

MAHARASHTRA STATE ELECTRICITY DISTRIBUTION CO. LTD.



BID DOCUMENTS FOR POWER PURCHASE

ON FIRM BASIS as follows:

Month (Duration)	Quantum in MW	Type of Power
01.02.2012 to 31.05.2012	300	Round the Clock (RTC) (00:00 hrs to 24:00 hrs)

Note: Some terms and conditions are modified in this tender. All Bidders are requested to go through the terms and conditions carefully before submitting the offer.

THROUGH: COMPETITIVE BIDDING
COMMERICAL AND GENERAL CONDITIONS

TENDER NO.CE(PP)/T-10/2011

DATE : 20.12.2011

CHIEF ENGINEER (PP)
POWER PURCHASE CELL, PRAKASHGAD, 5TH FLOOR,
STATION ROAD, BANDRA (EAST), MUMBAI-400 051,
PHONE No.022 26472131, Extn. 2303 ; Fax No. 022 26580645

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IMPORTANT NOTE:

The present power purchase tender T-10/2011 is initiated on manual basis as well as eTendering basis. All the bidders have to submit their offers by both manual as well as eTendering basis. However acceptance and evaluation of offers will be on manual basis. The offer on eTendering basis shall not be considered as valid offer and it shall be for practice to the bidders.

BACKGROUND :

MSEDCL invites Bids for procurement of power as specified by MSEDCL under "The Scope of Work". Bids are invited from Generators, Merchant Power Plants, Captive Power Plants, Licensees, Power Traders, SEBs, IPPs from all over India. The Companies already having PPAs (Long Term/Short Term) with MSEDCL cannot offer the power already committed under PPA (Long Term/Short Term).

The Bidder should have its own arrangement for supply or have firm tie up for purchase of power from other sources. Evidence of past experience may please be submitted along with the offer (if any). This condition will not apply for direct offer from a State Electricity Board or State Owned Generating Company, IPP, CPP & Merchant generator whose offer is for sale of power directly.

THE SCOPE OF WORK:

1. Procurement of power on firm basis as follows:

Month (Duration)	Quantum in MW	Type
01.02.2012 to 31.05.2012	300	Round the Clock (RTC) (00:00 hrs to 24:00 hrs)

2. Bidder should submit offers only for above period.
3. Bidder may procure power from more than one source by specifying the source wise quantum and rates in the bids, provided the minimum quantum offered from each source outside the state of Maharashtra is 50 MW.
4. **Delivery Point: MSETCL periphery only.**
5. The Bidder shall specify source of power Seller (LOI of Seller to be attached).
6. **Contracted Quantum: Quantum at MSETCL Periphery.**
7. **Bidder shall book the corridor in such a way that contracted quantum is available at MSETCL periphery.**

TERMS AND CONDITIONS FOR POWER PURCHASE

1. BIIDDER ELIGIBILITY:

Bids are invited from Licensees, Power Traders, SEBs, IPPs, Merchant Power Plants, Power Generating Companies, Captive Power Plant Owners from all over India. The Companies already having PPAs with MSEDCL cannot offer the power already committed under PPA.

2. PRICE:

- (a) Bidder should quote the quantum in MW and rates for supply of power at MSETCL Periphery only.

Bidder should quote the rates at MSETCL periphery inclusive of the applicable concerned State transmission losses and charges (if applicable) and POC injection losses and charges, POC withdrawal losses and charges, MSETCL Transmission charges, MSLDC scheduling charges and application fees, etc as per prevailing norms for specified period in the Annexure-B.

The bids shall be evaluated on the basis of rates quoted by bidder at MSETCL periphery. Therefore utmost care shall be exercised while calculating rates at MSETCL periphery. If Bidder has missed out any parameter to be loaded while calculating rates at MSETCL periphery, then same shall not be payable by MSEDCL under any circumstances.

- (b) The Bidder shall quote prices in Indian Rupees only.

3. SUBMISSION OF OFFER :

- (a) Bidder shall submit tender with non-refundable tender fees of Rs.1500/- (Rupees One Thousand Five Hundred only) in the form of Demand Draft drawn in favour of **“Maharashtra State Electricity Distribution Co. Ltd”** payable at Mumbai, at the time of tender submission.
- (b) The Bidder shall submit the tender either by registered post or in person in the office of Chief Engineer (PP), Power Purchase Cell, 5th Floor, Prakashgad, plot No.G-9, MSEDCL, Bandra (East), Mumbai 400 051, before the time & date indicated in tender notice. Telegraphic offer or offers received in the form of telex messages, or by cable or fax or email shall not be entertained and shall not be considered under any circumstances.
- (c) Offer received after the due date and time of submission shall not be accepted. Offer received in person or by post after the due date and time of submission shall not be opened and no correspondence shall be entertained in this regard.

4. EARNEST MONEY DEPOSIT (EMD):

The Bidder shall pay the Earnest Money Deposit as mentioned below along with the tender. The tender without the payment of Earnest Money Deposit shall be summarily rejected.

- (a) Unless the Bidder is exempted on account of statutory directives as enlisted in clause (d) below, Earnest Money Deposit in the form of Demand Draft of Rs.5,00,000/- (Rupees Five Lakhs Only) shall be drawn in favour of **“Maharashtra State Electricity Distribution Co. Ltd”** payable at Mumbai.
- (b) The relevant Demand Draft No. should be mentioned in the tender. No interest shall be paid on the Earnest Money Deposit.
- (c) In the event the Bidder withdraws his offer during the validity period and/or fails to supply power after issue of L.O.I. the Earnest Money Deposit (EMD) shall stand forfeited.
- (d) All Government and Semi Government Institutions under Government of Maharashtra and fully owned undertaking of any State Government and Government of India are exempted from payment of E.M.D.

(e) **EARNEST MONEY OF UNSUCCESSFUL BIDDER:**

Earnest Money Deposited (EMD) shall be returned to the unsuccessful Bidders as soon as possible after the tender has been finalized, and on submission of original money receipt of E.M.D. payment to Chief Engineer (Power Purchase), at 5th Floor, Prakashgad, Bandra (East), Mumbai 400 051.

5. SUBMISSION OF TENDER DOCUMENTS:

Date and time of submission of tender will be up to **24.01.2012 up to 12.00 hrs.**

6. OPENING OF TENDER :

Date of opening of bids is on **24.01.2012 at 12.15 hrs.**

7. ACCEPTANCE OF TENDER:

MSEDCL reserves its right to accept or reject any tender whether fully or partially without assigning any reasons. It is also not binding on MSEDCL to disclose any analysis report on tender. The Bidder on the other hand binds himself to supply power from his offer in part or whole at the option of the MSEDCL.

8. DISREGARD OF TENDER CONDITIONS:

The Bidder should note that there shall be no deviations in respect of any terms and conditions of the tender. Bid containing any deviations / additions / alterations / changes in the terms and conditions of the tender shall not be acceptable. Any deviations/additions/alterations/changes in the covering letter, unrelated Annexure / schedules of the bid or elsewhere , shall be ignored and the offer shall be treated as meeting with all tender terms and conditions.

9. NOTIFICATION OF AWARD OF CONTRACT :

The notification of Award of contract shall be communicated to the successful Bidder by Letter of Award (LOA) by registered post or hand delivery or telegram or Fax or Telex or Cable as the MSEDCL deems it fit.

10. The offers shall be for a firm quantum. If quantum is indicated as “upto”, then the offer shall be rejected.

11. Validity of offer shall be for a minimum of 15 days and it shall be binding on the Bidders to supply the full quantum and for the period as per the order placed with them within such validity period.

12. In case of supply from CPPs, quantum and rate should be indicated specifically and source wise in the Bids.

13. The identification of source-wise power supplied is to be incorporated in respective Regional Energy Accounting (REA) by WRPC/ Maharashtra State Energy

Accounting by MSLDC. The billing will be done on the basis of Western Regional Energy Accounting/ MSLDC Energy Accounting.

14. The Bidder should preferably supply quantum of power from one source (Generator) only. If the quantum of power is supplied from different sources, it should be indicated clearly.
15. MSEDCL will place the Order to the Successful Bidders as per the terms & conditions specified in Annexure-I.
16. The bidder should read carefully all the terms and conditions of this tender document including **Annexure-A & B** and submit duly signed tender document along with offer

Seal and Signature of Bidder

Annexure A

Terms and Conditions

1) Quantum & Tariff:

Period	Quantum in MW	Type	Source	Delivery Point	Rate at MSETCL periphery Rs./Kwh *
				MSETCL periphery	

*Rate is inclusive of trading margin.

2) STOA charges:

Generator's State transmission losses and charges (if applicable) and POC injection & drawl losses and charges, Maharashtra state transmission charges, MSLDC operating charges and all other charges as may be applicable shall be borne by bidder/trader and no separate charges against the same shall be paid by MSEDCL. Any parameter missed out while quoting rate at MSETCL periphery by the bidder will not be reimbursed in any case.

If the Supplier/Trader fails to schedule the power after allotment of corridor and or surrenders the corridor which shall not be done without the consent of MSEDCL, the entire STOA charges including the STOA charges that may be withheld by the RLDC/SLDC and the application fees/scheduling and operating fees etc. Paid to the RLDC/SLDC shall not be paid by MSEDCL.

3) Scheduling:

- (a) That Trader/Seller will supply the energy as per this LOI to MSEDCL subject to transmission constraints/force Majeure. Force Majeure would be as defined in Clause 9 hereunder.
- (b) Trader/Seller shall book the corridor for the full contracted quantum and for the shortest route with the consent of MSEDCL and MSEDCL shall in no way be responsible for non-availability of corridor. Trader/Seller should schedule power as per consent given by MSEDCL/CE (LD) Kalwa. No compensation will be paid by MSEDCL due to technical constraints, if any. The power shall be scheduled uniformly as per the open access granted. Revision of schedules shall not be done without the consent of MSEDCL/ CE (LD), Kalwa.
- (c) In case of failure of the generator (s) at the source of supply, the Trader/Seller can make available the agreed quantum of power as quoted above from any other alternate source (s) in such a way that the cost of power to MSEDCL at the MSEDCL periphery shall be the same as the landed cost to MSEDCL at the MSEDCL periphery at the rates quoted above or lower. All other Terms and Conditions shall remain unchanged.
- (d) Supply from alternate sources shall not be binding on MSEDCL unless prior written consent is obtained from MSEDCL.
- (e) No Payment will be made for the supply over and above schedule given by WRLDC/MSLDC.

- (f) Any issues related to Energy Accounting shall be taken up by the Bidder with the RLDC/MSLDC whose decision shall be final. Intra State Bidders who schedule power in excess of their generating capacity shall be liable for penalty as may be levied by SLDC.
- (g) The Bidder should book the source and the shortest corridor as per the order issued by MSEDCL well in advance and shall ensure supply of the contracted quantum/quantum approved in Open Access to MSEDCL on first charge basis on a daily basis. The Bidder shall apply for Open access for full contracted quantum of power from each source as per order. For any deviations in applying for STOA penalty will be applicable as per Clause no 5 of this Annexure-A.

MSEDCL will not bear the extra Open Access charges due to change in corridor for power supply on account of delay in obtaining Open Access approval. In case the corridor is not available and Bidder desires to supply the contracted quantum of power through other source/corridor, then Bidder should obtain prior permission of MSEDCL. Even if Bidder supplies contracted quantum through source/corridor different from that referred in order, then Bidder himself will be responsible for the charges over and above the agreed charges as per the order towards the change in rate, Open Access charges, Transmission loss and scheduling charges etc.

- (h) Daily schedule will be intimated 24 hrs in advance and any revision in schedule shall be implemented only with mutual consent and the Party seeking the revision in schedule shall bear the application fees, rescheduling charges, etc.
- (i) Open Access: - The power shall be scheduled and dispatched as per the relevant provisions of CERC regulation dated 25th January, 2008 regarding "Open Access in Inter State Transmission" and "Procedure for Reservation of Transmission Capacity to short Term Open Access" dated 28th January 2008 or if any changes time to time declared by CERC and / as per the MERC provisions /Regulation wherever applicable.

(e) Revision of Schedule

In case of revision of schedule, a consolidated request indicating the reason and mutual consent of both the parties for revision shall be submitted to the WRLDC/SLDC. The application fee and the rescheduling charges shall be paid by the applicant but shall be borne/reimbursed by the party seeking the revision.

Revision of schedule / surrender of corridor (partly/fully) shall not be done without consent of MSEDCL.

4) Billing:

- a) For the purpose of billing, each month will be divided into four parts (i.e. 1st to 8th, 9th to 15th, 16th to 23rd, and 24th to last day of the month). **Each bill should specifically indicate the MSEDCL order reference against which the bill** is raised and shall be supported and accompanied by the Open Access approval and schedule by WRLDC/MSLDC.
- b) Without prejudice to the provisions at 4 (e) & 7 of this Annexure-A, the bills for supply of less than 50 MW shall be raised on fortnightly basis.

- c) In case of in-State CPP Power, provisional fortnightly energy bills shall be raised based on joint meter reading with MSEDCL's representative.

Or

In case of Interstate/ Intrastate power, every weekly billing shall be done on the basis of scheduled energy from WRLDC/ MSLDC web site on daily basis for "Bilateral Schedule (Ex-PERI) of MSEDCL". In case of dispute regarding energy accounting the matter shall be referred to WRLDC/ MSLDC.

- d) All bills are to be addressed to Chief Engineer (Power Purchase Cell) and faxed on 022-26580645 by 17:30 hrs. on MSEDCL working days. Bills sent through e-mail shall not be considered for payment.
- e) Final Bill: The final monthly bill settlement will be based on REA issued by WRPC/ Energy Accounting by MSLDC and as reconciled between MSEDCL and the bidder on finalization of the respective Energy Accounts. In case of power supply from Towards ensuring the final settlement, MSEDCL reserves the rights to retain 10% of the bill for the last week of the contract period as Security Deposit which shall be released within seven days based on the final reconciliation as above without prejudice to our rights for the Rebate on the net amount payable.. In case , net amount is payable by the bidder on final Reconciliation, then the same shall be paid by the Bidder within seven days of reconciliation failing which a surcharge @ 1.25% per month shall be applicable on pro-rata basis for each day of delay thereafter.
- f) Trader/Seller shall invariably call on this office on the completion of each month's transaction for reconciliation of the energy and financial accounts.

5) Compensation:

Penalty for Short Supply:

- a) Without prejudice to the provisions of force majeure, the Successful Bidder shall apply for open access for the full contracted quantum on a first charge basis to MSEDCL well in advance as per provisions of "Procedure for Advance Scheduling of Bilateral Transactions" notified by POSOCO. In case of failure by the Bidder the penalty shall be payable on the quantum not applied.
- i. In case of failure by bidder for applying contracted quantum the penalty shall be calculated as illustrated under:-

Table A

Contracted (LOI) Quantum	Applied Quantum for Open Access	Penalty
100 MW	100 MW	No
100 MW	80 MW	Penalty on non applied Quantum i.e. 20 MW. Penalty at Rs. 2.00 per Kwh for energy corresponding to unapplied quantum.
100 MW	60 MW	Penalty on non applied Quantum i.e. 40 MW. Penalty at Rs. 2.00 per Kwh for energy corresponding to unapplied quantum.

- ii. The Penalty for short supplied quantum will be calculated as follows:

TABLE : B

Applied Quantum	Open Access Approved Quantum	Supplied Quantum	Penalty
100 MW	100 MW	70 & above 70 MW	Not Applicable
100 MW	80 MW	Above 70% of 80 MW (i.e. above 56MW)	Not Applicable
100 MW	80 MW	Below 70% of 80 MW (i.e. below 56MW)	Applicable for the quantum below 56 MW @Rs 2 per Kwh

The compensation at the rate of Rs. 2.00/Kwh for the shortfall in the applied /supply of power as mentioned above in Table A and B shall be payable by bidder to MSEDCL and will be deducted from energy bill. In case bidder could not get open access for transmission of power due to transmission constraints, such penalty will not be levied for quantum for which open access not granted, subject to documentary evidence.

- b) Without prejudice to the provisions of force majeure, If MSEDCL fails to schedule energy corresponding to the capacity approved for Open Access for the concerned period MSEDCL shall pay compensation @ Rs.2.00/KWH for the difference (shortage) quantity below 70%. Trader shall produce compensation claim from Seller/Generator.
- c) The penalty shall be calculated on monthly basis.

6 Payment Terms:

The provisional weekly bill payments shall be released based on 4(C) above. The due date for the payment of bill is 30 days from the issue of bill and the bills for supply of less than 50 MW shall be raised on fortnightly basis and payment due date for the same shall be 30 days from the issue of bill.

In case the due date falls on MSEDCL holiday then the next working day of MSEDCL shall be the due date, including for rebate.

The final payment will be made as per REA issued by RLDC/energy accounting by MSLDC. In case of any difference/dispute regarding energy accounting, the same shall be sorted out by **M/s. Trader/Seller** within a month otherwise MSEDCL will recover the same from pending dues of **M/s. Trader/Seller**.

- 7 Rebate:** **M/s. Trader/Seller** should allow 2% rebate on the amount paid within due date i.e. within 7 days (for weekly billing) / 15 days (for fortnight billing) from the next day of date of receipt of bill by fax.

- 8 Surcharge:** A surcharge of 15% (Fifteen percent) per annum (as per the CERC Order dated 26th March, 2004) shall be applicable on energy bills payments. This surcharge would be calculated on a day-to-day basis for each day of the delay.

9 Force Majeure:

Any event which is beyond the control of the two parties involved which they could not foresee or with a reasonable amount of diligence could not be prevented and which substantially affect the performance by either agency such as but not limited to

- a) Acts of God. Natural phenomena, including but not limited to Floods, Droughts, Earthquakes, Cyclones, Storms, Typhoons, Gale weather and Epidemics.
- b) Acts of any Government domestic or foreign, including but not limited to war declared or undeclared, hostilities, priorities, quarantines, embargoes:
- c) Riots or Civil Commotion or sabotage.
- d) Grid failure not attributable agencies involved.
- e) Heavy rain/ flood /storms resulting in transmission systems failure as certified by CTU/STU.

Any restriction imposed by RLDC on scheduling of power supply by BIDDER or MSEDCL due to Transmission /Grid constraint shall be treated as Force Majeure without any liability on either side. If seller fails to supply power due to fault in its generator/system, such event shall not be considered as Force Majeure.

10 M/s. Trader/Seller shall pay the processing fee Rs.5000/-.

11 Jurisdiction of Contract: The laws applicable to this “contract” shall be the laws in force in India. The Courts of Mumbai, India shall have exclusive jurisdiction in all matters arising under and on account of this contract.

12 After receipt of Letter of Award or order for supply of power, the Bidder should immediately book the corridor for contracted quantum for period of supply and acknowledge the acceptance of same, otherwise it will be treated as order is accepted and all terms and conditions of the order placed by MSEDCL and this Tender shall be applicable. In case of short supply, Bidder shall produce valid documentary proof from RLDC/SLDC of not having sold the power to any other party or else shall forfeit the EMD.

13 Dispute Resolution: If any dispute or difference of any kind whatsoever (Dispute) shall arise between the Parties in connection with or arising out of this Agreement or out of breach, termination or invalidity of the Agreement hereof, the parties shall resolve them by resorting to the following in the order so mentioned.

- (a) Parties shall attempt to decide through mutual discussions within 30 days.
- (b) If the dispute cannot be resolved by MSEDCL & the Bidder, then dispute resolution will be as per Arbitration Act.
- (c) In case both the parties are unable to resolve the issue of difference relating to REA difference and RLDC/SLDC short Term Open Access charges, the matter will be referred to Member Secretary, WRPC or Chief Engineer, MSLDC in case

Seller/Generator is in intra state for adjudication. The decision of Member Secretary, WRPC/MSPC shall be binding on both parties.

Notwithstanding the existence of any dispute, whether referred to arbitration or not, the Parties hereto shall continue to perform their respective obligations under this Agreement throughout the Term and this Agreement

Certificate

I/We have carefully read the terms and conditions which I/We have thoroughly understood and to which I/We shall abide.

Seal and Signature of Bidder

Annexure – B

RATES FOR SUPPLY OF FIRM RTC POWER from 01.02.2012 to 31.05.2012.

Qty in MW at MSETCL Periphery	Source of Supply	Supply hours	Rate at MSETCL periphery Rs./unit
		00.00 to 24.00 hrs (RTC)	

Note :

1. Bidder should quote the quantum in MW and rates for supply of power at MSETCL periphery as per Sr No. 2 of terms & conditions in the tender document. Offer will be evaluated only based on rate at MSETCL periphery.
2. Above period from 01.02.2012 to 31.05.2012 shall be treated as one block. Bidder should quote single rate and single quantum for this block period of 01.02.2012 to 31.05.2012. Offers received with month wise different quantum or month wise different rates may be summarily rejected.
3. All the bidders have to submit their offers in manual as well as eTendering mode.

I/We have carefully read the terms and conditions which I/We have thoroughly understood and to which I/We shall abide.

Seal and Signature of Bidder