

KSEB Ltd- RfP/ e- Tender Notice - 10/2022-23
(DEEP PORTAL Reference No.KSEBL/Short/22-23/ET/72
e-Reverse Auction No.KSEBL/Short/22-23/RA/72)

Request for Proposal

1. Introduction and Background

Kerala State Electricity Board Ltd, having its head office at Vidyuthi Bhavanam, Pattom, Thiruvananthapuram – 695004, a company wholly owned by the Government of Kerala, incorporated under the provisions of the Companies Act, 1956 (Central Act 1 of 1956), having distribution license for the entire State of Kerala (herein after referred to as "KSEB Ltd") is inviting bids for procuring solar power on short term basis for meeting its Renewable Purchase Obligations, for the period from 15-06-2022 to 31-03-2023 on short term basis from solar sources, through e-bidding portal (DEEP) only. The power would be procured under 'Guidelines for short-term (i.e. for a period of more than one day to one year) Procurement of Power by Distribution Licensees through Tariff based bidding process' (Guidelines).

The bidder should be capable for providing power at the delivery point (as defined in the revised guidelines notified by the Ministry of Power (MoP) on 30.03.2016) i.e at Kerala Periphery for inter-state transmission and at pooling substation for intra-state transmission of power.

2. Qualification and Requirement.

2.1 REQUIREMENT QUANTUM OF POWER:

| Requisition No | Period | | Required quantity MW | Minimum Bid quantity MW |
|----------------|------------|------------|-------------------------|-------------------------------|
| | From | To | | |
| 1 | 15.06.2022 | 31.03.2023 | 150 | 10 |

2.2 QUALIFICATION CRITERIA

2.2.1 All the generators /State Utilities /CPPs /Distribution Licensees /SEBs and trading licensees having valid trading license from Appropriate Commission are qualified to participate in the bidding process.

2.2.2 The Bidders shall submit the tender through e-bidding portal (DEEP) only, before the time & date indicated in RfP document.

2.2.3 The Bidder may offer power up to the quantum indicated in the RfP Document for the respective periods. The supply of power may be offered from one or more than one source subject to condition that offers from each source shall not be less than 10 MW (Minimum Bid quantum). Offer of less than above specified quantity will result into non responsiveness of bid.

2.2.4 Non Financial Technical Bid shall consists of

- i. Acceptance of General Terms & Conditions of the Tender.
- ii. LOI from the selling utility who intent to sale this power (in case of Trader).
- iii. The Electricity Trading Companies are required to submit their attested copy of valid license issued by CERC along with Bid Document.

2.2.5 E-BIDDING FEE -All the Bidders would be able to participate in the e Bidding events on making payment of the requisite fees of Rupees **₹ 500 per MW** per requisition for the total capacity sought by the Utility for that particular requisition for which the bidder is willing to bid, to PFCCL. The requisite fee plus applicable taxes shall be deposited through the portal by e-Payment Gateway provided by MSTC Ltd. After the completion of the bidding process, only successful Bidder(s) will have to pay these charges for the quantum allocated to each bidder. The balance amount will be refunded by PFCCL within seven (7) working days without any interest. The fee deposited by non selected bidders will also be refunded by PFCCL within Seven (7) working days of completion of the event without any interest.

2.2.6 The bidders may upload Acceptance of Terms and Conditions as per the Annexure III attached herewith and will also have to accept it with their digital signatures in DEEP portal.

NOTE: 1) Bidders who are found qualified in non-financial technical Bid shall only be considered for opening of Financial Bid (IPOs).

2) No extension of time for submission of bids shall be allowed for any technical issues like non availability of web site, delay in uploading of document, etc.

3. Tariff Structure

3.1 KSEBL interconnection with CTU in Southern Region, ie. Kerala Periphery shall be taken as Delivery Point for inter-state transmission.

But for intra-state transmission of power, pooling substation shall be taken as Delivery Point. The Bidder(s) have flexibility to bid for a part of the tendered quantity, subject to the given minimum quantity. Bid capacity offered by the Bidder shall have to be constant for the entire contract period.

- 3.2** The Bidder shall quote the all inclusive single tariff at the Delivery Point i.e at Kerala Periphery for inter-state transmission and at pooling substation for intra-state transmission of power, upto three (3) decimals which shall include all applicable charges like capacity charge, energy charge, trading margin (in case of Bidder being a Trader), intra-state open access charges, transmission (inter & intra state) losses, SLDC/RLDC Fees and Charges, and all application fees, taxes, duties, cess etc. imposed by Central Govt./State Govt. / Local bodies upto and including the Delivery Point. Tariffs shall be designated in Indian Rupees only.
- 3.3** As per MoP, Government of India, Order No.23/12/2016-R&R Dtd 23.11.2021, there is waiver on inter-state transmission charges of the electricity generated from solar sources for projects commissioned upto 30.06.2025 , thus interstate transmission charges need not be factored in the bid price. However all charges payable to SLDC, RLDC, by the open access applicant shall be borne by the successful bidder himself.

In case the successful bidder is a trader or DISCOM with LTA then the application for open access shall be punched by the successful bidder on behalf of KSEBL. If the successful bidder is a Generator/DISCOM without LTA/ embedded intrastate entity Generator, then KSEBL will apply for open access. In such cases all charges payable to SLDC/RLDC charges shall be reimbursed to KSEBL without any rebate within 3 working days on receipt of the bill from KSEBL, beyond which Late Payment Surcharge @ 15% (Fifteen Percent) per annum shall be applicable.

- 3.4** The tariff should be constant and there shall be no escalation during the contractual period. The final acceptance of tariff discovered through DEEP portal after e-reverse bid, will be on comparison with the tariff at which the latest solar renewable power procurement agreements has been executed by the procurer.
- 3.5** If the solar power is being supplied through alternate source, additional charges and losses if any, due to cancellation of existing corridor and booking of new corridor etc., shall be to the account of Bidders.
- 3.6** **CUF LIMITS:** Bidders shall upload the declared CUF at the time of

bidding. Max allowable variation from the bidder specified CUF is +10 % and -20 % [Annexure IV].

- 3.7** In case the project generates and supplies energy less than the energy corresponding to the minimum CUF during the contract period, the successful bidder will be liable to pay to procurer, penalty for such shortfall below such contracted CUF level.
- 3.8** Successful bidder shall offset procurer for all potential costs (opportunity cost associated with shortfall in supply of contracted power, penalty for non-compliance of RPO obligation and other associated costs if any) associated with low generation and supply of power under the PPA, subject to a minimum of 25% (twenty five percent) of the cost of this shortfall in energy terms calculated at PPA tariff.
- 3.9** Procurer, shall not be obliged to purchase any additional energy from the successful bidder beyond the contracted capacity with the maximum CUF.
- 3.10 Purchase of excess energy:** In case the availability is more than the maximum specified CUF or the maximum declared CUF as the case maybe, Solar Power Generator will be free to sell it to any other entity, provided, first right of refusal will vest with the procurer. In case the procurer purchases the excess generation, it will do so at 75% (seventy-five per cent) of the PPA tariff. The solar power generator shall ascertain the availability of excess energy over that corresponding to the maximum specified CUF or the maximum declared CUF as the case maybe, well in advance, and shall intimate the same to procurer. Procurer shall within a period of 15 days intimate its decision on the purchase of this excess energy.

4. Bid submission and evaluation

- 4.1 To ensure competitiveness, the minimum number of Bidders should be at least two. If the number of Bidders responding to the RfP is less than two, and Procurer still wants to continue with the selection process, the selection of that single Bidder may be done with the consent of the Appropriate Commission.
- 4.2 The Procurer shall constitute a Standing Committee for evaluation of the Bids.
- 4.3 The process of e-Bidding shall be conducted online, in accordance with the provisions laid herein. Each e-Bidding event shall comprise of two parts i.e. e-Tender and e-Reverse Auction. Each of the bid will

have to be signed by the Digital Signature of the Bidder.

- 4.4 The Bidder shall use one Digital Signature to submit bid through one login and for each login the Bidder may submit only one price bid from one source.
- 4.5 The process of bidding shall be conducted electronically. For this purpose, provisions like registration, log in, downloading and uploading etc. in the e- Bidding portal shall be as notified in the MoP guidelines issued on 30-03-2016 and further amendment on 30-12-2016. An event involves both e- Tender and e-Reverse auction process. Each event of the auction would require independent Digital Signature of the Bidder.
- 4.6 Bidders shall be required to submit separate non financial technical Bid and Financial Bids i.e. Initial Price Offer (IPO) through e Bidding portal. The Bidder will have the option to indicate their minimum threshold quantity and the same would be considered for allocation of power to the Bidder(s), subject to the minimum bid quantity. The non-financial Bids shall contain the acceptance of general terms and conditions without any deviation and information about the sources from which the Bidder shall supply the solar power. Bidders shall also be required to furnish necessary EMD/Bank Guarantee along with the Bids. The Bidders can revise their IPOs before date and time of submission of RfP. The Procurer can seek clarifications/documents required in connection with technical bid. After acceptance of the non-financial technical Bids, the Financial Bids shall be opened as per the procedures specified in the Bid document.
- 4.7 The IPO shall be strictly as per the format prescribed in the RfP and shall be unconditional. The conditional price bid shall be summarily rejected.
- 4.8 In the event, if two or more Bidders quote the same amount of Tariff during IPO and e-Reverse Auction stage, the time of submission of bid will be the deciding factor for their ranking.
- 4.9 The elimination of the Bidders shall be done by the following method:
 - i) After the opening of Initial Price Offers, the system will rank the Bidders according to their price bids. The Bidder with the highest price bid in IPO stage will be called the H1 Bidder. The system will then

analyze all the quantities offered by the Bidders in the IPO stage. If the total quoted quantity is greater than twice the Requisitioned Quantity, the Highest Bidder(H1) will be eliminated provided that the total quoted quantity after elimination is not less than or equal to twice the Requisitioned Quantity.

- 4.10 "The shortlisted Bidder after elimination will be intimated individually by system generated emails only. The Reverse auction should start within 120 minutes of opening of Initial Price Offers and shall continue for a period of next 120 minutes. During the Reverse Auction the Bidders will have the option of reducing the tariff quoted by them in decrements of one paise or multiples thereof and to increase the quantum quoted by them by 1 MW or multiples thereof. During the Reverse Auction the prevailing Lowest Tariff would be visible to all the Bidders.

Provided that during the last 10 (ten) minutes before the scheduled close time of e-Reverse auction, if a price bid is received which is lower than the lowest prevailing price bid recorded in the system during e-Reverse auction, the close time of e-Reverse auction will be automatically extended by 10 (ten) minutes from the time of the last price bid received. This process of auto extension will continue till there is a period of 10 (ten) minutes during which no price bid is received which is lower than the prevailing lowest price bid ".

- 4.11 The Bidders will have the option to increase the quantum of power upto corresponding to the value of EMD submitted along with IPO, but decrease the Tariff during the e-Reverse Auction process.

- 4.12 The Bidder after the e-RA process will be ranked in accordance with the tariff offered in ascending order. The list would also include the name, quantum offered and tariff quoted by those qualified Bidder(s) who have not changed the quantum of power and tariff from IPO stage to e-RA stage. The Bidder(s), in order of their rankings, offering the quantum of power upto the requisitioned capacity would be the Successful Bidder(s). The Procurer may procure power from the Successful Bidders in the order of their rankings decided on the basis of tariff quoted by them until the entire Requisitioned Capacity is met.

- 4.13 The Procurers shall have the right to issue Letter of Award (LoA) to the Successful Bidder(s) [Selected Bidder(s)] in the same order to fulfil its requirement, which can be lower than the Requisitioned Capacity but not less than the quantum of Lowest Bidder. In the event Procurer rejects or annuls all the Bids, it may go for fresh Bids hereunder. In case the Procurer fails to issue the LoA within a period of 30 days from the close of e-Reverse

Auction, the Successful Bidder(s) shall have the option to exit without forfeiting the EMD.

- 4.14 In case the Selected Bidder(s) is allocated a quantity of power less than the minimum threshold quantum mentioned by it, it shall have the option to exit without forfeiting the EMD.
- 4.15 In case the LOA is issued, but Selected Bidder(s) is/are not in a position to fulfil the requirement, being selected in another bidding process the EMD/CPG shall be forfeited as the case may be.
- 4.16 After selection, a Letter of Award (the "LOA") shall be issued, in duplicate, by the Procurer to the Selected Bidder(s) and the Selected Bidder(s) shall, sign and return the duplicate copy of the of the LOA in acknowledgement thereof. In the event the duplicate copy of the LoA duly signed by the Selected Bidder(s) is not received by the stipulated date, the Procurer may, unless it consents for extension of time for submission thereof, forfeit the EMD of such Bidder as Damages on account of failure of the Selected Bidder(s) to acknowledge the LOA.
- 4.17 After acknowledgement of the LOA by the Selected Bidder(s), the Procurer shall cause the Selected Bidder(s) to execute the PPA within 15 days. The Selected Bidder(s) shall not be entitled to seek any deviation, modification or amendment in the PPA. The Procurer would appropriate the EMD of such Bidder as Damages on account of failure of the Selected Bidder(s) to execute the PPA. In case the Procurer fails to sign the PPA within the period prescribed above, the Selected Bidder(s) shall have the option to exit without forfeiting the EMD/CPG as the case may be.

5. Contract Documents.

Power Purchase Agreement (PPA) will have to be signed by the Selected Bidder. The Selected Bidder must commence supply of power with effect from 15.06.2022 or date of commencement of supply as per LoA whichever is later.

6. Compliance to the terms and conditions.

The Bidders are advised to ensure that the bid is fully complied with the requirements specified and terms and conditions contained in the Bid document. No deviation from these conditions is permissible and a bid

with any deviation shall summarily be rejected.

7. Tender Fee and Earnest Money Deposit (EMD)/ Bank Guarantee (BG)

- a. The applicants are required to submit non-refundable tender fee of **Rs.15000/- plus 18% GST** (GST registration number may be provided), as Demand draft drawn in favour of Secretary, Kerala State Electricity Board Limited OR through electronic mode i.e. credit card/debit card/net banking in favour of the Secretary, Kerala State Electricity Board Ltd. In case of transfer through electronic mode, the details of remittance of tender fee shall be accompanied along with the submission of Bid.
- b. The Bidders are required to submit EMD for the maximum capacity which they wish to offer (in single bid or sum total of multiple bids) @ **Rs. 30,000/- per MW per month on RTC** (30 days, 24 hours) **basis** and same shall be reduced on pro-rata basis in case bids are invited on hourly basis, in the form of Bank Guarantee/e Bank Guarantee issued by any Nationalized/Scheduled Bank or Electronically Transfer through payment gateway provided by MSTC Ltd. in the portal.

For Example: For a requirement of 1 MW for 15 days for 4 hours, the EMD shall be $Rs. 30,000 \times (15 \text{ days} / 30 \text{ days}) \times (4 \text{ hrs} / 24 \text{ hrs}) = Rs. 2,500/-$

The original EMD (soft copy) needs to be submitted and uploaded online on DEEP Portal before the opening of the Non-Financial Technical Bid. The last date of submission of original EMD (Hard Copy) in the office of the Chief Engineer (Commercial & Planning) is before the IPO opening date.

- c. The EMD shall be forfeited:
 - If Bidder withdraws bid during Bid Validity Period except as provided in these guidelines.
 - For non-submission of Contract Performance Guarantee by

Successful Bidder(s).

- d. The EMD shall be refunded to the unsuccessful Bidders within 10 days of expiry of Bid validity period.
- e. The EMD of the Successful Bidder(s) shall be refunded after furnishing the Contract Performance Guarantee (CPG).

The Bidder shall submit the Bid Security in favour of The Secretary, Kerala State Electricity Board Ltd. If Non Financial Technical Bid is not submitted or if on opening Non Financial Technical Bid, it is observed that Bid Security is not enclosed or is less than the above amount, the bid may be rejected outrightly and Financial Bid submitted by such rejected Bidder will not be opened.

In case of furnishing Tender Fee/ EMD through electronic transfer:

Bank details are as follows:-

| | |
|------------------|--|
| Beneficiary Name | Secretary, Kerala State Electricity Board Limited |
| Account No | 57065480137 |
| Name of Bank | State Bank of India |
| Branch | KSEB Admin Complex Branch, Pattom, Thiruvananthapuram. PIN -695004 |
| IFS Code | SBIN0070493 |

In case of furnishing e BG, the following details may please be noted:

SFMS for E BG: STATE BANK OF INDIA - COMMERCIAL BRANCH ERNAKULAM

IFS code: SBIN0004062

8. Contract Performance Guarantee (CPG)

- a. The Successful Bidder(s) may be required to furnish CPG within 7 days from the date of selection of Successful Bidder(s) for an amount calculated at **Rs. 2 lac per MW per month** (30 days, 24 hours) of contract period or part thereof. The CPG for the procurement of power on hourly basis shall be calculated on pro-rata basis as per the example given above for calculating EMD.

- b. The CPG shall be in the form of BG issued by any Nationalized/Scheduled Bank and valid for the period of Contract with a claim period of 1 month after the expiry of contract period.
- c. In the event, the CPG is not furnished within the stipulated date, the EMD submitted against the Notification shall be forfeited.
- d. The CPG provided by the Successful Bidder(s) shall be forfeited for non-performing the contractual obligations. The CPG should be released within 30 days after completion of Contract Period.

9. KSEB Ltd's right to accept / reject the bid

KSEB Ltd in its own discretion has the right to reject all Bids if the quoted tariffs are not aligned with the prevailing market prices and also to drop the tender initiation at any stage without assigning any reason and no claim on any account in this regard shall be entertained.

10. Modification of the Bid Documents

KSEB Ltd reserves the right to modify any part of the terms and conditions of the Bid Document by issuing one or more amendments prior to the last date of submission of the bid ("Amendment"). Any Amendment shall form part of the Bid Document, and shall be binding.

12. Confidentiality

For the purpose of transparency, KSEB Ltd shall make the bids public by indicating the tariff quoted by all the bidders, after signing of the PPA or the PPA becoming effective, whichever is later. While doing so, only the name of the successful bidders shall be made public and tariff quoted by other bidders shall be made public anonymously.

13. Bid Validity Period

The offer shall remain valid for a period of 30 days from the date of e Reverse Auction and the bidders shall have no right to withdraw the offer or alter any terms and conditions during the period of the validity.

14. Governing Law

All matters arising out of or in conjunction with the Bid Document and/or the bidding process shall be governed by and construed in accordance with Indian laws and courts of Kerala shall have exclusive jurisdiction.

15. Disclaimer

Neither KSEB Ltd nor its employees or consultants shall be liable to any Bidder or any other person under any law including the law of contract, tort, the principles of restitution or unjust enrichment or otherwise for any loss, expense or damage which may arise, or be incurred, or suffered, in connection with the bid, or any matter that may be deemed to form part of the Bid document or any other information supplied by or on behalf of KSEB Ltd or its employees or consultants. For the avoidance of doubt it is expressly clarified that this Bid Document is an offer to bid and is subject to the award of Letter of Intent (LoI) by KSEB Ltd and subsequent signing of PPA.

16. Clarifications:

In case of any clarifications please contact the office of the undersigned in the details given below and no request regarding giving relaxation or for overlooking any mistake committed by the bidder after the submission of Bid will be entertained.

The Chief Engineer (Commercial & Tariff)

8th Floor, Vydyuthi Bhavanam, Pattom,

Thiruvananthapuram - 695 004, Kerala.

Telephone: +91 471 2514366

E-mail: dce.cp@kseb.in;

(Contact No: 9496008569, Executive Engineer (Commercial))

Sd/-

Chief Engineer (Commercial & Tariff)

Time table for short term Procurement bid process

| Sl. No. | Event | Date |
|---------|---|------------------------------------|
| 1 | Publication of RfP/Activation of Event | 20-05-2022 |
| 2 | Last date for submission of queries if any | 24-05-2022 |
| 3 | Reply of queries | 26-05-2022 |
| 4 | Submission of RfP (on line digitally signed non financial technical Bid and IPOs) | 30-05-2022; 02:00pm |
| 5 | Opening of non financial technical Bids | 30-05-2022; 3:00pm |
| 6 | Clarification, if any, sought from Bidder(s) | 01-06-2022 |
| 7 | Evaluation of nonfinancial technical Bids | 03-06-2022 |
| 8 | Opening of IPOs (upto 1300 hrs) | 06-06-2022 11:00 am to 1:00 pm |
| 9 | Start of e-RA | 06-06-2022 01:00 pm to 03:00 pm |