

**POWER PURCHASE AGREEMENT  
Between**

.....

**(Seller)**

**And**

**NTPC Vidyut Vyapar Nigam Limited  
(Nodal Agency/Buyer)**

This Power Purchase Agreement (herein-after referred to as Agreement or "PPA") is entered into on the ..... day of..... between ..... (herein after referred to as seller), having its registered office at....., a company incorporated under the provisions of The Companies Act, 1956 (Central Act 1 of 1956),..... as party on the First part.

**AND**

M/s NTPC Vidyut Vyapar Nigam Ltd, a company incorporated under the Companies Act,1956, having trading license No. 6/Trading/CERC dated 23 July 2004 and having its Registered office at Core-7 ,Scope Complex , 7 Institutional Area, Lodhi Road ,New Delhi 110003 (herein after

referred to as “Nodal Agency” or “Buyer”), designated by Ministry of Power as Nodal Agency for the purpose of procurement of power from Gas based power plants (GBP plants) during crunch period which expression, unless repugnant to the context or meaning thereof shall be deemed to include its successors and permitted assigns as party on the second part.

**Both NVVN and the Seller are further referred to in this Agreement as “Party” or collectively as “Parties”.**

Whereas, Ministry of Power, Government of India has approved the Scheme for procurement of power from Gas Based Power Plants during identified crunch period (**16<sup>th</sup> March-24 to 31<sup>st</sup> Oct-24** and has designated NVVN as Nodal agency vide letter dated 26<sup>th</sup> Dec '23 . The Nodal Agency had initiated a competitive bidding process through issue of Request for Supply (RfS)/ e-Tender Notice..... dtd ..... with ..... portal Event Ref: No..... Pursuant to the said bidding process, dated ..... (Seller) has been selected by the Nodal Agency vide Letter of Award No. .... dt....., as the Seller for sale and supply of electricity for the Contracted Capacity (as described hereunder) at the applicable tariff in accordance with the terms of this agreement and the.....(Seller) has exclusively agreed to sell the power to the Nodal Agency accordingly.

The Nodal Agency shall further sell this power through **bilateral tie ups, bidding in Power exchange {High Price Day Ahead Market (HP-DAM)/ High Price Term Ahead Market (HP-TAM) or other segment of any of the power exchange(s)} and shortfall Tertiary Reserve Ancillary Services (TRAS) or through any other market segments as per the provisions of this agreement and RFS including amendments/corrigendum if any or instruction received from NLDC.**

The seller agrees to sign all necessary documents to facilitate trading of above power in power exchange through NVVN under this agreement. **The seller needs to submit No Objection Certificate (NoC) from concerned LDC/SLDC/RLDC against LOA quantum for bidding in power exchange /other segment at it’s own cost.**

The parties hereby agree to execute this Power Purchase Agreement setting out the terms and conditions for the sale of power by seller to the Nodal Agency.

The RfS and its terms and conditions including any amendment(s), corrigendum(s) shall form an integral part of this PPA.

Now therefore, in consideration of the premises and mutual agreements, covenants and conditions set forth herein, it is hereby agreed by and between the Parties as follows.

**DEFINITIONS**

The terms 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 CERC/ SERC, as amended or re-enacted from time to time.

Sl. No.	Term	Definition
1	Act or Electricity Act 2003	shall mean the Electricity Act, 2003 and any rules, amendments, regulations, notifications, guidelines or policies issued there under from time to time;
2	Agreement or Power Purchase Agreement (PPA)	shall mean this Power Purchase Agreement including its recitals and Schedules, amended or modified from time to time in accordance with the terms hereof;

3	Business Day	Shall mean with respect to Seller and Buyer, a day other than Sunday or a statutory holiday, on which the banks and <b>Nodal Agency</b> both remain open for business;
4	Contracted Capacity/ Quantum	shall mean the net capacity of power (in MW) contracted between the Seller and the Buyer for supply at the Delivery Point;
5	Contract Performance Guarantee	As referred to in Clause 8 of this Agreement;
6	Contract Period	The contract period for supply of power by the seller shall mean the period commencing from <b>16<sup>th</sup> March-24 to 31<sup>st</sup> Oct-24.</b>
7	Delivery Point	The Delivery Point for the power shall be the point as specified by power exchange(s) for sale in Day Ahead Market or through any other market segments as applicable from time to time.
8	Force Majeure or Force Majeure Event	shall have the meaning ascribed thereto in this Agreement in Clause- 9
9	Nodal agency/Buyer	Means NTPC Vidyut Vyapar Nigam Ltd (NVVN)
10	a) NLDC b) Grid India	a) National Load Despatch Centre b) Grid Controller of India Limited
11	Power Exchange Charges	Power Exchange Charges as referred to in Clause 2.5
12	Ramp Rate	1% per minute of the contracted quantum
13	Seller(s)	Shall mean the Successful Seller(s) who have submitted the Contract Performance Guarantee and executed the PPA and other documents with the Buyer. Seller(s) shall be responsible for supplying power to the Buyer at the Delivery Point for the Term of PPA as per the terms and conditions specified therein.
14	Successful Bidders	shall mean the Sellers selected by the NVVN in pursuance to the RFS for supply of power as per the terms of the PPA and RFS.
15	Technical Minimum	Not more than 50% of contracted capacity as per the Letter of Award (LOA) given by NVVN to the Seller
16	Shortfall TRAS/TRAS	"Tertiary Reserve Ancillary Service" or "TRAS" means the Ancillary Service comprising TRAS-Up and TRAS-Down and consists of spinning reserve or non-spinning reserve, which responds to dispatch instructions from NLDC as defined in the Central Electricity Regulatory Commission (ancillary service) regulation 2022 as amended from time to time .
17	NVVN Trading Margin	NVVN shall be charging a trading margin of Rs. 0.06/Kwh (excluding GST) from the Gas Based Power Plants under this scheme for the energy scheduled through various segments e.g. market, Bilateral, HPDAM/ HPTAM of any of the power exchange or through any other market segments including through TRAS Shortfall.

## 1.0 CONTRACTED CAPACITY AND CONTRACT PERIOD

Contract Period	Contracted Capacity (MW)
16 <sup>th</sup> March-24 to 31 <sup>st</sup> Oct-24	.....

- I. Based on the demand forecast and resource availability, the Grid India shall assess the requirement of operation of Gas Based Plants(GBP) selected in the scheme for 72 days during the period 16<sup>th</sup> March 2024 to 30<sup>th</sup> June 2024 , the XX plant shall operate solely as per instruction received from Nodal agency without any additional condition imposed for operation of GBP plants. The Operating days for the period July 2024 to October 2024 will be estimated by Grid India in April 2024, which will enable GBPs/GAIL to arrange gas for this period. The contract period is extendable upto 15<sup>th</sup> November 2024 for which the XX plant is giving its unconditional consent to Nodal agency to operate the plant(s).
- II. Due to uncertainties like weather, demand trend etc, Grid India shall communicate actual days of generation required for a fortnight around 45 days in advance to the beginning of the fortnight for the period 16<sup>th</sup> Mar 24-31<sup>st</sup> Oct 24. e.g. Grid India shall communicate actual generation requirement for the fortnight period of 16<sup>th</sup> March 2024-31<sup>st</sup> March 2024 by 31<sup>st</sup> January 2024 and XX GBP shall adhere to the instruction given by Nodal Agency.
- III. The total off-take during 16<sup>th</sup> March 24 to 30<sup>th</sup> June 24 for XXX MW capacity with 08 Hours at XXX MW and 16 Hours at XXX MW per days for 72 days works out to XXX Mus (considering the ramp up and ramp down times and days generation of XX MU for XXX MW).
- IV. **The technical minimum of each bidder for operation of Gas based plants shall be 50% of the contracted capacity.**
- V. **Minimum Generation Offtake(MGO) for the period from 16<sup>th</sup> March 24 – 30<sup>th</sup> June 2024 shall be 50 % of total quantum i.e., XXX MU. This MGO will be applicable to individual selected bidders on a proportionate basis.**

Example: If seller has contracted capacity of 1000 MW, then minimum offtake for 16<sup>th</sup> March 24 – 30<sup>th</sup> June 2024 would be 50 % of Contracted Energy which shall be (14 MU/day \* 72 days) 1008 MU, and MGO shall be 504 MU.

- VI. **Fortnightly MGO shall be declared based on no of days of operation communicated by Grid India, 45 days in advance on proportionate basis,**
- VII. If NVVN in consultation with Grid India desires more generation than MGO specified 45 days in advance, the XX GBP will be asked about the willingness to supply the additional energy as per requirement, at the contracted tariff.. The XXGBP may extend its consent to supply such additional energy . A deviation of (+/-) 1% (i.e., one percent Plus or Minus) shall be allowed in Minimum guaranteed offtake quantum.
- VIII. The day of operation and expected generation profile for that day shall be as identified by Grid India on 3 days ahead basis for supply into the HP-DAM/HP-TAM/Other segment(s) of power exchange or TRAS or bilateral. This may be subject to revision as per inputs received from NLDC from time to time. The XX plant unconditionally agrees to adhere to the scheduling instruction given by Nodal agency for operation of the GBP plants. The tentative Generation profile and Minimum Guaranteed Offtake shall be as per Annexure I

## 2.0 TARIFF STRUCTURE

The tariff payable will be in Rs/kWh basis with two components - one called Variable charges linked to gas price (VCGA) and other called Variable Charge not linked to gas price (VCNG).

### 2.1 Variable charges not linked to gas price (VCNG):

VCNG quoted by XXXX is XXXX Rupees/kWh for closed cycle operation which takes into account all losses (if any) and all other relevant charges including fuel gas transportation costs, taxes including VAT, fixed cost, transmission charges (if applicable), Power Exchange (PX) Charges, Re-gasification charges, Marketing margin of gas supplier, ~~startup cost~~, NVVN's trading margin etc.

- a. VCNG will not be changed during the period of the contract.
- b. Amount payable on account of VCNG shall be calculated based on Schedule generation in the Power exchange as per following method.

**Amount payable in Rs. Towards Variable charges not linked to gas price = VCNG (Rs. /kWh) \* (Energy Scheduled (in kWh) in the Power Exchange through Nodal Agency in the relevant period)**

### 2.2 Variable Charges linked to Gas (VCGA):

The seller shall be entitled to receive Variable charges towards energy scheduled in the power exchange through NVVN at the rate of Rs. 8.85/kWh which shall be linked to the price of Gas in INR/MMBTU and USD Exchange rate as per following:

**Applicable variable charge linked to Gas (VCGA) = ₹8.85\*(GAD<sub>m</sub>/GAD<sub>b</sub> \* Z<sub>m</sub>/Z<sub>b</sub> )**

- GAD<sub>b</sub> - Refers to the LNG Gail Delivered (GAD) Ex ship(DES), including associated cost like Customs, insurance, Boil-Off, LC Charges, Surveyor & CHA charges etc. Base value is taken as \$13/MMBtu.
- GAD<sub>m</sub> - Refers to the LNG Gail Delivered (GAD) Ex ship(DES) including associated cost like Customs, insurance, Boil-Off, LC Charges, Surveyor & CHA charges etc communicated by GAIL to NVVN 45 days in advance for the fortnight period
- Z<sub>b</sub> refers to number of Units of INR equivalent to one unit of USD, base value is taken as 83.25 INR
- Z<sub>m</sub> refers to the number of Units of INR equivalent to one unit of USD as on 7 days before the start of delivery of power for the relevant fortnight period.
- Amount payable on account of VCGA shall be calculated based on Schedule generation in the PX as per following method:

**VCGA Energy Charges in Rs = VCGA (Rs. /kWh) \* (Energy Scheduled (in kWh) in the Power Exchange in the relevant period)**

VCGA component shall be indexed to the fortnightly gas price communicated by GAIL and applicable exchange rate. VCGA so calculated will also be applicable to those sellers who opted to arrange gas themselves. E.g. for the fortnightly period, 16<sup>th</sup> March 2024 – 31<sup>st</sup> March 2024, gas prices indicated by Gail as on 31<sup>st</sup> January 2024 and exchange prices applicable as on 7 days before the start of delivery of power for the concerned fortnight period..

For the purpose of scheduling under TRAS shortfall under this scheme NVVN shall further include startup cost for open cycle operation after adjusting power exchange charges, applicable incentive in the variable charge (VCGA + VCNG) as mentioned below:.

Variable charge (Rs./Kwh) to be specified for Sellers through NVVN in TRAS Shortfall= [(VCGA + VCNG+SC)/1.10]– (PX Charges)

**In case of continuous operation during the day without start-up, no startup cost will be payable for the day and any extra payment on account of start up in TRAS shall be recovered from XX (GBP).**

**Dispatch under TRAS or through power exchange shall be as per merit order based on quoted rates by generators.**

### 2.3 Startup cost (SC):

There shall be additional component of Start-up cost (SC) payable to generators in case of start-up. The start-up cost payable to GBP shall be as under:

**Start-up cost per MW** of the Contracted Capacity or part there off which has been advised to be started by the nodal Agency (In Rupees) =  $0.5 \times 1.356 \times 10^3 \times VCGA$

### 2.4 Availability:

No penalty will be applicable for the first 30-time blocks in each week with reduced delivered availability. For Availability, a week shall be 7 days period starting from 1st day, 8th day, 15th day and so on, of the crunch period as mentioned in the bid document including amendment(s) if any.

- a) The nodal agency shall communicate the dispatch schedule for gas-based plants in consultation with NLDC on a three-day advance (D-3) basis where D is date of delivery in the Power Exchange. This may be subject to revision as per inputs received from NLDC from time to time.
- b) On the basis of schedule allocated to GBP plant, the GBP plant shall confirm the acceptance of generation of same on day ahead basis (D-1) before 06:00 hrs.
- c) The nodal agency shall bid the accepted quantum by GBP Plant in power exchange.
- d) The nodal agency would calculate the availability Factor for the day based on the block wise schedule communicated by Nodal Agency and schedule accepted by GBP plant as per following:

S-Schedule communicated by Nodal Agency to GBP Plant for the particular block of the day (MWh)

G- Schedule accepted by GBP Plant for the particular block of the day (MWh)

Energy not scheduled for the block due to non-availability (ENSB) =  $S - G$  if  $S > G$

= 0 if  $S \leq G$

Energy not scheduled for the day due to non-availability ENSD=  $\sum$ ENSB

- e) No planned maintenance shall be allowed during the Contract Period under this Agreement.
- f) Liquidated damage (LD) for less delivered availability of GBP plant shall be calculated as below:

**LD in Rs. =  $ENSD \times 0.1 \times (VCNG + VCGA + SC) \times 1000$**

Provided that no LD shall be applicable for first 30 Blocks in each week.

The bidder shall be responsible for arranging No Objection Certificate from the concerned LDC(SLDC/RLDC) for participation in Power Exchange or TRAS. No Objection Certificate shall be made available by generator at least 3 days before the delivery date .

The Seller may be required to start/stop the plant daily during the contract period in accordance with the NLDC generation profile and cleared schedule.

### **2.5 Power Exchange Charges (PXC in Rs.):**

- a) All the charges deducted by Power Exchange for sale of contracted capacity by NVVN shall be payable to NVVN by the Seller. NVVN shall deduct the same from the daily Payment to the Seller towards sale of power.
- b) NVVN will share the daily obligation report and schedule with the GBP plant on receipt of the same from the power exchange.
- c) Client registration charges including applicable taxes in Power Exchange(s) shall be in the scope of XXXX. Same shall be deducted by NVVN from 1<sup>st</sup> or subsequent payments to seller.

### **2.6 Trading Margin for Nodal Agency (NVVN):**

NVVN shall be charging a trading margin of Rs. 0.06/Kwh (excluding GST) from the Gas Based Power Plants under this scheme for the energy scheduled through various segments e.g. Market, Bilateral or under shortfall provisions of TRAS.

### **2.7 Delivery Point:**

The power shall be sold and delivered by Seller to NVVN at the delivery point as applicable for sale of power in Day Ahead Market in the Power Exchange (ISTS periphery of the region where Seller is connected).

For ISTS connected Generator- ISTS Losses and ISTS Transmission Charges are Nil for Power Exchange Transactions and TRAS/RRAS.

For STU connected Generator-, Generator has to consider impact of STU transmission charges and STU losses (as applicable) in its quoted VCNG . No separate STU charges or losses impact shall be payable to the GBP.

### **2.8 Deviation from Scheduled Generation**

The GBP plant is required to adhere to block wise schedule provided by nodal agency/NLDC during the contract period.

- a) The nodal agency shall communicate the cleared schedule in the PX for gas-based plants on a one-day advance(D-1) basis where D is date of delivery in the Power Exchange.
- b) On the basis of schedule allocated to GBP plant, the actual block wise generation of the D<sup>th</sup> day corresponding to contracted quantum shall be provided by GBP plant on D+1 for before 08:00 hrs.
- c) The nodal agency would calculate the delivered generation factor for the day based on the block wise schedule communicated by Nodal Agency and corresponding actual generation by GBP plant as per following:

DS- Block wise Schedule communicated by Nodal Agency to GBP Plant for the particular day (MWh)

DG- Block wise Corresponding Actual Generation by GBP Plant for the particular day (MWh)

Energy not delivered for the block due to less generation (ENDB) = DS-DG if DS > DG

= 0 if DS ≤ DG

Daily Energy not delivered for the block due to less generation ENDG=  $\sum$  ENDB

- d) Following Penalty shall be applicable in a time block if actual generation is less than Scheduled Generation and tariff (VCNG+VCGA+SC) is more than DSM rate for that block:

Block wise Penalty for Deviation from schedule Generation (P):

**P in Rs. = ENDB\*1.1\*((VCNG+VCGA+SC)- DSM rates block wise) \*1000**

Daily Penalty for Deviation from schedule Generation PD=  $\sum$  P

### 3.2 Dispatch & Settlement

- a) NVVN shall bid in the power exchange based on the day ahead availability declared by GBP plant as per instruction given by NLDC. The bid-price for sale of power in Power Exchange segment and/ or bilateral mode etc. shall be considering VCNG, VCGA and Start-up cost (SC)..
- b) The bid (MW) shall be submitted in power exchange(s) by NVVN in line with the three day ahead assessment/ requirement provided by NLDC. This may be subject to revision as per inputs received from NLDC from time to time.
- c) The capacity not offered in the High Price Day ahead Market/ High Price Term Ahead Market can be sold by NVVN in the other power exchange market segments /other market segments including TRAS Shortfall as per instructions received from NLDC. GBP plant to strictly follow schedule given by nodal agency.
- d) The total Variable Charges declared in TRAS shortfall shall be inclusive of start-up cost for open cycle operation with adjustment for power exchange charges, applicable incentive in TRAS-shortfall as mentioned above at clause 2.2. No incentive is payable to GBP for scheduling under TRAS shortfall. NVVN shall raise invoice for recovery of Trading margin from GBP in case of scheduling through RRAS/TRAS.

**For Example: Generator charges to be specified in RRAS/TRAS form shall be as follows: = [(VCGA + VCNG + SC)/1.1– PX Charges]**

- e) The scheduling and dispatch by seller shall be further in compliance with the provisions of IEGC and its subsequent amendments if any. The Seller shall comply with the required Ramp-Rate as per the provisions of IEGC Regulations. (as amended)
- f) The supplier may be required to start/stop the plant in accordance with the NLDC generation profile and cleared schedule. In case of continuous operation during the day without start-up, no start up cost shall be payable to the GBP. Any extra payment to GBP under TRAS shortfall in such cases shall be recovered from GBP.
- g) NVVN shall share the daily obligation report and daily schedule with the Seller(s) on receipt of the same from the power exchange.
- h) The GBP Plant be required to Schedule its power every 15 minutes on daily basis as per Indian Electricity Grid Code and the applicable extant regulations.



- i) The GBP Plant shall communicate to NVVN its previous day's Station Ex-Bus Schedule Generation and Station Ex-Bus Actual Generation block wise on daily basis latest by 08:00 hours.
- j) Any deviation from the Schedule shall attract the provisions of CERC Deviation Settlement Mechanism regulation. Deviation settlement shall be carried out as per the applicable CERC/SERC Regulations and in the absence of SERC Regulations on Deviation Settlement, the CERC Deviation Settlement Regulations shall apply to the GBP plant.

### **3.3 Metering:**

- a) For installation of Meters, Meter testing, Meter calibration and Meter reading and all matters incidental thereto, the bidder shall follow the Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006, as amended from time to time.
- b) The bidder shall bear all costs pertaining to installation, testing, calibration, maintenance, renewal and repair of meters at its periphery.
- c) In addition to ensuring compliance of the applicable codes, the bidder shall install Main, Check as well as Stand-by meter(s) as per Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006, as amended from time to time.

### **3.4 Gas Procurement for GBP plant**

- i. Seller shall arrange gas on it's own or through GAIL or in combination as per the declaration in the submitted bid. The calculated VCGA (as mentioned in Clause 2.2) shall also be applicable to Seller as per terms of this agreement if arrange gas for themselves. Seller shall contract for gas with 100% commitment basis to meet gas requirement for minimum guaranteed offtake generation under this agreement for supply during this period. No additional charges whatsoever shall be paid other than tariff mentioned in this agreement to seller towards arrangement of gas if seller arranges gas own it's own or through any alternate arrangement.
- ii. In case of procurement of gas from GAIL, the concerned GBPs would make agreement with GAIL for procuring gas. GAIL has agreed that in case of unutilized gas resulting from force outage of gas plant, or any other reason, an additional 15 days on fortnightly rolling basis would be allowed, subject to operational constraints, wherein the unutilized gas can be consumed to avoid any Take or Pay liability.
- iii. Seller can arrange substitute supply from any other gas based generating station without change in tariff and terms and conditions. The responsibility for arranging Gas for substitute supply shall be of the Seller. The substitute supply source should not be the generator who has also been awarded for supply of power against this tender.
- iv. The Nodal agency or it's representatives shall not be in way responsible and/or liable in any manner whatsoever for arrangement and supply of gas including contingent liability arising out of sourcing of gas if any and supply of contracted energy under the agreement including additional energy as per requirement of NLDC. The seller hereinafter indemnifies the Nodal agency for any such loss arising out of supply of power or in connection with any incident towards supply of power as specified in this agreement.

### 3.5 Energy Accounting

- a) The daily/weekly/ Monthly Energy Account/ DSM account/TRAS account issued by respective RLDC/SLDC or Regional Power Committee shall be binding on all the parties for billing and payment purposes.
- b) In case of any differences, the decisions of the RPC forums/ RLDC/SLDC shall be final, and both the Parties shall agree to abide by the decision so finalized.
- c) Any change in the methodology of RLDC/SLDC or Regional Energy Account shall be done only as per the decisions taken in the forums and /or CERC orders and both the Parties shall agree to abide by the methodology so finalized.

### 4.0 Settlement for sale of energy in Power Exchange

- a) On the commencement of crunch period, the Nodal Agency will participate in power exchange(s)/TRAS shortfall or other market segments with the quantum of power as advised by NLDC sourced from the supplier in each time block.
- b) DSM Charges shall be in the scope of Bidder.

### 5.0 Billing, Payment and Reconciliation:

#### 5.1 Billing, Payment and Reconciliation to GBP plant shall be as follows:

- a) The payment due to GBP plants for power exchange(s) transactions shall be released on a daily basis as follows.
- b) Based on previous day's block wise Station Ex-Bus Schedule Generation (MWh) & corresponding Station Ex-Bus Actual Generation (MWh) communicated by GBP Plant corresponding to contracted capacity and Schedule Energy (MWh) sold in power exchange by Nodal Agency, the payment to GBP Plants shall be made towards Day's **scheduled Generation** in the Power exchange on Provisional Basis as per clause 5.2.
- c) The GBP plant shall raise monthly invoice(s) on NVVN including the extension period if any duly accounting and adjusting the applicable LDs, Penalties under the contract. Final settlement of payment towards power supply to NVVN under this contract will be after the conclusion of contract based on Energy Account(s) and Deviation Settlement Account(s) issued by concerned RPC(s)/ RLDCs/ SLDCs. The reconciliation based on energy account issued by concerned RPC/RLDC/SLDC shall be final.

#### 5.2 Amount due to GBP plant shall be remitted provisionally based on scheduled generation in the Power exchange within 1 (one) business day (Due Date) from date of receipt of the payment from Power exchange (excluding the date of receipt) to NVVN as elaborated below:

- (i) Amount payable on account of VCNG for a day: X (in Rs.)

**X in Rs. = VCNG (Rs. /kWh) \* (Energy Schedule (in kWh) under this agreement  
Amount payable on account of VCGA for a day: Y (in Rs.)**

- (ii) Amount payable on account of VCGA for a day: Y(in Rs.)

**Y in Rs. =VCGA (Rs. /kWh) \* (Energy Schedule (in kWh) under this agreement  
for a Day)**

- (iii) **Start- Up Cost (if applicable) (SC in Rs.) =  $(0.5 \times 1.356 \times 10^3) \times$  Contracted Capacity or part there off which has been advised to be started by the nodal Agency  $\times$  VCGA**
- (iv) Applicable Power Exchange sale related Charges payable by Seller for a day (Z in Rs):  
As per daily Power Exchange Obligation Report.  
Power exchange charges, and other charges applicable for bidding shall be recovered from the seller if not applicable.
- (v) NVVN trading margin shall be recovered as Trading Margin (TM)= INR 0.06 (plus GST) X Energy Scheduled (kWh) for the day.
- (vi) Liquidated Damage on account of less delivered availability for a day:  
LD in Rs. =ENSD\*0.1\*(VCNG+VCGA+SC) \*1000  
Provided that no LD shall be applicable for the first 30 Blocks in each week. ENSD as per clause 2.3  
A week shall be 7 days period starting from 1st day, 8th day, 15th day and so on, of the crunch period as mentioned in the bid documents.
- (vii) **Penalty for Deviation from schedule Generation** for a day: PD as per clause 2.7  
Provisional deduction of PD based on corresponding actual block wise generation provided by GBP plant, shall be made at the time of daily remittance.

**Net Amount Payable to GBP Plant for a day (N)=  $X+Y+SC-Z-LD-PD-TM$  (in case of unit start up during day)**

In case of unit operation continuing from previous day, startup cost shall not be payable for sale through Power Exchange.

In the event of the due date being a holiday, the next working day would be the due date for daily remittance.

**Actual Penalty (In Rs.) for Deviation from Schedule Generation for a day** (PD in Rs.) shall be calculated after issue of energy statement from concerned RLDC/SLDC or REA.

As per clause 5.1c) the GBP shall raise bill duly accounting for all LDs, penalty as per published account of RLDC/SLDC/REA at the end of the month.

5% of total payment corresponding to minimum Guaranteed offtake shall be kept against the reconciliation amount and shall be released to the generator after the reconciliation. The amount against the same shall be recovered from running bill @5% per bill. LPS shall not be applicable for the above amount.

**As per clause 5.1c) the GBP shall raise bill duly accounting for all LDs, penalty as per published account of RLDC/SLDC/REA at the end of the month.**

For power scheduled through TRAS the payment to the Seller shall be as per CERC regulations/guidelines. In case generating Unit(s) of the Seller continue to operate from previous day i.e. no unit start-up is required during the day, and energy is scheduled underTRAS, then corresponding start-up cost for the day shall be recovered from energy charges payable to bidder as per the weekly TRAS statement under TRAS scheduling. Nodal Agency will submit to NLDC on daily basis such recoverable start-up cost for the previous day in case of scheduling under TRAS.

In case scheduling through TRAS NVVN shall bill trading margin through separate invoice on issuance of weekly TRAS statement, same shall be payable by Seller within 12 days from the date of invoice.

## 6.0 Payment Security Mechanism:

NVVN shall provide payment security to the GBP plant through Revolving Letter of Credit (LC) of an amount equal to one day of amount payable to the Seller (VCGA+VCNG) commensurate to Minimum generation offtake with respect to the contracted capacity. This shall be applicable only for bilateral/Market transaction and not under TRAS.

## 7. Surcharge for Late Payment:

Late payment surcharge shall be payable to the Seller at the rate of 15% per annum for amount received from power exchange to NVVN and any delay in payment beyond the due date by NVVN. Payment period for Sale in other market segments such as TRAS and others shall be as per applicable regulations.

## 8. Miscellaneous:

- i. The seller will furnish CPG within 7 days from the date of letter of award by NVVN for an amount calculated at **Rs. 4,80,000 (Four Lakh Eighty Thousand only)** per MW.
- ii. The seller will have an option to provide CPG in the form of a demand draft or a bank guarantee acceptable to NVVN payable at New Delhi or deposited online through NEFT/IMPS/RTGS payment in the NVVN Bank Account.
- iii. If the Bank Guarantee is submitted, shall be valid till a further 45 days after end of the contract with an additional claim period of 1 month further in the format as specified in **Annexure VIII of RfS**. In case of any extension of the contract period, unconditional extension of validity of CPG shall be provided by the seller.
- iv. In the event the CPG is not furnished within the stipulated date, the EMD submitted against the Notification shall be forfeited.
- v. The CPG provided by the Successful Bidder(s) shall be forfeited for non- performing the contractual obligations or furnishing the false information. In case the Bidder/Seller fails to offer the contracted power as per the LoA/Agreement to the Procurer and sells this power to any other party, the Procurer shall be entitled to forfeit the CPG. The seller shall be further debarred from participating in power exchange and from scheduling this power in any short term/medium term/long term contracts from that generating station for a period of 3 months from establishment of default.
- vi. On successful completion of the Contract and submission of requisite certification by Seller, the CPG without interest shall be released by NVVN, within 30 days from the end of Contract Period including any extension if any.
- vii. Any obligation on procurement of gas by Seller on take or pay basis shall be to the accounts of Seller and Nodal Agency and its representatives shall not be responsible for same in any manner.
- viii. Nodal Agency and its representatives shall not be liable for any Compensation or Penalty under any circumstances under this Agreement. Moreover the nodal agency is indemnified at all times and the Seller undertakes to indemnify, defend and save the Nodal Agency harmless from any and all damages, losses, claims and actions, including and not limited to those relating to injury to or death of any person or damage to property, demands, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from the this agreement, bidding process and supply of power and it's consequences.

## **9. Force Majeure**

- a) Neither party shall be in breach of its obligations if the performance of such obligation was prevented, hindered or delayed due to a Force Majeure Event.
- b) Force Majeure Events shall mean the occurrence of any of the following events:
- c) Any restriction imposed by RLDC/SLDC in scheduling of power due to breakdown of Transmission/Grid constraint shall be treated as Force Majeure without any liability on either side.
- d) Any of the events or circumstances, or combination of events and circumstances such as act of God, exceptionally adverse weather conditions, lightning, flood, cyclone, earthquake, volcanic eruption, fire or landslide or acts of terrorism causing disruption of the system and prevents or delays any party in the performance of its obligation in accordance with the terms of this Agreement, but only if and to the extent that
  - I. Such events and circumstances are not within the reasonable control of the affected party and
  - II. Such events or circumstances could not have been prevented through employment of prudent Utility Practices.
  - III. The contracted power will be treated as deemed reduced for the period of transmission constraint. The non/part availability of transmission corridor should be certified by the concerned RLDC/SLDC.

Either Party shall communicate within 24 hrs. of occurrence of force majeure event to the other party.

## **10. Change In Law**

Change in Law provision shall not be applicable for this Contract.

## **11. Communication**

All parties shall rely on written communication only.

NVVN reserves the right to ask for the additional information from the Seller through letter/ e-mail / fax only. The e-mail ids: [nvvnbd@ntpc.co.in](mailto:nvvnbd@ntpc.co.in); [nvvnix@ntpc.co.in](mailto:nvvnix@ntpc.co.in); [nvvnix@gmail.com](mailto:nvvnix@gmail.com); [nvvncomml@ntpc.co.in](mailto:nvvncomml@ntpc.co.in); [cr.nvvn@ntpc.co.in](mailto:cr.nvvn@ntpc.co.in).

**Address of the NVVN (Nodal Agency):**

**For M/s. NTPC Vidyut Vyapar Nigam Ltd**

**For Scheduling & Operational Matters: -**

Kind Attention : NVVN Control Room/AGM (SO)  
Address : M/s NTPC Vidyut Vyapar Nigam Ltd,  
5th Floor, Engineering Office Complex, NTPC Ltd.  
A-8A, Sector-24, Noida 201301 (U.P)  
Telephone No : 0120-2410606, 0120-4948584  
Email : [cr.nvvn@ntpc.co.in](mailto:cr.nvvn@ntpc.co.in)

**For Billing & Commercial Matters: -**

Kind Attention : AGM (Commercial)  
Address : M/s NTPC Vidyut Vyapar Nigam Ltd,  
5th Floor, Engineering Office Complex, NTPC Ltd.  
A- 8A, Sector-24, Noida 201301 (U.P)  
Telephone No : 0120-49485251, 0120-4948531  
Email : [nvvncomml@ntpc.co.in](mailto:nvvncomml@ntpc.co.in)

**Address of the Seller:**

**For Scheduling & Operational Matters:-**

Kind Attention :  
Address :  
Telephone No :  
Email :

**For Billing & Commercial Matters:-**

Kind Attention :  
Address :  
Telephone No :  
Email :

**12. Disclaimer**

Neither NVVN nor its employees shall be liable to Seller or any other person under any law including the law of contract, tort, the principles of restitution or unjust enrichment or otherwise for any loss, expense or damage which may arise, or be incurred, or suffered, in connection with the bid, or any other information supplied by or on behalf of NVVN or its employees.

**13. Dispute Resolution**

- i. Any dispute, difference or controversy of whatever nature howsoever arising under or out of or in relation to this Agreement (including its interpretation) between the parties, and so notified in writing by either Party to the other Party (the "Dispute") shall, in the first instance, be attempted to be resolved amicably.
- ii. The parties agree to use their best efforts for resolving all Disputes arising under or in respect of this Agreement promptly, equitably and in good faith, and further agree to provide each other with reasonable access during normal business hours to all non- privileged records, information and data pertaining to any Dispute.
- iii. If in spite of their best efforts, the parties fail to resolve the dispute, the same shall be referred for resolution under the Conciliation Committee of Independent Experts (CCIE) constituted by the Central Government.

IN WITNESS whereof the duly authorized representatives of the Parties have signed on the day and year first hereinbefore written.

**For & on behalf of  
NTPC Vidyut Vyapar Nigam Limited**

**For & on behalf of Seller**

(Signature with seal)

(Signature with seal)

WITNESS

WITNESS

1. ....

1 .....

2. ....

2.....

**Annexure I**  
**Profile Received from NLDC**

Cumulative generation days during 16<sup>th</sup> March-24 to 30<sup>th</sup> June 24 are as mentioned below:

Month	Fortnight wise expected gas generation requirement (in days)	
	1 <sup>st</sup> Fortnight of Month	2 <sup>nd</sup> Fortnight of Month
March-24	Nil	10
April-24	15	15
May-24	8	2
June-24	11	11

Tentative fortnightly Minimum Guaranteed Offtake (MGO) will be as under:

Month	Tentative fortnightly Minimum Guaranteed Offtake (MGO) (MU)	
	1 <sup>st</sup> Fortnight of Month	2 <sup>nd</sup> Fortnight of Month
March-24	Nil	280
April-24	420	420
May-24	224	56
June-24	308	308

*Fortnightly MGO shall be revised based on actual no. of days communicated by Grid India, 45 days in advance on proportionate basis.*