

**No. 238/78/2017-Wind
Government of India
Ministry of New & Renewable Energy
CGO Complex, Block No.14, Lodhi Road, New Delhi - 110003**

Dated: 23rd July, 2021

OFFICE MEMORANDUM

Subject: Amendment in the 'Guidelines for Tariff Based Competitive Bidding Process for procurement of power from Grid Connected Wind Solar Hybrid Projects' issued dated 14.10.2020 - Reg.

Reference is invited to the 'Guidelines for Tariff Based Competitive Bidding Process for procurement of power from Grid Connected Wind Solar Hybrid Projects' issued by this Ministry vide OM of even no. dated 14.10.2020.

2. As provided in clause no. 3 'APPLICABILITY OF GUIDELINES', the subject Guidelines have been issued under the provisions of Section 63 of the Electricity Act, 2003 for long-term procurement of electricity through competitive bidding process, by Procurer(s), from Hybrid Power Projects. The clause no. 4 'EXPLANATION/ DEFINITION' of the subject Guidelines, further provides that *'The term 'Procurer(s)', as the context may require, shall mean the distribution licensee(s), or an Intermediary procurer.'*

3. In order to further remove ambiguity, it is hereby conveyed that the 'Guidelines for Tariff Based Competitive Bidding Process for procurement of power from Grid Connected Wind Solar Hybrid Projects' stand amended as under:

3.1 Clause no. 1.5 of these Guidelines is '**deleted**'.

3.2 The word '**SECI**' appearing in the guidelines shall be read as '**Procurer(s)**' except at clause no. 4.(b).(i).

3.3 The phrase '**Intermediary procurer**' appearing in clause no. 6 and note section of the clause no. 12.1 of the guidelines shall be read as '**Procurer(s)**'.

3.4 Clause no. 6.1 shall be read as under:

'6.1. Bid Document:

It shall prepare the bid documents in accordance with these Guidelines. Any deviations from the Guidelines need to be approved by the appropriate Commission.'

3.5 Clause no. 8.4 shall be read as under:

'8.4. Payment Security: The Procurer(s) shall provide adequate payment security measures, as specified below:

8.4.1. Scenario 1: Direct Procurement by Distribution Licensee from Hybrid Power Generator:

Distribution Licensee shall provide payment security to the Hybrid Power Generator through:

i. **Revolving Letter of Credit (LC)** of an amount not less than 1 (one) months' average billing from the Project under consideration;

AND

ii. **Payment Security Fund**, which shall be suitable to support payment for at least 3 (three) months' billing of all the Projects tied up with such fund;

iii. In addition to (i) & (ii) above, Distribution Licensee may also choose to provide State Government Guarantee, in a legally enforceable form, ensuring that there is adequate security to the Hybrid Power Generator, both in terms of payment of energy charges and termination compensation if any.

8.4.2. Scenario 2: Intermediary Procurer procures from Hybrid Power Generator and sells to the Distribution Licensee:

a. **Payment Security by Intermediary Procurer to the HPG:** The Intermediary Procurer shall provide payment security to the HPG through:

i. **Revolving Letter of Credit (LC)** of an amount not less than 1 (one) months' average billing for the Project under consideration;

AND

ii. **Payment Security Fund**, which shall be suitable to support payment of at least 3 (three) months' billing of all the Projects tied up with such fund. For the purpose of this Payment Security Fund, the Intermediary may collect Rs 5.0 Lacs/MW (Five Lacs per MW) from Hybrid Power Generator(s). Such charges shall be stipulated clearly in the RFS and shall go to the Payment Security Fund set up for such Intermediary Procurer."

b. **Payment Security by Distribution Licensee to Intermediary Procurer:** Distribution Licensee shall provide payment security to the Intermediary Procurer through:

i. **Revolving Letter of Credit (LC)** of an amount not less than 1 (one) months' average billing for the Project(s) under consideration;

AND

ii. **State Government Guarantee**, in a legally enforceable form, such that there is adequate security, both in terms of payment of energy charges and termination compensation if any.

For the purpose of this clause, the Tri-Partite Agreement (TPA) signed between Reserve Bank of India, Central Government and State Government shall qualify as State Government Guarantee covering the security for payment of energy charges.

The Intermediary Procurer shall ensure that upon invoking this guarantee, it shall at once, pass on the same to the Hybrid Power Generator, to the extent the payments to the Hybrid Power Generator in terms of the PPA are due. Provided that in cases where the Distribution Licensee is neither covered by Tri-Partite Agreement (TPA) nor is able to provide the State Government Guarantee, the Revolving Letter of Credit shall be for 2 (two) months.

3.6 Clause No. 17.2 shall be read as under:

'Early Commissioning: The Generator shall be permitted for full commissioning as well as part commissioning (as per clause 17.1) of the Project even prior to the SCD subject to availability of transmission connectivity and Long Term/ Medium Term/Short Term Access. In cases of early part commissioning, the Generator will be free to sell it to any other entity provided first right of refusal will vest with the Procurer(s). The procurer(s) shall provide refusal within 30 (thirty) days from the receipt of the request, beyond which it would be considered as deemed refusal. Procurement of such early commissioned power, if accepted by the Procure, shall be done at the PPA tariff.'

3.7 Clause No. 17.4 shall be read as under:

'17.4. Delay in Commissioning on account of delay in LTA Operationalization:

Long Term/ Medium Term/Short Term Access shall be required to be submitted by the Generator prior to commissioning of the Project. However, for sale of power to procurer from SCD, the hybrid power generator shall have LTA. The ISTS/ InSTS substation at the Delivery Point and the power evacuation and transmission infrastructure of the ISTS/ InSTS network, with which the generator applies for connectivity, should be scheduled for completion on or before the SCD of the concerned hybrid 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/operationalisation of LTA by the CTU/ STU and/or there is a delay in readiness of the ISTS/ InSTS substation at the Delivery Point, including readiness of the power evacuation and

transmission infrastructure of the ISTS/ InSTS network until SCD of the Project, and it is established that:

- i. The Generator has complied with the complete application formalities as per the Connectivity Procedure and the ISTS/ InSTS substation at the Delivery Point and the power evacuation and transmission infrastructure of the ISTS/ InSTS network, with which the Generator had applied for connectivity, was scheduled for completion on or before the SCD of the concerned hybrid project
- ii. The Generator has adhered to the applicable Procedure in this regard as notified by the CERC/ SERC/JERC/CTU/ STU, and
- iii. The delay in grant of connectivity/ LTA by the CTU/ STU and/or delay in readiness of the ISTS/ InSTS substation at the Delivery Point, including readiness of the power evacuation and transmission infrastructure of the ISTS/ InSTS network, is a factor solely attributable to the STU/ CTU/ transmission licensee and is beyond the control of the Generator;

The above shall be treated as delays beyond the control of the Generator and such Projects shall be eligible for suitable time extension in their SCD'.

4. All other provisions of the said Guidelines remain unchanged.
5. This issues with approval of the Competent Authority.


23.7.21

(Dr. Prabir Kumar Dash)
Scientist - D

To,

1. All Concerned
2. NIC Cell for uploading in the website

Copy to:

1. PS to Hon'ble Minister, NRE
2. Sr. PPS to Secretary
3. PPS to JS (DDJ).
4. Shri Ganesh Srinivasan, Chief Executive Officer, Tata Power Delhi, Distribution Ltd. (TP-DDL, NDPL House, Hudson Lines, Kingsway Camp, Delhi – 110009)


23.7.21.