

Clarification-1

As per Section V-SCC, Clause no. 16 (2)

“CUF maintenance at least 21% CUF for 1st year and declared CUF there afterwards will be maintained as per the contract. In case CUF is not maintained the penalty imposed by UPNEDA/SPPD/UPPCL will be deducted from O&M contractor’s payments.”

The clause may be interpreted as follows:

The contractor shall maintain an annual CUF within +10% (ten percent) and -10% (ten percent) of the declared Annual CUF. If, for any contract year, it is found that the project supplies less energy than the energy corresponding to the minimum CUF, the contractor will be liable to pay penalty for the shortfall in availability of energy. The amount of such penalty will be equal to one and a half (1.5) times the PPA tariff agreed with UPPCL for the shortfall in energy terms. The maximum tariff is Rs. 2.70 per kWh.

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