**SOLAR ENERGY CORPORATION OF INDIA LTD.**
**NEW DELHI**

Ref No. SECI/C&P/IPP/13/0004/22-23/Amendment-02 Dated: 02.12.2022

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| **Amendment-02 to RfS for Selection of RE Power Developers for Supply of 2250 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-III).** | | | |
| **RfS No. SECI/C&P/IPP/13/0004/22-23 dated 02.09.2022** | | | |
| **S. No.** | **Clause/ Article No.** | **Existing Clause/Article** | **Amended Clause/Article** |
| **Amendments in the PPA document** | | | |
| 1 | 1.1 "Contracted Capacity" | shall mean …… [Insert capacity] MW, which is the AC capacity contracted with SECI for supply by the RPD to SECI at the Delivery Point from the Project | shall mean …… [Insert capacity] MW, which is the AC capacity contracted with SECI for supply of power by the RPD to SECI at the Delivery Point. |
| 2 | 1.1 "Energy Accounts" | shall mean the regional energy accounts/state energy accounts as specified in the Grid Code issued by the appropriate agency for each Month (as per their prescribed methodology), including the revisions and amendments thereof or where such regional energy accounts/ state energy accounts are not issued, Joint Meter Reading (JMR) will be considered; SECI reserves the right to choose from any of the above, i.e. JMR/SEA/REA, based on the acceptance of the same by the Buying Utility; | shall mean the regional energy accounts/state energy accounts as specified in the Grid Code issued by the appropriate agency for each Month (as per their prescribed methodology), including the revisions and amendments thereof; |
| 3 | 1.1 "Indian Governmental Instrumentality" | shall mean the Government of India, Governments of state(s)……….. [Insert the name(s) of the state(s) in India, where the Power Project, Thermal Power Project, SECI and RPD are located] and any ministry, department, board, authority, agency, corporation, commission under the direct or indirect control of Government of India or the above state Government(s) or both, any political sub-division of any of them; including any court or Appropriate Commission(s) or tribunal or judicial or quasi-judicial body in India; | shall mean the Government of India, Governments of state(s)……….. [Insert the name(s) of the state(s) in India, where the Power Project, Thermal Power Project, SECI, Buying Entity and RPD are located] and any ministry, department, board, authority, agency, corporation, commission under the direct or indirect control of Government of India or the above state Government(s) or both, any political sub-division of any of them; including any court or Appropriate Commission(s) or tribunal or judicial or quasi-judicial body in India; |
| 4 | 2.1.4 | … Article 2.1.3 being duly accomplished … | … Article 2.1.3 of this Agreement being duly accomplished … |

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| | | … Except for the above extensions of time there shall be no other financial implications on the tariff applicable under this Agreement on account of such delay or extension in time. | … Provided further that in case, the order of adoption of Tariff and/or procurement approval from CERC and/or SERC as required above is not received or delayed, either Party shall not be liable for payment of any compensation to other Party for any loss or damage on account of such delay in availability or non-availability of the approval of CERC/SERC, as the case may be. |
| 5 | 2.2.1 | Subject to Article 2.3 and 2.4 of this Agreement, this Agreement shall be valid for a term from the Effective Date until the Expiry Date. The Expiry Date of the Agreement may be further extended upto 35 years, on such term and conditions as mutually agreed between the parties and approved by the Appropriate Commissions, provided the arrangements with the land and infrastructure owning agencies, the relevant transmission utilities and system operators permits operation of the Project beyond such extended period. | Subject to Article 2.3 and 2.4 of this Agreement, this Agreement shall be valid for a term from the Effective Date until the Expiry Date. The Expiry Date of the Agreement may be further extended upto 35 years, on such term and conditions as mutually agreed between the parties and approved by the Appropriate Commissions, for which interested Party shall issue notice for such intention at least one hundred eighty (180) days prior to the Expiry Date or otherwise as may be mutually agreed provided the arrangements with the land and infrastructure owning agencies, the relevant transmission utilities and system operators permits operation of the Project beyond such extended period. |
| 6 | 2.2.2 | The RPD is free to operate their plants beyond the Expiry Date if other conditions like land lease / Right to Use of Land (as applicable), permits, approvals and clearances etc. allow. In such case unless otherwise agreed by the SECI, SECI shall not be obligated to procure power beyond the Expiry Date. | The RPD is free to operate their plants beyond the Expiry Date if other conditions like land lease / Right to Use of Land (as applicable), permits, approvals and clearances etc. allow. In such case unless otherwise agreed by the SECI/Buying Entity, SECI/Buying Entity (as the case may be) shall not be obligated to procure power beyond the Expiry Date. |
| 7 | 4.1.1(t) | **New Article:**<br>RPDs shall ensure signing of PPA with SECI within 30 days from signing of the PSA with Buying Entity(ies). | |
| 8 | 4.2.6 | … In case the SCD of the Project is before the date till above ISTS waiver is applicable, and if the Project is granted extension in the SCD | … However, in case the commissioning … |

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<tr><td></td><td></td><td>on account of Force Majeure, or for delay on the part of the transmission provider in providing the transmission even after having taken the requisite steps in time; or on account of delays on the part of any Government Agency, and the Project is commissioned before the extended SCD; it will get benefit of waiver of inter-state transmission charges. However, in case the commissioning …</td><td></td></tr>
<tr><td>9</td><td>4.4.2</td><td colspan="2">Article modified as follows:<br>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. However, it may be noted that at any instance of energy supply from the Project, priority shall be accorded to meet the energy requirements as per PPA, before selling any quantum of energy in the open market. The RPD may repower the Project at any stage, if required in order to meet the generation or availability requirement of this Project.<br>In case at any point of time, the peak power from the RTC configuration reached is higher than the Contracted Capacity and causes disturbance in the system at the point where power is injected, the RPD will have to forego the excess generation and reduce the output to the Contracted Capacity to ensure compliance with grid requirement and shall further be liable to pay the penalty/charges (if applicable) as per applicable regulations / requirements / guidelines of CERC / SERC /SLDC or any other competent agency. Any energy produced and flowing into the grid before Scheduled Commercial Operation Date shall not be to the account of or at the cost of SECI/ Buying Entity(ies). SECI may however agree to buy such power at a tariff as agreed to between SECI and the Buying Entity (including SECI's trading margin) as per the PSA, provided the Buying Utility consents for purchase of such power. Further, any addition to the installed capacity (including but not limited to solar panels and/or wind turbines) subsequent to commissioning of the full capacity/part capacity of the Project (as applicable), shall not be eligible for any future claims made by the RPD, seeking compensation on account of any changes in the applicable provisions covered under Change in Law as defined in this Agreement.<br>The RPD may also sell the power which was offered to SECI/Buying Utility (within the Contracted Capacity) but not scheduled by SECI/Buying Utility, to any third party or power exchange without requiring NOC from SECI/Buying Entity on day-ahead basis/as per applicable regulations.</td></tr>
<tr><td>10</td><td>4.4.3</td><td>… (such reasons could be any reason other than Force Majeure, Grid Non-Availability beyond control of the RPD and inability of the Buying Entity to offtake Scheduled Power/ Energy (as applicable)):<br>…</td><td>… (such reasons could be any reason other than Force Majeure, Grid Non-Availability beyond control of the RPD (as applicable)):<br>…</td></tr>
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| 11 | 4.5.2 | …<br>In case of project components being located at multiple locations, and if one of such components (wind or solar PV) is ready for injection of power into the grid, but the remaining component is unable to get commissioned due to delay in grant of GNA/GNA operationalization, the RPD will be allowed for commissioning of such component which is ready, and the RPD at its sole discretion, may sell such power to any third party till the grant/operationalization of GNA. Following should be noted under this scenario:<br><br>(a) Power procurement from such component(s) will be outside the PPA, and at a tariff mutually decided between the third-party buyer and the RPD. In case the same is procured through SECI, trading margin of 7 paise/unit will be applicable on such power procurement.<br>(b) The above scenario **does not** qualify under the provisions of Part/Early Commissioning under the RfS, PPA and PSA. This is a special scenario wherein in case a project component is ready, the generation from such component is not wasted.<br>(c) The terms "COD" and "commissioning" as per the RfS, PPA and PSA will not be applicable for such component. Commissioning/injection of power from such component will be allowed <u>only if</u> the same is allowed as per the applicable regulations.<br><br>The above scenario will be applicable until the RPD is ready to commission the Project as per the provisions of "Early and/or Part Commissioning" of the Project.<br>… | ….<br>In case of Project components being located at multiple locations, and in case one of the Project components (wind or solar PV) is ready for injection of power into the grid, but the remaining component is unable to get commissioned, the RPD will be allowed for commissioning of such component which is ready outside the ambit of the SECI-RPD PPA, and the RPD at its sole discretion, may sell such power to any third party till the operationalization of GNA. Following should be noted under this scenario:<br><br>(a) First right of refusal for such power shall vest with Buying Entity, and if agreed by Buying Entity, power procurement from such component will be undertaken at 50% of the Applicable Tariff as per the SECI-RPD PPA. In case the same is procured through SECI, trading margin of 7 paise/unit will be applicable on such power procurement.<br>(b) Subsequent to refusal of such power by the Buying Entity, the second right to refusal shall vest with SECI. In this case if SECI buys it outside the PPA then the same shall be bought at 50% of the Applicable Tariff as per PPA. Trading margin of 7 paise/unit will be applicable on such power procurement.<br>(c) The above scenario **does not** qualify under the provisions of Part/Early Commissioning under the RfS, PPA and PSA. This is a special case wherein in case a project component is ready, the generation from such component is not wasted.<br>(d) The terms "COD" and "commissioning" as per the RfS, PPA and PSA will not be applicable |

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<tr><td>12</td><td>4.10.1 (b)</td><td colspan="2">Table modified as follows:<br><br><table>
<tr><th>Reduced Offtake</th><th>Provision for Generation Compensation</th></tr>
<tr><td></td><td>Generation compensation=<br><br>((RE Tariff x RE power (MW) offered but not scheduled by Procurer) + (Non-RE Fixed Charge x power from other source (MW) offered but not scheduled by Buying Entity)) x 1000 x No. of hours of Reduced Off Off-take<br><br>However, any amount realized by the RPD, by third party sale or sale in the power exchange as price taker for RE power or sale in the power exchange for non-RE power of such power which was offered but not scheduled, shall be shared with the Buying Entity in the following manner, after deducting expenses, if any, in such sale, and shall be adjusted against the Generation compensation payable, on monthly basis:<br><br>(a) For RE Power:<br>95% of realization after deducting actual expenses, if any, in such sale<br>(b) For Non-RE Power:<br>i. In case of no outstanding payment liability on SECI/Buying Entity as applicable-95% of realization above variable Charges of Non-RE Tariff after deducting actual expenses, if any, in such sale.<br>ii. In case of outstanding payment liability on SECI/Buying Entity as applicable-<br>a. Payment to the RPD of upto 3 paise/unit.<br>b. Recovery of fixed charges by the RPD.<br>c. Liquidation of overdue amount<br>d. The balance shall be shared in the ratio of 50:50 between SECI/Buying Entity and the RPD</td></tr>
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| 13 | 10.1.6 | **Article modified as follows:**<br>The Parties acknowledge and accept that the Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 notified vide G.S.R 416(E) on 03.06.2022 by the Central Government in exercise of the power conferred by Sub-section (1) of Section 176 of the Electricity Act, 2003 shall apply and govern the terms and conditions of this Agreement in regard to matters contained in the said Rules including but not limited to the Late Payment Surcharge, adjustment towards the Late Payment Surcharge, Payment Security mechanism-its operations and consequences, actions of Defaulting Entities, supply obligation of RPD, power not requisitioned by the Buying Entity, the order of payment and adjustment towards late payment surcharge and indemnification. In case of any inconsistency in the Guidelines and/or the provisions of this Agreement, with the provisions of the above Electricity (Late Payment Surcharge and Related Matters) Rules, 2022, the Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 will supersede and be applicable and govern the terms and conditions of this Agreement. The above shall apply both in regard to the present agreement as well as on mutatis mutandi and back to back basis to the PSA. The Rules referred to hereinabove being statutory shall, to the extent applicable, supersede any provisions in this Agreement and the PSA which are inconsistent or contrary to the provisions of the Rules. | |
| 14 | 10.1.7 | **New Article:**<br>The Parties acknowledge and accept that the Electricity (Promotion of Generation of Electricity from Must-Run Power Plants) Rules, 2021 notified vide G.S.R. 752(E) dated 22.10.2021 by the Central Government in exercise of the power conferred by Sub-section (1) of Section 176 of the Electricity Act, 2003 shall apply in regard to the Must-Run Power Plants forming part of this Agreement, including in regard to curtailment, the regulation of power supply and sale of power to the power exchange and consequential adjustment of the recoveries. In case of any inconsistency in the Guidelines and/or the provisions of this Agreement, with the provisions of the above Electricity (Promotion of Generation of Electricity from Must-Run Power Plants) Rules, 2021, the Electricity (Promotion of Generation of Electricity from Must-Run Power Plants) Rules, 2021 will supersede and be applicable and govern the terms and conditions of this Agreement. The above shall apply both in regard to the present agreement as well as on mutatis mutandi and back to back basis to the PSA. The Rules referred to hereinabove being statutory shall, to the extent applicable, supersede any provisions in this Agreement and the PSA which are inconsistent or contrary to the provisions of the Rules. | |
| 15 | 10.2.1 | …<br>Each Monthly Bill shall include all charges as per this Agreement for the energy supplied for the relevant Month based on Energy Accounts issued by RPC or any other competent authority which shall be binding on both the Parties. The Monthly Bill amount shall be the product of the energy as per Energy Accounts and the Applicable Tariff. Energy drawn from the grid will be regulated as per the regulations of respective State the Project is located in. | …<br>RPD may raise Monthly bill based on the provisional REA published at RPC of the Buying Entity, the final adjustments in bill, if any, may be done on the basis of the final REA along with Debit/Credit Note. The Monthly Bill amount shall be the product of the energy as per Energy Accounts and the Applicable Tariff. Final billing may be done based on published REA at RPC of the Buying Entity. |

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| 16 | 10.3.5 | For payment of any Bill on or before Due Date, the following Rebate shall be paid by the RPD to SECI in the following manner. …<br>…<br>(d) No Rebate shall be payable on the Bills raised on account of Change in Law (except in case of annuity tariff model being implemented, where rebate will be applicable) relating to taxes, duties, cess etc. and on Supplementary Bill.<br>… | For payment of any Bill including Supplementary Bill on or before Due Date, the following Rebate shall be paid by the RPD to SECI in the following manner. …<br>…<br>(d) No Rebate shall be payable on the Bills raised on account of Change in Law (except in case of annuity tariff model being implemented, where rebate will be applicable) relating to taxes, duties, cess etc.<br>… |
| 17 | 10.5.2 | If the SECI disputes the amount payable under a Monthly Bill or a Supplementary Bill, as the case may be, it shall pay 50% of the invoice amount and it shall within fifteen (15) days of receiving such Bill, issue a notice (the "Bill Dispute Notice") to the invoicing Party setting out:<br>… | If the SECI disputes the amount payable under a Monthly Bill or a Supplementary Bill, as the case may be, it shall pay undisputed invoice amount and it shall within fifteen (15) days of receiving such Bill, issue a notice (the "Bill Dispute Notice") to the invoicing Party setting out:<br>… |
| 18 | 10.5.7 | For the avoidance of doubt, it is clarified the despite a Dispute regarding an invoice, SECI shall, without prejudice to its right to Dispute, be under an obligation to make payment of 50% of the invoice amount in the Monthly Bill. | For the avoidance of doubt, it is clarified the despite a Dispute regarding an invoice, SECI shall, without prejudice to its right to Dispute, be under an obligation to make payment of undisputed invoice amount in the Monthly Bill. |
| 19 | 13.4.4 | … In the event of termination of PPA, any damages or charges payable to the STU/ CTU, for the connectivity of the plant, shall be borne by the Buying Entity. | … In the event of termination of PPA/PSA on account of Event of Default by the Buying Entity, any damages or charges payable to the STU/ CTU, for the connectivity of the plant, shall be borne by the Buying Entity. |
| 20 | Article 12 | **Article modified as follows:**<br>**12.1 Definitions**<br>In these rules, unless the context otherwise requires,<br><br>12.1.1 In this Article 12, the term "Change in Law" shall refer to the occurrence of any of the following events pertaining to this Project only after the date of e-Reverse Auction (e-RA), including any enactment or amendment or repeal of any law, leading to corresponding changes in the cost requiring change in tariff, and includes-<br>a) a change in interpretation of any law by a competent court; or<br>b) 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; or

c) 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 the Electricity (Timely Recovery of Costs due to Change in Law) Rules, 2021 notified by the Ministry of Power on 22.10.2021 (and subsequent amendments, if any) 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 Normative Plant Load Factor (PLF) or Availability factor* or Capacity Utilisation Factor (CUF) (in case of RE), as per the Agreement (in %) × 8760 hours × 10];
(*in case PLF and CUF is not provided, the availability factor mentioned in the agreement may be considered. However, it will be trued up with reference to the actual generation on annual basis.)

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

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/(12x100) and
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 RPD, 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 RPD or any income to the RPD on account of any of the events as indicated above, RPD shall pass on the benefit of such reduction at a rate as provided in Article 12.2 to SECI

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| | | which shall be further passed on to the Buying Entity. In the event of the RPD 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, RPD shall be required to provide a statutory auditor certificate supported by Board Resolution in regard to implications (loss/ gain) arising out of Article 12.<br><br>**12.3 Notification of Change in Law**<br>12.3.1 The RPD 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.<br><br>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.<br><br>12.3.3 "Project Cost" wherever applicable under this Article, shall mean the cost incurred by the RPD 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 RPD upto 01.04.2022. |