

TRAINING PROGRAMME ON POWER PURCHASE AGREEMENT

5th - 8th SEPTEMBER, 2018

Power Purchase Agreements



आर ई सी
REC

असीमित ऊर्जा, अनन्त संभावनाएं
Endless energy. Infinite possibilities.

आरईसी इंस्टीट्यूट ऑफ पावर मैनेजमेंट & ट्रेनिंग
REC INSTITUTE OF POWER MANAGEMENT & TRAINING
(Formerly known as Central Institute for Rural Electrification)

INTRODUCTION

In order to meet the present and future growing needs of the power sector and achieve the target of 100% Rural Electrification, 24x7 power for all households and fulfilling Make in India and other Govt. initiatives, Government of India is planning to go for huge investment in Power Generation. The focus is being given on sustainability through Green Energy Development and its usage.

As on 31-May-18, total power generation capacity is about 3,43,899 MW and demand and supply gap has minimized. But on the other side, power plants are operating at very low Plant Load Factor (PLF) of around 65% (National Average). The sector is moving more towards further reforms with expected amendments in electricity act to boost electricity supply leading to more generation and trading of electricity. In this context, power purchase agreements executed between generators and distribution licensees, play a vital role for both parties to have a win-win situation. A thorough understanding of the issues involved in these agreements is required in order to avoid disputes, arbitration and consequent delays in the execution of the projects. PPA being valid for the long-period, the two parties concerned should be extremely careful at the time of negotiating and accepting the terms and conditions set out. Fairly long time is required to go through each and every clause and then carefully study the implications of the clauses to be read with several other clauses in the document. Though the broad format is similar, each PPA is organization specific.

Different models of PPAs can be in place keeping in pace with newer type of generation, financing model and other market conditions. PPAs have become more complex in the competitive Bidding Regime, especially under UMPP Bidding. Newer models like DBFOT etc. are evolving to cover divergent generation types and technologies to operate and dispatch generation capacity of renewable and dispersed micro generation. Understanding all essentials of renewable PPA like Engineering, Procurement & Construction (EPC) Agreement Capex model or Model PPA for Design, Manufacture, Supply, Erection, Testing and Commissioning including Warranty, Operation & Maintenance of Grid Connected Roof-Top Solar Photovoltaic and Small Solar Power Plants in RESCO model is the key for negotiating a successful PPA. Moreover, clear understanding of PPA will protect the interest of parties, is it a buyer or a seller, without any further disputes at later date. Therefore, the organizations in the power sector have to orient their officers and build cross functional teams with specialized skills to negotiate, prepare and interpret the Power Purchase Agreement. To meet above requirements, RECIPMT is organizing a 4-day programme on “**Power Purchase Agreement**” from **05th-08th September, 2018 at RECIPMT Campus, Hyderabad.**

PROGRAMME OBJECTIVES

- Understanding the complexity of power purchase agreements to assess the impact for your business.
- Evaluating current power purchase agreements and position yourself to influence the stakeholders involved.
- Broadening knowledge of power purchase agreements on a global scale to evaluate opportunities.
- Reviewing the maturity of the agreement steps to map out progress.
- Identifying what enablers for robust power purchase agreements are available to support your development.
- Boosting practical knowledge through actual case studies taken from real-life scenarios.
- Finding the best solution in a power purchase agreement scenario suiting to operation of interest.

PROGRAMME CONTENTS

- Regulatory Landscape-Electricity Act and Tradability of Electricity Online Trading and PPAs.Role of Regulatory Commissions in PPAs
- PPA – Terms of Agreement. Undertaking and Obligations of the Developer and Power Utility.
- Clauses like Force Majeure, Termination and Events of Default, Buyout Clause, Insurance.
- Changing model of PPA –From Case-1 to DBFOO, DBFOT model (PPA & RFP).
- Glossary Explanation: Scheduled Outages Planned Outage, DC, Availability, Infirm Power, Net Export etc. Depreciation & other Norms for Generating Companies.
- Audit of PPA-Audit of RFP Terms pertaining to PPA.

- Independent Power Producers-PPA Issues.
- Credit Impact of PPAs.
- Wholesale Competition, Retail Competition – PPAs, Power Markets PPAs: An Overview taking into consideration the prevailing policy framework.
- Power Purchase Agreement for Renewable (Solar and Non Solar) having intermittent supply).
- RESCO Model/Capex Model for Solar including Rooftop
- Negotiating PPAs – Front Loading, Cash Equipment's, Project Based Security, Negotiating Strategies etc.
- Dispute Settlement Mechanism -Arbitration and Conciliation Act, 1996.
- Case Studies on PPA & Group Discussion

PEDAGOG

The Programme will be conducted in an interactive environment, with faculty acting as facilitators to create a participative learning environment along with Case Study Discussions. Resource Persons from their respective field are identified as Guest Speakers

TARGET GROUPS

Executives of Power Utilities/Consultants/CPSUs, Regulatory Commissions, IPPs etc.

PROGRAMME DATE, TIMINGS AND VENUE

5th-8th September, 2018 from **9.45 am to 5.15 pm** with a break for lunch, tea and refreshment. The venue will be RECIPMT Campus, Near Aramgarh, Shivarampally, Hyderabad-500 052.

PROGRAMME FEE

Category	Course fee per participant	GST @18%	Total Course fee/ Participants without Group Discount	Group Discount for three or more Participation***
Residential*	₹ 22,000	₹ 3,960	₹ 25,960	10%
Non-Residential**	₹ 18,000	₹ 3,240	₹ 21,240	10%

* Includes Boarding and Accommodation in addition to tuition, courseware & other facilities, Field Visit, etc.

** Excludes Accommodation, Includes only Working Lunch, Class room Tea & Snacks.

*** Only on Participation basis

The Accommodation is provided on Double Occupancy Basis

Note: No Pick-up or Drop facility will be provided by RECIPMT (CIRE). The participants have to make their own arrangements to reach RECIPMT (CIRE) Campus.

Course Fee shall be paid in the form of a demand draft in favor of "**REC Institute of Power Management and Training**" payable at Hyderabad in advance or at least at the time of registration. The Course Fee may also be paid by NEFT/RTGS transfer to **HDFC Bank Account No: 00210350000930, IFSC Code: HDFC0000021, GSTIN of Organization: 36AAACR4512R3Z0.**

HOW TO REGISTER

Please send the nominations on or before **28th August, 2018** along with DD/ NEFT transfer to: **The Additional Director, REC Institute of Power Management and Training, N.P.A. Post, Shivarampally, Hyderabad-500052. Fax: 040-29805896, E-mail: recipmt@gmail.com cire.rec@gmail.com; recipmtrg@recl.in**

Participants are advised to commence their journey, after receiving the confirmation from RECIPMT.

CERTIFICATE OF PARTICIPATION

On the concluding day of the programme, participants will receive a Certificate of Participation.

ABOUT REC

Since its inception in 1969, Rural Electrification Corporation (REC), a Navaratna PSU, has been playing a significant role in financing and promoting electrification projects across India. Within a span of 45 years, REC has emerged as India's leading finance company in power sector. Be it generation, transmission, distribution or renewable energy, REC has always created benchmarks in its every performance. Based on the MOU with Ministry of Power, the performance of REC is rated as "Excellent" consistently for the last 21 years.

ABOUT RECIPMT

REC Institute of Power Management & Training (RECIPMT) earlier known as Central Institute for Rural Electrification was established at Hyderabad in 1979 under the aegis of Rural Electrification Corporation Limited to cater to the training and development needs of Engineers and Managers of Power and Energy Sector. RECIPMT is relentlessly engaged in capacity building to strengthen the human resources development initiatives of Power Sector. RECIPMT has been conferred with Education Leadership Award by reputed Business School and ABP News National Educational Award for 3 years in recognition of Leadership, Development, Innovation and Industry interface. The Institute is spread over an area of about 14 acres, with administrative, teaching and hostel blocks. Class rooms and hostel rooms are air-conditioned. An Energy Park has been set up to develop awareness on Renewable Energy Sources System and High Voltage Distribution System.

Upto March 2018, the Institute has organized 1972 training programmes and 43352 Engineers/Managers from various Power Utilities, like Generation, Transmission & Distribution Companies, Electricity Departments, Rural Electric Cooperatives, Regulatory Commissions, Rural Development Agencies, Banks, CPUs, etc., participated in the programmes. The Institute has organized 87 International Training Programmes under ITEC/SCAAP of Ministry of External Affairs, GOI and trained 1389 executives from 86 countries.



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