

Response to Bidders' Queries for Development of 80 MW of Solar Power Projects in the State of Karnataka

Sl. No.	Clause/Article No.	Queries	Response
Request for Proposal			
1.	Clause 1.1.2	Is the maximum capacity allotment of 10 MW to any Bidder inclusive of both Solar PV & Solar Thermal?	The maximum capacity allotment of 10 MW to any Bidder, including Group Business Entity, is inclusive of both Solar PV & Solar Thermal
2.	Clause 1.1.2	The maximum capacity allotment of 10 MW for Solar Thermal is small. The minimum capacity should be 20 MW and above.	The provisions relating to capacity of projects in the RFP shall remain unchanged.
3.	Clause 1.1.2	What extent of capacity would be transferred between Solar Thermal and Solar PV?	<p>For Solar Thermal Projects: In case the Bidders are shortlisted and the aggregate capacities of Bids received for developing Solar Thermal Projects are lower than 30 MW, the unmet capacity shall be transferred to Solar PV Project only in case the aggregate capacities of Bids received for developing Solar PV Projects are greater than 50 MW. The Selected Bidders shall be declared from the shortlisted Bidder on the basis of Discount in Tariff.</p> <p>For Solar PV Projects: In case the Bidders are shortlisted and the aggregate capacities of Bids received for developing Solar PV Projects are lower than 50 MW, the unmet capacity shall be transferred to Solar Thermal Project only in case the aggregate capacities of Bids received for developing Solar Thermal Projects are greater than 30 MW. The Selected Bidders shall be declared from the shortlisted Bidder on the basis of Discount in Tariff.</p> <p>In the event that the aggregate capacities of Bids received for developing Solar Thermal Projects are lower than 30 MW and Solar PV Projects are lower than 50 MW, then the allotment of generating capacity shall be done to the extent for which Bids are received.</p>

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4.	Clause 1.1.2	Can one company bid for multiple projects (with a cap of 10MW) and offer differential pricing for each bid?	A Bidder is allowed to bid for more than one Project(s) based on the Eligibility Criteria stipulated in the RFP document and RFP is common for all the Project(s). The Project is independent of each other and a Bidder should submit Financial Bid for each Project. The aggregate capacity of the Bids for Solar Thermal Project and Solar PV Project submitted by the Bidder shall not be more than 10 MW.
5.	Clause 1.1.2	Can a solar power developer bid for different technology?	The Bidder can bid either for a Solar Thermal Project or for a Solar PV Project or both.
6.	Clause 1.1.2 and 1.1.10	<p>In case a Bidder wants to develop more than one project, can these projects be developed at the same location, with separate distinct boundary for each project?</p> <p>In case, due to any reason, if the developer finds it difficult to acquire the land in proposed location, will the change in location be allowed after the award? Can the Developer split the project into smaller capacity, if he gets land at more than one location?</p>	<p>The Bidder may propose to develop different projects in the same location, provided that each project is separated by a distinct boundary. It shall be the onus of the Bidder to prove that the projects proposed have distinct boundaries. In the event that the evidence provided by the Bidder is found to be unsatisfactory by the Authority, such Bids shall be summarily rejected.</p> <p>The Developer may change the location of the proposed project in the event that land cannot be acquired in the location proposed during the RFP Stage. In such a case, the Project may also be split, however, the minimum capacity specified in the Bid Documents are to be maintained. In no circumstance shall the Discount in Tariff offered by the Bidder be changed due to change in location.</p>
7.	Clause 1.1.2	Can a Solar PV project of capacity 3 MW be allowed to be spread across multiple land sites?	No. The minimum capacity of a Solar PV Project is 3 MW and should be developed on a single land parcel only.
8.	Clause 1.1.2	Please clarify whether the capacity for Solar PV Projects is an AC Rating or DC Rating.	The Solar PV Project capacity shall be in AC rating as measured at the Delivery Point.
9.	Clause 1.1.3	What should be the interconnection voltage for a 5 MW project?	The interconnection to the nearest substation/delivery point could be at the voltage level of 11KV for electricity generation capacity below 5 MW. For the purpose reliability, Bidder may interconnect to the nearest substation/delivery point at a higher voltage level.
10.	Clause 1.1.3	Can all the projects be connected to 33kV and above substation?	The voltage levels at which the Project will be connected to the substation will depend on the availability of the nearest substation.

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			However, interconnection to the nearest substation/delivery point may be done at a voltage level of 11KV for electricity generation capacity of upto 5 MW and at the voltage level of 33/66/110 KV for electricity generation capacity of 5 MW and above.
11.	Clause 1.1.3	Please confirm whether a letter is required from the ESCOM for permission for interconnectivity of Solar Project.	The Selected Bidder shall obtain power evacuation approval from KPTCL within 270 days of signing of the Power Purchase Agreement
12.	Clause. 1.1.3	Are there any limitations on the length of transmission line drawn from the generation site to the substation? Where will the metering of power supplied done?	The Developer shall be responsible for power evacuation from the power plant to the nearest sub-station, irrespective of the distance from the power plant. Metering shall be done at the Delivery Point.
13.	Clause 1.1.3	The required grid voltage or substation capacity may not be available near the proposed site. Government should take the responsibility of system strengthening and up-gradation of substation /transmission network before the commercial operations date of the Projects.	Power evacuation should be done based on the voltage level and technically feasibility available at the nearest substation. In case of insufficient capacity at the substation, necessary infrastructure shall be developed by KPTCL/the concerned ESCOM. The upgradation of substation capacity across the State is currently underway.
14.	Clause 1.1.3	Will KREDL / KPTCL provide support for acquisition of the necessary Right of Way for building the transmission line?	The Developer shall be responsible for evacuation of power and all activities related to the same shall be undertaken by the Developer. KREDL shall endeavor to facilitate wherever required.
15.	Clause 1.1.3	As per KERC's tariff order, evacuation of power up to Interconnection Point will be the responsibility of Developers and beyond interconnection point it shall be responsibility of STU/ESCOMs. Kindly define Inter-connection point.	Please refer Clause 5.1 of the draft PPA. The Developer shall be responsible for evacuation of power up to the Delivery Point.
16.	Clause 1.1.3	Please clarify whether construction of additional bay(s) will be in the scope of Developer or STU/ESCOM	Construction of additional bays shall be the responsibility of the Developer.
17.	Clause 1.1.3	Please clarify whether the selected bidders are deemed to be given permission under Section 68 and	Yes. However necessary authorizations, if required, shall be obtained from the Energy Department, Government of Karnataka.

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		Section 164 of Electricity Act, 2003 for the purpose of constructing dedicated transmission line till the nearest sub-station?	
18.	Clause 1.1.3	Who will operate and maintain the transmission line and system till inter-connection point? In case the STU/ESCOM will take over the line for O&M, is the developer required to pay supervision charges for construction of dedicated transmission line?	The Developer shall carry out maintenance of the transmission line over the Agreement Period. However, applicable supervision charges shall be paid by the Developer.
19.	Clause 1.1.3	11 kV and 33 kV lines, are operated and maintained by ESCOMs, whereas the sub-stations voltage configurations of 66/11 kV or 110/66/33 kV are owned and operated by KPTCL. In case a developer wants to lay a 33 kV line and connect to nearest KPTCL sub-station of 110/66/33 kV, then should the developer approach both STU and ESCOM?	The Developer shall obtain necessary approvals for power evacuation from KPTCL.
20.	Clause 1.1.4	Is it mandatory to provide proof of water availability at proposed Project site by competent authority for solar thermal projects even if we use air-cooled system with no water requirement? In case we tap the ground water for water requirements, should we provide any documentary proof?	In case of a Solar Thermal Project, the Bidder shall furnish the documentary evidence in the form of approval from the Irrigation Department, Government of Karnataka in case the water is proposed to be used from irrigation sources.
21.	Clause 1.1.10	If a Bidder wishes to submit Bids for 2 different Projects, are they required to submit the offer in 2 separate envelopes?	Please refer Clause 2.11 of the RFP. The Bidder shall submit the Financial Bid for each Project separately in the format set out in Appendix – VI. If the Bidder is Bidding for more than one Project Key Submission and Qualification Submission shall be common for the Project. However in case of Consortium bidding for more than one Project with different Lead Member in such case, separate Power of Attorney for Lead Member of consortium and if the shareholding pattern of the consortium is varying in each Project then separate

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			Joint Bidding Agreement, shall be submitted by the Bidder under the same cover of Key Submission and Qualification Submission.
22.	Clause 1.1.10	In case the Bidder submits bids for two Projects can the Financial Bid offered be different for both?	The Financial Bid for different Projects would need to be determined by the Bidder depending on the local conditions and capacity for each Project.
23.	Clause 1.2.4	Reduce the bid security amount to 5 Lakhs per MW from 20 Lakhs per MW	The Clause shall remain unchanged
24.	Clause 1.2.5	Is there any restriction with respect to depreciation accounting and accelerated depreciation?	The Bidder may choose his own accounting methodology. The Applicable Tariff as per the KERC order shall be irrespective of the depreciation method used.
25.	Clause 1.2.6	Please clarify if the aggregate capacity includes 30 MW of Solar Thermal and 50 MW of Solar PV Projects.	The Clause 1.2.6 shall be modified as follows: Generally, the Bidder offering the maximum quantum of Discount in Tariff will be selected first and so on till the total aggregate capacity of 80 MW including, 50 MW for Solar PV Projects and 30 MW for Solar Thermal Projects is reached (the “ Selected Bidders ”). The remaining Bidders shall be kept in reserve and shall be shortlisted in case any of the Selected Bidders withdraws or is not selected for any reason, in accordance with the process specified in this RFP and as explained in Clause 3.6. In the event that the other Bidders withdraw, the Authority may, in its discretion annul the Bidding Process.
26.	Clause 1.3	Kindly intimate the date of opening of Financial Bids.	The date of Financial Bid Opening shall be intimated later.
27.	Clause 1.3	Kindly intimate the date of Opening of Key Submission and Qualification Submissions.	The date of opening of key submission and qualification submissions shall be intimated later.
28.	Clause 1.3	Request you to kindly extend the Bid Due Date	The Bid Due Date is extended to 24 th November, 2011
29.	Clause 1.3	Can the tentative dates by which the decision on the bids will be taken, and the Letters of Award of Solar projects be sent to successful Bidders, be provided?	The dates will be intimated later
30.	Clause 2.1	Are Limited Liability Partnerships (LLPs) eligible to participate?	Please refer to Clause 2.1 of the RFP. Limited Liability Partnerships (LLPs) and Limited Liability Companies

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			are not eligible to participate.
31.	Clause 2.1	Can a foreign Company participate as a single entity? If yes, what clearances would it require to do so?	Please refer to Clause 2.1 of the RFP. All clearances as required by applicable law should be taken by the Bidder, if required, for submitting their Bid. Please refer to Clause 1.1.1 and 2.1.3 of the RFP. The Selected Bidder including Single Entity/ Consortium shall be a Company under the Companies Act, 1956 or under an equivalent law abroad. Therefore, Foreign Company can bid as a single business entity and it shall form an appropriate SPV under Companies Act, 1956 to execute the Power Purchase Agreement.
32.	Clause 2.1.2 (a)	Can a bidder bid for 10 MW on its own and for another 10 MW as part of a consortium where its stake is less than 26%?	No. Please refer Clause 2.1.2 (b). No Bidder applying individually or as a member of a Consortium, as the case may be, can be member of another Consortium.
33.	Clause 2.1.9	In case a developer is bidding for more than one project, is he required to submit separate POA for each project, or one POA would suffice?	In case the authorized signatory is the same for all Projects, only one Power of Attorney for signing of Bid may be submitted. In case of a Consortium, where the Bidder is bidding for more than one Project with different Lead Members, then in such case for each such Project, it shall submit the Power of Attorney for Lead Member separately. Please refer Clause 2.11.2 of the RFP.
34.	Clause 2.1.14	Can a Selected Bidder or its Group Business Entity, enter in to an EPC agreement for execution of the Project of another Selected Bidder.	The Selected Bidder cannot enter in to an EPC contract with Other Developer for execution of the Project. Following modification shall be made in the definition and the obligation relating to employment of Contractor in the Power Purchase Agreement: The Developer shall, at its own cost and expense, in addition to and not in derogation of its obligations elsewhere set out in this Agreement a. make reasonable efforts to maintain harmony and good

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			<p>industrial relations among the personnel employed by it or its Contractors in connection with the performance of its obligations under this Agreement</p> <p>b. Ensure and procure that its Contractors comply with all Applicable Permits and Applicable Laws in the performance by them of any of the Developer's obligations under this Agreement.</p> <p>Definitions</p> <p>"Contractor" means the person or persons excluding Other Developer, as the case may be, with whom the Developer has entered into any of the EPC Contract, the O&M Contract, or any other agreement or a material contract for construction, operation and/or maintenance of the Project or matters incidental thereto, but does not include a person who has entered into an agreement for providing financial assistance to the Developer.</p> <p>"Other Developer" shall mean all the bidders other than the Single Business Entity/Consortium, declared as Selected Bidder under the RFP and the SPV, if any formed by such Selected Bidders, with whom the Power Purchase Agreements are executed in accordance with the provisions of the RFP to undertake any Project(s) thereunder</p> <p>As per the above definitions Selected Bidder or its Group Business Entity, cannot enter in to an EPC agreement for execution of the Project of another Selected Bidder.</p>
35.	Clause 2.1.17	Is it mandatory for a single business entity to form an SPV to execute the PPA and implement the project?	If the Bidder is a single entity, it may form an appropriate SPV to execute the Power Purchase Agreement and implement the Project.
36.	Clause 2.1.8 & 2.17	We request you to consider validity of the Bank Guarantee and Bids as 90 days instead of 180 days.	The Clause shall remain unchanged

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37.	Clause 2.1.19	Does the penalty include Penalty/ Termination levied by KPTCL/ESCOMS on other contracts of bidder and not necessarily by Arbitration/Judicial award?	<p>A Bidder/ Consortium Member should, in the last three years, have neither failed to perform on any contract as evidenced by, Penalty imposed by an arbitral or judicial pronouncement against the Bidder however the same shall not be applicable in case the penalty is imposed by the Authority.</p> <p>This provision would apply in case there is expulsion from any project or contract or termination of contract by the Authority in case of breach of that contract by the Bidder.</p>
38.	Clause 2.3	Can the Selected Bidder dilute its shareholding in the Developer after completion of 3 years from COD with the prior approval of KREDL or the ESCOMs?	<p>In case the Selected Bidder is a Consortium, Members of the Consortium shall collectively hold at least 51% of subscribed and paid up equity share capital of the SPV at all times until third anniversary of the Commercial Operations Date of the Project. The Lead Member shall have at least 26% shareholding of the SPV until third anniversary of the Commercial Operations Date of the Project.</p> <p>In case the Selected Bidder is a single entity, it shall hold at least 51% of subscribed and paid up equity share capital of the SPV, until third anniversary of the Commercial Operations Date of the Project. This condition is applicable only in case the single business entity incorporates an SPV to execute the PPA and implement the Project.</p>
39.	Clause 2.3	Do we have to bring equity into the SPV before signing the PPA?	Yes. Equity contribution of the Bidder in the SPV shall depend on the financing mechanism adopted by the Bidder. However, the shareholding conditions as per the RFP and the draft PPA are to be maintained.
40.	Clause 2.8.1	Response to queries 15 days prior to due date is too late. Can this be done earlier?	The Clause shall remain unchanged
41.	Clause 2.11.2	Please indicate methodology for submission of Appendix VII- Anti Collusion Certificate & Appendix VIII- Anti Blacklisting Affidavit	<p>The following documents shall be submitted as part of the “Key Submissions and Qualification Submission”:</p> <p>α. Anti Collusion Certificate in the format provided -in Appendix – VII.</p>

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			<p>b. Anti Blacklisting Affidavit in the format provided in Appendix – VIII.</p> <p>Please refer to Clause 2.11.2 for sealing and marking of bids.</p>
42.	Clause 2.11.2 (k)	A copy of the draft Power Purchase Agreement with each page initialed by the person signing the Bid is to be submitted. Should the draft Power Purchase Agreement be filled with the relevant details or it should be left blank?	A copy of the draft Power Purchase Agreement should be submitted along with the Bid, with each page initialed by the person signing the Bid in pursuance of the Power of Attorney.
43.	Clause 2.11.2 (e)	Please clarify whether Envelope-1 will contain only B.G for 20 Lacs/MW or BG for 20 Lacs/MW and BG for Bid Discount offered also?	The Bid Bond should be submitted along with the Financial Bid only and not with the Key Submissions.
44.	Clause 2.14	Request the Authority to place a maximum cap on the discount in tariff at which developers would bid for the Solar PV Projects.	The Clause shall remain unchanged
45.	Clause 2.14.1	As per KERC Order no: S/03/1/ dated 13 Jul 2010, Clause 3 (k) on Page 16, the Commission has ruled that the Generic Tariff fixed for both Solar PV and Solar Thermal does not factor in income tax payable by the Solar Power Developers and the actual tax paid annually is allowed as pass through and the Developer can claim it directly from the ESCOMs. In view of this please clarify that the Tariff payable (net of discount quoted) to selected bidder is exclusive of Tax and the actual tax paid by the SPV shall be reimbursed fully by the ESCOMs directly.	Karnataka Electricity Regulatory Commission guidelines shall be followed in this regard.
46.	Clause 2.20.6 (i)	This Clause may please be deleted.	The Clause shall remain unchanged
47.	Clause 2.21	We request that the Bid Bond amount to be reduced from Rs.10000 per paisa of discount to Rs.2000 per paisa of discount offered	The Clause shall remain unchanged
48.	Clause 2.21 and	Request the Bid Bond calculation to be changed for	Sample Bid Bond calculation shall be as hereunder:

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	Schedule 3	the current method to a graded/slab scale method.	<p>If a Bidder is proposing to develop a 5 MW Solar PV power plant, the applicable tariff as issued by KERC is Rs. 14.50 per unit.</p> <p>In case the Bidder intends to quote a discount of 300 paisa/unit on the applicable tariff, the amount of Bid Bond to be provided by the Bidder shall be calculated as follows:</p> <p>Percentage Discount quoted: Discount offered: 300 paisa Percentage discount on applicable tariff: $(300/1450)*100= 20.69\%$</p> <p>Bid Bond amount: Bid Bond = $(145*10000*5) + (72.5*20000*5) + (72.5*30000*5) + (10*40000*5) = \text{Rs } 2.74 \text{ Crs}$</p>
49.	Clause 3.1.1	Please clarify if the details of a bidder will be announced to everyone during the time of bidding.	Yes. The details of the Bidders will be announced at the time of Bid Opening.
50.	Clause 3.3.2 (a)	<p>Please correct the IEC Code for Concentrator PV Modules as IEC 62108 instead of IEC 62104, as approved by MNRE</p> <p>Please clarify what certificate is required from Manufacturer and ESCOM in case an unapproved technology is used? Please provide a format of the same.</p>	<p>The Clause shall be modified as follows:</p> <p>In case of Solar PV Project</p> <ol style="list-style-type: none"> Crystalline Silicon Solar Cell Modules IEC 61215 Thin Film Modules IEC 61646 Concentrator PV modules IEC 62108 <p>In case of unapproved technology by MNRE, Certificate from ETDC Bangalore, shall be allowed which shall certify the following</p> <ol style="list-style-type: none"> Technology Energy Produced per hour/square feet Period for which it is operational Proof of existing Project
51.	Clause 3.3.2 (b)	In case the bidder is a newly formed company, qualifying solely on the credentials of group business entity, can it submit Financial Capacity of the group	<p>Please refer to Clause 3.3.2 (b) of the RFP.</p> <p>For the purpose of ascertaining qualification, Financial Capacity of group business entity can also be submitted by the Bidder in</p>

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		<p>business entity only? If so, can all the bank guarantees be provided from the Group Business Entity?</p> <p>For newly formed companies can the Net-worth be considered as on 31st September 2011?</p>	<p>addition to its own Financial Capacity. The Financial Capacity would be summation of the Financial Capacity of the Bidder and the Group Business Entities.</p> <p>Group Business Entity shall mean;</p> <ul style="list-style-type: none"> (a) A Business Entity, which directly or indirectly holds not less than 26% of voting securities in the Bidder; or (b) A Business Entity in which the Applicant directly or indirectly holds not less than 26% of voting securities. <p>The Bidder shall have a minimum net worth as on March 31, 2011.</p> <p>The Bank Guarantees shall be submitted by the Bidder in favor of the Authority and in the formats provided in the RFP.</p>
52.	Clause 3.3.2 (b)	Can non corporate organizations like LLPs, Partnership firms, and Individuals, who will fulfill the criteria for the purpose of net worth be considered as Group Business Entities?	The Group Business Entity shall be a Company incorporated under the Companies Act 1956 or under an equivalent law abroad, if it is a foreign company.
53.	Clause 3.3.2 (b)	Please confirm on the exact formula to be used for computation of Net Worth.	Please refer to Instruction No. 2 in the Annex-III of the RFP.
54.	Clause 3.4	In case Audited Annual Reports for FY2011 are not available by the time of bid due date can the Audited Reports for FY2010 be submitted with Statutory Auditor's certificate to that effect?	In case the annual accounts for the latest financial year are not audited and therefore the Bidder could not make it available, the Bidder shall give an undertaking to this effect and the statutory auditor shall certify the same.
55.	Clause 3.6	The bids should have an option where the bidder may specify the minimum capacity he is willing to accept.	<p><u>In case of Solar Thermal Projects</u></p> <p>The Financial Bids received for Solar Thermal Projects will be opened first and the Bidder offering the maximum quantum of Discount in Tariff will be selected first and so on till the total aggregate capacity of 30 MW is reached (the "Selected Bidders").</p> <p>In case the capacity of the last Project selected is higher than the capacity required for meeting the aggregate capacity of 30 MW for</p>

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			<p>Solar Thermal Projects, then the capacity to be awarded to the Bidder of the last Project shall be higher of 5 MW or the residual capacity for Solar Thermal Projects (“Residual Capacity for Solar Thermal Projects”). If the Bidder is not willing to undertake the Project for Discount in Tariff quoted for the higher capacity the Bidder shall immediately furnish an under taking to such effect to the Authority.</p> <p>Residual Capacity for Solar Thermal Projects is the difference between 30 MW and aggregate capacity of Projects selected up to the last Project.</p> <p><i>Illustration: If the aggregate capacity for Solar Thermal Projects selected reaches 28 MW, the Residual Capacity for Solar Thermal Projects is 2 MW. If the proposed capacity of the Project offering the next highest Discount in Tariff is 7 MW, the Bidder will be awarded only 5 MW for development of a Solar Thermal Project.</i></p> <p>In the event that two or more Bidders quote the same amount of Discount in Tariff for the last Project (the "Tie Bidders"), the Authority shall identify the Selected Bidder by draw of lots, which shall be conducted, with prior notice, in the presence of the Tie Bidders who choose to attend.</p> <p>In case the Financial Bids are not accompanied by the Bid Bond, shall render the Bid submission liable to rejection as a non-responsive Bid submission.</p> <p><u>In case of Solar PV Projects</u></p> <p>After meeting the aggregate capacity of 30 MW for Solar Thermal Projects, the Financial Bids received for Solar PV Projects will be opened and the Bidder offering the maximum quantum of Discount in Tariff will be selected first and so on till the total aggregate capacity of 50 MW is reached (the “Selected Bidders”).</p> <p>In case the capacity of the last Project selected is higher than the</p>

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			<p>capacity to be selected for meeting the aggregate capacity of 50 MW for Solar PV Projects, then the capacity to be awarded to the last Project shall be higher of 3 MW or the residual capacity for Solar PV Projects ("Residual Capacity for Solar PV Projects"). If the Bidder is not willing to undertake the Project for Discount in Tariff quoted for the higher capacity the Bidder shall immediately furnish an under taking to such effect to the Authority.</p> <p>Residual Capacity for Solar PV Projects is the difference between 50 MW and aggregate capacity of Projects selected up to the last Project.</p> <p><i>Illustration: If the aggregate capacity for Solar PV Projects selected reaches 48 MW, the Residual Capacity for Solar PV Projects is 2 MW. If the proposed capacity of the Project offering the next highest Discount in Tariff is 5 MW, the Bidder will be awarded only 3 MW for development of a Solar PV Project.</i></p> <p>In the event that two or more Bidders quote the same amount of Discount in Tariff for the last Project (the "Tie Bidders"), the Authority shall identify the Selected Bidder by draw of lots, which shall be conducted, with prior notice, in the presence of the Tie Bidders who choose to attend.</p> <p>In case the Financial Bids are not accompanied by the Bid Bond, shall render the Bid submission liable to rejection as a non-responsive Bid submission.</p>
56.	Clause 3.6.1	Will the Bid be considered as non-responsive in case the Bidder does not furnish a Bid Bond because no discount is offered?	Yes. The minimum Bid Bond of Rs.1, 00,000/- shall be furnished by the Bidder.
57.	Clause 3.6.2	Please clarify if the reference is for Solar PV Projects in the illustration.	The illustration in Clause 3.6.2 shall be modified as follows: <i>"If the aggregate capacity for Solar PV Projects selected reaches 48 MW, the Residual Capacity for Solar PV Projects is 2 MW. If the proposed capacity of the Project offering the next highest Discount in Tariff is 5 MW, the Bidder will be awarded only 3 MW for</i>

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			<i>development of a Solar PV Project”.</i>
58.	Clause 3.6.6	Please provide the format of certificate required from Legal Counsel.	Certificate from legal counsel is not required to be submitted by the Bidder and clause 3.6.6 shall be accordingly modified.
59.	Clause 3.8	Request you to consider financial closure date to be extended to 270 days from the date of signing of Power purchase agreement (PPA).	The Developer shall within 270 days from the Effective Date shall fulfill the Condition Precedent In the event that the Developer does not procure fulfillment of any or all of the Conditions Precedent within the period of 270 days and the delay has not occurred for any reasons attributable to ESCOM or due to Force Majeure, the Developer shall pay to ESCOM Damages in an amount calculated at the rate of 0.2% (zero point two per cent) of the Performance Security for each day's delay until the fulfillment of such Conditions Precedent, subject to a maximum period of 30 (thirty) days. On expiry of the said 30 (thirty) days, ESCOM at its discretion may terminate this Agreement.
60.	Clause 3.8	Will KREDL make provision of Government Land for the Solar PV Project at nominal prices? Will the Government assist in land acquisition?	No provision of land will be made by KREDL. KREDL would provide details of Government land available in the State which the Bidders may acquire/lease as per applicable rates. KREDL would facilitate the Developer with conversion of private land for setting up a solar power plant (industrial purposes). In case any of the Bidders intend to develop their project on any of the land parcels, as listed in Annexure I, they may approach the Revenue Department, Government of Karnataka for the same.
61.	Clause 3.8 (iii)	Is this document pertaining to Land availability to be submitted along with the Bid? Is it mandatory to show the land with survey numbers along with the Bid?	At the time of submission of Bids, Bidders are required to give the indicative details of land identified for the proposed project. The indicative details of land shall include name of the district, taluk, village, total area, location and survey numbers of the land. Documentary proof relating to land shall be submitted as part of Conditions Precedent and need not be submitted along with the Bid.

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62.	Clause 3.9	Request you to consider that CDM credits should be directly passed to the developer keeping in view the high investment cost.	Sharing of CDM benefits shall be as per the order passed by KERC. Therefore, the provisions relating to sharing of CDM benefits in the RFP and the draft PPA shall remain unchanged.
63.	Clause 3.10	We request you to change the penalties for delay in such a way so as to have an overall cap of 10% of the performance security only.	The Clause shall remain unchanged.
64.	Clause 3.10	Please clarify whether the Commercial Operation Date for Solar PV Project is either 18 months or 12 months from the Date of Signing of PPA.	<p>In case of Solar PV Projects, Commercial Operations Date shall be achieved within 18 months from the date of signing of PPA. This is inclusive of 270 days period provided for Conditions Precedent.</p> <p>In case of Solar Thermal Projects Commercial Operations Date shall be achieved within 30 months from the date of signing of PPA. This is inclusive of 270 days period provided for Conditions Precedent.</p> <p>The maximum time period allowed for achievement of Commercial Operation Date with payment of Liquidated Damages shall be limited to 24 (twenty four) months in case of a Solar PV Project and 36 (thirty six) months in case of a Solar Thermal Project from the date of signing of the PPA.</p>
65.	Clause 3.11	Request you to reconsider returning Performance Security within 3 months after COD.	The Performance Security shall be kept valid upto 1 year from the Commercial Operation Date.
66.	Clause 3.11	We request that once the PPA is signed the bid bond and bid security should be returned to the Bidder and only a Performance Security of 30 Lacs per MW shall be retained by the ESCOM.	The Clause shall remain unchanged.
67.	Appendix I- Clause 16	We request that this undertaking should be amended to indicate best knowledge of the Bidder.	This Clause shall remain unchanged
68.	Annex- I	Please let us know of this Annexure should be signed by the Authorized Signatory?	All submissions by the Bidder should be signed by the Authorized Signatory only.
69.	Annex – II	We request you to kindly accept land documents that are in Kannada also without the need for certified	Land documents that are in Kannada need not be submitted along with certified English translation.

Sl. No.	Clause/Article No.	Queries	Response
		English translation.	
70.	Annex- III	<p>As per RfP – Under the head Instruction, Entry 1 stages that “The Bidder/its constituent Consortium Members shall attach copies of the balance sheets, financial statements and Annual Reports for 3 (three) years preceding the Bid Due Date.”</p> <p>Our suggestion – We request that the requirement of furnishing Annual Report may be waived/dispensed with as the financial capacity of a bidder may be fully and effectively assessed and determined through the audited balance sheet and financial statement of the bidder.</p>	<p>The same shall be modified to include the following: The Bidder/its constituent Consortium Members shall attach copies of the balance sheets, financial statements and Annual Reports as on March 31, 2011.</p> <p>In case the annual accounts for the latest financial year are not audited and therefore the Bidder could not make it available, the Bidder shall give an undertaking to this effect and the statutory auditor shall certify the same.</p>
71.	Annex- III	What does Member Code means?	Member Code shall indicate NA for Not Applicable in case of a single entity Applicant. For other Members, the following abbreviations are suggested viz. LM means Lead Member, OM means Other Member.
72.	Annex – III	<ol style="list-style-type: none"> 1. In case the Bidder claims net worth of Group Business Entity, should the Certificate as per Annex-IV be taken from Statutory Auditor of the bidder or from the Statutory Auditor of the Group Business Entity? 2. In case the Bidder claims net worth of Group Business Entity, will a Certificate as per Annex- IIIA, given by Statutory Auditor of the Bidder mentioning the Net worth of Group Business Entity suffice along with Annex-IV? Please clarify 	<p>Annex-IV for Group Business Entity should be certified by the Statutory Auditor of the Bidder.</p> <p>Annex-III A for Financial Capacity of the Group Business Entity should be certified by the Statutory Auditor of the Group Business Entity.</p>
73.	Appendix – IV A	Can the total value of Bid Bond be split in to 2 or 3 B.Gs/DDs?	The Bid Bond can be split into more than 1 bank guarantee/demand drafts. However, the bank guarantee/demand drafts must be in favour of the authority and the bank guarantee shall be in the

Sl. No.	Clause/Article No.	Queries	Response
			format provided in Appendix – IV A.
74.	Appendix-IV A	<p>We request you to consider the removal/deletion of the following clause as a guarantor bank may not agree on the assignability of the guarantee by the Authority.</p> <p>“The Guarantor Bank acknowledges that this Bid Bond Guarantee is not personal to Authority and may be assigned, in whole or in part, (whether absolutely or by way of security) by Authority to any entity to whom Authority is entitled to assign its rights and obligations under the Power Purchase Agreement”.</p>	The Clause shall remain unchanged
75.	Appendix-IV A	<p>We request you to delete the following clause as a guarantor banks may not agree to provide such a representation especially, when the format has been prepared and supplied by the Authority.</p> <p>“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.”</p>	The Clause shall remain unchanged
76.	Schedule 1A Clause 4	We request you to consider the option of barcodes as an alternative option to RFID Tags.	The Clause shall remain unchanged
77.	Schedule 2	From where will the auxiliary power supply be made available? Please specify the procedure.	The Developer will have to make its own arrangements for auxiliary consumption.
78.	Schedule 2	As per KERC Tariff Order Clause 3 (n), the Commission has ruled that any expenses towards electricity consumption in Solar PV Station shall be met out from O&M Expenses. Does this imply that Solar PV Project is allowed to avail a permanent HT/LT	The Developer shall apply to the concerned ESCOM to obtain power supply from the grid at his own cost. The expenses like energy charges etc. shall be borne by the Developer.

Sl. No.	Clause/Article No.	Queries	Response
		<p>Connection to meet its electricity consumption needs for auxiliary loads like Lighting, module washing etc. and include such cost from its O&M expenses? Please clarify.</p> <p>Solar PV Plants necessarily need a Power Connection from the Grid because Lighting requirement and other miscellaneous requirements like air conditioning etc are required even during non-sunshine hours and also for the purpose of start up and shut down.</p>	
Draft Power Purchase Agreement			
79.	Clause 4.1	Request the Authority to increase the time frame available for achieving Conditions Precedent to 270 days from the date of signing of the PPA.	<p>The Developer shall within 270 days from the Effective Date shall fulfill the Condition Precedent</p> <p>In the event that the Developer does not procure fulfillment of any or all of the Conditions Precedent within the period of 270 days and the delay has not occurred for any reasons attributable to ESCOM or due to Force Majeure, the Developer shall pay to ESCOM Damages in an amount calculated at the rate of 0.2% (zero point two per cent) of the Performance Security for each day's delay until the fulfillment of such Conditions Precedent, subject to a maximum period of 30 (thirty) days. On expiry of the said 30 (thirty) days, ESCOM at its discretion may terminate this Agreement.</p>
80.	Clause 4.2	Request KREDL to propose a scheme by which the project approvals are obtained in a faster manner.	<p>The Developer shall be responsible to obtain all Consents, Clearances and Permits required for supply of power to ESCOM.</p> <p>KREDL shall facilitate review meetings with all concerned agencies at regular intervals to enable accelerating the process of according approvals.</p>
81.	Clause 4.2 (a)	Please provide a list of all consents, clearances and Permits that would be required to set up a Solar	Land conversion, clearance from GP for establishment of Project, clearance from local body for water in case of Solar Thermal,

Sl. No.	Clause/Article No.	Queries	Response
		PV/CSP Project in the State of Karnataka. The standard definition given in Article 21 of PPA doesn't help in giving a clear list of consents/clearances. This would help to avoid any disputes at a later stage.	environmental clearance, if applicable the approval for power evacuation and any other clearance that may be required as per applicable laws.
82.	Clause 4.2 (d)	Please clarify this point as the interconnection facility will be constructed only during execution of the project.	All preliminary actions required for undertaking construction of interconnection facilities should have been completed by the Developer as part of the Conditions Precedent.
83.	Clause 4.2 (d) & (e)	What is difference between the requirements of sub-clauses (d) and (e)?	Developer should have obtained power evacuation approval from Karnataka Power Transmission Company Limited ("KPTCL") as part of the Conditions Precedent.
84.	Clause 4.2 (h)	Please clarify what is the documentary evidence that needs to be submitted to ESCOM under this clause?	Documentary evidence such as MOA, AOA of the SPV, share certificates of the shareholders and all other documents relating to the shareholding in the SPV shall be submitted to the ESCOM.
85.	Clause 4.2 (i)	As per RFP Document Clause 3.6.6 the same certificate from legal counsel has to be submitted prior to signing PPA, whereas per the condition set forth in this clause of PPA, the certificate from legal counsel has to be submitted within 180 days of PPA. Please clarify.	The certificate from legal counsel submitted at the time of submission of Bid indicates the legal capacity of the Bidder. However, the certificate sought in Clause 4.2 (i) of the draft PPA refers to the legal capacity of the Developer, which is an SPV incorporated for execution of the PPA and implementation of the Project.
86.	Clause 4.4 (b)	The word "Concessionaire" is not defined in the PPA. Please consider replacing it with the word "Developer"	The Clause 4.4 (b) shall be modified as follows: b) Appropriation of Performance Security Upon occurrence of a Developer Default or failure to meet the Conditions Precedent by the Developer, ESCOM shall, without prejudice to its other rights and remedies hereunder or in law, be entitled to encash and appropriate the relevant amounts from the Performance Security as Damages for such Developer Default or Conditions Precedent. Upon such encashment and appropriation from the Performance Security, the Developer shall, within 30 (thirty) days thereof, replenish, in case of partial appropriation, to its original level the Performance Security, and in case of appropriation of the entire Performance Security provide a fresh

Sl. No.	Clause/Article No.	Queries	Response
			Performance Security, as the case may be, and the Developer shall, within the time so granted, replenish or furnish fresh Performance Security as aforesaid failing which ESCOM shall be entitled to terminate this Agreement in accordance with Article 16.
87.	Clause 4.3	Clause 4.3 should be deleted from the PPA	The Clause shall remain unchanged
88.	Clause 4.4	Request Authority to reduce validity of Performance Security to be limited to 3 months from Commissioning Date.	The Clause shall remain unchanged.
89.	Clause 4.4 (c)	Request Authority to consider release of the Performance Security proportionate to commissioned units achieved on the ground. Alternately, Performance Security may be released within 3 months from the Commercial Operation Date.	The Clause shall remain unchanged.
90.	Clause 5.2	It is suggested that it should be permissible for the change in 100% of the equity beyond 24 months from the date of commissioning.	<p>In case the Selected Bidder is a Consortium, Members of the Consortium shall collectively hold at least 51% of subscribed and paid up equity share capital of the SPV at all times until third anniversary of the Commercial Operations Date of the Project. The Lead Member shall have at least 26% shareholding of the SPV until third anniversary of the Commercial Operations Date of the Project.</p> <p>In case the Selected Bidder is a single entity, it shall hold at least 51% of subscribed and paid up equity share capital of the SPV, until third anniversary of the Commercial Operations Date of the Project. This condition is applicable only in case the single business entity incorporates an SPV to execute the PPA and implement the Project.</p>
91.	Clause 5.4	Request the State to undertake the responsibility of connection with the Grid. The Transco may be mandated to provide the tie line till switchyard. The Delivery Point should be last tower of Switchyard at the premises of Project.	The Clause shall remain unchanged.
92.	Clause	It is suggested that the Authority consider a band of	The Clause shall be modified as follows:

Sl. No.	Clause/Article No.	Queries	Response
	5.6.1	minimum and maximum energy to be purchased from the Solar Project Developer.	<p>ESCOM, at any time during a Contract Year, shall not be obliged to purchase any additional energy from the Developer beyond Million kWh (MU) [Insert value of energy generated corresponding to a CUF of 21% for solar PV (new projects) and CUF of 25% for solar thermal projects (new projects). Provided that in case of solar projects using advanced technologies, the value of CUF shall be the average CUF committed by the Developer at the point of signing the PPA]. If for any Contract Year, it is found that the Developer has not been able to generate minimum energy ofMillion kWh (MU) [Insert value of energy generated corresponding to a CUF of 12% for solar PV (new projects) and CUF of 16% for solar thermal projects (new projects) and further provided that in case of solar projects using advanced technologies, the value of CUF shall be 7% below the average CUF committed by the Developer at the point of signing the PPA], on account of reasons solely attributable to the Developer, the noncompliance by Developer shall make Developer liable to pay the compensation provided in the Agreement as payable to ESCOM. This compensation shall be applied to the amount of shortfall in generation during the Contract Year. The amount of compensation shall be computed at the rate equal to the compensation payable by the ESCOM towards non-meeting of RPOs, subject to a minimum of 25% of the applicable tariff.</p>
93.	Clause 5.8	<p>Request for Liquidated Damages to be changed as hereunder:</p> <p>a. For the delay up to three month an amount</p>	The Clause shall remain unchanged.

Sl. No.	Clause/Article No.	Queries	Response
		<p>equivalent to 20% of the Performance Security.</p> <p>b. For the delay of more than three (3) month and upto six (6) months, an amount equivalent to 40% of the total Performance Security.</p> <p>c. For the delay of more than six (6) months and upto twelve (12) months an amount equivalent to 100% of the Performance Security</p>	
94.	Clause 5.8	Footnotes in the page are not matching with the relevant paragraphs.	<p>Footnote shall be modified as follows</p> <p>¹⁰ Insert two months in case of Solar PV Projects and three months in case of Solar Thermal projects</p> <p>¹¹ Insert two months in case of Solar PV Projects and three months in case of Solar Thermal projects</p> <p>¹² Insert three months in case of Solar PV Projects and five months in case of Solar Thermal projects</p> <p>¹³ Insert three months in case of Solar PV Projects and five months in case of Solar Thermal projects</p> <p>¹⁴ Insert 24 months in case of Solar PV Projects and 36 months in case of Solar Thermal projects</p> <p>¹⁵ Insert 24 months in case of Solar PV projects and 36 months in case of Solar Thermal projects</p>
95.	Clause 5.8.2	Liquidated Damage is too high it should be reduced to Rs 50000 / MW / Day.	<p>The Clause5.8.2 shall be modified as follows:</p> <p>In case the Developer delays the achievement of Commercial Operation Date beyond [3 (three)/5 (five) months]¹³, the Developer shall pay to ESCOM, the Liquidated Damages at rate of Rs 50,000/- (Rupees Fifty Thousand only)per MW per day of delay for the delay in such commissioning. Provided that the Developer shall be required to make such payments to ESCOM in advance on a week to week basis for the period of delay.</p>
96.	Clause 5.8.3	Request for the Clause to be changed as hereunder: “The maximum time period allowed for achievement of Commercial Operation Date with payment of Liquidated Damages shall be limited to 24	The Clause shall remain unchanged.

Sl. No.	Clause/Article No.	Queries	Response
		(twentyfour) months/ 36 (thirty six) months] from the Effective Date. In case, the achievement of COD is delayed beyond 30 (thirty) months/ 36 (thirty six) months] from the Effective Date, it shall be considered as an Developer's Event of Default and provisions of Article 16 shall apply and the Power Project shall be removed from the list of selected projects in the event of termination of this Agreement."	
97.	Clause 5.10.3	Who will bear the cost of third party verification?	The Developer shall bear the cost of third party verification.
98.	Clause 5.10.3	How is the penalty quantified?	Authority will provide clarification on this query at a later date.
99.	Clause 5.10.3	It is suggested that generation of each of the month shall be taken on actuals, and calculated for each of the financial year.	The Clause shall remain unchanged
100.	Clause 12.2	Request for the Clause to be deleted and penalty has already been levied for delay of commissioning.	The Clause shall remain unchanged
101.	Clause 12.2	Please clarify whether Applicable Tariff will be paid if delay in COD is on account of ESCOM default or force majeure event.	The Tariff shall be paid as per the Financial Bid
102.	Clause 12.3	The CDM benefits should be allowed to be retained by the Developer.	Sharing of CDM benefits shall be as per the order passed by KERC. Therefore, the provisions relating to sharing of CDM benefits in the RFP and the draft PPA shall remain unchanged.
103.	Clause 13.2.1	The Bills may be issued prior to 5th day and not between 5-15th day of the succeeding month.	The Clause shall remain unchanged.
104.	Clause 13.3.1	Developer should be allowed to raise bill immediately after completion of the month. We propose to keep the due date as 15 days from date of invoice without any discount.	The Clause shall remain unchanged.
105.	Clause 13.4	Late payment surcharge should be applicable for any delay in payment beyond due date.	The Clause shall remain unchanged.
106.	Clause 13.5	Request Authority to consider rebate in tariff only if	The Clause shall remain unchanged.

Sl. No.	Clause/Article No.	Queries	Response
		the payment is made within 1-2 days of submission of bills.	
107.	Clause 13.5	Request to explain by example, provisions of rebate, to avoid any misunderstanding. It is suggested that no rebate should be applicable for payment up to due date.	<p>As per Clause 13.2.1 of the draft PPA, the Developer shall issue to ESCOM a signed monthly bill/Supplementary Bill for the immediately preceding Month between the 5th day upto the 15th day of the next Month.</p> <p>As per Clause 13.3.1 of the draft PPA, the ESCOM shall pay the amount payable under the monthly bill/Supplementary Bill by the 5th day of the immediately succeeding Month (the Due Date) in which the monthly bill/ Supplementary Bill is issued by the Developer to the ESCOM.</p> <p>For eg: For the supply of power for the month of January, the Developer shall issue the bill between 5th and 15th of February. The ESCOM shall pay the amount payable under the bill by the 5th business day of March (Due Date). For payments made by the Due Date, the Developer shall offer a rebate to the ESCOM.</p>
108.	Clause 13.5	The rebate should be calculated on daily basis on not on a block of say 15 days.	The Clause shall remain unchanged.
109.	Clause 13.6	Payment Security Mechanism shall be established by the Government in the form of an escrow account.	The Clause shall remain unchanged.
110.	Clause 14.3.1	Force Majeure Should include the following: Neither Party shall be responsible or liable for or deemed in breach hereof because of any delay or failure in the performance of its obligations hereunder (except for obligations to pay money due prior to occurrence of Force Majeure events under this Agreement) or failure to meet milestone dates due to any event or circumstance (a "Force Majeure	<p>The Clause shall be modified as follows:</p> <ul style="list-style-type: none"> a) act of God, epidemic, extremely adverse weather conditions, lightning, earthquake, landslide, cyclone, flood, volcanic eruption, chemical or radioactive contamination or ionising radiation, fire or explosion (to the extent of contamination or radiation or fire or explosion originating from a source external to the Site);

Sl. No.	Clause/Article No.	Queries	Response
		<p>Event") beyond the reasonable control of the Party experiencing such delay or failure, including the occurrence of any of the following:</p> <p>(i) acts of God;</p> <p>(ii) typhoons, floods, lightning, cyclone, hurricane, drought, famine, epidemic, plague or other natural calamities;</p> <p>(iii) acts of war (whether declared or undeclared), invasion or civil unrest;</p> <p>(iv) any requirement, action or omission to act pursuant to any judgment or order of any court or judicial authority in India (provided such requirement, action or omission to act is not due to the breach by the Power Producer or DISCOM of any Law or any of their respective obligations under this Agreement);</p> <p>(v) inability despite complying with all legal requirements to obtain, renew or maintain required licenses or Legal Approvals;</p> <p>(vi) earthquakes, explosions, accidents, landslides; fire;</p> <p>(vii) expropriation and/or compulsory acquisition of the Project in whole or in part by Government Instrumentality;</p> <p>(viii) chemical or radioactive contamination or ionising radiation;</p> <p>(ix) damage to or breakdown of transmission facilities of Transmission Company / DISCOMs;</p> <p>(x) Exceptionally adverse weather condition which are in excess of the statistical measure of the last hundred (100) years.</p>	<p>b) an act of war (whether declared or undeclared), invasion, armed conflict or act of foreign enemy, blockade, embargo, riot, insurrection, terrorist or military action, civil commotion or politically motivated sabotage</p> <p>c) compulsory acquisition in national interest or expropriation of any Project Assets or rights of the Developer or of the Contractors</p> <p>d) any judgment or order of any court of competent jurisdiction or statutory authority made against the Developer in any proceedings for reasons other than (i) failure of the Developer to comply with any Applicable Law or Applicable Permit, or (ii) on account of breach of any Applicable Law or Applicable Permit or of any contract, or (iii) enforcement of this Agreement, or (iv) exercise of any of its rights under this Agreement by the Government</p> <p>e) unlawful or unauthorized or without jurisdiction revocation of, or refusal to renew or grant without valid cause, any clearance, license, permit, authorization, no objection certificate, consent, approval or exemption required by the Developer or any of the Contractors to perform their respective obligations under this Agreement and the Project Agreements; provided that such delay, modification, denial, refusal or revocation did not result from the Developer's or any Contractor's inability or failure to comply with any condition relating to grant, maintenance or renewal of such clearance, license, authorization, no objection certificate, exemption, consent, approval or permit;</p>

Sl. No.	Clause/Article No.	Queries	Response
		(xi) Act of Government instrumentality	
111.	Article 15	Request to make the change in law clause effective after the Bid Due Date.	The Clause shall remain unchanged.
112.	Clause 16.1.1 (a)	Request Authority to consider an extension of 365 days from the Scheduled Commissioning Date instead of 180 days to become a Developer event of default.	The Clause shall remain unchanged.
113.	Clause 16.2	Request the Authority to refine termination payments to the Developer in case of termination of PPA on account of default by ESCOM.	The Clause shall remain unchanged.
114.	Clause 16.2 (a)	Suggest that the word “unreasonably” may be deleted from the first line.	The Clause shall remain unchanged.
115.	Clause 16.4	The relief in the event of ESCOM's default is inadequate. Can this be re-considered?	The Clause shall remain unchanged.
116.	Clause 19.1	<p>This clause, as drafted, does not provide a clear option to the Developer to assign his rights and obligations under PPA to the Lenders of the Project. This will be a major hindrance in obtaining loan and it is general knowledge in Power Sector that PPAs have to be assigned to Lenders for obtaining Project Financing. Recognizing this MNRE/NVVN has added suitable provision in to the PPAs executed under Phase-1 of JNNSM. The same is also acknowledged in this PPA through the Definition of “Senior Lenders” under Article 21.1 on Page 59.</p> <p>We request you to kindly consider adopting the same clause which is reproduced in the next column</p> <p>Provided that the ESCOM, shall permit assignment of any of Developers rights and obligations under this Agreement in favour of the Lenders by the Developer, if required under the Financing Agreements.</p>	<p>The Clause shall be modified as follows:</p> <p>This Agreement shall be binding upon, and inure to the benefit of the Parties and their respective successors and permitted assigns. This Agreement shall not be assigned by any Party other than by mutual consent between the Parties to be evidenced in writing. Provided that, such consent shall not be withheld if ESCOM seeks to transfer to any transferee all of its rights and obligations under this Agreement.</p> <p>Provided further that any successor(s) or permitted assign(s) identified after mutual agreement between the Parties may be required to execute a new agreement on the same terms and conditions as are included in this Agreement.</p> <p>The Clause 19.2 pertaining to permitted charges shall be deleted.</p>

Sl. No.	Clause/Article No.	Queries	Response
117.	Clause 19.2	Request for this clause to be deleted.	The Clause 19.2 pertaining to permitted charges shall be deleted.
118.	Clause 21.1 "COD" or "Commercial Operation Date"	The Clause, as drafted, suggests that commissioning of the Project is possible in Units/Phases. So please clarify whether a 10 MW Project can be commissioned in two parts ex: 5 + 5 MW	Commissioning of the Project is permitted in two parts provided the same has been commissioned with the timeframe for commissioning.
119.	Clause 21.1 "Installed Capacity"	Request you to consider drafting the definition as hereunder: "Installed Capacity" shall mean {the name plate capacity of all the units of the Solar Thermal Project reckoned at Generator Terminals or the AC Rating of the Solar PV Project at Delivery Point}	Agreed, the same shall be modified as follows: "Installed Capacity" shall mean {the name plate capacity of all the units of the Solar Thermal Project reckoned at Generator Terminals or the AC Rating of the Solar PV Project at Delivery Point}
120.	Definition, Delivery Point	Definition of "Delivery Point" should be the last gantry in the switching yard of the Project.	Definition shall remain unchanged.
121.	Definition, Conditions Precedent	There is no such clause called 4.1.1 in PPA. Please clarify.	The same shall be modified as follows: "Conditions Precedent" shall have the meaning set forth in Clause 4.2.
122.	Definition	Please provide a definition of CUF	"Capacity Utilisation Factor" or "CUF" Shall have the same meaning as provided by KERC guidelines or as provided in CERC (Terms and Conditions for Tariff determination from Renewable Energy Sources) Regulations, 2009 as amended from time to time.
123.	Page 24	Footnote in page 24 of the draft PPA is not matching with the relevant paragraph.	The same shall be modified as follows: ¹⁶ Insert 18 months in case of Solar PV Project and 30 months in case of Solar Thermal Project
General			
124.		KERC approval may have to be obtained for the draft PPA, so that time is not lost in financial closure for the developers after the allotment.	KERC approval for the draft PPA will be obtained. Action has been initiated for the same.
125.		KPTCL To ensure the trippings on the 11 KV side of the consumption shall not affect the evacuation of the power generated from the solar stations, so that	KPTCL/ ESCOM shall take necessary precautions to avoid trippings.

Sl. No.	Clause/Article No.	Queries	Response
		the generation is not affected.	
126.		We request for a waiver of Entry Tax on Imported and Indigenous Equipments and Materials to be used for setting up of Solar Power Project.	The provisions relating to entry tax shall be applicable as per the Karnataka Industrial Policy 2009-14.
127.		We request for an exemption of Local Sales Tax/Vat on goods locally procured from within the State of Karnataka for use in Solar Power Project.	The provisions relating to local tax/VAT shall be applicable as per the Karnataka Industrial Policy 2009-14.
128.		In case we win the bid and are unable to achieve land acquisition closure, What is the recourse in a situation like this?	<p>The Developer shall have produced as per the requirements set out in Schedule 1, the documentary evidence of having the clear title and possession of the land required for the Project in the name of Developer as a Condition Precedent as per Article 4 of the Power Purchase Agreement.</p> <p>In the event that the Developer does not procure fulfillment of any or all of the Conditions Precedent within the period of 270 days and the delay has not occurred for any reasons attributable to ESCOM or due to Force Majeure, the Developer shall pay to ESCOM Damages in an amount calculated at the rate of 0.2% (zero point two per cent) of the Performance Security for each day's delay until the fulfillment of such Conditions Precedent, subject to a maximum period of 30 (thirty) days. On expiry of the said 30 (thirty) days, ESCOM at its discretion may terminate this Agreement.</p>
129.		In case we win the bid and are unable to achieve financial closure, What is the recourse in a situation like this?	<p>Achievement of Financial Close is a Condition Precedent as per Article 4 of the Power Purchase Agreement.</p> <p>In the event that the Developer does not procure fulfillment of any or all of the Conditions Precedent within the period of 270 days and the delay has not occurred for any reasons attributable to ESCOM or due to Force Majeure, the Developer shall pay to ESCOM Damages in an amount calculated at the rate of 0.2% (zero point two per cent) of the Performance Security for each day's delay until the fulfillment of such Conditions Precedent, subject to a maximum period of 30 (thirty) days. On expiry of the said 30 (thirty) days, ESCOM at its discretion may terminate this Agreement</p>
130.		How the installed capacity is be proved. Is it as per	The installed capacity shall be as per the manufacturer's rating and

Sl. No.	Clause/Article No.	Queries	Response
		Manufacturer's certification? If it is third party certification, the fees will be paid by ESCOM.	shall be AC output at delivery point. All costs for third party verification shall be borne by the Developer.
131.		What happens if there is change in ownership of ESCOM?	Provisions in the Bid Documents shall remain unchanged.
132.		Is the defined capacity at AC output end or DC output end?	The AC output shall be measured as the capacity of the Project.
133.		We understand that the PPA will be signed with one of the ESCOMS. How will the appropriate ESCOM be decided? Will it be based on project location? Will the successful bidder have any say in deciding the PPA counterparty?	The Authority will decide the allocation of selected projects to each ESCOM and accordingly the PPA shall be executed with such ESCOM.
134.		Please confirm whether any STU feasibility/confirmation needs to be attached with the bid.	No. Please refer to Clause 1.1.3 of the RFP and Clause 4.2 of the draft PPA.
135.		Would the Developer have a choice of ESCOM to sign PPA with?	The Authority will decide the allocation of selected projects to each ESCOM and accordingly the PPA shall be executed with such ESCOM.
136.		Kindly provide information on bankability and creditworthiness of ESCOMS.	Financial details of the ESCOMS are available on their respective websites.
137.		Kindly provide a detailed map of transmission substations & TR lines in Karnataka with voltage level & evacuation capacity.	The required information may be obtained from KPTCL.
138.		What is the requirement for domestic content for building the solar power project?	No condition for domestic content has been imposed.
139.		Request the Authority to ensure that land conversion for solar projects should be at concessional rate.	Land conversion rate shall be borne by the developer as per the Applicable rates.
140.		What is the procedure for Project Registration?	Project registration is not required.
141.		Can KREDL provide any GHI/DNI Data and Solar Insolation data across the state of Karnataka?	DNI data available KREDL is annexed the responses to queries. GHI data is not available with KREDL.

Sl. No.	Clause/Article No.	Queries	Response
142.		Will the projects be eligible for the incentives under MNRE and other government agencies?	If eligible, the Projects may obtain incentives under any Government of India Scheme. However, the selected Projects will not be eligible for any incentive scheme announced by the Government of Karnataka.

Details of Government Land Available

Details of Lands available for setting up of Solar Power Plants in Karnataka							
Sl. No.	District	Location Details	Survey No.	Area In Acres, Gunta	PVT	GOVT	Remarks
1	Gulbarga	Pala Village Gulbarga Taluk	69	28.31		Yes	HK/DB-920 dt: 01-07-2011
2	Gulbarga	Pattana Village, Gulbarga Taluk	241	14-27		Yes	HK/DB-1032 dt: 05-07-2011
3	Gulbarga	Pattana Village, Gulbarga Taluk	258	20-33		yes	HK/DB-1032 dt: 05-07-2011
4	Gulbarga	Pattana Village, Gulbarga Taluk	271	38-09		Yes	HK/DB-1032 dt: 05-07-2011
5	Gulbarga	Pal, Owrad Gulbutrga Taluk	69	28-31		Yes	HK/DB-1032 dt: 05-07-2011
6	Gulbarga	Dooranahalli Shahapur Taluk	709	596		Yes	HK/DB-1032 dt: 05-07-2011
7	Yadagiri	Ramasamudra Village Yadagiri Taluk	188	53.27		yes	HK/DB-305 Dtd: 10-05-2011
8	Yadagiri	Ramasamudra Village Yadagiri Taluk	118	213.11		yes	HK/DB-305 Dtd: 10-05-2011
9	Yadagiri	Arakere Village Yadgiri Taluk	8	155.20		yes	HK/DB-305 Dtd: 10-05-2011
10	Yadagiri	Arakere Village Yadgiri Taluk	7	113.20		yes	HK/DB-305 Dtd: 10-05-2011
11	Yadagiri	Dooranhalli village Shahapur Taluk	709/6	82.23		yes	HK/DB-305 Dtd: 10-05-2011
12	Dr. Subhash Chandr Kalburgi	Parahathabad, Gulbarga		100.00	Yes		HK/DB dtd: 27-08-2011 Phn: 9342244701
13	Dr. Subhash S. Patil	kamalapura- Gulbarga		84	Yes		HK/DB dtd: 27-08-2011 Phn: 9448585794
14	Amjad Ali	Rsvoura , Wadi Gulbarga		100	Yes		HK/DB dtd: 27-08-2011 Phn: 9343802027
15	Dr. Prakash Hiremut	Tadataganura Gulbarga		100	Yes		HK/DB dtd: 27-08-2011 Phn: 9620082961
16	Gulbarga	Chittapur Taluk, Korvara	140	32-25		Yes	No/ Ku:/70/2011-12 dt: 21-06-2011
17	Gulbarga	Chittapur Taluk, Korvara	201	31.10		Yes	No/ Ku:/70/2011-12 dt: 21-06-2011
18	Gulbarga	Chittapur Taluk, Korvara	192	29-35		Yes	No/ Ku:/70/2011-12 dt: 21-06-2011
19	Gulbarga	Chittapur Taluk, Perashirur	421	22-00		Yes	No/ Ku:/70/2011-12 dt: 21-06-2011
20	Gulbarga	Chittapur Taluk, Perashirur	376/1	212		Yes	No/ Ku:/70/2011-12 dt: 21-06-2011
21	Gulbarga	Chittapur Taluk, Perashirur	334	15-00		Yes	No/ Ku:/70/2011-12 dt: 21-06-2011
22	Gulbarga	Chittapur Taluk, Perashirur	225	11-00		Yes	No/ Ku:/70/2011-12 dt: 21-06-2011
23	Gulbarga	Chittapur Taluk, Perashirur	321	11-00		Yes	No/ Ku:/70/2011-12 dt: 21-06-2011

Details of Lands available for setting up of Solar Power Plants in Karnataka

24	Gulbarga	Chittapur Taluk, Perashirur	203	14-00		Yes	No/ Ku:/70/2011-12 dt: 21-06-2011
25	Gulbarga	Chittapur Taluk, Perashirur	219	11.10		Yes	No/ Ku:/70/2011-12 dt: 21-06-2011
26	Gulbarga	Chittapur Taluk, Perashirur	206	15-31		Yes	No/ Ku:/70/2011-12 dt: 21-06-2011
27	Gulbarga	Chittapur Taluk, Perashirur	207	16-34		Yes	No/ Ku:/70/2011-12 dt: 21-06-2011
28	Gulbarga	Chittapur Taluk, Gopura	61	110-06		Yes	No/ Ku:/70/2011-12 dt: 21-06-2011
29	Gulbarga	Chittapur Taluk, Gopura	107	73-25		Yes	No/ Ku:/70/2011-12 dt: 21-06-2011
30	Gulbarga	Chittapur Taluk, Gopura	46	73-00		Yes	No/ Ku:/70/2011-12 dt: 21-06-2011
31	Gulbarga	Chittapur Taluk,	241	66-12		Yes	No/ Ku:/70/2011-12 dt: 21-06-2011
32	Gulbarga	Chittapur Taluk,	252/1	321-09		Yes	No/ Ku:/70/2011-12 dt: 21-06-2011
33	Gulbarga	Chittapur Taluk, Mavinasula	16/A	129-23		Yes	No/ Ku:/70/2011-12 dt: 21-06-2011
34	Gulbarga	Chittapur Taluk, Mavinasula	24/A	124-00		Yes	No/ Ku:/70/2011-12 dt: 21-06-2011
35	Gulbarga	Chittapur Taluk, Revaggi	102	107-30		Yes	No/ Ku:/70/2011-12 dt: 21-06-2011
36	Gulbarga	Chittapur Taluk, Sanjaynagar	12/8	596-32		Yes	No/ Ku:/70/2011-12 dt: 21-06-2011
37	Gulbarga	Rcesanagi	15	188.22		Yes	
38	Gulbarga	Hipparagi	108	574		Yes	
39	Gulbarga	Bedasura	55/1	672		Yes	
40	Gulbarga	Moula Hosaragundagi Afzal Pur		18	Yes		HK/DB Dt: 06-07-2011 Phn: 9945139821
41	Hanagund	Kudalasangam		100		Yes	
42	Bagalkot	Tulusigere	124	500		Yes	
TOTAL				5807			

DNI Data of Karnataka

Sl. No.	Locations	Annual Average DNI
1	Bagalkot	5.52 KWh/m sq
2	Bangaluru	5.06 KWh/m sq
3	Belgaum	5.14 KWh/m sq
4	Bellary	3.37 KWh/m sq
5	Bidar	5.48 KWh/m sq
6	Bijapur	5.52 KWh/m sq
7	Chamarajnagar	4.60 KWh/m sq
8	Chik Balapur	5.21 KWh/m sq
9	Chik maglur	4.83 KWh/m sq
10	Chitradurga	5.37 KWh/m sq
11	Davanagere	5.25 KWh/m sq
12	Dharwad	5.37 KWh/m sq
13	Gadag	5.37 KWh/m sq
14	Gulburga	5.57 KWh/m sq
15	Hassan	5.04 KWh/m sq
16	Haveri	5.25 KWh/m sq
17	Karwar	5.62 KWh/m sq
18	Kolar	5.08 KWh/m sq
19	Koppal	5.37 KWh/m sq
20	Madikeri	4.94 KWh/m sq
21	Mandya	4.83 KWh/m sq
22	Mangalore	5.77 KWh/m sq
23	Mysore	4.83 KWh/m sq
24	Raichur	5.38 KWh/m sq
25	Ramnagar	5.06 KWh/m sq
26	Shimogha	4.83 KWh/m sq
27	Tumkur	5.21 KWh/m sq
28	Udupi	6.01 KWh/m sq