

**SUPPLEMENTARY POWER USAGE AGREEMENT
(AMENDMENT NO. 1)
FOR
POWER USAGE AGREEMENT**

BETWEEN

NTPC RENEWABLE ENERGY LIMITED

AND

Southern Power Distribution Company of Telangana Limited

&

Northern Power Distribution Company of Telangana Limited

For

Supply of additional 45 MW Solar Power

From

NTPC SOLAR PV STATION OF 310 MW

at Khavda, Kutch, Gujarat

Balaji Malepati

Signature

Signature

बालाजी मालेपाटी/BALAJI MALEPATI
उप महाप्रबन्धक (व्यापार विकास)
Dy General Manager (Business Development)
एन.टी.पी.सी. नवीकरणीय ऊर्जा लिमिटेड
NTPC Renewable Energy Limited



CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063



తెలంగాణ తెలంగాణ TELANGANA

LAM 464850

K. CHALAPATHI RAO
LICENSED STAMP VENDOR
LIC.No: 16-02-087 of 2011
Ren. No. 16-02-040/2020
Andal Nagar, Demalguda, HYD.
Ph: 8142496305

Sl.No. 4509 Dt. 12/05/2021 Rs. 100/-
Sold to Kalyani Kinnadi. Do K.V. Chandrasekhar; R. S. Reddy
For Whom M. N. T. P. Limited.

This Supplemental Agreement to the Power Usage Agreement signed between NTPC Renewable Energy Ltd and Southern Power Distribution Company of Telangana & Northern Power Distribution Company of Telangana Limited having effective date of 07.12.2021 is signed on 13.05.2022 at Hyderabad.

Between

between NTPC Renewable Energy Limited, a wholly owned subsidiary of NTPC Limited and a Company incorporated under the companies Act, 2013 having its registered office at NTPC Bhawan, SCOPE Complex, 7, Institutional Area, Lodhi Road, New Delhi -110 South Delhi, Delhi, India 110003 (hereinafter called 'NTPC REL') which expression shall unless repugnant to the context or meaning thereof include its successors and assigns as party of the one part;

And

Southern Power Distribution Company of Telangana & Northern Power Distribution Company of Telangana Limited Companies incorporated under the Companies Act, 1956 or

T. Raju

[Signature]

[Signature]

बालाजी मालेपाटी/BALAJI MALEPATI
उप महाप्रबन्धक (व्यापार विकास)
Dy General Manager (Business Development)
एन.टी.पी.सी. नवीकरणीय ऊर्जा लिमिटेड
NTPC Renewable Energy Limited



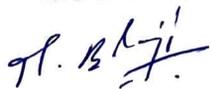
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Companies Act, 2013 as the case may be, having its Head Office at Hyderabad & Warangal and being a Licensee under the Electricity Act, 2003 (hereinafter referred to as 'Distribution Licensee') which expression shall unless repugnant to the context or meaning thereof include its successors and Permitted Assigns as party of the other part.

Each of the parties of the first and second above is individually referred to as a "Party" and collectively as the "Parties".

WHEREAS:

- A. The Ministry of New & Renewable Energy ('MNRE'), on 5.03.2019, has issued the "Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme) for setting up 12,000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/Government entities, either directly or through Distribution Companies (DISCOMS)", as amended from time to time (hereinafter referred to as 'CPSU Scheme');
- B. Ministry of New and Renewable Energy (MNRE), Government of India vide Office Memorandum dated 13.04.2020 has identified Indian Renewable Energy Development Agency Ltd., (IREDA) as the Nodal Agency for handling the CPSU Scheme on behalf of MNRE.;
- C. NTPC Limited has been declared as a successful bidder under the RfS No 23016/1/2020-IREDA/RfS/5000 MW/ 012021 dated 29.01.2021 issued by IREDA for development of 1990 MW Solar Photovoltaic Power Project.
- D. In pursuance to the above, IREDA has issued the Letter of Award [LoA No 23016/1/2020-IREDA/RfS/5000 MW/012021/960] dated 04.10.2021 to NTPC for development of a Solar PV Power Project of 1990 MW and to make available the quantum of electricity for the end use of the electrical energy by the Government/Government Entities through the Distribution Licensee;
- E. NTPC is a Government Producer within the scope of the CPSU Scheme being a Generating Company within the meaning of Section 2(28) of the Electricity Act, 2003 and a Government of India Enterprise, with more than 50% of its shareholding being


बालाजी मालेपाटी/BALAJI MALEPATI
उप महाप्रबन्धक (व्यापार विकास)
Dy General Manager (Business Development)
एन.टी.पी.सी. नवीकरणीय ऊर्जा लिमिटेड
NTPC Renewable Energy Limit



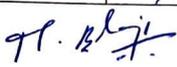

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owned and controlled by the Central Government. Further, as per the provisions of the RfS, the 310 MW Solar Photovoltaic Power Project named as Khavda Solar PV Station at Kutch, Gujarat (herein after referred to as 'Solar PV Station' and generally referred to as 'Station') is being executed by NTPC REL, a wholly owned subsidiary of NTPC Limited

- F. End User is also an entity owned and controlled by Government of Telangana and qualifies under CPSU Scheme.
- G. AND WHEREAS NTPC REL has signed Power Usage Agreement with Southern Power Distribution Company of Telangana Limited & Northern Power Distribution Company of Telangana Limited on 07.12.2021 for supply of 265 MW power from NTPC SOLAR PV STATION OF 310 MW Khavda Solar PV Station at Khavda, Kutch, Gujarat .
- H. AND WHEREAS vide its letter dated 15.03.2022 Telangana has conveyed its consent for usage of balance 45 MW power from aforesaid Khavda Solar PV Station of 310 MW at Khavda, Kutch, Gujarat.
- I. AND WHEREAS parties agree that remaining 45 MW of Solar PV power from NTPC REL 310 MW Khavda Solar PV Station shall also be allocated to Telangana Discoms making full allocation of 310 MW from the aforesaid Solar PV Station to Telangana Discoms.

NOW THEREFORE, IN CONSIDERATION OF THE PREMISES AND MUTUAL AGREEMENTS, COVENANTS AND CONDITIONS SET FORTH HEREIN; IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS:

Article	Existing Provision	Revised Provision
2.1.	The Installed capacity of the NTPC REL Khavda Solar PV Station is 310 MW. The Contracted capacity of the Distribution Licensee in the NTPC REL Khavda Solar PV Station shall be 265 MW.	The Installed capacity of the NTPC REL Khavda Solar PV Station is 310 MW. The Contracted capacity of the Distribution Licensee in the NTPC REL Khavda Solar PV Station shall be 310 MW.


बालाजी मालेपाटी/BALAJI MALEPATI
उप महाप्रबन्धक (व्यापार विकास)
Dy General Manager (Business Development)
एन.टी.पी.सी. नवीकरणीय ऊर्जा लिमिटेड
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3.4	The maximum Annual CUF against the contracted capacity (i.e. 265MW) is 33.32% (774.02 MU on Annual Basis) provisionally for the first year, subject to revision after one year of operation. The excess generation above the maximum Annual CUF shall be transferred to End User at 75% of the applicable Power Usage Charges.	The maximum Annual CUF against the contracted capacity (i.e. 310 MW) is 33.32% (905.46 MU on Annual Basis) provisionally for the first year, subject to revision after one year of operation. The excess generation above the maximum Annual CUF shall be transferred to End User at 75% of the applicable Power Usage Charges.
3.5	After accounting for Deemed Generation as in Clause 3.4 above, if NTPC REL is unable to supply minimum 441.36 MU on Annual basis (i.e. 19% Annual CUF), for the shortfall in energy, NTPC REL shall pay 25% of the applicable Power Usage Charges.	After accounting for Deemed Generation as in Clause 3.4 above, if NTPC REL is unable to supply minimum 516.31 MU on Annual basis (i.e. 19% Annual CUF), for the shortfall in energy, NTPC REL shall pay 25% of the applicable Power Usage Charges.

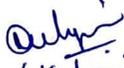
Except the aforesaid amendment, the Parties acknowledge and confirm that all other terms and conditions contained in the Power Usages Agreement dated 07.12.2021 shall continue to apply as before. IN WITNESS WHEREOF, the Parties have caused the Agreement to be executed through their duly authorized representatives as of the date and place set forth above.

For and on behalf of NTPC REL



बालाजी मालेपाटी / BALAJI MALEPATI
 Name and Designation
 Dy General Manager (Business Development)
 एन.टी.पी.सी. नवीकरणीय ऊर्जा लिमिटेड
 NTPC Renewable Energy Limited

Witness

- 1) B.V. Shanthi Leshu
 CEO / Comm / TPCC
- 2) 
 (Kalyani Kimidi)
 DGM (Comm), SEHE

For and on behalf of Distribution Licensee



CHIEF GENERAL MANAGER
 Name and Designation
 (IPC), TSSPDCL,
 Corporate Office, 6-1-50,
 Mint Compound, Hyd-500 063


T. MADHUSUDHAN
 Chief General Manager
 IPC & RAC TSNPDCL,
 Warangal.

POWER USAGE AGREEMENT

BETWEEN

NTPC Renewable Energy LIMITED

AND

Southern Power Distribution Company of Telangana Limited

&

Northern Power Distribution Company of Telangana Limited For

Supply of 265 MW Solar Power

From

NTPC Renewable Energy Limited SOLAR PV STATION OF 310 MW

at Khavda, Kutch, Gujarat


सुनित कुमार / SUNIT KUMAR
अपर अधीक्षक (वाणिज्यिक)
Addl. General Manager (Commercial)
एन.टी.पी.सी. रिन्यूएबल एनर्जी लिमिटेड
NTPC Renewable Energy Limited





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తెలంగాణ తేలంగానా TELANGANA

Sl. No.: 7846... Dt: 03/12/2021

SOLD TO: Sunit Kumar

Sl. No./Dt: S.K. Tekriwal

FOR WHOM: NTPC Renewable Energy Ltd

D.V. Sarat Kumar
AE 760843

D.V. SARAT KUMAR

LICENCED STAMP VENDOR

Lic. No: 15-11-028/2014

Ren. No: 15-11-004/2022

H No. 2-22-295/C/203, Manikanta Apts.,

Bhagyanagar Colony, Opp. KPHB Kukatpally,

Medchal-Malkajgiri Dist. Cell: 966 666 2490

This POWER USAGE AGREEMENT hereinafter called the "Agreement" entered into at Hyderabad on the 7th day of December Two Thousand Twenty One (07.12.2021) between NTPC Renewable Energy Limited, a wholly owned subsidiary of NTPC Limited and a Company incorporated under the Companies Act, 2013 having its registered office at NTPC Bhawan, SCOPE Complex, 7, Institutional Area, Lodhi Road, South Delhi, Delhi, India 110003 (hereinafter referred to as 'NTPC REL') which expression shall, unless repugnant to the context or meaning thereof include its successors and Permitted Assignees as party of the One Part;

And

Southern Power Distribution Company of Telangana & Northern Power Distribution Company of Telangana Limited,; Companies incorporated under the Companies Act, 1956 or Companies Act, 2013, as the case may be, having its Head Office at Hyderabad & Warangal and being a Licensee under the Electricity Act, 2003 (hereinafter referred to as 'Distribution Licensee') which expression shall, unless repugnant to the context or meaning thereof include its successors and Permitted Assignees as party of the Other Part.

Sunit Kumar

సునిత్ కుమార్ / SUNIT KUMAR
అప్లడ్ మహాప్రబంధక (వాణిజ్యిక)
Addl. General Manager (Commercial)
నాటికానీసీ నవీకరణీయ్ ఇంజనీరింగ్ లిమిటెడ్
NTPC Renewable Energy Limited



D.V. Sarat Kumar

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
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Each of the parties of the first and second above is individually referred to as a "Party" and collectively as the "Parties".

WHEREAS

(A) The Ministry of New & Renewable Energy ('MNRE') , on 5.03.2019, has issued the "Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme) for setting up 12,000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/Government entities, either directly or through Distribution Companies (DISCOMS)", as amended from time to time (hereinafter referred to as 'CPSU Scheme') A copy of the CPSU Scheme is attached as Annexure A and may be read as an integral part of this Power Usage Agreement;

(B) The purpose of the CPSU Scheme is inter-alia, to facilitate national energy security and environmental sustainability through use of domestically manufactured solar PV cells and modules and for use of such power generated from solar energy sources by Government/ Government Entities, namely that the solar power projects shall be set up by Central Public Sector Undertaking and the end use of electricity shall also be by the Government/ Government Entities, sourced either directly or through Distribution Licensee where the end user's facilities are situated.

(C) CPSU Scheme dated 05.03.2019 provides that SECI shall handle the scheme on behalf of MNRE including conducting bidding on VGF basis, amongst Government Producers;

(D) Ministry of New and Renewable Energy (MNRE), Government of India vide Office Memorandum dated 13.04.2020 has identified Indian Renewable Energy Development Agency Ltd., (IREDA) as the Nodal Agency for handling the CPSU Scheme on behalf of MNRE.;

(E) On 29.01.2021, IREDA issued the RfS document being **RfS No 23016/1/2020-IREDA/RfS/5000 MW/ 012021** for Selection of Solar Power Developers for Setting up of 5,000 MW Grid Connected Solar PV Power Projects in India (Tranche-III) under Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme)

(F) NTPC Limited has been declared as a successful bidder under the RfS No 23016/1/2020-IREDA/RfS/5000 MW/ 012021 dated 29.01.2021 issued by IREDA for development of 1990


सुमित कुमार / SUMIT KUMAR
अपरा नवावस्थापक (व्यावसायिक)
Addl. General Manager (Commercial)
एन.टी.सी. नवीकरणीय ऊर्जा लिमिटेड
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MW Solar Photovoltaic Power Project.

(G) In pursuance to the above, IREDA has issued the Letter of Award [LoA No 23016/1/2020-IREDA/RfS/5000 MW/012021/960] dated 04.10.2021 to NTPC for development of a Solar PV Power Project of 1990 MW and to make available the quantum of electricity for the end use of the electrical energy by the Government/Government Entities through the Distribution Licensee;

(H) NTPC is a Government Producer within the scope of the CPSU Scheme being a Generating Company within the meaning of Section 2(28) of the Electricity Act, 2003 and a Government of India Enterprise, with more than 50% of its shareholding being owned and controlled by the Central Government. Further, as per the provisions of the RfS, the 310 MW Solar Photovoltaic Power Project named as Khavda Solar PV Station at Kutch, Gujarat (herein after referred to as 'Solar PV Station' and generally referred to as 'Station') is being executed by NTPC REL, a wholly owned subsidiary of NTPC Limited.

(I) End User is also an entity owned and controlled by Government of Telangana and qualifies under CPSU Scheme;

(J) The Distribution Licensee is desirous of using 265 MW power produced from NTPC REL 310 MW Khavda Solar PV Station and NTPC REL is willing to offer the solar power from the aforesaid Solar PV Station of NTPC REL restricted to the end use by Government/Government Entities, as per the terms and conditions of the CPSU Scheme notified by the MNRE, Government of India as amended from time to time and as per the terms and conditions contained in this Power Usage Agreement.

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND MUTUAL AGREEMENTS, COVENANTS AND CONDITIONS SET FORTH HEREIN, IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS:

1.0 DEFINITIONS

1.1 The words or expressions used in this Agreement but not defined hereunder shall have the same meaning assigned to them by the Electricity Act, 2003 as amended from time to time, the Rules framed thereunder and Regulations issued by the Central Electricity Regulatory


सुनित कुमार SUNIT KUMAR
अपर महाप्रबन्धक (वाणिज्यिक)
Addl. General Manager (Commercial)
एनटीपीसी नवीकरणीय ऊर्जा लिमिटेड
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Commission from time to time.

1.2 The words or expressions mentioned below shall have the meanings respectively as assigned hereunder, unless the context otherwise requires:

i)	Act	shall mean the Electricity Act, 2003 and include any modifications, amendments and substitutions from time to time;
ii)	Agreement	shall mean this Power Usage Agreement including the Articles, Schedules, amendments, modifications and supplements made in writing by the Parties to this Agreement from time to time;
iii)	Base rate of Late Payment Surcharge	means the marginal cost of funds based lending rate for one year of the State Bank of India, as applicable on the 1st April of the financial year in which the period lies, plus five percent and in the absence of marginal cost of funds based lending rate, any other arrangement that substitutes it, which the Central Government may, by notification, in the Official Gazette, specify. Provided that 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.
iv)	Billing Centre	shall mean the Office as intimated by NTPC REL to Distribution Licensee from where the bills will be raised by NTPC REL;
v)	CEA	Central Electricity Authority;
vi)	CERC	Central Electricity Regulatory Commission;
vii)	Change in Law	shall have the meaning ascribed thereto in Article 10 of this Agreement;
viii)	Competent Court of Law	shall mean any court or tribunal or any judicial or quasi-judicial body in India that has jurisdiction to adjudicate upon issues relating to this Agreement;
ix)	COD/Commercial Operation Date	shall mean the date of commissioning of the last module of the Contracted Capacity of the solar PV Station. The same would be used for sole purpose of determining the life of the project.


कुनि्त कुमार / BUNJIT KUMAR
अपर महाप्रबन्धक (वाणिज्यिक)
Addl. General Manager (Commercial)
एनटीपीडी नवीकरणीय ऊर्जा लिमिटेड
NTPC Renewable Energy Limited




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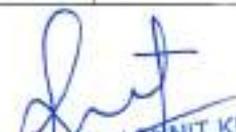
x)	Central Transmission Utility (CTU)	shall mean the Central Transmission Utility as defined in Section 2(10) read with Section 38 of the Electricity Act 2003
xi)	Commissioning	The capacity will be considered as commissioned based on self-declaration by the NTPC REL, when the modules and equipment as per such capacity have been installed, connected to grid at the Interconnection Point/Metering point/Delivery Point and energy has flown into the grid;
xii)	Capacity Utilization Factor (CUF)	shall have the same meaning as provided in Central Electricity Regulatory Commission (Terms and Conditions for Tariff determination from Renewable Energy Sources) Regulations, 2009 as amended from time to time. The CUF shall be calculated based on the annual energy injected and metered at the Delivery Point. In any Contract Year, if 'X' MWh of energy has been metered out at the Delivery Point for 'Y' MW Project capacity, $CUF = (X \text{ MWh} / (Y \text{ MW} * 8766)) \times 100\%$.
xiii)	Contracted Capacity	Shall mean the capacity, as set out in Article 2.1 of this Agreement
xiv)	Delivered energy	shall mean with respect to any billing month, the kWh of electrical energy delivered from Solar PV Station(s) to the Distribution Licensee at the Interconnection Point/Metering point/Delivery Point as measured by the energy meters at the Interconnection Point/Metering point/Delivery Point for any billing month;
xv)	Due date of payment	shall mean 45 days from the date of billing. In case payment of bill is delayed beyond a period of 45 days from the date of billing, Late payment Surcharge shall be payable from 46th day onwards for each day of delay
xvi)	Effective Date	shall mean the date of signing of this Agreement;


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 Addl. General Manager (Commercial)
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 NTPC Renewable Energy Limited




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xvii)	End User	shall mean the Government/Government Entity to whom the electricity is made available by the Distribution Licensee for end use
xviii)	Energy Account	shall mean periodic Energy Account issued by Regional/State Load Dispatch Centre as applicable including amendments thereof;
xix)	Force Majeure	shall have the meaning ascribed thereto in Article 9 of this Agreement;
xx)	GOI	shall mean Government of India;
xxi)	Government/ Government Entities	shall mean such of the Entities which are qualified to be the End User of electricity under the CPSU Scheme.
xxii)	Distribution Licensee	shall mean such of the Entities to whom a License is given or an exemption from License is provided including Deemed Licensees in terms of the provisions of the Electricity Act, 2003.
xxiii)	Guidelines	shall mean the "Central Public Sector Undertaking (CPSU)Scheme Phase-II (Government Producer Scheme) for setting up 12,000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/Government entities, either directly or through Distribution Companies (DISCOMS)" issued by the Ministry of New & Renewable Energy vide No. 302/4/2017-GRID SOLAR dated 05.03.2019 including subsequent amendments and clarifications thereof;
xxiv)	IEGC and/or State Grid Code	shall mean the Grid Code specified by the Central Commission under Clause (h) of sub-section (1) of Section 79 of The Electricity Act and/or the State Grid Code as specified by the Appropriate Commission, referred under Clause (h) of sub-section (1) of section 86 of The Electricity Act 2003, as applicable including any amendments thereof;
xxv)	Interconnection Point/Metering point/Delivery Point	Interface point of Solar PV Station with the transmission system developed by PGCIL at 765/400 kV GSS Khavda II ISTS substation in Gujarat at 400kV voltage level, where usage


 सुनील कुमार / SUNIL KUMAR
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 NTPC Renewable Energy Limited




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		energy meter(s) are installed;
xxvi)	LC	shall mean Irrevocable, Unconditional, Monthly Revolving Letter(s) of Credit of requisite value in terms of this Agreement by the Distribution Licensee or Government/Government Entity End User;
xxvii)	Main and Check Meter	shall mean meters for measurement and checking of import/export of energy on the Interconnection/ Metering/ Delivery point for Energy Accounting;
xxviii)	Monthly Bill	shall mean either a Monthly Bill /Supplementary Bill or a Monthly Invoice/ Supplementary Invoice raised by NTPC REL for payments due from Distribution Licensee to NTPC REL under this Agreement.
xxix)	Module	shall mean a minimum system of Solar PV Panels, Inverters, and associated evacuation System for generation and evacuation of minimum 1 MW AC Solar power up to the Interconnection Point/Metering point/Delivery point;
xxx)	Permitted Assigns	shall have the meaning as per Article 15 of this Agreement;
xxxi)	Schedule Commissioning Date or SCD of the project	Shall mean 03.04.2024.
xxxii)	Solar PV Station	shall mean the Solar PV Power Generating Station of installed capacity of 310 MW developed by NTPC REL at Khavda, Distt: Kutch State: Gujarat
xxxiii)	Supplementary Bill	shall have meaning as defined under Article 7.1.3
xxxiv)	Usage Charges	shall have the meaning ascribed thereto in the Article 6.0 of this Agreement;

2.0 CAPACITY, SCHEDULED DATE OF COMMENCEMENT AND DELIVERY

2.1 The Installed capacity of the NTPC REL Khavda Solar PV Station is 310 MW. The Contracted capacity of the Distribution Licensee in the NTPC REL Khavda Solar PV Station shall be 265 MW.


सुनित कुमार / SUNIT KUMAR
 अपर महाप्रबन्धक (वाणिज्यिक)
 Addl. General Manager (Commercial)
 एनटीपीसी नवीकरणीय ऊर्जा लिमिटेड
 NTPC Renewable Energy Limited





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- 2.2 Scheduled Date of Commencement for supply of power from the Project on regular basis shall be 03.04.2024. NTPC REL shall be entitled to declare commissioning and commencement of generation from part of the capacity before SCD.
- 2.3 The duration of supply of power by NTPC REL to the Distribution Licensee for usage by End User under this agreement shall be for a period of 25 years from the SCD/actual COD whichever is later of the entire Solar PV Station.
- 2.4 As per the provisions of the CPSU Scheme, the energy generated and made available by NTPC REL to the Distribution Licensee from the Solar PV Station under this Agreement shall be entirely for the use of the End User for self-consumption only and no part of the energy shall be diverted or used for any other purposes.
- 3.0 TRANSMISSION/WHEELING OF ELECTRICITY:**
- 3.1 The obligation of NTPC REL shall be to generate and make available the energy in regard to the contracted capacity at the Interconnection Point/ Metering Point/Delivery Point. The cost of building the transmission line from Solar PV plant to Inter-connection point / Metering point/ Delivery Point shall be borne by NTPC REL. NTPC REL shall obtain necessary approval for ISTS/STU connectivity from Solar PV plant till the Interconnection Point/ Metering Point/ Delivery Point. Any cost and associated expenses of arranging the energy to be delivered at the Interconnection Point/ Metering Point/ Delivery Point shall be borne by NTPC REL.
- 3.2 All clearances, charges etc. beyond the Interconnection Point/ Metering Point/ Delivery Point up to usage point of End User (i.e. ISTS/STU charges & losses, cross subsidy charges, RLDC and SLDC Fee, scheduling, generation forecasting fee etc.) shall be entirely in the scope, responsibility and to the account of the Distribution Licensee/End User, with all costs and charges being borne by the Distribution Licensee/End User. The Distribution Licensee shall also abide by the relevant CERC/SERC Regulations, Grid Code and Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006 as applicable, amended and revised from time to time;
- 3.3 NTPC REL and the Distribution Licensee shall follow the forecasting and scheduling process as provided in the Applicable Regulations of the Appropriate Commission or the Competent Authority. The Clause 5.2(u) of the Indian Electricity Grid Code (IEGC),


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provides for status of "must-run" to solar power projects and accordingly, the Distribution Licensee shall be responsible to ensure and shall make arrangement for evacuation of power from Interconnection Point/ Metering Point/ Delivery Point the Delivered Energy without there being any backing down

In case of any eventuality of Backdown arises at any time after the commencement of generation, including for the reasons that the Distribution Licensee fails or is unable to maintain the LTA or there is non-dispatch of power due to non-compliance with "Order No. 23/22/2019-R&R dated 28.06.2019 of Ministry of Power regarding Opening and maintaining of adequate Letter of Credit (LC) as Payment Security Mechanism under Power Purchase Agreements by Distribution Licensees" or any such other similar order and any clarifications or amendment thereto, NTPC REL shall be entitled to be compensated by the Distribution Licensee for a Minimum Generation Compensation as under.

Duration of Back down	Provision for Generation Compensation
Hours of Back down during a monthly billing cycle.	<p>Minimum Generation Compensation = [(Average Generation per hour during the month) × (number of Back down hours during the month)] X PUA Usage Charges</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>

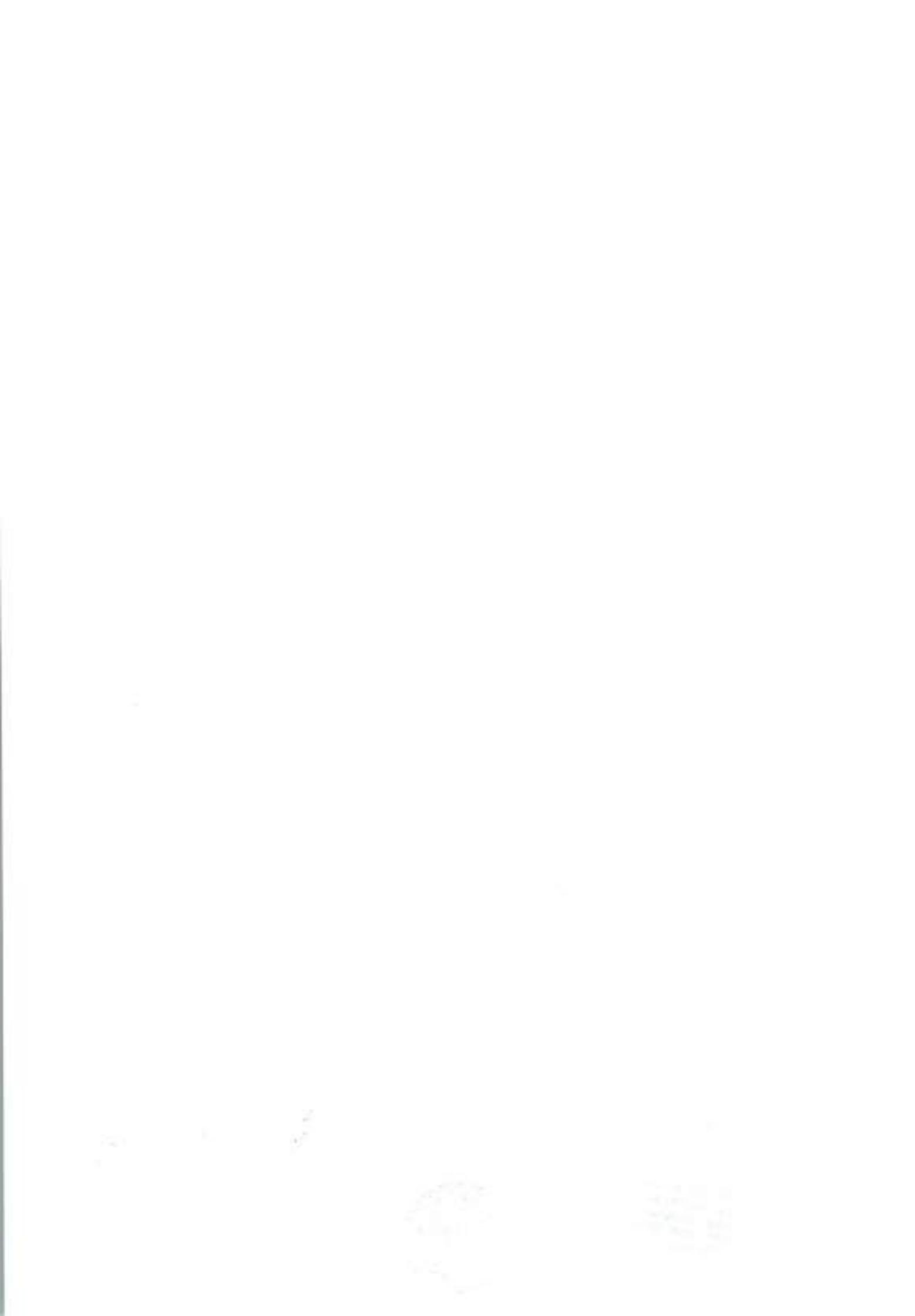
Provided that no such Generation Compensation shall be claimed by NTPC REL where the Backdown is forced at the directions of the Load Dispatch Centre on account of events like consideration of grid security or safety of any equipment or personnel.

- 3.4 The maximum Annual CUF against the contracted capacity (i.e.265MW) is 33.32% (774.02 MU on Annual Basis) provisionally for the first year, subject to revision after one year of operation. The excess generation above the maximum Annual CUF shall be transferred to End User at 75% of the applicable Power Usage Charges.
- 3.5 After accounting for Deemed Generation as in Clause 3.4 above, if NTPC REL is unable to supply minimum 441.36 MU on Annual basis (i.e. 19% Annual CUF), for the shortfall in energy, NTPC REL shall pay 25% of the applicable Power Usage Charges.


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4.0 SCHEDULING, DESPATCH METERING AND ENERGY ACCOUNTING

4.1 SCHEDULING

- 4.1.1 The Scheduling and Dispatch of Energy from the Solar PV Station shall be as per the applicable Regulations and Codes notified by the Appropriate Commission.
- 4.1.2 The parties acknowledge, agree and confirm that the Solar PV Station shall be operated at all times as a MUST RUN Station and shall not be subjected to any backing down by the Distribution Licensee/End User.
- 4.1.3 NTPC REL shall operate the Solar PV Station as per the manufacturer's guidelines, grid operating standards and relevant statutory provisions, as applicable from time to time.
- 4.1.4 All charges/fees related to Forecasting, Scheduling and Despatch of energy shall be borne by Distribution Licensee.

4.2 METERING

- 4.2.1 A set of Main and Check Meters of 0.2S accuracy class, as per CEA (Installation & operation of meters) Regulations 2006/IEGC as applicable, shall be installed by CTU/STU at Interconnection Point/ Metering Point/ Delivery Point. A standby meter shall also be installed at Interconnection Point/ Metering Point/ Delivery Point by CTU/STU. Distribution Licensee/ End User shall make all necessary arrangements for installation of meters of required accuracy and specifications, as per prevailing Regulations.
- 4.2.2 Main/ Check Meters shall be installed at 400 KV of PGCIL Khavda-II GSS and Standby meter at 400 kV outgoing Feeder at the NTPC REL project site as a fall back arrangement.
- 4.2.3 The Main and Check Meters shall be checked jointly at the time of installation as per the CEA (Installation & Operation of Meters) Regulations 2006 as amended from time to time.
- 4.2.4 Data shall be downloaded from the meters at regular intervals as per provisions of applicable regulations /decided by NTPC REL and Distribution Licensee /End User for preparation of the Energy Account.
- 4.2.5 Regular cross checking and analysis of meter readings and meter failure or discrepancies shall be reckoned as per CEA (Installation & Operation of Meters) Regulations 2006 as amended from time to time. If the Main Meter or Check Meter is found to be not working at the time of meter readings or at any other time, NTPC REL/ Distribution Licensee shall inform each other of the same.
- 4.2.6 In case of failure of meters, energy accounting for the period shall be as per procedure laid down by CERC or as per the mutually agreed procedure. In case of absence of any such procedure, the following procedure shall be followed:


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- In case of failure of Main Meter, readings of Check Meter for the corresponding period shall be considered for energy accounting.
- If both the Main and Check Meter(s) fail to record or if any of the PT fuses is blown out, energy shall be accounted based on standby meters.
- In case of dispute, resolution shall be as per provision of Article 8.

4.2.7 Periodic testing of both Main and Check Meters shall be carried out in the presence of representatives of NTPC REL and Distribution Licensee/End User as per procedure laid out in CEA (Installation & Operation of Meters) Regulations, 2006. For any testing and/ or replacement, notice of seven days will be given.

4.3 ENERGY ACCOUNTING

4.3.1 The scheduling and energy accounting of NTPC REL solar power shall be as per the provisions of the Grid Code.

4.3.2 Any change in the methodology of Energy Accounting shall be done as per mutually agreed decisions.

5.0 COMMISSIONING AND COMMERCIAL OPERATION DECLARATION OF SOLAR PV STATION OR PART CAPACITY THEREOF:

5.1 The Project, shall be declared commissioned based on self-declaration by the NTPC REL, when the required modules as per the required capacity have been installed, connected to the Grid and energy is injected into the Grid at the Interconnection Point/ Metering Point/ Delivery Point. The Distribution Licensee shall be intimated 7 days in advance regarding declaration of commissioning of the project.

5.2 There can be part commissioning of the project. Part commissioning of the project shall mean that all equipment corresponding to the part capacity have been installed and commissioned and energy has flown into the grid.

5.3 NTPC REL shall be permitted for full commissioning as well as part commissioning of the project even prior to Scheduled Commissioning Date (SCD). The Distribution Licensee shall purchase the energy from such early commissioned project/part commissioned at the 100% of the Usage Charges.


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5.4 Commercial Operation Declaration (COD) of the project shall be the date of commissioning of the last Module of the Contracted Capacity of the solar PV Station.

5.5 Dispatch

The Power User shall be required to maintain compliance to the applicable Grid Code and requirements & directions, if any, as specified by Appropriate Commission / CTU/ STU/ Discom or licensee or from any competent Authority as issued from time to time to maintain power evacuation system available.

6.0 USAGE CHARGES

6.1 The Usage Charges for the power made available by NTPC REL from Solar PV Station shall be payable by Distribution Licensee @ Rs 2.45 /kWh, which shall be exclusive of any other third-party charges like wheeling and transmission charges and losses, point of connection charges and losses, cross-subsidy surcharges, SLDC/RLDC charges etc. as may be applicable. The Usage Charges for contracted capacity shall be payable from the date of commissioning of the project or the part capacity as the case may be. The parties acknowledge and accept that Usage Charges has been determined in accordance with CPSU Scheme of the Government of India to assist the development of solar projects and usage of the energy generated by the Government/Government Entities, with Government of India providing VGF support.

6.2 The Usage Charges payable in terms of this Agreement to NTPC REL shall be the consolidated consideration for the services of NTPC REL for establishing the Solar PV Station or part capacity thereof and offering the energy at the Interconnection Point/ Metering Point/ Delivery Point. All cost and expenses from and beyond the Interconnection Point/ Metering Point/ Delivery Point, shall be entirely to the account of the Distribution Licensee.

6.3 NTPC REL shall be entitled to draw at its discretion the auxiliary power requirements from the grid as per applicable grid code and regulations or to arrange for the same independently, through a bilateral agreement or otherwise, as the case may be.

6.4 Taxes, Levies, Duties, Royalty, Cess etc.:

Any tax/levy/duty/Royalty/Cess etc., as and when levied by any Government/Statutory body/Authority, shall be borne and additionally paid by the Distribution Licensee to NTPC


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REL from the effective date of such taxes, levies, duties, royalty, cess etc.

7.0 BILLING AND PAYMENT:

7.1 BILLING:

7.1.1 The Usage Charges for Energy made available in the preceding month under this Agreement shall be provisionally billed by NTPC REL on first day of the every month as per the Usage Charges mentioned at Article 6 above and the same shall be paid by Distribution Licensee in accordance with the following provisions:

7.1.2 NTPC REL shall issue the final monthly bill for Energy made available to Distribution Licensee from the Solar PV Station for the previous month, based on JMR/Energy Account issued by any Competent Authority. The Monthly Bill issued by NTPC REL shall include the following

- i) Provisional Bill for solar power supplied in the Month;
- ii) Adjustments against the Provisional Bill(s) based on Energy Accounts for Power Supplied in the preceding month(s);
- iii) Any other adjustments to cover changes in tariff of NTPC REL Power, open access related charges and any other prior-period adjustments;
- iv) Late Payment Surcharge, if any; and
- v) Taxes, Duties, Levies etc. as applicable.

7.1.3 Billing Centre of NTPC REL shall carry out billing and associated functions. NTPC REL would submit the bills to the officer nominated by Distribution Licensee.

7.1.4 The Distribution Licensee shall arrange payment of such Monthly Bill/ Supplementary Bill(s) at the designated account of NTPC REL through Electronic Transfer. The date on which the amount stands credited in the bank account of NTPC REL shall be considered as the date of payment for rebate or late payment surcharge in respect of such payment. The bill(s) of NTPC REL shall be paid in full subject to the condition that:

- i) there is no apparent arithmetical error in the bill(s)
- ii) the bill(s) is/are claimed as per the Usage Charges


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- 7.1.5 All payments made by Distribution Licensee, shall be appropriated by NTPC REL for amounts due from them in the following order of priority:
- towards Late Payment Surcharge, payable if any;
 - towards earlier unpaid usage charges starting from the longest overdue bill (s), if any;
 - towards the statutory dues like income tax, other tax, royalty etc. in the current bill (s); and
 - towards the other charges in current Monthly Bill.

7.1.6 In case the Distribution Licensee disputes any amount, even then, the Distribution Licensee shall pay the entire undisputed amount and further, 95% of the disputed amount by the Due Date and file a written objection with NTPC REL within 30 days of presentation of the bill, giving following particulars:

- Item disputed, with full details/data and reasons of dispute
- Amount disputed against each item.

Provided that non-acceptance of Usage Charges shall not be a valid ground for dispute.

7.1.7 The amount of excess/shortfall with respect to the said 95% payment based on finally determined amount in line with Article 8 shall be paid / adjusted with the applicable late payment surcharge rate from the date on which the amount in dispute was payable / refundable.

7.2 REBATE:

For payment of any Bill on or before Due Date, Distribution Licensee shall be allowed a rebate provided valid LC of requisite value as per Article 7.4 is established by Distribution Licensee/End User in favour of NTPC REL.

- A Rebate of 1.5 % shall be payable to Distribution Licensee for the payments made within a period of five (5) days of the presentation of Bill.
- Any payments made after five (5) days of the date of presentation of bill up to the 30th day shall be allowed a rebate of 1%.
- No Rebate shall be payable on the Bills raised on account of Change in Law relating to taxes, duties, cess etc. and Late Payment Surcharge.


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7.3 LATE PAYMENT SURCHARGE:

- 7.3.1 Late Payment Surcharge shall be payable on the payment outstanding after the due date at the base rate of Late Payment Surcharge applicable for the period for the first month of default.
- 7.3.2 The rate of Late Payment Surcharge for the successive months of default shall increase by 0.5 percent 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:

Provided further that all Payments shall be first adjusted towards Late Payment Surcharge and thereafter, towards monthly charges, starting from the longest overdue bill.

Further, if the Distribution Licensee has any payment including Late Payment Surcharge outstanding against a bill after the expiry of seven months from the due date of the bill, it shall be debarred from procuring power from power exchange or grant of short term open access till such bill is paid in terms of Electricity (Late Payment Surcharge) Rules, 2021 and as amended from time to time .

7.4 ESTABLISHMENT OF LETTER OF CREDIT (LC) AND PAYMENT SECURITY MECHANISM:

- 7.4.1 The Distribution Licensee shall arrange and establish an irrevocable unconditional monthly revolving Letter of Credit (LC) of requisite value in favour of NTPC REL with a public sector / scheduled commercial bank (as per list supplied by NTPC REL) at least one month prior to the commencement of Energy supply from the first Module of the Solar PV Station in the format attached as Annexure B.
- 7.4.2 The LC shall cover 105% of the one month's billing in respect of Energy supplied from the Solar PV Station to the Distribution Licensee.
- 7.4.3 The LC shall be established for a minimum period of one year. The Distribution Licensee shall ensure that LC remains valid at all times during the entire/extended validity of this Agreement. LC shall be renewed not later than 90 days prior to expiry of existing LC. LC must specify the manner and dates when bill(s) can be presented to Bank by NTPC REL. The bills so presented by NTPC REL to the Bank shall be paid on their presentation as per form attached as Annexure B.
- 7.4.4 All costs and charges relating to opening and maintenance and negotiation of LC shall be borne by Distribution Licensee.


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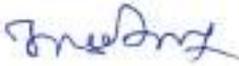

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- 7.4.5 In case of drawal of the LC amount by NTPC REL in accordance with the terms of this Article, the amount of LC shall be reinstated automatically not later than 7 days from such drawal. The Distribution Licensee shall arrange to furnish to NTPC REL a certificate to this effect from Bank(s) providing LC. In the event LC is not reinstated within 7 days, NTPC REL reserves the right to implement Regulation of Power Supply as per Article 7.6.
- 7.4.6 The Distribution Licensee agrees to ensure that the successor entities of the Distribution Licensee are duly notified of the above arrangements with NTPC REL and shall be bound by the terms of this Agreement as if they are parties to this Agreement.
- 7.4.7 The Advisory charges during LC negotiation are to be charged to the account of end user and the documents to be presented by Distribution Licensee shall also include a SIGHT DRAFT for 100% of invoice value.

7.5 REGULATION OF POWER:

- 7.5.1 Notwithstanding the obligations of Distribution Licensee to pay all the dues as per this Agreement, in the event of default in opening/reinstatement of LC of requisite amount as per Article 7.4 in favour of NTPC REL or non-payment of bills beyond a period of 45 days of the billing, NTPC shall be entitled to treat the same as a material breach of the Agreement on the part of the Distribution Licensee and for such defaults regulate the supply of power to any other Distribution Licensee or End User, without in any manner affecting the continued obligation of the Distribution Licensee to pay the Usage Charges .
- 7.5.2 In case of default in payment of Usage Charges beyond a period of 45 (Forty-five) days of billing, if regulated, NTPC shall have the right to divert part or full allocated capacity from Solar PV Station to other Distribution Licensee or End User(s) who are qualified to take such Power under the CPSU Scheme. In case of regulation/diversion of Solar PV power, the Distribution Licensee shall continue to be liable to pay the Usage Charges equivalent to average monthly billing of last twelve months.


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8 AMICABLE SETTLEMENT AND DISPUTE RESOLUTION:

8.1 Amicable Settlement

- (i) Either Party is entitled to raise any claim, dispute or difference of whatever nature arising under, out of or in connection with this Agreement ("Dispute") by giving a written notice (Dispute Notice) to the other Party, which shall contain:
- (a) a description of the Dispute;
 - (b) the grounds for such Dispute; and
 - (c) all written material in support of its claim.
- (ii) The other Party shall, within thirty (30) days of issue of Dispute Notice issued under Article (i), furnish:
- (a) counter-claim and defenses, if any, regarding the Dispute; and
 - (b) all written material in support of its defenses and counter-claim.
- (iii) Within thirty (30) days of issue of Dispute Notice by any Party pursuant to Article 8.1(i) if the other Party does not furnish any counter claim or defense under Article 8.1(ii) or thirty (30) days from the date of furnishing counter claims or defense by the other Party, both the Parties to the Dispute shall meet to settle such Dispute amicably. If the Parties fail to resolve the Dispute amicably within thirty (30) days from the later of the dates mentioned in this Article, the Dispute shall be referred for dispute resolution in accordance with Article 8.2.

8.2 Dispute Resolution

In the event that the parties are unable to resolve any dispute, controversy or claim relating to or arising under this Agreement, as stated above, the same shall be dealt with as per the provisions of the Electricity Act, 2003, i.e. shall be adjudicated by the Central Electricity Regulatory Commission under section 79(1)(f) of the Electricity Act, 2003.

9.0 FORCE MAJEURE

- 9.1 Neither party shall be liable for any claim for any loss or damage whatsoever arising out of failure to carry out the terms of the Agreement to the extent that such a failure is due to Force Majeure Events such as war, rebellion, mutiny, civil commotion, riot, forces of nature, accident, act of God or terrorism or any other reason beyond the control of concerned party. Any party claiming the benefit of this clause shall reasonably satisfy the


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other party of the existence of such an event and give written notice within a reasonable time to the other party to this effect. Generation/ Usage of power shall be started as soon as practicable by the parties concerned after such eventuality has come to an end or ceased to exist.

10 CHANGE IN LAW

10.1 "Change in Law" shall mean the occurrence of any of the following events after the last date of bid submission (i.e. 31.08.2021), resulting into any additional recurring/ non-recurring expenditure by the NTPC REL or any income to the NTPC REL:

- a. the enactment, coming into effect, adoption, promulgation, amendment, modification or repeal (without re-enactment or consolidation) in India, of any Law, including rules and regulations framed pursuant to such Law;
- b. a change in the interpretation or application of any Law by any Indian Governmental Instrumentality having the legal power to interpret or apply such Law, or any Competent Court of Law;
- c. the imposition of a requirement for obtaining any Consents, Clearances, Permits and/or licenses which was not required earlier;
- d. a change in the terms and conditions prescribed for obtaining any Consents, Clearances and Permits or the inclusion of any new terms or conditions for obtaining such Consents, Clearances and Permits; except due to any default of the NTPC REL;
- e. any statutory change in tax structure or any change in the rates of any taxes or introduction of any new tax made applicable for setting up of Solar Power Project and supply of power by the NTPC REL to the Distribution Licensee.

10.2 Further, "Change in Law" shall also mean any statutory change in tax structure or introduction of any new tax made applicable for setting up of Solar Power Project and generation of energy including change in any additional duties under Customs like Anti-Dumping Duty, Countervailing duty on subsidised articles, Safeguard duty etc. and any other taxes including GST, levies, cess etc. applicable on such additional duties resulting into any additional recurring/non-recurring expenditure by the NTPC REL or any income to the NTPC REL.



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11.0 RELIEF FOR CHANGE IN LAW

- 11.1 NTPC REL shall be required to approach the Central Commission for seeking approval of Change in Law.
- 11.2 The decision of the Central Commission to acknowledge a Change in Law and the date from which it will become effective, provide relief for the same, shall be final and governing on NTPC REL and the Distribution Licensee.
- 11.3 While determining the consequence of Change in Law under Article 11, the Parties shall have due regard to the principle that the purpose of compensating the Party affected by such Change in Law, is to restore through Monthly Usage Charge payments, to the extent contemplated in this Article 11, the affected Party to the same economic position as if such Change in Law has not occurred.

12.0 IMPLEMENTATION OF THE AGREEMENT:

All discretions to be exercised and directions, approvals, consents and notices to be given and actions to be taken under these presents, unless otherwise expressly provided herein, shall be exercised and given by the signatories to this Agreement or by the authorised representative(s) that each party may nominate in this behalf and notify in writing to the other party by Registered Post. Any other nomination of authorised representative(s) shall be informed likewise in writing to/by Distribution Licensee within one month of signing of the Agreement. Notwithstanding any nomination, the CEO NTPC REL, SCOPE Complex, 7, Institutional Area, Lodhi Road, South Delhi, Delhi, India 110003- or their authorised representative(s) at its Registered Office first above mentioned shall be authorised to act severally for and on behalf of NTPC REL.

13.0 NOTICE:

All notices required or referred to under this Agreement shall be in writing and signed by the respective authorised signatories of the parties mentioned herein above, unless otherwise notified. Each such notice shall be deemed to have been duly given if delivered or served by registered mail/speed post of Department of Posts with an acknowledgement due to the other parties in terms of implementation of the agreement at Article 12 above.

14.0 EFFECTIVE DATE AND DURATION OF AGREEMENT:

The agreement shall come into effect for all purposes and intent from the date of signing of this Agreement. This agreement shall remain operative up to completion of twenty five


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(25) years from the date of declaration of Commercial Operation (COD) /Schedule Commissioning Date whichever is later of the Solar PV Station and may be extended on mutually agreed terms for further period or periods.

15.0 SUCCESSORS AND PERMITTED ASSIGNS:

15.1 In case the functions of Distribution Licensee are reorganised and/or this Agreement is assigned to other organisation(s)/ agency(ies), partly or wholly, the Agreement shall be binding mutatis mutandis upon the successor entities and shall continue to remain valid with respect to the obligations of the successor organisation(s)/agency(ies)/entities provided that the successor Administrators/organisation(s)/agency(ies) is/are owned or controlled by Government of India or the State Government.

15.2 If the successor entity is owned and controlled by GoI or any State Government such successor entity(ies) who fulfil the initial requirements as defined in aforesaid CPSU Scheme and execute the requisite documents shall be termed as the permitted assigns.

15.3 In other cases, NTPC REL shall have the right to terminate this Agreement. In the event of termination of this Agreement, Distribution Licensee shall be liable and continue to pay Usage Charges equivalent to average monthly billing of last twelve months till firm arrangement for transfer of title of power from Solar PV Station is tied up firmly with alternate Distribution Licensee or End User.

15.4 The Distribution Licensee shall be responsible to ensure due fulfillment of the obligations by the End User in terms of this Agreement or under the CPSU Scheme.

IN WITNESS WHEREOF the parties have executed these presents through their Authorised Representatives on the date mentioned above.

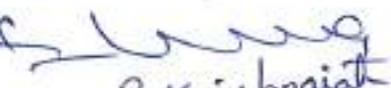
For and on behalf of NTPC REL Ltd

For and on behalf of Distribution Licensee

Name and Designation


SUNIT KUMAR
अधीन महाप्रबन्धक (वाणिज्यिक)
Asst. General Manager (Commercial)
एनपीसी नवीकरणीय ऊर्जा लिमिटेड
NTPC Renewable Energy Limited

Name and Designation

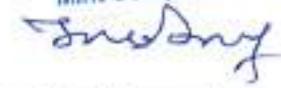

P. K. Kishnaiah
CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 8-1-50,
Mint Compound, Hyd-500 063

Witness

(1) K. Hema
SE/2PC

3) Patanjali Dixit
Sr. Manager (Commercial)
SRHQ - Hyderabad
NTPC Ltd.

2) Eshwardas
DE/IPC/corp.office


T. Madhusudhan.,
Chief General Manager,
IPC & RAC, TSNPDCL,
Machilipatnam

Annexure A

“Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme) for setting up 12,000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/Government entities, either directly or through Distribution Companies (DISCOMS)”: CPSU Scheme


SUNIT KUMAR
अधीक्षक (वाणिज्यिक)
Addl. General Manager (Commercial)
एनटीपीसी नवीकरणीय ऊर्जा लिमिटेड
NTPC Renewable Energy Limited





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Corporate Office, 6-1-59,
Mint Compound, Hyd-500 063

Payment Security Mechanism: Letter of Credit

Distribution Licensee has to furnish Letter of Credit in the following Format.

LC FORMAT

[End User i.e. Applicant Bank with Address]

TEL NO:
FAX
SWIFT NO:
CODE:
PIN CODE:

[NTPC REL bank i.e. Beneficiary Bank with Address]
XX/XX/XXXX

Date:

[name of Distribution Licensee with Address]

Dear Sir(s)

Sub: Letter of Credit No. XXXXXXXXXXXXXXXXXXXX

For INR XXXXXXXXX.XX EXW favouring M/s XXXXXXXXXXXX [End User with Address]

We have arranged to establish the above Credit with [End User with Address] today.

We enclose a copy of the above Credit. Please ensure that the credit has been established in conformity with your instructions. If any errors or omissions are found therein, please note to advise us immediately to enable us to issue necessary advice.

Yours Faithfully,

Authorized Signatory.


सुनित कुमार / SUNIT KUMAR
अधर महाप्रबन्धक (वाणिज्यिक)
Addl. General Manager (Commercial)
एनटीसी नवीकरणीय ऊर्जा लिमिटेड
NTPC Renewable Energy Limited





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- B1: Outgoing SWIFT 11 Header 1
- B2: Receiver's BIC Code
- 27: Sequence of Total
- 40A: Form of Documentary Credit : IRREVOCABLE
- 20: Documentary Credit Number
- 31C: Date of Issue
- 31D: Date and Place of Expiry
- 51D: Application Bank (Full Address)
- 50: Applicant [Distribution Licensee with Address]
- 59: Beneficiary
NTPC RENEWABLE ENERGY LIMITED,
NTPC BHAWAN, SCOPE COMPLEX,
7 INSTITUTIONAL AREA,
LODHI ROAD, NEW DELHI-110 003 (INDIA)
- 32B: Currency Code, Amount: INR
- 41D: Available With. Beneficiary Bank with Address By NEGOTIATION
- 42C: Drafts at.....
- 42D: Drawee [Applicant Bank with Address]
- 43P: Partial Shipments : ALLOWED
- 43T: Transshipment : PROHIBITED
- 44A: Place of Taking in Charge/ Dispatch from:
NTPC RENEWABLE ENERGY LIMITED,
NTPC BHAWAN, SCOPE COMPLEX,
7 INSTITUTIONAL AREA,
LODHI ROAD, NEW DELHI-110 003 (INDIA)
- 44B: Place of Final Destination/ For Transport :[Name of Distribution Licensee with Address]
- 44C: Latest Date of Shipment
- 45A: Description of Goods and/or Services : INCOTERMS: EXW
SOLAR P PV OWER, ELECTRICAL ENERGY IN Mus BY NTPC REL LTD.
UNDER CPSU SCHEME.


सुनित कुमार SUNIT KUMAR
अपर महाप्रबन्धक (वाणिज्यिक)
Addl. General Manager (Commercial)
एनटीपीसी नवीकरणीय ऊर्जा लिमिटेड
NTPC Renewable Energy Limited




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46A: Document Required

IN THE EVENT OF FAILURE ON THE PART OF [Distribution Licensee] TO PAY A MONTHLY BILL OR SUPPLEMENTARY BILL OR

PART THEREOF WITHIN AND INCLUDING THE DUE DATE, BENEFICIARY MAY DRAW UPON THE LETTER OF CREDIT AND ACCORDINGLY, THE BANK SHALL PAY WITHOUT ANY REFERENCE OR

INSTRUCTIONS FROM [End User], AN AMOUNT EQUAL TO SUCH MONTHLY BILL OR

SUPPLEMENTARY BILL OR PART THEREOF, ON PRESENTATION THE FOLLOWING DOCUMENTS TO THE SCHEDULED BANK (WHO HAS ISSUED THE LETTER OF CREDIT):

I. THREE (3 COPIES) OF SIGNED DETAILED COMMERCIAL INVOICE CLEARLY SPECIFYING THE RATES, QUANTITY IN KWH SUPPLIED DURING THE MONTH AND DUE DATE FOR THE BILLING PERIOD.

II. NTPC REL Certificate REGARDING POWER SUPPLIED TO [Distribution Licensee]. CERTIFICATE REGARDING NON-PAYMENT OF BILL BY [Distribution Licensee] BEYOND DUE DATE.

III. CERTIFICATE FROM THE NTPC REL TO THE EFFECT THAT THE BILL AT ITEM (A) ABOVE OR SPECIFIED PART THEREOF, IS IN ACCORDANCE WITH THE AGREEMENT.

47A: Additional Conditions:

1. THE SAID LETTER OF CREDIT SHALL HAVE A TERM OF TWELVE (12) MONTHS.

2. THE LC AMOUNT SHALL BE INDIAN RUPEES RS. XXX.XX CRORES AND MAXIMUM REVOLVING SHALL BE LIMITED TO RS. XXX.XX CRORES. THE AMOUNT NEGOTIATED UNDER THIS SBLC WILL BE REINSTATED TO ITS ORIGINAL VALUE UPON FUNDING OR PRIOR WITHDRAWALS BY THE COMPANY, [Distribution Licensee] IF ANY.

3. ALL COSTS RELATING TO APPLICANT BANK CHARGES TO BE BORNE BY END USER AND BENEFICIARY BANK CHARGES TO BE BORNE BY NTPC REL LTD.


सुनित कुमार / SUNIT KUMAR
अपर महाप्रबन्धक (वाणिज्यिक)
Asst. General Manager (Commercial)
नवीकरणीय ऊर्जा लिमिटेड
Renewable Energy Limited




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4. BENEFICIARY SHALL NOT DRAW UPON SUCH LETTER OF CREDIT PRIOR TO DUE DATE OF THE RELEVANT MONTHLY BILLS, AND/OR SUPPLEMENTARY BILL AND SHALL NOT MAKE MORE THAN ONE DRAW IN A MONTH.

5. ALL DOCUMENTS MUST BEAR LC NO. AND DATE.

- 71B: Charges: ALL YOUR BANKING CHARGES TO APPLICANT'S ACCOUNT
- 49: Confirmation Instructions: WITHOUT Sender to Receiver Information
- 72: Sender to Receiver Information
- 39A: Percentage Credit Amount Tolerance: 00/00
- 48: Period for Presentation: AFTER 45 DAYS FROM THE DATE OF INVOICE.
- 57D: "Advise through" Bank: [Beneficiary Bank with Address]
- 40E: Applicable Rules: UCP LATEST VERSION


सुनित कुमार / SUNIT KUMAR
अध्यक्ष महाप्रबन्धक (वाणिज्यिक)
Addl. General Manager (Commercial)
एनटीपीसी नवीकरणीय ऊर्जा लिमिटेड
NTPC Renewable Energy Limited




CHIEF GENERAL MANAGER
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Mint Compound, Hyd-500 063

POWER USAGE AGREEMENT

BETWEEN

NTPC LIMITED

AND

Southern Power Distribution Company of Telangana Limited

&

Northern Power Distribution Company of Telangana Limited

For

Supply of 245MW Solar Power

From

NTPC SOLAR PV STATION OF 245 MW (Nokh-1)

at Nokh Solar Park, Rajasthan


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తెలంగాణ తేలంగానా TELANGANA

Sl. No: 17651, Dt: 03/12/2021
SOLD TO: V V Sivakumar
Sl. No, No: V. Tyagaraju
FOR WHOM: NTPC Ltd

D.V. Sarat Kumar
AE 760848

D.V. SARAT KUMAR
LICENCED STAMP VENDOR
Lic. No 15-11-028/2014
Ren No 15-11-004/2022
H No 2-22-259/C/003, Manikanta Apts.,
Bhagyanagar Colony, Opp. KPHB Kukulbally,
Medchal-Malkajgiri Dist. Cell: 966 666 2490

This POWER USAGE AGREEMENT hereinafter called the "Agreement" entered into at Hyderabad on the 7th day of December Two Thousand Twenty One (07.12.2021) between **NTPC Limited**, a Government of India Undertaking and a Company incorporated under the Companies Act, 1956 having its registered office at NTPC Bhawan, Core 7, SCOPE Complex, 7, Institutional Area, Lodhi Road, New Delhi -110003 (hereinafter referred to as 'NTPC') which expression shall, unless repugnant to the context or meaning thereof include its successors and Permitted Assignees as party of the One Part;

And

Southern Power Distribution Company of Telangana & Northern Power Distribution Company of Telangana Limited, Companies incorporated under the Companies Act, 1956 or Companies Act, 2013, as the case may be, having its Head Office at Hyderabad & Warangal and being a Licensee under the Electricity Act, 2003 (hereinafter referred to as 'Distribution Licensee' or TSDISCOMs) which expression shall, unless repugnant to the context or meaning thereof

[Signature]
CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 5-1-50,
Mint Compound, Hyd-500 053



include its successors and Permitted Assignees as party of the Other Part.

Each of the parties of the first and second above is individually referred to as a "Party" and collectively as the "Parties".

WHEREAS

(A) The Ministry of New & Renewable Energy ('MNRE') , on 5.03.2019, has issued the "Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme) for setting up 12,000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/Government entities, either directly or through Distribution Companies (DISCOMS)", as amended from time to time (hereinafter referred to as 'CPSU Scheme') A copy of the CPSU Scheme is attached as Annexure A and may be read as an integral part of this Power Usage Agreement;

(B) The purpose of the CPSU Scheme is inter-alia, to facilitate national energy security and environmental sustainability through use of domestically manufactured solar PV cells and modules and for use of such power generated from solar energy sources by Government/ Government Entities, namely that the solar power projects shall be set up by Central Public Sector Undertaking and the end use of electricity shall also be by the Government/ Government Entities, sourced either directly or through Distribution Licensee where the end user's facilities are situated.

(C) CPSU Scheme dated 05.03.2019 provides that SECI shall handle the scheme on behalf of MNRE including conducting bidding on VGF basis, amongst Government Producers;

(D) Ministry of New and Renewable Energy (MNRE), Government of India vide Office Memorandum dated 13.04.2020 has identified Indian Renewable Energy Development Agency Ltd., (IREDA) as the Nodal Agency for handling the CPSU Scheme on behalf of MNRE.;

(E) On 29.01.2021, IREDA issued the RfS document being **RfS No 23016/1/2020-IREDA/RfS/5000 MW/ 012021** for Selection of Solar Power Developers for Setting up of 5,000 MW Grid Connected Solar PV Power Projects in India (Tranche-III) under Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme)

(F) NTPC Limited has been declared as a successful bidder under the RfS No 23016/1/2020-


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IREDA/RIS/5000 MW/012021 dated 29.01.2021 issued by IREDA for development of 1990 MW Solar Photovoltaic Power Project.

(G) In pursuance to the above, IREDA has issued the Letter of Award [LoA No 23016/1/2020-IREDA/RfS/5000 MW/012021/960] dated 04.10.2021 to NTPC for development of a Solar PV Power Project of 1990 MW and to make available the quantum of electricity for the end use of the electrical energy by the Government/Government Entities through the Distribution Licensee;

(H) NTPC is a Government Producer within the scope of the CPSU Scheme being a Generating Company within the meaning of Section 2(28) of the Electricity Act, 2003 and a Government of India Enterprise, with more than 50% of its shareholding being owned and controlled by the Central Government. Further as per the provisions of the Rfs 245 MW Solar Photovoltaic Power Project named as NTPC Nokh-1 Solar PV Station at Village Nokh, Tehsil Pokran, District Jaisalmer, Rajasthan (herein after referred to as 'Solar PV Station' and generally referred to as 'Station') is being executed by NTPC;

(I) End User is also an entity owned and controlled by Government of Telangana and qualifies under CPSU Scheme;

(J) The Distribution Licensee is desirous of using power produced from NTPC 245 MW Nokh-1 Solar PV Station and NTPC is willing to offer the solar power from the aforesaid Solar PV Station of NTPC restricted to the end use by Government/Government Entities, as per the terms and conditions of the CPSU Scheme notified by the MNRE, Government of India as amended from time to time and as per the terms and conditions contained in this Power Usage Agreement.

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND MUTUAL AGREEMENTS, COVENANTS AND CONDITIONS SET FORTH HEREIN, IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS:

1.0 DEFINITIONS

1.1 The words or expressions used in this Agreement but not defined hereunder shall have the same meaning assigned to them by the Electricity Act, 2003 as amended from time to time, the Rules framed there under and Regulations issued by the Central Electricity Regulatory


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Commission from time to time.

1.2 The words or expressions mentioned below shall have the meanings respectively as assigned hereunder, unless the context otherwise requires:

i)	Act	shall mean the Electricity Act, 2003 and include any modifications, amendments and substitutions from time to time;
ii)	Agreement	shall mean this Power Usage Agreement including the Articles, Schedules, amendments, modifications and supplements made in writing by the Parties to this Agreement from time to time;
iii)	Base rate of Late Payment Surcharge	means the marginal cost of funds based lending rate for one year of the State Bank of India, as applicable on the 1st April of the financial year in which the period lies, plus five percent and in the absence of marginal cost of funds based lending rate, any other arrangement that substitutes it, which the Central Government may, by notification, in the Official Gazette, specify. Provided that 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.
iv)	Billing Centre	shall mean the Office / Regional Headquarters (RHQ) as intimated by NTPC to Distribution Licensee from where the bills will be raised by NTPC;
v)	CEA	Central Electricity Authority;
vi)	CERC	Central Electricity Regulatory Commission;
vii)	Change in Law	shall have the meaning ascribed thereto in Article 10 of this Agreement;
viii)	Competent Court of Law	shall mean any court or tribunal or any judicial or quasi-judicial body in India that has jurisdiction to adjudicate upon issues relating to this Agreement;
ix)	COD/Commercial Operation Date	shall mean the date of commissioning of the last module of the Contracted Capacity of the solar PV Station. The same would be used for sole purpose of determining the life of the project.

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x)	Central Transmission Utility (CTU)	shall mean the Central Transmission Utility as defined in Section 2(10) read with Section 38 of the Electricity Act 2003
xi)	Commissioning	The capacity will be considered as commissioned based on self-declaration by the NTPC, when the modules and equipment as per such capacity have been installed, connected to grid at the Interconnection Point/Metering point/Delivery Point and energy has flown into the grid;
xii)	Capacity Utilization Factor (CUF)	shall have the same meaning as provided in Central Electricity Regulatory Commission (Terms and Conditions for Tariff determination from Renewable Energy Sources) Regulations, 2009 as amended from time to time. The CUF shall be calculated based on the annual energy injected and metered at the Delivery Point. In any Contract Year, if 'X' MWh of energy has been metered out at the Delivery Point for 'Y' MW Project capacity, $CUF = (X \text{ MWh} / (Y \text{ MW} * 8766)) \times 100\%$.
xiii)	Contracted Capacity	Shall mean the capacity, as set out in Article 2.1 of this Agreement
xiv)	Delivered energy	shall mean with respect to any billing month, the kWh of electrical energy delivered from Solar PV Station(s) to the Distribution Licensee at the Interconnection Point/Metering point/Delivery Point as measured by the energy meters at the Interconnection Point/Metering point/Delivery Point for any billing month;
xv)	Due date of payment	shall mean 45 days from the date of billing. In case payment of bill is delayed beyond a period of 45 days from the date of billing, Late payment Surcharge shall be payable from 46th day onwards for each day of delay
xvi)	Effective Date	shall mean the date of signing of this Agreement;


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xvii)	End User	shall mean the Government/Government Entity to whom the electricity is made available by the Distribution Licensee for end use
xviii)	Energy Account	shall mean periodic Energy Account issued by Regional/State Load Dispatch Centre as applicable including amendments thereof;
xix)	Force Majeure	shall have the meaning ascribed thereto in Article 9 of this Agreement;
xx)	GOI	shall mean Government of India;
xxi)	Government/ Government Entities	shall mean such of the Entities which are qualified to be the End User of electricity under the CPSU Scheme.
xxii)	Distribution Licensee	shall mean such of the Entities to whom a License is given or an exemption from License is provided including Deemed Licensees in terms of the provisions of the Electricity Act, 2003.
xxiii)	Guidelines	shall mean the "Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme) for setting up 12,000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/Government entities, either directly or through Distribution Companies (DISCOMS)" issued by the Ministry of New & Renewable Energy vide No. 302/4/2017-GRID SOLAR dated 05.03.2019 including subsequent amendments and clarifications thereof;
xxiv)	IEGC and/or State Grid Code	shall mean the Grid Code specified by the Central Commission under Clause (h) of sub-section (1) of Section 79 of The Electricity Act and/or the State Grid Code as specified by the Appropriate Commission, referred under Clause (h) of sub-section (1) of section 86 of The Electricity Act 2003, as applicable including any amendments thereof;
xxv)	Interconnection Point/Metering point/Delivery Point	Interface point of Solar PV Station with the transmission system developed by PGCIL at 765/400/220 kV GSS Bhadla-II ISTS substation in Rajasthan at 220 kV voltage level, where

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		usage energy meter(s) are installed;
xxvi)	LC	shall mean Irrevocable, Unconditional, Monthly Revolving Letter(s) of Credit of requisite value in terms of this Agreement by the Distribution Licensee or Government/Government Entity End User;
xxvii)	Main and Check Meter	shall mean meters for measurement and checking of import/export of energy on the Interconnection/Metering/Delivery point for Energy Accounting;
xxviii)	Monthly Bill	shall mean either a Monthly Bill /Supplementary Bill or a Monthly Invoice/ Supplementary Invoice raised by NTPC for payments due from Distribution Licensee to NTPC under this Agreement.
xxix)	Module	shall mean a minimum system of Solar PV Panels, Inverters, and associated evacuation System for generation and evacuation of minimum 1 MW AC Solar power up to the Interconnection Point/Metering point/Delivery point;
xxx)	Permitted Assigns	shall have the meaning as per Article 15 of this Agreement;
xxxi)	Schedule Commissioning Date or SCD of the project	Shall mean 01.11.2023.
xxxii)	Solar PV Station	shall mean the Solar PV Power Generating Station of installed capacity of 245 MW developed by NTPC at Village Nokh, Tehsil Pokran, Distt Jaisalmer State: Rajasthan
xxxiii)	Supplementary Bill	shall have meaning as defined under Article 7.1.3
xxxiv)	Usage Charges	shall have the meaning ascribed thereto in the Article 6.0 of this Agreement;

[Handwritten Signature]

CHIEF GENERAL MANAGER
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2.0 CAPACITY, SCHEDULED DATE OF COMMENCEMENT AND DELIVERY

- 2.1 The Installed capacity of the NTPC Nokh-1 Solar PV Station is 245 MW. The Contracted capacity of the Distribution Licensee in the NTPC Nokh-1 Solar PV Station shall be 245MW.
- 2.2 Scheduled Date of Commencement for supply of power from the Project on regular basis shall be 01.11.2023. NTPC shall be entitled to declare commissioning and commencement of generation from part of the capacity before SCD.
- 2.3 The duration of supply of power by NTPC to the Distribution Licensee for usage by End User under this agreement shall be for a period of 25 years from the SCD/actual COD whichever is later of the entire Solar PV Station.
- 2.4 As per the provisions of the CPSU Scheme, the energy generated and made available by NTPC to the Distribution Licensee from the Solar PV Station under this Agreement shall be entirely for the use of the End User for self-consumption only and no part of the energy shall be diverted or used for any other purposes.

3.0 TRANSMISSION/WHEELING OF ELECTRICITY:

- 3.1 The obligation of NTPC shall be to generate and make available the energy in regard to the contracted capacity at the Interconnection Point/ Metering Point/Delivery Point. The cost of building the transmission line from Solar PV plant to Inter-connection point / Metering point/ Delivery Point shall be borne by NTPC. NTPC shall obtain necessary approval for ISTS/STU connectivity from Solar PV plant till the Interconnection Point/ Metering Point/ Delivery Point. Any cost and associated expenses of arranging the energy to be delivered at the Interconnection Point/ Metering Point/ Delivery Point shall be borne by NTPC.
- 3.2 All clearances, charges etc. beyond the Interconnection Point/ Metering Point/ Delivery Point up to usage point of End User (i.e. ISTS/STU charges & losses, cross subsidy charges, RLDC and SLDC Fee, scheduling, generation forecasting fee etc.) shall be entirely in the scope, responsibility and to the account of the Distribution Licensee/End User, with all costs and charges being borne by the Distribution Licensee/End User. The Distribution Licensee shall also abide by the relevant CERC/SERC Regulations, Grid Code and Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006 as applicable, amended and revised from time to time;

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- 3.3 NTPC and the Distribution Licensee shall follow the forecasting and scheduling process as provided in the Applicable Regulations of the Appropriate Commission or the Competent Authority. The Clause 5.2(u) of the Indian Electricity Grid Code (IEGC), provides for status of “must-run” to solar power projects and accordingly, the Distribution Licensee shall be responsible to ensure and shall make arrangement for evacuation of power from Interconnection Point/ Metering Point/ Delivery Point the Delivered Energy without there being any backing down

In case of any eventuality of Backdown arises at any time after the commencement of generation, including for the reasons that the Distribution Licensee fails or is unable to maintain the LTA or there is non-dispatch of power due to non-compliance with “Order No. 23/22/2019-R&R dated 28.06.2019 of Ministry of Power regarding Opening and maintaining of adequate Letter of Credit (LC) as Payment Security Mechanism under Power Purchase Agreements by Distribution Licensees” or any such other similar order and any clarifications or amendment thereto , NTPC shall be entitled to be compensated by the Distribution Licensee for a Minimum Generation Compensation ,as under.

Duration of Back down	Provision for Generation Compensation
Hours of Back down during a monthly billing cycle.	<p>Minimum Generation Compensation = [(Average Generation per hour during the month) × (number of Back down hours during the month)] X PUA Usage Charges</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>

Provided that no such Generation Compensation shall be claimed by NTPC where the Backdown is forced at the directions of the Load Dispatch Centre on account of events like consideration of grid security or safety of any equipment or personnel.

- 3.4 The maximum Annual CUF against the contracted capacity (i.e. 245 MW) is 31.68% (680.38 MUs on Annual Basis) provisionally for the first year, subject to revision after one year of operation. The excess generation above the maximum Annual CUF shall be transferred to End User at 75% of the applicable Power Usage Charges.
- 3.5 After accounting for Deemed Generation as in Clause 3.4 above, if NTPC is unable to supply minimum 408.06 MUs on Annual basis (i.e. 19% Annual CUF), for the shortfall in

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energy, NTPC shall pay 25% of the applicable Power Usage Charges.

4.0 SCHEDULING, DESPATCH METERING AND ENERGY ACCOUNTING

4.1 SCHEDULING

- 4.1.1 The Scheduling and Dispatch of Energy from the Solar PV Station shall be as per the applicable Regulations and Codes notified by the Appropriate Commission.
- 4.1.2 The parties acknowledge, agree and confirm that the Solar PV Station shall be operated at all times as a MUST RUN Station and shall not be subjected to any backing down by the Distribution Licensee/End User.
- 4.1.3 NTPC shall operate the Solar PV Station as per the manufacturer's guidelines, grid operating standards and relevant statutory provisions, as applicable from time to time.
- 4.1.4 All charges/fees related to Forecasting, Scheduling and Dispatch of energy shall be borne by Distribution Licensee.

4.2 METERING

- 4.2.1 A set of Main and Check Meters of 0.2S accuracy class, as per CEA (Installation & operation of meters) Regulations 2006/IEGC as applicable, shall be installed by CTU/STU at Interconnection Point/ Metering Point/ Delivery Point. A standby meter shall also be installed at Interconnection Point/ Metering Point/ Delivery Point by CTU/STU. Distribution Licensee/ End User shall make all necessary arrangements for installation of meters of required accuracy and specifications, as per prevailing Regulations.
- 4.2.2 Main/ Check Meters shall be installed at 220 kV incoming feeder of PGCIL Bhadla-II GSS and Standby Meter at outgoing Feeder at the NTPC project site as a fall back arrangement.
- 4.2.3 The Main and Check Meters shall be checked jointly at the time of installation as per the CEA (Installation & Operation of Meters) Regulations 2006 as amended from time to time.
- 4.2.4 Data shall be downloaded from the meters at regular intervals as per provisions of applicable regulations /decided by NTPC and Distribution Licensee /End User for preparation of the Energy Account.
- 4.2.5 Regular cross checking and analysis of meter readings and meter failure or discrepancies shall be reckoned as per CEA (Installation & Operation of Meters) Regulations 2006 as amended from time to time. If the Main Meter or Check Meter is found to be not working at the time of meter readings or at any other time, NTPC/ Distribution Licensee shall inform each other of the same.
- 4.2.6 In case of failure of meters, energy accounting for the period shall be as per procedure laid


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down by CERC or as per the mutually agreed procedure. In case of absence of any such procedure, the following procedure shall be followed:

- In case of failure of Main Meter, readings of Check Meter for the corresponding period shall be considered for energy accounting.
- If both the Main and Check Meter(s) fail to record or if any of the PT fuses is blown out, energy shall be accounted based on standby meters.
- In case of dispute, resolution shall be as per provision of Article 8.

4.2.7 Periodic testing of both Main and Check Meters shall be carried out in the presence of representatives of NTPC and Distribution Licensee/End User as per procedure laid out in CEA (Installation & Operation of Meters) Regulations, 2006. For any testing and/ or replacement, notice of seven days will be given.

4.3 ENERGY ACCOUNTING

4.3.1 The scheduling and energy accounting of NTPC solar power shall be as per the provisions of the Grid Code.

4.3.2 Any change in the methodology of Energy Accounting shall be done as per mutually agreed decisions.

5.0 COMMISSIONING AND COMMERCIAL OPERATION DECLARATION OF SOLAR PV STATION OR PART CAPACITY THEREOF:

5.1 The Project, shall be declared commissioned based on self-declaration by the NTPC, when the required modules as per the required capacity have been installed, connected to the Grid and energy is injected into the Grid at the Interconnection Point/ Metering Point/ Delivery Point. The Distribution Licensee shall be intimated 7 days in advance regarding declaration of commissioning of the project.

5.2 There can be part commissioning of the project. Part commissioning of the project shall mean that all equipment corresponding to the part capacity have been installed and commissioned and energy has flown into the grid. 5.3 NTPC shall be permitted for full commissioning as well as part commissioning of the project even prior to Scheduled Commissioning Date (SCD). The Distribution Licensee shall purchase the energy from such early commissioned project/part commissioned at the 100% of the Usage Charges.


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5.4 Commercial Operation Declaration (COD) of the project shall be the date of commissioning of the last Module of the Contracted Capacity of the solar PV Station.

5.5 Dispatch

The Power User shall be required to maintain compliance to the applicable Grid Code and requirements & directions, if any, as specified by Appropriate Commission / CTU/ STU/ Discom or licensee or from any competent Authority as issued from time to time to maintain power evacuation system available.

6.0 USAGE CHARGES

- 6.1 The Usage Charges for the power made available by NTPC from Solar PV Station shall be payable by Distribution Licensee @ Rs 2.45 /kWh, which shall be exclusive of any other third-party charges like wheeling and transmission charges and losses, point of connection charges and losses, cross-subsidy surcharges, SLDC/RLDC charges etc. as may be applicable. The Usage Charges for contracted capacity shall be payable from the date of commissioning of the project or the part capacity as the case may be. The parties acknowledge and accept that Usage Charges has been determined in accordance with CPSU Scheme of the Government of India to assist the development of solar projects and usage of the energy generated by the Government/Government Entities, with Government of India providing VGF support.
- 6.2 The Usage Charges payable in terms of this Agreement to NTPC shall be the consolidated consideration for the services of NTPC for establishing the Solar PV Station or part capacity thereof and offering the energy at the Interconnection Point/ Metering Point/ Delivery Point. All cost and expenses from and beyond the Interconnection Point/ Metering Point/ Delivery Point, shall be entirely to the account of the Distribution Licensee.
- 6.3 NTPC shall be entitled to draw at its discretion the auxiliary power requirements from the grid as per applicable grid code and regulations or to arrange for the same independently, through a bilateral agreement or otherwise, as the case may be.
- 6.4 Taxes, Levies, Duties, Royalty, Cess etc.:
- Any tax/levy/duty/Royalty/Cess etc., as and when levied by any Government/Statutory body/Authority, shall be borne and additionally paid by the Distribution Licensee to NTPC


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from the effective date of such taxes, levies, duties, royalty, cess etc.

7.0 BILLING AND PAYMENT:

7.1 BILLING:

7.1.1 The Usage Charges for Energy made available in the preceding month under this Agreement shall be provisionally billed by NTPC on first day of the every month as per the Usage Charges mentioned at Article 6 above and the same shall be paid by Distribution Licensee in accordance with the following provisions:

7.1.2 NTPC shall issue the final monthly bill for Energy made available to Distribution Licensee from the Solar PV Station for the previous month, based on JMR/Energy Account issued by any Competent Authority. The Monthly Bill issued by NTPC shall include the following

- i) Provisional Bill for solar power supplied in the Month;
- ii) Adjustments against the Provisional Bill(s) based on Energy Accounts for Power Supplied in the preceding month(s);
- iii) Any other adjustments to cover changes in tariff of NTPC Power, open access related charges and any other prior-period adjustments;
- iv) Late Payment Surcharge, if any; and
- v) Taxes, Duties, Levies etc. as applicable.

7.1.3 Billing Centre of NTPC shall carry out billing and associated functions. NTPC would submit the bills to the officer nominated by Distribution Licensee.

7.1.4 The Distribution Licensee shall arrange payment of such Monthly Bill/ Supplementary Bill(s) at the designated account of NTPC through Electronic Transfer. The date on which the amount stands credited in the bank account of NTPC shall be considered as the date of payment for rebate or late payment surcharge in respect of such payment. The bill(s) of NTPC shall be paid in full subject to the condition that:

- i) there is no apparent arithmetical error in the bill(s)
- ii) the bill(s) is/are claimed as per the Usage Charges


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7.1.5 All payments made by Distribution Licensee, shall be appropriated by NTPC for amounts due from them in the following order of priority:

- i) towards Late Payment Surcharge, payable if any;
- ii) towards earlier unpaid usage charges starting from the longest overdue bill (s), if any;
- iii) towards the statutory dues like income tax, other tax, royalty etc. in the current bill (s); and
- iv) towards the other charges in current Monthly Bill.

7.1.6 In case the Distribution Licensee disputes any amount, even then, the Distribution Licensee shall pay the entire undisputed amount and further, 95% of the disputed amount by the Due Date and file a written objection with NTPC within 30 days of presentation of the bill, giving following particulars:

- i) Item disputed, with full details/data and reasons of dispute
- ii) Amount disputed against each item.

Provided that non-acceptance of Usage Charges shall not be a valid ground for dispute.

7.1.7 The amount of excess/shortfall with respect to the said 95% payment based on finally determined amount in line with Article 8 shall be paid / adjusted with the applicable late payment surcharge rate from the date on which the amount in dispute was payable / refundable.

7.2 REBATE:

For payment of any Bill on or before Due Date, Distribution Licensee shall be allowed a rebate provided valid LC of requisite value as per Article 7.4 is established by Distribution Licensee/End User in favour of NTPC.

a) A Rebate of 1.5 % shall be payable to Distribution Licensee for the payments made within a period of five (5) days of the presentation of Bill.

b) Any payments made after five (5) days of the date of presentation of bill up to the 30th day shall be allowed a rebate of 1%.

c) No Rebate shall be payable on the Bills raised on account of Change in Law relating to taxes, duties, cess etc. and Late Payment Surcharge.


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7.3 LATE PAYMENT SURCHARGE:

7.3.1 Late Payment Surcharge shall be payable on the payment outstanding after the due date at the base rate of Late Payment Surcharge applicable for the period for the first month of default.

7.3.2 The rate of Late Payment Surcharge for the successive months of default shall increase by 0.5 percent 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:

Provided further that all Payments shall be first adjusted towards Late Payment Surcharge and thereafter, towards monthly charges, starting from the longest overdue bill.

Further, if the Distribution Licensee has any payment including Late Payment Surcharge outstanding against a bill after the expiry of seven months from the due date of the bill, it shall be debarred from procuring power from power exchange or grant of short term open access till such bill is paid in terms of Electricity (Late Payment Surcharge) Rules, 2021 and as amended from time to time.

7.4 ESTABLISHMENT OF LETTER OF CREDIT (LC) AND PAYMENT SECURITY MECHANISM:

7.4.1 The Distribution Licensee shall arrange and establish an irrevocable unconditional monthly revolving Letter of Credit (LC) of requisite value in favour of NTPC with a public sector / scheduled commercial bank (as per list supplied by NTPC) at least one month prior to the commencement of Energy supply from the first Module of the Solar PV Station in the format attached as Annexure B.

7.4.2 The LC shall cover 105% of the one month's billing in respect of Energy supplied from the Solar PV Station to the Distribution Licensee.

7.4.3 The LC shall be established for a minimum period of one year. The Distribution Licensee shall ensure that LC remains valid at all times during the entire/extended validity of this Agreement. LC shall be renewed not later than 90 days prior to expiry of existing LC. LC must specify the manner and dates when bill(s) can be presented to Bank by NTPC. The bills so presented by NTPC to the Bank shall be paid on their presentation as per form attached as Annexure B.

7.4.4 All costs and charges relating to opening and maintenance and negotiation of LC shall be

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borne by Distribution Licensee.

- 7.4.5 In case of drawal of the LC amount by NTPC in accordance with the terms of this Article, the amount of LC shall be reinstated automatically not later than 7 days from such drawal. The Distribution Licenseeshall arrange to furnish to NTPC a certificate to this effect from Bank(s) providing LC. In the event LC is not reinstated within 7 days, NTPC reserves the right to implement Regulation of Power Supply as per Article 7.6.
- 7.4.6 The Distribution Licenseeagrees to ensure that the successor entities of the Distribution Licenseeare duly notified of the above arrangements with NTPC and shall be bound by the terms of this Agreement as if they are parties to this Agreement.
- 7.4.7 The Advisory charges during LC negotiation are to be charged to the account of end user and the documents to be presented by Distribution Licenseeshall also include a SIGHT DRAFT for 100% of invoice value.

7.5 Collateral Arrangement - State Government Guarantee

- 7.5.1 As a further support for the Distribution Licensee obligations, on or prior to the expiry of the Tripartite Agreement (TPA), the Distribution Licensee and NTPC shall execute Default Escrow Agreement (referred as "Default Escrow Agreement") for the establishment and operation of the Default Escrow Account in favour of NTPC, through which the revenues of the Distribution Licensee shall be routed and used as per the terms of the Default Escrow Agreement. The Distribution Licensee and NTPC shall contemporaneously with the execution of the Default Escrow Agreement enter into the Agreement to Hypothecate Cum Deed of Hypothecation, whereby the Distribution Licensee shall agree to hypothecate, Incremental Receivables to the extent as required for the Letter of Credit. The Default Escrow Agreement and the Agreement to Hypothecate Cum Deed of Hypothecation are collectively referred to as the "Collateral Arrangement". Provided that the Distribution Licensee shall ensure that NTPC shall have first ranking charge on the Receivables in accordance with the terms of the Agreement to Hypothecate Cum Deed of Hypothecation.
- 7.5.2 Distribution Licensee hereby agrees to provide an alternative payment security arrangement before expiry of the TPA or its extension either by efflux of time or otherwise on assignment of bulk purchase functions to a company not owned or controlled by Govt of Telangana in the form of Escrow Arrangement as a back up to the Letter of Credit. Under this arrangement an Escrow Account in favour of NTPC shall be


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established through which the Receivables of Distribution Licensee shall be routed as per the terms of Escrow Agreement. Distribution Licensee hereby agrees that NTPC will have first charge on Receivables of Distribution Licensee. However, such first ranking charge shall be on the amounts, in excess of amounts, which have already been charged or agreed to be charged prior to the date of the execution of this Agreement. Distribution Licensee agrees to enter into a separate 'Agreement to Hypothecate Cum Deed of Hypothecation' whereby, Distribution Licensee shall hypothecate Receivables to the extent required for Payment of dues of NTPC by Distribution Licensee including under this Agreement by creation of first charge in favour of NTPC. These Receivables shall be routed through Escrow Account for payment to NTPC in case of default in payments by Distribution Licensee. "Receivables" for this purpose shall mean all of the present and future receipts, obligations, monies, claims, bills and any other property whatsoever which may from time to time be derived from or accrue or be offered or due to the Distribution Licensee in respect of the sale by the Distribution Licensee to the consumers of electric capacity, energy and / or services or for any other reason whatsoever and all proceeds thereof.

7.5.3 The Escrow Agreement and Agreement to Hypothecate Cum Deed of Hypothecation shall be established by Distribution Licensee to the satisfaction of NTPC at least three months before the expiry of the TPA or any extension thereof either by efflux of time or otherwise on assignment of bulk purchase function to a company not owned by Govt of Telangana. In the event three months before expiry of TPA or its extension thereof, Distribution Licensee does not sign the 'Escrow Agreement' and 'Agreement to Hypothecate Cum Deed of Hypothecation' or Distribution Licensee creating any superior charge in favour of any other party on its Receivables, NTPC shall have the right to reallocate part or full contracted capacity of Distribution Licensee to Third Party(ies). In case of termination of this Agreement or reallocation of capacity due to reasons stated above, Distribution Licensee shall be liable to pay charges equivalent to average monthly billing of last twelve months for such capacity, till the capacity is reallocated.

Since the payments from Distribution Licensee are secured as per provisions of TPA, establishment of Escrow Arrangements is not being insisted upon by NTPC presently. Distribution Licensee and NTPC agree that this Agreement shall deemed to have created a legally binding first charge on Distribution Licensee, receivables in favour of NTPC.


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Accordingly, Distribution Licensee shall not create any encumbrance, charge, and lien or otherwise execute any instrument which in any way affects the first charge over the Receivables. While creating any subsequent charge on its Receivables or agreeing to provide Escrow cover or any other form of payment security to any other entities like energy supplier(s), banks, and financial institutions etc. during the interim period till signing of Escrow Agreement with NTPC, Distribution Licensee shall duly inform such energy supplier(s), banks, financial institutions etc. of the legally binding first charge on Distribution Licensee Receivables in favour of NTPC and the first charge of NTPC shall be in preference to any other charge that Distribution Licensee may create in favour of any other party.

7.5.4 Distribution Licensee agrees to ensure that the successor entities of Distribution Licensee are duly notified of the above arrangements with NTPC and shall be bound by the terms of this Agreement as if they are parties to this Agreement.

7.5.5 The Default Escrow would come into operation if,

- (i) The Letter of Credit is not recouped by the Distribution Licensee to its required value by the 7th day of its operation;
- (ii) NTPC is unable to draw on the Letter of Credit on the Due Date, if the Distribution Licensee fails to pay by the Due Date.
- (iii) Non-restoration of Escrow Arrangement by the 7th day of the Due Date.

7.5.6 In the event of the extension of Tri partite Agreement signed between Government of India (GOI), Government of Telangana and Reserve Bank of India (RBI) beyond the present validity date of TPA, it will not be mandatory for Distribution Licensee to execute the escrow arrangement till the validity of the extended Tripartite Agreement.

7.6 REGULATION OF POWER:

7.6.1 Notwithstanding the obligations of Distribution Licensee to pay all the dues as per this Agreement, in the event of default in opening/reinstatement of LC of requisite amount as per Article 7.4 in favour of NTPC or non-payment of bills beyond a period of 45 days of the billing, NTPC shall be entitled to treat the same as a material breach of the Agreement on the part of the Distribution Licensee and for such defaults regulate the supply of power to any other Distribution Licensee or End User, without in any manner affecting the continued


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obligation of the Distribution Licensee to pay the Usage Charges.

7.6.2 In case of default in payment of Usage Charges beyond a period of 45 (Forty-five) days of billing, if regulated, NTPC shall have the right to divert part or full allocated capacity from Solar PV Station to other Distribution Licensee or End User(s) who are qualified to take such Power under the CPSU Scheme. In case of regulation/diversion of Solar PV power, the Distribution Licensee shall continue to be liable to pay the Usage Charges equivalent to average monthly billing of last twelve months.

8 AMICABLE SETTLEMENT AND DISPUTE RESOLUTION:

8.1 Amicable Settlement

- (i) Either Party is entitled to raise any claim, dispute or difference of whatever nature arising under, out of or in connection with this Agreement ("Dispute") by giving a written notice (Dispute Notice) to the other Party, which shall contain:
 - (a) a description of the Dispute;
 - (b) the grounds for such Dispute; and
 - (c) all written material in support of its claim.
- (ii) The other Party shall, within thirty (30) days of issue of Dispute Notice issued under Article (i), furnish:
 - (a) counter-claim and defenses, if any, regarding the Dispute; and
 - (b) all written material in support of its defenses and counter-claim.
- (iii) Within thirty (30) days of issue of Dispute Notice by any Party pursuant to Article 8.1(i) if the other Party does not furnish any counter claim or defense under Article 8.1(ii) or thirty (30) days from the date of furnishing counter claims or defense by the other Party, both the Parties to the Dispute shall meet to settle such Dispute amicably. If the Parties fail to resolve the Dispute amicably within thirty (30) days from the later of the dates mentioned in this Article, the Dispute shall be referred for dispute resolution in accordance with Article 8.2.

8.2 Dispute Resolution

In the event that the parties are unable to resolve any dispute, controversy or claim relating to or arising under this Agreement, as stated above, the same shall be dealt with as per the provisions of the Electricity Act, 2003, i.e. shall be adjudicated by the Central Electricity


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Regulatory Commission under section 79(1)(f) of the Electricity Act, 2003.

9.0 FORCE MAJEURE

9.1 Neither party shall be liable for any claim for any loss or damage whatsoever arising out of failure to carry out the terms of the Agreement to the extent that such a failure is due to Force Majeure Events such as war, rebellion, mutiny, civil commotion, riot, forces of nature, accident, act of God or terrorism or any other reason beyond the control of concerned party. Any party claiming the benefit of this clause shall reasonably satisfy the other party of the existence of such an event and give written notice within a reasonable time to the other party to this effect. Generation/ Usage of power shall be started as soon as practicable by the parties concerned after such eventuality has come to an end or ceased to exist.

10 CHANGE IN LAW

10.1 "Change in Law" shall mean the occurrence of any of the following events after the last date of bid submission (i.e. 31.08.2021), resulting into any additional recurring/ non-recurring expenditure by the NTPC or any income to the NTPC:

- a. the enactment, coming into effect, adoption, promulgation, amendment, modification or repeal (without re-enactment or consolidation) in India, of any Law, including rules and regulations framed pursuant to such Law;
- b. a change in the interpretation or application of any Law by any Indian Governmental Instrumentality having the legal power to interpret or apply such Law, or any Competent Court of Law;
- c. the imposition of a requirement for obtaining any Consents, Clearances, Permits and/or licenses which was not required earlier;
- d. a change in the terms and conditions prescribed for obtaining any Consents, Clearances and Permits or the inclusion of any new terms or conditions for obtaining such Consents, Clearances and Permits; except due to any default of the NTPC;



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- e. any statutory change in tax structure or any change in the rates of any taxes or introduction of any new tax made applicable for setting up of Solar Power Project and supply of power by the NTPC to the Distribution Licensee.

10.2 Further, "Change in Law" shall also mean any statutory change in tax structure or introduction of any new tax made applicable for setting up of Solar Power Project and generation of energy including change in any additional duties under Customs like Anti-Dumping Duty, Countervailing duty on subsidised articles, Safeguard duty etc. and any other taxes including GST, levies, cess etc. applicable on such additional duties resulting into any additional recurring/non-recurring expenditure by the NTPC or any income to the NTPC.

11.0 RELIEF FOR CHANGE IN LAW

- 11.1 NTPC shall be required to approach the Central Commission for seeking approval of Change in Law.
- 11.2 The decision of the Central Commission to acknowledge a Change in Law and the date from which it will become effective, provide relief for the same, shall be final and governing on NTPC and the Distribution Licensee.
- 11.3 While determining the consequence of Change in Law under Article 11, the Parties shall have due regard to the principle that the purpose of compensating the Party affected by such Change in Law, is to restore through Monthly Usage Charge payments, to the extent contemplated in this Article 11, the affected Party to the same economic position as if such Change in Law has not occurred.

12.0 IMPLEMENTATION OF THE AGREEMENT:

All discretions to be exercised and directions, approvals, consents and notices to be given and actions to be taken under these presents, unless otherwise expressly provided herein, shall be exercised and given by the signatories to this Agreement or by the authorised representative(s) that each party may nominate in this behalf and notify in writing to the other party by Registered Post. Any other nomination of authorised representative(s) shall be informed likewise in writing to/by Distribution Licensee within one month of signing of the Agreement. Notwithstanding any nomination, the Regional Executive Director (South) NTPC Ltd., as well as Executive Director (Commercial), NTPC Ltd., Core 6, VIth Floor, SCOPE Complex, 7, Institutional Area, Lodhi Road, New Delhi-110003 or their authorised


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representative(s) at its Registered Office first above mentioned shall be authorised to act severally for and on behalf of NTPC.

13.0 NOTICE:

All notices required or referred to under this Agreement shall be in writing and signed by the respective authorised signatories of the parties mentioned herein above, unless otherwise notified. Each such notice shall be deemed to have been duly given if delivered or served by registered mail/speed post of Department of Posts with an acknowledgement due to the other parties in terms of implementation of the agreement at Article 12 above.

14.0 EFFECTIVE DATE AND DURATION OF AGREEMENT:

The agreement shall come into effect for all purposes and intent from the date of signing of this Agreement. This agreement shall remain operative up to completion of twenty five (25) years from the date of declaration of Commercial Operation (COD)/Schedule Commissioning Date whichever is later of the Solar PV Station and may be extended on mutually agreed terms for further period or periods.

15.0 SUCCESSORS AND PERMITTED ASSIGNS:

15.1 In case the functions of Distribution Licensee are reorganised and/or this Agreement is assigned to other organisation(s)/ agency(ies), partly or wholly, the Agreement shall be binding mutatis mutandis upon the successor entities and shall continue to remain valid with respect to the obligations of the successor organisation(s)/agency(ies)/entities provided that the successor Administrators/organisation(s)/agency(ies) is/are owned or controlled by Government of India or the State Government.

15.2 If the successor entity is owned and controlled by GoI or any State Government such successor entity(ies) who fulfil the initial requirements as defined in aforesaid CPSU Scheme and execute the requisite documents shall be termed as the permitted assigns.

15.3 In other cases, NTPC shall have the right to terminate this Agreement. In the event of termination of this Agreement, Distribution Licensee shall be liable and continue to pay Usage Charges equivalent to average monthly billing of last twelve months till firm arrangement for transfer of title of power from Solar PV Station is tied up firmly with

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alternate Distribution Licensee or End User.

15.4 The Distribution Licensee shall be responsible to ensure due fulfillment of the obligations by the End User in terms of this Agreement or under the CPSU Scheme.

IN WITNESS WHEREOF the parties have executed these presents through their Authorised Representatives on the date mentioned above.

For and on behalf of NTPC Ltd

(Signature)
Name and Designation
V.V. Sivakumar
Commercial
NTPC Limited
EOC NOIDA - 201301

Witness

1) K. Hema *(Signature)*
SE/2DC

2) M. ESKWARDAS *(Signature)*
DE (IPC) / Eshwardas
TSSPDCL

3) Patanjali Dixit *(Signature)*
Sr. Manager (Commercial)
SRHQ - Hyderabad
NTPC Ltd.

For and on behalf of Distribution Licensee

Name and Designation

(Signature)
P. Krishnaiah
CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-99,
Mint Compound, Hyd-500063
(Signature)

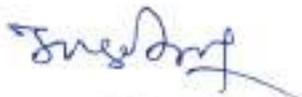
T. Madhusudhan,
Chief General Manager,
IPC & RAC, TSNPDCL,
Warangal

Annexure A

"Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme) for setting up 12,000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/Government entities, either directly or through Distribution Companies (DISCOMS)": CPSU Scheme



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Payment Security Mechanism: Letter of Credit

Distribution Licensee has to furnish Letter of Credit in the following Format.

LC FORMAT

[End User i.e. Applicant Bank with Address]

TEL NO:
FAX
SWIFT NO:
CODE:
PIN CODE:

[NTPC bank i.e. Beneficiary Bank with Address]
XX/XX/XXXX

Date:

[name of Distribution Licensee with Address]

Dear Sir(s)

Sub: Letter of Credit No. XXXXXXXXXXXXXXXXXXXX

For INR XXXXXXXXX.XX EXW favouring M/s XXXXXXXXXXXX [End User with Address]

We have arranged to establish the above Credit with [End User with Address] today.

We enclose a copy of the above Credit. Please ensure that the credit has been established in conformity with your instructions. If any errors or omissions are found therein, please note to advise us immediately to enable us to issue necessary advice.

Yours Faithfully,

Authorized Signatory.


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B1: Outgoing SWIFT 11 Header 1
B2: Receiver's BIC Code
27: Sequence of Total
40A: Form of Documentary Credit : IRREVOCABLE
20: Documentary Credit Number
31C: Date of Issue
31D: Date and Place of Expiry
51D: Application Bank (Full Address)
50: Applicant [Distribution Licensee with Address]
59: Beneficiary
NTPC LIMITED,
NTPC BHAWAN, SCOPE COMPLEX,
7 INSTITUTIONAL AREA,
LODHI ROAD, NEW DELHI-110 003 (INDIA)
32B: Currency Code, Amount: INR
41D: Available With. Beneficiary Bank with Address By NEGOTIATION
42C: Drafts at.....
42D: Drawee [Applicant Bank with Address]
43P: Partial Shipments : ALLOWED
43T: Transshipment : PROHIBITED
44A: Place of Taking in Charge/ Dispatch from.
NTPC LIMITED,
NTPC BHAWAN, SCOPE COMPLEX,
7 INSTITUTIONAL AREA,
LODHI ROAD, NEW DELHI-110 003 (INDIA)
44B: Place of Final Destination/ For Transport :[Name of Distribution Licensee with
Address]
44C: Latest Date of Shipment
45A: Description of Goods and/or Services : INCOTERMS: EXW
SOLAR P PV OWER, ELECTRICAL ENERGY IN Mus BY NTPC LTD. UNDER
CPSU SCHEME.


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46A: Document Required

IN THE EVENT OF FAILURE ON THE PART OF [Distribution Licensee] TO PAY A MONTHLY BILL OR SUPPLEMENTARY BILL OR

PART THEREOF WITHIN AND INCLUDING THE DUE DATE, BENEFICIARY MAY DRAW UPON THE LETTER OF CREDIT AND ACCORDINGLY, THE BANK SHALL PAY WITHOUT ANY REFERENCE OR

INSTRUCTIONS FROM [End User], AN AMOUNT EQUAL TO SUCH MONTHLY BILL OR

SUPPLEMENTARY BILL OR PART THEREOF, ON PRESENTATION THE FOLLOWING DOCUMENTS TO THE SCHEDULED BANK (WHO HAS ISSUED THE LETTER OF CREDIT):

- I. THREE (3 COPIES) OF SIGNED DETAILED COMMERCIAL INVOICE CLEARLY SPECIFYING THE RATES, QUANTITY IN KWH SUPPLIED DURING THE MONTH AND DUE DATE FOR THE BILLING PERIOD.
- II. NTPC Certificate REGARDING POWER SUPPLIED TO [Distribution Licensee]. CERTIFICATE REGARDING NON-PAYMENT OF BILL BY [Distribution Licensee] BEYOND DUE DATE.
- III. CERTIFICATE FROM THE NTPC Ltd TO THE EFFECT THAT THE BILL AT ITEM (A) ABOVE OR SPECIFIED PART THEREOF, IS IN ACCORDANCE WITH THE AGREEMENT.

47A: Additional Conditions:

1. THE SAID LETTER OF CREDIT SHALL HAVE A TERM OF TWELVE (12) MONTHS.
2. THE LC AMOUNT SHALL BE INDIAN RUPEES RS.XXX.XX CRORES AND MAXIMUM REVOLVING SHALL BE LIMITED TO RS. XXX.XX CRORES. THE AMOUNT NEGOTIATED UNDER THIS SBLC WILL BE REINSTATED TO ITS ORIGINAL VALUE UPON FUNDING OR PRIOR WITHDRAWALS BY THE COMPANY, [Distribution Licensee] IF ANY.
3. ALL COSTS RELATING TO APPLICANT BANK CHARGES TO BE BORNE BY END USER AND BENEFICIARY BANK CHARGES TO BE BORNE BY NTPC LTD.
4. BENEFICIARY SHALL NOT DRAW UPON SUCH LETTER OF CREDIT


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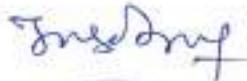
PRIOR TO
DUE DATE OF THE RELEVANT MONTHLY BILLS, AND/OR
SUPPLEMENTARY
BILL AND SHALL NOT MAKE MORE THAN ONE DRAW IN A MONTH.

5. ALL DOCUMENTS MUST BEAR LC NO. AND DATE.

- 71B: Charges: ALL YOUR BANKING CHARGES TO APPLICANT'S ACCOUNT
- 49: Confirmation Instructions : WITHOUT Sender to Receiver Information
- 72: Sender to Receiver Information
- 39A: Percentage Credit Amount Tolerance: 00/00
- 48: Period for Presentation: AFTER 45 DAYS FROM THE DATE OF INVOICE.
- 57D: "Advise through" Bank: [Beneficiary Bank with Address]
- 40E: Applicable Rules: UCP LATEST VERSION



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POWER USAGE AGREEMENT

BETWEEN

NTPC LIMITED

AND

Southern Power Distribution Company of Telangana Limited

&

Northern Power Distribution Company of Telangana Limited

For

Supply of 245MW Solar Power

From

NTPC SOLAR PV STATION OF 245 MW (Nokh-2)

at Nokh Solar Park, Rajasthan



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తెలంగాణ తేలంగానా TELANGANA

Sl. No: 7056
SOLD TO: V.V. Siva Kumar
Sl. No./Who: V. Jagaraj
FOR WHOM: NTPC Ltd


AE 760853

D.V. SARAT KUMAR
LICENCED STAMP VENDOR
Lic. No: 15-11-028/2014
Ren. No: 15-11-004/2022
H.No. 2-22-298/C-203, Manikanta Apts.,
Bhagyanagar Colony, Opp. KPHE Kukatpally,
Medchal-Malkajgiri Dist. Cel: 966 666 2490

This POWER USAGE AGREEMENT hereinafter called the "Agreement" entered into at Hyderabad on the 7th day of December Two Thousand Twenty One (07.12.2021) between **NTPC Limited**, a Government of India Undertaking and a Company incorporated under the Companies Act, 1956 having its registered office at NTPC Bhawan, Core 7, SCOPE Complex, 7, Institutional Area, Lodhi Road, New Delhi -110003 (hereinafter referred to as 'NTPC') which expression shall, unless repugnant to the context or meaning thereof include its successors and Permitted Assignees as party of the One Part;

And

Southern Power Distribution Company of Telangana & Northern Power Distribution Company of Telangana Limited, Companies incorporated under the Companies Act, 1956 or Companies Act, 2013, as the case may be, having its Head Office at Hyderabad & Warangal and being a Licensee under the Electricity Act, 2003 (hereinafter referred to as 'Distribution Licensee' or TSDISCOMs) which expression shall, unless repugnant to the context or meaning thereof


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include its successors and Permitted Assignees as party of the Other Part.

Each of the parties of the first and second above is individually referred to as a "Party" and collectively as the "Parties".

WHEREAS

(A) The Ministry of New & Renewable Energy ('MNRE') , on 5.03.2019, has issued the "Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme) for setting up 12,000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/Government entities, either directly or through Distribution Companies (DISCOMS)", as amended from time to time (hereinafter referred to as 'CPSU Scheme') A copy of the CPSU Scheme is attached as Annexure A and may be read as an integral part of this Power Usage Agreement;

(B) The purpose of the CPSU Scheme is inter-alia, to facilitate national energy security and environmental sustainability through use of domestically manufactured solar PV cells and modules and for use of such power generated from solar energy sources by Government/ Government Entities, namely that the solar power projects shall be set up by Central Public Sector Undertaking and the end use of electricity shall also be by the Government/ Government Entities, sourced either directly or through Distribution Licensee where the end user's facilities are situated.

(C) CPSU Scheme dated 05.03.2019 provides that SECI shall handle the scheme on behalf of MNRE including conducting bidding on VGF basis, amongst Government Producers;

(D) Ministry of New and Renewable Energy (MNRE), Government of India vide Office Memorandum dated 13.04.2020 has identified Indian Renewable Energy Development Agency Ltd., (IREDA) as the Nodal Agency for handling the CPSU Scheme on behalf of MNRE.;

(E) On 29.01.2021, IREDA issued the RfS document being **RfS No 23016/1/2020-IREDA/RfS/5000 MW/ 012021** for Selection of Solar Power Developers for Setting up of 5,000 MW Grid Connected Solar PV Power Projects in India (Tranche-III) under Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme)

(F) NTPC Limited has been declared as a successful bidder under the RfS No 23016/1/2020-


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IREDA/RfS/5000 MW/012021 dated 29.01.2021 issued by IREDA for development of 1990 MW Solar Photovoltaic Power Project.

(G) In pursuance to the above, IREDA has issued the Letter of Award [LoA No 23016/1/2020-IREDA/RfS/5000 MW/012021/960] dated 04.10.2021 to NTPC for development of a Solar PV Power Project of 1990 MW and to make available the quantum of electricity for the end use of the electrical energy by the Government/Government Entities through the Distribution Licensee;

(H) NTPC is a Government Producer within the scope of the CPSU Scheme being a Generating Company within the meaning of Section 2(28) of the Electricity Act, 2003 and a Government of India Enterprise, with more than 50% of its shareholding being owned and controlled by the Central Government. Further as per the provisions of the RfS 245 MW Solar Photovoltaic Power Project named as NTPC Nokh-2 Solar PV Station at Village Nokh, Tehsil Pokran, District Jaisalmer, Rajasthan (herein after referred to as 'Solar PV Station' and generally referred to as 'Station') is being executed by NTPC;

(I) End User is also an entity owned and controlled by Government of Telangana and qualifies under CPSU Scheme;

(J) The Distribution Licensee is desirous of using power produced from NTPC 245 MW Nokh-2 Solar PV Station and NTPC is willing to offer the solar power from the aforesaid Solar PV Station of NTPC restricted to the end use by Government/Government Entities, as per the terms and conditions of the CPSU Scheme notified by the MNRE, Government of India as amended from time to time and as per the terms and conditions contained in this Power Usage Agreement.

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND MUTUAL AGREEMENTS, COVENANTS AND CONDITIONS SET FORTH HEREIN, IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS:

1.0 DEFINITIONS

1.1 The words or expressions used in this Agreement but not defined hereunder shall have the same meaning assigned to them by the Electricity Act, 2003 as amended from time to time, the Rules framed there under and Regulations issued by the Central Electricity Regulatory


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Commission from time to time.

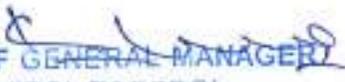
1.2 The words or expressions mentioned below shall have the meanings respectively as assigned hereunder, unless the context otherwise requires:

i)	Act	shall mean the Electricity Act, 2003 and include any modifications, amendments and substitutions from time to time;
ii)	Agreement	shall mean this Power Usage Agreement including the Articles, Schedules, amendments, modifications and supplements made in writing by the Parties to this Agreement from time to time;
iii)	Base rate of Late Payment Surcharge	means the marginal cost of funds based lending rate for one year of the State Bank of India, as applicable on the 1st April of the financial year in which the period lies, plus five percent and in the absence of marginal cost of funds based lending rate, any other arrangement that substitutes it, which the Central Government may, by notification, in the Official Gazette, specify. Provided that 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.
iv)	Billing Centre	shall mean the Office / Regional Headquarters (RHQ) as intimated by NTPC to Distribution Licensee from where the bills will be raised by NTPC;
v)	CEA	Central Electricity Authority;
vi)	CERC	Central Electricity Regulatory Commission;
vii)	Change in Law	shall have the meaning ascribed thereto in Article 10 of this Agreement;
viii)	Competent Court of Law	shall mean any court or tribunal or any judicial or quasi-judicial body in India that has jurisdiction to adjudicate upon issues relating to this Agreement;
ix)	COD/Commercial Operation Date	shall mean the date of commissioning of the last module of the Contracted Capacity of the solar PV Station. The same would be used for sole purpose of determining the life of the project.


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x)	Central Transmission Utility (CTU)	shall mean the Central Transmission Utility as defined in Section 2(10) read with Section 38 of the Electricity Act 2003
xi)	Commissioning	The capacity will be considered as commissioned based on self-declaration by the NTPC, when the modules and equipment as per such capacity have been installed, connected to grid at the Interconnection Point/Metering point/Delivery Point and energy has flown into the grid;
xii)	Capacity Utilization Factor (CUF)	shall have the same meaning as provided in Central Electricity Regulatory Commission (Terms and Conditions for Tariff determination from Renewable Energy Sources) Regulations, 2009 as amended from time to time. The CUF shall be calculated based on the annual energy injected and metered at the Delivery Point. In any Contract Year, if 'X' MWh of energy has been metered out at the Delivery Point for 'Y' MW Project capacity, $CUF = (X \text{ MWh} / (Y \text{ MW} * 8766)) \times 100\%$.
xiii)	Contracted Capacity	Shall mean the capacity, as set out in Article 2.1 of this Agreement
xiv)	Delivered energy	shall mean with respect to any billing month, the kWh of electrical energy delivered from Solar PV Station(s) to the Distribution Licensee at the Interconnection Point/Metering point/Delivery Point as measured by the energy meters at the Interconnection Point/Metering point/Delivery Point for any billing month;
xv)	Due date of payment	shall mean 45 days from the date of billing. In case payment of bill is delayed beyond a period of 45 days from the date of billing, Late payment Surcharge shall be payable from 46th day onwards for each day of delay
xvi)	Effective Date	shall mean the date of signing of this Agreement;


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xvii)	End User	shall mean the Government/Government Entity to whom the electricity is made available by the Distribution Licensee for end use
xviii)	Energy Account	shall mean periodic Energy Account issued by Regional/State Load Dispatch Centre as applicable including amendments thereof;
xix)	Force Majeure	shall have the meaning ascribed thereto in Article 9 of this Agreement;
xx)	GOI	shall mean Government of India;
xxi)	Government/ Government Entities	shall mean such of the Entities which are qualified to be the End User of electricity under the CPSU Scheme.
xxii)	Distribution Licensee	shall mean such of the Entities to whom a License is given or an exemption from License is provided including Deemed Licensees in terms of the provisions of the Electricity Act, 2003.
xxiii)	Guidelines	shall mean the "Central Public Sector Undertaking (CPSU)Scheme Phase-II (Government Producer Scheme) for setting up 12,000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/Government entities, either directly or through Distribution Companies (DISCOMS)" issued by the Ministry of New & Renewable Energy vide No. 302/4/2017-GRID SOLAR dated 05.03.2019 including subsequent amendments and clarifications thereof;
xxiv)	IEGC and/or State Grid Code	shall mean the Grid Code specified by the Central Commission under Clause (h) of sub-section (1) of Section 79 of The Electricity Act and/or the State Grid Code as specified by the Appropriate Commission, referred under Clause (h) of sub-section (1) of section 86 of The Electricity Act 2003, as applicable including any amendments thereof;
xxv)	Interconnection Point/Metering point/Delivery Point	Interface point of Solar PV Station with the transmission system developed by PGCIL at 765/400/220 kV GSS Bhadla-II ISTS substation in Rajasthan at 220 kV voltage level, where

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		usage energy meter(s) are installed;
xxvi)	LC	shall mean Irrevocable, Unconditional, Monthly Revolving Letter(s) of Credit of requisite value in terms of this Agreement by the Distribution Licensee or Government/Government Entity End User;
xxvii)	Main and Check Meter	shall mean meters for measurement and checking of import/export of energy on the Interconnection/Metering/Delivery point for Energy Accounting;
xxviii)	Monthly Bill	shall mean either a Monthly Bill /Supplementary Bill or a Monthly Invoice/ Supplementary Invoice raised by NTPC for payments due from Distribution Licensee to NTPC under this Agreement.
xxix)	Module	shall mean a minimum system of Solar PV Panels, Inverters, and associated evacuation System for generation and evacuation of minimum 1 MW AC Solar power up to the Interconnection Point/Metering point/Delivery point;
xxx)	Permitted Assigns	shall have the meaning as per Article 15 of this Agreement;
xxxi)	Schedule Commissioning Date or SCD of the project	Shall mean 01.11.2023.
xxxii)	Solar PV Station	shall mean the Solar PV Power Generating Station of installed capacity of 245 MW developed by NTPC at Village Nokh, Tehsil Pokran, Distt Jaisalmer State: Rajasthan
xxxiii)	Supplementary Bill	shall have meaning as defined under Article 7.1.3
xxxiv)	Usage Charges	shall have the meaning ascribed thereto in the Article 6.0 of this Agreement;

2.0 CAPACITY, SCHEDULED DATE OF COMMENCEMENT AND DELIVERY


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- 2.1 The Installed capacity of the NTPC Nokh-2 Solar PV Station is 245 MW. The Contracted capacity of the Distribution Licensee in the NTPC Nokh-2 Solar PV Station shall be 245 MW.
- 2.2 Scheduled Date of Commencement for supply of power from the Project on regular basis shall be 01.11.2023. NTPC shall be entitled to declare commissioning and commencement of generation from part of the capacity before SCD.
- 2.3 The duration of supply of power by NTPC to the Distribution Licensee for usage by End User under this agreement shall be for a period of 25 years from the SCD/actual COD whichever is later of the entire Solar PV Station.
- 2.4 As per the provisions of the CPSU Scheme, the energy generated and made available by NTPC to the Distribution Licensee from the Solar PV Station under this Agreement shall be entirely for the use of the End User for self-consumption only and no part of the energy shall be diverted or used for any other purposes.

3.0 TRANSMISSION/WHEELING OF ELECTRICITY:

- 3.1 The obligation of NTPC shall be to generate and make available the energy in regard to the contracted capacity at the Interconnection Point/ Metering Point/Delivery Point. The cost of building the transmission line from Solar PV plant to Inter-connection point / Metering point/ Delivery Point shall be borne by NTPC. NTPC shall obtain necessary approval for ISTS/STU connectivity from Solar PV plant till the Interconnection Point/ Metering Point/ Delivery Point. Any cost and associated expenses of arranging the energy to be delivered at the Interconnection Point/ Metering Point/ Delivery Point shall be borne by NTPC.
- 3.2 All clearances, charges etc. beyond the Interconnection Point/ Metering Point/ Delivery Point up to usage point of End User (i.e. ISTS/STU charges & losses, cross subsidy charges, RLDC and SLDC Fee, scheduling, generation forecasting fee etc.) shall be entirely in the scope, responsibility and to the account of the Distribution Licensee/End User, with all costs and charges being borne by the Distribution Licensee/End User. The Distribution Licensee shall also abide by the relevant CERC/SERC Regulations, Grid Code and Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006 as applicable, amended and revised from time to time;

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3.3 NTPC and the Distribution Licensee shall follow the forecasting and scheduling process as provided in the Applicable Regulations of the Appropriate Commission or the Competent Authority. The Clause 5.2(u) of the Indian Electricity Grid Code (IEGC), provides for status of “must-run” to solar power projects and accordingly, the Distribution Licensee shall be responsible to ensure and shall make arrangement for evacuation of power from Interconnection Point/ Metering Point/ Delivery Point the Delivered Energy without there being any backing down

In case of any eventuality of Backdown arises at any time after the commencement of generation, including for the reasons that the Distribution Licensee fails or is unable to maintain the LTA or there is non-dispatch of power due to non-compliance with “Order No. 23/22/2019-R&R dated 28.06.2019 of Ministry of Power regarding Opening and maintaining of adequate Letter of Credit (LC) as Payment Security Mechanism under Power Purchase Agreements by Distribution Licensees” or any such other similar order and any clarifications or amendment thereto , NTPC shall be entitled to be compensated by the Distribution Licensee for a Minimum Generation Compensation ,as under.

Duration of Back down	Provision for Generation Compensation
Hours of Back down during a monthly billing cycle.	<p>Minimum Generation Compensation = [(Average Generation per hour during the month) × (number of Back down hours during the month)] X PUA Usage Charges</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>

Provided that no such Generation Compensation shall be claimed by NTPC where the Backdown is forced at the directions of the Load Dispatch Centre on account of events like consideration of grid security or safety of any equipment or personnel.

3.4 The maximum Annual CUF against the contracted capacity (i.e. 245 MW) is 32.97% (708.08 MUs on Annual Basis) provisionally for the first year, subject to revision after one year of operation. The excess generation above the maximum Annual CUF shall be transferred to End User at 75% of the applicable Power Usage Charges.

3.5 After accounting for Deemed Generation as in Clause 3.4 above, if NTPC is unable to

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supply minimum 408.06 MUs on Annual basis (i.e. 19% Annual CUF), for the shortfall in energy, NTPC shall pay 25% of the applicable Power Usage Charges.

4.0 SCHEDULING, DESPATCH METERING AND ENERGY ACCOUNTING

4.1 SCHEDULING

- 4.1.1 The Scheduling and Dispatch of Energy from the Solar PV Station shall be as per the applicable Regulations and Codes notified by the Appropriate Commission.
- 4.1.2 The parties acknowledge, agree and confirm that the Solar PV Station shall be operated at all times as a MUST RUN Station and shall not be subjected to any backing down by the Distribution Licensee/End User.
- 4.1.3 NTPC shall operate the Solar PV Station as per the manufacturer's guidelines, grid operating standards and relevant statutory provisions, as applicable from time to time.
- 4.1.4 All charges/fees related to Forecasting, Scheduling and Dispatch of energy shall be borne by Distribution Licensee.

4.2 METERING

- 4.2.1 A set of Main and Check Meters of 0.2S accuracy class, as per CEA (Installation & operation of meters) Regulations 2006/IEGC as applicable, shall be installed by CTU/STU at Interconnection Point/ Metering Point/ Delivery Point. A standby meter shall also be installed at Interconnection Point/ Metering Point/ Delivery Point by CTU/STU. Distribution Licensee/ End User shall make all necessary arrangements for installation of meters of required accuracy and specifications, as per prevailing Regulations.
- 4.2.2 Main/ Check Meters shall be installed at 220 kV incoming feeder of PGCIL Bhadla-II GSS and Standby Meter at outgoing Feeder at the NTPC project site as a fall back arrangement.
- 4.2.3 The Main and Check Meters shall be checked jointly at the time of installation as per the CEA (Installation & Operation of Meters) Regulations 2006 as amended from time to time.
- 4.2.4 Data shall be downloaded from the meters at regular intervals as per provisions of applicable regulations /decided by NTPC and Distribution Licensee /End User for preparation of the Energy Account.
- 4.2.5 Regular cross checking and analysis of meter readings and meter failure or discrepancies shall be reckoned as per CEA (Installation & Operation of Meters) Regulations 2006 as amended from time to time. If the Main Meter or Check Meter is found to be not working at the time of meter readings or at any other time, NTPC/ Distribution Licensee shall inform each other of the same.


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4.2.6 In case of failure of meters, energy accounting for the period shall be as per procedure laid down by CERC or as per the mutually agreed procedure. In case of absence of any such procedure, the following procedure shall be followed:

- In case of failure of Main Meter, readings of Check Meter for the corresponding period shall be considered for energy accounting.
- If both the Main and Check Meter(s) fail to record or if any of the PT fuses is blown out, energy shall be accounted based on standby meters.
- In case of dispute, resolution shall be as per provision of Article 8.

4.2.7 Periodic testing of both Main and Check Meters shall be carried out in the presence of representatives of NTPC and Distribution Licensee/End User as per procedure laid out in CEA (Installation & Operation of Meters) Regulations, 2006. For any testing and/ or replacement, notice of seven days will be given.

4.3 ENERGY ACCOUNTING

4.3.1 The scheduling and energy accounting of NTPC solar power shall be as per the provisions of the Grid Code.

4.3.2 Any change in the methodology of Energy Accounting shall be done as per mutually agreed decisions.

5.0 COMMISSIONING AND COMMERCIAL OPERATION DECLARATION OF SOLAR PV STATION OR PART CAPACITY THEREOF:

5.1 The Project, shall be declared commissioned based on self-declaration by the NTPC, when the required modules as per the required capacity have been installed, connected to the Grid and energy is injected into the Grid at the Interconnection Point/ Metering Point/ Delivery Point. The Distribution Licensee shall be intimated 7 days in advance regarding declaration of commissioning of the project.

5.2 There can be part commissioning of the project. Part commissioning of the project shall mean that all equipment corresponding to the part capacity have been installed and commissioned and energy has flown into the grid. 5.3 NTPC shall be permitted for full commissioning as well as part commissioning of the project even prior to Scheduled Commissioning Date (SCD). The Distribution Licensee shall purchase the energy from such early commissioned project/part commissioned at the 100% of the Usage Charges.


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5.4 Commercial Operation Declaration (COD) of the project shall be the date of commissioning of the last Module of the Contracted Capacity of the solar PV Station.

5.5 Dispatch

The Power User shall be required to maintain compliance to the applicable Grid Code and requirements & directions, if any, as specified by Appropriate Commission / CTU/ STU/ Discom or licensee or from any competent Authority as issued from time to time to maintain power evacuation system available.

6.0 USAGE CHARGES

6.1 The Usage Charges for the power made available by NTPC from Solar PV Station shall be payable by Distribution Licensee @ Rs 2.45 /kWh, which shall be exclusive of any other third-party charges like wheeling and transmission charges and losses, point of connection charges and losses, cross-subsidy surcharges, SLDC/RLDC charges etc. as may be applicable. The Usage Charges for contracted capacity shall be payable from the date of commissioning of the project or the part capacity as the case may be. The parties acknowledge and accept that Usage Charges has been determined in accordance with CPSU Scheme of the Government of India to assist the development of solar projects and usage of the energy generated by the Government/Government Entities, with Government of India providing VGF support.

6.2 The Usage Charges payable in terms of this Agreement to NTPC shall be the consolidated consideration for the services of NTPC for establishing the Solar PV Station or part capacity thereof and offering the energy at the Interconnection Point/ Metering Point/ Delivery Point. All cost and expenses from and beyond the Interconnection Point/ Metering Point/ Delivery Point, shall be entirely to the account of the Distribution Licensee.

6.3 NTPC shall be entitled to draw at its discretion the auxiliary power requirements from the grid as per applicable grid code and regulations or to arrange for the same independently, through a bilateral agreement or otherwise, as the case may be.

6.4 Taxes, Levies, Duties, Royalty, Cess etc.:

Any tax/levy/duty/Royalty/Cess etc., as and when levied by any Government/Statutory body/Authority, shall be borne and additionally paid by the Distribution Licensee to NTPC


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from the effective date of such taxes, levies, duties, royalty, cess etc.

7.0 BILLING AND PAYMENT:

7.1 BILLING:

7.1.1 The Usage Charges for Energy made available in the preceding month under this Agreement shall be provisionally billed by NTPC on first day of the every month as per the Usage Charges mentioned at Article 6 above and the same shall be paid by Distribution Licensee in accordance with the following provisions:

7.1.2 NTPC shall issue the final monthly bill for Energy made available to Distribution Licensee from the Solar PV Station for the previous month, based on JMR/Energy Account issued by any Competent Authority. The Monthly Bill issued by NTPC shall include the following

- i) Provisional Bill for solar power supplied in the Month;
- ii) Adjustments against the Provisional Bill(s) based on Energy Accounts for Power Supplied in the preceding month(s);
- iii) Any other adjustments to cover changes in tariff of NTPC Power, open access related charges and any other prior-period adjustments;
- iv) Late Payment Surcharge, if any; and
- v) Taxes, Duties, Levies etc. as applicable.

7.1.3 Billing Centre of NTPC shall carry out billing and associated functions, NTPC would submit the bills to the officer nominated by Distribution Licensee.

7.1.4 The Distribution Licensee shall arrange payment of such Monthly Bill/ Supplementary Bill(s) at the designated account of NTPC through Electronic Transfer. The date on which the amount stands credited in the bank account of NTPC shall be considered as the date of payment for rebate or late payment surcharge in respect of such payment. The bill(s) of NTPC shall be paid in full subject to the condition that:

- i) there is no apparent arithmetical error in the bill(s)
- ii) the bill(s) is/are claimed as per the Usage Charges


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7.1.5 All payments made by Distribution Licensee, shall be appropriated by NTPC for amounts due from them in the following order of priority:

- i) towards Late Payment Surcharge, payable if any;
- ii) towards earlier unpaid usage charges starting from the longest overdue bill (s), if any;
- iii) towards the statutory dues like income tax, other tax, royalty etc. in the current bill (s); and
- iv) towards the other charges in current Monthly Bill.

7.1.6 In case the Distribution Licensee disputes any amount, even then, the Distribution Licensee shall pay the entire undisputed amount and further, 95% of the disputed amount by the Due Date and file a written objection with NTPC within 30 days of presentation of the bill, giving following particulars:

- i) Item disputed, with full details/data and reasons of dispute
- ii) Amount disputed against each item.

Provided that non-acceptance of Usage Charges shall not be a valid ground for dispute.

7.1.7 The amount of excess/shortfall with respect to the said 95% payment based on finally determined amount in line with Article 8 shall be paid / adjusted with the applicable late payment surcharge rate from the date on which the amount in dispute was payable / refundable.

7.2 REBATE:

For payment of any Bill on or before Due Date, Distribution Licensee shall be allowed a rebate provided valid LC of requisite value as per Article 7.4 is established by Distribution Licensee/End User in favour of NTPC.

a) A Rebate of 1.5 % shall be payable to Distribution Licensee for the payments made within a period of five (5) days of the presentation of Bill.

b) Any payments made after five (5) days of the date of presentation of bill up to the 30th day shall be allowed a rebate of 1%.

c) No Rebate shall be payable on the Bills raised on account of Change in Law relating to taxes, duties, cess etc. and Late Payment Surcharge.


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7.3 LATE PAYMENT SURCHARGE:

7.3.1 Late Payment Surcharge shall be payable on the payment outstanding after the due date at the base rate of Late Payment Surcharge applicable for the period for the first month of default.

7.3.2 The rate of Late Payment Surcharge for the successive months of default shall increase by 0.5 percent 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:

Provided further that all Payments shall be first adjusted towards Late Payment Surcharge and thereafter, towards monthly charges, starting from the longest overdue bill.

Further, if the Distribution Licensee has any payment including Late Payment Surcharge outstanding against a bill after the expiry of seven months from the due date of the bill, it shall be debarred from procuring power from power exchange or grant of short term open access till such bill is paid in terms of Electricity (Late Payment Surcharge) Rules, 2021 and as amended from time to time.

7.4 ESTABLISHMENT OF LETTER OF CREDIT (LC) AND PAYMENT SECURITY MECHANISM:

7.4.1 The Distribution Licensee shall arrange and establish an irrevocable unconditional monthly revolving Letter of Credit (LC) of requisite value in favour of NTPC with a public sector / scheduled commercial bank (as per list supplied by NTPC) at least one month prior to the commencement of Energy supply from the first Module of the Solar PV Station in the format attached as Annexure B.

7.4.2 The LC shall cover 105% of the one month's billing in respect of Energy supplied from the Solar PV Station to the Distribution Licensee.

7.4.3 The LC shall be established for a minimum period of one year. The Distribution Licensee shall ensure that LC remains valid at all times during the entire/extended validity of this Agreement. LC shall be renewed not later than 90 days prior to expiry of existing LC. LC must specify the manner and dates when bill(s) can be presented to Bank by NTPC. The bills so presented by NTPC to the Bank shall be paid on their presentation as per form attached as Annexure B.

7.4.4 All costs and charges relating to opening and maintenance and negotiation of LC shall be


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borne by Distribution Licensee.

- 7.4.5 In case of drawal of the LC amount by NTPC in accordance with the terms of this Article, the amount of LC shall be reinstated automatically not later than 7 days from such drawal. The Distribution Licenseeshall arrange to furnish to NTPC a certificate to this effect from Bank(s) providing LC. In the event LC is not reinstated within 7 days, NTPC reserves the right to implement Regulation of Power Supply as per Article 7.6.
- 7.4.6 The Distribution Licensee agrees to ensure that the successor entities of the Distribution Licensee are duly notified of the above arrangements with NTPC and shall be bound by the terms of this Agreement as if they are parties to this Agreement.
- 7.4.7 The Advisory charges during LC negotiation are to be charged to the account of end user and the documents to be presented by Distribution Licenseeshall also include a SIGHT DRAFT for 100% of invoice value.

7.5 Collateral Arrangement - State Government Guarantee

- 7.5.1 As a further support for the Distribution Licensee obligations, on or prior to the expiry of the Tripartite Agreement (TPA), the Distribution Licensee and NTPC shall execute Default Escrow Agreement (referred as "Default Escrow Agreement") for the establishment and operation of the Default Escrow Account in favour of NTPC, through which the revenues of the Distribution Licensee shall be routed and used as per the terms of the Default Escrow Agreement. The Distribution Licensee and NTPC shall contemporaneously with the execution of the Default Escrow Agreement enter into the Agreement to Hypothecate Cum Deed of Hypothecation, whereby the Distribution Licensee shall agree to hypothecate, Incremental Receivables to the extent as required for the Letter of Credit. The Default Escrow Agreement and the Agreement to Hypothecate Cum Deed of Hypothecation are collectively referred to as the "Collateral Arrangement". Provided that the Distribution Licensee shall ensure that NTPC shall have first ranking charge on the Receivables in accordance with the terms of the Agreement to Hypothecate Cum Deed of Hypothecation.

- 7.5.2 Distribution Licensee hereby agrees to provide an alternative payment security arrangement before expiry of the TPA or its extension either by efflux of time or otherwise on assignment of bulk purchase functions to a company not owned or controlled by Govt of Telangana in the form of Escrow Arrangement as a back up to the Letter of Credit. Under this arrangement an Escrow Account in favour of NTPC shall be


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established through which the Receivables of Distribution Licensee shall be routed as per the terms of Escrow Agreement. Distribution Licensee hereby agrees that NTPC will have first charge on Receivables of Distribution Licensee. However, such first ranking charge shall be on the amounts, in excess of amounts, which have already been charged or agreed to be charged prior to the date of the execution of this Agreement. Distribution Licensee agrees to enter into a separate 'Agreement to Hypothecate Cum Deed of Hypothecation' whereby, Distribution Licensee shall hypothecate Receivables to the extent required for Payment of dues of NTPC by Distribution Licensee including under this Agreement by creation of first charge in favour of NTPC. These Receivables shall be routed through Escrow Account for payment to NTPC in case of default in payments by Distribution Licensee. "Receivables" for this purpose shall mean all of the present and future receipts, obligations, monies, claims, bills and any other property whatsoever which may from time to time be derived from or accrue or be offered or due to the Distribution Licensee in respect of the sale by the Distribution Licensee to the consumers of electric capacity, energy and / or services or for any other reason whatsoever and all proceeds thereof.

7.5.3 The Escrow Agreement and Agreement to Hypothecate Cum Deed of Hypothecation shall be established by Distribution Licensee to the satisfaction of NTPC at least three months before the expiry of the TPA or any extension thereof either by efflux of time or otherwise on assignment of bulk purchase function to a company not owned by Govt of Telangana. In the event three months before expiry of TPA or its extension thereof, Distribution Licensee does not sign the 'Escrow Agreement' and 'Agreement to Hypothecate Cum Deed of Hypothecation' or Distribution Licensee creating any superior charge in favour of any other party on its Receivables, NTPC shall have the right to reallocate part or full contracted capacity of Distribution Licensee to Third Party(ies). In case of termination of this Agreement or reallocation of capacity due to reasons stated above, Distribution Licensee shall be liable to pay charges equivalent to average monthly billing of last twelve months for such capacity, till the capacity is reallocated.

Since the payments from Distribution Licensee are secured as per provisions of TPA, establishment of Escrow Arrangements is not being insisted upon by NTPC presently. Distribution Licensee and NTPC agree that this Agreement shall deemed to have created a legally binding first charge on Distribution Licensee, receivables in favour of NTPC.


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Accordingly, Distribution Licensee shall not create any encumbrance, charge, and lien or otherwise execute any instrument which in any way affects the first charge over the Receivables. While creating any subsequent charge on its Receivables or agreeing to provide Escrow cover or any other form of payment security to any other entities like energy supplier(s), banks, and financial institutions etc. during the interim period till signing of Escrow Agreement with NTPC, Distribution Licensee shall duly inform such energy supplier(s), banks, financial institutions etc. of the legally binding first charge on Distribution Licensee Receivables in favour of NTPC and the first charge of NTPC shall be in preference to any other charge that Distribution Licensee may create in favour of any other party.

7.5.4 Distribution Licensee agrees to ensure that the successor entities of Distribution Licensee are duly notified of the above arrangements with NTPC and shall be bound by the terms of this Agreement as if they are parties to this Agreement.

7.5.5 The Default Escrow would come into operation if,

- (i) The Letter of Credit is not recouped by the Distribution Licensee to its required value by the 7th day of its operation;
- (ii) NTPC is unable to draw on the Letter of Credit on the Due Date, if the Distribution Licensee fails to pay by the Due Date.
- (iii) Non-restoration of Escrow Arrangement by the 7th day of the Due Date.

7.5.6 In the event of the extension of Tri partite Agreement signed between Government of India (GOI), Government of Telangana and Reserve Bank of India (RBI) beyond the present validity date of TPA, it will not be mandatory for Distribution Licensee to execute the escrow arrangement till the validity of the extended Tripartite Agreement.

7.6 REGULATION OF POWER:

7.6.1 Notwithstanding the obligations of Distribution Licensee to pay all the dues as per this Agreement, in the event of default in opening/reinstatement of LC of requisite amount as per Article 7.4 in favour of NTPC or non-payment of bills beyond a period of 45 days of the billing, NTPC shall be entitled to treat the same as a material breach of the Agreement on the part of the Distribution Licensee and for such defaults regulate the supply of power to any other Distribution Licensee or End User, without in any manner affecting the continued


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obligation of the Distribution Licensee to pay the Usage Charges.

7.6.2 In case of default in payment of Usage Charges beyond a period of 45 (Forty-five) days of billing, if regulated, NTPC shall have the right to divert part or full allocated capacity from Solar PV Station to other Distribution Licensee or End User(s) who are qualified to take such Power under the CPSU Scheme. In case of regulation/diversion of Solar PV power, the Distribution Licensee shall continue to be liable to pay the Usage Charges equivalent to average monthly billing of last twelve months.

8 AMICABLE SETTLEMENT AND DISPUTE RESOLUTION:

8.1 Amicable Settlement

- (i) Either Party is entitled to raise any claim, dispute or difference of whatever nature arising under, out of or in connection with this Agreement ("Dispute") by giving a written notice (Dispute Notice) to the other Party, which shall contain:
 - (a) a description of the Dispute;
 - (b) the grounds for such Dispute; and
 - (c) all written material in support of its claim.
- (ii) The other Party shall, within thirty (30) days of issue of Dispute Notice issued under Article (i), furnish:
 - (a) counter-claim and defenses, if any, regarding the Dispute; and
 - (b) all written material in support of its defenses and counter-claim.
- (iii) Within thirty (30) days of issue of Dispute Notice by any Party pursuant to Article 8.1(i) if the other Party does not furnish any counter claim or defense under Article 8.1(ii) or thirty (30) days from the date of furnishing counter claims or defense by the other Party, both the Parties to the Dispute shall meet to settle such Dispute amicably. If the Parties fail to resolve the Dispute amicably within thirty (30) days from the later of the dates mentioned in this Article, the Dispute shall be referred for dispute resolution in accordance with Article 8.2.

8.2 Dispute Resolution

In the event that the parties are unable to resolve any dispute, controversy or claim relating to or arising under this Agreement, as stated above, the same shall be dealt with as per the provisions of the Electricity Act, 2003, i.e. shall be adjudicated by the Central Electricity


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Regulatory Commission under section 79(1)(f) of the Electricity Act, 2003.

9.0 FORCE MAJEURE

9.1 Neither party shall be liable for any claim for any loss or damage whatsoever arising out of failure to carry out the terms of the Agreement to the extent that such a failure is due to Force Majeure Events such as war, rebellion, mutiny, civil commotion, riot, forces of nature, accident, act of God or terrorism or any other reason beyond the control of concerned party. Any party claiming the benefit of this clause shall reasonably satisfy the other party of the existence of such an event and give written notice within a reasonable time to the other party to this effect. Generation/ Usage of power shall be started as soon as practicable by the parties concerned after such eventuality has come to an end or ceased to exist.

10 CHANGE IN LAW

10.1 "Change in Law" shall mean the occurrence of any of the following events after the last date of bid submission (i.e. 31.08.2021), resulting into any additional recurring/ non-recurring expenditure by the NTPC or any income to the NTPC:

- a. the enactment, coming into effect, adoption, promulgation, amendment, modification or repeal (without re-enactment or consolidation) in India, of any Law, including rules and regulations framed pursuant to such Law;
- b. a change in the interpretation or application of any Law by any Indian Governmental Instrumentality having the legal power to interpret or apply such Law, or any Competent Court of Law;
- c. the imposition of a requirement for obtaining any Consents, Clearances, Permits and/or licenses which was not required earlier;
- d. a change in the terms and conditions prescribed for obtaining any Consents, Clearances and Permits or the inclusion of any new terms or conditions for obtaining such Consents, Clearances and Permits; except due to any default of the NTPC;
- e. any statutory change in tax structure or any change in the rates of any taxes or introduction of any new tax made applicable for setting up of Solar Power Project and supply of power by the NTPC to the Distribution Licensee.


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10.2 Further, "Change in Law" shall also mean any statutory change in tax structure or introduction of any new tax made applicable for setting up of Solar Power Project and generation of energy including change in any additional duties under Customs like Anti-Dumping Duty, Countervailing duty on subsidised articles, Safeguard duty etc. and any other taxes including GST, levies, cess etc. applicable on such additional duties resulting into any additional recurring/non-recurring expenditure by the NTPC or any income to the NTPC.

11.0 RELIEF FOR CHANGE IN LAW

- 11.1 NTPC shall be required to approach the Central Commission for seeking approval of Change in Law.
- 11.2 The decision of the Central Commission to acknowledge a Change in Law and the date from which it will become effective, provide relief for the same, shall be final and governing on NTPC and the Distribution Licensee.
- 11.3 While determining the consequence of Change in Law under Article 11, the Parties shall have due regard to the principle that the purpose of compensating the Party affected by such Change in Law, is to restore through Monthly Usage Charge payments, to the extent contemplated in this Article 11, the affected Party to the same economic position as if such Change in Law has not occurred.

12.0 IMPLEMENTATION OF THE AGREEMENT:

All discretions to be exercised and directions, approvals, consents and notices to be given and actions to be taken under these presents, unless otherwise expressly provided herein, shall be exercised and given by the signatories to this Agreement or by the authorised representative(s) that each party may nominate in this behalf and notify in writing to the other party by Registered Post. Any other nomination of authorised representative(s) shall be informed likewise in writing to/by Distribution Licensee within one month of signing of the Agreement. Notwithstanding any nomination, the Regional Executive Director (South) NTPC Ltd., as well as Executive Director (Commercial), NTPC Ltd., Core 6, VIth Floor, SCOPE Complex, 7, Institutional Area, Lodhi Road, New Delhi-110003 or their authorised representative(s) at its Registered Office first above mentioned shall be authorised to act severally for and on behalf of NTPC.


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Corporation of TSSPDC Ltd.
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13.0 NOTICE:

All notices required or referred to under this Agreement shall be in writing and signed by the respective authorised signatories of the parties mentioned herein above, unless otherwise notified. Each such notice shall be deemed to have been duly given if delivered or served by registered mail/speed post of Department of Posts with an acknowledgement due to the other parties in terms of implementation of the agreement at Article 12 above.

14.0 EFFECTIVE DATE AND DURATION OF AGREEMENT:

The agreement shall come into effect for all purposes and intent from the date of signing of this Agreement. This agreement shall remain operative up to completion of twenty five (25) years from the date of declaration of Commercial Operation (COD)/Schedule Commissioning Date whichever is later of the Solar PV Station and may be extended on mutually agreed terms for further period or periods.

15.0 SUCCESSORS AND PERMITTED ASSIGNS:

- 15.1 In case the functions of Distribution Licensee are reorganised and/or this Agreement is assigned to other organisation(s)/ agency(ies), partly or wholly, the Agreement shall be binding mutatis mutandis upon the successor entities and shall continue to remain valid with respect to the obligations of the successor organisation(s)/agency(ies)/entities provided that the successor Administrators/organisation(s)/agency(ies) is/are owned or controlled by Government of India or the State Government.
- 15.2 If the successor entity is owned and controlled by GoI or any State Government such successor entity(ies) who fulfil the initial requirements as defined in aforesaid CPSU Scheme and execute the requisite documents shall be termed as the permitted assigns.
- 15.3 In other cases, NTPC shall have the right to terminate this Agreement. In the event of termination of this Agreement, Distribution Licensee shall be liable and continue to pay Usage Charges equivalent to average monthly billing of last twelve months till firm arrangement for transfer of title of power from Solar PV Station is tied up firmly with alternate Distribution Licensee or End User.


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15.4 The Distribution Licensee shall be responsible to ensure due fulfillment of the obligations by the End User in terms of this Agreement or under the CPSU Scheme.

IN WITNESS WHEREOF the parties have executed these presents through their Authorised Representatives on the date mentioned above.

For and on behalf of NTPC Ltd

For and on behalf of Distribution Licensee

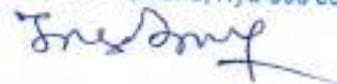
Name and Designation
V.V. Sivakumar
GM Commercial
NTPC Limited
EOC NOIDA - 201301

Name and Designation



P. Krishnaiah

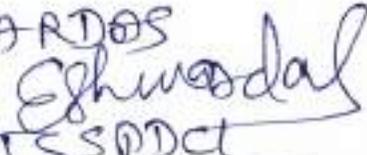
CHIEF GENERAL MANAGER
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T. Madhusudhan.,
Chief General Manager,
IPC & RAC, TSNPDCL,
Warangal

Witness

1) K. Hema 
SE/IPC

2) M. ESHWARDAS 
DE (IPC) TSSPDCL

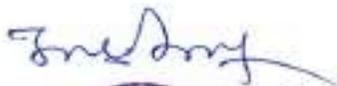
3) Patanjali Dixit 
Sr. Manager (Commercial)
SRHQ - Hyderabad
NTPC Ltd.

Annexure A

“Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme) for setting up 12,000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/Government entities, either directly or through Distribution Companies (DISCOMS)”: CPSU Scheme



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Payment Security Mechanism: Letter of Credit

Distribution Licensee has to furnish Letter of Credit in the following Format.

LC FORMAT

[End User i.e. Applicant Bank with Address]

TEL NO:
FAX
SWIFT NO:
CODE:
PIN CODE:

[NTPC bank i.e. Beneficiary Bank with Address]
XX/XX/XXXX

Date:

[name of Distribution Licensee with Address]

Dear Sir(s)

Sub: Letter of Credit No. XXXXXXXXXXXXXXXXXXXX

For INR XXXXXXXXX.XX EXW favouring M/s XXXXXXXXXXXX [End User with Address]

We have arranged to establish the above Credit with [End User with Address] today.

We enclose a copy of the above Credit. Please ensure that the credit has been established in conformity with your instructions. If any errors or omissions are found therein, please note to advise us immediately to enable us to issue necessary advice.

Yours Faithfully,

Authorized Signatory.



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B1: Outgoing SWIFT 11 Header 1
B2: Receiver's BIC Code
27: Sequence of Total
40A: Form of Documentary Credit : IRREVOCABLE
20: Documentary Credit Number
31C: Date of Issue
31D: Date and Place of Expiry
51D: Application Bank (Full Address)
50: Applicant [Distribution Licensee with Address]
59: Beneficiary
NTPC LIMITED,
NTPC BHAWAN, SCOPE COMPLEX,
7 INSTITUTIONAL AREA,
LODHI ROAD, NEW DELHI-110 003 (INDIA)
32B: Currency Code, Amount: INR
41D: Available With. Beneficiary Bank with Address By NEGOTIATION
42C: Drafts at.....
42D: Drawee [Applicant Bank with Address]
43P: Partial Shipments : ALLOWED
43T: Transshipment : PROHIBITED
44A: Place of Taking in Charge/ Dispatch from.
NTPC LIMITED,
NTPC BHAWAN, SCOPE COMPLEX,
7 INSTITUTIONAL AREA,
LODHI ROAD, NEW DELHI-110 003 (INDIA)
44B: Place of Final Destination/ For Transport :[Name of Distribution Licensee with
Address]
44C: Latest Date of Shipment
45A: Description of Goods and/or Services : INCOTERMS: EXW
SOLAR P PV OWER, ELECTRICAL ENERGY IN Mus BY NTPC LTD. UNDER
CPSU SCHEME.


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46A: Document Required

IN THE EVENT OF FAILURE ON THE PART OF [Distribution Licensee] TO PAY A MONTHLY BILL OR SUPPLEMENTARY BILL OR

PART THEREOF WITHIN AND INCLUDING THE DUE DATE, BENEFICIARY MAY DRAW UPON THE LETTER OF CREDIT AND ACCORDINGLY, THE BANK SHALL PAY WITHOUT ANY REFERENCE OR

INSTRUCTIONS FROM [End User], AN AMOUNT EQUAL TO SUCH MONTHLY BILL OR

SUPPLEMENTARY BILL OR PART THEREOF, ON PRESENTATION THE FOLLOWING DOCUMENTS TO THE SCHEDULED BANK (WHO HAS ISSUED THE LETTER OF CREDIT):

- I. THREE (3 COPIES) OF SIGNED DETAILED COMMERCIAL INVOICE CLEARLY SPECIFYING THE RATES, QUANTITY IN KWH SUPPLIED DURING THE MONTH AND DUE DATE FOR THE BILLING PERIOD.
- II. NTPC Certificate REGARDING POWER SUPPLIED TO [Distribution Licensee]. CERTIFICATE REGARDING NON-PAYMENT OF BILL BY [Distribution Licensee] BEYOND DUE DATE.
- III. CERTIFICATE FROM THE NTPC Ltd TO THE EFFECT THAT THE BILL AT ITEM (A) ABOVE OR SPECIFIED PART THEREOF, IS IN ACCORDANCE WITH THE AGREEMENT.

47A: Additional Conditions:

1. THE SAID LETTER OF CREDIT SHALL HAVE A TERM OF TWELVE (12) MONTHS.
2. THE LC AMOUNT SHALL BE INDIAN RUPEES RS. XXX.XX CRORES AND MAXIMUM REVOLVING SHALL BE LIMITED TO RS. XXX.XX CRORES. THE AMOUNT NEGOTIATED UNDER THIS SBLC WILL BE REINSTATED TO ITS ORIGINAL VALUE UPON FUNDING OR PRIOR WITHDRAWALS BY THE COMPANY, [Distribution Licensee] IF ANY.
3. ALL COSTS RELATING TO APPLICANT BANK CHARGES TO BE BORNE BY END USER AND BENEFICIARY BANK CHARGES TO BE BORNE BY NTPC LTD.
4. BENEFICIARY SHALL NOT DRAW UPON SUCH LETTER OF CREDIT

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PRIOR TO
DUE DATE OF THE RELEVANT MONTHLY BILLS, AND/OR
SUPPLEMENTARY
BILL AND SHALL NOT MAKE MORE THAN ONE DRAWL IN A MONTH.

5. ALL DOCUMENTS MUST BEAR LC NO. AND DATE.

71B: Charges: ALL YOUR BANKING CHARGES TO APPLICANT'S ACCOUNT

49: Confirmation Instructions : WITHOUT Sender to Receiver Information

72: Sender to Receiver Information

39A: Percentage Credit Amount Tolerance: 00/00

48: Period for Presentation: AFTER 45 DAYS FROM THE DATE OF INVOICE.

57D: "Advise through" Bank: [Beneficiary Bank with Address]

40E: Applicable Rules: UCP LATEST VERSION



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POWER USAGE AGREEMENT

BETWEEN

NTPC LIMITED

AND

Southern Power Distribution Company of Telangana Limited

&

Northern Power Distribution Company of Telangana Limited

For

Supply of 245MW Solar Power

From

NTPC SOLAR PV STATION OF 245 MW (Nokh-3)

at Nokh Solar Park, Rajasthan



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తెలంగాణ తేలంగానా TELANGANA

Sl. No. 7857 Dt: 03/12/2021
SOLD TO: V.V. Siva Kumar
Sto, Dia, W/o: V. Jayagari
FOR WHOM: NTPC Ltd

D.V. Sarat Kumar
AE 760854

D.V. SARAT KUMAR
LICENCED STAMP VENDOR
Lic. No: 15-11-028/2014
Ren. No: 15-11-004/2022
H No 2-22, 298/C/203, Manikanta Apts.,
Bhagyanagar Colony, Opp KPHS Kakatpally,
Medchal-Malkajgiri Dist. Cell: 966 666 2490

This POWER USAGE AGREEMENT hereinafter called the "Agreement" entered into at Hyderabad on the 7th day of December Two Thousand Twenty One (07.12.2021) between NTPC Limited, a Government of India Undertaking and a Company incorporated under the Companies Act, 1956 having its registered office at NTPC Bhawan, Core 7, SCOPE Complex, 7, Institutional Area, Lodhi Road, New Delhi -110003 (hereinafter referred to as 'NTPC') which expression shall, unless repugnant to the context or meaning thereof include its successors and Permitted Assignees as party of the One Part;

And

Southern Power Distribution Company of Telangana & Northern Power Distribution Company of Telangana Limited, Companies incorporated under the Companies Act, 1956 or Companies Act, 2013, as the case may be, having its Head Office at Hyderabad & Warangal and being a Licensee under the Electricity Act, 2003 (hereinafter referred to as 'Distribution Licensee' or TSDISCOMs) which expression shall, unless repugnant to the context or meaning thereof

[Signature]
CHIEF GENERAL MANAGER
(PG), TSSPDCL,
Corporate Office, 6-1-50,
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include its successors and Permitted Assignees as party of the Other Part.

Each of the parties of the first and second above is individually referred to as a "Party" and collectively as the "Parties".

WHEREAS

(A) The Ministry of New & Renewable Energy ('MNRE') , on 5.03.2019, has issued the "Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme) for setting up 12,000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/Government entities, either directly or through Distribution Companies (DISCOMS)", as amended from time to time (hereinafter referred to as 'CPSU Scheme') A copy of the CPSU Scheme is attached as Annexure A and may be read as an integral part of this Power Usage Agreement;

(B) The purpose of the CPSU Scheme is inter-alia, to facilitate national energy security and environmental sustainability through use of domestically manufactured solar PV cells and modules and for use of such power generated from solar energy sources by Government/ Government Entities, namely that the solar power projects shall be set up by Central Public Sector Undertaking and the end use of electricity shall also be by the Government/ Government Entities, sourced either directly or through Distribution Licensee where the end user's facilities are situated.

(C) CPSU Scheme dated 05.03.2019 provides that SECI shall handle the scheme on behalf of MNRE including conducting bidding on VGF basis, amongst Government Producers;

(D) Ministry of New and Renewable Energy (MNRE), Government of India vide Office Memorandum dated 13.04.2020 has identified Indian Renewable Energy Development Agency Ltd., (IREDA) as the Nodal Agency for handling the CPSU Scheme on behalf of MNRE.;

(E) On 29.01.2021, IREDA issued the RfS document being **RfS No 23016/1/2020-IREDA/RfS/5000 MW/ 012021** for Selection of Solar Power Developers for Setting up of 5,000 MW Grid Connected Solar PV Power Projects in India (Tranche-III) under Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme)

(F) NTPC Limited has been declared as a successful bidder under the RfS No 23016/1/2020-


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IREDA/RfS/5000 MW/012021 dated 29.01.2021 issued by IREDA for development of 1990 MW Solar Photovoltaic Power Project.

(G) In pursuance to the above, IREDA has issued the Letter of Award [LoA No 23016/1/2020-IREDA/RfS/5000 MW/012021/960] dated 04.10.2021 to NTPC for development of a Solar PV Power Project of 1990 MW and to make available the quantum of electricity for the enduse of the electrical energy by the Government/Government Entities through the Distribution Licensee;

(H) NTPC is a Government Producer within the scope of the CPSU Scheme being a Generating Company within the meaning of Section 2(28) of the Electricity Act, 2003 and a Government of India Enterprise, with more than 50% of its shareholding being owned and controlled by the Central Government. Further as per the provisions of the Rfs 245 MW Solar Photovoltaic Power Project named as NTPC Nokh-3 Solar PV Station at Village Nokh, Tehsil Pokran, District Jaisalmer, Rajasthan (herein after referred to as 'Solar PV Station' and generally referred to as 'Station') is being executed by NTPC;

(I) End User is also an entity owned and controlled by Government of Telangana and qualifies under CPSU Scheme;

(J) The Distribution Licensee is desirous of using power produced from NTPC 245 MW Nokh-3 Solar PV Station and NTPC is willing to offer the solar power from the aforesaid Solar PV Station of NTPC restricted to the end use by Government/Government Entities, as per the terms and conditions of the CPSU Scheme notified by the MNRE, Government of India as amended from time to time and as per the terms and conditions contained in this Power Usage Agreement.

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND MUTUAL AGREEMENTS, COVENANTS AND CONDITIONS SET FORTH HEREIN, IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS:

1.0 DEFINITIONS

1.1 The words or expressions used in this Agreement but not defined hereunder shall have the same meaning assigned to them by the Electricity Act, 2003 as amended from time to time, the Rules framed there under and Regulations issued by the Central Electricity Regulatory


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Commission from time to time.

1.2 The words or expressions mentioned below shall have the meanings respectively as assigned hereunder, unless the context otherwise requires:

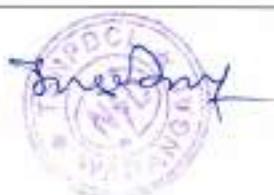
i)	Act	shall mean the Electricity Act, 2003 and include any modifications, amendments and substitutions from time to time;
ii)	Agreement	shall mean this Power Usage Agreement including the Articles, Schedules, amendments, modifications and supplements made in writing by the Parties to this Agreement from time to time;
iii)	Base rate of Late Payment Surcharge	means the marginal cost of funds based lending rate for one year of the State Bank of India, as applicable on the 1st April of the financial year in which the period lies, plus five percent and in the absence of marginal cost of funds based lending rate, any other arrangement that substitutes it, which the Central Government may, by notification, in the Official Gazette, specify. Provided that 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.
iv)	Billing Centre	shall mean the Office / Regional Headquarters (RHQ) as intimated by NTPC to Distribution Licensee from where the bills will be raised by NTPC;
v)	CEA	Central Electricity Authority;
vi)	CERC	Central Electricity Regulatory Commission;
vii)	Change in Law	shall have the meaning ascribed thereto in Article 10 of this Agreement;
viii)	Competent Court of Law	shall mean any court or tribunal or any judicial or quasi-judicial body in India that has jurisdiction to adjudicate upon issues relating to this Agreement;
ix)	COD/Commercial Operation Date	shall mean the date of commissioning of the last module of the Contracted Capacity of the solar PV Station. The same would be used for sole purpose of determining the life of the project.


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x)	Central Transmission Utility (CTU)	shall mean the Central Transmission Utility as defined in Section 2(10) read with Section 38 of the Electricity Act 2003
xi)	Commissioning	The capacity will be considered as commissioned based on self-declaration by the NTPC, when the modules and equipment as per such capacity have been installed, connected to grid at the Interconnection Point/Metering point/Delivery Point and energy has flown into the grid;
xii)	Capacity Utilization Factor (CUF)	shall have the same meaning as provided in Central Electricity Regulatory Commission (Terms and Conditions for Tariff determination from Renewable Energy Sources) Regulations, 2009 as amended from time to time. The CUF shall be calculated based on the annual energy injected and metered at the Delivery Point. In any Contract Year, if 'X' MWh of energy has been metered out at the Delivery Point for 'Y' MW Project capacity, $CUF = (X \text{ MWh} / (Y \text{ MW} * 8766)) \times 100\%$.
xiii)	Contracted Capacity	Shall mean the capacity, as set out in Article 2.1 of this Agreement
xiv)	Delivered energy	shall mean with respect to any billing month, the kWh of electrical energy delivered from Solar PV Station(s) to the Distribution Licensee at the Interconnection Point/Metering point/Delivery Point as measured by the energy meters at the Interconnection Point/Metering point/Delivery Point for any billing month;
xv)	Due date of payment	shall mean 45 days from the date of billing. In case payment of bill is delayed beyond a period of 45 days from the date of billing, Late payment Surcharge shall be payable from 46th day onwards for each day of delay
xvi)	Effective Date	shall mean the date of signing of this Agreement;


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xvii)	End User	shall mean the Government/Government Entity to whom the electricity is made available by the Distribution Licensee for end use
xviii)	Energy Account	shall mean periodic Energy Account issued by Regional/State Load Dispatch Centre as applicable including amendments thereof;
xix)	Force Majeure	shall have the meaning ascribed thereto in Article 9 of this Agreement;
xx)	GOI	shall mean Government of India;
xxi)	Government/ Government Entities	shall mean such of the Entities which are qualified to be the End User of electricity under the CPSU Scheme.
xxii)	Distribution Licensee	shall mean such of the Entities to whom a License is given or an exemption from License is provided including Deemed Licensees in terms of the provisions of the Electricity Act, 2003.
xxiii)	Guidelines	shall mean the "Central Public Sector Undertaking (CPSU)Scheme Phase-II (Government Producer Scheme) for setting up 12,000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/Government entities, either directly or through Distribution Companies (DISCOMS)" issued by the Ministry of New & Renewable Energy vide No. 302/4/2017-GRID SOLAR dated 05.03.2019 including subsequent amendments and clarifications thereof;
xxiv)	IEGC and/or State Grid Code	shall mean the Grid Code specified by the Central Commission under Clause (h) of sub-section (1) of Section 79 of The Electricity Act and/or the State Grid Code as specified by the Appropriate Commission, referred under Clause (h) of sub-section (1) of section 86 of The Electricity Act 2003, as applicable including any amendments thereof;
xxv)	Interconnection Point/Metering point/Delivery Point	Interface point of Solar PV Station with the transmission system developed by PGCIL at 765/400/220 kV GSS Bhadla-II ISTS substation in Rajasthan at 220 kV voltage level, where

		usage energy meter(s) are installed;
xxvi)	LC	shall mean Irrevocable, Unconditional, Monthly Revolving Letter(s) of Credit of requisite value in terms of this Agreement by the Distribution Licensee or Government/Government Entity End User;
xxvii)	Main and Check Meter	shall mean meters for measurement and checking of import/export of energy on the Interconnection/Metering/Delivery point for Energy Accounting;
xxviii)	Monthly Bill	shall mean either a Monthly Bill /Supplementary Bill or a Monthly Invoice/ Supplementary Invoice raised by NTPC for payments due from Distribution Licensee to NTPC under this Agreement.
xxix)	Module	shall mean a minimum system of Solar PV Panels, Inverters, and associated evacuation System for generation and evacuation of minimum 1 MW AC Solar power up to the Interconnection Point/Metering point/Delivery point;
xxx)	Permitted Assigns	shall have the meaning as per Article 15 of this Agreement;
xxxi)	Schedule Commissioning Date or SCD of the project	Shall mean 01.11.2023.
xxxii)	Solar PV Station	shall mean the Solar PV Power Generating Station of installed capacity of 245 MW developed by NTPC at Village Nokh, Tehsil Pokran, Distt Jaisalmer State: Rajasthan
xxxiii)	Supplementary Bill	shall have meaning as defined under Article 7.1.3
xxxiv)	Usage Charges	shall have the meaning ascribed thereto in the Article 6.0 of this Agreement;


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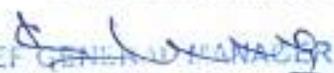


2.0 CAPACITY, SCHEDULED DATE OF COMMENCEMENT AND DELIVERY

- 2.1 The Installed capacity of the NTPC Nokh-3 Solar PV Station is 245 MW. The Contracted capacity of the Distribution Licensee in the NTPC Nokh-3 Solar PV Station shall be 245MW.
- 2.2 Scheduled Date of Commencement for supply of power from the Project on regular basis shall be 01.11.2023. NTPC shall be entitled to declare commissioning and commencement of generation from part of the capacity before SCD.
- 2.3 The duration of supply of power by NTPC to the Distribution Licensee for usage by End User under this agreement shall be for a period of 25 years from the SCD/actual COD whichever is later of the entire Solar PV Station.
- 2.4 As per the provisions of the CPSU Scheme, the energy generated and made available by NTPC to the Distribution Licensee from the Solar PV Station under this Agreement shall be entirely for the use of the End User for self-consumption only and no part of the energy shall be diverted or used for any other purposes.

3.0 TRANSMISSION/WHEELING OF ELECTRICITY:

- 3.1 The obligation of NTPC shall be to generate and make available the energy in regard to the contracted capacity at the Interconnection Point/ Metering Point/Delivery Point. The cost of building the transmission line from Solar PV plant to Inter-connection point / Metering point/ Delivery Point shall be borne by NTPC. NTPC shall obtain necessary approval for ISTS/STU connectivity from Solar PV plant till the Interconnection Point/ Metering Point/ Delivery Point. Any cost and associated expenses of arranging the energy to be delivered at the Interconnection Point/ Metering Point/ Delivery Point shall be borne by NTPC.
- 3.2 All clearances, charges etc. beyond the Interconnection Point/ Metering Point/ Delivery Point up to usage point of End User (i.e. ISTS/STU charges & losses, cross subsidy charges, RLDC and SLDC Fee, scheduling, generation forecasting fee etc.) shall be entirely in the scope, responsibility and to the account of the Distribution Licensee/End User, with all costs and charges being borne by the Distribution Licensee/End User. The Distribution Licensee shall also abide by the relevant CERC/SERC Regulations, Grid Code and Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006 as applicable, amended and revised from time to time;


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3.3 NTPC and the Distribution Licensee shall follow the forecasting and scheduling process as provided in the Applicable Regulations of the Appropriate Commission or the Competent Authority. The Clause 5.2(u) of the Indian Electricity Grid Code (IEGC), provides for status of “must-run” to solar power projects and accordingly, the Distribution Licensee shall be responsible to ensure and shall make arrangement for evacuation of power from Interconnection Point/ Metering Point/ Delivery Point the Delivered Energy without there being any backing down

In case of any eventuality of Backdown arises at any time after the commencement of generation, including for the reasons that the Distribution Licensee fails or is unable to maintain the LTA or there is non-dispatch of power due to non-compliance with “Order No. 23/22/2019-R&R dated 28.06.2019 of Ministry of Power regarding Opening and maintaining of adequate Letter of Credit (LC) as Payment Security Mechanism under Power Purchase Agreements by Distribution Licensees” or any such other similar order and any clarifications or amendment thereto , NTPC shall be entitled to be compensated by the Distribution Licensee for a Minimum Generation Compensation ,as under.

Duration of Back down	Provision for Generation Compensation
Hours of Back down during a monthly billing cycle.	<p>Minimum Generation Compensation = [(Average Generation per hour during the month) × (number of Back down hours during the month)] X PUA Usage Charges</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>

Provided that no such Generation Compensation shall be claimed by NTPC where the Backdown is forced at the directions of the Load Dispatch Centre on account of events like consideration of grid security or safety of any equipment or personnel.

3.4 The maximum Annual CUF against the contracted capacity (i.e. 245 MW) is 32.97% (708.08 MUs on Annual Basis) provisionally for the first year, subject to revision after one year of operation. The excess generation above the maximum Annual CUF shall be transferred to End User at 75% of the applicable Power Usage Charges.

3.5 After accounting for Deemed Generation as in Clause 3.4 above, if NTPC is unable to


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supply minimum 408.06 MUs on Annual basis (i.e. 19% Annual CUF), for the shortfall in energy, NTPC shall pay 25% of the applicable Power Usage Charges.

4.0 SCHEDULING, DESPATCH METERING AND ENERGY ACCOUNTING

4.1 SCHEDULING

- 4.1.1 The Scheduling and Dispatch of Energy from the Solar PV Station shall be as per the applicable Regulations and Codes notified by the Appropriate Commission.
- 4.1.2 The parties acknowledge, agree and confirm that the Solar PV Station shall be operated at all times as a MUST RUN Station and shall not be subjected to any backing down by the Distribution Licensee/End User.
- 4.1.3 NTPC shall operate the Solar PV Station as per the manufacturer's guidelines, grid operating standards and relevant statutory provisions, as applicable from time to time.
- 4.1.4 All charges/fees related to Forecasting, Scheduling and Dispatch of energy shall be borne by Distribution Licensee.

4.2 METERING

- 4.2.1 A set of Main and Check Meters of 0.2S accuracy class, as per CEA (Installation & operation of meters) Regulations 2006/IEGC as applicable, shall be installed by CTU/STU at Interconnection Point/ Metering Point/ Delivery Point. A standby meter shall also be installed at Interconnection Point/ Metering Point/ Delivery Point by CTU/STU. Distribution Licensee/ End User shall make all necessary arrangements for installation of meters of required accuracy and specifications, as per prevailing Regulations.
- 4.2.2 Main/ Check Meters shall be installed at 220 kV incoming feeder of PGCIL Bhadla-II GSS and Standby Meter at outgoing Feeder at the NTPC project site as a fall back arrangement.
- 4.2.3 The Main and Check Meters shall be checked jointly at the time of installation as per the CEA (Installation & Operation of Meters) Regulations 2006 as amended from time to time.
- 4.2.4 Data shall be downloaded from the meters at regular intervals as per provisions of applicable regulations /decided by NTPC and Distribution Licensee /End User for preparation of the Energy Account.
- 4.2.5 Regular cross checking and analysis of meter readings and meter failure or discrepancies shall be reckoned as per CEA (Installation & Operation of Meters) Regulations 2006 as amended from time to time. If the Main Meter or Check Meter is found to be not working at the time of meter readings or at any other time, NTPC/ Distribution Licensee shall inform each other of the same.


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4.2.6 In case of failure of meters, energy accounting for the period shall be as per procedure laid down by CERC or as per the mutually agreed procedure. In case of absence of any such procedure, the following procedure shall be followed:

- In case of failure of Main Meter, readings of Check Meter for the corresponding period shall be considered for energy accounting.
- If both the Main and Check Meter(s) fail to record or if any of the PT fuses is blown out, energy shall be accounted based on standby meters.
- In case of dispute, resolution shall be as per provision of Article 8.

4.2.7 Periodic testing of both Main and Check Meters shall be carried out in the presence of representatives of NTPC and Distribution Licensee/End User as per procedure laid out in CEA (Installation & Operation of Meters) Regulations, 2006. For any testing and/ or replacement, notice of seven days will be given.

4.3 ENERGY ACCOUNTING

4.3.1 The scheduling and energy accounting of NTPC solar power shall be as per the provisions of the Grid Code.

4.3.2 Any change in the methodology of Energy Accounting shall be done as per mutually agreed decisions.

5.0 COMMISSIONING AND COMMERCIAL OPERATION DECLARATION OF SOLAR PV STATION OR PART CAPACITY THEREOF:

5.1 The Project, shall be declared commissioned based on self-declaration by the NTPC, when the required modules as per the required capacity have been installed, connected to the Grid and energy is injected into the Grid at the Interconnection Point/ Metering Point/ Delivery Point. The Distribution Licensee shall be intimated 7 days in advance regarding declaration of commissioning of the project.

5.2 There can be part commissioning of the project. Part commissioning of the project shall mean that all equipment corresponding to the part capacity have been installed and commissioned and energy has flown into the grid. 5.3 NTPC shall be permitted for full commissioning as well as part commissioning of the project even prior to Scheduled Commissioning Date (SCD). The Distribution Licensee shall purchase the energy from such early commissioned project/part commissioned at the 100% of the Usage Charges.


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5.4 Commercial Operation Declaration (COD) of the project shall be the date of commissioning of the last Module of the Contracted Capacity of the solar PV Station.

5.5 Dispatch

The Power User shall be required to maintain compliance to the applicable Grid Code and requirements & directions, if any, as specified by Appropriate Commission / CTU/ STU/ Discom or licensee or from any competent Authority as issued from time to time to maintain power evacuation system available.

6.0 USAGE CHARGES

- 6.1 The Usage Charges for the power made available by NTPC from Solar PV Station shall be payable by Distribution Licensee@ Rs 2.45 /kWh, which shall be exclusive of any other third-party charges like wheeling and transmission charges and losses, point of connection charges and losses, cross-subsidy surcharges, SLDC/RLDC charges etc. as may be applicable. The Usage Charges for contracted capacity shall be payable from the date of commissioning of the project or the part capacity as the case may be. The parties acknowledge and accept that Usage Charges has been determined in accordance with CPSU Scheme of the Government of India to assist the development of solar projects and usage of the energy generated by the Government/Government Entities, with Government of India providing VGF support.
- 6.2 The Usage Charges payable in terms of this Agreement to NTPC shall be the consolidated consideration for the services of NTPC for establishing the Solar PV Station or part capacity thereof and offering the energy at the Interconnection Point/ Metering Point/ Delivery Point. All cost and expenses from and beyond the Interconnection Point/ Metering Point/ Delivery Point, shall be entirely to the account of the Distribution Licensee.
- 6.3 NTPC shall be entitled to draw at its discretion the auxiliary power requirements from the grid as per applicable grid code and regulations or to arrange for the same independently, through a bilateral agreement or otherwise, as the case may be.
- 6.4 Taxes, Levies, Duties, Royalty, Cess etc.:

Any tax/levy/duty/Royalty/Cess etc., as and when levied by any Government/Statutory


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body/Authority, shall be borne and additionally paid by the Distribution Licensee to NTPC from the effective date of such taxes, levies, duties, royalty, cess etc.

7.0 BILLING AND PAYMENT:

7.1 BILLING:

7.1.1 The Usage Charges for Energy made available in the preceding month under this Agreement shall be provisionally billed by NTPC on first day of the every month as per the Usage Charges mentioned at Article 6 above and the same shall be paid by Distribution Licensee in accordance with the following provisions:

7.1.2 NTPC shall issue the final monthly bill for Energy made available to Distribution Licensee from the Solar PV Station for the previous month, based on JMR/Energy Account issued by any Competent Authority. The Monthly Bill issued by NTPC shall include the following

- i) Provisional Bill for solar power supplied in the Month;
- ii) Adjustments against the Provisional Bill(s) based on Energy Accounts for Power Supplied in the preceding month(s);
- iii) Any other adjustments to cover changes in tariff of NTPC Power, open access related charges and any other prior-period adjustments;
- iv) Late Payment Surcharge, if any; and
- v) Taxes, Duties, Levies etc. as applicable.

7.1.3 Billing Centre of NTPC shall carry out billing and associated functions. NTPC would submit the bills to the officer nominated by Distribution Licensee.

7.1.4 The Distribution Licensee shall arrange payment of such Monthly Bill/ Supplementary Bill(s) at the designated account of NTPC through Electronic Transfer. The date on which the amount stands credited in the bank account of NTPC shall be considered as the date of payment for rebate or late payment surcharge in respect of such payment. The bill(s) of NTPC shall be paid in full subject to the condition that:

- i) there is no apparent arithmetical error in the bill(s)
- ii) the bill(s) is/are claimed as per the Usage Charges


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7.1.5 All payments made by Distribution Licensee, shall be appropriated by NTPC for amounts due from them in the following order of priority:

- i) towards Late Payment Surcharge, payable if any;
- ii) towards earlier unpaid usage charges starting from the longest overdue bill (s), if any;
- iii) towards the statutory dues like income tax, other tax, royalty etc. in the current bill (s); and
- iv) towards the other charges in current Monthly Bill.

7.1.6 In case the Distribution Licensee disputes any amount, even then, the Distribution Licensee shall pay the entire undisputed amount and further, 95% of the disputed amount by the Due Date and file a written objection with NTPC within 30 days of presentation of the bill, giving following particulars:

- i) Item disputed, with full details/data and reasons of dispute
- ii) Amount disputed against each item.

Provided that non-acceptance of Usage Charges shall not be a valid ground for dispute.

7.1.7 The amount of excess/shortfall with respect to the said 95% payment based on finally determined amount in line with Article 8 shall be paid / adjusted with the applicable late payment surcharge rate from the date on which the amount in dispute was payable / refundable.

7.2 REBATE:

For payment of any Bill on or before Due Date, Distribution Licensee shall be allowed a rebate provided valid LC of requisite value as per Article 7.4 is established by Distribution Licensee/End User in favour of NTPC.

a) A Rebate of 1.5 % shall be payable to Distribution Licensee for the payments made within a period of five (5) days of the presentation of Bill.

b) Any payments made after five (5) days of the date of presentation of bill up to the 30th day shall be allowed a rebate of 1%.

c) No Rebate shall be payable on the Bills raised on account of Change in Law relating to taxes, duties, cess etc. and Late Payment Surcharge.

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7.3 LATE PAYMENT SURCHARGE:

7.3.1 Late Payment Surcharge shall be payable on the payment outstanding after the due date at the base rate of Late Payment Surcharge applicable for the period for the first month of default.

7.3.2 The rate of Late Payment Surcharge for the successive months of default shall increase by 0.5 percent 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:

Provided further that all Payments shall be first adjusted towards Late Payment Surcharge and thereafter, towards monthly charges, starting from the longest overdue bill.

Further, if the Distribution Licensee has any payment including Late Payment Surcharge outstanding against a bill after the expiry of seven months from the due date of the bill, it shall be debarred from procuring power from power exchange or grant of short term open access till such bill is paid in terms of Electricity (Late Payment Surcharge) Rules, 2021 and as amended from time to time.

7.4 ESTABLISHMENT OF LETTER OF CREDIT (LC) AND PAYMENT SECURITY MECHANISM:

7.4.1 The Distribution Licensee shall arrange and establish an irrevocable unconditional monthly revolving Letter of Credit (LC) of requisite value in favour of NTPC with a public sector / scheduled commercial bank (as per list supplied by NTPC) at least one month prior to the commencement of Energy supply from the first Module of the Solar PV Station in the format attached as Annexure B.

7.4.2 The LC shall cover 105% of the one month's billing in respect of Energy supplied from the Solar PV Station to the Distribution Licensee.

7.4.3 The LC shall be established for a minimum period of one year. The Distribution Licensee shall ensure that LC remains valid at all times during the entire/extended validity of this Agreement. LC shall be renewed not later than 90 days prior to expiry of existing LC. LC must specify the manner and dates when bill(s) can be presented to Bank by NTPC. The bills so presented by NTPC to the Bank shall be paid on their presentation as per form attached as Annexure B.

7.4.4 All costs and charges relating to opening and maintenance and negotiation of LC shall be


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borne by Distribution Licensee.

- 7.4.5 In case of drawal of the LC amount by NTPC in accordance with the terms of this Article, the amount of LC shall be reinstated automatically not later than 7 days from such drawal. The Distribution Licensee shall arrange to furnish to NTPC a certificate to this effect from Bank(s) providing LC. In the event LC is not reinstated within 7 days, NTPC reserves the right to implement Regulation of Power Supply as per Article 7.6.
- 7.4.6 The Distribution Licensee agrees to ensure that the successor entities of the Distribution Licensee are duly notified of the above arrangements with NTPC and shall be bound by the terms of this Agreement as if they are parties to this Agreement.
- 7.4.7 The Advisory charges during LC negotiation are to be charged to the account of end user and the documents to be presented by Distribution Licensee shall also include a SIGHT DRAFT for 100% of invoice value.

7.5 Collateral Arrangement - State Government Guarantee

- 7.5.1 As a further support for the Distribution Licensee obligations, on or prior to the expiry of the Tripartite Agreement (TPA), the Distribution Licensee and NTPC shall execute Default Escrow Agreement (referred as "Default Escrow Agreement") for the establishment and operation of the Default Escrow Account in favour of NTPC, through which the revenues of the Distribution Licensee shall be routed and used as per the terms of the Default Escrow Agreement. The Distribution Licensee and NTPC shall contemporaneously with the execution of the Default Escrow Agreement enter into the Agreement to Hypothecate Cum Deed of Hypothecation, whereby the Distribution Licensee shall agree to hypothecate, Incremental Receivables to the extent as required for the Letter of Credit. The Default Escrow Agreement and the Agreement to Hypothecate Cum Deed of Hypothecation are collectively referred to as the "Collateral Arrangement". Provided that the Distribution Licensee shall ensure that NTPC shall have first ranking charge on the Receivables in accordance with the terms of the Agreement to Hypothecate Cum Deed of Hypothecation.

- 7.5.2 Distribution Licensee hereby agrees to provide an alternative payment security arrangement before expiry of the TPA or its extension either by efflux of time or otherwise on assignment of bulk purchase functions to a company not owned or controlled by Govt of Telangana in the form of Escrow Arrangement as a back up to the Letter of Credit. Under this arrangement an Escrow Account in favour of NTPC shall be


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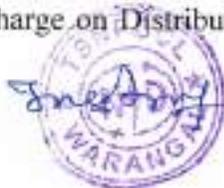


established through which the Receivables of Distribution Licensee shall be routed as per the terms of Escrow Agreement. Distribution Licensee hereby agrees that NTPC will have first charge on Receivables of Distribution Licensee. However, such first ranking charge shall be on the amounts, in excess of amounts, which have already been charged or agreed to be charged prior to the date of the execution of this Agreement. Distribution Licensee agrees to enter into a separate 'Agreement to Hypothecate Cum Deed of Hypothecation' whereby, Distribution Licensee shall hypothecate Receivables to the extent required for Payment of dues of NTPC by Distribution Licensee including under this Agreement by creation of first charge in favour of NTPC. These Receivables shall be routed through Escrow Account for payment to NTPC in case of default in payments by Distribution Licensee. "Receivables" for this purpose shall mean all of the present and future receipts, obligations, monies, claims, bills and any other property whatsoever which may from time to time be derived from or accrue or be offered or due to the Distribution Licensee in respect of the sale by the Distribution Licensee to the consumers of electric capacity, energy and / or services or for any other reason whatsoever and all proceeds thereof.

7.5.3 The Escrow Agreement and Agreement to Hypothecate Cum Deed of Hypothecation shall be established by Distribution Licensee to the satisfaction of NTPC at least three months before the expiry of the TPA or any extension thereof either by efflux of time or otherwise on assignment of bulk purchase function to a company not owned by Govt of Telangana. In the event three months before expiry of TPA or its extension thereof, Distribution Licensee does not sign the 'Escrow Agreement' and 'Agreement to Hypothecate Cum Deed of Hypothecation' or Distribution Licensee creating any superior charge in favour of any other party on its Receivables, NTPC shall have the right to reallocate part or full contracted capacity of Distribution Licensee to Third Party(ies). In case of termination of this Agreement or reallocation of capacity due to reasons stated above, Distribution Licensee shall be liable to pay charges equivalent to average monthly billing of last twelve months for such capacity, till the capacity is reallocated.

Since the payments from Distribution Licensee are secured as per provisions of TPA, establishment of Escrow Arrangements is not being insisted upon by NTPC presently. Distribution Licensee and NTPC agree that this Agreement shall deemed to have created a legally binding first charge on Distribution Licensee, receivables in favour of NTPC.


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Accordingly, Distribution Licensee shall not create any encumbrance, charge, and lien or otherwise execute any instrument which in any way affects the first charge over the Receivables. While creating any subsequent charge on its Receivables or agreeing to provide Escrow cover or any other form of payment security to any other entities like energy supplier(s), banks, and financial institutions etc. during the interim period till signing of Escrow Agreement with NTPC, Distribution Licensee shall duly inform such energy supplier(s), banks, financial institutions etc. of the legally binding first charge on Distribution Licensee Receivables in favour of NTPC and the first charge of NTPC shall be in preference to any other charge that Distribution Licensee may create in favour of any other party.

7.5.4 Distribution Licensee agrees to ensure that the successor entities of Distribution Licensee are duly notified of the above arrangements with NTPC and shall be bound by the terms of this Agreement as if they are parties to this Agreement.

7.5.5 The Default Escrow would come into operation if,

- (i) The Letter of Credit is not recouped by the Distribution Licensee to its required value by the 7th day of its operation;
- (ii) NTPC is unable to draw on the Letter of Credit on the Due Date, if the Distribution Licensee fails to pay by the Due Date.
- (iii) Non-restoration of Escrow Arrangement by the 7th day of the Due Date.

7.5.6 In the event of the extension of Tri partite Agreement signed between Government of India (GOI), Government of Telangana and Reserve Bank of India (RBI) beyond the present validity date of TPA, it will not be mandatory for Distribution Licensee to execute the escrow arrangement till the validity of the extended Tripartite Agreement.

7.6 REGULATION OF POWER:

7.6.1 Notwithstanding the obligations of Distribution Licensee to pay all the dues as per this Agreement, in the event of default in opening/reinstatement of LC of requisite amount as per Article 7.4 in favour of NTPC or non-payment of bills beyond a period of 45 days of the billing, NTPC shall be entitled to treat the same as a material breach of the Agreement on the part of the Distribution Licensee and for such defaults regulate the supply of power to any other Distribution Licensee or End User, without in any manner affecting the continued


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obligation of the Distribution Licensee to pay the Usage Charges.

7.6.2 In case of default in payment of Usage Charges beyond a period of 45 (Forty-five) days of billing, if regulated, NTPC shall have the right to divert part or full allocated capacity from Solar PV Station to other Distribution Licensee or End User(s) who are qualified to take such Power under the CPSU Scheme. In case of regulation/diversion of Solar PV power, the Distribution Licensee shall continue to be liable to pay the Usage Charges equivalent to average monthly billing of last twelve months.

8 AMICABLE SETTLEMENT AND DISPUTE RESOLUTION:

8.1 Amicable Settlement

- (i) Either Party is entitled to raise any claim, dispute or difference of whatever nature arising under, out of or in connection with this Agreement ("Dispute") by giving a written notice (Dispute Notice) to the other Party, which shall contain:
 - (a) a description of the Dispute;
 - (b) the grounds for such Dispute; and
 - (c) all written material in support of its claim.
- (ii) The other Party shall, within thirty (30) days of issue of Dispute Notice issued under Article (i), furnish:
 - (a) counter-claim and defenses, if any, regarding the Dispute; and
 - (b) all written material in support of its defenses and counter-claim.
- (iii) Within thirty (30) days of issue of Dispute Notice by any Party pursuant to Article 8.1(i) if the other Party does not furnish any counter claim or defense under Article 8.1(ii) or thirty (30) days from the date of furnishing counter claims or defense by the other Party, both the Parties to the Dispute shall meet to settle such Dispute amicably. If the Parties fail to resolve the Dispute amicably within thirty (30) days from the later of the dates mentioned in this Article, the Dispute shall be referred for dispute resolution in accordance with Article 8.2.

8.2 Dispute Resolution

In the event that the parties are unable to resolve any dispute, controversy or claim relating to or arising under this Agreement, as stated above, the same shall be dealt with as per the provisions of the Electricity Act, 2003, i.e. shall be adjudicated by the Central Electricity


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Regulatory Commission under section 79(1)(f) of the Electricity Act, 2003.

9.0 FORCE MAJEURE

9.1 Neither party shall be liable for any claim for any loss or damage whatsoever arising out of failure to carry out the terms of the Agreement to the extent that such a failure is due to Force Majeure Events such as war, rebellion, mutiny, civil commotion, riot, forces of nature, accident, act of God or terrorism or any other reason beyond the control of concerned party. Any party claiming the benefit of this clause shall reasonably satisfy the other party of the existence of such an event and give written notice within a reasonable time to the other party to this effect. Generation/ Usage of power shall be started as soon as practicable by the parties concerned after such eventuality has come to an end or ceased to exist.

10 CHANGE IN LAW

10.1 "Change in Law" shall mean the occurrence of any of the following events after the last date of bid submission (i.e. 31.08.2021), resulting into any additional recurring/ non-recurring expenditure by the NTPC or any income to the NTPC:

- a. the enactment, coming into effect, adoption, promulgation, amendment, modification or repeal (without re-enactment or consolidation) in India, of any Law, including rules and regulations framed pursuant to such Law;
- b. a change in the interpretation or application of any Law by any Indian Governmental Instrumentality having the legal power to interpret or apply such Law, or any Competent Court of Law;
- c. the imposition of a requirement for obtaining any Consents, Clearances, Permits and/or licenses which was not required earlier;
- d. a change in the terms and conditions prescribed for obtaining any Consents, Clearances and Permits or the inclusion of any new terms or conditions for obtaining such Consents, Clearances and Permits; except due to any default of the NTPC;
- e. any statutory change in tax structure or any change in the rates of any taxes or introduction of any new tax made applicable for setting up of Solar Power Project and supply of power by the NTPC to the Distribution Licensee.


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10.2 Further, "Change in Law" shall also mean any statutory change in tax structure or introduction of any new tax made applicable for setting up of Solar Power Project and generation of energy including change in any additional duties under Customs like Anti-Dumping Duty, Countervailing duty on subsidised articles, Safeguard duty etc. and any other taxes including GST, levies, cess etc. applicable on such additional duties resulting into any additional recurring/non-recurring expenditure by the NTPC or any income to the NTPC.

11.0 RELIEF FOR CHANGE IN LAW

11.1 NTPC shall be required to approach the Central Commission for seeking approval of Change in Law.

11.2 The decision of the Central Commission to acknowledge a Change in Law and the date from which it will become effective, provide relief for the same, shall be final and governing on NTPC and the Distribution Licensee.

11.3 While determining the consequence of Change in Law under Article 11, the Parties shall have due regard to the principle that the purpose of compensating the Party affected by such Change in Law, is to restore through Monthly Usage Charge payments, to the extent contemplated in this Article 11, the affected Party to the same economic position as if such Change in Law has not occurred.

12.0 IMPLEMENTATION OF THE AGREEMENT:

All discretions to be exercised and directions, approvals, consents and notices to be given and actions to be taken under these presents, unless otherwise expressly provided herein, shall be exercised and given by the signatories to this Agreement or by the authorised representative(s) that each party may nominate in this behalf and notify in writing to the other party by Registered Post. Any other nomination of authorised representative(s) shall be informed likewise in writing to/by Distribution Licensee within one month of signing of the Agreement. Notwithstanding any nomination, the Regional Executive Director (South) NTPC Ltd., as well as Executive Director (Commercial), NTPC Ltd., Core 6, VIth Floor, SCOPE Complex, 7, Institutional Area, Lodhi Road, New Delhi-110003 or their authorised representative(s) at its Registered Office first above mentioned shall be authorised to act severally for and on behalf of NTPC.


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13.0 NOTICE:

All notices required or referred to under this Agreement shall be in writing and signed by the respective authorised signatories of the parties mentioned herein above, unless otherwise notified. Each such notice shall be deemed to have been duly given if delivered or served by registered mail/speed post of Department of Posts with an acknowledgement due to the other parties in terms of implementation of the agreement at Article 12 above.

14.0 EFFECTIVE DATE AND DURATION OF AGREEMENT:

The agreement shall come into effect for all purposes and intent from the date of signing of this Agreement. This agreement shall remain operative up to completion of twenty five (25) years from the date of declaration of Commercial Operation (COD)/Schedule Commissioning Date whichever is later of the Solar PV Station and may be extended on mutually agreed terms for further period or periods.

15.0 SUCCESSORS AND PERMITTED ASSIGNS:

- 15.1 In case the functions of Distribution Licensee are reorganised and/or this Agreement is assigned to other organisation(s)/ agency(ies), partly or wholly, the Agreement shall be binding mutatis mutandis upon the successor entities and shall continue to remain valid with respect to the obligations of the successor organisation(s)/agency(ies)/entities provided that the successor Administrators/organisation(s)/agency(ies) is/are owned or controlled by Government of India or the State Government.
- 15.2 If the successor entity is owned and controlled by GoI or any State Government such successor entity(ies) who fulfil the initial requirements as defined in aforesaid CPSU Scheme and execute the requisite documents shall be termed as the permitted assigns.
- 15.3 In other cases, NTPC shall have the right to terminate this Agreement. In the event of termination of this Agreement, Distribution Licensee shall be liable and continue to pay Usage Charges equivalent to average monthly billing of last twelve months till firm arrangement for transfer of title of power from Solar PV Station is tied up firmly with alternate Distribution Licensee or End User.

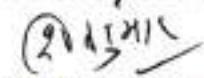

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15.4 The Distribution Licensee shall be responsible to ensure due fulfillment of the obligations by the End User in terms of this Agreement or under the CPSU Scheme.

IN WITNESS WHEREOF the parties have executed these presents through their Authorised Representatives on the date mentioned above.

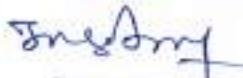
For and on behalf of NTPC Ltd


Name and Designation
V.V. Sivakumar
GM Commercial
NTPC Limited
Witness
EOC NOIDA - 201301

For and on behalf of Distribution Licensee

Name and Designation


P. Krishnaiah
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(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Com pound, hyd-500 063


T. Madhusudhan.,
Chief General Manager,
IPC & RAC, TSNPDCL,
Warangal

1) K. Hema
SE/IPC 

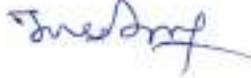
2) M. ESHWARDAS 
DE/IPC/TSSPDCL

3) Patanjali Dixit 
Sr. Manager (Commercial)
SRHQ - Hyderabad
NTPC Ltd.

Annexure A

“Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme) for setting up 12,000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/Government entities, either directly or through Distribution Companies (DISCOMS)”: CPSU Scheme


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Payment Security Mechanism: Letter of Credit

Distribution Licensee has to furnish Letter of Credit in the following Format.

LC FORMAT

[End User i.e. Applicant Bank with Address]

TEL NO:
FAX
SWIFT NO:
CODE:
PIN CODE:

[NTPC bank i.e. Beneficiary Bank with Address]
XX/XX/XXXX

Date:

[name of Distribution Licensee with Address]

Dear Sir(s)

Sub: Letter of Credit No. XXXXXXXXXXXXXXXXXXXX

For INR XXXXXXXXX.XX EXW favouring M/s XXXXXXXXXXXX [End User with Address]

We have arranged to establish the above Credit with [End User with Address] today.

We enclose a copy of the above Credit. Please ensure that the credit has been established in conformity with your instructions. If any errors or omissions are found therein, please note to advise us immediately to enable us to issue necessary advice.

Yours Faithfully,

Authorized Signatory.



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B1: Outgoing SWIFT 11 Header 1

B2: Receiver's BIC Code

27: Sequence of Total

40A: Form of Documentary Credit : IRREVOCABLE

20: Documentary Credit Number

31C: Date of Issue

31D: Date and Place of Expiry

51D: Application Bank (Full Address)

50: Applicant [Distribution Licensee with Address]

59: Beneficiary
 NTPC LIMITED,
 NTPC BHAWAN, SCOPE COMPLEX,
 7 INSTITUTIONAL AREA,
 LODHI ROAD, NEW DELHI-110 003 (INDIA)

32B: Currency Code, Amount: INR

41D: Available With. Beneficiary Bank with Address By NEGOTIATION

42C: Drafts at.....

42D: Drawee [Applicant Bank with Address]

43P: Partial Shipments : ALLOWED

43T: Transshipment : PROHIBITED

44A: Place of Taking in Charge/ Dispatch from.
 NTPC LIMITED,
 NTPC BHAWAN, SCOPE COMPLEX,
 7 INSTITUTIONAL AREA,
 LODHI ROAD, NEW DELHI-110 003 (INDIA)

44B: Place of Final Destination/ For Transport :[Name of Distribution Licensee with Address]

44C: Latest Date of Shipment

45A: Description of Goods and/or Services : INCOTERMS: EXW
 SOLAR P PV OWER, ELECTRICAL ENERGY IN Mus BY NTPC LTD. UNDER
 CPSU SCHEME.


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46A: Document Required

IN THE EVENT OF FAILURE ON THE PART OF [Distribution Licensee] TO PAY A MONTHLY BILL OR SUPPLEMENTARY BILL OR

PART THEREOF WITHIN AND INCLUDING THE DUE DATE, BENEFICIARY MAY DRAW UPON THE LETTER OF CREDIT AND ACCORDINGLY, THE BANK SHALL PAY WITHOUT ANY REFERENCE OR

INSTRUCTIONS FROM [End User], AN AMOUNT EQUAL TO SUCH MONTHLY BILL OR

SUPPLEMENTARY BILL OR PART THEREOF, ON PRESENTATION THE FOLLOWING DOCUMENTS TO THE SCHEDULED BANK (WHO HAS ISSUED THE LETTER OF CREDIT):

- I. THREE (3 COPIES) OF SIGNED DETAILED COMMERCIAL INVOICE CLEARLY SPECIFYING THE RATES, QUANTITY IN KWH SUPPLIED DURING THE MONTH AND DUE DATE FOR THE BILLING PERIOD.
- II. NTPC Certificate REGARDING POWER SUPPLIED TO [Distribution Licensee]. CERTIFICATE REGARDING NON-PAYMENT OF BILL BY [Distribution Licensee] BEYOND DUE DATE.
- III. CERTIFICATE FROM THE NTPC Ltd TO THE EFFECT THAT THE BILL AT ITEM (A) ABOVE OR SPECIFIED PART THEREOF, IS IN ACCORDANCE WITH THE AGREEMENT.

47A: Additional Conditions:

1. THE SAID LETTER OF CREDIT SHALL HAVE A TERM OF TWELVE (12) MONTHS.
2. THE LC AMOUNT SHALL BE INDIAN RUPEES RS. XXX.XX CRORES AND MAXIMUM REVOLVING SHALL BE LIMITED TO RS. XXX.XX CRORES. THE AMOUNT NEGOTIATED UNDER THIS SBLIC WILL BE REINSTATED TO ITS ORIGINAL VALUE UPON FUNDING OR PRIOR WITHDRAWALS BY THE COMPANY, [Distribution Licensee] IF ANY.
3. ALL COSTS RELATING TO APPLICANT BANK CHARGES TO BE BORNE BY END USER AND BENEFICIARY BANK CHARGES TO BE BORNE BY NTPC LTD.
4. BENEFICIARY SHALL NOT DRAW UPON SUCH LETTER OF CREDIT


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PRIOR TO
DUE DATE OF THE RELEVANT MONTHLY BILLS, AND/OR
SUPPLEMENTARY
BILL AND SHALL NOT MAKE MORE THAN ONE DRAWL IN A MONTH.

5. ALL DOCUMENTS MUST BEAR LC NO. AND DATE.

71B: Charges: ALL YOUR BANKING CHARGES TO APPLICANT'S ACCOUNT

49: Confirmation Instructions : WITHOUT Sender to Receiver Information

72: Sender to Receiver Information

39A: Percentage Credit Amount Tolerance: 00/00

48: Period for Presentation: AFTER 45 DAYS FROM THE DATE OF INVOICE.

57D: "Advise through" Bank: [Beneficiary Bank with Address]

40E: Applicable Rules: UCP LATEST VERSION

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