

SOLAR ENERGY CORPORATION OF INDIA LIMITED New Delhi						
No. SEC1/C&P/IPP/12/0006/Clarifications-01						Dated: 24/05/2022
Clarifications to the queries on the RIS for Selection of Wind Power Developers for Setting up of 1200 MW ISTS-Connected Wind Power Projects in India under Tariff-based Competitive Bidding (Tranche-XIII) (RIS No. SEC1/C&P/IPP/12/0006/21-22 dated: 12.01.2022)						
S. No.	Documents	Clause No.	Existing Clause	Proposed Modifications	Rationale/Remarks	SECT's response
1	RIS	(H), 17	Amount: INR 13,26,000/- (Indian Rupees Thirteen Lakhs and Twenty-Six Thousand only) per MW per Project to be submitted in the form of Bank Guarantee along with the response to RIS	Delete	With reference to earlier bids until SECI bid tranche XII (wind), this EMD was waived off Looking at the financial burden on projects due to increased / uncertainty in commodity cost such additional EMD can be waived off	The clause remains unchanged
2	RIS	18.1	Bidders selected by SECI based on this RIS shall submit Performance Guarantee for a value @ INR 13.15 Lakh/ MW/Project	Bidders selected by SECI based on this RIS shall submit Performance Guarantee for a value @ INR 13.26 Lakh/ MW/Project	With reference to earlier bids until SECI bid tranche XII (wind), this PBG have been increased by 2.5 times Looking at the financial burden on projects due to increased / uncertainty in commodity cost such increase in PBG is not viable	The clause has been suitably amended
3	RIS		valid for 09 months from the last date of bid submission	valid for 03 months from the last date of bid submission	Since the EMD is anyways replaced with PBG prior to PPA signing	The clause remains unchanged
4	RIS	16	The WPD shall also comply with all the laws, regulations, orders and procedures issued by the appropriate authority, applicable for setting up and implementing the Project.	Delete, since already covered in other clauses	This is a new insertion, every new clause insertions leads to anxiety during project due diligence and discussion with global lenders	The clause remains unchanged
5	RIS	21.2	Further, for each Project, the bidder shall provide hourly generation profile for a representative day for a single year, indicating tentative energy (MWh) and power (MW) to be supplied under the PPA.	Further, for each Project, the bidder shall provide a tentative hourly generation profile for a representative day for a single year, indicating tentative energy (MWh) and power (MW) to be supplied under the PPA.	In some of the cases / projects the accurate generation profile is not available at PPA signing stage and subjective to variations post CoD.	The clause has been suitably amended
7	RFS	22.1	The Projects shall achieve Financial Closure within 07 (seven) months from the Effective Date of the PPA		The Projects shall achieve Financial Closure within 12 (twelve) months from the Effective Date of the PPA in line with Hybrid tender	The clause remains unchanged
8	RFS	23.3	The WPD shall submit a sworn affidavit from the authorized signatory of the WPD listing the details of the land and certifying that total land required for the Project is under clear possession of the WPD.	The WPD shall submit a sworn affidavit from the authorized signatory of the WPD listing the details of the land and certifying that total land required for the Project is under clear possession of the WPD before schedule commissioning date		The clause remains unchanged
9	RIS	7.4	The Bidders are free to choose the ISTS substations for Interconnection of the Project to the Grid on a pan-India basis. While doing so, the Bidders shall apply due diligence while choosing the proposed substation, and may choose their substations from any one of the following options: i. Existing substations having available margin as indicated by the respective substation owner. ii. Existing substations/ substations under construction where augmentation is under process or plans for augmentation have been announced. iii. Substations approved under the updated plan made available by the Minutes of meeting for Northern, Eastern, Western and Southern Region committees and as displayed by the CTU on its website, https://webapps.powergrid.in/ctu/u/Default.aspx , subject to availability of requisite margin for grant of connectivity.	In addition to the options mentioned, request to allow bidders to submit bids considering connectivities at the potential areas identified during SECT's meeting with the IPPs.	This will give more flexibility to the bidders in selection of high potential sites for the wind projects which will help further the development of such wind sites and help India achieve the target of 450 GW RE capacity by 2030	The clause remains unchanged
10	PPA	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 thirty (30) days of receiving such Bill, issue a notice...	Request to modify as follows: "If the SECI disputes the amount payable under a Monthly Bill or a Supplementary Bill, as the case may be, it shall pay the undisputed invoice amount or 50% of the invoice amount, whichever is higher and it shall within thirty (30) days of receiving such Bill, issue a notice..."	It is suggested that SECI should not limit the payment to 50% of the invoice amount as logically, SECI should pay the entire undisputed amount and should hold back only the disputed amount.	The clause remains unchanged
11	PPA	10.3.3	Late Payment Surcharge: ...The Late Payment Surcharge shall be claimed by the WPD through the Supplementary Bill. Late Payment Surcharge shall be payable on the outstanding payment at the base rate of Late Payment Surcharge applicable for the period for the first month of default. The rate of Late Payment Surcharge for the successive months of default shall increase by 0.5 percent (50 bps) for every month of delay provided that the Late Payment Surcharge shall not be more than 3 percent higher than the base rate at any time. If the period of default lies in two or more financial years, the base rate of Late Payment Surcharge shall be calculated separately for the periods falling in different years. The above payment will be made by SECI subject to such late payment surcharge being duly received by SECI under the PSA from the Buying Entity(ies).	To be modified as follows: ...The Late Payment Surcharge shall be claimed by the WPD through the Supplementary Bill. Late Payment Surcharge shall be payable on the outstanding payment at the base rate of Late Payment Surcharge applicable for the period for the first month of default. The rate of Late Payment Surcharge for the successive months of default shall increase by 0.5 percent (50 bps) for every month of delay provided that the Late Payment Surcharge shall not be more than 3 percent higher than the base rate at any time. If the period of default lies in two or more financial years, the base rate of Late Payment Surcharge shall be calculated separately for the periods falling in different years. Adjustment towards Late Payment Surcharge- All payments by procurer to WPD for power procured from shall be first adjusted towards Late Payment Surcharge and thereafter, towards monthly charges, starting from the longest overdue bill. The above payment will be made by SECI subject to such late payment surcharge being duly received by SECI under the PSA from the Buying Entity(ies). The Late Payment Surcharge shall be claimed by the WPD through the Supplementary Bill.	The current Late payment surcharge clause doesn't incorporate the "adjustment towards the Late Payment Surcharge" clause from the Late Payment Surcharge Rule (2021) issued by MoP on 22nd Feb, 2021. Request the same to be incorporated. Also, request to delete the clause related to the conditional payment of LPS by SECI on receipt of such payment from the Buying Entity as highlighted.	Original clause shall prevail as the same has already been adopted by various Buying Utilities.
12	PPA	10.3.3	Late Payment Surcharge- "In the event of delay in payment of a Monthly Bill by SECI beyond 30 days after the Due Date, a Late Payment Surcharge shall be payable by SECI to the WPD on the outstanding payment"	Late Payment Surcharge- "In the event of delay in payment of a Monthly Bill by SECI beyond the Due Date, a Late Payment Surcharge shall be payable by SECI to the WPD on the outstanding payment"	SECI to kindly enforce payment of amount by the Due Date and accordingly request to enforce penal interest after 45 days. With the inclusion of this 30 days' time-gap, the total no. of days for payment receipt by WPD lands at 75 days (post the acknowledgement by SECI on the hard copy monthly bills). Keeping the provision of late payment surcharge only beyond 75 days, would lead to increase in the working capital period which would ultimately increase cost and tariff as the WPD will not be getting any interest from SECI. Additionally, similar to rebate on early payment, SECI may consider telescopic increase in Late Payment Surcharge starting from 45 days with first rate not being less than the rate specified for Late Payment Surcharge.	The clause remains unchanged
13	RIS	17	EMD Bank Guarantee Requirement	Request to be removed	In line with the SECI Tranche XII Wind Auction, we request SECI to kindly consider replacement of the EMD BG requirement with declaration of Bid Security (Format 7.3A of the RIS of SECI Tranche XII Wind Auction)	The clause remains unchanged
14	RIS	16	Clearances Required from the State Government and Other Local Bodies: "WPDs setting up projects in vicinity of Air Force bases/aerodromes, are advised to apply for necessary MoD clearances within 30 days of Effective Date of PPAs"	Clearances Required from the State Government and Other Local Bodies: "WPDs setting up projects in vicinity of Air Force bases/aerodromes, are advised to apply for necessary MoD clearances within 120 days of Effective Date of PPAs / prior to the date of Financial Closure (i.e. 7 months from the Effective Date of the PPA)"	30 days' time period post PPA signing for applying MOD clearances may be reviewed as lot of preparatory activities need to be undertaken, specifically WTG land related confirmation for all locations may not be available. Also, this may be accommodated given the longer period of execution (24 months after PPA signing) now. We alternately suggest that the said application for MoD and AAI may be kept as condition precedent to the Financial Closure which in current case is 7 months of Effective Date of PPA thus giving around 17 months thereafter to secure the permission	The clause has been suitably amended
15	RIS	16	Clearances Required from the State Government and Other Local Bodies: "Note: The WPD should apply for all the necessary approvals, permits and clearances not more than 90 days from the Effective Date of the PPA..."	Clearances Required from the State Government and Other Local Bodies: "Note: The WPD should apply for all the necessary approvals, permits and clearances not more than 180 days from the Effective Date of the PPA / prior to the date of Financial Closure (i.e. 7 months from the Effective Date of the PPA)..."	90 days' time period (post PPA signing) for applying all permits & clearances may be reviewed as lot of preparatory activities need to be undertaken prior to application. Land related documentation may not be available within the stipulated timeline. Also, this may be accommodated given the longer period of execution (24 months after PPA signing) now. We alternately suggest that the said application for approval from State Nodal Agency may be kept as condition precedent to the Financial Closure which in current case is 7 months of Effective Date of PPA thus giving around 17 months thereafter to secure the permission	The clause remains unchanged
16	RIS	22.2	At the stage of financial closure, the WPDs shall report 100% tie-up of Financing Arrangements for the Projects. In this regard, the WPD shall submit a certificate/necessary documents from all financing agencies regarding the tie-up of 100% of the funds indicated for the Project, including arrangements of funds in the form of Equity. The WPD shall also submit details of all planned/proposed wind turbine generators (manufacturer, model number, datasheet), along with necessary purchase order/agreements for the Project.		There are various financing mechanism which the developer are deploying during the construction phase of the Project. One such mechanism is construction financing. If you would noticed, most of the capital goods / major expenditures during the construction expenditure are being funded through working capital limits by opening letter of credit, such construction phase financing may also be considered as the financial closure. Furthermore, the requirement of the financial closure is to ensure adequate money is available with the developer to complete the Project, the construction phase financing / construction financing / working capital financing is also achieving the desired purpose. Hence, we request SECI to kindly consider arrangement of the working capital financing or limits / construction financing and the like for the Project as Financial Closure under the terms of the RIS and PPA	The clause remains unchanged
17	RIS	44.2	The bidders who fall within the range of (and including) the lowest tariff (L1 tariff) + 2% of the L1 tariff-hereinafter referred to as "the range"- will be declared as Successful Bidders under the RIS	We request for deletion of the said clause	We request you to kindly not enforce this condition given that economics for each project varies due to wind regime or any other factor. Intended objective of lower tariffs will anyway gets achieved with reverse auction process as well as smaller bid capacity (1200 MW)	The clause remains unchanged
18	RIS	Section 2, 9.1 Part Commissioning	The minimum capacity for acceptance of first part commissioning shall be 50 MW or 50% of the allocated Project Capacity, whichever is lower. Minimum capacity for acceptance of first part commissioning shall be 50 MW.	The minimum capacity for acceptance of first part commissioning shall be 10 50 MW or 50% of the allocated Project Capacity, whichever is lower. Minimum capacity for acceptance of first part commissioning shall be 10 50 MW.	We request SECI to amend the clause and allow the bidders to part commission minimum capacity of 10 MW as per MNRE OM No. 238/1/2017-Wind-Part (I) dated 13th January 2022.	The clause remains unchanged
19	PPA	Article 9: Applicable Tariff, 9.2	Any excess generation over and above energy specified in Article 4.4.1, will be purchased by SECI at a tariff of 75% of the tariff as per Article 9.1, provided the Buying Entity consents for purchase of such excess generation.	Any excess generation over and above energy specified in Article 4.4.1, will be purchased by SECI at PPA a tariff of 75% of the tariff as per Article 9.1, provided the Buying Entity consents for purchase of such excess generation.	We request SECI to amend the clause and purchase the excess generation at PPA Tariff.	The clause remains unchanged

20	RFS	Section 7. Sample forms & formats for bid submission Format 7.1 - Covering letter	Format 7.1 covers below information to be submitted by Bidder during bid submission under covering letter : 1. Project No. 2. Capacity (MW) 3. Location of Project* (Village, Tehsil, Dist, State) 4. Interconnection point details 5. Proposed CUF 6. Project Preference *The Bidder is allowed to change location of the project upto SC D.	We request, SECI under format 7.1 location of the project details shall be considered as tentative and bidder should be allowed to change locations upto SC D	The clause remains unchanged	
21	RIS	21.2	Note: ... The PPA(s) will be signed after signing of PSA(s) for the respective Project(s). In case of a mismatch between the total capacity for which PSA has been signed until the above deadline, and the total capacity eligible for signing of PPAs, preference will be given to first sign the PPA with the L1 bidder (as discovered after e-R), for its respective awarded capacity, followed by the L2 bidder, and so on, until the cumulative PPA signing capacity is achieved. For a particular bidder, in case the finally modified capacity offered by SECI for signing of PPA is lower than the capacity for which the LoA was issued to the said Bidder, the respective Bidder may choose to reject such modified capacity, and will be allowed to exit the process. In case such offered partial capacity for signing of PPA is less than 50 MW, PPA will not be executed with such Bidder.	The highlighted suggestion have been taken from SECI Hybrid Tranche-IV, And-I dated 01-Jun-21.	The clause remains unchanged	
22	RIS	9.1	Part Commissioning: (i) The minimum capacity for acceptance of first part commissioning shall be 50 MW or 50% of the allocated Project Capacity, whichever is lower. Minimum capacity for acceptance of first part commissioning shall be 50 MW. A project capacity of 100 MW or less can be commissioned in maximum two parts. In case of inability of the WPD to fulfil the conditions specified in Article 3.1 due to any Force Majeure event, the time period for fulfilment of the Conditions Subsequent and Financial Closure as mentioned in Article 3.1, shall be extended for the period of such Force Majeure event. Further, any delay in adoption of tariff by the Appropriate Commission, beyond 120 (one hundred twenty days) days after the Effective Date of this Agreement, shall entail a corresponding extension in the deadline as stipulated in Article 3.1.	We request SECI to allow Part Commissioning for Minimum 10 MW and its multiple. This dispensation was granted in past vide MNRE OM No.238/1/2017-Wind-Part (I) dated 27.08.20, 03.02.21 and 03.06.21. We request SECI to extend the same for this project as well. We suggest to add following provision: In case Tariff adoption delayed below 180 days (120 + 60 Days) from Effective date then, WPD shall have a choice to terminate the PPA.	This will encourage the developer to complete project early in phased manner as the revenue would get started, it will help the developer meet its Debt obligations. As you are aware of the volatility in the commodities market, a delay of 180 days may significantly distort the economics of the ongoing projects and in view of delayed approval in adopting the tariff the WPD will be put in a considerable risky position in terms of Project Cost.	The clause remains unchanged
23	PPA	3.2.2	Force Majeure Act of God, including, but not limited to lightning, drought, fire and explosion (to the extent originating from a source external to the site), earthquake, volcanic eruption, landslide, flood, cyclone, typhoon or tornado if and only if it is declared / notified by the competent state / central authority / agency (as applicable);	Further, lenders are also putting pre condition of PPA and PSA approval for CERC and SERC respectively for FC.	The clause remains unchanged	
24	PPA	11.3.1	Force Majeure Act of God, including, but not limited to lightning, drought, fire and explosion (to the extent originating from a source external to the site), earthquake, volcanic eruption, landslide, flood, cyclone, typhoon or famine, epidemic, plague or other natural calamities / and only if it is declared / notified by the competent state / central authority / agency (as applicable);		The clause remains unchanged	
25	RIS	7.1	The Project should be designed for interconnection with the ISTS in accordance with the prevailing CERC regulations in this regard. For interconnection with the grid and metering, the WPD shall abide by the applicable Grid Code, Grid Connectivity Standards, Regulations on Communication System for transmission of electricity and other regulations/procedures (as amended from time to time) issued by Appropriate Commissions and Central Electricity Authority (CEA). Minimum voltage level for interconnection at the ISTS shall be 220 kV.	As per Draft IEGC 2020 dt 9th JAN 2020, "CHAPTER 7: OPERATING CODE 35.GENERATION RESERVE ESTIMATION AND FREQUENCY CONTROL. 5. Primary Control: Wind/ Solar Generating unit (commissioned between 6th Aug 2019 -31st March 2022)- Upper ceiling limit (% of MCR) : 110% Wind/ Solar Hybrid (commissioned after 31st March 2022) - Upper ceiling limit (% of MCR) : 105% *Wind/ Solar Hybrid plant commissioned after 31st March 2022 shall have the option to provide primary response individually	The clause remains unchanged	
26	RIS	7.2	The responsibility of getting,....The maintenance of Transmission system upto to the interconnection point shall be responsibility of the WPD, to be undertaken entirely at its cost and expense	O& M of Terminal bay including spare is not in a scope of bidder.	The clause remains unchanged	
27	RIS	7.8	Reactive power charges and charges against power drawn from grid as per CERC/SERC regulations shall be payable by HPD as per provisions of PPA.	O& M Bidder will follow CEA Grid connectivity regulations 2019. "The generating station shall be capable of supplying dynamically varying reactive power support so as to maintain power factor within the limits of 0.95 lagging to 0.95 leading. Provided further that the generating unit shall be able to maintain its performance contained in this subclause even with voltage variation of up to + 5% subject to availability of commensurate wind speed in case of wind generating stations. Hence VAR drawl is evaluated based on the Grid Voltage condition instead of simply recorded. No penalty for drawl of VAR incase of Higher Grid voltage (more than 105%) where drawl helps to stabilise the grid.	DISCOMs will be entitled for any charges beyond delivery point and charges till delivery point shall be payable by developer. Original clause remains unchanged	
28	RIS	7.8	New sub-clause to be added	CEA mandates to maintain the power factor within the range of 0.95 PF lead to 0.95 PF lag, while RLDC insists on demonstration of the capability, which is not the correct approach. SECI is requested to address this requirement and arrange for a clear mandate from CEA which must be adhered by the Grid Operators.	The clause remains unchanged	
29	PPA	1.1 CUF	Declared CUF for this Project shall be % (to be revised as applicable).	With reference to earlier bids until SECI bid tranche XII (wind), this clause was not there At early stage this cannot be a firm number	The clause remains unchanged	
30	PPA	12.3.1	The WPD 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.		The clause remains unchanged	
31	PPA	10.7.2 Supplementary Bill	SECI shall remit all amounts due under a Supplementary Bill raised by the WPD to the WPD's Designated Account by the Due Date, except open access charges, RLDC or scheduling charges and transmission charges (if applicable). For Supplementary Bill on account of adjustment required by energy account and payments under Article 4.10, Rebate as applicable to Monthly Bills pursuant to Article 10.3.5 shall equally apply. Except for payment under Article 10.7.1 (i), payment of Supplementary Bills will be made after realization of the same from the Buying Utility. No surcharge will be applicable other than that on the monthly energy payment and associated debit and credit note.	Payment Obligation by SECI to WPD under this agreement shall not be linked with payment realization from the Buying Entity. Also, in case of delay of payment, Late Payment Surcharge shall be applicable.	The clause remains unchanged	

Note: All the queries received from various prospective bidders have been scrutinized and have been tried to be answered comprehensively. In case of any query not published here and is not covered under the Amendments issued to the RIS, it shall be construed in such cases, tender conditions shall prevail.