

4.3 Dispatch and Scheduling:

- 4.3.1 The Power Producer shall be required to Schedule its power as per the applicable regulations/requirements / guidelines of CERC/MERC and maintain compliance to the Grid Code requirements and directions, as specified by RLDC/SLDC from time to time. Any deviation from the Schedule will attract the provisions of applicable regulation / guidelines / directions and any financial implication on account of this shall be to the account of the Power Producer.
- 4.3.2 Power Producer shall be responsible for deviations made by it from the dispatch schedule and for any resultant liabilities on account of charges for deviation as per applicable regulations.

Article 5: RATES AND CHARGES

5.1 Monthly Energy Charges: The MSEDCL shall pay for the Scheduled /Delivered Energy as certified by SLDC/ MSEDCL/Appropriate authority through REA/SEA/ Meter Reading (AMR/MRI), for the Term of this Agreement from the Commercial Operation Date, to the Power Producer every month. The Tariff payable by MSEDCL for energy purchased shall be as per Article below.

5.2 MSEDCL shall pay a fixed rate of Rs. (in words Rs.----) per kWh as discovered under the Competitive Bidding (followed by e-reverse auction) and as agreed by the Parties upon commissioning of a Project (as certified by RLDC/SLDC/DISCOM) for delivered/scheduled energy during the period of PPA.

5.3 **Start-up power/Auxiliary consumption:**

MSEDCL shall supply electricity to the Power Producer at the MSEDCL's prevailing HT Industrial Tariff rate in force from time to time and Generator shall pay for this electricity at applicable tariff. MSEDCL shall ensure that the power as required by the Power Producer under reasonable notice time shall be available without delay.

5.4 **Capacity Utilisation Factor (CUF):**

5.4.1 **Criteria for generation:**

The Solar Power Producer has declared a CUF of% of their project at the time of executing this PPA and will be allowed to revise the same only once at the time of first anniversary of the project i.e. on completion of 1 year from COD. Such revision of the CUF shall be done within 1 month of completion of 1 (one) year from COD and no such revision shall be allowed thereafter. The declared CUF shall in no case be less than 19% over a contract year. They shall maintain generation so as to achieve CUF in the range of ± 10 % of their declared value during the entire PPA duration of 25 years either from the Commercial Operation Date in case of proposed/new solar power projects i.e. the date on which full commissioning of the project capacity is achieved or from the date of execution of PPA for existing solar power projects. Calculation of CUF will be on yearly basis from 1st April of the year to 31st March of next year. The lower limit will, however, be relaxable by MSEDCL to the extent of grid non-availability for evacuation which is beyond the control of the developer.

5.4.2 **Shortfall in minimum generation:**

If for any Contract Year, it is found that the Successful Bidder has not been able to generate minimum energy corresponding to the value of annual CUF within the

permissible lower limit of CUF declared by the Successful Bidder, on account of reasons solely attributable to the Successful Bidder, such shortfall in performance shall make the Successful Bidder liable to pay the compensation @ 25% of the PPA tariff to MSEDCL. This will, however, be relaxable by MSEDCL to the extent of grid non-availability for evacuation (beyond the Delivery Point) which is beyond the control of the Successful Bidder. This compensation shall be applied to the amount of shortfall in generation during the Contract Year.

However, this compensation shall not be applicable in events of Force Majeure identified under the PPA with MSEDCL, affecting supply of solar power by the Successful Bidder.

This compensation for Energy supplied in initial contract year will be calculated by taking into consideration the CUF calculated for first anniversary i.e completion of one year from COD. Subsequently, the annual CUF will be calculated every year from 1st April of the year to 31st March of next year.

5.4.3 Excess generation:

In case the availability is more than the maximum CUF specified, the Solar Power Producer will be free to sell it to any other entity provided first right of refusal will vest with the Procurer. In case the Procurer purchases the excess generation, excess generation over and above 10% of declared annual CUF, the same may be done at 75% of the PPA tariff.

This compensation for Energy supplied in initial contract year will be calculated by taking into consideration the CUF calculated for first anniversary i.e completion of one year from COD. Subsequently, the annual CUF will be calculated every year from 1st April of the year to 31st March of next year.

5.4.4 Repowering:

The Solar Power Producer shall be allowed to repower the project as per its requirement for a maximum cumulative period of six (6) months during the entire term of the PPA. The generator shall not be in default for non-supply of power during this period of repowering. However, the Procurer will be obliged to buy power only within the range of CUF, specified in the PPA. Any excess generation will be dealt as specified in clause 5.5.3 of the PPA.

5.5 DC Oversizing:

The DC oversizing shall be commercial decision of bidder to optimize his solar project. However for the purpose of compensation towards change in law, if any, the DC installed capacity shall be considered as the formula as follows or actual installed DC capacity whichever is lower.

DC Capacity for Change in Law = AC Contracted Capacity x (Declared CUF / Minimum CUF stipulated in RFS)

5.6 Generation Compensation in off take constraint due to transmission:

During the operation of the plant, due to temporary transmission unavailability(during 8 am to 6 pm) , if the power is not evacuated, for reasons not attributable to the solar power generator, then the generation loss shall be procured by MSEDCL at the PPA tariff so as to offset this loss in the succeeding 3 (three) Contract Years:

Duration of Grid unavailability	Provision for Generation Compensation
Grid unavailability in a \contract year as defined in the PPA: (only period from 8 am to 6 pm to be counted):	<p>Generation Loss = [(Average Generation per hour during the contract year) × (number of hours of grid unavailability during the contract year)]</p> <p>Where, Average Generation per hour during the contract year (kWh) = Total generation in the contract year (kWh)÷ Total hours of generation in the contract year</p> <p>The excess generation by the Solar Power Developer equal to this generation loss shall be procured by the Procurer at the PPA tariff so as to offset this loss in the succeeding 3(Three) contract Years.</p>

5.7 Generation compensation due to Backed Down:

The solar power producer shall follow the forecasting and scheduling process as per applicable CERC/MERC regulations as amended from time to time.

The Government of India, as per Clause 5.2(u) of the Indian Electricity Grid Code (IEGC), encourages a status of “must-run” to solar power projects. Accordingly, no solar power plant, duly commissioned, should be directed to back down by a Discom/ Load Dispatch Centre (LDC). In case such eventuality of Backdown arises, except for the cases where the back down is on account of events like consideration of grid security/ an emergency in CTU/STU’s / Discom’s evacuation system for safe operation of its Grid or safety of any personnel or the other such condition, the Power Producer shall suitably back down their generation.

In case of backing down situation, the power producer will be eligible for Minimum Generation Compensation from Procurer/MSEDCL after receipt of State Energy Account or any other relevant documents certified by MSEDCL/SLDC as under:

Duration of Back down	Minimum Generation Compensation
Hours of back down during a monthly billing cycle	<p>Minimum Generation Compensation = 100% of (Average Generation per hour during the month) x (number of back down hours during the month) x PPA tariff</p> <p>Where, Average Generation per hour during the month(kWh) = Total generation in the month(kwh)/Total hours of generation in the month</p>

The Generation Compensation is to be paid as part of the energy bill for the successive month after receipt of REA/State Energy Accounts (SEA) or any other relevant documents certified by RLDC/ SLDC/ MSEDCL.

It is clarified that Article 5.7 shall not be applicable, if in future, Merit Order Despatch is made applicable to generation from renewable sources; from Solar power project in this case.