

**Request for Selection Document
for 25 MW Grid Connected Solar Photovoltaic Power Project
to fulfil Renewable Purchase Obligation (RPO) of the State**

**Notice No 3836/OREDA Dated 13.12.2011 Published on
OREDA Website on 22.12.2011**

CORRIGENDUM/CLARIFICATION

Sub: **Amendments to OREDA's RfS issued under Notice No. 3836/OREDA Dated 13.12.2011 and Published on OREDA Website on 22.12.2011.**

1. Net Worth (Section -3, Clause 3.5 B(i)):

The above clause is amended as follows:

Net Worth

The net worth of the company should be equal to or greater than the value calculated at the rate of Rs 3 Crore per MW (and Rs 15.00 Crore for one unit of 5 MW). The computation of net worth shall be based on unconsolidated audited annual accounts of the company. The company would thus be required to submit annual audited accounts for the financial year 2010-11, along with certificate from a Chartered Accountant to demonstrate fulfilment of the criteria. In case of a foreign company, the company needs to submit annual account certificate from a chartered accountant or statutory auditor for the immediate previous accounting year.

For companies which are newly incorporated, the Net Worth criteria should be met seven days prior to the date of submission of RfS document by the Project Developer. To demonstrate fulfilment of the criteria, the Bidder shall submit a certificate from a Chartered Accountant certifying the net worth on the date seven days prior to submission of RfS. Further, the project developer shall submit the unaudited financial statements of the company for the date on which the Certificate of Chartered Accountant has been obtained.

Note:

For the qualification requirements , if data is provided by the bidder in foreign currency, equivalent rupees of net worth will be calculated using bills selling

exchange rates (card rates) USD/ INR of State Bank of India prevailing on the date of closing the accounts for the respective financial year as certified by the bidder's banker.

Net Worth

=Paid-up Share Capital

Add: Free Reserves

Subtract: Revaluation Reserves

Subtract: Intangible Assets

Subtract: Miscellaneous Expenditures to the extent not written off and carry forward losses

Share premium will form an integral part of Net Worth provided it is realized in cash or cash equivalents.

Paid-up Share Capital will include:

- i) Paid-up equity share capital and
- ii) Fully, compulsorily and mandatorily convertible Preference Shares and
- iii) Fully, compulsorily and mandatorily convertible Debentures.

2. Earnest Money Deposit (Section-3,Clause 3.18):

The following line is added to the above clause

“Bank Guarantee or Corporate Guarantee will not be accepted for EMD”

3. Connectivity(Section -3, Clause 3.5 D (i) and 3.5d(iii)):

The above clauses are amended as follows

Clause 3.5 D (i)

The plant should be designed for interconnection with the transmission network of DISTCOMS or OPTCL at voltage level 33 KV or 132 KV. In this regard the bidder shall submit **Confirmation of Connectivity in format 6.8 along with the RfS**. Letter from concerned transmission utility confirming technical feasibility of connectivity of the plant to the substation at indicated location (village, block, district as applicable) should be submitted at the time of signing of the PPA.

Clause 3.5 D (iii)

The arrangement of the connectivity can be made by the selected project developer through a dedicated transmission line which, the developer may construct himself or get constructed by GRIDCO/OPTCL. The entire cost of transmission including cost of construction of lines, metering equipment, losses etc. from the project up to the interconnection point will be borne by the project developer and will not be reimbursed by GRIDCO/ OPTCL. **Right of way for setting up the transmission lines has to be obtained from the concerned land owners by the developers only. OPTCL/DISTCOM will not be responsible for it even if the work is taken up through them.**

4. Selection of bidders (Section 3, Clause-3.7 (I))

The following is added to the above clause

In case, L1 or any of the bidders fails to take up any of the units accepted by it then besides forfeiting its EMD and Security Deposits, the bidder will be blacklisted and the event of such blacklisting will be intimated to all concerned and posted on the website of OREDA. Under such circumstance the decision of OREDA will be final.

5. Purchase of Power (Section 3, clause-3.9)

The above clause is amended as follows. These amendments shall also apply to clause 4 and 5 of the PPA given in section 6 of the RfS.

GRIDCO at any time during a contract year shall not be obliged to purchase any additional electricity from the developer beyond 1.83[1.664+ (plus) 0.1664] MU/MW/Year. If for any contract year, it is found that the Developer has not been able to generate minimum electricity of 1.4976 [1.664-(minus) 0.1664] MU/MW/Year on account of any reasons not attributable to GRIDCO or Force Majeur events, the non-compliance by the Developer shall make him/her liable to pay penalty to GRIDCO. Such penalty shall only apply to quantum of shortfall (the positive difference between 1.4976 [1.664-(minus) 0.1664] MU/MW/Year and actual quantum of electricity generated) during the contract year. However, for the first year, the expected Commercial Operation Date (COD) as mentioned in the RfS document will be taken as the 1st day of the year irrespective of actual date of commissioning if the project is commissioned after the due date.

Penalty for shortfall in supply of electricity:

The shortfall in supply of electricity will be calculated as the positive difference between 1.4976 [1.664-(minus) 0.1664] MU/MW/Year and actual quantum of electricity generated.

Computation of penalty will be done every tariff year.

The amount of penalty shall be computed by multiplying the total shortfall recorded during a tariff year with the difference in quoted price of electricity by the Developer and forbearance price of RECs (as determined by CERC from time to time) provided the quoted price is less than the forbearance price of RECs. Such penalty will be imposed at the end of every tariff year.

Apart from those mentioned above, in case, there is any penalty imposed by OERC on GRIDCO due to any shortfall in supply of solar electricity to GRIDCO by the Developer, such penalty will also be borne by the Developer.

6. Section-3, clause 3.5(B), Para-IV)

The above clause is amended as follows:

If the response to RfS is submitted by a Consortium the financial requirement shall be met individually and collectively by all Members in the Bidding Consortium. The financial requirement to be met by each member of the Consortium shall be computed to the equity commitment made by each of them in the project company. For computation of Net Worth of members methodology as provided under Para (i) above shall be followed. Any Consortium, if selected, shall, for the purpose of supply of power to GRIDCO, incorporate a project company with equity participation by Members in line with consortium agreement (to be submitted along with RfS) before signing the PPA with GRIDCO i.e. the project company incorporated shall have the same share holding pattern as given at the time of RfS. This shall not change till the signing of PPA and the controlling shareholding held by the lead member (holding more than 50% of the voting rights **and paid up share capital inclusive of fully, compulsorily, mandatorily, convertible Preference share/Debentures in the Company/Consortium**) shall not change from the **date of submission of RfS** up to one year after the COD of the project. However, in case of any change in the shareholding of the other shareholders (other than the controlling shareholder including lead member) after signing of PPA, the arrangement should not change the status of the controlling shareholder and the lead member in the project company at least up to one year after the COD of the unit/project. Further, such

change in shareholding would be subject to continued fulfilment of the financial and the technical criteria, by the Project Company.

The bidder may seek qualification on the basis of financial capability of its parent, **ultimate parent** and / or its affiliate (s) for the purpose of meeting the qualification requirements.

In case, any company selected for developing more than one unit of the solar power project, the company will have to meet the total net worth requirement keeping the original shareholding pattern unchanged for the number of units offered and submit the proof for the same again within **21 (twenty One)** days from the date of issue of letter of Intent.

7. Revision of Formats

Format 6.7 and 6.10 have been revised and attached

8. Force majeure

COD/Expected COD will take into consideration Force majeure conditions.

Note:

This corrigendum/clarification will be applicable to the entire RfS document

**SD/-
Chief Executive
OREDA**

[on the letter head of Bidder]

Format 6.7 - FORMAT FOR TECHNICAL CRITERIA

To,

Odisha Renewable Energy Development Agency

S-59, Mancheswar Industrial Estate

Bhubaneswar-751010, Odisha

Dear Sir,

Sub: Response to RfS setting up one unit of solar PV power plant of 5 MW in Odisha.

We hereby undertake to certify in line with clause 3.21 under the title “Financial Closure or Project Financing Arrangement” that the following details shall be furnished within 210 days of signing of PPA: -

- 1.0 That the technology proposed to be used is commercially established technology and at least one project based on this technology is successfully operational.
- 2.0 Details of the project with location and the successful operational period of the project utilizing this technology.
- 3.0 Evidence of clear possession of the required land for the project along with following documentary evidence: -
 - Ownership or lease hold rights for at least 30 years in the name of the Project Developer **and** possession of 100% of the area of land required for the project. Land can be taken on lease from State / Central Agency.
 - Certificate by the concerned and competent revenue/registration authority for the acquisition / ownership/ vesting of the land in the name of the Project Developer.
 - Sworn affidavit from the Authorized person of the developer listing the details of the land and certifying total land required for the project under clear possession of the Project Developer

- A certified English translation from an approved translator in case above land documents are in other than English and Odiya Languages.

Failure or delay on our part in achieving the above conditions shall constitute sufficient grounds for encashment of our Performance Bank Guarantee.

Authorised Signatory

Stamp

Format 6.10 Declaration by the Solar power Developer for the proposed technology

1	Name of Bidding Company / Lead Member of Bidding Consortium	
2	Project proposed	Solar PV
3	Capacity proposed (in MW)	
4	Technology proposed to be adopted for the project to supply annual output of 1.664 ± 0.1664 MU/MW	Conventional / Advance
a	Crystalline Silicon Solar Cell Modules	
b	Thin Film Modules	
c	Concentrator PV Modules	
d	Any Other Technology (Please specify)	
5	Give brief about the proposed Technology	

**Signature of
the Bidder**

Stamp