

SOLAR ENERGY CORPORATION OF INDIA LIMITED
NEW DELHI

Ref No. SECI/C&P/IPP/13/0003/Amendment-01

Dated 18.11.2021

Amendment-01 to RfS for Selection of Hybrid Power Developers for Setting up of 1200 MW ISTS-connected Wind-Solar Hybrid Power Projects in India under Tariff-Based Competitive Bidding (Tranche-V)

RfS No. SECI/C&P/IPP/13/0003/21-22 dated: 22.10.2021

Sr. No.	Clause/ Article No.	Existing Clause/Article	Amended Clause/Article
Amendments in the RfS document			
1.	Clause 18.1	Bidders selected by SECI based on this RfS shall submit Performance Guarantee for a value @ INR 11.46 Lakh/ MW/Project (Rs. 11,46,000/MW/Project) by the date at least 07 days prior to signing of PPA (PPA signing date to be intimated by SECI)	Bidders selected by SECI based on this RfS shall submit Performance Guarantee for a value @ INR 11.46 Lakh/ MW/Project (Rs. 11,46,000/MW/Project) on or before 70 days subsequent to issuance of LoA or 7 days prior to signing of PPA, whichever is earlier.
Amendments in the PPA document			
1.	Article 1.1 (Definitions)	<p>Addendum to the Clause</p> <p>“Capacity Utilization Factor” or “CUF”</p> <p>Declared CUF for this Project shall be _____% (to be revised as applicable)</p>	
2.	Article 3.3.1	... PBG/POI until twenty-seven (27) months from the Effective Date having a value of Rs. 10 Lakh/MW to be furnished under PBG/POI until 9 (nine) months after Scheduled Commissioning Date, having a value of Rs. 11.46 Lakh/MW, to be furnished under ...
3.	Article 12.	<p>Article modified as follows</p> <p>12.1 Definitions</p> <p>In these rules, unless the context otherwise requires, -</p> <p>12.1.1 In this Article 12, the term “Change in Law” shall refer to the occurrence of any of the following events (which has pan-India impact including state of Buying Entities) pertaining to this project only after [Insert last date of bid submission] including any enactment or amendment or repeal of any law, leading to corresponding changes in the cost requiring change in tariff, and includes-</p> <ul style="list-style-type: none"> i. a change in interpretation of any law by a competent court or ii. a change in any domestic tax, including duty, levy, cess, charge or surcharge by the Central Government, State Government or Union territory administration leading to corresponding changes in the cost, iii. a change in any condition of an approval or license obtained or to be obtained for purchase, supply or transmission of electricity, unless specifically excluded in the agreement for the purchase, supply or transmission of electricity, which results in any change in the cost, 	

but does not include-

- A. Any change in any withholding tax on income or dividends distributed to the shareholders of the generating company or transmission licensee; or
- B. change in respect of deviation settlement charges or frequency intervals by an Appropriate Commission.

12.1.2 The term “law” in this Article includes any Act, Ordinance, order, bye-law, rule, regulation, notification, for the time being in force, in the territory of India.

12.2. Relief for Change in Law

12.2.1 On the occurrence of a change in law, the monthly tariff or charges shall be adjusted and be recovered in accordance with these rules to compensate the affected party so as to restore such affected party to the same economic position as if such change in law had not occurred.

12.2.2 For the purposes of 12.2.1 above, the affected party, which intends to adjust and recover the costs due to change in law, shall give a 21 days’ prior notice to the other party about the proposed impact in the tariff or charges, positive or negative, to be recovered from such other party.

12.2.3 The affected party shall furnish to the other party, the computation of impact in tariff or charges to be adjusted and recovered, within thirty days of the occurrence of the change in law or on the expiry of 21 days from the date of the notice referred to in 12.2.2 above, whichever is later, and the recovery of the proposed impact in tariff or charges shall start from the next billing cycle of the tariff.

12.2.4 The impact of change in law to be adjusted and recovered may be computed as one time or monthly charges or per unit basis or a combination thereof and shall be recovered in the monthly bill as the part of tariff.

12.2.5 The amount of the impact of change in law to be adjusted and recovered, shall be calculated in accordance with the formula given here under to calculate adjustment in the monthly tariff due to impact of change in law, which is non-recurring in nature.

Let financial impact of change in law=P

Then the modification in the monthly tariff (MT) for compensating the financial impact is given by $MT=(Y/X)$

Where X= estimated monthly electricity generation in kWh = (1/12) x [Contracted Capacity of the power plant as per the Agreement (in MW) x CUF in % x 8760 hours x 10] &

$$Y = \frac{(P \times M_r)(1 + M_r)^n}{(1 + M_r)^n - 1}$$

Where, -

N=No. of months over which the financial impact has to be paid (subject to maximum of 180 months in case of the non-recurring fixed amount but in case of recurring impact it will be till the impact persists);

M_r =monthly rate of interest= $R/(12 \times 100)$ and

CUF = declared or revised CUF as indicated in the Agreement;

R = annual rate of interest on loan component (in %) as considered by the CERC in its order for Tariff Determination from Conventional or Renewable Energy Sources (Whichever is applicable) for the year in which the Project is commissioned. In absence of relevant orders of CERC for the concerned year, the interest rate shall be average interest rate plus 200 basis points above the average State Bank of India marginal cost of funds based leading rate, of one-year tenor, prevalent during the last available six months for such period.

Further, generating company or intermediary procurer or the trading licensee shall true up the MT annually based on actual generation of the year so as to ensure that the payment to the affected party is capped at the yearly annuity amount.

Any such change, shall be considered upto three digits after the decimal point, and remaining digits, if any, shall be ignored.

For e.g. in case the change in tariff payable is calculated as Rs. 0.14678/kWh, it shall be modified as Rs. 0.146/kWh

12.2.6 The recovery of the impacted amount, in case of the fixed amount shall be,

- a. In case of generation project, within a period of one-hundred eighty months; or
- b. In case of recurring impact, until the impact persists.

12.2.7 The Appropriate Commission shall verify the calculation and adjust the amount of the impact in the monthly tariff or charges within sixty days from the date of receipt of the relevant documents under clause 12.3.1.

12.2.8 After the adjustment of the amount of the impact in the monthly tariff or charges under clause 12.2.7, the HPD, as the case may be, shall adjust the monthly tariff or charges annually based on actual amount recovered, to ensure that the payment to the affected party is not more than the yearly annuity amount.

12.2.9 If the event of any decrease in the project cost by the HPD or any income to the HPD on account of any of the events as indicated above, HPD shall pass on the benefit of such reduction at a rate as provided in Article 12.2 to SECI which shall be further passed on to the Buying Entity. In the event of the HPD failing to comply with the above requirement, SECI shall make such deductions in the monthly tariff payments on immediate basis. Further, at the time of raising of 1st Monthly Tariff Payment Bill, HPD shall be required to provide a statutory auditor certificate supported by Board Resolution in regard to implications (loss/ gain) arising out of Article 12.

		<p>12.3 Notification of Change in Law</p> <p>12.3.1 The HPD shall, within thirty days of the coming into effect of the recovery of impact of change in law, furnish all relevant documents along with the details of calculation to the Appropriate Commission for adjustment of the amount of the impact in the monthly tariff or charges.</p> <p>12.3.2. Any notice service pursuant to this Article 12.3.1, shall provide, amongst other things, precise details of the Change in Law and its effect on the Project Cost, supported by documentary evidences including Statutory Auditor Certificate to this effect so as to establish one to one correlation and its impact on the Project Cost.</p> <p>12.3.3 “Project Cost” wherever applicable under this Article, shall mean the cost incurred by the HPD towards supply and services only for the Project concerned, upto the Actual Commissioning Date of the last part capacity or Scheduled Commissioning Date or extended Scheduled Commissioning Date, whichever is earlier. For example, in case the Actual Commissioning Date of the last part capacity is 15.04.2022, Scheduled Commissioning Date is 15.03.2022 and extended Scheduled Commissioning Date is 01.04.2022, the Project Cost shall be determined as the cost incurred by the HPD upto 01.04.2022.</p>
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Amendments in the PSA document

1.	Article 3.3	If the Force Majeure Event or its effects continue to be present beyond a period of twelve (12) months; either Party shall have the right to cause termination of the Agreement. In such an event this Agreement shall terminate on the date of such Termination Notice without any further liability to either Party from the date of such termination.	If the Force Majeure Event continues even after a maximum period of 180 days from the date of the Force Majeure Notice, any of the Parties may choose to terminate the Agreement. In case neither party terminates the Agreement under this clause, the Agreement shall stand terminated on the expiry of twelve (12) months of the continuation of the Force Majeure event unless the parties mutually agree to extend the Agreement for the further period.
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