

Section 1

NOTICE INVITING TENDER (NIT)

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INTRODUCTION

- 1.0 NHPC Limited (hereinafter called NHPC) intends to procure Hybrid Power for Supply of 1500MW power from ISTS connected Wind-Solar Hybrid Power Projects with or without Energy Storage Systems (ESS) on 'anywhere in India' basis under Tariff Based Competitive Bidding (TBCB) (conducted online followed by reverse auction). After conclusion of bidding process NHPC shall enter into Power Purchase Agreement (PPA) with the selected Bidders, based on this RfS for purchase of Solar-Wind Hybrid power for a period of 25 years from the Scheduled Commissioning Date of the project based on the terms, conditions and provisions of the RfS and PPA.
- 1.1 This document is for selection of Hybrid Power Developers/Hybrid Power Generator (HPD/HPG) for setting up-ISTS connected Solar -Wind Hybrid Power Project of aggregate capacity of **1500 MW** on the land to be identified & arranged by the HPD in anywhere in India. The Hybrid power produced by the selected HPD from their respective Solar-Wind Hybrid Power Projects will be purchased by NHPC and would be sold to the State Utilities/ Discoms/any other Beneficiaries. The details of Buying Entities shall be intimated at a later date. NHPC shall at its discretion be entitled to substitute any entity in other states only for selling the power procured from the selected Bidders. NHPC shall be an intermediary nodal agency for procurement of power supplied by the HPD and sale of such power to the Buying Entity(ies) entirely on back-to-back basis, based on due performance by the HPD as well as the Buying Entity(ies).
- 1.2 The minimum project size will be 50 MW and in multiples of 10 MW thereafter under OPEN category. **The cumulative capacity offered should not exceed 750 MW.**
- 1.3 The bidders will be short-listed by the process of e-bidding (**Single Stage Two Envelope Bidding Process. Envelope-I: Technical Bid and Envelope-II: Financial Bid**) to be followed by reverse auction process for selection of bidders. E-bidding is a new methodology for conducting Public Procurement in a transparent and secured manner. For conducting electronic tendering, NHPC Ltd. is using the Central Public Procurement (CPP) Portal <http://eprocure.gov.in/eprocure/app>. The site can also be viewed through e-procurement corner of NHPC website www.nhpcindia.com and CPP Portal. A portal built using Electronic Tender's software is also referred to as Electronic Tender System[®] (ETS).

OVERVIEW OF RFS:

- 1.4 Hybrid Power Developers (hereafter referred to as HPD selected by NHPC based on this RfS, shall set up of ISTS-connected Hybrid Projects for supply of 1500 MW Hybrid Power, from ISTS-connected Solar-Wind Hybrid Power Projects in India, on Build-Own-Operate (BOO) basis. NHPC shall enter into a Power Purchase Agreement (PPA) with the successful Bidders selected based on this RfS for purchase of power for a period of 25 years based on the terms, conditions and provisions of the RfS document and standard Power Purchase Agreement (PPA). The standard PPA document can be downloaded from CPP portal <http://eprocure.gov.in/eprocure/app>
- 1.5 NHPC shall enter into PPA with successful HPD for a period of 25 years from the date as per the provisions of PPA. The Bidders will be free to avail fiscal incentives like Accelerated Depreciation, Concessional Customs and Excise Duties, Tax Holidays etc. as available for such projects. The same will not have any bearing on comparison of bids for selection. As equal opportunity is being provided to all bidders at the time of tendering itself, it is up to the Bidders to avail various tax and other benefits. No claim shall arise on NHPC for any liability if Bidders are notable to avail fiscal incentives and this will not have any bearing on the applicable tariff.

- 1.6 Bidder shall quote a single tariff for entire of its projects' capacity offered, which shall be applicable for all the 25 years.
- 1.7 If the Project is transferred or sold to a third party during its tenure (after initial lock-in period of 1 (One) year after "Commercial Operation Date and Schedule Commencement of Supply Date" (SCSD)), NHPC will retain full rights to operationalize the PPA with the third party, which will be under full obligation to honour all the obligations and terms & conditions of the PPA.

SELECTION OF TECHNOLOGY & ELIGIBLE PROJECTS UNDER THIS RFS

- 1.8 Under this RfS, the HPD shall set up the Solar-Wind Hybrid Power Project(s), including the dedicated transmission network up to the Interconnection/Delivery Point, at its own cost and in accordance to the provisions of this RfS document. All approvals, permits and clearances required for setting up of the Project(s) and/or dedicated transmission network upto the Interconnection/ Delivery Point (along with connectivity), including those required from State Government and local bodies, shall be in the scope of the HPD. The Projects to be selected under this scheme provide for deployment of wind-solar PV and ESS (if any) capacities. However, the selection of Projects would be technology agnostic.

The Projects to be selected under this RfS for aggregate capacity of 1500 MW to be installed anywhere in India, provide for deployment of SOLAR-WIND HYBRID Power. Only commercially established and operational technologies can be used to minimize the technology risk and to achieve the timely commissioning of the Projects.

- 1.9 Developers/Generators who have already commissioned Solar-Wind Hybrid Power Plants or are in process of constructing such plants and have untied capacity may also participate in the bid. Developers who have already set up capacity or who have spare untied capacity (that is unencumbered from any power supply commitments or power purchase agreements and is available for augmenting the proposed Solar-Wind Hybrid Power under this RfS) may also participate in the bid.
- 1.9.1 No separate Central Financial Assistance is envisaged for implementation of the Projects selected under this RfS.

GUIDELINES FOR IMPLEMENTATION OF THE RFS

- 1.10 Govt. of India has set an ambitious target of 500 GW installed electricity generation capacity from non-fossil fuel-based energy resources by 2030. With the intervention of Government of India, the risks associated with solar and wind power sector have been brought down by way of advanced arrangement of land and evacuation through solar parks, green energy corridors, a secure and standardized PPA for 25 years with elaborate mechanism for risk apportionment and compensations, payment security, etc.

Such de-risking of renewable energy sector, coupled with advancement of technologies and economies of scale have resulted in bringing down the tariffs in solar and wind power sector to levels lower than the cost of power from the conventional non-RE/thermal power plants, thereby aiding in rapid deployment of solar and wind capacity in the country.

However, the intermittency and variability associated with renewable energy and low-capacity utilization of the transmission system is a growing concern impacting effective RE integration / grid stability. It is a fact that wind is better during morning and evening or night, complementing solar energy which peaks during daytime. It has been established that combining different sources of renewable energy reduces their individual variability and gives better output. Hybrid projects backed by storage facility can further enhance the quality of RE power. Further, the grid connected wind-solar PV hybrid system also facilitates optimal and efficient utilization of transmission infrastructure and

land, reducing the variability in renewable power generation and achieving better grid stability.

With the objective to enable procurement of Solar-Wind Hybrid Power by DISCOMs from grid-connected Hybrid power projects, through tariff based competitive bidding Ministry of Power has issued "Guidelines for Tariff Based Competitive Bidding Process for Procurement of Power from Grid Connected Solar-Wind Hybrid Projects" vide Gazette Resolution no. 27/03/2023-RCM dated 21.08.2023. These Guidelines have been issued under section 63 of the Electricity Act, 2003 to enable procurement of Solar-Wind Hybrid Power by DISCOMs from grid-connected Hybrid projects, through tariff based competitive bidding. This RfS document has been prepared in line with the above Guidelines, including subsequent amendments and clarifications, issued until the last date of bid submission of this RfS. These guidelines and their elaborations/ clarifications form the basis for selection of new Projects under this RfS. In case of any difference in interpretation between this RfS document and said guidelines, the matter shall be referred to the 'Appropriate Authority' as per issued guidelines and latest amendments thereof and the decision of this 'Appropriate Authority' shall be final and binding on Bidder/HPD and NHPC.

- 1.11 NHPC Limited (NHPC) has issued this RfS in the capacity of "Intermediary Procurer/Renewable Energy Implementing Agency (REIA)" by Ministry of New and Renewable Energy (MNRE), Govt of India as defined in the aforementioned Guidelines. NHPC may develop a suitable monitoring mechanism, to analyze the performance of the projects and carry out random checks to verify compliance of quality standards.

GENERAL

- 1.12 The complete RfS Documents are available at CPP portal <http://eprocure.gov.in/eprocure/app>. The site can also be viewed through e-procurement corner of NHPC website www.nhpcindia.com and CPP Portal. Interested bidders shall download the RfS Documents from the CPP portal <http://eprocure.gov.in/eprocure/app> as per the provisions available therein.
- 1.13 For proper uploading of the bids on the portal namely <http://eprocure.gov.in/eprocure/app> (*hereinafter referred to as the 'portal'*), it shall be the sole responsibility of the bidders to apprise themselves adequately regarding all the relevant procedures and provisions as detailed in the portal. The Employer in no case shall be responsible for any issues related to timely or properly uploading/ submission of the bid in accordance with the relevant provisions of Section II - ITB of the Bidding Documents.
- 1.14 A Single Stage Two Envelope Bidding Procedure will be adopted and will proceed as detailed in the RfS Documents. Bidding will be conducted through the global competitive bidding procedures as per the provisions of ITB and the contract shall be executed as per the provisions of the Contract. It shall be noted that the respective rights of the Employer and the Bidder/ HPD shall be governed by the RfS Documents/Contract signed between the Employer and the HPD for the project.
- 1.15 Bidders should submit their bid proposal online complete in all aspect on or before last date and time of Bid Submission as mentioned on CPP portal (<http://eprocure.gov.in/eprocure/app>).
- 1.16 Bidder shall submit bid proposal along with Bid Processing Fees (non-refundable) and Earnest Money Deposit (EMD) complete in all respect as per the Bid Document. Techno-commercial bids will be opened in online presence of authorized representatives of bidders who wish to be present online. Bid proposals received without the prescribed Bid Processing Fees and Earnest Money Deposit (EMD) may be considered as non-

responsive. **In the event of any date indicated is a declared Holiday, the next working day shall become operative for the respective purpose mentioned herein.**

- 1.17 RfS documents which include Eligibility Criteria, Technical Specifications, various Conditions of Contract, Formats etc. can be downloaded from CPP portal (<http://eprocure.gov.in/eprocure/app>). Any amendment(s) / corrigendum(s) / clarification(s) with respect to this RfS shall be uploaded on CPP portal. The Bidder should regularly check for any Amendment(s) / Corrigendum(s) / Clarification(s) on the above mentioned website.
- 1.18 For multiple Projects, separate Performance Bank Guarantees shall be furnished against each Project being executed under this RfS by the HPD / HPG after issuance of Letter of Award (LOA) by NHPC.
- 1.19 The detailed Qualifying Requirements (QR) is given in Section 3 of the RfS.
- 1.20 NHPC shall conduct e-Reverse Auction (e-RA), if required or as per provisions of RfS documents.
- 1.21 ***NHPC reserves the right to cancel / withdraw this invitation for bids without assigning any reason and shall bear no liability whatsoever consequent upon such a decision.***

INTERPRETATIONS

1. Words comprising the singular shall include the plural & vice versa.
2. An applicable law shall be construed as reference to such applicable law including its amendments or re-enactments from time to time.
3. A time of day shall save as otherwise provided in any agreement or document be construed as a reference to Indian Standard Time.
4. Different parts of this contract are to be taken as mutually explanatory and supplementary to each other and if there is any differentiation between or among the parts of this contract, they shall be interpreted in a harmonious manner so as to give effect to each part.
5. The table of contents and any headings or sub headings in the contract has been inserted for case of reference only & shall not affect the interpretation of this agreement.