

TAMIL NADU ELECTRICITY REGULATORY COMMISSION
(Constituted under section 82 (1) of the Electricity Act, 2003)
(Central Act 36 of 2003)

PRESENT:-

Thiru S.Akshayakumar Chairman

Thiru G.Rajagopal Member

and

Dr.T.Prabhakara Rao Member

P.P.A.P.No.5 of 2017

Tamil Nadu Generation and Distribution
Corporation Limited
Represented by the Chief Engineer /
Non-Conventional Energy Sources
144, Anna Salai
Chennai – 600 002.

... Petitioner
(Thiru M.Gopinathan
Standing Counsel for TANGEDCO)

Vs.

Nil ... Respondent

Date of hearing: 22-08-2017

Date of Order: 29-08-2017

The P.P.A.P.No.5 of 2017 came up for hearing on 22-08-2017. The Commission upon perusal of the Petition and connected records and after hearing the submissions of the Petitioner hereby makes the following:

ORDER

1. Prayer of the Petitioner in P.P.A.P.No.5 of 2017:-

The prayer of the Petitioner in the above P.P.A.P.No.5 of 2017 is to approve for adopting the tariff of Rs.3.47 per unit offered by the following 16 bidders, arrived through reverse bidding process (e-tender) in respect of their proposed solar power

plants of combined capacity of 1500 MW against solar tender specification CE/NCES/OT.No.1/2017-18 and to pass such further or other orders as this Commission may deem fit and proper in the facts and circumstances of the case.

Sl. No.	Name of the bidder	Capacity in MW	Negotiated rate
1	M/s.Raasi Green Earth Energy Pvt. Ltd.	100	3.47 (L1)
2	M/s.Sai Jyothi Infrastructure Ventures (P) Limited	54	3.47
3	M/s.Solitaire BTN Solar Private Limited	100	3.47
4	M/s.Narbheram Vishram	100	3.47
5	M/s.Rays Power Infra (P) Limited	100	3.47
6	M/s.NVR Energy Private Limited	100	3.47
7	M/s.Dynamize Solar (P) Limited	5	3.47
8	M/s.ReNew Solar Energy (Rajasthan) Private Ltd.	100	3.47
9	M/s.Udayasooriyan	1	3.47
10	M/s.Talettutayi Solar Project Two (P) Limited	50	3.47
11	M/s.Dev International	1	3.47
12	M/s.G.R.Thanga Maligai (Firm)	10	3.47
13	M/s.G.R.Thangamaligai & Sons	10	3.47
14	M/s.G.R.T.Silverwares	10	3.47
15	M/s.Shapoorji Pallonji Infrastructure Capital Company (P) Limited	50	3.47
16	M/s.NLC Inida Limited	709	3.47
	Total	1500	

2. Facts of the Case:-

The petition is being filed seeking approval for adoption of tariff of Rs.3.47 per unit offered by 16 bidders of solar e-tender arrived through reverse bidding process in respect of their proposed solar power plants of combined capacity of 1500 MW, against solar Tender Specification CE/NCES/OT.No.1/2016-17 for the agreement period of 25 years.

3. Contentions of the Petitioner in P.P.A.P.No.5 of 2017:-

3.1. The Commission has fixed RPO targets of 2.5% and 5% for the year 2016-17 and 2017-18 to the distribution licensee. In order to meet RPO target, TANGEDCO requires approximately 3275 MW of solar power for the year 2017-18.

3.2. Approximately 1435 MW of solar power plants under utility scale have already been commissioned in the State and 924 MW of solar power plants is expected to be commissioned for the year 2017-18. Considering the commissioned quantum and upcoming capacity additions, TANGEDCO further requires approximately 916 MW of solar power for the year 2017-18 to meet the RPO target of 5% fixed by the Commission for the year 2017-18.

3.3. However, the Ministry of New and Renewable Energy (MNRE) has fixed solar RPO target of 4553 MW for the year 2018-19 for the State. Considering this target, TANGEDCO further requires approximately 2300 MW of solar power towards RPO compliance for the year 2018-19.

3.4. The solar tariffs in the country are in declining trend, due to reduction in the cost of Solar PV Panels as detailed below:-

- (a) Rs.3.00 per unit, quoted by M/s.Amplus Energy Solutions in an auction for roof top solar power conducted by M/s.SECI during Nov.2016
- (b) Rs.2.97 per unit, quoted by M/s.Acme Solar Holdings (P) Limited in REWA bidding, Madhya Pradesh
- (c) Rs.2.62 per unit, quoted by M/s.Phelan Energy and Avaada Power in an auction conducted for Bhadla Solar Park.

The above lowest rates could be possible by the bidders due to the fact that the procurer has offered timely payment security, evacuation facility and even land. However, in respect of tenders floated in TANGEDCO for purchase of power from solar developers, the entire responsibility viz. Land and evacuation lies with the developers. Hence, TANGEDCO has proposed to float tender (Phase 3) for the

procurement of 1500 MW of solar power under reverse bidding process, considering the tariff of Rs.4.00 per unit as upper limit, to meet its RPO requirement.

3.5. A petition in M.P.No.8 of 2017 was filed before the Commission seeking permission for procurement upto 1500 MW of solar power by TANGEDCO from the private developers through reverse bidding process with a bench mark rate of Rs.4.00, as upper limit. The petition was filed before the Commission along with the Request for Selection (RFS) document. The RFS document has been prepared in line with the draft guidelines and amendments issued by MNRE for tariff based competitive bidding for grid connected SPV plants, similar to the Phase 1 & Phase 2 tender specifications.

3.6. An additional affidavit in the said M.P.No.8 of 2017 has also been filed before the Commission on 25.04.2017 with a prayer to approve the following changes in the RFS document:-

a. The applicable EMD to be furnished by the bidder is Rs.25,000/- per MW for capacity upto 100 MW and Rs.50,000/- per MW for capacity exceeding 100 MW instead of Rs.5 Lakhs per MW and it shall be accepted in the form of Bank Guarantee or Demand draft or cash or Banker's cheque.

b. The execution period of establishing solar power plant is 12 months from the date of signing of PPA for capacities upto 50 MW and 24 months from the date of signing of PPA for capacities more than 50 MW.

3.7. The Commission has directed TANGEDCO to proceed with the tender process vide daily order dated 25.04.2017. Based on the direction of the Commission, tender was floated for the procurement of 1500 MW of solar power from the developers establishing solar power plants in Tamil Nadu under reverse bidding process, considering the bench mark tariff of Rs.4.00 per unit, as upper limit,

on 11.05.2017. On 10-07-2017, the Commission has issued final orders in the said M.P.No.8 of 2017 *interalia* with the following directions:-

"Prior approval for procurement of solar power on the basis of tariffs obtained in the reverse bidding process shall be obtained from the Commission furnishing full details of the tendering process including details of the evaluation committee, tariffs quoted by the other bidders and a copy of power purchase agreement to be signed with the developers".

3.8. Pursuant to the approval of the Commission's order dated 25-04-2017, TANGEDCO has conducted pre bid meeting with the bidders at TANGEDCO Head Quarters on 20.05.2017. Most of the bidders have requested to issue certain amendments in tender specification with regard to Performance Bank Guarantee (PBG), Land and other documents and quantum of land requirement etc. referring the guidelines issued by MNRE dated 14-03-2016 to M/s.Solar Energy Corporation of India (SECI) for implementation of scheme for setting up of over 5000 MW grid connected solar PV power projects with VGF funding under Batch-IV of Phase II, under National Solar Mission (NSM).

3.9. Accordingly, the following amendments in tender specification were made and intimated to the bidders while giving reply to the pre bid queries.

- a. Performance Bank Guarantee (PBG): The Performance Bank Guarantee (PBG) of Rs.30 lakhs/MW was amended as Rs.20 lakhs/MW.
- b. Land & other documents: Instead of furnishing land documents and other documents related to land at the time of signing PPA, the bidders are permitted to submit the said documents within 3 months from the date of signing of PPA.
- c. Land requirement: The Land requirement of minimum 2 ha per MW was amended as 1.5 ha per MW.

3.10. For scrutiny of documents furnished by the bidders, a bid evaluation committee was formed with the following officers:-

- (a) Thiru. K.Manoharan, SE/Solar Energy/NCES/TANGEDCO.
- (b) Ms.V.Rajeshwari, FC/Purchase/TANGEDCO - Internal member.
- (c) Thiru.T.Udayakumar Controller of Finance, CMWSSB - External Member.

3.11. As per the tender schedule, techno commercial bids were opened on 15.06.2017. 39 bidders participated in the tender for establishment of solar power plants of combined capacity of 3932.5 MW. The details are furnished below:-

Sl. No.	Name of the bidder	Capacity in MW
1	M/s.SRL Green and Clean Power Private Limited, Chennai	6
2	M/s.Avada Power Private Limited	100
		50
		50
		50
		50
		50
3	M/s.Clean Solar Power (Ludhiana) Pvt. Ltd.	2 x 52
4	M/s.VSR Solar Power (P) Ltd.	50
5	M/s.Sukhbir Agro Energy Limited	100
		50
6	M/s.JLTM Energy India Private Limited	10
7	M/s.G.R.Thanga Maligai (Firm)	10
8	M/s.Dynamize Solar (P) Limited	2
		3
9	M/s.RB Wovens (P) Limited	5
10	M/s.Balavimodhan Power Process (P) Ltd.	5
11	M/s.Narbheram Vishram	100
12	M/s.G.R.Thangamaligai & Sons	10
13	M/s.Indira Damper Industries	5
14	M/s.Dev International	1
15	M/s.NVR Energy Private Limited	100
16	M/s.Solitaire BTN Solar Private Limited	3 x 50
17	M/s.NLC India Limited	1500
18	M/s.Giri Exports	2.5
19	M/s.Sai Jyothi Infrastructure Ventures (P) Limited	54
20	M/s.Alameen Green Energy Private Limited	60
21	M/s.Adhiev India Private Ltd.	7
22	M/s.Rutherford solar farms (P) Ltd.	2 x 50

23	M/s.Leap Green Energy (P) Ltd.	250
24	M/s.G.R.T. Silverwares	10
25	M/s.Rays Power Infra (P) Limited	100
		100
26	M/s.C.R.Garments	2.5
27	M/s.Top Light Renewable Energy (P) Limited	3 x 5
28	M/s.Clean Sustainable Energy	150
29	M/s.Udayasooriyan	1
30	M/s.M.A.G. & Company	2.5
31	M/s.Raasi Green Earth Energy Pvt. Ltd.	100
32	M/s.Talettutayi Solar Project Two (P) Limited	50
33	M/s.FRV India Solar Park IV Private Limited	100
34	M/s.VSM Weaves India (P) Limited	5
35	M/s.Indira Industries	5
36	M/s.G.R.T.Jewellers (India) Private Limited	52
37	M/s.Shapoorji Pallonji Infrastructure Capital Company (P) Ltd.	50
38	M/s.Top Light Renewable Energy (P) Ltd.	5
39	M/s.ReNew Solar Energy (Rajasthan) Private Limited	100
	Total	3932.5

A. Out of 39 bidders, the bids of the following bidders were rejected by evaluation Committee, as they have not satisfied EMD criteria:-

1.	M/s.Avada Power Private Limited	- 400 MW
2.	M/s. Sukhbir Agro Energy Limited	- 150 MW
3.	M/s.Giri Exports	- 2.5 MW
4.	M/s.VSM Weaves India (P) Limited	- 5 MW
5.	M/s.RB Wovens (P) Limited	- 5 MW
	Total	- 562.5 MW

B. The bids of following bidders were rejected by evaluation committee as they have submitted duplicated bids:-

1.	M/s.Top Light Renewable Energy (P) Ltd	- 15 MW
2.	M/s.Top Light Renewable Energy (P) Ltd	- 5 MW
	Total	- 20 MW

C. The bids of following bidders were rejected by evaluation committee as they have uploaded price bid along with techno commercial bid.

1.	M/s.Alameen Green Energy (P) Limited	- 60 MW
2.	M/s.FRV India Solar Park IV (P) Limited	- 100 MW
3.	M/s.Leap Green Energy (P) Limited	- 250 MW
	Total	- 410 MW

Hence, totally 10 bids for a total capacity of 992.5 MW were rejected by the

bid evaluation committee on initial scrutiny.

3.12. In addition to the above, the bids of following bidders were rejected by evaluation committee as they have not satisfied network criteria.

1. M/s.JLTM Energy India Private Limited - 10 MW
2. M/s.Adhiev India Private Ltd., - 7 MW
- Total - 17 MW

The Board of TANGEDCO (By circulation on 28.06.2017) approved the proposal to open the price bid of 27 bidders for a combined capacity of 2923 MW. Out of 27 bidders, the price bids of following 10 bidders were proposed to be opened on the scheduled date, subject to furnishing the required documents for satisfying the network condition before opening of bids.

Sl. No.	Name of the bidder	Capacity in MW
1	M/s.SRL Green and Clean Power Private Limited, Chennai	6
2	M/s.Clean Solar Power (Ludhiana) Pvt Ltd.	104
3	M/s.Dynamize Solar (P) Limited	5
4	M/s.Balavimodhan Power Process (P) Ltd.	5
5	M/s.NVR Energy Private Limited	100
6	M/s.Solitaire BTN Solar Private Limited	150
7	M/s.Rutherford Solar farms (P) Ltd.	100
8	M/s.Clean Sustainable Energy Private Limited	150
9	M/s.Udayasooriyan	1
10	M/s.Talettutayi Solar Project Two (P) Limited	50
	Total	671

Further, the price bid of M/s.Raasi Green Earth Energy (P) Limited (100 MW) was proposed to be opened on the scheduled date subject to the acceptance of conducting load flow study based on 2017-18 network condition. The price bid of M/s.G.R.Thangamaligai Firm was proposed to be opened subject to acceptance for an offer validity of 180 days.

3.13. Since the documents submitted by M/s.Rutherford Solar farms (P) Ltd. (100 MW) and M/s. Clean Sustainable Energy Private Limited (150 MW) were not in line with the terms and conditions of tender specification, their bids were rejected by the evaluation committee. Hence the documents submitted by the remaining 8 bids were scrutinized by the Bid evaluation committee and found to satisfy the network criteria. Hence the price bids of 8 bidders out of the 10 bidders detailed in para 3.12 were opened on scheduled date.

3.14. The price bids of the following 15 bidders were opened on scheduled date, as they have satisfied all the terms and conditions of tender specification.

Sl. No.	Name of the bidder	Capacity in MW
1	M/s.VSR Solar Power (P) Ltd	50
2	M/s.Narbheram Vishram	100
3	M/s.G.R.Thangamaligai & Sons	10
4	M/s.Indira Damper Industries	5
5	M/s.Dev International	1
6	M/s.NLC India Limited	1500
7	M/s.Sai Jyothi Infrastructure Ventures (P) Limited	54
8	M/s.G.R.T. Silverwares	10
9	M/s.Rays Power Infra (P) Limited	200
10	M/s.C.R.Garments	2.5
11	M/s.M.A.G & Company	2.5
12	M/s.Indira Industries	5
13	M/s.G.R.T Jewellers (India) Private Limited	52
14	M/s.Shapoorji Pallonji Infrastructure Capital Company (P) Ltd.	50
15	M/s. ReNew Solar Energy (Rajasthan) Private Limited	100
	Total	2142

3.15. The price bid of M/s.Raasi Green Energy Private Limited (100 MW) was opened as they have accepted for conducting revised load flow based on 2017-18 network condition for their location.

3.16. The price bid of M/s.G.R.Thangamaligai Firm (10 MW) was opened as they have accepted for offer validity of 180 days.

3.17. The price quoted by the 25 eligible bidders against the upper limit of Rs.4.00/- per unit is furnished below:

Sl. No.	Name of the bidder	Capacity in MW	Offered rate Per Unit
1	M/s.Raasi Green Earth Energy Pvt. Ltd.	100	3.47 (L1)
2	M/s.Sai Jyothi Infrastructure Ventures (P) Limited	54	3.60 (L2)
3	M/s.Solitaire BTN Solar Private Limited	150	3.69(L3)
4	M/s.Narbheram Vishram	100	3.85(L4)
5	M/s.Rays Power Infra (P) Limited	200	3.85(L5)
6	M/s.NVR Energy Private Limited	100	3.85(L6)
7	M/s.Dynamize Solar (P) Limited	5	3.87(L7)
8	M/s.ReNew Solar Energy (Rajasthan) Private Ltd.	100	3.89(L8)
9	M/s.SRL Green and Clean Power Private Limited, Chennai	6	3.90.(L9)
10	M/s.Clean Solar Power (Ludhiana) Pvt Ltd	104	3.90(L10)
11	M/s.Udayasooriyan	1	3.90(L11)
12	M/s.Talettutayi Solar Project Two (P) Limited	50	3.90(L12)
13	M/s.Dev International	1	3.95(L13)
14	M/s.G.R.Thanga Maligai (Firm)	10	3.96(L14)
15	M/s.G.R.Thangamaligai & Sons	10	3.96(L15)
16	M/s.G.R.T.Silverwares	10	3.96(L16)
17	M/s.Shapoorji Pallonji Infrastructure Capital Company (P) Limited	50	3.96(L17)
18	M/s.NLC Inida Limited	1500	3.97(L18)
19	M/s.VSR Solar Power (P) Ltd.	50	3.98(L19)
20	M/s.G.R.T Jewellers (India) Private Limited	52	3.99(L20)
21	M/s.Indira Damper Industries	5	4.00(L21)
22	M/s.C.R.Garments	2.5	4.00(L22)
23	M/s.M.A.G & Company	2.5	4.00(L23)
24	M/s.Indira Industries	5	4.00(L24)
25	M/s.Balavimodhan Power Process (P) Ltd.,	5	4.00(L25)
	Total	2673	

From the above, it is seen that M/s.Raasi Green Earth Energy Pvt. Ltd., has quoted the lowest rate of Rs.3.47 against the upper limit of Rs.4.00 and is the L1 bidder.

3.18. The L1 bidder M/s.Raasi Green Earth Energy Pvt. Ltd., Bangalore was called for negotiation on 03.07.2017 conducted by the high level negotiation committee members comprising of Director/Generation/TANGEDCO & Chief Financial Controller/General/TANGEDCO. During the negotiation, the L1 bidder was requested to reduce the quoted rate to the maximum extent possible but the firm has expressed their inability to reduce the quoted price further.

3.19. The Bidders (L2 to L18) were called for price matching with L1 rate i.e Rs.3,47 per unit, conducted by the high level negotiation committee members comprising of Director/Generation/TANGEDCO & Chief Financial Controller/ General/TANGEDCO on 06.07.2017. The bidders (L2 to L17) have accepted to match their offered rate to that of L1 rate Le.Rs.3.47 per unit, except M/s.SRL Green and Clean Power Private Limited, Chennai (6 MW) and M/s. Clean Solar Power (Ludhiana) Pvt. Ltd. (104 MW).

3.20. The L3 bidder, M/s. Solitaire BTN Solar Private Limited (150 MW) have accepted to match their offered rate to that of L1 rate with a condition of limiting their bidded capacity from 150 MW to 100 MW. The L5 bidder, M/s. Rays Power Infra (P) Limited (200 MW) have accepted to match their offered rate to that of L1 rate with a condition of limiting their bidded capacity from 200 MW to 100 MW.

The details of the quantity after price negotiation/price matching are furnished below:-

Sl. No.	Name of the bidder	Capacity in MW	Negotiated rate
1	M/s.Raasi Green Earth Energy Pvt. Ltd.	100	3.47 (L1)
2	M/s.Sai Jyothi Infrastructure Ventures (P) Limited	54	3.47
3	M/s.Solitaire BTN Solar Private Limited	100	3.47
4	M/s.Narbheram Vishram	100	3.47

5	M/s.Rays Power Infra (P) Limited	200	3.47
6	M/s.NVR Energy Private Limited	100	3.47
7	M/s.Dynamize Solar (P) Limited	5	3.47
8	M/s.ReNew Solar Energy (Rajasthan) Private Limited	100	3.47
9	M/s.Udayasooriyan	1	3.47
10	M/s.Talettutayi Solar Project Two (P) Limited	50	3.47
11	M/s.Dev International	1	3.47
12	M/s.G.R.Thanga Maligai (Firm)	10	3.47
13	M/s.G.R.Thangamaligai & Sons	10	3.47
14	M/s.G.R.T. Silverwares	10	3.47
15	M/s.Shapoorji Pallonji Infrastructure Capital Company (P) Ltd.	50	3.47
	Total	791	

3.21. As targeted capacity of the tender is 1500 MW, the remaining 709 MW has to be allocated to the subsequent bidders. The L18 bidder, M/s. NLC India Limited, who has bid for a quantum of 1500 MW was called for price matching on 06.07.2017, and informed the available quantity (709 MW) and requested whether they are ready to match their offered rate (Rs.3.97/unit) to that of L1 negotiated rate (Rs.3.47/unit) for 709 MW. M/s.NLC India Limited accepted for a quantity of 709 MW and also accepted to match their offer with that of negotiated L1 rate.

3.22. The final list of bidders after price negotiation & price matching is furnished below:-

Sl. No.	Name of the bidder	Capacity in MW	Negotiated rate
1	M/s.Raasi Green Earth Energy Pvt. Ltd.	100	3.47 (L1)
2	M/s.Sai Jyothi Infrastructure Ventures (P) Limited	54	3.47
3	M/s.Solitaire BTN Solar Private Limited	100	3.47
4	M/s.Narbheram Vishram	100	3.47
5	M/s.Rays Power Infra (P) Limited	100	3.47
6	M/s.NVR Energy Private Limited	100	3.47
7	M/s.Dynamize Solar (P) Limited	5	3.47
8	M/s.ReNew Solar Energy (Rajasthan) Private Limited	100	3.47
9	M/s.Udayasooriyan	1	3.47
10	M/s.Talettutayi Solar Project Two (P) Limited	50	3.47

11	M/s.Dev International	1	3.47
12	M/s.G.R.Thanga Maligai (Firm)	10	3.47
13	M/s.G.R.Thangamaligai & Sons	10	3.47
14	M/s.G.R.T. Silverwares	10	3.47
15	M/s.Shapoorji Pallonji Infrastructure Capital Company (P) Ltd.	50	3.47
16	M/s.NLC India Limited	709	3.47
	Total	1500	

3.23. As the targeted capacity (1500 MW) is achieved, the remaining bidders (L19 to L25) were not called for price matching.

4.0 Findings of the Commission:

4.1 The petitioner, TamilNadu Generation and Distribution Corporation Limited (TANGEDCO), the Distribution Licensee in the State has sought approval for adoption of the tariff of Rs.3.47 per unit, the rate obtained after negotiation in the reverse bidding process undertaken through e-tender, for procurement of solar power against tender specification CE/NCES/OT No.1/ 2017-18, from 16 bidders for an aggregate capacity of 1500 MW listed below, for an agreement period of 25 years:

Sl.No.	Name of the firm	Capacity in MW
1	M/s.Raasi Green earth Energy Pvt. Ltd.	100
2	M/s.Sai Jyothi Infrastructure Venutres (P) Ltd.	54
3	M/s.Solitaire BTN Solar Private Limited	100
4	M/s.Narbheram Vishram	100
5	M/s.Rays Power Infra (P) Ltd	100
6	M/s.NVR Energy Private Limited	100
7	M/s.Dynamize Solar (P) Ltd	5
8	M/s.ReNew Solar Energy (Rajasthan) Pvt. Ltd.	100
9	M/s.Udayasooriyan	1
10	M/s.Talettutayi Solar Project Two (P) Ltd.	50
11	M/s.Dev International	1
12	M/s.G.R.Thanga Maligai (Firm)	10
13	M/s.G.R.Thangamaligai & Sons	10
14	M/s.G.R.T Silverwares	10
15	M/s.Shapoorji Pallonji Infrastructure Capital Company (P) Ltd.	50
16	M/s.NLC India Limited	709
	Total	1500

4.2 Commission had accorded approval vide M.P.No 8 of 2017 dated 10.07.2017 to the petitioner for procurement of 1500 MW of solar power through reverse bidding process at Rs.4.00 per unit as the upper limit and accepted the relaxations in conditions related to EMD and the period of execution from the date of signing of PPA from 12 months to 24 months for capacities more than 50 MW.

4.3 Besides the said amendments, the petitioner has submitted that based on the representation of various bidders and based on the draft guidelines of MNRE dated 14.03.2017 and in order to get more competitive offers, the following amendments have been made in the tender specification:

- a) Performance Bank Guarantee: the Performance Bank Guarantee of Rs.30. Lakhs/MW was amended as Rs.20 Lakhs/MW.
- b) Land and other documents: Instead of furnishing land documents and other documents related to land at the time of signing PPA, the bidders are permitted to submit the said documents within 3 months from the date of signing of PPA.
- c) Land Requirement: the Land requirement of minimum 2 ha per MW has been amended as 1.5 ha per MW.

4.4 In the extant Phase III reverse bidding process through e-bidding against tender specification CE/NCES/OT No.1/2017-18 floated on 11.05.2017 for a quantum of 1500 MW, the petitioner states that 39 bidders participated for a combined capacity of 3932.5 MW and the Techno commercial bids were opened on 15.06.2017. Out of 39 bidders, 10 bidders were rejected by the Bid evaluation committee on initial scrutiny. Of the remaining 29 bidders considered for further evaluation, the price bid of 25 eligible bidders were opened. The rate of Rs.3.47 per

unit of M/s. Raasi Green Earth Energy Pvt. Ltd for a capacity of 100 MW was the lowest against the upper limit of Rs.4.00. The petitioner has requested the L1 bidder to reduce the quoted rate to the maximum extent possible but the firm has expressed their inability to reduce the quoted price further. The petitioner subsequently has requested the Bidders L2 to L18 to match their price with the L1 rate i.e Rs.3.47 per unit. Except two firms, the rest of the firms have accepted to match their offered rate to that of L1 rate which includes two firms who sought to limit their bid capacity. By this the petitioner could get 791 MW at the rate of Rs.3.47 per unit. As the targeted capacity of the tender was 1500 MW, for the remaining 709 MW, the L18 bidder, M/s.NLC India Limited who had bid for a quantum of 1500 MW accepted for a quantity of 709 MW and to match their offer with that of the L1. As the targeted capacity of 1500 MW has been achieved, the petitioner submitted that the remaining bidders (L19 to L25) were not called for price matching.

4.5 Commission has issued the 'Comprehensive Tariff Order on Solar Power' vide Order No.2 of 2017 dated 28.03.2017 in accordance with the provisions of the Electricity Act, 2003 and the Electricity Policies of the Govt. of India for promoting renewable energy and the State's own policy of promoting solar power. In the Order No.2 of 2017 dated 28.03.2017, the Commission has observed as follows:

"9.1.1 The distribution licensee can purchase solar power at the rate determined by the Commission from SPG to meet the RPO requirement on 'first come first served basis'. It is open to the Distribution Licensee to procure the same through competitive bidding route following the guidelines of Govt. of India if it can realize a more competitive rate than the one determined by Commission's order. For any procurement in excess of RPO, specific approval shall be obtained from the Commission."

4.6 The procurement of power from 16 Nos. of solar developers at a price of Rs.3.47 per unit is to fulfill the minimum renewable purchase obligation of the distribution licensee.

4.7 To a specific query raised by the Commission during the hearing on 22.08.2017 on the solar tariff rate being obtained at as low as Rs.2.44 per unit in some States, the petitioner replied that such low rates could have been possible due to incentives such as payment security, evacuation facility and even land offered by the procurer whereas the entire responsibility of land and evacuation lies with the developers in respect of TANGEDCO tenders.

4.8 The Commission, keeping in view of the promotional objects of renewable energy and the facts stated above, accords approval for procurement of solar power from the solar developers listed in Para 4.1 above for the capacities noted against each, at the rate of Rs.3.47 per unit for the agreement period of 25 years.

4.9 The Observations of the Commission in M.P.No.8 of 2017 dated 10.07.2017 with respect to the evacuation facilities may be taken care of.

4.10 The petitioner has submitted a copy of the Model Energy Purchase Agreement (EPA) to be signed with the successful bidders. The corrected Model EPA which is considered as Power Purchase Agreement (PPA) by the Commission is enclosed. The petitioner may also ensure that the PPA is consistent with the provision of the Electricity Act, 2003 and the Regulations/Orders of the Commission.

4.11 The Commission directs that the petitioner shall sign the Power Purchase Agreement within 30 days of this Order. The signed copies of the Power Purchase

Agreements shall be submitted to the Commission. The petitioner shall publish the names of the successful bidders with tariffs and details of tariff quoted by other bidders anonymously in their website. It may be ensured that Power Purchase Agreements are honoured by both the parties, the petitioner and the solar power plant developers.

5. Appeal:-

An appeal against this order shall lie before the Appellate Tribunal for Electricity under section 111 of the Electricity Act, 2003 within a period of 45 days from the date of receipt of a copy of this order by the aggrieved person.

(Sd)
(Dr.T.Prabhakara Rao)
Member

(Sd.....)
(G.Rajagopal)
Member

(Sd.....)
(S.Akshayakumar)
Chairman

/ True Copy /

Secretary
Tamil Nadu Electricity
Regulatory Commission

**POWER PURCHASE AGREEMENT FOR SOLAR POWER PLANTS COVERED
UNDER TENDER SPECIFICATION IN CE/NCES/OT.NO.1/2017-18**

This agreement made at on this day ofTwo thousand and between(Name of the solar power generator), a company incorporated under the Companies Act, 1956/a partnership firm/Limited Liability Partnership firm/a sole proprietorship firm, having its registered office at/hereinafter called the Solar Power Generator or SPG (which expression shall wherever the context so permits means and include its successors in interest, executors, administrators and permitted assigns) represented by(Name and Designation) and the Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO), a Corporation incorporated under the Companies Act, 1956 and wholly owned by the Government of Tamil Nadu, having its registered office at No.144, Anna Salai, Chennai-600 002, hereinafter called the Distribution Licensee (which expression shall wherever the context so permits means and include its successors in interest, and permitted assigns) represented by(designation and office of the authorized officer of the Distribution Licensee).

Whereas the Distribution Licensee, pursuant to the approval of the Hon'ble Tamil Nadu Electricity Regulatory Commission in MP No.8 of 2017 dated 25.04.2017, has invited bids to establish, maintain and operate solar power plants of Minimum 1 (one) Mvac and maximum 500 Mvac in a single location for a single SPG or company or group of companies in Tamil Nadu for a total capacity of 1500 MW and to supply the generated solar power to the Distribution Licensee under long term Power Purchase Agreement (PPA) at the rate to be finalized through reverse bidding considering the tariff of Rs.4.00 per unit as upper limit.

Whereas the SPG has submitted its bid to sell solar power generated from its solar power plant No(s) as detailed below, having a total capacity of MWac.

.....
.....

Whereas the Distribution Licensee has selected the SPG as a successful bidder, agreed to purchase the solar power at the rate of Rs.3.47 per unit finalized

through reverse bidding process and issued Letter of Intent vide LOI No. on the terms and conditions stipulated in Tender Specification in CE/NCES/OT No.1/2017-18 and also hereinafter agreed to.

NOW THESE PRESENTS WITNESSETH AND THE PARTIES HEREBY AGREE AS FOLLOWS:

1. Definitions

In this agreement-

- (a) "Billing Period" means the time period between the date of meter reading in a particular month and the corresponding reading in the immediately succeeding month and month shall mean a month reckoned in the British Calendar.
- (b) "Commission" means the Tamil Nadu Electricity Regulatory Commission;
- (c) "Dispute" means any dispute or difference of any kind between the SPG and the Distribution licensee in connection with or arising out of this Agreement including but not limited to any issue on the interpretation and scope of the terms of this Agreement.
- (d) "Effective Date" means the date of execution of agreement between the distribution licensee and the solar power developer and the date on which the agreement shall come into effect.
- (e) "Expiry Date" means the date occurring after 25 years from the Date of Commercial operation.
- (f) "Force Majeure" or "Force Majeure Event" shall have the meaning prescribed thereto in Article 16 of this agreement.
- (g) "Installed Capacity" or "IC " means the AC output in MW of all the units of the solar power generators or the total capacity of the solar generating station (reckoned at the generator terminals) as declared by the generator and agreed by the distribution licensee.
- (h) "Interface line" means the interface line as defined in the regulation 2(f2) of the Power Procurement from New and Renewable Sources of Energy Regulations 2008, issued by the Commission.

- (i) "Inter connection point" means the interface point as defined in the regulation 2(f1a) of the Power Procurement from New and Renewable Sources of Energy Regulations 2008, issued by the Commission.
- (j) "STU" means the state transmission utility as defined in Section 2(67) of the Electricity Act, 2003.
- (K) "COD" or "Date of commercial operation" shall have the meaning prescribed thereto in Article 15 of this agreement.

2. Interfacing and Evacuation Facilities:

- (a) Evacuation facilities from the point of generation to the interconnection point including the required metering, protection arrangement and related other equipments and the entire interface line shall be provided by the SPG at their/his cost as per the Commission's Intra State Open Access Regulations, the Central Electricity Authority (Technical Standards for connectivity to the Grid) Regulations and the Tamil Nadu Electricity Grid Code, in force and as amended from time to time.
- (b) The Solar Power Generator (SPG) and the Distribution Licensee/STU shall comply with the provisions contained in Commission's Intra State Open Access Regulations, 2014 and Central Electricity Authority (CEA) (Technical Standards for connectivity to the Grid) Regulations, 2007 for grid connectivity which includes the following namely:
 - (i) Site Responsibility Schedule;
 - (ii) Access at Connection Site;
 - (iii) Site Common Drawings;
 - (iv) Safety;
 - (v) Protection System and Co-ordination;
 - (vi) Inspection, Test, Calibration and Maintenance prior to Connection.
- (c) The SPG shall comply with the safety measures contained in Central Electricity Authority (Measures relating to safety and Electric supply) Regulations, 2010.
- (d) Both parties shall comply with the relevant provisions contained in the Indian Electricity Grid Code, Tamil Nadu Electricity Grid Code, the Electricity Act, 2003, other Codes and Regulations issued by the Tamil Nadu Electricity Regulatory Commission/ Central Electricity Authority (CEA);

- (e) The responsibility of getting Transmission Connectivity and access to the transmission system owned by the Distribution Licensee/STU will lie with the SPG and will be at the cost of SPG.
- (f) The SPG shall not be entitled to any deemed generation in case of any delay in connectivity to the Project whatsoever the reason may be.
- (g) The Distribution Licensee/STU shall endeavour to match the commissioning of the transmission system with the commissioning of the solar projects.
- (h) The improvement works if any arises, will be carried out by the Distribution Licensee/STU and if there is any delay in such improvement works, causing delay in commissioning the project, the Distribution Licensee/STU will not be held responsible.
- (i) The delivery point of power shall be at TANGEDCO/TANTRANSCO SS.

3. Operation and Maintenance:

- (a) The solar power generated shall be evacuated to the maximum extent subject to Grid stability and shall not be subjected to merit order dispatch principles.
- (b) The SPG agrees to provide adequate filtering mechanism to limit the harmonics within the stipulated norms as specified by the Commission and by the Central Electricity Authority from time to time. If the SPG injects the harmonics beyond such stipulated limit, a compensation of 15% of the applicable generation tariff rate shall be deductible by the Distribution Licensee from every monthly bill in whose area the plant is located till such time it is reduced within the stipulated limit.
- (c) The SPG agrees to minimize drawal of reactive power from the Distribution Licensee/STU's grid at an interchange point when the voltage at that point is below 97% of rated voltage and shall not inject reactive power when the voltage is above 103% of rated voltage subject to payment of required charges as per the Intra State Open Access Regulations and the order on open access charges in force.

- (d) The SPG shall provide suitable automatic safety devices so that the Generator shall automatically be isolated when the grid supply fails.
- (e) The SPG shall maintain the Generator and the equipments including the transformer, interface switch gear of Distribution/Transmission line and protection equipments and other allied equipments at their/his cost to the satisfaction of the authorized officer of the Distribution Licensee / STU.
- (f) The changing of the rupturing capacity of the interface switch gear of transmission line/distribution line and settings of the relays, if any, shall be subject to the approval of the Authorized Officer of the Distribution Licensee / STU.
- (g) The interfacing lines shall be maintained by the SPG at their/his cost.
- (h) There shall be no fluctuations or disturbances to the grid or other consumers supplied by the grid due to paralleling of the Solar Power Generators. The SPG shall provide at their/his cost adequate protection as required by the Distribution Licensee/STU to facilitate safe parallel operation of the Generators with grid and to prevent disturbances to the grid.
- (i) The SPG agrees that the Distribution Licensee/STU shall not be responsible for any damage to their/his Generating units resulting from parallel operation with the grid and that the Distribution Licensee/STU shall not be liable to pay any compensation whatsoever for any such damage.
- (j) The generating unit(s) shall be maintained effectively and operated by competent and qualified personnel.
- (k) In case of unsymmetrical fault on High Voltage Bus, the SPG shall share the fault current according to impedance of the circuit. To meet such contingency and for safe operation of the Generating units of the SPG, the SPG shall provide the following schemes of protection namely;

- (i) Separate overload relays on each phase and earth fault relays shall be installed by the SPG. Under no circumstances these relays shall be by-passed.
- (ii) With suitable current transformer and relay connections, the load sharing by the SPG and Distribution Licensee shall be limited to their rated capacity in the case of connectivity established with the distribution system. In the case of connectivity established with the transmission system, the load sharing by the SPG and STU shall be limited to their rated capacity by using the suitable current transformer and relay connections.
- (iii) Adequate indication and control metering for proper paralleling of the generators on the High Voltage bus shall be made available by the SPG.
- (iv) Protection co-ordination shall be done by the Distribution Licensee / STU in consultation with Regional Power committee and relays and the protection system shall be maintained by SPG as per site responsibility schedule.
- (l) Grid availability shall be subject to the restriction and control as per the orders of the State Load Despatch Centre (SLDC) consistent with the provisions of the Electricity Act, 2003 (CA 36 of 2003) and regulations made thereon.

4. Metering Arrangements:

- (a) The metering arrangements with facilities to record export and import of energy shall be provided in accordance with the Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006, Commission's Grid Connectivity and Intra State Open Access Regulations 2014, Tamil Nadu Electricity Distribution Code, 2004 and the Tamil Nadu Grid Code and in consultation with Distribution Licensee / STU. The periodicity of testing, checking, calibration, etc., shall be governed by the Regulations issued by the Central Electricity Authority / Commission in force in this regard.

Meter shall be installed and connected at the point of interconnection between electrical system of the generating company and Transmission / Distribution system at the cost of SPG.

- (b) Main and Check Meters shall have facility to communicate its reading to State Load Despatch Centre on real time basis or otherwise as may be specified by the Commission. Meter reading shall be taken as per the procedure devised by the Distribution Licensee / STU.
- (c) The term 'Meter' shall mean a 'Meter' with ABT Compatibility and digital communication facilities to be connected to the SLDC/Control centre.
- (d) The State Transmission Utility / Distribution Licensee may provide Check Meters of the same specification as Main Meters;
- (e) The SPG can have a standby meter of the same specification tested and sealed by the Distribution Licensee/STU at the cost of SPG.
- (f) The Main and Check Meters shall be test checked for accuracy as per the Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006. The meters shall be tested using NABL accredited mobile laboratory or at any NABL accredited laboratory in the presence of parties involved or their authorized representatives at the cost of SPG. Both parties shall seal Main and Check meters. Defective meter shall be replaced immediately.
- (g) Reading of Main and Check meters shall be taken periodically at appointed day and hour by authorized officer of Distribution Licensee / STU and in the presence of generator or his/their authorized representative.
- (h) Check meter readings shall be considered when Main Meter is found to be defective or stopped functioning, provided that, if difference between the readings of main and check meter vis-à-vis main meter reading exceeds twice the percentage of error applicable to relevant class, both meters shall be tested and the one found defective shall be immediately replaced and reading of other will be considered. Both the meters shall be tested at the cost of SPG.

- (i) If during the periodical test or calibration, both the main meter and the check meter are found to have errors beyond permissible limits, the bill shall be revised for the previous 3 (Three) months or for the exact period, if known and agreed upon by both the parties, by applying correction as determined by the meter testing wing of the Distribution Licensee/STU to the consumption registered by the meter with lesser error. The periodical testing of meters shall be done as per the Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006.
- (j) The SPG shall check the healthiness of meters (due to blowing of the Potential Transformer fuses or due to any other causes) by superficially checking indicator lamps or by taking readings as frequently as possible. If both the main meter and the check meter fail to record energy either due to the blowing of the Potential Transformer fuses or due to any other causes, the energy imported / exported may be arrived at based on the standby meter, if available, or as agreed mutually between the parties.

5. Tariff and Other Charges:

- (a) Energy Charges:
The Solar Power Tariff of Rs.3.47 per unit finalized through reverse bidding shall be applicable to the SPG for the agreement period of 25 years i.e.25 years from the date of Commercial Operation of the solar power plant.
- (b) Reactive Power Charges:
The reactive power charges shall be as specified in the Order on Open Access issued by the Commission from time to time.
- (c) Start up Power Charges:
The drawal of energy by the SPG from the distribution licensee shall be adjusted against the exported energy for every billing period. In case, drawal of power is in excess over the exported power in a billing month, such excess drawal shall be billed, as per Commission's Tariff Order in force.

6. Capacity Utilisation Factor (CUF):

The capacity Utilisation Factor (CUF) shall be 17 % to 19%, calculated on yearly basis. In case the availability is more than the maximum CUF specified i.e.19%, the Distribution Licensee will purchase the excess generation, at Average Pooled Purchase Cost (APPC) or the PPA tariff or the applicable preferential tariff, whichever is less. In case the availability is less than the minimum CUF specified i.e.17%, the SPG shall pay Distribution Licensee for the actual shortfall in terms of units at the prevailing forbearance price fixed by the CERC, since the Distribution Licensee is an obligated entity to utilize solar power as per Hon'ble TNERC's RPO Regulation.

7. Billing and Payment:

(a) The due date for payment of energy bill will be 60 days from the date of receipt (excluding the date of receipt) of bill in complete from the generator. The Distribution Licensee shall provide unconditional revolving and irrevocable LC which shall be drawn upon the SPGs.

(b) The Distribution Licensee shall provide LC from public sector/scheduled commercial bank. The payment shall be made on 60th day from the date of receipt of passed bill (Invoice) at LC opener's bank. If the 60th day (due date) happens to be a holiday for Distribution Licensee and/or Banks, then payment will be made on the next working day. All expenses relating to LC viz. Opening charges, Maintenance Charges, Negotiation Charges and renewal charges are to the account of SPGs. The revolving LC shall have a term of 12 months and validity of the LC shall be renewed year after year and remains valid upto expiry of the agreement and the amount shall also be renewed for an amount equal to 105% of the average of monthly billing of proceeding 12 months.

(c) The Distribution Licensee wherever necessary, shall raise a bill at the end of a billing period of one month for the power drawn by the SPG in excess over the exported power and the SPG shall make payment to the Distribution Licensee at HT temporary supply tariff within the time stipulated to the HT consumers in the Commission's Supply code, 2004 as amended from time to time.

8. Termination Compensation:

The Distribution Licensee and the SPG are restricted from unilateral termination or amendment of the PPA, as per the draft guidelines on Tariff based Competitive Bidding Process for Grid Connected Solar PV Power Projects issued by the MNRE.

Notwithstanding above, in case, such a scenario arises, there shall be a termination compensation to be paid in the following manner:

- (i) Termination of PPA for reasons solely attributable to the SPG:

The Distribution Licensee shall not be liable to pay any termination compensation to the SPG. The Lender(s) may take over the project and manage it themselves, or they may bring in new promoter(s). Save as otherwise provided in the guidelines, the SPG cannot terminate PPA to supply power to a third party.

- (ii) For all other cases:

Save as otherwise excluded in the Force Majeure clause(s) 16 in this PPA, balance debt (as per the Debt-repayment schedule) or actual debt, whichever is less, minus the insurance coverage on the plant, shall be provided by the Distribution Licensee to the SPG. The solar power plant shall be handed over to Distribution Licensee.

Notwithstanding the above, the SPG may choose not to take the termination compensation and retain the project assets, with the consent of the lenders.

9. Assignment to lender:

This Agreement shall be binding upon, and insure to the benefit of the parties and their respective successors and permitted assigns. This Agreement shall not be assigned by any party other than by mutual consent between the parties to be evidenced in writing:

Provided that, such consent shall not be withheld if the Distribution Licensee seeks to transfer to any transferee all of its rights and obligations under this agreement.

Provided further that any successor(s) or permitted assign(s) identified after mutual agreement between the parties may be required to execute a

new agreement on the same terms and conditions as are included in this Agreement.

10. Applicability of the Electricity Laws:

Both parties shall be bound by the provisions contained in the Electricity Act, 2003, (CA 36 of 2003) and the Regulations, Rules, codes, notifications, orders, etc., made there under, as amended from time to time.

11. Terms of the Agreement:

- (a) This agreement shall come into effect from the "Effective Date".
- (b) The actual period of sale/purchase of power by the SPG/Distribution licensee under this agreement shall be valid for twenty five (25) years, subject to the COD and expiry date.
- (c) After execution of PPA, the controlling shareholding (controlling shareholding shall mean more than 50% of the paid up share capital) in the Company developing the project shall be maintained for a period of 3 months after commencement of supply of power. Thereafter, any change can be undertaken under intimation to the Distribution Licensee. This condition would not apply to the cases where substitution of Promoter / Controlling Shareholder is necessitated by action of and request by Lending Financial Institution / Lender.

12. Clean Development Mechanism Benefits:

The CDM benefit shall be shared between SPG and Distribution Licensee in the following manner, namely

- a) 100% of the gross proceeds on account of CDM benefit to be retained by the SPG in the first year after the date of commercial operation of the generating station;
- b) In the second year, the share of the Distribution Licensee shall be 10% which shall be progressively increased by 10% every year till it reaches 50%, where after the proceeds shall be shared in equal proportion, by the SPG and the Distribution Licensee.

13. Settlement of Disputes:

If any dispute or difference of any kind whatsoever arises between the parties relating to this agreement, it shall, in the first instance, be settled

amicably, by the parties, failing which either party may approach the Commission for the adjudication of such disputes under section 86 (1) (f) of the Electricity Act, 2003 in accordance with the Conduct of Business Regulations 2004 and Fees and Fines Regulations 2004 of the Commission. This agreement shall be governed by the Laws of India and the Courts at Chennai alone shall have jurisdiction.

14. Commissioning:

(a) Part Commissioning:

Part commissioning will not be applicable to the solar power plants having total bidded capacity upto 10 MW. However, Part commissioning will be accepted by the Distribution Licensee for minimum of 50% of the plant capacity (location wise).

(b) Commissioning Schedule and Liquidated Damages for Delay in Commissioning:

The solar power plant shall be commissioned on or before 12/24 months i.e. (date) from the date of signing of this Power Purchase Agreement. In case of failure to achieve this milestone, Distribution Licensee shall encash the Performance Guarantee in the following manner:

Delay up to five months : The Distribution Licensee will encash the Performance Bank Guarantee on per day basis proportionate to the Capacity not commissioned within next 5 (Five) months i.e. on or before, after the expiry of commissioning schedule of 12/24 months. In case of non-commissioning within the said 17/29 months i.e. on or before, the Distribution Licensee will encash the entire (100%) Performance Bank Guarantee.

Delay beyond 17/29 months: In case the commissioning of project is further delayed beyond 17/29 months and upto 22/34 months, the SPG shall, in addition to 100% encashment of Performance Bank Guarantee, shall pay a Liquidated Damages to the Distribution Licensee a sum of Rs.10,000/- per MWac per day basis in the form of BG, to the extent of Capacity not Commissioned.

Prior to expiry of 17/29 months from the date of signing of PPA, the SPG shall furnish an Additional Performance Bank Guarantee calculated @ Rs.10,000/- per MWac for five months to the Distribution Licensee to the extent of capacity not commissioned. In case of non-furnishing of Additional Performance Bank Guarantee, the PPA will stand terminated automatically without any notice/order.

The maximum time period allowed for commissioning of the full Project Capacity with encashment of Performance Bank Guarantee and payment of Liquidated Damages shall be 22/34 months from the date of signing of PPA i.e. on or before The amount of Liquidated Damages shall be recovered by TANGEDCO from the payments due of the Project Developer on account of Sale of Solar Power to TANGEDCO. In case, the Commissioning of the Project is delayed beyond 22/34 months from the date of signing of PPA, the PPA capacity shall stand reduced / amended to the extent of Project Capacity Commissioned and the PPA for the balance Capacity not commissioned will stand terminated and shall be reduced from the selected Project Capacity. In case, the project is not commissioned, within such 22/34 months i.e. on or before....., the PPA will stand terminated automatically without any notice or Order and the Distribution Licensee will encash the Additional Performance Bank Guarantee furnished towards Liquidated Damages.

15. Commercial Operation Date (COD):

The projects commissioned during a month shall be considered for payment of energy @ 50% of the PPA tariff as infirm power till Commercial Operation Date (COD). The COD shall be considered 30 days from the actual date of commissioning of the first part capacity. The tenure of PPA shall commence from Commercial Operation Date of the first part commissioning of the project. In case of part-commissioning also, COD for the part commissioned capacity shall be 30 days from the actual date of commissioning of that part commissioned capacity and therefore the clause for payment of energy @ 50% of the PPA tariff as infirm power till Commercial Operation Date (COD) will apply to the part commissioned capacity also.

In such cases, where

(i) Some capacity of the project is commissioned and COD for that capacity has been achieved, whereas

(ii) Some more capacity has been commissioned but COD for that capacity has not been achieved,

then the metered energy will be distributed on pro-rata basis between

(a) Capacity commissioned & COD achieved and

(b) Capacity commissioned but COD not achieved.

16. Force Majeure:

Both the parties shall ensure compliance of the terms of this agreement. However, no party shall be liable for any claim for any loss or damage whatsoever arising out of failure to carry out the terms of this agreement to the extent that such failure is due to force majeure events as defined here under. Any party claiming the benefit of this clause shall satisfy the other party of the existence of such an event(s) by giving notice to the other party in writing within 15 days from the occurrence of such Force majeure.

“Force Majeure” events means any event which is beyond the control of the parties involved which they could not foresee or with a reasonable amount of diligence could not have been foreseen or which could not be prevented and which substantially affect the performance by either party such as but not limited to:-

- (i) Acts of natural phenomena, including but not limited to floods, droughts, earthquakes, lightning and epidemics;
- (ii) Acts of any Government domestic or foreign, including but not limited to war declared or undeclared, hostilities, priorities, quarantines, embargoes;
- (iii) Riot or Civil Commotion; and
- (iv) Grid / Distribution System’s failure not attributable to parties to this agreement.

In witness whereof Thiru..... acting for and on behalf of
..... (Name of SPG) and
..... (Name, designation and officer, concerned of

the Distribution Licensee) acting for and on behalf of the Distribution Licensee have hereunto set their hands on the day, month and year hereinabove first mentioned.

In the presence of witnesses

1.

2.

Signature
Solar Power Generator
Common Seal

In the presence of witnesses

1.

2.

Signature
Authorized Officer of the
Distribution Licensee