

Feedback on the Draft Amendment to Detailed Procedure for “Grant of Connectivity to Projects Based on Renewable Sources to Inter-State Transmission System

S. No.	Clause No.	Existing Provision as per the New Draft Regulation	Suggested Amendment	Rationale
1	2.1	<p>This Procedure shall be applicable to the following:</p> <p>(i) Applicants covered under sub-clauses (aa), (cc), (f), (g) and (h) of Clause (1)(b)(i) of Regulation 2 of the Connectivity Regulations.</p> <p>ii) Central Transmission Utility (CTU), Central Government designated agencies viz SECI etc., Ministry of New and Renewable Energy (MNRE), Regional Load Despatch Centres (RLDCs), State Load Despatch Centres (SLDCs), State Transmission Utility (STUs), and concerned distribution companies and Renewable Energy Implementing Agencies like Solar Energy Corporation of India (SECI).</p>	<p>We request for the following provision to be added:</p> <p>This procedure shall also be applicable, for all projects for which Connectivities was granted by CTU under Detailed Procedure for Grant of Connectivity to Projects based on RE Sources notified on 15.05.2018, which are yet to be commissioned, with the exception of Clause 10.10.</p>	<p>We highly appreciate and commend the Hon’ble Commission for making positive and favourable changes in the draft Procedure for Grant of Connectivity to RE Projects. Such changes are need of the hour for the industry. So as to ensure complete fairness. developers who have already been granted connectivity should not be deprived of the benefits of the new procedure.</p> <p>This is especially in view of the amendments made to clause 11.2 which would readily address some critical concerns as listed below, and also the intent behind the amendments made to 9.3.2 (on which we have given a few additional suggestions as well)</p> <ul style="list-style-type: none"> a) There are tenders which allow for timelines greater than 24 months for project commissioning. b) Projects for which connectivity has been granted under the RE Procedure have been facing undue delays and challenges in execution after the onset of the

				<p>Coronavirus Pandemic. This issue has been highlighted to CTU with a request to extend the timelines of clause 11.2 so as to condone for such delays and challenges being faced.</p> <p>c) Reasons out of the developer's control such as delays in PPA signing, cancellation of tenders post auction and termination of PPAs,</p> <p>While making this suggestion, we have duly taken into consideration that the new provisions of clause 10.10, i.e. the revision of the Conn-BG amount, if made applicable may cause undue hardship to CTU. Hence, we have requested for this procedure to be made applicable for connectivities granted earlier, for which projects are yet to be commissioned, with the exception of clause 10.10.</p>
2	6.5	<p>After scrutiny, nodal agency shall intimate the deficiencies in the application, if any, to the applicant within one week of receipt of application. The applicant shall rectify the deficiency within one week thereafter, failing which the application shall be closed and 20% of the application fees shall be forfeited and balance shall be refunded. If the rectified application is received from the applicant after 2400 hrs of the last day of the month in which application is made,</p>	<p>After scrutiny, nodal agency shall intimate the deficiencies in the application, if any, to the applicant in exactly one week of receipt of application at the same time in which the application was submitted. The applicant shall rectify the deficiency within one week thereafter, failing which the application shall be closed and 20% of the application fees shall be forfeited and balance shall be refunded. If the rectified application is received from the applicant after 2400 hrs of the last day of the</p>	<p>Doing so would ensure that developers who had applied for their connectivity earlier have the advantage to respond to their queries sooner thereby maintaining their position and priority for grant of connectivity.</p>

		application shall be deemed to have been made in subsequent month and shall be processed accordingly.	month in which application is made, application shall be deemed to have been made in subsequent month and shall be processed accordingly.	
3	7.9	CTU shall display the updated status of allocation of bay(s) at the existing or the proposed pooling sub-stations (Primary as well as alternate location) on its website on weekly basis.	CTU shall display the updated status of allocation of bay(s), Connectivity, LTA - granted, remaining , at the existing or the proposed pooling sub-stations on its website on weekly basis.	While CTU updates the data once in 3 to 6 months, we request that the CTU kindly update all details pertaining to Availability of Bays, Connectivity and LTA on weekly basis duly taking into account the space available for additional ICTs, bays, system margins at the substations so that a holistic picture of the Connectivity remaining is available so that developers can take well informed decisions while bidding for new projects & applying for connectivity. A sample table for CTU to publish the data has been annexed at Annexure-I.
4	9.2.1	An entity which has been issued the Letter of Award by, or has entered into a Power Purchase Agreement (PPA) with, a Renewable Energy Implementing Agency or a distribution licensee consequent to tariff based competitive bidding, on submission of such Letter of Award or PPA, as the case may be:.....	An entity which has been issued the Letter of Award/ Letter of Intent by, or has entered into a Power Purchase Agreement (PPA) with, a Renewable Energy Implementing Agency or a distribution licensee consequent to tariff based competitive bidding, on submission of such Letter of Award or PPA, as the case may be:	Some RE Implementing Agencies/DISCOMS issue Letters of Intent (LOI) to confirm the award of project(s) to developers. While both, LOA and LOI have the same standing, we have experienced in the past that CTU has asked clarifications in cases where an LOI has been submitted with the Stage-II Connectivity Application. Hence, we request the Hon'ble Commission to include Letters of Intent in clause 9.2.1 so that CTU can readily consider the same for grant of connectivity.

5	9.2.1 (Illustration)	b) Suppose a bidder is awarded LOA for 500 MW under Round the Clock Hybrid Scheme with projects at multiple locations - 500 MW(Solar) in State „A“ and 700 MW(Wind) in State „B“. Such project shall be eligible for Stage-II Connectivity under Clause 9.2.1, for the capacity of the project not exceeding the quantum of LOA (500 MW in the instant case) at each location on the basis of same LOA. If the said project intends to sell surplus power over and above the quantum for which Stage-II Connectivity has been granted under Clause 9.2.1, it shall be required to apply for additional Connectivity under Clause 9.2.2.	We request the Hon’ble Commission to modify the clause as given under: (b) Suppose a bidder is awarded LOA for 500 MW under Round the Clock Hybrid Scheme with projects at multiple locations - 500 MW(Solar) in State “A” and 700 MW(Wind) in State “B”. Such project shall be eligible for Stage-II Connectivity under Clause 9.2.1, for the capacity of the project not exceeding the quantum of LOA (500 MW in the instant case) at each location on the basis of same LOA. If the said project intends to sell surplus power over and above the quantum for which Stage-II Connectivity has been granted under Clause 9.2.1, it shall be required to apply for additional Connectivity under Clause 9.2.2.	The CTU should allow stage -II connectivity only for the awarded LOA or PPA irrespective of the number of locations. Otherwise, the purpose of RTC or Hybrid project will not be achieved i.e. better utilization of transmission infrastructure. Allowing generators to apply for LOA and PPA capacity at multiple location will unnecessarily block the transmission capacity, which can be utilized by other generators.
6	9.3.1 (iii)	Proof of release of at least 10% funds towards generation project execution within three months from the date of financial closure duly supported by Auditor’s certificate regarding release of such funds through equity...	We request the Hon’ble Commission to remove this clause	The tender documents have removed the requirement of having to release funds since developers are granted the flexibility to infuse funds and equity as per their internal project plan as long as the key milestones under the PPA are met.. We request that the same be reflected in the draft procedure.
7	9.3.2	After grant of Stage II connectivity, the grantee covered under Clause 9.2.2 shall	We request the Hon’ble Commission to modify the clause as given under:	

		<p>have to achieve the following milestones and submit the proof to CTU within nine months from date of grant of Stage-II Connectivity or within nine months prior to SCOD of substation at which Stage-II Connectivity is granted, whichever is later:</p>	<p>After grant of Stage II connectivity, the grantee covered under Clause 9.2.2 shall have to achieve the following milestones and submit the proof to CTU within:</p> <ul style="list-style-type: none"> • Twelve months from date of grant of Stage-II Connectivity OR • six months prior to SCOD/Anticipated COD as recorded in CEA Progress Reports of the substation at which Stage-II Connectivity is granted OR • • Six months prior to SCOD/Anticipated COD of the last ISTS element required for effecting connectivity at the substation OR • Such timeline as extended by CTU under the provisions Force Majeure <i>[to be added as suggested in Sl. No. 16]</i> whichever is later 	<p>We request the Hon'ble Commission to allow us to achieve the milestones as suggested due to the following:</p> <ul style="list-style-type: none"> • Achievement of financial closure in 12 months is more in line with the PPA Provisions • Since the timeline between achievement of financial closure and project commissioning is usually just 6 months • The progress of substations on ground is subject to a variety of factors which tend to delay their commissioning beyond the SCOD. • The Hon'ble Commission would also appreciate that CTU at times grants connectivity (at existing/UC substations) which require the commissioning of additional ISTS elements for effecting the said connectivity. • For connectivities either granted under or eventually migrated to clause 9.2.1, the Hon'ble Commission has rightly incorporated the provision to achieve the milestones in accordance with the LOA or PPA, which would also account for any
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				<p>extensions of time due to Force Majeure events granted by the RE Implementing Agency for achieving the milestones under the PPA. However, for cases under clause 9.2.2, we would have to approach CTU for an extension of the timeline to achieve the milestones due to any Force Majeure events (such as the prevalent COVID-19 pandemic). We hence request the Hon'ble Commission to incorporate a Force Majeure Clause in the draft Procedure as suggested in Sl. No. 15 below.</p>
8	9.3.2A	<p>If a grantee of Stage-II Connectivity covered under Clause 9.2.2, subsequently submits the LOA or the PPA with the Renewable Energy Implementing Agency or the distribution licensee, as the case may be, consequent upon tariff based competitive bidding within the timeline under Clause 9.3.2, it shall be deemed to be a grantee under Clause 9.2.1 and shall be required to meet the conditions under Clause 9.3.1.</p>	<p>We request the Hon'ble Commission to modify the clause as given under:</p> <p>If a grantee of Stage-II Connectivity covered under Clause 9.2.2, subsequently secures the LOA or the PPA with the Renewable Energy Implementing Agency or the distribution licensee, as the case may be, consequent upon tariff based competitive bidding within 12 months from the grant of Stage-II Connectivity, it shall be deemed to be a grantee under Clause 9.2.1 and shall be</p>	<p>We request the Hon'ble Commission to allow migration from clause 9.2.2 to 9.2.1 based on the date of issuance of the LOA/LOI, and delink the same from the date of submission to CTU. The onus of completing the DTL and PSS as per the timelines mentioned under clause 11.2 (A)(b) as well as achieving the milestones under clause 9.3.2 would be on the developer till submission of the LOA/LOI to CTU.</p> <p>Rather than the minimum 9 months suggested, we request the Hon'ble Commission to provide 12 months as it is sufficient time to secure an LOA or PPA & there must be no ambiguity in the timeline</p>

			required to meet the conditions under Clause 9.3.1.	in which to migrate from connectivity under 9.2.2. to 9.2.1.
9	9.3.3	In the event of failure to achieve above milestones as listed in Clause 9.3.1 or Clause 9.3.2 above, as applicable, Stage-II connectivity shall be revoked by the CTU under intimation to the grantee. and Conn-BG1 and Conn-BG2 shall be encashed by CTU in accordance with the provisions under Para 10.10 (b) of this Procedure.	We request the Hon'ble Commission to modify the clause as given under: In the event of failure to achieve above milestones within 6 months of the timelines in Clause 9.3.1 or Clause 9.3.2 above, as applicable, Stage-II connectivity shall be revoked by the CTU under intimation to the grantee. and Conn-BG1 and Conn-BG2 shall be encashed by CTU proportionately over a period of 6 months. in accordance with the provisions under Para 10.10 (b) of this Procedure	We request the Hon'ble Commission to refrain from revoking the Stage-II Connectivity granted to the RE project in the event of non-fulfilment of milestones under clauses 9.3.1 or 9.3.2. Additionally, we also request that the Conn-BG(s) may be encashed in a phase wise manner with full encashment in 6 months.
10	9.3.4	CTU shall monitor the status of projects on monthly basis covered under Clause 9.3.1 and 9.3.2 and take appropriate action timely.	CTU shall monitor the status of projects on quarterly basis covered under Clause 9.3.1 and 9.3.2 and take appropriate action timely.	We request the Hon'ble Commission to modify this clause so as to allow CTU to perform quarterly monitoring as is being currently updated by connectivity grantees under clause 11.1 of the procedure.
11	New clause to be inserted in Article 10	PGCIL Consultancy Charges <i>[to be added]</i>	In cases where the developer opts to build the terminal bay at the ISTS substation, we request the Hon'ble Commission to clarify that no consultancy/supervision charges would be payable to CTU. In the event that these	Please provide clause providing CTU consultancy charges in case developers construct the associated bay. This will provide more clarity and transparency and the RE developer will know upfront, the exact cost to be paid to CTU.

			charges are payable to CTU, the same would need to be mentioned for 220 kV and 400 kV separately.	
12	11.2 (A)(a)	The scheduled date of commercial operation of the generation project, for cases covered under Clause 9.2.1, as intimated at the time of making application for grant of Stage-II Connectivity or as extended by the Renewable Energy Implementing Agency or the distribution licensee, as the case may be	The scheduled date of commercial operation of the generation project, for cases covered under Clause 9.2.1 as determined from the PPA, , or as intimated at the time of making application for grant of Stage-II Connectivity or as extended by the Renewable Energy Implementing Agency or the distribution licensee, as the case may be, whichever is later	The Scheduled Date of Commercial Operation (SCOD) as intimated at the time of Stage-II application is based on the tender conditions for signing of PPA. However, for reasons not attributable to the developer, the signing of the PPA gets delayed which in turn would delay the PPA Scheduled Commissioning Date (SCD) thereby leading to a mismatch between the same and the SCOD intimated at the time of Stage-II application. We hence humbly request the Hon'ble Commission to delink the completion of the DTL and PSS by the SCOD intimated at the time of Stage-II application and instead link it with the PPA SCD as determined from the actual PPA Effective Date, i.e. actual date of signing of PPA.
13	11.2 (B)	If a grantee fails to complete the dedicated transmission line(s)and/or pooling substation(s) within the timeline stipulated under sub-Clause (A) above, Stage-II Connectivity shall be revoked and Conn-	If a grantee, under clause 9.2.1 , fails to complete the dedicated transmission line(s)and/or pooling substation(s) within the timeline stipulated under sub-Clause (A) (a) above, Stage II Connectivity shall be revoked	RE developers under the PPA have the provision to commission the project upto 6 months from the SCD with the payment of Liquidated Damages. The same may be replicated in the draft Procedure such that the DTL and PSS may also be completed up to

		BG1 and Conn-BG2 shall be encashed, as per provisions of Clause 10.10.	and Conn-BG1 and Conn-BG2 shall be encashed, as per provisions of Clause 10.10. the Conn-BG (s) may be encashed by CTU proportionately over a period of 6 months during which time the grantee would be required to complete the DTL and PSS.	6 months from the PPA SCD with the payment of Liquidated Damages It is pertinent to mention that the Hon'ble Commission has correctly captured this provision under Clause 11.2 (A)(b). Hence, we request that the same provision be available for Clause 11.2 (A)(a) as well.
14	11.2 (A)(b)	six months after the scheduled date of commercial operation as intimated at time of making application for grant of Stage-II Connectivity, for cases covered under Clause 9.2.2.	six months after the scheduled date of commercial operation as intimated at time of making application for grant of Stage-II Connectivity, for cases covered under Clause 9.2.2 or such timeline as extended by CTU under the provisions Force Majeure <i>[to be added as suggested in Sl. No. 16]</i>	The Hon'ble Commission would appreciate that this clause would only be applicable to those connectivities granted under clause 9.2.2 which have not been able to migrate to clause 9.2.1 as the LOA or PPA could not be secured in the timeline mentioned in clause 9.3.2A. For connectivities either granted under or eventually migrated to clause 9.2.1, the Hon'ble Commission has rightly incorporated the provision to complete the DTL and PSS as extended by the RE Implementing Agency/DISCOM. For cases under clause 9.2.2, we would have to approach CTU for an extension of the timeline to to complete the DTL and PSS due to any Force Majeure events (such as the prevalent COVID-19 pandemic). We hence request the Hon'ble Commission to

				incorporate a Force Majeure Clause in the draft Procedure as suggested in Sl. No. 15 below.
15	14.7	The Stage-II Connectivity grantee may charge the entity(ies) sharing the dedicated transmission infrastructure, one time transmission charges not exceeding Rupees Seven Crores Fifty Lakhs for each 25 MW with annual escalation of 3.5%.		We request the Hon'ble Commission to share the genesis for the one time transmission charge and the annual escalations.
16	NA	Request to incorporate Force Majeure clause in the draft Procedure	<p>Definition of Force Majeure:</p> <p>A 'Force Majeure' (FM) would mean one or more of the following acts, events or circumstances or a combination of acts, events or circumstances or the consequence(s) thereof, that wholly or partly prevents or unavoidably delays the performance by the Party (the Affected Party) of its obligations under the relevant Transmission Agreement for Connectivity, but only if and to the extent that such events or circumstances are not within the reasonable control, directly or indirectly, of the Affected Party and could not have been avoided if the Affected Party had taken reasonable care or complied with Prudent Utility Practices.</p>	<p>We request the Hon'ble Commission to incorporate a Force Majeure provision in order for CTU to condone for delays and provide appropriate relief in the timelines mentioned under clause 9.3.2 and 11.2 (A)(b) as mentioned in our submissions above.</p> <p>The Force Majeure clause as mentioned in MNRE's Standard Bidding Guidelines is suggested herewith, suitably modified for the draft procedure, for the Hon'ble Commission's kind consideration.</p> <p>The Force Majeure clauses of the Standard Bidding Guidelines are also enclosed herewith for the Hon'ble Commission's ready reference.</p>

Performance Excused

The Affected Party, to the extent rendered unable to perform its obligations or part of the obligation thereof under the Transmission Agreement for Connectivity as a consequence of the Force Majeure Event, shall be excused from performance of the obligations, provided that the period shall not exceed 180 (one hundred and eighty) Days from the date of issuance of the FM Notice. The Parties may mutually agree to extend the period for which performance is excused due to a Force Majeure Event.

For the time period, as mutually agreed by the Parties, during which the performance shall be excused, the generator shall be entitled for a day to day extension of the period provided for under clause 9.3.2 and 11.2 (A)(b)

guarantee, it shall at once, pass on the same to the Solar Power Generator, to the extent the payments to the Solar Power Generator in terms of the PPA are due.

- iii. In addition to (i) &(ii) above, the End Procurer may also choose to provide **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.

It is hereby clarified that the State Government guarantee shall be invoked only after the Intermediary Procurer has been unable to recover its dues under the PPA by means of the Letter of Credit and the Payment Security Fund, if any.”

May be read as under:

“5.3.2(b) Payment Security by End Procurer to Intermediary Procurer:

The End Procurer 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 Solar Power Generator, to the extent the payments to the Solar Power Generator in terms of the PPA are due. Provided that in cases where the End procurer is neither covered by Tri-Partite Agreement (TPA) nor is able to provide the State Government Guarantee, the following, shall be adopted:

Provision for payment of additional risk premium of Rs 0.10/kWh, by End Procurer to the Intermediary Procurer, and to be credited to the payment security fund maintained by the Intermediary Procurer, to meet such exigencies.

- iii. In addition to (i) &(ii) above, the End Procurer may also choose to provide **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.

It is hereby clarified that the State Government guarantee shall be invoked only after the Intermediary Procurer has been unable to recover its dues under the PPA by means of the Letter of Credit and the Payment Security Fund, if any.”

2.5 The Para at point No. 5.4.:

“5.4.Force Majeure: The PPA shall contain provisions with regard to force majeure definitions, exclusions, applicability and available relief on account of Force Majeure, as per the industry standards.”

May be read as under:

“5.4. Force Majeure

- 5.4.1. Definition of Force Majeure:** A ‘Force Majeure’ (FM) would mean one or more of the following acts, events or circumstances or a combination of acts, events or circumstances or the consequence(s) thereof, that wholly or partly prevents or unavoidably delays the performance by the Party (the **Affected Party**) of its obligations under the relevant Power Purchase Agreement, but only if and to the extent that such events or circumstances are not

within the reasonable control, directly or indirectly, of the Affected Party and could not have been avoided if the Affected Party had taken reasonable care or complied with Prudent Utility Practices.

5.4.2. Categorisation of Force Majeure Events:

5.4.2.1. Natural Force Majeure Event

- a) 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 it is declared / notified by the competent state / central authority / agency (as applicable), or verified to the satisfaction of Procurer;
- b) radioactive contamination or ionising radiation originating from a source in India or resulting from another Force Majeure Event mentioned above excluding circumstances where the source or cause of contamination or radiation is brought or has been brought into or near the Power Project by the Affected Party or those employed or engaged by the Affected Party;
- c) the discovery of geological conditions, toxic contamination or archaeological remains on the Project land that could not reasonably have been expected to be discovered through an inspection of the Project land; or
- d) any event or circumstances of a nature analogous to any of the foregoing.

5.4.2.2. Non-Natural Force Majeure Event

- a) any act of war (whether declared or undeclared), invasion, armed conflict or act of foreign enemy, blockade, embargo, revolution, riot, insurrection, terrorist or military action;
- b) nation/state-wide strike, lockout, boycotts or other industrial disputes which are not directly and solely attributable to the actions of the Affected Party, but does not include strike or labour unrest limited to the Affected Party or its contractors;
- c) nationalisation or any compulsory acquisition by any Indian Governmental Instrumentality/ State Government in national interest or expropriation of any material Project assets or rights of the Generator, as a result of which the Generator or its shareholders are deprived (wholly or partly) of their rights or entitlements under the Power Purchase Agreement. Provided that such action does not constitute remedies or sanctions lawfully exercised by the Procurer or any other Government Authority as a result of any breach of any of the Applicable Laws or the Applicable Permits by the Generator or the Generator related parties;
- d) action of a Government Authority having Material Adverse Effect including but not limited to change in law, only if consequences thereof cannot be dealt with under and in accordance with the provisions of Clause 5.7 of these Guidelines; any unlawful or unauthorised or without jurisdiction revocation of, or delay in, or refusal, or failure to renew or grant without valid cause, any Permits of the Generator or any of the clearance, licence, authorization to be obtained by the Contractors to perform their respective obligations under the relevant PPA and/or the Project Documents; provided that such delay, modification, denial, refusal or revocation did not result from the Generator's or any Contractors inability or failure to comply with any condition relating to grant, maintenance or renewal of such Permits or clearance, licence, authorization, as the case may be.

Clarification: The phrase "Change in Law" would include changes brought out through change in Law, Rules, Regulations or orders of competent authorities.

5.4.3. Force Majeure Exclusions

5.4.3.1. Force Majeure shall not include (i) any event or circumstance which is within the reasonable control of the Parties and (ii) the following conditions, except to the extent that they are consequences of an event of Force Majeure:

- a) Unavailability, late delivery, or changes in cost of the plant, machinery, equipment, materials, spare parts or consumables for the Power Project;
- b) Delay in the performance of any contractor, sub-contractor or their agents;

- c) Non-performance resulting from normal wear and tear typically experienced in power generation materials and equipment;
- d) Strikes at the facilities of the Affected Party;
- e) Insufficiency of finances or funds or the agreement becoming onerous to perform; and
- f) Non-performance caused by, or connected with, the Affected Party's:
 - i. Negligent or intentional acts, errors or omissions;
 - ii. Failure to comply with an Indian Law; or
 - iii. Breach of, or default under this Agreement.

5.4.4. Notification of Force Majeure Event

5.4.4.1. The Affected Party shall give notice to the other Party of any event of Force Majeure as soon as reasonably practicable, but not later than seven (7) days after the date on which such Party knew or should reasonably have known of the commencement of the event of Force Majeure. If an event of Force Majeure results in a breakdown of communications rendering it unreasonable to give notice within the applicable time limit specified herein, then the Party claiming Force Majeure shall give such notice as soon as reasonably practicable after reinstatement of communications, but not later than one (1) day after such reinstatement.

5.4.4.2. Provided that such notice shall be a pre-condition to the Affected Party's entitlement to claim relief under the PPA. Such notice shall include full particulars of the event of Force Majeure, its effects on the Party claiming relief and the remedial measures proposed. The Affected Party shall give the other Party regular (and not less than weekly) reports on the progress of those remedial measures and such other information as the other Party may reasonably request about the Force Majeure Event.

5.4.4.3. The Affected Party shall give notice to the other Party of (i) the cessation of the relevant event of Force Majeure; and (ii) the cessation of the effects of such event of Force Majeure on the performance of its rights or obligations under the PPA, as soon as practicable after becoming aware of each of these cessations.

5.4.5 Performance Excused

5.4.5.1. The Affected Party, to the extent rendered unable to perform its obligations or part of the obligation thereof under the PPA as a consequence of the Force Majeure Event, shall be excused from performance of the obligations, provided that the period shall not exceed 180 (one hundred and eighty) Days from the date of issuance of the FM Notice. The Parties may mutually agree to extend the period for which performance is excused due to a Force Majeure Event.

5.4.5.2. For the time period, as mutually agreed by the Parties, during which the performance shall be excused, the generator shall be entitled for a day to day extension of the period provided for Financial Closure or Scheduled Commissioning Period or the PPA period, as the case may be.

5.4.5.3. Provided always that a Party shall be excused from performance only to the extent reasonably warranted by the Force Majeure Event.

5.4.5.4. Provided further that, nothing shall absolve the Affected Party from any payment obligations accrued prior to the occurrence of the underlying Force Majeure Event.

5.4.6. No Liability for Other Losses

Save as otherwise provided in these Guidelines, no Party shall be liable in any manner, whatsoever, to the other Parties in respect of any Loss relating to or arising out of the occurrence or existence of any Force Majeure Event.

5.4.7. Resumption of Performance

During the period that a Force Majeure Event is subsisting, the Affected Party shall, in consultation with the other Parties, make all reasonable efforts to limit or mitigate the effects of such Force Majeure Event on the performance of its obligations under the PPA. The

Affected Party shall also make efforts to resume performance of its obligations under this Agreement as soon as possible and upon resumption, shall notify other Parties of the same in writing. The other Parties shall afford all reasonable assistance to the Affected Party in this regard.

5.4.8. Termination Due to Force Majeure Event

5.4.8.1. Termination due to Natural Force Majeure Event

- a) If, prior to the completion of the 180 (one hundred and eighty) Day period (or any extended period) for a Natural Force Majeure Event commencing from the date of issuance of the Force Majeure Notice, the Parties are of the reasonable view that a Natural Force Majeure Event is likely to continue beyond such 180 (one hundred and eighty) Day period or any extended period agreed in pursuance of Article 5.4.5 (Performance Excused); or that it is uneconomic or impractical to restore the affected Unit, then the Parties may mutually decide to terminate the PPA, and the termination shall take effect from the date on which such decision is taken.
- b) Without prejudice to the provisions of Article 5.4.8.1(a) above, the Affected Party shall, after the expiry of the period of 180 (one hundred and eighty) Days or any other mutually extended period, be entitled to forthwith terminate the PPA in its sole discretion by issuing a notice to that effect.
- c) On termination of the PPA pursuant to Article 5.4.8.1(b):
 - (i) no Termination Compensation shall be payable to the generator.
 - (ii) the Generator shall be eligible for undisputed payments under outstanding Monthly Bill(s), before the occurrence of Force Majeure Event.

5.4.8.2. Termination due to Non-Natural Force Majeure Event

- a) Upon occurrence of a Non-Natural Force Majeure Event, the Generator shall, at its discretion, have the right to terminate the PPA forthwith after the completion of the period of 180 (one hundred and eighty) Days from the date of the Force Majeure Notice.
- b) Notwithstanding anything in Article 5.4.6, on termination of the PPA pursuant to Article 5.4.8.2(a):
 - (i) the Procurer shall pay to the Generator, 'Force Majeure Termination Compensation' equivalent to the amount of the Debt Due and the 110% (one hundred and ten per cent) of the Adjusted Equity, as defined in these Guidelines, and takeover the Project assets.
 - (ii) the Generator shall be eligible for undisputed payments under outstanding Monthly Bill(s), before the occurrence of Force Majeure Event."

2.6 The Para at point No. 5.5.2.:

“5.5.2. Offtake constraints due to Backdown: The Solar Power Generator and the Procurer shall follow the forecasting and scheduling process as per the regulations in this regard by the Appropriate Commission. 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 Backdown is on account of events like consideration of grid security or safety of any equipment or personnel or other such conditions, the Solar Power Generator shall be eligible for a Minimum Generation Compensation, from the Procurer, in the manner detailed below.