

Karnataka

GDP: **\$45.5bn**

Five-year economic growth rate: **0%**

Population: **61.1m**

Total clean energy investment, 2006-2013: **\$7.3bn**

Installed power capacity: **13.7GW**

Renewable share: **32.7%**

Total clean energy generation: **9,700GWh**

Top energy authority:

Energy Department, Government of Karnataka

INDIAN RANKING
2014

OVERALL SCORE
2014

1

1.37

PARAMETERS AT A GLANCE

Karnataka ranked first among the 10 Indian states surveyed for *Climatescope* 2014. It obtained a score of 1.37, performing best in Parameter I, Enabling Framework because of its favorable renewable energy policies. The state has a fully-developed small hydro value chain and several parts of the wind and solar value chains.

The service sector contributes 66% to the state's \$97bn economy. Karnataka received \$602m in clean energy investments in 2013 out of a total of \$7.3bn during 2006–13. Wind, with a capacity of 2.4GW, is the flagship sector having attracted 64% of 2006–13 investments, and accounting for 52% of Karnataka's 4.5GW of clean energy capacity.

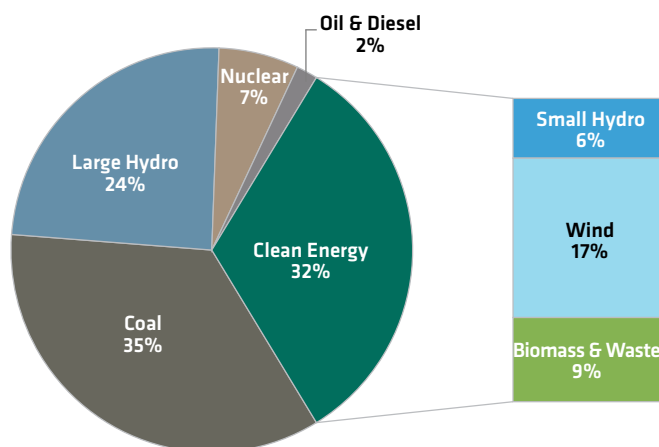
In 2013, power plants located in Karnataka generated an estimated 56TWh, although not all of it was consumed within the state. Coal plants were responsible for 48% of total electricity generation, while renewables had a significant 17.5% share (and 33% of installed capacity) in 2013. The state's power distribution utilities are reasonably healthy financially, with integrated ratings of 'B+' issued by the Ministry of Power.

Karnataka is aggressively pushing for development of solar capacity. It has held or announced four tenders to date, targeting 760MW of capacity. It also increased its earlier solar target of 200MW by 2016 to 2GW by 2021.

Karnataka has some of India's best wind resources but permitting projects is time-consuming, as many sites are in ecologi-

INSTALLED POWER CAPACITY BY SOURCE, 2013 (%)

13.7GW total installed capacity



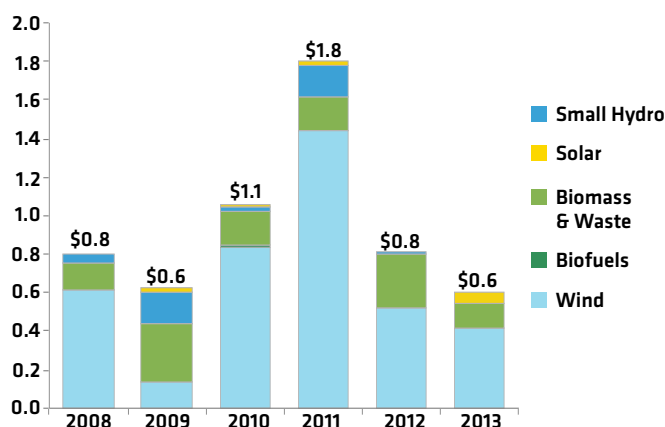
Source: Bloomberg New Energy Finance, Central Electricity Authority, Ministry of New and Renewable Energy, Karnataka Renewable Energy Development, Nuclear Power Corporation of India

Note: Some values cannot be graphically represented due to scale, please see source data for the complete numbers.

cally sensitive forests. The state last revised its wind feed-in tariffs in 2012, and the next revision is planned for 2017. With such a gap between revisions, the tariff is expected to become less attractive to investors, and slow new investment.

ANNUAL INVESTMENT IN CLEAN ENERGY, 2008-2013 (\$bn)

\$5bn total cumulative investment



Source: Bloomberg New Energy Finance

Notes: Total investment includes: Asset Finance, Corporate Finance and Venture Capital / Private Equity Commitments.

For further information, access www.global-climatescope.org/karnataka