SOLAR ENERGY CORPORATION OF INDIA LTD.
NEW DELHI

Ref No. SECI/C&P/RPD/RTC-I/102019/Amendment-05 dated 06.03.2020

<table>
<tr><td colspan="4">Amendment-05 to RfS for Selection of RE Power Developer for "Round-the-Clock" Energy Supply from 400 MW RE Power Projects to NDMC, New Delhi, and Daman & Diu and Dadra & Nagar Haveli under Tariff-based Competitive Bidding (RTC-I)</td></tr>
<tr><td colspan="4">RfS No. SECI/C&P/RPD/RTC-I/RfS/400MW/102019 dated: 18.10.2019</td></tr>
<tr><td>Sr. No.</td><td>Clause No.</td><td>Existing Clause</td><td>Amended Clause</td></tr>
<tr><td colspan="4">Amendments in the RfS document</td></tr>
<tr><td>1.</td><td>General</td><td colspan="2">(a) It is to be noted that with reference to liabilities and obligations on the RPD, the term 'generation' shall be read as 'supply' in the RfS, PPA and PSA documents.
(b) Term of the PPA shall be upto 25 years from the Scheduled Commissioning Date or from the date of full commissioning of the Project, whichever is earlier. The relevant clauses in the RfS, PPA and PSA shall be read accordingly.</td></tr>
<tr><td>2.</td><td>Section III, Cl. 8.2</td><td colspan="2">Modified as follows:

<u>CRITERIA FOR ENERGY SUPPLY</u>

The PPA will be signed for a committed annual energy equivalent to 100% CUF of the Project, in order to ensure "Round-the-Clock" energy supply by the RPD, which shall remain unchanged after signing of PPA. Calculation of CUF will be on yearly basis from 1st April of the year to 31st March of next year. The RPD shall maintain energy supply so as to achieve annual CUF not less than 80% (eighty percent) and monthly CUF not less than 70 % (seventy percent) for the Project, during the PPA duration of 25 years. The lower limit will, however, be relaxable by SECI to the extent of non-availability of grid for evacuation which is beyond the control of the HPD. The annual CUF will be calculated every year from 1st April of the year to 31st March next year. The Buying Entity shall use the power for fulfillment of solar and non-solar RPO in the proportion of rated capacity of solar and wind power in the project respectively. The RPDs are free to install additional wind turbines to account for auxiliary consumption in the Projects.</td></tr>
<tr><td>3.</td><td>Section III, Cl. 8.3</td><td colspan="2">Modified as follows:

<u>SHORTFALL IN ENERGY SUPPLY</u>
(i) <u>In case of the Project being commissioned after 1st April of the year:</u> After commissioning/part commissioning of the Project, during the Term of the PPA, subsequent to completion of 1st Contract Year, if for any year, it is found that the RPD has not supplied the minimum energy corresponding to the lower limit of energy corresponding to 80% CUF on an annual basis, such shortfall in performance shall make the RPD liable to pay the damages as per (iii) below, in lieu of compensation provided in the PSA as payable to Buying Entities and the RPD shall duly pay such compensation to SECI to enable remitting the amount to the Buying Entities. In case of part-commissioning of the Project, the above minimum annual energy requirement shall be calculated corresponding to the commissioned capacity, until commissioning of full capacity of the Project, or the finally accepted Project capacity, as applicable.</td></tr>
</table>

(ii) In case of the Project being commissioned **on 1st April** of the year: After commissioning/part commissioning of the Project, if for any year, it is found that the RPD has not supplied the minimum energy corresponding to the lower limit of energy corresponding to 80% CUF **on an annual basis**, such shortfall in performance shall make the RPD liable to pay the damages as per (iii) below, in lieu of compensation provided in the PSA as payable to Buying Entities and the RPD shall duly pay such compensation to SECI to enable remitting the amount to the Buying Entities. In case of part-commissioning of the Project, the above minimum annual energy requirement shall be calculated corresponding to the commissioned capacity, until commissioning of full capacity of the Project, or the finally accepted Project capacity, as applicable.

(iii) In both the above cases for shortfall in generation on an annual basis, the damages being levied due to shortfall in generation shall be calculated as follows:

a) In case of shortfall in generation below energy corresponding to 80% CUF and upto (and including) 77.5% CUF: The amount of compensation shall be calculated at twice the PPA tariff for the shortfall in energy terms, in accordance with the terms of the PPA.

b) In case of shortfall in generation below energy corresponding to 77.5% CUF: In addition to the compensation as per (a) above, tariff escalation shall be removed from the Applicable Tariff for the Contract Year immediately succeeding the Contract Year in which the above minimum energy requirements are not met by the RPD. The same non-escalation of tariff will continue in case the above shortfall is recorded in the immediately succeeding Contract Year, and tariff escalation will be restored only upon achieving the minimum energy requirements as above. This non-escalation of Applicable Tariff shall be applicable upto (and including) the 15th / 16th Contract Year (as applicable as per Clause 14.7 below) of the PPA (corresponding to shortfall recorded in the 14th / 15th Contract Year, if any), and for the remaining years, compensation calculated at twice the PPA tariff for the shortfall below the energy corresponding to 80% CUF, shall be levied on the RPD.

(iv) **In addition to (i) and (ii) above,** the RPD shall be required to meet **monthly energy supply requirements** as follows:

a) After commissioning/part commissioning of the Project and subsequent to completion of 1st Contract Year (wherever applicable), if for any year, in case it is found that the RPD has not been able to supply minimum energy corresponding to 70% CUF for the Project on a monthly basis, for any month ('month' as defined in the PPA), the RPD shall be levied a compensation for the shortfall in energy supply, calculated at the PPA tariff applicable for the corresponding Contract Year. Monthly energy reconciliation will be done along with the annual energy reconciliation, and in case it is found that in addition to not meeting the monthly energy requirement for any month, the RPD is not meeting the minimum energy requirement corresponding to 80% CUF on an annual basis, then the damages as per this clause, as well as the damages as per Clauses (iii) (a) or (b) above (as applicable) shall be levied on the RPD.

b) After commissioning/part commissioning of the Project and subsequent to completion of 1st Contract Year (wherever applicable), if for any year, it is found that the RPD has not supplied the minimum energy corresponding to 67.5% CUF for the Project on a monthly basis, for more than 2 (two) months in the year ('month' as defined in the PPA), in addition to the damages as per (iv) (a) above, tariff escalation shall be removed from the Applicable Tariff for the Contract Year immediately succeeding the Contract Year in which the above minimum energy requirements are not met by the RPD. The same non-escalation of tariff will continue in case the above shortfall is recorded in more than 2 months in the immediately succeeding Contract Year, and tariff escalation will be restored only upon achieving the minimum energy requirements as per this Clause, or as per Clause (iii) (b) above, as applicable.

(v) In order to avoid any doubt, it is reiterated that the RPD shall be required to meet annual as well as monthly energy generation requirements as per Clause 8.2 above. In case the RPD fails to meet either annual or monthly energy requirements, compensation shall be levied corresponding to the provisions only for not meeting the respective criteria. However, in case the RPD fails to meet both the annual and well as monthly energy requirements, compensations shall be levied as per the provisions for not meeting the annual as well as monthly energy requirements.

❖ **Illustration-1:**

Assuming,

- Project size: 100 MW
- Applicable Tariff for the 1st Contract Year: 3.5/kWh
- Contracted Energy to be supplied in a Contract Year: 8,76,600 MWh
- Minimum energy to be supplied in a Contract Year (80% CUF): 7,01,280 MWh
- Minimum energy to be supplied in a month (70% CUF): 50,400 MWh
- Considering annual energy reconciliation for the 5th Contract Year
- Applicable tariff for the 5th Contract Year: Rs. 3.94/kWh (assuming the RPD is meeting with minimum energy supply requirements for the previous years)
- Annual energy supply achieved by the RPD is @75% CUF, i.e. 6,57,450 MWh
- Further, the RPD also supplies monthly energy @68% CUF for the month of December, i.e. 48,960 MWh.

Compensation to be levied is as follows:

➢ Damages for shortfall in annual energy supply:

Annual energy commitment corresponding to 80% CUF = 7,01,280 MWh

Actual annual energy supplied corresponding to 75% CUF= 6,57,450 MWh.

Shortfall calculation as per PPA= (2 x Rs. 3.94/kWh) x (7,01,280 -6,57,450 MWh)

= Rs. 34,53,80,400

- <u>Damages for shortfall in monthly energy supply:</u>

  Monthly energy commitment corresponding to 70% CUF = 50,400 MWh

  Actual monthly energy supplied in December corresponding to 68% CUF= 48,960 MWh.

  Shortfall calculation as per PPA= (Rs. 3.94/kWh) x (50,400 -48,960 MWh)

  = Rs. 56,73,600

- Total amount to be levied as compensation = Rs. (34,53,80,400 +56,73,600)

  = Rs. 35,10,54,000

Additionally, Applicable Tariffs shall be as follows:

Applicable Tariff for the 5^{th} Contract Year: Rs. 3.94/kWh

Applicable Tariff for the 6^{th} Contract Year: Rs. 3.94/kWh (instead of Rs. 4.06/kWh)

Applicable Tariff for the 7^{th} Contract Year: Rs. 4.06/kWh (instead of Rs. 4.18/kWh….and so on, in case **both annual and monthly minimum energy requirements are achieved** in the 6^{th} Contract Year)

<u>In case **either of the annual or monthly minimum energy requirements are not achieved in the 6^{th} Contract Year**, the Applicable Tariff for the 7^{th} Contract Year will remain 3.94/kWh, and continue so on without escalation, until both annual and monthly minimum energy requirements are achieved in any particular Contract Year.</u>

- **<u>Illustration-2</u>**

  Assuming,

  - <u>Project size:</u> 100 MW
  - <u>Applicable Tariff for the 1^{st} Contract Year:</u> 3.5/kWh
  - <u>Contracted Energy to be supplied in a Contract Year:</u> 8,76,600 MWh
  - <u>Minimum energy to be supplied in a Contract Year (80% CUF):</u> 7,01,280 MWh
  - <u>Minimum energy to be supplied in a month (70% CUF):</u> 50,400 MWh/month
  - Considering annual energy reconciliation for the <u>5^{th} Contract Year</u>
  - <u>Applicable tariff for the 5^{th} Contract Year:</u> Rs. 3.94/kWh (assuming the RPD is meeting with minimum energy supply requirements for the previous years)
  - Annual energy supply achieved by the RPD is @90% CUF, i.e. <u>7,88,400 MWh</u>
  - However, the RPD supplies monthly energy @68% CUF for the months of December, January and February i.e. <u>48,960 MWh/month</u>.

Compensation to be levied is as follows:

- <u>Damages for shortfall in monthly energy supply:</u>

  Monthly energy commitment corresponding to 70% CUF = 50,400*3 = 1,51,200 MWh

  Actual annual energy supplied corresponding to 68% CUF for 3 months = 1,46,880 MWh.

  Shortfall calculation as per PPA= (Rs. 3.94/kWh) x (1,51,200 -1,46,880 MWh)

  = Rs. 1,70,20,800

  Additionally, Applicable Tariffs shall be as follows:

  Applicable Tariff for the 5^{th} Contract Year: Rs. 3.94/kWh

  Applicable Tariff for the 6^{th} Contract Year: Rs. 3.94/kWh (instead of Rs. 4.06/kWh)

<table>
<tr><td></td><td></td><td colspan="2">Applicable Tariff for the 7th Contract Year: Rs. 4.06/kWh (instead of Rs. 4.18/kWh….and so on, in case the RPD does not fail to meet minimum monthly energy supply requirements for more than 2 months in the corresponding Contract Year)
In case either of the annual or monthly minimum energy requirements as above are not achieved in the 6th Contract Year, the Applicable Tariff for the 7th Contract Year will remain 3.94/kWh, and continue so on without escalation, until both annual and monthly minimum energy requirements are achieved in any particular Contract Year.

For avoidance of any doubt, it is reiterated that in case the Project commissioning/part commissioning takes place after 1st April of the year, minimum annual and monthly energy supply requirements shall be monitored from the commencement of 2nd Contract Year, for levy of damages as above.

Shortfall in generation and associated compensation to be levied on the RPD shall be calculated as per the actual generation data from the Project, and methodology for the same will be provided during the project implementation period.

The lower limit will, however be relaxable by SECI to the extent of grid non-availability for evacuation, which is beyond the control of the RPD. This compensation shall be applied to the amount of shortfall in generation during the year. However, this compensation shall not be applicable in events of Force Majeure identified under PPA with SECI affecting supply of power by RPD. Such compensation as recovered from the RPD shall be passed on by SECI to the Buying Entity, after deducting losses of SECI.

The RPD shall agree that the methodology specified herein above for calculation of liquidated damages payable by the RPD for shortfall in generation is a genuine and accurate pre-estimation of the actual loss that will be suffered by SECI/Buying Utility. RPD shall further acknowledge that a breach of any of the obligations contained herein result in injuries and that the amount of the liquidated damages or the method of calculating the liquidated damages specified in this document is a genuine and reasonable pre-estimate of the damages that may be suffered by the SECI in each case specified under the PPA. However, this compensation shall not be applicable in events of Force Majeure identified under the PPA with SECI, affecting supply of power by the RPD.</td></tr>
<tr><td>4.</td><td>Section III, Cl. 14.1</td><td>Note: PPA will be executed between SECI and the HPD as per the breakup of the cumulative Project capacity awarded to the Bidder. The HPD shall provide the project breakup for the cumulative capacity quoted, in the Covering Letter (Format 6.1), which may be changed by the HPD subsequent to issuance of LOA upto the date as on 30 days from issuance of LOA. For an individual Project, any modification in</td><td>Note: PPA will be executed between SECI and the HPD as per the breakup of the cumulative Project capacity awarded to the Bidder. The HPD shall provide the project breakup for the cumulative capacity quoted, in the Covering Letter (Format 6.1), which may be changed by the HPD subsequent to issuance of LOA upto the date as on 30 days from issuance of LOA. For an individual Project, any modification in the rated capacities of wind and solar</td></tr>
</table>

		the rated capacities of wind and solar components in the Project, shall be intimated to SECI within 30 days of issuance of LOA. Both the above parameters will remain unchanged, thereafter. It may be noted that the Successful Bidder shall be allowed to change the State of the proposed Project location, prior to achievement of Financial Closure of the Project. Any changes in the location of the Project awarded shall not be permitted subsequent to the above deadline. Delays in connectivity and/or LTA for the Project(s) on account of such changes, which differ from the details provided in the Covering letter, shall be at the risk and cost of the Successful Bidder. The PPA shall be valid for a period of 25 years from the Scheduled Commissioning Date of the Project.	components in the Project, shall be intimated to SECI within 30 days of issuance of LOA. Both the above parameters will remain unchanged, thereafter. It may be noted that the RPD shall be allowed to resize the Energy Storage Systems (ESS), if any, until 3 years after COD of the full Project capacity or finally accepted Project capacity, as applicable. Delays in connectivity and/or LTA for the Project(s) on account of location or Project configuration changes, shall be at the risk and cost of the Successful Bidder. The PPA shall be valid for a period of 25 years from the Scheduled Commissioning Date or from the date of full commissioning of the Project, whichever is earlier.
Amendments in the PPA document			
1.	4.4.1	**Modified as follows:** Subsequent to commissioning/part-commissioning of the Project, in any Contract Year except for the scenario as per (i) below, SECI shall not be obliged to purchase any additional energy from the HPD beyond ……….. Million kWh (MU) [Insert value of energy corresponding to 100% CUF for the Project]. (i) <u>In case of the Project being commissioned **after 1st April** of the year:</u> After commissioning/part commissioning of the Project, during the Term of the PPA, subsequent to completion of 1st Contract Year, if for any year, it is found that the RPD has not supplied minimum energy of …………….. Million kWh (MU) [Insert value of energy corresponding to 80% CUF] **on an annual basis**, such shortfall in performance shall make the RPD liable to pay damages as per (iii) below, in lieu of the compensation provided in the PSA as payable to Buying Entities and the RPD shall duly pay such compensation to SECI to enable remitting the amount to the Buying Entities. In case of part-commissioning of the Project, the above minimum energy requirement shall be calculated corresponding to the commissioned capacity, until commissioning of full capacity of the Project, or the finally accepted Project capacity, as applicable. (ii) <u>In case of the Project being commissioned **on 1st April** of the year:</u> After commissioning/part commissioning of the Project, during the Term of the PPA, if for any year, it is found that the RPD has not supplied minimum energy of …………….. Million kWh (MU) [Insert value of energy corresponding to 80% CUF] **on an annual basis**, such shortfall in performance shall make the RPD liable to pay damages as per (iii) below, in lieu of the	

		compensation provided in the PSA as payable to Buying Entities and the RPD shall duly pay such compensation to SECI to enable remitting the amount to the Buying Entities. In case of part-commissioning of the Project, the above minimum annual energy requirement shall be calculated corresponding to the commissioned capacity, until commissioning of full capacity of the Project, or the finally accepted Project capacity, as applicable. (iii) In both the above cases for shortfall in generation on an annual basis, the damages being levied due to shortfall in generation shall be calculated as follows: a) <u>In case of shortfall in generation below energy corresponding to 80% CUF and upto (and including) 77.5% CUF:</u> The amount of compensation shall be calculated at twice the PPA tariff for the shortfall in energy terms, in accordance with the terms of the PPA. b) <u>In case of shortfall in generation below energy corresponding to 77.5% CUF:</u> In addition to the compensation as per (a) above, tariff escalation shall be removed from the Applicable Tariff for the Contract Year immediately succeeding the Contract Year in which the above minimum energy requirements are not met by the RPD. The same non-escalation of tariff will continue in case the above shortfall is recorded in the immediately succeeding Contract Year, and tariff escalation will be restored only upon achieving the minimum energy requirements as above. This non-escalation of Applicable Tariff shall be applicable upto (and including) the 15^{th} / 16^{th} Contract Year (as applicable as per Article 9.1) of the PPA (corresponding to shortfall recorded in the 14^{th} / 15^{th} Contract Year, if any), and for the remaining years, compensation calculated at twice the PPA tariff for the shortfall below the energy corresponding to 80% CUF, shall be levied on the RPD. (iv) **In addition to (i) and (ii) above**, the RPD shall be required to meet **monthly energy supply requirements** as follows: a) After commissioning/part commissioning of the Project and subsequent to completion of 1st Contract Year (wherever applicable), if for any year, in case it is found that the RPD has not been able to supply minimum energy of ……………… Million kWh (MU) [Insert value of energy corresponding to 70% CUF] for the Project **on a monthly basis**, <u>for any month</u> ('month' as defined in the PPA), the RPD shall be levied a compensation for the shortfall in energy supply, calculated at the PPA tariff applicable for the corresponding Contract Year. Monthly energy reconciliation will be done along with the annual energy reconciliation, and in case it is found that in addition to not meeting the monthly energy requirement for any month, the RPD is not meeting the minimum energy requirement corresponding to 80% CUF on an annual basis, then the damages as per this clause, as well as the damages as per Clauses (iii) (a) or (b) above (as applicable) shall be levied on the RPD. b) After commissioning/part commissioning of the Project and subsequent to completion of 1st Contract Year (wherever applicable), if for any year, it is found

		that the RPD has not supplied the minimum energy of ……………… Million kWh (MU) [Insert value of energy corresponding to 67.5% CUF] for the Project **on a monthly basis**, for more than 2 (two) months in the year ('month' as defined in the PPA), in addition to the damages as per (iv) (a) above, tariff escalation shall be removed from the Applicable Tariff for the Contract Year immediately succeeding the Contract Year in which the above minimum energy requirements are not met by the RPD. The same non-escalation of tariff will continue in case the above shortfall is recorded in more than 2 months in the immediately succeeding Contract Year, and tariff escalation will be restored only upon achieving the minimum energy requirements as per this Clause, or as per Clause (iii) (b) above, as applicable. (v) In order to avoid any doubt, it is reiterated that the RPD shall be required to meet annual as well as monthly energy generation requirements as per Clause 8.2 above. In case the RPD fails to meet either annual or monthly energy requirements, compensation shall be levied corresponding to the provisions only for not meeting the respective criteria. However, in case the RPD fails to meet both the annual and well as monthly energy requirements, compensations shall be levied as per the provisions for not meeting the annual as well as monthly energy requirements. ❖ **Illustration:** Assuming, • Project size: 100 MW • Applicable Tariff for the 1st Contract Year: 3.5/kWh • Contracted Energy to be supplied in a Contract Year: 8,76,600 MWh • Minimum energy to be supplied in a Contract Year (80% CUF): 7,01,280 MWh • Minimum energy to be supplied in a month (70% CUF): 50,400 MWh • Considering annual energy reconciliation for the 5th Contract Year • Applicable tariff for the 5th Contract Year: Rs. 3.94/kWh (assuming the RPD is meeting with minimum energy supply requirements for the previous years) • Annual energy supply achieved by the RPD is @75% CUF, i.e. 6,57,450 MWh • Further, the RPD also supplies a monthly energy @68% CUF for the month of December, i.e. 48,960 MWh. **Compensation to be levied is as follows:** ➢ Damages for shortfall in annual energy supply: Annual energy commitment corresponding to 77.5% CUF = 6,79,365 MWh Actual annual energy supplied corresponding to 75% CUF= 6,57,450 MWh. Shortfall calculation as per PPA= (2 x Rs. 3.94/kWh) x (6,79,365 -6,57,450 MWh) = Rs. 17,26,90,200 ➢ Damages for shortfall in monthly energy supply: Monthly energy commitment corresponding to 70% CUF = 50,400 MWh Actual monthly energy supplied in December corresponding to 68% CUF= 48,960 MWh.

Shortfall calculation as per PPA= (Rs. 3.94/kWh) x (50,400 -48,960 MWh)

= Rs. 56,73,600

- Total amount to be levied as compensation = Rs. 17,26,90,200+56,73,600

  = Rs. 17,83,63,800

Additionally, Applicable Tariffs shall be as follows:

Applicable Tariff for the 5^{th} Contract Year: Rs. 3.94/kWh

Applicable Tariff for the 6^{th} Contract Year: Rs. 3.94/kWh (instead of Rs. 4.06/kWh)

Applicable Tariff for the 7^{th} Contract Year: Rs. 4.06/kWh (instead of Rs. 4.18/kWh, in case **both annual and monthly minimum energy requirements are achieved** in the 6^{th} Contract Year)

In case **either of the annual or monthly minimum energy requirements are not achieved in the 6^{th} Contract Year**, the Applicable Tariff for the 7^{th} Contract Year will remain 3.94/kWh, and continue so on without escalation, until both annual and monthly minimum energy requirements are achieved in any particular Contract Year.

- **Illustration-2**

Assuming,

- Project size: 100 MW
- Applicable Tariff for the 1^{st} Contract Year: 3.5/kWh
- Contracted Energy to be supplied in a Contract Year: 8,76,600 MWh
- Minimum energy to be supplied in a Contract Year (80% CUF): 7,01,280 MWh
- Minimum energy to be supplied in a month (70% CUF): 50,400 MWh/month
- Considering annual energy reconciliation for the 5^{th} Contract Year
- Applicable tariff for the 5^{th} Contract Year: Rs. 3.94/kWh (assuming the RPD is meeting with minimum energy supply requirements for the previous years)
- Annual energy supply achieved by the RPD is @90% CUF, i.e. 7,88,400 MWh
- However, the RPD supplies monthly energy @68% CUF for the months of December, January and February i.e. 48,960 MWh/month.

Compensation to be levied is as follows:

- Damages for shortfall in monthly energy supply:

Monthly energy commitment corresponding to 70% CUF = 50,400*3 = 1,51,200 MWh

Actual annual energy supplied corresponding to 68% CUF for 3 months = 1,46,880 MWh.

Shortfall calculation as per PPA= (Rs. 3.94/kWh) x (1,51,200 -1,46,880 MWh)

= Rs. 1,70,20,800

Additionally, Applicable Tariffs shall be as follows:

Applicable Tariff for the 5^{th} Contract Year: Rs. 3.94/kWh

Applicable Tariff for the 6^{th} Contract Year: Rs. 3.94/kWh (instead of Rs. 4.06/kWh)

Applicable Tariff for the 7^{th} Contract Year: Rs. 4.06/kWh (instead of Rs. 4.18/kWh….and so on, in case the RPD does not fail to meet minimum monthly energy supply requirements for more than 2 months in the corresponding Contract Year)

<table>
<tr><td></td><td></td><td colspan="2">In case either of the annual or monthly minimum energy requirements as above are not achieved in the 6th Contract Year, the Applicable Tariff for the 7th Contract Year will remain 3.94/kWh, and continue so on without escalation, until both annual and monthly minimum energy requirements are achieved in any particular Contract Year.

For avoidance of any doubt, it is reiterated that in case the Project commissioning/part commissioning takes place after 1st April of the year, minimum annual and monthly energy supply requirements shall be monitored from the commencement of 2nd Contract Year, for levy of damages as above.

Shortfall in generation and associated compensation to be levied on the RPD shall be calculated as per the actual generation data from the Project, and methodology for the same will be provided during the project implementation period.

The lower limit will, however be relaxable by SECI to the extent of grid non-availability for evacuation, which is beyond the control of the RPD. This compensation shall be applied to the amount of shortfall in generation during the year. However, this compensation shall not be applicable in events of Force Majeure identified under PPA with SECI affecting supply of power by RPD. Such compensation as recovered from the RPD shall be passed on by SECI to the Buying Entity, after deducting losses of SECI.

The RPD shall agree that the methodology specified herein above for calculation of liquidated damages payable by the RPD for shortfall in generation is a genuine and accurate pre-estimation of the actual loss that will be suffered by SECI/Buying Utility. RPD shall further acknowledge that a breach of any of the obligations contained herein result in injuries and that the amount of the liquidated damages or the method of calculating the liquidated damages specified in this document is a genuine and reasonable pre-estimate of the damages that may be suffered by the SECI in each case specified under this Agreement.</td></tr>
<tr><td>2.</td><td>9.1</td><td>……..In case of Part commissioning of the Project, (including early part-commissioning) of the Project, payment against energy supply shall be made at the Applicable tariff as above, subject to the Project meeting the minimum energy requirement equivalent to 80% CUF on a monthly basis. In other cases, energy payment shall be made @Rs. 2.88/kWh until commissioning of full capacity of the Project, or the finally accepted project capacity, as applicable.….</td><td>……..In case of Part commissioning of the Project, (including early part-commissioning) of the Project, payment against energy supply shall be made at the Applicable tariff as above, subject to the Project meeting the minimum energy requirements as per Article 4.1.1. In other cases, energy payment shall be made @Rs. 2.88/kWh until commissioning of full capacity of the Project, or the finally accepted project capacity, as applicable.….</td></tr>
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Amendments in the PSA document		
1.	6.8.3.b.	**Modified as follows:** (i) <u>In case of the Project being commissioned **after 1st April** of the year:</u> After commissioning/part commissioning of the Project, during the Term of the PPA, subsequent to completion of 1st Contract Year, if for any year, it is found that the RPD has not been able to supply minimum energy of ……………. Million Units (MUs) [Insert value corresponding to the lower limit of 80% CUF] **on an annual basis**, such shortfall in performance shall make the RPD liable to pay the damages as per (iii) below, in lieu of compensation provided in the PSA as payable to Buying Entities and the RPD shall duly pay such compensation to SECI to enable remitting the amount to the Buying Entities. In case of part-commissioning of the Project, the above minimum energy requirement shall be calculated corresponding to the commissioned capacity, until commissioning of full capacity of the Project, or the finally accepted Project capacity, as applicable. (ii) <u>In case of the Project being commissioned **on 1st April** of the year:</u> After commissioning/part commissioning of the Project, during the Term of the PPA, if for any year, it is found that the RPD has not been able to supply minimum energy of ……………. Million Units (MUs) [Insert value corresponding to the lower limit of 80% CUF] **on an annual basis**, such shortfall in performance shall make the RPD liable to pay damages as per (iii) below, in lieu of the compensation provided in the PSA as payable to Buying Entities and the RPD shall duly pay such compensation to SECI to enable remitting the amount to the Buying Entity. In case of part-commissioning of the Project, the above minimum annual energy requirement shall be calculated corresponding to the commissioned capacity, until commissioning of full capacity of the Project, or the finally accepted Project capacity, as applicable. (iii) In both the above cases for shortfall in generation on an annual basis, the damages being levied due to shortfall in generation shall be calculated as follows: a) <u>In case of shortfall in generation below energy corresponding to 80% CUF and upto (and including) 77.5% CUF:</u> The amount of compensation shall be calculated at twice the PPA tariff for the shortfall in energy terms, in accordance with the terms of the PPA. a) <u>In case of shortfall in generation below energy corresponding to 77.5% CUF:</u> In addition to the compensation as per (a) above, tariff escalation shall be removed from the Applicable Tariff for the Contract Year immediately succeeding the Contract Year in which the above minimum energy requirements are not met by the RPD. The same non-escalation of tariff will continue in case the above shortfall is recorded in the immediately succeeding Contract Year, and tariff escalation will be restored only upon achieving the minimum energy requirements as above. This non-escalation of Applicable Tariff shall be applicable upto (and including) the 15th / 16th Contract Year (as applicable as per Article 5.1.1) of the PPA (corresponding to shortfall recorded in the 14th / 15th Contract Year, if any), and for the remaining years, compensation calculated

at twice the PPA tariff for the shortfall below the energy corresponding to 80% CUF, shall be levied on the RPD.

(iv) **In addition to (i) and (ii) above**, the RPD shall be required to meet **monthly energy supply requirements** as follows:

a) After commissioning/part commissioning of the Project and subsequent to completion of 1st Contract Year (wherever applicable), if for any year, in case it is found that the RPD has not been able to supply minimum energy of …………….. Million kWh (MU) [Insert value of energy corresponding to 70% CUF] for the Project **on a monthly basis**, for any month ('month' as defined in the PPA), the RPD shall be levied a compensation for the shortfall in energy supply, calculated at the PPA tariff applicable for the corresponding Contract Year. Monthly energy reconciliation will be done along with the annual energy reconciliation, and in case it is found that in addition to not meeting the monthly energy requirement for any month, the RPD is not meeting the minimum energy requirement corresponding to 80% CUF on an annual basis, then the damages as per this clause, as well as the damages as per Clauses (iii) (a) or (b) above (as applicable) shall be levied on the RPD.

b) After commissioning/part commissioning of the Project and subsequent to completion of 1st Contract Year (wherever applicable), if for any year, it is found that the RPD has not supplied the minimum energy of …………….. Million kWh (MU) [Insert value of energy corresponding to 67.5% CUF] for the Project **on a monthly basis**, for more than 2 (two) months in the year ('month' as defined in the PPA), in addition to the damages as per (iv) (a) above, tariff escalation shall be removed from the Applicable Tariff for the Contract Year immediately succeeding the Contract Year in which the above minimum energy requirements are not met by the RPD. The same non-escalation of tariff will continue in case the above shortfall is recorded in more than 2 months in the immediately succeeding Contract Year, and tariff escalation will be restored only upon achieving the minimum energy requirements as per this Clause, or as per Clause (iii) (b) above, as applicable.

(v) In order to avoid any doubt, it is reiterated that the RPD shall be required to meet annual as well as monthly energy generation requirements as per Clause 8.2 above. In case the RPD fails to meet either annual or monthly energy requirements, compensation shall be levied corresponding to the provisions only for not meeting the respective criteria. However, in case the RPD fails to meet both the annual and well as monthly energy requirements, compensations shall be levied as per the provisions for not meeting the annual as well as monthly energy requirements.

- **Illustration:**

Assuming,

- Project size: 100 MW
- Applicable Tariff for the 1st Contract Year: 3.5/kWh
- Contracted Energy to be supplied in a Contract Year: 8,76,600 MWh
- Minimum energy to be supplied in a Contract Year (80% CUF): 7,01,280 MWh
- Minimum energy to be supplied in a month (70% CUF): 50,400 MWh
- Considering annual energy reconciliation for the 5th Contract Year
- Applicable tariff for the 5th Contract Year: Rs. 3.94/kWh (assuming the RPD is meeting with minimum energy supply requirements for the previous years)
- Annual energy supply achieved by the RPD is @75% CUF, i.e. 6,57,450 MWh
- Further, the RPD also supplies a monthly energy @68% CUF for the month of December, i.e. 48,960 MWh.

Compensation to be levied is as follows:

- Damages for shortfall in annual energy supply:

Annual energy commitment corresponding to 77.5% CUF = 6,79,365 MWh
Actual annual energy supplied corresponding to 75% CUF= 6,57,450 MWh.
Shortfall calculation as per PPA= (2 x Rs. 3.94/kWh) x (6,79,365 -6,57,450 MWh)
= Rs. 17,26,90,200

- Damages for shortfall in monthly energy supply:

Monthly energy commitment corresponding to 70% CUF = 50,400 MWh
Actual monthly energy supplied in December corresponding to 68% CUF= 48,960 MWh.
Shortfall calculation as per PPA= (Rs. 3.94/kWh) x (50,400 -48,960 MWh)
= Rs. 56,73,600

- Total amount to be levied as compensation = Rs. 17,26,90,200+56,73,600
= Rs. 17,83,63,800

Additionally, Applicable Tariffs shall be as follows:

Applicable Tariff for the 5th Contract Year: Rs. 3.94/kWh
Applicable Tariff for the 6th Contract Year: Rs. 3.94/kWh (instead of Rs. 4.06/kWh)
Applicable Tariff for the 7th Contract Year: Rs. 4.06/kWh (instead of Rs. 4.18/kWh, in case **both annual and monthly minimum energy requirements are achieved** in the 6th Contract Year)

In case **either of the annual or monthly minimum energy requirements are not achieved in the 6th Contract Year**, the Applicable Tariff for the 7th Contract Year will remain 3.94/kWh, and continue so on without escalation, until both annual and monthly minimum energy requirements are achieved in any particular Contract Year.

❖ **Illustration-2**

Assuming,

- Project size: 100 MW
- Applicable Tariff for the 1st Contract Year: 3.5/kWh
- Contracted Energy to be supplied in a Contract Year: 8,76,600 MWh
- Minimum energy to be supplied in a Contract Year (80% CUF): 7,01,280 MWh
- Minimum energy to be supplied in a month (70% CUF): 50,400 MWh/month
- Considering annual energy reconciliation for the 5th Contract Year
- Applicable tariff for the 5th Contract Year: Rs. 3.94/kWh (assuming the RPD is meeting with minimum energy supply requirements for the previous years)
- Annual energy supply achieved by the RPD is @90% CUF, i.e. 7,88,400 MWh
- However, the RPD supplies monthly energy @68% CUF for the months of December, January and February i.e. 48,960 MWh/month.

Compensation to be levied is as follows:

➢ Damages for shortfall in monthly energy supply:

Monthly energy commitment corresponding to 70% CUF = 50,400*3 = 1,51,200 MWh
Actual annual energy supplied corresponding to 68% CUF for 3 months = 1,46,880 MWh.
Shortfall calculation as per PPA= (Rs. 3.94/kWh) x (1,51,200 -1,46,880 MWh)
= Rs. 1,70,20,800

Additionally, Applicable Tariffs shall be as follows:
Applicable Tariff for the 5th Contract Year: Rs. 3.94/kWh
Applicable Tariff for the 6th Contract Year: Rs. 3.94/kWh (instead of Rs. 4.06/kWh)
Applicable Tariff for the 7th Contract Year: Rs. 4.06/kWh (instead of Rs. 4.18/kWh….and so on, in case the RPD does not fail to meet minimum monthly energy supply requirements for more than 2 months in the corresponding Contract Year)

In case **either of the annual or monthly minimum energy requirements as above are not achieved in the 6th Contract Year**, the Applicable Tariff for the 7th Contract Year will remain 3.94/kWh, and continue so on without escalation, until both annual and monthly minimum energy requirements are achieved in any particular Contract Year.

For avoidance of any doubt, it is reiterated that in case the Project commissioning/part commissioning takes place after 1st April of the year, minimum annual and monthly energy supply requirements shall be monitored from the commencement of 2nd Contract Year, for levy of damages as above.

The lower limit will, however be relaxable by SECI to the extent of grid non-availability for evacuation, which is beyond the control of the RPD. This compensation shall be applied to the amount of shortfall in generation during the year. However, this compensation shall not be applicable in events of Force Majeure identified under PPA with SECI affecting supply of power

		by RPD. Such compensation as recovered from the RPD shall be passed on by SECI to the Buying Entity, after deducting losses of SECI.	
2.	5.1.4	……. In case of Part commissioning of the Project, (including early part-commissioning and acceptance of the such power by the Buying Entity) of the Project, the Buying Entity may purchase the energy at the Tariff as per Article 5.1.1 plus SECI's Trading margin of Rs.0.07/kWh (Seven Paisa per kWh), subject to the Project meeting the minimum energy requirement equivalent to 80% CUF on a monthly basis…….	……. In case of Part commissioning of the Project, (including early part-commissioning and acceptance of the such power by the Buying Entity) of the Project, the Buying Entity may purchase the energy at the Tariff as per Article 5.1.1 plus SECI's Trading margin of Rs.0.07/kWh (Seven Paisa per kWh), subject to the Project meeting the minimum energy requirements as per Article 6.8.3.b…..