

BANKING AGREEMENT

This **BANKING AGREEMENT** is executed on this ___day of _____(Month),
_____(Year).

BETWEEN:

_____ **POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED**, a company formed and incorporated in India under the Companies Act, 1956 with its registered office located at _____, **Telangana** (hereinafter referred to as DISCOM which expression shall unless repugnant to the subject or context, means and includes its successors and assignees) represented by **Chief General Manager (IPC & RAC)**, _____ **POWER DISTRIBUTION**

COMPANY OF TELANGANA LIMITED or such other officer as may be designated for this purpose - as the party of the first part.

AND M/s. _____ a **Solar / Wind / Mini Hydel** Generating Company having his premises located at _____(V), _____(M), _____ **Dist**, a company incorporated and existing under the **Companies Act, 1956 or Companies Act, 2013 as the case may be** having its Regd., office at _____(Address (hereinafter referred to as "**Banking Facility User**" which expression shall unless repugnant to the subject or context, means and includes its successors and assignees) as party of the second part:

WHEREAS:

_____ POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED, pursuant to grant of license by the Andhra Pradesh Electricity Regulatory Commission, which is amended later by Telangana State Electricity Regulatory Commission, is engaged in the business of distribution of electricity in the State of Telangana, for the areas specified in the license for distribution:

Banking Facility User is a generating company engaged in the business of **Solar / Wind / Mini Hydel Generation** and is desirous of availing the banking services offered by Transmission Corporation of Telangana Limited (TSTRANSCO) and _____ POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED for a period from _____ (Date of Synchronization) from the project **M/s _____, a _____(Capacity) MW Solar / Wind / Mini Hydel Power plant** located at _____ (V), _____(M), _____ **district for its captive utilization for a quantum of _____ KW located at its premises or located in the same vicinity.**

The nodal agency vide its letter dated:_____ had given its consent for banking of electricity generated from the generating company or plant for a contracted capacity ___ KW at entry point, as per the terms and conditions of the agreement.

Banking means the facility by which electrical energy remaining unutilized by the generating company or plant, after captive consumption, which is injected in to the transmission and / or distribution system of _____ POWER DISTRIBUTION

COMPANY OF TELANGANA LIMITED, and is allowed to be utilized for captive consumption later, as per the terms and conditions set forth in this agreement and as per applicable Act and Regulation from time to time.

The banking facility user had filed an application dated: _____ with the nodal agency for grant of banking facility for a contracted capacity of _____ KW at entry point (**Solar / Wind / Mini Hydrel Generator**) and the same has been accepted, in the manner provided under the Andhra Pradesh Electricity Regulatory Commission (Interim Balancing and Settlement Code for Open Access Transactions) Regulation, 2006 (Regulation No. 2 of 2006), adopted by TSERC vide Regulation 1 of 2014 and its subsequent amendments; hereinafter referred to as the Regulation. Now, therefore, in consideration of the foregoing premises and their mutual covenants set forth herein and subject to the Regulation, the parties hereto agree as follows:

Article 1: DEFINITIONS

1. In this Agreement, unless the context otherwise requires:
 - (a) "Act" means the Electricity Act, 2003 along with amendments made by the appropriate government:
 - (b) "TS Grid Code" means the Code of Technical Interface of Telangana, as approved by the Commission and amended from time to time:
 - (c) "Banking" means the facility by which electrical energy remaining unutilized by the generating company or plant, after captive consumption, which is injected in to the transmission and / or distribution system of TSDISCOMs, and is allowed to be utilized for captive consumption later, as per the terms and conditions set forth in this agreement and as per applicable Act and & Regulation from time to time.
 - (d) "Commission" means the Telangana State Electricity Regulatory Commission or TSERC:
 - (e) "Central Electricity Regulatory Commission" or "CERC" means the Commission constituted and empowered under Section 76 (1) and other applicable provisions of the Act:
 - (f) "Commercial Operation Date" means the date declared jointly by the Company and the _____ POWER DISTRIBUTION COMPANY OF

TELANGANA LIMITED on which the unit (s) is / are declared as available for commercial operation for the purposes of banking after trial operation.

- (g) “Contracted Capacity” in the context of banking for supply to captive consumer located in the premises of the generating company or plant means the capacity contracted in megawatts (MW) or kilowatts (KW) or kilo volt ampere (KVA) for availing banking facility.
- (h) “Distribution Code” means the Distribution Code for the State of Telangana as approved by the Commission from time to time:
- (i) “Effective date” shall mean the date on which the parties execute this Agreement:
- (j) “Entry Point” means a point at which electricity is injected into the electricity transmission or the distribution network:
- (k) “Exit Point” means a point at which electricity is drawn from the electricity transmission or the distribution network and in the context of banking the exit point shall be treated as entry point only, that is injection and drawl points connected to the electricity transmission or the distribution network are at the same location for captive consumption.
- (l) “Invoice” means the main or supplemental invoice as defined in Article 5 of this Agreement:
- (m) “Inter-State transmission system” means inter-state transmission system as defined in the Act.
- (n) “Open Access Regulation” means the Andhra Pradesh Electricity Regulatory Commission (Terms and Conditions of Open Access) Regulation, 2005 (Regulation No.2 of 2005) along with subsequent amendments as adopted by TSERC vide Regulation 1 of 2014.
- (o) “Nodal Agency” means the nodal agency as defined in the Clause 5 of the Regulation No. 2 of 2005.
- (p) “Scheduled Consumer” means the captive consumer availing the banking facility who also has a subsisting supply agreement with the _____ POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED for supply to meet whole or a part of his requirement, who establishes or operates the generating company or plant, wherein, scheduled consumer shall also be treated as banking facility user.

- (q) "Transmission Service" shall mean provision, supply or conveyance of electricity by means of cables and / or overhead lines, together with any step-up and step-down transformers, switch-gear and other works necessary to and used for the control of such cables or overhead lines, and such buildings or part thereof as may be required to accommodate such transformers, switch-gear and other works and such other related services as may be provided by TSTRANSCO from time to time.
- (r) "User" or "Banking Facility User" or "Generating Company" means a person, other than a short-term user, as defined in the Regulation, not using or intending not to use the transmission and / or the distribution system of the licensees and availing the excess unutilized banked energy injected into the grid after the captive consumption from a generating company or plant (Solar / Wind & Mini Hydel) who has supply agreement only with _____ POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED but not limited to a generating company and licensee.
- (s) "Wheeling Service" whereby the distribution system of _____ POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED along with the associated facilities of a transmission licensee or otherwise as the case may be, are used by another person for conveyance of electricity on payment of charges determined by the Commission from time to time.
- (t) "Banking Service" means the operations whereby the distribution system of _____ POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED along with the associated facilities of a transmission licensee or otherwise as the case may be, are used by a generating company or banking facility user having captive consumption and has supply agreement only and do not possess any open access agreement for conveyance of utilizing the excess captive consumption of electricity injected from such generating company or plant into the grid, on payment of charges determined by the Commission from time to time.

Words and expressions used and not defined in this agreement but defined in the Act and the Regulations made thereunder shall have the meanings as assigned to them in the Act and the Regulations and in the absence thereof, shall have the same meaning as is commonly understood in the electricity supply industry.

Article 2: PROCEDURE FOR AVAILING BANKING SERVICES.

- 2.1 Prior to availing banking service from TSTRANSCO and / or _____ POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED, the banking facility user agrees and undertakes to follow and comply with the procedures for availing banking services provided in the regulation and / or specified by the nodal agency as empowered and authorised under the Act or the Regulations thereunder.
- 2.2 The banking facility user further agrees and undertakes inter alia, to comply with:
- (a) The technical requirements and infrastructure / equipment standards prescribed by TSTRANSCO and _____ POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED, including applicable provisions of the Telangana Grid Code, the Distribution Code and any other applicable regulation and guidelines, as may be specified by the Commission from time to time and as may be necessary in order to entitle the banking facility user to avail banking services.
 - (b) Such payment security mechanism / instrument for availing banking services as prescribed under Article 5 of this Agreement and as modified from time to time with the consent of the Commission:
 - (c) Any other technical, or operational criteria prescribed by TSTRANSCO and / or _____ POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED as approved by the Commission from time to time:
 - (d) Any requirement to furnish evidence to the effect that the banking facility user has the requisite approvals and clearances from the nodal agency or otherwise, that are necessary to avail banking services.
 - (e) In case the banking facility user is a generator located within the state of Telangana, the banking facility user may avail start-up power, for which it shall enter into a separate agreement with the concerned _____ POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED.

- (f) The banking facility user shall ensure that the scheduled consumers maintain a power factor not less than 0.95 lag failing which the scheduled users shall pay a power factor surcharge levied in the monthly bills as per DISCOM rules in force and recover from the scheduled users. Similarly, banking facility user shall also maintain power factor of the electricity injected for transmitting / wheeling/ banking at 0.9 as per the reading taken from export meters at interconnection point, failing which the banking facility user shall pay power factor surcharge as applicable to the banking facility consumer.
- 2.3 Notwithstanding anything contained herein in this agreement, in the event of the TSTRANSCO and / or DISCOM is required to construct or augment any electrical plant or line in order to extend transmission, wheeling and banking services to the banking facility user, TSTRANSCO and / or DISCOM may recover such expenditure in terms of regulations / orders issued by the Commission or such other authorities under the Act, 2003, in this behalf from time to time.
- 2.4 Scheduling and system operation charges (also called as SLDC charges) shall be payable by the banking facility user / generating company and licensees using the services of SLDC. Such charges shall be governed by the relevant regulations or orders issued by the Commission from time to time.
- 2.5 The banking facility user shall pay the charges payable under this agreement from the date of commencement of banking facility specified in the Schedule I, regardless of whether or not such banking is used on or and from that date, except if the failure to use such banking is due to the default of the TSTRANSCO and / or DISCOM.
- 2.6 In the event of banking facility user's surrender of whole or part of contracted capacity; or reduction / cancellation of the capacity allotted to the user as per clause 15.1 or 15.2 of the Regulation, the banking facility user shall pay all charges, including compensatory charges in the manner specified in the Regulation.

Article 3: BANKING SERVICES (Applicable to Solar, Wind & Mini Hydel Generators only)

- 3.1 Subject to the provisions of the Regulation and on such terms and conditions

herein agreed, TSTRANSCO and DISCOM agree and undertake to provide banking services to the banking facility user, as described and arranged in Schedule I hereto, on payment of banking charges, on submission of statutory approvals, clearances, permits as set out in Schedule-III of this agreement, and any other applicable charges, as specified by the Commission.

- 3.2 The generating company shall be permitted to “Bank” the energy generated in the project as per the terms & conditions specified by the Commission from time to time.
- 3.3 The generating company is liable to pay banking charges as determined by Commission from time to time.
- 3.4 The banked units cannot be consumed / redeemed in the peak months and also in the peak hours as specified / determined by the Commission in Clause 4 of Appendix - 3 of Regulation No. 1 of 2017 as amended from time to time or the retail supply tariff order of the relevant year.
- 3.5 The provisions on banking pertaining to drawl restrictions shall be reviewed by the Commission based on the power supply position of the state.
- 3.6 The unutilized banked energy shall be considered as deemed purchase by DISCOM at the average pooled power purchase cost as determined by the Commission for the relevant year.
- 3.7 The banking services shall be in accordance to the Appendix - 3 of the Regulation No. 1 of 2017.

Article 4: TERM OF AGREEMENT

- 4.1 This agreement shall be in force from the effective date from **xx-xx-xxxx (from date of synchronization) whichever is later to xx-xx-xxxx** subject to modification as per Article 3.3 and 3.4 herein.
- 4.2 The parties may renew this agreement for a further term of two years or more without the requirement of a fresh banking application, on receipt of at least three (3) months’ notice from the banking facility user and the nodal agency, before the expiry of the agreement.
- 4.3 It is agreed that in the event no notice is provided by the banking facility user, such banking facility user shall forgo his right over the allotted capacity.

Article 5: INVOICE AND PAYMENTS

5.1 For transmission / wheeling and banking services provided to the banking facility user under this agreement, the DISCOM shall charge and bill the banking facility user for all charges as specified in clause 17 and Appendix - 3 of the regulation as applicable and the banking facility user shall pay DISCOM in accordance with the rates / charges specified by the Commission or the nodal agency (in case of congestion) from time to time, on the basis of the settlement statement determined in accordance with the balancing and settlement code approved by the Commission as amended from time to time. In the event of the usage of the transmission system of TSTRANSCO along with the distribution system of the DISCOM by the banking facility user, the DISCOM shall pass on the appropriate charges to TSTRANSCO within 15 days of the receipt of the charges by the DISCOM, in accordance with Clause 18 of the Regulation.

5.2 Notwithstanding anything contained in Article 5.1 above, in the event the contracted capacity of the banking facility user has been accommodated through a congested corridor of the network, the banking facility user then shall pay charges as provided in Clause 9.3.1 of the Regulation.

Invoice:

5.3 DISCOM shall provide to the banking facility user an invoice based on the following:

- (a) Meter reading taken pursuant to Article 7 herein and in accordance with Clauses 18.5 and 18.6 of the Regulation and the balancing and settlement code.
- (b) The charges / tariff determined by the Commission from time to time, in accordance with the provisions of the Act, 2003 and applicable regulations.

5.4 The periodicity of the invoice will be monthly.

Supplementary Invoice:

5.5 Any amount due to TSTRANSCO or DISCOM under this agreement other than the amount set out under the invoice shall be payable within 15 (fifteen) days from the date of presentation of a supplementary invoice to the user.

The supplementary invoice will include, but not be limited to the following:

- (a) statutory duties, taxes, cess, levies, royalty, etc;

- (b) any claim of Government of India, State Government, local authorities, or bodies etc.
 - (c) any other claim admissible under this agreement.
- 5.6 Each monthly invoice shall be payable by banking facility user in accordance with this agreement on or before the due date indicated in such invoice, which will be 15 (fifteen) days from the date of presentation of invoice to the banking facility user.
- 5.7 Payment of invoice and supplementary invoice shall be made on or before the due date either by (a) bank draft or (b) through irrevocable revolving letter of credit, issued by a public sector bank.

Payment Security Mechanism:

- 5.8 The payment security mechanism specified hereunder is intended to ensure recovery of the applicable payments in case of a payment default and not as a mechanism for regular payments.
- 5.9 The banking facility user shall as a payment security, deposit with the DISCOM in advance, in cash or by means of a demand draft issued by a scheduled bank, an amount equal to estimated billing based on the appropriate charges, including transmission, wheeling and banking charges and any other applicable charges, as specified under this Agreement, and as determined by the Commission from time to time, and notified in the relevant tariff order or otherwise, and as per the conditions stipulated therein, payable by the user to the DISCOM (invoicing agency) for a period of two months.
- 5.10 The DISCOM shall also be entitled to security from the generating company for the imbalance in supply and consumption of electricity equivalent to the number of days for which the agreement is entered into, subject to a maximum of ten days, the cost of supply for electricity wheeled using the distribution system of the DISCOM in accordance with the Act, the DISCOM general terms and conditions of supply (GTCS) and this agreement. This security can be provided by the generating company in the form of advance deposit of required amount or by opening an irrevocable letter of credit having validity for the agreement period.
- 5.11 The LC shall be opened prior to the commencement of banking transaction and shall be valid for the entire duration of the transaction. Failure to provide the LC as mentioned in referred Articles 5.7 & 5.9 herein above shall entail

forfeiture of the allotment of capacity and TSTRANSCO / DISCOM shall not be obliged to commence banking services till such LC is opened.

- 5.12 The LC shall be negotiated by the DISCOM, on the basis of the “Schedule of the Payment” and shall be encashed with the approval of the customer to operate the LC, as and when the customer fails to remit the payment in full by its due date.
- 5.13 Any failure on the part of the banking facility user to pay all or any portion of an Invoice issued by DISCOM, shall constitute a valid ground for TSTRANSCO and / or DISCOM to terminate such transmission, wheeling and / or banking service forthwith, as also to take such measures as prescribed under this agreement and as per the applicable law.

Article 6: SCHEDULING AND CURTAILMENT

- 6.1 Subject to the regulation, the banking facility user agrees to comply with the procedures for availing transmission, wheeling and banking services in the matter of scheduling as specified by the Commission in the balancing and settlement code or otherwise.
- 6.2 In case of constraints, the TSTRANSCO and / or DISCOM, based on such direction(s) from SLDC, may curtail power to banking facility user in an event of emergency / threatening grid security and stability. The prioritization shall be as specified in Clause 19.5 of the Regulation.

Article 7: METERING

- 7.1 Subject to the provisions of Section 55 of the Act, the banking facility user undertakes to provide special energy meters capable of measuring active energy, reactive energy, average frequency and demand integration in each 15-minute time block, with a built-in calendar and clock and conforming to BIS / CBIP Technical Report / IEC Standards, as well as the relevant provisions under the Telangana Grid Code and Distribution Code, at all entry and exit points.
- 7.2 The banking facility user agrees to be responsible for compliance with all statutory and regulatory requirements in relation to the accuracy, use and installation of the metering equipment.

- 7.3 The banking facility user agrees and undertakes to provide any metering information or such other information to TSTRANSCO and DISCOM as may reasonably be required by TSTRANSCO and DISCOM from time to time, in accordance with the guidelines specified by the Commission from time to time.
- 7.4 The concerned TSDISCOMs shall take the meter readings at the entry / exit points and the same shall be signed by the DISCOM / TSTRANSCO as well as the banking facility user.

Article 8: DEFAULT

- 8.1 The following shall constitute defaults by parties and the consequences thereof:

Failure of the user to pay an invoice:

- a) In the event of the failure by the banking facility user to pay an invoice or a part thereof, DISCOM shall issue a notice to such banking facility user ("Default Notice"), specifying that the banking facility user has defaulted in its payment obligations towards TSTRANSCO / DISCOM and that it shall be afforded an opportunity to pay the unpaid invoice amount, with interest thereon as per the DISCOM GTCS, within fifteen days from the date of intimation. If the banking facility user does not comply with the terms of the Default Notice, TSTRANSCO and / or DISCOM shall be entitled to disconnect the installation of the user without any further notice and TSTRANSCO / DISCOM shall have the right to terminate the agreement after three (3) consecutive months of such disconnection by issuing one month's notice to the banking facility user.

Provided that the banking facility user shall not, on the basis of any alleged dispute or difference regarding the invoice or any part thereof, refuse to pay and / or keep outstanding any amount payable under the invoice. In the event of dispute or difference regarding the invoice or any portion thereof, the same shall be resolved in a manner provided under Article 12 herein, subject to the banking facility user *first* paying the entire outstanding without prejudice to the right of the banking facility user to seek adjustment in future invoice(s), adjusted together with interest at bank rate change, in the event the dispute or difference is finally resolved in favour of the banking facility user.

Failure of the User to adhere to the prescribed technical requirements:

- (b) In the event of failure of the banking facility user to comply with any prescribed technical requirements, which adversely affects the power quality or security of the grid, performance or management of grid assets, TSTRANSCO and / or DISCOM shall be entitled to issue appropriate advice to de-energize the connection granted to the banking facility user forthwith, in accordance with the Clause 20 of the Regulation and the procedures outlined in the Telangana Grid Code or Distribution Code or the TSDISCOM's GTCS.

8.2 In the event of any other type of breach other than those mentioned in Articles 8.1(a), 8.1(b), 2.6 & 2.7, by any of the parties involved, the following terms will apply:

- (a). In the event, TSTRANSCO and / or DISCOM commits a breach of any terms of agreement, the banking facility user shall be entitled to specific performance of this agreement or claim such damages as it would be entitled to under law or both, at its option, by giving 30 days' notice to TSTRANSCO.
- (b) In the event, banking facility user commits a breach of any terms of agreement, the TSTRANSCO and / or DISCOM shall be entitled to specific performance of this agreement or claim such damages as it would be entitled to under law or both, at its option, by giving 30 days' notice to banking facility user.
- (c) If the default continues for a period of 30 days or more, either party will have a right to issue a preliminary notice for termination of this agreement. If the default is not cured within 30 days thereafter, either party can terminate this agreement and claim damages at its option.

Article 9: ASSIGNMENT

The banking facility user shall not assign, sell, convey or otherwise transfer this agreement, or any of its rights or obligations thereunder, without prior express written consent of the TSTRANSCO and / or TSDISCOMs. In case this agreement is assigned, it shall be only for the purpose of title transfer and not for the purpose of trade. The assignee or other transferee shall assume all duties and obligations arising from and after the time of the consent to transfer by TSTRANSCO and / or

DISCOM, but such assignment or transfer shall not release the assigning or transferring banking facility user from its duties and obligations unless specifically provided in the written consent and in the assignment, conveyance or transfer document. All duties and obligations arising prior to the assignment or transfer shall remain the duties and obligations of the assignor unless all the parties specifically agree otherwise.

Article 10: NOTICES

10.1 All notices, billings, payments and other communications shall be given in writing and sent by mail, postage prepaid, signed by (or by some person duly authorized by) the person giving it and may be served by leaving it or sending it by facsimile, prepaid recorded delivery as registered post, addressed as follows (or to such other address as shall have been duly notified in accordance with this Article):

If to **M/s** _____,
_____,
_____.

If to **TSSPDCL**

**The Chief General Manager (IPC & RAC),
6-1-50, 2nd floor, TSSPDCL, Corporate Office,
Mint Compound, Hyderabad – 500 063.**

If to **TSNPDCL**

**The Chief General Manager (IPC & RAC),
Telangana Northern Power Distribution Company Ltd.,
H. No. 2-5-31/2, Corporate Office, Vidyut Bhavan,
Nakkalgutta, Warangal – 506 001.**

10.2 All notices given in accordance with this agreement shall be deemed to have been served as follows:

- (a) If delivered by hand, at the time of delivery:
- (b) If posted, at the expiration of six (6) days after the envelope containing the same was delivered into the custody of the postal authorities:

- (c) If communicated by facsimile, on receipt of confirmation of successful transmission.

Article 11: GOVERNING LAW & JURISDICTION

- 11.1 This agreement and its substantive provisions shall be governed by, interpreted and construed in accordance with the laws of India.
- 11.2 The disputes arising out of this agreement shall be subject to the jurisdiction of the nodal agencies being TSTRANSCO or SLDC as per the regulations in vogue.
- 11.3 If an issue involves the licensee and the generator and such issue is not resolved by the nodal agency, then the Commission is having the jurisdiction, under the Act, 2003.
- 11.4 In all other cases the jurisdiction of the courts in the state of Telangana are having jurisdiction to decide any matter arising from this Agreement.

Article 12: DISPUTE RESOLUTION

- 12.1 Parties shall settle every dispute between them in accordance with, first, Article 12.2 and then Article 12.3, subject to the limitation set forth in Article 12.4.
- 12.2 Consultation
 - a) Notwithstanding anything contained to the contrary in this agreement, parties shall first attempt to settle every dispute amicably between themselves by reference to their senior management who shall consult with each other for a period of thirty (30) days to resolve the dispute.
 - b) Any resolution arising from such consultation process described in Article 12.2 (a) shall be binding upon the parties. To this end, the parties shall separately enter in to a legally binding and enforceable agreement setting forth the principles pertaining to the resolution of the dispute in writing.
- 12.3 Reference to forum for redressal of consumer grievances**

Where any dispute is not resolved as provided for in Article 12.2 within thirty (30) days of reference for consultation, the provisions contained in this Article 12.4 shall apply.
- 12.4 If neither of the disputing parties is the nodal agency, then the dispute would be first referred to the nodal agency for resolution.

Provided, if the dispute involves nodal agency itself, the said dispute may be referred to Forum for Redressal of Consumer Grievances set up under Regulation No. 3 of 2015 issued by the Commission for resolution. Any resolution award granted shall be final and binding on the parties and shall be enforceable in the court of competent jurisdiction.

Provided further that in case of wheeling of power from the captive generating plants, any disputes regarding the availability of transmission facility shall be adjudicated upon by the Commission.

Article 13: FORCE MAJEURE

- 13.1 Events such as war, mutiny, civil commotion, riot, flood, cyclone, lightning, earthquake or other force and strike, lockout, fire affecting the premises, installations and activities of any of the parties herein shall constitute force majeure events for the purpose of this Agreement.
- 13.2 If any person being party to this agreement is unable to, wholly or in part, perform on time and as required, any obligation under such banking agreement or the Regulation because of the occurrence of a force majeure event, then, subject to this agreement, that obligation shall be treated as suspended to the extent and for so long as the affected person's ability to perform such obligations remains affected by that force majeure event.

Article 14: UNDERTAKINGS

14.1 Quality of Supply:

The TSTRANSCO and DISCOM shall endeavor to ensure compliance with grid code wherever applicable. The DISCOM shall also comply with the quality of supply standards as prescribed under the Commission's Licensees' Standards of Performance Regulation, 2016 (No: 5 of 2016) in respect of all banking facility users of its network.

14.2 Energy and Demand Balancing:

Banking facility user shall make reasonable endeavor to ensure that his actual demand or actual sent out capacity, as the case may be, at an inter-connection does not exceed the Contracted Maximum Demand or allocated sent out capacity for that inter-connection:

Provided that for carrying out balancing and settlement of energy and demand at all entry and exit points relating to banking agreements, the TSTRANSCO

and DISCOM and banking facility users shall strictly adhere to the balancing and settlement code approved by the Commission, as amended from time to time.

Article 15: MODIFICATION

15.1 Amendments

The provisions under the Act, 2003, open access regulations, rules and amendments made there under, including, charges, etc shall guide this agreement. The parties hereby unconditionally consent to execute necessary amendments to this agreement to bring into effect any amendments to the Act, 2003, rules and regulations made there under.

15.2 No waiver

a) The waiver of any breach or failure to enforce any of the terms, covenants or conditions of this agreement shall not in any way affect, limit, modify or waive the future enforcement of such terms, covenants or conditions.

b) No oral or written modification of this agreement either or after its execution shall be of any force or effect unless such modification is in writing and signed by the duly authorised representatives of the banking facility user, TSTRANSCO and the DISCOM.

c) The invalidity or un-enforceability for any reason of any provision of this agreement shall not prejudice or affect the validity or enforceability of any other provision of this agreement.

d) The failure of any party to insist in one more instance upon the strict performance of any of the provisions of this agreement or to take advantage of any rights hereunder shall not be construed as a waiver of any such provisions or relinquishment of any such rights but the same shall continue in full force and effect.

15.3 Entirety of Agreement

a) Unless the context otherwise requires, every arrangement, procedure or any other matter which is under any of the provisions of this agreement required to be mutually agreed upon between the parties shall be concluded by a written agreement between the parties not later than the date specified in the concerned clause of this agreement.

b) This agreement, including appendices (Schedule I, II & III) attached hereto constitute the entire agreement between the parties with respect to the subject matter hereof, and there are no oral or written understandings, representations or commitments of any kind express or implied, not set forth herein.

c) The headings contained herein are included solely for the convenience of the parties and are not to be used as a basis for interpreting the various sections of this agreement.

15.4 The parties each agree to act in good faith in implementing the terms and conditions of this agreement and in carrying out their respective obligations hereunder.

IN WITNESS WHEREOF, the parties by their duly authorized representatives have executed this Agreement on the day first above written.

_____ for and behalf of
POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED

Witness by:

1

2

_____ for and behalf of
M/s. _____

Witness by:

1.

2.

SCHEDULE – I

(Please see Article 2.6 of Agreement)

Banking facility usage shall be from **xx-xx-xxxx (from date of synchronization or effective date whichever is later)** to **xx-xx-xxxx** in the manner as per approval No.

_____, dt: _____ and as follows:

Details	Generator (Entry Point)	Captive Consumer (Exit Point)
Name		
Type of Plant		
Location		
Region		
Capacity of Plant (kW/MW/kVA) (Generator)		
Banking Approved Capacity (kW)(Consumer)		
Voltage Level (kV)		
CMD with TSSPDCL		
Connected Sub-Station		
HT Service Number:		

Note: - The date of completion of the usage mentioned above shall be subject to provision of Articles 3.3 and 3.4 of the agreement.

SCHEDULE – II

(Please see Articles 5.7 & 5.9 of Agreement)

Terms for Letter of Credit

1. The Letter of Credit is irrevocable, revolving and shall revolve automatically immediately after release of payment to the DISCOM (*invoicing agency*) as per the payment schedule through this LC up to a limit of Rs. _____/-.
2. The Letter of Credit will be operated after the expiry of the due date of payment as indicated in the “Schedule of Payments” enclosed with the approval issued to the open access user by the TSTRANSCO / SLDC (nodal agency).
3. The Letter of Credit shall remain valid up to _____ i.e., (up to one month after the expiry of transaction).
4. The total value of the Letter of Credit would be Rs. _____/-
5. All charges relating to opening, advising, confirmation, amendment, re-couplement, operation, usage, negotiation, remittance etc., or any other charges would be borne by banking facility user.
6. The amount would be paid immediately by the bank once Letter of Credit is operated by the authorized officer of the DISCOM (*invoicing agency*).

SCHEDULE – III
PERMITS, CLEARANCES AND APPROVALS

1. G O / TSREDCO / NREDCAP approval for establishment of generating plant.
2. Evacuation approval for evacuation of power from the generating plant to the substation of DISCOM.
3. Synchronization approval and commissioning report from DISCOM.
4. Approval of the Electrical Inspectorate, Government of Telangana for commissioning of the project and the transmission line for evacuation of power from the project to the injection point / substation.
5. Approvals required under any law for the time being in force.
6. The copy of the application for grant of banking facility
7. The copy of the approval issued by the TSTRANSCO / SLDC (nodal agency) for banking facility indicating:
 - reserved / allotted capacity for the banking facility user.
 - period of transmission.
 - schedule of payments.
 - specimen signature of the officer of the DISCOM (invoicing agency) authorized to operate the Letter of Credit.