

**REQUEST FOR PROPOSALS FOR
THE ESTABLISHMENT OF 30MW,AC GROUND
MOUNTED/FLOATING SOLAR PV
POWER PLANTS IN (1 - 5)MW,AC CAPACITY
ON BUILD, OWN AND OPERATE BASIS WITH 20 YEAR
OPERATIONAL PERIOD**

International Competitive Bidding (ICB)

Tender No: TR/RED&PM/ICB/2020/004-1/C

September 28, 2023

Information Copy - Not for Bidding

Ceylon Electricity Board

**No. 50, Sir Chittampalam A. Gardiner Mawatha, COLOMBO 00200,
SRI LANKA**



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Contents of RFP

Volume I - Instructions to Project Proponents

Volume II - Proposal Letters & Forms

Volume III - Model Power Purchase Agreement

Ceylon Electricity Board

No. 50, Sir Chittampalam A. Gardiner Mawatha, COLOMBO 00200,
SRI LANKA



Definitions

1. "Request for Proposal", "RFP" shall mean this document consisting of three volumes along with their Annexes, Schedules and Exhibits.
2. "Project Proponent" shall have the meaning ascribed to it in Clause 5 of Volume I of RFP.
3. "Project Company" shall mean the successful Project Proponent who have submitted a Performance Security
4. "W_P" Unit of the output power achieved by a Solar PV module under the Standard Test Conditions.
5. "MW,AC " Unit of output power connected to the National grid.
6. "Proposal Security" means bid security

Acronyms

AC	Alternative Current
CEB	Ceylon Electricity Board
EIA	Environmental Impact Assessment
GOSL	Government of Sri Lanka
IEC	International Electrotechnical Commission
IEE	Initial Environmental Examination
IEEE	Institute of Electrical and Electronics Engineers
kWh	kilowatt-hour
LOI	Letter of Intent
MOP&E	Ministry of Power & Energy
NCRE	Non Conventional Renewable Energy
PV	Photovoltaic
LKR	Sri Lankan Rupees
SCADA	Supervisory Control and Data Acquisition
SLSEA	Sri Lanka Sustainable Energy Authority
UL	Underwriters Laboratories

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OPERATIONAL PERIOD**

International Competitive Bidding (ICB)

PROPOSAL FOR GROUD MOUNTED/FLOATING SOLAR PV POWER PLANT

Tender No: TR/RED&PM/ICB/2020/004-1/C

September 28, 2023

VOLUME I

**INSTRUCTIONS TO PROJECT
PROPOSERS**

Ceylon Electricity Board

**No. 50, Sir Chittampalam A. Gardiner Mawatha, COLOMBO 00200,
SRI LANKA**



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1 INFORMATION TO PROJECT PROPONENTS

1.1 Introduction to Ceylon Electricity Board

The Ceylon Electricity Board (CEB) is a body corporate established in Sri Lanka by Act of Parliament No. 17 of 1969 amended by Act Nos. 31 of 1969, 29 of 1979, 32 of 1988 and 20 of 2009 and having its Head Office at, No. 50, Sir Chittampalam A. Gardiner Mawatha, in Colombo 02.

CEB has been established by the Government for the development and coordination of the electrical energy requirements of the country and is presently engaged in the generation, transmission, distribution and sale of electrical energy in Sri Lanka.

In addition to CEB's own installed generation capacity, CEB has been obtaining energy from Non-Conventional Renewable Energy (NCRE) sources.

National Energy Policy of Sri Lanka emphasises the Government's policy of ensuring energy security and promoting the development on indigenous resources. Promoting the development of economically viable NCRE sources is a key strategy under the national energy policy.

With the enactment of the Sri Lanka Sustainable Energy Authority (SLSEA) Act No. 35 of 2007, all renewable energy resources of the country were vested with the Republic of Sri Lanka. Act No. 35 of 2007 defines the Sri Lanka Sustainable Energy Authority (SLSEA) as the custodian of the renewable energy resources. Accordingly, an Energy Permit is required under section 16(1) of the Act, for utilisation by any person. This permit is issued by the SLSEA. The first step in obtaining the Energy Permit is the obtaining of a Provisional Approval (refer "On Grid Renewable Energy Development- "POLICIES AND PROCEDURES TO SECURE APPROVALS TO DEVELOP A RENEWABLE ENERGY PROJECT TO SUPPLY ELECTRICITY TO THE NATIONAL GRID" published in July 2011 by SLSEA). However, the projects indicated in this RFP are to be developed under competitive bidding approach and the successful project proponent/s are qualified to obtain the Provisional Approval/s for the respective projects.

1.2 Scope of the Project

CEB on behalf of Cabinet Appointed Negotiation Committee (CANC) hereby invites Proposals in the prescribed format ("Proposal") for the design, supply, delivery, erection, testing, commissioning, operation and maintenance of ground mounted/floating Solar PV Power Plant as described below, hereinafter referred to as the Facility, (on Built Operate and Own basis).

The Facility shall include (but not limited to) site, solar PV plant, stand-by / auxiliary / emergency power requirements, water requirements, environmental impact mitigatory measures, transformers, switch gear & protection schemes, transmission lines (overhead or under-ground up to the Termination Point), SCADA facilities up to the Termination Point and all other appurtenant equipment to operate a solar PV plant. The Facility must comply to "CEB Guide for Grid Interconnection of Embedded Generators", with the addendum for solar PV plants and all other requirements as specified under Clause 3, Project Description and Performance Specifications of this document.

The total solar power absorption capacity of each plant will be limited as stated in Clause 1.3 of volume I. The bidders will be selected through competitive bidding process based on variable price option for each Grid Substation.

There is no restriction on the number of proposals that can be submitted by a single project proponent. Hence, one project proponent may submit any number of proposals for any number of projects in any number of grid substations among the list in Clause 1.3 of Volume I. Therefore, any number of RFP documents are issued for one project proponent and each RFP document shall be issued after the payment of the fee specified in the relevant newspaper advertisement.

However, the project proponent has to specify the grid substation to which the power plant is supposed to be connected (among the list in Clause 1.3 of Volume I) at the time of submitting the Proposal.

Project proponents have to submit proposals after carrying out feasibility studies considering all the project costs including transmitting power to the specified grid substation. The feasibility study report along with the selected Grid Point option for power transmission (Option 1 or Option 2 of Clause 3.2 and Section 11 of Volume II) shall be submitted with the proposal. In the case where option 2 is selected the Grid Interconnection confirmation letter from the Provincial Deputy General Manager of CEB (Section 12, Volume II) should be attached with the proposal.

The Cabinet Appointed Negotiation Committee (CANC) shall have the right to negotiate the proposed Tariff of substantially responsive, lowest cost evaluated proposals, which meet the available grid substation capacity, where necessary.

The successful Project Proponents (hereafter referred to as "Project Companies"), will be required to submit their applications to obtain the SLSEA Provisional Approval for engaging in and carrying on an on-grid renewable energy projects. After obtaining the Provisional Approval, all the rules and regulations applicable to any other renewable energy development project as stipulated by the SLSEA will be applicable to these projects too.

It shall be the duty of the Project Company to initiate all formalities to be applied for the Provisional Approval from SLSEA and all subsequent approvals required thereafter prior to signing of the Power Purchase Agreement with the CEB. The attention of the Project Company is drawn to the On Grid Renewable Energy Development process published by SLSEA that stipulates these requirements in detail.

It is the sole duty of the Project Company to obtain all approvals, necessary to develop the Renewable Energy Resource of the proposed project site. GOSL/CEB does not take any responsibility if the Project Company fails to obtain any of the mandatory approvals required for renewable energy development and thus refused an Energy Permit as a result.

1.3 Grid Substation Location & Grid Connection Voltage Level

Identified Grid Substations for interconnection, the grid substation capacity limits for new solar projects to be connected, connection voltage level are given below:

	Grid Substation	Capacity Limit of Grid Substation	GPS Coordinates of the Grid Substation	
			Latitude	Longitude
1	Matara	10 MW,AC	5°57'54.03"N	80°32'6.16"E
2	Pallekele	7 MW,AC	7°16'56.75"N	80°43'34.23"E
3	Vavunathivu	8 MW,AC	7°41'25.14"N	81°39'22.21"E
	Total	25 MW,AC		

Connection Voltage Level : 33kV

Plant capacity and Bidding options for Bidders;

Subject to not exceeding the **maximum grid capacity limits** specified in the above table the Project Proponents can offer proposals as below,

- Any number of power plants within the grid capacity limit.
- Capacity range 1MW, AC - 5 MW,AC for each offer and in multiples of 1MW,AC . Proposals with capacities not in multiples of 1MW, AC will be rejected.
- Project Proponents shall purchase RFP's separately for each and every proposal intend to submit for each grid substation or within the same grid substation.

1.3.1 Land

Project Company shall procure or lease the land with an extent at least 3 acres (1.21 hectares) per 1MW,AC for solar PV plant. For higher capacities the required land extent shall be based on the above ratio. However, Project Company shall propose a land extent lesser than the above ratio provided that the proposed plant design/layout to be submitted with the proposal support the above claim.

Geographically separated land lots are not allowed to bid for a single power plant. It is required to submit one of the following set of documents to confirm the ownership or the ability to procure or lease the selected land.

- A copy of the Deed of the land in favour of the Project Proponent, certified by an Attorney-at-Law with the survey plan (**clearly indicating the land extent to be utilized for the plant**) if the project proponent is the current owner. It is compulsory to register the deed in the Land Registry to consider for evaluation. (You may submit supporting documents to claim the same)
- A copy of the Lease Agreement (at least for 22 years) of the land in favour of the Project Proponent, certified by an Attorney-at-Law with the survey plan (**clearly indicating the land extent to be utilized for the plant**) if the project proponent has already leased the land. It is compulsory to register the Lease Agreement in the Land Registry to consider for evaluation. (You may submit supporting documents to claim the same)
- "Agreement to sell" in favour of the Project Proponent, attested by a Notary Public, **reserved for a period of at least 6 months** from the closing date of submission of proposals, (as indicated in the given format of Section 10, Volume II) with the certified copy of the Deed of the land and the survey plan (**clearly indicating the land extent to be utilized for the plant**). It is compulsory to register the "Agreement to sell" in the Land Registry to consider for evaluation. (You may submit supporting documents to claim the same)

- “Agreement to lease” (at least for 22 years) in favour of the Project Proponent, attested by a Notary Public, **reserved for a period of at least 6 months** from the closing date of submission of proposals, with the certified copies of the Deed of the land and the survey plan (**clearly indicating the land extent to be utilized for the plant**). It is compulsory to register the “Agreement to lease” in the Land Registry to consider for evaluation. (You may submit supporting documents to claim the same)
- In the case of LRC land (Land Reform Commission), approval letter issued by LRC indicating that land can be leased out (at least for 22 years) or sold for this Solar Power Project. The relevant survey plan (**clearly indicating the land extent to be utilized for the plant**) and complete detail of the land shall be provided with the proposal.
- In the case of land owned by a state institution, an approval letter from the Secretary of the relevant line Ministry stating that the particular land could be provided (at least for 22 years) in the future to the project proponent for the establishment of the proposed Solar Power Project. The relevant survey plan (**clearly indicating the land extent to be utilized for the plant**) and the complete detail of the land shall be provided with the proposal.
- In the case of state land, an approval letter from the Secretary of Ministry of land stating that the particular land could be provided (at least for 22 years) in the future to the project proponent for the establishment of the proposed Solar Power Project. The relevant survey plan (**clearly indicating the land extent to be utilized for the plant**) and the complete detail of the land shall be provided with the proposal.

It is also required to provide the location of the selected land as per the Section 13, Volume II of the RFP.

Option to Change the Land After Awarding Stage:

If the Project Company is unable to implement the Solar PV Project in the land which is indicated in the RFP due to practical reasons beyond its control,

1. The Project Company shall immediately notify CEB with supporting documents for the claimed reasons. The selected new suitable land shall be able to connect to the same Grid Substation.
2. Based on the above, CEB at its sole discretion shall notify the approval of the land change.
3. Upon the receipt of CEB approval, without awaiting the new Grid Interconnection arrangement from CEB, the Project Company shall promptly act to obtain the deed or lease agreement as per above.
4. The risk with regard to the incremental cost of the new Grid Interconnection arrangement to be prepared later by CEB, shall be absorbed within the originally offered proposal tariff.
5. CEB shall initiate preparing the Grid Interconnection Proposal for the changed land upon the submission of the Deed/Lease Agreement for private lands or an approval letter from the relevant authority for LRC/State Lands and after signing the Letter of Intent.

1.4 Project Milestones Schedule

Activity	Date
Issue of RFP Documents (Date of Advertisement)	: September 28, 2023
Requests for Clarifications up to	: October 12, 2023 (14 Days from Advertisement)
Pre-Bid Meeting	: October 26, 2023 (28 Days from Advertisement)
Closing date of submission of Proposals	: November 09, 2023 by 10.00hrs (42 Days from Advertisement)
Issue of Letter of Award	: (after Cabinet approval, approx. less than 2.5 months from closing date of submission of proposals)
Acceptance of Letter of Award	: Within 7 days from the receipt of Letter of Award
Letter of Intent (LOI)	: Within 30 days from the receipt of Letter of Award
Signing of Power Purchase Agreement (PPA)	: Within 08 months from the date of issue of Letter of Intent
Financial Closure	: Within 04 months from the date of signing of PPA
Commencement of construction Activities	: Within 04 months from the date of signing of PPA
Commissioning and Testing	: Within 09 months from the date of signing of PPA
Commercial Operation Date	: Within 10 months from the date of signing of PPA

1.5 Disclaimer

- a. The content of this invitation is provided to Project Proponents to assist them in obtaining a general understanding of the proposed project. It does not constitute a recommendation to Project Proponent to participate in the proposed project.
- b. The information, estimates or opinions are based on present circumstances, intentions and beliefs and may require subsequent modification. While the CEB has taken all reasonable care to ensure that the information in this RFP is accurate, they make no representation or warranty, expressed or implied, nor takes any responsibility of any kind with respect to the completeness or accuracy of any of the information contained herein. Therefore, the CEB will not be liable for any loss or damage that may arise from interpretations, errors or omissions from this RFP.

- c. Project Proponents should not rely on presentation made by government employees or their agents in relation to this project, other than expressly provided for herein.
- d. Project Proponents shall bear all costs and expenses incurred by them associated with the preparation and submission of their Proposal. The CEB shall not be responsible or liable for such costs and expenses, including but not limited to those of professional advice. Project Proponents shall have no rights to claim costs specified above.
- e. CEB shall have the right to accept or reject any or all the Proposals received. CEB reserves the right to terminate the process after the receipt of Proposals. CEB reserves the right to terminate the process if adequate competition has not been created or/ and the tariffs quoted by project proponents are not acceptable to the CEB.
- f. There shall be no contractual or other obligations by the CEB arising from this RFP.
- g. CEB shall have the right to seek any further information and/or clarifications that they may require from Project Proponents.
- h. CEB reserves the right not to disclose any details regarding the evaluation process.
- i. No verbal agreement or conversation with any officers, agents or employees of the GOSL/CEB, either before or after the execution of the Project
- j. CEB shall not be responsible for any interpretations or conclusions by the Project Proponent based on data furnished by the CEB or which the Project Proponent may obtain or arrive at from information given in the RFP.

2 INSTRUCTIONS TO PROJECT PROPONENTS

2.1 Solar Data

Solar resource map of Sri Lanka & solar energy data (if available) may be obtained from:

Sri Lanka Sustainable Energy Authority
 Address: No. 72, Ananda Coomaraswamy Mawatha, Colombo 00700.
 Telephone: 011 2575030

2.2 Visits to Grid Substation

Project Proponents who expect to use the Grid Point as Option 1 for the Power Transmission, (as referred in Clause 3.2, Volume I) may visit the relevant Grid Substation to obtain an understanding on the interconnection arrangement (with prior arrangement with the CEB), 30 days prior to the closing date of submission of proposals.

2.3 Amendments to the RFP

The CEB reserves the right to amend, revise or modify this RFP. Any amendments, revisions or modifications of this RFP shall be made through the issuance of Addenda by the CEB and a copy of each Addendum shall be sent to all Project Proponents (who have purchased the RFP document as at the date of issuance of Addenda), on the same day by same means. **The RFP may be so amended, revised or modified by way of such Addenda up to 7 days before the closing date for the submission of Proposals.** However, it shall be the responsibility of the Project Proponents to ensure that they have obtained all such Addenda from the CEB.

If any Addendum is of a nature, which may require substantial changes in the proposals, the closing date may be extended by a number of days as in the opinion of the CEB, such Addendum shall enable Project Proponents to reconsider or revise their Proposals.

In case where CEB decide to extend the Closing Date for Submitting Proposals, it will be published in Newspapers and CEB website. **The validity of the proposal and proposal security will be as per the extended closing date.**

2.4 Requests for Clarifications

To be eligible to request clarifications it is compulsory to purchase a RFP at the time of requesting the clarifications. Project Proponents seeking any clarifications regarding this RFP may submit their written requests by facsimile, or by registered mail to:

The Chairman CANC
 C/o; Deputy General Manager (REP & PM)
 Ceylon Electricity Board
 No. 6-1/2, First Floor, Kalinga Place, Off Suleiman Avenue
 Colombo 00500
 SRI LANKA
 FAX: + 94 11 2583344

Such requests should be received no later than the date specified in **Project Milestones Schedule**, Clause 1.4, Volume I of RFP in order to be discussed at the pre-bid meeting. CEB will not entertain any request for clarifications of the RFP after the clarification deadline.

2.5 Pre-Bid Meeting

A Pre-Bid Meeting will be held on as per Project Milestones Schedule in Clause 1.4, Volume I of RFP at the,

**Office of the Deputy General Manager (Renewable Energy Procurement & Performance Monitoring)
Ceylon Electricity Board
No. 6-1/2, First Floor
Kalinga Place, Off Suleiman Avenue
Colombo 00500, SRI LANKA.**

Note: This venue is subjected to change based on the responses to the tender.

The Clarifications provided at the Pre-Bid Meeting shall strictly relate to any explanations that may be required in relation to the RFP documents issued to the prospective Project Proponents. The Pre- Bid Meeting is not intended to supplement or substitute the due diligence required to be undertaken by each Project Proponent. However, not attending to this Pre-Bid Meeting shall not disqualify a Project Proponent from furnishing a Proposal. Only those who have purchased this RFP or their authorised representatives shall be permitted to attend this meeting **(only two participants are allowed per each purchased RFP document)**. A copy of the Paying-in-Voucher (PIV) issued by CEB for the purchase of the RFP document is required to be produced at the entrance.

2.6 Preparation of the Proposal

In order to prove compliance with all the requirements of this document, the project proponent **shall submit the duly filled Forms given in the Volume II of this document**, together with all other information/documentary proof requested in this RFP. The language of the proposal and all documents related to the proposal shall be in English language.

2.7 Technical and Commercial Data

The Technical and Commercial data /details furnished by the Project Proponent should demonstrate requisite knowledge of project requirements and understanding of the required tasks. The Proposal should be formulated to indicate the general approach or methodology that is proposed for the performance of Project including such detailed information that is considered relevant. **The requested information as detailed out in Clause 3 shall be forwarded along with the Proposal.**

The Project Proponent is also required to forward its background, organisation of its consortium partners in the prescribed format.

2.7.1 Documents required to be submitted with the RFP

A Project Proponent shall submit a Proposal accompanied with the following documents:

- a. Duly completed Proposal Letters and Forms including documents to be submitted as given in Volume II of RFP document.
- b. The requested information as detailed out in Clause 3, Volume I of RFP, shall be forwarded along with the Proposal.
- c. The feasibility study report as per Clause 2.7.2, Volume I of the RFP document. (EIA or IEE reports are not necessary).
- d. Grid Interconnection confirmation letter from provincial Deputy General Manager of CEB (Section 12, Volume II), if Grid Point selection is option 2 of Section 11 of Volume II.
- e. If the project proponent himself is the tenderer, it is mandatory for the Project Proponent to register under the Public Contract Act No. 3 of 1987 - (PCA3) of Sri Lanka. The original of the certificate issued by the registrar shall be submitted along with the Proposal or certified true copy by the Project Proponent.
- f. If the Project Proponent appoints a local agent, representative or nominee to act on behalf of the Project Proponent, such a local agent, representative or nominee shall register himself with under the Public Contract Act No. 3 of 1987 - (PCA3) of Sri Lanka. The original of the certificate issued by the registrar shall be submitted along with the Proposal or certified true copy by the Project Proponent.
- g. Duly executed Board Resolution or Power of Attorney to the authorised representative who is to sign on behalf of the Project Proponent.
- h. In case of the Project Proponent being a Joint Venture/consortium, the Joint venture/consortium agreement and /or license which define precisely the general conditions under which it will function, the sponsoring member authorised to represent it, the shares of each participating member and the particular obligation of each and every member under the joint venture/consortium, all of whom shall be jointly and severally liable for any or all obligations under the Project Documents with CEB.
- i. Proposal Security as specified in Clause 2.17.1, Volume I of the RFP.
- j. Any other documents the Project Proponent considers necessary to demonstrate its ability to perform the work to be contracted.
- k. Additional documents, if any, to support the proposal.

2.7.2 Feasibility Study Report

The feasibility study report shall be submitted considering all the project cost including transmitting power to the specified grid substation. The report may include the project details, technical details as per Clause 3, Volume I including power transmission and financing plan as per Clause 2.8.2, Volume I of the RFP document.

2.8 Tariff Proposal

The Project Proponent shall submit its Tariff Proposal as per Section 4 of Volume II.

2.8.1 Tariff

The contract period is for 20 years. During this period, CEB undertakes to purchase energy generated from the Facility at the agreed tariff. The tariff payable will be a flat tariff for the entire contract period. There will not be any escalation to the Applicable Tariff during the entire Contract period. All the proposals which have tariffs above the maximum tariff will be rejected.

The maximum tariff = 34.93 LKR/kWh

In the Tariff Proposal, the Project Proponent shall indicate the proposed Flat Tariff for the delivered energy measured at the Metering Point.

One Time Tariff Adjustment (Applicable Tariff) :

To consider the variation in foreign currency component involved in the Capital Cost of the Project and to absorb a portion of the foreign exchange risk, the proposed tariff will be re-adjusted once and incorporated to the Power Purchase Agreement as given in the following formula.

Tariff proposed by the Project Proponent = Y Rs./kWh

Proposed tariff will be re-adjusted based on the US Dollar (USD) variation:

Applicable Tariff = $(1-r) \times Y + (r \times Y \times P2/P1)$ Rs./kWh

Where,

- r -
 1. **70%** if the project proponent signs the PPA **after 6 months** from the date of Letter of Award
 2. **80%** if the project proponent signs the PPA **within 6 months** from the date of Letter of Award *(To grant as an incentive for early implementation resulting in benefit to the national economy)*
- P1 - LKR /USD middle exchange rate applicable on the date of closing the proposals and published by the Central Bank of Sri Lanka
- P2 - LKR /USD middle exchange rate applicable on 07 (Seven) working days prior to the "date of signing the Power Purchase Agreement (D2)" and published by Central Bank of Sri Lanka.

- D2 (Date of signing the Power Purchase Agreement) –Applicable up to a **maximum of 09 months** from date of Letter of Award, in deriving P2
- In unavoidable circumstances, where the PPA is signed **after 09 months** from date of Letter of Award, with the consent of CEB, P2 shall be derived for the date that falls on 07 (Seven) working days prior to the date “reaching **09 months** from the date of Letter of Award”.

This Applicable Tariff would determine the tariff applicable for the entire contract period of the Facility. There will not be any escalation to the Applicable Tariff during the entire Contract period.

2.8.2 Financial Plan

The Project Proponent shall furnish a financing plan of the Project. This must include an analysis giving due consideration to the total estimated cost, likely revenue streams, cost of funds (including both equity and debt) and the Proof of availability of adequate finances or the manner in which the required finances for the project are to be obtained.

The financing plan to be submitted should include the following:

<ul style="list-style-type: none"> • Total estimated cost • Engineering, Procurement & Construction (EPC) cost <ul style="list-style-type: none"> ○ Material cost breakdown (solar PV module, mounting structure, inverter, transformer, AC& DC cables, LV panels & switchgear) ○ Cost of Land ○ Cost of civil constructions & installation ○ 33kV transmission line construction cost (material & labour) ○ Miscellaneous costs (logistics, design etc.) • Interest During Construction • Operation & Maintenance Cost
<ul style="list-style-type: none"> • Total Foreign cost requirement
<ul style="list-style-type: none"> • Likely revenue streams
<ul style="list-style-type: none"> • Expected Return on Equity (as a percentage) • Expected Cost of Debt (as a percentage) • Debt : Equity ratio • Expected Internal Rate of Return (IRR) for the project (as a percentage)

<ul style="list-style-type: none"> • Proposed Equity component <ul style="list-style-type: none"> ○ Audited profit and loss account and balance sheet for the last 3 years to validate the availability of adequate finances for the proposed equity component of individual or joint venture/consortium. ○ Breakup of the commitments by each of the equity participants. (In case of joint venture/consortium) ○ Board resolution's confirming the committed equity of each individual equity participants.
<ul style="list-style-type: none"> • Proposed Debt component <ul style="list-style-type: none"> ○ Details of expected loan capital for the Project, giving details of the amount of loan each lending institution (A "letter of comfort" issued by the bank should be attached with the Proposal, in support of this)
<ul style="list-style-type: none"> • Other Financing information

2.8.3 Currencies of Tariff and Payments

All Tariff payments shall only be in Sri Lanka Rupees. Payments for the purchase of electrical energy in respect of this Project would be calculated in Sri Lanka Rupees and will be paid in Sri Lanka Rupees. The Tariff calculations shall not be based on any other currencies or any baskets of currencies.

2.9 Term of the Power Purchase Agreement

The term of the Power Purchase Agreement shall be **20 years**, commencing from the Commercial Operation Date.

2.10 Format, Sealing, Marking and Submission of Proposals

Two sealed packages containing;

1. The Original Proposal -
 - Clearly marked "Original" on the first page and last page.
 - An envelope marked "Proposal Security" contains the original of the "Proposal Security" shall carry the name and address of the Project Proponent and the Grid Substation should be included in the original proposal. The Proposal Security shall be substantially in accordance with the specimen given in Section 7 of Volume II.
 - In addition, a CD (Compact Disc) containing a scanned copy of the Original document should be attached to the inside of the bottom cover page of the Original Proposal document (Please mark the name of the Project Proponent and the Grid substation on the CD).

2. The Copy -

- Should contain a copy of the Proposal clearly marked "Copy" on the first page and last page.

shall be submitted separately and clearly labelled as "Original" and "Copy" including the Grid Substation. The cover of the two packages shall be labelled as below.

ORIGINAL / COPY
PROPOSAL FOR GROUND MOUNTED/FLOATING SOLAR PV POWER PLANT CONNECTED TOGRID SUBSTATION (CAPACITY:MW,AC)
PROJECT PROPONENT'S FULL NAME AND ADDRESS
.....

In the event of late delivery of the Proposal it shall be rejected and returned unopened to the Project Proponent whose address is stated on the package. **Under no circumstances proposals shall be accepted beyond the closing time.**

The Proposal containing all the above packages properly marked shall be delivered together in a sealed package to the following address on **November 09, 2023 at 10.00 hrs.**

**The Chairman CANC,
Office of the Deputy General Manager (Renewable Energy Procurement & Performance Monitoring)
Ceylon Electricity Board
No. 6-1/2, First Floor
Kalinga Place, Off Suleiman Avenue
Colombo 00500, SRI LANKA.**

Note: This venue is subjected to change based on the responses to the tender.

If a proposal will be delivered **before November 09, 2023**, please handover **during office hours (8.30hrs -16.00hrs)** to:

The Chairman CANC,
Office of the Deputy General Manager (Renewable Energy Procurement & Performance Monitoring)
Ceylon Electricity Board
No. 6-1/2, First Floor
Kalinga Place, Off Suleiman Avenue
Colombo 00500, SRI LANKA.

TEL: +94 11 2583344 / +94 11 2504203

FAX: +94 11 2583344

2.11 Validity of the Proposal

Each Proposal shall constitute a firm offer and that shall remain in force and valid for a period of **One Hundred and Eighty (180) Calendar Days** following the Closing Date. During this period the proposed Bid shall remain valid and no Project Proponent shall withdraw its Proposal.

In the event of a Letter of Award not being issued during this period, CEB will notify each Project Proponent by fax **at least 14 days prior to the expiration date** requesting an extension of the Proposal validity period along with the extension of the validity of the Proposal Security. If any Project Proponent does not agree to such extension requested by CEB, **it may advise CEB of its decision in writing prior to the expiration of the original validity period of the proposal.**

If such decision is not received by CEB prior to the expiration date of the original validity period following the issuance by CEB of a notice of extension, the extension shall be considered to have been accepted by the Project Proponent, **provided that the Project Proponent shall extend the effective period of the Proposal Security** accordingly.

2.12 Closing Date and Late Proposals

Proposals received after 10.00hrs on the closing date, as stated in Clause 1.4 of Volume I of RFP, shall not be accepted nor considered whatever the reasons for delay in receipt (including circumstances outside the control of the Project Proponent).

2.13 Proposal Opening

Proposal and the envelope containing the Proposal Security will be opened immediately following the closing of bids by the relevant Tender Opening Committee. Project Proponents or their authorised representatives who wish to attend the opening may do so (only two participants per project proponent are allowed).

Project Proponents' names, any withdrawals, quoted tariff, the presence or absence of valid Proposal Security and such other details as CEB may consider appropriate will be announced at the time of opening of the Proposal. Information of which is of a commercially sensitive nature will not be disclosed.

2.14 Confidentiality

GOSL and CEB reserve the right to release information contained in the Proposals to its agents, consultants and advisers for purposes of verifying and evaluating the Proposals. Neither GOSL, CEB nor their agents, consultants and advisers shall be liable in any manner whatsoever for any loss or damages resulting from any disclosure of such information before, during or after the bidding process.

2.15 Clarifications & Correction of Errors

To assist in the examination, evaluation and comparison of Proposals, CEB may at any time prior to the final evaluation and issue of the Letter of Award request any Project Proponent for clarification of its Proposal, including breakdown of costs in determining the proposed Tariff.

Obvious arithmetical errors may be rectified. Where a Project Proponent wishes to correct other errors in relation to clarifications sought by CEB, which does not have an impact on the Tariff, CEB may accept such clarifications.

2.16 Cost of preparation of Detailed Proposal

The Project Proponents shall bear all costs and expenses associated with the preparation and submission of the Proposal. CEB shall not be responsible or liable for such costs and expenses, regardless of the conduct or outcome of the selection process. All costs and expenses involved in attending any meeting and/or visits to the site shall be at the sole cost and expense of the Project Proponent's.

2.17 Security Requirements

To guarantee the due performance of its obligations to construct and operate the Facility, the Project Proponent shall provide the following security instruments.

2.17.1 Proposal Security

Proposal security in the form of a Bank Guarantee issued by a commercial bank operating in Sri Lanka, approved by the Central Bank of Sri Lanka or a bank based in another country but the guarantee "confirmed" by a commercial bank operating in Sri Lanka and payable to the Ceylon Electricity Board, substantially in the form specified in Section 7, Volume II of the RFP.

Proposal shall be accompanied with a Proposal Security undertaking that the Proposal will be held valid for the period specified in Clause 2.11 of this document and that the Proposal shall not be withdrawn during that period. Proposal Security shall amount to **Sri Lankan Rupees Three Million (LKR 3,000,000/-) per MW,AC**. Failure to submit the Proposal Security at the time or before the closing of the bidding and in accordance with above requirements will result in the Bid being rejected. No alternate offers will be accepted under one Proposal Security.

The Proposal Security shall be unconditionally encashable, on the receipt of first written demand of the Ceylon Electricity Board and it should be irrevocable, unconditional and on-demand payable in Sri Lanka in Sri Lankan Rupees.

Failure to submit the proposal security as specified above is considered as a major deviation and the proposal will be considered as non - responsive.

The Proposal Securities of the Project Proponents **pending approval for awarding** will be returned after the expiry of the validity of the Proposal Security unless otherwise agreed to extend the same.

The Proposal Security shall be valid for no less than **two hundred and ten (210) Calendar Days** from the Closing Date for submission of Proposal documents. In the event the date for the issuance of the Letter of Award is extended by the CEB and the Project Proponent agrees to such extension, the Proposal Security shall be revalidated to cover such additional periods.

The CEB may forfeit the Proposal Security:

- a. If - Project Proponent withdraws its Proposal during the specified validity period; or
- b. In the case of a successful Project Proponent, if he fails
 - i) to furnish the Letter of acceptance within the period stated in Clause 6.6 of Volume I of RFP from the receipt of Letter of Award.

- ii) to furnish the Performance Security within the period stated in Clause 2.17.2 of Volume I of RFP.

2.17.2 Performance Security

Within 30 days of receipt of the Letter of award or 7 days before the expiry of the Proposal Security, whichever comes first, the Successful Project Proponent shall furnish a Performance Security,

- In favour of the Project Proponent if the LOI is planned to be signed under Project Proponent's name
- In favour of the Special Purpose Company (SPV) along with relevant documents issued from Registrar of Companies (RoC) to substantiate 100% share requirement specified in Clause 5, Volume I of the RFP, if the LOI is planned to be signed in SPV name (*The performance security shall clearly indicate that this has been issued on the request of "Project Proponent" and in favour of "Special Purpose Company"*)

agreeing to execute the terms and conditions stated in Section 8, Volume II of the RFP.

The Proposal Security of a **successful Project Proponent** shall be discharged or returned, or both, (without interest) upon the Project Proponent's acceptance of the Letter of Award, and on furnishing of a Performance Security of **LKR Twenty Two Million (LKR 22,000,000/-) per MW,AC** valid for a period of 30 days beyond the commencement of Commercial Operations Date as defined in the Power Purchase Agreement.

This security shall be in the form of an irrevocable, unconditional and on demand Bank Guarantee issued by a reputed commercial bank operating in Sri Lanka or a bank based in another country but the guarantee "confirmed" by a bank operating in Sri Lanka, substantially in the form specified in Section 8, Volume II of the RFP.

The successful Project Proponent's Performance Security shall be discharged or returned, or both, (without interest) on Commercial Operation Date.

The CEB may forfeit the Performance Security:

- a. If the project proponent fails to sign the LOI, within the period specified in the Project Milestone Schedule, Clause 1.4, Volume I of RFP; or
- b. If the project proponent fails to submit the deed/plan of the land as per Clause 6.6 of Volume I of RFP, within the period specified in the Project Milestone Schedule, Clause 1.4, Volume I of RFP for issuing the LOI; or
- c. If Project Proponent withdraws its Proposal during the validity period of the LOI; or
- d. In case of Project Proponent fails to comply with the requirements of the Letter of Intent issued to it; or
- e. In case of Project Proponent unable to fulfil mandatory requirements as stipulated by the SLSEA and hence can no longer proceed to obtain an energy permit; or
- f. The Project Proponent failure to achieve successful Commissioning & Testing by the date as specified in the PPA.

2.18 Project Proponent's Responsibilities

The submission of the Proposal shall be deemed to be acknowledged by the Project Proponent that it has carried out and performed the necessary inspections and investigations required to ascertain the suitability of the site and the local conditions, equipment to be furnished or installed, and other matters which may affect the performance of its obligations under the Project Documents.

The Project Proponent affirms by submitting its Proposal, that it has examined carefully and is fully familiar with all the work involved and this RFP shall become an integral part of the Project Documents and accepts without any reservation the terms and conditions specified in the RFP.

It also affirms that it has familiarised itself with the laws and regulations in force in Sri Lanka (including Labour, Financial, Environmental and Industrial laws) and that complying with these laws and regulations shall not affect the completion of the works under the Project Documents.

The failure or omission of a Project Proponent to obtain, receive or examine any form, document or to visit the site and acquaint itself with conditions existing there shall in no way relieve it from any obligation with regard to its Proposal.

Information Copy - Not for Bidding

3 PROJECT DESCRIPTION AND PERFORMANCE SPECIFICATIONS

The total installed plant capacity shall be as per Clause 1.3 of Volume I for each grid substation provided that it does not exceed the relevant grid substation capacity limits. The technology proposed for the project shall have a proven track record with demonstrated success in countries with a similar level of technological development and infrastructure support, as in Sri Lanka. Equipment offered shall be new and unused. All equipment and plant design must conform to CEB regulations applied to any power plant connected to Sri Lankan power system as stipulated in the "CEB Guide for Grid Interconnection of Embedded Generators, Sri Lanka (2000)" and subsequent addendums issued if any, Annex A, Volume I of the RFP. CEB has the right to refuse interconnection of any equipment that does not conform to this code and the Project Proponent must bear any loss incurred as a result.

3.1 Technical Information

Project Proponent shall provide general technical information, where possible with Technical Literature to enable CEB to understand the operation of the plant and its peripherals / auxiliaries. The following minimum data shall be provided in this regard.

- a. Technical Details for Solar PV System as Section 6 of Volume II of RFP.
- b. PV Modules to be installed should comply with the relevant International Standard (IEC 61215, IEC 61730, etc or latest available equivalent Standards)

Inverters should comply with International Standard
IEEE 1547:2003/UL 1741, IEC 62109 or latest available equivalent Standards

(Documentary proofs should be provided along with the Proposal)

- c. Plant layout and Single line diagram up to the Grid Point showing all circuit breakers, isolators, current & potential transformers for metering and protection of the Facility, earthing switches, lightning arrestors, power transformers and inverters and dynamic model of the plant (if available)
 - Single Line Diagram shall clearly specify the method adopted to limit the maximum power output (MW,AC) at the termination point. Supporting documents to verify the same shall be submitted with the proposal.
- d. Expression of Interest from each of the prospective Solar PV panel and Inverter suppliers to supply the required number of Solar PV panels and Inverters for the project and literature/brochures/technical magazines describing the business/facilities/organization of manufacturers.
- e. Type & ratings of major equipment, MV & LV switch gear, etc. (For this purpose, the maximum fault levels for each grid substation are given below;

	Grid Substation	Maximum 3-Phase Fault Level at 33kV level (kA)
1	Matara	10.2
2	Pallekele	9.1
3	Vavunathivu	5.6

Protection scheme proposed to be provided for the bus-bars, transformers, inverters and other applicable switchgears, including fire protection to comply with the provisions of "CEB Guide for Grid Interconnection of Embedded Generators". Protection schemes may have interfacing with CEB equipment and these protective schemes shall be subjected to the concurrence of CEB.

- f. Details of the metering devices at the Facility including power and energy meters and recorders. Please note that these meters/recorders shall meter, record, and transmit the data on the power/energy flow to the CEB system.
- g. Any other detail, the Project Proponent deems necessary.

3.2 Power Transmission

The project proponent when deciding on the relevant power transmission methodology, may specially consider the requirements specified for termination point, metering point and grid point as stated below.

Termination point is the physical boundary between CEB & Project Company. Project Company owns all equipment except the portions marked as CEB property and operate and maintain them at project company's expense up to this point from the generation side.

At the **Metering Point** CEB fixes its metering equipment for the measurement of energy output and the title of electrical energy passes to CEB.

At the **Grid Point** the power transmission line/s physically connect to the national grid. From Termination Point to the Grid Point, the developing cost of power transmission line/s and all associated equipment shall be borne by the project company and owned/maintained by CEB.

There are two options to select the Grid Point.

Option 1:

Grid point at the 33kV feeder Bay of the relevant grid substation.

The project company shall construct the power transmission line/s (Tower or Pole as decided by CEB) at 33kV voltage level, including all associated equipment from the project location up to the 33kV feeder bay of the relevant grid substation under CEB supervision **utilizing materials procured by the project company complying to CEB material specifications**, at project company's cost, as per the Grid Interconnection Proposal prepared by CEB prior to signing the PPA. In cases where the project company finds it impossible to procure material of suitable quality for the construction of the power transmission line/s, the project company may request CEB to supply the required materials. CEB may supply the required materials upon such request at project company's cost, subject to availability of sufficient stocks. In such cases CEB shall not be liable for any delays experienced in the construction of the transmission line/s.

In case of a necessity to construct a new feeder bay,

- CEB shall construct the feeder bay
- CEB shall bear the cost of the same

The meter cubicle at the power plant premises shall be constructed by the project company utilizing their own materials under CEB supervision, as per Section 15, Volume II of RFP.

Option 2:

Grid point at the nearest feasible point at 33kV level.

This point including its validity period, has to be confirmed by the relevant Provincial Deputy General Manager of CEB. The project company shall construct the power transmission line/s (Tower or Pole as decided by CEB) at 33kV voltage level, including all associated equipment from the project location up to the Grid Point under CEB supervision, **utilizing materials procured by the project company complying to CEB material specifications**, at project company's cost, as per the Grid Interconnection Proposal prepared by CEB prior to signing the PPA. In cases where the project company finds it impossible to procure material of suitable quality for the construction of the power transmission line/s, the project company may request CEB to supply the required materials. CEB may supply the required materials upon such request at project company's cost, subject to availability of sufficient stocks. In such cases CEB shall not be liable for any delays experienced in the construction of the transmission line/s.

The meter cubicle at the power plant premises shall be constructed by the project company utilizing their own materials under CEB supervision, as per Section 15, Volume II of RFP.

The project proponent should select (tick) one option from the given two options in Section 11 of Volume II of the RFP.

The power transmission lines shall be constructed in accordance with CEB construction standards for medium voltage power distribution line/s.

Refer Section 14 & 15 Volume II of RFP for further details.

4 ENVIRONMENTAL CONSIDERATIONS

4.1 Environmental Requirements

Within the scope of the project, the Project Proponent is required to assess the environmental impacts of the proposed Solar Power plant and obtain all relevant environmental clearances and approvals from the appropriate authorities in terms of applicable laws and regulations and the guidelines published by Central Environmental Authority¹.

Project Proponent is required to comply with National Environment Act No. 47 of 1980, National Environment (Protection & Quality) Regulations, No 1 of 1990, and to any amendments thereto, and also to any other applicable regulation or law. The Project Company shall comply with all Environmental Laws applicable to the Facility during the Term.

National Environment Act No. 47 of 1980 (Order under Section 23Z) has identified certain institutions in Sri Lanka as Project Approving Agencies (PAA).

4.2 Archaeological Requirements

In addition to the above requirements, the Project Proponents are required to comply with the requirements of the Antiquities Ordinance, as amended by Act No. 24, 1998 and regulations there under.

¹Central Environmental Authority Environmental Impact Assessment (EIA) Process :
<http://www.cea.lk/web/index.php/en/environmental-impact-assessment-eia-procedure-in-sri-lanka>

5 DETAILS OF THE PROJECT PROPONENT

Project Proponents who wish to submit proposals may do so either as, an incorporated new company, or as an incorporated existing company or as a joint venture/consortium of such companies.

Eligible Bidders:

All foreign and local prospective Project Proponents are eligible.

However, it should be noted:

- a. Project Proponent whose Proposal has been declared as successful and who are party to the Letter of Intent shall not dispose of their interest or withdraw in relation to the proposal prior to execution of the Project Agreements referred in Clause 7, Volume I of RFP ("Project Agreements").

The Project may be undertaken by a special purpose company incorporated in Sri Lanka with limited liability. 100% shares of the Special Purpose Company are from the project proponent company.

Project Proponents shall also be required to meet the following criteria:

- a. No Project Proponent or its parent/affiliate companies shall have been suspended or black listed by CEB, the GOSL or by any other Government Agency in Sri Lanka, whether as an individual contractor or corporation or as a member of a joint venture/consortium.
- b. No Project Proponent or its parent/affiliate companies shall have a record of unsatisfactory past performance, particularly non-compliance with contractual terms, plans and specifications; nor any record of defective workmanship and materials supplied, abandonment of work or similar efficiencies.
- c. No Project Proponent or its parent/affiliate companies shall have inordinate overdue debts toward the Insurance, Revenue or Customs authorities of Sri Lanka or in any other country.
- d. No Project Proponent or its parent/affiliate companies shall have criminal or civil cases in court pending or finally decided against them involving non-payment of tax, duty, statutory dues or other undertaking with any Government or its sub-divisions, or instrumentalities including government-owned or controlled corporations.

6 EVALUATION AND ISSUANCE OF THE FORMAL INVITATION

6.1 Outline of Evaluation Procedure

The actual evaluation process is a staged process. In the first stage, the responsiveness of the Proposals will be assessed for the compliance with the requirements and the procedures laid out in this RFP. The second stage of the evaluation process concentrates on the requirement of technical and commercial details of the Proposal. In the third stage, the evaluation will be based on the proposed tariff as specified in Clause 6.5 of Volume I.

6.2 Right to Reject Proposals

CEB reserves the right to reject the Proposal of any Project Proponent who has qualified on the basis of fraudulent, suppressed or incomplete information. Project Proponents who submit proposals do so without recourse against GOSL, or CEB or their representative for either rejection by CEB or failure to execute a PPA, for any reason whatsoever.

6.3 First Stage Evaluation (Responsiveness)

In order to expedite the evaluation process, the Project Committee will initially evaluate the **lowest priced 5 proposals** submitted at the time of closing of submission of proposals. However, the project committee if deemed necessary may at their discretion, initiate the evaluation of balance proposals submitted.

Initially CEB will examine the Proposals to determine whether they are complete, whether the required Proposal Security has been furnished, whether the documents have been properly signed, whether all annexes as required in the RFP are furnished and whether the Proposals are generally in order. A Proposal may be disqualified and excluded from further consideration for any valid reason including but not limited to, the reasons listed below:

- a. Failure to submit supporting documentation or any other clarification or any documents requested by CEB within the required time frame.
- b. Failure to submit **Original of the Certificate of Purchase of RFP** issued by the CEB
- c. Failure to submit Duly executed Power of Attorney or Board Resolution to the authorized representative who is to sign on behalf of the Project Proponent.
- d. Failure to submit Document/s to confirm the ownership or the ability to procure or lease the selected land as per Clause 1.3.1 of RFP Volume I.
- e. Failure to complete any of the Proposal Forms.
- f. Willful misrepresentations in the Proposal.
- g. Illegal conduct or attempts to influence the GOSL, CEB, Evaluation Committee, Procurement Committee in evaluation of a Proposal outside the solicitation process.

6.3.1 Major Deviation/s.

Failure to submit any of the following items with the proposal will be considered as a Major Deviation and the proposal **will not be considered for further evaluation**.

1. Duly completed Proposal Letter signed by the authorized person
2. Proposal Security,
 - Substantially in the given format (Section 7, Volume II of RFP) or
 - for the specified validity period or
 - for the specified value or
 - issued by a reputed commercial bank operating in Sri Lanka or by a bank based in another country with the guarantee "confirmed" by a commercial bank operating in Sri Lanka or
 - issued in the name of the Project Proponent.
3. Certification of Registration under the Public Contract Act No. 3 of 1987 -PCA3 .
4. Duly completed Tariff Proposal signed by the authorized person (Section 4, Volume II of RFP)

If a Proposal is found to be non-responsive, it will be rejected, and may not subsequently be made responsive by correction or withdrawal of the item which resulted in the disqualification and/or rejection.

6.4 Second Stage Evaluation

The evaluation will be based on the information provided in the Proposal. The Proposals will be evaluated on the following criteria:

1.	Finance ability of the Project
1.1	Supporting documents to verify the proposed debt components from the bank as per Clause 2.8.2, Volume I of RFP
1.2	Supporting documents to verify the proposed equity components of individuals or joint venture/consortiums as per Clause 2.8.2, Volume I of RFP
2.	Specification of the plant
2.1	Technical Information as per Clause 3, Volume I of the RFP.

Non-compliance with any one of the above criteria may disqualify the Project Proponent.

6.5 Third Stage Evaluation

The responsive Project Proponents of the above stages would thereafter be ranked in the order of the ascending order of the tariff (lowest to highest).

The successful Project Proponents for each grid substation will be chosen on the basis of the above ranking.

Grid Sub Station wise selection criteria of project proponents for the balance grid capacities:

eg.:

- Available Grid capacity : 5MW,AC
- Capacities offered by technically and commercially responsive lowest ranked bidders (First and Second stage of evaluation as in 6.3 and 6.4 above).

Ranking of Responsive Bidders	Offered capacity	Remarks
Lowest	1MW,AC	Selected
2 nd Lowest	3MW,AC	Selected
3 rd Lowest	5MW,AC	To be selected on confirmation of balance capacity (1MW,AC) and Tariff
4 th Lowest	2MW,AC	
5 th Lowest	2MW,AC	

- 3rd lowest bidder will be invited for the same tariff for the balance 1MW,AC capacity.
- If 3rd lowest bidder fails to accept the invitation, 4th and 5th lowest bidders will be invited to adjust the proposed tariff to the tariff of the 3rd lowest bidder for the balance 1MW,AC capacity respectively.
- Based on the confirmation of the above bidders, selection will be done according to the original ranking order of responsive bidders.
- If any of the unselected responsive bidders do not accept the above invitation the offers of 3rd, 4th and 5th lowest will be rejected without forfeiting their proposal securities.

If a successful project proponent fails to submit the Letter of Acceptance within the time frame specified in Clause 1.4, Volume I of the RFP, the next unselected responsive lowest bidders in the same grid substation will be invited. However, the invited Project Proponents have to adjust the proposed tariff & capacity to the tariff & capacity of the withdrawn bid.

The successful Project Proponents will be issued formal Letters of award to submit their applications to engage in and carrying on an on-grid renewable energy projects. Following submission of the Letters of Acceptance along with the Performance Security as specified in Clause 2.17.2, Letters of Intent (LOI) will be issued in the prescribed format as given in this RFP (Section 9, Volume II of RFP). The successful Project Proponent shall meet all other requirements as specified by the SLSEA for Grid connected Renewable energy development. However, nothing mentioned herein shall prejudice the right of CEB to terminate this process and/or refrain from issuing the formal Letter of Award as mentioned above.

As Power Purchase Agreements will be entered into for the bid values as stipulated in Clause 7 of RFP volume I, after the bidding process on variable price option is completed, agreements with

different prices will be in effect for the same substation as there are many capacity segments in a particular substation.

If the project proponents having the same rank (due to offering same tariff) affects the selection for a specific grid substation, following procedure will be followed.

1. Each such Project Proponent will be invited to submit three alternate sealed tariff proposals marked as 1,2,3 each containing a tariff lower than the previously quoted tariff.
2. Envelops 1, 2, 3 should contain tariffs in descending order. For example, the price quoted in envelop 2 should be lower than the price in envelop 1 and the price quoted in envelop 3 should be lower than price in envelop 2.
3. Such Project Proponents will be called upon to a special proposal opening meeting and envelop 1 of all such Project Proponents will be opened first.
4. Based on the prices quoted in envelop 1, the lowest evaluated Proposal/s will be selected.
5. If the issue of project proponents having the same rank (due to offering same tariff) still remains, envelop 2 of relevant project proponents will be opened.
6. This will be continued if required, until all three envelops are opened.
7. All unopened envelopes, if any, will be returned.

During this stage if any Project Proponent does not agree to provide a lower tariff than his originally quoted price as requested above, he may officially communicate his intention to CEB and withdraw his Proposal from the bidding process, **without forfeiting his Proposal Security**.

CEB reserves the right to terminate the RFP process if adequate competition has not been created or and the tariffs quoted by project proponents are not acceptable to the CEB.

6.6 Letter of Award and Letter of Intent

The successful Project Proponents will be issued formal Letter of Award to submit their Letter of Acceptance within 7 days of the receipt of the Letter of Award.

In order to issue the Letter of Intent as per the prescribed format, given in this RFP (Section 9, Volume II of RFP), it is mandatory to submit the following documents to CEB;

1. Acceptance of Letter of Award within 7 days of the receipt of the Letter of Award
2. Performance Security with in the period specified in 2.17.2, Volume I of RFP
3. Duly certified copies of documents below within **30 days** from the date of receipt of the Letter of Award
 - 3.1 Certificate of Incorporation
 - 3.2 List of the Board of Directors
 - 3.3 Location of the Registered Office
 - 3.4 Resolution of the Board of Directors authorizing the persons entitled to witness the affixing of the Company Seal
 - 3.5 Land Details;

For private land:

 - A copy of the Deed of the land in the name of the project proponent certified by an Attorney-at-Law with the survey plan
 - A copy of the Lease Agreement (at least for 22 years) of the land in the name of the project proponent certified by an Attorney-at-Law with the survey plan

For LRC land /Land owned by state institutions /State land

- A confirmation letter in the name of the project proponent and issued by the relevant authorised officer as specified in Clause 1.3.1.
- 3.6 Map (Colour, A3) indicating the plant location, address and GPS coordinates
- 3.7 Grid Interconnection confirmation letter

Non-submission of the above within the period specified above will result in forfeiture of the Proposal/Performance security respectively and the Letter of Intent (LOI) will not be issued.

If a successful Project Proponent fails to submit the Letter of Acceptance within the time frame specified in the RFP, the CEB in its discretion may invite the next ranked Project Proponent for the relevant grid substation as per conditions in Clause 6.5 of Volume I of RFP.

The Proposal Securities of the **unsuccessful Project Proponents** will be returned upon the receipt of Letter of Acceptance from the successful Project Proponents or the expiry of the validity of the Proposal Securities unless or otherwise agreed to extend the same.

6.7 Cost and Risk in Finalising Project Agreements

The successful Project Proponents shall bear all costs incurred by it in relation to the finalization of the Project Agreements, including but not limited to those of professional advisers. Neither GOSL, CEB, or any representative of these parties shall have any liability whatsoever to the Project Proponent for any decision taken by the Project Proponent in relation to decisions taken by it in finalising and entering into the Project Agreements, whether or not in reliance on any matter supplied or represented by GOSL, CEB, or their representatives.

7 PROJECT AGREEMENTS

7.1 Introduction

Project Agreement is the model Power Purchase Agreement (PPA) set out in Volume III of this RFP. The Project Proponents should study the Project Agreement in detail when formulating their Proposals.

7.2 Requirement to Sign Power Purchase Agreement

As per the model power purchase agreement (Volume III of the RFP), the Seller should be a “company duly incorporated and validly existing under the laws of the Democratic Socialist Republic of Sri Lanka, has all requisite corporate and legal authority to execute this Agreement, and is permitted by applicable laws and regulations to sell independently produced power”.

7.3 The Power Purchase Agreement

The Power Purchase Agreement is signed between CEB and the Project Company and relates to the whole of the electrical energy generated and delivered by the facility. The Power Purchase Agreement will be signed only after obtaining environmental clearance and all other statutory clearances as stipulated by SLSEA including Energy Permit (EP) issued by the SLSEA. It is also required to obtain the no objection letter from Public Utilities Commission of Sri Lanka (PUCSL) to sign the PPA with the CEB. A prescribed PPA processing fee is applicable.

8 ANNEXES

Annex A : CEB Guide for Grid Interconnection of Embedded Generators

CEB GUIDE FOR GRID INTERCONNECTION OF EMBEDDED GENERATORS (DECEMBER 2000)

Part 1: Application, Evaluation and Interconnection Procedure

Part 2: Protection and Operation of Grid Interconnection

Addendum: Grid Connection Requirement for Solar PV Power Plants

The above three documents in electronic form can be downloaded by the following link;

<https://ceb.lk/tender-notice/en>

Information Copy - Not for Bidding