

NOTE: As RFP and PPA documents are integral part of the bid document, bidders are requested to go through both these documents before submission

REQUEST FOR PROPOSAL

FOR

PROCUREMENT OF 500 MW RTC FIRM POWER ON SHORT TERM BASIS FROM 01st SEPTEMBER 2013 TO 30th JUNE 2014 FROM SOUTHERN REGION GENERATION SOURCE THROUGH COMPETITIVE BIDDING PROCESS FOR MEETING THE BASE LOAD REQUIREMENTS

Of

Bangalore Electricity Supply Company Ltd. (“Procurer”1) and
Mangalore Electricity Supply Company Ltd. (“Procurer”2) and
Chamundeshwari Electricity Supply Corporation Ltd (Procurer 3) and
Gulbarga Electricity Supply Company Ltd. (“Procurer”4) and
Hubli Electricity Supply Company Ltd. (“Procurer”5) and

.....
(Seller)

BID SPECIFICATION NO. 02/STPP/PCKL/A2/37/2009-10/1521
Dt: 10.07.2013

Issued by

Power Company of Karnataka Limited, (Authorized Representative)
(A Government of Karnataka Undertaking)
5th Floor, Room No 501, Kaveri Bhavan, Bangalore
(On behalf of State Distribution Licensees of Karnataka)

JULY 2013

1. Introduction and Background

1.1 The Power company of Karnataka Ltd. hereinafter referred to as “Authorized Representative”, on behalf of Bangalore Electricity Supply Company Ltd “Procuree 1, Mangalore Electricity Supply Company Ltd. “Procuree 2” “Chamundeshwari Electricity Supply Corporation “Procuree 3” “Gulbarga Electricity Supply Company Ltd. “Procuree 4”, Hubli Electricity Supply Company Ltd. “Procuree 5” and hereinafter referred to as “Procuree(s)” hereby invites interested Companies (“Bidders”) who are capable of supplying readily available power to participate in the Bidding Process for Procurement of Power under Short term for meeting the Base load Power requirements of the Procurees. The responsibility of the Successful Bidder(s) would be to supply power to the Procuree(s) as per the Terms and Conditions of this RFP Document.

1.2 Power Company of Karnataka Limited (referred to as “PCKL” hereinafter) wishes to invite offers from the eligible bidders for supply of 500 MW Base load power for short term, commencing power supply on scheduled delivery date 01st September 2013 and ending on 30th June 2014 (Contract Period), from Trading Licensees / Generators / State Utilities / CPPs / Co-generators/Distribution Licensees . The Bidders are allowed to offer minimum 50 MW for Source located outside Karnataka State (Inter State and within Southern Region) and 5 MW for Source located in Karnataka State (Intra State).

In case Bidders being Traders – shall furnish the copy of the LOI received from the Generator along with documentary evidence regarding commissioning of the Power Station by Competent Authority and also back to back Agreement entered into with the Generator and copy of the Trading License issued by CERC/KERC.

In case Bidders being Generators: The Bidder shall submit the documentary evidence regarding commissioning of the Power Station by Competent Authority.

1.3 The Bidders shall indicate firm ‘Quoted Tariff’ per KWh at the Delivery point (in INR) and power to be supplied for the entire Contract Period and Bidder(s) shall be responsible for supply of power to ESCOMs in the State of Karnataka for the Contract Period at the Delivery Point. Bidder may therefore ensure necessary infrastructure / ground work in this regard.

2. Purchase of Bid Document by Bidders

2.1 All interested Bidders shall participate in the Bidding Process by downloading Bid Documents from website (www.kptcl.com) or (www.pckl.co.in). The Bidders shall enclose a non-refundable bid processing fee (Tender Fee) of Rs.20,000/- (Twenty Thousand Only) by way of Demand Draft drawn in favour of “**Additional Director (Projects), Power Company of Karnataka Limited**”, payable at Bangalore.

2.2 The Bidders shall enclose an EMD of Rs. 30,000 /- (Rs. Thirty Thousand only) per MW in the form of a Demand Draft / Bank Guarantee issued by any Nationalized / Scheduled Bank in favour of “**Additional Director (Projects), Power Company of Karnataka Limited**”. Tender Fee and EMD shall be enclosed to Envelope I. Failing to enclose Tender Fee and EMD shall result in non-acceptance of Bids.

3. DEFINITIONS

Any ‘capitalized’ term, used but not defined in this RFP, shall have the meaning ascribed to such term in the RFP Documents. In absence of availability of definitions in the foregoing references, the ‘capitalized’ terms shall be interpreted in accordance with the Electricity Act 2003, the CERC (Terms and Conditions of Tariff) Regulations 2009, Grid Code or any other relevant electricity law, rule or regulation prevalent in India, as amended or re-enacted from time to time, in that order.

The following terms are defined for use in this RFP:

“Authorized Representative” shall mean the body corporate authorized by the Procurer(s) to carry out the bidding process for the selection of the Successful Bidder(s) on their behalf as defined in Clause 1.1 of this RFP;

“Base Load” shall mean the required quantum of power as specified by the Procurer(s) / Authorized Representative at Sl.No. 4 of Clause 4.1.1 of this RFP.

“Bidder” shall mean Bidding Company (Trading Licensees / Generators / State Utilities / CPPs / Co-Generators/ Distribution licensees)

“Contracted Capacity” shall mean the net capacity of power (in MW) contracted between the Seller and the Procurer(s) at the Delivery Point as provided in the Selected Bid as per Format 6.2 of this RFP;

“CTU” or “Central Transmission Utility” shall mean the utility notified by the Central Government under Section-38 of the Electricity Act 2003;

“CTU Interface” shall mean the point where

- i. the power from the Generation source switchyard bus of the Seller shall be injected into the interstate transmission system OR
- ii. the dedicated transmission line of the Seller shall connect the generation source of the Seller to the interstate transmission system OR
- iii. the intrastate transmission system of the Seller’s state shall connect to the Interstate Transmission System for the purpose of transmitting power from the Seller’s Generation source;

“Delivery Point” shall mean For Inter-State transmission of power, regional periphery of the seller to be taken as Delivery Point. For Intra-State transmission of power, interconnection point of seller with STU to be taken as Delivery Point.

“Earnest Money Deposit” Shall have (EMD) the meaning as per clause 4.5

“Effective Date” shall mean the date from which the PPA becomes effective;

“Electricity Act 2003” shall mean the Electricity Act, 2003 and any rules, amendments, regulation, notifications, guidelines or policies issued there under from time to time.

“Injection Point” in relation to each Financial Bid by a Bidder, shall mean either the CTU Interface or the STU interface point as specified by the Bidder in Format 6.2 of this RFP;

“Interconnection Point” shall mean the point where the power from the Generation Source Switchyard bus of the Seller is injected into the Interstate/Intrastate transmission system (including the dedicated transmission line connecting the generation source with the interstate/intrastate transmission system);

“Grid Code” / “IEGC” or “State Grid Code” shall mean the Grid Code specified by the Central Commission under clause (h) of sub-section (1) of Section 79 of the Electricity Act and/or the State Grid Code as specified by the concerned State Commission referred under clause (h) of sub-section (1) of Section 86 of the Electricity Act, as applicable;

“Letter of Intent” or “LOI” shall mean the letter to be issued by the Procurer to the Successful Bidder(s) for supply of power;

“Normative Availability” shall have the meaning ascribed thereto in the PPA;

“PPA” shall mean the Agreement to be entered into between the Procurer(s) and the Seller pursuant to which the Seller shall supply power to the Procurer(s) as per the terms and conditions specified therein and a **draft of which is attached** hereto and marked as Enclosure 1 of this RFP, including all its schedules, annexures, and all amendments or modifications;

“Procurer(s)” shall mean the entity (ies) as specified in Clause 1.1 of this RFP;

Procurers Periphery: shall mean KPTCL Periphery

“Qualified Bidder(s)” shall mean the Bidder(s) who, after evaluation of their Non Financial Bid as per Clauses 5.2, stand qualified for opening and evaluation of their Financial Bid;

“Quoted Tariff” shall mean price quoted by the bidder as per the prescribed Format 6.2 and shall be construed to be at the Delivery Point as mentioned in its Bid;

“KEREC” shall mean the Karnataka Electricity Regulatory Commission of Karnataka State constituted under Section-82 of the Electricity Act, 2003 or its successors,

“KPTCL” shall mean Karnataka Power Transmission Corporation Limited, a State Transmission Utility,

“RFP” shall mean this Request for Proposal along with all formats and PPA attached hereto and shall include any modifications, amendments, alterations or clarifications thereto;

“RFP Documents” shall mean the following documents to be entered into by the parties to the respective agreements in connection with the supply of power:

- a) PPA;

- b) any other agreements designated as such, from time to time by the Procurer/Authorized Representative

“Scheduled Delivery Date” Shall mean commencement of power supply of Contracted Capacity from 01st September 2013.

“Seller” shall mean the Successful Bidder who submit the Contract Performance Guarantee and executes the PPA with the Procurer(s) and who shall be responsible for supplying power to the Procurer(s) for the term of the PPA as per the terms and conditions specified therein;

“SERC” shall mean the State Electricity Regulatory Commission of any state in India constituted under Section-82 of the Electricity Act, 2003 or its successors, and includes a Joint Commission constituted under sub-section (1) of Section 83 of the Electricity Act 2003;

“STU Interface(s)” shall mean the point(s) at which the CTU network is connected to the intrastate transmission system of the Procurer(s)’s State(s), and at which the Procurer(s) agree to receive power. For generation source in the same State as that of the Procurer(s), the STU Interface shall be the bus-bar of the generating station from which power is contracted to be supplied, at an appropriate voltage level as specified by the STU.

“STU” or “State Transmission Utility” shall mean the board or the government company specified as such by the State Government under sub-section (1) of Section 39 of the Act; for the purpose of this agreement, the STU shall mean (Karnataka Power Transmission Corporation Limited (KPTCL) network.

“Successful Bidder(s)” shall mean the Bidder(s) selected by the Authorized Representative, pursuant to this RFP for supply of power as per the terms of the RFP Documents, and to whom a Letter of Intent has been issued;

4. Power procurement

4.1.1 Scope

Bidder is free to choose any power Generation Source, any technology and fuel type for supply of power from Generators located in Southern Region. Further, all Bidders shall indicate the type of fuel used, source of power generation from where the Contracted Capacity would be delivered.

Brief scope of power procurement is given as under:

Sl. No	Scope	Details
1.	Contract Period	01 st September 2013 to 30 th June 2014
2.	Requisitioned Capacity (MW)	500 MW for <i>Base load</i> supply of power.

Sl. No	Scope	Details
3.	Minimum Bid Capacity	50 MW for Generators located outside Karnataka State (Inter State and within Southern Region) and 5 MW for Generators located in Karnataka State (Intra State).
4.	Load Requirement	“Base Load ” - 500MW
5.	Scheduled Delivery Date	01 st September 2013
6.	Delivery Point	Bidders shall submit their firm Quoted Tariff at the Delivery Point and specify the same in the Financial Bid as per Format 6.2 of this RFP; The PPA shall be signed between the Successful Bidder and the Procurer(s) for the Contracted Capacity at the Delivery Point.
7.	Injection Point	Bidders shall specify in their Financial Bid, the Injection Point ; The transmission charges for any intrastate transmission link connecting the Delivery Point shall be borne by the Seller and no transmission charges for such intrastate transmission link shall be payable by the Procurer(s). In case of Injection Point being a Procurer(s) Periphery, no transmission charges or losses shall be considered for evaluation.
8.	Transmission Losses	The transmission losses from the Delivery Point to Procurer(s) Periphery shall be borne by the Procurer(s).
9.	Arranging Transmission Access	The Seller shall be wholly responsible to arrange transmission access from the Interconnection Point to the Delivery Point.
10	Open access Charges	Intra State Open Access Charges, Transmission Charges and Losses along with Injection Charges and loss up to the Regional Periphery are on Sellers account and Drawl charges and losses along with Intra-State Open Access, transmission charges and losses are on Procurer(s) account.

4.1.2 Evacuation of Power

The Procurer(s) shall be responsible for evacuation of power beyond the Delivery Point, who shall ensure the interconnectivity of STU Interface(s) for evacuation of power.

4.1.3 Allocation of Requisitioned Capacity

The allocation of Requisitioned Capacity among the Procurers shall be indicated in the LOI in line with the GoK order. Allocation shall be as per the GoK Order issued from time to time.

4.2. Submission of Bid

4.2.1 The Bidders shall submit their bids, duly signed by authorized signatory in sealed envelopes in two parts as follows

A) Envelope I-Non Financial Bid Comprising of:

- a.) Covering Letter as per the prescribed Format 6.1
- b) Bid Security (EMD) in the form of Demand Draft/ Bank Guarantee issued by the Scheduled Bank/Nationalized Bank
- c) Non-refundable Tender fee/ Bid Processing fee of Rs.20,000/- (Twenty Thousand Only/-) in form of Demand Draft.
- d) Quantum of power offered from the Generation Source shall be mentioned in **format 6.2 without indicating the rates.**

B). Envelope II-Financial Bid as per Format

The Bidder shall inter-alia take into account the following while preparing and submitting the Financial Bid as per Format 6.2 duly signed by an authorized signatory.

- i. The Bidder shall submit their Quoted Tariff at the Delivery Point and shall specify the same in its Financial Bid as prescribed in Format 6.2 of this RFP;
- ii. The Bidder may quote for any quantum of power up to the Requisitioned Capacity, subject to the Minimum Bid Capacity.

The Bidder shall quote single tariff at the delivery point up to three decimals which shall include capacity charge, energy charge, trading margin,(in case of Bidder being Trader) and all taxes, duties, cess, etc imposed by Central Government, State Government, Local bodies the tariff shall be quoted in Indian Rupees only for the Contract period, as in Format 6.2.

4.3 The Bidder should note that:

- a) The Procurer/ Authorized Representative reserves the right to accept the offer of

- the Bidder for any quantum of power up to the quantum offered by it, in full/part subject to the Minimum Bid Capacity.
- b) The decision of Authorized Representative shall be final and binding on the bidders in this regard.
 - c) Bid submitted by the Bidders, within the Bid Deadline, shall become the property of the Authorized Representative and shall not be returned to the Bidders;
 - d) Language of the Bid shall be English only.
 - e) The open access transaction shall be made in the name of BESCO, for the purpose of open access charges beyond delivery point, the ESCOMs of Karnataka and KPTCL system are internalized.
 - f) In case of monthly Availability declared by the Seller is less than Normative Availability, the Seller shall pay penalty at a rate of 20% of quoted tariff per KWh for short supply.
 - g) The Generation Source shall be located in Southern Region.

4.4 Method of Submission

Bids are to be submitted in a single closed cover envelope as per format 6.1 containing Envelope I (Non-Financial Bid) and Envelope II (Financial Bid) each one duly closed separately. Envelope I (Non-Financial Bid) and Envelope II (Financial Bid) should be transcript in the following way;

Envelope I (Non-Financial Bid)
Superscript -

ENVELOPE - I

“Bid for selection of Seller(s) for procurement of 500 MW RTC Firm power on short term Basis from 01st September 2013 to 30th June 2014 against bid Specification No 02/STPP/PCKL/A2/37/2009-10/1521 Dtd. 10.07.2013

Name of the Bidder -

.....

Due for opening on 25.07.2013

at 15.00 Hrs.

Envelope II (Financial Bid)
Superscript -

ENVELOPE - II

“Bid for selection of Seller(s) for procurement of 500 MW RTC Firm power on short term Basis from 01st September 2013 to 30th June 2014 bid Specification No. 02/STPP/ PCKL/ A2/37/ 2009-10/1521 Dtd. 10.07.2013

Name of the Bidder

.....

Due for opening on 29.07.2013

at 14.00 Hrs.

4.4.1 Bidders shall submit the Bid one (1) original plus one (1) copy, duly signed by the authorized signatory of the Bidder. The original Bid shall be clearly marked “ORIGINAL”, and other copy clearly marked “Copy of Bid”. In the event of any discrepancy between the original and the accompanying copies, only the original shall prevail.

4.5 Earnest Money Deposit

4.5.1 Each Bidder shall submit the EMD of Rupees Thirty Thousand per MW (Rs. 30,000/- per MW only) in the form of Demand Draft / Bank guarantee of any Nationalized /Scheduled Banks

4.5.2 EMD, shall be invoked by the Authorized Representative, without any notice, demure, or any other legal process upon occurrence of any of the following:

- Failure to execute the PPA
- Failure to submit the CPG as per clause 4.6 of RFP
- Bidder submitting any wrong information or making any misrepresentation in Bid

4.5.3 The EMD of all Bidders, whose Bids are declared non-responsive, shall be returned and released by the Authorized Representative within 10 days of expiry of bid validity period after finalization of bids.

4.5.4 The EMD of all Bidders shall be returned and released by the Authorized Representative within a period of Ten (10) days of the occurrence of the termination/cancellation of Bid process by the Authorized Representative.

4.5.5 The EMD of the Successful Bidder(s) shall be returned after submission of CPG

4.6 Contract Performance Guarantee (CPG):

- i) The successful bidder shall have to furnish Contract Performance Guarantee within 7 days from the date of issue of LOI at Rs. 3,00,000/- (Rupees Three Lakhs only) per MW.
- ii) The CPG shall be in the form of Bank Guarantee issued by any Nationalized/Scheduled Bank and valid for the period of Contract with a claim period of 1 month after the expiry of contract period.
- iii) In the event, the Contract Performance Guarantee is not furnished within the stipulated date, the Bid Security (EMD) submitted against the Notification shall be forfeited by Authorized Representative.

The Contract Performance Guarantee provided by the successful Bidder (Seller) shall be forfeited for non-performing the contractual obligations.

4.7 Due Date

The Bidders should submit the Bids so as to reach the address specified in format 6.1 by 25.07.2013 at 14:00 Hours:

The following shall be the time schedule for completion of the bidding process

Event	Schedule
Date of issue of RFP	10.07.2013
Bid submission	25.07.2013 14:00 hrs
Opening of Non Financial Bid In the presence of available bidders representatives.	25.07.2013 15:00hrs
Opening of Financial Bid In the presence of available bidders representatives.	29.07.2013 at 14:00hrs
Short listing of Successful bidder(s) and issue of LOI	07.08.2013
Signing of PPA	14.08.2013

4.8. Validity of the Bid

The Bidder shall submit the Bid which shall remain valid up to **Thirty (30)** days after the Bid Deadline (“Bid opening Date”).

4.9 Right to withdraw the RFP and to reject any Bid

4.9.1 This RFP may be withdrawn or cancelled by the Authorized Representative at any time without assigning any reasons thereof. The Authorized Representative further reserves the right, at its complete discretion, to reject any or all of the Bids without assigning any reasons whatsoever and without incurring any liability on any account.

4.10 Confidentiality

Bidders shall treat the Bid Documents and contents therein as strictly confidential. It is clarified that for a period of 12 months no disclosures of the Bid Document should be made about the contents of this RFP document together with all its Annexures and Schedules by the Bidder(s) to any third person.

5. EVALUATION CRITERIA

5.1 Bid Evaluation

The evaluation process comprises the following two steps:

Step I – Responsiveness check of Non-Financial Bid

Step II – Evaluation of Financial Bid

5.2 Step I – Responsiveness check of Non Financial Bid

- a) Covering Letter as per the prescribed Format 6.1
- b) Bid Security (EMD) in form of Demand Draft / Bank Guarantee issued by the Scheduled Bank/Nationalized Bank
- c) **Non-refundable bid processing fee of Rs. 20,000/- (Twenty Thousand Only/-)** in form of Demand Draft.
- d) Quantum of power offered from the Generation Source **in format 6.2 without indicating the rates.**

5.3 Step II – Evaluation of Financial Bid -Format 6.2

- 5.3.1 Financial Bids (Envelope II) of the Qualified Bidders shall be opened in presence of the representatives of such Qualified Bidders, who wish to be present, as per the timelines indicated in Clause 4.7. The evaluation of Financial Bid shall be carried out based on the information furnished in Envelope II (Financial Bid).
- 5.3.2 The Bidders shall quote price as per Format 6.2. Based on the Quoted Tariff provided by the Bidders, the landed cost shall be calculated at KPTCL periphery as per the methodology mentioned in format 6.2.
- 5.3.3 The Letter(s) of Intent shall be issued to selected Bidder(s) up to the Requisition Capacity.
- 5.3.4 Successful Bidders shall convey their acceptance of LOI within 3 days.
- 5.3.5 The Authorized Representative, in its own discretion, has the right to reject all Bids if the Quoted Tariffs are not aligned to the prevailing market prices.

5.4. Governing Law

All matters arising out of or in conjunction with the Bid Document and/or the bidding process shall be governed by and construed in accordance with Indian laws and the courts of Bangalore, Karnataka shall have exclusive jurisdiction.

5.5 Disclaimer

Neither PCKL nor its employees or consultants shall be liable to any Bidder or any other person under any law including the law of contract, tort, the principles of restitution or unjust enrichment or otherwise for any loss, expense or damage which may arise, or be incurred, or suffered, in connection with the bid, or any matter that may be deemed to form part of the NIB or any other information supplied by or on behalf of PCKL/ ESCOMs or its employees or consultants. For the avoidance of doubt it is expressly clarified that this Bid Document is an offer to bid and is subject to the award of Letter of Intent (LoI) by PCKL/ ESCOMs and acceptance of the Letter of Intent (LoI) by the selected bidder.

Formats

6.1 Format of Covering Letter

(The covering letter should be on the Letter Head of the Bidder)

Date: _____

From : _____ (Insert name and address of Bidder)

Tel. #:

Fax #:

E-mail address#

To

**The Additional Director (Projects),
Power Company of Karnataka Limited,
Room no 501, 5th Floor, KPTCL building,
Bangalore**

Sub: Bid for supply of ---- MW **RTC Firm** power on short term basis through tariff based competitive bidding procedure in response to RFP dated 10.07.2013

Dear Sir,

We, the undersigned [insert name of the 'Bidder'] having read, examined and understood in detail the RFP and RFP Documents for supply of power on short term basis through competitive bidding process for meeting the requirements of the Procurer(s) hereby submit our Bid comprising of Financial Bid and Non-Financial Bid.

1. We give our unconditional acceptance to the RFP dated 10.07.2013 and RFP Documents attached thereto, issued by the Authorized Representative, as amended. We shall ensure that the Seller shall execute such RFP Documents as per the provisions of the RFP and provisions of such RFP Documents shall be binding on us.

2. Earnest Money Deposit

We have enclosed a EMD of **Rs. 30000/- (Thirty Thousand only)** per MW, in the form of Demand Draft / Bank Guarantee no.....(Insert number) dated

The offered quantum of power by us is MW (Insert total capacity offered).

3. We have submitted our Financial Bid strictly as per Format 6.2 of this RFP, without any deviations, conditions and without mentioning any assumptions or notes for the Financial Bid in the said format.

4. Acceptance

We hereby unconditionally and irrevocably agree and accept that the decision made by the Authorized Representative in respect of any matter regarding or arising out of

the RFP shall be binding on us. We hereby expressly waive any and all claims in respect of Bid process.

We confirm that there are no litigations or disputes against us, which materially affect our ability to fulfill our obligations with regard to supply of power.

5. Familiarity with Relevant Indian Laws & Regulations

We confirm that we have studied the provisions of the relevant Indian laws and regulations as required to enable us to submit this Bid and execute the PPA, in the event of our selection as Successful Bidder. We further undertake and agree that all such factors as mentioned in of RFP have been fully examined and considered while submitting the Bid.

6. Contact Person

Details of the contact person are furnished as under:

Name :
Designation:
Company :
Address :
Phone Nos. :
Fax Nos. :
E-mail address:

- 7. We are enclosing herewith the Non Financial Bid (Envelope I) and Financial Bid (Envelope II) containing duly signed formats, each one duly closed separately, in one (1) original + 1 (one) copy (duly attested) as desired in the RFP for consideration.
- 8. It is confirmed that our Bid is consistent with all the requirements of submission as stated in the RFP and subsequent communications from the Authorized Representative.
- 9. The information submitted in our Bid is complete, strictly as per the requirements stipulated in the RFP and is correct to the best of our knowledge and understanding. We would be solely responsible for any errors or omissions in our Bid.
- 10. We confirm that all the terms and conditions of our Bid are valid for acceptance for a period of **Thirty (30) days** from the Bid Deadline.
- 11. We confirm that we have not taken any deviation so as to be deemed non-responsive with respect to the provisions stipulated in **Clause 5**.

Dated the _____ day of _____, 20...

**Thanking you,
We remain,**

Yours faithfully,

Signature of Authorized Signatory:
Name:
Designation
Name & Seal of Bidding Company

6.2 Format for Financial Bid

(The Financial bid shall be on the Letter Head of the Bidder)

Date: _____

From : _____ (Insert name and address of Bidder)

Tel.#: _____

Fax#: _____

E-mail address#: _____

To

The Additional Director (Projects)

Power Company of Karnataka Limited

Room no 503,5th Floor, KPTCL building

Bangalore

Sub: Bid for supply of ---- MW RTC Firm power on short term basis through tariff based competitive bidding procedure in response to RFP dated 10.07.2013

- * Total capacity of power (in MW) offered by the Bidder: MW (..... MW) [To be inserted both in words and figures]

Generation Source / Utility	Offered Capacity in MW
1	
2	
Total Capacity of power offered	

- Name of the Interconnection Point (To be inserted by the Bidder)
- Name of the Injection Point (To be inserted by the Bidder)
- Region and State in which the Injection Point is located (To be inserted by the Bidder)
- Whether the STU system be used to transmit power between the Interconnection Point and the Injection Point?: -----(Insert “Yes” or “No”)
- % Transmission loss for Injection in STU system (To be inserted by the Bidder only if STU system is involved at Bidder’s end)
- Name(s) of the regional ISTS to be involved in transmission of power between the Injection Point and the Delivery Point: (To be inserted by the Bidder)
- Details of the shortest Route involved between interconnection point to delivery point
- **Details of **Delivery Point** (To be inserted by the Bidder)
- *** **Quoted tariff** in Rs/KWh at Delivery Point (to be inserted by the bidder)

*** The Procurer(s) can Contract the total capacity of RTC Firm power offered by the Bidder or any combination of the fractions of the offered total capacity, subject to minimum bid capacity.**

**** Delivery Point** for Inter-State transmission of power, regional periphery of the Seller. For Intra-State transmission of power, interconnection point of Seller with STU (Procurer(s) Periphery)

*****The quoted tariff** shall be up to three decimals in Rs/ Kwh including capacity charge, energy charge, trading margin, (in case of trader being bidder) and all taxes, duties, cess etc imposed by Central Government, State Government, Local bodies for the Contract period.

Illustration for Bid Evaluation and Computation of Tariff

Methodology of Computing the tariff at Procurer's Periphery(KPTCL periphery) for Bid evaluation		
Particulars	Inter State Generator (Generator located outside Karnataka)	Intra state Generator (located within Karnataka connected to STU)
Quantum offered at:	Regional Periphery of the Seller (SR)	Procurer(s) Periphery
Injection Point	Generator connected to CTU / STU in SR	Generator connected to STU
Bid evaluation at:	KPTCL Periphery (Procurer(s) Periphery)	KPTCL Periphery (Procurer(s) Periphery)
Duration	00 Hrs to 24 Hrs	00 Hrs to 24 Hrs
Contract Period	01 st September 2013 to 30 th June 2014	01 st September 2013 to 30 th June 2014
Quoted Tariff in Rs/unit at Delivery Point	*X	*X
* X (see note no. 1)	Indicate % values of taxes and duties etc as per note no.1 considered in the Quoted Tariff. The bidders not indicating above percentages are not eligible for claims for change in tariff if any on account of Change in Law as per Article 7.3 of PPA.	Indicate % values of taxes and duties etc as per note no.1 considered in the Quoted Tariff. The bidders not indicating above percentages are not eligible for claims for change in tariff if any on account of Change in Law as per Article 7.3 of PPA.
Transmission charges of Injection State (Generator/Home State injection POC charges)	Y=** Inj POC	Y=Zero
Karnataka withdrawal POC charges	Z= Kar Withdrawal POC	Z=Zero
Quoted Tariff incl. Transmission Charges	Z1=X+Y+Z	Z1=X+Y+Z
Aggregate Adjustment Factor (AAF)	$Z2=1/(1-\text{Kar withdrawal loss\%/100})$	Z2= 1
Adjusted Quoted Tariff in Rs/Kwh	$Z3=Z1*Z2$	$Z3=Z1*Z2$
Total tariff at Procurer's/ KPTCL periphery in Rs/unit.	$Z3=Z1*Z2$	$Z3=Z1*Z2$

- *The quoted Tariff** shall be up to three decimals in Rs/ Kwh including capacity charge, energy charge, trading margin, (in case of trader being bidder) and all taxes, duties, cess etc imposed by Central Government, State Government, Local bodies for the Contract period.

2. **** Y Injection Charges to the Seller(s) account and shall not be considered for evaluation purpose shall be made zero.**
3. For evaluation Open Access Charges shall be considered as per present order no. L-1/44/2010-CERC dated 29.06.2013. And in respect of losses **Weekly transmission losses notified by the NLDC one week prior to bid submission date shall be considered.**

Open Access charges:

- a) Transmission Charges, if any, for transmitting power from the Interconnection Point to the Delivery Point shall be borne by the Seller and no transmission charges for such intrastate transmission link shall neither be added for evaluation nor shall be payable by the Procurer(s) during the term of the PPA.
- b) In case of Injection Point being a Delivery Point i.e Procurer's Periphery, no transmission charges shall be added.

Dated the _____ day of _____, 20...

**Thanking you,
We remain,**

Yours faithfully,

Signature of Authorized Signatory:

Name:

Designation

Name & Seal of Bidding Company