**TRANSMISSION SERVICE AGREEMENT**

**FOR**

**DEVELOPMENT AND OPERATION OF INTER-STATE TRANSMISSION SYSTEM**

**FOR TRANSMISSION OF ELECTRICITY THROUGH TARIFF BASED COMPETITIVE BIDDING FOR**

**TRANSMISSION SYSTEM UNDER ISTS FOR EVACUATION OF POWER FROM KUDANKULAM UNIT - 3 & 4 (2X1000 MW)**

**BETWEEN THE**

**CENTRAL TRANSMISSION UTILITY OF INDIA LIMITED**

**(NODAL AGENCY**)

**AND**

**KUDANKULAM ISTS TRANSMISSION LIMITED**

**………. 2025**

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**THIS TRANSMISISON SERVICE AGREEMENT** (hereinafter referred to as “TSA” or “Agreement” or "the Agreement” or “this Agreement") is made on the ………… [Insert day] of…………………….. [Insert month] of Two Thousand and Twenty five.

**BETWEEN:**

The **Central Transmission Utility of India Limited**, having its registered address at "Saudamini",1st Floor, Plot No. 2, Sector-29, Gurugram-122001, Haryana and correspondence address at 5th to10th Floor, Ircon International Tower, Tower no-1, Plot no -16 , Sector-32, Gurugram, Haryana-122003, acting as a Nodal Agency (referred to as the “Nodal Agency”), which expression shall unless repugnant to the context or meaning thereof include its successors, and permitted assigns) as Party of the one part;

**AND**

**Kudankulam ISTS Transmission Limited**, incorporated under the Companies Act, 2013 , having its registered office at **Urjanidhi, First Floor, Barakhamba Lane- 1, Connaught Place, New Delhi, Central Delhi- 110001, Delhi** (herein after referred to as “Transmission Service Provider” or “TSP” or “ISTS Licensee”, which expression shall unless repugnant to the context or meaning thereof include its successors, and permitted assigns) as Party of the other part;

**(“Nodal Agency” and “TSP” are individually referred to as “Party” and collectively as the “Parties”)**

**AND WHEREAS:**

1. In accordance with the Bidding Guidelines, the Bid Process Coordinator (hereinafter referred to as BPC) had initiated a competitive e-reverse bidding process through issue of RFP for selecting a Successful Bidder to build, own, operate and transfer the Project comprising of the Elements mentioned in Schedule 1 (hereinafter referred to as the Project)
2. Pursuant to the said e-reverse bidding process, the BPC has identified the Successful Bidder, who will be responsible to set up the Project on build, own, operate and transfer basis to provide Transmission Service in accordance with the terms of this Agreement and the Transmission License.
3. The Selected Bidder have submitted the Contract Performance Guarantee and acquired one hundred percent (100%) of the equity shareholding of ………………. **KUDANKULAM ISTS TRANSMISSION LIMITED**, along with all its related assets and liabilities in terms of the provisions of the Share Purchase Agreement.
4. The TSP has agreed to make an application for a Transmission License to the Commission for setting up the Project on build, own, operate and transfer basis.
5. The TSP has further agreed to make an application to the Commission for the adoption of the Transmission Charges under Section 63 of the Electricity Act, 2003, along with a certification from the Bid Evaluation Committee in accordance with the Bidding Guidelines issued by Ministry of Power, Government of India.
6. The TSP has agreed to execute the agreement(s) required, if any, under Sharing Regulations within fifteen (15) days from the date of grant of Transmission License from the Commission.
7. The TSP agrees to the terms and conditions laid down under Sharing Regulations, for making available the ISTS and charge the Transmission Charges in accordance with the terms and conditions of Sharing Regulations.
8. The billing, collection and disbursement of the Transmission Charges by the CTU to the ISTS Licensee shall be governed as per Sharing Regulations.
9. The terms and conditions stipulated in the Transmission License issued by the Commission to the TSP shall be applicable to this Agreement and the TSP agrees to comply with these terms and conditions. In case of inconsistency between the Transmission License terms & conditions and the conditions of this Agreement, the conditions stipulated in the Transmission License granted by the Commission shall prevail.

**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 HERETO AS FOLLOWS:**

**ARTICLE: 1**

# Definitions and Interpretations

## Definitions:

### The words / expressions used in this Agreement, unless as defined below or repugnant to the context, shall have the same meaning as assigned to them by the Electricity Act, 2003 and the rules or regulations framed there under including those issued / framed by the Commission (as defined hereunder), as amended or re-enacted from time to time or the General Clauses Act, failing which it shall bear its ordinary English meaning.

The words/expressions when used in this Agreement shall have the respective meanings as specified below:

**“Acquisition Price”** shall have the same meaning as defined in the Share Purchase Agreement;

**“Act”** or **"Electricity Act"** or **“Electricity Act 2003”** shall mean the Electricity Act, 2003 and any amendments made to the same or any succeeding enactment thereof;

**“Affiliate”** shall mean a company that either directly or indirectly

1. controls or
2. is controlled by or
3. is under common control with

a Bidding Company (in the case of a single company) or a Member (in the case of a Consortium) and “**control**” means ownership by one entity of at least twenty six percent (26%) of the voting rights of the other entity;

**“Availability”** in relation to the Project or in relation to any Element of the Project, for a given period shall mean the time in hours during that period the Project is capable to transmit electricity at its Rated Voltage and shall be expressed in percentage of total hours in the given period and shall be calculated as per the procedure contained in Appendix –IV to Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024, attached herewith in Schedule 6;

**“Bid”** shall mean technical bid and financial bid submitted by the Bidder, in response to the RFP, in accordance with the terms and conditions of the RFP;

**“Bid Deadline”** shall mean the last date and time for submission of the Bid in response to RFP, as specified in the RFP;

**“Bidding Company”** shall refer to such single company that has made a Response to RFP for the Project;

**“Bidding Consortium / Consortium”** shall refer toa group of companies that has collectively made aResponse to RFP for the Project;

**“Bid Documents”** or **“Bidding Documents”** shall mean the RFP, along with all attachments thereto or clarifications thereof;

**“Bidding Guidelines”** shall mean the “Tariff Based Competitive Bidding Guidelines for Transmission Service” and “Guidelines for Encouraging Competition in Development of Transmission Projects” issued by Government of India, Ministry of Power under Section – 63 of the Electricity Act as amended from time to time;

**“Bid Process Coordinator”** or **“BPC”** shall mean a person or its authorized representative as notified by the Government of India, responsible for carrying out the process for selection of Bidder who will acquire Transmission Service Provider;

**“Bill”** shall mean any bill raised by the CTU on the DICs to recover the Transmission Charges pursuant to the Sharing Regulations;

**“Business Day”** shall mean a day other than Sunday or a statutory holiday, on which the banks remain open for business in the State in which the Nodal Agency’s registered office is located and the concerned TSP are located;

**“CEA”** shall mean the Central Electricity Authority constituted under Section -70 of the Electricity Act;

**“Change in law”** shall have the meaning ascribed thereto in Article 12;

**“Commercial Operation Date”** or **“COD”** shall mean the date as per Article 6.2;

**“Commission”** or **“CERC”** shall mean the Central Electricity Regulatory Commission referred to in sub-section (1) of Section 76 of the Electricity Act, 2003 or its successors and assigns;

**“Competent Court of Law”** shall mean the Supreme Court or any High Court, or any tribunal or any similar judicial or quasi-judicial body in India that has jurisdiction to adjudicate upon issues relating to the Project;

**“Connection Agreement”** shall mean the agreement between the CTU or STU or any other concerned parties and the TSP, setting out the terms relating to the connection of the Project to the Inter-connection Facilities and use of the Inter State Transmission System as per the provisions of the IEGC, as the case may be;

**“Consultation Period”** shall mean the period of sixty (60) days or such longer period as the Parties may agree, commencing from the date of issue of a TSP’s Preliminary Notice or a Nodal Agency’s Preliminary Termination Notice, as provided in Article 13 of this Agreement, for consultation between the Parties to mitigate the consequence of the relevant event having regard to all the circumstances;

**“Consents, Clearances and Permits”** shallmean all authorizations, licenses, approvals, registrations, permits, waivers, privileges, acknowledgements, agreements, or concessions required to be obtained from or provided by any concerned authority for the development, execution and operation of Project including without any limitation for the construction, ownership, operation and maintenance of the Transmission Lines and/or sub-stations;

**“Construction Period”** shall mean the period from (and including) the Effective Date of the Transmission Service Agreement up to (but not including) the COD of the Element of the Project in relation to an Element and up to (but not including) the COD of the Project in relation to the Project;

**“Contractors”** shall mean the engineering, procurement, construction, operation & maintenance contractors, surveyors, advisors, consultants, designers, suppliers to the TSP and each of their respective sub-contractors (and each of their respective successors and permitted assigns) in their respective capacities as such;

**“Contract Performance Guarantee”** shall meanthe irrevocable unconditional bank guarantee, submitted and to be submitted by the TSP or by the Selected Bidder on behalf of the TSP to the Nodal Agency from a bank mentioned in Annexure 17 of the RFP, in the form attached here to as Schedule 8, in accordance with Article 3 of this Agreement and which shall include the additional bank guarantee furnished by the TSP under this Agreement;

**“Contract Year”,** for the purpose of payment of Transmission Charges,shallmean the period beginning on the COD, and ending on the immediately succeeding March 31 and thereafter each period of 12 months beginning on April 1 and ending on March 31 provided that the last Contract Year shall end on the last day of the term of the TSA;

**“CTU”** or **“Central Transmission Utility”** shall have same meaning as defined in the Electricity Act, 2003;

**“Day”** shallmean a day starting at 0000 hours and ending at 2400 hours;

**“D/C”** shall mean Double Circuit;

**“Designated ISTS Customers”** or **“DICs”** shall have the meaning as ascribed in the Sharing Regulations;

**“Dispute”** shall mean any dispute or difference of any kind between the Parties, in connection with or arising out of this Agreement including any issue on the interpretation and scope of the terms of this Agreement as provided in Article 16;

**“Effective Date”** for the purposes of this Agreement, shall have the same meaning as per Article 2.1 of this Agreement;

**“Electrical Inspector”** shall mean a person appointed as such by the Government under sub-section (1) of Section 162 of the Electricity Act 2003 and also includes Chief Electrical Inspector;

**“Electricity Rules 2005”** shall mean the rules framed pursuant to the Electricity Act 2003 and as amended from time to time;

**“Element”** shall mean each Transmission Line or each circuit of the Transmission Lines (where there are more than one circuit) or each bay of Sub-station or switching station or HVDC terminal or inverter station of the Project, including ICTs, Reactors, SVC, FSC, etc. forming part of the ISTS, which will be owned, operated and maintained by the concerned ISTS Licensee, and which has a separate Scheduled COD as per Schedule 2 of this Agreement and has a separate percentage for recovery of Transmission Charges on achieving COD as per Schedule 5 of this Agreement;

**“Event of Default”** shall mean the events as defined in Article 13 of this Agreement;

**“Expiry Date”** shall be the date which is thirty five (35) years from the COD of the Project;

**“Financial Closure”** shall mean the first Business Day on which funds are made available to the TSP pursuant to the Financing Agreements;

**“Financially Evaluated Entity”** shall mean the company which has been evaluated for the satisfaction of the financial requirement set forth in the RFP;

**“Financing Agreements”** shall mean the agreements pursuant to which the TSP is to finance 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 Designated ISTS Customers / Nodal Agency;

**“Financial Year”** shall mean a period of twelve months at midnight Indian Standard Time (IST) between 1st April & 31st March;

**“Force Majeure”** and **“Force Majeure Event”** shall have the meaning assigned thereto in Article 11;

**“GOI”** shall mean Government of India;

**“Grid Code” / “IEGC”** shall mean the Grid Code specified by the Central Commission under Clause (h) of sub-section (1) of Section 79 of the Electricity Act;

**“Independent Engineer”** shall mean an agency/ company, appointed by Nodal Agency in accordance with the Guidelines for Encouraging Competition in Development of Transmission Projects.

**“Indian Governmental Instrumentality”** shall mean Government of India, Government of any State in India or any ministry, department, board, authority, agency, corporation, commission under the direct or indirect control of Government of India or any State Government or both, any political sub-division of any of them including any court or Commission or tribunal or judicial or quasi-judicial body in India but excluding the CTU, TSP and the Designated ISTS Customers;

**“Insurances”** shall mean the insurance cover to be obtained and maintained by the TSP in accordance with Article 9 of this Agreement;

**“Interconnection Facilities”** shall mean the facilities as may be set up for transmission of electricity through the use of the Project, on either one or both side of generating station’s / CTU’s / STU’s / ISTS Licensee’s / Designated ISTS Customer’s substations (as the case may be) which shall include, without limitation, all other transmission lines, gantries, sub-stations and associated equipments not forming part of the Project;

**“ISTS Licensee”** shall be the TSP under this Agreement, consequent to having been awarded a Transmission License by the CERC and shall be referred to as the TSP or the ISTS Licensee, as the context may require in this Agreement;

**“Law” or “Laws”** in relation to this Agreement, shall mean all laws including electricity laws in force in India and any statute, ordinance, rule, regulation, notification, order or code, or any interpretation of any of them by an Indian Governmental Instrumentality having force of law and shall include all rules, regulations, decisions and orders of the Commission;

**“Lead Member of the Bidding Consortium” or “Lead Member”** shall mean a company who commits at least 26% equity stake in the Project, meets the technical requirement as specified in the RFP and so designated by other Member(s) in Bidding Consortium;

**“Lenders”** means the banks, financial institutions, multilateral funding agencies, non banking financial companies registered with the Reserve Bank of India (RBI), insurance companies registered with the Insurance Regulatory & Development Authority (IRDA), pension funds regulated by the Pension Fund Regulatory & Development Authority (PFRDA),mutual funds registered with Securities & Exchange Board of India (SEBI), etc., including their successors and assigns, who have agreed on or before COD of the Project to provide the TSP with the debt financing described in the capital structure schedule, 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 TSP of its obligations to the Nodal Agency under this Agreement in any manner and shall also does not lead to an increase in the liability of the Nodal Agency;

**“Lenders Representative”** shall mean the person notified by the Lender(s) in writing as being the representative of the Lender(s) or the Security Trustee and such person may from time to time be replaced by the Lender(s) pursuant to the Financing Agreements by written notice to the TSP;

**“Letter of Intent”** or **“LOI”** shall have the same meaning as in the RFP;

**“Member in a Bidding Consortium / Member”** shall mean each company in the Bidding Consortium;

**“Month”** shall mean a period of thirty (30) days from (and excluding) the date of the event;

**“Monthly Transmission Charges”** for any Element of the Project, after COD of the Element till COD of the Project, and for the Project after COD of the Project, shall mean the amount of Transmission Charges as specified in Schedule 5 of this Agreement multiplied by no. of days in the relevant month and divided by no. of days in the year;

**“National Load Despatch Centre”** shall mean the centre established as per sub-section (1) of Section 26 of the Electricity Act 2003;

“**Nodal Agency**” shall mean CTU, which shall execute and implement the Transmission Service Agreement (TSA);

Provided that while taking major decisions, CTU shall consult CEA on technical matters and any other matter it feels necessary.

**“Notification”** shall mean any notification, issued in the Gazette of India;

**“Operating Period”** for any Element of the Project shall mean the period from (and including) the COD of such Element of the Project, up to (and including) the Expiry Date and for the Project, shall mean the period from (and including) the COD of the Project, up to (and including) the Expiry Date;

**“Parent Company”** shallmean an entity that holds at least twenty six percent (26%) of the paid - up equity capital directly or indirectly in the Bidding Company or in the Member in a Bidding Consortium, as the case may be;

**“Preliminary Termination Notice”** shall mean a Nodal Agency’s Preliminary Termination Notice as defined in Article 13 of this Agreement;

**“Project”** shall mean **Transmission System under ISTS for evacuation of power from Kudankulam Unit - 3 & 4 (2x1000 MW)**, as detailed in Schedule 1 of this Agreement;

“**Project Assets**” shall mean all physical and other assets relating to and forming part of the Project including:

(a) rights over the Site for substations, ROW for transmission lines;

(b) tangible & intangible assets such as civil works and equipment including foundations, embankments, pavements, electrical systems, communication systems, relief centres, administrative offices, Sub-stations, software, tower and sub-stations designs etc;

(c) project facilities situated on the Site;

(d) all rights of the TSP under the project agreements;

(e) financial assets, such as receivables, security deposits etc;

(f) insurance proceeds; and

(g) Applicable Permits and authorisations relating to or in respect of the Transmission System;”

**“Project Execution Plan”** shall mean the plan referred to in Article 3.1.3(c) hereof;

**“Prudent Utility Practices”** shall mean the practices, methods and standards that are generally accepted internationally from time to time by electric transmission utilities for the purpose of ensuring the safe, efficient and economic design, construction, commissioning, operation, repair and maintenance of the Project and which practices, methods and standards shall be adjusted as necessary, to take account of:

1. operation, repair and maintenance guidelines given by the manufacturers to be incorporated in the Project,
2. the requirements of Law, and
3. the physical conditions at the Site;
4. the safety of operating personnel and human beings;

**“Rated Voltage”** shall mean voltage at which the Transmission System is designed to operate or such lower voltage at which the line is charged, for the time being, in consultation with the Central Transmission Utility;

**“Rebate”** shall have the meaning as ascribed to in Article 10.3 of this Agreement;

**“RFP”** shall mean Request For Proposal dated **June 06,2024** along with all schedules, annexures and RFP Project Documents attached thereto, issued by the BPC for tariff based competitive bidding process for selection of Bidder as TSP to execute the Project, including any modifications, amendments or alterations thereto;

**“RFP Project Documents”** shall mean the following documents to be entered into in respect of the Project, by the Parties to the respective agreements:

a. Transmission Service Agreement,

b. Share Purchase Agreement,

c. Agreement(s) required under Sharing Regulations and

d. Any other agreement as may be required;

**“RLDC”** shall mean the relevant Regional Load Dispatch Centre as defined in the Electricity Act, 2003, in the region(s) in which the Project is located;

**“RPC”** shall mean the relevant Regional Power Committee established by the Government of India for the specific Region(s) in accordance with the Electricity Act, 2003 for facilitating integrated operation of the Power System in that Region;

**“Scheduled COD”** in relation to an Element(s) shall mean the date(s) as mentioned in Schedule 2 as against such Element(s) and in relation to the Project, shall mean the date as mentioned in Schedule 2 as against such Project, subject to the provisions of Article 4.4 of this Agreement, or such date as may be mutually agreed among the Parties;

**“Scheduled Outage"** shall mean the final outage plan as approved by the RPC as per the provisions of the Grid Code;

**“Selected Bid”** shall mean the technical Bid and the Final Offer of the Selected Bidder submitted during e-reverse bidding, which shall be downloaded and attached in Schedule 7 on or prior to the Effective Date;

**“Share Purchase Agreement”** shall mean the agreement amongst **PFC Consulting Limited (PFCCL)**, **KUDANKULAM ISTS TRANSMISSION LIMITED**and the Successful Bidder for the purchase of one hundred (100%) per cent of the shareholding of the **KUDANKULAM ISTS TRANSMISSION LIMITED**for the Acquisition Price, by the Successful Bidder on the terms and conditions as contained therein;

**“Sharing Regulations”** shall mean the Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2020 and as amended from time to time;

**“Site”** in relation to a substation, switching station or HVDC terminal or inverter station, shall mean the land and other places upon which such station / terminal is to be established;

**“SLDC”** shall mean the State Load Despatch Centre established as per sub-section (1) of Section 31 of the Electricity Act 2003;

**“STU”** or **“State Transmission Utility”** shall be the Board or the Government company, specified as such by the State Government under sub-section (1) of Section 39 of the Electricity Act 2003;

**“Successful Bidder”** or **“Selected Bidder”** shall mean the Bidder selected pursuant to the RFP and who has to acquire one hundred percent (100%) equity shares of **KUDANKULAM ISTS TRANSMISSION LIMITED**, along with all its related assets and liabilities, which will be responsible as the TSP to establish the Project on build, own, operate and transfer basis as per the terms of the TSA and other RFP Project Documents;

**“TSP’s Preliminary Notice”** shall mean a notice issued by the TSP in pursuant to the provisions of Article 13.3 of this Agreement;

**“Target Availability”** shall have the meaning as ascribed hereto in Article 0 of this Agreement;

**“Technically Evaluated Entity”** shall mean the company which has been evaluated for the satisfaction of the technical requirement set forth in RFP;

**“Termination Notice”** shall mean a Nodal Agency’s Termination Notice given by the Nodal Agency to the TSP pursuant to the provisions of Articles 3.3.1, 3.3.4, 4.4.2, 5.8, 13.2 and 13.3 of this Agreement for the termination of this Agreement;

**“Term of Agreement”** for the purposes of this Agreement shall have the meaning ascribed thereto in Article 2.2 of this Agreement;

**“Transmission Charges”** shall mean the Final Offer of the Selected Bidder during the e-reverse bidding and adopted by the Commission, payable to the TSP as per Sharing Regulations;

**“Transmission License”** shall mean the license granted by the Commission in terms of the relevant regulations for grant of such license issued under the Electricity Act;

**“Transmission Service”** shall mean making the Project available as per the terms and conditions of this Agreement and Sharing Regulations;

**“Unscheduled Outage”** shall mean an interruption resulting in reduction of the Availability of the Element(s) / Project (as the case may be) that is not a result of a Scheduled Outage or a Force Majeure Event.

**“Ultimate Parent Company”** shall mean an entity which owns at least twenty six **percent** (26%) equity in the Bidding Company or Member of a Consortium, (as the case may be) and in the Technically Evaluated Entity and / or Financially Evaluated Entity (as the case may be) and such Bidding Company or Member of a Consortium, (as the case may be) and the Technically Evaluated Entity and / or Financially Evaluated Entity (as the case may be) shall be under the direct control or indirectly under the common control of such entity;

## Interpretation:

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

**“Agreement"** shall be construed as including a reference to its Schedules, Appendices and Annexures;

**"Rupee"**, **"Rupees"** and **“Rs.”** shall denote lawful currency of India;

**“crore”** shall mean a reference to ten million (100,00,000) and a **“lakh”** shall mean a reference to one tenth of a million (1,00,000);

**"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;

**"holding company"** of a company or corporation shall be construed as a reference to any company or corporation of which the other company or corporation is a subsidiary;

**"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;

**"person"** shall have the meaning as defined in Section 2 (49) of the Act;

**"subsidiary"** of a company or corporation (the holding company) shall be construed as a reference to any company or corporation:

1. which is controlled, directly or indirectly, by the holding company, or
2. more than half of the issued share capital of which is beneficially owned, directly or indirectly, by the holding company, or
3. which is a subsidiary of another subsidiary of the holding company,

for these purposes, a company or corporation shall be treated as being controlled by another if that other company or corporation is able to direct its affairs and/or to control the composition of its board of directors or equivalent body;

**"winding-up"**, **"dissolution"**, **"insolvency"**, or **"reorganization"** in the context of a company or corporation shall have the same meaning as defined in the Companies Act, 1956/ Companies Act, 2013 (as the case may be).

### Words importing the singular shall include the plural and vice versa.

### 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.

### A Law shall be construed as a reference to such Law including its amendments or re-enactments from time to time.

### A time of day shall, save as otherwise provided in any agreement or document be construed as a reference to Indian Standard Time.

### 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.

### 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.

### 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.

### The words “hereof” or “herein”, if and when used in this Agreement shall mean a reference to this Agreement.

### The contents of Schedule 7 shall be referred to for ascertaining accuracy and correctness of the representations made by the Selected Bidder in Article 17.2.1 hereof.

**ARTICLE: 2**

# Effectiveness and Term of Agreement

## Effective Date:

This Agreement shall be effective from later of the dates of the following events:

The Selected Bidder, on behalf of the TSP, has provided the Contract Performance Guarantee, as per terms of Article 3.1 of this Agreement; and

The Selected Bidder has acquired for the Acquisition Price, one hundred percent (100%) of the equity shareholding of PFC Consulting Limited (PFCCL) in **KUDANKULAM ISTS TRANSMISSION LIMITED** along with all its related assets and liabilities as per the provisions of the Share Purchase Agreement. and

The Agreement is executed and delivered by the Parties;

## Term and Termination:

### Subject to Article 2.2.3 and Article 2.4, this Agreement shall continue to be effective in relation to the Project until the Expiry Date, when it shall automatically terminate.

### Post the Expiry Date of this Agreement, the TSP shall ensure transfer of Project Assets to CTU or its successors or an agency as decided by the Central Government at zero cost and free from any encumbrance and liability. The transfer shall be completed within 90 days of expiry of this Agreement failing which CTU shall be entitled to take over the Project Assets Suo moto.

### This Agreement shall terminate before the Expiry Date in accordance with Article 13 or Article 3.3.2 or Article 3.3.4.

## Conditions prior to the expiry of the Transmission License

### In order to continue the Project beyond the expiry of the Transmission License, the TSP shall be obligated to make an application to the Commission at least two (2) years before the date of expiry of the Transmission License, seeking the Commission’s approval for the extension of the term of the Transmission License up to the Expiry Date.

### The TSP shall timely comply with all the requirements that may be laid down by the Commission for extension of the term of the Transmission License beyond the initial term of twenty-five (25) years & upto the Expiry Date and the TSP shall keep the Nodal Agency fully informed about the progress on its application for extension of the term of the Transmission License.

## Survival:

The expiry or termination of this Agreement shall not affect any accrued rights, obligations/ roles 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 effect the survival of any continuing obligations/ roles for which this Agreement provides, either expressly or by necessary implication, which are to survive after the Expiry Date or termination including those under Articles 3.3.3, 3.3.5, Article 9.3 (Application of Insurance Proceeds), Article 11 (Force Majeure), Article 13 (Events of Default and Termination), Article 14 (Liability & Indemnification), Article 16 (Governing Law & Dispute Resolution), Article 19 (Miscellaneous).

## Applicability of the provisions of this Agreement

### For the purpose of Availability, Target Availability and the computation of Availability, Incentive, Penalty, the provisions provided in this Agreement shall apply and any future modifications in the relevant Rules and Regulations shall not be applicable for this Project.

### For the purposes of this Agreement for ISTS systems developed under the tariff based competitive bidding framework, the provisions relating to the definitions (Availability and COD), Article 3 (Contract Performance Guarantee and Conditions Subsequent), Article 5 (Construction of the Project), Article 6 (Connection and Commissioning of the Project), Article 8 (Target Availability and calculation of Availability), Article 11 (Force Majeure), Article 12 (Change in Law), Article 13 (Event of Default), Article 14 (Indemnification), Article 15 (Assignment and Charges), Articles 16.1, 16.2 and 16.4 (Governing Laws and Dispute Resolution) and Article 17 (representation and warranties of the ISTS Licensee) of this agreement shall supersede the corresponding provisions under Sharing Regulations.

**ARTICLE: 3**

# Conditions Subsequent

## Satisfaction of conditions subsequent by the TSP

### Within ten (10) days from the date of issue of Letter of Intent, the Selected Bidder, shall:

1. Provide the Contract Performance Guarantee, and
2. Acquire, for the Acquisition Price, one hundred percent (100%) equity shareholding of **KUDANKULAM ISTS TRANSMISSION LIMITED** from **PFC Consulting Limited (PFCCL)**, who shall sell to the Selected Bidder, the equity shareholding of **KUDANKULAM ISTS TRANSMISSION LIMITED**, along with all its related assets and liabilities.
3. Execute this Agreement;

### The TSP shall, within five (5) working days from the date of acquisition of SPV by the Selected Bidder, undertake to apply to the Commission for the grant of Transmission License and for the adoption of tariff as required under section-63 of the Electricity Act.

### The Selected Bidder, on behalf of the TSP, will provide to the **Central Transmission Utility of India Limited** (being the Nodal Agency) the Contract Performance Guarantee for an amount of **Rs. 12 Crore (Rupees Twelve Crore only)**

### The Contract Performance Guarantee shall be initially valid for a period up to three (3) months after the Scheduled COD of the Project and shall be extended from time to time to be valid for a period up to three (3) months after the COD of the Project. In case the validity of the Contract Performance Guarantee is expiring before the validity specified in this Article, the TSP shall, at least thirty (30) days before the expiry of the Contract Performance Guarantee, replace the Contract Performance Guarantee with another Contract Performance Guarantee or extend the validity of the existing Contract Performance Guarantee until the validity period specified in this Article.

### The TSP agrees and undertakes to duly perform and complete the following activities within six (6) months from the Effective Date (except for c) below), unless such completion is affected due to any Force Majeure Event, or if any of the activities is specifically waived in writing by the Nodal Agency:

1. To obtain the Transmission License for the Project from the Commission;
2. To obtain the order for adoption of Transmission Charges by the Commission, as required under Section 63 of the Electricity Act 2003;
3. To submit to the Nodal Agency, CEA & Independent Engineer, the Project Execution Plan, immediately after award of contract(s) and maximum within one hundred and twenty (120) days from the Effective Date. Also, an approved copy each of Manufacturing Quality Plan (MQP) and Field Quality Plan (FQP) would be submitted to Independent Engineer & Nodal Agency in the same time period. The TSP’s Project Execution Plan should be in conformity with the Scheduled COD as specified in Schedule 2 of this Agreement, and shall bring out clearly the organization structure, time plan and methodology for executing the Project, award of major contracts, designing, engineering, procurement, shipping, construction, testing and commissioning to commercial operation;
4. To submit to the Nodal Agency, CEA & Independent Engineer a detailed bar (GANTT) chart of the Project outlining each activity (taking longer than one Month), linkages as well as durations;
5. To submit to the Nodal Agency, CEA & Independent Engineer detailed specifications of conductor meeting the functional specifications specified in RFP;
6. To achieve Financial Closure;
7. To provide an irrevocable letter to the Lenders duly accepting and acknowledging the rights provided to the Lenders under the provisions of Article 15.3 of this Agreement and all other RFP Project Documents;
8. To award the Engineering, Procurement and Construction contract (“EPC contract”) for the design and construction of the Project and shall have given to such Contractor an irrevocable notice to proceed; and
9. To sign the Agreement(s) required, if any, under Sharing Regulations.

## Recognition of Lenders’ Rights by the Nodal Agency

### The Nodal Agency hereby accepts and acknowledges the rights provided to the Lenders as per Article 15.3 of this Agreement and all other RFP Project Documents.

## Consequences of non-fulfilment of conditions subsequent

### If any of the conditions specified in Article 3.1.3 is not duly fulfilled by the TSP even within three (3) Months after the time specified therein, then on and from the expiry of such period and until the TSP has satisfied all the conditions specified in Article 3.1.3, the TSP shall, on a monthly basis, be liable to furnish to **Central Transmission Utility of India Limited (being the Nodal Agency)** additional Contract Performance Guarantee of **Rs.1.2 Crore (Rupees One Crore Twenty Lakh Only)** within two (2) Business Days of expiry of every such Month. Such additional Contract Performance Guarantee shall be provided to **Central Transmission Utility of India Limited (being the Nodal Agency)** in the manner provided in Article 3.1.1 and shall become part of the Contract Performance Guarantee and all the provisions of this Agreement shall be construed accordingly. **Central Transmission Utility of India Limited (being the Nodal Agency)** shall be entitled to hold and / or invoke the Contract Performance Guarantee, including such additional Contract Performance Guarantee, in accordance with the provisions of this Agreement.

### Subject to Article 3.3.4, if:

1. the fulfilment of any of the conditions specified in Article 3.1.3 is delayed beyond nine (9) Months from the Effective Date and the TSP fails to furnish additional Contract Performance Guarantee to the Nodal Agency in accordance with Article 3.3.1 hereof; or
2. the TSP furnishes additional Performance Guarantee to the Nodal Agency in accordance with Article 3.3.1 hereof but fails to fulfil the conditions specified in Article 3.1.3 within a period of twelve (12) months from the Effective Date,

the Nodal Agency shall have the right to terminate this Agreement, by giving a Termination Notice to the TSP, in writing, of at least seven (7) days, with a copy to CEA and the Lenders’ Representative in order to enable the Lenders to exercise right of substitution in accordance with Article 15.3 of this Agreement.

### If the Nodal Agency elects to terminate this Agreement as per the provisions of Article 3.3.1, the TSP shall be liable to pay to the Nodal Agency an amount of **Rs 12 Crore (Rupees Twelve Crore only)** as liquidated damages. The Nodal Agency shall be entitled to recover this amount of damages by invoking the Contract Performance Guarantee to the extent of liquidated damages, which shall be required by the Nodal Agency, and the balance shall be returned to TSP, if any.

It is clarified for removal of doubt that this Article shall survive the termination of this Agreement.

### In case of inability of the TSP to fulfil the conditions specified in Article 3.1.3 due to any Force Majeure Event, the time period for fulfilment of the condition subsequent as mentioned in Article 3.1.3, may be extended for a period of such Force Majeure Event. Alternatively, if deemed necessary, this Agreement may be terminated by the Nodal Agency by giving a Termination Notice to the TSP, in writing, of at least seven (7) days, with a copy to CEA and the Lenders’ Representative in order to enable the Lenders to exercise right of substitution in accordance with Article 15.3 of this Agreement and the Contract Performance Guarantee shall be returned as per the provisions of Article 6.5.1.

Provided, that due to the provisions of this Article 3.3.4, any increase in the time period for completion of conditions subsequent mentioned under Article 3.1.3, shall lead to an equal increase in the time period for the Scheduled COD. If the Scheduled COD is extended beyond a period of one hundred eighty (180) days due to the provisions of this Article 3.3.4, the TSP will be allowed to recover the interest cost during construction corresponding to the period exceeding one hundred eighty (180) days by adjustment in the Transmission Charges in accordance with Schedule 9.

### Upon termination of this Agreement as per Articles 3.3.1 and 3.3.4, the Nodal Agency may take steps to bid out the Project again.

### The Nodal agency, on the failure of the TSP to fulfil its obligations, if it considers that there are sufficient grounds for so doing, apart from invoking the Contract Performance Guarantee under para 3.3.3 may also initiate proceedings for blacklisting the TSP as per provisions of Article 13.2 of TSA.

## Progress Reports

The TSP shall notify the Nodal Agency and CEA in writing at least once a Month on the progress made in satisfying the conditions subsequent in Articles 3.1.3.

**ARTICLE: 4**

# Development of the Project

## TSP's obligations in development of the Project:

Subject to the terms and conditions of this Agreement, the TSP at its own cost and expense shall observe, comply with, perform, undertake and be responsible:

1. for procuring and maintaining in full force and effect all Consents, Clearances and Permits, required in accordance with Law for development of the Project;
2. for financing, constructing, owning and commissioning each of the Element of the Project for the scope of work set out in Schedule 1 of this Agreement in accordance with:
   * 1. the Electricity Act and the Rules made thereof;
     2. the Grid Code;
     3. the CEA Regulations applicable, and as amended from time to time, for Transmission Lines and sub-stations:

* the Central Electricity Authority (Technical Standards for Connectivity to the Grid) Regulations, 2007;
* Central Electricity Authority (Technical Standards for construction of Electrical Plants and Electric Lines) Regulation, 2010;
* Central Electricity Authority (Grid Standard) Regulations, 2010;
* Central Electricity Authority (Safety requirements for construction, operation and maintenance of Electrical Plants and Electrical Lines) Regulation, 2011;
* Central Electricity Authority (Measures relating to Safety and Electricity Supply) Regulation, 2010;
* Central Electricity Authority (Technical Standards for Communication System in Power System Operation) Regulations, 2020.
  + 1. Safety/ security Guidelines laid down by the Government;
    2. Prudent Utility Practices, relevant Indian Standards and the Law;

not later than the Scheduled COD as per Schedule 2 of this Agreement;

1. for entering into a Connection Agreement with the concerned parties in accordance with the Grid Code.
2. for owning the Project throughout the term of this Agreement free and clear of any encumbrances except those expressly permitted under Article 15 of this Agreement;
3. to co-ordinate and liaise with concerned agencies and provide on a timely basis relevant information with regard to the specifications of the Project that may be required for interconnecting the Project with the Interconnection Facilities;
4. for providing all assistance to the Arbitrators as they may require for the performance of their duties and responsibilities;
5. to provide to the Nodal Agency and CEA, on a monthly basis, progress reports with regard to the Project and its execution (in accordance with prescribed form) to enable the CEA to monitor and co-ordinate the development of the Project matching with the Interconnection Facilities;
6. to comply with Ministry of Power order no. 25-11/6/2018 – PG dated 02.07.2020 as well as other Guidelines issued by Govt. of India pertaining to this;
7. to procure the products associated with the Transmission System as per provisions of Public Procurement (Preference to Make in India) orders issued by Ministry of Power vide orders No. 11/5/2018 - Coord. dated 28.07.2020 for transmission sector, as amended from time to time read with Department for Promotion of Industry and Internal Trade (DPIIT) orders in this regard (Procuring Entity as defined in above orders shall deemed to have included Selected Bidder and/ or TSP).

Also, to comply with Department of Expenditure, Ministry of Finance vide Order (Public Procurement No 1) bearing File No. 6/18/2019-PPD dated 23.07.2020, Order (Public Procurement No 2) bearing File No. 6/18/2019-PPD dated 23.07.2020 and Order (Public Procurement No. 3) bearing File No. 6/18/2019-PPD, dated 24.07.2020, as amended from time to time, regarding public procurement from a bidder of a country, which shares land border with India;

1. to submit to Nodal Agency information in the prescribed format [To be devised by Nodal Agency] for ensuring compliance to Article 4.1 i) above.
2. to comply with all its obligations undertaken in this Agreement.

## Roles of the Nodal Agency in implementation of the Project:

### Subject to the terms and conditions of this Agreement, the Nodal Agency shall be the holder and administrator of this Agreement and shall inter alia:

1. appoint an Independent Engineer within 90 days of the Effective Date
2. provide letters of recommendation to the concerned Indian Governmental Instrumentality, as may be requested by the TSP from time to time, for obtaining the Consents, Clearances and Permits required for the Project;
3. coordinate among TSP and upstream/downstream entities in respect of Interconnection Facilities; and
4. monitor the implementation of the Agreement and take appropriate action for breach thereof including revocation of guarantees, cancellation of Agreement, blacklisting etc
5. provide all assistance to the Arbitrators as required for the performance of their duties and responsibilities; and
6. perform any other responsibility (ies) as specified in this Agreement.

## Time for Commencement and Completion:

1. The TSP shall take all necessary steps to commence work on the Project from the Effective Date of the Agreement and shall achieve Scheduled COD of the Project in accordance with the time schedule specified in Schedule 2 of this Agreement;
2. The COD of each Element of the Project shall occur no later than the Scheduled COD or within such extended time to which the TSP shall be entitled under Article 4.4 hereto.

## Extension of time:

### In the event that the TSP is unable to perform its obligations for the reasons solely attributable to the Nodal Agency, the Scheduled COD shall be extended, by a ‘day to day’ basis, subject to the provisions of Article 13.

### In the event that an Element or the Project cannot be commissioned by its Scheduled COD on account of any Force Majeure Event as per Article 11, the Scheduled COD shall be extended, by a ‘day to day’ basis for a period of such Force Majeure Event. Alternatively, if deemed necessary, the Nodal Agency may terminate the Agreement as per the provisions of Article 13.4 by giving a Termination Notice to the TSP, in writing, of at least seven (7) days, with a copy to CEA and the Lenders’ Representative in order to enable the Lenders to exercise right of substitution in accordance with Article 15.3 of this Agreement.

### 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 how long the Scheduled COD should be deferred by, any Party may raise the Dispute to be resolved in accordance with Article 16.

## Metering Arrangements:

### The TSP shall comply with all the provisions of the IEGC and the Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006 as amended from time to time, with regard to the metering arrangements for the Project. The TSP shall fully cooperate with the CTU / STU / RLDC and extend all necessary assistance in taking meter readings.

## Interconnection Facilities:

### Subject to the terms and conditions of this Agreement, the TSP shall be responsible for connecting the Project with the interconnection point(s) specified in Schedule 1 of this Agreement. The Interconnection Facilities shall be developed as per the scope of work and responsibilities assigned in Schedule 1 of this Agreement. The Nodal Agency shall be responsible for coordinating to make available the Interconnection Facilities.

### In order to remove any doubts, it is made clear that the obligation of the TSP within the scope of the project is to construct the Project as per Schedule-1 of this Agreement and in particular to connect it to the Interconnection Facilities as specified in this Agreement.

**ARTICLE: 5**

# Construction of the Project

## TSP’s Construction Responsibilities:

### The TSP, at its own cost and expense, shall be responsible for designing, constructing, erecting, testing and commissioning each Element of the Project by the Scheduled COD in accordance with the Regulations and other applicable Laws specified in Article 4.1 of this Agreement.

### The TSP acknowledges and agrees that it shall not be relieved from any of its obligations under this Agreement or be entitled to any extension of time or any compensation whatsoever by reason of the unsuitability of the Site or Transmission Line route(s).

### The TSP shall be responsible for obtaining all Consents, Clearances and Permits related but not limited to road / rail / river / canal / power line / crossings, Power and Telecom Coordination Committee (PTCC), defence, civil aviation, right of way / way-leaves and environmental & forest clearances from relevant authorities required for developing, financing, constructing, maintaining/ renewing all such Consents, Clearances and Permits in order to carry out its obligations under this Agreement in general and shall furnish to the Nodal Agency such copy/ies of each Consents, Clearances and Permits, on demand. Nodal Agency shall provide letters of recommendation to the concerned Indian Governmental Instrumentality, as may be requested by the TSP from time to time, for obtaining the Consents, Clearances and Permits required for the Project.

### The TSP shall be responsible for:

### **Deleted**

### **Deleted**

### survey and geo-technical investigation of line route in order to determine the final route of the Transmission Lines;

### seeking access to the Site and other places where the Project is being executed, at its own risk and costs, including payment of any crop, tree compensation or any other compensation as may be required.

### In case the Project involves any resettlement and rehabilitation, the resettlement and rehabilitation package will be implemented by the State Government authorities, for which the costs is to be borne by the TSP and no changes would be allowed in the Transmission Charges on account of any variation in the resettlement and rehabilitation cost. The TSP shall provide assistance on best endeavour basis, in implementation of the resettlement and rehabilitation package, if execution of such package is in the interest of expeditious implementation of the Project and is beneficial to the Project affected persons.

## Appointing Contractors:

### The TSP shall conform to the requirements as provided in this Agreement while appointing Contractor(s) for procurement of goods & services.

### The appointment of such Contractor(s) shall neither relieve the TSP of any of its obligations under this Agreement nor make the Nodal Agency liable for the performance of such Contractor(s).

## Monthly Progress Reporting:

The TSP shall provide to the CEA, Nodal Agency & Independent Engineer, on a monthly basis, progress reports along with likely completion date of each Element with regard to the Project and its execution (in accordance with prescribed form). The Nodal Agency/ CEA shall monitor the development of the Project for its timely completion for improving and augmenting the electricity system as a part of its statutory responsibility.

## Quality of Workmanship:

The TSP shall ensure that the Project is designed, built and completed in a good workmanship using sound engineering and construction practices, and using only materials and equipment that are new and manufactured as per the MQP and following approved FQP for erection, testing & commissioning and complying with Indian /International Standards such that, the useful life of the Project will be at least thirty five (35) years from the COD of the Project.

The TSP shall ensure that all major substation equipment / component (e.g. transformers, reactors, Circuit Breakers, Instrument Transformers (IT), Surge Arresters (SA), Protection relays, clamps & connectors etc.), equipment in terminal stations of HVDC installations including Thyristor/ IGBT valves, Converter Transformers, smoothing reactors, Transformer bushings and wall bushings, GIS bus ducts, towers and gantry structures and transmission towers or poles and line materials (conductors, earthwire, OPGW, insulator, accessories for conductors, OPGW & earthwires, hardware fittings for insulators, aviation lights etc), facilities and system shall be designed, constructed and tested (Type test, Routine tests, Factory Acceptance Test (FAT)) in accordance with relevant CEA Regulations and Indian Standards. In case Indian Standards for any particular equipment/ system/ process is not available, IEC/ IEEE or equivalent International Standards and Codes shall be followed.

## Progress Monitoring & Quality Assurance:

### The Project Execution Plan submitted by the TSP in accordance with Article 3.1.3 c) shall comprise of detailed schedule of all the equipments/items /materials required for the Project, right from procurement of raw material till the dispatch from works and receipt at the site. Further, it should also include various stages of the construction schedule up to the commissioning of the Project.

### Nodal Agency, CEA & Independent Engineer shall have access at all reasonable times to the Site and to the Manufacturer’s works and to all such places where the Project is being executed.

### Independent Engineer shall ensure conformity of the conductor specifications with the functional specifications specified in RFP.

### The Independent Engineer shall monitor the following during construction of the Project:

1. Quality of equipments, material, foundation, structures and workmanship etc. as laid down in Article 5.4 and 6.1.4 of the TSA. Specifically, quality of Sub-station equipments, transmission line material and workmanship etc. would be checked in accordance with the Article 5.4.
2. Progress in the activities specified in Condition Subsequent
3. Verification of readiness of the elements including the statutory clearances & completion of civil works, fixing of all components and finalisation of punch points (if any) prior to charging of the elements
4. Progress of construction of substation and Transmission Lines

### The progress shall be reviewed by the Independent Engineer against the Project Execution Plan. The Independent Engineer shall prepare its report on monthly basis and submit the same to Nodal Agency highlighting the progress achieved till the end of respective month vis-à-vis milestone activities, areas of concern, if any, which may result in delay in the timely completion of the Project. Based on the progress, Nodal Agency and/ or CEA shall issue written instructions to the TSP to take corrective measures, as may be prudent for the timely completion of the Project. In case of any deficiency, the Nodal Agency would be at liberty to take action in accordance with the procedure of this Agreement.

### For any delay in commissioning any critical Element(s), as identified in Schedule 1 & Schedule 2 of this Agreement, beyond a period of 45 days shall lead to a sequestration of 10% of the Contract Performance Guarantee.

## Site regulations and Construction Documents

The TSP shall abide by the Safety Rules and Procedures as mentioned in Schedule 3 of this Agreement

The TSP shall retain at the Site and make available for inspection at all reasonable times, copies of the Consents, Clearances and Permits, construction drawings and other documents related to construction.

## Supervision of work:

The TSP shall provide all necessary superintendence for execution of the Project and its supervisory personnel shall be available to provide full-time superintendence for execution of the Project. The TSP shall provide skilled personnel who are experienced in their respective fields.

## Remedial Measures:

The TSP shall take all necessary actions for remedying the shortfall in achievement of timely progress in execution of the Project, if any, as intimated by the Independent Engineer and/ or CEA and/ or the Nodal Agency. However, such intimation by the Independent Engineer and/ or CEA and/ or the Nodal Agency and the subsequent effect of such remedial measures carried out by the TSP shall not relieve the TSP of its obligations in the Agreement. Independent Engineer and/ or CEA and/ or the Nodal Agency may carry out random inspections during the Project execution, as and when deemed necessary by it. If the shortfalls as intimated to the TSP are not remedied to the satisfaction of the CEA and/ or the Nodal Agency, this Agreement may be terminated by the Nodal Agency by giving a Termination Notice to the TSP, in writing, of at least seven (7) days, with a copy to CEA and the Lenders’ Representative in order to enable the Lenders to exercise right of substitution in accordance with Article 15.3 of this Agreement .

**ARTICLE: 6**

# Connection and commissioning of the Project

## Connection with the Inter-Connection Facilities:

### The TSP shall give the RLDC(s), CTU, / STU, as the case may be, and any other agencies as required, at least sixty (60) days advance written notice of the date on which it intends to connect an Element of the Project, which date shall not be earlier than its Scheduled COD or Schedule COD extended as per Article 4.4.1 & 4.4.2 of this Agreement, unless mutually agreed to by Parties. Further, any preponing of COD of any element prior to Scheduled COD must be approved by the Nodal Agency.

### The RLDC / SLDC (as the case may be) or the CTU / STU (as the case may be), for reasonable cause, including non-availability of Interconnection Facilities as per Article 4.2, can defer the connection for up to fifteen (15) days from the date notified by the TSP pursuant to Article 6.1.1, if it notifies to the TSP in writing, before the date of connection, of the reason for the deferral and when the connection is to be rescheduled. However, no such deferment on one or more occasions would be for more than an aggregate period of thirty (30) days. Further, the Scheduled COD would be extended as required, for all such deferments on “day to day” basis.

### Subject to Articles 6.1.1 and 6.1.2, any Element of Project may be connected with the Interconnection Facilities when:

1. it has been completed in accordance with this Agreement and the Connection Agreement;
2. it meets the Grid Code, Central Electricity Authority (Technical Standards for Connectivity to the Grid) Regulations, 2007 as amended from time to time and all other Indian legal requirements, and
3. The TSP has obtained the approval in writing of the Electrical Inspector certifying that the Element is ready from the point of view of safety of supply and can be connected with the Interconnection Facilities.

### It has satisfactorily met all the testing requirements as per Articles 6.1.4

### Site Acceptance Test (SAT)/ pre-commissioning tests of all major substation equipment, component, system, facilities shall be successfully carried out before commissioning. The Type tests, FAT and SAT reports should be available at the substation / terminal station of HVDC installations for ready reference of operation and maintenance staff and has to be made available to the Independent Engineer appointed for quality monitoring or their authorised representatives, as and when they wish to examine the same.

## Commercial Operation:

### An Element of the Project shall be declared to have achieved COD twenty four (24) hours following the connection of the Element with the Interconnection Facilities pursuant to Article 6.1 or seven (7) days after the date on which it is declared by the TSP to be ready for charging but is not able to be charged for reasons not attributable to the TSP subject to Article 6.1.2.

Provided that an Element shall be declared to have achieved COD only after all the Element(s), if any, which are pre-required to have achieved COD as defined in Schedule 2 of this Agreement, have been declared to have achieved their respective COD.

### Once any Element of the Project has been declared to have achieved deemed COD as per Article 6.2.1 above, such Element of the Project shall be deemed to have Availability equal to the Target Availability till the actual charging of the Element and to this extent, TSP shall be eligible for the Monthly Transmission Charges applicable for such Element

## Compensation for Direct Non Natural Force Majeure Event or Indirect Non Natural Force Majeure Event or Natural Force Majeure Event (affecting the Nodal Agency)

### If the TSP is otherwise ready to connect the Element(s) of the Project and has given due notice, as per provisions of Article 6.1.1, to the concerned agencies of the date of intention to connect the Element(s) of the Project, where such date is not before the Scheduled COD, but is not able to connect the Element(s) of the Project by the said date specified in the notice, due to Direct Non Natural Force Majeure Event or Indirect Non Natural Force Majeure Event or Natural Force Majeure Event affecting the Nodal Agency, provided such Direct Non Natural Force Majeure Event or Indirect Non Natural Force Majeure Event or Natural Force Majeure Event affecting the Nodal Agency has continued for a period of more than three (3) continuous or non-continuous Months, the TSP shall, until the effects of the Direct Non Natural Force Majeure Event or of Indirect Non Natural Force Majeure Event or Natural Force Majeure Event affecting the Nodal Agency no longer prevent the TSP from connecting the Element(s) of the Project, be deemed to have achieved COD relevant to that date and to this extent, be deemed to have been providing Transmission Service with effect from the date notified, and shall be treated as follows:

1. In case of delay due to Direct Non Natural Force Majeure Event, TSP is entitled for Transmission Charges calculated on Target Availability for the period of such events in excess of three (3) continuous or non continuous Months in the manner provided in (c) below.
2. In case of delay due to Indirect Non Natural Force Majeure Event or Natural Force Majeure Event affecting the Nodal Agency, TSP is entitled for payment for debt service which is due under the Financing Agreements, subject to a maximum of Transmission Charges calculated on Target Availability, for the period of such events in excess of three (3) continuous or non continuous Months in the manner provided in (c) below.
3. In case of delay due to Direct Non Natural Force Majeure Event or Indirect Non Natural Force Majeure Event or Natural Force Majeure Event affecting the Nodal Agency, the TSP is entitled for payments mentioned in (a) and (b) above, after commencement of Transmission Service, in the form of an increase in Transmission Charges. These amounts shall be paid from the date, being the later of a) the date of cessation of such Indirect Non Natural Force Majeure Event or Natural Force Majeure Event affecting the Nodal Agency and b) the completion of sixty (60) days from the receipt of the Financing Agreements by the Nodal Agency from the TSP.

Provided such increase in Transmission Charges shall be so as to put the TSP in the same economic position as the TSP would have been in case the TSP had been paid amounts mentioned in (a) and (b) above in a situation where the Force Majeure Event had not occurred.

For the avoidance of doubt, it is clarified that the charges payable under this Article 6.3.1 shall be recovered as per Sharing Regulations.

## Liquidated Damages for Delay in achieving COD of Project:

### If the TSP fails to achieve COD of any Element of the Project or the Project, by the Element’s / Project’s Scheduled COD or such Scheduled COD as extended under Articles 4.4.1 and 4.4.3, then the TSP shall pay to the Nodal Agency, a sum equivalent to 3.33% of Monthly Transmission Charges applicable for the Element of the Project [in case where no Elements have been defined, to be on the Project as a whole] / Project, for each day of delay up to sixty (60) days of delay and beyond that time limit, at the rate of five percent (5%) of the Monthly Transmission Charges applicable to such Element / Project, as liquidated damages for such delay and not as penalty, without prejudice to any rights of the Nodal Agency under the Agreement.

### The TSP’s maximum liability under this Article 6.4 shall be limited to the amount of liquidated damages calculated in accordance with Article 6.4.1 for and up to six (6) months of delay for the Element or the Project.

Provided that, in case of failure of the TSP to achieve COD of the Element of the Project even after the expiry of six (6) months from its Scheduled COD, the provisions of Article 13 shall apply.

### The TSP shall make payment to the Nodal Agency of the liquidated damages calculated pursuant to Article 6.4.1 within ten (10) days of the earlier of:

1. the date on which the applicable Element achieves COD; or
2. the date of termination of this Agreement.

The payment of such damages shall not relieve the TSP from its obligations to complete the Project or from any other obligation and liabilities under the Agreement.

### If the TSP fails to pay the amount of liquidated damages to the Nodal Agency within the said period of ten (10) days, the Nodal Agency shall be entitled to recover the said amount of the liquidated damages by invoking the Contract Performance Guarantee. If the then existing Contract Performance Guarantee is for an amount which is less than the amount of the liquidated damages payable by the TSP to the Nodal Agency under this Article 6.3 and the TSP fails to make payment of the balance amount of the liquidated damages not covered by the Contract Performance Guarantee, then such balance amount shall be deducted from the Transmission Charges payable to the TSP. The right of the Nodal Agency to encash the Contract Performance Guarantee is without prejudice to the other rights of the Nodal Agency under this Agreement.

### For avoidance of doubt, it is clarified that amount payable by TSP under this Article is over and above the penalty payable by TSP under Article 5.5.6 of this Agreement.

## Return of Contract Performance Guarantee

### The Contract Performance Guarantee as submitted by TSP in accordance with Article 3.1.1 shall be released by the Nodal Agency within three (3) months from the COD of the Project. In the event of delay in achieving Scheduled COD of any of the Elements by the TSP (otherwise than due to reasons as mentioned in Article 3.1.3 or Article 11) and consequent part invocation of the Contract Performance Guarantee by the Nodal Agency, Nodal Agency shall release the Contract Performance Guarantee, if any remaining unadjusted, after the satisfactory completion by the TSP of all the requirements regarding achieving the Scheduled COD of the remaining Elements of the Project. It is clarified that the Nodal Agency shall also return / release the Contract Performance Guarantee in the event of (i) applicability of Article 3.3.1 to the extent the Contract Performance Guarantee is valid for an amount in excess of **Rs 12 Crore (Rupees Twelve Crore only)** [Amount to be inserted by the BPC, as computed in Article 3.3.3], or (ii) termination of this Agreement by the Nodal Agency as mentioned under Article 3.3.4 of this Agreement.

### The release of the Contract Performance Guarantee shall be without prejudice to other rights of the Nodal Agency under this Agreement.

**ARTICLE: 7**

# Operation and Maintenance of the Project

## Operation and Maintenance of the Project:

## The TSP shall be responsible for ensuring that the Project is operated and maintained in accordance with the regulations made by the Commission and CEA from time to time and provisions of the Act.

**ARTICLE: 8**

# Availability of the project

## Calculation of Availability of the Project:

Calculation of Availability for the Elements and for the Project, as the case may be, shall be as per **Appendix –IV to Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024,** as applicable on the Bid Deadline and as appended in Schedule 6 of this Agreement.

## Target Availability:

The Target Availability of each Element and the Project shall be **98%.**

Payment of monthly Transmission charges based on actual availability will be calculated as per para 1.2 of Schedule 4 of this Agreement.

If the availability of any Element or the Project is below the Target Availability, for six consecutive months in a Contract Year, the DIC(s) or the Nodal Agency may issue a show cause notice to the TSP, asking them to show cause as to why the Transmission Service Agreement be not terminated, and if no satisfactory cause is shown it may terminate the Agreement. If the Nodal Agency is of the opinion that the transmission system is of critical importance, it may carry out or cause to carry the operation and maintenance of transmission system at the risk and cost of TSP.

**ARTICLE: 9**

# Insurances

## Insurance:

### The TSP shall effect and maintain or cause to be effected and maintained during the Construction Period and the Operating Period, adequate Insurances against such risks, with such deductibles including but not limited to any third party liability and endorsements and co-beneficiary/insured, as may be necessary under

1. any of the Financing Agreements,
2. the Laws, and
3. in accordance with Prudent Utility Practices.

### The Insurances shall be taken effective from a date prior to the date of the Financial Closure till the Expiry Date.

## Evidence of Insurance cover:

### The TSP shall furnish to the Nodal Agency copies of certificates and policies of the Insurances, as and when the Nodal Agency may seek from the TSP as per the terms of Article 9.1

## Application of Insurance Proceeds:

### Save as expressly provided in this Agreement, the policies of Insurances and the Financing Agreements, the proceeds of any insurance claim made due to loss or damage to the Project or any part of the Project shall be first applied to reinstatement, replacement or renewal of such loss or damage.

### If a Natural Force Majeure Event renders the Project no longer economically and technically viable and the insurers under the Insurances make payment on a “total loss” or equivalent basis, the portion of the proceeds of such Insurance available to the TSP (after making admissible payments to the Lenders as per the Financing Agreements) shall be allocated only to the TSP. Nodal Agency and / or concerned Designated ISTS Customers shall have no claim on such proceeds of the Insurance.

### Subject to the requirements of the Lenders under the Financing Agreements, any dispute or difference between the Parties as to whether the Project is no longer economically and technically viable due to a Force Majeure Event or whether that event was adequately covered in accordance with this Agreement by the Insurances shall be determined in accordance with Article 16.

## Effect on liability of the Nodal Agency / Designated ISTS Customers

### The Nodal Agency and / or the Designated ISTS Customers shall have no financial obligations or liability whatsoever towards the TSP in respect of this Article 9.

**ARTICLE: 10**

# Billing And Payment of Transmission Charges

## Subject to provisions of this Article 10, the Monthly Transmission Charges shall be paid to the TSP, in Indian Rupees, on monthly basis as per the provisions of the Sharing Regulations, from the date on which an Element(s) has achieved COD until the Expiry Date of this Agreement, unless terminated earlier and in line with the provisions of Schedule 4 of this Agreement.

## Calculation of Monthly Transmission Charges:

The Monthly Transmission Charges for each Contract Year including Incentive & Penalty payment shall be calculated in accordance with the provisions of Schedule 4 of this Agreement.

## Rebate & Late Payment Surcharge:

### The rebate and late payment surcharge shall be governed as per Sharing Regulations.

## Disputed Bills, Default in payment by the Designated ISTS Customers & Annual Reconciliation:

### Any Disputed Bill, Default in payment by the Designated ISTS Customers & Annual Reconciliation shall be governed as per Sharing Regulations.

**ARTICLE: 11**

# Force Majeure

## Definitions

### The following terms shall have the meanings given hereunder.

## Affected Party

### An Affected Party means any Party whose performance has been affected by an event of Force Majeure.

### Any event of Force Majeure shall be deemed to be an event of Force Majeure affecting the TSP only if the Force Majeure event affects and results in, late delivery of machinery and equipment for the Project or construction, completion, commissioning of the Project by Scheduled COD and/or operation thereafter;

## Force Majeure

A ‘Force Majeure’ means any event or circumstance or combination of events and circumstances including those stated below that wholly or partly prevents or unavoidably delays an Affected Party in the performance of its obligations/ roles 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:

### **Natural Force Majeure Events:**

1. act of God, including, but not limited to drought, fire and explosion (to the extent originating from a source external to the Site), earthquake, volcanic eruption, landslide, flood, cyclone, typhoon, tornado, or exceptionally adverse weather conditions, which are in excess of the statistical measures for the last hundred (100) years; and
2. epidemic/ pandemic notified by Indian Governmental Instrumentality.

### **Non-Natural Force Majeure Events :**

1. Direct Non–Natural Force Majeure Events

### Nationalization or compulsory acquisition by any Indian Governmental Instrumentality of any material assets or rights of the Affected Party; or

### the unlawful, unreasonable or discriminatory revocation of, or refusal to renew, any Consents, Clearances and Permits required by the Affected Party to perform their obligations/ roles under the RFP Project Documents or any unlawful, unreasonable or discriminatory refusal to grant any other Consents, Clearances and Permits required for the development/ operation of the Project, provided that a Competent Court of Law declares the revocation or refusal to be unlawful, unreasonable and discriminatory and strikes the same down; or

### any other unlawful, unreasonable or discriminatory action on the part of an Indian Governmental Instrumentality which is directed against the Project, provided that a Competent Court of Law declares the action to be unlawful, unreasonable and discriminatory and strikes the same down.

1. Indirect Non - Natural Force Majeure Events

### act of war (whether declared or undeclared), invasion, armed conflict or act of foreign enemy, blockade, embargo, revolution, riot, insurrection, terrorist or military action; or

### radio active contamination or ionising radiation originating from a source in India or resulting from any other Indirect Non Natural Force Majeure Event mentioned above, excluding circumstances where the source or cause of contamination or radiation is brought or has been brought into or near the Site by the Affected Party or those employed or engaged by the Affected Party; or

### industry-wide strikes and labour disturbances, having a nationwide impact in India.

## Force Majeure Exclusions

### 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:

### Unavailability, late delivery, or changes in cost of the machinery, equipment, materials, spare parts etc. for the Project;

### Delay in the performance of any Contractors or their agents;

### Non-performance resulting from normal wear and tear typically experienced in transmission materials and equipment;

### Strikes or labour disturbance at the facilities of the Affected Party;

### Insufficiency of finances or funds or the Agreement becoming onerous to perform; and

### Non-performance caused by, or connected with, the Affected Party’s:

### negligent or intentional acts, errors or omissions;

### failure to comply with an Indian Law; or

### breach of, or default under this Agreement or any Project Documents.

### Any error or omission in the survey report provided by BPC during the bidding process.

## Notification of Force Majeure Event

### 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 effects on the Party claiming relief and the remedial measures proposed. The Affected Party shall give the other Party regular reports on the progress of those remedial measures and such other information as the other Party may reasonably request about the Force Majeure.

### 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/ roles under this Agreement, as soon as practicable after becoming aware of each of these cessations.

## Duty to perform and duty to mitigate

### To the extent not prevented by a Force Majeure Event, the Affected Party shall continue to perform its obligations/ roles as provided in this Agreement. The Affected Party shall use its reasonable efforts to mitigate the effect of any event of Force Majeure as soon as practicable.

## Available Relief for a Force Majeure Event

### Subject to this Article 11,

### no Party shall be in breach of its obligations/ roles pursuant to this Agreement to the extent that the performance of its obligations/ roles was prevented, hindered or delayed due to a Force Majeure Event;

### each Party shall be entitled to claim relief for a Force Majeure Event affecting its performance in relation to its obligations/ roles under Articles 3.3.4, 4.4.2 and 6.3.1 of this Agreement.

### For the avoidance of doubt, it is clarified that the computation of Availability of the Element(s) under outage due to Force Majeure Event, as per Article 11.3 affecting the TSP shall be as per **Appendix –IV to Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024** as on Bid Deadline. For the event(s) for which the Element(s) is/are deemed to be available as per **Appendix –IV to Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024**, then the Transmission Charges, as applicable to such Element(s), shall be payable as per Schedule 4, for the duration of such event(s).

### For so long as the TSP is claiming relief due to any Force Majeure Event under this Agreement, the Nodal Agency may, if it so desires, from time to time on one (1) day notice, inspect the Project and the TSP shall provide the Nodal Agency’s personnel with access to the Project to carry out such inspections.

### For avoidance of doubt, the TSP acknowledges that for extension of Scheduled COD a period up to one hundred eighty (180) days due to Force Majeure event, no compensation on the grounds such as interest cost, incident expenditure, opportunity cost will be made to the TSP. However, if Scheduled COD is extended beyond a period of one hundred eighty (180) days due to Force Majeure event, the TSP will be allowed to recover the interest cost during construction corresponding to the period exceeding one hundred eighty (180) days by adjustment in the Transmission Charges in accordance with Schedule 9.

**ARTICLE: 12**

# Change in Law

## Change in Law

### Change in Law means the occurrence of any of the following after the Bid Deadline resulting into any additional recurring / non-recurring expenditure by the TSP or any savings of the TSP:

* the enactment, coming into effect, adoption, promulgation, amendment, modification or repeal (without re-enactment or consolidation) in India, of any Law, including rules and regulations framed pursuant to such Law, subject to the provisions under Article 12.1.2;
* a change in the interpretation or application of any Law by any Indian Governmental Instrumentality having the legal power to interpret or apply such Law, or any Competent Court of Law;
* the imposition of a requirement for obtaining any Consents, Clearances and Permits which was not required earlier;
* a change in the terms and conditions prescribed for obtaining any Consents, Clearances and Permits or the inclusion of any new terms or conditions for obtaining such Consents, Clearances and Permits;
* any change in the licensing regulations of the Commission, under which the Transmission License for the Project was granted if made applicable by such Commission to the TSP;
* change in wind zone; or
* any change in tax or introduction of any tax made applicable for providing Transmission Service by the TSP as per the terms of this Agreement.

### Notwithstanding anything contained in this Agreement, Change in Law shall not cover any change:

1. Taxes on corporate income; and
2. Withholding tax on income or dividends distributed to the shareholders of the TSP.

## Relief for Change in Law

### During Construction Period, the impact of increase/decrease in the cost of the Project on the Transmission Charges shall be governed by the formula given in Schedule 9 of this Agreement.

### During the Operation Period:

During the operation period, if as a result of Change in Law, the TSP suffers or is benefited from a change in costs or revenue, the aggregate financial effect of which exceeds 0.30% (zero point three percent) of the Annual Transmission Charges in aggregate for a Contract Year, the TSP may notify so to the Nodal Agency and propose amendments to this Agreement so as to place the TSP in the same financial position as it would have enjoyed had there been no such Change in Law resulting in change in costs or revenue as aforesaid.

### For any claims made under Articles 12.2.1 and 12.2.2 above, the TSP shall provide to the Nodal Agency documentary proof of such increase / decrease in cost of the Project / revenue for establishing the impact of such Change in Law.

### In cases where Change in Law results in decrease of cost and it comes to the notice of Nodal Agency that TSP has not informed Nodal Agency about such decrease in cost, Nodal Agency may initiate appropriate claim.

## Notification of Change in Law:

### If the TSP is affected by a Change in Law in accordance with Article 12.1 and wishes to claim relief for such Change in Law under this Article 12, it shall give notice to Nodal Agency of such Change in Law as soon as reasonably practicable after becoming aware of the same.

### The TSP shall also be obliged to serve a notice to the Nodal Agency even when it is beneficially affected by a Change in Law.

### Any notice served pursuant to Articles 12.3.1 and 12.3.2 shall provide, amongst other things, precise details of the Change in Law and its estimated impact on the TSP.

## Payment on account of Change in Law

### The payment for Change in Law shall be through a separate Bill. However, in case of any change in Monthly Transmission Charges by reason of Change in Law, as determined in accordance with this Agreement, the Bills to be raised by the Nodal Agency after such change in Transmission Charges shall appropriately reflect the changed Monthly Transmission Charges.

**ARTICLE: 13**

# Events of Default and Termination

## TSP’s Event of Default

The occurrence and continuation of any of the following events shall constitute a TSP Event of Default, unless any such TSP Event of Default occurs as a result of any non-fulfilment of its obligations as prescribed under this Agreement by the Nodal Agency or a Force Majeure Event:

1. After having taken up the construction of the Project, the abandonment by the TSP or the TSP's Contractors of the construction of the Project for a continuous period of two (2) months and such default is not rectified within thirty (30) days from the receipt of notice from the Nodal Agency in this regard;
2. The failure to commission any Element of the Project by the date falling six (6) months after its Scheduled COD unless extended by Nodal Agency as per provisions of this Agreement;
3. If the TSP:
4. 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
5. transfers or novates any of its obligations pursuant to this Agreement, in a manner contrary to the provisions of this Agreement;

Except where such transfer is in pursuance of a Law and

1. it does not affect the ability of the transferee to perform, and such transferee has the financial and technical capability to perform, its obligations under this Agreement;
2. is to a transferee who assumes such obligations under the Project and this Agreement remains effective with respect to the transferee;
3. If:
4. The TSP 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
5. any winding up or bankruptcy or insolvency order is passed against the TSP; or
6. the TSP 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 a dissolution or liquidation of the TSP will not be a TSP’s Event of Default, where such dissolution or liquidation of the TSP is for the purpose of a merger, consolidation or reorganization with the prior approval of the Commission as per the provisions of Central Electricity Regulatory Commission (Procedure, terms and Conditions for grant of Transmission License and other related matters) Regulations, 2006 or as amended from time to time; or

1. Failure on the part of the TSP to comply with the provisions of Article 19.1 of this Agreement; or
2. the TSP repudiates this Agreement and does not rectify such breach even within a period of thirty (30) days from a notice from the Nodal Agency in this regard; or
3. after Commercial Operation Date of the Project, the TSP fails to achieve monthly Target Availability of ………….. [to be inserted by the BPC as applicable] [98% for AC system and 95% for HVDC system], for a period of six (6) consecutive months or within a non-consecutive period of six (6) months within any continuous aggregate period of eighteen(18) months except where the Availability is affected by Force Majeure Events as per Article 11; or
4. any of the representations and warranties made by the TSP in Article 17 of this Agreement being found to be untrue or inaccurate. Further, in addition to the above, any of the undertakings submitted by the Selected Bidder at the time of submission of the Bid being found to be breached or inaccurate, including but not limited to undertakings from its Parent Company / Affiliates related to the minimum equity obligation; or
5. the TSP fails to complete / fulfil all the activities / conditions within the specified period as per Article 3; or
6. except for the reasons solely attributable to Nodal Agency, the TSP is in material breach of any of its obligations under this Agreement and such material breach is not rectified by the TSP within thirty (30) days of receipt of notice in this regard from the Nodal Agency; or
7. **deleted**

## Termination Procedure for TSP Event of Default

1. Upon the occurrence and continuance of any TSP’s Event of Default under Article 13.1 the Nodal Agency may serve notice on the TSP, with a copy to the CEA and the Lenders’ Representative, of their intention to terminate this Agreement (a "Nodal Agency’s Preliminary Termination Notice"), which shall specify in reasonable detail, the circumstances giving rise to such Nodal Agency’s Preliminary Termination Notice.
2. Following the issue of a Nodal Agency’s Preliminary Termination Notice, the Consultation Period shall apply and would be for 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.
3. During the Consultation Period, the Parties shall, save as otherwise provided in this Agreement, continue to perform their respective obligations/ roles under this Agreement, and the TSP shall not remove any material, equipment or any part of the Project, without prior consent of the Nodal Agency.

Following the expiry of the Consultation Period, unless the Parties shall have otherwise agreed to the contrary or the circumstances giving rise to Nodal Agency’s Preliminary Termination Notice shall have ceased to exist or shall have been remedied, this Agreement may be terminated by the Nodal Agency by giving a Termination Notice to the TSP, in writing, of at least seven (7) days, with a copy to CEA and the Lenders’ Representative in order to enable the Lenders to exercise right of substitution in accordance with Article 15.3 of this Agreement.

Further, the Nodal Agency may also initiate proceedings to blacklist the TSP & its Affiliates from participation in any RFP issued by BPCs for a period of 5 years.

## Procedure for Nodal Agency’s non-fulfilment of Role

1. Upon the Nodal Agency not being able to fulfil its role under Article 4.2, the TSP may serve notice on the Nodal Agency, with a copy to CEA and the Lenders’ Representative (a "TSP’s Preliminary Notice"), which notice shall specify in reasonable detail the circumstances giving rise to such non-fulfilment of role by the Nodal Agency.
2. Following the issue of a TSP’s Preliminary Notice, the Consultation Period shall apply.
3. The Consultation Period would be for the Parties to discuss as to what steps shall be taken with a view to mitigate the consequences of the relevant non-fulfilment of role by the Nodal Agency including giving time extension to TSP, having regard to all the circumstances.
4. During the Consultation Period, both Parties shall, save as otherwise provided in this Agreement, continue to perform their respective obligations/ roles under this Agreement.

## Termination due to Force Majeure

### In case the Parties could not reach an agreement pursuant to Articles 3.3.4 and 4.4.2 of this Agreement and the Force Majeure Event or its effects continue to be present, the Nodal Agency shall have the right to cause termination of the Agreement. In case of such termination, the Contract Performance Guarantee shall be returned to the TSP as per the provisions of Article 6.5.1.

### In case of termination of this Agreement, the TSP shall provide to the Nodal Agency the full names and addresses of its Contractors as well as complete designs, design drawings, manufacturing drawings, material specifications and technical information, as required by the Nodal Agency within thirty (30) days of Termination Notice.

## Termination or amendment due to non-requirement of any Element or Project during construction

### In case any Element or Project, which is under construction, is no longer required due to any reason whatsoever, the Nodal Agency may issue a notice to this effect to the TSP.

### Nodal agency may also issue notice to the TSP seeking their response to the proposed termination/ amendment (as the case may be) of the Agreement. The Nodal Agency shall issue copy of such notice to Lenders. In the notice, Nodal Agency shall also include an assessment of the physical progress made by TSP in the Element/ Project (as the case may be) that is no longer required.

### The TSP shall neither carry out further investment nor carry out any work on the Element/ Project (as the case may be) that is no longer required after delivery of the notice.

### After taking into account the comments of the TSP, the Nodal Agency may terminate the Agreement or amend it if both Parties agree to the amendment.

## Revocation of the Transmission License

### The Commission may, as per the provisions of the Electricity Act, 2003, revoke the Transmission License of the ISTS Licensee. Further, in such a case, the Agreement shall be deemed to have been terminated.

## Termination Payment

### If Agreement is terminated on account of Force Majeure Events, non-requirement of any Element or Project during Construction, Nodal Agency’s non-fulfilment of Role & TSP’s Event of Default, the TSP shall be entitled for Termination Payment equivalent to valuation of Project Assets. Upon payment, the Nodal Agency shall take over the Project Assets.

**ARTICLE: 14**

# Liability and Indemnification

## Indemnity

### The TSP shall indemnify, defend and hold the Nodal Agency harmless against:

### any and all third party claims, actions, suits or proceedings against the Nodal Agency 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 TSP 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 non-fulfilment of statutory duty on the part of Nodal Agency; and

### any and all losses, damages, costs and expenses including legal costs, fines, penalties and interest actually suffered or incurred by the Nodal Agency from third party claims arising by reason of:

### a breach by the TSP of any of its obligations under this Agreement, (provided that this Article 14 shall not apply to such breaches by the TSP, for which specific remedies have been provided for 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 non-fulfilment of statutory duty on the part of the Nodal Agency, or

### any of the representations and warranties of the TSP under this Agreement being found to be inaccurate or untrue.

### The Nodal Agency shall, in accordance with the Regulations framed by CERC in this regard, indemnify, defend and hold the TSP harmless against:

### any and all third party claims, actions, suits or proceedings against the TSP, for any loss of or damage to property of such third party, or death or injury to such third party, arising out of any material breach by the Nodal Agency of any of their roles 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 TSP, its Contractors, servants or agents; and

### any and all losses, damages, costs and expenses including legal costs, fines, penalties and interest (‘Indemnifiable Losses’) actually suffered or incurred by the TSP from third party claims arising by reason of:

### any material breach by the Nodal Agency of any of its roles under this Agreement (provided that, this Article 14 shall not apply to such breaches by the Nodal Agency, for which specific remedies have been provided for 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 TSP, its Contractors, servants or agents or

### any of the representations and warranties of the Nodal Agency under this Agreement being found to be inaccurate or untrue.

## Patent Indemnity:

### 

### The TSP shall, subject to the Nodal Agency’s compliance with Article 14.2.1 (b), indemnify and hold harmless the Nodal Agency and its employees and officers from and against any and all suits, actions or administrative proceedings, claims, demands, losses, damages, costs, and expenses of whatsoever nature, including attorney’s fees and expenses, which the Nodal Agency may suffer as a result of any infringement or alleged infringement of any patent, utility model, registered design, trademark, copyright or other intellectual property right registered or otherwise existing at the date of the Agreement by reason of the setting up of the Project by the TSP.

### Such indemnity shall not cover any use of the Project or any part thereof other than for the purpose indicated by or to be reasonably inferred from the Agreement, any infringement resulting from the misuse of the Project or any part thereof, or any products produced in association or combination with any other equipment, plant or materials not supplied by the TSP, pursuant to the Agreement.

### If any proceedings are brought or any claim is made against the Nodal Agency arising out of the matters referred to in Article 14.2.1(a), the Nodal Agency shall promptly give the TSP a notice thereof, and the TSP shall at its own expense take necessary steps and attend such proceedings or claim and any negotiations for the settlement of any such proceedings or claim. The TSP shall promptly notify the Nodal Agency of all actions taken in such proceedings or claims.

### If the TSP fails to notify the Nodal Agency within twenty-eight (28) days after receipt of such notice from the Nodal Agency under Article 14.2.1(b) above, that it intends to attend any such proceedings or claim, then the Nodal Agency shall be free to attend the same on their own behalf at the cost of the TSP. Unless the TSP has so failed to notify the Nodal Agency within the twenty eight (28) days period, the Nodal Agency shall make no admission that may be prejudicial to the defence of any such proceedings or claims.

### The Nodal Agency shall, at the TSP’s request, afford all available assistance to the TSP in attending to such proceedings or claim, and shall be reimbursed by the TSP for all reasonable expenses incurred in so doing.

### 

### The Nodal Agency, in accordance with the Regulations framed by CERC in this regard, subject to the TSP’s compliance with Article 14.2.2(b) shall indemnify and hold harmless the TSP and its employees, officers from and against any and all suits, actions or administrative proceedings, claims, demands, losses, damages, costs and expenses of whatsoever nature, including attorney’s fees and expenses, which the TSP may suffer as a result of any infringement or alleged infringement of any patent, utility model, registered design, trademark, copyright or other intellectual property right registered or otherwise existing at the date of the Agreement by reason of the setting up of the Project by the TSP.

### If any proceedings are brought or any claim is made against the TSP arising out of the matters referred to in Article 14.2.2 (a) the TSP shall promptly give the Nodal Agency a notice thereof, and the Nodal Agency shall at its own expense take necessary steps and attend such proceedings or claim and any negotiations for the settlement of any such proceedings or claim. The Nodal Agency shall promptly notify the TSP of all actions taken in such proceedings or claims.

### If the Nodal Agency fails to notify the TSP within twenty-eight (28) days after receipt of such notice from the TSP under Article 14.2.2(b) above, that it intends to attend any such proceedings or claim, then the TSP shall be free to attend the same on its own behalf at the cost of the Nodal Agency. Unless the Nodal Agency has so failed to notify the TSP within the twenty (28) days period, the TSP shall make no admission that may be prejudicial to the defence of any such proceedings or claim.

### The TSP shall, at the Nodal Agency request, afford all available assistance to the Nodal Agency in attending to such proceedings or claim, and shall be reimbursed by the Nodal Agency for all reasonable expenses incurred in so doing.

## Monetary Limitation of liability

### A Party ("Indemnifying Party") shall be liable to indemnify the other Party ("Indemnified Party") under this Article 14 for any indemnity claims made in a Contract Year only up to an amount of Rs 0.80 Crore (Rupees Eighty Lakh only).

## Procedure for claiming indemnity

### Where the Indemnified Party is entitled to indemnification from the Indemnifying Party pursuant to Articles 14.1 or 14.2 the Indemnified Party shall promptly notify the Indemnifying Party of such claim, proceeding, action or suit referred to in Articles 14.1 or 14.2 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:

### the Parties choose to contest, defend or litigate such claim, action, suit or proceedings in accordance with Article 14.4.3 below; and

### 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.

### The Indemnified Party may contest, defend and litigate a claim, action, suit or proceeding for which it is entitled to be indemnified under Articles 14.1 or 14.2 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.

## Limitation on Liability

### Except as expressly provided in this Agreement, neither the TSP nor the Nodal Agency nor their respective officers, directors, agents, employees or Affiliates (including, officers, directors, agents or employees of such Affiliates), shall be liable or responsible to the other Party or its Affiliates including its officers, directors, agents, employees, successors, insurers or permitted assigns for incidental, indirect or consequential, punitive or exemplary 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 transmission capacity or equipment used therefore, irrespective of whether such claims are based upon breach of warranty, tort (including negligence, whether of the Nodal Agency, the TSP or others), strict liability, contract, breach of statutory duty, operation of law or otherwise.

### The Nodal Agency shall have no recourse against any officer, director or shareholder of the TSP or any Affiliate of the TSP or any of its officers, directors or shareholders for such claims excluded under this Article. The TSP shall also have no recourse against any officer, director or shareholder of the Nodal Agency, or any Affiliate of the Nodal Agency or any of its officers, directors or shareholders for such claims excluded under this Article.

## Duty to Mitigate

The party entitled to the benefit of an indemnity under this Article 14 shall take all reasonable measures to mitigate any loss or damage which has occurred. If the Party fails to take such measures, the other Party’s liabilities shall be correspondingly reduced.

**ARTICLE: 15**

# Assignments and Charges

## Assignments:

### 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, except as provided in Article 15.3.

## Permitted Charges:

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

### However, the TSP may create any encumbrance over all or part of the receivables, or the Project Assets of the Project in favour of the Lenders or the Lenders’ Representative on their behalf, as security for amounts payable under the Financing Agreements and any other amounts agreed by the Parties.

### Provided that:

1. the Lenders or the Lenders’ Representative on their behalf shall have entered into the Financing Agreements and agreed in writing to the provisions of this Agreement; and
2. any encumbrance granted by the TSP in accordance with this Article 15.2.2 shall contain provisions pursuant to which the Lenders or the Lender’s Representative on their behalf agrees unconditionally with the TSP to release from such encumbrances upon payment by the TSP to the Lenders of all amounts due under the Financing Agreements.

### Article 15.2.1 does not apply to:

1. liens arising by operation of law (or by an agreement evidencing the same) in the ordinary course of the TSP developing and operating the Project;
2. pledges of goods, the related documents of title and / or other related documents, arising or created in the ordinary course of the TSP developing and operating the Project; or
3. security arising out of retention of title provisions in relation to goods acquired in the ordinary course of the TSP developing and operating the Project.

## Substitution Rights of the Lenders

### The TSP would need to operate and maintain the Project under the provisions of this Agreement and cannot assign the Transmission License or transfer the Project or part thereof to any person by sale, lease, exchange or otherwise, without the prior approval of the Nodal Agency.

### However, in the case of default by the TSP in debt repayments or in the case of default by the TSP as per Article 13 of this Agreement during the debt repayments, the Commission may, on an application from the Lenders, assign the Transmission License to the nominee of the Lenders subject to the fulfilment of the qualification requirements and provisions of the Central Electricity Regulatory Commission (Procedure, terms and Conditions for grant of Transmission License and other related matters) Regulations, 2006 and as amended from time to time.

**ARTICLE: 16**

# Governing Law and Dispute Resolution

## Governing Law:

This Agreement shall be governed by and construed in accordance with the Laws of India. Any legal proceedings in respect of any matters, claims or disputes under this Agreement shall be under the jurisdiction of appropriate courts in Delhi.

## Amicable Settlement:

### Either Party is entitled to raise any claim, dispute or difference of whatever nature arising under, out of or in connection with this Agreement, including its existence or validity or termination or whether during the execution of the Project or after its completion and whether prior to or after the abandonment of the Project or termination or breach of the Agreement by giving a written notice to the other Party, which shall contain:

1. a description of the Dispute;
2. the grounds for such Dispute; and
3. all written material in support of its claim.

### The other Party shall, within thirty (30) days of issue of notice issued under Article 16.2.1, furnish:

1. counter-claim and defences, if any, regarding the Dispute; and
2. all written material in support of its defences and counter-claim.

### Within thirty (30) days of issue of notice by the Party pursuant to Article 16.2.1, if the other Party does not furnish any counter claim or defense under Article 16.2.2, or thirty (30) days from the date of furnishing counter claims or defence by the other Party, both the Parties to the Dispute shall meet to settle such Dispute amicably. If the Parties fail to resolve the Dispute amicably within thirty (30) days from the later of the dates mentioned in this Article 16.2.3, the Dispute shall be referred for dispute resolution in accordance with Article 16.3.

## Dispute Resolution:

### All Disputes shall be adjudicated by the Commission.

## Parties to Perform Obligations:

Notwithstanding the existence of any Dispute and difference referred to the Commission as provided in Article 16.3 and save as the Commission may otherwise direct by a final or interim order, the Parties hereto shall continue to perform their respective obligations/ roles (which are not in dispute) under this Agreement.

**ARTICLE: 17**

# Representation and Warranties

## Representation and warranties of the Nodal Agency

### The Nodal Agency hereby represents and warrants to and agrees with the TSP as follows and acknowledges and confirms that the TSP is relying on such representations and warranties in connection with the transactions described in this Agreement:

1. It has all requisite powers and authority to execute and consummate this Agreement;
2. This Agreement is enforceable against the Nodal Agency in accordance with its terms;
3. The consummation of the transactions contemplated by this Agreement on the part of Nodal Agency 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 Nodal Agency is a Party or to which the Nodal Agency is bound, which violation, default or power has not been waived;

## Representation and Warranties of the TSP:

### The TSP hereby represents and warrants to and agrees with the Nodal Agency as follows and acknowledges and confirms that the Nodal Agency is relying on such representations and warranties in connection with the transactions described in this Agreement:

1. It has all requisite powers and has been duly authorized to execute and consummate this Agreement;
2. This Agreement is enforceable against it, in accordance with its terms;
3. The consummation of the transactions contemplated by this Agreement on the part of the TSP 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 TSP is a Party or to which the TSP is bound which violation, default or power has not been waived;
4. The TSP is not insolvent and no insolvency proceedings have been instituted, nor threatened or pending by or against the TSP;
5. There are no actions, suits, claims, proceedings or investigations pending or, to the best of the TSP’s knowledge, threatened in writing against the TSP 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 execute the Project or to comply with its obligations under this Agreement.

### The TSP makes all the representations and warranties above to be valid as on the Effective Date of this Agreement.

**ARTICLE: 18**

# Independent Engineer

## Appointment of Independent Engineer

The Nodal Agency shall appoint an agency/ company as Independent Engineer as per framework provided in the Guidelines for Encouraging Competition in Development of Transmission Projects for selection of Independent Engineer.

## Roles and functions of Independent Engineer

The role and functions of the Independent Engineer shall include the following:

1. Progress Monitoring as required under this Agreement;
2. Ensuring Quality as required under this Agreement;
3. determining, as required under the Agreement, the costs of any works or services and/or their reasonableness during construction phase;
4. determining, as required under the Agreement, the period or any extension thereof, for performing any duty or obligation during construction phase;
5. determining, as required under the Agreement, the valuation of the Project Assets.
6. Assisting the Parties in resolution of Disputes and
7. Undertaking all other duties and functions in accordance with the Agreement.

## Remuneration of Independent Engineer

The fee and charges of the Independent Engineer shall be paid by the Nodal Agency as per terms & conditions of appointment.

## Termination of appointment

### The Nodal Agency may, in its discretion, terminate the appointment of the Independent Engineer at any time, but only after appointment of another Independent Engineer.

### If the TSP has reason to believe that the Independent Engineer is not discharging its duties and functions in a fair, efficient and diligent manner, it may make a written representation to the Nodal Agency and seek termination of the appointment of the Independent Engineer. Upon receipt of such representation, the Nodal Agency shall hold a tripartite meeting with the TSP and Independent Engineer for an amicable resolution, and the decision of Nodal agency is final. In the event that the appointment of the Independent Engineer is terminated hereunder, the Nodal Agency shall appoint forthwith another Independent Engineer.

## Authorised signatories

The Nodal Agency shall require the Independent Engineer to designate and notify to the Nodal Agency up to 2 (two) persons employed in its firm to sign for and on behalf of the Independent Engineer, and any communication or document required to be signed by the Independent Engineer shall be valid and effective only if signed by any of the designated persons; provided that the Independent Engineer may, by notice in writing, substitute any of the designated persons by any of its employees.

**ARTICLE: 19**

# Miscellaneous Provisions

## Equity Lock-in Commitment:

### The aggregate equity share holding of the Selected Bidder in the issued and paid up equity share capital of **KUDANKULAM ISTS TRANSMISSION LIMITED** shall not be less than Fifty one percent (51%) up to a period of one (1) year after COD of the Project.

### Provided that, in case the Lead Member or Bidding Company is holding equity through Affiliate/s, Ultimate Parent Company or Parent Company, such restriction as specified above shall apply to such entities.

### Provided further, that in case the Selected Bidder is a Bidding Consortium, the Lead Member shall continue to hold equity of at least twenty six percent (26%) upto a period of one (1) year after COD of the Project and any Member of such Bidding Consortium shall be allowed to divest its equity as long as the other remaining Members (which shall always include the Lead Member) hold the minimum equity specified above.

### If equity is held by the Affiliates, Parent Company or Ultimate Parent Company of the Selected Bidder, then, subject to the second proviso to Article 19.1.1, such Affiliate, Parent Company or Ultimate Parent Company shall be eligible to transfer its shareholding in **KUDANKULAM ISTS TRANSMISSION LIMITED** to another Affiliate or to the Parent Company / Ultimate Parent Company of the Selected Bidder. If any such shareholding entity, qualifying as an Affiliate / Parent Company / Ultimate Parent Company, is likely to cease to meet the criteria to qualify as an Affiliate / Parent Company / Ultimate Parent Company, the shares held by such entity shall be transferred to another Affiliate / Parent Company / Ultimate Parent Company of the Selected Bidder.

### Subject to Article 19.1.1, all transfer(s) of shareholding of **KUDANKULAM ISTS TRANSMISSION LIMITED** by any of the entities referred to in Article 19.1.1 and 19.1.2 above, shall be after prior written intimation to the Nodal Agency.

### For computation of effective Equity holding, the Equity holding of the Selected Bidder or its Ultimate Parent Company in such Affiliate(s) or Parent Company and the equity holding of such Affiliate(s) or Ultimate Parent Company in **KUDANKULAM ISTS TRANSMISSION LIMITED** shall be computed in accordance with the example given below:

### If the Parent Company or the Ultimate Parent Company of the Selected Bidder A directly holds thirty percent (30%) of the equity in **KUDANKULAM ISTS TRANSMISSION LIMITED**, then holding of Selected Bidder A in **KUDANKULAM ISTS TRANSMISSION LIMITED** shall be thirty percent (30%);

### If Selected Bidder A holds thirty percent (30%) equity of the Affiliate and the Affiliate holds fifty percent (50%) equity in **KUDANKULAM ISTS TRANSMISSION LIMITED**, then, for the purposes of ascertaining the minimum equity/equity lock-in requirements specified above, the effective holding of Bidder A in **KUDANKULAM ISTS TRANSMISSION LIMITED** shall be fifteen percent (15%), (i.e., 30% x 50%)

### The provisions as contained in this Article 19.1 shall override the terms of the consortium agreement submitted as part of the Bid.

### The TSP shall be responsible to report to Nodal Agency, within thirty (30) days from the occurrence of any event that would result in any change in its equity holding structure from that which existed as on the date of signing of the Share Purchase Agreement. In such cases, the Nodal Agency would reserve the right to ascertain the equity holding structure and to call for all such required documents / information / clarifications as may be required.

## Commitment of maintaining Qualification Requirement

### The Selected Bidder will be required to continue to maintain compliance with the Qualification Requirements, as stipulated in RFP Document, till the COD of the Project. Where the Technically Evaluated Entity and/or the Financially Evaluated Entity is not the Bidding Company or a Member in a Bidding Consortium, as the case may be, the Bidding Company or Member shall continue to be an Affiliate of the Technically Evaluated Entity and/or Financially Evaluated Entity till the COD of the Project.

### Failure to comply with the aforesaid provisions shall be dealt in the same manner as TSP’s Event of Default as under Article 13 of this Agreement.

## Language:

### 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.

### 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.

## Affirmation

The TSP and the Nodal Agency, each affirm that:

1. 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
2. it has not in any other manner paid any sums, whether in Indian currency or foreign currency and whether in India or abroad to the other Party to procure this Agreement, and the TSP and the Nodal Agency hereby undertake not to engage in any similar acts during the Term of Agreement.

## Severability

The invalidity or enforceability, for any reason, of any part of this Agreement shall not prejudice or affect the validity or enforceability of the remainder of this Agreement, unless the part held invalid or unenforceable is fundamental to this Agreement.

## Counterparts

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.

## Breach of Obligations/ Roles

The Parties acknowledge that a breach of any of the obligations/ roles contained herein would result in injuries. The Parties further acknowledge that the amount of the liquidated damages or the method of calculating the liquidated damages specified in this Agreement is a genuine and reasonable pre-estimate of the damages that may be suffered by the non-defaulting Party in each case specified under this Agreement.

## Restriction of Shareholders / Owners Liability

### Parties expressly agree and acknowledge that none of the shareholders of the Parties hereto shall be liable to the other Parties for any of the contractual obligations of the concerned Party under this Agreement.

### Further, the financial liabilities of the shareholder(s) of each Party to this Agreement shall be restricted to the extent provided in the Indian Companies Act, 1956 / Companies Act, 2013 (as the case may be).

## Taxes and Duties:

### The TSP shall bear and promptly pay all statutory taxes, duties, levies and cess, assessed/levied on the TSP, its Contractors or their employees that are required to be paid by the TSP as per the Law in relation to the execution of the Project and for providing Transmission Service as per the terms of this Agreement.

### The Nodal Agency shall be indemnified and held harmless by the TSP against any claims that may be made against the Nodal Agency in relation to the matters set out in Article 19.9.1.

### The Nodal Agency shall not be liable for any payment of, taxes, duties, levies, cess whatsoever for discharging any obligation of the TSP by the Nodal Agency on behalf of TSP or its personnel, provided the TSP has consented in writing to the Nodal Agency for such work, for which consent shall not be unreasonably withheld.

## No Consequential or Indirect Losses

The liability of the TSP shall be limited to that explicitly provided in this Agreement.

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

## Discretion:

Except where this Agreement expressly requires a Party to act fairly or reasonably, a Party may exercise any discretion given to it under this Agreement in any way it deems fit.

## Confidentiality

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

### to their professional advisors;

### to their officers, contractors, employees, agents or representatives, financiers, who need to have access to such information for the proper performance of their activities; or

### disclosures required under Law,

without the prior written consent of the other Parties.

Provided that, the TSP agrees and acknowledges that the Nodal Agency, may, at any time, disclose the terms and conditions of the Agreement and the RFP Project Documents to any person, to the extent stipulated under the Law and the Competitive Bidding Guidelines.

## Order of priority in application:

Save as provided in Article 2.5, in case of inconsistencies between the terms and conditions stipulated in Transmission License issued by the Commission to the TSP, 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:

* terms and conditions of Transmission License;
* applicable Law, rules and regulations framed thereunder;
* this Agreement;
* Agreement(s), if any, under Sharing Regulations.

## Independent Entity:

### The TSP shall be an independent entity performing its obligations pursuant to the Agreement.

### Subject to the provisions of the Agreement, the TSP shall be solely responsible for the manner in which its obligations under this Agreement are to be performed. All employees and representatives of the TSP or Contractors engaged by the TSP in connection with the performance of the Agreement shall be under the complete control of the TSP and shall not be deemed to be employees, representatives, Contractors of the Nodal Agency and nothing contained in the Agreement or in any agreement or contract awarded by the TSP shall be construed to create any contractual relationship between any such employees, representatives or Contractors and the Nodal Agency.

## Amendments:

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

## Waiver:

### 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.

### 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.

## 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.

## Entirety:

### This Agreement along with its sections, schedules and appendices is intended by the Parties as the final expression of their agreement and is intended also as a complete and exclusive statement of the terms of their agreement.

### Except as provided in this Agreement, all prior written or oral understandings, offers or other communications of every kind pertaining to this Agreement or the provision of Transmission Service under this Agreement to the Nodal Agency by the TSP shall stand superseded and abrogated.

## Notices:

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

### If to the TSP, all notices or communications must be delivered personally or by registered post or facsimile or any other mode duly acknowledged to the addressee below:

Address :

Attention :

Email :

Fax. No. :

Telephone No. :

### If to the Nodal Agency, all notices or communications must be delivered personally or by registered post or facsimile or any other mode duly acknowledged to the addresses below:

(i) Central Transmission Utility of India Limited

Address : 5th to 10th Floor, IRCON International Tower,

Tower no-1, Plot no -16 , Sector-32, Gurugram,

Haryana :122003

Attention : Ramachandra, Sr GM

Email : ramachand@powergrid.in

Fax. No. :

Telephone No. : 9910378128

### All notices or communications given by facsimile shall be confirmed by sending a copy of the same via post office in an envelope properly addressed to the appropriate Party for delivery by registered mail. All notices shall be deemed validly delivered upon receipt evidenced by an acknowledgement of the recipient, unless the Party delivering the notice can prove in case of delivery through the registered post that the recipient refused to acknowledge the receipt of the notice despite efforts of the postal authorities.

### 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.

## Fraudulent and Corrupt Practices

### The TSP and its respective officers, employees, agents and advisers shall observethe highest standard of ethics during the subsistence of this Agreement. Notwithstanding anything to the contrary contained in the Agreement, the Nodal Agency may terminate the Agreement without being liable in any manner whatsoever to the TSP, if it determines that the TSP has, directly or indirectly or through an agent, engaged in corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice in the Bid process. In such an event, the Nodal Agency shall forfeit the Contract Performance Guarantee of the TSP, without prejudice to any other right or remedy that may be available to the Nodal Agency hereunder or subsistence otherwise.

### Without prejudice to the rights of the Nodal Agency under Clause 19.20.1 hereinabove and the rights and remedies which the Nodal Agency may have under this Agreement, if a TSP is found by the Nodal Agency to have directly or indirectly or through an agent, engaged or indulged in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice during the Bid process, or after the issue of Letter of Intent (hereinafter referred to as LoI) or after the execution of the agreement(s) required under Sharing Regulations, the Nodal Agency may terminate the Agreement without being liable in any manner whatsoever to the TSP. Further, the TSP & its Affiliates shall not be eligible to participate in any tender or RFP issued by any BPC for an indefinite period from the date such TSP is found by the Nodal Agency to have directly or indirectly or through an agent, engaged or indulged in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practices, as the case may be.

### For the purposes of this Clause 19.20, the following terms shall have the meaning hereinafter respectively assigned to them:

(a) **“corrupt practice”** means (i) the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the actions of any person connected with the Bid process (for avoidance of doubt, offering of employment to or employing or engaging in any manner whatsoever, directly or indirectly, any official of the BPC who is or has been associated or dealt in any manner, directly or indirectly with the Bid process or the LoI or has dealt with matters concerning the RFP Project Documents or arising there from, before or after the execution thereof, at any time prior to the expiry of one year from the date such official resigns or retires from or otherwise ceases to be in the service of the BPC, shall be deemed to constitute influencing the actions of a person connected with the Bid Process); or (ii) engaging in any manner whatsoever, whether during the Bid Process or after the issue of the LoI or after the execution of the RFP Project Documents, as the case may be, any person in respect of any matter relating to the Project or the LoI or the RFP Project Documents, who at any time has been or is a legal, financial or technical adviser of the BPC in relation to any matter concerning the Project;

(b)“**fraudulent practice**” means a misrepresentation or omission of facts or suppression of facts or disclosure of incomplete facts, in order to influence the Bid process;

(c) “**coercive practice**” means impairing or harming, or threatening to impair or harm, directly or indirectly, any person or property to influence any person’s participation or action in the Bid process;

(d) “**undesirable practice**” means (i) establishing contact with any person connected with or employed or engaged by the BPC with the objective of canvassing, lobbying or in any manner influencing or attempting to influence the Bid process; or (ii) having a Conflict of Interest; and

(e) “**restrictive practice**” means forming a cartel or arriving at any understanding or arrangement among Bidders with the objective of restricting or manipulating a full and fair competition in the Bid process;

## Compliance with Law:

### Despite anything contained in this Agreement but without prejudice to Article 12, if any provision of this Agreement shall be in deviation or inconsistent with or repugnant to the provisions contained in the Electricity Act, 2003, or any rules and regulations made there under, such provision shall be deemed to be amended to the extent required to bring it into compliance with the aforesaid relevant provisions as amended from time to time.

### **IN WITNESS WHEREOF, THE PARTIES HAVE CAUSED THIS AGREEMENT TO BE EXECUTED BY THEIR DULY AUTHORISED REPRESENTATIVES AS OF THE DATE AND PLACE SET FORTH ABOVE.**

1. For and on behalf of TSP

……………………………..

[Signature, Name, Designation and Address]

2. For and on behalf of **Central Transmission Utility of India Limited (Nodal Agency)**

……………………………..

[Signature, Name, Designation and Address]

**WITNESSES:**

1. For and on behalf of

: **BPC**

……………………………

[Signature]

...............................................................

[Insert, Name, Designation and Address of the Witness]

2. For and on behalf of

: **Nodal Agency**

……………………………

[Signature]

...........................................................

[Insert Name, Designation and Address of the Witness]

**SCHEDULES**

**Schedule: 1**

**Project Description and Scope of Project**

1. **Description of the Transmission Scheme**

M/s NPCIL have submitted applications for grant of Connectivity & LTA for KNPP Unit-3&4 and application for grant of connectivity for KNPP Unit-5&6 under the CERC Connectivity Regulations, 2009. The transmission system for evacuation of power from KNPP-3&4 and KNPP- 5&6 was finalized during Joint Study meeting of Southern Regional constituents held on 22-23 Feb 2023, at SRPC, Bengaluru.

Subsequently, with the notification towards effectiveness of CERC GNA Regulations, 2022, M/s NPCIL opted for transition under the GNA Regulations for KNPP-3&4 (2x1000 MW) only.

As per the Govt. of India policy, which was notified on 19.07.2022 towards implementation of intra-state transmission lines for drawl of its share allocation from CPSE generating stations provides that “*in case the State, where the CPSE generating Station is located, needs to draw the free power / their share from the generating station, they can plan and build the lntra State transmission lines of required capacity at their own cost. This will relieve them from using the ISTS network for drawal of their share and thus, will not have the burden of paying the ISTS charges*”.

Accordingly, the transmission system for KNPP Unit - 3&4 was identified under the scope of ISTS and TANTRANSCO. The transmission system under the scope of TANTRANSCO shall facilitate in drawl of its share allocation from Kudankulam Unit-3&4. The transmission system under the scope of ISTS shall facilitate in evacuation and transfer of power to other beneficiaries from Kudankulam Unit-3&4 generation project. The identified transmission system under ISTS shall be implemented with the time frame of Kudankulam Unit-3 i.e. by Dec, 2026 as sought under the Connectivity / GNA application.

The transmission scheme was discussed in the 25th CMETS-SR held on 28.11.2023. The scheme was discussed and agreed in the Joint Study meeting held on 21-22nd December 2023 at Yelahanka, Bengaluru. The scheme was also discussed and agreed in the 49th SRPC meeting held on 08.12.2023.

The National Committee on Transmission in its 18th meeting held on 05.03.2024 has recommended the implementation of the subject transmission scheme through TBCB route.

Ministry of Power vide Gazette notification dated 15.03.2024 has appointed PFC Consulting Limited as BPC for bidding of the subject scheme through TBCB route.

1. **Detailed Scope of Work**

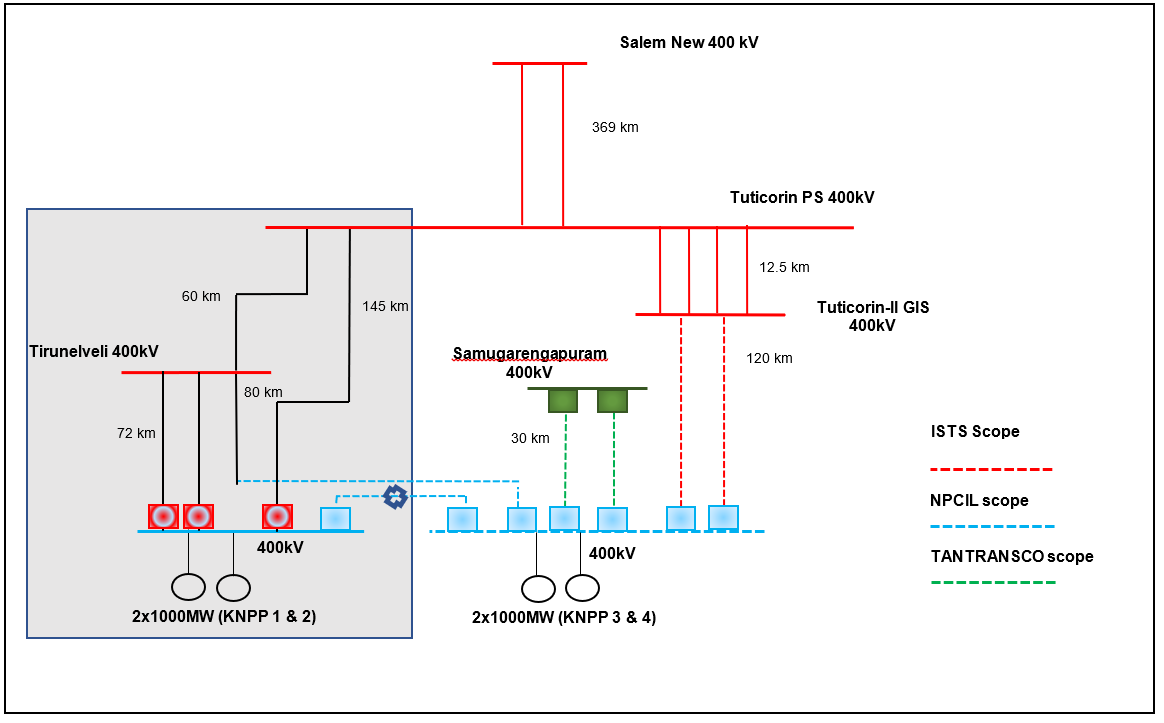
**Transmission System under ISTS for evacuation of power from Kudankulam Unit - 3 & 4 (2x1000 MW)**

| ***Sl. No.*** | ***Scope of the Transmission Scheme*** | ***Scheduled COD from effective date*** |
| --- | --- | --- |
|  | * KNPP 3&4 – Tuticorin-II GIS PS 400 kV (quad) D/C line * 400 kV GIS line terminal equipment at Tuticorin-II GIS – 2 nos. | 31.12.2026 |

**Note :** Line & GIS terminal equipment at Tuticorin-II GIS under ISTS scope and bays at KNPP under NPCIL scope

1. **Transmission Grid Map:**

Transmission Grid Map indicating the location of the Project is as below.



**LOCATION DETAILS OF EXISTING / UNDER CONSTRUCTION SUBSTATIONS**

1. **Tuticorin-II 400/230 kV GIS: *9° 3'0.45"N, 77°55'33.36"E***
2. **Kudankulam NPP 3 & 4 Generation switchyard:**

**Coordinates of both end**

|  |  |  |
| --- | --- | --- |
| **Location** | **Latitude** | **Longitude** |
| **Start point (KNPP 3&4 )** | 8°10 '10.95" N | 77°42 '8.59" E |
| **End point (Tuticorin-II GIS PS)** | 9°2 '56.59" N | 77°55 '40.68" E |

*Note: The above coordinates/location of substation indicated is approximate in the substation area. Exact coordinates for the corresponding bays/gantry for termination of the respective line may be verified & finalized in coordination with actual site* **SPECIFIC TECHNICAL REQUIREMENTS FOR TRANSMISSION LINE**

**A.1.0** The design, routing and construction of transmission lines shall be in accordance with Chapter V, Part A of CEA (Technical Standards for Construction of Electrical Plants and Electric Lines) Regulations 2022, as amended from time to time. Other CEA Regulations and MoP guidelines, as applicable, shall also be followed.

**A.2.0** Selection of tower type shall be made as per CEA Regulations, however in case lattice type towers are used, the following shall also be applicable:

**A.2.1** Steel section of grade E 250 and/or grade E 350 as per IS 2062, only are permitted for use in towers, extensions, gantry structures and stub setting templates. For towers in snowbound areas, steel sections shall conform to Grade-C of IS-2062.

**A.2.2** Towers shall be designed as per IS-802:2015, however the drag coefficient of the tower shall be as follows: -

|  |  |
| --- | --- |
| **Solidity Ratio** | **Drag Coefficient** |
| Up to 0.05 | 3.6 |
| 0.1 | 3.4 |
| 0.2 | 2.9 |
| 0.3 | 2.5 |
| 0.4 | 2.2 |
| 0.5 and above | 2.0 |

**A.3.0** Transmission Service Provider (TSP) shall adopt any additional loading/design criteria for ensuring reliability of the line, if so desired and /or deemed necessary.

**A.4.0** Transmission line shall be designed considering wind zones as specified in wind map given in National Building Code 2016, Vol.1. The developer shall also make his own assessment of local wind conditions and frequent occurrences of high intensity winds (HIW) due to thunderstorms, dust-storms, downburst etc. along the line route and wherever required, higher wind zone than that given in wind map shall be considered for tower design for ensuring reliability of line. Further, for transmission line sections passing within a distance of 50 km from the boundary of two wind zones, higher of the two wind zones shall be considered for design of towers located in such sections.

**A.5.0** Selection of reliability level for design of tower shall be as per CEA Regulation (Technical Standards for Construction of Electrical Plants and Electric Lines) Regulations 2022, as amended from time to time.

**A.6.0** A) For power line crossing of 400 kV or above voltage level (if crossed over the existing line), large angle and dead end towers (i.e. D/DD/QD) shall be used on either side of power line crossing.

* + 1. For power line crossing of 132 kV and 220 kV (or 230 kV) voltage level, angle towers (B/C/D/DB/DC/DD/QB/QC/QD) shall be used on either side of power line crossing depending upon the merit of the prevailing site condition and line deviation requirement.
    2. For power line crossing of 66 kV and below voltage level, suspension/tension towers shall be provided on either side of power line crossing depending upon the merit of the prevailing site condition and line deviation requirement.
    3. For crossing of railways, national highways and state highways, the Rules/Regulations of appropriate authorities shall be followed.

**A.7.0** The relevant conductor configuration shall be as follows: -

**Name of line:** KNPP 3&4 – Tuticorin-II GIS PS 400 kV (quad) D/C line

Type of conductor: ACSR / AAAC / AL59

Basic parameters:

| **Transmission line** | **ACSR**  **Conductor specified** | **Equivalent AAAC**  **conductor based on 53% conductivity of Al Alloy** | **Equivalent minimum size of AL59 conductor based on 59% conductivity of AL Alloy\*** | **Sub- conductor Spacing** |
| --- | --- | --- | --- | --- |
| 400 kV D/C  (Quad bundled) Transmission Lines | **Moose: Stranding** 54/3.53mm-Al + 7/3.53 mm- Steel,  31.77 mm diameter  528.5 mm2, Aluminium area,  Maximum DC Resistance at 20°C (Ω/km):0.05552 | **Stranding details:** 61/3.55mm  31.95mm  diameter;  604 mm2  Aluminium alloy area  Maximum DC Resistance at 20°C  (Ω/km): 0.05506 | **Stranding details:** 61/3.31 mm  29.79 mm diameter;  525 mm2  Aluminium alloy  area  Maximum DC Resistance at 20°C  (Ω/km): 0.0566 | 457 mm |
| Minimum UTS:  161.20 kN | Minimum UTS:  159.80 kN | Minimum UTS:  124.70 kN |  |

Note: \*1. To select any size above the minimum, the sizes mentioned in the relevant Indian standard i.e IS-398(part-6) should be followed.

2. The transmission lines shall have to be designed for a maximum operating conductor temperature of 85 deg C.

**A.8.0** The required phase to phase spacing and horizontal spacing for 400 kV line shall be governed by the tower design as well as minimum live metal clearances for 400 kV voltage level under different insulator swing angles. However, the phase to phase spacing for 400 kV lines shall not be less than 8m.

**A.9.0** All electrical clearances including minimum live metal clearance, ground clearance and minimum mid span separation between earth wire and conductor as given below shall be considered.

**Minimum live metal clearances for 400 kV line:**

1. a). Under stationary conditions:

From tower body: 3.05 m

b). Under Swing conditions

|  |  |
| --- | --- |
| **Wind Pressure Condition** | **Minimum Electrical Clearance** |
| a) Swing angle (22º) | 3.05 m |
| b) Swing angle (44º) | 1.86 m |

1. Minimum ground clearance for 400 kV line: 8.84 m
2. Minimum mid span separation between earthwire and conductor for 400 kV line: 9.0 m

**A.10.0** Shielding angle shall not exceed 20 deg for 400 kV D/C Line transmission line.

**A.11.0** The Fault current for design of line shall be 63 kA for 1 sec for 400 kV.

**A.12.0** In case of 400 kV voltage class lines, at least one out of two earth wires shall be OPGW and second earth wire, if not OPGW, shall be either of galvanized standard steel (GSS) or Aluminum Alloy Conductor Steel Reinforced (AACSR) conductor type or any other suitable conductor type depending upon span length and other technical consideration.

**A.13.0** Each tower shall be earthed such that tower footing impedance does not exceed 10 ohms. Pipe type or Counterpoise type earthing shall be provided in accordance with relevant IS. Additional earthing shall be provided on every 7 to 8 km distance for direct earthing of both shield wires. If site condition demands, multiple earthing or use of earthing enhancement compound shall be used.

**A.14.0** Pile type foundation shall be used for towers located in river or creek bed or on bank of river having scourable strata or in areas where river flow or change in river course is anticipated, based on detailed soil investigation and previous years’ maximum flood discharge of the river, maximum velocity of water, highest flood level, scour depth and anticipated change in course of river based on river morphology data of at least past 20 years to ensure availability and reliability of the transmission line.

**A.15.0** Transmission line route shall be finalized, in consultation with appropriate authorities so as to avoid the habitant zones of endangered species and other protected species. Bird diverters, wherever required, shall be provided on the line.

**A.16.0** Wherever, transmission lines are passing through cyclone prone areas i.e. areas up to 60 km from coast following shall also be applicable:

1. Terrain category-I, with terrain roughness factor (K2) of 1.08 shall be considered for tower design for exposed open terrain with few or no obstruction which also includes open sea coasts, open stretch of water, desert and flat treeless plains
2. Importance factor for cyclonic region (K4) of 1.3 shall be considered for tower design.
3. The number of consecutive spans between the section points/ angle point shall not exceed 10 spans or 3 km instead of conventional practice of 15 spans or 5 km, in order to reduce the failure of such towers in coastal areas due to cascading effect. The section shall be terminated with tension tower/ angle tower and angle of deviation should be based on the site requirement.

**A.17.0** Wherever, transmission lines are passing through cyclone prone areas (i.e. areas up to 60 km from coast)/ creek regions/ aggressive soil areas following shall also be applicable:

1. The fabricated tower parts and stubs shall have a minimum overall zinc coating of 900 g/m2 of surface area except for plates and sections below 5 mm which shall have a minimum overall zinc coating of 610 g/m2 of surface area. The average zinc coating for all sections and plates 5 mm and above shall be maintained as 127 microns and that for plates and sections below 5 mm shall be maintained as 87 microns.
2. Ready mix concrete of M30 Grade shall be used to avoid use of locally available saline water. However, design mix concrete of M30 Grade conforming to IS 456 with potable water can be used at locations where transportation of ready-mix concrete is not feasible. Minimum cement content in any case shall not be less than 330 kg/m3.
3. The surface of the reinforced steel shall be treated with epoxy-based coating to enhance corrosion performance of foundation. Use of epoxy coated reinforcement in foundation shall be as per IS 13620. In addition, two (2) coats of bituminous painting of minimum 1.6 kg/m2 per coat shall be applied on all exposed faces of foundation (i.e. pedestal and base slab).
4. Double coat of 20 mm thick cement plaster shall be provided on all exposed concrete surface as well up to 300 mm below ground level to give protection to concrete surface from environmental and saline effect.
5. Before coping of chimney top portion, three coats of anti-corrosive paint of minimum 30-35 microns dry film thickness each shall be applied on the stub in the 50 mm coping portion as well as up to 350 mm above CL portion.

**A.18.0** The raised chimney foundation is to be provided in areas prone to flooding/water stagnation like paddy field /agricultural field and undulated areas to avoid direct contact of water with steel part of tower. The top of the chimney of foundation should be at least above HFL (High Flood Level) or the historical water stagnation/ logging level (based on locally available data) or above High Tide Level or 500 mm above Natural Ground level (whichever is higher).

**A.19.0** Routing of transmission line through protected areas of India shall be avoided to the extent possible. In case, it is not possible to avoid protected areas, the towers of the transmission line up to 400 kV level which are installed in protected areas shall be designed for Multi-circuit (4 circuits) configuration of same voltage level considering reliability level of at least two (2). The top two circuits of these multi-circuit towers shall be used for stringing of the transmission line under present scope and the bottom two circuits shall be made available for stringing of any future transmission line of any transmission service providers/ State transmission utilities/Central transmission utilities passing through the same protected area. Further, the configuration and coordinates of such transmission towers shall be submitted to CEA, CTU and BPC by the TSP.

**A.20.0** The TSP shall abide by the Guidelines of CEA w.r.t. shifting of transmission lines for NHAI projects and other projects.

**A.21.0** Safety precautions in regards to gas/oil pipe lines in vicinity of Transmission lines shall be taken in coordination with gas/ petroleum authorities.

**SPECIFIC TECHNICAL REQUIREMENTS FOR SUBSTATION**

Extension of **400 kV Tuticorin-II PS** shall be Gas Insulated Switchgear (GIS) type generally conforming to the requirements of CEA (Technical Standards for Construction of Electrical Plants and Electric Lines) Regulations 2022, as amended from time to time.

Other CEA Regulations/guidelines as amended up to date and MoP guidelines, as applicable, shall also be followed.

**B.1.0** **Salient features of Substation Equipment and Facilities**

The design and specification of substation equipment are to be governed by the following factors:

**B.1.1** **Insulation Coordination**

The system design parameters for substations/switchyards shall be as given below:

| **Sl.**  **No.** | **Description of parameters** | **Extn. of 400 kV Tuticorin-II (GIS) S/s** |
| --- | --- | --- |
|  |  | **400 kV**  **System** |
| 1. | System operating voltage | 400 kV |
| 2. | Maximum voltage of the system (rms) | 420 kV |
| 3. | Rated frequency | 50 Hz |
| 4. | No. of phases | 3 |
| 5. | Rated Insulation levels |  |
| i) | Lightning Impulse withstand voltage for (1.2/50 micro sec.)   * for Equipment other than Transformer and Reactor * for Insulator String | 1425 kVp  1550 kVp |
| ii) | Switching impulse withstand voltage (250/2500 micro sec.) dry and wet | 1050 kVp |
| iii) | One minute power frequency dry withstand voltage (rms) | 650 kV |
| iv) | One minute power frequency dry and wet withstand voltage (rms) | - |
| 6. | Corona extinction voltage | 320 kV |
| 7. | Max. radio interference voltage for frequency between 0.5 MHz and 2 MHz | 1000 micro-volts at 266 kV rms |
| 8. | Minimum creepage distance for insulator string/ longrod insulators/ outdoor bushings | 13020 mm (31 mm/kV) |
| 9. | Minimum creepage distance for switchyard equipment | 10500 mm (25 mm/kV) |
| 10. | Max. fault current | 63 kA |
| 11. | Duration of fault | 1 Sec |

**B.1.2** ***Extension of 400 kV Tuticorin-II (GIS)****:*

400 kV Bay module along with GIB brought outside of the GIS hall upto SF6 to Air bushing is available for termination of KNPP 3&4 – Tuticorin-II GIS PS 400 kV D/C line at Tuticorin-II. However, Line side equipment such as LA, CVT, Wave Trap, gantry, protection panel etc. shall be provided under the scope of TSP.

**B.2.0 Substation Equipment and facilities (Voltage level as applicable):**

The switchgear shall be designed and specified to withstand operating conditions and duty requirements. All equipment shall be designed considering the following capacity.

| **Sl. No** | **Description of bay** | **Extn of 400 kV Tuticorin-II (GIS)** |
| --- | --- | --- |
| **400 kV** |
| 1. | Bus Bar | As per existing |
| 2. | Line Bay | As per existing |

**B.2.1 400 kV AIS Substation equipment**

**B.2.1.1 Capacitive Voltage Transformers (AIS)**

Capacitive Voltage transformers shall comply with IEC 61869 in general. These shall have three secondaries out of which two shall be used for protection and one for metering. Accuracy class for protection cores shall be 3P and for metering core it shall be 0.2. The Capacitive voltage transformers on lines shall be suitable for Carrier Coupling. The Capacitance of CVT for 400 kV shall be of 4400/8800pF depending on PLCC requirements. The rated burden of cores shall be closer to the maximum burden requirement of metering and protection system (not more than 50 VA for metering core)for better sensitivity and accuracy.

**B.2.1.2 Surge Arresters (AIS)**

336 kV Station High (SH) duty gapless type Surge arresters with thermal energy (Wth) of minimum 12 kJ/kV shall be provided for 420 kV system conforming to IEC 60099-4 in general. Other characteristics of Surge arrester shall be chosen in accordance with system requirements. Surge arrest­ers shall be provided at line entrances near transformers and reactors so as to achieve proper insulation coordination. Surge Arresters shall be provided with porcelain/ polymer housing fitted with pressure relief de­vices. A leakage current monitor with surge counter shall be provided with each surge arrester.

**B.2.2 Protection Relaying and Control System**

The protective relaying system proposed to be provided for transmission lines, auto-transformers, reactors and bus bars to minimize the damage to the equipment in the events of faults and abnormal conditions, is dealt in this section. All main protective relays shall be numerical type with IEC 61850 communication interface and should have interoperability during integration of numerical relays to communicate over IEC61850 protocol with RTU/SAS/IEDs of different OEMs. All numerical relays shall have built in disturbance recording feature.

The protection circuits and relays of transformer and reactor shall be electrically and physically segregated into two groups each being independent and capable of providing uninterrupted protection even in the event of one of the protection groups failing, to obtain redundancy, and to take protection systems out for maintenance while the equipment remains in service.

1. **Transmission Lines Protection**

400 kV lines shall have Main-I numerical three zone distance protection scheme with carrier aided inter-tripping feature. 400 kV lines shall also have Main-II numerical distance protection scheme like Main-I but from different make that of Main-I. The Main-I and Main-II protection relays of same make may be provided only if they are of different hardware and manufacturing platform or different principle of operation.

However, Line Current Differential relay (with back up distance protection feature) as Main–I and Main-II shall be considered at both ends for short lines (line length below 30 km) having Fibre Optic communication link. Differential relay at remote end shall be provided by the TSP. Associated power and control cabling and integration with SAS at remote end shall be provided by respective bay owner.

In case of loop in loop out of transmission lines, the existing protection scheme shall be studied and suitable up-gradation (if required) shall be carried out.

Further, all 400 kV lines shall be provided with single and three phase auto-reclosing facility to allow reclosing of circuit breakers in case of transient faults. These lines shall also be provided with distance to fault locators to identify the location of fault on transmission lines.

All 400 kV lines shall also be provided with two stages over voltage protection. Over voltage protection and distance to fault locator may be provided as in-built feature of Main-I and Main-II protection relays. Auto reclose as built-in function of Bay Control Unit (BCU) is also acceptable.

The Main-I and Main-II protection relays shall be fed from separate DC sources and shall be mounted in separate panels.

For 400 kV transmission lines, directional IDMT earth fault relay should be provided as standalone unit or in-built feature of Main-I and Main -II feature.

**B.2.3 Substation Automation System**

In existing substations with Substation automation system (SAS), augmentation of existing SAS shall be done for bays under present scope.

**B.3.0 Substation Support facilities**

In existing substation, these facilities have already been provided and would be extended/ augmented as per requirement.

**B.3.1 Control Room**

At existing substations, the adequacy of size of control room shall be ascertained and the same shall be augmented as per requirement.

**B.3.2 GIS hall**

For extension of existing GIS, existing facilities shall be suitably augmented/ extended for GIS equipment under present scope.

**B.3.3 Visual monitoring system (VMS) for watch and ward of substation premises:**

At existing substations, the visual monitoring system if available shall be augmented as per existing or better specification as required.

**B.4 General Facilities**

1. Bay extension works at existing substation shall be executed by TSP in accordance with the requirement/provisions mentioned above. However, interface points shall be considered keeping in view the existing design/arrangement at the substation.
2. TSP has to arrange for construction power and water on its own.
3. All outdoor steel structures including anchor/foundation bolts shall be fully galvanized. The weight of the zinc coating shall be at least 610 g/m2. However, for coastal/creek regions it shall be at least 900 g/m2.
4. All electrical equipment shall be installed above Highest Flood Level and where such equipment is not possible to be installed above Highest Flood Level, it shall be ensured that there is no seepage or leakage or logging of water.
5. As per CEA Manual on Transmissions Planning criteria 2023, Line approaching substation shall normally be perpendicular to the substation boundary for a stretch of 2-3 kms. Accordingly, TSP shall ensure that line terminations at substations are arranged in a manner to avoid hindrance to future line terminations at the substations.

**B.5 EXTENSION OF EXISTING SUBSTATION**

The following drawings/details of existing substation is attached with the RFP documents for further engineering by the bidder.

| **Sl. No.** | **Drawing Title** | **Drawing No./Details** | **Rev. No.** |
| --- | --- | --- | --- |
| **1.** | **400 kV Tuticorin-II (GIS) Extn** | | |
| 1.0 | Single Line Diagram | Attached in Annexure I |  |
| 2.0 | General Arrangement | Attached in Annexure I |  |
| 3.0 | Earth mat Layout | Attached in Annexure I |  |
| 4.0 | Visual Monitoring System | -- |  |
| 5.0 | Bus Bar Protection | --- |  |
| 6.0 | Substation Automation System (SAS) | Attached in Annexure I |  |

Bidder is also advised to visit the substation sites and acquaint themselves with the topography, infrastructure such as requirement of roads, cable trench, drainage, space availability in control rooms and LT panel room etc. and also the design philosophy.

**SPECIFIC TECHNICAL REQUIREMENTS FOR COMMUNICATION**

The communication requirement shall be in accordance to CEA (Technical Standards for Communication System in Power System Operations) Regulations, 2020, CEA (Technical Standards for Construction of Electrical Plants and Electric Lines) Regulations, 2022, CERC (Communication System for inter-State transmission of electricity) Regulations, 2017, and CEA (Cyber Security in Power Sector) Guidelines, 2021, all above documents as amended from time to time.

The communication services viz. SCADA, AGC (wherever applicable), VoIP, AMR and PMU have been identified as critical services and therefore shall be provisioned with 2+2 redundancy i.e. 2 channels for Main Control Centre and 2 channels for Backup Control Centre. In order to meet this requirement, suitable redundancy at port and card level need to be ensured by the TSP to avoid any single point of failure which may lead to interruption in real-time grid operation.

PMU to PDC communication (wherever required) shall be through 2 channels to the PDC (main) as there is no backup PDC at present.

Accordingly all the hardware for communication services of station as stated above shall support dual redundancy for data transmission of station to respective main and backup RLDCs

The complete ISTS communication system commissioned by TSP under the RFP shall be the asset of ISTS and shall be available for usage of ISTS requirements as suggested by CTU from time to time.

In order to meet the requirement for grid management and operation of substations, Transmission Service Provider (TSP) shall provide the following**:**

#### **C.1.0 KNPP 3&4 – Tuticorin-II GIS PS 400 kV D/C line**

On KNPP 3&4 – Tuticorin-II GIS PS 400 kV D/C line, TSP shall supply, install and commission One (1) No. OPGW cable containing 24 Fibres (24F) on one E/W peak and conventional earth wire on other E/W peak.

The TSP shall install this OPGW from gantry of KNPP 3&4 up to the gantry of Tuticorin-II GIS PS 400 kV with all associated hardware including Vibration Dampers, mid-way and gantry Joint Boxes (called **OPGW Hardware** hereafter) and finally terminate in Joint Boxes at end Substations. The transmission line length is **120 kms (approx.),** where repeater may not be required to meet the link budget requirement of KNPP 3&4 – Tuticorin-II GIS PS 400 kV D/C link.

Maintenance of OPGW Cable and OPGW Hardware shall be responsibility of TSP.

**C.2.0 FOTE requirement at 400 kV Tuticorin-II GIS (for 2 Nos. of 400 kV Line bays)**

1. TSP shall supply, install and commission 1 No. FODP (72F or higher) alongwith panel and required Approach Cable (24F) with all associated hardware fittings from gantry tower to Bay Kiosk and from the Bay Kiosk to Control room.
2. TSP shall supply, install and commission One STM-16 (FOTE) equipment alongwith panel/s supporting minimum three (3) directions with MSP (Multiplex Section Protection – 1+1) with necessary interfaces to meet the voice and data communication requirement between KNPP 3&4 and Tuticorin-II GIS PS. The suitable DC Power Supply and backup to be provided for communication equipment.
3. FOTE/FODP panel shall be installed in the new Bay Kiosk (Switchyard Panel Room (SPR)). The FOTE under present scope shall be integrated by TSP with the existing FOTE at control room of Tuticorin -II GIS PS which shall be communicating with respective control center. TSP to provide necessary FODP sub rack / Splice trays/ Patch cords etc. and optical interfaces/equipment in the existing FOTE/FODP panels in control room for integration with the existing FOTE for onwards data transmission.

In case spare optical direction is not available in the existing FOTE at the control room, the TSP shall coordinate with station owner to reconfigure the directions in existing FOTE at control room*.* Alternatively, The TSP may integrate the FOTE under the present scope with existing FOTE in the nearby Kiosk connected to the control room FOTE (if available with spare direction). For this purpose, TSP shall provide necessary FODP sub rack / Splice trays/ Patch cords etc. and suitable optical interfaces/ equipment in the existing FOTE/FODP panels in another Kiosk (SPR).

1. FOTE and FODP can be accommodated in same panel to optimize space.

1. The maintenance of all the communication equipment including FOTE, FODP, approach cable, PMU, DCPS alongwith Battery Bank shall be the responsibility of TSP.

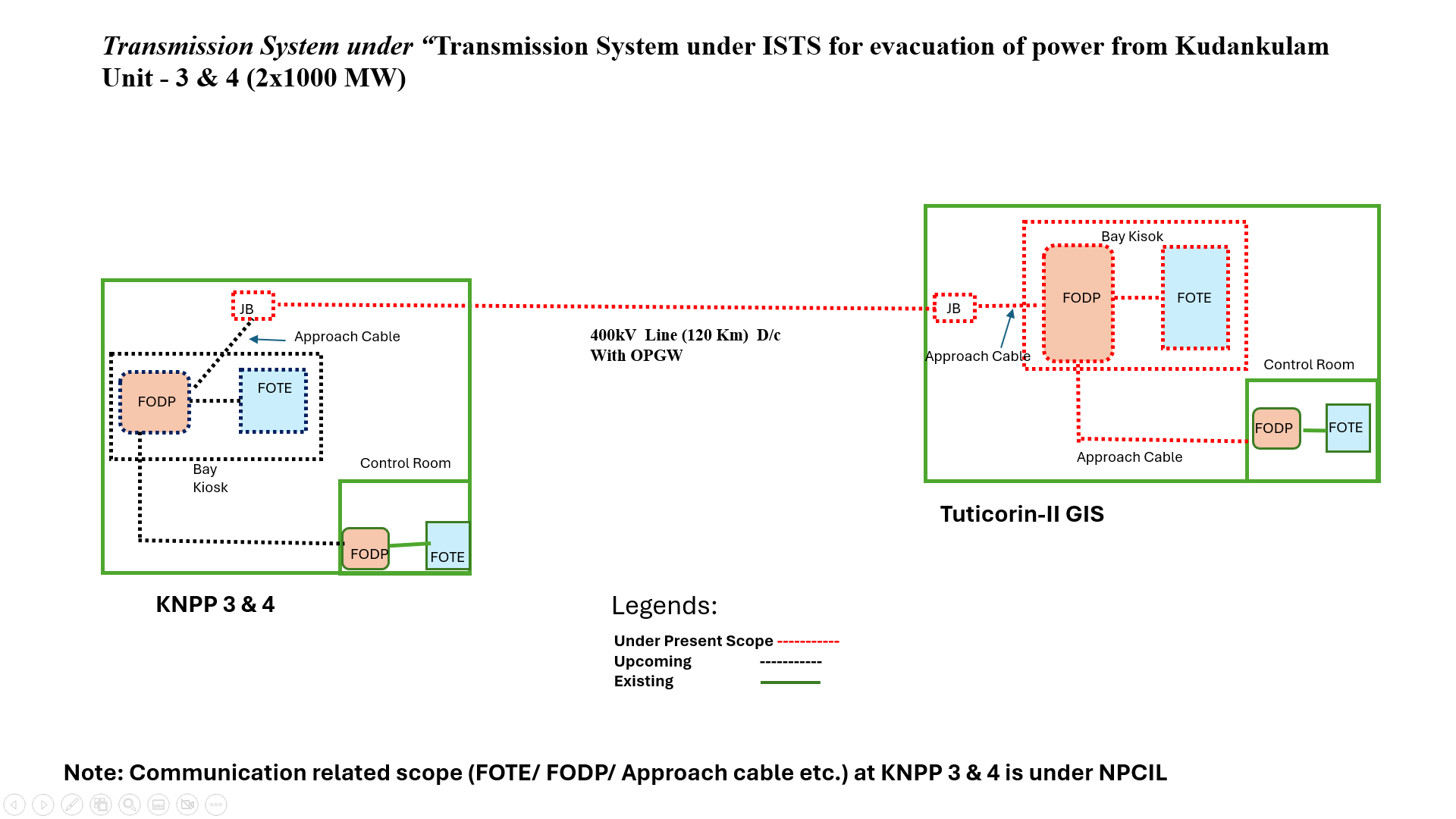
**C.3.0 Specific Requirement for Phasor Measurement Units (PMUs)**

TSP shall supply, install and commission required No. of Phasor Measurement Units (PMUs) at all the locations including **STATCOMs** (if applicable) under the scope this RFP as per CEA (Technical Standards for Construction of Electrical Plants and Electric Lines) Regulations, 2022 (alongwith all amendments if any), and all the applicable Regulations, Standards, Guidelines issued time to time. These PMUs shall be provided with GPS clock and LAN switch and shall connect with LAN switch of control room of respective substations/ generating stations with Fibre Optic cable. These PMUs shall be connected with the FOTE at Substation/ generating stations for onwards data transmission to the PDC (Phasor Data Concentrator) located at respective RLDC. Configuration work in existing PDC at RLDC for new PMU integration shall be done by respective RLDC, however all the necessary support in this regard shall be ensured by TSP. The maintenance of all the PMUs and associated equipment shall be the responsibility of TSP.

**C.4.0 Specific Requirement for NMS/ UNMS integration**

The new communication equipment/ system under the present scope shall be compatible for integration with existing regional level NMS system/ Centralized Supervision and Monitoring System (CSMS) i.e. Regional UNMS. The local configuration of the new communication equipment at the station end shall be the responsibility of TSP as per **Annexure F.3**. The configuration work in the existing centralized NMS/ CSMS at Control center end, for integration of new Communication equipment/ system shall be done by Regional ULDC Team/ NMT , however all the necessary support in this regard shall be ensured by TSP.

Note: Existing Station owner/s to provide necessary support to integrate different equipment and applications of new extended bays with the existing substation e.g. Communication (through FOTE), Voice etc. for smooth operation and monitoring of new added grid elements. Required communication equipment FOTE/ FODP/ Approach cable etc. to be provided by NPCIL at KNPP-3 & 4 station for establishing communication with Tuticorin-II(GIS).

****

**Figure F.1**

**Annexure F.3**

**Requirement for integration of Communication Equipment with Regional UNMS:**

1. TSP shall ensure that NMS/EMS/NE supplied by them is NBI compliant and all FCAPS functionality is supported in the NBI such as NE Inventory, Hardware Inventory – Shelf/Slot/Card/SFP/Port, Topology, Protections, Alarms, Performance- real time and periodic, Performance KPI parameters ( E-1, STM, Ethernet) , Remote Configuration, Cross Connects, Trails and  Circuits, Services Provisioning  (NE),  E-1 , STM,  Ethernet , TX and RS Trace, loop back and details are published in the NBI guide for the configuration parameters.
2. TSP shall be obliged to provide/share all necessary documentations such as NBI Guide/MIB/IDL/WSDL/API files/ etc. for onward integration of their NMS/EMS/NE with regional UNMS.
3. The following support shall be provided by TSP for integration of their supplied equipment with regional UNMS:

* Enabling and activating NBI license in their EMS/NMS and providing NBI login access along with User credentials
* Assist in verifying NBI Connectivity with UNMS vendor for the successful communication and retrieval of data.
* Assist in troubleshooting (if required) for NBI connectivity along with UNMS vendor for the communication and retrieval of data.

1. For standalone NE which is not integrated with any EMS/NMS, TSP shall provide modality of complete FCAPS data acquisition as above through industry standard  programmatic methods and provide the CLI command manual.

**C.6.0 PLCC and PABX:**

Power line carrier communication (PLCC) equipment complete for speech, tele-protection commands and data channels shall be provided on each transmission line. The PLCC equipment shall in brief include the following:

* Coupling device, Coupling filters, line traps, carrier terminals, protection couplers, HF cables, PABX (if applicable) and maintenance and testing instruments.
* At new substation, a telephone exchange (PABX) of 24 lines shall be provided at as means of effective communication among various buildings of the substation, remote end substations and with control centres (RLDC/SLDC) etc.
* Coupling devices shall be suitable for phase-to-phase coupling for 400 kV Transmission lines. The pass band of coupling devices shall have sufficient margin for adding communication channel in future if required. Necessary protection devices for safety of personnel and low voltage part against power frequency voltages and transient over voltage shall also be provided.
* The line traps shall be broad band tuned suitable for blocking the complete range of carrier frequencies. Line Trap shall have necessary protective devices such as lightning arresters for the protection of tuning device. Decoupling network consisting of line traps and coupling capacitors may also be required at certain substation in case of extreme frequency congestion.
* The carrier terminals shall be of single side-band (SSB) amplitude modulation (AM) type and shall have 4 kHz band width. PLCC Carrier terminals and Protection couplers shall be considered for both ends of the line.
* PLCC equipment for all the transmission lines covered under the scheme (consisting of one set of analog PLCC channel along with circuit protection coupler and one set of Digital protection coupler for both ends) shall be provided by TSP. PLCC to be provided for following lines under present scope:

|  |  |  |
| --- | --- | --- |
| Sl. No | Line name | PLCC configuration |
| 1 | KNPP 3&4 – Tuticorin-II GIS PS 400 kV D/C line | 1 set Analog PLCC + 1 set Digital Protection Coupler for each circuit at both ends. |

Further, CVT and Wave trap for all 400 kV line bays under present scope shall be provided by TSP.

* All other associated equipment like cabling, coupling device and HF cable shall also be provided by the TSP.
* 2 sets of 48V battery banks for PLCC and communication equipment shall be provided at each new Substation with at least 10 hours battery backup and extended backup, if required.

**Schedule: 2**

**Scheduled COD**

| **Sl. No.** | **Name of the Transmission Element** | **Scheduled COD from effective date** | **Percentage of Quoted Transmission Charges recoverable on Scheduled COD of the Element of the Project** | **Element(s) which are pre-required for declaring the commercial operation (COD) of the respective Element** |
| --- | --- | --- | --- | --- |
|  | KNPP 3&4 – Tuticorin-II GIS PS 400 kV (quad) D/C line | 31.12.2026 | 100 | NIL |

**[Note: As referred to in the definition of “Element”, “Scheduled COD”, and in Articles 3.1.3 (c), 4.1 (b) and 4.3 (a) of this Agreement]**

**Schedule: 3**

**Safety Rules and Procedures**

**[Note: As referred to in Articles 5.6 of this Agreement]**

1. **Site Regulations and Safety:**

### The TSP shall establish Site regulations within sixty (60) days from fulfilment of conditions subsequent, as per Prudent Utility Practices setting out the rules to be observed till expiry of the Agreement at the Site and shall comply therewith.

### Such Site regulations shall include, but shall not be limited to, rules in respect of security, safety of the Project, gate control, sanitation, medical care, and fire prevention, public health, environment protection, security of public life, etc.

Copies of such Site regulations shall be provided to the Nodal Agency and the CEA for the purpose of monitoring of the Project.

1. **Emergency Work:**

### In cases of any emergency, the TSP shall carry out all necessary remedial work as may be necessary.

### If the work done or caused to be done by any entity, other than the TSP, the TSP shall, reimburse the actual costs incurred, to the other Party carrying out such remedial works.

1. **Site Clearance:**

### In the course of execution of the Agreement, the TSP shall keep the Site reasonably free from all unnecessary obstruction, storage, remove any surplus materials, clear away any wreckage, rubbish and temporary works from the Site, and remove any equipment no longer required for execution of the Agreement. After completion of all Elements of the Project, the TSP shall clear away and remove all wreckage, rubbish and debris of any kind from the Site, and shall leave the Site clean and safe.

1. **Watching and Lighting:**

### The TSP shall provide and maintain at its own expense all lighting, fencing, and watching when and where necessary for the proper construction, operation, maintenance / repair of any of the Elements of the Project, or for the safety of the owners and occupiers of adjacent property and for the safety of the public, during such maintenance / repair.

**Schedule: 4**

**Computation of Transmission Charges**

## General

### The Monthly Transmission Charges to be paid to the TSP for providing Transmission Service for any Contract Year during the term of the Agreement shall be computed in accordance with this Schedule and paid as per Sharing Regulations.

### Illustration regarding payment of Transmission Charges under various scenarios (considering definitions of Contract Year, Expiry Date & Monthly Transmission Charges above) is as below: -

### Illustration-1: In case the Project Elements achieve COD as per Schedule

### Quoted Transmission Charges: **Rs. 140 Million**

### Completion Schedule:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Element No.** | **Completion Schedule in Months** | **Scheduled CoD of the Element** | **Actual CoD of the Element** | **% Charges recoverable on Scheduled CoD of the Element** |
| Element 1 | 28 | 1-Feb-2018 | 1-Feb-2018 | 25% |
| Element 2 | 38 | 1-Dec-2018 | 1-Dec-2018 | 75% |

Tariff Payable as follows:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Transmission Charges for Element 1** | | | **Transmission Charges for Element 2** | | |
| 1-Feb-18 to  31-Mar-18 | 140 X 25% X ((28+31)/365) | 5.65 |  | -- | 0.00 |
| 1-Apr-18 to  30-Nov-18 | 140 X 25% X (244/365) | 23.39 |  | -- | 0.00 |
| 1-Dec-18 to 31-Mar-19 | 140 X 100% X (121/365) | | | | 46.41 |
| 2 | 140 X 100% X 1 | | | | 140 |
| 3 | 140 X 100% X 1 | | | | 140 |
| 4 | 140 X 100% X 1 | | | | 140 |
| 5 | 140 X 100% X 1 | | | | 140 |
| ……………. |  | | | |  |
| …………….. |  | | | |  |
| 36  (1-Apr to 30-Nov) | 140 X 100% X (244/365) | | | | 93.59 |

**Illustration-2: In case of extension of Scheduled COD as per Article 4.4.1 & 4.4.2 of this Agreement**

Quoted Transmission Charges: **Rs. 140 Million**

Completion Schedule:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Element No. | Completion Schedule in Months | Scheduled CoD of the Element | Actual CoD of the Element | % Charges recoverable on Scheduled CoD of the Element |
| Element 1 | 20 | 1-Feb-2018 | 1-Jul-2018 | 25% |
| Element 2 | 28 | 1-Oct-2018 | 1-Dec-2018 | 75% |

Tariff Payable as follows:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Transmission Charges for Element 1** | | | **Transmission Charges for Element 2** | | |
| 1-Feb-18 to  31-Mar-18 | -- | 0.00 |  | -- | 0.00 |
| 1-Apr-18 to  30-Jun-18 | -- | 0.00 |  | -- | 0.00 |
| 1-Jul-18 to  30-Nov-18 | 140 X 25% X (153/365) | 14.67 |  | -- | 0.00 |
| 1-Dec-18 to 31-Mar-19 | 140 X 100% X (121/365) | | | | 46.41 |
| 2 | 140 X 100% X 1 | | | | 140 |
| 3 | 140 X 100% X 1 | | | | 140 |
| 4 | 140 X 100% X 1 | | | | 140 |
| 5 | 140 X 100% X 1 | | | | 140 |
| ……………. |  | | | |  |
| …………….. |  | | | |  |
| 36  (1-Apr to 30-Nov) | 140 X 100% X (244/365) | | | | 93.59 |

**Illustration-3: In case of delay in achieving COD of Project & all individual Elements (COD of the Project achieved in Contract Year 1)**

Quoted Transmission Charges: **Rs. 140 Million**

Completion Schedule:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Element No. | Completion Schedule in Months | Scheduled CoD of the Element | Actual CoD of the Element | % Charges recoverable on Scheduled CoD of the Element |
| Element 1 | 20 | 1-Feb-2018 | 1-Dec-2018 | 25% |
| Element 2 | 28 | 1-Oct-2018 | 1-Dec-2018 | 75% |

Tariff Payable as follows:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Transmission Charges for Element 1** | | | **Transmission Charges for Element 2** | | |
| 1-Feb-18 to  31-Mar-18 | -- | 0.00 |  | -- | 0.00 |
| 1-Apr-18 to  30-Sept-18 | -- | 0.00 |  | -- | 0.00 |
| 1-Oct-18 to  30-Nov-18 | -- | 0.00 | 1-Oct-18 to  30-Nov-18 | -- | 0.00 |
| 1-Dec-18 to 31-Mar-19 | 140 X 100% X (121/365) | | | | 46.41 |
| 2 | 140 X 100% X 1 | | | | 140 |
| 3 | 140 X 100% X 1 | | | | 140 |
| 4 | 140 X 100% X 1 | | | | 140 |
| 5 | 140 X 100% X 1 | | | | 140 |
| ……………. |  | | | |  |
| …………….. |  | | | |  |
| 36  (1-Apr to 30-Nov) | 140 X 100% X (244/365) | | | | 93.59 |

**Illustration-4: In case of delay in achieving COD of Project & all individual Elements (COD of the Project achieved in Contract Year other than Contact Year 1)**

Quoted Transmission Charges: **Rs. 140 Million**

Completion Schedule:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Element No. | Completion Schedule in Months | Scheduled CoD of the Element | Actual CoD of the Element | % Charges recoverable on Scheduled CoD of the Element |
| Element 1 | 38 | 1-Oct-2019 | 1-May-2020 | 25% |
| Element 2 | 38 | 1-Oct-2019 | 1-May-2020 | 75% |

Tariff Payment to be paid as:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Transmission Charges for Element 1** | | | **Transmission Charges for Element 2** | | |
| 1-Oct-19 to 31-Mar-20 | -- | 0.00 | 1-Oct-19 to 31-Mar-20 | -- | 0.00 |
| 1-Apr-20 to 30-Apr-20 | - | 0.00 | 1-Apr-20 to 30-Apr-20 | - | 0.00 |
| 1-May-20 to  31-Mar-21 | 140 X 100% X (335/365) | | | | 128.49 |
| 2 | 140 X 100% X 1 | | | | 140 |
| 3 | 140 X 100% X 1 | | | | 140 |
| 4 | 140 X 100% X 1 | | | | 140 |
| 5 | 140 X 100% X 1 | | | | 140 |
| ……………. |  | | | |  |
| …………….. |  | | | |  |
| 36  (1-Apr to 30-Apr) | 140 X 100% X (30/ 365) | | | | 11.51 |

**Illustration5: In case of delay in achieving COD of Element but Project COD achieved on time**

Quoted Transmission Charges: **Rs. 140 Million**

Completion Schedule:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Element No. | Completion Schedule in Months | Scheduled CoD of the Element | Actual CoD of the Element | % Charges recoverable on Scheduled CoD of the Element |
| Element 1 | 20 | 1-Feb-2018 | 1-Jul-2018 | 25% |
| Element 2 | 30 | 1-Dec-2018 | 1-Dec-2018 | 75% |

Tariff Payable as follows:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Transmission Charges for Element 1** | | | **Transmission Charges for Element 2** | | |
| 1-Feb-18 to  31-Mar-18 | -- | 0.00 |  | -- | 0.00 |
| 1-Apr-18 to  30-Jun-18 | -- | 0.00 |  | -- | 0.00 |
| 1-Jul-18 to  30-Nov-18 | 140 X 25% X (153/365) | 14.67 |  | -- | 0.00 |
| 1-Dec-18 to 31-Mar-19 | 140 X 100% X (121/365) | | | | 46.41 |
| 2 | 140 X 100% X 1 | | | | 140 |
| 3 | 140 X 100% X 1 | | | | 140 |
| 4 | 140 X 100% X 1 | | | | 140 |
| 5 | 140 X 100% X 1 | | | | 140 |
| ……………. |  | | | |  |
| …………….. |  | | | |  |
| 36  (1-Apr to 30-Nov) | 140 X 100% X (244/365) | | | | 93.59 |

**Illustration-6: In case of early commissioning of Project**

Quoted Transmission Charges: **Rs. 140 Million**

Completion Schedule:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Element No. | Completion Schedule in Months | Scheduled CoD of the Element | Actual CoD of the Element | % Charges recoverable on Scheduled CoD of the Element |
| Element 1 | 38 | 1-Oct-2019 | 1-Jul-2019 | 25% |
| Element 2 | 38 | 1-Oct-2019 | 1-Jul-2019 | 75% |

Tariff Payment to be paid as:

|  |  |  |  |
| --- | --- | --- | --- |
| **Transmission Charges for Element 1** | | **Transmission Charges for Element 2** | |
| 1-July-19 to  31-Mar-20 | 140 X 100% X (274/365) | | 105.09 |
| 2 | 140 X 100% X 1 | | 140 |
| 3 | 140 X 100% X 1 | | 140 |
| 4 | 140 X 100% X 1 | | 140 |
| 5 | 140 X 100% X 1 | | 140 |
| ……………. |  | |  |
| …………….. |  | |  |
| 36  (1-Apr to 30-Jun) | 140 X 100% X (91/365) | | 34.91 |

**Illustration-7: In case of early commissioning of an element**

Quoted Transmission Charges: **Rs. 140 Million**

Completion Schedule:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Element No. | Completion Schedule in Months | Scheduled CoD of the Element | Actual CoD of the Element | % Charges recoverable on Scheduled CoD of the Element |
| Element 1 | 38 | 1-Oct-2019 | 1-Apr-2019 | 25% |
| Element 2 | 38 | 1-Jul-2019 | 1-Jul-2019 | 75% |

Tariff Payment to be paid as:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Transmission Charges for Element 1** | | | **Transmission Charges for Element 2** | | |
| 1-Apr-2019 to 30-Jun-19 | 140 X 25% X (91/365) | 8.72 | 1-Apr-2019 to 30-Jun-19 | -- | 0.00 |
| 1-July-19 to  31-Mar-20 | 140 X 100% X (274/ 365) | | | | 105.09 |
| 2 | 140 X 100% X 1 | | | | 140 |
| 3 | 140 X 100% X 1 | | | | 140 |
| 4 | 140 X 100% X 1 | | | | 140 |
| 5 | 140 X 100% X 1 | | | | 140 |
| ……………. |  | | | |  |
| …………….. |  | | | |  |
| 36  (1-Apr-30-Jun) | 140 X 100% X (91/365) | | | | 34.91 |

The Transmission Charges shall be payable on monthly basis as computed above.

## Computation of Monthly Transmission Charges

The Monthly Transmission Charges for any month m in a Contract Year n shall be calculated as below:

For AC System:

a. If Actual Transmission System Availability for the month m of contract year n is greater than or equal to 98% and less than or equal to 98.5%;

Monthly Transmission Charges MTC(m) = Tmn \*1

1. If Actual Transmission System Availability for the month m of contract year n exceeds 98.5% and less than or equal to 99.75%;

Monthly Transmission Charges MTC(m) = Tmn \* (AA/ 98.5%)

c. If Actual Transmission System Availability for the month m of contract year n is greater than 99.75%;

Monthly Transmission Charges MTC(m) = Tmn \* (99.75% / 98.5%)

d. If Actual Transmission System Availability for the month m of contract year n is less than 98%and greater than or equal to 95.00%;

Monthly Transmission Charges MTC(m) = Tmn \* (AA/ 98%)

e. If Actual Transmission System Availability for the month m of contract year falls below 95%;

Monthly Transmission Charges MTC(m) = Tmn \* (AA/ 98%) - 0.02 \* (Tmn \* (AA/ 95%)

For DC System:

a. If Actual Transmission System Availability for the month m of contract year n is greater than or equal to 95% and less than or equal to 96%;

Monthly Transmission Charges MTC(m) = Tmn \*1

1. If Actual Transmission System Availability for the month m of contract year n exceeds 96% and less than or equal to 99.75%;

Monthly Transmission Charges MTC(m) = Tmn \* (AA/ 96%)

c. If Actual Transmission System Availability for the month m of contract year n is greater than 99.75%;

Monthly Transmission Charges MTC(m) = Tmn \* (99.75% / 96%)

d. If Actual Transmission System Availability for the month m of contract year n is less than 95% and greater than or equal to 92.00%;

Monthly Transmission Charges MTC(m) = Tmn \* (AA/ 95%)

e. If Actual Transmission System Availability for the month m of contract year falls below 92%;

Monthly Transmission Charges MTC(m) = Tmn \* (AA/ 95%) - 0.02 \* (Tmn \* (AA/ 92%)

where:

* AA is the actual Availability, as certified by RPC, as per procedure provided in Schedule 6.
* m is the month in Contract Year ‘n’
* Tmn= Transmission Charges for the month ‘m’ in Contract Year ‘n’ = (=Transmission Charge/ no. of days in the Year n)\* no. of days in month m

Provided, no Transmission Charges shall be paid during the period for which the RLDC has not allowed the operation of the Element/Project due to the failure of the TSP to operate it as per the provisions of the Grid Code.

## RLDC Fee & Charges

The payment of RLDC fee & charges, in accordance with relevant regulations of CERC, shall be the responsibility of the TSP.

**Schedule: 5**

**Quoted Transmission Charges**

**[Quoted Transmission Charges from Annexure - 21 of the RFP of the Selected Bidder to be inserted here]**

**[To be incorporated from the Bid of the Selected Bidder submitted during the e-reverse auction after its selection]**

**Quoted Annual Transmission Charges: Rs. 690.03 Million**

**Proportionate Transmission Charges payable for each Element of the Project:**

| **Sl. No.** | **Name of the Transmission Element** | **Percentage of Quoted Transmission Charges recoverable on Scheduled COD of the Element of the Project** |
| --- | --- | --- |
|  | KNPP 3&4 – Tuticorin-II GIS PS 400 kV (quad) D/C line   * 400 kV GIS line terminal equipment at Tuticorin-II GIS – 2 nos | 100 |

***Note****: {Line & GIS terminal equipment at Tuticorin-II GIS under ISTS scope and bays at KNPP under NPCIL scope}*

**Schedule: 6**

**Appendix –IV to Central Electricity Regulatory Commission**

**(Terms and Conditions of Tariff) Regulations, 2024**

**Procedure for Calculation of Transmission System Availability Factor for a Month**

1. Transmission system availability factor for nth calendar month (“TAFPn”) shall be calculated by the respective transmission licensee, verified by the concerned Regional Load Dispatch Centre (RLDC) and certified by the Member-Secretary, Regional Power Committee of the region concerned, separately for each AC and HVDC transmission system and grouped according to sharing of transmission charges. In the case of the AC system, transmission System Availability shall be calculated separately for each Regional Transmission System and inter-regional transmission system. In the case of the HVDC system, transmission System Availability shall be calculated on a consolidated basis for all inter-state HVDC systems.
2. Transmission system availability factor for nth calendar month (“TAFPn”) shall be calculated by considering the following:
   1. **AC transmission lines**: Each circuit of AC transmission line shall be considered as one element;
   2. **Inter-Connecting Transformers (ICTs):** Each ICT bank (three single- phase transformers together) shall form one element;
   3. **Static VAR Compensator (SVC):** SVC, along with SVC transformer, shall form one element;
   4. **Bus Reactors or Switchable line reactors:** Each Bus Reactors or Switchable line reactors shall be considered as one element;
   5. **HVDC Bi-pole links:** Each pole of the HVDC link, along with associated equipment at both ends, shall be considered as one element;
   6. **HVDC back-to-back station:** Each block of the HVDC back-to-back station shall be considered as one element. If the associated AC line (necessary for the transfer of inter-regional power through the HVDC back-to-back station) is not available, the HVDC back-to-back station block shall also be considered unavailable;
   7. **Static Synchronous Compensation (“STATCOM”):** Each STATCOM shall be considered as a separate element.
3. The Availability of the AC and HVDC portion of the Transmission system shall be calculated by considering each category of transmission elements as under:





1. The availability for each category of transmission elements shall be calculated based on the weightage factor, total hours under consideration and non-available hours for each element of that category. The formulae for calculation of the Availability of each category of the transmission elements are as per **Appendix-V**. The weightage factor for each category of transmission elements shall be considered as under:
2. For each circuit of the AC line – The number of sub-conductors in the line multiplied by ckt-km;
3. For each HVDC pole- The rated MW capacity x ckt-km;
4. For each ICT bank – The rated MVA capacity;
5. For SVC- The rated MVAR capacity (inductive and capacitive);
6. For Bus Reactor/switchable line reactors – The rated MVAR capacity;
7. For HVDC back-to-back stations connecting two Regional grids- Rated MW capacity of each block; and
8. For STATCOM – Total rated MVAR Capacity.
9. The transmission elements under outage due to the following reasons shall be deemed to be available:
10. Shut down availed for maintenance of another transmission scheme or construction of new element or renovation/upgradation/additional capitalization in an existing system approved by the Commission. If the other transmission scheme belongs to the transmission licensee, the Member Secretary, RPC may restrict the deemed availability period to that considered reasonable by him for the work involved. In case of a dispute regarding deemed availability, the matter may be referred to the Chairperson, CEA, within 30 days.
11. Switching off of a transmission line to restrict over-voltage and manual tripping of switched reactors as per the directions of the concerned RLDC.
12. Shut down of a transmission line due to the Project(s) of NHAI, Railways and Border Road Organization, including for shifting or modification of such transmission line or any other infrastructure project approved by Ministry of Power. Member Secretary, RPC may restrict the deemed availability period to that considered reasonable by him for the work involved; Provided that apart from the deemed availability, any other costs involved in the process of such shutdown of transmission line shall not be borne by the DICs.

Provided that such deemed availability shall be considered only for the period for which DICs are not affected by the shutdown of such transmission line.

1. For the following contingencies, the outage period of transmission elements, as certified by the Member Secretary, RPC, shall be excluded from the total time of the element under the period of consideration for the following contingencies:
   1. Outage of elements due to force majeure events beyond the control of the transmission licensee. However, whether the same outage is due to force majeure (not design failure) will be verified by the Member Secretary, RPC. A reasonable restoration time for the element shall be considered by the Member Secretary, RPC, and any additional time taken by the transmission licensee for restoration of the element beyond the reasonable time shall be treated as outage time attributable to the transmission licensee. Member Secretary, RPC may consult the transmission licensee or any expert for estimation of reasonable restoration time. Circuits restored through ERS (Emergency Restoration System) shall be considered as available;
   2. Outage caused by grid incident/disturbance not attributable to the transmission licensee, e.g. faults in a substation or bays owned by another agency causing an outage of the transmission licensee’s elements, and tripping of lines, ICTs, HVDC, etc., due to grid disturbance. However, if the element is not restored on receipt of direction from RLDC while normalizing the system following grid incident/disturbance within reasonable time, the element will be considered not available for the period of outage after issuance of RLDC’s direction for restoration;
   3. The outage period which can be excluded for the purpose of sub-clause (i) and (ii) of this clause shall be declared as under:
      1. Maximum up to one month by the Member Secretary, RPC;
      2. Beyond one month and up to three months after the decision at RPC;
      3. Beyond three months by the Commission for which the transmission license shall approach the Commission along with reasons and steps taken to mitigate the outage and restoration timeline.
2. Time frame for certification of transmission system availability: (1) The following schedule shall be followed for certification of availability by the Member Secretary of the concerned RPC:

* Submission of outage data along with documentary proof (if any) and TAFPn calculation by Transmission Licensees to RLDC/ constituents

– By the 5th of the following month;

• Review of the outage data by RLDC / constituents and forward the same to respective RPC – by 20th of the month;

• Issue of availability certificate by respective RPC – by the 3rd of the next month.





**Schedule: 7**

**Entire Bid (both financial bid and technical bid) of the Selected Bidder to be attached here**

**BID dated 26.09.2024 and 07.11.2024 shall be integral part of this agreement.**

**Schedule: 8**

**Contract Performance Guarantee**

**(To be on non-judicial stamp paper of appropriate value as per Stamp Act relevant to place of execution. Foreign entities submitting Bids are required to follow the applicable law in their country.)**

In consideration of the …………………….. [Insert name of the SPV or Selected Bidder on behalf of the TSP, or Lead Member in case of the Consortium, with address] agreeing to undertake the obligations under the Transmission Service Agreement dated ……….and the other RFP Project Documents and the Nodal Agency and the PFC Consulting Limited, agreeing to execute the *RFP Project Documents* with the Selected Bidder, regarding setting up the Project, 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 …………… (being the Nodal Agency) at ……………………[Insert the Place from the address of the Nodal Agency indicated in the TSA] forthwith on demand in writing from the Nodal Agencyor any Officer authorized by it in this behalf, any amount up to and not exceeding Rupees ………………………….. Crores (Rs. ……….) only [Insert the amount of the bank guarantee] on behalf of M/s. …………………………………. [Insert name of the Selected Bidder or SPV].

This guarantee shall be valid and binding on the Guarantor Bank up to and including ……………………….and shall not be terminable by notice or any change in the constitution of the Bank or the term of the Transmission Service Agreement 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 Rs. ………………….. Crores (Rs. ……………………………..) only. Our Guarantee shall remain in force until ……………………………………….. [Insert the date of validity of the Guarantee as per Article 0 of this Agreement]. The Nodal Agency, shall be entitled to invoke this Guarantee up to three hundred sixty five (365) days of the last date of the validity of this Guarantee.

The Guarantor Bank hereby expressly agrees that it shall not require any proof in addition to the written demand from …………… (in its roles as the Nodal Agency), made in any format, raised at the above mentioned address of the Guarantor Bank, in order to make the said payment to Nodal Agency.

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

**THIS BANK GUARANTEE** shall be interpreted in accordance with the laws of India.

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 Nodal Agency shall not be obliged before enforcing this BANK GUARANTEE to take any action in any court or arbitral proceedings against **)**, **KUDANKULAM ISTS TRANSMISSION LIMITED** or the Selected Bidder, as the case may be, to make any claim against or any demand on **)**, **KUDANKULAM ISTS TRANSMISSION LIMITED** or the Selected Bidder, as the case may be, or to give any notice to **)**, **KUDANKULAM ISTS TRANSMISSION LIMITED** or the Selected Bidder, as the case may be, or to enforce any security held by the Nodal Agency or to exercise, levy or enforce any distress, diligence or other process against **)**, **KUDANKULAM ISTS TRANSMISSION LIMITED** or the Selected Bidder, as the case may be.

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

The Guarantor Bank hereby agrees and acknowledges that Nodal Agency 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 Rs. ………………….. Crores (Rs. …………………..) only and it shall remain in force until ………………………[Date to be inserted on the basis of Article 0of the Transmission Service Agreement], with an additional claim period of three hundred sixty five (365) days thereafter. This BANK GUARANTEE shall be extended from time to time for such period, as may be desired by …………………………………….. [Insert name of the Selected Bidder or Lead Member in case of the Consortium or SPV]. We are liable to pay the guaranteed amount or any part thereof under this Bank Guarantee only if Nodal Agency serves upon us a written claim or demand.

**In witness where of:**

Signature ..............................................

Name: ...................................................

Power of attorney No.: ………………………………

**For:**

………………………………….. [Insert Name of the Bank]

**Banker's Seal and Full Address, including mailing address of the Head OfficeSchedule: 9**

**Methodology for determining the Relief Under Force Majeure Event & Change in Law during Construction Period**

The relief in the form of revision in tariff due to Force Majeure Event leading to extension of Scheduled COD for a period beyond one hundred eighty (180) days and/ or Change in Law during the construction period shall be as under:

ΔT = [(P x d)]÷[1-(1+ d)^(-n)]

Where,

ΔT = Change in Transmission Charges for each year

P = Sum of cumulative increase or decrease in the cost of the Project due to Change in Law and interest cost during construction corresponding to the period exceeding one hundred eighty (180) due to Force Majeure Event leading to extension of Scheduled COD for a period beyond one hundred eighty (180) days

n = number of years over which the Transmission Charges has to be paid

d = Discount rate as notified by the CERC, applicable on the Bid Deadline

The increase in Transmission Charges as stated above shall be applicable only if the value of increase in Transmission Charges as calculated above exceeds 0.30% (zero point three percent) of the quoted Transmission Charges of the TSP.