

KARNATAKA POWER TRANSMISSION CORPORATION LIMITED



Corporate Office
Kaveri Bhavan
Bangalore-560 009

25 JAN 2014

Sub: Collection/Refund of Network Augmentation Charges from the developers of Non-Conventional /Conventional Energy source based Power Projects and Captive Generators.

- Read:** 1) Board order No. KPTCL/B28/4359/08-09 dated: 11.05.2009.
2) Board order No. KPTCL/B28/4359/08-09 dated: 23.05.2011.
3) Board order No. KPTCL/B28/4359/08-09 dated: 10.01.2013.
4) Board order No. KPTCL/B28/4359/08-09 dated: 10.07.2013.
5) KERC Order No. N/64/11 dated 30.11.2012.

PREAMBLE:

As per the orders dated 11.05.2009 and 23.05.2011 cited above, KPTCL has been collecting Network Augmentation Charges of Rs. 5.00 Lakhs (Five Lakhs only) per MW from the Non-Conventional, Conventional Energy Generators and Captive Generators injecting power to the Grid. This was being collected to strengthen the Network by capacity augmentation and strengthening of upstream Transmission lines. KERC vide its order dated 29.07.2010, had permitted KPTCL/ESCOMs to continue to collect Network Augmentation Charges at Rs. 5.00 Lakhs (Five Lakhs only) per MW till the Commission considers the proposal and orders are issued.

Subsequently, KERC vide its order dated 30.11.2012 in respect of Petition No. OP/32/2011, had struck down the collection of Network Augmentation Charges at Rs. 5.00 Lakhs/MW from the NCE generators injecting power to the Grid with immediate effect. However, it had allowed KPTCL to include the estimated expenditure for Augmentation of its upstream network to evacuate renewable energy as part of its capital expenditure while filing application for determination of Transmission Tariff by the Commission.

In this regard, order was issued on 10.01.2013 to implement the order of KERC. Subsequently, vide order dated 10.07.2013 KPTCL had approved refund of Network Augmentation Charges in some cases. However, the matter pertaining to collection and refund of Network Augmentation Charges was re-examined and it was decided to issue a revised order superceding the earlier orders under reference(1-4) withdrawing refund of Network Augmentation Charges collected either in installment or full prior to 30.11.2012,

but to refund any Network Augmentation Charges collected after 30.11.2012 and also to waive of the balance installments due if any.

Hence this Order.

ORDER NO. KPTCL/B28/4359/08-09

Date: 25-01-2014

In supercession of the earlier orders under reference (1-4) cited above, approval is hereby accorded to the following in the matter pertaining to collection of Network Augmentation Charges by KPTCL in respect of developers of Non-Conventional, Conventional Energy based Power projects and Captive Power Plants.

- 1) In case Network Augmentation Charges have been collected from the developers from the date of issue of KERC order dated 30.11.2012, the same shall be fully refunded.
- 2) The Network Augmentation Charges that has been paid by the developers prior to the KERC order i.e. 30.11.2012, shall not be refunded.
- 3) In case of IPPs who have availed payment of Network Augmentation Charges in installments, balance installments due if any from IPPs shall not be collected. However, the installments already collected shall not be refunded.
- 4) In case of IPPs who have undertaken upstream strengthening works, the Network Augmentation Charges collected prior to 30.11.2012 shall not be refunded. If installment facility is availed, the amount already collected prior to 30.11.2012 shall not be refunded and the balance installments due if any shall not be collected.

The above order shall come into effect immediately.

B. Chelva 25.01.14
Deputy General Manager (Tech.)
KPTCL

To:

1. All the Chief Engineers, Electricity, KPTCL,
2. All the Financial Advisors, KPTCL.
3. All the Superintending Engineers (Elec.), KPTCL.
4. All the Executive Engineers (Elec.), KPTCL.

Copy to:

1. PS to Managing Director, Director (Transmission), Director (Finance), Director (RA & Secretary), KPTCL, Bangalore to place it before the Directors for kind information.
2. The Superintending Engineer Elec., IT&MIS, KPTCL with a request to arrange to upload this order in KPTCL website.