

Request for Proposal

For

Allotment of Pumped Hydro Storage Sites in Madhya Pradesh

By

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Request for Proposal for “Allotment of Pumped Hydro Storage Sites in Madhya Pradesh”

1. Background

- 1.1. Central Electricity Authority (CEA) has estimated the India’s installed capacity by end of 2029-30 as 817 GW in their report published in 2019. The solar and wind project capacities at the end of 2029-30 would be 140 GW and 280 GW respectively. For smoother RE grid integration, CEA envisaged that nation would require at least 10,151 MW of Pumped Hydro Storage (PHS) capacity along with a Battery Energy Storage capacity of 27,000 MW.
- 1.2. Ministry of Power, GoI vide order F.No.09/13/2021-RCM dated 22nd July 2022 prescribed share of renewables in the energy mix of the country as 43.33% by FY 2029-30. Further, for the first time, year-wise target for energy storage is prescribed for the nation. It is aimed to have 4% of total energy consumed through energy storage sources by FY 2029-30.
- 1.3. Globally, Pumped Hydro Storage is considered as a proven technology to provide energy storage solutions ranging from peak power supply to ancillary service management.
- 1.4. Madhya Pradesh is having huge potential for Pump Hydro Storage Project, CEA has estimated total run-of-river storage potential of 11.2 GW in state. Similarly, owing to favourable terrains, suitable for development and upper and lower reservoirs, there is tremendous off-river potential also exist in the State.
- 1.5. With objective to unlock the enormous Pump Hydro Storage potential, GoMP has recently unveiled a “*Scheme for implementation of Pumped Hydro Storage (PHS) Projects in Madhya Pradesh*”.
- 1.6. In accordance with the notified Scheme, New and Renewable Energy Department, designate Rewa Ultra Mega Solar Ltd (RUMSL, is a state-based JV company between SECI, GoI and MPUVN, GoMP) to conduct this bid process.
- 1.7. RUMSL hereby publish this RFP to allot PHS site to eligible bidder through competitive bidding basis. This RFP shall be read along with the above-mentioned Scheme and in case of any contradiction between the said Scheme and this RFP, the provision of Scheme shall prevail.

2. Objective

- 2.1. To allot PHS site(s) in Madhya Pradesh to eligible and qualified Organization for development of Pump Hydro Storage Project within stipulated timelines as mentioned in this RFP.

3. Conditions of Eligibility of Bidder

- 3.1. Bidder must read carefully the minimum conditions of eligibility provided herein. Proposals of only those Bidder will be considered for evaluation who satisfies the Conditions of Eligibility.
- 3.2. **Eligibility of Criteria:** To be eligible for evaluation of its Proposal, the Bidder shall fulfil the following Minimum Criteria:

I. Bid Document Fees:

- a. The Bidder shall purchase the bidding document from <https://mptenders.gov.in/nicgep/app> (*e-Tender Portal*). The cost of Bidding Document shall be INR 250000 + GST @ 18% i.e., total value INR 295000 only (Indian Rupees Two Lakhs Ninety Five Thousand only).
- b. The bid document is non-transferrable and proof of payment of purchase of bid document shall be provided along with the bid. Non-submission of the same shall provide right to RUMSL to outrightly reject the bid.

II. Bid Security:

- a. The Bidder shall furnish, as part of its Proposal, a Bid Security of ₹ 10,00,000 (Indian Rupees Ten Lakhs) online on e-Tender Portal.
- b. Bid Security may be furnished in any of the below mentioned form¹:
 - a. Bank Guarantee (Annex -2)
 - b. Demand Draft
 - c. NEFT/IMPS/RTGS
- c. Any Proposal, not accompanied by the Bid Security, shall be treated as non-responsive and summarily rejected;
- d. The bid security instrument should be initially valid for 180 days from the date of opening of the technical proposal; and the bidder shall extend the validity on request of RUMSL, if required;
- e. The Bidder, by submitting its proposal pursuant to this RFP, shall be deemed to have acknowledged that, without prejudice to any other right of the RUMSL

¹ Please refer to “Instructions for submitting tender online” in Annexure 10 of this RFP in case of submission of Bid Security as Bank Guarantee or Demand Draft

or remedy hereunder or in law or otherwise, the Bid Security shall be forfeited and appropriated by RUMSL under the following conditions:

- If a Bidder withdraws its Proposal during the period of its validity and as extended by the Bidder from time to time; or
 - In the case of a Bidder being selected and fails to accept the Letter of Award along with submission of PBG order within 10 days from issuance of Letter of Award.
 - The Bid Security will be returned to the Selected Bidder on receipt of Performance Security as prescribed in this bid document.
- f. The Bid Security shall be auto-refunded by MP Tenders to the unsuccessful Bidders.

III. Technical and Financial Bidding Parameters:

- a. The participating firms in this RFP could be a Company or Partnership firm or LLP firm registered under applicable Act of India.
- b. Maximum upto three (3) eligible entities registered under applicable Act of India as specified in III (a) above shall form a consortium for participating in this RFP. Bidder has to submit Consortium Agreement on Non-Judicial Stamp Paper (NJSP) of Madhya Pradesh of value Rs. 1000, if applicable, along with the technical proposal. ***All Consortium Firms shall be Severally and Jointly liable for development of PHS project*** after site allotment. Consortium Firms shall have to form a SPV Company duly registered under relevant Act of India within 60 days from date of site allotment, failing which NRED may cancel the allotment.
- c. Bidder shall have minimum Net Worth of INR 1,30,00,000 (Indian Rupees One Crore and Thirty Lakhs) per MW of the indicated capacity of the PHS site during any of the last three years i.e. FY 2019-20, FY 2020-21 and FY 2021-22. In case of consortium, Net-worth criteria must be met individually or collectively by all the Members of the Consortium, subject to the Lead Member demonstrating at least 51% (fifty one percent) of the Net Worth required for qualification.
- d. Bidder shall have executed/executing/operated/operating Power Generation project (Conventional or Renewable) of capacity equivalent to 25% of the total estimated potential of PHS site under bid or 500 MW whichever is lower, in

last 10 years. This Technical Capacity shall be met individually by the Bidder or Lead Bidder in case of Consortium.

Note:

(1) A Bidder is permitted to rely on the Net Worth of its Associate/Affiliate, either wholly or in part, for demonstrating its Financial Capacity. The detailed computation sheet by the Statutory Auditor/Chartered Accountant certifying the Net-worth of the Bidder. Shall be submitted by the bidder in support of meeting financial requirement specified at 3.2 (III) (c) of this bid document.

Associate/Affiliate means, in relation to a Bidder, or a Member of a Consortium, a Person who Controls, is Controlled by, or is under the common Control of such Bidder or Member of a Consortium.

(2) Completion certificate/work order of generation project shall be submitted by the bidder in support of meeting technical requirement specified at 3.2 (III) (d) of this bid document.

(3) Where a Bidder is a single entity and is declared as the Selected Bidder, it may at its option form an SPV to develop the PHS project. However, if the Selected Bidder is a Consortium, then it will be mandatory for such Selected Bidder to incorporate an SPV.

(4) The shareholders of the Bidder will be required to continue to legally and beneficially hold up to 74% (seventy-four) of the total Equity with voting rights, from the date of submission of the Proposal until the completion of the Bid Process and, if the Bidder is determined to be Selected Bidder and it chooses to incorporate an SPV, then until incorporation of the SPV.

(5) In case of the Bidder being a Consortium, the shareholders of each Member of the Consortium (**other than a Member being a listed company**) will be required to continue to legally and beneficially hold up to 74% (seventy-four) of the total Equity with voting rights, from the date of submission of the Proposal until the completion of the Bid Process and, if the Bidder is determined to be Selected Bidder, then until incorporation of the SPV.

(6) The promoters of the Selected Bidder (where the Selected Bidder is a single Company), as on the date of submission of the Bid, shall not cede control of the Selected Bidder until the expiry of a period of 3 (three) years from the

acceptance of Letter of PHS Site Allotment (LOPSA) for the said PHS Project, unless permitted otherwise by Office of Commissioner, NRE. In addition, where the Selected Bidder is a single Company and it chooses to incorporate an SPV, then the Selected Bidder shall legally and beneficially hold not less than 51% (fifty one percent) of the total Equity with voting rights of the SPV from the date of incorporation of the SPV and until the expiry of a period of 3 (three) years from the acceptance of LOPSA for the said PHS Project, unless permitted otherwise by Office of Commissioner, NRE.

(7) If the Selected Bidder is a Consortium, then the Consortium and its Members shall, in addition to incorporating an SPV, comply with the following conditions:

- a. The number of Members in such Consortium shall not exceed 3.
- b. The Qualification Proposal submitted by the Consortium should contain the required information of each Member of the Consortium.
- c. The Members of the Consortium shall nominate the Lead Member. Such nomination shall be supported by a power of attorney signed by all the Members of Consortium (and duly acknowledged by the Lead Member) and shall substantially be in the form set out in Annex - 4. The Lead Member shall have the authority to represent all the Members of the Consortium during the Bid Process, and until the incorporation of the SPV.
- d. The Consortium shall submit a binding and enforceable Consortium Agreement to RUMSL with its Bid, substantially in the form set out at Annex 5. Except as specifically permitted in accordance with the Bidding Documents, the Members of the Consortium shall not amend, vary or terminate the Consortium Agreement at any time during the validity period of the Bid, and if such a Consortium is determined to be the Selected Bidder then until the expiry of a period of 3 (three) years from the acceptance of LOPSA for the said PHS Project, without the prior written consent of Office of Commissioner, NRE.

- e. The Members of the Consortium shall undertake that they shall be jointly and /severally responsible and liable for meeting all of the obligations in relation to the Project(s).
- f. The Members of the Consortium shall subscribe and continue to legally and beneficially hold not less than 51% (fifty one percent) of the total Equity with voting rights of the SPV from the date of incorporation of the SPV until the expiry of a period of three (three) years from the acceptance of LOPSA for the said PHS Project , unless permitted otherwise by Office of Commissioner, NRE. Provided that the Lead Member shall subscribe and hold not less than 26% (twenty six percent) of the total Equity and voting rights of the SPV from the date of incorporation of the SPV until the expiry of a period of 3 (three) years from the acceptance of LOPSA for the said PHS Project, unless permitted otherwise by Office of Commissioner, NRE. Further, the Members of the Consortium, as on the date of submission of the Bid, shall not cede control of the Consortium until the expiry of a period of 3 (three) years from the acceptance of LOPSA PHS Project COD, unless permitted otherwise by Office of Commissioner, NRE.

Provided however, at all times from the date of incorporation of the SPV until 3 (three) years from the acceptance of LOPSA for the said PHS Project, in case of any change in shareholding of the SPV up to 49% of the total Equity with voting rights of the SPV, the Selected Bidder (i.e., the Lead Member and the Members of the Consortium) and the new shareholder of the SPV shall, individually or collectively, continue to maintain the Financial Capacity for the Project(s) awarded to the Selected Bidder.

- IV. Bidder (all Members in case of the Consortium) shall not be blacklisted/barred by the Central/State Government/ PSU in India, from participating in bidding of power sector project (inclusive of Generation, Transmission and Distribution projects). Firm on which such bar subsists as on the date of Proposal submission, would not be eligible to submit the Proposal and eligibility of the entire consortium shall be rejected; and
 - V. During the last three (3) years from the date of submission of proposal, Bidder or all Member of the Consortium should neither failed to perform on any agreement (*as evidenced by imposition of a penalty by an arbitral or judicial or regulatory authority or a judicial pronouncement or arbitration award against the firm*) nor been expelled from any project or agreement nor have had any agreement terminated for breach of contract by such Firm.
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4. Schedule of Selection Process

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|-----------|--|--|
| A. | Issue of RFP Document | 17/05/2023 |
| B. | Prebid Meeting | 02/06/2023 at 16:00 Hrs. The meeting shall be done virtually |
| C. | Time and date for submission of application | Technical Bid is required to be submitted in online completed in all aspects on or before 11:00 Hrs of 04/07/2023. Financial Bid shall be submitted online only on or before 11:00 Hrs of 04/07/2023 |
| D. | Time and date for opening of the Technical Bids. | 07/07/2023 at 11:00 Hrs. |
| E. | Time and date for opening of the Financial Proposal. | To be intimated separately |
| F. | Validity of Proposal | Minimum 180 calendar days from date of opening of Financial Proposal by RUMSL. |
| G. | Email for communication with RUMSL | rumsltenders@gmail.com |

4.1. Any modifications, amendments or corrigendum in RfP or timelines described under sub-clause 4 shall be updated ONLY online, through e-Tender Portal and shall not be notified to any of interested Bidder(s) individually. It will be sole responsibility and accountability of Bidder to keep itself updated about the RfP and its processes as well as timelines. RUMSL shall not be answerable or accountable for any implications, whatsoever.

5. Sites available for allotment

5.1. Following Sites are available for allotment through this bid process

| Sl. | Site Name | District | Village | Tehsil | Estimated Capacity (in MW) |
|-----|-------------|--------------------|---------------------|---------------------|----------------------------|
| 1 | Pataalkote | Chhindwara | Pataalkote-Chimtipu | Tamia | 1200 |
| 2 | Imalikheda | Betul | Imalikheda | Ghoradongri | 2000 |
| 3 | Bansagar | Shahdol | Hanumanpur | Beohari | 800 |
| 4 | Hiren | Damoh and Jabalpur | Tala and Dohra | Jabera and Patan | 1000 |
| 5 | Omkareshwar | Khargone | Buraliya | Mhow | 1200 |
| 6 | Pannari | Panna | Pannari | | 1800 |
| 7 | Chhatani | Rewa | Hanumana & Teonthar | Chhatani & Dhakhara | 600 |
| 8 | Ambapani | Dewas | Ambapani | Bagli | 740 |

| | | | | | |
|--------------|------------|-------------------|--------------------------------|--------------------------|--------------|
| 9 | Shivni | Barwani | Shivni | Pati | 1100 |
| 10 | Silpati | Betul | Shahpur | Silpati | 1560 |
| 11 | Palthara | Panna | Panna & Ajaigrah | Palthara & Bhasuda | 600 |
| 12 | Mend Mazra | Indore & Khargone | Dr. Ambedkar Nagar & Maheshwar | Mend Mazra & Navrangpura | 1200 |
| Total | | | | | 13800 |

- 5.2. Brief Details about the Site is available at <https://mpnred.in/phs-site-information/>. Bidder are requested to do their own due diligence w.r.t. to site data and site conditions. New and Renewable Energy Department, RUMSL and any of its affiliate organization shall not be held liable for any loss of whatsoever nature, caused to any organization by relying on the information provided at the above-mentioned website .

6. Preparation and submission of bids

6.1. Number of Bids

- 6.1.1. Each Bidder is permitted to submit only a single Bid. However, subject to a Bidder demonstrating the requisite Financial Capacity in accordance with Clause 3.2 (III) (c), there is no restriction on the maximum number of PHS sites that a Bidder can bid for in its Bid.
- 6.1.2. No Bidder shall submit more than one Bid for a PHS Site, either individually or, with any other entity(ies), including its Associates/Affiliates. Participation in more than one Bid shall disqualifies all such proposals in which the Bidder has participated.

6.2. Cost of bidding

- 6.2.1. The Bidders shall be responsible for all the costs associated with the preparation of their Bid and their participation in the Bid Process. RUMSL and its employees and advisors will not be responsible or in any way liable for such costs, regardless of the conduct or outcome of the Bid Process.

6.3. Language of Bid and Correspondence

- 6.3.1. The Bid prepared by the Bidder and all correspondence and documents related to the Bid exchanged by the Bidder and RUMSL shall be in **English**.
- 6.3.2. Any printed literature furnished by the Bidder may be written in another language, as long as such literature is accompanied by a translation of its pertinent passages in English, in which case, for purposes of interpretation of the Bid, the English translation shall prevail. The translated literature shall be duly authenticated and self-certified. Supporting documents that are not translated into English may not be considered by RUMSL.

6.4. Proposal Due Date

- 6.4.1. The Proposal shall be submitted online on or before the Proposal Due Date/Time mentioned in Clause 4 of this RFP. If any Proposal is received after the specified time on the Proposal Due Date, it shall be rejected and shall not be opened by RUMSL.

6.4.2. RUMSL may, at its discretion and for any reason, can extend the Proposal Due Date for all Bidders by issuing a Corrigendum in accordance with Clause 6.5, in which case all rights and obligations of RUMSL and the Bidders will thereafter be subject to the Proposal Due Date as extended.

6.5. Amendment of Bid Document

6.5.1. Up until the date that is mentioned in the Bid Schedule, RUMSL may, for any reason, whether at its own initiative or in response to a query raised or clarifications requested by a Bidder in writing or at the Pre-Bid Meeting, amend the Bid Documents by issuing an Addendum or revise the timelines set out under Clause 4 of this RFP.

6.5.2. All Addendum and Corrigendum will be provided through the e-Tender Portal.

6.5.3. The Bidders are required to read the Bid Documents along with any Addendum and Corrigendum that may be issued in accordance with this Clause 6.5.

6.5.4. Each Addendum/Corrigendum shall be binding on the Bidders, whether or not the Bidders convey their acceptance of the Addendum/Corrigendum.

6.6. Validity of Bids

6.6.1. Each Proposal shall be valid for a period, not less than 180 (One Hundred and Eighty) days from the Date of opening of Financial Proposal). For avoidance of doubt, the PHS charge quoted by the Bidder shall be valid for at least 180 (One Hundred and Eighty) days from the Date of opening of Financial Proposal). A Bid valid for a shorter period shall be rejected as being non-responsive.

6.6.2. In exceptional circumstances, prior to the expiry of the Bid validity period, RUMSL may request Bidders to extend the Bid validity period. The request and the responses will be made in writing. An extension of the Bid validity period will not entitle a Bidder to modify its Bid. In case Bidder is failed to extend the bid validity upon RUMSL request, the corresponding Bid shall be rejected as being non-responsive.

6.7. Currencies of Bid

6.7.1. All values with respect to a PHS Charges in the Proposal, should be stated in Indian Rupees with decimal digit upto two places only.

6.8. PHS Charge

6.8.1. It shall have the same meaning as ascribed under Clause 6.8.3 of *Scheme for implementation of Pumped Hydro Storage (PHS) Projects in Madhya Pradesh*.

6.8.2. Harit Urja Vikas Fees plus the Premium determined in the bid shall be termed as PHS Charges.

For avoidance of doubt: Successful Bidder has to pay only PHS Charges on the sent-out energy from the PHS project. Harit Urja Vikas Fees, as mentioned in the Madhya Pradesh Renewable Energy Policy, 2022 shall not be levied over and above PHS charges to avoid double counting of Harit Urja Vikas Fees as the same is a part of PHS Charges in case of PHS projects.

Further, Harit Urja Vikas Fees shall not be levied on integrated RE project for

charging of PHS plant.

6.9. Submission of Bid

6.9.1. **Online Bid:** Each Bidder shall submit its Bid electronically on the e-Tender Portal, in accordance with the methodology prescribed in this RFP, and shall comprise of the Qualification Proposal and the Financial Proposal.

6.9.2. **Qualification Proposal:** The Qualification Proposal shall contain the documents set out below, in a sequential manner:

- a) Letter of Bid, in the form set out in Annex 1.
- b) In case of a Bidder being a Consortium, a Power of Attorney signed by all the Members of Consortium and duly acknowledged by the Lead Member, in the form set out in Annex 4.
- c) The following board resolutions, passed by the board of directors of the Bidder, in the form set out in Annex 3 and certified by the Company Secretary or the director of the relevant Bidder:
 - i. board resolution from the Bidder, and in case of a Consortium, from the Lead Member, authorising the authorised signatory to sign the Bid
 - ii. board resolution from the Bidder, undertaking to invest in the SPV 100% (one hundred percent) of the equity requirement for developing the PHS, if applicable; and.

In case of Consortium, board resolutions from each Member of the Consortium

- (1) undertaking to invest in the SPV, an amount proportionate to their respective Equity commitment, as set out in the Consortium Agreement, in such a manner that the aggregate Equity investment meets the 100% (one hundred percent) of the Equity requirement for developing the PHS Project.
 - (2) authorising Lead Bidder to submit the proposal on their behalf
 - (3) authorising a person to execute the Consortium Agreement on behalf of the Member of the Consortium
 - iii. board resolutions from each Member of the Consortium, including the Lead Member, undertaking to contribute any additional amount which is over and above the Equity commitment of each Member of the Consortium (*as specified in Consortium Agreement*), which may be required for developing the Project
 - iv. board resolutions from the Associate/Affiliate, whose credentials have been relied upon by the Bidder or, in case of a Consortium, by a Member of the Consortium, undertaking to invest the entire amount committed by the Bidder or the Member of the Consortium, as the case may be, in the event of a failure of the Bidder or the Member of the Consortium, as
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