

**KERALA STATE ELECTRICITY REGULATORY COMMISSION  
THIRUVANANTHAPURAM**

**Present : Shri T K Jose, Chairman  
Shri B Pradeep, Member  
Adv. A.J Wilson, Member**

**OP No 25/2023**

In the matter of : Petition seeking approval for the deviations made in the Standard Bidding Documents issued by MoP vide notification dated 30.01.2019 for procuring 500 MW RTC power on medium term basis for five years under FOO(Finance, Own and Operate) basis.

Petitioner : Kerala State Electricity Board Limited (KSEB Ltd)

**Order dated 07.06.2023**

1. M/s KSEB Ltd on 26.05.2023, had filed a petition before the Commission for seeking approval for the deviations made in the Standard Bidding Documents issued by the Ministry of Power (MoP) vide notification dated 30.01.2019 for procuring 500 MW RTC power on the Medium-Term procurement of electricity on DEEP portal.
2. The summary of the petition filed by M/s KSEB Ltd is given below;

- (1) The Commission vide the Order dated 25.06.2022 in OP No:11/2022 had not permitted KSEB Ltd to continue purchasing power from the following four provisionally approved/ unapproved contracts, (i) purchase of 115MW of power from Jhabua power Ltd of L2 of Bid-1, (ii) 150MW from Jindal Power Ltd of Bid-2, (iii) 100MW from Jindal India Power Ltd and (iv) 100MW of power from Jhabua Power Ltd of Bid-2. The total schedule not permitted from the above DBFOO contract is 465MW.

The Commission further directed vide the said Order dated 25.06.2022 that, *“KSEB Ltd shall make necessary arrangements for procuring 465MW of power on medium term basis through competitive bidding as per Section 63 of the EA-2003. Alternatively, KSEB Ltd may make necessary arrangements for procuring 465MW from power plants through competitive bidding route who have assigned coal linkage as per the SHAKTI policy of the Central Government”*

*Once the competitive bidding process as mentioned above is completed by KSEB Ltd, they shall file a separate petition for obtaining approval of the Commission for this purchase including its quantity and adoption of its tariff as per the provisions of the Electricity Act, 2003 and Tariff Regulations, 2021.”*

- (2) In compliance of the direction of the Commission, KSEB Ltd initiated action for procuring 500MW RTC power on medium term basis through competitive bidding route
- (3) Ministry of Coal vide letter No.23011/15/2016-CPD/CLD dated 22<sup>nd</sup> May, 2017, has introduced the policy guidelines for allocation of Coal linkages to Power Sector- new more transparent Coal allocation policy for Power sector, 2017- SHAKTI (Scheme for Harnessing and Allocating Koyala (Coal) Transparently in India). Under the SHAKTI scheme, use of coal linkage has also been allowed in medium term power procurement.
- (4) The Central Government vide letter No: 23/17/2013- R&R-Vol-VI (Part 2) dated 29<sup>th</sup> January 2019 has issued the revised “Standard Bidding Document” comprising; (a) Model Request for Qualification (MRFQ), (b) Model Request for Proposal (MRFP), (C) Model Agreement for Power (MAPP) for Medium Term Procurement of Electricity on DEEP Portal from power station setup on ‘Finance, Own and Operate (FOO)’ basis. These bidding documents has to be adopted by the Distribution licensees for procuring of electricity from Power Producers, Traders, Licensees on medium term basis through a process of open and transparent competitive bidding conducted by the Distribution licensees through electronic platform (DEEP e- Bidding Portal).
- (5) The application of these Guidelines is restricted to projects from which power is procured in accordance with an agreement for procurement of power for a period between one to five years, with a provision to extend the period up to 25% of the initial contract or 1 year, whichever is lower, with mutual consent.
- (6) The bidding guidelines stipulate that any deviation from the Model Bidding Documents shall be made by the Distribution licensees only with the prior approval of the appropriate Commission. However, it is also provided that any project specific modification expressly permitted in the Model Bidding Documents shall not be construed as deviations from the Model Bidding Documents.
- (7) Subsequently, KSEB Ltd filed a petition before the Commission dated 20.10.2022 for the approval of deviations made in the standard bidding documents. The Commission vide Order dated 02.11.2022 had approved the deviations proposed by KSEB Ltd.
- (8) Accordingly, the bid was floated in the DEEP portal with start date on 04.11.2022 and with period of commencement of supply from April 2023.

Further the last date of submission extended to 07.01.2023, since only one bidder has submitted the bid on 04.01.2023.

- (9) However, only two firms submitted their bids in DEEP portal with offered quantum totalling to 250 MW against the requisitioned capacity of 500 MW. Both the bidders failed to qualify in the bid process. The details are given below.

Name of firms participated in bid.	Quantum Offered	Reason for Not Qualifying
M/s. Jindal Power Limited	100 MW	Not submitted the original bid documents.
M/s. RKM Powergen Pvt Limited	150 MW	Failed to meet the required criteria of having linkage coal.

Hence, the KSEBL had resolved to annul the bidding process and decided to rebid the same.

- (10) For rebidding, KSEB Ltd proposes additional modifications, based on the following.
- (i) As per the MoP guidelines, trading licensee shall not be eligible for bidding in case the source of fuel is linkage coal.
  - (ii) As per the amendment no.23/17/2013-R&R -Volume VI (Part-2) dated 12-7-2019, bidders with allocated coal linkage including coal linkage as per SHAKTI policy is eligible.

- (11) The modifications proposed by KSEB Ltd is given as Annexure-1.

3. The Commission admitted the petition as OP No.25/2023. A copy of the petition filed by KSEB Ltd petition was uploaded at the website of the Commission.

### **Analysis and Decision of the Commission**

4. The Commission has examined in detail the petition filed by KSEB Ltd for seeking approval for the deviations made in the bidding documents for procuring 500 MW RTC power on medium term basis from the model bidding documents notified by the Ministry of Power, Government of India as per the provisions of the Electricity Act, 2003, and decide as follows.
5. The Commission vide the Order dated 25.06.2022 in petition OP No. 11/2022 had approved the ARR, ERC and Tariff of KSEB Ltd for the MYT period from 2022-23 to 2026-27. The Commission vide the paragraph 8.2 of the Order has issued following directions to KSEB Ltd for immediate compliance.

“8.2 Purchase of 465MW power through long term contracts under DBFOO Since the Ministry of Power, Government of India has declined to approve the deviations made by KSEB Ltd in the purchase of 465MW power from the provisionally approved/unapproved DBFOO contracts due to the facts and circumstances explained in paragraphs 6.93 to 6.111 of this Order, the Commission has not approved KSEB Ltd’s proposal to purchase 3363.29 MUs yearly from these PSAs. **Instead, KSEB Ltd is**

**hereby permitted to procure 465 MW of equivalent power or as required on medium term basis through competitive bidding as per Section 63 of the Electricity Act, 2003. Alternatively, KSEB Ltd may make necessary arrangements for procuring 465 MW or as required, from power plants through competitive bidding route who have assigned coal linkage as per the SHAKTI policy of the Central Government.”**

As above, the Commission vide the Order dated 25.06.2022 has directed KSEB Ltd to procure 465 MW power in lieu of the 465MW unapproved DBFOO contracts on medium term basis through competitive bidding documents from power plants having coal linkage as per the SHAKTI policy of the Central Government.

6. The Commission further noted that;
- (1) Ministry of Coal vide letter No.23011/15/2016-CPD/CLD dated 22<sup>nd</sup> May, 2017, has notified the policy guidelines for allocation of Coal linkages to Power Sector- new more transparent Coal allocation policy for Power sector, 2017- SHAKTI (Scheme for Harnessing and Allocating Koyala (Coal) Transparently in India). Under the SHAKTI scheme, use of coal linkage has also been allowed in medium term power procurement.
  - (2) Duly incorporating the provisions of coal linkages as per the SHAKTI policy to the power plants, the Central Government vide letter No:23/17/2013- R&R-Vol-VI (Part 2) dated 29<sup>th</sup> January 2019 has issued the revised “Standard Bidding Document” comprising; (a) Model Request for Qualification (MRFQ), (b) Model Request for Proposal (MRFP), (C) Model Agreement for Power (MAPP) for Medium Term Procurement of Electricity on DEEP Portal from power station setup on ‘Finance, Own and Operate (FOO)’ basis.
  - (3) Subsequently, Ministry of Power, Government of India vide the resolution No. 23/17/2013-R&R- vol-VI (Part-2) dated 30.01.2019 has notified the revised Guidelines for Procurement of Electricity for Medium Term from Power Stations set up on Finance, Own and Operate (FOO) basis. These guidelines specified that, the distribution licensees shall adopt the Model Bidding Documents issued on 29.01.2019 for Procurement of Electricity from the Power Producers/Traders/Distribution Licensees through a process of open and transparent competitive bidding conducted by Distribution Licensees through an electronic platform (DEEP e-Bidding Portal) based on offer of the lowest tariff from power generating stations constructed and/or operated on FOO basis. These guidelines dated 30.01.2019 specify the following terms and conditions.
    - (i) The terms and conditions specified in the Model Bidding Documents referred to hereinabove shall, by reference, form part of these Guidelines and shall be treated as such.
    - (ii) The application of these Guidelines shall be restricted to projects from which power is procured in accordance with an Agreement

for Procurement of Power for a period between one and five years, with a provision for extension of this period upto 25% of the initial contract period or one year whichever is lower, with mutual consent.

- (iii) The tariff determined through the DEEP e-Bidding process using e-reverse Auction based on these Guidelines comprising the Model Bidding Documents shall be adopted by the Appropriate Commission in pursuance of the provisions of section 63 of the Act.
  - (iv) **Any deviation from the Model Bidding Documents shall be made by the Distribution Licensees only with the prior approval of the Appropriate Commission.** Provided, however, that any project specific modifications expressly permitted in the Model Bidding Documents shall not be construed as deviations from the Model Bidding Documents.
  - (v) The amendments made in the Guidelines for Procurement of Electricity from Thermal Power Stations set up on Design, Build, Finance, Own and Operate (DBFOO) basis vide Ministry of Power Resolution No. 23/9/2015-R&R dated 16th April, 2015 in view of new coal block auction policy issued by Ministry of Coal, shall also apply, mutatis mutandis, for procurement of electricity for Medium Term from Power Stations set up on Finance, Own and Operate (FOO) basis.
- (4) As above, the bidding guidelines dated 30.01.2019 specifies that, any deviations on the Model Bidding Documents issued on 29.01.2019 shall be made by the distribution licensees only with the prior approval of the Appropriate Commission.
7. KSEB Ltd submitted that, in compliance of the direction of the Commission, and with the approval of the Commission, the licensee had floated tender for procuring 500 MW RTC from generators having linkage coal with the period of commencement of supply from April-2023. The bid was floated on 04.11.2022 in the DEEP portal. The last date of bid submission was on 04.01.2023, later it was extended upto 07.01.2023. However, two bidders only participated in the bidding process, and the offered total quantum was 250 MW only as against the bid quantum of 500MW required by the licensee. Since the bidders not qualified in the Technical bids, KSEB Ltd resolved to annul the bid and decided invite fresh bids.
8. In the bidding documents for inviting fresh bids for procuring 500MW RTC power on medium term basis, KSEB Ltd proposes certain modifications based on the following.
- (i) As per the MoP guidelines, trading licensee shall not be eligible for bidding in case the source of fuel is linkage coal.

- (ii) As per the amendment no.23/17/2013-R&R -Volume VI (Part-2) dated 12-7-2019, bidders with allocated coal linkage including coal linkage as per SHAKTI policy is eligible.

The modifications proposed by KSEB Ltd are enclosed as Annexure-1 of this Order.

9. The Commission has examined in detail the modifications proposed by KSEB Ltd and decided as follows.

- (i) As per the guidelines notified by the Central Government, the trading licensee is not eligible for participate in the bid, in case the source of fuel is linkage coal. The Commission decided to approve the modifications proposed by KSEB Ltd to incorporate this requirement. The details are given under **Annexure-1 of this Order**.
- (ii) Further, as per the bidding guidelines, the bidders with allocated coal linkage including the coal linkage as per the SHAKTI policy is eligible for bidding. The modifications in the bidding documents proposed by KSEB Ltd in line with this requirement are also approved by this Commission as given under Annexure-1 of this Order.
- (iii) Clause 5.5 of the 'Model Agreement for Procurement of Power' (item No. 39 of the deviations proposed by KSEB Ltd)

As per the Bidding Documents, the supplier has to bear all the transmission charges and losses for intra-state and inter-state transmission of electricity from the point of connection to the delivery point, as on the 'Bid date'. In the present Bid, the delivery point is the Kerala periphery.

KSEB Ltd proposed that the 'inter-state transmission charges' as on Bid date as the actual transmission charges for the month of December-2022 as approved by CERC as per the CERC (Sharing of Inter-State Transmission charges and losses) Regulations 2020, which is @Rs 0.57/unit.

**The Commission is of the considered view that, instead of adopting the transmission charges for the month of December 2022 as the inter-state transmission charges as on the Bid date, the latest available approved inter-state transmission charges shall be adopted as the Inter-State Transmission charges as on Bid date for this Bidding documents.**

**Further, the following shall be inserted for clarity;**

**Transmission charges at the rates agreed above shall be recovered from the monthly invoices of the suppliers for recouping the part of the payment made by the utility directly to CTU, in lieu of the**

**Inter-state Transmission charges as on bid date, for the supply made under this contract.**

**In view of the above insertion, the modification suggested by KSEB Ltd under item no.41 is not approved.**

**Clause 5.5 of the 'Model Agreement for Procurement of Power' shall be modified accordingly.**

- (iv) Clause 5.6 of the 'Model Agreement for Procurement of Power'

As per the Draft Bidding Documents approved by the Central Government for Medium Term Power Procurement, the inter-state transmission losses from the point of Grid Connection to the delivery point as on Bid date shall be borne by the supplier.

KSEB Ltd proposes to adopt the inter-state transmission loss as on Bid date at 4.23%, which is the average transmission losses of KSEB Ltd as on January 2023 as per the CERC (Sharing of Inter-State Transmission charges and Losses) Regulations, 2020.

**The Commission is of the considered view that, instead of the transmission losses for the month of January-2023, the latest available approved inter-state transmission losses borne by KSEB Ltd as approved by CERC shall be adopted as the interstate Transmission losses as on Bid date for this Bidding documents. KSEB Ltd may clearly specify that, the value of transmission losses incorporated in clause 5.6 in the "inter-state transmission losses" only and any intra-state transmission losses from the point of grid connection to the delivery point shall be additionally borne by the seller.**

**KSEB shall modify the clause 5.6 accordingly.**

10. In addition to the above deviations proposed by KSEB Ltd, the Commission hereby direct KSEB Ltd to modify the following clauses in the Bidding documents submitted before the Commission for approval.

- (1) Clause 1.1.1 of the RFQ . Period when supply must commence.

As per the RFQ, the supply of power as per the bid shall commence from October 2023 onwards.

However, considering the precarious power situation of the State, KSEB Ltd shall complete the bid process and issue LoA on a war footing basis within the minimum possible time permitted in the Model Bidding Documents notified by the Ministry of Power, Government of India.

During the hearing held on 06.06.2023, KSEB Ltd submitted that, they can finalise the tender and issue LoA within 60 days from the start date of e-Tender stage.

The Commission has also examined the Schedule of Bidding process as per the Model Bidding Documents notified by MoP, GoI for Medium Term Power Procurement. As per the model bid documents, the utility can complete the bidding process within 45 to 50 days from the start date of e-tender.

**Considering the above aspects in detail, the Commission hereby allow a maximum period of 75 days from the start date of e-tender for finalising the bid and to issue LOA. Commission shall not grant any further extension of time for finalising the bids. Hence KSEB Ltd shall fix the 'period when supply must commence' based on this direction of the Commission.**

**(2) Clause 1.3 Schedule of Bidding Process**

In the draft bidding documents submitted before the Commission, KSEB Ltd has not finalised the time schedule for the bidding process.

As discussed in the previous paragraphs, considering the precarious power situation of the State, the Commission has directed KSEB Ltd to finalise the bidding process and to issue LoA within 75 days from the start date of e-Tender stage.

**Considering the above direction, KSEB Ltd shall finalise the 'Clause 1.3, Schedule of Bidding Process' in the Draft Bidding Process and each stage of events in the bidding process. The Commission once again direct that, KSEB Ltd Management shall take sincere and dedicated efforts to finalise the bidding and issue LOA with the approval of the Commission within the time limit specified by the Commission.**

**(3) Clause 2.18.1 (j) of the RFQ.**

There is typing error under Clause 2.18.1 (j) of the RFQ. The Clause 1.2.1 referred may be corrected as Clause 1.2.2 and the Clause 1.2.6 may be corrected as Clause 1.2.8

11. With the above observation and direction under paragraph 9 and 10 and Annexure-1 of this Order, the Commission hereby approve the Draft Bidding Documents submitted before the Commission for procuring 500MW RTC power on medium term basis for five years under Finance, Own and Operate (FOO) basis.



## **Order of the Commission**

12. The Commission after examining the petition filed by KSEB Ltd for seeking approval for the deviations proposed in the Bidding Documents for procuring 500 MW RTC power on medium term basis from the model bidding documents notified by the Ministry of Power, Government of India as per the provisions of the Electricity Act, 2003, hereby Orders the following;
- (1) Approve the Draft Bidding Documents submitted before the Commission for procuring 500MW RTC power on medium term basis for five years under Finance, Own and Operate (FOO) basis with the observations and directions in the paragraphs 9,10 and Annexure-1 of this Order.
  - (2) KSEB Ltd shall immediately proceed with the floating of tender to procure 500MW RTC Power and, shall finalise the tender and issue LoA within 75 days of this Order.
  - (3) After concluding the bidding process, KSEB Ltd shall file a separate petition under Section 63 read along with the Section 86(1) (b) of the EA-2003 for the adoption of the tariff discovered through the bidding process.

Petition disposed of. Ordered accordingly.

Sd/-  
**Adv. A J Wilson**  
Member

Sd/-  
**B Pradeep**  
Member

Sd/-  
**T K Jose**  
Chairman

Approved for issue

Sd/-  
C R Satheesh Chandran  
Secretary

## Annexure-1

### Deviations in the Bidding Documents proposed by KSEB Ltd and Approved by the Commission

Sl. No:	Bid Clause as per Model Bidding Guidelines	KSEBL proposal		Decision of the KSERC
		KSEB L remarks	Modified Bid Clause	
1	<b>Clause 1.1.3 of RFQ-</b> "The selected Bidder (the "Supplier"/ "Selected Bidder") shall be responsible for financing, construction, operation and maintenance of the Project, <u>and in case of Supplier being a Trading Licensee, it shall be responsible for supply of electricity from the Power Station, under and in accordance with the provisions of a medium- term Agreement for procurement of power (the "Agreement for Procurement of Power" or the "APP") to be entered into between the Supplier and the Utility in the form provided by the Utility as part of the Bidding Documents pursuant hereto."</u>	As per MOP guidelines, Trading Licensee shall not be eligible for bidding in case the source of Fuel is linkage coal.	<b>Clause 1.1.3 of RFQ-</b> "The selected Bidder (the "Supplier"/ "Selected Bidder") shall be responsible for financing, construction, operation and maintenance of the Project, in accordance with the provisions of a medium-term Agreement for procurement of power (the "Agreement for Procurement of Power" or the "APP") to be entered into between the Supplier and the Utility in the form provided by the Utility as part of the Bidding Documents pursuant hereto."	Approved
2	<b>Clause 1.1.4 of RFQ -</b> "The scope of work will broadly include operation and maintenance of the Power Station and supply of electricity, <u>and in case of Supplier being a Trading Licensee, the scope of work will be supply of electricity from the Power Station, in accordance with the terms of the APP"</u> .	As per MOP guidelines, Trading Licensee shall not be eligible for bidding in case the source of Fuel is linkage coal.	<b>Clause 1.1.4 of RFQ -</b> "The scope of work will broadly include operation and maintenance of the Power Station and supply of electricity, a from the Power Station, in accordance with the terms of the APP".	Approved
3	<b>Clause 1.2.13 of RFQ- Explanation:</b>  (b) Coal from Linkage Coal  Since the Bidder is expected to source fuel from Coal India Limited ("CIL") / Singareni Collieries Company Limited ("SCCL") or a subsidiary thereof from the <u>Coal Linkage as per SHAKTI Policy</u> , the cost of Fuel which shall be included in the Variable Charge shall be a pass through in accordance with the terms of the APP. However, the element of coal transportation and transit losses may vary from	As per MoP amendment No.23/17/2013-R&R-Vol-VI(Part 2) Dated 12.07.2019 in the Model Bidding Documents for procurement of electricity for Medium Term from Power Stations set up on FOO Basis.	<b>Clause 1.2.13 of RFQ-Explanation:</b>  (b) Coal from Linkage Coal  Since the Bidder is expected to source fuel from Coal India Limited ("CIL") / Singareni Collieries Company Limited ("SCCL") or a subsidiary thereof from the <u>Allocated Coal Linkage including Coal Linkage</u> as per SHAKTI Policy, the cost of Fuel which shall be included in the Variable Charge shall be a pass through in accordance with the terms of the APP.	Approved

	case to case and shall affect the Variable Charge offered by each Bidder. The Bid for the Project shall, therefore, comprise the Fixed Charge and Variable Charge, which shall be specified separately, and the Bidder seeking the lowest Tariff shall be the Selected Bidder.		However, the element of coal transportation and transit losses may vary from case to case and shall affect the Variable Charge offered by each Bidder. The Bid for the Project shall, therefore, comprise the Fixed Charge and Variable Charge, which shall be specified separately, and the Bidder seeking the lowest Tariff shall be the Selected Bidder.	
4	<b>Clause 2.2.1(b) of RFQ-</b> "The Bidder should either be the owner and operator of the Power Station from where electricity shall be supplied [ <u>or a Trading Licensee.</u> "]	As per MOP guidelines, Trading Licensee shall not be eligible for bidding in case the source of Fuel is linkage coal.	<b>Clause 2.2.1(b) of RFQ-</b> " The Bidder should either be the owner and operator of the Power Station from where electricity shall be supplied ;"	Approved
5	<b>Clause 2.2.1(c) of RFQ-</b> " In case of Bidder being a Trading Licensee, such Trading Licensee should have executed a power purchase agreement or an equivalent arrangement with the Developer for atleast the Capacity for which the Application has been made;"	As per MOP guidelines, Trading Licensee shall not be eligible for bidding in case the source of Fuel is linkage coal.	<b>Clause 2.2.1(c) of RFQ-</b> " Omitted"	Approved
6	<b>Clause 2.2.2(A) of RFQ- Technical Capacity:</b> "For demonstrating technical capacity and experience (the "Technical Capacity"), the Bidder shall own and operate power generating station(s) having an installed capacity equivalent to at least twice the capacity for which the Bidder is willing to Bid. Bidders shall not be allowed to increase their capacity at e-Reverse Auction Stage or L1 Matching round greater than for which Technical Capacity has been demonstrated.  <u>In case the Bidder is a Trading Licensee, the condition under Clause 2.2.2"</u>	As per MOP guidelines, Trading Licensee shall not be eligible for bidding in case the source of Fuel is linkage coal.	<b>Clause 2.2.2(A) of RFQ- Technical Capacity:</b> " For demonstrating technical capacity and experience (the "Technical Capacity"), the Bidder shall own and operate power generating station(s) having an installed capacity equivalent to at least twice the capacity for which the Bidder is willing to Bid. Bidders shall not be allowed to increase their capacity at e-Reverse Auction Stage or L1 Matching round greater than for which Technical Capacity has been demonstrated."	Approved

7	<p><b>Clause 2.2.2(A) of RFQ-" Financial Capacity:</b> The Bidder shall have a minimum Net Worth (the "<b>Financial Capacity</b>") equivalent to Rs. 1 crore (Rs. one crore) per MW of the capacity the Bidder is willing to Bid, at the close of the preceding financial year. Bidders shall not be allowed to increase their capacity at e- Reverse Auction Stage or L1 Matching round greater than for which Financial Capacity has been demonstrated."</p> <p><u>In case the Bidder is a Trading Licensee, the condition under Clause 2.2.2(B) may be either fulfilled jointly or severally by the Trading Licensee and Developer.</u></p>	<p>As per MoP amendment No.23/17/2013-R&amp;R-Vol-VI(Part 2) Dated 12.07.2019 in the Model Bidding Documents for procurement of electricity for Medium Term from Power Stations set up on FOO Basis.</p> <p>As per MOP guidelines, Trading Licensee shall not be eligible for bidding in case the source of Fuel is linkage coal.</p>	<p><b>Clause 2.2.2(B) of RFQ-" Financial Capacity:</b> The Bidder <u>and / or its Associate</u> shall have a minimum Net Worth (the "<b>Financial Capacity</b>") equivalent to Rs. 1 crore (Rs. one crore) per MW of the capacity the Bidder is willing to Bid, at the close of the preceding financial year. Bidders shall not be allowed to increase their capacity at e- Reverse Auction Stage or L1 Matching round greater than for which Financial Capacity has been demonstrated."</p>	Approved
8	<p><b>Clause 2.2.3(i) of RFQ-" certificate(s) from statutory auditors of the Bidder <u>or in case the Bidder is a Trading Licensee, then of the Developer</u>, stating the power stations which are owned and operated by the Bidder <u>or the Developer, as the case may be</u>, as specified in paragraph 2.2.2 (A) above; and"</b></p>	<p>As per MoP amendment No.23/17/2013-R&amp;R-Vol-VI(Part 2) Dated 12.07.2019 in the Model Bidding Documents for procurement of electricity for Medium Term from Power Stations set up on FOO Basis.</p> <p>As per MOP guidelines, Trading Licensee shall not be eligible for bidding in case the source of Fuel is linkage coal.</p>	<p><b>Clause 2.2.3(i) of RFQ-" certificate(s) from statutory auditors of the Bidder stating the power stations which are owned and operated by the Bidder as specified in paragraph 2.2.2 (A) above; and"</b></p>	Approved

9	<p><b>Clause 2.2.3(ii) of RFQ-</b> certificate(s) from statutory auditors of the Bidder specifying the net worth of the Bidder as at the close of the preceding financial year, and also specifying that the methodology adopted for calculating such net worth conforms to the provisions of this Clause 2.2.3 (ii). For the purposes of this Section A, net worth (the "Net Worth") shall mean the net worth as per the Companies Act, 2013."</p>	<p>As per MoP amendment No.23/17/2013-R&amp;R-Vol-VI(Part 2) Dated 12.07.2019 in the Model Bidding Documents for procurement of electricity for Medium Term from Power Stations set up on FOO Basis. (Copy Enclosed)</p>	<p><b>Clause 2.2.3(ii) of RFQ-</b> certificate(s) from statutory auditors of the Bidder <u>or its Associates</u> specifying the net worth of the Bidder <u>or its Associates, as the case may be</u>, as at the close of the preceding financial year, and also specifying that the methodology adopted for calculating such net worth conforms to the provisions of this Clause 2.2.3 (ii). For the purposes of this Section A, net worth (the "Net Worth") shall mean the net worth as per the Companies Act, 2013."</p>	Approved
10	<p><b>Clause 2.2.5 of RFQ-</b> Any entity which has been barred by the Central/ State Government, or any entity controlled by it, from participating in any project (BOT or otherwise), and the bar subsists as on the date of Application, would not be eligible to submit an Application. <u>In case the Bidder is a Trading Licensee, the entity herein shall be construed as the Trading Licensee as well as the Developer."</u></p>	<p>As per MOP guidelines, Trading Licensee shall not be eligible for bidding in case the source of Fuel is linkage coal.</p>	<p><b>Clause 2.2.5 of RFQ-</b> Any entity which has been barred by the Central/ State Government, or any entity controlled by it, from participating in any project (BOT or otherwise), and the bar subsists as on the date of Application, would not be eligible to submit an Application."</p>	Approved
11	<p><b>Clause 2.2.6 of RFQ-</b>"An Bidder <u>and/or the Developer (in case the Bidder is a Trading Licensee)</u> should, in the last 3 (three) years, have neither failed to perform on any contract, as evidenced by imposition of a penalty by an arbitral or judicial authority or a judicial pronouncement or arbitration award against the Bidder <u>and/or the Developer</u>, as the case may be, nor has been expelled from any project or contract by any public entity nor have had any contract terminated by any public entity for breach by such Bidder <u>and/or the Developer</u>. Provided, however, that where an Bidder claims that its <u>or the Developers</u> disqualification arising on account of any cause or event specified in this Clause 2.2.6 is such that it does not reflect (a) any malfeasance on its part in relation to such cause or event; (b) any willful</p>	<p>As per MOP guidelines, Trading Licensee shall not be eligible for bidding in case the source of Fuel is linkage coal.</p>	<p><b>Clause 2.2.6 of RFQ-</b>"An Bidder should, in the last 3 (three) years, have neither failed to perform on any contract, as evidenced by imposition of a penalty by an arbitral or judicial authority or a judicial pronouncement or arbitration award against the Bidder , as the case may be, nor has been expelled from any project or contract by any public entity nor have had any contract terminated by any public entity for breach by such Bidder . Provided, however, that where an Bidder claims that its disqualification arising on account of any cause or event specified in this Clause 2.2.6 is such that it does not reflect (a) any malfeasance on its part in relation to such cause or event; (b) any willful default or patent breach of the material terms of the relevant</p>	Approved

	default or patent breach of the material terms of the relevant contract; (c) any fraud, deceit or misrepresentation in relation to such contract; or (d) any rescinding or abandoning of such contract, it may make a representation to this effect to the Utility for seeking a waiver from the disqualification hereunder and the Utility may, in its sole discretion and for reasons to be recorded in writing, grant such waiver if it is satisfied with the grounds of such representation and is further satisfied that such waiver is not in any manner likely to cause a material adverse impact on the Bidding Process or on the implementation of the Project."		contract; (c) any fraud, deceit or misrepresentation in relation to such contract; or (d) any rescinding or abandoning of such contract, it may make a representation to this effect to the Utility for seeking a waiver from the disqualification hereunder and the Utility may, in its sole discretion and for reasons to be recorded in writing, grant such waiver if it is satisfied with the grounds of such representation and is further satisfied that such waiver is not in any manner likely to cause a material adverse impact on the Bidding Process or on the implementation of the Project."	
12	<b>Clause 2.12.2 (iv) of RFQ-</b> " copies of Bidder's and Developer's (in case of Trading Licensee) duly audited balance sheet and profit and loss account for the preceding three years;"	As per MOP guidelines, Trading Licensee shall not be eligible for bidding in case the source of Fuel is linkage coal.	<b>Clause 2.12.2 (iv) of RFQ-</b> " copies of Bidder's duly audited balance sheet and profit and loss account for the preceding three years;	Approved
13	<b>Clause 2.12.2 (v) of RFQ-</b> " if the Bidder is a Trading Licensee, a copy of the power purchase agreement or an equivalent arrangement with the Developer; and"	As per MOP guidelines, Trading Licensee shall not be eligible for bidding in case the source of Fuel is linkage coal.	<b>Clause 2.12.2 (v) of RFQ-</b> " Omitted"	Approved
14	<b>Clause 2.18.12 (h) of RFQ-</b> "it contains a copy of power purchase agreement or equivalent arrangement with the Developer in case the Bidder is a Trading Licensee;"	As per MOP guidelines, Trading Licensee shall not be eligible for bidding in case the source of Fuel is linkage coal.	<b>Clause 2.18.12 (h) of RFQ-</b> "Omitted;"	Approved
15	<b>Clause 3.2.3 of RFQ-</b> " In case the Bidder is a Trading Licensee, the condition under Clause 3.2 shall be fulfilled through the Developer."	As per MOP guidelines, Trading Licensee shall not be eligible for bidding in case the source of Fuel is linkage coal.	<b>Clause 3.2.3 of RFQ-</b> " Omitted."	Approved

16	<p><b>APPENDIX I of RFQ-</b> Point 6-" I/ We certify that in the last three years, we <u>and the Developer (to be inserted in case of a Trading Licensee being the Bidder)</u> have neither failed to perform on any contract, as evidenced by imposition of a penalty by an arbitral or judicial authority or a judicial pronouncement or arbitration award, nor been expelled from any project or contract by any public authority nor have had any contract terminated by any public authority for breach on our part."</p>	<p>As per MOP guidelines, Trading Licensee shall not be eligible for bidding in case the source of Fuel is linkage coal.</p>	<p><b>APPENDIX I of RFQ-</b> Point 6-" I/ We certify that in the last three years, we have neither failed to perform on any contract, as evidenced by imposition of a penalty by an arbitral or judicial authority or a judicial pronouncement or arbitration award, nor been expelled from any project or contract by any public authority nor have had any contract terminated by any public authority for breach on our part."</p>	Approved
17	<p><b>APPENDIX I of RFQ-</b> Point 11-" I/We declare that the Developer is not a Bidder or Member of any other Bidder applying for pre-qualification where I/We as Trading Licensee am/are applying for pre-qualification. (Clause Applicable only if Bidder is a Trading licensee)."</p>	<p>As per MOP guidelines, Trading Licensee shall not be eligible for bidding in case the source of Fuel is linkage coal.</p>	<p><b>APPENDIX I of RFQ-</b> Point 11-" Omitted."</p>	Approved
18	<p><b>APPENDIX I of RFQ-</b> Point 12-" I/ We certify that in regard to matters other than security and integrity of the country, we <u>{and the Developer (to be inserted in case of a Trading Licensee being the Bidder)}</u> have not been convicted by a Court or indicted or adverse orders passed by a regulatory authority which could cast a doubt on our ability to undertake the Project or which relates to a grave offence that outrages the moral sense of the community."</p>	<p>As per MOP guidelines, Trading Licensee shall not be eligible for bidding in case the source of Fuel is linkage coal.</p>	<p><b>APPENDIX I of RFQ-</b> Point 12-" I/ We certify that in regard to matters other than security and integrity of the country, we have not been convicted by a Court or indicted or adverse orders passed by a regulatory authority which could cast a doubt on our ability to undertake the Project or which relates to a grave offence that outrages the moral sense of the community."</p>	Approved
19	<p><b>APPENDIX I of RFQ-</b> Point 13-" I/ We further certify that in regard to matters relating to security and integrity of the country, we <u>{and the Developer (to be inserted in case of a Trading Licensee being the Bidder)}</u> have not been charge-sheeted by any agency of the Government or convicted by a Court of Law."</p>	<p>As per MOP guidelines, Trading Licensee shall not be eligible for bidding in case the source of Fuel is linkage coal.</p>	<p><b>APPENDIX I of RFQ-</b> Point 13-" I/ We further certify that in regard to matters relating to security and integrity of the country, we have not been charge-sheeted by any agency of the Government or convicted by a Court of Law."</p>	Approved

20	<b>APPENDIX I of RFQ-</b> Point 14-"I/ We further certify that no investigation by a regulatory authority is pending against us <u>{and the Developer (to be inserted in case of a Trading Licensee being the Bidder)}</u> or against our CEO or any of our directors/managers/ employees."	As per MOP guidelines, Trading Licensee shall not be eligible for bidding in case the source of Fuel is linkage coal.	<b>APPENDIX I of RFQ-</b> Point 14-"I/ We further certify that no investigation by a regulatory authority is pending against us or against our CEO or any of our directors/managers/ employees."	Approved
21	<b>APPENDIX I of RFQ-</b> Point 19-"{I/We hereby undertake that in the event the Bidder is selected as the Selected Bidder, I/We shall surrender the proportionate quantity of any existing Letter of Assurance /Fuel Supply Agreement to the supplier of the coal, not being the Letter of Assurance/ Fuel Supply Agreement arranged by the Utility, corresponding to the tenure of the Letter of Assurance /Fuel Supply Agreement arranged by the Utility.}"	As per MOP guidelines,this clause to be retained only if source of fuel is from Allocated Coal Linkage arranged by the Utility. Hence Omitted as KSEBL didn't have Allocated Coal Linkage.	<b>APPENDIX I of RFQ-</b> Point 19-" Omitted."	Approved
22	<b>ANNEX I of RFQ-</b> Point 5(1)-"Has the Bidder <u>{and the Developer (to be inserted in case of a Trading Licensee being the Bidder)}</u> been barred by the Central/State Government, or any entity controlled by it, from participating in any project (BOT or otherwise)?"	As per MOP guidelines, Trading Licensee shall not be eligible for bidding in case the source of Fuel is linkage coal.	<b>ANNEX I of RFQ-</b> Point 5(1)-"Has the Bidder been barred by the Central/State Government, or any entity controlled by it, from participating in any project (BOT or otherwise)?"	Approved
23	<b>ANNEX I of RFQ-</b> Point 5(3)-"Has the Bidder <u>{and the Developer (to be inserted in case of a Trading Licensee being the Bidder)}</u> paid liquidated damages of more than 5% of the contract value in a contract due to delay or has been penalised due to any other reason in relation to execution of a contract, in the last three years?"	As per MOP guidelines, Trading Licensee shall not be eligible for bidding in case the source of Fuel is linkage coal.	<b>ANNEX I of RFQ-</b> Point 5(3)-"Has the Bidder paid liquidated damages of more than 5% of the contract value in a contract due to delay or has been penalised due to any other reason in relation to execution of a contract, in the last three years?"	Approved
24	<b>ANNEX II of RFQ-</b> Point 5-"Certificate from the Bidder's <u>or Developer's, as applicable,</u> statutory auditor must be furnished as per formats below for each Eligible Project."	As per MOP guidelines, Trading Licensee shall not be eligible for bidding in case the source of Fuel is linkage coal.	<b>ANNEX II of RFQ-</b> Point 5-"Certificate from the Bidder's , statutory auditor must be furnished as per formats below for each Eligible Project."	Approved



25	<b>ANNEX II of RFQ-</b> Point 6-" In case the generating station is not under a separate SPV the following format shall be used, Certificate from the Bidder's <u>or Developer's, as applicable,</u> statutory auditor must be furnished as per formats below for each Eligible Project."	As per MOP guidelines, Trading Licensee shall not be eligible for bidding in case the source of Fuel is linkage coal.	<b>ANNEX II of RFQ-</b> Point 6-" In case the generating station is not under a separate SPV the following format shall be used, Certificate from the Bidder's statutory auditor must be furnished as per formats below for each Eligible Project."	Approved
26	<b>ANNEX III of RFQ-</b> Instructions Point 1(a)-" In case the Bidder is a Trading Licensee and is relying on the Financial Capacity of the Developer, it should reflect the financial situation of the Developer also"	As per MOP guidelines, Trading Licensee shall not be eligible for bidding in case the source of Fuel is linkage coal.	<b>ANNEX III of RFQ-</b> Instructions Point 1(a)-" Omitted"	Approved
27	<b>ANNEX III of RFQ-</b> Instructions Point 4-"The Bidder shall provide an Auditor's Certificate specifying the net worth of the Bidder ( <u>in case the Trading Licensee is the Bidder the words "and/or of the Developer" shall be inserted</u> ) and also specifying the methodology adopted for calculating such net worth in accordance with Clause 2.2.3 (ii) of the RFQ document."	As per MOP guidelines, Trading Licensee shall not be eligible for bidding in case the source of Fuel is linkage coal.	<b>ANNEX III of RFQ-</b> Instructions Point 4-"The Bidder shall provide an Auditor's Certificate specifying the net worth of the Bidder and also specifying the methodology adopted for calculating such net worth in accordance with Clause 2.2.3 (ii) of the RFQ document."	Approved

28	<p><b>Clause 2.2 of RFP-</b>" By submitting the Bid, the Bidder shall be deemed to have acknowledged and agreed that in the event of a change in control of the Bidder <u>and/or the Developer (in case of the Bidder being a Trading Licensee)</u>, whose Technical Capacity and/ or Financial Capacity was taken into consideration for the purposes of pre-qualification under and in accordance with Section A, the Bidder shall be deemed to have knowledge of the same and shall be required to inform the Utility forthwith along with all relevant particulars about the same and the Utility may, in its sole discretion, disqualify the Bidder or withdraw the LOA from the Selected Bidder(s), as the case may be. In the event such change in control occurs after signing of the APP but prior to the Appointed Date of the Project, it would, notwithstanding anything to the contrary contained in the APP, be deemed to be a breach of the APP, and the same shall be liable to be terminated without the Utility being liable in any manner whatsoever to the Supplier. In such an event, notwithstanding anything to the contrary contained in the APP, the Utility shall be entitled to forfeit and appropriate the Bid Security or Performance Security, as the case may be, as Damages, without prejudice to any other right or remedy that may be available to the Utility under the Bidding Documents and/ or the APP or otherwise."</p>	<p>As per MOP guidelines, Trading Licensee shall not be eligible for bidding in case the source of Fuel is linkage coal.</p>	<p><b>Clause 2.2 of RFP-</b>" By submitting the Bid, the Bidder shall be deemed to have acknowledged and agreed that in the event of a change in control of the Bidder, whose Technical Capacity and/ or Financial Capacity was taken into consideration for the purposes of pre- qualification under and in accordance with Section A, the Bidder shall be deemed to have knowledge of the same and shall be required to inform the Utility forthwith along with all relevant particulars about the same and the Utility may, in its sole discretion, disqualify the Bidder or withdraw the LOA from the Selected Bidder(s), as the case may be. In the event such change in control occurs after signing of the APP but prior to the Appointed Date of the Project, it would, notwithstanding anything to the contrary contained in the APP, be deemed to be a breach of the APP, and the same shall be liable to be terminated without the Utility being liable in any manner whatsoever to the Supplier. In such an event, notwithstanding anything to the contrary contained in the APP, the Utility shall be entitled to forfeit and appropriate the Bid Security or Performance Security, as the case may be, as Damages, without prejudice to any other right or remedy that may be available to the Utility under the Bidding Documents and/ or the APP or otherwise."</p>	<p>Approved</p>
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29	<p><b>Clause 5.8.2 of RFP- Explanation:</b></p> <p>(b) Coal from Linkage Coal</p> <p>Since the Bidder is expected to source fuel from Coal India Limited ("CIL")/ Singareni Collieries Company Limited ("SCCL") or a subsidiary thereof / <u>from Linkage coal through Letter of Assurance</u>, the cost of Fuel which shall be included in the Variable Charge shall be a pass through in accordance with the terms of the APP. However, the element of coal transportation and transit losses may vary from case to case and shall affect the Variable Charge offered by each Bidder. The Bid for the Project shall, therefore, comprise the Fixed Charge and Variable Charge, which shall be specified separately, and the Bidder seeking the lowest Tariff shall be the Selected Bidder.</p>	<p>As per MoP amendment No.23/17/2013-R&amp;R-Vol-VI(Part 2) Dated 12.07.2019 in the Model Bidding Documents for procurement of electricity for Medium Term from Power Stations set up on FOO Basis.</p>	<p><b>Clause 5.8.2 of RFP- Explanation:</b></p> <p>(b) Coal from Linkage Coal</p> <p>Since the Bidder is expected to source fuel from Coal India Limited ("CIL")/ Singareni Collieries Company Limited ("SCCL") or a subsidiary thereof from <u>the Allocated Coal Linkage including Coal Linkage as per SHAKTI Policy, through Letter of Assurance / FSA</u>, the cost of Fuel which shall be included in the Variable Charge shall be a pass through in accordance with the terms of the APP. However, the element of coal transportation and transit losses may vary from case to case and shall affect the Variable Charge offered by each Bidder. The Bid for the Project shall, therefore, comprise the Fixed Charge and Variable Charge, which shall be specified separately, and the Bidder seeking the lowest Tariff shall be the Selected Bidder.</p>	Approved
30	<p><b>APPENDIX I of RFP- Point 6-</b>"I/ We certify that in the last three years, we <u>{and the Developer (to be inserted in case of a Trading Licensee being the Bidder)}</u> have neither failed to perform on any contract, as evidenced by imposition of a penalty by an arbitral or judicial authority or a judicial pronouncement or arbitration award, nor been expelled from any project or contract by any public authority nor have had any contract terminated by any public authority for breach on our part."</p>	<p>As per MOP guidelines, Trading Licensee shall not be eligible for bidding in case the source of Fuel is linkage coal.</p>	<p><b>APPENDIX I of RFP- Point 6-</b>"I/ We certify that in the last three years, we have neither failed to perform on any contract, as evidenced by imposition of a penalty by an arbitral or judicial authority or a judicial pronouncement or arbitration award, nor been expelled from any project or contract by any public authority nor have had any contract terminated by any public authority for breach on our part."</p>	Approved
31	<p><b>APPENDIX I of RFP- Point 11-</b>" I/We declare that the Developer is not a Bidder or Member of any other Bidder applying for pre-qualification where I/We as Trading Licensee am/are applying for pre-qualification. "</p>	<p>As per MOP guidelines, Trading Licensee shall not be eligible for bidding in case the source of Fuel is linkage coal.</p>	<p><b>APPENDIX I of RFP- Point 11-</b>"Omitted. "</p>	Approved

32	<p><b>APPENDIX I of RFP- Point 12-" I/ We certify that in regard to matters other than security and integrity of the country, we <u>{and the Developer (to be inserted in case of a Trading Licensee being the Bidder)}</u> have not been convicted by a Court or indicted or adverse orders passed by a regulatory authority which could cast a doubt on our ability to undertake the Project or which relates to a grave offence that outrages the moral sense of the community."</b></p>	<p>As per MOP guidelines, Trading Licensee shall not be eligible for bidding in case the source of Fuel is linkage coal.</p>	<p><b>APPENDIX I of RFP- Point 12-" I/ We certify that in regard to matters other than security and integrity of the country, we have not been convicted by a Court or indicted or adverse orders passed by a regulatory authority which could cast a doubt on our ability to undertake the Project or which relates to a grave offence that outrages the moral sense of the community."</b></p>	Approved
33	<p><b>APPENDIX I of RFP- Point 13-" I/ We further certify that in regard to matters relating to security and integrity of the country, we <u>{and the Developer (to be inserted in case of a Trading Licensee being the Bidder)}</u> have not been charge-sheeted by any agency of the Government or convicted by a Court."</b></p>	<p>As per MOP guidelines, Trading Licensee shall not be eligible for bidding in case the source of Fuel is linkage coal.</p>	<p><b>APPENDIX I of RFP- Point 13-" I/ We further certify that in regard to matters relating to security and integrity of the country, we have not been charge-sheeted by any agency of the Government or convicted by a Court."</b></p>	Approved
34	<p><b>APPENDIX I of RFP- Point 14-" I/ We further certify that no investigation by a regulatory authority is pending either against us <u>{and the Developer (to be inserted in case of a Trading Licensee being the Bidder)}</u> or against our CEO or any of our directors/ managers/ employees."</b></p>	<p>As per MOP guidelines, Trading Licensee shall not be eligible for bidding in case the source of Fuel is linkage coal.</p>	<p><b>APPENDIX I of RFP- Point 14-" I/ We further certify that no investigation by a regulatory authority is pending either against us or against our CEO or any of our directors/ managers/ employees."</b></p>	Approved
35	<p><b>APPENDIX I of RFP- Point 16-" I/ We acknowledge and agree that in the event of a change in control of Bidder <u>{and/or the Developer (to be inserted in case of a Trading Licensee being the Bidder)}</u> whose Technical Capacity and Financial Capacity} was taken into consideration for the purposes of pre-qualification under and in accordance with Section A, I/We shall inform the Utility forthwith along with all relevant particulars and the Utility may, in its sole discretion, disqualify or withdraw the Letter of Award, as the case may be. I/We further acknowledge and agree that in the event such change in control occurs after signing of the APP but prior to Financial Close of the Project, it would, notwithstanding anything to the contrary contained in the Agreement, be deemed a breach thereof, and the APP shall be liable to be</b></p>	<p>As per MOP guidelines, Trading Licensee shall not be eligible for bidding in case the source of Fuel is linkage coal.</p>	<p><b>APPENDIX I of RFP- Point 16-" I/ We acknowledge and agree that in the event of a change in control of Bidder whose Technical Capacity and Financial Capacity was taken into consideration for the purposes of pre-qualification under and in accordance with Section A, I/We shall inform the Utility forthwith along with all relevant particulars and the Utility may, in its sole discretion, disqualify or withdraw the Letter of Award, as the case may be. I/We further acknowledge and agree that in the event such change in control occurs after signing of the APP but prior to Financial Close of the Project, it would, notwithstanding anything to the contrary contained in the Agreement, be deemed a breach thereof, and the APP shall be liable to be terminated</b></p>	Approved

	terminated without the Utility being liable to us in any manner whatsoever."		without the Utility being liable to us in any manner whatsoever."	
36	<p><b>APPENDIX I of RFP- Point 30-</b> " I/ We hereby submit the following Bid and offer, as on the Bid Due Date, in accordance with the provisions of the APP and Clause <u>4.8</u> of this RFP: "</p> <p>Foot Note- Applicable only if the Applicant is sourcing fuel from Coal through CIL/SCCL under option (a) or (b) of Clause <u>4.8.2</u> of this RFP."</p>	Correcting the error clause in MDB with the most appropriate clause in the MDB.	<p><b>APPENDIX I of RFP- Point 30-</b> " I/ We hereby submit the following Bid and offer, as on the Bid Due Date, in accordance with the provisions of the APP and Clause <u>5.8</u> of this RFP: "</p> <p>Foot Note- Applicable only if the Applicant is sourcing fuel from Coal through CIL/SCCL under option (a) or (b) of Clause <u>5.8.2</u> of this RFP."</p>	Approved
37	<p><b>Clause 3.1.2 of APP-</b> "..... <u>(g) not create any lien or Encumbrance on the Fuel Supply Agreement</u>"</p>	As per MOP guidelines, this clause to be retained only if source of fuel is from Allocated Coal Linkage arranged by the Utility. Hence Omitted as KSEBL didn't have Allocated Coal Linkage.	<p><b>Clause 3.1.2 of APP-</b> "..... (g) Omitted;"</p>	Approved
38	<p><b>Clause 5.1.4 of APP -</b> "Explanation: Availability of the Power Station to its full capacity shall, in respect of any hour, mean the capacity of the Power Station to the extent it is offered by the Supplier for producing and supplying electrical energy equal to [.....] kWh per mega watt of Contracted Capacity over a period of one hour, after accounting for auxiliary consumption, and transmission losses upto the Point of Grid Connection, and for any month or year, as the case may be, the hours during that month or year when the Contracted Capacity of the Power Station is fully available for production of electricity shall be expressed as a percentage of total hours in that month or year, as the case may be, (the</p>	Considering Auxillary Energy Consumption of a coal based generating station with a capacity of 300 MW and above with stream driven boiler feed pumps is 5.75% as per CERC Notification dated 07.03.2019.	<p><b>Clause 5.1.4 of APP -</b> "Explanation: Availability of the Power Station to its full capacity shall, in respect of any hour, mean the capacity of the Power Station to the extent it is offered by the Supplier for producing and supplying electrical energy equal to [942.50] kWh per mega watt of Contracted Capacity over a period of one hour, after accounting for auxiliary consumption, and transmission losses upto the Point of Grid Connection, and for any month or year, as the case may be, the hours during that month or year when the Contracted Capacity of the Power Station is fully available for production of electricity shall be expressed as a percentage of total hours in that month or</p>	Approved

	<p>"Availability"). For the avoidance of doubt, the Parties agree that Availability shall, during the months when Appointed Date or the date of Termination occurs, be determined with reference to the number of days when the Power Station was in operation, and shall be determined likewise for any single day of operation. The Parties further agree that if the Contracted Capacity of the Power Station is not Available for production of electricity to its full capacity during any hour, or part thereof, not being less than a quarter of an hour, such hour or part thereof shall, in the computation of Availability, be reduced proportionate to the Non-Availability during that hour. The Parties also agree that the determination of Availability hereunder shall be solely for the purposes of this Agreement and shall not in any manner affect the rights and obligations of the Supplier for and in respect of scheduling and despatch of electricity under Applicable Laws and the rules and regulations thereunder."</p>		<p>year, as the case may be, (the "Availability"). For the avoidance of doubt, the Parties agree that Availability shall, during the months when Appointed Date or the date of Termination occurs, be determined with reference to the number of days when the Power Station was in operation, and shall be determined likewise for any single day of operation. The Parties further agree that if the Contracted Capacity of the Power Station is not Available for production of electricity to its full capacity during any hour, or part thereof, not being less than a quarter of an hour, such hour or part thereof shall, in the computation of Availability, be reduced proportionate to the Non-Availability during that hour. The Parties also agree that the determination of Availability hereunder shall be solely for the purposes of this Agreement and shall not in any manner affect the rights and obligations of the Supplier for and in respect of scheduling and despatch of electricity under Applicable Laws and the rules and regulations thereunder."</p>	
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39	<p><b>Clause 5.5 of APP - " Obligations relating to transmission charges</b></p> <p>The Supplier shall be liable for payment of all charges, due and payable under Applicable Laws, for inter-state and intra-state transmission of electricity from the Point of Grid Connection to the Delivery Point. For the avoidance of doubt, the Parties expressly agree that inter-state and intra-state transmission of electricity shall be undertaken solely at the risk and cost of the Supplier and all liabilities arising out of any failure of inter-state and intra-state transmission shall, subject to the provisions of Clause 11.4.4, be borne by the Supplier. The Parties further agree that the obligation of the Supplier to pay the regulated charges for transmission of electricity shall be restricted to the tariffs and rates applicable on the Bid Date for and in respect of the Contracted Capacity and any differential arising from revision of the regulated tariffs and rates thereafter shall be payable or recoverable, as the case may be, by the Utility. The Parties also agree that the regulated charges applicable for transmission of electricity referred to hereinabove as on the Bid Date shall be deemed to be Rs. (Rupees ..... ) for and in respect of the Contracted Capacity\$, which charges shall at all times be due and payable by the Supplier."</p>	<p>As per CERC (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2020, the inter-state transmission charges bills are raised on the buyer and inter-state losses are to be provided by the buyer and as per Model Bidding Document, the obligation of inter-state transmission losses and charges are on the supplier.</p> <p>In order to comply with the CERC Regulation and Model Bidding Document, the transmission charges per unit specified by the utility shall be quoted by the bidder. During billing, the higher of KSEBL specified rate or the quoted rate towards transmission charges will be deducted from the monthly invoice raised by the bidder.</p> <p>Per unit Transmission charge of KSEBL corresponding to normative availability of 85% for the month of December 2022 is Rs. 0.57/Unit.</p>	<p><b>Clause 5.5 of APP - " Obligations relating to transmission charges</b></p> <p>The Supplier shall be liable for payment of all charges, due and payable under Applicable Laws, for inter-state and intra-state transmission of electricity from the Point of Grid Connection to the Delivery Point. For the avoidance of doubt, the Parties expressly agree that inter-state and intra-state transmission of electricity shall be undertaken solely at the risk and cost of the Supplier and all liabilities arising out of any failure of inter-state and intra-state transmission shall, subject to the provisions of Clause 11.4.4, be borne by the Supplier. The Parties further agree that the obligation of the Supplier to pay the regulated charges for transmission of electricity shall be restricted to the tariffs and rates applicable on the Bid Date for and in respect of the Contracted Capacity and any differential arising from revision of the regulated tariffs and rates thereafter shall be payable or recoverable, as the case may be, by the Utility. The Parties also agree that the regulated charges applicable for transmission of electricity referred to hereinabove as on the Bid Date shall be deemed to be <u>Rs.0.57/unit (Fifty seven paise per unit)</u> for and in respect of the Contracted Capacity\$, which charges shall at all times be due and payable by the Supplier."</p>	<p>KSEB Ltd shall modify the clause as per the Order of the Commission</p>
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40	<p><b>Clause 5.6 of APP - " Obligations relating to transmission losses</b></p> <p><b>5.6.1</b> "The Supplier shall be liable for the transmission losses in all inter-state and intra-state transmission of electricity from the Point of Grid Connection to the Delivery Point. For the avoidance of doubt, the Parties expressly agree that transmission of electricity shall be undertaken solely at the risk and cost of the Supplier and all liabilities arising out of any transmission losses on inter-state and intra-state transmission lines shall be borne by the Supplier. The Parties further agree that the obligation of the Supplier to bear the transmission losses shall be restricted to the level of losses determined by the Central Commission / NLDC as on the Bid Date for this Project and any differential (higher or lower) arising from revision in the level of losses thereafter by the Central Commission shall be borne by the Utility."</p>	<p>As per CERC (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2020, the inter-state transmission charges bills are raised on the buyer and inter-state losses are to be provided by the buyer and as per Model Bidding Document, the obligation of inter-state transmission losses and charges are on the supplier.</p> <p>In order to comply with the CERC Regulation and Model Bidding Document, the transmission charges per unit specified by the utility shall be quoted by the bidder. During billing, the higher of KSEBL specified rate or the quoted rate towards transmission losses will be deducted from the monthly invoice raised by the bidder.</p> <p>Average of Transmission charge of January 2023 is 4.23%</p>	<p><b>Clause 5.6 of APP - " Obligations relating to transmission losses</b></p> <p><b>5.6.1</b> "The Supplier shall be liable for the transmission losses in all inter-state and intra-state transmission of electricity from the Point of Grid Connection to the Delivery Point. For the avoidance of doubt, the Parties expressly agree that transmission of electricity shall be undertaken solely at the risk and cost of the Supplier and all liabilities arising out of any transmission losses on inter-state and intra-state transmission lines shall be borne by the Supplier. The Parties further agree that the obligation of the Supplier to bear the transmission losses shall be restricted to the level of losses determined by the Central Commission / NLDC as on the Bid Date for this Project and any differential (higher or lower) arising from revision in the level of losses thereafter by the Central Commission shall be borne by the Utility."  <u>The Parties also agree that the transmission loss as on the Bid Date shall be 4.23 % of Charges of which shall at all times be due and payable by the Supplier.</u></p>	<p>KSEB Ltd shall modify the clause as per the Order of the Commission</p>
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41		Additional clause added to clarify the reimbursement of Interstate Transmission Charges and Losses from the supplier towards buyer.	<b>Clause 5.6.3 of APP -</b> " Provided further that the Transmission Charges and Transmission Losses as specified by KSEBL as the charges as on bid date shall be recovered from the monthly invoices of the suppliers."	Deleted
42	<b>Clause 9.1.1 of APP -</b> "The Supplier shall, for the performance of its obligations hereunder, provide to the Utility no later than 30 (thirty) days from the date of this Agreement, an irrevocable and unconditional guarantee from a Schedule Bank for a sum equivalent to Rs. ....(Rupees .....) [Rs. 10 Lakh/MW for 500 MW & Rs.15 Lakh/MW if contracted capacity is less than 500 MW] in the form set forth in Schedule-B (the "Performance Security") for <u>a period of 6 (six) months;</u> "	Hon'ble KSERC has approved KSEBL's demand for maintaining the Performance security for the entire contract period in the previous medium term tender floated by KSEBL. Hence, the clause is modified accordingly.	<b>Clause 9.1.1 of APP -</b> " The Supplier shall, for the performance of its obligations hereunder, provide to the Utility no later than 30 (thirty) days from the date of this Agreement, an irrevocable and unconditional guarantee from a Schedule Bank for a sum equivalent to Rs. ....(Rupees .....) [Rs. 10 Lakh/MW for 500 MW & Rs.15 Lakh/MW if contracted capacity is less than 500 MW] in the form set forth in Schedule-B (the "Performance Security") for <u>the entire contract period ;</u> "	Approved
43	<b>Clause 12.3.1 of APP -</b> "For the Fuel supplied by CIL/SCCL through Letter of Assurance , the price of Fuel shall be deemed to be the lower of, (i) the indicative price of Fuel which shall be computed from the Variable Charge, as specified in the Bid; and (ii) 101% (one hundred and one per cent) of the price payable by the Supplier to CIL/SCCL, For the avoidance of doubt, the Parties agree that if the indicative price as computed hereunder from the Variable Charge specified in the Bid shall be lower than 101% (one hundred and one per cent) of the price payable by the Supplier to CIL/SCCL, the proportion by which the amount computed from the Bid is lower than the aforesaid 101% (one hundred and one per cent) of CIL/SCCL price shall apply at all times for determining the price of Fuel. The Parties further agree that the amount specified in Bid is equivalent to or less than the aforesaid 101% (one hundred and one per cent) of the amount payable to CIL. The Supplier	Provision of FSA added in addition to LoA as assurance for Linkage Coal.	<b>Clause 12.3.1 of APP -</b> "For the Fuel supplied by CIL/SCCL through Letter of Assurance <u>/FSA</u> , the price of Fuel shall be deemed to be the lower of, (i) the indicative price of Fuel which shall be computed from the Variable Charge, as specified in the Bid; and (ii) 101% (one hundred and one per cent) of the price payable by the Supplier to CIL/SCCL, For the avoidance of doubt, the Parties agree that if the indicative price as computed hereunder from the Variable Charge specified in the Bid shall be lower than 101% (one hundred and one per cent) of the price payable by the Supplier to CIL/SCCL, the proportion by which the amount computed from the Bid is lower than the aforesaid 101% (one hundred and one per cent) of CIL/SCCL price shall apply at all times for determining the price of Fuel. The Parties further agree that the amount specified in Bid is equivalent to or less than the	Approved

	<p>accordingly represents and warrants that the aforesaid amount has been derived from CIL/SCCL's notified price of Rs. .... (Rupees ....) .per tonne and GCV of ... kCal/kg as on the Bid Date and the cost of Fuel shall be revised only in proportion to the revision in CIL/SCCL price as compared to the rate specified hereinabove."</p>		<p>aforesaid 101% (one hundred and one per cent) of the amount payable to CIL. The Supplier accordingly represents and warrants that the aforesaid amount has been derived from CIL/SCCL's notified price of Rs. .... (Rupees ....) .per tonne and GCV of ... kCal/kg as on the Bid Date and the cost of Fuel shall be revised only in proportion to the revision in CIL/SCCL price as compared to the rate specified hereinabove."</p>	
44	<p><b>Clause 26.1 of APP -Definitions-</b> "Minimum Monthly Payment" shall have the meaning as set forth in Clause <u>13.1.3</u>;</p>	<p>Since clause 13.1.3 is omitted in the APP, the clause is modified accordingly.</p>	<p><b>Clause 26.1 of APP -Definitions-</b> "Minimum Monthly Payment" shall have the meaning as set forth in Clause <u>13.2.1</u>;</p>	Approved
45	<p><b>Schedule B of APP-Point 11-</b>" This Guarantee shall come into force with immediate effect and shall remain in force and effect <u>for a period of two years from the date hereof or until it is released earlier by the Utility pursuant to the provisions of the Agreement.</u>"</p>	<p>Hon'ble KSERC has approved KSEBL's demand for maintaining the Performance security for the entire contract period in the previous medium term tender floated by KSEBL. Hence, the clause is modified accordingly.</p>	<p><b>Schedule B of APP-Point 11-</b>"This Guarantee shall come into force with immediate effect and shall remain in force and effect <u>till the expiry of contract period.</u> "</p>	Approved