

SOLAR ENERGY CORPORATION OF INDIA LIMITED New Delhi						
No. SECI/C&P/RPD/RTC-II/Clarifications-02						Date: 21.06.2021
Clarifications-02 to the queries on the RfS for Selection of RE Power Developers for Supply of 25000 MW of Round-the-Clock (RTC) Power from Grid-Connected Renewable Energy (RE) Power Projects, complemented with Power from any other source or storage in India under Tariff-based Competitive Bidding (RTC-II) (RfS No. SECI/C&P/RPD/RTC-II/RfS/5000MW/032020)						
Sl. No.	Documents	Clause No.	Existing Clause	Modifications proposed / Clarifications sought	Rationale/Remarks	SECI's response
1	Amendment - 03	Section II, Cl. 13.	In case the developer chooses to tie-up with any other source for complementing the RE power supplied from the Project, such tie-up will be limited to a single non-RE power source for each developer. The source and quantum of tied up capacity from a non-RE source cannot change during the PPA tenure. The “source” here refers the technology of the non-RE power component, and not the entity owning such non-RE component.	As the Source refers to the technology of the non-RE power component, and not the entity owning such non-RE component, could the RPD tie up with more than one entities of the same source for one bid		Yes, subject to the provisions of Section II, Clause 15 of the RfS.
2	Amendment - 03	Section IV Cl. B.4.(iii)	The quantum of the spare capacity as tied-up by the bidder shall remain unchanged throughout the Term of the PPA, except for the situations where the spare capacity plant is shut down for scheduled/planned maintenance, or on account of Force Majeure.	Would the bidder be allowed to procure power from another entity / exchange for situations where the spare capacity plant is shut down for scheduled/planned maintenance, or on account of Force Majeure.		Yes, subject to the provisions of Section IV, Clause B.4.iii. of the RfS.
3	PPA	Article 12 - Change in Law		Please confirm whether compliance to environment norms for thermal power plant would be included in change in law		Article 12 of the PPA is self-explanatory
4	PPA	4.10.1.b	For claiming compensation, the RPD must sell their power in the power exchange as a price taker	While the PPA accounts for sharing of amount above variable charges realised by sale of power that was provisioned but not scheduled with the procurer, please clarify whether the procurer shall compensate the RPD if the exchange price is less than the variable tariff for on RE power		Please refer to the Provisions related to Generation Compensation as amended in the RfS and PPA
5	RfS Amendment-03	Section II, Cl. 13.	In case the developer chooses to tie-up with any other source for complementing the RE power supplied from the Project, such tie-up will be limited to a single non-RE power source for each developer. The source and quantum of tied up capacity from a non-RE source cannot change during the PPA tenure. The “source” here refers to the technology of the non-RE power component, and not the entity owning such non-RE component. Thus, while the “source” of the non-RE power (i.e. coal/gas etc.) will remain unchanged during the PPA period, the entity owning such power plant may be changed, keeping the quantum of tie-up of non-RE power unchanged.		Source may also be kept open, however, with a restriction of the source remaining for a certain period of time (in bracket of say 5 years) post Commissioning thus providing flexibility to the RPD to switch between Non-RE to RE/ESS, etc and thus also meeting supply of power round the clock.	RfS/PPA provisions will prevail
6	RfS Amendment-03	Section III Cl. 14.7 Further, in case of coal based thermal component being utilized, the Bidder shall be required to indicate the source of coal (domestic/imported) being utilized in the thermal project, in the Covering Letter. Once such source is specified at the time of bid submission, the indexation of composite tariff shall be done on the same basis, for the entire Term of the PPA Further, in case of coal/gas based thermal component being utilized, the Bidder shall be required to indicate the source of coal/gas (domestic/imported) being utilized in the thermal project, in the Covering Letter. Once such source is specified at the time of bid submission, the indexation of composite tariff shall be done on the same basis, for the entire Term of the PPA	Similar to Coal Plant, Gas based plants are also either based on domestic gas or on Imported RLNG. The Indexation of the composite tariff shall be done separately for Domestic and Imported gas based plants.	Necessary clarification has been issued in the Amendment-04 to the RfS.
7	RfS Amendment-03	Section III Cl. 8.1.a.	Peak hours will be four hours out of 24 hours as declared by the corresponding RLDC(s) as per relevant CERC regulations.		There may be case wherein Wind/Solar/Thermal component are located in different RLDCs. Each of the RLDC may declared their own peak hours which may be different from peak hours declared by other RLDCs. In such a scenario it is not clear as to which RLDC's peak hour specification would be considered for the purpose of energy injection/accounting. Accordingly, we request SECI, to please clarify regarding which RLDC shall be acting as coordinating agency in case wind/solar/thermal components are located in diffrent RLDCs.	Please refer to the Amendment-04 to the RfS.

8	RfS Amendment-03	Section III Cl. 8.1.8. (addendum)	It is to be noted that the summation of generation schedule of RE Power and Power from any other source cannot be more than the Contracted Capacity in any time block. Therefore, the RPD may apply for Long Term Access (LTA) accordingly	It is to be noted that, for the purpose of sale power to the procurer, the summation of generation schedule of RE Power and Power from any other source cannot be more than the Contracted Capacity in any time block. However, the generator is free to schedule excess power beyond contracted capacity for sale to any third party. Further, the RPD shall be allowed to apply for LTA equivalent to the contracted capacity for each location in case of more than one injection point.	The RTC project configuration may involve various combination of RE and non RE component, wherein the REPD may create generation overcapacity for RE as well as non RE sources. In order to ensure optimal operation, generators should be allowed to make arrangement to sell any such excess power (beyond contracted capacity) to any third party and therefore this clarification should be provided in this clause. Further, in order to meet 85% availability criteria, the LTA for each location location/injection point equal to contracted capacity should be allowed. This would enable the RPD to schedule power optimally in case of any unforeseen outage. Also, clarification is required whether ISTS charges waiver shall be available based on LOA capacity or the total LTA applied (for individual RE component).	RfS provisions shall prevail.
9	RFS	clause 8.3 section III	In order to allow optimization of operation of RE and Non-RE Power Generating Systems, the RPD is allowed to supply power from the Non-RE power plant in excess of the Contracted Capacity, to any third party or power exchange without requiring any No-Objection Certificate (NOC) from the Procurer. The RPD may also sell the power which was offered to SECI/Discom (within Contracted Capacity) but not scheduled by Discom, to any third party or power exchange without requiring NOC from the Discom on day ahead basis.	In order to allow optimization of operation of RE and Non-RE Power Generating Systems, the RPD is allowed to supply power from the Non-RE and RE power plant in excess of the Contracted Capacity, to any third party or power exchange without requiring any No-Objection Certificate (NOC) from the Procurer. The RPD may also sell the power which was offered to SECI/Discom (within Contracted Capacity) but not scheduled by Discom, to any third party or power exchange without requiring NOC from the Discom on day ahead basis. However, discom would be obligatory to wheel the power within the contracted capacity from the RPD.	This clause should be incorporate the supply of power from both RE and non-RE power plant in excess of the contracted capacity to any third party or power exchange without requiring any NOC from procurer. Further, Discom should be obligatory to wheel the energy within the contracted capacity.	RfS provisions shall prevail. Further, wheeling of power will be governed as per applicable regulations
10	RfS	Section III, Cl. 8.2.2A	For the first Contract Year subsequent to COD of first part capacity under the PPA, the performance criteria as per Sl. 8.2.1 and 8.2.2 above, will be required to be met on a pro rata basis. The detailed list of documents required for verification of energy supply and performance of the Projects will be intimated to the Developers subsequent to commissioning. For each Contract Year, the above data will be required to be submitted by the respective Developers to SECI within 30 days after expiry of the previous Contract Year, for verification of the performance parameters for calculating applicable compensation on account of shortfall.	Due to the seasonal variation in RE power availability, it is not practical to meet declared X & Y vales on pro rate basis. We propose following change Subsequent to COD, to demonstrate proveness of X & Y, complete calendar year to be considered.		RfS provisions shall prevail.
11	RfS	Section III, Cl. 14.7	While quoting the variable component of the non RE power, the Scheduled Commissioning Date will be estimated by the bidder (not to be specified in the bid), and such value of the variable component will remain unchanged subsequent to bid submission. Any variation between such estimated SCD and the actual SCD as determined based on signing of PPA, and/or extension in the SCD as approved by SECI, will not lead to any modifications in the variable component of the tariff as quoted at the time of bid submission.	Variable component of the non RE power should be on a date 7 days before bidding date, as the current fuel price is available.	As there is risk involved in future fuel price of fuel, the RfS as per MNRE guidelines, proposes to use CERC indexation. Hence it is self defeating to ask RPD to take risk of fuel price 24 months to 40 months from the date of bidding.	RfS provisions shall prevail.
12	RfS	Section II, Clause 13	As per para 5 of clause 13 (Section II) of the RfS, the bidder tying up with an ESS has an open option to tie-up with a non RE power component. Such liberty to few bidders submitting bid based on ESS as well as Non-RE source also will not give level playing field to all participants. It may be noted that under the same clause all other bidders who are offering non-RE power from source other than ESS, no change in the source is permitted.	It is requested that all the provision should be uniformly applied. Therefore, in case of ESS tied-up separately with 3rd party by RPD, option of tie-up with any other non-RE source should not be allowed post bid submission		RfS provisions shall prevail.
13	RfS	Section I, Definitions And Section III, Cl 14.1	40. PROJECT and Cl 14.1However, it may be noted that the Successful Bidder shall be allowed to change the State of the proposed Project locations, prior to achievement of Financial Closure of the Project.		Please confirm if we have: •flexibility of splitting the location of project of same technology. For example if we would like to install solar project at two different locations. •flexibility of choosing and changing the Project Location post Bid Submission and upto financial closure.	Yes, Project components under a same technology may be installed at multiple locations, subject to applicable regulations. As already modified in Amendment-01, the RfS does not provide any deadline for change in Project location subsequent to bid submission. However, delays on account of such changes, if any, will be attributable to the RPD.

14	RfS	<p>Section II, Clause 13 under Amendment 3</p> <p>And Section III, Clause 3.3.h under Amendment 2</p>	<p>.....</p> <p>Further, in case the developer chooses not to tie-up with any spare capacity until the bid submission deadline, subsequent tie-up with a spare capacity will not be allowed during the Term of the PPA.</p> <p>.....</p> <p>And</p> <p>The RTC configuration will be submitted by the bidder at the time of bid submission, and can be changed within 30 days of issuance of LoA. Subsequently, the rated capacity of Thermal component cannot be changed and the rated capacities of the RE components cannot be decreased during the Term of the PPA. In case the rated capacities of the RE components are increased subsequent to the above deadline, applicable charges and losses on power evacuated from the additional RE capacity, as per the applicable regulations, will be borne by the RPD.</p>		<p>Please confirm if Clause 3.3h as amended under Amendment 2 still holds good i.e.:</p> <p>1.Can we change the RTC configuration within 30 days of issuance of LoA.</p> <p>2.Can the RE Capacity be increased subsequently to meet the committed proportionate energy as provided in the bid proposal.</p> <p>3. Since SECI has fixed the guarantee parameters of energy mix & capacity availability and hence it should not be a concern to SECI if bidders would like to choose its configuration until the PPA signing atleast.</p>	<p>1. Yes.</p> <p>2. Yes.</p> <p>3. Not agreed to</p>
15	RfS	<p>Section II, Clause 13 under Amendment 3</p>	<p>.....</p> <p>Thus, while the “source” of the non-RE power (i.e. coal/gas etc.) will remain unchanged during the PPA period, the entity owning such power plant may be changed, keeping the quantum of tie-up of non-RE power unchanged.</p> <p>In case of a tie-up with a coal-based thermal power plant using domestic coal only, the coal-based generator shall also be a party to the PPA as the case may be, so that domestic coal can be supplied to such power plants as per the extent policy.</p> <p>.....</p>		<p>How the co-signatory of the PPA (domestic coal based thermal power plants) can be replaced if the source of non-RE power is kept unchanged.</p> <p>Clarity on the words Entity owning such project is required. Whether the non-RE project is also replaceable or just the entity owning the non-RE project keeping the tie-up with the same project.</p> <p>We need to have a flexibility to change the Non-RE Supplier & project with another keeping the source of fuel and quantum same.</p>	<p>1. The referred Clause clearly defines "source" in this case, which is the technology of the non-RE power component, and not the entity owning such non-RE component. Thus, within the same technology, (coal/gas), the RPD may choose to change its tie-up with the non-RE power component owners, without changing the total quantum of non-RE capacity tied up.</p> <p>2. "Entity owning such project" is the commercial entity (company/organization, etc.) who has the ownership of the non-RE project component tied up by the RPD. Modification in the tie-up may also include replacement of the non-RE project as well as its owner with a new project (and a new owner), without changing the total quantum of the tied-up non-RE capacity.</p>
16	RfS	<p>Section III Cl. 8.1.g.</p>	<p>..... This ratio of committed annual energy from RE and non-RE sources will remain unchanged subsequent to bid submission.</p>		<p>1.What is the treatment if RE supply is more than the committed energy in any year. Does RE need to back down or would it have preference over non-RE power.</p> <p>2.If it has a preference over non-RE, then what tariff it would receive for extra supply beyond its committed energy. It should be atleast weighted average tariff for that Contract Year as to supply RE, non-RE has to back down.</p> <p>3.In case RE supply is less and non-RE generator supply more energy (beyond its committed energy) to maintain the minimum MW availability of 85%, what is the tariff to be received by the non-RE generator for its oversupply. In this case RE would need to give the penalty on its shortfall but non-RE must receive the tariff for its oversupply.</p>	<p>There is no preference to any power component within the power being supplied by the RPD. Tariff payments will be made as stipulated in Section III, Cl. 14.7 of the RfS.</p>
17	RfS	<p>Section III, Cl 8.2 and Annexure E (Amended)</p> <p>As per Amendment-3.</p>	<p>Illustration regarding applicability of liquidated damages on account of shortfall in Power Supply (Clause 8.2, Section III of the RfS)</p> <p>Shortfall in annual availability</p> <p>Shortfall in annual peak hour availability</p>		<p>The shortfall so calculated in the Annual Availability and in annual peak hour availability is split into RE and non RE power based on the ratio submitted by the bidder and not on the basis of actual shortfall from the individual technologies. Hence the damages are calculated assuming a weighted average tariff for that Contract Year considering the ratio submitted by the bidder at the time of bid submission and not on the actual shortfall basis.</p> <p>1.Similar principle of paying the tariff at the weighted average level should also be followed while paying to the generator in case one technology oversupply to cover up the shortfall by the other technology.</p>	<p>RfS conditions shall prevail.</p>

18	RfS	Section IV, Cl A.6	A Bidder which has been selected as Successful Bidder based on this RfS can also execute the Project through a Special Purpose Vehicle (SPV) i.e. a Project Company especially incorporated/acquired as a subsidiary Company of the successful bidder for setting up of the Project, with atleast 76% shareholding in the SPV.....		<p>Will a thermal project company be allowed to participate in the bidding and can form the subsidiary SPV (as RPD) for developing the renewable project.</p> <p>Can the bidder form an SPV under its existing wholly owned subsidiary such that at third level [A (bidder company)-----> B (existing wholly owned subsidiary operating thermal project) -----> SPV (Project Company)].</p>	<p>1. Please refer the Eligibility criteria as brought out in Section IV of the RfS.</p> <p>2. The proposed shareholding structure is not allowed, as clearly indicated in Section IV, Cl. A.9 of the RfS.</p>
19	RfS	Section V, Cl. 2.b.4	<p>a. The tariffs components “A” and “B” (each quoted for 25 years), will be levelized based on the discounting factor of 8.61 %.</p> <p>b. Subsequently the 25-year values of “C” and “D” will be levelized based on the discounting factor of 8.61 %.</p>		<p>Currently SECI has considered the discounting factor equivalent to the one notified by CERC for the RE projects assuming 9.67% interest rate on loan and 34.94% corporate tax rate. However the interest rates on the loan taken on non-RE projects was much higher and the corporate tax rate has now reduced to 17% for power companies and hence SECI should consider this fact and the discounting rates should be revised upward accordingly and atleast 10% should be considered for the evaluation purpose.</p>	<p>RfS provisions shall prevail.</p>