REQUEST FOR PROPOSALS FOR THE ESTABLISHMENT OF 160 MW / 640 MWH STANDALONE BATTERY ENERGY STORAGE SYSTEM FROM 10 MW /40 MWH AC CAPACITY PROJECTS ON BUILD, OWN AND OPERATE BASIS WITH 15 YEAR OPERATIONAL PERIOD

International Competitive Bidding (ICB)

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

July 30, 2025

Ceylon Electricity Board

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

REQUEST FOR PROPOSALS FOR THE ESTABLISHMENT OF 160 MW / 640 MWH STANDALONE BATTERY ENERGY STORAGE SYSTEM FROM 10 MW /40 MWH AC CAPACITY PROJECTS ON BUILD, OWN AND OPERATE BASIS WITH 15 YEAR OPERATIONAL PERIOD

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Contents of RFP

Volume I – Instructions to Project Proponents
Volume II – Proposal Letters & Forms
Volume III – Model Energy Storage 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. “MW,AC ” Unit of output power connected to the National grid.

5. “Proposal Security” means bid security

Acronyms

AC	Alternative Current
BESS	Battery Energy Storage System
CEB	Ceylon Electricity Board or any of its successor entities including National System Operator
COD	Commissioning Date
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
MOP&E	Ministry of Power & Energy
NCRE	Non Conventional Renewable Energy
NSCC	National System Control Centre
LKR	Sri Lankan Rupees
SCADA	Supervisory Control and Data Acquisition
SLSEA	Sri Lanka Sustainable Energy Authority
UL	Underwriters Laboratories

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International Competitive Bidding (ICB)

PROPOSAL FOR BATTERY ENERGY STORAGE SYSTEM

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

July 30, 2025

VOLUME I

INSTRUCTIONS TO PROJECT PROPONENTS

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

CONTENTS

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. In order to achieve reliable and stable operations of the grid Battery Energy Storage systems are required to be implemented to supplement the additions of NCRE sources.

National Energy Policy of Sri Lanka emphasises the Government's policy of ensuring energy security and promoting the development on indigenous resources.

The projects indicated in this RFP are to be developed under competitive bidding approach and the successful project proponent/s shall obtain all necessary statutory approval/s prior to commencing 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 Standalone Battery Energy Storage system as described below, hereinafter referred to as the Facility, (on Built Operate and Own basis).

The Facility shall include (but not limited to) site, Batteries, Inverters, EMS, Power Park Controller, 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 Battery Energy Storage System. The facility must comply with the following order of precedence

a) Functional Performance Requirements – Grid Integration (Annex A)
b) Grid Code approved by Public Utilities Commission in Sri Lanka dated 22 July 2024 (Annex B)
c) CEB Guide for Grid Interconnection of Embedded Generators (Annex C)

The primary purpose of each Facility is to provide energy shifting, enabling better utilization of renewable energy. They are expected to operate on dispatch instructions of National System Control Centre, hence proper communication establishment is essential for the projects. The contribution to frequency response during emergencies shall be a secondary objective of each Facility.

The total installed capacity of Battery Energy Storage system 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.

Only one project proposals can be submitted by a single project proponent to a single grid substation. However, the project proponent may submit different project proposals to each grid substation among the list in Clause 1.3 of Volume I. Therefore, 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.

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 with proper communication facilities to enable integration with the National System Control Centre. **The feasibility study report along with the Grid Point option for power transmission decided by the Provincial Deputy General Manager of CEB (Option 1 or Option 2 of Clause 3.2) shall be submitted with the proposal**. All project proponents should attach the Grid Interconnection confirmation letter from the Provincial Deputy General Manager of CEB (Section 12, Volume II) with the proposal.

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

It is the sole duty of the Project Company to obtain all approvals necessary to develop the standalone Battery energy storage system 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 the project.

1.3 Grid Substation Location & Grid Connection Voltage Level

Identified Grid Substations for interconnection, the grid substation capacity limits for Battery Energy Storage systems to be connected, connection voltage level are given below:

	Grid Substation	Capacity Limit and Expected Storage for Grid Substation	GPS Coordinates of the Grid Substation	
			Latitude	Longitude
1	Killonochchi	10 MW / 40 MWh (Beginning of life)	9°22'37.91"N	80°24'34.58"E
2	Vavuniya	10 MW / 40 MWh (Beginning of life)	8°45'59.09"N	80°31'31.00"E
3	Polonnaruwa	10 MW / 40 MWh (Beginning of life)	7°59'45.3"N	81°00'25.0"E
4	Valachchenai	10 MW / 40 MWh (Beginning of life)	7°55'44.72"N	81°30'31.71"E
5	Ampara	10 MW / 40 MWh (Beginning of life)	7°17'26.91"N	81°41'33.89"E
6	Vavunathivu	10 MW / 40 MWh (Beginning of life)	7°41'24.86"N	81°39'22.68"E
7	Monaragala	10 MW / 40 MWh (Beginning of life)	6°50'6.90"N	81°18'54.76"E
8	Mahiyanganaya	10 MW / 40 MWh (Beginning of life)	7°19'56.72"N	81° 1'27.00"E
9	Chunnakam	10 MW / 40 MWh (Beginning of life)	9°44'28.70"N	80° 2'7.16"E
10	Beliatta	10 MW / 40 MWh (Beginning of life)	6° 4'6.04"N	80°43'50.51"E
11	Galle	10 MW / 40 MWh (Beginning of life)	6° 2'43.97"N	80°14'46.14"E
12	Matara	10 MW / 40 MWh (Beginning of life)	5°57'53.30"N	80°32'5.79"E
13	Hambantota	10 MW / 40 MWh (Beginning of life)	6°11'6.04"N	81° 7'37.27"E
14	Old Anuradhapura	10 MW / 40 MWh (Beginning of life)	8°18'20.66"N	80°26'45.44"E
15	Maho	10 MW / 40 MWh (Beginning of life)	7°48'46.12"N	80°13'43.71"E
16	Panadura	10 MW / 40 MWh (Beginning of life)	6° 43′ 30″ N	79° 55′ 51″ E

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,

- Single Project per grid substation within the grid capacity limit.
- Capacity range 10 MW/ 40 MWh, AC for each offer with ± 10% variance in capacity or energy storage capacity (MWh).
- Project Proponents shall purchase RFP's separately for each and every proposal intend to submit for each grid substation.

1.3.1 Land

Project Company shall procure or lease the land of approximately 0.8 acre per Battery Energy Storage system Project. 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. The land must be located within a maximum distance of 5 kilometres from the designated Grid Substation (GSS).

Geographically separated land lots are not allowed to bid for a single Battery Energy Storage system Project. 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 17 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 17 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 17 years) or sold for this BESS 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 or an authorized officer stating that the particular land could be provided (at least for 17 years) in the future to the project proponent for the establishment of the proposed BESS 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 or an authorized officer stating that the particular land could be provided (at least for 17 years) in the future to the project proponent for the establishment of the proposed BESS 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 Battery Energy Storage System 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 Capacity Charge Rate.
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.

1.4 Project Milestones Schedule

Activity	Date
Issue of RFP Documents (Date of Advertisement)	July 30, 2025
Pre-Bid Meeting	August 20, 2025 at 10.00hrs (21 Days from Advertisement)
Requests for Clarifications up to	August 31, 2025 (32 Days from Advertisement)
Closing date of submission of Proposals	September 10, 2025 by 10.00hrs (42 Days from Advertisement)
Issue of Letter of Award	October 22, 2025 (after Evaluation, CANC Negotiations & Cabinet approval)
Acceptance of Letter of Award	October 29, 2025 (Within 7 days from the receipt of Letter of Award)
Signing of Energy Storage Agreement (ESA)	November 29, 2025 (Within 01 month from the date of acceptance of Letter of Award)
Submission of Modles and results on Dynamic Model Tests	December 29,2025 (Within 02 months from the date of acceptance of Letter of Award)
Financial Closure	February 28, 2026 (Within 03 months from the date of signing of ESA)
Commissioning, Testing & Commercial Operation Date	May 29, 2026 (Within 06 months from the date of signing of ESA)

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 Capacity Charge Rates 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 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 Addendum 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
Meethotamulla Road,
Kolonnawa 10600,
SRI LANKA
FAX: + 94 11 2697022

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 **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
Meethotamulla Road,
Kolonnawa 10600**, 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 Project Proponent).** 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).

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 and infrastructure to communicate with the NSCC. 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 Capacity Charge Rate Proposal

The Project Proponent shall submit its Capacity Charge Rate (excluding VAT) Proposal as per Section 4 of Volume II.

2.8.1 Capacity Charge Rate

The contract period is for 15 years. During this period, CEB undertakes to utilize the storage facility at the agreed capacity charge per month based on its availability. The capacity charge payable will be a flat Capacity Charge Rate for the entire contract period. There will not be any indexation to the Capacity Charge Rate during the entire Contract period.

The project proponent shall make the BESS available for 400 full equivalent cycles per year. Following provisions shall be applicable on the entire Project Capacity:

i. The procurement shall be in power (MW) terms. The Project Company shall install, operate and maintain the BESS to offer facility to the National System Control Centre to charge and discharge the BESS on an "on demand" basis. The project proponent shall guarantee a **minimum system availability of 97%** on monthly basis. The project proponent shall pay the liquidated damages for such shortfall and shall duly pay such damages to CEB. Amount of such liquidated damages shall be twice the Capacity Charges for the capacity not made available. However, at the conclusion of each contract year, if the average system availability over the year 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 favor of the Project Company, where applicable.

ii. "Availability" of the Project shall mean the ability of the BESS to execute a function i.e. 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. In addition, the Project Company shall also demonstrate, on annual basis, 100% of the minimum Dispatchable capacity of the BESS. Taking into consideration capacity degradation, the minimum dispatchable energy to be made available by the Project Company at the end of a given year shall be as follows: In the event of reduction of available storage capacity below the Minimum Dispatchable Capacity at the end each contract year, monthly capacity charge will be reduced based on the proportional loss of storage capacity.

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%

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

iv. For RtE <85%, there shall be a liquidated damage at 150% of prevailing Peak time Tariff of General Purpose 2 of CEB, per unit levied upon the excess conversion losses.

v. For RtE ≥ 85%, there shall be no incentive payment or any liquidated damage levied for energy converted.

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

For detailed calculation of payments and penalties it is required to refer the Energy Storage Agreement in Volume III.

In the Proposal, the Project Proponent shall indicate the proposed flat Capacity Charge Rate for utilizing the storage facility based on dispatch instructions of National System Control Centre.

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;

• Total estimated cost
• Engineering, Procurement & Construction (EPC) cost
  o Material cost breakdown (Battery module, Battery enclosure / unit, inverter, transformer, AC& DC cables, LV panels & switchgear)
  o Cost of land
  o Cost of civil constructions & installation
  o 33kV transmission line construction cost (material & labour)
  o Cost of infrastructure to communicate with NSCC
  o Miscellaneous costs (logistics, design etc.)
• Interest During Construction
• Operation & Maintenance Cost

• Total Foreign cost requirement
• Likely revenue streams
• 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)
• Documentary proof of last financial year to substantiate access to liquid assets of at least LKR 600 million per 10/40MWh BESS project. (Will be considered at the Third stage Evaluation Clause 6.5) • Project Proponent's net worth calculated as the difference between total assets and total liabilities should be positive for the last three (3) years.

• Proposed Equity component o 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. o Breakup of the commitments by each of the equity participants. (In case of joint venture/consortium) o Board resolution's confirming the committed equity of each individual equity participants.
• Proposed Debt component o 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)

In case if a single Project Proponent is bidding for more than one Grid Substation Debt, Equity eligibility criteria will be considered in total for all projects.
In case a single Project Proponent has applied for multiple projects at different Grid Substations, the Project Proponent must indicate each application by assessing ranking with 1 representing the highest priority. The fulfilment of financial eligibility at final stage will be decided based on the provided priority.

2.8.3 Currencies of Capacity Charge Rate and Payments

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

2.9 Term of the Energy Storage Agreement

The term of the Energy Storage Agreement shall be **15 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.

Proposal 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 BATTERY ENERGY STORAGE SYSTEM CONNECTED TO ……..GRID SUBSTATION** **(CAPACITY: 10MW/40 MWh)**
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 **September 10, 2025 at 10.00 hrs**.

The Chairman CANC,
Office of the Deputy General Manager (Renewable Energy Procurement & Performance Monitoring)
Ceylon Electricity Board
Meethotamulla Road,
Kolonnawa 10600**, SRI LANKA.**

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

If a proposal will be delivered **before September 10, 2025,** 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
Meethotamulla Road,
Kolonnawa 10600**, SRI LANKA.**
TEL: +94 11 2697044 / +94 11 2583344
FAX: +94 11 2697022

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 Fifty (150) 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 advice 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 specified for each grid substation as follows. Project Proponents or their authorised representatives who wish to attend the opening may do so **(only two participants per project proponent are allowed for each block).**

Tender Opening Committee (Block)	Grid Substation
Tender Opening Committee 1	Killonochchi
	Vavuniya
	Polonnaruwa
	Valachchenai
	Ampara

Tender Opening Committee 2	Vavunathivu
	Monaragala
	Mahiyanganaya
	Chunnakam
	Beliatta
Tender Opening Committee 3	Galle
	Matara
	Hambantota
	Old Anuradhapura
	Maho
	Panadura

Project Proponents' names, any withdrawals, quoted Capacity Charge Rate, 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 Capacity Charge Rate.

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 Capacity Charge Rate, 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 Twenty Five Million (LKR 25,000,000/-) per 10MW/40MWh BESS Project**. 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 encash able, 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 **one hundred & eighty (180) Calendar Days** from the Closing Date for submission of Proposal documents (valid until March 10, 2026). 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 ESA 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 ESA 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 One Hundred and Eight Million (LKR 108,000,000/-) per 10MW/40MWh** valid for a period of 30 days beyond the commencement of Commercial Operations Date as defined in the Energy Storage 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 ESA, 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 signing the ESA; or

c. In case of Project Proponent fails to comply with the requirements of the Letter of Award issued to it; or

d. The Project Proponent failure to achieve successful Commissioning & Testing by the date as specified in the ESA.

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.

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 Annex A, B and C, 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 BESS System as Section 6 of Volume II of RFP.

b. BESS Modules to be installed should comply with the relevant International Standard as per Section 6 of Volume II of RFP (IEC 62619, IEC 62902, IEC 62485-5, IEC 63056, IEC62933, UL9540A, UN38.3, etc or latest available equivalent Standards)

   Inverters should comply with International Standard IEEE 1547:2003/UL 1741, IEC 62477-1, IEC 62109 or latest available equivalent Standards

   (Documentary proofs should be provided along with the Proposal)

c. Transformers and switchgear details, demonstrating conformance with Section 6 of Volume II of RFP.

d. 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.

   - Single Line Diagram shall clearly specify the method adopted to limit the maximum power output (10MW±10%) at the termination point. Supporting documents to verify the same shall be submitted with the proposal.

e. Expression of Interest from each of the prospective BESS (Battery Energy Storage System) suppliers to supply the required number of battery modules, inverters, and associated control systems for the project, along with relevant literature, brochures, or technical documents describing the manufacturer's business, facilities, and organizational capabilities.

f. 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	Killonochchi	7.9
2	Vavuniya	8.8
3	Polonnaruwa	7.0
4	Valachchenai	7.1
5	Ampara	10.3
6	Vavunathivu	5.8
7	Monaragala	8.4
8	Mahiyanganaya	9.2
9	Chunnakam	7.9
10	Beliatta	7.4
11	Galle	11.8
12	Matara	13.5
13	Hambantota	12.0
14	Old Anuradhapura	11.4
15	Maho	5.8
16	Panadura	13.4

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 Gride Connection Code and "CEB Guide for Grid Interconnection of Embedded Generators" and as amended. Protection schemes may have interfacing with CEB equipment and these protective schemes shall be subjected to the concurrence of CEB.

g. 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.

h. Any other detail, the Project Proponent deems necessary.

3.2 Power Transmission

The project proponent may 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 for 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 ESA. 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.

Option 2:

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

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 ESA. 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 Grid Point option will be decided by the relevant Provincial Deputy General Manager of CEB. The project proponent should obtain the confirmation of the Grid Point option from the Provincial Deputy General Manager of CEB as per Section 12, Volume II of the RFP (*Grid Interconnection confirmation letter from the Provincial Deputy General Manager of CEB)* **and submit the confirmation letter with the proposal.**

Project proponents should request the Grid Interconnection confirmation letter from the relevant Provincial Deputy General Manager of CEB as per Section 12, Volume II of the RFP **at least 21 days before the Closing date of submission of proposals** and CEB shall not be liable for any delays in issuance of the same.

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

Refer Section 13 & 14 Volume II of RFP for further details.

3.3 Telecommunications equipment for communications, telemetry and control

Project company 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 NSCC.
- 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 SCC by Project Company 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 Voice and SCADA

a. 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 48 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.

b. A suitable DC powered firewall with redundant power supply units shall be supplied, installed and commissioned (to suit the CEB/NSCC 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.
c. 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.
d. An IP desktop phone shall be made available at BESS to provide operational voice communication with NSCC.
e. The specification of the IP phone and the firewall shall be sent to CEB for reviewing and necessary approvals.

4 ENVIRONMENTAL CONSIDERATIONS

Environmental Requirements

Within the scope of the project, the Project Proponent is required to assess the environmental impacts of the proposed Battery Energy Storage System 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 Authority[1].

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).

4.1 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.

[1]*Central 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 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 Capacity Charge Rate 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 ESA, for any reason whatsoever.

6.3 First Stage Evaluation (Responsiveness)

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 submit Grid Interconnection confirmation letter from the Provincial Deputy General Manager of CEB (Section 12, Volume II of the RFP).

f. Failure to complete any of the Proposal Forms.

g. Willful misrepresentations in the Proposal.

h. 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) without any conditions 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 Capacity Charge Rate Proposal signed by the authorized person (Section 4, Volume II of RFP)
5. Duly completed Non-collusion Affidavit (Section 15, 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 Capacity Charge Rate(lowest to highest).

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

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 Capacity Charge Rate to the Capacity Charge Rate of the withdrawn bid.

The successful Project Proponents will be issued formal Letters of award. Following submission of the Letters of Acceptance along with the Performance Security as specified in Clause 2.17.2, Energy Storage 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. 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.

If the project proponents having the same rank (due to offering same Capacity Charge Rate) 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 Capacity Charge Rate(proposals marked as 1,2,3 each containing a Capacity Charge Rate lower than the previously quoted Capacity Charge Rate.
2. Envelops 1, 2, 3 should contain Capacity Charge Rate 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 Capacity Charge Rate) 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 Capacity Charge Rate 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 Capacity Charge Rates quoted by project proponents are not acceptable to the CEB.

6.6 Letter of Award

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 proceed to next steps for signing Energy Storage Agreement (ESA) 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 17 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 ESA will not be signed.

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.

The Project Proponent shall submit, within two (2) months from the acceptance of the Letter of Award, all results and related documentation pertaining to the Dynamic Model Tests as stipulated in the Functional Performance Requirements and Grid Connection Code Requirements (Annex A, Annex B). Construction of Facility shall commence only upon receiving written concurrence from CEB on the submitted Dynamic Model Test results.

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 Energy Storage Agreement (ESA) 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 Energy Storage Agreement

As per the model Energy Storage agreement (Volume III of the RFP), the Project 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 Energy Storage Agreement

The Energy Storage Agreement is signed between CEB and the Project Company and relates to the storage services provided by the facility. The Energy Storage Agreement will be signed only after obtaining all other statutory clearances. A prescribed ESA processing fee is applicable.

8 ANNEXES

Annex A: Functional Performance Requirements – Grid Integration

Annex B: Grid Connection Code (July 2024)

Annex C: CEB Guide for Grid Interconnection of Embedded Generators

Annex D: Signal List for SCADA integration with National System Control Centre.

Note:

Some clause specifically mentioned in Functional Performance Requirements issued with the RFP, may differ from the Grid connection Code. In such instance the Functional Performance Requirements issued with the RFP shall take precedence over the Grid Connection Code requirements.