

REPLIES TO BIDDERS QUERIES FOR PROCUREMENT OF POWER ON LONG TERM BASIS THROUGH COMPETITIVE BIDDING PROCESS (FOLLOWED BY REVERSE E-AUCTION) FROM 1000 MW INTER/INTRA STATE GRID CONNECTED SOLAR PHOTOVOLTAIC POWER PROJECTS vide RfS No. MSEDCL/RE/2024/1000 MW Solar/Ph-XI/T-11 Dated 11.03.2024				
Date: 16.04.2024				
S.No.	Clause Number/ Name	Clause Description	Request/Clarification needed	Comments/Clarification
1	Bid Information Sheet:	<p>Last date & Time for</p> <p>a) Online Submission of Response to RfS and</p> <p>b) All documents as per Section 3.21 A physically at MSEDCL office, Mumbai</p> <p>Date: 03.04.2024 Time : 15.00 Hrs Date:03.04.2024 Time : 15.00 Hrs</p>	Last Date for submission may be extended till 30.04.2024 Due to the national holiday of Holi and the associated March end workload.	The request is accepted.The Last date of bid submission is extended to 09.05.2024 at 15.00 Hrs.
2	Bid Information Sheet:	<p>Processing Fee (non- refundable):</p> <p>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.</p> <p>If TDS applicable, kindly provide the PAN & GST details of MSEDCL for Vendor Registration in our Internal Accounting System.</p> <p>If TDS not applicable, then kindly provide us the Certificate from the relevant authorities for waiving off of the same.</p>	TDS is applicable, the PAN & GST details of MSEDCL are as below: PAN No.: - AAECM2933K GST Details:- 27AAECM2933K1ZB
3	Bid Information Sheet:	<p>EMD:</p> <p>Earnest Money @ INR 8 Lakhs/MW (plus applicable GST) is to be submitted in the form of Bank Guarantee along with response to RfS.</p>	The processing fee may be reduced to INR 5-6 lakh Plus applicable GST. This would help wider participation in the bidding process, leading to most competitive price offer.	The request is accepted .The revised clause is as under: rocessing 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.
4	Bid Information Sheet:	<p>EMD:</p> <p>Earnest Money @ INR 8 Lakhs/MW (plus applicable GST) is to be submitted in the form of Bank Guarantee along with response to RfS.</p>	Request for reduce EMD @ INR 2 Lakh/MW or 3 Lakhs/MW. This would help wider participation in the bidding process, leading to a more competitive price offer.	The request is accepted.The clause is revised as under: EMD: Earnest Money @ INR 2 Lakhs/MW (plus applicable GST) is to be submitted in the form of Bank Guarantee along with response to RfS.
5	Rfs Clause No. 1.1.2	MSEDCL shall enter into Power Purchase Agreement (PPA) with the Bidders selected based on this RfS for purchase of solar power for a period of 20 years from the Scheduled commencement-of-supply date in case of proposed/new solar power projects or for a period of 20 years from the date of execution of PPA for existing solar power projects based on the terms, conditions and provisions of the RfS.	PPA tenure :- As per RfS, MSEDCL shall enter into power purchase agreement with successful bidder for a period of 20 years from SCSD. However as the technical life of solar modules are more than 25 years, we request MSEDCL to extend the PPA tenure upto 25 years	The request is not accepted.The RfS and PPA provisions shall prevail.

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6	RfS clause No. 1.3.2	Projects under construction, projects which are not yet commissioned and projects already commissioned but do not have any long-term PPA with any agency	Clarification needed; whether the projects already allotted by Govt/ Govt Agencies but yet to start construction at site are also Eligible projects? For better clarity it may be amended as follows. Projects allotted by any Govt/ Govt agencies but yet to commence construction, Projects under construction, projects which are not yet commissioned and projects already commissioned but do not have any long-term PPA with any agency.....	The request is not accepted.The RfS and PPA provisions shall prevail. <u>However, It is to clarify that projects for which assurance order for land allocation/proposal under consideration for land allocation by Central or State Govt.and do not have any long-term PPA with any agency are eligible projects.</u>
7	Definitions	Lead Member of the Bidding Consortium” or “Lead Member”; There shall be only one Lead Member, having shareholding more than 51% in the Bidding Consortium, which cannot be changed till 1 year from the Commercial Operation Date (CoD) of the Project.	Selection of Lead Member should be left to the wisdom of Bidding Consortium. The Lead Member may be allowed to have such equity % as may be decided by the Bidding Consortium without any mandatory minimum 51 % equity or to be highest equity % among the Bidding Consortium Members. Thus the definition may be amended as follows: Lead Member of the Bidding Consortium” or “Lead Member”; There shall be only one Lead Member, which shall be selected by having maximum shareholding more than 51% in the Bidding Consortium, which cannot be changed till 1 year from the Commercial Operation Date (CoD) of the Project.	The request is not accepted.The RfS and PPA provisions shall prevail.
8	RfS clause No.3.5.4 and RfS clause No.3.16(ii)	Any consortium, if selected as successful bidder for the purpose of supply of power to MSEDCL, shall incorporate a Project company/ Special Purpose Vehicle (SPV) with equity participation by the Members in line with consortium agreement (to be submitted along with the response to RfS) before signing of PPA., i.e. the Project Company incorporated shall have the same shareholding pattern at the time of signing of PPA as given at the time of submission of response to RfS. The combined shareholding of the consortium members in the SPV / Project company executing the PPA, shall not fall below 51% at any time prior to 1 (one) years from the COD, except with the prior approval of MSEDCL.	We acknowledge that the winning Bidding Consortium has the option to invest in the project company or Special Purpose Vehicle through an investment vehicle, such as an Investment Company. It's required that the Bidding Consortium holds at least 51% of the total equity needed for the project within this investment vehicle. This implies that the Consortium can secure up to 49% of the equity from one or multiple investors before finalizing the financial arrangements. Confirmation of this arrangement is necessary.	Your understanding is correct.

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9			We request MSEDCL to kindly relax the subject clause w.r.t Land Possession with Bidder at the Time of Bidding and allow Successful Bidder to submit proof of the 100% Possession of the Project Land before SCSD in line with MNRE TBCB Guideline and Standard Industry Practice as adopted in otehr State/Central Govt./ REIAs Tenders.	The request is not accepted.The RfS and PPA provisions shall prevail.
10	RfS clause no.3.5(7)	3.5 Qualification Requirements: 7. Evidence of clear possession of Project Site(registered sale deed/lease agreement) in the name of Bidder in case of private land or assurance order for land allocation/proposal under consideration for land allocation in case of Govt.Land. Wherever leasing of private land is involved, the lease should allow transfer of land to lenders or MSEDCL, in case of default of the Successful Bidder. For lease of Government land, if the lease is not available upfront for the entire term of the PPA, then the Successful Bidder shall be required to give an undertaking stating that they shall be solely responsible for securing the extension of required land for the balance period of term of PPA. For lease of private land, the lease period shall cover the entire term of PPA.	Govt. Of Andhra Pradesh issued G.O.Ms.No 15 dated 05.02.2024 allotted 1000 MW Solar project in District Sri Satya Sai, Andhra Pradesh to one of the consortium member who willing to participate in the Bid. As per the Order "SIPB has agreed for allocation of revenue lands available if any' on lease basis and total extent shall not exceed 6,000 acres @ 6 acres/MW." The above said land may include Govt & private Land. With above allotment/allocation of revenue land by the Govt.of AP to one of the consortium members, Proposed Consortium may qualify technically for this Tender/Bid. Please clarify the same.	Clarification: It is to clarify that projects for which assurance order for land allocation/proposal under consideration for land allocation by Central or State Govt. in the name of bidder and do not have any long-term PPA with any agency are eligible to patiticipate in bid.
11			Request to amend RfS clause as under: Evidence of clear possession of Project Site (registered sale deed/ lease agreement) in the name of Bidder or any member of consortium in case of private land or assurance order for land allocation/proposal under consideration for land allocation by Central or State Govt or Bidder shall submit Declaration along with the RFS, confirming the clear possession of Project Site land within 3 months from the issue of LOA. Wherever leasing of private land is involved, the lease should allow transfer of land to lenders or MSEDCL, in case of default of the Successful Bidder. For lease of Government land, if the lease is not available upfront for the entire term of the PPA, then the Successful Bidder shall be required to give an undertaking stating that they shall be solely responsible for securing the extension of required land for the balance period of term of PPA. For lease of private land, the lease period shall cover the entire term of PPA.	The Rfs clause is revised as under: Evidence of clear possession of Project Site (registered sale deed/ lease agreement) in the name of Bidder or any member of consortium in case of private land or assurance order for land allocation/proposal under consideration for land allocation by Central or State Govt or Bidder shall submit Declaration along with the RFS, confirming the clear possession of Project Site land before execution of PPA. Wherever leasing of private land is involved, the lease should allow transfer of land to lenders or MSEDCL, in case of default of the Successful Bidder. For lease of Government land, if the lease is not available upfront for the entire term of the PPA, then the Successful Bidder shall be required to give an undertaking stating that they shall be solely responsible for securing the extension of required land for the balance period of term of PPA. For lease of private land, the lease period shall cover the entire term of PPA.

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12	Rfs Clause No.3.6.1	i. The Net-Worth of the Bidder for the financial year ended on 31.03.2023 shall not be less than INR 1.00 Crores per MW (of the capacity quoted). In case of foreign companies the applicable financial year shall be as per the applicable laws of the country of Incorporation	We request to kindly consider the net worth for the financial year 20-23 to INR 50 Lacs/MW or request to allow the provisional balance sheet authorized by CA for the net worth requirement of 1 Cr/MW	The request is partially accepted. <u>The provisional balance sheet for 2023-24 certified by Chartered Accountant for the net worth requirement of 1 Cr/MW are allowed.</u>
13			Can all Consortium Members together shall meet the requirement?	Yes. All Consortium Members together shall meet the requirement.
14	RfS clause No. 3.6(2)(8)	In case of RfS is submitted by the bidder, the networth of bidder (taken on combined basis in case of consortium),for the financial year that ended on March 31,2023 shall not be less than INR 1,00,00,000/- (Indian Rupees One Crore only) per MW (based on the total Project Capacity). In case of foreign companies, the applicable financial year shall be as per the applicable laws of the country of incorporation. Further, the Net-Worth of any of the last 3 (three) financial years i.e., FY 2020-21, FY 2021-22 and FY 2022-23 should not be negative."	We request you to reduce the networth amount.	The request is not accepted.The RfS and PPA provisions shall prevail. <u>However if FY 2023-24 is considered for networth purpose ,the Net-Worth of any of the last 3 (three) financial years i.e., FY 2021-22, FY 2022-23 and FY 2023-24 should not be negative."</u>
15	RfS Clause 3.7 (3&4)	3. The transmission of power up to the point of interconnection and energy accounting infrastructure shall be the responsibility of the successful bidder at his own cost. The maintenance of Transmission system up to the interconnection point shall be responsibility of the Bidder. 4. The arrangement of connectivity can be made by the successful bidder through a dedicated line. The dedicated line may be constructed by the successful bidder or through any other agency. The entire cost of transmission including cost of construction of line, maintenance, losses etc. from the project up to the delivery point shall be borne by the successful bidder.	The successful bidder may be made responsible only upto the CTU point near to the project site, in case of the projects located outside Maharashtra.	It is to clarify that the delivery point for supply of power for the bidder is at MSETCL/Maharashtra STU periphery.Thus, the entire cost of transmission including cost of construction of line, maintenance, losses etc. and all expenses including SLDC charges,Scheduling charges, wheeling charges and losses up to the Delivery Point shall be borne by the bidder.Also, obtaining various permissions/ clearances are in the scope of bidder. If the transmission charges are directly billed to MSEDCL in respect of the Solar projects connected with CTU, the same shall be recovered from the developers by making necessary adjustments while making payment of monthly invoices.

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16	RfS Clause 3.7.5		In case of the projects outside Maharashtra the wheeling charges beyond the CTU point near the project site be borne by MSEDCL.	It is to clarify that the delivery point for supply of power for the bidder is at MSETCL/Maharashtra STU periphery.Thus, the entire cost of transmission including cost of construction of line, maintenance, losses etc. and all expenses including SLDC charges,Scheduling charges, wheeling charges and losses up to the Delivery Point shall be borne by the bidder. Also, obtaining various permissions/ clearances are in the scope of bidder. If the transmission charges are directly billed to MSEDCL in respect of the Solar projects connected with CTU, the same shall be recovered from the developers by making necessary adjustments while making payment of monthly invoices.
17			MSEDCL will cover the wheeling charges beyond the CTU point nearest to the project site for projects located outside Maharashtra,	
18	RfS Clause 3.9 (i) & (ii)	i. Earnest Money Deposit (EMD) of INR 8 Lakh / MW (plus applicable GST) ii. Performance Bank Guarantee (PBG): The Bidders selected by MSEDCL, based on this RfS shall submit the Performance Bank Guarantee (PBG) of INR 20 Lakh/MW (plus applicable GST)....	Kindly confirm the Rate of GST to be applicable on subject BG(s) value.	Rate of GST applicable on BG is 18%.
19		Performance Bank Guarantee (PBG): The Bidders selected by MSEDCL, based on this RfS shall submit the Performance Bank Guarantee (PBG) of INR 20 Lakh/MW (plus applicable GST), 7 days prior to signing of PPA according to the Format 6.3 B, issued in favor of MSEDCL with a validity period up to 7 months from Scheduled commencement-of-supply date and with claim period of one year from validity expiry date ...	Request for reduction of PGB @ 8 Lakhs/MW or 10 Lakh/MW	The request is not accepted.The RfS and PPA provisions shall prevail.
20			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 RfS and PPA provisions shall prevail.
21	RfS Clause 3.9 (v)	v. If the Successful Bidder fails to achieve Financial Closure as prescribed in Clause 3.13, An extension for the attainment of the financial closure may however be considered by MSEDCL, on the sole request of the Solar 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/REIAs Tenders	The request is accepted.The revised clause of RfS 3.9(v) is as follows: v. If the Successful Bidder fails to achieve Financial Closure as prescribed in Clause 3.13, An extension for the attainment of the financial closure may however be considered by MSEDCL, on the sole request of the Solar Power Generator, on payment of penalty of Rs.1000/- per day per MW (excluding 18% GST. If applicable).

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22	Rfs Clause No. 3.13	The Successful bidder shall report 100% tie-up of Financing Arrangements for the projects within 9 (nine) months from the date of execution of the Power Purchase Agreement, for projects being set up in Solar park, and within 12 (twelve) months from the date of execution of the Power Purchase Agreement, for projects being set up outside Solar park.	We request MSEDCL change the financial closure timelines from 12 Months to 6 months before SCSD as per MNRE guidelines	The request is not accepted.The RfS and PPA provisions shall prevail.
23	Rfs Clause 3.14	3.14 Commissioning and penalty for delay in commissioning: 3.14.1 The Projects shall be commissioned within a period of 24 (twenty-four) months from the date of execution of the PPA.	In case of the projects outside Maharashtra and also those outside solar park, this period may be extended from 24 months to 30 months only in case of CTU connectivity	The request is not accepted.The RfS and PPA provisions shall prevail.
24	Rfs Clause No.3.18.8	Evidence of clear possession of Project Site(registered sale deed/lease agreement) in the name of Bidder in case of private land or assurance order for land allocation/ proposal under consideration for land allocation in case of Govt.Land.	The requirement of providing registered sale deed/ lease agreement of land at the time of Bid submission may be removed due to reasons like procurement of land, connectivity is dependent on various factors beyond control of developer and can not be ascertained at the time of Bid and may be allowed and submitted at the time of financial closure.	The RfS clause no.3.18.8 is amended as under: Evidence of clear possession of Project Site(registered sale deed/lease agreement) in the name of Bidder or any member of consortium in case of private land or assurance order for land allocation/ proposal under consideration for land allocation in case of Govt.Land or Bidder shall submit Declaration along with the Rfs, confirming the clear possession of project site land before execution of PPA.
25	Rfs Clause No.4.2- B	If more than 5 bidders submitted their bids, then the bidder or bidders with the highest quoted Tariff shall be disqualified from this Tender process.	We request MSEDCL to remove this clause (elimination of H1 bidder)	The request is not accepted.The RfS and PPA provisions shall prevail.
26	RfS clause No. 4.4.3	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 INR/kWh.	We request MSEDCL to kindly amend the range of "L1+3%" to "L1+5%"	The request is not accepted.The bidder have to adhere to RfS provisions. (e. g. for understanding: Assuming if L1 is Rs. 3.50 per unit, then as per present condition, L2 shall be within L1+3% i.e. Rs. 3.60 per unit).

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27	RfS Clause 4.4	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 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.	We understand that there shall be NO NEGOTIATION with Successful Bidder against Final Tariff Discovered during e-Reverse Auction. Kindly confirm.	The request is not accepted.The RfS and PPA provisions shall prevail.
28	General		No clause of Repowering is mentioned in the RFS kindly, mention that clause	The Clause No.3.12.4 in RfS and Clause no. 5.4.4 in PPA are inserted as under : Repowering: The Successful bidder shall be allowed to repower the project from time to time during the PPA duration. The generator shall not be in default for non-supply of power during this period of repowering. The bidder shall maintain generation so as to achieve annual CUF not less than 90% of the declared CUF value (i.e. minimum CUF) and not more than 120% of the declared value of the annual CUF ,during the PPA duration of 20 years and MSEDCL will be obliged to buy power only within the Capacity Utilization Factor (CUF) range laid down in Power Purchase Agreement (PPA) and compensation against change in law for the repowered capacity shall not be allowed. Any excess generation will be dealt as specified in clause 3.12.3 of RfS.
29	General		List of STU/ MSETCL substation alongwith available connectivity may kindly be provided to assist SPD selection of Suitable sites and planning.	The tentative list is available on MSETCL official website.