POWER PURCHASE AGREEMENT

Between GRIDCO and M/s ........................................ for
Setting up 20 MW Grid connected Solar PV Project in the
State of Odisha at village: ............... under Gram panchayat
............
Block : ............., District : ............., Odisha
POWER PURCHASE AGREEMENT BETWEEN

M/s ..............................................................

AND

GRIDCO LIMITED

For One Unit of 10 MW Solar PV Power Plant
at village: ................. under Gram panchayat .................,
Block : ................., District : ....................., Odisha

THIS POWER PURCHASE AGREEMENT herein after called the “Agreement” entered into at Bhubaneswar on the day of ............... 2016 between M/s ........................................, a Company duly registered under the Indian Companies Act, 1956 with its registered office located at ................................................................. (herein after referred to as “Project Proponent”), which expression shall unless repugnant to the context or meaning thereof, include its successors and permitted assigns as party of the First part;

AND

GRIDCO LIMITED, having its registered office at Janapath, Bhubaneswar-751022 (herein after called “GRIDCO”), which expression shall unless repugnant to the context or meaning thereof shall include its successors and assigns as party of the Second part;

WHEREAS, as per the National Action Plan on Climate Change and Electricity Act, 2003 the Odisha State Electricity Regulatory Commission (OERC) has determined the Renewable Purchase Obligation which includes both solar and non-solar obligation for different obligated entities in the State as defined in the Gazette Notification dated 10.09.2015.
AND WHEREAS, GRIDCO as an obligated entity as per the said notification and wishes to fulfill its obligation by purchasing renewable energy including solar energy from different sources.

AND WHEREAS, the project proponent had received a Letter of Intent (Vide letter No. ...................... dated ...............) from GEDCOL to set up one Unit(s) of Solar PV Power Plant of 10 MW at ............

NOW, THEREFORE, in consideration of the above and the covenants to this Agreement, the project Proponent agrees to sell and GRIDCO agreed to purchase the power generated from the Solar Power Project to be established in the district of _ _ _ _ _ _ Odisha and intending to be legally bound, agree as follows.

1. DEFINITIONS:

In this Agreement, unless the context requires otherwise, the following terms shall have the meaning hereinafter as assigned to them:

i. “Applicable Laws” mean all laws, promulgated or brought in to force and effect by GoO or GoI including regulation and rules made there under as may be in force and effect during the subsistence of the Agreement.

ii. “Auxiliary Consumption” shall mean Energy consumed by Auxiliaries of power station required for or during generation of Energy (Excluding the Energy used for office and colony lighting and other construction works).

iii. “Billing Month” means the month for which the bill is issued.

iv. “Buyers” means GRIDCO LIMITED as specified in the PPA.

v. “Clearances” means any consent, license, approval, permit or other authorization of whatsoever nature which is required to be obtained by the power producer from any competent authority for coming into force of the PPA, for the construction, operation and maintenance of the power plant, for the use of the power plant to produce and deliver grid quality energy / power into State Grid and all such other matter as may be necessary in connection with the project.

vi. “Commercial Operation Date” (COD) means the date on which Project Proponent synchronizes the Grid-Interactive Solar PV Power Generation Plant with the State Grid after the generating units has completed its performance acceptance test as per the applicable rules.

vii. “Commissioned” means the state or act of successful completion of commissioning of the Solar PV Power Plant.

viii. “CDM” means Clean Development Mechanism.

ix. “CUF” means Capacity Utilisation Factor.

x. “Delivery Point” means the inter connection point after isolators & Circuit breakers with required protections at injection point into State Grid as finalized / to be finalized by Discom in consultation with OPTCL/GRIDCO.

xi. “Delivered Energy” means the net electrical energy measured in terms of KWh generated by
the Power Plant and delivered by Project Proponent at the Delivery point in accordance with this PPA.

xii. "Dispatch Instructions" means instructions from the State Load Dispatch Centre in accordance with prudent utility practices and this PPA to schedule and control the generation of the energy at the Power Station in order to commence, increase, decrease or cease the Electrical output delivered to the State Grid System.

xiii. "Disputes" means any difference, disagreement, dispute, failure to perform or deliver or failure to resolve any contentious issue of whatever nature and howsoever arising under, out of or in connection with or relating to this PPA.


xv. "Emergency" means a condition or situation that, in the reasonable opinion of the Project Proponent or GRIDCO does materially and adversely affect / endanger, (i) ability of the Project proponent to maintain safe, adequate and continuous generation of the Energy at the power Station, (ii) security of Persons, plant or equipment at the Power Station, (iii) the interconnection Facilities at State Grid including security of persons or equipment.

xvi. "Energy"/ "power" means the electrical energy generated by the Solar PV Power Plant.

xvii. "EBC" means Energy Billing Center of GRIDCO/SLDC.

xviii. "Grid Code" means the grid Code specified by OERC and shall include any amendment /modification thereof.


xx. "Forced Outage" means an outage of Generating Unit or a transmission facility or apparatus due to a fault or other reasons, which has not been planned.

xxi. "Interconnection Facilities" means all the facilities, to be installed and maintained by Project Proponent up to Delivery point to enable evacuation of the delivered energy from the power station and injection into State Grid in accordance with the Agreement (which may include, without limitation, transformers, switching equipment and protection, control and metering devices etc.).

xxii. "Net Electrical Power" / "Net Electrical Energy" means energy output in kWh net delivered at delivery point, after deducting in house consumption of Solar PV Power Project.


xxiv. "OPTCL" means Odisha Power Transmission Corporation Limited.

xxv. "Planned Outage" means outage of a Generating Unit or a transmission facility or Users apparatus, planned and agreed by SLDC.

xxvi. "Project Proponent/ Seller" means a person/ company / entity desirous to set up a Grid interactive power plant or system utilizing Solar energy through solar photovoltaic for generation of electricity.

xxviii. "PPA" means Power Purchase Agreement.

xxix. "Prudent Utility Practices" means accepted international/ Indian practice(s), standard(s), engineering and operation considerations, taking into account the condition prevalent at Site including manufacture’s recommendations generally followed in the operation and maintenance of facilities similar to the project.

xxx. "Reactive Power" means the VAR (reactive volt-ampere) component of the product of voltage and current, which the power station shall provide to the Grid System and absorb from the Grid System which is measured in MVAR.


xxxii. "RfS" means Request for Selection.

xxxiii. “Scheduled COD” shall mean the day following 13 months from the date of signing of PPA or 15 months from the date of issue of LOI issued by GEDCOL, whichever is earlier.

xxxiv. “SLDC” shall mean Odisha State Load Dispatch Centre.

xxxv. “SGC” means State Grid Code approved by OERC.

xxxvi. “Tariff” means the rate for purchase of electrical energy / power from the Project Proponent in Rs. per kWh, towards electrical energy / power delivered, at Delivery point measured in kWh, as per the reading shown in the meters installed at Delivery point.

xxxvii. “Tariff Year” means a year commencing on 1st day of April and ending on 31st March of subsequent year.

xxxviii. “Voltage of Delivery” means the voltage at which the electrical energy generated by the Power Plant is delivered at delivery point into State Grid. In this agreement unless otherwise stated, the singular includes the plural and vice versa. The terms, which have been used in the PPA and have not been defined above, shall have meaning assigned in the Electricity Act, 2003.

2. **Licenses and Permits and Securities:**

The Project Proponent, at its own cost and expense, shall acquire and maintain in effect, clearances, consent, permits, licenses and approvals as may be necessary from time to time from any regulatory / competent authority in order to enable it to perform its obligation and the PPA for the construction, operation and maintenance of the power plant and for the use of the power plant to produce and deliver electricity into State Grid and all such other matter as may be necessary in connection with the project. GRIDCO / Discoms will render reasonable assistance to the Project Proponent to enable the later to obtain such clearances.

Provided, however, non-rendering or partial rendering of assistance shall in any way absolve the Project Proponent of its obligation to obtain such clearances, nor shall it mean or confer any right or indicate any intension to waive the need to obtain such clearances.
3. Terms of Agreement:

3.1 Term of Agreement shall be for twenty five (25) years from the COD, provided that at the end of the period of the PPA, new PPA can be executed at mutually agreed terms and conditions. Before 180 days of expire of 25 years, both parties will mutually decide upon the terms and conditions for renewal of agreement beyond 25 years.

3.2 The Power Plant will be commissioned and declared for commercial operation in 13 months from the date of signing of the PPA or 15 months from the date of issue of LoI whichever is earlier under normal circumstances and 19 months from the date of signing of the PPA or 21 months from the date of issue of LoI whichever is earlier with delay as per terms of the contract between the Project Proponent and GEDCOL.

3.3 The Project Proponent would not be eligible for availing the benefit of Renewable Energy Certificate (REC). The Project Proponent has to give an undertaking to this effect to GRIDCO before raising the first invoice.

4. Right to Contracted Capacity & Electricity

Variation of 10% on either side (±) in the rated output (taking 1.489 MU/MW/Year for the first year) will be permissible. Besides, after the permissible annual deration, the output of the PV modules used in Solar PV Power plants should not be less than 90% at the end of 10 years and 80% at the end of 25 years. Yearly values of the net energy to be generated, minimum and maximum energy per MW of installed capacity offered for purchase at the point of interconnection are shown in the table below. Corresponding values of energy at other installed capacities will be calculated proportionately.

GRIDCO at any time during a contract year shall not be obliged to purchase any additional energy from the developer beyond the maximum limit as given below. For any shortfall below the guaranteed minimum value in MU/Year (as per table below), the seller will be required to pay penalty if the same is not attributable to GRIDCO or Force Majeure events. Such penalty shall only apply to quantum of shortfall (the guaranteed minimum energy to be delivered in MU/Year minus actual quantum of energy delivered in the respective years.

Quantum of Energy to be purchased:

<table>
<thead>
<tr>
<th>Year</th>
<th>Net electrical energy in MU per MW</th>
<th>Guaranteed minimum net energy to be delivered at the delivery point in MU per MW</th>
<th>Maximum net energy that can be purchased at the delivery point in MU per MW</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1.489</td>
<td>1.340</td>
<td>1.638</td>
</tr>
<tr>
<td>2</td>
<td>1.473</td>
<td>1.326</td>
<td>1.620</td>
</tr>
<tr>
<td>3</td>
<td>1.456</td>
<td>1.311</td>
<td>1.602</td>
</tr>
<tr>
<td>4</td>
<td>1.440</td>
<td>1.296</td>
<td>1.584</td>
</tr>
<tr>
<td>5</td>
<td>1.424</td>
<td>1.281</td>
<td>1.566</td>
</tr>
<tr>
<td>6</td>
<td>1.407</td>
<td>1.267</td>
<td>1.548</td>
</tr>
<tr>
<td>7</td>
<td>1.391</td>
<td>1.252</td>
<td>1.530</td>
</tr>
<tr>
<td>8</td>
<td>1.375</td>
<td>1.237</td>
<td>1.512</td>
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<tr>
<td>9</td>
<td>1.358</td>
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<td>10</td>
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<td>1.476</td>
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<tr>
<td>11</td>
<td>1.332</td>
<td>1.199</td>
<td>1.465</td>
</tr>
<tr>
<td>12</td>
<td>1.322</td>
<td>1.190</td>
<td>1.455</td>
</tr>
</tbody>
</table>
In case of failure of grid after commissioning of the Projects that would substantially affect evacuation of power from the solar power plant at a time when generation from the said plant would have otherwise continued, the expected quantum of generation keeping in view the level of solar radiation and past performance of the plant will be treated as “deemed generation” from the point of view of computation of shortfall, imposition of penalty etc. But the same shall not be compensated in any manner by GRIDCO. In such matters the decision of GRIDCO/OPTCL/DISCO shall be final and binding as regards to grid failure. Failure of grid occurring between 8.00 AM to 4.00 PM on any day during the operating year shall be considered for the purpose. For each site, periods of such failures occurring over the entire operating year shall be aggregated and after neglecting fraction of hour, if any, shall be taken as total grid failure during the year. Deemed generation for the site shall be calculated at the rate of 500 kWh/MW/hour of total grid failure. Total grid failure for 20MW will be determined by aggregating such failure periods of all the sites.

5. Penalty for Shortfall in Supply of energy during commercial Operation:

The shortfall in supply of energy for any particular year will be calculated as the difference between the guaranteed minimum energy to be delivered at the delivery point and the actual amount of energy delivered at the same point.

6. Computation of Penalty will be done every year:

The amount of penalty shall be computed by multiplying the total shortfall in thousand units recorded during the period under consideration with the difference of forbearance price of RECs (as determined by CERC from time to time) and tariff quoted by the developer for same number of units as the RECs, provided the quoted price is less than the forbearance price of RECs. Such penalty will be imposed at the end of every tariff year.

Apart from those mentioned above, in case, there is any penalty imposed by OERC on GRIDCO due to any shortfall in supply of solar energy to GRIDCO by the Developer, such penalty will also be borne by the Developer.
7. **Power Purchase Price:**

   The quoted tariff for 25 years for Solar Power Plant shall be **Rs. ....... per kWh** as per tariff bid submitted by the project proponent. This tariff is inclusive of the charges and taxes to be paid by the selected bidder. (The metering shall be at the generator premises and at Grid S/s as provided in CEA metering Regulation and Odisha Grid Code). Copy of the intimation from GEDCOL addressed to the project proponent regarding the L1 price and acceptance thereto is appended as **Annexure-1.**

8. **Billing & Payment Procedure**

8.1 **Billing Procedure:**

   The billing will be done on monthly basis. Project Proponent shall bill to GRIDCO based on EBC data promptly following the end of each month for the net energy supplied.

8.2 **Payment Procedure:**

   I. A monthly invoice containing detailed statement reflecting the quantity of electricity supplied to the Grid at the designated Delivery point and price payable shall be submitted by the project proponent to GRIDCO at its designated office.

   II. A rebate of 2% on the billed amount shall be deducted for payment made by GRIDCO within 2 working days from the receipt of the bill by GRIDCO and 1% if the amount is paid within 30 days of the receipt of monthly bill of the Project Proponent.

   III. For late payment beyond a period of 60 days from the date of billing, a Surcharge at the rate of 1.25% per month or part thereof shall be levied on the outstanding billed amount by the Project Proponent.

   IV. All payments for energy supplied under this Agreement as per the EBC Data shall be made free of any restriction or condition and without deduction or withholding on account of any other amount, whether by way of set off or otherwise but the making of such payments shall be without prejudice to other rights after adjusting power import dues on Project Proponent, if any and / or any amount due on Project Proponent on account of excess payment made or adjustment due to wrong billing.

   V. As a security package, GRIDCO shall provide facilities of an irrevocable, revolving and confirmed letter or credit by any designated Nationalized Bank. The Letter of Credit will be immediately recoupable every month in case L.C. is operated. The amount of Letter of Credit shall be equal to the expected payment for one billing month.

   VI. The project proponent shall not later than 60 days before the COD of the Power Plant inform GRIDCO of availability of electricity from the Power Plant. Within 30 days of intimation as aforesaid by the Project Proponent to GRIDCO, GRIDCO shall open a Letter of Credit for Purchase of contracted net electrical energy from the project.
VII. Letter of Credit (LC) on or before 30 days prior to the scheduled COD of the project and at all times thereafter, GRIDCO shall cause to be in effect an irrevocable, divisible, revolving and confirmed L.C. issued in favour of the Project Proponent by any designated nationalized bank acceptable to the Project Proponent. Such L.C. shall.

(a) On the date it is issued have a term of at least one-year, except in the first year wherein it shall have a term from the date of its issue till 31st March of that Tariff Year.

(b) Be payable upon the execution and presentation by the officer of the Project Proponent immediately after 60 Calendar days from due date of payment.

(c) On the date it is issued, have revolving stated amount equal to contracted net electrical energy charges, which amount is hereinafter referred to as “L.C. Amount”

(d) Within 30 days before expire of any L.C., GRIDCO shall renew or provide a new or replacement L.C.

(e) In the event of a call on the Letter of Credit by the Project Proponent, it will be recouped by GRIDCO to its full amount immediately on receipt of such intimation from the designated bank.

All charges in connection with the opening, negotiation, extension, renewal, invocation or other operations in relation to the L.C. shall be borne by GRIDCO only.

9. Interconnection, Delivery Point and Metering

Methodology of generation and scheduling of power to GRIDCO shall be as per Indian Electrical Grid Code (as revised from time to time) or Odisha Grid Code (as amended from time to time).

9.1. Grid Interfacing:

i) No Grid connectivity charges shall be leviable for Solar power plant in question.

ii) The interconnection with distribution network shall be in accordance with Grid connectivity standard as may be stipulated by Odisha Electricity Regulatory Commission or as per the guidelines framed by the Central Electricity Authority.

iii) The concerned distribution utility/ OPTCL shall provide necessary approvals and facilitate for evacuation of the power generated at the nearest distribution substation / Grid Substation or any other suitable alternative arrangement available nearby.

iv) The interfacing including transformers, Switchgears, control and relay, protection panels, metering etc. & HV / EHV lines up to the nearest Sub-station / line will be provided and maintained by the Project Proponent himself in
acCORDANCE WITH THE SPECIFICATION AND REQUIREMENTS OF GRIDCO / OPTCL AND GRID CODE. PROJECT PROONENT WILL BEAR THE ENTIRE COST OF SUCH FACILITIES.

V) GRIDCO/OPTCL/Discom has the right to connect any additional loads on the interconnection-feeder.

VI) Project Proponent agrees that power generated from the power plant shall be fed to the State Grid to the extent power evacuation system is available. The decision of Discom/OPTCL about the extent of power evacuation facility available in the system shall be final and binding on the Project Proponent and no compensation on this account shall be admissible.

VII) The equipment and protection schemes installed in 33 kV/132 kV line bays at 132 kV or 33 kV Discom's/Transmission utility substation as well as in Project Proponent own Sub-station are required to be coordinated with overall system and protection schemes. As such salient parameters of specifications of major equipment and protection schemes being provided by Project Proponent should be got approved from GRIDCO/Discom.

VIII) The power delivered by the Project Proponent at the Delivery Point shall conform to the parameters and technical limits as specified by GRIDCO.

IX) The Project Proponent will install necessary current limiting devices such as Thyristors etc. if required. The Project Proponent shall provide protection system in compliance to Grid Code requirement for short circuit level, neutral grounding, current unbalance, limiting of harmonics, fault-clearing time etc. as per data provided by GRIDCO/Discom authorities after deciding the place of interconnection. A generating unit may be synchronized to the State Grid System, when the Project Proponent has obtained permission for synchronization after meeting system requirements and such generating unit complies with prudent utility practices.

X) Notwithstanding any provision in the Agreement, the Project Proponent shall comply with the State Grid Code, dispatch practices, performance standard, protection & safety as required as per the rules & regulations in force as applicable from time to time in the State of Odisha.

XI) The Project Proponent shall abide by GRIDCO/OPTCL/Discom connection conditions as applicable from time to time.

XII) Capacitors of adequate rating will also be provided in the system by the Project Proponent to ensure that the power factor is maintained at 0.92 to 1.00 lagging at all the time. MVArh scheduling will be done as per direction of the State Grid Dispatch Centre.

XIII) The Project Proponent shall also provide suitable protection devices/controls as may be required by GRIDCO/OPTCL/Discom so that the generating Units of the Power Station could be isolated automatically when the Grid Supply fails.
xiv) Discom/OPTCL shall evacuate all the delivered energy. However, State Lode Dispatch Centre looking to system requirement, may direct the Project Proponent to temporarily curtail or stop its electrical generation without any liability on account of:

a. Inspection/Repair/Maintenance of OPTCL and/or Discom Grid System and associated equipment or forced outage conditions.

b. Safety of equipment and personnel of Discoms/OPTCL.

c. Any other technical requirement to maintain the Grid discipline and security.

xv) In the event of abnormal voltage conditions, GRIDCO/OPTCL/Discom will have right to ask the Project Proponent for regulating the reactive power generated by the Solar PV Power Plant as per system requirements.

xvi) OPTCL/Discom shall disconnect the interconnection of Power Plant from State Grid system in case of default of the Project Proponent to comply with the technical parameters of supply and such disconnection will continue till default continues.

xvii) The Project Proponent shall construct & set up dedicated transmission facility for evacuation of power from the generating station to the point of off take i.e. the nearest Grid S/s of Discoms/OPTCL based on the system study.

xviii) Right of Way (RoW) for setting up the transmission line has to be obtained from the concerned land owners by the developer only and Discom/OPTCL will not be responsible for the same even if the work is taken up through them.


i) The metering shall be at the generator premises as provided in CEA metering regulation and also at off take point i.e. at the Grid S/s as per the Odisha Grid Code.

ii) The metering requirement shall be as per CEA Regulation on “Installation and Operation of Meters, 2006” and amendments made thereof from time to time.

iii) However, the net energy delivered (gross generation less import towards auxiliary consumption) to the Grid at the generation station as per main meter reading shall be considered for monthly billing purpose.

10. Other Charges:

Start-up power for testing & commissioning: Energy drawn during start up, commissioning and backing down will be billed by the Discom as per the applicable Tariff.
11. **kVARh Charges:**

11.1 Power plant will maintain the load power factor of 0.92 (lagging) to 1.0 and during the shutdown/back down it will draw power at a factor of 0.92 (lagging) to 1.0, beyond this they will be liable to be disconnected from the Grid. Power plant will be subject to MVARh tariff as specified under the Grid Code by the commission from time to time.

11.2 SLDC Fee & Charges: The Project Proponent shall be liable to pay the SLDC Fee & Charges as per OERC orders with amendments made thereof from time to time.

11.3 Merit Order Dispatch: The Solar PV Power Plant will not be subjected to merit order dispatch regulation.

11.4 Sharing of CDM Credit: The Clean Development Mechanism (CDM) benefit shall be shared between GRIDCO and the Project Proponent respectively as per CERC stipulations.

12. **Meter Reading, Sealing and Billing Procedure**

12.1 **Reading and Correction of Meters:**

   i) OPTCL /Discom and the Project Proponent shall jointly take the meter reading on the first (1st) day of every month at the Delivery Point.

   ii) In the event that the main metering system is not in service as a result of maintenance, repairs or testing, then the backup metering system / check meter readings shall be used during the period the main metering system is not in service and the provisions above shall apply to the reading of the backup metering system.

   iii) Meter reading taken jointly at the appointed date and time will be signed by the representatives of GRIDCO/Discom and Project Proponent. If Project Proponent representative is not present for joint meter reading then the meter reading taken by the Discom shall be considered final provided a signed copy of the meter reading is sent to the Project Proponent within twenty four (24) hours of such reading of the main metering system or back up metering system as the case may be.

   iv) Project Proponent shall ensure to furnish the following at the time of submission of first invoice, subsequent to signing of agreement:

      a) Date of connection to Delivery point and permission letter of authority authorizing the interconnection.

      b) Reading of new meter (s) recorded at the time of installation.
c) Details of free energy, if any injected in the system between date of connection and COD.

d) A schematic diagram of Discom/OPTCL network showing the location of energy meters for billing purpose shall be furnished along with the first invoice.

e) Attested copy of the power of Attorney.

f) A copy of the insurance of the power plant and inter-connection facility system.

12.2 Sealing and Maintenance of Meters:

i. OPTCL/Discom shall seal the main metering system and the backup metering system in the presence of representative of the Project Proponent.

ii. When the main metering system and/or backup metering system and/or any component thereof is found to be outside the acceptable limits of accuracy or otherwise not functioning properly, it shall be repaired, recalibrated or replaced as soon as possible by the Project Proponent or by the Discom/OPTCL at Project Proponent's cost. GRIDCO/OPTCL/Discom will ensure that metering system is tested for accuracy at least once in a year and report furnished along with EBC data.

iii. Any meter seal(s) shall be broken only by the authorized officer of Discom/OPTCL in the presence of representative of Project Proponent whenever the Main Metering System or the backup metering system is to be inspected, tested, adjusted, repaired or replaced.

12.3 Records:

Each party shall keep complete and accurate records and all other data required by each of them for the purpose of proper administration of the PPA and the operation of the power plant. Among such other records and data, the Project Proponent shall maintain an accurate and up-to-date operating log at the power plant with the records of:

i) Various operating parameters like hourly logs of real and reactive power generation, frequency and transformer tap position, bus voltage(s), Main Meter and back up Meter readings, planned outages and forced outages etc. as mutually agreed. Project Proponent shall furnish summary of day wise generation report every month along with the invoices.

ii) Any unusual conditions found during operation/inspections.

iii) Chart and printout of event loggers, if any, for system disturbances/ outages. Records will be reserved for a period of one month.
13 Indemnification and Insurance

13.1 Indemnification:

Each party shall indemnify, define and hold harmless the other, its Directors and Chairman of the Companies, Partners, assigns, agents, officers and employees, against all claims, demands, judgments and associated costs and expense, related to property damage, bodily injury or death suffered by third parties resulting from breach of its obligation by such party under the PPA except to the extent that any such claims has arisen due to a negligent act or omission, breach of contract or breach of statutory duty on the part of the other party, its contractors, servants or agents. The obligations contained in this Article shall survive the termination of the PPA.

13.2 Insurance:

Throughout the term of the PPA, the Project Proponent, at their own cost & expense, shall maintain and keep in full force the following:

i) Insurance of power plant and interconnection facilities against all loss or damages of the kinds usually insured against by operators similarly situated, by means of insurance policies issued by reputable insurance companies with uniform standard coverage endorsement at that time, in amounts and with such deductible provisions as determined by Project Proponent. The Project Proponent may insure or cause to be insured such property under a blanket insurance policy in such amounts as determined by it.

ii) Public liability insurance with respect to the Power Plant and interconnection facilities with one more reputable insurance companies for death or bodily injury and property damage resulting from the operation of the generation facility of plant.

iii) Statutory workers compensation insurance and employer's liability insurance and,

iv) Any other insurance that may be required pursuant to a financing agreement or statutory requirement.

14. Force Majeure:

Force Majeure means any event or circumstance, which may include rebellion, mutiny, civil unrest, riot, strike, fire explosion, flood, cyclone, lightening, earthquake, war or other forces, theft, burglary, Government action, inaction or restrictions, accidents or an act of God or other similar causes beyond the control, if such event or circumstance is beyond the reasonable direct or indirect control and without the fault or negligence of the party claiming Force Majeure and which results in such party's inability,
notwithstanding its reasonable best efforts, to perform its obligation in whole or in part. The party rendered unable to perform by reason of Force Majeure shall notify the other party of such circumstances and shall exercise due diligence to end of the inability as promptly as practicable. The time frames for performance shall be extended by the number of days that performance is excused due to force Majeure. In the event of the Force Majeure conditions preventing the plant from resuming the commercial operations for a period in excess of one hundred days, the party shall consult in good faith as to the best course of action. If it is found that it is impossible to resume commercial operation of the plant, and then the party rendered unable to perform its obligations may serve a notice for termination of the PPA.

Neither party shall be entitled for claiming compensation for damages or loss in the event of Force majeure or in case of the following events:

Plant shut down(s) for the maintenance of the interconnection system and associated transmission line as may be mutually agreed (i.e. Planned outage); and failure of grid supply due to reasons beyond the control of OPTCL/Discom.

15. **Change of Law:**

PPA has been executed as per the RfS floated by GEDCOL. Any change consequent to such Act, Policies, Rules, Regulations and regulatory directions shall be binding and will have to be complied with by all parties.

16. **Assignments and Transfer:**

16.1 This Power Project can be transferred in part or full as per the Government Policies and procedure.

16.2 The Project Proponent shall be permitted to assign and transfer the receivables of Power Plant under this Agreement to any financial institution in case of external funding.

17. **Default & Termination:**

17.1 The PPA may be terminated either by the Project Proponent or GRIDCO only in the event of default by GRIDCO or the Project Proponent respectively.

17.2 Default by GRIDCO will mean non-payment of electricity charges for a period of consecutive three months.

17.3 Default by the Project Proponent shall mean non-supply of total net electricity generated and delivered at the Delivery Point for a period of three months for reasons exclusively attributable to the Project Proponent.
17.4 In case of default, the non-defaulting party shall issue a default notice to the defaulting party. If the default is not fully set right within one month from the date of the default notice, then, the non-defaulting party may get the specific performance of agreement till the time default is corrected.

17.5 In case of default is cured, the agreement will revive and the provisions of original agreement will come into force, automatically within a maximum period of six months.

18. Confidentiality:

18.1 The parties shall keep in strict confidence, any confidential information received by them while participating in the affairs/business(es) or during the term of this agreement and shall not disclose the same to any person/party not being party to this agreement.

18.2 The parties shall also bind their employees, officers, advisors, associates, contractors, agents and other similar persons, to whom the above mentioned information may be disclosed, to the obligations of confidentiality as mentioned above.

18.3 Confidential information shall, at all times, remain the property of the disclosing party and the receiving party will not acquire any right to that confidential information.

19. Notices:

All notices required or referred to under this agreement shall be in writing and signed by the authorities mentioned herein below unless otherwise notified. As such notice shall be deemed to have been duly served if delivered, or by registered mail/courier with an Acknowledgement due to the other party.

20. Disputes

20.1 Settlement of Disputes:

Except where expressly provided to the contrary in this PPA, any matter or dispute or difference of whatsoever nature, howsoever arising under, out of or in connection with the PPA between the parties herein shall be resolved by mutual consent and if the matter is not resolved within 30 days or such extended period as mutually agreed upon, then such Dispute shall, be submitted to adjudication by the OERC as provided under section 86 of the Electricity Act, 2003 and the OERC may either adjudicate itself or refer the matter for Arbitration.
20.2 **Jurisdiction:**

No courts, except the Courts in Bhubaneswar shall have jurisdiction to entertain any dispute arising out of relating to this agreement.

21. **Project Equipment Components:**

The Project Proponent shall deploy components /equipment for the Solar Power Plant complying with the minimum technical standards as per terms outlined under the RfS including amendments made thereof from time to time.

WITNESS WHERE OF the parties have executed these presents through their authorized representatives on the date mentioned above.

For M/s .......................                      For GRIDCO LTD.

WITNESS                      WITNESS

1.                                      1.

2.                                      2.