

Clarifications to Bidder's queries in regard to CESC Tender **ED (PM)/2024-25/28 Dated 22.04.2024** for purchase of up to 100 MW RTC Power on short term basis for the period 1<sup>st</sup> July 2024 to 31<sup>st</sup> October 2024.

**Clarifications-1**

**26.04.2024**

| Sl. No | Clause No.  | Suggestion/ Clarification seek by bidder  | CESC Reply          |
|--------|---|---|---------------------|
| 1      | <b><u>Clause No. 7.2.4(iv) (Earnest Money Deposit (EMD)/ Bank Guarantee (BG):</u></b><br>As per the bid document, " In case the LOA is issued but Selected Bidder(s) is/are not in a position to fulfill the requirement, being selected in another bidding process the EMD/CPG shall be forfeited as the case may be." | <i>In case trader being a successful bidder, successful bidder may accept the partial Lol quantum due to non-acceptance of some Lol quantum by any of its generator(s), in such case the Lol may be considered as partially accepted by the successful bidder. Accordingly, the EMD amount against the unaccepted quantum shall be forfeited by CESC Ltd. and rest of the EMD amount shall be refunded to the successful bidder. Request to kindly confirm on the same.</i>   | No change envisaged |
| 2      | <b><u>Clause No. 8 (Validity of Tender and Offer):</u></b>  | As per the bid document, Validity period of offer of Bidder shall be till the time of signing of Power Purchase Agreement (PPA)."<br><br>Further, as per clause 13.3 of tender document, "In case CESC fails to issue the LoA within a period of 30 days from the close of e-Reverse Auction (excluding the date of e-Reverse Auction), the successful bidder(s) shall have the option to exit without forfeiting the EMD".<br><br>We would like to bring to your kind attention that as per the Clause No. 7.13 of the Short Term Guidelines issued by MoP, "In case the Procurer fails to issue the LoA within a period of 15 days from the close of e-Reverse Auction, the Successful Bidder(s) shall have the option to exit without forfeiting the EMD."<br><br><i>Therefore, it is requested to kindly keep the bid validity period up to 15 days from E-Reverse auction date. Further, kindly clarify whether the bid validity period shall be including or excluding the day of e-Reverse Auction</i> | No change envisaged |
| 3      | <b><u>Clause No. "17.(iii) - (Power Purchase Agreement (PPA))</u></b>   | As per the bid document, " The contracted power will be treated as deemed reduced for the period of transmission constraint. The non/part availability of transmission corridor should be certified by the concerned RLDC/SLDC."<br><br><i>We request to kindly consider the contract period unchanged irrespective of the actual power flow period and the power scheduled shall be considered full during that Force Majeure Event. Request to kindly modify the clause as requested.</i>   | No change envisaged |

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| 4      | <p><b>Clause No. 22(2) - "Payment"</b></p> <p>As per the bid document, " Bidders shall raise bills on account of open access charges paid to nodal RLDC/ SLDC on behalf of CESC to CESC. CESC shall reimburse the amount to Successful Bidder (s) within 7 (Seven) days (excluding the date of receipt of bill(s)) from the date of receipt of bill. In the event of the due date of payment being a Bank/Discoms holiday/closed, the next working day shall be considered as the due date of payment"</p>  | <p><u>It is requested to kindly modify the due date of payment of open access and T-GNA charges bill as per below mentioned:</u></p> <p><u>(i)Billing of Open Access and T-GNA charges shall be on the same day or next day of receipt of approval from NOAR.</u></p> <p><u>(ii)Payment of Open Access and T-GNA charges shall be as per the due date mentioned in the approval received from NOAR.</u></p>  | No change envisaged  |
| 5      | <p><b>Clause No. 25 (PAYMENT OF LIQUIDATED DAMAGES FOR FAILURE TO SUPPLY THE INSTRUCTED CAPACITY:</b></p> <p>As per the bid document, " Both the parties would ensure that actual scheduling does not deviate by more than 15% of the contracted power as per the approved open access on monthly basis or actual period (if period is less than a month) during Contracted Period.</p> <p>25.2. In case deviation from CESC side is more than 15% of contracted energy for which open access has been allocated on monthly basis or actual period (if period is less than a month) during Contracted Period, CESC shall pay compensation at 20% of Tariff per kWh for the quantum of shortfall in excess of permitted deviation of 15% while continuing to pay open access charges as per the contract.</p> <p>25.3. In case deviation from Bidder side is more than 15% of contracted energy for which open access has been allocated on monthly basis or actual period (if period is less than a month) during Contracted Period, Bidder shall</p> | <p>(i) <u>We understand that both the parties individually has the option to surrender the contracted quantum by 15% and not in totality. Request to kindly confirm on the same.</u></p> <p>(ii) <u>We understand that each seller in the issued Lol individually has the option to surrender their respective contracted quantum by 15%. Request to kindly confirm on the same.</u></p> <p>(iii) <u>As per the attached Ministry of Finance (MoF), Govt. of India order dated 3rd August 2022 on GST applicability on liquidated damages, compensation and penalty arising out of breach of contract or other provisions, we understand that GST shall not be applicable on compensation/Liquidated Damages amount. Request to kindly confirm the same.</u></p> | <p>No change envisaged in the clause for points (i) and (ii)</p> <p>(iii) Payment of liquidated damages for failure to supply the instructed capacity does not amount to supply and therefore the question of GST does not arise</p> |

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|        | pay compensation to CESC at 20% of Tariff per kWh for the quantum of shortfall in excess of permitted deviation of 15% in the energy supplied and pay for the open access charges to the extent not availed by the CESC." |  |  |
| 6      |   | <p><b>Uniform Revision of Power:</b><br/> The Bidder(s) shall submit bids on behalf of Generator(s) on short term basis at very competitive prices considering the off-take of power by Procurer (i.e., CESC) as per the requisition i.e. RTC. Since Generators are participating considering the off-take of Power by the CESC according to these requisitions, it is requested that any real time revision in schedule by CESC shall be on uniform basis other than Force Majeure Conditions. For example, if any generator has participated in the RTC requisition, then it is requested to kindly revise the schedule on uniform RTC basis. If the revision is not done uniformly, it will be difficult for Generator(s) to operate at partial load for few hours resulting in generation inefficiency. Further, Generator(s) are likely to face difficulties for tying up of surrendered capacity for certain blocks.</p> <p><u>Hence, it is requested that CESC shall ensure off-take of power on uniform basis only as per the requisition of the tender document</u></p> | <p>Aforesaid bidder's proposal appears to be an addition to the existing provisions forming part of the Standard Bidding Guidelines.</p> <p>Hence, no change is envisaged in the tender document. Existing provisions shall prevail.</p> |
| 7      |   | Pls clarify if the ISTS losses have to be considered in Tariff for generator connected with CTU system since Delivery point is mentioned as ER periphery.  | As the Delivery Point is ER boundary, the ISTS loss is applicable on CESC only. Therefore, no ISTS loss implication shall be considered while quoting tariff.  |