

REPLY TO PRE-BID QUERIES FOR RfS No. MSEDCL/RE/2024/1000MW/Wind-Solar Hybrid/T-Phase III dated 11.03.2024

Sr. No.	Clause of RfS/PPA	Clause No.	Existing Clause	Bidders Query / Suggestion	MSEDCL's Reply
1	Bid Information Sheet		<p>Processing Fee (non- refundable): Rs. 15 Lakhs plus applicable GST as on last date of bid submission for each response/bid, (to be paid through online payment to the above mentioned account details (Kindly provide UTR No. details to MSEDCL at the time of bid submission), along with the response to RfS.</p>	<p>Kindly confirm the applicability of TDS deduction. If TDS applicable, kindly provide the PAN & GST details of MSEDCL for Vendor Registration in our Internal Accounting System. If TDS not applicable, then kindly provide us the Certificate from the relevant authorities for waiving off of the same.</p>	<p>TDS is applicable, the PAN & GST details of MSEDCL are as below: PAN No.: - AAECM2933K GST Details:- 27AAECM2933K1ZB</p> <p>The revised processing fee is as under: Processing Fee (non- refundable): Rs. 10 Lakhs plus applicable GST as on last date of bid submission for each response/bid, (to be paid through online payment to the above mentioned account details (Kindly provide UTR No. details to MSEDCL at the time of bid submission), along with the response to RfS.</p>
2	General		To extend the bid submission by atleast 3 week from the current date due to upcoming holidays and financial closure		The request is accepted. The last date of bid submission extended till 10.05.2024 (14:00 Hrs).
3	RfS	3.3	<p>Project Scope:- The Bidder shall identify 100% land required for the project and submit tentative locations at the time of submission of bid in Format 6.1. The HPGs are free to change the Project location upto the date as on 12 months after Effective Date of the PPA.</p> <p>The HPGs are free to change the Project location upto the date as on 12 months after Effective Date of the PPA.</p>	<p>Change of Project location should be allowed till FC of the project. We request to increase the timeline for FC and change of Project Location. Request for amendment: The Bidder shall identify 100% land required for the project and submit tentative locations at the time of submission of bid in Format 6.1. The HPGs are free to change the Project location and delivery point upto the date as on 12 18 months after Effective Date of the PPA.</p> <p>Requesting MSEDCL to permit location change until financial closure</p>	The request is not accepted. The bidders shall adhere to RfS provision.
4	RfS	3.8.1	<p>3.8.1 Earnest Money Deposit (EMD) of Rs. 11 lakh / MW in the form of Bank Guarantee along with RfS according to Format 6.3 (A) and valid for 12 months from the last date of bid submission and shall be submitted by the Bidder along with their bid failing which the bid shall be summarily rejected. The Bank Guarantees towards EMD have to be in the name of the Bidding Company / Lead Member of Bidding Consortium. The Bidder shall furnish the Bank Guarantees towards EMD from any of the Banks listed at Annexure-B in favour of MSEDCL.</p>	<p>We request MSEDCL to kindly consider the EMD & Bid Validity Period of 3 Months. MSEDCL may seek extension in EMD-BG validity from the Successful Bidders in case there is a delay in Tariff Adoption & PPA Signing.</p> <p>We kindly request MSEDCL to change the EMD validity period to 210 days, which is 30 days beyond the bid validity period. The rationale behind this request is that the current EMD validity period has the potential to tie up bidders' funds for an extended duration. By changing it to 210 days, bidders would benefit from increased flexibility and assurance that their funds will not be unnecessarily held during the bidding process.</p>	<p>The request is partially accepted. The revised RfS provision is as follows: 3.8.1 Earnest Money Deposit (EMD) of Rs. 11 lakh / MW in the form of Bank Guarantee along with RfS according to Format 6.3 (A) and <u>valid for 8 months with claim period of 9 months</u> from the last date of bid submission and shall be submitted by the Bidder along with their bid failing which the bid shall be summarily rejected. The Bank Guarantees towards EMD have to be in the name of the Bidding Company / Lead Member of Bidding Consortium. The Bidder shall furnish the Bank Guarantees towards EMD from any of the Banks listed at Annexure-B in favour of MSEDCL.</p>
5	RfS	3.8.2	<p>3.8.2 Performance Bank Guarantee (PBG): The bidders selected by MSEDCL, based on this RfS shall submit the Performance Bank Guarantee (PBG) of Rs. 28 Lakh/MW according to the Format 6.3 (B), issued in favor of MSEDCL Seven (7) days prior to signing of PPA, with a validity period of 9 months and with claim period of 12 months from SCSD . The Bidder shall furnish the Performance Bank Guarantees (PBGs) from any of the Banks listed at Annexure-B to MSEDCL.</p>	We request MSEDCL to kindly accept the PBG Claim Period equivalent to PBG validity Period and PBG validity of 30 days from SCSD.	The request is not accepted. The bidder has to adhere to RfS provisions.

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6	RfS	3.9.7	3.9.7 After the bidding process is over, MSEDCL shall release the Bank Guarantees towards EMD of the unsuccessful Bidders within 30 days after the completion of e- reverse auction. The PBG of the Wind-Solar Hybrid power generator / bidder shall be returned within 30 days of successful commissioning of their projects as per Terms of PPA, after taking into account any liquidated damages due to delays in commissioning as per Clause 3.14 of RfS and Article 3.3 of PPA.	We request MSEDCL to kindly Discharge & Release the EMD-BG to the Un-successful Bidders within 7 days from the completion of e-Reverse Auction.	The request is partially accepted. The revised RfS provision is as under: 3.9.7 After the bidding process is over, MSEDCL shall release the Bank Guarantees towards EMD of the unsuccessful Bidders <u>within 15 days after the completion of e- reverse auction.</u> The PBG of the Wind-Solar Hybrid power generator / bidder shall be returned within 30 days of successful commissioning of their projects as per Terms of PPA, after taking into account any liquidated damages due to delays in commissioning as per Clause 3.17 of RfS and Article 3.3 of PPA.
7	RfS	3.11	3.11 Financial Closure or Project Financing Arrangements 3.11.1 The HPG shall report 100 % tie-up of Financing Arrangements for the projects within Twelve (12) months the date of signing of PPA. Accordingly, the successful bidder shall furnish the following documents within Twelve (12) months from the date of signing of PPA	We request MSEDCL to kindly extend the FC Timeline from 12 months to 18 Months from the sate of PPA signing. Request for amendment: The commissioning timeline for the project is 24 months from the date of execution of the PPA. Also, in current tenders issued by SECI, NTPC, SJVN, NHPC, GUVNL, the Financial Closure timeline is 18 months. In similar line, we request to extend the FC timelien to 18 months which shall allow ample of time to identify the land and connectivity which leads to project to more bankability. As per the latest guidelines ,Requesting MSEDCL to change the Financial Closure Timeline from 12 months to 18 months which is in line with other hybrid tenders	The request is not accepted. The bidder has to adhere to RfS provisions.
8	RfS	3.11.4	An extension for the attainment of the financial closure can however be considered by MSEDCL, on the sole request of the Wind-Solar Hybrid Power Generator, on payment of penalty of Rs.10000/- per day per MW (excluding 18% GST, if applicable).	We request MSEDCL to kindly reduce the Penalty Charges from Rs. 10,000 per day per MW to Rs. 1,000 per day per MW in line with Standard Industry Practice adopted by other State/PSU Tenders The penalty for not achieving the FC with given timeline is much higher as compared to central and state tenders. Central tenders have levied penalty of Rs 100 per day per MW, whereas other State tenders have provision for penalty of Rs 100 per day per MW. Request to reduce the penalty amount to Rs 1000 per day per MW for not achieving the FC.	The request is partially accepted. The revised RfS provision is as follows: An extension for the attainment of the financial closure can however be considered by MSEDCL, on the sole request of the Wind-Solar Hybrid Power Generator, on payment of penalty of Rs.1000/- (Rs. One thousand only) per day per MW plus applicable GST. In case of any delay in depositing this extension charge, the HPG has to pay an interest on this extension charge for the days lapsed beyond due date of Financial Closure @ SBI MCLR (1Year). This extension will not have any impact on the SCSD.
9	RfS	3.12	Connectivity with the Grid	Request for clarification: We seek clarity on following regarding the connectivity to CTU substations: i) are Bidders are free to choose the ISTS substations on a pan-India basis or limited to CTU substation in Maharashtra? ii) are CTU Substations approved under the updated plan made available by the CTU allowed under the tender? iii) who shall bear the ISTS charges and losses?	Clarification: Bidders may choose the connectivity options at its own in line with terms and conditions of RfS and PPA, however it's the responsibility of bidder to complete the projects within the timeframe provided in the RfS. The poinwise clarification is as under: i) The Bidders are free to choose the ISTS/InSTS substations on a pan-India basis including CTU/STU substation. ii) The bidders are free to choose CTU Substations as per their own due deligence , so as to complete the project within the timeframe. iii) The bidders shall bear the ISTS charges and losses, if any. (As the delivery point is Maharashtra STU/MSETCL periphery).

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10	RfS	3.14	Power Purchase Agreement:- The final project configuration, adding up to the cumulative capacity awarded to the bidder may be intimated to MSEDCL at the time of signing of PPA, which shall remain unchanged subsequent to signing of PPA.	Project configuration is subject to availability of grant of connectivity, availability of land for solar and WTGs, irradiation, AEPs etc. It cannot be envisaged at stage of PPA signing. Therefore, request to allow change of project configuration until Financial Closure.	The request is not accepted. The bidder has to adhere to RfS provisions.
11	RfS	3.17.5 (b)	<p>Early Commissioning:- In case of multiple Project components, and if one or more such whole component (wind, solar PV source) is/are ready for injection of power into the grid, but the remaining component(s) is/are unable to commence supply of power, the HPG will be allowed to commence power supply from such component which is ready, outside the ambit of PPA, with first right of refusal for such power being vested with MSEDCL. In case MSEDCL decides to buy such discrete component's power outside the PPA, such power shall be purchased at the rate and time period as decided by MSEDCL.</p>	<p>As per bidding guideline clause 15.4, In case of multiple project components and if one or more such component (wind or solar) is ready for injection of power into the grid, but the remaining component is unable to commence supply of power, the Generator will be allowed to commence supply of power from such component which is ready outside the ambit of PPA with ROFR to end procurer at up to 75% of the PPA Tariff. Request for amendment: In case MSEDCL decides to buy such discrete component's power outside the PPA, such power shall be purchased at up to 75% of the PPA Tariff.</p> <p>In case of Early commissioning, If one or more component(s) is ready to inject power into the grid, but remaining component is unable to commence supply of power, the HPG shall be allowed to sell such power after taking NOC from MSEDCL till the approval of tariff from MERC.</p> <p>As the first right of refusal rests on MSEDCL , we request MSEDCL to purchase power @ PPA tariff in this case .</p>	<p>The request is partially accepted. The revised RfS provision is as follows: 3.17.5 (b)... In case MSEDCL decides to buy such discrete component's power outside the PPA, such Wind power shall be purchased at the rate of Rs. 2.52 per unit and Solar Power shall be purchase at the rate of Rs. 2.42 per unit upto SCSD or extended SCSD.</p>
12	RfS	3.17.6	<p>(ii) Delay in Commissioning:- The PPA for balance capacity not commissioned shall be terminated. a) Further The HPG shall be debarred from participating in bids issued by any procurer or any intermediary procurer (as defined in the Guidelines) for the following period: For one year in case of first default. b) For not less than 2 years and not more than 3 years for second and any sub sequent defaults. Starting date of the above debarment period shall be the date of debarment as notified by MSEDCL.</p>	<p>Request for deletion of the clause in line with the amendment issued by MoP in Bidding Guidelines.</p> <p>Debarment clause has been removed as per the recent amendment in RE guidelines by MoP. Requesting MSEDCL to align its policies with the amendment issued on 02.02.2024.</p>	<p>Clarification:- The same is done in Addendum 2 and Addendum 3, which is available on Bharat Portal and MAHADISCOM website.</p>
			<p>4.4 Selection of Successful Bidders: vii) The capacity allocation shall be on the basis of Bucket filling i.e. capacity quoted by least quoted tariff bidder (called the L1 bidder) at the rates quoted (L1 rates) shall be allocated first, then the capacity quoted by the next lowest bidder (called the L2 bidder) at the</p>	<p>We understand that there shall be NO NEGOTIATION with Successful Bidder against Final Tariff Discovered during e-Reverse Auction. Kindly confirm.</p>	

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13	RfS	4.4	by the next lowest bidder (called the L2 bidder) at the rates quoted (called the L2 rates) may be allocated and so on However, the allocation will only be made to the bidders whose bid falls within a pre-defined "Range" from the L1 tariff. Thus, after arranging the bidders in the ascending order of tariff, the Project capacities will be awarded only to those bidders whose final price bids are within a range of "L1+3%", in terms of Rs/kWh.	Requesting MSEDCL to modify this clause as within a range of L1 + 5%.	The request is not accepted. The bidder has to adhere to RfS provisions.
14	PPA	6.3	Late Payment:- For payment of Monthly bill by MSEDCL thirty (30) days beyond its due date, a late Payment charge shall be payable by MSEDCL to the HPG at the rate of 1.25% percent in excess of the SBI, 1 year Marginal Cost of Funds Based Lending Rate (MCLR) per annum / any replacement thereof by SBI. The late payment surcharge shall be claimed by the HPG through the Supplementary bill.	For payment of Monthly bill by MSEDCL thirty (30) days beyond its due date, a late Payment charge shall be payable by MSEDCL to the HPG at the rate of 1.25% 5% percent in excess of the SBI, 1 year Marginal Cost of Funds Based Lending Rate (MCLR) per annum / any replacement thereof by SBI. The late payment surcharge shall be claimed by the HPG through the Supplementary bill.	The request is not accepted. The bidder has to adhere to RfS provisions.
15			Additional request on waiver of ISTS charges	a) As per CERC regulation, notification issued on 07-02-2023 under CERC(sharing of ISTS charges & Losses)(First Amendment):- "REGS or RHGS based on Wind or solar sources or Hydro PSP ESS which have declared commercial operation upto 30-06-2025 shall be considered for waiver of transmission charges for period of 25 years from the COD" b) As per MOP notification dated 09-06-23, Ministry has substituted the ISTS charges waiver clause and provided clarity on extension of waiver wrt extension of SCOD. As per above mentioned notification from CERC & MoP, there is an ambiguity in ISTS waiver for projects commissioned after 30-06-2025. Hence we request MSEDCL to give clarity on ISTS charges & accordingly it will be incorporated in tariff quote by the developers.	As per RfS the delivery point shall be Maharashtra STU/ MSETCL periphery, therefore ISTS charges if applicable shall be borne by the bidders.
16			Additional request on Micrositting for wind projects	As per recent amended Micrositing Guidelines issued by GoM for wind projects to maintain 2D-3D distance will drastically impact operational and commercial difficulties and will eventually impact the tariff. We request MSEDCL to recommend the original 5D-7D micrositing guidelines to the GoM/NEDA for installation of safe and commercially viable projects within the state of Maharashtra.	Clarification:- Prevailing Policy/Guidelines issued by GoM and MEDA shall be applicable.