

F. No. 283/18/2020-GRID SOLAR

भारत सरकार / Government of India

नवीन और नवीकरणीय ऊर्जा मंत्रालय/ Ministry of New & Renewable Energy (MNRE)

ग्रिड सौर ऊर्जा प्रभाग / Grid Solar Power Division

Block No. 14, C.G.O. Complex,
Lodhi Road, New Delhi – 110003

Dated: 15th September, 2021

OFFICE MEMORANDUM

Sub: Time Extension in Scheduled Commissioning Date of Renewable Energy (RE) Projects considering disruption due to second surge of COVID-19: Clarification – reg.


Ref: (i) MNRE's O.M. of even no. dated 12.05.2021
(ii) MNRE's O.M. of even no. dated 29.06.2021

1. On account of First Wave of COVID-19 in 2020 and the consequent nation-wide lockdown, based on the directions of Ministry of Finance, MNRE vide its O.M. of even no. dated 13.08.2020, had granted a blanket time-extension of 5 months without any pre-requisite conditions attached to such extension.
2. During the 2nd wave of COVID-19 in 2021, there was no nation-wide lockdown and conditions of restriction in movement of goods/ people and other similar hardships, varied from place to place. There were no directions issued from Ministry of Finance to provide any time-extension. Despite that, to facilitate RE projects, a time-extension of 2.5 months (corresponding to the period from 1st April, 2021 to 15th June, 2021), was granted by MNRE in respect of 2nd wave of COVID-19 in 2021, vide OMs dated 12.05.2021 and 29.06.2021, subject to the condition that the RE developer desirous of seeking such time-extension (2.5 months on account of 2nd wave of COVID-19) shall give an undertaking that the said time-extension (of 2.5 months) shall not be used as a ground for claiming termination of Power Purchase Agreement (PPA) or for claiming any increase in the project cost, including Interest During Construction (IDC) or upward revision of tariff.
3. Subsequently, it was pointed out to MNRE that many RE Project Developers are in dilemma that on submission of aforesaid undertaking, they will have to relinquish their right to claim reimbursement under change-in-law provision under the PPA and MNRE was requested to provide clarity on this issue.
4. The aforesaid request has been examined in MNRE and following is hereby clarified:
 - a) The time-extension given vide MNRE's OMs dated 12.05.2021 and 29.06.2021, referred at (i) and (ii) above respectively, is an out-of-contract concession extended by MNRE to facilitate Renewable Energy projects. This time-extension is optional and can be claimed by Renewable Energy Project Developers/ EPC

contractors provided they do not claim any increase in project cost on account of this time extension of 2.5 months. This increase in project cost includes any possible impact due to any change-in-law event which would not have been there had this optional time-extension was not claimed.

- b) RE developers shall have the option of not claiming the time-extension as per MNRE's O.M.s dated 12.05.2021 and 29.06.2021 referred at (i) and (ii) above respectively, but approaching the appropriate forum as per their respective PPAs, for claiming appropriate time-extension as may be admissible.

5. These issues with the approval of Hon'ble Minister (NRE & Power).


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To:

1. The Managing Director, Solar Energy Corporation of India Limited (SECI), Plate-B, 6th Floor, Tower 2, NBCC Office Block, East Kidwai Nagar, New Delhi-110023.
2. Chairman & Managing Director, NTPC Limited, NTPC Bhawan, Scope Complex, 7, Institutional Area, Lodhi Road, New Delhi.
3. Chairman & Managing Director, NHPC Limited, N.H.P.C Office Complex, Sector-33, Faridabad, Haryana.

Copy to:

1. Addl. Chief Secretaries / Pr. Secretaries / Secretaries of Power / Energy / Renewable Energy Departments of State Governments/ UT Govts./ Administrations
2. NIC, MNRE, for uploading on MNRE website for dissemination of information

Copy for internal circulation:

PS to Hon'ble Minister (NRE & Power) / PS to Hon'ble MoS (NRE)/ Sr. PPS to Secretary, MNRE / JS (AKS)/ JS (DDJ)/ JS&FA / All Group Heads and Division Heads in MNRE