


(ii) During the wind generator start-up, the wind generator shall ensure that the reactive power drawl (inrush currents in case of induction generators) shall not affect the grid performance.


4.21 The wind power producers shall ensure the connectivity standards applicable to the wind generating stations as per the Central Electricity Authority (CEA) Regulations and its amendments thereto.


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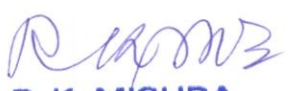

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**ARTICLE 5
BILLING AND PAYMENT**

- 5.1 For Delivered Energy purchased, Wind Power Producer shall furnish a bill to the DISCOM calculated at the rate provided for in Article 2.2, in such form as may be mutually agreed between the DISCOM and the Wind Power Producer, for the billing month on or before the 5th working day following the metering date.
- 5.2 The DISCOM shall be entitled to a rebate of 1% of the total amount billed in any billing month for payments made before the due date of payment. Any payment made beyond the due date of payment, DISCOM shall pay interest at existing nationalized bank rate (Prime Lending Rate) and in case this rate is reduced, such reduced rate is applicable from the date of reduction.
- 5.3 The DISCOM shall pay the bill on monthly basis as per Article 5.1, by opening a revolving Letter of Credit for a minimum period of one year in favour of Wind Power Producer.
- 5.4 **Letter of Credit:** Not later than 30 days prior to the Scheduled COD of the first Generating Unit, DISCOM shall cause to be in effect an irrevocable revolving Letter of Credit issued in favour of Wind Power Producer by a Scheduled Bank (the Letter of Credit). Each Letter of Credit shall
- (a) on the date it is issued, have a term of one year;
 - (b) be payable upon the execution and presentation by an officer of Wind Power Producer of a sight draft to the issuer of such Letter of Credit supported by a meter reading statement accepted and signed by both parties or a certification from Wind Power Producer that the DISCOM failed to sign the meter reading statements within five days of the metering date or that a supplemental bill has been issued and remains unpaid until the due date of payment;



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- (c) In the absence any dispute regarding the claim provide that Wind Power Producer shall have the right to draw upon such Letter of Credit notwithstanding any failure by the DISCOM to reimburse the issuer thereof for any draw made under; and
- (d) not less than 30 days prior to the expiration of any Letter of Credit, the DISCOM shall provide a new or replacement Letter of Credit. Each monthly bill or supplemental bill shall be presented at the said Scheduled Bank for payment under the Letter of Credit and shall become payable there under. The opening charges for Letter of Credit (L/C) and Letter of Credit (L/C) negotiation charges will be borne by the beneficiary Wind Power Producer.
- (e) L/C should not be invoked for any disputed bill amount.

5.5 **Direct Payment:** Notwithstanding the fact that a Letter of Credit has been opened, in the event that through the actions of the DISCOM, Wind Power Producer is not able to make a draw upon the Letter of Credit for the full amount of any bill, Wind Power Producer shall have the right to require the DISCOM to make direct payment of any bill by cheque or otherwise on or before the due date of payment by delivering to the DISCOM on or prior to the due date of payment of such bill a notice requiring payment in the foregoing manner. Without prejudice to the right of Wind Power Producer to draw upon the Letter of Credit if payment is not received in full, the DISCOM shall have the right to make direct payment by cheque or otherwise of any bill such that within 30 days after the date of its presentation to the designated officer of the DISCOM, Wind Power Producer shall receive payment in full for such bill. When either such direct payment is made, Wind Power Producer shall not present the same bill to the Scheduled Bank for payment against the Letter of Credit.


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- 5.6 **Billing disputes:** The DISCOM shall pay the bills of Wind Power Producer promptly subject to the clauses 5.1 and 5.2 above.


The DISCOM shall notify Wind Power Producer in respect of any disallowed amount on account of any dispute as to all or any portion of the bill. Wind Power Producer shall immediately take up issue with all relevant information with DISCOM which shall be rectified by the DISCOM, if found satisfactory. Otherwise notify its (DISCOM's) rejection of the disputed claim within reasonable time with reasons therefore. The dispute may also be decided by mutual agreement. If the resolution of any dispute requires the DISCOM to reimburse Wind Power Producer, the amount to be reimbursed shall bear interest at existing nationalized bank rate (Prime Lending Rate) and in case this rate is reduced, such reduced rate is applicable from the date of reduction from the date of disallowance to the date of reimbursement.

- 5.7 All payments by the DISCOM to Wind Power Producer hereunder shall be made to such address as may be designated by Wind Power Producer to the DISCOM in writing from time to time.
- 5.8 Not with standing any thing stated in this Article the dispute of correctness or otherwise of the applicable tariff, shall not be considered as billing dispute. Further in the event, the developer/company is found due of any amount to the DISCOM either under this agreement or under any other transaction, the DISCOM/first party is entitled to recons the said due amount by adjusting from the bill amount payable to the company.

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