F. No.238/66/2017-Wind
Ministry of New and Renewable Energy
Government of India

Block no. 14, CGO Complex,
Lodhi Road, New Delhi-110003
Dated: 22nd November 2017

To
Shri J N Swain
Managing Director
Solar Energy Corporation of India.
1st Floor, D-3, A Wing, Religare Building
District Centre, Saket, New Delhi - 110017

Subject: Sanction for the ‘Scheme for Setting up of 2000 MW ISTS-connected Wind Power Projects’.

Sir,

Bidding was introduced in the wind energy sector during the year 2016-17 and first wind power auction for 1000 MW capacity was successfully concluded by SECI with a price of Rs. 3.46 per unit of wind power. After success of first wind power auction, another 1000 MW capacity was auctioned on 4th October 2017 with price discovery of Rs. 2.64 per unit. Wind power auction scheme of ministry was well received by wind industry and the Discoms of non-windy States.

2. It is seen that after discovery of competitive price Discoms are encouraged to purchase wind power to comply non-solar RPO. In order to facilitate the purchase of wind power at a tariff discovered through competitive bidding process, I am directed to convey sanction of President of India for implementation of Scheme for setting up of 2000 MW Wind Power Projects connected to Inter-state Transmission System (ISTS), through Solar Energy Corporation of India (SECI). Important features of the Scheme are as under:

i. The objectives of the Scheme are to:
   a. facilitate fulfillment of non-solar RPO requirement of Discoms of non-windy States through supply of wind power at a price discovered through transparent bidding process; and
   b. encourage competitiveness in wind power sector through transparent e-bidding followed by e-reverse auction.

ii. Capacity under the Scheme: The Scheme will be implemented for setting-up 2000 MW capacity Inter-State Transmission System (ISTS) connected wind power projects by Wind Project Developers on build, own and operate basis.

iii. The arrangement for implementation of the Scheme shall be as under:
   a. SECI will be the nodal agency for implementation of the scheme.
   b. The selection of wind power projects under the Scheme will be through a transparent and competitive e-bidding process for eligible bidders followed by e-reverse auction.
c. Eligible bid capacity for bidding will be minimum 50 MW and maximum 400 MW by a bidder.
d. Discoms of non-windy States that requires wind power to fulfill their non-solar RPO under respective RPO regulations will be eligible to buy wind power under the Scheme.
e. Request for Selection (RfS) document for the bidding under the Scheme will be issued by the SECI within a period of ten days from the date of issue of sanction of the Scheme.
f. SECI shall sign Power Purchase Agreement (PPA) with selected bidders at tariff discovered through reverse auction and also back-to-back PSA with buyers at a pooled price of the total capacity allotted.
g. The duration of PPA and PSA will be 25 years from the date of commercial operation of the project.
h. SECI will be entitled to charge trading margin as mutually agreed with buyer or as decided by the CERC for long-term power purchases, whichever is less.
i. The bidders may avail fiscal and financial incentives available for such projects as per prevailing conditions and rules.
j. No separate Central Financial Assistance is envisaged for implementation of the Scheme.

iv. The Guidelines for transparent bidding process for implementation of the Scheme are attached as Annexure.

v. **Role of SECI:** SECI shall execute the bidding process through issue the RfS document inviting bidders to submit the bids quoting tariff for 25 years for sale of power from the Wind Power Projects they propose to set-up at specified locations through e-bidding followed by e-reverse auction.

SECI shall market the scheme with utilities of non windy states so that entire capacity of the scheme is utilized.

SECI shall also sign PPA with selected bidders at tariff discovered through reverse auction and also back-to-back PSA with buyers at a pooled price of the total capacity allotted.

SECI shall monitor the execution of the contract, so that wind power plants are set up as per defined timelines.

In addition, SECI shall develop a suitable mechanism for continuous online monitoring the performance of the projects through data transfer.

vi. **Role of State Nodal Agencies (SNAs):** The State Nodal Agencies will provide necessary support to facilitate the required approvals and sanctions in a time bound manner so as to achieve commissioning of the Projects within the scheduled timeline.

vii. **Power to remove Difficulties:** If any difficulty arises in giving effect to any provision or interpretation of the Scheme or there is a requirement to modify/change the provisions of the Scheme, MNRE will be competent to make such arrangements with approval of Minister in-charge.
3. This issues with the approval of competent authority.

Yours faithfully

(G. Upadhyay)
Scientist-‘F’

Enclosed: Annexure

Copy for information to:
1. Secretary, Ministry of Power, SS Bhawan, Rafi Marg, New Delhi - 110001.
2. Principal Director of Audit, Scientific Audit-II, DGACR building, IP Estate, New Delhi-110002.
3. Chairman & Managing Director, PGCIL, Gurgaon.
4. All State/UT Energy/Power/New & Renewable Energy Secretaries
5. Secretary, CERC/SERCs
6. All States Nodal Agencies
7. All Discoms

Internal Distribution:
1. PS to Hon’ble Minister
2. Sr. PPS to Secretary
3. PPS to Additional Secretary
4. JS&FA/JS(ANS)/JS(BPY)/Advisers
5. Director, NIC to upload the scheme on MNRE website
6. Sanction folder
Guidelines for transparent bidding process for Implementation of Scheme for Setting-up of 2000 MW ISTS-connected Wind Power Projects

1. INTRODUCTION

1.1. Background

The obligated entities under respective renewable purchase obligation (RPO) regulations require large quantum of non-solar power to fulfill their non-solar RPOs. In order to facilitate the Discoms of non-windy sates to comply their non-solar RPOs, a scheme for setting-up of 2000 MW wind power projects is formulated. Procurement of wind power from these projects will be at a tariff discovered through transparent process of bidding by Solar Energy Corporation of India (SECI).

These Guidelines will provide framework for transparent bidding process for implementation of the Scheme.

1.2. Total Capacity of Wind Power Projects

The Scheme will be implemented for setting up 2000 MW capacity of ISTS connected WPPs by Wind Power Developers (WPDs) on build, own and operate (BOO) basis through open and transparent competitive bidding to provide wind power at tariff discovered through e-reverse auction.

Projects under construction, projects which are not yet commissioned and projects already commissioned but which do not have any long-term PPA with any agency and selling power on short-term or merchant plant basis will also be considered, in case these projects are not already accepted under any other Central or State Schemes and do not have any obligations towards existing buyers.

1.3. Implementation Agency

SECI will be the nodal agency for implementation of this Scheme. SECI will prepare Request for Selection (RfS) document and invite bids for selection of wind power projects under the Scheme through e-bidding process followed by e-reverse auction and develop a suitable mechanism for monitoring the performance of the projects. No separate funding shall be provided by MNRE to SECI for this purpose.

1.4. Applicability of the Guidelines

The scope of these Guidelines is to provide the necessary framework and mechanism for transparent bidding process for implementation of Scheme for setting up of 2000 MW ISTS-connected WPPs.

2. DEFINITIONS

In these Guidelines, unless the context otherwise requires,

‘Affiliate’ means a Company that, directly or indirectly,

i. controls, or

ii. is controlled by, or
iii. is under common control with, a Company developing a Project or a Member in a Consortium developing the Project and control means ownership by one company of at least 26 percent of the voting rights of the other company.

‘Bider’ means Bidding Company or a Limited Liability Partnership (LLP) or a Bidding Consortium submitting the Bid. Any reference to the Bidder includes Bidding Company/LLP/Bidding Consortium/Consortium Member of a Bidding Consortium including its successors, executors and permitted assigns and Lead Member of the Bidding Consortium jointly and severally, as the context may require.

‘Bidding Consortium’ or ‘Consortium’ refers to a group of Companies that has collectively submitted the response in accordance with the provisions of these guidelines.

‘Buying Entity’ means any Discom of non-windy States that requires wind power to fulfil its non-solar RPO under respective RPO regulations.

‘Company’ means a body corporate incorporated in India under the Companies Act, 1956 or the Companies Act, 2013 as applicable.

‘Control’ means holding not less than 26 percent of the paid-up share capital.

‘CPSEs’ means Central Public Sector Enterprises.

‘CTU’ or ‘Central Transmission Utility’ means the Government Company notified by the Central Government under Sub-Section (1) of Section 38 of the Electricity Act, 2003.

‘Financial Closure or Project Financing Arrangements’ means arrangement of necessary funds by the Project Developer either by way of commitment of funds by the company from its internal resources and/or tie up of funds through a bank / financial institution by way of sanction of a loan or letter agreeing to finance.

‘Group Company’ of a Company means
(i) a Company which, directly or indirectly, holds ten percent or more of the share capital of the company, or
(ii) a company in which the company, directly or indirectly, holds ten percent or more of the share capital of such company, or
(iii) a company in which the company, directly or indirectly, has the power to direct or cause to be directed the management and policies of such company whether through the ownership of securities or agreement or any other arrangement or otherwise, or
(iv) a company which, directly or indirectly, has the power to direct or cause to be directed the management and policies of the Company whether through the ownership of securities or agreement or any other arrangement or otherwise, or
(v) a company which is under common control with the company, and control means ownership by one company of at least ten percent of the share capital of the other company or power to direct or cause to be directed the management and policies of such company whether through the ownership of securities or agreement or any other arrangement or otherwise.

Provided that a financial institution, scheduled bank, foreign institutional investor, nonbanking financial company, and any mutual fund shall not be deemed to be Group Company, and its shareholding and the power to direct or cause to be directed the management and policies of a company shall not be considered for the purposes of this definition unless it is the Project
Company or a Member of the Consortium developing the Project.

‘Inter-connection/Delivery/Metering point’ means the point at 220 kV or above where the power from the wind power project(s) will be injected into the ISTS. Metering shall be done at this interconnection point where the power will be injected into the ISTS i.e. the Delivery point. For interconnection with grid and metering, the WPDs shall abide by the relevant CERC Regulations, Grid Code, and Central Electricity Authority Regulations as amended from time to time.

‘InSTS’ means Intra-State Transmission System.

‘ISTS’ means Inter-State Transmission System.

‘Lead Member of the Bidding Consortium’ or ‘Lead Member’: There shall be only one Lead Member, having shareholding more than 51 percent in the Bidding Consortium, which cannot be changed till one year from the Commercial operation Date (CoD) of the Project.

‘Net-Worth’ means the Net-Worth as defined in Section 2 of the Company Act, 2013.

‘Non-Windy States’ means States other than Windy States.

‘Paid-up share capital’ means the paid-up share capital as defined in Section 2 of the Company Act, 2013.

‘Parent’ means a company, which holds not less than 51 percent equity either directly or indirectly in the Project Company or a Member in a Consortium developing the Project.

‘Pooling Substation/Pooling Point’ means a point where more than one wind power projects may connect to a common transmission system. Multiple projects can be connected to a pooling substation from where common transmission system shall be constructed and maintained by the developer(s) to get connected to the ISTS substation. The voltage level for such common line shall be 220 kV and above. Further, the metering of the pooled power shall be done at the injection point, i.e. the ISTS substation. However, the voltage level of transmission system of individual projects up to the pooling substation may be at 33 kV and above. Sub-meters shall be installed at the pooling substation for metering and forecasting & scheduling of individual projects. The losses in the common transmission system up to the injection point shall be apportioned to the individual projects for the purpose of billing.

‘PGCIL’ means Power Grid Corporation of India Limited

‘Project’ is defined by separate points of injection into the grid at interconnection/metering point at ISTS substation or in case of sharing of transmission lines, by separate injection at pooling point. Each project must also have a separate control systems and metering.

‘Project Capacity’ means the maximum AC capacity at the point of injection on which the Power Purchase Agreement shall be signed.

‘Project Commissioning’ the Project will be considered as commissioned if all equipment as per rated project capacity has been installed and energy has flown into grid, in line with the Commissioning procedures defined in the RfS document.
‘Project Developer’ or ‘Developer’ or ‘Wind Project Developer (WPD)’ means the Bidding Company or a Bidding Consortium participating in the bid and having been selected and allocated a project capacity by SECI through competitive bidding process.

‘SECI’ means Solar Energy Corporation of India Limited.

‘Scheme’ means the MNRE Scheme for Setting-up of 2000 MW ISTS-connected Wind Power Projects sanctioned on 22nd November 2017.

‘Ultimate Parent’ means a company, which owns not less than 51 percent equity either directly or indirectly in the Parent and Affiliates.

‘Wind Power Project’ means the wind power project that uses wind energy for conversion into electricity through wind turbine generator.

‘Windy States’ means States which are rich in Wind Power Potential. These are - Andhra Pradesh, Gujarat, Karnataka, Madhya Pradesh, Maharashtra, Rajasthan and Tamil Nadu.

3. SELECTION AND IMPLEMENTATION OF WIND POWER PROJECTS

3.1 Selection of Wind Power Projects
The selection of 2000 MW capacity wind power projects under the Scheme will be through a transparent e-bidding process for procurement of wind power at tariff discovered through open competitive bidding process followed by e-Reverse Auction process. The interested bidders shall to register themselves on a web-based portal identified by SECI for e-bidding/e-reverse auction.

The selection of bids will be done by SECI based on the lowest tariff offered in the ascending order as quoted by the bidders during the e-reverse auction, till the entire bid capacity is allotted.

The bidders will be free to avail fiscal and financial incentives available for such projects as per prevailing conditions and rules from Central/State Governments. As equal opportunity is being provided to all bidders at the time of tendering itself, it is up to the bidders to avail these benefits. Change in conditions of the existing incentives would not entitle the bidders to seek enhancement in tariff or through any other compensation.

3.2 Mechanism of Operation of the Scheme
The salient features of the overall mechanism would be as follows:

i. Implementation timelines: SECI to issue RfS document for bidding 2000 MW capacity under the Scheme within a period of ten days from the date of issue of sanction.

ii. Sale of wind power: SECI shall sign Power Purchase Agreement (PPA) with WPDs at bidded tariff and with selected CPSEs at lowest bid tariff discovered through reverse auction and also back-to-back PSA with buyers at a pooled price of the total capacity allotted. The duration of PPA and PSA will be 25 years from Commercial Operation Date (COD) of the project. SECI will be entitled to charge trading margin as mutually agreed with buyer or as decided by the CERC for long-term power purchases, whichever is less.

All the commercial transactions under the scheme for sale and purchase of wind power between
WPD, CPSEs, SECI and Buying Entities will be governed by the PPA/PSA as the case may be.

In case of any change in tax provisions, after selection of the bidder, having financial implications on the bidder, it will be pass-through if the same is allowed by the CERC/respective SERC.

iii. Project Locations: Projects could be set up on the locations, selected by the bidders on their own considering the techno-economic feasibility and other clearance as required under applicable rules and guidelines from Central and respective State Governments.

3.3 Request for Selection (RfS) for Short-listing of Projects
SECI shall invite bidders to participate in the open competitive bidding process against the Request for Selection (RfS) for development of WPPs under the Scheme. The bidders shall submit their bid against the RfS as per the schedule notified by SECI.

3.4 Processing Fees
The Bidders shall submit non-refundable processing fee of Rs. 3 Lakhs (plus taxes as applicable) for each bid application along with the response to RfS.

3.5 Number of Applications by a Company and Capacity limit of allocation
Under the Scheme minimum bid capacity shall be 50 MW at one project site. A maximum capacity of 400 MW WPPs shall be allotted to one company including its Parent, Affiliate or Ultimate Parent-or any Group Company. The bidder, including its Parent, Affiliate or Ultimate Parent-or any Group Company, shall submit one single application in the prescribed format detailing all projects for which the bidder is submitting the application. WPDs will be allowed to install wind turbine generators of total rated capacity not more than 105 percent of project capacity allotted to them. The additional 5 percent will take care for auxiliary consumption and losses up to interconnection point. Further, the WPDs will be allowed to repower the project, at a later stage, if required, as per prevailing policies and guidelines in this regard. However, in no case the WPDs will be allowed to inject power more than capacity allotted.

3.6 Qualification Criteria for Short-Listing of Wind Power Projects

A. Technical Criteria

a. The Owner of wind power projects having ownership of a wind power project of minimum capacity of 25 MW at one location continuously for not less than one year as on original date of bid opening;
   OR

b. The EPC contractors of wind power projects having commissioned a wind power project of minimum capacity of 25 MW at one location as on original date of bid opening;
   OR

c. The Developers of Wind Power Projects,
   (i) Who have installed a wind power project of minimum capacity of 25 MW at one location as on original date of bid opening;
   OR
Who have completed the financial closure of at least 50 MW wind power projects and project is under execution as on original date of bid opening, will be eligible for participation in the Bid.

The Bidders may meet technical eligibility criteria through either of the modes (a), (b) or (c) above.

It is proposed to promote only commercially established and operational technologies to minimize the technology risk and to achieve timely and successful commissioning of the Projects. In order to ensure only quality systems are installed, the type certified wind turbine models listed in Revised List of Models and Manufactures (RLMM) issued by MNRE will be allowed for deployment under the Scheme.

B. Financial Criteria

The Net-Worth of the Bidder should not be less than Rs. 1.50 Crore per MW (of the capacity quoted).

3.7 Connectivity with the Grid

i. The project should be designed for interconnection with the ISTS.

ii. The responsibility of getting the ISTS connectivity and Long Term Access (LTA) shall entirely be with the WPD. For the information of the bidders, CTU may provide the details of ISTS Sub-station of the windy States with indicative information on total installed transformation capacity and capacity available in MVA which can be injected/evacuated from these substations at a particular time. Such availability of transmission system being dynamic in nature, the bidder has to ensure actual availability of power injection/evacuation capacity at an ISTS substation. The transmission of power up to the point of interconnection where the metering is done for energy accounting shall be the responsibility of the WPD at his own cost. In case a WPD is required to use the InSTS to bring wind power at ISTS point, he may do so as per rule and regulations prescribed by the respective SERC in this regard. The maintenance of transmission system up to the interconnection point shall be the responsibility of the WPD.

iii. The arrangement of connectivity can be made by the WPD through a dedicated transmission line which the WPD may construct himself or get it constructed by PGCIL/State Transmission Company or any other agency. The entire cost of transmission including cost of construction of line, wheeling charges, losses, etc., from the project up to the interconnection point will be borne by the WPD.

iv. The WPD shall not be entitled to deemed generation in case of any delay in grant of connectivity or non-availability of LTA to the Project.

v. The WPDs shall comply CERC/SERC regulations on Forecasting, Scheduling and Deviation Settlement, as applicable and are responsible for all liabilities related to LTA and Connectivity.

vi. The Buying Entity will be responsible for all transmission charges and losses and any other charges as applicable under the respective regulations beyond the Delivery Point and up to the Drawl Point.
3.8 Clearances required from the State Government and other local bodies
The projects developers are required to obtain necessary clearances as required for setting up the WPPs.

3.9 Selection of Projects under the Scheme
The selection of Projects shall be done through single stage two envelope, e-bidding and e-reverse auction, as detailed in the RfS document to be issued by SECI. The procedure for conducting e-bidding and e-auctioning shall be framed by SECI.

Based on the RfS notification issued by SECI, separate Technical and Financial bids will be submitted by the developer in his application. The financial bid will clearly indicate tariff offered in Indian Rupees against the total capacity for which the bid is submitted.

3.10 Power Purchase / Power Sale Agreement (PPA/PSA)
A copy of standard Power Purchase Agreement to be executed between the SECI and the WPD shall be provided by SECI along with Invitation for submission of response to RfS. Within two months of the date of issue of Letter of Award (LoA), the Power Purchase Agreement (PPA) between the SECI and the WPD for purchase of power from the project will be executed. The PPA shall be for a period of 25 years from the date of COD.

The buyer will be obliged to buy the entire power as per generation schedule to be provided by the WPDs, subject to limitations as per Clause 3.5, required under grid regulations. However, the WPDs are required to achieve a minimum CUF as stipulated in the Guidelines. The WPDs are free to operate their projects after expiry of the 25 years of PPA period if other conditions like land lease, etc., permits. However, any extension of the PPA period beyond 25 years shall be through mutual agreements between the WPD, SECI and the Buying Entities as the case may be.

The SECI will execute a PSA valid for 25 years with the Buying Entities for sale of wind power. Further, these Buying Entities will have to maintain LC and Escrow Arrangement as may be defined in the PSA.

3.11 Bank Guarantees
The Bidder shall provide the following Bank Guarantees to SECI in a phased manner as follows:

- Earnest Money Deposit (EMD) of Rs. 10 Lakh/MW in the form of Bank Guarantee along with RfS.
- Performance Bank Guarantee (PBG) of Rs. 20 Lakh/MW within 30 days from date of issue of Letter of Award.

The Bank Guarantees against EMD shall be returned to the selected bidders after PBGs submitted by them is verified by SECI.

The selected bidders are required to sign PPA with the SECI in line with the Timeline given in the Guidelines. In case, the selected bidder refuses to execute the PPA within the stipulated time period, the Bank Guarantees equivalent to EMD shall be en-cashed by SECI as penalty. In case the Project is not selected, SECI shall release the Bank Guarantees within 15 days of the date of issue of LoA to selected bidders. The PBGs shall be valid for a period of 18 months from the date of issue of LoA for the Projects. The PBGs will be returned to the developers immediately after successful commissioning of their projects, after taking into account any
penalties due to delays in commissioning as per provisions stipulated in 3.14.

3.12 Minimum Paid up Share Capital to be held by Project Promoter
The Company developing the project shall provide complete information in their bid against RfS about the Promoters and their shareholding in the company indicating the controlling shareholding before signing of PPA with SECI.

No change in the shareholding in the Company developing the Project shall be permitted from the date of submitting the response to RfS till the execution of the PPA. However, this condition will not be applicable if a listed company is developing the Project.

After execution of PPA, the controlling shareholding (controlling shareholding shall mean more than 26 percent of the voting rights and paid-up share capital) in the Company/Consortium developing the project shall be maintained for a period of one year after COD. Thereafter, any change can be undertaken under intimation to SECI. Transfer of controlling the shareholding with in the same group of companies will however be allowed after COD, with the permission of SECI, subject to the condition that, the management control remains within the same group of companies.

In the event of Change in Shareholding/Substitution of Promoters triggered by the Financial Institutions leading to signing of fresh PPA with a New Entity, an amount of Rs. 10 Lakh per Project per Transaction as Facilitation Fee (non-refundable) shall be deposited by the developer to SECI.

3.13 Financial Closure/Project Financing Arrangements
The WPD shall report tie-up of Financing Arrangements for the projects within nine months from the date of issue of LoA. Within the aforesaid period the WPD would also furnish the necessary documents to establish that the required land for project development is in clear possession of the Project Developer. The WPD shall be required to submit the transmission connectivity agreement with the ISTS and also with InSTS, if applicable.

In case of delay in achieving above condition as may be applicable, SECI shall encash Performance Bank Guarantees and shall remove the project from the list of the selected projects, unless the delay is on account of Force Majeure. An extension can however be considered, based on the merits of the case, by SECI on the request of WPD along with payment of Rs. 10,000/- per day per MW.

3.14 Commissioning

Part Commissioning: The minimum capacity for acceptance of part commissioning at one project site shall be 50 MW or 50 percent of the allocated Project Capacity at that site, whichever is higher and balance capacity thereafter in batches of capacity not less than 50 MW or in one go.

Commissioning Schedule and Penalty for Delay in Commissioning: The selected projects shall be commissioned within 18 months from date of issuance of Letter of Award. A duly constituted Committee will physically inspect and certify successful commissioning of the project. In case of failure to achieve this milestone, SECI shall encash the Performance Bank Guarantee (PBG) in the following manner:

a. Delay up to six months - The total PBG on per day basis and proportionate to the balance
Capacity not commissioned.

b. In case the commissioning of the project is delayed over six months, the tariff discovered after e-Reverse Auction shall be reduced at the rate of 0.50 paise/kWh per day of delay for the delay in such remaining capacity which is not commissioned. The maximum time period allowed for commissioning of the full Project Capacity with encashment of Performance Bank Guarantee and reduction in the fixed tariff shall be limited to 27 months from the date of LoA. In case, the Commissioning of the Project is delayed beyond 27 months from the date of LoA, the PPA capacity shall stand reduced / amended to the Project Capacity Commissioned, provided that the commissioned capacity is not below 50 MW or 50 percent of the total allocated Project Capacity, whichever is higher, and the PPA for the balance Capacity will stand terminated and shall be reduced from the selected Project Capacity. If the WPD fails to commission project capacity of 50 MW or 50 percent of the total allocated Project Capacity, whichever is higher within a period of 27 months from the date of LoA, apart from imposition of penalties as listed above he shall be blacklisted and will not be allowed to participate in any other scheme of MNRE/SECI for a period to be decided by them.

The funds generated from the encashment of the Bank Guarantees shall be deposited in a separate fund under the guidance of MNRE. In case of delays of project commissioning due to the reasons beyond the control of the WPD, SECI after having satisfied with documentary evidences produced by the WPD for the purpose and which SECI finds beyond doubt, can extend the time for commissioning date by up to three months, without any financial implications to the WPD. For any extension beyond the period of three months, SECI will approach MNRE and MNRE will decide on further extension with the approval of Minister-in-charge, MNRE.

3.15 Electricity Generation from Wind Power Projects

Criteria for generation: The WPDs will declare the annual CUF of their Project at the time of signing of PPA and will be allowed to revise the same once within first year of COD. The declared annual CUF shall in no case be less than 20 percent yearly. WPD shall maintain generation so as to achieve annual CUF not less than 90 percent of the declared value and not more than 120 percent of the declared CUF value, during the PPA duration of 25 years. The lower limit will, however, be relaxable by the buyer to the extent of non-availability of grid for evacuation which is beyond the control of the WPD. For the first year of operation of the project, the annual CUF shall be calculated based on the first year after COD of the Project. Subsequently, the annual CUF will be calculated every year from 1st April of the year to 31st March next year.

Shortfall in minimum generation: During PPA, if for any year, it is found that the developer has not been able to generate minimum energy corresponding to the lower limit of CUF declared by the developer, such shortfall in performance shall make WPD liable to pay the compensation as provided in the PSA to the buyer. This will, however be relaxable to the extent of grid non-availability for evacuation, which is beyond the control of the WPD. The amount of compensation shall be equal to the compensation payable by the Buying Entities towards non-meeting of RPOs, if such compensation is ordered by the respective SERC. This compensation shall be applied to the amount of shortfall in generation during the year. However, this compensation shall not be applicable in events of Force Majeure identified under PPA with SECI/buyer affecting supply of wind power by WPD.

3.16 Commercial Operation Date (COD):
The Commercial Operation Date (COD) shall be considered as the actual date of
commissioning of the project as declared by the SNA/Commissioning Committee. COD will be declared only when the WPD has commissioned at least 50 MW capacity or 50 percent of the total allotted project capacity whichever is higher.

The following two milestone dates for commissioning may therefore be observed and may fall on separate dates:

(i) **Inter connection with Grid:** This may be provided by the PGCIL/State Transmission Company on the request of the WPD, to facilitate testing and allow flow of power generated into the grid to avoid wastage of Power.

(ii) **Commissioning of Project:** This will be on a date, when the project meets the criteria defined for project commissioning. SECI may authorize any individual or committee or organization to declare the project commissioned on site. Any infirm power produced and flowing into the grid before COD shall not be at the cost of buyer/SECI under this scheme and developers will be free to make short-term sale to any organization or individual as per regulations. SECI may agree to buy this power as a trader if they find it viable outside the Scheme.

4. OTHER PROVISIONS

4.1 **Role of State Nodal Agencies (SNAs)**
The State Nodal Agency will provide necessary support to facilitate the required approvals and sanctions in a time bound manner so as to achieve commissioning of the Projects within the scheduled Timeline. This may include facilitation in the following areas:
- Coordination among various State and Central agencies for speedy implementation of projects
- Support during commissioning of projects and issue of commissioning certificates.

4.2 **Role of CTU/PGCIL/State Transmission Company**
The CTU/PGCIL/State Transmission Company will provide transmission system to facilitate the evacuation of power from the Projects which may include the following:
(i) Upon application of LTA/Connectivity as per CERC Regulations, CTU shall coordinate with the concerned agencies and facilitate grant of connectivity and LTA so that projects are completed within stipulated time frame.
(ii) Support during commissioning of projects

4.3 **Performance Monitoring:**
All wind power projects under the scheme shall comply the Grid Code and Regulations made thereunder. They must install necessary equipment to continuously measure wind resource data and other weather parameters and simultaneously measure the electricity generated from the each wind turbine. They will be required to submit this data to SECI and MNRE or any other designated agency through live/on-line and/or a report on regular basis every month for the entire duration of PPA. Further, they shall also grant access to SECI and MNRE or any other designated agency for remote monitoring of the wind power projects on a 24x7 basis.

4.4 **Empowered Committee of MNRE**
In order to facilitate smooth implementation of the scheme, an Empowered Committee under the chairmanship of Joint Secretary, MNRE shall be constituted by MNRE. If any difficulty arises in giving effect to any provision of these guidelines or interpretation of the guidelines or there is a requirement to modify the guidelines for better implementation, the matter will be referred to the Committee. Thereafter, clarifications/modifications/rectification of anomalies,
may be issued with approval of Minister in-charge.

[1] Refer: Section 63 of Electricity Act 2003