

Building Partnership

Modification request of ERDF Subsidy Contract

Lead Partner requesting the modification:

- prolongation of the project duration

Project No **HUSK/1301/2.1.1/0010**

With the acronym **ECOFUTURE**

Entitled **ECOFUTURE - efektívna verejno-súkromná spolupráca ako nástroj využívania obnoviteľných zdrojov energie / ECOFUTURE - hatékony köz- és magánszféra közötti partnerség mint a megújuló energiaforrások kihasználásának eszköze**

Dear Secretariat,

We, as Lead Partner of the above project – Municipality of Resica (in original language: Obec Rešica), request a modification of the ERDF subsidy contract concluded between the Prime Minister's Office acting as the Managing Authority of the Hungary-Slovakia Cross-border Co-operation Programme 2007-2013 and ourselves on the **May 3rd, 2014** with the items detailed in the followings.

1. Article 2 Duration of the project of the Subsidy Contract is to be modified as follows:

Original text (in force):	
1. Project starting date:	1st January 2014
2. Project end date:	31st December 2014
3.	The project activities have to be carried out and finalised within the project period as well as project expenditure – with the exception of preparation costs – has to be incurred within the project period as defined in Article 2.1 and 2.2 but not under any circumstances later than 30 th June 2015.
4.	Preparation costs can only be eligible if they were incurred and the connected activities were fulfilled on or after 1 st January 2007.
Modified text (to be put into addendum of the contract):	
1. Project starting date:	1st January 2014
2. Project end date:	30th April 2015
3.	The project activities have to be carried out and finalised within the project period as well as project expenditure – with the exception of preparation costs – has to be incurred within the project period as defined in Article 2.1 and 2.2 but not under any circumstances later than 30 th June 2015.
4.	Preparation costs can only be eligible if they were incurred and the connected activities were fulfilled on or after 1 st January 2007.

Justification for the above modification:

Lead partner justification:

The implementation of the project has started with the new legislation impact in the field of supply and installation of photovoltaic equipment in Slovakia since December 2013. The lead partner had to adapt to the new conditions and therefore several steps were initiated.

The lead partner have originally planned to supply and install the photovoltaic equipment (photovoltaic power plant) on the performance of 20.09 kWp on the roof of the town hall and nursery school. The photovoltaic power plant will supply electricity municipal office building and the kindergarten, which is located in the neighborhood.

However, the originally planned activity realization as stated in the previous section had to be modified in terms of new legislation's restrictions and obligations. In December 2013, the official statement of the Východoslovenská distribučná, a.s. (VSD, a.s.) has been announced: „VSD, a.s. from December 4th, 2013 will only approve requests for connection so-called small sources with nominal active output to 10 kW that meet the technical conditions for connection to the PDS. All other applications to connect electricity sources in the PDS will be answered in the negative opinion with the call for re-submission of post-necessary studies and follow-up relating to the EC SR, respectively border profiles". Please, see the Annex No. 1: Announcement of the VSD, a.s. which is enclosed to the Request for modification. The lead partner also received the negative Statement of the distribution system operator (VSD, a.s.) to the request for source connection. Please, see the Annex No. 2, which is enclosed to the Modification request of ERDF Subsidy Contract.

For these reasons, the lead partner has started with the elaboration of new project documentations for two independent photovoltaic power plants. The first one will be installed on the roof of town hall and nursery school. The installed capacity represents 9,8 kWp. The second one will be installed on the roof of the community center which has been also originally implemented for the project realization (installation of the solar system for the production of domestic hot water). The installed capacity represents 9,8 kWp.

VSD, a.s. issued and delivered to the lead partner the positive statements for the installation and connection of the photovoltaic power plants. For the further detailed information, please, see the Annex No. 3: Statements of the distribution system operator (VSD, a.s.) for the project documentations.

The lead partner submitted the Request for modification for technical changes not related to conceptual segment of the project to the JTS in June 23rd, 2014. The request has been approved and the Amendment of Subsidy Contract has been concluded.

For the reasons mentioned above, the lead partner has started with the public procurement in August 26th, 2014. The official Call for tender (under limit contract) has been announced in the Journal of procurement in August 28th, 2014, reference No. 20016 – WYT. Please, see the Annex No. 4, which is enclosed to the Modification request of ERDF Subsidy Contract. According to the tender documents, the dead-line for the offers submission was set on September 18th, 2014. The electronic auction was realized in October 28th, 2014. The estimated dead-line for the completion of the public procurement – November 15th, 2014. Consequently, the public procurement documents will be submitted to the First Level Control Body for the verification. The estimated dead-line for the agreement conclusion – December 15th, 2014.

Project partner justification:

The Project partner Sustainable Environmental Protection and Renewable Energy Association has submitted the public procurement documents to the First Level Control Body for the verification in February, 10th, 2014 – please, see the Annex No. 5 Accompanying letter. The responsible manager has sent documents to the Office for Public Procurement according to the internal procedure. The inspection has taken a long period of time. During October 2014, the Project partner has been informed by the project manager of the First Level Control Body about the inspection results. The conclusion of the agreement among Project partner and supplier has been approved. However, according to the conditions which were also integrated into tender documents, the supplier has got 4 months delivery period. It means that the agreement will be concluded in November, 15th, 2014 and delivery dead-line is until March, 15th, 2015.

Cross-border partner justification:

The Cross-border partner is currently running the public procurement procedure and the estimated finish

dead-line is December, 20th, 2014. Moreover, the Cross-border partner is still in progress with the conclusion of National co-financing Contract. The reason of delay is not caused by the Cross-border partner.

For the reason given, we kindly ask the the Managing Authority of the Hungary-Slovakia Cross-border Co-operation Programme 2007-2013 to accept our Modification request of ERDF Subsidy Contract.

List of documents supporting the request of modification:

- Annex No. 1: Announcement of the VSD, a.s.
- Annex No. 2: Statement of the distribution system operator (VSD, a.s.)
- Annex No. 3: Statements of the distribution system operator (VSD, a.s.) for the project documentations
- Annex No. 4: The official Call for tender - reference No. 20016 – WYT
- Annex No. 5: Accompanying letter

The above modifications induce changes in the project objectives/results/outputs: YES

NO

If yes, please, describe:

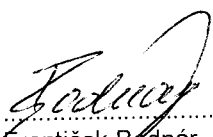
Not relevant.

In case the requested modification would result in increasing the overall project costs of the given Partner Organisation, the extra costs will be covered from external sources (above of the Partner's project budget).

All other provisions of the original Subsidy Contract other than the above defined ones are to remain unchanged and effective. In case the modification will be approved, the amendment will enter into force on the date on which it is signed by all the parties. Such amendments are not ex post facto.

Place and date: Resica, November 5th, 2014

LP represented by:


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Ing. František Bodnár
The statutory representative

