

**SOLAR ENERGY CORPORATION OF INDIA LIMITED  
NEW DELHI**

Ref No. SECI/C&P/SPD/ISTS-X/Amendment-01

Dated 03.11.2021

<b>Amendment-01 to RfS for Request for Selection (RFS) document for Selection of Solar Power Developers for Setting up of 1200 MW ISTS-connected Solar PV Projects in Karnataka under Tariff-Based Competitive Bidding (ISTS-X)</b>											
<b>RfS No. SECI/C&amp;P/SPD/ISTS-X/RfS/1200 MW/072021 dated: 14.07.2021</b>											
<b>Sr. No.</b>	<b>Clause/ Article No.</b>	<b>Existing Clause/Article</b>	<b>Amended Clause/Article</b>								
<b>Amendments in the RfS document</b>											
1.		Note: Mention of Earnest Money Deposit or EMD anywhere in the RfS stands deleted.									
2.	Bid Information Sheet	<p><b>EARNEST MONEY DEPOSIT (EMD)</b></p> <table border="1" style="width: 100%;"> <tr> <td style="width: 50%;">Applicable</td> <td style="width: 50%;"></td> </tr> <tr> <td>Not Applicable</td> <td>Yes</td> </tr> </table> <p>Amount: INR 4,00,000/- (Indian Rupees Four Lakhs) per MW per Project to be submitted in the form of Bank Guarantee/Payment on Order Instrument, along with the Response to RfS.</p>	Applicable		Not Applicable	Yes	<p><b>EARNEST MONEY DEPOSIT (EMD)</b></p> <table border="1" style="width: 100%;"> <tr> <td style="width: 50%;">Applicable</td> <td style="width: 50%;"></td> </tr> <tr> <td>Not Applicable</td> <td>Yes</td> </tr> </table>	Applicable		Not Applicable	Yes
Applicable											
Not Applicable	Yes										
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Not Applicable	Yes										
3.	Clause 3.2	Identification of land, installation and ownership of the Project, along with obtaining connectivity, LTA and necessary approvals and interconnection with the ISTS network for supply of power to SECI, will be under the scope of the SPD. SECI and Government of Karnataka will facilitate in land possession as per the location specified by the SPD.	Identification of land, installation and ownership of the Project, along with obtaining connectivity, LTA and necessary approvals and interconnection with the ISTS network for supply of power to SECI, will be under the scope of the SPD.								
4.	Clause 6	<p><b>Project Location</b></p> <p>6.3 Subsequent to e-Reverse Auction (e-RA) and issuance of Letters of Award (LoAs), SECI and KSPDCL will facilitate the successful bidders to acquire land on sub-lease basis from KSPDCL. Further, once LoAs are issued, KSPDCL will start the action to leasing land and sign agreements with farmers @ Rs. 25000/Acre+5% escalation once in every 2 years. The above lease charges will be paid by the SPD to KSPDCL upon handing over of the land identified for the Project. Land area will be provided to the SPDs @4acres/MW.</p> <p>6.4 KSPDCL may charge a margin of 1% for administrative expenses, for the process of leasing from land owners and sub-leasing to the developers. Further, the Government of Karnataka will levy</p>	<p><b>Project Location</b></p> <p>6.3 Not Used.</p> <p>6.4 Not Used.</p>								

		<p>facilitation charges @2 paise/kWh from the developers, and these charges will be incorporated in the land sub-lease agreement between the SPD and KSPDCL.</p> <p>6.5 The maximum time period for land acquisition through leasing by KSPDCL will be 6 months after issuance of LoAs, which may be suitably extended on case-to-case basis. In case KSPDCL is unable to provide the identified land for the project until the above deadline, the respective bidder will have the option to surrender the awarded project, without any liabilities on KSPDCL.</p> <p>6.6 Note: Change in Project location subsequent to handover of land possession to the SPD will be allowed only after approval from KSPDCL/Government of Karnataka. Decision of KSPDCL/Government of Karnataka in this regard will be final and binding on the SPD. Any additional charges/penalties in this regard will be payable by the SPD.</p>	<p>6.5 Not Used.</p> <p>6.6 In case of any change in land location subsequent to issuance of LoAs, the new location shall also be in the State of Karnataka. Any additional charges/delays in project implementation in this regard, will be on account of the SPD.</p>
5.	Clause 7.1	The Project should be designed for interconnection with the nearest substation of STU at the voltage level of 220 kV or above.....	The Project should be designed for interconnection with the nearest substation of CTU at the voltage level of 220 kV or above.....
6	Clause 10	<p><b>Clause modified as follows:</b></p> <p><b>Delay in Commissioning on Account of Delay in LTA Operationalization</b></p> <p>Long Term Access (LTA)/Medium Term/Short Term Access shall be required to be submitted by the SPD prior to commissioning of the Project. However, for sale of power to SECI from SCD, the SPD shall have the LTA. The ISTS substation at delivery point and the power evacuation and transmission infrastructure of the ISTS network, with which the SPD applies for connectivity, should be scheduled for completion on or before the SCD of the concerned Solar PV Project so as to match the two timelines. Subject to adherence to this, subsequent to grant of connectivity, in case there is a delay in grant/operationalization of LTA by the CTU and/or there is a delay in readiness of the ISTS substation at delivery point, including readiness of the power evacuation and transmission infrastructure of the ISTS network until SCD of the Project, and it is established that:</p> <ol style="list-style-type: none"> <li>i. The SPD has complied with the complete application formalities as per the Connectivity Procedure and the ISTS substation at the Delivery Point and the power evacuation and transmission infrastructure of the ISTS network, with which the SPD had applied for connectivity, was scheduled for completion on of before the SCD of the concerned Solar PV Project.</li> <li>ii. The SPD has adhered to the applicable Procedure in this regard as notified by the CERC/CTU, and</li> </ol>	

		<p>iii. The delay in grant of connectivity/LTA by the CTU and/or delay in readiness of the ISTS substation at the Delivery Point, including readiness of the power evacuation and transmission infrastructure of the ISTS network, is a factor attributable to the CTU/transmission licensee and is beyond the control of the SPD.</p> <p>The above shall be treated as delays beyond the control of the SPD and SCD for such Projects shall be revised as the date as on 60 days subsequent to the readiness of the Delivery Point and power evacuation infrastructure and/or operationalization of LTA. Decision on requisite extension on account of the above factor shall be taken by SECI.</p> <p>In case of delay in commissioning of Project due to reasons beyond the reasonable control of the SPD, SECI may extend the SCD after examining the issue on a case-to-case basis.</p>	
7.	Clause 17.1	<p>Bidders selected by SECI based on this RfS shall submit Performance Guarantee for a value @ INR <b>8,00,000/MW/Project (Rs. Eight Lakh/MW/Project)</b> at least 07 working days prior to signing of PPA (PPA signing date to be intimated by SECI).</p>	<p>Bidders selected by SECI based on this RfS shall submit Performance Guarantee for a value @ <b>Rs. 10.68 Lakh/ MW/ Project (INR 10,68,000/MW/Project)</b> at least 07 working days prior to signing of PPA (PPA signing date to be intimated by SECI).</p>
8.	Clause 22	<p><b>Clause modified as follows</b></p> <p><b>Land Arrangements for the Project:</b></p> <p>22.1 The SPD shall be entirely responsible for acquiring the land required for setting up the project and SECI shall not in any manner be responsible for the same. Minimum land area to be demonstrated under possession for setting up the Project shall be 4 acres/MW.</p> <p>22.2 The SPD shall submit documents/Lease Agreements to establish possession/right to use 100% (hundred per cent) of the required land in the name of the SPD for a period not less than the complete term of the PPA, on or before the Scheduled Commissioning Date (SCD).</p> <p>22.3 The SPD shall submit a sworn affidavit from the authorized signatory of the SPD listing the details of the land and certifying that total land required for the Project is under clear possession of the SPD.</p> <p>22.4 With respect to demonstration of land possession by the SPD, commissioning of the Project will not be allowed until the demonstration of land possession by the SPD in terms of this Clause and Clause 9.2.e. of the RfS. However, in case of delays in demonstrating land possession by the SPD on account of Government delay (including but not limited to delay in land use pattern change, and/or relaxation under respective State land ceiling Act, and/or land lease permission from State Government/Authorities) or delay caused due to a Force Majeure as per PPA, SCD shall be suitably extended.</p>	
9.	Clause 37.1 (i)	<p>The Net Worth of the Bidder should be equal to or greater than <b>INR 80 Lakhs per MW</b> of the quoted capacity....</p>	<p>The Net Worth of the Bidder should be equal to or greater than <b>INR 1.07 Crore per MW</b> (Rs. 1,07,00,000/MW) of the quoted capacity.....</p>
10.	Clause 37.2	<p>i. A minimum annual turnover of <b>INR 41.45 Lakhs/MW</b> of the quoted capacity during the</p>	<p>i. A minimum annual turnover of <b>INR 35.17 Lakhs/MW</b> (Rs.</p>

		<p>previous FY, 2020-21 or as on the day at least 7 days prior to the bid submission deadline.....</p> <p>ii. Internal resource generation capability, in the form of Profit Before Depreciation Interest and Taxes (PBDIT) for a minimum amount of <b>INR 8.30 Lakhs/MW</b> of the quoted capacity.....</p> <p>iii. In-principle sanction letter from the lending institutions/ banks of the Bidder, committing a Line of Credit for a minimum amount of <b>INR 10.36 Lakhs/MW</b> of the quoted capacity.....</p>	<p>35,17,000/MW) of the quoted capacity during the previous FY, 2020-21 or as on the day at least 7 days prior to the bid submission deadline.....</p> <p>ii. Internal resource generation capability, in the form of Profit Before Depreciation Interest and Taxes (PBDIT) for a minimum amount of <b>INR 7.034 Lakhs/MW</b> (Rs. 7,03,400/MW) of the quoted capacity.....</p> <p>iii. In-principle sanction letter from the lending institutions/ banks of the Bidder, committing a Line of Credit for a minimum amount of <b>INR 8.79 Lakhs/MW</b> (Rs. 8,79,000/MW) of the quoted capacity.....</p>
11.	Clause 37.7	<p>.....For example, if two companies A and B form a Consortium with equity participation in 70:30 ratio and submit their bid for a capacity of 100 MW, then, total Net-Worth to be met by the Consortium is Rs. 80 Lakhs x 100 MW = Rs. 80 Crores. Minimum requirement of Net-Worth to be met by Member A would be Rs. 56 Crores and to be met by Member B would be Rs. 24 Crores. Similar methodology shall be followed for computation of Liquidity requirement.</p>	<p>..... For example, if two companies A and B form a Consortium with equity participation in 70:30 ratio and submit their bid for a capacity of 100 MW, then, total Net-Worth to be met by the Consortium is Rs. 107 Lakhs x 100 MW = Rs. 107 Crores. Minimum requirement of Net-Worth to be met by Member A would be Rs. 74.9 Crores and to be met by Member B would be Rs. 32.1 Crores. Similar methodology shall be followed for computation of Liquidity requirement.</p>
12.	Clause 43	<p><b>Addendum to the Clause</b></p> <p>Subsequent to issuance of LoAs, in case the successful bidder is unable to obtain connectivity at the substation identified at the time of bid submission, it can choose to reject the LoA issued by SECI, without any liability on either party. In case the bidder chooses to shift the Project to the other substation, associated costs in this regard will be borne by the successful bidder.</p> <p>In case the successful bidder is able to obtain connectivity its chosen substation for a capacity lower than the respective awarded capacity, it may choose to revise the awarded Project capacity without modifying the tariff discovered in the e-RA. SECI will issue the revised LoA to the successful bidder in that case. However, such reduction in awarded capacity will be subject to the revised capacity being at least 50 MW. The above revision in Project capacity, if requested by the successful bidder, will be carried out prior to signing of PPA, and subsequently, no further revision in the Project Capacity will be allowed on account of the above aspect.</p>	

13.	Format 7.1	10. We confirm that all the terms and conditions of our Bid are valid up to _____ ( <i>Insert date in dd/mm/yyyy</i> ) for acceptance [i.e. a period of 270 (Two Hundred Seventy) Days from the last date of submission of response to RfS].	10. We confirm that all the terms and conditions of our Bid are valid up to _____ ( <i>Insert date in dd/mm/yyyy</i> ) for acceptance [i.e. a period of 180 (One Hundred Eighty) Days from the last date of submission of response to RfS].
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**Amendments in the PPA document**

1.	Article 1.1 (Definitions)	<b>Addendum to the Clause, “Capacity Utilization Factor” or “CUF”</b>  Declared CUF for this Project shall be _____% (to be revised as applicable)	
2.	Article 12	<p><b>Article modified as follows</b></p> <p><b>12.1 Definitions</b></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"> <li>(a) a change in a change in interpretation of any law by a competent court or</li> <li>(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,</li> <li>(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,</li> </ul> <p>but does not include-</p> <ul style="list-style-type: none"> <li>A. Any change in any withholding tax on income or dividends distributed to the shareholders of the generating company or transmission licensee; or</li> <li>B. change in respect of deviation settlement charges or frequency intervals by an Appropriate Commission.</li> </ul> <p>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.</p> <p>12.1.3 For avoidance of any doubt in case Project as well as Buying Entities are located in the different States, it is clarified that any aforementioned Events is the result of action/ inaction/ omission/ commission by the Government of the State wherein Project is located, such event shall not qualify for the compensation under this Clause.</p> <p><b>12.2. Relief for Change in Law</b></p> <p>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</p>	

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 =  $(1/12) \times [\text{Contracted Capacity of the power plant as per the Agreement (in MW)} \times \text{CUF in \%} \times 8760 \text{ hours} \times 10]$  &

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

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 SPD, 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 SPD or any income to the SPD on account of any of the events as indicated above, SPD 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 SPD 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, SPD shall be required to provide a statutory auditor certificate supported by Board Resolution in regard to implications (loss/ gain) arising out of Article 12.

### **12.3 Notification of Change in Law**

12.3.1 The SPD 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.

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.

12.3.3 “Project Cost” wherever applicable under this Article, shall mean the cost incurred by the SPD 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 SPD upto 01.04.2022.
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<b>Amendments in the PSA document</b>		
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1.	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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