

POWER PURCHASE AGREEMENT

for Cross-Border Electricity Trade (CBET)
Between Seller (New Hydro Generator) & Procurer



**SOUTH ASIA REGIONAL INITIATIVE FOR
ENERGY INTEGRATION (SARI/EI)**

Task Force-3 Report



Prepared by:

SARI/EI Task Force-3 ('South Asian Regional Electricity Market')

Members:**Bangladesh**

Mr. Salim Mahmud
Member, Bangladesh Energy Regulatory Commission

Mr. Mizanur Rahman
Chief Engineer, Bangladesh Power Development Board

Bhutan

Mr. Sonam P. Wangdi,
Director General, Department of Hydropower and Power System, Ministry of Economic Affairs

India

Mr. Harish Saran,
Executive Director (Marketing), Power Trading Corporation India Limited

Mr. Rajesh K. Mediratta,
Director – Business Development, Indian Energy Exchange Limited

Nepal

Mr. Sher Singh Bhat
Deputy Managing Director, Nepal Electricity Authority

Sri Lanka

Mr. K.L.R.C. Wijayasinghe
Director (Power & Energy), Ministry of Power & Energy

SARI/EI Project Secretariat, IRADe

Mr. V.K. Kharbanda, Project Director
Mr. S.K. Ray, Technical Specialist
Mr. Gaurav Jain, Senior Research Analysts

Consultant: Pricewaterhouse Coopers India

Mr. Sambitosh Mohapatra, Partner
Mr. Hitesh Chaniyara, Director
Ms. Nidhi Maurya, Associate Director
Mr. Sriram Siddhartha Potluri, Manager

IRADe-SARI/EI-2016-12

Disclaimer: This study is made possible by the support of American people through the United States Agency for International Development. The content of this study do not necessarily reflect the views of USAID of the United State Governments. Integrated Research and Action for Development (IRADe) does not guarantee the accuracy of the data included in this publication and accepts no responsibility for any consequence of their use.

POWER PURCHASE AGREEMENT

for Cross-Border Electricity Trade (CBET)
Between Seller (New Hydro Generator) & Procurer



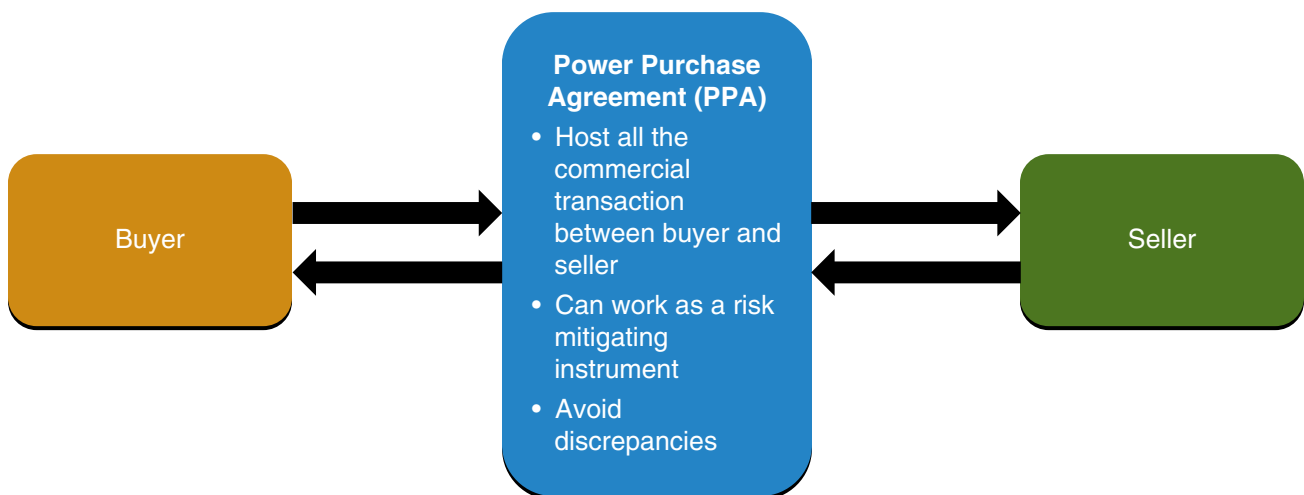
**SOUTH ASIA REGIONAL INITIATIVE FOR
ENERGY INTEGRATION (SARI/EI)**

Task Force-3 Report



Introduction and Guidance for Model PPA in South Asian Region

A Power Purchase Agreement (PPA), or electricity power agreement, is a contract between power sellers (generator may be) and power off taker/buyers (utilities). It defines all the commercial terms (includes CoD, schedule for delivery of electricity, penalties for under delivery, payment terms, and termination), for the trade of electricity between two parties.



PPA is a legal contract used in power trading with a contractual term with obligations relating to power trade duration of 5 to 25 years generally. PPAs come into existence when a power generator (seller) want to be in a secure state and need assurance for the revenue of their investment. On the other hand, it also assures the buyer for continuous electricity supply. It documents all the term of trade in a form of commercial agreement which secures the seller and buyer on a long term basis. There are large possibilities of electricity price fluctuation as the technologies are improving day-by-day, new concept business models are getting into market which all led to increase in competition. In such cases, PPAs act as a guarantee or safeguard for seller and buyer. In short PPAs promise to reduce costs, as well as to provide a long-term hedge against rising and volatile power prices.

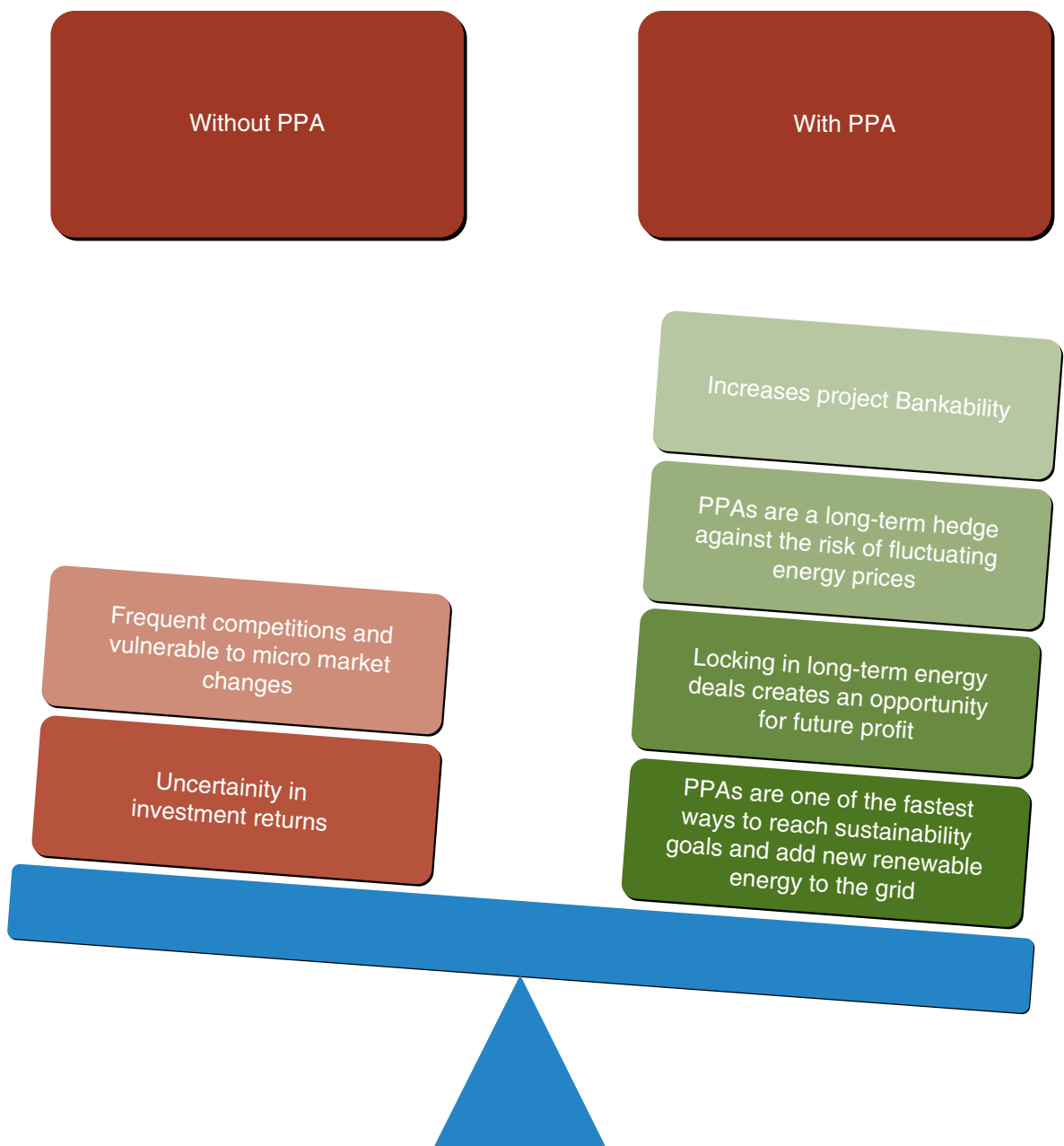
Guidance for Model PPA

This model Power Purchase Agreement (PPA) has been developed with following assumptions:

- A Seller and a Buyer are entering into an Agreement;
- Seller is a generator developing a new hydro power plant;
- Buyer may be a Distribution Licensee or Trader or a Consumer;
- Both the entities are located in two different countries (within SAARC region);
- This Agreement is energy-based PPA where tariff will be recovered through single-part tariff viz. energy charges [It means no explicit payments linked with generating capacity];



- An option of capacity-based PPA has been provided where tariff will be recovered through two-part tariff viz. capacity charges and energy charges. Adoption of this option for this Agreement would require certain changes in this document such as replacing key terms and definitions like Contracted Energy, Deemed Declared Energy etc., with Contracted Capacity, Declared Capacity, Availability etc., as per the guidance provided in the document;
- Seller may contract either full plant capacity / energy or part capacity / energy from the Project; and in the entire document, appropriate footnotes have been provided as guidance for making transaction-specific modifications such as names of countries, relevant authorities, values etc.
- This model PPA provides overall guidance for developing transaction-specific PPA. Transaction-specific PPA should be carefully drafted based on this guidance and other relevant laws/regulations/guidelines. Such transaction-specific PPA should be reviewed and vetted by Legal and other relevant experts.



Salient features of PPA

Sale of capacity and energy: The power producer agrees to make available to the Purchaser the contracted capacity of energy and deliver the energy in accordance with the PPA.

Charges for available capacity and electrical output: It includes the changing mechanism; the price charged for the power will consist of two major components out of which one is fixed and another is variable. The availability charge relates to the availability of the power plant and the variable charge is calculated according to the quantity of power supplied. The purchaser will want a guaranteed long-term output from the project and so the availability charge is typically the minimum that it will be paid, provided that the plant can be shown to make sure power available.

Third party sales: The ability to make third-party sales can enhance the finance ability of the project and cushion the purchaser against risks such as a reduction in the purchaser's monthly tariffs. This flexibility also has the advantage that, given the long-term nature of the PPA, if the market is deregulated at a later date, then the PPA may not need to be completely replaced. However, purchasers are often nervous about allowing third-party sales as they want to be sure that all capacity is available to them at all times and so the PPA may include an exclusivity period during which all power producer is to be supplied to the purchaser. Flexibility may need to be incorporated into the PPA to ensure that this exclusive period is not an impediment to future development/deregulation of the electricity market. Exclusivity provisions in PPAs can create challenges for development of energy markets.

Underperformance and delays by power producer: The PPA may provide sanctions or require the power producer to pay liquidated damages if the power producer fails to deliver power as promised; in particular, if the construction of the project is not completed on schedule or does not perform as required when completed, lenders will be concerned to ensure that liquidated damages do not have too damaging an impact on debt coverage ratios.

Force majeure or purchaser breach of contract: The power producer is usually not required to pay damages for delays resulting from events beyond its control.

Termination: The PPA will need to provide for what happens on termination (whether at the end of the term of the agreement or early termination for default etc.), including obligations of the power producer on hand-over of assets, calculation of buyout price for IPP (if this is contemplated), what happens to employees of power producer if IPP is transferred to purchaser on termination.

Project operation issues typically include scheduled outages and maintenance outages, operation and maintenance, emergencies and keeping of accounts and records.

Change of law: PPA should address impact on tariff in event of a change in applicable law and the mechanism for tariff adjustment. Lenders will be anxious to ensure that the cash flows of the project required for debt service are protected against changes in law.



Power Purchase Agreement
for
Sale and Purchase of Power

Between

(“Seller”)

and

(“Procurer”)

Issued by



Index

| | Page No. |
|---|----------|
| Article 1: Definitions and Interpretation | 7 |
| Article 2: Term of Agreement | 15 |
| Article 3: Conditions Precedent | 16 |
| Article 4: Principal Obligations of the Parties | 18 |
| Article 5: Synchronisation, Testing, Commissioning and Supply of Power | 20 |
| Article 6: Operation and Maintenance | 25 |
| Article 7: Scheduling and Dispatch | 27 |
| Article 8: Interconnection, Metering & Energy Accounting | 28 |
| Article 9: Billing and Payment and Third Party Sales on Default | 30 |
| Article 10: Force Majeure | 35 |
| Article 11: Change in Law | 38 |
| Article 12: Events of Default and Termination | 40 |
| Article 13: Liability and Indemnification | 44 |
| Article 14: Assignments and Charges | 47 |
| Article 15: Governing Law and Dispute Resolution | 48 |
| Article 16: Miscellaneous Provisions | 50 |
| Schedule 1: Initial Consents | 54 |
| Schedule 2: Salient Features & Technical Characteristics of the Project | 55 |
| Schedule 3: Tariff | 56 |
| Schedule 4: Representation and Warranties | 60 |
| Schedule 5: Format for Contract Performance Guarantee | 62 |
| Schedule 6: List of Banks | 64 |
| Schedule 7: Additional Technical Information | 65 |
| Acknowledgement | 66 |



Power Purchase Agreement

This Power Purchase Agreement (hereinafter referred to as the "PPA") is made on this ____day of _____at _____, by and between:

_____ (hereinafter referred to as "Seller") a company incorporated under _____Act in _____ having its registered office at _____of the ONE PART, which expression, unless repugnant to the context or meaning thereof shall be deemed to include its successors and permitted assigns);

AND

_____, a company incorporated under _____ Act, in _____ having its registered office at _____ (hereinafter referred to as "Procurer"), which expression shall unless repugnant to the context or meaning thereof shall be deemed to include its successors and permitted assigns) of the OTHER PART.

(Seller and Procurer are individually referred to as the "Party" and collectively referred to as the "Parties")

WHEREAS

- A. The Seller is in the process of setting up ____ MW Hydropower Project facility at _____ (hereinafter referred to as the "Project" or "Power Station").
- B. Seller is desirous to sell the power generated from the Project in accordance with the terms and conditions of this Power Purchase Agreement.
- C. Procurer is desirous to purchase the power generated from the Project for the purpose of _____ in accordance with the terms and conditions of this Power Purchase Agreement.
- D. ¹ _____ has provided to the Procurer, Contract Performance Guarantee as per format specified in Schedule 5 of this Agreement.
- E. ² _____
- F. The Parties hereby agree to execute this Power Purchase Agreement setting out the terms and conditions for the sale and purchase of Contracted Energy by the Seller from its Project to the Procurer.
- G. The Procurer agrees, on the terms and subject to the conditions of this Agreement, to procure Contracted Energy and pay the Seller the Tariff as determined in accordance with the terms of this Agreement. In case the Seller intends to sell any energy beyond the Contracted energy in any Contract Year during the term of the PPA, the Seller and the Procurer shall mutually agree and arrive at the volume and the tariff for sale of such energy. Such tariff shall not be lower than the Tariff for the relevant Contract Year. The intention to sell any energy beyond the Contracted Energy shall be intimated by the Seller to the Procurer during the beginning of the Operation Year.
- H. The Procurer represents to the Seller that necessary approvals required for the Procurer to off-take the power from the Delivery Point shall be arranged by Procurer in accordance with the terms and conditions of this Power Purchase Agreement.
- I. The Seller represents to the Procurer, that necessary approvals required for the Seller to transmit the power up to the Delivery Point shall be arranged by Seller in accordance with the terms and conditions of this Power Purchase 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 Insert name of Seller

² Insert any provision stating the statutory or regulatory position of Procurer for purchasing the power. For instance, Procurer may be holding a trading license in its Country or may be authorised / empowered Buyer for electricity as per law in its Country.



Article 1

Definitions and Interpretation

1.1 Definitions

The terms used in this Agreement as defined hereunder shall have the same meaning as assigned to them herein.

“Affiliate”

shall mean a company that either directly or indirectly

- i. controls or
- ii. is controlled by or
- iii. is under common control with the Seller or Procurer and “control” means ownership by one company of³ _____ of the voting rights of the other company;

“Agreement” or “Power Purchase Agreement” or “PPA”

shall mean this Power Purchase Agreement including its recitals and Schedules, amended or modified from time to time in accordance with the terms hereof;

“Annual Generation shall have the meaning ascribed thereto in Article 6.2 of this Plan” Agreement;

“Availability”

shall mean the average of the daily Declared Capacities (DCs) for all the days during the period expressed as a percentage of the Contracted Capacity in MW less the Auxiliary Consumption [Retain for only Capacity based PPA. Otherwise to be deleted]

“Auxiliary Consumption”

means the quantum of energy consumed by auxiliary equipment of the hydro power plant [Retain for only Capacity based PPA. Otherwise to be deleted]

“Bill Dispute Notice”

shall mean the notice issued by a Party raising a Dispute regarding a Monthly Bill or a Supplementary Bill issued by the other Party;

“Business Day”

shall mean a day other than a ⁴ _____ or a statutory holiday on which banks are open for business;

³ Definition to be modified as per applicable statutory laws.

⁴ Define taking into consideration weekly holiday either in Seller's or Procurer's Country. To be mutually decided by Seller and Procurer.



“Change in Law”

shall have the meaning ascribed thereto in Article 11 of this Agreement;

“Commissioning” or “Commissioned”

shall, in relation to a Unit, mean the commencement of operation of the Unit after it passes the initial Performance Test or, in relation to the Project, the commencement of operation of the Project after it passes the Initial Performance Test;

“Commercial Operation Date” or “COD”

shall, in relation to a Unit, mean the date on which the Unit has been Commissioned or, in relation to the Project, mean the date on which the last Unit is Commissioned;

“Consent”

shall mean any consent, licence, approval, permit, no-objection certificate, concession, right of way or any other authorisation required to be granted by a Governmental Instrumentality for construction, operation and maintenance of the Project and for evacuation of power up to the Delivery Point and sale of power to the Procurer;

“Consultation Period”

shall mean the period of ninety (90) days or such other longer period as the Parties may agree, commencing from the date of issuance of a Seller Preliminary Default Notice or a Procurer Preliminary Default Notice as provided in Article 12 of this Agreement, for consultation between the Parties to mitigate the consequence of the relevant event having regard to all the circumstances;

“Contract Performance Guarantee”

shall mean the irrevocable unconditional bank guarantee, submitted or to be submitted by the Seller to the Procurer from a bank mentioned in Schedule 6 of this Agreement in the form attached hereto as Schedule 5, in accordance with the terms of this Agreement;

“Contracted Energy”

shall mean _____ MU of energy for the ⁵_____ term of the PPA apportioned monthly as provided in Schedule 2 of this Agreement;

“Contracted Capacity”

shall mean _____ MW capacity (⁶_____percentage of Installed Capacity) for the ⁷_____ term of the PPA; [Replace Contracted Energy in the document with Contracted Capacity for a Capacity based PPA]

“Contract Year”

shall mean the period commencing on the Scheduled Delivery Date (as defined hereunder) and ending on the immediately succeeding December 31 and thereafter each period of twelve (12) months commencing on January 1 and ending on December 31; Provided that the last Contract Year of this Agreement shall end on the last day of the Term of this Agreement;

“Day”

shall mean a calendar day commencing from 00:00 hours (Indian Standard Time) and ending at 24:00 hours (Indian Standard Time);

⁵ Modify clause in case MU is anticipated to change during PPA Term and suitably add necessary details in Schedule 2.

⁶ Percentage of Installed Capacity contracted with Procurer (in case of part capacity tie up)

⁷ Modify clause in case MU is anticipated to change during PPA Term and suitably add necessary details in Schedule 2.



“Deemed Declared Energy”

shall mean the energy in MU or MWh declared available by the Seller for delivery to the Procurer at the Delivery Point but not taken by the Procurer for reasons other than transmission system constraints up to the Delivery Point or Force Majeure reasons; *[Delete Deemed Declared Energy in the document for a Capacity based PPA]*

“Declared Energy”

shall mean the energy in MU or MWh declared by the Project at the Delivery Point for period as defined in Regional Grid Code/ Guidelines;

“Declared Capacity”

shall mean the MW or MWh declared by the Project at the Delivery Point for period as defined in Regional Grid Code/Guidelines; [Replace Declared Energy with Declared Capacity in the document for a Capacity based PPA]

“Delivery Date”

shall mean the date on which the Seller commences supply of the Contracted Energy to the Procurer;

“Delivery Point”

shall be _____ or any other substation as determined acceptable to both the Seller and the Procurer at which the Declared Energy shall be delivered by the Seller to the Procurer.

“Dispute”

shall mean any dispute or difference of any kind between the Procurer and the Seller, in connection with or arising out of this Agreement including but not limited to any issue on the interpretation and scope of the terms of this Agreement as provided in Article 15 of this Agreement;

“Drawal Schedule”

shall mean the schedule of the beneficiary after deducting the apportioned transmission losses;

“Due Date”

shall mean the Thirty (30th) day after a Monthly Bill or a Supplementary Bill is received by the Procurer (or, if such day is not a Business Day, the immediately succeeding day) by which date such bill is payable by the Procurer;

“Early Energy”

means the energy generated during the testing and commissioning of the Project, which can be scheduled and is generated prior to the COD;

“Effective Date”

shall have the meaning ascribed thereto in Article 2.1 of this Agreement;

“Energy Output”

shall mean the electrical energy in MU or MWh or multiples thereof, delivered by the Seller at the Delivery Point;

“Expiry Date”

shall mean the date which is the _____⁸ anniversary of the Scheduled Delivery Date or such extended period as mutually agreed upon by both Parties;

⁸ 35 years or period mutually agreed by Seller and Procurer



“Forced Outage”

shall mean an interruption or reduction of Energy Output of the Project due to unforeseen failure of equipment;

“Financial Closure”

shall mean the execution of all the Financing Agreements required for the Project and fulfillment of conditions precedents and waiver, if any, of any of the conditions precedent for the initial draw down of funds thereunder;

“Financing Agreements”

shall mean the agreements pursuant to which the Seller has sought financing for the Project including the loan agreements, security documents, notes, indentures, security agreements, letters of credit and other documents, as may be amended, modified, or replaced from time to time, but without in anyway increasing the liabilities of the Procurer;

“Force Majeure” or “Force Majeure Event”

shall have the meaning ascribed thereto in Article 10.3 of this Agreement;

“Governmental Instrumentality”

shall mean any legislative, judicial, regulatory, executive or other governmental body (including any agency, department, board, instrumentality, commission, office or authority) of the Government of both countries or any political subdivision thereof;

“Imbalance or Deviation”

shall mean variation between actual injection of energy and the scheduled energy at any interconnection point(s) or shall have the meaning ascribed in⁹ _____;

“Initial Performance Test” or “Performance Test”

shall mean the performance test conducted prior to the Project being commissioned as stipulated in Grid Code/Guidelines or in accordance with Prudent Utility Practices, as the case may be;

“Installed Capacity”

shall mean the sum of nameplate capacities of the Commissioned Units of the Power Station, confirmed by the respective Project Capacity Tests;

“Interconnection Facilities”¹⁰

shall mean the interconnection equipment and associated automatic communication, switching equipment and line protection devices installed, owned, operated and maintained by the transmission utility(ies) in¹¹ _____;

“Interconnection Point”

shall mean the point where the power from the Power Station switchyard bus of the Seller is injected into the transmission system (including the dedicated transmission line connecting the Power Station with the transmission system, if any);

“Invoice” or “Bill”

shall mean either a monthly invoice, or a supplementary Invoice by any of the Parties;

⁹ Insert names of relevant regulations in countries involved in entire chain of transaction

¹⁰ Modify interconnection facilities in case of dedicated transmission system from Seller’s Country to Procurer’s Country

¹¹ Insert names of countries involved in the entire chain of transaction



“Law”

shall mean in relation to this Agreement, all laws including Electricity Laws in force in ¹² _____ and any statute, ordinance, regulation, notification or code, rule, or any interpretation of any of them by ¹³ _____ Governmental Instrumentality and having force of law and shall further include without limitation all applicable rules, regulations, orders, notifications by an¹⁴ _____ Governmental Instrumentality pursuant to or under any of them and shall include without limitation all rules, regulations, decisions and orders of all authorities in both countries (as applicable);

“Lender(s)”

shall mean the banks, other financial institutions, multilateral agencies, non-banking financial companies, mutual funds and agents or trustees of debenture/bond holders, including their successors and assignees, who have agreed as on or before commencement of supply of power from the Power Station to provide the Seller with debt financing, and any successor banks or financial institutions to whom their interests under the Financing Agreements may be transferred or assigned:

Provided that, such assignment or transfer shall not relieve the Seller of its obligations to the Procurer under this Agreement in any manner and does not lead to an increase in the liability of the Procurer at any given point of time;

“Lender’s Representative”

shall mean the person notified by the Lenders in writing as being the representative of the Lenders and such person may from time to time be replaced by the Lenders pursuant to the Financing Agreements by written notice to the Seller;

“Letter of Credit” or “L/C”

shall have the meaning ascribed thereto in Article 9.4 of this Agreement;

“Meters” or “Metering System”

shall mean the meters installed for measurement of the Energy Output and other parameters at the Interconnection and Delivery Point and includes main meters and check meters;

“Month”

shall mean a period of thirty (30) days from (and excluding) the date of the event, where applicable, else a calendar month;

“Monthly Bill” or “Monthly Invoice”

shall mean a bill raised by the Seller for Tariff Payment including incentive and penalty for the energy delivered to the Procurer in respect of each completed Month;

“National System Operator (NSO)”

shall mean body or entity to ensure integrated operation of the power system and shall perform function of Scheduling and Dispatch of electricity over the transmission links in accordance with grid standards specified by¹⁵ _____ or any other entity or body performing the same set of functions;

“Normative Availability”

Means equal to ¹⁶ _____ per cent Availability at the Delivery Point on Contract Year basis; [Retain for only Capacity based PPA. Otherwise to be deleted]

¹² Insert names of Countries involved with an “and”

¹³ Insert names of Countries involved with an “or”

¹⁴ Insert names of Countries involved with an “or”

¹⁵ Insert names of competent authority(ies) in each country involved in the entire chain of transaction

¹⁶ Insert Percentage for Normative Availability i.e., Availability for full Fixed Charge recovery



“Operating Period”

shall mean the period commencing from the Delivery Date, until the Expiry Date or date of earlier termination of this Agreement in accordance with Article 2 of this Agreement;

“Operation Year”

shall mean the period beginning on the COD and ending on the following thirty first (31st) day of December; and each successive twelve (12) month period beginning on the first (1st) day of January thereafter till the Expiry Date;

“Party” and “Parties”

shall have the meaning ascribed thereto in the recital to this Agreement;

“Payment Mechanism”

shall have the meaning ascribed thereto in Article 9.4 of this Agreement;

“Power Station” or “Project”

means the hydroelectric generating facilities of the _____ of _____ MW at _____ including without limitation, all land, buildings, dams, gates, spillways, hoists, weirs, canals, penstocks, tunnels, surge tanks, electrical energy generating equipment (and its auxiliary equipment), switchyard, the tie line, the Interconnection Facilities designed, built, owned, operated and maintained by the Seller and including any residential colony/unit welfare facilities and offices;

“Preliminary Default Notice”

shall have the meaning ascribed thereto in Article 12 of this Agreement;

“Project Capacity Test”

shall mean the tests to demonstrate the rated capacity of the Project;

“Prudent Utility Practices”

shall mean exercise of that degree of skill, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced operator, engaged in the same type of undertaking, and adopting the practices, methods and standards that are generally followed by electric utilities in both countries including customary industry practice in regard thereto and any improvements or innovations that may be made to all such practices, methods and standards during the Term of Agreement for ensuring the safe, efficient, and economic operation and maintenance of power generation facilities of a size and type applicable to the Project;

“Regional Grid Code/ Guidelines”

shall mean a detailed regulation or legislature on technical specification which defines the parameters a facility connected to a public electric network has to meet to ensure safe, secure and economic proper functioning of the electric system or any other similar regulation or legislature.

“Revised Scheduled Delivery Date”

shall have the meaning ascribed thereto in Article 4.3 of this Agreement;

“Scheduled Delivery Date”

shall have the meaning ascribed thereto in Article 4.1 of this Agreement;

“Scheduled Energy”

shall mean the Energy requested by the Procurer or given by NSOs based on the Declared Energy committed by Seller;



“Scheduled Outage”

shall mean a planned interruption of the generating capacity of a Unit or the Project for the purpose of inspection, testing, preventive maintenance, repair or replacement of components or equipment, or improvement in the performance of equipment;

“System Operation Charges”

shall mean the charges levied by any relevant authority(ies) under any enactment or otherwise for the scheduling and dispatch of power by the Seller to the Procurer;

“Settlement Period”

means the time block for issue of daily generation, drawal and dispatch schedules as may be defined in Regional Grid Code/Guidelines;

“Supplementary Bill”

shall mean a bill other than a Monthly Bill raised by any of the Parties in accordance with Article 9 of this Agreement;

“Tariff” or “Tariff Charge” or “Tariff Charges”

shall mean the tariff as computed in accordance with Schedule 3 of this Agreement;

“Tariff Payment/Tariff Payments” or “Tariff Charge Payment/Tariff Charge Payments”

shall mean the payments to be made under Monthly Bills as referred to in Schedule 3 and the relevant Supplementary Bills;

“Technical Specifications”

shall mean the technical specifications of the Project as described under Schedule 2 of this Agreement;

“Termination Notice”

shall mean the notice given by either Parties for termination of this Agreement in accordance with Article 3, 4, 5, 11 and Schedule 4 of this Agreement;

“Term of Agreement”

shall have the meaning ascribed thereto in Article 2 of this Agreement;

“Unit”

shall mean all equipment and installation that can be assigned independently and exclusively to a generating set;

“Unscheduled Outage”

shall mean an outage that is not a Scheduled Outage and is for the purpose of performing work on specific plant and equipments, which work could not be postponed till the next Scheduled Outage;

“Week”

shall mean a calendar week commencing from 00:00 hours (Indian Standard Time) of Monday, and ending at 24:00 hours (Indian Standard Time) of the following Sunday;

<Names>¹⁷

¹⁷ Include name(s) of concerned authorities like regulators, power utilities, specific Laws related to electricity in countries along with definitions / description relevant to this Agreement. Insert alphabetically in this Article.



1.2 Interpretation

Save where the contrary is indicated, any reference in this Agreement to:

- 1.2.1 “Agreement” shall be construed as including a reference to its Schedules, Appendices and Annexures;
- 1.2.2 An “Article”, a “Recital”, a “Schedule” and a “paragraph/clause” shall be construed as a reference to an Article, a Recital, a Schedule and a paragraph/clause respectively of this Agreement;
- 1.2.3 An “encumbrance” shall be construed as a reference to a mortgage, charge, pledge, lien or other encumbrance securing any obligation of any person or any other type of preferential arrangement (including, without limitation, title transfer and retention arrangements) having a similar effect;
- 1.2.4 “Indebtedness” shall be construed so as to include any obligation (whether incurred as principal or surety) for the payment or repayment of money, whether present or future, actual or contingent;
- 1.2.5 A “person” shall be construed as a reference to any person, firm, company, corporation, society, other bodies corporate, trust, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the above and a person shall be construed as including a reference to its successors, permitted transferees and permitted assigns in accordance with their respective interests;
- 1.2.6 “Rupee”, “Rupees”, “INR” shall denote Indian Rupees, whereas “Dollar”, “USD” and “\$” shall denote United States Dollar;
- 1.2.7 The “winding-up”, “dissolution”, “insolvency”, or “reorganisation” of a company or corporation shall be construed so as to include any equivalent or analogous proceedings under the Law of the jurisdiction in which such company or corporation is incorporated or any jurisdiction in which such company or corporation carries on business including the seeking of liquidation, winding-up, reorganisation, dissolution, arrangement, protection or relief of debtors;
- 1.2.8 Words importing the singular shall include the plural and vice versa;
- 1.2.9 This Agreement itself or any other agreement or document shall be construed as a reference to this or to such other agreement or document as it may have been, or may from time to time be, amended, varied, novated, replaced or supplemented;
- 1.2.10 A Law shall be construed as a reference to such Law including its amendments or re-enactments from time to time;
- 1.2.11 A time of day shall, save as otherwise provided in any agreement or document be construed as a reference to Indian Standard Time;
- 1.2.12 Different parts of this Agreement are to be taken as mutually explanatory and supplementary to each other and if there is any inconsistency between or among the parts of this Agreement, they shall be interpreted in a harmonious manner so as to give effect to each part. If however such inconsistency cannot be reconciled, the Schedules shall supersede the text of the Agreement;
- 1.2.13 The tables of contents and any headings or sub-headings in this Agreement have been inserted for ease of reference only and shall not affect the interpretation of this Agreement;
- 1.2.14 All interest payable under this Agreement shall accrue from day to day and be calculated on the basis of a year of three hundred and sixty five (365) days;
- 1.2.15 The words “hereof” or “herein”, if and when used in this Agreement shall mean a reference to this Agreement;
- 1.2.16 The terms “including” or “including without limitation” shall mean that any list of examples following such term shall in no way restrict or limit the generality of the word or provision in respect of which such examples are provided;
- 1.2.17 A ‘day’ shall mean a calendar day.



Article 2

Term of Agreement

2.1 Effective Date and Term of the Agreement

2.1.1 This Agreement shall be effective from the date of signing of the Agreement by the Parties but shall be enforceable only if the Conditions Precedent, pursuant to Article 3, are duly fulfilled. The Agreement has a term until the Expiry Date, unless earlier terminated as provided in this Agreement. The Agreement can be extended by both the parties on mutually agreed terms and conditions at least one hundred and eighty (180) days prior to the Expiry Date.

2.2 Early Termination

2.2.1 This Agreement shall terminate before the Expiry Date if Procurer or Seller exercise a right to terminate pursuant to provisions of this Agreement or any other circumstances wherein both Procurer and Seller mutually agree to terminate, in writing.

2.3 Survival

2.3.1 The expiry or termination of this Agreement shall not affect any accrued rights, obligations and liabilities of the Parties under this Agreement, including the right to receive liquidated damages as per the terms of this Agreement, nor shall it affect the survival of any continuing obligations for which this Agreement provides, either expressly or by necessary implication, which are to survive after the Expiry Date or termination, and which shall continue and survive any expiry or termination of this Agreement.



Article 3

Conditions Precedent

3.1 Conditions Precedent

3.1.1 The Conditions Precedent for Seller for enforcement of this Agreement are that:

- i. the Seller shall have received valid, enforceable and unencumbered approval to use the Site for the Operating Period and such other tangible and intangible property rights as may be required or necessary to construct, commission and operate the Project;
- ii. the Seller shall have received all the initial Consents from the necessary Government Instrumentality for the Project as specified in Schedule 1;
- iii. the Seller shall have achieved Financial Closure in relation to the Project;
- iv. the Seller shall have awarded the major packages under civil, electro-mechanical and hydro-mechanical component for the construction of the Project;
- v. the Seller shall arrange for due evacuation of Declared Energy up to the Delivery Point for which the Seller shall enter into an agreement with the transmission utility(ies) in¹⁸ _____ for wheeling the power up to Delivery Point. The Seller should thus execute and complete all the agreements for evacuation of power from the Interconnection Point to the Delivery Point.

3.1.2 The Conditions Precedent for Procurer for enforcement of this Agreement are that:

- i. the Procurer shall arrange for due evacuation of Declared Energy beyond the Delivery Point for which the Procurer shall enter into an agreement with the transmission utility(ies) in¹⁹ _____ for wheeling the power beyond Delivery Point. The Procurer should thus execute and complete all the agreements for evacuation of power beyond the Delivery Point.

3.2 Right to Terminate

3.2.1 If the Conditions Precedent listed in Article 3.1.1 are not duly satisfied within twenty four (24) months²⁰ of the date of execution of this Agreement, or such extended time as may be mutually agreed between the Parties in writing, the Procurer may terminate this Agreement by giving a written notice of termination to the Seller and this Agreement shall stand terminated three (3) months from the date of such notice, unless the Conditions Precedent have been satisfied during such period of 3 months.

¹⁸ Insert names of countries involved up to Delivery Point

¹⁹ Insert names of countries involved beyond Delivery Point

²⁰ Duration may be modified by Procurer



- 3.2.2 If the Conditions Precedent listed in Article 3.1.2 are not duly satisfied within twenty four (24) months²¹ of the date of execution of this Agreement, or such extended time as may be mutually agreed between the Parties in writing, the Seller may terminate this Agreement by giving a written notice of termination to the Procurer and this Agreement shall stand terminated three (3) months from the date of such notice, unless the Conditions Precedent have been satisfied during such period of 3 months.
- 3.2.3 If the Procurer elects to terminate this Agreement, the Procurer shall be entitled to invoke the Contract Performance Guarantee on the date of termination. In addition, the Seller shall pay to the Procurer as termination payment, a sum equivalent to INR/USD²² _____. The Seller shall also reimburse penalties paid by the Procurer to transmission utility(ies) at actual.

3.3 Contract Performance Guarantee

- 3.3.1 The Performance Guarantee furnished under this Agreement shall be for guaranteeing compliance with the terms and conditions of this Agreement.
- 3.3.2 The failure on the part of the Seller to furnish and maintain the Contract Performance Guarantee shall be a material breach of the term of this agreement on the part of the Seller.
- 3.3.3 Under Seller Event of Default leading to the termination of this Agreement, the Procurer shall have the right to invoke the Contract Performance Guarantee as per the relevant provisions of this Agreement.

3.4 Renewal of Contract Performance Guarantee

- 3.4.1 The Seller shall ensure the renewal of the Contract Performance Guarantee before a date, which is thirty (30) days prior to the expiry of the then existing validity of the Contract Performance Guarantee.
- 3.4.2 Such renewed Contract Performance Guarantee shall be initially valid for a period which is the lower of five (5) years or the balance Term of this Agreement.
- 3.4.3 If such extended Contract Performance Guarantee is not received as per the date specified above, the Procurer shall have the right to invoke the existing Contract Performance Guarantee.

3.5 Return of Contract Performance Guarantee

- 3.5.1 The Procurer shall return/release the Contract Performance Guarantee in the event of termination of this Agreement by Seller / any Party pursuant to Article 12.4.5 and Article 10.8 under this Agreement.
- 3.5.2 Subject to the provisions of Article 3.5.1, the Procurer shall return/release the Contract Performance Guarantee to the Seller at the end of the Term of this Agreement.
- 3.5.3 The return/release of the Contract Performance Guarantee shall be without prejudice to other rights of the Seller under this Agreement.

²¹ Duration may be modified by Procurer

²² As per mutual agreement between Seller and Procurer. To be capped at amount equivalent to 1 month tariff payment.



Article 4

Principal Obligations of the Parties

4.1 Seller's Obligations

- 4.1.1 The Seller agrees and undertakes to duly perform and complete the following activities at the Seller's own cost and risk, unless such completion is affected by any Force Majeure event or due to the Procurers' failure to comply with their obligations under Article 4.2 of this Agreement, or if any of the activities is specifically waived in writing by the Procurer:
- i. always be in compliance with Law and obtain and maintain in full force and effect all Consents pursuant to this Agreement and applicable Law for construction, commissioning, operating, generating and export of power from the Project to the Procurer, and if required by the Procurer, provide the Procurer with evidence that all such Consents have been duly obtained;
 - ii. sent a written notice to the Procurer indicating the total Installed Capacity and Contracted Energy for the Project;
 - iii. commence supply of Contracted Energy by the Scheduled Delivery Date in accordance with the provisions of this Agreement, which is _____. However, the Seller and the Procurer may mutually agree for commencement of supply of power in a phased manner from the Revised Scheduled Delivery Date(s) as specified in Article 4.3 of this Agreement;
 - iv. maintain insurance coverage in accordance with the requirements of the Project; and
 - v. shall be responsible at its cost and expense for the delivery of the Power at the Delivery Point. All transmission charges, transmission losses and operation charges applicable up to the Delivery Point shall be borne by the Seller. The Seller shall coordinate with transmission utility(ies) up to the Delivery Point to ensure that the facilities at the Interconnection Point are tested and commissioned prior to the Scheduled Synchronisation Date and such facilities are maintained and operated in accordance with Prudent Utility Practices during the Term of Agreement by the Seller. The Seller shall ensure at all times that Declared Energy would be made available to the Procurer at the Delivery Point.

4.2 Procurer's Obligations

- 4.2.1 The Procurer agrees and undertakes to duly perform and complete the following activities at the Procurer's own cost and risk, unless such completion is affected by any Force Majeure event or due to the Seller's failure to comply with their obligations under Article 4.1.1 of this Agreement or if any of the activities are specifically waived in writing by the Seller:



- i. off-take all Declared Energy made available by the Seller at the Delivery Point and pay Monthly Bills in accordance with this Agreement;
- ii. make all reasonable arrangements for the evacuation of the Early Energy from the Power Station; subject to the availability of transmission lines;
- iii. coordinate and cooperate, on best endeavour basis, with the Seller and any other concerned authority with regards to the Interconnection Facilities to enable the Seller to design, install or operate or otherwise arrange for the evacuation of the energy and its delivery at the Delivery Point;
- iv. shall be responsible at its cost and expense for the off-take of the electricity beyond the Delivery Point. Charges as notified by²³_____ and all transmission charges, transmission losses and operation charges applicable beyond the Delivery Point shall be borne by the Procurer; and;
- v. the off-take arrangement in beyond the Delivery Point shall be finalised in all aspects prior to the Scheduled Delivery Date or the Revised Scheduled Delivery Date.

4.3 Joint Responsibilities of the Procurer and the Seller

- 4.3.1 The Procurer and the Seller shall jointly agree on the specific date for commencement of supply of power and quantum of the Contracted Energy to be supplied to the Procurer from such date, in case the COD of the project takes place before the Scheduled Delivery Date.
- 4.3.2 This date shall be mutually agreed between the Parties and shall be the Revised Scheduled Delivery Date for the respective quantum of power which shall be purchased at the Tariff specified in this Agreement.

²³ Insert names of the competent authorities in country(ies) beyond Delivery Point



Article 5

Synchronisation, Testing, Commissioning and Supply of Power

5.1 Synchronisation

- 5.1.1 The Seller shall give the Procurer at least thirty (30) days written notice of the date on which the Seller intends to synchronise the Project/ Unit to the Grid, which date shall not be earlier than the Scheduled Synchronisation Date, unless the Procurer agrees to an earlier synchronisation date in writing.
- 5.1.2 The Project/ Unit may be synchronised to the Grid when:
- the construction of the Project/ Unit has been completed in accordance with Schedule 2;
 - performance test procedures have been duly undertaken and the operating procedures have been duly finalised;
 - the Project/ Unit meets all prevailing technical connection conditions prescribed in the Regional Grid Code/Guidelines or²⁴_____ and fulfill other requirements provided by Law for synchronisation to the Grid; and both parties should be able to provide necessary support to one another to ensure that the other party's compliance requirement;
 - the Project/Unit is capable of being operated safely in accordance with prevailing statutory or regulatory guidelines and Prudent Utility Practices.

5.2 Performance Test Results

- 5.2.1 The Seller agrees to provide to the Procurer the results of the Performance Test undertaken by the Seller.

5.3 Commercial Operation Date of the Project and Commencement of Supply of Power

- 5.3.1 The Commercial Operation Date (COD) of the Project/Unit shall take place after due completion of the Performance Tests.
- 5.3.2 Supply of power from the Project shall commence from the Scheduled Delivery Date, as specified in Article 4.1.1 (iii) of this Agreement. In case if the Seller envisages any delay in commencement of



supply of power on account of any delay in commissioning the project, the Seller shall communicate this in advance to the Procurer.

- 5.3.3 In the event that the COD of the Project/any Unit takes place before the Scheduled Delivery Date, provisions of Article 4.3 shall apply. However, in case the Procurer is unable to off-take the entire or part of the Contracted Energy prior to the scheduled Delivery date, the seller may sell the entire or part of the Contracted Energy from the project/Unit to a third party till the scheduled Delivery Date.

5.4 Right to Contracted Energy

- 5.4.1 Subject to provisions of this Agreement, the entire Contracted Energy shall be for the exclusive benefit of the Procurer and the Procurer shall have the exclusive right to purchase the entire Contracted Energy from the Seller. The Seller shall not grant to any third party or allow any third party to obtain any entitlement to the Contracted Energy.
- 5.4.2 Notwithstanding Article 5.4.1, the Seller is free to sell the Contracted Energy to any third party prior to the Scheduled Delivery Date or Revised Scheduled Delivery Date(s) as the case may be.
- 5.4.3 If the Procurer does not avail of the entire or part of the Contracted Energy made available by the Seller, which may be for reasons not attributable to Force Majeure as in Article 10, the Seller shall be entitled to sell such Contracted Energy not availed, to any person without losing the right to receive the Tariff Charge corresponding to the entire Contracted Energy from the Procurer. In such a case, eighty five (85) percent of the realisation from sale of Contracted Energy to third party shall be transferred to the Procurer subject to maximum of Tariff Charge Payments and the balance shall be retained by the Seller. Seller shall be responsible for any Imbalance/Deviation due to any unavailed energy up to the Contracted Energy and shall pay or receive Imbalance/Deviation charges computed by²⁵ _____. In the event, the Seller sells such Contracted Energy not availed by the Procurer to any direct or indirect Affiliate of the Seller/shareholders of the Seller without obtaining the prior written consent of the Procurer, the Seller shall be liable to sell such power to such entity at tariffs being not less than the Tariff payable by the Procurer as per this Agreement. During this period, the Seller will continue to receive the Tariff Charge Payments from the Procurer corresponding to the entire Contracted Energy.
- 5.4.4 Upon the Procurer intimating to the Seller of its intention and willingness to avail of the part or whole of the power made available by the Seller (up to the Contracted Energy) and not availed by the Procurer and therefore sold to the third party, the Seller shall, notwithstanding anything contained in the arrangement between the Seller and any third party, commence supply of such energy to the Procurer from the later of two (2) hours from receipt of notice in this regard from the Procurer or the time for commencement of supply specified in such notice.
- 5.4.5 The Procurer shall have the right to sell the Declared Energy to any person at its cost and responsibility.
- 5.4.6 The Seller may expand the capacity of the Project and/or may enter into arrangements for the sale of Contracted Energy provided that the obligations of the Seller to deliver the Contracted Energy under this Agreement shall remain unaffected.

5.5 Alternative Source of Power Supply

- 5.5.1 During the Operating Period, if the Seller is unable to provide supply of energy to the Procurer up to the Contracted Energy from the Project except due to a Force Majeure Event or due to a Procurer Event of

²⁵ Insert name(s) of competent authorities up to Delivery Point



Default, the Seller is free to supply power up to the Contracted Energy from an alternative generation source to meet its obligations under this Agreement. Such power shall be supplied to the Procurer at the same Tariff and at the Delivery Point as per the terms of this Agreement.

5.6 Evacuation of Early Energy

- 5.6.1 At all times during start-up, preliminary testing or other operations for achieving the COD, and during the Performance Tests, the Procurer upon prior written intimation shall purchase the Early Energy generated and delivered to the Delivery Point as per rates agreed mutually between the Parties.

5.7 Extensions of Time

- 5.7.1 In the event that the Seller is prevented from performing its obligations under Article 4.1.1 by the Scheduled Delivery Date or the Revised Scheduled Delivery Date, as the case may be, due to Force Majeure Events affecting the Procurer or Seller, the Revised Scheduled Delivery Date, Scheduled Delivery Date and the Expiry Date shall be deferred, subject to the limit prescribed in Article 5.7.2, for a reasonable period but not less than 'day for day' basis, to permit the Seller or the Procurer through the use of due diligence, to overcome the effects of the Force Majeure Events affecting the Seller or the Procurer.
- 5.7.2 In case of extension due to reasons specified in Article 5.7.1, and if such Force Majeure Event continues even after the maximum period of twelve (12) months, any of the Parties may choose to terminate the Agreement as per the provisions of Article 12.5.
- 5.7.3 If the Parties have not agreed, within thirty (30) days after the Affected Party's performance has ceased to be affected by the relevant circumstance, on the time period by which the Scheduled Delivery Date, Revised Scheduled Delivery Date or the Expiry Date should be deferred by, any Party may raise the Dispute to be resolved in accordance with Article 15.
- 5.7.4 As a result of such extension, the Scheduled Delivery Date and the Expiry Date newly determined shall be deemed to be the Scheduled Delivery Date and the Expiry Date for the purposes of this Agreement.

5.8 Liquidated Damages for Delay in Commencement of Supply of Power to Procurer

- 5.8.1 If the Seller is unable to commence supply of power to the Procurer by the Scheduled Delivery Date or the Revised Scheduled Delivery Date, as the case may be, provided the procurer is ready to off-take power, other than for the reasons specified in Article 5.7.1, the Seller shall pay to Procurer liquidated damages as per this Article 5.8.1 for the delay in such commencement of supply of power and making the Contracted Energy available for dispatch by the Scheduled Delivery Date or the Revised Scheduled Delivery Date, as the case may be. In addition to the liquidated damages, the Seller shall reimburse the transmission and any other associated charges paid by the Procurer at actual for the period of delay of commencement of supply of power.

Provided that the Seller shall have the option to supply the Contracted Energy from any alternative generation source from the Scheduled Delivery Date or the Revised Scheduled Delivery Date, as the case may be, at the same Tariff and at the Delivery Point as per the terms of this Agreement. If the Seller fails to commence such supply of power, it shall pay to the Procurer liquidated damages as per this Article.



In case the transmission and other incidental charges applicable from the alternative source of power supply are higher than the applicable charges to wheel power from the Project to the Delivery Point, the Seller would be liable to bear such additional charges.

The liquidated damages payable by the Seller to the Procurer shall be as follows:

Energy (in MU) calculated corresponding to the number of days of delay as per Table 2 of Schedule 2 multiplied by INR/USD²⁶ _____ per kWh.

The Energy (in MU) for the calculation of liquidated damages would be apportioned on the actual number of days delay corresponding to the monthly generation as provided in Schedule 2.

The following illustration to be considered for avoidance of doubt:

- If the number of days of delay is n (where n is less than the number of days in a calendar month), and Y is the generation in MU or MWh corresponding to that month as provided in Schedule 2, then the total liquidated damages payable for the delay would be = $n/(28, 29, 30 \text{ or } 31 \text{ as the case may be}) \times Y \times \text{INR/USD} ______ \text{ per kWh.};$
- If the number of days of delay is n (where n is equal to the number of days in a calendar month), and Y is the generation in MU or MWh corresponding to that month as provided in Schedule 2, then the total liquidated damages payable for the delay would be = $Y \times \text{INR/USD} ______ \text{ per kWh};$
- If the number of days of delay is more than a month, where n is the number of days by which it exceeds a full calendar month, then the total liquidated damages payable for the delay would be $(Y_1 + Y_2 + \dots + Y_n + (n/(28, 29, 30 \text{ or } 31 \text{ as the case may be}) * Y)) * \text{INR/USD} ______ \text{ per kWh.}$

Where Y_1, Y_2, \dots, Y_n are the generation corresponding to the completed calendar months of delay as per Schedule 2.

The Seller's maximum liability under this Article 5.8 shall be limited to the amount of liquidated damages calculated in accordance with Article 5.8.1 for and up to twelve (12) months of delay for commencement of supply of power from the Scheduled Delivery Date or the Revised Scheduled Delivery Date, as the case may be.

Provided that in case of failure of the Seller to start supply of power to Procurer even after expiry of twelve (12) months from its Scheduled Delivery Date or the Revised Scheduled Delivery Date, as the case may be, it shall be considered as a Seller Event of Default and provisions of Article 12 shall apply.

- 5.8.2 The amount due from the Seller to the Procurer pursuant to Article 5.8.1 will be paid within 30 days of the immediately preceding month.
- 5.8.3 Liquidated damages payable by the Seller as per this Article shall be paid by the Seller irrespective of whether Procurer arranges the power from any other source or not.
- 5.8.4 The Parties agree that the formula specified in Article 5.8.1 for calculation of liquidated damages payable by the Seller under this Article 5.8, read with Article 12 is a genuine and accurate pre-estimation of the actual loss that will be suffered by the Procurer in the event of Seller's delay in starting supply of power by the Scheduled Delivery Date or the Revised Scheduled Delivery Date, as the case may be.

5.9 Delay in Off-take of Power by the Procurer

- 5.9.1 If the Seller is otherwise ready to commence supply of power on the Scheduled Delivery Date or Revised Scheduled Delivery Date, as the case may be, but is not able to commence supply of power

²⁶ As per mutual agreement between Seller and Procurer. To be capped at amount equivalent to 10% of Tariff (per unit).



by the said date due to a Procurer Event of Default, the Procurer shall be liable to pay to the Seller the entire Tariff Charge Payment corresponding to the Contracted Energy, provided that the Seller has been able to make the plant available and ready for generation, till the period the Procurer is able to off-take the Contracted Energy from the Seller. In case during this period the Seller is able to sale such power to a third party, eighty five (85) percent of the realisation from sale of Contracted Energy to third party shall be transferred to the Procurer subject to maximum of Tariff Charge Payments and the balance shall be retained by the Seller. Seller shall be responsible for any Imbalance/Deviation due to any unavailed energy up to the Contracted Energy and shall pay or receive Imbalance/Deviation charges computed by²⁷ _____.

5.10 Limit on Amounts Payable Due to Default

- 5.10.1 The Parties expressly agree that the Procurer's only liability for any loss of profits or any other loss of any other kind or description whatsoever (except claims for indemnity under Article 13), suffered by the Seller by reason of the Procurer's failure to meet its obligations under Article 4 shall be to pay the Seller the amounts specified in Article 5.9 and Article 12.
- 5.10.2 Similarly, Seller's only liability for any loss suffered by the Procurer of any kind or description whatsoever (Except claims for indemnity under Article 13), by reason of the Seller's failure to meet its obligation of providing supply of power on the Scheduled Delivery Date or Revised Scheduled Delivery Date(s), as the case may be, shall be as per Article 5.8 and Article 12.

5.11 Penalty for Shortfall in Supply of Power

- 5.11.1 In case the Declared Energy is less than the Contracted Energy on an annual basis (Contract Year) due to inability of the Seller to deliver the entire Contracted Energy, the Seller shall pay a penalty. The methodology that will be followed to estimate the penalty amount has been provided in Schedule 3 under Clause 3.1.3. In addition to the penalty, the Seller would also reimburse Procurer the transmission and any other associated charges proportional to the shortfall in Contracted Energy.
- 5.11.2 Penalty shall be determined in accordance with Clause 3.1.3 of Schedule 3. The penalty shall be applicable on a quarterly basis and settled in the first monthly bill of the subsequent quarter.

5.12 Transmission Losses

- 5.12.1 Transmission losses beyond the Delivery Point would be borne by the Procurer. Transmission losses up to Delivery point would be to the account of the Seller.



Article 6

Operation and Maintenance

6.1 Seller's Operation and Maintenance Responsibilities

- 6.1.1 The Seller shall be responsible, at its own expense, for ensuring that the Project is operated and maintained in accordance with the Regional Grid Code/Guidelines or²⁸ _____, terms of all Consents and Prudent Utility Practices so as to meet the Seller's obligations under this Agreement and so as not to have an adverse effect on the Grid.
- 6.2.2 The Seller shall commit²⁹ _____percentage of Installed Capacity as Contracted Capacity to the Procurer. Seller shall ensure that Declared Capacity to the Procurer shall be³⁰ _____ percentage of the Declared Capacity of entire Project.

6.2 Annual Generation Plan

- 6.2.1 Not later than ninety (90) days before the beginning of each Operating Year, the Seller shall, along with the proposal for Scheduled Outages for the following Operation Year, submit to the Procurer, the Seller's proposed generation plan ("Tentative Generation Plan").
- 6.2.2 Not later than the fifteenth (15th) day before the beginning of each Operating Year, the Seller shall confirm the proposal for Scheduled Outages for the following Operation Year and submit to the Procurer "Annual Generation Plan".
- 6.2.3 The Annual Generation Plan shall include:
- i. the availability of equipment taking into account:
 - a. the Scheduled Outages;
 - b. the expected Maintenance Outages; and
 - c. any other relevant factors;
 - ii. the expected generation based on latest information on the water flow and to avoid spillage of water (so far as is possible).
- 6.2.4 The Annual Generation Plan referred to in this Article shall be subject, wherever found necessary, to quarterly and monthly review and modification by the Seller in consultation with the Procurer.

²⁸ Insert any other similar regulation(s) notified by competent authority relevant to this PPA

²⁹ Refer percentage defined in Contracted Capacity in Definitions section

³⁰ Refer percentage defined in Contracted Capacity in Definitions section



6.3 Maintenance and Forced Outages

- 6.3.1 Whenever the Seller requires a Maintenance Outage, it shall advise the Procurer of the nature of the work to be carried out, the estimated time required to complete such work and the latest time by which (in the Seller's opinion) the work should commence consistent with Prudent Utility Practices (which shall not be later than forty eight (48) hours after the time when the Seller advised the Procurer of the need for the Maintenance Outage).
- 6.3.2 The Procurer shall advise the Seller of the time for commencement of the requested Maintenance Outage (which shall not be later than the latest time indicated by the Seller). The Seller shall use its reasonable endeavours consistent with Prudent Utility Practices to take the Project/Unit out of service at the scheduled time.
- 6.3.3 In case of a Forced Outage, the Seller shall inform the Procurer and concerned NSOs telephonically followed by a message through fax within one hour of the outage, and cause(s) for the Forced Outage shall be given in writing to the Procurer as soon as possible but not later than 3 days.

6.4 Maintenance of Operating Records

- 6.4.1 Each Party shall maintain complete and accurate records and all data required for proper administration of this Agreement.
- 6.4.2 The Seller agrees to maintain an accurate and up-to-date operating log at the Project with records of:
- a. declared Energy for each Settlement Period;
 - b. energy Output for each Settlement Period;
 - c. deemed Generation and Deemed Declared Energy, along with the amount of water spilled during the relevant Settlement Period;
 - d. head, discharge and inflow of water;
 - e. changes in operating status, Scheduled Outages and maintenance outages;
 - f. details and times of Grid failure and operation of Grid outside the technical limits;
 - g. any emergency conditions and unexpected occurrences discovered during inspections.
- 6.4.3 The Procurer shall have the right, upon reasonable prior written notice to the Seller, to examine the records mentioned in this Article 6.4.

6.5 Peaking Support³¹

³¹ Clauses related to Peaking Support to be inserted based on type of hydropower project viz. Run of the River with or without Pondage or Reservoir based and Technical configuration



Article 7

Scheduling and Dispatch

7.1 General

- 7.1.1 The scheduling and dispatch of power shall be in conformity with the Regional Grid Code/ Guidelines or³² _____.
- 7.1.2 The Parties shall be governed by the Regional Grid Code/Guidelines or³³ _____ in regard to dispatch and scheduling of power from the project. The Seller and the Procurer shall coordinate with the corresponding NSO or similar authority in³⁴ _____ on all activities pertaining to operation of the Project, declaration of availability, scheduling and dispatch of the Declared Energy from the Project and all other matters connected therewith.
- 7.1.3 The power to be supplied will be on round the clock basis (00:00 hrs to 24:00 hrs Indian Standard Time).
- 7.1.4 The Seller shall ensure to supply³⁵ _____ percentage of power generated from the Project to Procurer.
- 7.1.5 ³⁶

7.2 Imbalance/Deviation Settlement Mechanism

- 7.2.1 In the event of a variation between actual injection of energy and the scheduled energy at any interconnections up to and at the Delivery Point during any settlement period, Seller shall pay or receive, as the case may be, the Imbalance / Deviation charges as per Regional Grid Code/ Guidelines or³⁷ _____. Seller shall indemnify Procurer for any such charges attributable to Seller.
- 7.2.2 In the event of a variation between actual injection of energy and the scheduled energy at any interconnections beyond the Delivery Point during any settlement period, Procurer shall pay or receive, as the case may be, the Imbalance / Deviation charges as per Regional Grid Code/ Guidelines or³⁸ _____. Procurer shall indemnify Seller for any such charges attributable to Procurer.
- 7.2.3 ³⁹
- 7.2.4 In case of delay in payment by either party, surcharge shall be paid by the defaulting party as per Article 9.3.4.

³² Insert any other similar regulation(s) notified by competent authority relevant to this PPA

³³ Insert any other similar regulation(s) notified by competent authority relevant to this PPA

³⁴ Insert names of countries involved in the entire chain of transaction

³⁵ Refer percentage defined in Contracted Capacity in Definitions section

³⁶ Insert clauses based on mutual agreement between Procurer and Seller on treatment of additional energy beyond Contracted Energy and specify charges (ceiling / floor limits), payment related clauses in respective Articles.

³⁷ Insert any other similar regulation(s) notified by competent authority relevant to this PPA

³⁸ Insert any other similar regulation(s) notified by competent authority relevant to this PPA

³⁹ Insert clauses if needed from Regional Grid Code/Guidelines or any other similar regulation(s) notified by Competent Authority like on payment days, delay and consequential impact etc.



Article 8

Interconnection, Metering & Energy Accounting

8.1 Interconnection Facilities and Transmission Facilities

8.1.1 Power Transmission Pathway: Power generated at the Project shall be evacuated from Interconnection Point through transmission Grids of⁴⁰ _____ till Procurer's end.

8.1.2 Responsibilities:

The Seller shall be responsible at its cost and expense for the delivery of the Power up to the Delivery Point. All transmission charges, transmission losses and operation charges applicable up to the Delivery Point shall be borne by the Seller. The Seller shall coordinate with the transmission utility(ies) in⁴¹ _____ up to the Delivery Point to ensure that the facilities at the Interconnection Point are tested and commissioned prior to the Scheduled Synchronisation Date and such facilities are maintained and operated in accordance with Regional Grid Code/Guidelines and Prudent Utility Practices during the Term of Agreement by the Seller. The Seller shall ensure at all times that Declared Energy would be made available to the Procurer at the Delivery Point.

The Procurer shall be responsible for evacuation of Declared Energy from the Delivery Point entirely at its cost and expense. All Charges as notified by⁴² _____ at the Delivery Point and all transmission charges, transmission losses and operation charges applicable beyond the Delivery Point shall be borne by the Procurer.

8.1.3 Breakdown of the Grid: In the event that Declared Energy is not evacuated due to breakdown of the Grid in any of the⁴³ _____, the Procurer shall not be liable to make the Tariff Payments to the Seller and the Seller shall not pay any penalty for shortfall in generation for the period of such breakdown.

8.2 Metering and Energy Accounting

8.2.1 The Accounting of the energy shall be done at the Delivery Point.

8.2.2 The Energy Accounting shall be done on the basis of Energy Accounts issued by⁴⁴ _____ and

⁴⁰ Insert names of competent authorities in countries involved in the entire chain of transaction

⁴¹ Insert name(s) of Country(ies) involved up to Delivery Point

⁴² Insert name(s) of competent authorities involved beyond Delivery Point

⁴³ Insert names of countries involved in the entire chain of transaction

⁴⁴ Insert name of competent authorities issuing such account



shall be binding on the Parties⁴⁵ or Energy Accounting shall be done based on joint meter reading and both Parties shall document the procedure for the data collection and analysis six (6) months prior to COD.

- 8.2.3 For installation/Testing/Calibration, etc., of Meters and all matters incidental thereto relevant Regulations applicable as amended from time to time, shall be followed.
- 8.2.4 The System Operation and Energy Accounting System shall be finalised by the Parties based on mutual agreement in consultation with concerned agencies six (6) months prior to COD of the Project in accordance with Regional Grid Code/Guidelines.
- 8.2.5 The Seller and the Procurer shall enter into a protocol for System Operation and Energy Accounting with the relevant agencies prior to COD in accordance with Regional Grid Code/Guidelines.

⁴⁵ Select either Energy Accounts prepared by competent authority or joint meter reading approach. Modify clause accordingly.



Article 9

Billing and Payment and Third Party Sales on Default

9.1 General

9.1.1 For the supply of power from the Scheduled Delivery Date or the Revised Scheduled Delivery Date, the Procurer shall pay the Seller Tariff Payments as provided in Schedule 3 to this Agreement. The actual payment shall be made against the Monthly Bills or Supplementary Bills issued by the Seller. All Tariff Payments by the Procurer to the Seller shall be in⁴⁶ _____.

9.2 Delivery of Monthly Bills

9.2.1 The Seller shall issue to the Procurer on or before the fifth (5th) day of each Month (or, if such day is not a Business Day, the immediately succeeding Business Day), a Monthly Bill for Declared Energy/Deemed Declared Energy made available by the Seller to the Procurer in the immediately preceding Month.

9.2.2 On or before the fifth (5th) day of each Month, the Seller shall furnish the following data along with the Monthly Bill for the Delivered Energy and Deemed Delivered Energy to the Procurer at the Delivery Point during the previous Month:

- a. Meter output and other data for the relevant Month;
- b. the Seller's computation of Declared Energy and Deemed Declared Energy;
- c. the Seller's computation of Tariff Delayed Payment Penalty and Tariff Adjustment Payment in accordance with this Article and Schedule 3;
- d. the Seller's computation of Monthly Tariff Payment for the relevant Month; and
- e. supporting data, documents and calculations and Due Date in accordance with this Agreement.

9.2.3 The Seller shall raise invoice of energy bill by 5th of every month through an e-mail and/or fax and confirmation copy will be sent through courier to the Procurer. In the event of date of receipt of the invoice being a holiday where the Procurer has its registered office, the next working day would be the day of receipt of the invoice.



9.3 Payment of Monthly Bills

- 9.3.1 The Due Date of the payment shall be 30th day from the receipt of the Monthly Bill, either by facsimile, e-mail or otherwise (“Due Date”). The payment of invoice amount for power purchased will be made by the Procurer through electronic transfer to Designated Account of the Seller in full on or before Due Date. The Procurer will bear any applicable bank charges for transfer of the payment to the Designated Account of the Seller. Payment through draw down of the Letter of Credit shall be deemed to be a payment made in the normal course of business.
- 9.3.2 All payments required to be made under this Agreement shall be made without any deduction or set off except for:
- a. adjustments in Tariff required by the terms of this Agreement but not reflected in the Monthly Bill;
 - b. any debit note raised by the Procurer in relation to payment under this Agreement;
 - c. deductions required under the Law; and
 - d. any manifest error.

Any disputed amount on the Due Date shall be dealt in accordance with Article 9.6 herein.

- 9.3.3 The Seller shall open a bank account (the “Designated Account”) for all Tariff Payments to be made by the Procurer to the Seller, and notify the Procurer of the details of such account at least thirty (30) days before the dispatch of the first Monthly Bill to the Procurer. The Procurer shall make all payments under this Agreement to the Designated Account and notify the Seller of such payment on the same day. The Procurer shall also open a bank account (the “Procurer Designated Account”) for any and all payments to be made by the Seller to the Procurer, and notify the Seller of the details of such account at least thirty (30) days before the Scheduled Delivery Date.
- 9.3.4 In the event of delay in payment of a Monthly Bill by the Procurer beyond the Due Date (“Delayed Payment”), a surcharge shall be payable at one point two five percent (1.25%) on the outstanding amount of payment, calculated on per month basis of the delay, and such Surcharge shall be added to the amount of the Monthly Bill or Supplementary Bill as the case may be.
- 9.3.5 In the event of early payment of a Monthly Bill by the Procurer a rebate shall be allowed. Procurer shall be entitled to deduct two (2%) percent of the amount specified in the Monthly Bill if payment is made within five (5) days of receipt of Bill. Procurer shall be entitled to deduct one (1%) percent of the amount specified in the Monthly Bill if payment is made after five (5) days but within thirty (30) days including the date of receipt of bill.

9.4 Payment Security Mechanism

- 9.4.1 The Procurer shall provide to the Seller in respect of payment of Monthly Bills in the form of an irrevocable Letter of Credit with validity of 12 months which would be renewed every year, which may be drawn upon by the Seller in the event of delay in the remittance of the Monthly Bill to the Designated Account.
- 9.4.2 Not later than one (1) Month prior to the Scheduled Delivery Date or Revised Scheduled Delivery Date, whichever is applicable, the Procurer shall through a bank in his country, open a monthly, irrevocable Foreign Letter of Credit in favour of the Seller, to be made operative from a date prior to the Due Date of the first Monthly bill under this agreement. The Letter of Credit shall have a term of twelve (12) months. The Letter of Credit amount shall be equivalent to the twenty (20%) percent of annual Tariff Payments.
- 9.4.3 The Procurer shall cause the scheduled bank issuing the irrevocable Letter of Credit to intimate in



writing the Seller regarding establishing of such irrevocable Letter of Credit.

- 9.4.4 If the Procurer fails to pay a Monthly Bill, or part thereof, within and including the Due Date, then, the Seller may draw upon the Letter of Credit for the amount outstanding under such Monthly Bill by presenting to the scheduled bank, issuing the Letter of Credit, the following documents:
- i. a copy of the Monthly Bill which has remained unpaid by the Procurer;
 - ii. a certificate from the Seller to the effect that the bill at item (i), or specified part thereof, above has remained unpaid beyond the Due Date; and
 - iii. calculations of applicable Surcharge in accordance with this Agreement.
- 9.4.5 The Procurer shall ensure that the Letter of Credit shall be renewed not later than 30 days prior to its expiry. The Procurer shall replenish the Letter of Credit within seven (7) days of it being drawn down.
- 9.4.6 All costs relating to opening and maintenance of the Letter of Credit shall be borne by the Procurer.
- 9.4.7 The Seller shall not draw upon the Letter of Credit prior to the Due Date of the relevant Monthly Bill and not more than one drawal shall be made in a Month.
- 9.4.8⁴⁷

9.5 Third Party Sales on Default

- 9.5.1 Upon the occurrence of an event where the Procurer has not made payment by the Due Date of an Invoice through the Payment Mechanism provided in this Agreement, the Seller shall follow the steps as enumerated in Article 9.5.2.
- 9.5.2 On the occurrence of the event mentioned in Article 9.5.1 and after giving a notice of at least seven (7) days to the Procurer, the Seller shall have the right to offer hundred (100) per cent of the Contracted Energy ("Default Electricity") for sale to third-parties.
- 9.5.3 In case of third party sales as permitted by this Article 9.5, eighty five (85) percentages of the realisation from sale of Contracted Energy to third party shall be transferred to the Procurer subject to maximum of Tariff Charge Payments and the balance shall be retained by the Seller. Seller shall be responsible for any Imbalance/Deviation up to the Contracted Energy and shall pay or receive Imbalance/Deviation charges computed by⁴⁸ _____
- 9.5.4 The Procurer shall continue to pay Tariff Charges to the Seller even for Default Electricity sold to third parties or remaining unsold during such periods.
- Such Tariff Charge Payment liability shall cease on the date which occurs on the expiry of a period of one eighty (180) days from the date of occurrence of a Procurer Event of Default under Article 12.2.1, provided, if prior to such date, such Procurer Event of Default has not ceased and regular supply of power for a period of at least ninety (90) continuous days has not occurred.
- 9.5.5 Sales to any person or Party, other than the defaulting Procurer under Article 9.5, shall cease and regular supply of power to the defaulting Procurer in accordance with the provisions of this Agreement shall be restored within 30 days of the Procurer having paid the amount due to the Seller and renewed the Letter of Credit and issued a notice to the Seller to commence supply of power.

⁴⁷ Insert clauses related to Sovereign guarantee based on mutual agreement between Procurer and Seller

⁴⁸ Insert name(s) of competent authorities up to Delivery Point



9.6 Disputed Bill

- 9.6.1 If a Party does not dispute a Monthly Bill or a Supplementary Bill raised by the other Party within thirty (30) days of receiving it, such bill shall be taken as conclusive.

Provided that in case any evidence from an outside source relating to any discrepancy in such bill comes to notice at a later date, any Party may dispute such bill within a period of thirty (30) days of disclosure of such evidence.

- 9.6.2 If a Party disputes the amount payable under a Monthly Bill or a Supplementary Bill, as the case may be, the Party shall, within thirty (30) days of receiving such bill, issue a notice (the "Bill Dispute Notice") to the invoicing Party setting out:
- i. the details of the disputed amount;
 - ii. its estimate of what the correct amount should be; and
 - iii. all written material in support of its claim.

- 9.6.3 If the invoicing Party agrees to the claim raised in the Bill Dispute Notice issued pursuant to Article 9.6.2, the invoicing Party shall revise such bill within fifteen (15) days of receiving such notice and the claim shall be adjusted with the subsequent Monthly Bill in accordance with Article 9.3.

- 9.6.4 If the invoicing Party does not agree to the claim raised in the Bill Dispute Notice issued pursuant to Article 9.6.2, it shall, within fifteen (15) days of receiving the Bill Dispute Notice, furnish a notice providing:
- i. reasons for its disagreement;
 - ii. its estimate of what the correct amount should be; and
 - iii. all written material in support of its counter-claim.

Upon receipt of such notice of disagreement to the Bill Dispute Notice, authorised representatives of each Party shall meet and make Best endeavours to amicably resolve the dispute within sixty (60) days of receiving such notice of disagreement to the Bill Dispute Notice. Payment for such settlement shall be in pursuant to Article 9.6.3.

- 9.6.5 If the Parties do not amicably resolve the dispute within sixty (60) days of receipt of notice of disagreement to the Bill Dispute Notice pursuant to Article 9.6.4, the matter shall be referred to arbitration in accordance with Article 16.
- 9.6.6 Notwithstanding the Bill Dispute Notice issued pursuant to Article 9.6.2, all amounts under a Monthly Bill or a Supplementary Bill shall be paid by the Procurer/Seller, and the existence of a dispute relating to a bill shall not relieve any of the Parties of its obligations under this Agreement, provided that such payments, shall be without prejudice to the other rights of the parties under this Agreement.
- 9.6.7 If a dispute regarding a Monthly Bill or a Supplementary Bill is settled by arbitration in favour of the Party that issues the Bill dispute notice, the other party shall refund the amount incorrectly charged from the disputing Party or pay as required within ten (10) days of the dispute settlement along with interest. Such interest shall accrue per month basis for the period between the date of filing of the arbitration proceeding till settlement and receipt of refund in Designated Account of the disputing party, at the same rate of interest as applicable to Delayed Payment under Article 9.3.4.



9.7 Quarterly and Annual Reconciliation

- 9.7.1 Both Parties acknowledge that all payments made against Monthly Bills and Supplementary Bills shall be subject to reconciliation at the end of December and March every year to take into account Tariff Adjustments, Tariff Surcharges, or any other reasonable circumstance provided under this Agreement. The Parties, therefore, agree that as soon as all such data in respect of December and March of a Contract Year as the case may be has been finally verified and adjusted, the Parties shall jointly sign such reconciliation statement. Within fifteen (15) days of signing of reconciliation statement, the Seller or the Procurer, as the case may be, shall raise a Supplementary Bill, if any, for the Tariff Adjustments and payment of such Supplementary Bill shall be made/adjusted within thirty (30) days from the date of such bill.



Article 10

Force Majeure

10.1 Definitions

10.1.1 In this Article, the following terms shall have the following meanings:

10.2 Affected Party

10.2.1 An Affected Party means the Seller or the Procurer, whose performance has been affected by an event of Force Majeure.

10.2.2 Any Event of Force Majeure affecting the transmission utility(ies) in⁴⁹ _____ shall be deemed to be an event of Force Majeure affecting the Seller and Procurer respectively.

10.2.3 Any event of Force Majeure affecting the performance of the construction contractor shall be deemed to be an event of Force Majeure affecting the Seller.

10.3 Force Majeure

10.3.1 A 'Force Majeure' means any event or circumstance or combination of events and circumstances that wholly or partly prevents or unavoidably delays an Affected Party in the performance of its obligations under this Agreement, but only if and to the extent that such events or circumstances are not within the reasonable control, directly or indirectly, of the Affected Party and could not have been avoided if the Affected Party had taken reasonable care or complied with Prudent Utility Practices including, but not limited to, the following:

- a. act of lockout, war, invasion, armed conflict, blockade, revolution, riot, insurrection or civil commotion, terrorism, sabotage, fire, explosion or criminal damage;
- b. act of God, including lightning, cyclone, typhoon, flood, famine, fire, hurricane, droughts, tidal wave, earthquake, landslide, epidemic or similar cataclysmic event and such other extreme weather or environmental situations;
- c. the expropriation or compulsory acquisition by any Government or Governmental agency of the business of the Affected Party;
- d. non-availability of transmission capacity on account of grid failures;
- e. acts of government, or compliance with such acts, which directly affects such Party's ability to perform its obligations hereunder.

⁴⁹ Insert names of countries involved in the entire chain of transaction



- f. directions of any regulatory authority which affects such Party's ability to perform in whole or in part any of its obligation under this PPA.

10.4 Force Majeure Exclusions

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

- a. unavailability, late delivery, or changes in cost of the plant, machinery, equipment, materials, spare parts, fuel or consumables for the Project;
- b. delay in the performance of any contractor, sub-contractor or their agents excluding the conditions as mentioned in Article 10.2;
- c. non-performance resulting from normal wear and tear typically experienced in power generation materials and equipment;
- d. strikes or labour disturbance at the facilities of the Affected Party;
- e. insufficiency of finances or funds or the agreement becoming onerous to perform; and
- f. non-performance caused by, or connected with, the Affected Party's:
 - i. negligent or intentional acts, errors or omissions;
 - ii. failure to comply with any⁵⁰ _____ Law; or
 - iii. breach of, or default under this Agreement.

10.4.2 Notwithstanding anything to the contrary contained in this Agreement, any event affecting the Procurer under the agreements entered by it for resale of the power procured from the Seller shall not be treated as an event of Force Majeure under this Agreement.

10.5 Notification of Force Majeure Event

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

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

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

⁵⁰ Insert names of countries involved in the entire chain of transaction



10.6 Duty to Perform and Duty to Mitigate

10.6.1 To the extent not prevented by a Force Majeure Event pursuant to Article 10.3, the Affected Party shall continue to perform its obligations pursuant to this Agreement. The Affected Party shall use its reasonable efforts to mitigate the effect of any Force Majeure Event as soon as practicable.

10.7 Failure or Delay Caused by Force Majeure

10.7.1 Neither Party shall be liable for any failure or delay in complying with its obligations pursuant to this Agreement to the extent that such failure or delay has been caused or contributed to by one or more events of Force Majeure or their effects or by any combination thereof. The expiry date of the Agreement as well as the period allowed for the performance by the Affected Party of its obligations hereunder shall be extended by one day for each day only if the Force Majeure takes place before the Scheduled Delivery Date/Revised Scheduled Delivery Date. There would be no changes in the expiry date of the Agreement if Force Majeure happens after Scheduled Delivery Date/Revised Scheduled Delivery Date.

10.7.2 Provided that such extension may be for such additional duration as may be required to compensate for any delay or failure resulting from the time spent on demobilisation and remobilisation of personnel and restoration of the Unit or the Project, as the case may be, after cessation of an event or events of Force Majeure, to the pre-delay condition, assuming diligent compliance by such Party.

10.8 Extended Force Majeure

10.8.1 The continuance of an event of Force Majeure singularly or any combination thereof for a continuous period of 12 consecutive months shall constitute Extended Force Majeure. In the event of an Extended Force Majeure, either Party may terminate the Agreement by delivering a seven (7) days written notice of termination to the other Party without any further liability to either Party, from the date of such termination. The Agreement shall stand terminated at the end of seven (7) days period after receipt of the notice by the other Party provided that the Force Majeure Event is still operative at such time.

10.9 Prior Obligations Not Affected

10.9.1 Upon occurrence of a Force Majeure Event, neither Party shall be relieved of its liabilities that may have accrued till the date of commencement of the Force Majeure Event as per the terms and conditions of this Agreement.



Article 11

Change in Law

11.1 General

11.1.1 This Article 11 shall apply only in the event that if directly due to one or more Changes in Law defined in Article 11.3:

- i) the Seller's costs or revenues directly attributable to the Project are increased or decreased
- ii) the Seller is required to undertake capital expenditure directly attributable to the Project

11.2 Notification of Change in Law

11.2.1 In case the Seller is affected by a Change in Law in accordance with Article 11.1 and wishes to claim a Change in Law under this Article 11, it shall give notice to Procurer of such Change in Law as soon as reasonably practicable after becoming aware of the same.

11.2.2 Notwithstanding Article 11.2.1, the Seller shall be obliged to serve a notice to Procurer under this Article 11.2 if it is beneficially affected by a Change in Law.

11.3 Change in Law

11.3.1 Change in Law means the occurrence of any of the following after the date of this Agreement

- a. the enactment or issuance of any new _____;
- b. the repeal, modification or re-enactment in whole or in part of any existing _____ Law;
- c. the commencement of any _____ Law which has not yet entered into effect;
- d. a change in the interpretation or application of any⁵¹ _____ Law by any _____ Governmental Instrumentality having the legal power to interpret or apply such Law;
- e. the imposition (other than for cause) of a requirement for a Consent which did not exist as at the date of this Agreement;
- f. a change (other than for cause) in the terms and conditions attaching to a Consent after it has been given or the attachment of any new terms or conditions to such Consent, or; and
- g. the revocation or cancellation (other than for cause) of any Consent.

⁵¹ Insert name(s) of countries as per mutual agreement between Procurer and Seller



11.3.2 Notwithstanding anything contained in this Agreement, change in law shall not cover any change in any Tax on any income stream or on account of Regulatory measures by⁵² _____.

11.4 Amendment to this Agreement

11.4.1 Within sixty (60) days of a notice being served pursuant to Article 11.2, the Parties shall meet and endeavour to agree on what amendments to be made to this Agreement to ensure that the Seller is put into the same financial position as it would have been in but for the Change in Law.

11.4.2 Upon reaching agreement on the amendments required including but not limited to Seller to this Agreement pursuant to Article 11.4.1 the Parties shall execute such amending agreement to give effect to that agreement.

11.4.3 The Parties may refer to Article 15, in case both Parties could not reach to an agreement within ninety (90) days from date notice has been served pursuant to Article 11.2.

⁵² Insert Names of competent Regulatory bodies relevant to the transaction



Article 12

Events of Default and Termination

12.1 Seller Event of Default

12.1.1 The occurrence and continuation of any of the following events, unless any such event occurs as a result of a Force Majeure Event or a breach by Procurer of its obligations under this Agreement or a Procurer Event of Default, shall constitute a Seller Event of Default:

- i. the failure to commence supply of power to the Procurer up to the Contracted Energy, relevant to the Scheduled Delivery Date or the Revised Scheduled Delivery Date as the case may be, by the end of twelve (12) Months, or
- ii. after the Delivery Date, the interruption of power supply by the Seller for a continuous period of two (2) Months and such default is not rectified within thirty (30) Days from the receipt of first notice from the Procurer in this regard, or
- iii. the Seller fails to make any payment of an amount exceeding Rupees/USD_____ in aggregate required to be made to Procurer under this Agreement, within three (3) Months after the Due Date of undisputed invoice(s) raised by the said Procurer on the Seller; or
- iv. any of the representations and warranties made by the Seller in Schedule 4 of this Agreement being found to be untrue or inaccurate;
- v. provided however, prior to considering any event specified under this sub-article to be an Event of Default, the Procurer shall give a notice to the Seller in writing of at least thirty (30) days, or
- vi. if
 - a. the Seller assigns, mortgages or charges or purports to assign, mortgage or charge any of its assets or rights related to the Project in contravention of the provisions of this Agreement; or
 - b. the Seller transfers or novates any of its rights and/ or obligations under this Agreement, in a manner contrary to the provisions of this Agreement; except where such transfer;
 - i. is in pursuance of a Law; and does not affect the ability of the transferee to perform, and such transferee has the financial capability to perform its obligations under this Agreement; or
 - ii. is to a transferee who assumes such obligations under this agreement and the agreement remains effective with respect to the transferee; or
- vii. if
 - a. the Seller becomes voluntarily or involuntarily the subject of any bankruptcy or insolvency or winding up proceedings and such proceedings remain uncontested for a period of thirty (30) days, or
 - b. any winding up or bankruptcy or insolvency order is passed against the Seller, or
 - c. the Seller goes into liquidation or dissolution or has a receiver or any similar officer appointed over all or substantially all of its assets or official liquidator is appointed to manage its affairs, pursuant to Law;



Provided that a dissolution or liquidation of the Seller will not be a Seller Event of Default if such dissolution or liquidation is for the purpose of a merger, consolidation or re-organisation and where the resulting entity has the financial standing to perform its obligations under this Agreement and credit worthiness similar to the Seller and expressly assumes all obligations under this Agreement and is in a position to perform them; or

- viii. the Seller repudiates this Agreement and does not rectify such breach within a period of thirty (30) days from a notice from the Procurer in this regard; or
- ix. the Seller is in breach of any of its obligation pursuant to this Agreement, and such material breach are not rectified by the Seller within thirty (30) days of receipt of first notice in this regard given by the Procurer to the Seller. Provided that such breach is not on account of Procurer's failure to comply with its material obligations pursuant to this Agreement; or
- x. occurrence of any other event which is specified in this Agreement to be a material breach or default of the Seller.
- xi. failure to renew or replace the Contract Performance Guarantee, as per the terms of this Agreement.

12.2 Procurer Event of Default

12.2.1 The occurrence and the continuation of any of the following events, unless any such event occurs as a result of a Force Majeure Event or a breach by the Seller of its obligations under this Agreement or a Seller Event of Default, shall constitute the Event of Default on the part of Procurer:

- i. the Procurer fails to meet any of its obligations, as specified in Article 4.2; or
- ii. the Procurer fails to pay (with respect to a Monthly Bill or a Supplementary Bill) the most recent Monthly/ Supplementary Bill for a period of sixty (60) days after the Due Date and the Seller is unable to recover the amount outstanding to the Procurer through Letter of Credit; or
- iii. the Procurer repudiates this Agreement and does not rectify such breach even within a period of thirty (30) days from a notice from the Seller in this regard; or
- iv. the Procurer is in breach of any of its obligations pursuant to this agreement, and such material breach are not rectified by the Procurer within thirty (30) days of receipt of first notice in this regard given by the Seller to the Procurer. Provided that such breach is not on account of Seller's failure to comply with its material obligations pursuant to this Agreement; or
- v. any representation and warranties made by the Procurer in Schedule 4 of this Agreement being found to be untrue or inaccurate.

Provided, however, prior to considering any event specified under this sub-article to be an Event of Default, the Seller shall give a notice to the Procurer in writing of at least thirty (30) days; or

- vi. if
 - a. the Procurer transfers or novates any of its rights and/or obligations under this Agreement, in a manner contrary to the provisions of this Agreement; except where such transfer;
 - i. is in pursuance of a Law and does not affect the ability of the transferee to perform, and such transferee has the financial capability to perform its obligations under this Agreement; or
 - ii. is to a transferee who assumes such obligations under this Agreement and the Agreement remains effective with respect to the transferee; or
- vii. if
 - a. the Procurer becomes voluntarily or involuntarily the subject of any bankruptcy or insolvency or winding up proceedings and such proceedings remain uncontested for a period of thirty (30) days; or



- b. any winding up or bankruptcy or insolvency order is passed against the Procurer; or
- c. the Procurer goes into liquidation or dissolution or a receiver or any similar officer is appointed over all or substantially all of its assets or official liquidator is appointed to manage its affairs, pursuant to Law,

Provided that it shall not constitute a Procurer Event of Default, where such dissolution or liquidation of Procurer is for the purpose of a merger, consolidation or reorganisation and where the resulting entity has the financial standing to perform its obligations under this Agreement and has credit worthiness similar to Procurer and expressly assumes all obligations of Procurer under this Agreement and is in a position to them; or

- viii. failure by the Procurer to replenish the Letter of Credit after the drawdown within a period of thirty (30) days should be an event of default of the Procurer; or
- ix. occurrence of any other event which is specified in this Agreement to be a material breach or default of the Procurer.

12.3 Procedure for Cases of Seller Event of Default

- 12.3.1 Upon the occurrence and continuation of any Seller Event of Default under Article 12.1, the Procurer shall have the right to deliver to the Seller a notice of their intention to terminate this Agreement (Procurer Preliminary Default Notice), which shall specify in reasonable detail, the circumstances giving rise to the issue of such notice.
- 12.3.2 Following the issue of Procurer Preliminary Default Notice, the Consultation Period of ninety (90) days or such longer period as the Parties may agree, shall apply and it shall be the responsibility of the Parties to discuss as to what steps shall have to be taken with a view to mitigate the consequences of the relevant Event of Default having regard to all the circumstances.
- 12.3.3 During the Consultation Period, the Parties shall, save as otherwise provided in this Agreement, continue to perform their respective obligations under this Agreement.
- 12.3.4 After a period of seven (7) days following the expiry of the Consultation Period unless the Parties shall have otherwise agreed to the contrary or the Seller Event of Default giving rise to the Consultation Period shall have ceased to exist or shall have been remedied, the Procurer may terminate this Agreement by giving a written Termination Notice of thirty (30) days to the Seller.
- 12.3.5 Where this Agreement is terminated by the Procurer pursuant to Article 12.3.4 for a Seller Event of Default, the Seller shall pay a sum of INR/USD⁵³ _____ as termination payment within thirty (30) days of the termination of the Agreement. The Seller would also reimburse penalties paid by the Procurer on account of transmission and any other associated charges at actual. Any amount remaining unpaid on the part of the Seller shall be considered as a material breach and the Procurer shall have the right to enforce such claim as per the provisions of the Law.
- 12.3.6 It is agreed by the Parties that the sum so named as termination payment is for the purpose of securing performance of the contract and not for the purpose of giving Parties an option of paying money in default and rescind this Agreement.

12.4 Procedure for Cases of Procurer Event of Default

- 12.4.1 Upon the occurrence and continuation of any Procurer Event of Default pursuant to Article 12.2.1, the Seller shall follow the remedies provided under Article 9.5.

⁵³ To be mutually decided by Seller and Procurer.



- 12.4.2 Without in any manner affecting the rights of the Seller under Article 12.4.1, on the occurrence of any Procurer Event of Default specified in Article 12.2, the Seller shall have the right to deliver to the Procurer, a Seller Preliminary Default Notice, which notice shall specify in reasonable detail the circumstances giving rise to its issue.
- 12.4.3 Following the issue of a Seller Preliminary Default Notice, the Consultation Period of ninety (90) days or such longer period as the Parties may agree, shall apply and it shall be the responsibility of the Parties to discuss as to what steps shall be taken with a view to mitigate the consequences of the relevant Event of Default having regard to all the circumstances.
- 12.4.4 During the Consultation Period, the Parties shall continue to perform their respective obligations under this Agreement.
- 12.4.5 After a period of seven (7) days following the expiry of the Consultation Period unless the Parties shall have otherwise agreed to the contrary or the Procurer Event of Default giving rise to the Consultation Period shall have ceased to exist or shall have been remedied, the Seller shall be free to sell the Contracted Energy to any third party of the Seller's choice.

Provided the Procurer shall have the liability to make Tariff Charge Payments for the Contracted Energy based on the Deemed Declared Energy to the Seller for the period up to the Expiry Date, subject to maximum of one hundred and eighty (180) days from the eighth day after the expiry of the Consultation Period.

Provided further that in such period, in case the Seller is able to sell the energy to any third party eighty five (85) percentage of the realisation from sale of Contracted Energy to third party subject to maximum of Tariff Charge Payments shall be transferred to the Procurer and the balance shall be retained by the Seller.

For the avoidance of doubt, the above excess adjustment would be applied on a cumulative basis for such period. During such period, the Seller shall use its best effort to sell the Contracted Energy to such third parties at the most reasonable terms available in the market at such time, having due regard to the circumstances at such time and the pricing of electricity in the market at such time.

Provided further, the Seller shall ensure that sale of power to the shareholders of the Seller or any direct or indirect Affiliate of the Seller/ shareholders of the Seller, is not at a price less than the Tariff, without obtaining the prior written consent of the Procurer. Such request for consent would be responded to within a maximum period of three (3) days failing which it would be deemed that the Procurer has given his consent.

Provided further that at the end of such period, this Agreement shall automatically terminate and thereafter, the Procurer shall have no further Tariff Charge liability towards the Seller.

Provided further, the Seller shall have the right to terminate this Agreement with respect to the Procurer even before the expiry of such period, provided on such termination, the future Tariff Charge liability of the Procurer shall cease immediately.

- 12.4.6 The Procurer shall be entitled to invoke the Contract Performance Guarantee on the date of termination. Any amount to be paid by the Seller shall be payable by the Seller to the Procurer within ten (10) days from such date. Any amount remaining unpaid on the part of the Seller shall be considered as a material breach and the Procurer shall have the right to enforce such claim as per the provisions of the Law.

For the avoidance of doubt, it is clarified that this Article shall survive the termination of this Agreement.

12.5 Termination due to Force Majeure

- 12.5.1 Termination due to Force Majeure shall be as per Articles 10.8 and 10.9 of this Agreement.



Article 13

Liability and Indemnification

13.1 Indemnity

13.1.1 The Seller shall indemnify, defend and hold Procurer harmless against:

- a. any and all third party claims, actions, suits or proceedings against the Procurer for any loss of or damage to property of such third party, or death or injury to such third party, arising out of a breach by the Seller of any of its obligations under this Agreement, except to the extent that any such claim, action, suit or proceeding has arisen due to a negligent act or omission, breach of this Agreement or breach of statutory duty on the part of Procurer, its contractors, servants or agents; and
- b. any and all losses, damages, costs and expenses including legal costs, fines, penalties and interest actually suffered or incurred by the Procurer from third party claims arising by reason of:
 - i. breach by the Seller of any of its obligations under this Agreement, except to the extent that any such losses, damages, costs and expenses including legal costs, fines, penalties and interest (together to constitute "Indemnifiable Losses") has arisen due to a negligent act or omission, breach of this Agreement or breach of statutory duty on the part of Procurer, its contractors, servants or agents, or
 - ii. any of the representations or warranties of the Seller under this Agreement being found to be inaccurate or untrue.

Provided that this Article 13 shall not apply to such breaches by the Seller, for which specific remedies have been provided for under this Agreement.

13.1.2 Procurer shall indemnify, defend and hold the Seller harmless against:

- a. any and all third party claims, actions, suits or proceedings against the Seller, for any loss of or damage to property of such third party, or death or injury to such third party, arising out of a breach by Procurer of any of its obligations under this Agreement except to the extent that any such claim, action, suit or proceeding has arisen due to a negligent act or omission, breach of this Agreement or breach of statutory duty on the part of the Seller, its contractors, servants or agents; and
- b. any and all losses, damages, costs and expenses including legal costs, fines, penalties and interest ('Indemnifiable Losses') actually suffered or incurred by the Seller from third party claims arising by reason of
 - i. a breach by Procurer of any of its obligations under this agreement, except to the extent that any such Indemnifiable Losses have arisen due to a negligent act or omission, breach of this



Agreement or breach of statutory duty on the part of the Seller, its contractors, servants or agents, or

- ii. any of the representations or warranties of the Procurer under this Agreement being found to be inaccurate or untrue.

Provided that this Article 13 shall not apply to such breaches by the Procurer, for which specific remedies have been provided for under this Agreement.

13.2 Monetary Limitation of Liability

13.2.1 A Party (“Indemnifying Party”) shall be liable to indemnify the other Party (“Indemnified Party”) under this Article for any indemnity claims and Indemnifiable Losses made in any financial year only up to an amount corresponding to 0.5% of average annual Tariff Payment.

13.2.2 Procedure for claiming Indemnity

13.2.3 Third party claims

a. Where the Indemnified Party is entitled to indemnification from the Indemnifying Party pursuant to Article 13.1.1a or 13.1.2a, the Indemnified Party shall promptly notify the Indemnifying Party of such claim, proceeding, action or suit referred to in Articles 13.1.1a or 13.1.2a in respect of which it is entitled to be indemnified. Such notice shall be given as soon as reasonably practicable after the Indemnified Party becomes aware of such claim, proceeding, action or suit. The Indemnifying Party shall be liable to settle the indemnification claim within thirty (30) days of receipt of the above notice. Provided however that, if:

- i. the Parties choose to contest, defend or litigate such claim, action, suit or proceedings in accordance with Article 13.2.3 (b) below; and
- ii. the claim amount is not required to be paid/deposited to such third party pending the resolution of the Dispute, the Indemnifying Party shall become liable to pay the claim amount to the Indemnified Party or to the third party, as the case may be, promptly following the resolution of the Dispute, if such Dispute is not settled in favour of the Indemnified Party.

b. The Indemnified Party may contest, defend and litigate a claim, action, suit or proceeding for which it is entitled to be Indemnified under Article 13.1.1a or 13.1.22 and the Indemnifying Party shall reimburse to the Indemnified Party all reasonable costs and expenses incurred by the Indemnified Party. However, such Indemnified Party shall not settle or compromise such claim, action, suit or proceedings without first getting the consent of the Indemnifying Party, which consent shall not be unreasonably withheld or delayed.

An Indemnifying Party may, at its own expense, assume control of the defence of any proceedings brought against the Indemnified Party if it acknowledges its obligation to indemnify such indemnified Party, gives such Indemnified Party prompt notice of its intention to assume control of the defence, and employs an independent legal counsel at its own cost that is reasonably satisfactory to the Indemnified Party.

13.3 Indemnifiable Losses

13.3.1 Where an Indemnified Party is entitled to Indemnifiable Losses from the Indemnifying Party pursuant to Article 13.1.1b or 13.1.2b, the Indemnified Party shall promptly notify the Indemnifying Party of the Indemnifiable Losses actually incurred by the Indemnified Party. The Indemnifiable Losses



shall be reimbursed by the Indemnifying Party within thirty (30) days of receipt of the notice seeking Indemnifiable Losses by the Indemnified Party. In case of non-payment of such losses after a valid notice under this Article 13.3, such event shall constitute a payment default under Article 12.

13.4 Limitation on Liability

- 13.4.1 Except as expressly provided in this Agreement, neither the Seller nor Procurer nor their respective officers, directors, agents, employees or affiliates, shall be liable or responsible to the other Party or its affiliates, officers, directors, agents, employees, successors or permitted assigns or their respective insurers for incidental, indirect or consequential damages, connected with or resulting from performance or non-performance of this Agreement, or anything done in connection herewith, including claims in the nature of lost revenues, income or profits (other than payments expressly required and properly due under this Agreement), any increased expense of, reduction in or loss of power generation or equipment used therefore, irrespective of whether such claims are based upon breach of warranty, tort (including negligence, whether of the Procurer, the Seller or others), strict liability, contract, breach of statutory duty, operation of law or otherwise.
- 13.4.2 Procurer shall have no recourse against any officer, director or shareholder of the Seller or any Affiliate of the Seller or any of its officers, directors or shareholders for such claims excluded under this Article. The Seller shall have no recourse against any officer, director or shareholder of Procurer, or any Affiliate of Procurer or any of its officers, directors or shareholders for such claims excluded under this Article.

13.5 Duty to Mitigate

- 13.5.1 The Parties shall endeavour to take all reasonable steps so as to mitigate any loss or, damage which has occurred under this Article.



Article 14

Assignments and Charges

14.1 Assignments

14.1.1 This Agreement shall be binding upon, and inure to the benefit of the Parties and their respective successors and permitted assigns. This Agreement shall not be assigned by any Party other than by mutual consent between the Parties to be evidenced in writing:

Provided that, such consent shall not be withheld if the Seller/ Procurer seeks to transfer to any transferee all of its rights and obligations under this Agreement; and

- a. such transferee is a successor entity of the Seller/ Procurer; and
- b. this Agreement shall continue to remain valid and binding on such successor.

14.2 Permitted Charges

14.2.1 Neither Party shall create or permit to subsist any encumbrance over all or any of its rights and benefits under this Agreement.

14.2.2 However, the Seller for the purpose of financing the Project under the Financing Agreements may assign or create any encumbrance over its rights and interests of the Project, the Site, the movable property and intellectual property of the Seller and receivable and revenues or any of the rights or assets of the Seller in favour of the Lenders or the Lender's Representative on their behalf, as security for:

- a. amounts payable under the Financing Agreements; and
- b. any other amounts agreed by the Parties

Provided that the Lenders or the Lender's Representative on their behalf shall have entered into the Financing Agreements.



Article 15

Governing Law and Dispute Resolution

15.1 Governing Law

15.1.1 This Agreement shall be governed by the Laws of the⁵⁴ _____.

15.2 Amicable Settlement and Dispute Resolution

15.2.1 Either Party is entitled to raise any matter, claim, dispute or difference of whatever nature arising under, out of or in connection with this Agreement including its existence or validity (collectively “Dispute”) by giving a written notice to the other Party, which shall contain:

- i. a description of the Dispute;
- ii. the grounds for such Dispute; and
- iii. all written material in support of its claim.

15.2.2 The other Party shall, within thirty (30) days of issue of dispute notice issued under Article 15.2.1, furnish:

- i. its counter-claim and defences if any regarding the dispute; and
- ii. all written material in support of its defences and counter-claim.

15.2.3 Within sixty (60) days of issue of notice by other Party pursuant to Article 15.2.1, both the Parties shall meet to settle such dispute amicably, failing which the dispute shall be referred to arbitration in accordance with Article 15.3.

15.3 Arbitration

15.3.1 Any dispute arising out of or in connection with this Agreement including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration in⁵⁵ Singapore in accordance with the Arbitration Rules of the Singapore International Arbitration Centre (“SIAC Rules”) for the time being in force, which rules are deemed to be incorporated by reference to this Article.

⁵⁴ Insert the name of the Country

⁵⁵ Singapore International Arbitration Centre or SAARC Arbitration Council, to be mutually decided by Procurer and Seller. In case Procurer and Seller decide to opt for SAARC Arbitration Council, then 15.3 and 15.4 to be suitably modified.



The Tribunal shall consist of Three Arbitrators, each party shall nominate one Arbitrator and the two Arbitrators so nominated shall nominate the third Arbitrator, who shall act as the Presiding Arbitrator. If a Party fails to make a nomination within 14 (fourteen) days after receipt of other party's nomination of arbitrator, he shall be appointed as per SIAC Rules.

Similarly, if the two Arbitrators nominated by the parties fail to appoint the third arbitrator within 14 (fourteen) days of their nomination, the third arbitrator shall be appointed as per SIAC Rules.

Seat of arbitration shall be Singapore and the language of arbitration shall be English.

15.3.2 The award of the arbitrators shall be final and binding on both the Parties and shall be effective from the date such award is made or the date, if any, specified in the award as the effective date for such award. The Parties hereby agree that the right(s) to appeal against such award shall be only as provided in SIAC Rules/Laws of Singapore.

15.3.3 The cost and fee payable on such arbitrations shall be as per directions given by the arbitrators or, can be shared equally if there are no directions from the arbitrators.

15.4 Parties to Perform Obligations

15.4.1 Notwithstanding the existence of any dispute and difference referred for arbitration and save as the arbitration tribunal may otherwise direct by a final or interim order, the Parties hereto shall continue to perform their respective obligations (which are not in dispute) under this Agreement.



Article 16

Miscellaneous Provisions

16.1 Amendment

16.1.1 This Agreement may only be amended or supplemented by a written agreement between the Parties.

16.2 Third Party Beneficiaries

16.2.1 This Agreement is solely for the benefit of the Parties and their respective successors and permitted assigns and shall not be construed as creating any duty, standard of care or any liability to, any person not a party to this Agreement.

16.3 Waiver

16.3.1 No waiver by either Party of any default or breach by the other Party in the performance of any of the provisions of this Agreement shall be effective unless in writing duly executed by an authorised representative of such Party:

16.3.2 Neither the failure by either Party to insist on any occasion upon the performance of the terms, conditions and provisions of this Agreement nor time or other indulgence granted by one Party to the other Parties shall act as a waiver of such breach or acceptance of any variation or the relinquishment of any such right or any other right under this Agreement, which shall remain in full force and effect.

16.4 Entirety

16.4.1 This Agreement and the Schedules are intended by the Parties as the final expression of their agreement and are intended also as a complete and exclusive statement of the terms of their agreement.

16.4.2 Except as provided in this Agreement, all prior written or oral understandings, offers or other communications of every kind pertaining to this Agreement or supply of power up to the Contracted Energy under this Agreement to the Procurer by the Seller shall stand superseded and abrogated.

16.5 Confidentiality

16.5.1 The Parties undertake to hold in confidence this Agreement and not to disclose the terms and conditions of the transaction contemplated hereby to third parties, except:

- a. to their professional advisors;



- b. to their officers, contractors, employees, agents or representatives, financiers, who need to have access to such information for the proper performance of their activities;
- c. disclosures required under Law;
- d. without the prior written consent of the other Parties.

16.6 Affirmation

16.6.1 The Seller and the Procurer, both affirm that:

- a. neither it nor its respective directors, employees, or agents has paid or undertaken to pay or shall in the future pay any unlawful commission, bribe, pay-off or kick-back; and
- b. it has not in any other manner paid any sums to the other Party to procure this Agreement, and the Seller and the Procurer hereby undertake not to engage in any similar acts during the Term of Agreement.

16.7 Severability

16.7.1 The provisions of this Agreement are severable, and if any portion of this Agreement is deemed legally invalid or unenforceable, the remainder of this Agreement shall survive and remain in full force and effect; provided that, if a provision is held to be invalid or unenforceable, the Parties shall negotiate in good faith to adopt a replacement provision to carry out, in effect, the Parties' original intention to the extent permitted by applicable Laws.

16.8 Relationship of the Parties

This Agreement shall not be interpreted or construed to create an association, joint venture, or partnership or agency or any such other relationship between the Parties or to impose any partnership obligation or liability upon either Party and neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

16.9 Counterparts

16.9.1 This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which collectively shall be deemed one and the same Agreement.

16.10 Notices

16.10.1 All notices or other communications which are required to be given under this Agreement shall be in writing and in the English language.

16.10.2 If to the Seller, all notices or other communications which are required must be delivered personally, by registered post or facsimile or any other method duly acknowledged to the addresses below:

Address:

Attention:

Fax. No.:

Telephone No.:

Email:



16.10.3 If to the Procurer, all notices or communications must be delivered personally or by registered post or facsimile or any other mode duly acknowledged to the address below:

Address:

Attention:

Fax. No.:

Telephone No.:

Email:

16.10.4 All notices shall be effective: (i) if sent by facsimile, when sent (on receipt of confirmation of the correct number or address); (ii) if sent by registered or certified mail, within five (5) days of dispatch; (iii) if delivered personally, on receipt by intended recipient; (iv) if notified by an e-mail, within twenty four (24) hours of sending the e-mail. Provided that all notices given by e-mail/facsimile shall be confirmed by registered or certified mail. Any Party may by notice of at least fifteen (15) days to the other Party change the address and/or addresses to which such notices and communications to it are to be delivered or mailed.

16.11 Language

16.11.1 All agreements, correspondence and communications between the Parties relating to this Agreement and all other documentation to be prepared and supplied under the Agreement shall be written in English, and the Agreement shall be construed and interpreted in accordance with English language.

16.11.2 If any of the agreements, correspondence, communications or documents are prepared in any language other than English, the English translation of such agreements, correspondence, communications or documents shall prevail in matters of interpretation.

16.12 Commercial Acts

16.12.1 The Procurer and the Seller unconditionally and irrevocably agree that the execution, delivery and performance by each of them of this Agreement to which it is a Party constitute private and commercial acts rather than public or governmental acts.

16.13 Taxes and Duties

16.13.1 Each Party shall bear and promptly pay all statutory taxes, duties, levies, charges applicable within their respective countries in relation to the supplying/procuring power as per the terms of this Agreement. Seller shall bear and promptly pay all statutory taxes, duties, levies, charges applicable up to Delivery Point in relation to the supplying power as per the terms of this Agreement. Procurer shall bear and promptly pay all statutory taxes, duties, levies, charges applicable beyond Delivery Point in relation to the procuring power as per the terms of this Agreement.

16.13.2 Either party shall be indemnified and held harmless by the other party against any claims that may be made against either party in relation to the matters set out in Article 16.13.1.

16.14 No Consequential or Indirect Losses

16.14.1 The liability of the Seller and the Procurer shall be limited to that explicitly provided in this Agreement.



Provided that notwithstanding anything contained in this Agreement, under no event shall the Procurer or the Seller claim from one another any indirect or consequential losses or damages.

16.15 Order of Priority in Application

16.15.1 In case of inconsistencies between the agreement(s) executed between the Parties, applicable Law including rules and regulations framed thereunder, the order of priority as between them shall be the order in which they are placed below:

- applicable laws, rules and regulations framed thereunder,
- this Agreement

16.16 Fraudulent and Corrupt Practices

16.16.1 The Parties and their respective officers, employees, agents and advisers shall observe the highest standard of ethics during the subsistence of this Agreement. Notwithstanding anything to the contrary contained in the Agreement, either Party may terminate the Agreement without being liable in any manner whatsoever to the other Party, if it determines that the other Party has, directly or indirectly or through an agent, engaged in corrupt practice, fraudulent practice, collusive practices, coercive practice, or obstructive practice during the Term of this Agreement.

16.16.2 For the purposes of this Article 16.16, the following terms shall have the meaning hereinafter respectively assigned to them:

- i. "Corrupt practice" is the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party;
- ii. "Fraudulent practice" is any intentional act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;
- iii. "Collusive practice" is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party;
- iv. "Coercive practice" is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;
- v. "Obstructive practice" is
 - deliberately destroying, falsifying, altering or concealing of evidence material to the investigation or making false statements to investigators in order materially to impede any investigation into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation; or
 - acts intended materially to impede the exercise of the inspection and audit rights of the Parties.

IN WITNESS WHEREOF the Parties have caused the Agreement to be executed through their duly authorised representatives as of the date and place set forth above.

For and on behalf of
_____ Limited

For and on behalf of
_____ Limited



Schedule 1

Initial Consents⁵⁶

Initial Consents

⁵⁶ Insert list of initial consents to be secured by Seller as conditions precedent like approvals for Land, R&R, environment, consent for establishment etc., from Governmental Instrumentality. Also, any other regulatory and statutory approvals which are critical for Project development.



Schedule 2

Salient Features & Technical Characteristics of the Project

The salient features of the project along with the key technical characteristics of the project are provided below.

Table 1: Salient Features and Technical Characteristics of the Project⁵⁷:

Table 2: Monthly Contract Energy Schedule for the Project

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sept | Oct | Nov | Dec | Total |
|----------------------------|-----|-----|-----|-----|-----|-----|-----|-----|------|-----|-----|-----|-------|
| Contracted Energy (in MUs) | | | | | | | | | | | | | |

Energy (in MU) calculated corresponding to Contracted Capacity with a load factor of⁵⁸ _____. [Only for Capacity based PPA. Otherwise to be deleted]

⁵⁷ Insert salient features and technical characteristics like location, hydrology, main structures, power house, power evacuation infrastructure etc.

⁵⁸ Load Factor to be decided for computing MUs corresponding to Capacity contracted



Schedule 3

Tariff

3.1 General

- i. The method of determination of Tariff Payments for any Contract Year during the Term of Agreement shall be in accordance with this Schedule.
- ii. For the purpose of payments, the net Tariff to be paid to the Seller, shall be as per the table provided below for the applicable Contract Year.

| Contract Year | Commencement Date of Contract Year | End Date of Contract Year | Tariff in figures (INR/USD ⁵⁹ kWh) |
|-----------------|------------------------------------|--|---|
| 1 | Scheduled Delivery Date | 31 st December | |
| 2 | 1 st January | 31 st December | |
| 3 | 1 st January | 31 st December | |
| . | 1 st January | 31 st December | |
| . | 1 st January | 31 st December | |
| . | 1 st January | 31 st December | |
| . | 1 st January | 31 st December | |
| . | 1 st January | 31 st December | |
| . | 1 st January | 31 st December | |
| . | 1 st January | 31 st December | |
| . | 1 st January | 31 st December | |
| . | 1 st January | 31 st December | |
| . | 1 st January | 31 st December | |
| . | 1 st January | 31 st December | |
| . | 1 st January | 31 st December | |
| n th | 1 st January | Completion of n th anniversary of the Scheduled Delivery Date ⁶⁰ | |

3.1.1 Components of Monthly Tariff Payment

The Monthly Bill for any Month in a Contract Year shall consist of the following:

- i. Monthly Tariff Charge Payment in accordance with Clause 3.1.2 of this Schedule;

⁵⁹ To be mutually decided by Procurer and Seller

⁶⁰ Refer Expiry Date definition



3.1.2 Monthly Tariff Charge Payment

3.1.2.1 The Monthly Tariff Charge Payment for any Month (m) in a Contract Year (n) shall be calculated as below:

$$TC_{mn} = DE_{mn} \times T_{mn}$$

where:

TC_{mn} is the Tariff Charge Payment for the Month (m) for Contract Year (n) in INR or USD;

DE_{mn} is the Declared Energy plus the Deemed Declared Energy, if any, at the Delivery Point, for a Month (m) for Contract Year (n) in kWh;

T_{mn} is the Tariff for Month (m), Contract Year (n) as specified in Clause 3.1 (ii) of this Schedule, in INR or USD/ kWh.

3.1.3.2⁶¹

3.1.3 Penalty for Shortfall in Supply of Power

3.1.3.1 In case the Declared Energy is less than the Contracted Energy in a Contract Year due to inability of the Seller to deliver the entire Contracted Energy, the Seller shall pay a penalty calculated as follows:

$$P_n = (CE_n - DE_n) \times T_n$$

where,

P_n is the Penalty amount for a Contract Year (n) in INR / USD;

CE_n is the Contracted Energy for Contract Year n in kWh;

DE_n is the Declared Energy as calculated for Contract Year n in kWh;

T_n is the _____⁶² % of Tariff for Contract Year (n) as specified under Clause 3.1 (ii) of this Schedule, in INR or USD/ kWh;

3.1.3.2 Penalty determined in accordance with Clause 3.1.3 of this Schedule shall be applicable on an annual basis and would be settled in the first monthly bill for a Contract Year for the preceding Contract Year.

3.2 Transmission/Wheeling Charges and Other Charges

3.2.1 The payment of transmission charges/wheeling charges or any other charges to transmission utility or⁶³ _____, from the Interconnection Point to the Delivery Point, shall be the responsibility of the Seller.

3.2.2 The payment of any charges beyond the Delivery Point shall be the responsibility of the Procurer.

Replace Clause 3.1 in Schedule 3 with Clause below for Capacity based PPA

3.1 General

- i. The method of determination of Tariff Payments for any Contract Year during the Term of Agreement shall be in accordance with this Schedule.

⁶¹ Insert Tariff provisions in case any Peaking support is envisaged as per the Technical configuration

⁶² Insert percentage or modify the clause suitably. To be mutually decided based on how the hydrological risk is to be shared between both Seller and Procurer.

⁶³ Insert names of competent authorities up to Delivery Point relevant to this PPA



- ii. For the purpose of payments, total Annual Charges to be paid to the Seller, shall be as per the table provided below for the applicable Contract Year.

| Contract Year | Commencement Date of Contract Year | End Date of Contract Year | Annual Charges In figures (INR/USD) |
|-----------------|------------------------------------|--|-------------------------------------|
| 1 | Scheduled Delivery Date | 31 st December | |
| 2 | 1 st January | 31 st December | |
| 3 | 1 st January | 31 st December | |
| . | 1 st January | 31 st December | |
| . | 1 st January | 31 st December | |
| . | 1 st January | 31 st December | |
| . | 1 st January | 31 st December | |
| . | 1 st January | 31 st December | |
| . | 1 st January | 31 st December | |
| . | 1 st January | 31 st December | |
| . | 1 st January | 31 st December | |
| . | 1 st January | 31 st December | |
| . | 1 st January | 31 st December | |
| . | 1 st January | 31 st December | |
| . | 1 st January | 31 st December | |
| . | 1 st January | 31 st December | |
| n th | 1 st January | Completion of n th anniversary of the Scheduled Delivery Date ⁶⁴ | |

3.1.1 Components of Monthly Tariff Payment

The Monthly Tariff shall comprise of Fixed Charge (to be recovered based on Availability) and Energy Charge (to be recovered based on Scheduled Energy).

3.1.2 Monthly Tariff Charge Payment

3.1.2.1 The Monthly Fixed Charge Payment for any Month (m) in a Contract Year (n) shall be calculated as below:

$$FC_{mn} = x^{65\%} * AC_{mn} * (TA_{mn} / NA)$$

where:

- FC_{mn} is the Fixed Charge for the Month (m) for Contract Year (n) in INR/USD;
- AC_{mn} is the Annual Charges for a Month (m) for Contract Year (n) (yearly value divided into 12 parts);
- TA_{mn} is the Total Availability for a Month (m) for Contract Year (n);
- NA is the Normative Availability as defined in Article 1.1.

⁶⁴ Refer Expiry Date definition

⁶⁵ This percentage determines the portion of Annual Charges to be recovered on availability basis (To be decided mutually by Seller and Procurer).



Total Availability

$$\% \text{ Total Availability} = \frac{\sum DC_i}{N * CC * (1-AUX\%)} \times 100$$

DC_i is Declared Capacity (in MW) for i_{th} day of the month;

CC is Contracted Capacity (in MW);

AUX is Auxiliary Consumption (in %);

N is number of days in a month.

$$EC_{mn} = SE_{mn} * ECR_n$$

where:

EC_{mn} is the Energy Charge for the Month (m) for Contract Year (n) in INR/USD;

SE_{mn} is the Scheduled Energy for a Month (m) for Contract Year (n);

ECR_n is the Energy Charge Rate for Contract Year (n).

Energy Charge Rate

$$\text{Energy Charge Rate} = \frac{(100-x^{66\%}) * AC_n}{DE * (1-AUX\%)}$$

ECR is the Energy Charge Rate for Contract Year n;

AC_n is the Annual Charges for Contract Year (n);

DE is Design Energy;

AUX is Auxiliary Consumption (in %);

3.1.3.2⁶⁷

3.1.3 Treatment for Shortfall in supply of power

3.1.3.1 In case the actual total energy generated by a hydro generating station during a year is less than the Design Energy for reasons beyond the control of the Seller, the following treatment shall be adopted subject to mutual agreement of both Seller and Procurer:

(a) the ECR for the year following the year of energy shortfall shall be computed with the modification that the DE for the year shall be considered as equal to the actual energy generated during the year of the shortfall, till the energy charge shortfall of the previous year has been made up.

(b) in case of shortfall for continuous _____ years then the DE shall be revised.

⁶⁶ x% as decided in Fixed Charge recovery formula.

⁶⁷ Insert Tariff provisions in case any Peaking support is envisaged as per the Technical configuration



Schedule 4

Representation and Warranties

4.1 Representations and Warranties by the Procurer

- 4.1.1 The Procurer hereby represents and warrants to and agrees with the Seller as follows and acknowledges and confirms that the Seller is relying on such representations and warranties in connection with the transactions described in this Agreement:
- i. The Procurer has all requisite powers and has been duly authorised to execute and consummate this Agreement;
 - ii. This Agreement is enforceable against the Procurer in accordance with its terms;
 - iii. The consummation of the transactions contemplated by this Agreement on the part of the Procurer will not violate any provision of nor constitute a default under, nor give rise to a power to cancel any charter, mortgage, deed of trust or lien, lease, agreement, license, permit, evidence of indebtedness, restriction, or other contract to which the Procurer is a party or to which the Procurer is bound, which violation, default or power has not been waived;
 - iv. The Procurer is not insolvent and no insolvency proceedings have been instituted, nor threatened or pending by or against the Procurer;
 - v. There are no actions, suits, claims, proceedings or investigations pending or, to the best of the Procurer's knowledge, threatened in writing against the Procurer at law, in equity, or otherwise, and whether civil or criminal in nature, before or by, any court, commission, arbitrator or governmental agency or authority, and there are no outstanding judgments, decrees or orders of any such courts, commission, arbitrator or governmental agencies or authorities, which materially adversely affect its ability to comply with its obligations under this Agreement.
- 4.1.2 The Procurer makes all the representations and warranties above to be valid as on the date of this Agreement.

4.2 Representation and Warranties of the Seller

- 4.2.1 The Seller hereby represents and warrants to and agrees with the Procurer as follows and acknowledges and confirms that the Procurer is relying on such representations and warranties in connection with the transactions described in this Agreement:
- i. The Seller has all requisite power and has been duly authorised to execute and consummate this agreement;
 - ii. This agreement is enforceable against the Seller in accordance with its terms;



- iii. The consummation of the transactions contemplated by this Agreement on the part of the Seller will not violate any provision of nor constitute a default under, nor give rise to a power to cancel any charter, mortgage, deed of trust or lien, lease, agreement, license, permit, evidence of indebtedness, restriction, or other contract to which the Seller is a party or to which the Seller is bound which violation, default or power has not been waived;
 - iv. The Seller is not insolvent and no insolvency proceedings have been instituted, or not threatened or pending by or against the Seller;
 - v. There are no actions, suits, claims, proceedings or investigations pending or, to the best of Seller's knowledge, threatened in writing against the Seller at law, in equity, or otherwise, and whether civil or criminal in nature, before or by, any court, commission, arbitrator or governmental agency or authority, and there are no outstanding judgments, decrees or orders of any such courts, commission, arbitrator or governmental agencies or authorities, which materially adversely affect its ability to supply power or to comply with its obligations under this Agreement.
- 4.2.2 The Seller makes all the representations and warranties above to be valid as on the date of this Agreement.
- 4.3 In the event that any of the representations and warranties made by the Parties in this Schedule are not true or are incorrect, the occurrence of such event would amount to a Seller Event of Default or Procurer Event of Default under Article 12 of this Agreement and the Parties shall have the right to terminate this Agreement in accordance with Article 12 of this Agreement.



Schedule 5

Format for Contract Performance Guarantee

(To be on non-judicial stamp paper of appropriate value as per Stamp Act relevant to place of execution)

In consideration of the _____ [Insert name of the Procurer with address] agreeing to undertake the obligations under the PPA and _____ [Insert name of Seller] (herein after referred to as Seller), agreeing to execute the PPA with the Successful Bidder for sale of power for ___ years through tariff based competitive bidding process, the _____ [Insert name and address of the bank issuing the guarantee and address of the head office] (hereinafter referred to as "Guarantor Bank") hereby agrees unequivocally, irrevocably and unconditionally to pay to the Procurer at _____ [Insert address of Procurer] forthwith on demand in writing from the Procurer or any Officer authorised by it in this behalf, any amount up to and not exceeding INR/USD⁶⁸ _____ million only [Insert the amount of the bank guarantee [Insert: "the Procurer as per the terms of PPA] on behalf of M/s. _____ [Insert name of the Seller].

This guarantee shall be valid and binding on the Guarantor Bank up to and including _____ [Insert date of validity of CPG]⁶⁹ and shall in no event not be terminable by notice or any change in the constitution of the Bank or the term of the PPA or by any other reasons whatsoever and our liability hereunder shall not be impaired or discharged by any extension of time or variations or alternations made, given, or agreed with or without our knowledge or consent, by or between parties to the respective agreement.

Our liability under this Guarantee is restricted to Rupees/USD _____ million only. Our Guarantee shall remain in force until _____ [Insert the date of validity of the Guarantee]. The Procurer shall be entitled to invoke this Guarantee up to thirty (30) days of the last date of the validity of this Guarantee by issuance of a written demand to invoke this guarantee.

The Guarantor Bank hereby expressly agrees that it shall not require any proof in addition to the written demand from the Procurer, made in any format, raised at the above mentioned address of the Guarantor Bank, in order to make the said payment to the Procurer.

The Guarantor Bank shall make payment hereunder on first demand without restriction or conditions and notwithstanding any objection by, _____ [Insert name of the Seller] and/or any other person. The Guarantor Bank shall not require the Procurer to justify the invocation of this BANK GUARANTEE, nor shall the Guarantor Bank have any recourse against the Procurer in respect of any payment made hereunder.

⁶⁸ To be computed at 2-3% of Project Cost as per mutual agreement between Seller and Procurer

⁶⁹ Validity date to be fixed to at least cover construction duration



The Guarantor Bank represents that this BANK GUARANTEE has been established in such form and with such content that it is fully enforceable in accordance with its terms as against the Guarantor Bank in the manner provided herein.

This BANK GUARANTEE shall not be affected in any manner by reason of merger, amalgamation, restructuring, liquidation, winding up, dissolution or any other change in the constitution of the Guarantor Bank.

This BANK GUARANTEE shall be a primary obligation of the Guarantor Bank and accordingly the Procurer shall not be obliged before enforcing this BANK GUARANTEE to take any action in any court or arbitral proceedings against the Seller, to make any claim against or any demand on the Seller or to give any notice to the Seller or to enforce any security held by the Procurer or to exercise, levy or enforce any distress, diligence or other process against the Seller.

The Guarantor Bank acknowledges that this BANK GUARANTEE is not personal to the Procurer and may be assigned, in whole or in part (whether absolutely or by way of security) by the Procurer to any entity to whom it is entitled to assign its rights and obligations under the PPA.

The Guarantor Bank hereby agrees and acknowledges that the Procurer shall have a right to invoke this Bank Guarantee either in part or in full, as it may deem fit.

Notwithstanding anything contained hereinabove, our liability under this Guarantee is restricted to Rupees/ USD _____million only and it shall remain in force until _____ [Date to be inserted on the basis of Article _____of PPA], with an additional claim period of thirty (30) days thereafter. This BANK GUARANTEE shall be extended from time to time for such period, as may be desired by _____ [Insert name of the Procurer]. We are liable to pay the guaranteed amount or any part thereof under this Bank Guarantee only if the Procurer serves upon us a written claim or demand.

In witness whereof the Bank, through its authorised officer, has set its hand and stamp on this _____ day of _____ at _____.

Witness:

1. Name and Address.

Signature

Name:

2. Designation with Bank Stamp Name and Address

For:

_____ [Insert Name of the Bank]

Banker's Stamp and Full Address:

Dated this _____ day of _____ 20

Notes: The Stamp Paper should be in the name of the Executing Bank.



Schedule 6

List of Banks⁷⁰



Schedule 7

Additional Technical Information⁷¹

⁷¹ Insert technical information/assumptions for design energy calculations, power potential studies, peaking power etc.



Acknowledgement

The Preparation of this “Model Power Purchase Agreement between Seller (New Hydro Generator) & Procurer for Cross-Border Electricity Trade” would not have been possible without the sparing valuable time, and support provided by various organizations.

We are grateful to United States Agency for International Development (USAID) for its generous support. We would like to express our sincere thanks to Mr. Colion Drezin, Director, Clean Energy and Environment Office USAID/India and Ms. Monali Zeya Hazra, Regional Energy Manager and Clean Energy Specialist, USAID/India for their valuable inputs and suggestions.

We sincerely thank Dr. Jyoti Parikh, ED, IRADe for her valuable suggestions and direction all along.

We also acknowledge and express our appreciation for all those individuals whose names cannot be penned here but who offered invaluable time and generous support throughout this exercise. We hope this document will serve as a valuable resource for promoting CBET in South Asia.



About SARI/EI

Over the past decade, USAID's South Asia Regional Initiative/Energy (SARI/E) has been advocating energy cooperation in South Asia via regional energy integration and cross-border electricity trade in eight South Asian countries (Afghanistan, Bangladesh, Bhutan, India, Pakistan, Nepal, Sri Lanka and the Maldives). This fourth and the final phase, titled South Asia Regional Initiative for Energy Integration (SARI/EI), was launched in 2012 and is implemented in partnership with Integrated Research and Action for Development (IRADe) through a cooperative agreement with USAID. SARI/EI addresses policy, legal and regulatory issues related to cross-border electricity trade in the region, promotes transmission interconnections and works toward establishing a regional market exchange for electricity.

About USAID

The United States Agency for International Development (USAID) is an independent government agency that provides economic, development, and humanitarian assistance around the world in support of the foreign policy goals of the United States. USAID's mission is to advance broad based economic growth, democracy, and human progress in developing countries and emerging economies. To do so, it is partnering with governments and other actors, making innovative use of science, technology, and human capital to bring the most profound results to a greatest number of people.

About IRADe

IRADe is a fully autonomous advanced research institute, which aims to conduct research and policy analysis and connect various stakeholders including government, non-governmental organizations (NGOs), corporations, and academic and financial institutions. Its research covers many areas such as energy and power systems, urban development, climate change and environment, poverty alleviation and gender, food security and agriculture, as well as the policies that affect these areas.

For more information on the South Asia Regional Initiative for Energy Integration (SARI/EI) program, please visit the project website:

www.sari-energy.org

