.50	2.75
Open Access consumers with contract demand exceeding 5 MW sourcing power from other than renewable sources of energy	6.00	2.75
Grid connected Captive consumers with total Installed capacity exceeding 5 MW and generating electricity from sources other than renewables sources.	6.00	2.75

The following table indicates the status of RPO Compliance in FY 2017-18 by ESCOMs as per audited account data:

RPO For FY18									
ESCOM	Non-Solar RPO					Solar RPO			
	Total Energy Purchased -MU	% RPO Target	Non-solar RPO Target MU	Total non-solar RE purchased from all sources -MU- i.e. RPO met	% Non-solar RPO met	% RPO Target	RPO Target MU	Solar Energy purchased -MU	% Solar RPO met
BESCOM	29439.29	12.00	3532.71	3532.71*	12.00	2.75	809.58	1211.00	4.11
MESCOM	4783.73	12.00	574.05	626.48	13.09	2.75	131.55	203.64	4.26
CESC	5442.60	11.00	598.68	598.68**	11.00	2.75	149.67	268.73	4.94
H E S C O M incl. HRECS	11833.20	8.50	1005.82	2462.49	20.81	2.75	325.41***	460.07	3.89
GESCOM	6453.11	6.00	387.19	675.51	10.47	2.75	177.46	344.20	5.33
Total	57951.93	10.52	6098.45	7895.88	13.62	2.75	1593.68	2487.64	4.29

*including previous year power purchase adjustment of 40.71 MU and setting off 56.48 MU of excess solar

**Including previous year power purchase adjustment of 27.41 MU , C/F of 40.02 and setting off 111.14MU of excess solar.

*** Including previous year C/F of 8.72 MU, HESCOM has to be met 334.13 MU, which is met



10. Determination of Generic Tariff for Wind, Solar, Bio-Mass, Mini Hydel and Co-generation, Cross Subsidy Charges and Additional Surcharge:

10.1 Determination of Generic Tariff for Wind, Solar, Bio-Mass, Mini Hydel and Co-generation

The Commission, vide its Order dated 16.05.2018, had determined levelised tariff of Rs.3.45 per unit for all the new wind power projects for which PPAs have been entered into and approved by the Commission after the date of issue of the Order and that get commissioned on or after 01.04.2018. The Order was in force from 1st April, 2018 till 31st March, 2019. Subsequently, the Commission in its Order dated 27th February, 2019 determined generic tariff of Rs. 3.26 per unit as ceiling tariff for the purpose of tariff based reverse bidding for wind power projects. The Order is effective from 1st April, 2019 till 31st March, 2020.

Further, the Commission vide its Order dated 14.05. 2018 determined the tariff for Mini-hydel, Bagasse- based cogeneration and biomass based power plants. The Order is effective from 1st April, 2018 and will be in force till 31st March, 2021.

Also, the Commission has determined the tariff for solar power plants vide Orders dated 14.05. 2018

Based on the above Orders the tariff determined is as follows:

RE Sources	Control period	Approved Tariff (Rs./Unit)
Wind	1Year from 01-04-2018	3.45
Wind	1 year from 01-04-2019	3.26
Solar(MW scale)	1Year from 01-04-2018	3.05
Solar(SRTPV) Without subsidy	1Year from 01-04-2018	3.56
Solar(SRTPV) With subsidy	1Year from 01-04-2018	2.67
Bio-Mass	3-Years from 01-04-2018	For water Cooled FY19- Rs. 5.55/unit FY20- Rs. 5.74/unit FY21- Rs. 5.95/unit For Air Cooled FY19- Rs. 5.35/unit FY20- Rs. 5.54/unit FY21- Rs. 5.73/unit
Mini-Hydel	3-Years from 01-04-2018	3.95
Co-Gen	3-Years from 01-04-2018	FY19- Rs. 3.59/unit FY20- Rs. 3.69/unit FY21- Rs. 3.80/unit



10.2 **CROSS SUBSIDY SURCHARGE (CSS):**

The CSS as determined in Tariff Order 2018 by adopting the methodology specified in the Tariff Policy 2016, applicable for FY18-19, is indicated below:

(a) **Applicable to BESCO**

Particulars	(Paise/unit)	
	66 kV & above	HT level – 11kV/33kV
HT-1 Water Supply	114	104
HT-2a(i) Industries	157	157
HT-2a (ii) Industries	169	169
HT-2b(i) Commercial	201	201
HT-2b (ii) Commercial	204	204
HT-2 (c) (i)	154	154
HT-2 (c) (ii)	174	174
HT-3 (a) (i) Lift Irrigation	0	0
HT-3 (a) (ii) Lift Irrigation	0	0
HT-3 (a) (iii) Lift Irrigation	0	0
HT-3 (b) Irrigation & Agricultural Farms	26	0
HT-4 Residential Apartments	137	137
HT-5 Temporary	307	307

(b) **Applicable to other than BESCO**

Particulars	(Paise/unit)	
	66 kV & above	HT level – 11kV/33kV
HT-1 Water Supply	114	104
HT-2a Industries	169	169
HT-2b Commercial	204	204
HT-2 (c) (i)	154	154
HT-2 (c) (ii)	174	174
HT-3 (a) (i) Lift Irrigation	0	0
HT-3 (a) (ii) Lift Irrigation	0	0
HT-3 (a) (iii) Lift Irrigation	0	0
HT-3 (b) Irrigation & Agricultural Farms	26	0
HT-4 Residential Apartments	137	137
HT-5 Temporary	307	307

1.3 **ADDITIONAL SURCHARGE:**

The Commission vide Order dated 14th May, 2018 had determined Additional Surcharge in respect of Open Access Consumers, procuring power from sources other than the RE generators at 54 (fifty-four) paise per unit and for those procuring power from the RE generators at 13 (thirteen) paise per unit.



Captive Consumers were exempted from paying additional surcharge to the extent of his captive consumption.

The above Order has been challenged in Appeal No.260 of 2018 and DFR 4770/18 and the APTEL has directed not to precipitate in the matter.

10.4 RETAIL SUPPLY TARIFF FOR FY19:

Retail Supply Tariff for Consumers in Karnataka as per the Commission's Order dated 14.05.2018 (effective for the electricity consumed from the first meter reading date falling on or after 01.04.2018)

(in Rs.)

	Category Description	Particulars/Slab of consumption (Units or KWH)	Type of charges	BESCOM	Other ES-COMs and Hukkeri RECS
LT-1	BJ/KJ		FC	40.00	40.00
		(Up to 40 Kwh per month)	EC	ACS*	ACS*
LT-2(a)(i)	Domestic AEH- coming under BBMP, Municipal Corpn and all Urban Local Bodies	For First KW	FC	50.00	50.00
		For every additional KW	FC	60.00	60.00
		0-30	EC	3.50	3.45
		31-100	EC	4.95	4.95
		101-200	EC	6.50	6.50
		201-300	EC	7.55	7.55
		301-400	EC	7.60	7.55
Above 400	EC	7.65	7.55		
LT-2(a)(ii)	Domestic AEH coming under Village Panchayats	For First KW	FC	35.00	35.00
		For every additional KW	FC	50.00	50.00
		0-30	EC	3.40	3.35
		31-100	EC	4.65	4.65
		101-200	EC	6.20	6.20
		201-300	EC	7.05	7.05
		Above 300	EC	7.10	7.05
LT-2(b)(i)	Pvt Educational Institutions and Nursing Homes & Private Hospitals coming under BBMP, Municipal Corpn and all Urban Local Bodies	For each KW	FC	65.00	65.00
		Subject to minimum of	FC	90.00	90.00
		0-200	EC	6.75	6.70
		Above 200	EC	8.00	7.95
LT-2(b)(ii)	Pvt Educational Institutions and Nursing Homes & Private Hospitals coming under Village Panchayats	For each KW	FC	55.00	55.00
		Subject to minimum of	FC	75.00	75.00
		0-200	EC	6.20	6.15
		Above 200	EC	7.45	7.40



LT-3 (i)	Commercial Lighting and heating coming under BBMP, Municipal Corpn and all Urban Local Bodies	For each KW	FC	70.00	70.00
		0-50	EC	7.75	7.75
		Above 50	EC	8.75	8.75
LT-3 (ii)	Commercial Lighting and heating coming under Village Panchayats	For each KW	FC	60.00	60.00
		0-50	EC	7.25	7.25
		Above 50	EC	8.25	8.25
LT-4 (a)	IP Sets less than 10HP			CDT*	CDT*
LT-4 (b)	IP Sets more than 10HP	For each HP	FC	60.00	60.00
			EC	3.25	3.25
LT-4 (c) (i)	Pvt Horticulture, Nurseries & Coffee & Tea plantations below 10HP	For each HP	FC	50.00	50.00
			EC	3.25	3.25
LT-4 (c) (ii)	Pvt Horticulture, Nurseries & Coffee & Tea plantations above 10HP	For each HP	FC	60.00	60.00
			EC	3.25	3.25
LT-5 (a)	Industrial heating and Motive power coming under BBMP and Municipal Corporation	Per HP for 5HP and below	FC	45.00	45.00
		Per HP for 5HP to less than 40HP	FC	50.00	50.00
		Per HP for above 40HP to less than 67HP	FC	70.00	70.00
		Per HP Above 67HP	FC	130.00	130.00
		0-500	EC	5.50	5.30
		501-1000	EC	6.75	6.25
		Above 1000	EC	6.75	6.55
LT-5 (b)	Industrial heating and Motive power coming under all areas other than those covered under LT-5(a)	Per HP for 5HP and below	FC	40.00	40.00
		Per HP for 5HP to less than 40HP	FC	45.00	45.00
		Per HP for above 40HP to less than 67HP	FC	65.00	65.00
		Per HP Above 67HP	FC	120.00	120.00
		0-500	EC	5.20	5.20
		501-1000	EC	6.10	6.10
		Above 1000	EC	6.40	6.40
LT-6(a)	Water Supply	Per HP	FC	65.00	65.00
		Per Unit	EC	4.40	4.40



LT-6 (b)	Street Lights	Per HP	FC	80.00	80.00
	LED Lighting	Per Unit	EC	6.10	6.05
		Per Unit	EC	5.10	5.05
LT-6(c)	Electric Vehicle Charging Station. (New Tariff category)	LT Per KW	FC	50.00	50.00
		HT- Per KVA	DC	180.00	180.00
			EC	4.85	4.85
LT-7 (a)	Temporary/ Hoarding & Advertising Boards	Less than 67 HP(EC subject to weekly minimum of Rs.200 per KW of the sanctioned load)	EC	10.30	10.30
LT-7 (b)	Permanent supply to Hoarding & Advertising Boards	For each KW	FC	75.00	75.00
		Per Unit	EC	10.30	10.30
HT-1	HT Water supply	Per KVA	DC	200.00	200.00
		Per Unit	EC	5.00	5.00
HT-2(a)(i)	HT Industries coming under BBMP and Municipal Corporation	Per KVA	DC	210.00	200.00
		For first one lakh units	EC	6.90	6.75
		For balance units	EC	7.20	7.00
	BMRCL	Per KVA	DC	210.00	-
		Per Unit	EC	5.00	-
	Railway Traction	Per KVA	DC	210.00	210.00
	Effluent Treatment Plant	Per KVA	DC	210.00	210.00
		Per Unit	EC	6.40	6.40
HT-2(a)(ii)	HT Industries other than those covered under HT-2(a) (i)	Per KVA	FC	200.00	200.00
		For first one lakh units	EC	6.80	6.75
		For balance units	EC	7.00	7.00
HT-2(b)(i)	HT commercial coming under BBMP and Municipal Corporation	Per KVA	FC	230.00	220.00
		For first two lakh units	EC	8.70	8.45
		For balance units	EC	8.80	8.55
HT-2(b)(ii)	HT Commercial other than those covered under HT-2(b)(i)	Per KVA	FC	220.00	220.00
		For first two lakh units	EC	8.50	8.45
		For balance units	EC	8.60	8.55



HT-2 (c) (i)	HT- Govt. Hospitals & Hospital run by Charitable Institutions & ESI Hospitals and Universities, Educational Institutions belonging to Govt., Local bodies, Aided Institutions and Hostels of all Educational Institutions.	Per KVA	FC	200	200
		For first one lakh units	EC	6.65	6.60
		For the balance unit	EC	7.05	7.00
HT-2 (c)(ii)	HT-Hospitals and Educational Institutions other than those covered under HT-(c) (i)	Per KVA	FC	200	200
		For first one lakh units	EC	7.65	7.60
		For the balance unit	EC	8.05	8.00
HT-3(a)(i)	LI Schemes under Govt.	EC subject to Annual minimum of Rs.1360 per HP/ Annum	EC	2.50	2.50
HT-3(a)(ii)	LI Schemes on Urban/ Express feeders	Per HP	FC	60.00	60.00
		Per Unit	EC	2.50	2.50
HT-3(a)(iii)	LI Schemes other than those covered under HT-3 (a)(ii)	Per HP	FC	40.00	40.00
		Per Unit	EC	2.50	2.50
HT-3(b)	HT Agriculture/Horticulture	EC subject to Annual minimum of Rs.1360 per HP of sanctioned load/ Annum	EC	4.50	4.50
HT-4(a)	HT Residential –Applicable to all areas	Per KVA	FC	120.00	120.00
		Per Unit	EC	6.45	6.40
HT-5	Temporary- applicable to 67 HP and above of all categories including Hoarding & Advertising Boards	Per KVA	FC	250.00	250.00
		Per Unit (Weekly minimum is not applicable)	EC	10.30	10.30
HT-5(a)	Temporary- applicable to Bangalore International Exhibition Centre	Per Unit (No weekly minimum charges)	EC	11.30	-
ESCOM	*Average Cost of Supply (ACS) Rs/Unit	*Commission Determined Tariff (CDT) Rs/Unit			
BESCOM	6.80	3.70			
MESCOM	6.86	5.31			FC- Fixed Charges
CESC	6.37	5.50			EC-Energy Charges
HESCOM	6.80	6.24			
GESCOM	6.74	5.71			
Hukeri RECS	6.34	6.05			

**MANGALORE SEZ**

HT	HT Industrial	Per KVA/month	DC	200.00
		Per Unit	EC	6.85
HT	HT Construction	Per KVA/month	DC	240.00
		Per Unit	EC	10.00
LT	LT-Industrial	Per KVA/month	FC	190.00
		Per Unit	EC	6.35
LT	LT Construction	Per HP/month	FC	240.00
		Per Unit	EC	10.00

AEQUS SEZ

L T / HT	HT Industrial / Common Facilities	Per KVA/month	FC	190.00
		Per Unit	EC	6.50
L T / HT	HT Construction	Per KVA/month	FC	200.00
		Per Unit	EC	6.00

Time of day (ToD) Tariff for HT-2(a), HT-2(b) and HT-(c) categories with a Contract demand of 500 KVA and above is mandatory from 01.09.2012 .The ToD tariff on optional basis would continue as existing earlier for HT-1 category and also for LT-5, HT-2(a), HT-2 (b) and HT-2(c) categories with CD of less than 500 KVA at following ToD tariff

Time of Day	Increase(+)/reduction (-) in energy charges over the normal tariff applicable
06.00Hrs to 10.00Hrs	(+)100 paise per unit
10.00Hrs to 18.00Hrs	0
18.00Hrs to 22.00Hrs	(+)100 paise per unit
22.00Hrs to 06.00Hrs	(-)100 paise per unit

10.5 REVISED TRANSMISSION TARIFF FOR FY19:

The revised Transmission charges determined for the use of transmission system as per Commission's Order dated 14.05.2018, is Rs.115776 per MW per Month for all the ESCOMs and all long term open access customers excluding RE based generators who generate and supply electricity within the State and are not availing the REC benefits for FY19 (effective from 01.04.2018).

10.6 TRANSMISSION CHARGES FOR SHORT-TERM OPEN ACCESS (STOP) CUSTOMERS FOR FY19:

The Commission's approved revised transmission charges and SLDC charges for short term open access (STOP) customers for FY19:



Duration of Open access (Rs/MW)	Transmission Charges in Rs/MW	SLDC Charges in Rs/MW/day
More than 12 Hrs and up to 24 Hrs in a day in one block	951.58	36.22
More than 6 Hrs and up to 12 Hrs in a day in one block	475.79	
Up to 6 Hrs in a day in one block	237.90	

10.7 SPECIAL INCENTIVE SCHEME:

The Commission in order to boost the energy sales and to attract the consumers to consume power from ESCOMs has decided to introduce Special Incentive Scheme to HT category, as follows:

- *Special Incentive of Rs.2/- per unit for the energy consumption made during night hours from 22.00 Hours to 6.00 Hours (Next Day) off-peak period, to those HT consumers who opt for special incentive scheme.*
- *For the consumption between 10.00Hrs to 18.00Hrs over and above the base consumption of FY18, a reduction of Re.1/- per unit is allowed as special incentive, to those HT consumers who opt for the special incentive scheme.*

10.8 TARIFF FOR ELECTRIC VEHICLE CHARGING STATIONS:

The Commission in the tariff order has introduced an additional sub-category of LT6(c) for the supply of power to the Electric vehicle charging stations under LT and HT categories.



Activities of the Commission

During FY19





11. IMPORTANT EVENTS DURING THE YEAR:

11.1 the following are the important events in the commission's functioning during FY19:

- Proceedings in respect of Tariff Petitions of KPTCL, ESCOMs, Hukkeri RECS, Mangalore SEZ and AEQUS SEZ for the FY19 completed;
- 3 meetings of the State Advisory Committee held during the year;
- 2 meetings held with ESCOMs and KPTCL to review quality of power supply, compliance of directives and other issues;
- 24 internal meetings of the Commission held to discuss and decide on various issues pertaining to the power sector;
- 136 Petitions filed for adjudication of disputes were heard and finally disposed of during the year;
- 89 PPAs and 42 supplemental PPAs approved;
- Truing up of APPC for the 2018-19 and notified Provisional APPC for 2019-20 for the purpose of Renewable Energy Certificate (REC) .
- Orders on four quarterly claims of Fuel Cost Adjustment Charges of all ESCOMs issued;
- Order on "Revision of tariff in respect of new Solar Rooftop Photovoltaic Units of 1kW to 10kW capacity installed by domestic consumers" on 19.12.2018.
- Order, reducing the Banking period from the existing one-year period to six months issued on 09.01.2018, Challenged before ATE and remanded back to the Commission.
- Order for determination of Generic Tariff for Solar Power Projects for 2018-19 on 14th May, 2018.
- The proceedings in respect of determination of Additional surcharge for open access consumers completed and the Orders issued on 14th May, 2018.
- Proceedings in respect of modifications of Wheeling and Banking Charges for Renewable Energy Power Projects completed and the Orders issued on 14th May, 2018.
- Order for determination of Generic Tariff for Wind Power Projects for 2018-19 on 16th May, 2018.
- Order for determination of Generic Tariff for Wind Power Projects for 2019-20 on 27th February, 2019.



- Order for determination of tariff in respect of Mini-Hydel, Bagasse based Co-Generation and Rankine cycle based Bio-mass Renewable Energy Power Projects dated 14th May, 2018.
- Order on procurement of power from wind plants by the ESCOMs through competitive bidding on 5th June 2018; Challenged before Hon'ble ATE
- Order on procurement of power from bagasse based co-generation power plants by the ESCOMs through competitive bidding on 5th June 2018; Challenged before Hon'ble High Court of Karnataka
- A Number of new Regulations/ Amendments to Regulations issued;

11.2 Following are the activities of the Commission during the year, in pursuance of its functions specified, under Section 86 of the Electricity Act, 2003.

Section of EA 2003	Functions specified	Activities during the year
86(1)(a)	Determine tariff for generation, transmission, supply and wheeling of electricity.	Completed proceedings on Tariff petitions of KPTCL for transmission charges, and of Distribution licensees for retail supply and wheeling charges for FY19. Generic Tariff Order in respect of Mega Watt scale solar power plants and Solar Roof top photovoltaic (SRTPV) has been issued
86(1)(b)	Regulate electricity purchase and procurement process of distribution licensee	122 No. of PPAs (including supplemental PPAs) approved by the Commission.
86(1)(c)	Facilitate intra state transmission and wheeling of electricity	Transmission and Wheeling charges determined in respective Tariff Orders.
86(1)(d)	Issue of license	KPTCL, ESCOMs and Hukkeri RECS are existing licensees. MSEZ and AEQUS SEZ are deemed licensees.
86(1)(e)	Promotion of co-generation and renewable sources of energy	Renewable Purchase Obligation has been specified for all the ESCOMs / captive and open access consumers. Renewable Energy Certificate (REC) mechanism already introduced. Renewable Purchase Obligation (RPO) compliance monitored.
86(1)(f)	Adjudicate upon disputes	The Commission has disposed of 254 Petitions during the year.
86(1)(g)	Levy of fee	Fee levied as per the provisions of the Regulations made is being collected.
86(1)(i)	Enforce standards	The quality, continuity and reliability of services by the licensees reviewed regularly.
86(1)(j)	Fixing trading margin	No intra-state trader exists in the State.



86(1)(k)	Discharge such other functions	Undertaken such functions whenever, required.
86(2)	Advise the State Government	Advisory on specific issues communicated to the State Government
86(3)	Ensure transparency	Public hearings and written comments / suggestions invited from stakeholders in all tariff determination and other proceedings.
86(4)	Guided by National Electricity Policy and Plan and Tariff Policy.	The Commission has taken note of the provisions of NEP and Tariff Policy in discharge of its functions.

11.3 TARIFF ORDER OF THE KPTCL:

The Commission had issued the Tariff Order dated 14th May, 2018 in respect of the KPTCL effective from 1st April, 2018. The revised Annual Revenue Requirement (ARR) as per the Annual Performance Review for FY17 was approved by the Commission and a surplus of Rs.496.69 Crores was carried forward to the approved ARR of FY19 as detailed below:

(Rs. Crores)

Particulars	FY19
Approved Annual Revenue Requirement as per Order dated 30 th March, 2016	3472.60
Surplus carried forward as per Annual Performance Review for FY17.	496.69
Revised approved ARR for FY19	2975.91

11.4 TARIFF ORDERS OF THE ESCOMS:

The Commission has issued the Tariff Orders dated 14th May, 2018 in respect of all the Electricity Supply Companies (ESCOMs), Hukkeri RECS, Mangalore SEZ and AEQUS SEZ. The Commission has also approved the ARR for FY17 based on the Annual Performance Review and has carried forward the deficit/surplus in revenue to the Annual Revenue Requirement (ARR) for FY19. The ARR sought by the ESCOMs and approved by the Commission for FY19 are as follows:

(Rs. Crores)

ESCOM	FY19	
	As filed	As approved
BESCOM	19680.34	19236.16
MESCOM	3818.75	3245.70
CESC	4952.71	4129.32
HESCOM	8510.48	7279.54
GESCOM	5729.03	4707.08
Hukkeri RECS	212.28	176.79
Mangalore SEZ	41.94	38.23
AEQUS SEZ	15.12	14.83

(Above figures are rounded off, to the nearest integer)



Based on the above ARR of ESCOMs for FY19, the Commission has allowed an average increase in retail supply tariff of 38 paise per unit for BESCOM and a tariff of 30 paise per unit for all other ESCOMs to bridge the gap in revenue of Rs.1943.42Crores for FY19 (Inclusive of carried forward deficit of Rs.2485.62 Crores as per the APR for FY17).

11.5 REGULATIONS / ORDERS ISSUED BY THE COMMISSION:

During the year the following Regulations/important Orders were issued by the Commission:

1. Conditions of supply of electricity of distribution licensees in the State of Karnataka (CoS) (Seventh Amendment) 2018.
2. Draft Conditions of supply of electricity of distribution licensees in the State of Karnataka (CoS) (Eighth Amendment) 2018
3. KERC (Procurement Of Energy From Renewable Sources) (Sixth Amendment) Regulations, 2018

The details of the Amendments are as follows:

11.5.1 CONDITIONS OF SUPPLY OF ELECTRICITY OF DISTRIBUTION LICENSEES IN THE STATE OF KARNATAKA (COS) (SEVENTH AMENDMENT) 2018.

The Seventh Amendment to Conditions of Supply of Electricity of Distribution Licensees in the State of Karnataka (CoS) were finally notified in the Karnataka Gazette on 27.12,2018.

The Additional Chief Secretary to Govt., Energy Department and BESCOM had requested the commission to amend clause 4.02, 4.03, 8.11, 25.01 of Conditions of Supply.

After eliciting the views/comments / suggestions from stakeholders, the Commission notified the Seventh amendment to CoS so as to provide for the above.

11.5.2 Draft Conditions of supply of electricity of distribution licensees in the State of Karnataka (CoS) (Eighth Amendment) 2018

The draft, Eighth Amendment to Conditions of Supply of Electricity of Distribution Licensees in the State of Karnataka (CoS) were finally notified in the Karnataka Gazette on 29.11.2018.

The BESCOM had requested the commission to notify appropriate provision for a dedicated and mandatory Electric Vehicle Charging points at the parking space of the High rise buildings, Shopping-malls, apartment complex, etc.



After eliciting the views/comments / suggestions from stakeholders, the Commission will notify the Eighth amendment to CoS so as to provide for the above.

11.5.3 KERC (PROCUREMENT OF ENERGY FROM RENEWABLE SOURCES) (SIXTH AMENDMENT) REGULATIONS, 2018

The above Regulations was notified in the Gazette on 20.12.2018. The main amendment was with respect to revision of the RPO percentages, as indicated below:

Obligated Entity	Non –Solar (%)				Solar(%)			
	2018-19	2019-20	2020-21	2021-22	2018-19	2019-20	2020-21	2021-22
BESCOM	12.00	12.00	12.00	12.00	6.00	7.25	8.50	10.50
MESCOM	13.00	13.00	13.00	13.00	6.00	7.25	8.50	10.50
CESC	12.00	12.00	12.00	12.00	6.00	7.25	8.50	10.50
HESCOM	9.50	11.00	11.00	11.00	6.00	7.25	8.50	10.50
GESCOM	7.00	8.00	8.00	8.00	6.00	7.25	8.50	10.50
HRECS	9.50	11.00	11.00	11.00	6.00	7.25	8.50	10.50
Open Access consumers*	7.00	10.25	10.25	10.50	6.00	7.25	8.50	10.50
Grid connected Captive consumers**	7.00	10.25	10.25	10.50	6.00	7.25	8.50	10.50

*with contract demand exceeding 5 MW sourcing power from other than renewable sources of energy

** with total Installed capacity exceeding 5 MW and generating electricity from sources other than renewable sources.

11.6 IMPORTANT ORDERS ISSUED DURING THE YEAR FY 19

- Determination of Generic Tariff for Electricity Generated from Mini-Hydel, Co-Generation and Biomass based Power Plants during the Control Period 01.04.2018 to 31.03.2021
- Determination of Generic tariff for Wind Power Projects,
- Wheeling and Banking Charges for Renewable Power Projects.
- Revision of tariff in respect of new Solar Rooftop Photovoltaic Units of 1kW to 10kW capacity installed by domestic consumers
- Determination of generic tariff for solar power projects (Ground mounted and SRTPV)



- (f) Truing up of APPC for 2017-18 and notifying provisional APPC for 2018-19 for the purpose of Renewable Energy Certificate (REC).

11.6.1 DETERMINATION OF GENERIC TARIFF FOR ELECTRICITY GENERATED FROM MINI-HYDEL, CO-GENERATION AND BIOMASS BASED POWER PLANTS DURING THE CONTROL PERIOD 01.04.2018 TO 31.03.2021

The Commission vide its Order dated 14th May, 2018, has determined tariff of Mini-Hydel, Bagasse based Co-Generation and Rankine cycle based Bio-mass Renewable Energy Power Projects, which are likely to be commissioned during the period from 01.04.2018 to 31.03.2021, for which PPA is entered into with ESCOMs after the date of the Order. The norms as determined by the Commission is as indicated below:

Parameter	Mini-Hydel Projects	Bagasse based Co-generation Power Plants	Rankine cycle based Biomass Power plants with Water Cooled condenser	Rankine cycle based Biomass Power Plant with Air cooled condenser
Debt: Equity	70:30	70:30	70:30	70:30
RoE	14%	14%	14%	14%
Income Tax on RoE	Pass through	Pass through	Pass through	Pass through
Interest on Term Loan	10.50%	10.50%	10.50%	10.50%
Depreciation	5.38% for first 13 years and balance spread equally over the life of the plant	5.38% for first 13 years and balance spread equally over the life of the plant	5.38% for first 13 years and balance spread equally over the life of the plant	5.38% for first 13 years and balance spread equally over the life of the plant
Interest on WC	11.50%	11.50%	11.50%	11.50%
Capital Cost Rs.Crs./MW	6.33	4.70	5.76	5.86
O & M as percentage of CC for base year	14.66 Lakhs/MW in FY19	3%	5%	4%
O & M annual escalation	5.72%	5.72%	5.72%	5.72%



PLF	30%	60%	75%	75%
Auxiliary	1%	8.50%	10%	10%
Specific Fuel consumption Kg/kWh	Not applicable	1.60	1.21	1.18
Fuel Cost-Rs./MTBase year	Not applicable	1039	2500	2500
Discount Factor (WACC)	11.55%	11.55%	11.55%	11.55%
Tariff	Levelized for life of the Projects: Rs. 3.95/unit	Fixed cost Levelized for life of the Projects: Rs.1.77/unit Variable cost [Rs/Unit] applicable to the relevant year: FY-19: Rs.1.82 FY-20: Rs.1.92 FY-21: Rs.2.03	Fixed cost Levelized for life of the Projects: Rs.2.19/unit Variable cost [Rs/Unit] applicable to the relevant year: FY-19: Rs.3.36 FY-20: Rs 3.55 FY-21: Rs.3.76	Fixed cost Levelized for life of the Projects: Rs.2.07/unit Variable cost [Rs/Unit] applicable to the relevant year: FY-19: Rs.3.28 FY-20: Rs.3.47 FY-21: Rs.3.66

The Commission's Generic Tariff Order dated 14th May, 2018, for Mini-Hydel, Bagasse based Co-Generation and Rankine cycle based Bio-mass Renewable Energy Power Projects has been challenged before the Hon'ble High Court of Karnataka by Mylar Sugar Limited in its WP 109328/19, Balaji Sugar in WP 107861/18 & Athani Sugar in WP 34466/18 and before the Hon'ble APTEL by SISMA in Appeal No. 229/18. The above said Order dated 14.05.2018 is stayed.

11.6.2 DETERMINATION OF GENERIC TARIFF FOR WIND POWER PROJECTS

The Commission has issued an Order on 16.05.2018 for determining Wind tariff for the power plants commissioned after 31.03.2018. Based on the approved parameters, the tariff worked out to Rs.3.45/kWh. Subsequently, the Commission vide Order dated 27.02.2019 has determined a tariff of Rs. 3.26/unit as the ceiling tariff for bidding. The Parameters considered in the above Orders are as indicated below:



Parameter	Parameters as per Order dated 16.05.2018	Parameters as per Order dated 27.02.2019.
Capital Cost-Rs.MW	5.75	6.00
Debt: Equity ratio	70:30	70:30
CUF in %	29	31
Interest on term loan in %	10.00	10.50
Tenure of loan (Yrs.)	13	15
Working Capital [WC]	Two-Months' receivables	Two-Months' receivables
Interest on WC in %	11.00	11.50
Depreciation in %	5.38% for first 13 years and remaining depreciation spread over balance years of the useful life.	4.67% for first 15 years and remaining depreciation spread over balance years of the useful life.
RoE in %	14	14
O & M Expenses-Rs. Lakhs/MW	10.00	8.00
O & M expenses' escalation per annum	5.72%	5.00%
Auxiliary Consumption	0.5%	0.5%

11.6.3 DETERMINATION OF WHEELING AND BANKING CHARGES FOR RENEWABLE

SOURCES OF ENERGY:

The Commission had issued an Order dated 14th May, 2018 on "Wheeling and Banking Charges for Renewable Power Projects". The Wheeling Order was challenged before the Hon'ble High Court of Karnataka by RE project developers and the High Court has quashed the Order. The Commission has filed a Writ Appeal in the matter before the Hon'ble High Court of the Karnataka.

The Banking period for RE projects was also reduced from one year to six months' vide Commission's Order dated 09.01.2018 which was also challenged by the RE project developer before the Hon'ble ATE. The Hon'ble ATE has set aside the above Order on 29th March,2019 and the matter is remitted back to the Commission with the observations



11.6.4 REVISION OF TARIFF IN RESPECT OF NEW SOLAR ROOFTOP PHOTOVOLTAIC UNITS OF 1KW TO 10KW CAPACITY INSTALLED BY DOMESTIC CONSUMERS.

- (i) In the Order dated 19.12.2018, the Commission has determined the generic tariff, for grid connected new Solar Rooftop Photovoltaic Units of 1kW to 10kW capacity installed by domestic consumers at Rs.4.15 [Four Rupees fifteen paise] only per unit (without capital subsidy) and at Rs.3.08 [Three Rupees Eight Paise] only per unit (with capital subsidy);
- (ii) The above tariff shall be applicable to all such new solar power projects, for which PPAs are entered into and approved by the Commission after the date of issue of this Order, that achieve commercial operation on or after 19.12.2018.
- (iii) The tenure of the PPA, shall be for life of the solar power projects i.e., twenty-five (25) years;
- (iv) All the other issues not covered under the above Order, shall be governed by the respective Regulations and Orders issued by the Commission and PPAs signed by the parties; and
- (v) The Order dated 19.12.2018 shall be in force with effect from date of the Order and until further Orders of the Commission.

The Parameters approved in the Order dated 19.12.2018 is as indicated below:

kW scale SRTPV projects (1 to 10kW for domestic consumers):

Parameters for Kilowatt scale	
Cost/KW- Rs. Lakhs	1 to 10 kW-Rs.48000 per kW
Debt: Equity	70:30
Debt-Rs. Lakhs	0.28
Interest charges on Debt-%	10 %
Debt Repayment in Yrs.	13 Years
CUF	19%
Equity- Rs. lakhs	0.12
ROE-%	14%
Auxiliary consumption	00
O & M expenses in Rs. lakhs	0.006
O & M Escalation p.a.	5.72%
WC interest (one month's receivables)	11%
Depreciation in %	5.38%p.a for first 13 years and remaining depreciation spread equally over balance years of the plant's useful life.



11.6.5 DETERMINATION OF GENERIC TARIFF FOR SOLAR POWER PROJECTS (GROUND MOUNTED AND SRTPV)

- (i) The Commission vide its Order dated 18.05.2018 has determined the generic tariff, for grid connected megawatt scale solar power projects of less than 5MW capacity at Rs.3.05 [Three Rupees five paise] only per unit; and for grid connected Solar Rooftop Photovoltaic projects of 1MW and below at Rs.3.56 [Three Rupees fifty-six paise] only per unit (without capital subsidy) and at Rs.2.67 [Two Rupees sixty-seven paise] only per unit (with capital subsidy);
- (ii) The above tariff shall be applicable to all such new solar power projects for which PPAs are entered into and approved by the Commission after the date of issue of this Order, that achieve commercial operation on or after 01.04.2018;
- (iii) The tenure of the PPA, shall be for life of the solar power projects i.e., twenty-five (25) years;
- (iv) The generic tariff determined in this Order shall also be applicable for payment towards any banked energy purchased by the Distribution Licensees and in such other cases as specified in the relevant orders of the Commission;
- v) All the other issues not covered under this Order, shall be governed by the respective Regulations and Orders issued by the Commission and PPAs signed by the parties; and
- vi) This Order shall be in force with effect from 1st April, 2018 and till 31st March, 2019.

a) Parameters approved by the Commission for MW scale

Solar Power Projects is as follows:

Parameters for Megawatt scale solar projects	
Cost/MW- Rs. Lakhs	350
Debt: Equity	70:30
Debt-Rs. Lakhs	245
Interest charges on Debt-%	10%
Debt Repayment in Yrs.	13
CUF	19%
Equity- Rs. lakhs	105
ROE-%	14%
Auxiliary consumption	0.25%
O & M expenses in Rs. lakhs	4.5
O & M Escalation p.a.	5.72%
WC interest (two months' re- ceivables)	11%
Depreciation in %	5.38%p.a for first 13 years and remaining deprecia- tion spread equally over balance years of the plant useful life.



b) Parameters approved by the Commission for kW scale SRTPV Projects (1 to 1000kW):

Parameters for Kilowatt scale	
Cost/KW- Rs. Lakhs	1 to 1000 kW-Rs.40000 per kW
Debt: Equity	70:30
Debt-Rs. Lakhs	0.28
Interest charges on Debt-%	10 %
Debt Repayment in Yrs.	13 Years
CUF	19%
Equity- Rs. lakhs	0.12
ROE-%	14%
Auxiliary consumption	00
O & M expenses in Rs. lakhs	0.006
O & M Escalation p.a.	5.72%
WC interest (one month's receivables)	11%
Depreciation in %	5.38%p.a for first 13 years and remaining depreciation spread equally over balance years of the plant's useful life.

11.6.6 NOTIFICATION OF POOLED COST OF PURCHASE FOR THE PURPOSE OF RENEWABLE ENERGY CERTIFICATE (REC):

1. The Commission vide its notification-dated 02.04.2018, which was published in the gazette of Karnataka on 04.04.2018, has tried up the APPC for the year 2017-18 at Rs. 3.64/unit against the earlier approved cost of Rs. 3.57/unit. Further, in the said Notification, the Commission has retained the pooled cost at Rs.3.64 per unit for 2018-19 also, as an interim measure.
2. The Commission vide its notification-dated 05.03.2019, which was published in the gazette of Karnataka on 05.03.2019, has tried up the APPC for the year 2018-19 at Rs. 3.85/unit against the earlier approved cost of Rs. 3.64/unit. Further, in the said Notification, the Commission has retained the pooled cost at Rs.3.85per unit for 2019-20 also, as an interim measure.

11.6.7 FUEL COST ADJUSTMENT CHARGES (FAC):

The Commission has issued following Orders on Fuel Cost Adjustment Charges for each quarter of the FY19.

ESCOMs	Order No:487 dated 27.06.2018	Order No:909 dated 12.09.2018	Order No:1264 dated 17.12.2018	Order No:1644 dated 07.03.2019
BESCOM	-	14	11	18
MESCOM	-	04	-	05



CESC	-	05	-	07
HESCOM	-	08	04	10
GESCOM	-	05	-	09

11.7 THE RENEWABLE ENERGY (RE) POWER PURCHASE AGREEMENTS (PPAs) APPROVED UPTO MARCH, 2019 BY THE COMMISSION:

The cumulative status of ESCOM wise abstract of PPAs approved by the Commission is as follows:

RE PPAs approved by the KERC during the FY19												
Type	BESCOM		MESCOM		CESC		HESCOM		GESCOM		Total	
	No of PPAS	Capacity MW	No of PPAS	Capacity MW	No of PPAS	Capacity MW	No of PPAS	Capacity MW	No of PPAS	Capacity MW	No of PPAS	Capacity MW
Wind	1	8	-	-	-	-	6	50	-	-	7	58
Solar	35	1361.34	5	187.34	7	254.6	11	391	9	345.72	68	2540
Co-Generation	1	1	-	-	-	-	-	-	-	-	1	1
Mini Hydel	-	-	-	-	-	-	-	-	-	-	0	0
Sola Roof Top	8	7.079	1	1	1	0.80	2	1.589	-	-	12	10.468
Biomass	-	-	-	-	2	4	-	-	-	-	2	4
Total	45	1377.419	6	188.34	10	259.4	19	442.589	9	345.72	89	2613.468

The cumulative status of ESCOM wise abstract of SPPAs approved by the Commission is as follows:

RE SPPAs approved by the KERC during the FY19												
Type	BESCOM		MESCOM		CESC		HESCOM		GESCOM		Total	
	No of SPPAS	Capacity MW	No of SPPAS	Capacity MW	No of SPPAS	Capacity MW	No of SPPAS	Capacity MW	No of SPPAS	Capacity MW	No of SPPAS	Capacity MW
Wind	5	13	2	6	-	-	13	108	5	41	25	168
Solar	5	13	2	17	1	2	5	23	1	3	14	58
Co-Generation	-	-	-	-	-	-	2	24	-	-	2	24
Mini Hydel	-	-	-	-	1	5	-	-	-	-	1	5
Bio-mass	-	-	-	-	-	-	-	-	-	-	0	0
Total	10	26	4	23	2	7	20	155	6	44	42	255

11.8 POST COMMISSIONING ANALYSIS OF CAPITAL EXPENDITURE OF TRANSMISSION AND



DISTRIBUTION LICENSEES FOR FY17 & FY18:

The Commission has been conducting prudence check of the Capital Expenditure of the Transmission and Distribution Licensees during the Annual Performance Review of KPTCL and ESCOMs. The Commission has been disallowing the amount of interest and depreciation on the works which were found to be not meeting the norms of Prudence, in the revised ARR during the Annual Performance Review of the subsequent years.

The Commission noted that conducting Prudence Check year on year basis, has become a routine exercise and that the KPTCL and ESCOMs are yet to appreciate the importance of conducting the Prudence check as could be seen from the improper data being maintained by them and the delay caused in furnishing the details to the Commission. In order to create awareness on the importance of the Prudence Check, the Commission felt that there should be a change in the approach of addressing this issue. Hence, the Commission decided to direct the KPTCL and the ESCOMs, to initially take up the prudence check through their respective Technical Audit wings and furnish the reports along with the required evaluation sheets in the prescribed formats. The reports submitted by the KPTCL and ESCOMs, could be subjected to random check by the Commission once in two years, through third party verification, on random sampling basis. In case the works are found to be imprudent during the random check, the outlay thereon could be treated as not meeting the norms of prudence and disallow the interest and depreciation in respect of such works, in the ARR. The disallowance, as per the result of the third party could be factored in the revised ARR during the Annual Performance Review (APR), conducted by the Commission for the respective years.

For implementing the above, the Commission has issued detailed guidelines to the KPTCL and the ESCOMs to conduct the Post- Commissioning analysis of the works that are categorized during the financial year. The detailed procedure with methods for evaluating / grading of the projects by the Licensees has also been circulated among the KPTCL and ESCOMs, after obtaining their comments and views to ensure ease of implementation of the guidelines. Accordingly, the Commission directed the KPTCL & ESCOMs to conduct the Post Commissioning analysis of the works which have been completed and categorized during FY17 & FY18 and submit their reports. Even with all these, ESCOMs have not furnished the details and post commissioning analysis reports as prescribed.

The Commission has appointed following Consultants through e-tendering process, for conducting prudence check of capital expenditure pertaining to completed capitalized works categorized during FY17 and FY18 pertaining to KPTCL & ESCOMs.

Organization	Successful Bidder
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KPTCL	RSA & Co. Chartered Accountants, Kolkata:
BESCOM	Power Research & Development Consultants Private Limited, Bengaluru.
MESCOM	RSA & Co. Chartered Accountants, Kolkata
CESC-Mysore	Power Research & Development Consultants Private Limited, Bengaluru
HESCOM-HRECS	PricewaterhouseCoopers Private Limited, Hyderabad
GESCOM	ABPS Infrastructure Advisory Private Limited, Mumbai

The data are not maintained properly by the ESCOMs, which is causing delay in conducting & submission of post commissioning analysis report by the Consultants. All the four successful consultants made their presentation before the Commission, on the draft report prepared by them in respect of prudence check of capital expenditure pertaining to completed capitalized works categorized during FY17 and FY18 pertaining to KPTCL & State ESCOMs and accordingly, KPTCL & ESCOMs have been directed to provide the necessary details as required by the concerned consultants along with their comments on the Draft Reports. On submission of final report by the consultants, the Commission will analyse and decide on disallowance of the amount towards interest and depreciation, on the works which were found to be not meeting the norms of Prudence, in the revised ARR of the subsequent year.

11.9 REVIEW OF PERFORMANCE OF KPTCL AND ESCOMS:

The Commission has been conducting Performance Review Meetings of Transmission utility (KPTCL) and the Distribution utilities on a quarterly basis. In respect of KPTCL, some of the key parameters monitored are as follows:

I. The KPTCL's Review: (Presentation by KPTCL)

- i. Discussion on action Taken Report on the Previous meeting.
- ii. Compliance to directives of the Commission;
 - a) Transmission System Availability- TSA,
 - b) Status of working of Capacitors,
 - c) Energy audit,
 - d) Prevention of Electrical Accidents.
- iii. Status of implementation of SAMAST, "forecasting, Scheduling and DSM" Regulation and Intra-State ABT.
- iv. Prudence Check for FY17 & FY18-Data Readiness of KPTCL

In respect of Distribution utilities, some of the key parameters monitored are as follows:

II. ESCOM's Review: (Presentation by ESCOMs)

- i. Discussion on action Taken Report on the Previous meeting.



- ii. Analysis of impact of Revision of Tariff.
- iii. Current status of Implementation of Special Incentive Scheme, ToD metering, Electric Vehicle Charging.
- iv. Status of GPS Survey to identify the live IP Set installations, dried up/in use IP sets.
- v. Regularization of IP Sets.
- vi. Action taken on KPTCL's report on earthing of cross arms
- vii. Compliance to directives of the Commission;
 - a. Conducting consumers' interaction meeting in O&M subdivisions;
 - b. Impact of preparation of energy bills on monthly bases by considering 15 Minutes time block in respect of HT/EHT consumers for FY18;
 - c. Energy conservation – Use of energy efficient equipments;
 - d. Implementation of Standards of Performance (SoP);
 - e. Use of safety gears by Linemen;
 - f. Providing Timer Switches to Streetlights by ESCOMs;
 - g. Load shedding,
 - h. Establishing a 24X7 fully equipped centralized consumer service center for Redressal of consumer complaints,
 - i. Metering of DTCs
 - j. Energy Audit-11kV feeder energy audit, DTCs, towns, cities and Divisions and also to furnish feeder specific action plan to reduce the losses within a specific time frame where the losses are above 15%.
 - k. Implementation of NJY-Feeder separation,
 - l. Demand Side Management in Agriculture,
 - m. Life line supply to Un-electrified households,
 - n. Implementation of Financial Management Framework,
 - o. Prevention of Electrical Accidents
- viii. Status of RPO compliance by the ESCOMs for FY18 and FY19,
- ix. Prudence Check for FY17 & FY18- Data Readiness of ESCOMs
- x. Monitoring captive consumption through open access from Captive generation.

The Commission has issued following directions to KPTCL:

- a) To ensure availability of the transmission network duly augmenting the network wherever necessary and also to maintain the network so as to ensure that the generation of RE is not lost. And to examine all such cases of forced outages of the



generators for want of transmission network and address them suitably.

- b) To prioritize repairs and replacements of capacitors not working.
- c) To ensure conduct of energy audit on a regular basis to take appropriate action to bring down the losses in such sections of the transmission network where, the loss is found to be on a higher side.
- d) To rectify all the hazardous locations in order to avoid accidents.

On a query by the Commission on operation of REMC, it was submitted by KPTCL that by January-2019, the same will be in operation.

The Commission has issued following directions to all the ESCOMs:

- a) To analyse the TSA and submit their comments thereon, to enable the Commission to consider incorporating the same in the Tariff Order.
- b) To take up proper measures for implementation of special Incentive Scheme.
- c) To achieve 100% ToD Metering.
- d) To achieve 100% Implementation of NJY-Feeder Separation
- e) Establishing a 24X7 fully equipped centralized consumer service centre for Redressal of consumer complaints:
- f) 100% Metering and Energy Audit of DTC's:

The Commission directed BESCO and GESCOM to present their individual presentations before the Commission on Energy Audit, considering one Urban and Rural subdivisions in their area of supply and the Commission observed that the energy audit reports are not meant to be submitted as MIS reports. Instead they should be used as tools to increase saleable energy by reducing the losses in the feeders/ DTCs where the losses are abnormal. That reduction of losses would increase the saleable energy resulting in increase in the Average Realization Rate (ARR) of the sub-division. Therefore, the ESCOMs should identify the feeders having losses above 15% and formulate feeder-specific action plant to reduce the losses, with a specific time frame to achieve the loss reduction targets.

Further, the Commission reviewed the status of Regularization of IP Sets, Energy conservation – Use of energy efficient equipment's, Use of safety gears by Linemen, Minimize power interruptions, Monitoring captive consumption through open access from Captive generation, Providing Electrical charging points for Electric Vehicles, to ensure earthing of Cross Arms and to implement the REC Guidelines for earthing of 11KV lines, disposal of grievances by the CGRF, Issuance of Energy bills on monthly basis by considering 15 Minutes time block in respect of HT/EHT consumers for FY18, Providing Timer Switches to Streetlights by ESCOMs., Demand Side Management in Agriculture, Life line supply to Un-electrified households, Implementation of Financial Management Framework, Prevention of Electrical Accidents, Status of RPO compliance by the ESCOMs for FY18 and FY19, Monitoring captive



consumption through open access from Captive generation.

The Commission noted that ESCOMs have not been analyzing commercial implications of Change in revision of tariff and hence not submitting any report on it.

Apart from the above, some of the additional subjects listed below are also discussed and monitored during the Review meetings:

- a) **Lack of representation in the cases by GESCOM:** The Commission pointed out that GESCOM is not properly representing the cases filed by the generators before the Commission. Hence, GESCOM was directed to ensure proper representation by appointing legal counsels or through representation by the GESCOM officers.
- b) The Commission reviewed the progress achieved in the Distribution Automation Scheme (**DAS**), the MD, BESCOM submitted the updates on DAS and expressed that the outstanding issues identified would be resolved soon.

11.10 TRANSMISSION SYSTEM AVAILABILITY:

The KPTCL has submitted the Transmission System Availability (TSA) for FY18. The Commission is examining the (TSA) submitted by the transmission licensee (KPTCL) before factoring it in the computations during the Annual Performance Review (APR) while allowing the incentives towards achieving the TSA above the target levels.

11.11. MEETINGS OF THE COMMISSION:

The Commission has held 24 meetings to discuss various issues on the power sector during the year. The following are some of the important subjects discussed in the Commission's meetings.

- i. Approval of the APR for the FY17 and revision of transmission tariff for FY19 of the KPTCL.
- ii. Approval of the APR for the FY17 and ARR for FY19 & Revision of retail supply tariff for all the ESCOMs, the Hukkeri RECS and the SEZs for the FY19.
- iii. Review of power position in the State.
- iv. Approval of medium/short-term power procurement proposals and power purchase agreements.
- v. Approval of deviations in bidding documents proposed by the PCKL /KREDL and related issues.
- vi. Issue of new Regulations and amendments to Regulations.
- vii. Monitoring and Review of compliance of Renewable Purchase Obligation by the ESCOMs and other obligated entities.
- viii. Approval of quarterly Fuel Cost Adjustment Charges (FAC).
- ix. Prudence check of capital expenditure of the KPTCL, the ESCOMs and the HRECS.
- x. Nomination of Members to the State Advisory Committee and District Level Consumer Grievance Redressal Forums [CGRF].





Advisory Committee
Activities during the year 2018-19



xi. Other administrative matters of the Commission.

1.



12. ADVISORY COMMITTEE OF THE COMMISSION

12.1 In pursuance of the provisions contained in Section 34 of the Karnataka Electricity Reforms act, 1999 and Section 87 of the Electricity Act, 2003, the commission has established a state level advisory committee to advise the commission on:

- (i) Major questions of policy;
- (ii) Matters relating to quality, continuity and extent of services provided by the Licensees;
- (iii) Compliance by the Licensees with the conditions and requirements of their License;
- (iv) Protection of consumers' interest; and
- (v) Electricity supply and overall standards of performance by utilities.

A List of the present Members of the Advisory Committee is placed in **Annexure- 2**.

12.2 BRIEF ACCOUNT OF THE IMPORTANT ISSUES DISCUSSED IN THE MEETINGS:

During the year, three meetings of the Advisory Committee were held.

- (1) In the 54th meeting held on 18th July, 2018, the Committee reviewed the power position in the State. The KPTCL made their presentation to the Committee on the implementation of Intra-State ABT and status of 400 kV transmission lines including 400 kV Bellary pooling stations for evacuation of [power from YTPS and BTPS, protection audit and related issues as per the KEGC 2015. The KPCL also made their presentation to the Commission on procurement of ABT meters. The members of the Advisory Committee brought the following issues to the notice of the Commission.
 - a) Metering practices**
 - b) Disposal of cases by CGRF**
 - c) Delay in replacement of 40 distribution transformers**
 - d) Finalizing the amendments/simplification of CoS**
 - e) Inspection by vigilance wings**
 - f) Encouraging LT industries in NJY feeders**
- (2) In the 55th meeting held on 16th November, 2018, the PCKL made a presentation on the power position for the period Nov-18 to May-19 to Committee. The KPTCL made their presentation to the Committee on the implementation of



Intra-State ABT, standard practices being followed by KPTCL in maintenance of substations and transmission lines, status of completion of 400kV pooling stations at Chickkanayakanahalli and its associated line work, status of completion of work of evacuation line from 400kV PGCL substation Vasantha Narasapura and Yelahanka and status of establishing green corridor project. The KPCL also made their presentation to the Commission on status of providing ABT meters to KPCL generating stations for implementing intra-state ABT, generation of power at RTPS & BTPS and status of availability of coal; and status of completion of remaining infrastructure work at YTPS and other additional subjects.

- (3) In its 56th Meeting held on 02nd February, 2019, the Committee confirmed the proceedings of the 55th Advisory Committee meeting held on 16th November, 2018. The KPTCL made the presentation on the tariff filed by them and also the ESCOMs made their presentation on their application on APR for FY18 and approval of ARR for the control period FY20 to FY22 and revision of retail tariff proposal for FY20. The members of the Advisory Committee made their suggestions/views on the submission made by KPTCL and ESCOMs.

13. COMMISSION'S ADJUDICATION ACTIVITIES:

The Commission generally holds hearings on Tuesdays and Thursdays of every week for adjudication of disputes between the licensees and generators and also conducts public hearings as a part of consultative process in determination of tariff, making regulations whenever necessary.

- 13.1 The Abstract of Petitions filed before the Commission during the year and their disposal, as on 31.03.2019, is indicated below:

Abstract

No. of Cases pending as on 01.04.2018	136
No. of Cases filed during the year & remanded cases	136
No. of Cases disposed during the year	144
Cases pending at the end of year	128

- 13.2 The details of Petitions, Complaints, Review Petitions and others disposed of during the period from 1stApril, 2018 to 31st March, 2019 are as follows:

Details of Petitions Disposed of by the Commission in FY 2018-19.					
Sl. No.	Case No.	Date of filing	Parties	Subject	Date of Disposal
1	OP 86/16	29.11.16	REDAK vs BESCOM & others	Implementation of DSM Regulations	3.4.18



2	OP 146/17	05.09.17	The Ugar Sugar Works Ltd (Ugar Khurd Unit Belgaum) Vs PCKL & Others	Execution of PPA	3.4.18
3	OP 147/ 17	05.09.17	The Ugar Sugar Works Ltd (Malli Nagarhalli, Tal Jewargi) Vs PCKL & Others	Execution of PPA	3.4.18
4	OP 139/17	18.08.17	Shri Hiranyakeshi Sahakari Sakkari Harkhane Niyamit Vs PCKL & Others	Execution of PPA	3.4.18
5	Complaint 72/17	15.09.17	Bannari Amman Sugars Ltd Vs BESCOM & Another	Non Compliance of Order Dt. 11.04.17	3.4.18
6	Complaint 73/17	18.09.17	Athani Sugars Ltd Vs BESCOM & Another	Non Compliance of Order Dt. 11.04.17	3.4.18
7	Complaint 74/17	18.09.17	Bannari Amman Sugars Ltd Vs BESCOM & Another	Non Compliance of Order Dt. 11.04.17	3.4.18
8	OP 105/16	29.12.16	International Power Corporation (P) Ltd vs BESCOM & another	Determination of tariff	5.4.18
9	OP 104/17	19.06.17	Ravindra Energy Ltd Vs BESCOM & Another	Extension of Time	10.4.18
10	OP 1/17	30.12.16	Karnataka State Warehousing Corporation vs GoK & others	SRTPV PPA	12.4.18
11	OP 81/16	16.9.16/ 3.10.16	J K Cement Ltd vs KPTCL	Interconnection approval	24.4.18
12	OP 64/17	04.05.17	Dnyanayogi Shri Shiv Kumar Swamiji Sugars Ltd Vs KPTCL	O&M Charges	24.4.18
13	OP 118/17	13.07.17	Vijayanagar Sugar Pvt Ltd Vs KPTCL	O&M Charges	24.4.18
14	OP 52/17	17.03.17	BESCOM Vs Nil	Additional Surcharge for Open Access Consumers	14.5.18
15	OP 53/17	17.03.17	CESC Vs Nil	Additional Surcharge for Open Access Consumers	14.5.18
16	OP 54/17	17.03.17	MESCOM Vs Nil	Additional Surcharge for Open Access Consumers	14.5.18
17	OP 55/17	17.03.17	HESCOM Vs Nil	Additional Surcharge for Open Access Consumers	14.5.18
18	OP 56/17	17.03.17	GESCOM Vs Nil	Additional Surcharge for Open Access Consumers	14.5.18
19	OP 28/18	27.03.18	Aikyam Holdings Pvt. Ltd vs BESCOM & another	Payment	29.5.18
20	OP 148/ 17	06.09.17	Sri.Urgappa Solar Pvt Ltd Vs BESCOM	Execution of PPA	29.5.18
21	RP 6/18	4.4.18	Kanak Renewable Ltd & another vs HESCOM & another	Review of direction dt. 03.01.2018	5.6.18
22	RP 7/18	4.4.18	Saroja Renewable Ltd & another vs HESCOM & another	Review of direction dt. 03.01.2018	5.6.18
23	RP 8/18	4.4.18	Rajat Renewable Ltd & another vs HESCOM & another	Review of direction dt. 03.01.2018	5.6.18



24	RP 9/18	4.4.18	Saroja Renewable Ltd & another vs HESCOM & another	Review of direction dt. 03.01.2018	5.6.18
25	RP 10/18	4.4.18	Rajat Renewable Ltd & another vs HESCOM & another	Review of direction dt. 03.01.2018	5.6.18
26	RP 11 /18	4.4.18	Saroja Renewable Ltd & another vs HESCOM & another	Review of direction dt. 03.01.2018	5.6.18
27	RP 12/18	4.4.18	Rajat Renewable Ltd & another vs HESCOM & another	Review of direction dt. 03.01.2018	5.6.18
28	RP 13 /18	4.4.18	Shanay Renewable Ltd & another vs HESCOM & another	Review of direction dt. 03.01.2018	5.6.18
29	RP 14 /18	4.4.18	Shanay Renewable Ltd & another vs HESCOM & another	Review of direction dt. 03.01.2018	5.6.18
30	OP 121/17	18.07.17	Pinpoint Energy K1 Pvt Ltd VS BESCO	Extension of Time	12.6.18
31	OP 69/16	29.6.16	CESC vs South India Paper Mills Ltd	Damages for breach of PPA	12.6.18
32	OP 194/17	13.10.17	Solantra Pvt Ltd Vs KREDL & Others	Extension of Time	12.6.18
33	OP 195/17	13.10.17	Insolexo Pvt Ltd Vs KREDL & Others	Extension of Time	12.6.18
34	OP 90/17	25.05.17	CESC Vs Nil	Amendment to KERC Smart grid Regulation 2016 & Electricity Supply Code 2004.	14.6.18
35	OP 91/17	31.05.17	Sri. Murali M Baladev Vs KREDL	Extension of Time	14.6.18
36	OP 183/17	09.10.17	Blister Solar Energy Pvt Ltd Vs BESCO	Extension of Time	14.6.18
37	OP 197/17		Heliocare Pvt Ltd Vs KREDL & Others	Extension of Time	14.6.18
38	OP 17/18	13.03.18	Engineered Power Resources India Pvt. Ltd vs Nil	Determination of tariff	12.6.18/ 21.6.18
39	OP 196/17		Sourashakthi Energy Pvt Ltd Vs CESC	Extension of Time	21.6.18
40	OP 23/11	14.6.11	Nandi Sahakari SKN vs HESCOM & another	Payment	24.5.12/ 21.6.18
41	OP 184/17	09.10.17	Spangle Energy Pvt Ltd Vs BESCO	Extension of Time	26.6.18
42	OP 186/17	09.10.17	Flaunt Solar Energy Pvt Ltd Vs BESCO	Extension of Time	26.6.18
43	OP 187/17	09.10.17	Scorch Solar Energy Pvt Ltd Vs BESCO	Extension of Time	26.6.18
44	OP 59/16	16.6.16	Indian Cane Power Ltd vs BESCO & others	Tariff	11.4.17/ 26.6.18
45	OP 132/17	05.07.17	Tanivi Solar Pvt Ltd Vs CESC	Extension of Time	28.6.18
46	OP 137/17	21.08.17	Haveri Bio Energy Pvt Ltd Vs BESCO & Another	Determination of Tariff	28.6.18



47	OP 80/16	22.9.16	Coromandel Sugars Ltd vs CESC & others	To declare cancellation of PPA & for adoption of tariff as per generic order dated 1.1.2015	28.6.18
48	OP 136/17	21.08.17	Tata Prasanna Kumar Vs BESCOM	SRTPV Plants	5.7.18
49	OP 153/17	12.09.17	Vatsala Bellary Solar Project Pvt Ltd Vs BESCOM	Extension of Time	10.7.18
50	OP 4 /18	18.01.18	Sohan Renewables Energy India Pvt.Ltd. vs KPTCL & others	Wheeling & Banking	10.7.18
51	OP 151/17	11.08.17	Soham Mannapitlu Pvt Ltd Vs KPTCL	O&M Charges	10.7.18
52	OP 168/17	25.09.17	G.N.Narayana Swamy Vs BESCOM	SRTPV	10.7.18
53	OP 221/17	24.11.17	Azure Power India Pvt. Ltd vs BESCOM	Extension of time	10.7.18
54	OP 62/17	25.04.17	Raygen Power Pvt Ltd Vs CESC	Solar PPA	12.7.18
55	OP 92/17	05.06.17	Smt A. Shushmashree Vs GESCOM	Extension of Time	19.7.18
56	OP 93/17	05.06.17	SRC Company Infra Pvt Ltd Vs GESCOM	Extension of Time	19.7.18
57	OP 142/17	28.08.17	Mrs.Lalitha Prakash Vs BESCOM	Extension of Time	24.7.18
58	OP 143/17	28.08.17	Mrs.Lalitha Prakash Vs BESCOM	Extension of Time	24.7.18
59	Complaint 02/17	17.5.17	BESCOM & another Vs Surana Industries Pvt Ltd	Non Compliance of order	24.7.18
60	OP 119/17	14.07.17	Abhimanni Publications Ltd VS BESCOM	SRTPV	24.7.18
61	OP 134/17	16.08.17	Matrix Power (Wind) Pvt Ltd Vs HESCOM & Another	Wheeling & Banking	26.7.18
62	OP 83/17	18.05.17	C.S.Sundar Raju Vs KPTCL & others	Wheeling & Banking	2.8.18
63	OP 159/17	21.09.17	Chirasthaayee Saurya Ltd Vs BESCOM & Others	Effective Date	7.8.18
64	OP 65/17	04.05.17	Madamgeri Solar Power Project LLP Vs HESCOM & Others	Solar PPA Extension of time	7.8.18
65	OP 3/17	26.12.16/ 6.1.17	Sri Indra Power Energies Ltd vs GESCOM	Payment	9.8.18
66	OP 178/17	06.10.17	Krishi Sunpower Pvt Ltd Vs HESCOM & Another	Extension of Time	9.8.18
67	OP 158/17	18.09.17	MNR Solar Energy Pvt Ltd Vs BESCOM & Others	Extension of time	21.8.18
68	OP 163/17	22.09.17	Gavi Ganga Solar Pvt Ltd Vs CESC & Others	Extension of time	28.8.18
69	OP 164/17	22.09.17	Chowdeshwari Solar Energy Pvt Ltd Vs BESCOM & Others	Extension of time	28.8.18



70	OP 167/17	27.09.17	Poorvaj Solar Power Pvt Ltd Vs BESCO & Others	Extension of time	28.8.18
71	OP 217/17	15.11.17	Anjinamma vs BESCO	Extension of time	28.8.18
72	OP 69/17	04.05.17	Hukkeri Solar Project LL.P Vs HESCO & Others.	Solar PPA Extension of time	30.8.18
73	OP 161/17	20.09.17	Saakesha Solar Energy Pvt Ltd VS BESCO & Others	Extension of time	30.8.18
74	OP 66/17	03.05.17	Basargi K.M Solar Power Projects LLP Vs HESCO & Another	Solar PPA Extension of time	4.9.18
75	OP 68/17	04.05.17	Chennamangathihalli Solar Power Projects LL.P Vs BESCO & Others.	Solar PPA Extension of time	4.9.18
76	OP 128/17	28.07.17	Sirwar Renewable Energy Pvt Ltd Vs State of Karnataka & Others	Extension of Time	4.9.18
77	OP 67/17	04.05.17	Shivapur Solar Power Project LL.P Vs HESCO & Others.	Solar PPA Extension of time	11.9.18
78	OP 97/17	12.06.17	Kurugunda Solar Power Project LL.P Vs HESCO	Solar PPA Extension of Time	11.9.18
79	OP 112/17	13.06.17	Chikkanandi Solar Power Project LL.P Vs GESCO	Extension of Time	11.9.18
80	OP 113/17	13.06.17	Tavalgeri Solar Power Project LL.P Vs GESCO	Extension of Time	11.9.18
81	OP 223/17	5.12.17	Indian Sugar Manufacturing Co.Ltd. vs BESCO & others	Execution of PPA	11.9.18
82	OP 198/17	13.10.17	Ravi Shivappa Padasalagi Vs GoK Energy Dept. & Others	Extension of Time	11.9.18
83	OP 70/17	05.05.17	Chikkahalli Solar Power Projects LL.P Vs BESCO & Another	Solar PPA Extension of time	18.9.18
84	OP 71/17	05.05.17	Hunsankodihalli Solar Power Project LL.P Vs BESCO & Another	Solar PPA Extension of time	18.9.18
85	OP 72/17	05.05.17	Hirehalli Solar Power Project LL.P Vs BESCO & Another	Solar PPA Extension of time	18.9.18
86	OP 73/17	05.05.17	Kulagoda Solar Power Project LL.P Vs GESCO & Another	Solar PPA Extension of time	18.9.18
87	OP 96/17	12.06.17	Yarganvi Solar Power Project LL.P Vs HESCO	Solar PPA Extension of Time	18.9.18
88	OP 131/17	07.08.17	Hindustan Zinc Ltd Vs HESCO	Payment	18.9.18
89	OP 98/16	23.12.16	S Basavarajappa vs BESCO & others	Solar PPA	25.9.18
90	OP 105/17	19.06.17	Bannura Solar Power Project LL.P Vs MESCO & Another	Extension of Time	25.9.18
91	OP 169/17	25.09.17	Chandranandan.N Vs BESCO	S RTPV	25.9.18



92	OP 150/17	06.09.17	Rajpet Energy LLP Vs BES-COM & Others	Extension of Time	25.9.18
93	OP 155/17	15.09.17	Nadagouda Energies Pvt Ltd Vs HESCOM & Others	Effective Date	25.9.18
94	OP 17/13	27.5.13	Yuken India Ltd vs KPTCL & others	Granting wheeling and banking facility	28.11.14/ 27.9.18
95	OP 114/17	13.06.17	Marakka Solar Power Project LL.P Vs MESCOM	Extension of Time	27.9.18
96	OP 157/17	18.09.17	S.G. Arakere Solar Power Pvt Ltd Vs HESCOM & Others	Extension of time	27.9.18
97	OP 165/17	25.09.17	LRK Solar Power Pvt Ltd Vs BESCOM & Others	Extension of time	27.9.18
98	OP 166/17	25.09.17	LPD Solar Power Pvt Ltd Vs BESCOM & Others	Extension of time	27.9.18
99	Complaint 65/17	17.08.17	G.Rudresh General Secretary, KSLEC Vs BESCOM & Others	Non-Compliance of CoS	27.9.18
100	Complaint 10/17	20.06.17	Sri. Krishna Kishore M.B. Vs MD CESC & Others	Disobedience of KERC Regulations	28.06.17/ 4.10.18
101	OP 201/17	23.10.17	Asian Fab Tech Ltd Vs BES-COM	Extension of Time	9.10.18
102	OP 214/17	03.11. 17	Aadyaarush Power Projects Pvt. Ltd Vs BESCOM & others	Extension of time	9.10.18
103	OP 222/17	28.11.17	Sri T.Gowranna vs GoK & others	Extension of time	9.10.18
104	Complaint 79/17	13.12.17	Saravanna Alloy Steels Pvt. Ltd. Vs BESCOM & another	Non-compliance of order of CGRF	9.10.18
105	OP 18 /18	16.03.18	ES Sun Power Pvt Ltd & another vs BESCOM	Levy of damages	23.10.18
106	OP 19/18	16.03.18	ES Solar Pvt. Ltd & another vs BESCOM	Levy of damages	23.10.18
107	OP 7/18	29.01.18	BESCOM & SLDC vs Konark Power Project	Payment	23.10.18
108	OP 225/17	30.11.17	Smt.Uma S.A. vs BESCOM & another	S RTPV	30.10.18
109	OP 140/17	24.08.17	Welspun Renewables Energy Pvt Ltd Vs BESCOM & Others	Extension of Time	9.11.18
110	OP 133/17	17.08.17	Globalexotium Renewables Solutions Pvt Ltd Vs KREDL & Others	Extension of Time	9.11.18
111	OP 120/17	17.07.17	RNS Infrastructure Ltd Vs KPTCL & Others	Wheeling and Banking	9.11.18
112	OP 101/17	16.06.17	Smt. H.Kamalakshi VS GES-COM	Extension of Time	20.11.18
113	OP 156/17	18.09.17	Koppal Solar power Projects Pvt Ltd Vs State of Karnataka & Others	Extension of time	20.11.18



114	OP 115/17	05.07.17	Kallappa Laxmappa Nyamagoudar Vs HESCOM	Extension of Time	22.11.18
115	OP 200/17	19.10.17	Athense Energy Pvt Ltd Vs MESCOM	Extension of time	22.11.18
116	OP 228/17	12.12.17	Jigajinagi Japtap Solar Energy Pvt. Ltd (1) vs HESCOM & others	Extension of time	22.11.18
117	OP 229/17	12.12.17	Jigajinagi Japtap Solar Energy Pvt. Ltd (2) vs HESCOM & others	Extension of time	22.11.18
118	RP 10/17	24.8.17	Nirani Sugar Ltd vs BESCOM & others	Review of order dt. 11.4.17	22.11.18
119	OP 141/17	24.08.17	Welspun Renewables Energy Pvt Ltd Vs BESCOM & Others	Extension of Time	27.11.18
120	OP 138/17	22.08.17	Jindal Aluminum Pvt Ltd Vs BESCOM	Payment for Additional Energy	29.11.18
121	OP 230/17	11.12.17	Jayamal Energy LLP vs BESCOM	Extension of time	29.11.18
122	OP 57/17	27.03.17	Dnyanayogi Shri Shivkumar Swamiji Sugars Ltd Vs KPTCL & Others	Payment for Energy Delivered	4.12.18
123	RP 4/17	21.02.17	Dr.Smitha Murthy Vs BESCOM	Solar PPA	4.12.18
124	OP 88/17	24.05.17	Brindavan Hydro Power Pvt Ltd Vs BESCOM & others	Payment	6.12.18
125	OP 215/17	08.11.17	Sri G.N.Nanjunda Swamy vs CESC	SRTPV	14.12.18
126	Complaint 1/17	12.1.17	R.B.Seth Shreeram Narsingdas Pvt Ltd vs HESCOM & another	Non Compliance of order	15.2.18/ 17.12.18
127	OP 42/17	06.03.17	BESCOM Vs Shantha Power Projects Pvt Ltd.	Payment of Arrears	17.12.18
128	OP 235/17	18.12.17	Smt.Shashikala vs BESCOM	SRTPV	17.12.18
129	OP 145/17	31.08.17	Tungabhadra Solar Parks Pvt Ltd VS GESCOM	Performance Security	17.12.18
130	OP 95/16	22.12.16	Prakash Silk & Sarees Pvt Ltd vs SLDC & others	Wheeling	17.12.18
131	OP 96/16	22.12.16	Babu Sarees Pvt Ltd vs SLDC & others	Wheeling	17.12.18
132	OP 162/17	21.09.17	Anantapur Solar Parks Pvt Ltd Vs CESC	Extension of time	17.12.18
133	OP 91/18	09.10.18	Govt. of Karnataka & another vs Hassan Thermal Power Pvt. Ltd	Arbitration	17.12.18
134	OP 111/17	28.06.17	Sri. Ravi B.T Vs State of Karnataka & Others	Extension of time	19.12.18
135	OP 92/16	24.10.16/ 7.12.16	Athani Sugars Ltd vs PCKL & others	Illegal deductions	19.12.18



136	OP 85/18	20.09.18	BESCOM vs Nil	Amendment to KERC (Recovery of expenditure) Regulations.	31.01.19
137	OP 63/18	11.07.18	CESC Vs Nil	Amendment to KERC (Recovery of Expenditure) Regulations	31.01.19
138	OP 122/17	21.07.17	Smt. Sharada Doddi Vs GES-COM	Extension of time	21.02.19
139	OP 123/17	21.07.17	P.Venganna Setty & Brothers vs MESCOM	Payment of Interest	28.02.19
140	OP 124/17	21.07.17	MSPL Ltd Vs MESCOM	Payment of Interest	28.02.19
141	OP 125/17	21.07.17	P. Venganna Setty & Brothers Vs GESCOM	Payment of Interest	28.02.19
142	OP 126/17	21.07.17	Ramgad Minerals & mining Ltd Vs GESCOM	Payment of Interest	28.02.19
143	OP 62/18	09.05.18	Master Power vs KPTCL & another	O&M charges	28.02.19
144	Complaint 4/16	28.7.16	Satinderpal Chopra vs BES-COM	Non Compliance of KERC (Security Deposit) Regulations, 2007	07.03.19





**The Electricity Ombudsman
&
Consumer Grievance Redressal Forum**





14. CONSUMER GRIEVANCES REDRESSAL:

(1) Activities of the Ombudsman:

As per the provisions under Section 42(6) of the Electricity Act 2003, Ombudsman has been appointed by the Commission. The Ombudsman provides suitable redressal to the grievances of the consumers which are not redressed at the level of the District Consumer Grievances Redressal Forum (CGRF).

During the financial year 2018-19, 35 Petitions were registered and 11 Petitions brought forward from the previous year, totaling to 46 cases. Of these, the Electricity Ombudsman conducted hearing and disposed of 27 petitions during the year, leaving a balance of 19 cases.

The grievances taken up with the Ombudsman mainly relate to wrong reading of meter, delay in refund of deposits, delay in disposal of application regarding power connection, Back Billing Charges etc.,

During the financial year 2018-19, the Electricity Ombudsman has conducted workshops, held Review Meetings of CGRFs and Consumer grievances redressal meetings as detailed below for the benefit of ESCOM officers/officials and consumers.

26-07-2018	-	Bidar GESCOM
17-08-2018 & 18-08-2018	-	Mysuru-CESC
07-09-2018	-	Tumkuru-BESCOM
22-09-2018 to 24-09-2018	-	Bagalkot-HESCOM
25-09-2018	-	Belgaum-HESCOM
22-12-2018	-	Mangalore-MESCOM
22-01-2019	-	Hubballi-HESCOM
23-01-2019	-	Belagavi-HESCOM
22-02-2019 & 23-02-2019	-	Raichur-GESCOM
14-03-2019	-	Karwar-HESCOM
15-03-2019	-	Sirsi-HESCOM

REVIEW OF THE WORKING OF CONSUMER GRIEVANCES REDRESSAL FORUMS (CGRFs):

Consumer Grievances Redressal Forums have been established by the Distribution Licensees in every Revenue District of their jurisdiction. The CGRF is chaired by an officer of the Licensee not below the rank of a Superintending Engineer and one Member being officer of the Licensee not below the rank of Executive Engineer. The KERC has nominated one Member to each CGRF from among the persons who have experience or knowledge of electricity sector/consumer affairs from various fields.



The creation of CGRFs in each revenue district has helped consumers to get their grievances redressed expeditiously at District level itself, which saves them considerable time and cost.

During the financial year 2018-19, the ESCOM-wise status of grievances redressed is as follows:

Name of ESCOM	Opening balance	Filed during the year	Disposed during the year	Balance at the end of the year
BESCOM	70	66	84	52
MESCOM	0	18	15	03
CESC	01	10	10	01
HESCOM	14	16	28	02
GESCOM	09	29	26	12
Total	94	139	163	70



Programme for FY20

.....Year Ahead





15 PROGRAMME FOR THE YEAR AHEAD

The following activities are planned for the FY20:

(1) **Review of performance of the KPTCL and the ESCOMs:**

The Commission would continue to review the performance of the KPTCL and the ESCOMs on parameters like quality of supply, energy audit, interruptions in power supply; accidents; billing & collection besides reviewing the compliance to the Directives. The Commission would hold quarterly meetings in this regard and direct them to take corrective measures wherever necessary. These review meetings would also enable the Commission to get valuable inputs on various issues dealt by it in the course of its functions.

(2) **Prudence check of capital expenditure incurred by the KPTCL and the Distribution Licensees for the FY19 and FY20:**

The Commission will conduct the prudence check of the capex as per the guidelines issued by it earlier. The prudence check of the capital expenditure and procurement of materials during FY19 and FY20 would be analyzed for considering allowance of interest on loan(s) and depreciation for the FY19 and FY20.

(3) **The Annual Performance Review (APR) for the FY18 and the determination of ARR for the next control period for the transmission and distribution licensees in the State and Revision of the Retail Supply Tariff of the Distribution Licensees for the FY20:**

The Commission will conduct and finalize Annual Performance Review (APR) for the FY19 and would determine the ARR of the KPTCL/ESCOMs and SEZs for the next control period FY20 to FY22. Subsequently, based on the approved ARR, the transmission tariff for the KPTCL and the retail supply tariff for distribution licensees FY21 would be revised.

(4) **The Annual Performance Review (APR) for the FY19 of the KPTCL/ESCOMs and SEZs and determination of -the revised ARR and Retail Supply Tariff of the Distribution Licensees for the FY21.**

(5) **Fuel Cost Adjustment Charges:** In accordance with the KERC (Fuel Cost Adjustment Charges) Regulations 2013, the Commission would determine the fuel cost adjustment charges for each quarter of the financial year 2019-20.

(6) **Fresh determination of tariff for Solar Power Projects and Waste to Energy power projects for FY 20 and approval of RE PPAs.**

The Commission will initiate proceedings for fresh determination of the tariff for Solar



and Waste to Energy power projects based if required on the new inputs on the capital cost and other cost parameters and also approve PPAs thereon.

(7) **Amendments to the Conditions of Supply of Electricity of the Distribution Licensees in the State of Karnataka (CoS)**

The Commission will initiate proceedings to amend appropriately the various Clauses of CoS, as may be necessary during the course of extension of power supply to the consumers considering the requests made by consumers and the licensees.

(8) **Amendments to the KERC (Recovery of Expenditure for supply of Electricity) Regulations**

The Commission will initiate proceedings to amend appropriately various Clauses of these Regulations considering the requests received from consumers and the licensees.

(9) **Determination of the Tariff and Approval of PPAs relating to new Thermal Stations in the State.**

The Commission will finalize determination of tariff and approval of PPAs in respect of new thermal stations in the State after due process.

(10) **Notification of the APPC for the FY21 and Truing up for FY20:**

The Commission vide Notification dated 05.03.2019 has determined the APPC for the FY20 at Rs.3.85/unit for the FY20, as an interim measure. This will be trued up based on the actuals during the year and APPC for FY21 would be determined.

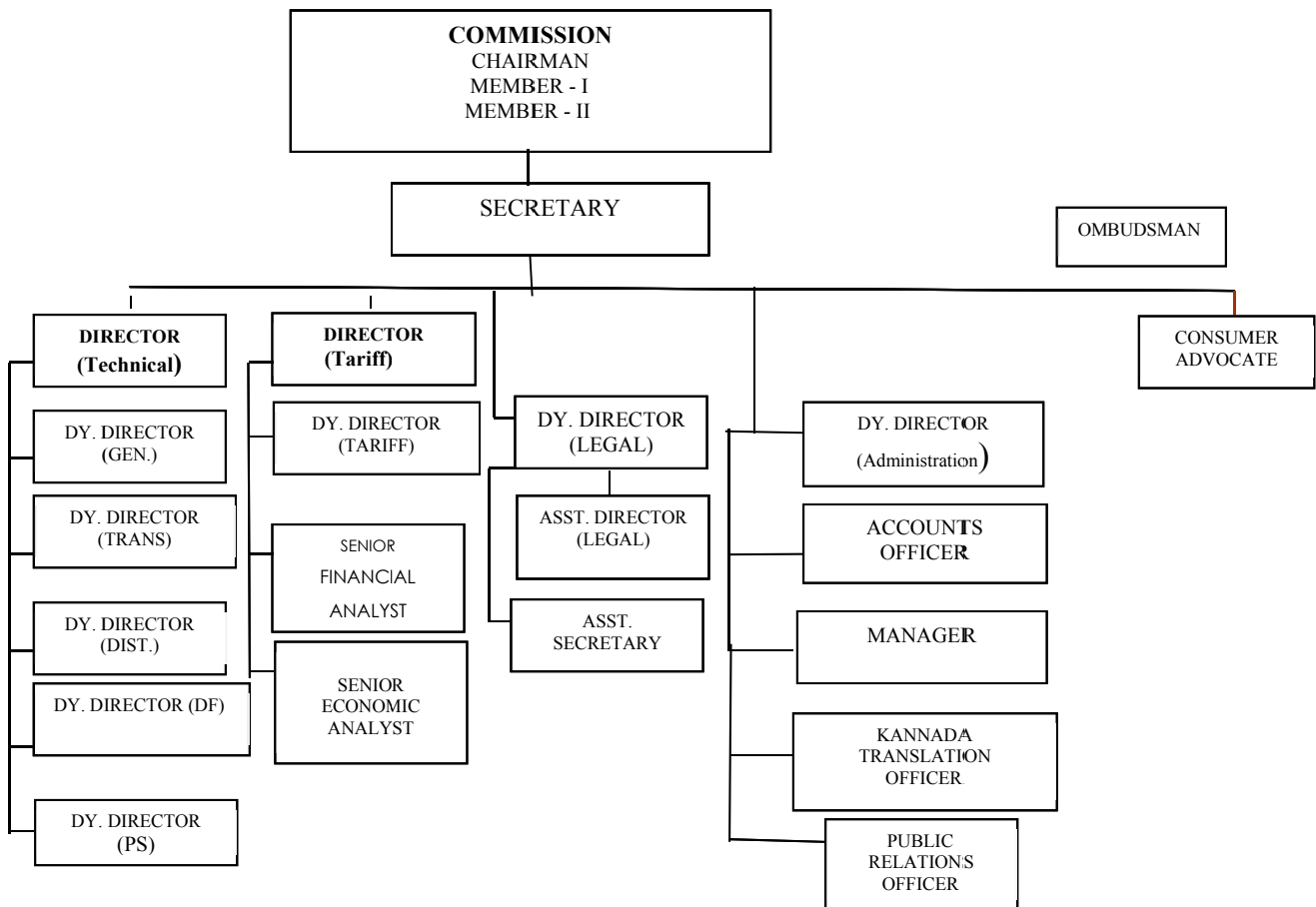
(11) **Determination of ceiling tariff for wind projects for the FY21.**

(12) **Determination of tariff for wind & Mini Hydel projects which have completed 20 years of PPA term.**



ANNEXURE - I

ORGANISATION CHART OF KERC





ANNEXURE – II

List of members of State Advisory Committee, KERC as on 31.03.2019

Ex-officio Members

1. Chairman, Karnataka Electricity Regulatory Commission,
2. Member, Karnataka Electricity Regulatory Commission,
3. Member, Karnataka Electricity Regulatory Commission,
4. The Secretary to Government of Karnataka, Dept. of Food & Civil Supplies & Consumer Affairs, M.S. Building, Bengaluru – 560 001 Ph:22259024

Other Members

1.	The Managing Director Karnataka Power Transmission Corporation. Ltd., Cauvery Bhavan, Kempe Gowda Road, Bengaluru -560 009 Ph : 080-22214342/22244556	2.	The Managing Director Karnataka Power Corporation Ltd. Shakti Bhavan, Race Course Road, Bengaluru – 560 001 Ph: 080 –22255606 /22204153
3.	Dr. Anshu Bharadwaj Executive Director, C STEP, 18, Mayura Street, 10 th cross, Papanna layout, Nagashettyhalli, RMV II stage, Bengaluru-560094	4.	Sri P S Jagannath Gupta 94, 17 th B main, V Block, Koramangala Bengaluru- 560 095
5.	President, KASSIA, No.2/106, 17 th Cross Magadi Chord Road, Vijayanagar, Bengaluru – 560 040. Ph: 28362178(O), 23493353 (R), 9845031122	6.	Sri V Ramakrishna No. 490, 10 th cross, Sadashivanagar, Bengaluru- 560 080 Ph: 9008344948
7.	Sri Deepak G.Gala C/o Hyderabad Karnataka Environment Awareness and Protection Organisation, No.8-142, Asif Ganj, Kalaburagi- 585 101. Ph: 9036191000	8.	The Managing Director BESCOM K.R.Circle, Bengaluru – 560 001 Ph: 22354929
9.	The Managing Director GESCOM, Station Road Kalaburagi -585 101 08472-256581; 9449597444	10.	The President FKCCI, Federation House, K G Road, Bengaluru- 560 009 Ph: 22262355



11.	The President, Karnatak Chamber of Commerce & Industry, G. Mahadevappa Karnataka Chamber Building, J.C. Nagar, Hubballi- 580 020. Ph: 0836-2218234/5	12.	Vice President, BCIC, and Chairman, Energy, Environment and Water Expert Committee, No. 3 / 4, 3 rd floor, C Block, Unity Buildings, J C Road, Bengaluru – 560 002. Ph: 080-22223321
13	Dr. D P Biradar, Former VC, University of Agricultural Sciences, Dharwad	14	Sri B C Renukeshwar, Chief Personnel Manager, KSRTC, Bengaluru-560027
15	The Chairman, Confederation of Indian Industry Karnataka State Branch 1086, 12 th Main HAL 2 nd Stage, Indiranagar Bengaluru – 560 008 Ph. 25276544	16	The Managing Director MESCOM, Mescom Bhavana, Kavour cross road, Bejai, Mangaluru –575 004
17	The Managing Director CESC, No.29, Vijayanagara 2 nd stage Hinkal, Mysuru-570017 Ph: 0821-2417104/110	18	The Managing Director HESCOM, P B Road, Navanagar, Hubballi – 580 025 Ph: 0836-2322771; 9448277614
19	Managing Director, Karnataka Renewable Energy Development Ltd. (KREDL), # 39, "Shanthi Gruha", Palace Road, Bengaluru - 560 001 Ph:080- 22207851		

Invitees

The Additional Chief Secretary to Government, Department of Energy, Vikasa Soudha, Bengaluru – 560 001 Ph: 22252373	Managing Director Power Company of Karnataka Ltd Cauvery Bhavan, Kempe Gowda Road, Bengaluru -560 009
The Chief Engineer(Elec) Karnataka State Load Despatch Centre, KPTCL, Race Course Road, Bengaluru-560 009. Ph. 9448471411; 22267034	Director Technical, Karnataka Power Transmission Corporation Ltd. Cauvery Bhavan, Kempe Gowda Road, Bengaluru -560 009 Ph: 22229496