GLOSSARY

Applicant	As defined in Clause 1.1.6
Application	As defined in the Disclaimer
PPA	As defined in Clause 1.1.3
Authorised Representative	As defined in Clause 1.1.1
Bid Due Date	As defined in Clause 1.1.6
Bids	As defined in the Disclaimer
Bid Security	As defined in Clause 1.2.11
Bidder(s)	As defined in Clause 1.1.3
Bidding Document	As defined in the Disclaimer
Bidding Process	As defined in Clause 1.2.1
e-Tender Stage	As defined in Clause 1.2.2
BOLT	Build, Own, Lease and Transfer
BOO	Build, Own and Operate
BOOT	Build, Own, Operate and Transfer
BOT	Build, Operate and Transfer
FOO	Finance, Own and Operate
Government	Government of India/State
LOA	Letter of Award
Lowest Bidder or L1	As defined in Clause 1.2
PPP	Public Private Partnership
Qualification	As defined in Clause 1.2.2
Qualified Bidders	As defined in Clause 1.1.3
Re. or Rs. or INR	Indian Rupee
Selected Bidder	As defined in Clause 1.1.7
Supplier	As defined in Clause 1.1.7
Supply of Electricity	As defined in Clause 1.1.2
Successful Bidder	As defined in Clause 1.1.7
Tariff	As defined in Clause 1.2.21
Technical Capacity	As defined in Clause 2.2.2

The words and expressions beginning with capital letters and defined in this document shall, unless repugnant to the context, have the meaning ascribed thereto hereinabove.

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Name of Utilities are as follow:

Sl. No	Name of Utility*	Requisite Quantum* (MW)
1.	Gujarat Urja Vikas Nigam Ltd.	1000
2.	Maharashtra State Electricity Distribution Company Ltd.	500
3.	Madhya Pradesh Power Management Company Ltd.	660
4.	New Delhi Municipal Corporation	250
5.	Tamil Nadu Generation and Distribution Corporation Ltd.	1500

*tentative

(Collectively referred to as the "Utilities")

1 INTRODUCTION

1.1 Background

1.1.1 PFC Consulting Limited, a wholly owned subsidiary of Power Finance Corporation Limited (Government of India Undertaking) (the "**Authorised Representative**"), has been authorised by the Ministry of Power, Government of India to aggregate power with or without the requisition of the States or by an agency authorised by such States (the "**Authorised Representative**") and to carry out the Bidding Process for selection of the Successful Bidder(s), on behalf of the Utilities.

1.1.2 The Authorised Representative/Utilities has decided to procure electricity from a power generating station that would dedicate a contracted capacity of 4500 MW for production of electricity and supply thereof for a period of 5 (five) years (the "**Project**") through Public Private Partnership (the "**PPP**") on Finance, Own and Operate (the "**FOO**") basis, by sourcing coal from the Allocated Coal Linkage in terms of the Letter of Assurance issued/to be issued in the name of the Supplier and the Fuel Supply Agreement to be executed between the Supplier and the Coal Supplier in accordance with the draft PPA (the "**Supply of Electricity**"), and Authorised Representative has, therefore, decided to carry out the Bidding Process for selection of a corporate entity (ies) as the Successful Bidder(s) to whom the contract may be awarded for production of electricity and supply thereof as per the terms and conditions specified in the Bidding Document.

A. Brief particulars of the Supply of Electricity are as follows:

Requisition	**Capacity Required** (in MW)	**Period when supply must commence**	**Delivery Point**
RTC	**4500**	April 2023	Nearest interconnection point of the Power Station with the CTU System i.e. point of grid connection

B. Brief particulars of the Coal Linkage are as follows: (To be intimated later)

S. No	**Name of Subsidiary**	**Source & Grade**	**Quantity of Coal (MT)**	**Power Quantum (MW)**

1.1.3 The Utilities shall sign power purchase agreement with the Successful Bidder(s) (the "**Power Purchase Agreement**" or the "**PPA**") in the form provided as part of the Bidding Documents pursuant hereto. The Authorised Representative intends to

pre-qualify and short-list suitable Applicant(s) (the "**Qualified Bidders**") whose Bid shall be opened on the date specified at Clause 1.3 of the Bidding Document (the **"Bidders"**), for awarding the contract through an open competitive bidding process in accordance with the procedure set out herein.

1.1.4 The scope of work will broadly include operation and maintenance of the Power Station and supply of electricity, in accordance with the terms of the PPA.

1.1.5 All Applicants shall indicate the particulars of the relevant Power Station in the form specified at Annex-IV of Appendix-I and as available at e-Bidding Portal ("**DEEP Portal**"). Applicants may bid for minimum 100 (one hundred) MW.

1.1.6 The Authorised Representative shall receive Applications pursuant to the Bidding Document in accordance with the terms set forth herein as modified, altered, amended and clarified from time to time by the Authorised Representative, and all Applications shall be prepared and submitted in accordance with such terms on or before the date specified in Clause 1.3 for submission of Applications (the "**Bid Due Date**") by the prospective bidders (the "**Applicants**").

1.1.7 The Qualified Bidder(s) who are issued Letter of Award (LoA) (the "**Selected Bidder(s)**") and who accept the LoA (the "**Successful Bidder**" or the "**Supplier**") shall be responsible for financing, operation and maintenance of the power station, under and in accordance with the provisions of PPA.

1.2 BRIEF DESCRIPTION OF BIDDING PROCESS

1.2.1 The Authorised Representative has adopted a single-stage bidding process (**"Bidding Process"**) for selection of the bidder for award of the Supply of Electricity.

1.2.2 The single stage (the **"e-Tender Stage"**) of the process involves qualification (the **"Qualification"**) of interested parties who submit Application and Bids in accordance with the provisions of this Bidding Document. Prior to submission of the Application, the Bidder shall pay to the Authorised Representative a sum of Rs 5,00, 000 (Rupees Five Lakhs only) plus applicable taxes as indicated above, as the cost of the Bidding Process. The requisite fee plus applicable taxes shall be deposited to Authorized Representative through identified mode of payment.
Bank details of Authorised Representative:

Name	PFC CONSULTING LTD E-Deep
Bank	ICICI Bank
Account No.	000705050220
IFS Code	ICIC0000007

1.2.3 Omitted

1.2.4 All the Applicants would be able to participate in the e-Bidding events on making payment of the requisite fees of Rs. 8000 (Rupees Eight Thousand) per MW, to the Authorized Representative to participate in the e-Bidding event. The requisite

fee plus applicable taxes shall be deposited to Authorized Representative through identified mode of payment.

1.2.5 After the completion of the Bidding Process, i.e. issuance of LoA to Selected Bidder (s) only the Selected Bidder(s) will be charged the requisite fees for the quantum allocated to each Selected Bidder @ Rs. 8000 per MW plus applicable taxes. The balance amount will be refunded by the Authorized Representative within seven (7) working days of completion of Bidding Process i.e. issuance of LoA to Selected Bidder(s) without any interest for the quantum of power for which LoA is not issued.

1.2.6 The fee deposited by non-Selected Bidder(s) will also be refunded by the Authorized Representative without any interest within seven (7) working days of completion of Bidding Process i.e. issuance of LoA to Selected Bidder(s).

1.2.7 At the e-Tender Stage, the Bidder will be required to submit its Application and Bid online at the DEEP Portal on or before the Bid Due Date.

1.2.8 In the e-Tender Stage, Applicants would be required to furnish all the information specified in the Bidding Document by submitting

a. Application for qualification in accordance with the eligibility requirement under the Bidding Document and
b. Bid in accordance with Bidding Document.

1.2.9 The Bid shall be valid for a period of not less than 120 days from the Bid Due Date or as may be mutually extended. The Bids of only those Applicants that are pre-qualified and short-listed by the Authorised Representative after evaluation of their Application, shall be opened on such date as specified under Clause 1.3 of the Bidding Document.

1.2.10 The Authorised Representative is likely to provide a comparatively short time span for submission of the Bids for the Supply of Electricity. The Bidders are, therefore, advised to familiarise themselves with the terms of the PPA that will govern the structure of the Supply of Electricity. The model PPA has been notified by the Government under section 63 of the Electricity Act 2003 for tariff-based bidding by the Authorised Representative.

1.2.11 **BID SECURITY**

a. In terms of the Bidding Document, a Bidder will be required to deposit, along with its Bid, a bid security of **Rs 5,00,000 (Rupees Five lakh) per MW of maximum capacity to be offered by the Bidder** (the **"Bid Security"**), in the form of a bank guarantee or e-bank guarantee issued by a nationalized bank, or a Scheduled Bank in India having a net worth of at least Rs. 1,000 crore (Rs. one thousand crore), in favour of the Authorised Representative in the format at Appendix–III (the "Bank Guarantee") and having a validity period of not less than 180 (one hundred eighty) days from the Bid Due Date, inclusive of a claim period of 60 (sixty) days, and may be extended as may be mutually agreed between the Authorised Representative and the Bidder from time to time. In case the Bank Guarantee is issued by a foreign bank outside India, confirmation of the same by

any nationalized bank in India is required. For the avoidance of doubt, Scheduled Bank shall mean a bank as defined under Section 2(e) of the Reserve Bank of India Act, 1934.

b. The Bid Security deposited by non-Selected Bidder(s) will be refunded by the Authorized Representative without any interest within seven (7) working days of completion of Bidding Process i.e. issuance of LoA to Selected Bidder(s), except in the case of the Selected Bidder whose Bid Security shall be retained till it has provided a Performance Security under the PPA.

PPA.

c. The Applicants will have an option to provide Bid Security in the form of a demand draft issued by a Scheduled Bank in India, drawn in favour of the Authorised Representative and payable at Delhi (the "**Demand Draft**"). The demand draft shall be kept valid for a period not less than 180 (one hundred and eighty) days from the Bid Due Date, by submitting another demand draft before expiry of the existing demand draft and may be further extended as may be mutually agreed between the Authorised Representative and the Bidder from time to time. The Authorised Representative shall not be liable to pay any interest on the Bid Security deposit so made and the same shall be interest free

d. In case a bank guarantee is provided, its validity period shall not be less than 180 (one hundred and eighty) days from the Bid Due Date, inclusive of a claim period of 60 (sixty) days, and may be extended as may be mutually agreed between the Authorised Representative and the Bidder from time to time. The Bid shall be summarily rejected if it is not accompanied by the Bid Security.

e. Any Bid not accompanied by the Bid Security shall be summarily rejected by the Authorised Representative as non-responsive.

f. The Successful Bidder's Bid Security will be returned, without any interest, upon the Supplier signing the PPA and furnishing the Performance Security in accordance with the provisions thereof. The Authorised Representative may, at the Successful Bidder's option, adjust the amount of Bid Security in the amount of Performance Security to be provided by him in accordance with the provisions of the PPA.

g. The Authorised Representative shall be entitled to forfeit and appropriate the Bid Security as Damages inter alia in any of the events specified herein below. The Bidder, by submitting its Bid, shall be deemed to have acknowledged and confirmed that the Authorised Representative will suffer loss and damage on account of withdrawal of its Bid or for any other default by the Bidder during the period of Bid validity as specified in the Bidding Document. No relaxation of any kind on Bid Security shall be given to any Bidder.

h. The Bid Security shall be forfeited as Damages without prejudice to any other right or remedy that may be available to the Authorised Representative under the Bidding Document and/ or under the PPA, or otherwise, if,

i. a Bidder submits a non-responsive Bid;

ii. a Bidder engages in a corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice as specified in the Bidding Document;

iii. a Bidder withdraws its Bid during the period of Bid validity as specified in the Bidding Document and as extended by mutual consent of the respective Bidder(s) and the Authorised Representative ;

iv. the Successful Bidder fails within the specified time limit-

1) to sign and return the duplicate copy of LoA;
2) to sign the PPA; or
3) to furnish the Performance Security within the period prescribed therefor in the PPA; or

v. the Successful Bidder, having signed the PPA, commits any breach thereof prior to furnishing the Performance Security.

1.2.12 The Bid evaluation shall be done coal source wise with bucket filling approach.

1.2.13 The list of Qualified Bidders for consideration of evaluation for a coal source shall be arrived at by considering the last Bidder whose Bid is less than or equal to 110% of Fixed Charge plus fuel component of Variable charge of the L1 Bidder for that coal source.

1.2.14 The bids shall be evaluated source wise starting with the source with higher quantity of coal. In case two sources have equal coal quantity, the source having the lowest average price per kWh quoted by the Bidders shall be taken up first.

1.2.15 The Lowest Bidder for a source shall be allocated maximum coal from that source subject to coal quantity commensurate with the capacity offered by that Bidder. Thereafter, if further quantity of coal is available in that source, quantity offered by the next Lowest Bidder after L1 shall be exhausted. This will continue for remaining Bidders until the last Qualified Bidder or the source quantity is exhausted, whichever is earlier. If any Bidder has spare capacity after exhaustion of a source, it shall be considered for shortlisting in other sources also for the balance capacity.

1.2.16 In case there is a tie between the prices offered by two Bidders, the Bidder quoting lower Fixed Charge per kWh shall be selected first.

1.2.17 After the entire process, the constraint for minimum offer quantity shall be checked against all the Selected Bidders. In case any Bidder is allocated a total quantity which is less than its minimum offered quantity, the coal allocation to such Bidder shall not be considered and aggregate quantity of power procurement shall get modified to that extent.

1.2.18 Omitted

1.2.19 As part of the Bidding Documents, the Authorised Representative will provide a Draft PPA.

1.2.20 Bids are invited for the Supply of Electricity under this Bidding Document, on the basis of a tariff to be offered by a Bidder for production and supply of electricity in accordance with the terms of the Draft PPA forming part of the Bidding Documents.

1.2.21 For the purposes of bidding hereunder, the Base Fixed Charge and the Base Variable Charge shall constitute the tariff for Supply of Electricity (the "**Tariff"**).

1.2.22 The Bidder shall quote a Tariff comprising of Base Fixed Charge and Base Variable Charge for each source of coal. The cost of Fuel and the transportation/transit thereof, shall form part of the Base Variable Charge.

The Base Fixed Charge and Base Variable Charge shall each be atleast 35% of the quoted Tariff. The Bid for the Project shall, therefore, comprise the Base Fixed Charge and the Base Variable Charge and the Bidder seeking the lowest Tariff shall be the Selected Bidder. Responsibility for arranging access, payment of transmission charges and for bearing losses in respect of inter-state transmission shall be that of the Utility. Responsibility for arranging access, payment of transmission charges and for bearing losses in respect of intra-state transmission shall be that of the Supplier.

1.2.23 Since the Selected Bidder is expected to source fuel from Coal India Limited ("**CIL**") / Singareni Collieries Company Limited ("**SCCL**") or a subsidiary thereof/ from the Allocated Coal Linkage which is earmarked by CIL/SCCL or a subsidiary thereof to the Authorised Representative..

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 for each source shall be the Selected Bidder.

1.2.24 Based on its Bid, a tariff shall be paid to the Supplier comprising of

(a) a Fixed Charge, as per the provisions of Article 11 of the PPA; and
(b) a Variable Charge, as per the provisions of Article 12 of the PPA

The Tariff shall be revised as per the terms of the PPA.

1.2.25 Further details of the process for submission of Bid to be followed at the Bid Stage and the terms thereof has been spelt out in the Bidding Document.

1.2.26 Any queries or request for additional information concerning the Bidding Document/ Bidding Process shall be submitted in writing by speed post/courier and e-mail attaching the queries in Microsoft word file so as to reach the officer designated in Clause 2.12.3 by the specified date. The envelopes/ communications shall clearly bear the following identification/ title:

"Queries/ Request for Additional Information: Bidding for Procurement of Aggregated Power for Group of States - Supply of Electricity".

1.3 Schedule of Bidding Process

The Authorised Representative shall endeavour to adhere to the following schedule:

	Event Description	Date
1.	Publication of Bidding Document	21.11.2022
2.	Last date and time for receiving queries on Bidding Document	01.12.2022
3.	Pre-Application Meeting	07.12.2022
4.	Response to queries latest by the Applicants	12.12.2022
5.	Last date and time of submission of application and bid (Bid Due Date)	21.12.2022
6.	Opening of Application to the extent of only qualification requirement	21.12.2022
7.	Intimation to short-listed and pre-qualified Bidders for opening of their Bids	28.12.2022
8.	Opening of Bids of qualified bidders and completion of bid evaluation process	05.01.2023
9.	Letter of Award (LoA) (to Selected Bidder(s))	Within 10 days of the completion of bid evaluation process
10.	Validity of Bids	120 days of Bid Due Date or as may be mutually extended
11.	Signing of PPAs (between successful bidders and procuring Utilities on one to one basis based on allocated capacity)	Within 10 days of award of LoA

1.4 Pre-Bid Meeting

The date, time and venue of the Pre-Bid Meeting shall be:

Date: 07.12.2022
Time: Will be informed later
Venue: Will be informed later