



ENERGY STORAGE AGREEMENT

BETWEEN

CEYLON ELECTRICITY BOARD

AND

XXXXXXXXXXXXXXXXXXXX

**10 MW / 40 MWh Battery Energy Storage Facility
at XXXXXXXXXXXXXXXXXXXXXXX**

Tender No: TR/REP&PM/ICB/2025/003/C

xxth XXXXX 2025

**RENEWABLE ENERGY PROCUREMENT & PERFORMANCE
MONITORING BRANCH
TRANSMISSION DIVISION
CEYLON ELECTRICITY BOARD
MEETHOTAMULLA ROAD, KOLONNAWA**

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**AGREEMENT FOR PURCHASE OF STORAGE SERVICES
BETWEEN
THE CEYLON ELECTRICITY BOARD
AND
XXXXXXXXXXXXXXXXXXXX**

**10 MW /40 MWh Battery Energy Storage Facility
at XXXXXXXXXXXXXXXXXXXXXXX
Ref: TR/REP&PM/ICB/2025/003/C**

This Agreement is made and entered into at Colombo this **xxth day of April 2025** by and between the **Ceylon Electricity Board**, a body corporate duly constituted by Act No. 17 of 1969 and having its head office at 50, Sir Chittampalam A. Gardiner Mawatha, Colombo in the Democratic Socialist Republic of Sri Lanka (hereafter referred to as "**CEB**"), and **XXXXXXXXXXXXXXXXXXXX** a limited liability company duly incorporated in Sri Lanka under the Companies Act No. 7 of 2007 and having its Registered office at **XXXXXXXXXXXXXXXXXXXX** (hereafter referred to as "**Seller**" which term or expression where the context so requires means and includes the said **XXXXXXX** and its successors and assigns, as permitted hereby).

WHEREAS, the Seller has submitted a proposal to the Ceylon Electricity Board (CEB) for the development and establishment of a Battery Energy Storage System (BESS) with a capacity of MW/_____ MWh, to be located within a maximum distance of 5 kilometres from the designated Grid Substation (GSS) in Sri Lanka (hereinafter referred to as the "Project" or "BESS");

WHEREAS, CEB may purchase Battery Energy Storage Services under applicable law and regulations of the Democratic Socialist Republic of Sri Lanka; and

WHEREAS, the Seller is 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 operate storage facility; and

WHEREAS, the Seller wishes to sell and to deliver, and CEB wishes to purchase and to accept delivery of, the offered Battery Energy Storage Services by the Seller from the Facility described at Appendix B, all pursuant to the terms and conditions as set forth in this Agreement;

WHEREAS, CEB is a body corporate that is not able to assert any defences of sovereign immunity to enforcement of contracts with private entities.

NOW, THEREFORE, in consideration of the mutual promises and agreements contained herein, the Seller and CEB hereby agree as follows:

ARTICLE 1 DEFINITIONS

When used with initial capitalization, whether in the singular or in the plural, the following terms shall have the following meanings:

"Agreement" means this document, including its appendices and all documents, regulations, or standards incorporated by reference, as such may be amended from time to time, proposal letter submitted by Seller dated **xxth Day of xxxxx xx**, all the conditions in the RFP, Seller's receipt of Letter of Award dated **xxth Day of xxxxx xxxx**, Seller's acceptance of Letter of Award dated **xxrd Day of xxx xxxx**.

"Appendix A" means the appendix to this document defining the Payments and associated Penalties applicable for providing of Battery Energy Storage Services to CEB by **xxxxxxxxxxxxxxxxxxxxxx**

"Appendix B" means the appendix to this document setting out key specifications of the Seller's Facility

"Appendix C" means the appendix to this document defining the technical standards for testing the Facility for the purpose of demonstrating whether or not the Facility satisfies the grid connection requirements of CEB.

"Commercial Operation Date" means the following the day on which:

- (1) Subject to Article 4.3, the Seller formally notified the CEB that the Battery Energy Storage System (BESS) is ready for the commencement of energy deliveries; and
- (2) The Seller has commenced supplying storage services from the BESS to the CEB.

"Contract Year" means the twelve-month period beginning with the Commercial Operation Date and each succeeding twelve-month period.

"Due Date" means forty-five (45) days after the date on which CEB reads its meters installed at the Metering Point for the purpose of determining the amount of Energy exchanged to and from the Facility for the prior period, which reading shall occur pursuant to Article 5.2(a).

"Emergency" means a condition or situation, which is likely to result in disruption of service to CEB's customers, or is likely to endanger life or property.

"Energy Input" means the amount of electrical energy imported to the facility from CEB Grid under the agreement entered into between the Seller and the CEB.

"Energy Output" means the amount of electrical energy exported by the Facility and delivered to CEB under this Agreement.

"Facility" means all of the Seller's equipment and appurtenant land at a single site or parcel of land utilised to store and deliver Energy Output, including but not limited to, Seller's generation, transmission, metering, and protective equipment.

"Government" means the Government of the Democratic Socialist Republic of Sri Lanka.

"Grid Point" means the connection stud of the last facility side isolator located on the grid system of CEB; depicted as "G" on the diagram in Exhibit A.

"IEC Standards" means the relevant standards published by International Electrotechnical Commission of No. 3, rue de Varembé, P.O.Box 131, CH-1211 Geneva, Switzerland.

"Interconnection Guidelines" means the Grid Connection Code approved by Public Utilities Commission in Sri Lanka dated 22nd July 2024 or any subsequent version of this or a reasonable and prudent substitute guidance accepted by CEB or standard adopted by CEB to apply to interconnection of the facilities. Functional Specifications issued with the RFP shall take precedence over the Grid Connection Code requirements.

"Full Equivalent Cycles" means a full charge and discharge cycle of the BESS equivalent to 100% Depth of Discharge (DoD). Partial cycles are aggregated based on energy throughput; for example, two cycles at 50% DoD are considered equivalent to one full cycle, and four cycles at 25% DoD also constitute one full cycle etc.

"Metering Point" means the point where CEB metering of Seller's Energy Output and Energy Input to the Seller initially takes place and where title to electricity delivered by Seller passes to CEB. The Metering Point is shown as Point M on Exhibit A.

"MW" means a megawatt or 1000 kilowatts.

"Month" or "month" means a calendar month.

"Party" means the Seller or CEB and "Parties" means both of them.

"Prime Rate" means the prime rate as announced from time to time by the Central Bank of Sri Lanka for Rupee amounts, and in force on such date and, for the purpose of this Agreement, a change in any such rate shall be effective on, or from date on which it is announced or, if such announcement provides for such change to come into effect on a later date, on and from such later date.

"Prudent Utility Practices" means accepted international practices, standards and engineering and operational considerations, including but not limited to, manufacturers' recommendations and the exercise of reasonable skill, diligence,

foresight, and prudence that would be exercised or generally followed in the operation and maintenance of facilities similar to the Facility.

"Regulator" means the electricity regulatory authority of the Democratic Socialist Republic of Sri Lanka, the Public Utilities Commission of Sri Lanka (PUCSL) or his delegate.

"RFP" means the Request for Proposal document published by the CEB.

"Scheduled Outage" means an outage which is scheduled in advance for the purpose of performing maintenance on the Facility.

"Transmission Line" means the transmission line which connects the generators to the Grid Point enabling the Seller to deliver electrical energy generated by the Facility to the CEB.

"Termination Point" means the connection stud of the facility side isolator located on the grid system of CEB; depicted as "T" on the diagram in Exhibit A.

"Unscheduled Outage" means an outage, which is not a Scheduled Outage.

ARTICLE 2 SALE AND PURCHASE OF STORAGE SERVICES

2.1 Sale and purchase of Contracted storage Capacity

The Seller shall ensure the availability of the Battery Energy Storage System (BESS) for operation in accordance with the instructions of National System Control Centre, and CEB shall pay the Seller a Capacity Charge for such availability and will be applicable for penalties for any poor performances. The Seller shall maintain Energy Output discharged to the grid at the Termination Point shall comply with the quality standards specified in **Appendix B**.

2.2 Obligations of the Seller

- a) The Seller shall notify CEB in writing at least thirty (30) days prior to the initial synchronization or operation of the BESS in parallel with the CEB grid, and shall coordinate such commencement of operations with CEB.
- b) Prior to the Commercial Operation Date and thereafter on or before 1st December of each subsequent Year, the Seller shall furnish to CEB an annual forecast that includes the Scheduled Outages for each year; The Seller shall provide the CEB on monthly basis the 15 min timestep energy charged and discharged from BESS, throughout the Term of this Agreement, in a suitable electronic format.

- c) The Seller shall maintain the Facility according to Prudent Utility Practices to ensure that the installed capacity (MW), as stated in Appendix B of the Facility is available throughout the Term.
- d) The Seller shall notify CEB one month in advance of Scheduled Outages, including a non-binding estimate of expected length, and as soon as possible, of any Unscheduled Outages, including a non-binding estimate of expected length. In addition, the Seller shall continuously submit to the National System Control Centre an estimate of the facility's expected availability, in 15-minute resolution, covering a rolling 3-day period, in the format prescribed by CEB. However in both conditions, the System Availability of the facility shall be affected during either Scheduled or Unscheduled Outages, which in return would affect the capacity charge payments to the Seller.
- e) The Seller shall comply strictly with Interconnection Guidelines and all CEB Standards applicable to interconnection of similar facilities. The Seller shall make all arrangements at its own expense necessary to make available the Energy Output to CEB at the Grid Point. CEB shall cooperate with the Seller in these arrangements.
- f) The Seller shall obtain all the necessary permission, clearances for construction and operation of the facility from relevant statutory organizations.

2.3 CEB's obligations

- a) CEB's obligations to make payments as described herein, shall continue during the term of this Agreement, and shall only be excused in the event of Force Majeure arising under Article 6 herein.
- b) CEB may provide a non-binding, indicative dispatch schedule for the Seller on day ahead basis, such that it allows Seller to plan any short maintenance activities. However, CEB may change the indicative dispatch instruction on CEB's sole discretion, and the Seller is required to comply with it.
- c) CEB shall not issue any dispatch instructions above the capacity limit of BESS nor above the Actual Dispatchable Storage Capacity recorded at the end of previous contract year.
- d) The dispatch instructions shall also be bound both charging efficiency and discharging efficiency, based on expectation of minimum roundtrip efficiency of 85% from the Metering Point.

2.4 Interruptions

- a) CEB may interrupt, obtaining the services from the Facility, in CEB's sole discretion, under Emergencies or under Prudent Utility Practices, in order for CEB to install equipment, make repairs, replacements, investigations or inspections of CEB's electrical network.

ARTICLE 3 TERM; TERMINATION

3.1 Term

As of the date and when signed below by all Parties, this Agreement shall commence and, subject to the termination provisions set forth in this Agreement, shall continue for a period of **fifteen (15)** years, beginning on the Commercial Operation Date. Notwithstanding the foregoing, the applicable provisions of this Agreement shall remain in effect after termination hereof to the extent necessary to provide for final billings, billing adjustments, payments, and effectuation of all rights hereunder.

3.2 Default

- (a) Events of Default hereunder shall be each or any of the following events:
 - (i) The Seller fails to achieve the milestones set forth in Article 11(b).
 - (ii) The Seller fails to complete, abandons, or cancels construction of the Facility.
 - (iii) <not applicable>
 - (iv) The adjudged bankruptcy, dissolution, or liquidation of either Party, in which case the bankrupt, dissolved, or liquidated Party shall be deemed to be the Party in default hereunder.
 - (v) Either Party fails to perform or observe any of the terms, conditions, or provisions of this Agreement and the appendices hereto, and such failure shall not be rectified or cured within sixty (60) days after written notice thereof from the non-defaulting Party, provided, however, that if such failure cannot reasonably be cured within such sixty (60) day period, such further period, not to exceed two years after written notice thereof, as reasonably shall be required to effect such cure, provided that the defaulting Party commences within such sixty (60) day period to effect such cure and at all times thereafter proceeds diligently to complete such cure as quickly as possible, subject to the provisions of Article 6.
 - (vi) Without reasonable excuse, the failure of any party to make an undisputed payment when due and non-payment continues for more than ninety (90) days.

- (vii) The compulsory expropriation, acquisition or nationalisation of the material assets or equity of the Seller by any instrumentality of the Government, or the dissolution or reorganisation of CEB such that it cannot perform its obligations hereunder.
- (viii) Either Party contests and denies the enforceability of this Agreement, in which case the Party contesting enforceability shall be deemed to be the Party in default hereunder.

(b) Termination

- i. Upon the occurrence of an Event of Default, in each and every case, the non-defaulting Party shall give 30 days written notice to the defaulting Party and may pursue any remedies provided for in this Agreement or under law, and may terminate this Agreement by giving 60 days written notice to the other Party, provided that should CEB claim any Event of Default against the Seller, it shall notify and afford the Seller's lenders reasonable time, access and opportunity to remedy the event giving rise to the default, and shall cooperate with the Seller's lenders to this end.
- ii. In the event that this Agreement is terminated by CEB due to a default by Seller, CEB shall forfeit the Performance Bond furnished by the Seller, without prejudice to any other rights or remedies available to the Seller under this Agreement or at law.

ARTICLE 4 CONSTRUCTION; INTERCONNECTION; OPERATION; METERING

4.1 Approvals

- a) The Seller shall obtain and remain in compliance with all governmental and other environmental and other approvals, licenses, permits, and certificates necessary for the construction, and operation of the Facility for the duration of this agreement.
- b) The Seller shall obtain all licenses, permits, approvals and registrations necessary, imposed or required by the Government of Sri Lanka and/or any other agency or any local authority in Sri Lanka and shall comply with all legal requirements relating thereto, to enable the Seller to construct, develop, maintain and operate the Facility in accordance with this Agreement.
- c) The Seller shall obtain all customs clearances and approvals for the importation and transportation of all equipment necessary for the design, and construction of the Facility.

- d) The Seller shall obtain all necessary visas and work permits from Government agencies or departments in Sri Lanka to enable the Seller's expatriate officers and staff to work in Sri Lanka for the duration of their assignment.

4.2 Standards

- a) CEB's standards and requirements for equipment, transmission, and distribution including the Interconnection Guidelines shall apply to the Facility and to the Transmission Line.
- b) The Facility shall be operated by the Seller in a manner consistent with Prudent Utility Practices.

4.3 Testing

Upon completion of construction, the Facility shall be tested by and at the expense of the Seller as per with the technical standards set out in Appendix C hereof, and incorporated by reference herein. CEB shall be entitled to witness testing procedures. The Parties shall meet and agree to the procedures, standards, protective settings and a program for the testing of the Facility in accordance with the Appendix C hereto. The Seller shall certify in writing to CEB as provided in Article 10 (h) (2), that the Facility conforms to the specifications for Quality of Electrical Energy at the Termination Point set out in Appendix B and incorporated by reference.

4.4 Inspection of Seller's equipment

Upon reasonable prior notice, CEB has the right to inspect the Seller's equipment of the Facility to ensure compliance with Prudent Utility Practices and the Interconnection Guidelines. Such access shall not interfere with the Seller's normal business operations. If, in the opinion of CEB, the Seller's equipment is not being so operated and maintained, CEB shall notify the Seller of any such discrepancies which the Seller shall correct promptly. Until such correction, CEB is not required to accept and pay for offering storage services.

4.5 Not used

4.6 Meters

- a) The CEB shall procure, own and maintain the all (main and backup) metering equipment ("Metering Equipment") employed for purposes of measurement and billing under this Agreement, at the cost and expense of the Seller. The Metering Equipment will be located at the Metering Point depicted as "M" in Exhibit A. The Metering Equipment shall be sealable.

- b) The Seller shall provide CEB access to the Facility at all reasonable times upon reasonable prior notice for the purpose of examining the operation of the Facility or other purposes reasonably related to performance under the terms of this Agreement. Such access shall not interfere with the Seller's normal business operations. All CEB personnel shall follow all Facility safety and procedural rules while on the Facility premises.
- c) The Metering Equipment shall be tested at least annually, at the Seller's expense, in accordance with Prudent Utility Practices. At any reasonable time, either Party may request a test of the accuracy of any metering equipment. Each Party shall bear the cost of a test requested by it. The results of meter calibrations or tests shall be available for examination by the Parties at all reasonable times. If, at any time, any metering equipment is found to be inaccurate by more than point five percent (0.5%), CEB shall cause such metering equipment to be made accurate or replaced as soon as possible. Each party shall be present for breaking the seals, testing, recalibration and sealing of meters. If either Party believes that there has been a meter failure or stoppage, it shall immediately notify the other. CEB shall then investigate and take corrective action if so required.
- d) Testing and calibration of meters, and any verification of meter accuracy, shall be performed pursuant to IEC Standards, by CEB or by a mutually agreed upon qualified independent third party. Calibration shall occur before use of the meters. All meters shall be sealed and locked by CEB after calibration. The Seller shall be notified of calibration, and have the right to be present at such testing and calibration.
- e) Any supplemental electrical energy purchased by Seller shall be pursuant to normal CEB tariffs for that category and amount of power.

4.7 Transmission Line

Seller shall design and construct the Transmission Line up to Grid Point as per CEB technical standards and IEC Standards at the cost and expense of the Seller so as to be available to transmit the electrical energy for charging and discharging the storage services by the Facility as of the Commercial Operation Date. The Transmission Line up to Termination Point will be operated and maintained by the Seller at its own cost and expense.

4.8 Protective Apparatus

- a) Seller shall install at its own expense such protective apparatus as reasonably required by CEB to protect from damage the CEB system from fluctuations or variations in voltage, power, current and frequency of the Energy Output, and so as to satisfy the Specification of the Seller's Facility for Quality of Electrical Energy at the Termination Point set out in Appendix B herein.

- b) CEB shall have the right to review the design of all equipment of the Seller as to the adequacy of the protective apparatus provided at the Facility. The Seller shall be notified of the results of such review by CEB in writing within thirty (30) days of the receipt of all specifications related to the proposed design. Any flaws perceived by CEB in the proposed design shall be described in the written notice. Any additions or modifications required by CEB shall be incorporated by the Seller.

4.9 SCADA Integration

Seller shall provide Industrial grade, independent SCADA gateway for integration with National System Control Centre. The above gateway shall comply with the following specifications;

- SCADA gateways shall comply with the IEC 60870-5-104 for Master station standards.
- Equipment and port redundancy shall be available for the SCADA gateway. In case of a main one failure, standby unit shall be able to switch to main operation with National System Control Centre.
- The developer shall provide a reliable technical solution to integrate the data feeds from dual redundant sources to the gateways, ensuring the seamless SCADA reporting with precise time stamps.

All the signals related to BESS Facility as per typical signal lists attached as Annex D of Volume I of RFP shall be configured in the Gateway as per the IEC 60870 – 5 – 104 protocol and made available to National System Control Centre by Seller via the CEB communication equipment at the relevant Grid Substation before the commissioning. Gateway configuration parameters are given in Annex D of Volume I of RFP. The communication interfaces shall be configured as in Annex D of Volume I of RFP. Finalized Signal List shall be submitted at least 02 weeks prior to the commissioning.

CEB shall provide communications channels via fiber optic (FO) cable from Grid Substation to link the BESS with the CEB Communication network for provision of Boice and SCADA. The Seller shall provide the following;

(i) Fiber Optic Cable from BESS to Grid

Two (02) nos. separate fiber optic cables (for redundancy) shall be drawn from BESS to the Grid Substation. The fiber cable shall contain 8 nos. of single mode fiber cores suitable for transmission of 1310 nm and 1550nm optical wavelengths and they shall be in conformity with ITU-T recommendations G.652.D.

A suitable distribution frame/patch panels with single mode pig tail (FC) terminations shall be installed at two ends of FO cables to terminate 16 Nos. of cores. Suitable all dielectric ruggedized optical fiber approach cables shall

be used from the outside switchyard joint box to the indoor patch panel of Grid Substation.

- (ii) A suitable DC powered firewall with redundant power supply units shall be supplied, installed and commissioned (to suit the CEB recommended security rules/policies) at the Grid Substation. And from this firewall there shall be 02 Nos. of parallel 1 Gbps optical Ethernet links on the two redundant optical fiber cables, commissioned up to an appropriate firewall/network switch installed at the BESS end. The firewall at Grid Substation may require NAT (network Address translation) facility for masking the internal subnets.
- (iii) At the grid substation from this new firewall there shall be 02 Nos. of Electrical 1000BaseT type parallel links (trunks) to the existing optical multiplexer to interface SCADA and Voice over IP facilities tagged with IEEE 802.1Q VLANs.
- (iv) An IP desktop phone shall be made available at BESS to provide operational voice communication with National System Control Centre.
- (v) The specification of the IP phone and the firewall shall be sent to CEB for reviewing and necessary approvals.

4.10 Decommissioning and Disposal Obligations

Upon expiry or termination of this Agreement, unless otherwise extended by mutual written consent, the Seller shall be solely responsible for the decommissioning, dismantling, removal, and safe disposal of the Battery Energy Storage System (BESS) and all associated infrastructure. The Seller shall comply with all applicable laws, regulations, and environmental standards governing the handling, transport, recycling, or disposal of batteries and related hazardous materials. The Seller shall bear all costs and liabilities associated with the decommissioning and disposal activities, including any fines, penalties, or remediation actions resulting from non-compliance.

ARTICLE 5 DELIVERY AND ACCEPTANCE OF ENERGY OUTPUT; PAYMENT

5.1 Title to Energy output

CEB shall accept all Energy discharged by BESS that substantially satisfies the specification of the Seller's Facility for Quality of Electrical Energy at the Termination Point set out in Appendix B herein, and title to such Energy Output shall pass from Seller to CEB at the Metering Point. Where these Specifications are not substantially satisfied, CEB may reject such Energy Output where it could reasonably damage CEB's system, by disconnecting the Facility from the CEB's system.

5.2 Billing

- a) CEB shall log each dispatch instruction for each time block comprising a duration of 15 minutes. The billing for compliance in actual dispatch and scheduled dispatch of Battery Energy Storage System for each time block

shall be based on log output recorded of dispatch instructions at CEB and from CEB meter measurements at Metering Point.

In addition, CEB shall read its meters provided as in Article 4.6 (a) at the end of each month for determination of the electrical energy imported and exported to and accepted by CEB under the terms of this Agreement, and shall supply the results of such meter readings (including time and date of the reading) to the Seller within fifteen (15) days following the reading thereof.

- b) CEB shall pay the Seller on or before the Due Date the payments related to Capacity charge or impose penalties as calculated pursuant to the provisions of Appendix A for all services that is not disputed in good faith pursuant to Article 8. Any undisputed amounts unpaid after the Due Date shall bear interest at the Prime Rate compounded on a monthly basis. Either party may dispute any billing error, amount, or payment by written notification to the other Party within one (1) year of receipt of a meter reading or other alternative billing information pursuant to subpart (d) of this section, whether or not payment has been made by CEB. If dispute resolution is in favour of the Seller, CEB shall pay the disputed amount plus interest at the Prime Rate, compounded monthly, from the Due Date to the date payment is made. If resolution is in favour of CEB, the Seller shall refund any payment received of the disputed amount plus interest at the Prime Rate, compounded monthly, from the original Due Date to the date the refund is made. All such payments shall be due within fifteen (15) days of the date of such resolution.
- c) In the event that any data required for the purpose of determining payment hereunder are unavailable when required, such unavailable data may be estimated by CEB, subject to any required adjustment based upon actual data in the next subsequent payment month.
- d) To determine the amount of electrical energy delivered and accepted, billing and payment will be based on the first available of the following metering or estimation options in order of preference:
 - i. The primary (main) CEB meter measurement(s) when that CEB meter satisfies for the period at issue the accuracy standard in Article 4.6(c); or
 - ii. The backup CEB meter measurement when that meter satisfies the accuracy standard in Article 4.6(c) for the period of issue.
 - iii. Where all above meters and sub meters fail to accurately register electrical energy delivered and accepted, the average monthly electrical energy delivered and accepted during the previous twelve (12) billing periods prior to meter failure (or fewer months if the Facility is less than twelve months from the Commercial Operation Date), as adjusted or normalized

for outages, shall be used to estimate electrical energy delivered and accepted by the Facility for the period of issue.

- e) CEB may set off amounts owed by CEB to the Seller regarding the Facility against amounts owed by the Seller to CEB regarding the Facility under this Agreement.
- f) The Seller may interrupt, partially or completely refuse to make available the Facility to CEB only to the extent that the Seller reasonably determines that such interruption, or refusal is necessary in order to install equipment in, make repairs, replacements, investigations and inspections of, or perform maintenance. The Seller shall, prior to initiating any interruption or refusal of availability of the Facility, use its best efforts to provide CEB a minimum of twenty-four (24) hours advance notice, such notice to include an explanation of the cause of the interruption, and an estimate of the start and duration of the interruption. In the event of such interruption or refusal to make available the Facility, the Seller shall receive reduced capacity charge payments as applicable in Appendix A of this agreement.
- g) All payments made under this Agreement shall be calculated as per the Appendix A of this agreement. Any applicable Value Added Tax or similar Sales Taxes that is payable will then be added to such payments.
- h) CEB shall supply and sell electricity to the Facility under normally applicable terms, conditions, and rates for the category of service and demand of the Facility's usage of power.

ARTICLE 6 FORCE MAJEURE

- a) For purposes of this Agreement, the term "Force Majeure" shall mean any of the following events not within the reasonable control and not due to the failure, negligence or persistent disregard of the Party whose performance is adversely affected or becomes impracticable, and who chooses to invoke Force Majeure:
 - i. Action of a court or public authority having or purporting to have jurisdiction or restraints by a court or regulatory agency;
 - ii. A break or fault in CEB's transmission or distribution systems or failure of CEB's or the Seller's transformers, switches, or other equipment necessary for delivery and receipt of electrical energy by CEB from the Seller;
 - iii. Any Act of God, fire, explosion, excessive rains, floods, tidal wave, epidemic, hurricane or earthquake;

- iv. Any other cause, whether or not similar thereto, beyond the reasonable control of, and without the fault or negligence of, the party claiming Force Majeure.
 - v. Civil disturbance, insurrection, rebellion, hostilities, public disorder or public disobedience, sabotage, riot, embargo, blockade, quarantine, labour dispute, strikes, lockouts, acts of war or the public enemy whether or not war is declared;
 - vi. Nationalisation, expropriation, or confiscation of the assets or authority of CEB by any authority of the Government.
- b) Any obligations of either Party which arose before the occurrence of the Force Majeure event causing non-performance shall not be excused as a result of the occurrence of a Force Majeure event. The late payment of money owed is not excused by Force Majeure. No event resulting from a failure of a Party to operate and maintain their respective plant and equipment accordance with Prudent Utility Practices shall be deemed to be an event of Force Majeure.
- c) No default shall occur, provided that the adversely affected non-performing Party invoking Force Majeure shall:
- i. Provide prompt notice in writing to the other Party of the occurrence of the Force Majeure, giving an estimation of its expected duration and the probable impact on the performance of its obligations hereunder, and submitting good and satisfactory evidence of the existence of the Force Majeure,
 - ii. Exercise all reasonable efforts to continue to perform its obligations hereunder,
 - iii. Expeditiously take action to correct or cure the Force Majeure and submit good and satisfactory evidence that it is making all reasonable efforts to correct or cure the Force Majeure,
 - iv. Exercise all reasonable efforts to mitigate or limit damages to the other Party, to the extent such action will not adversely affect its own interests, and
 - v. Provide prompt notice to the other Party of the cessation of the Force Majeure.
- d) If a Party is rendered wholly or partly unable to perform its duties and obligations under this Agreement because of a Force Majeure event, that Party shall be excused to the extent necessary from whatever performance is affected by the Force Majeure event to the extent so affected.

- e) "Notwithstanding the foregoing, if a Party is prevented from substantially performing its obligations under this Agreement for a period of one (1) year due to the occurrence of a Force Majeure event, the other Party may terminate the Agreement by ninety (90) days written notice given any time thereafter to the non performing Party, unless substantial performance is resumed prior to the expiration of the ninety (90) day period." CEB may not terminate the Agreement under this part due to a Force Majeure event described in Article 6(a) items (v) or (vi).

**ARTICLE 7 RELATIONSHIP OF PARTIES; LIMITATION OF LIABILITY;
INDEMNIFICATION**

- a) The Parties do not intend to create any rights, or grant any remedies to, any third party beneficiary of this Agreement.
- b) Nothing in this Agreement shall be construed as creating any relationship between the Parties other than that of independent contractors for the sale and purchase of electrical energy generated at the Facility. No agency relationship of any kind is created by this Agreement.
- c) Notwithstanding subpart (d) hereof or any other provision of this Agreement to the contrary, neither CEB nor the Seller nor their respective officers, directors, agents, employees, parent, subsidiaries or affiliates shall be liable or responsible to the other party or its parent, subsidiaries, affiliates, officers, directors, agents, employees, successors or assigns, or their respective insurers, for incidental, indirect or consequential damages, connected with or resulting from performance or non-performance of this Agreement, including, without limitation, claims in the nature of lost revenues, income or profits (other than payments expressly required and properly due under this Agreement).
- d) Each Party shall defend, indemnify and save the other party, its officers, directors, agents, employees and affiliates, harmless from and against any and all claims, liabilities, actions, demands, judgements, losses, costs, expenses (including reasonable attorney's fee), suits, actions or damages arising by reason of bodily Injury, death, or damage to property sustained by any person or entity (whether or not a party to this Agreement):
- i. caused by or sustained on facilities owned or controlled by the Party, except to the extent caused by an act of negligence or wilful misconduct: by an officer, director, subcontractor, agent or employee of the other Party; or
 - ii. caused by an act of negligence or wilful misconduct of the Party or by an officer, director, subcontractor, agent or employee of the Party.

- e) If CEB and the Seller are both determined to have been negligent in a manner addressed by subpart (d) above, the obligations of the Seller and CEB shall be appropriately adjusted based on the percentage of the responsibility of each Party for such negligence.
- f) The Seller shall accept all liability and release CEB from and indemnify CEB against any liability for faults or damage to the CEB electrical system and the public, as a result of the operation of the Seller's equipment.

ARTICLE 8 DISPUTE RESOLUTION

- a) The parties agree that if there is any dispute or difference between them arising out of the Agreement or in the interpretation of any of the provisions thereof they shall endeavour to meet in an effort to resolve such dispute by discussion, within 30 days (Conciliation Period) of such dispute arising, failing such resolution then the parties in dispute shall refer at their costs the dispute to a mutually agreed expert with experience in the field of Power generation or related field or call upon the Government of Sri Lanka to appoint an expert in the field of Power generation or related field to resolve the matter within 60 days from the conciliation period, where the difference or dispute involves a claim in money this Article shall apply where the claim is less than Sri Lanka Rupees 1,000,000.00 . Where such dispute is not resolved as aforesaid at the end of ninety (90) days after the conciliation period notwithstanding the fact that the claim is less than Rs. 1,000,000.00 then the provisions of 8(b) shall apply.
- b) Any dispute that is not resolved under 8(a) above may be submitted by either party to arbitration for final settlement under the Arbitration Act No. 11 of 1995.
- c) The performance of the contract may continue during arbitration proceedings as far as possible.
- d) All proceedings and hearings by the Arbitrator shall be held in Sri Lanka in English language

ARTICLE 9 DELEGATION AND ASSIGNMENT

This Agreement shall inure to the benefit of and bind the respective successors, assigns, and delegates of the Parties. No assignment or delegation by the Seller of any of its rights, duties, or obligations here under shall be made or become effective without the prior written consent of CEB in each case being obtained, which consent shall not be unreasonably withheld by CEB or its successors in interest, except that

without CEB consent the Seller may (1) delegate or assign some or all of its rights and duties to an affiliate whose principal functions are to hold the ownership interest in or to operate the Facility, or(2) assign or delegate to an unrelated entity for purposes of financing, obtaining equipment, or construction of the Facility. The Seller shall promptly notice CEB in writing of any assignment or delegation that it makes.

ARTICLE 10 MISCELLANEOUS PROVISIONS

- a) This Agreement may not be modified or amended except in writing signed on behalf of both Parties by their duly authorized officers.
- b) This Agreement constitutes the entire agreement between the Parties relating to the subject matter hereof, and all previous agreements, discussions, communications and correspondences with respect to the subject matter hereof are superseded by the execution of this Agreement.
- c) The interpretation and performance of this Agreement shall be in accordance with and controlled by the laws of the Democratic Socialist Republic of Sri Lanka.
- d) Each Party represents and warrants to the other that the execution and performance of this Agreement does not conflict with any rules, regulations or requirements binding that Party, and that there is no legal or administrative action pending that prohibits or impairs the Party from performing under the Agreement.
- e) There shall be no implied waivers under this Agreement. The failure of either Party to require compliance with any provision of this Agreement shall not affect that Party's right to later enforce the same. It is agreed that the express waiver by either Party of performance of any of the terms of this Agreement or of any breach thereof shall not be held or deemed to be an implied waiver by that Party of any subsequent failure to perform the same or any other term or condition of this Agreement or of any breach thereof.
- f) If any clause of this Agreement is ruled invalid by a court of competent jurisdiction, it shall not affect the remainder of the Agreement if it can be construed to effect its essential purpose without the invalid clause.
- g) The headings in this Agreement are descriptive, and are not intended to affect the interpretation or meaning of the Agreement.
- h) Any notice, invoice, or other communication which is required or permitted by this Agreement, except as otherwise provided herein, shall be in writing

and delivered by personal service, telecopy, or mailed postage prepaid, properly addressed as follows:

- i. In the case of the Seller to: the person, the Seller, and address as indicated on the signature execution line below.
- ii. In the case of CEB to: General Manager, Ceylon Electricity Board, No.50, Sir Chittampalam A Gardiner, Mawatha, Colombo 2, Sri Lanka.

Another address or addressee may be specified in a notice duly given as provided. Each notice, invoice or other communication which shall be mailed, delivered or transmitted in the manner described above shall be deemed sufficiently given and received for all purposes at such time as it is delivered to the addressee or at such time as delivery is refused by the addressee upon presentation.

ARTICLE 11 FIRST REFUSAL; MILESTONES

a) First Refusal

At the conclusion of the Term of this Agreement, CEB shall have the right of first refusal on terms identical to those offered by a third party to the Seller, to purchase any electrical energy to be sold from the Facility after the term of this Agreement. The Seller shall inform CEB in writing of any such terms offered by a third party. CEB shall sixty (60) days thereafter to exercise its right of first refusal, if at all.

b) Milestones

- i. The Seller shall have a period of **six (06) months** for achieving the financial closure, completion of all preliminary obligations under the project agreement, commencement and completion of the construction, testing, commissioning of the Facility from the date hereof and to achieve the Commercial Operation Date.

In witness whereof the Parties have executed this Agreement and one other of the same tenor, by affixing their respective common seals, as of the **xxth** day of the month of **April 2025**.

1.1.1 CEYLON ELECTRICITY BOARD			1.1.2 THE SELLER		
	Seal			Seal	
1	By		1	By	
	Name			Name	
	Title			Title	
2	By		2	By	
	Name			Name	
	Title			Title	
	Witness 1			Witness 1	
	Witness 2			Witness 2	

APPENDIX A

PAYMENTS AND PENALTIES FOR STORAGE SERVICES

1. Payment for Availability

Payments to be made to the Seller under this Agreement will be based on the following Capacity Charge Rate ("R") for the entire commercial operation period of 15 years. There will not be any escalation to the Capacity Charge Rate during the entire commercial operation period.

Table A1 Capacity Charge Rate

Commercial Operation Year	Capacity Charge Rate (R) (LKR/MW/Month)
1 - 15	xx.xx

The offered Capacity ("C") for the Project is MW.

The Seller shall guarantee a minimum Monthly System Availability (MA) of 97% on monthly basis.

"System Availability" of the Project shall mean the ability of the BESS to execute a function of charging or discharging, when called upon to do so, as per dispatch instructions provided by the National System Control Centre, subject to the minimum system ratings specified herein.

$$\text{System Availability (TA}_i\text{)} = \frac{\text{Actual Charge or Discharge (MWh)}_i}{\text{Scheduled Charge or Discharge (MWh)}_i}$$

where,

- a) i refers to the i^{th} time block in the year where Scheduled Charge/Discharge $\text{MWh}_i \neq 0$. Duration of a single time block shall not exceed 15 minutes.
- b) Actual Charge/Discharge MWh_i is the Energy Scheduled for Charging/Discharging in the i^{th} time block, in MWh_i
- c) Scheduled Charge/Discharge MWh_i is the Energy Scheduled for Charging/Discharging in the i^{th} time block. The schedule charge and discharge can be based on dispatch instructions of National System Control Centre.
- d) Measurement of charging and discharging energy shall be as per the at the Main Energy Meter at the Point of Interconnection.

CEB shall schedule dispatch instruction on 15 minute time interval, and instructions for i^{th} time block shall be issued or changed in $(i-1)^{th}$ time block.

In the event of a deviation from the scheduled dispatch instruction due to an automatic frequency response by the BESS, initiated based on predefined droop settings as set by CEB or change in dispatch instruction within the time block as requested by CEB, the System Availability for the corresponding time block shall be deemed as 1.

The monthly availability guarantee and annual availability guarantee shall commence from the date of commissioning of the system and shall be calculated as below:

$$MA_m = (1 / N) \times \sum_{i=1}^N TA_i$$

$$AA_y = (1 / 12) \times \sum_{m=1}^{12} MA_m$$

Where:

- a) N: Number of time-blocks during the month where charging/discharging instructions was scheduled
- b) TA_i System Availability in time-block I , where $TA_i \leq 1$.
- c) MA_m refers to the Monthly System Availability in month m
- d) AA_y refers to the Annual System Availability in contract year y

The Seller shall pay the liquidated damages for such shortfall of achieving Monthly System Availability (MA) below 97% and shall duly pay such damages to CEB. Amount of such liquidated damages shall be **twice** the Capacity Charge Rate (R) for the capacity not made available.

However, at the conclusion of each contract year, if the Annual System Availability (AA) meets or exceeds the 97% threshold, the CEB shall carry out a reconciliation. Any liquidated damages imposed during that contract year for unavailability shall be reviewed, and necessary adjustments shall be made in favour of the Seller, where applicable.

CEB shall ensure that maximum number full equivalent cycles shall not exceed 400 per year. Full equivalent cycles shall be calculated using the "Rainflow Counting Method" in accordance with relevant international standards. The calculation shall be based on the BESS State of Charge data recorded at a 15-minute resolution.

In the event the CEB does not utilize the full allocated full equivalent cycles limit in any given contract year, all unused cycles shall be carried forward and added to the available cycle allocation for subsequent years within the Term of the Agreement.

In addition, the Seller shall also demonstrate, on annual basis, 100% of the minimum Dispatchable Storage Capacity of the BESS. Taking into consideration capacity degradation, the minimum dispatchable energy to be made available by the Seller at the end of a given year shall be as follows:

Table A2 Minimum Dispatchable Storage Capacity per Contract year

Contract Year	Minimum Dispatchable Storage Capacity (MWh) at the end of Contract Year as a percentage of Storage Capacity (MWh) at COD
1	97.5%
2	95.0%
3	92.5%
4	90.0%
5	87.5%
6	85.0%
7	82.5%
8	80.0%
9	77.5%
10	75.0%
11	72.5%
12	70.0%
13	67.5 %
14	65.0%
15	62.5%

The Actual Dispatchable Storage Capacity shall be calculated or measured at the end of each contract year. In the event of reduction of Actual Dispatchable Storage Capacity below the Minimum Dispatchable Storage Capacity at the end each contract year, monthly capacity charge of subsequent year will be reduced based on the proportional loss of storage capacity.

Hence Capacity Charge Payment per month shall be;

If $MA_m \geq 0.97$;

$$CC_{ym} = R \times C \times \frac{ADSC_{y-1}}{MDSC_{y-1}}$$

If $MA_m < 0.97$;

$$CC_{ym} = R \times C \times (1 - 2 \times (0.97 - MA_m)) \times \frac{ADSC_{y-1}}{MDSC_{y-1}}$$

Where:

- a) y refers to the contract year
- b) m refers to the month of the contract year
- c) CC_{ym} Refers to the capacity charge payment of month m in year y
- d) ADSC refers to the Actual Dispatchable Storage Capacity (MWh) measured at the end of the Contract Year
- e) MDSC refers to the Minimum Dispatchable Storage Capacity (MWh) expected at the end of the Contract Year as tabulated in table A2.
- f) The constraint of $\frac{ADSC_{y-1}}{MDSC_{y-1}} \leq 1$ shall be complied when calculating capacity charge payments.

2. Payments for Energy

The Seller shall guarantee a **minimum AC to AC roundtrip efficiency (RtE) minimum 85%** for the system at metering point on monthly basis. The Seller shall be liable for Liquidated Damages, on account of conversion losses, based on the following conditions:

- i. For $RtE < 85\%$, there shall be a liquidated damage at 150% of prevailing rate Peak time Tariff of General Purpose 2 of CEB, per unit levied upon the excess conversion losses.
- ii. For $RtE \geq 85\%$, there shall be no incentive payment or any liquidated damage levied for energy converted.

$$\text{Roundtrip Efficiency (RtE}_m) = \frac{\text{Total of actual energy discharged in the month}_m}{\text{Total of actual energy charged in the month}_m}$$

Hence

$$LD_m = 1.5 \times T \times \left(\sum_{i=1}^Z 0.85C_i - \sum_{i=1}^Z D_i \right)$$

Where;

- a) LD_m refers to the liquidated damages per month
- b) T refers to the tariff rate applicable during the month m
- c) C_i refers to the energy charged during time block i
- d) D_i refers to the energy discharged during time block i
- e) Z refers to all time blocks per month irrespective on any scheduled charge or discharge.

Note:

- Measurement of charging and discharging energy shall be as per the at the Main Energy Meter at the Point of Interconnection (Metering Point).

APPENDIX B

SPECIFICATIONS OF THE SELLER'S FACILITY

NAME OF FACILITY	:	
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LOCATION OF FACILITY:

Postal Address	:	
Telephone	:	
Route	:	Map is attached

TYPE OF FACILITY	:	BESS
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SPECIFICATION OF THE FACILITY:

Unit capacity (indicate capacities in MW)	:	
Unit Storage capacity (indicate capacities in MWh)	:	
Number of Units	:	

BATTERY SPECIFICATION:

Battery chemistry (LFP, NMC, NAS etc.)	:	
Rated energy capacity (MWh at beginning of life)	:	
Rated power output	:	
Maximum continuous discharge/charge rate (C-rate)	:	
Depth of Discharge (DoD) limits	:	
Equivalent Full Cycle life (EFCs) at 100% DoD	:	
Equivalent Full Cycle life (EFCs) at 50% DoD	:	
Self-Discharge Rate	:	

Thermal management system	:	
Cell, module, and rack configuration	:	

INVERTER/ PCS SPECIFICATION:

Type	:	
No. of Units	:	
Output Voltage	:	
Power Rating (indicate rates in kVA)	:	
Power Factor	:	
Method of output power Control	:	
Droop Settings	:	
Method of output voltage Control	:	

TRANSFORMER(S) SPECIFICATION:

Type	:	
Number of Transformers	:	
Unit Capacity (kVA)	:	
Primary / Secondary Voltage	:	

TRANSMISSION LINE SPECIFICATION

Conductor Type	:	
Number of Circuits	:	
Route Length	:	
Tower Type	:	

PROTECTION EQUIPMENT	:	
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SCADA COMMUNICATION SPECIFICATION

	:	
	:	
	:	
	:	

QUALITY OF ELECTRICAL ENERGY AT THE TERMINATION POINT

Voltage	:	
Installed Capacity (indicate in kW,DC)	:	
Maximum Allowed Power at Termination Point (indicate in MW,AC)	:	
Maximum Line Current (indicate in Amperes)	:	
Method adopted to limit the maximum power output (MW,AC)	:	
Frequency	:	
Power Factor (Operational)	:	

EXPECTED DATE OF TESTING & COMMISSIONING	:	
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APPENDIX C

TECHNICAL STANDARDS FOR TESTING OF THE FACILITY

1. Grid Connection Code approved by Public Utilities Commission in Sri Lanka dated 22th July 2024. *(Some clause specifically mentioned in Functional Specifications issued with the RFP, may differ from the Grid connection Code. In such instance the Functional Specifications issued with the RFP shall take precedence over the Grid Connection Code requirements.)*
2. CEB Guide for Grid Interconnection of Embedded Generators, Sri Lanka (2000) and its addenda. *(Applicable only on matters that are not covered through Grid Connection Code or Functional Specifications issued with the RFP)*
3. The Engineering Recommendation G59/3 or G99/1 or the latest version published by The Energy Networks Association, United Kingdom.
4. Any subsequent written agreement comes into force between the Seller and CEB on testing the Facility.

Exhibit A

INFORMATION TO BE INDICATED IN THE SINGLE LINE DIAGRAM

1. The following are to be indicated in the Single-Line diagram:
 - (a). Grid Point "G", Termination Point "T" and Metering Point "M"
 - (b). Limits of Ownership for CEB & Seller
 - (c). All protection equipment
 - (d). Location of Seller's energy metering equipment (if any)
2. VOLTAGE AT THE GRID POINT = 33kV (+10%, -10%)
3. VOLTAGE AT THE TERMINATION POINT = 33kV (+10%, -10%)

Termination point:

The physical boundary between CEB & Seller. Seller owns all equipment except the portions marked as CEB property and operate and maintain them at Seller's expense up to this point from the generation side.

Metering Point:

At this point CEB fixes its metering equipment for the measurement of energy output and the title of electrical energy passes to CEB.

Grid Point:

At this 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 Seller and owned/maintained by CEB.

SINGLE LINE DIAGRAM OF THE FACILITY

Information Copy - Not for Bidding

PROJECT LOCATION (*GEOGRAPHICAL MAP*)

Information Copy - Not for Bidding