

**CESC LIMITED**

**BID DOCUMENT FOR**

**POWER SWAP (BANKING) OF SLOT WISE POWER ON FIRM BASIS FOR THE  
PERIOD OF 01.04.2017 to 31.03.2018**

**COMMERCIAL AND GENERAL CONDITIONS**

**TENDER NO: CESC/ PM/Banking/Tender/676**

**Power Marketing Dept.**

**CESC Ltd**

**1st Floor, CESC House**

**Chowringhee Sq**

**Kolkata-700001**

**No. CESC/PM/Banking/Tender/676**

**Date: 05.01.2017**

## 1. Introduction and Background:

M/S CESC Limited (CESC) is a Company incorporated under the Companies Act 1956 and engaged in the business of distribution of electricity within its licensed area in Kolkata. CESC wishes to invite offers from the licensed power traders/state utilities/Distribution Licensees/SEBs, for banking of power on short term basis for the period commencing from 1st April,2017 to 31st March 2018 as per the details given below:-

**CESC shall avail the power excluding on Sundays & holidays as per following details:**

Duration	Apr-17	May17 (1 <sup>st</sup> -31 <sup>st</sup> )	June17 (1 <sup>st</sup> -15 <sup>th</sup> )	June17 (16 <sup>th</sup> -31 <sup>st</sup> )	Jul-17	Aug-17	Sep17 (1 <sup>st</sup> -26 <sup>th</sup> )
(Hrs.)	MW	MW	MW	MW	MW	MW	MW
9-10	-	-	100	-	-	-	-
10-22	100	100	100	100	85	85	95
22-23	100	100	100	100	-	-	95
23-24	100	100	100	100	-	-	95

### CESC shall return Power

Durati on	Nov17 (18th- 30th)	Dec17 (1st- 11th)	Dec17 (12th - 31st)	Jan18 (1st-8th)	Jan18 (9th- 16th)	Jan18 (17th- 31st)	Feb18 (1st- 20th)	Feb18 (21st- 28th)	Mar- 18
(Hrs.)	MW (Upto)	MW (Upto)	MW (Upto)	MW (Upto)	MW (Upto)	MW (Upto)	MW (Upto)	MW (Upto)	MW (Upto)
0-1	100	100	100	100	100	80	100	100	100
1-2	200	200	200	200	200	150	200	200	200
2-3	300	300	300	300	300	150	300	300	250
3-5	300	300	300	300	300	150	300	300	300
5-6	200	200	200	200	200	100	200	200	200
6-7	100	100	100	100	100	50	100	100	100
22-23	50	-	-	50	50	-	100	50	-
23-24	100	80	100	100	130	-	200	100	-

The import quantum by CESC shall vary subject to return %. All power during Import and Export by all the parties shall be transacted on firm basis.

Any additional power can be included with the mutual consent of the parties during the validity of this agreement as a part of this power swap agreement.

## **2. Earnest Money Deposit:**

The prospective Bidder shall deposit Earnest Money Deposit (EMD) of Rs.1.0 Lakhs (Rupees One Lakh) in the form of Demand Draft (DD)/RTGS. Demand Draft shall be of any Nationalized Bank/ Scheduled Bank drawn in favour of **CESC Limited** payable at Kolkata. The details of Bank and Account Number is as follows:

- Account Name: CESC Ltd
- Bank Details: United Bank of India, Address: 11, Hemanta Basu Sarani, Kolkata - 700 001  
Account No.: 0389253009448,  
IFSC Code: UTBI00CH175

The EMD of the successful bidders shall be returned after successful completion of the contract. EMD of the unsuccessful bidders shall be returned after 45 days from the date of opening of the tender.

The EMD may be forfeited if the bidder withdraws or modifies bid during the bid validity period. The EMD shall also be forfeited if the bidder fails to fulfill the LOA during the period of contract i.e 01.04.2017 to 31.03.2018. No interest shall be paid on the EMD amount by CESC Ltd.

## **3. Bid evaluation by CESC:**

The above banked power should be returned by CESC during the period and duration as mentioned in the table. Trader/utilities are requested to clearly indicate the (Return Ratio) in percentage offered by them. The return % offered by the bidders and the trading margin shall be considered for the purpose of bid evaluation and finalization of the successful bidder.

In case more than one bidders offering the same return %, then the bidder quoting the lower trading margin shall be the successful bidder.

## **4. Contract Documents:**

CESC shall intimate the award of power swap (banking) arrangement to the successful Bidder(s) through a Letter of Award (LoA) to be dispatched by e-mail/Fax. Successful Bidder shall convey his acceptance of Letter of Award within 2 days of issue of Letter of Intent. Acceptance of Letter of Intent shall be construed as a binding contract.

## **5. Compliance to the terms and conditions:**

The Bidders are advised to ensure that the bid is fully compliant with the requirements specified, terms and conditions contained in the Bid Document. No deviation from these conditions is permissible and CESC reserves right to reject or accept any such bid with any deviations.

## **6. CESC's right to accept/reject the bid:**

CESC reserves the right to reject any or all bids or to accept any bid in full or part at its sole discretion without assigning any reasons whatsoever there off. For the avoidance of doubt, it is clarified that CESC also reserves the right to alter the quantities of power/split the quantities of power as fully described in clause 1, amongst more than one selected bidder for the same month.

The decision of CESC shall be final and binding on the bidders in this respect and no further correspondence shall be entertained by CESC in this regard.

#### **7. Modification of the Bid Documents:**

CESC reserves the right to modify terms and conditions of the Bid Documents prior to the submission of the bid by the bidder by issuing amendment(s) and such amendment(s) shall form part of the bid documents.

#### **8. Submission of the Bid:**

The Bidders shall submit their bids in two parts: Part-I and Part-II. Both the parts shall be submitted separately and shall consist of:

Part-I- shall consist of,

- Covering letter
- Earnest money deposit in the form of Demand Draft/RTGS in favour of CESC Ltd payable at Kolkata.
- Copy of valid Trading License (inter/intra state) issued by CERC/WBERC to deal in inter-state/intra-state trading of energy (in case Bidder is a Trading Licensee),
- Acceptance of general terms & conditions duly filled in, attached as Annexure-II, of the tender document.
- Back to back LOI/Agreement with the Utility (in case bidder is a trading licensee).

Part-II shall consist of financial bid consisting of percentage return and Trading Margin for banking of power in the prescribed format duly filled in, attached as Annex-III of the tender Document.

Part-I & Part-II shall be further enclosed in a single envelope which should be sealed.

The bids shall be submitted in CESC's office on or before 14:00hrs of 20.01.2017 and the same will be opened on 20.01.2017 by 15:00hrs. The offer received after 14:00 hours on 20.01.17 shall not be accepted. The Part-I will be opened first and no deviation in Part-I shall be allowed. The Part-II of only those tenders which satisfy the criteria laid in Part-I and qualify shall be opened immediately thereafter on the same day.

Bids submitted through e-mail/fax shall not be accepted. Bids submitted without EMD shall be rejected. Bidders submitting EMD through RTGS shall intimate CESC in advance at least one day before the date of Bid submission.

The representatives of the participating parties may be present at the time of opening of the bid, if they desire so.

**9. Bid validity Period:**

The offer shall remain valid for a period of 30 days from the date of opening of Bid and the Bidders shall have no right to withdraw the offer or alter any terms and conditions during the period of Validity. In case the Bidder withdraws or alters any terms and terms and conditions during the period of Validity, EMD submitted by the Bidder shall be forfeited.

**10. Governing Law:**

All matters arising out of or in conjunction with the Bid Documents and/or the bidding process shall be governed by and construed in accordance with Indian Law and the courts of Kolkata shall have exclusive jurisdiction.

Thanking you,

Yours faithfully

Sanjay Kaul  
Executive Director (Power Marketing)  
CESC Ltd

## Annexure-I

### General Terms and Conditions:

Terms and conditions for banking of power to bidders shall be as under:-

#### 1. Quantum:

CESC invites sealed letter in the prescribed format for banking of power as per the details given below:-

**CESC shall avail power excluding on Sundays & holidays as per following details:**

Duration	Apr-17	May17 (1 <sup>st</sup> -31 <sup>st</sup> )	June17 (1 <sup>st</sup> -15 <sup>th</sup> )	June17 (16 <sup>th</sup> -31 <sup>st</sup> )	Jul-17	Aug-17	Sep17 (1 <sup>st</sup> - 26 <sup>th</sup> )
(Hrs.)	MW	MW	MW	MW	MW	MW	MW
9-10	-	-	100	-	-	-	-
10-22	100	100	100	100	85	85	95
22-23	100	100	100	100	-	-	95
23-24	100	100	100	100	-	-	95

**CESC shall return**

Durati on	Nov17 (18th- 30th)	Dec17 (1st- 11th)	Dec17 (12th - 31st)	Jan18 (1st-8th)	Jan18 (9th- 16th)	Jan18 (17th- 31st)	Feb18 (1st- 20th)	Feb18 (21st- 28th)	Mar-18
(Hrs)	MW (Upto)	MW (Upto)	MW (Upto)	MW (Upto)	MW (Upto)	MW (Upto)	MW (Upto)	MW (Upto)	MW (Upto)
0-1	100	100	100	100	100	80	100	100	100
1-2	200	200	200	200	200	150	200	200	200
2-3	300	300	300	300	300	150	300	300	250
3-5	300	300	300	300	300	150	300	300	300
5-6	200	200	200	200	200	100	200	200	200
6-7	100	100	100	100	100	50	100	100	100
22-23	50	-	-	50	50	-	100	50	-
23-24	100	80	100	100	130	-	200	100	-

All power during Import and Export by all the parties shall be transacted on firm basis. The import quantum by CESC shall vary subject to return %.

Any additional power can be included with the mutual consent of the parties during the validity of this agreement as a part of this power swap agreement.

## **2. Delivery Point:**

The Delivery Point in either case shall be -Regional Periphery of the exporting entity.

## **3. Transmission Charges & Losses:**

a) Up to Delivery Point:

When CESC is exporting: All Open Access Charges up to delivery point including SLDC application fee, SLDC Operating charges, PoC injection charges, West Bengal STU charges etc. and all transmission losses including PoC Injection Losses, West Bengal STU losses shall be borne by CESC.

b) From Delivery Point upto CESC's boundary:

When CESC is importing: All Open Access Charges beyond delivery point including SLDC/RLDC Application fee, SLDC/RLDC Operating charges, PoC drawl charges, West Bengal STU charges and all transmission losses including PoC drawl losses, West Bengal STU losses shall be borne by CESC.

Any other charges/losses, other than specified above shall be to the account of the successful bidder/Trader. Any Taxes, duties & Cess etc. if becomes applicable, shall be borne by the bidder.

## **4. Scheduling:**

The Scheduling and Dispatch of power shall be as per relevant provisions of IEGC and shall include, following:

The scheduling and dispatch of power shall be coordinated with the respective RLDCs as per the relevant provision of IEGC and other decisions of RLDC and RPCs and WB SLDC.

## **5. Trading Margin:**

The traders are required to specify the trading margin. No trading margin will be applicable on CESC while CESC is exporting the power. In case the offers of different bidders have the same provision for providing power, then the offer of the bidder with lower trading margin shall be preferred.

## **6. Energy Accounting:**

i) For the power supplied to the trader/ utility during any month, trader/utility shall issue a certified energy statement to CESC based on the REA issued by nodal RPC.

ii) Also, for the supply of power to CESC during any month, the trader/ utility shall issue a certified energy statement based on REA issued by nodal RPC.

iii) Once all the transactions in the banking agreement are completed, trader/utility shall prepare final energy account for CESC showing the supply and return of power in energy terms (MU's) and prepares a settlement bill based on the final energy accounting.

iv) Energy Accounting will be carried out by trader / utility on the basis of implemented schedule (final revision) of respective RLDC. The same shall be subject to final reconciliation on the basis of Regional Energy Accounts issued by Respective RPC at the end of contract period. Final settlement bill (if any) shall be raised on the basis of REA issued by the respective RPC.

## **7. Payment/surcharge on late payment:**

a) Trading margin-Traders will raise bills for trading margin on weekly basis on implemented schedule of concerned RLDC/SLDC along with complete details of the power scheduled at the delivery point and / or other documents/information, as may be required for bill verification. The due date shall be 7 (seven) days from the receipt of bill through Fax/e mail.

b) Open access charges- The due date shall be 7 (seven) days from the date of receipt of bill through Fax/e mail. No rebate is applicable on Open Access bills.

c) The bills raised on account of adjustment of energy shortfall shall be paid within 7 (seven) days from the date of receipt of bill through fax/e mail. A rebate of 2% shall be applicable, if full payment is made on or before the due date.

d) In case the 7<sup>th</sup> (seventh) day is Bank/Discom holiday, the next working day will be the due date.

For all the payments remaining outstanding for more than 30 days after due date of respective bill, surcharge @ 1.25% per month for each day of delay shall be applicable on defaulting party.

## **8. Corridor Surrender/Revision:**

Once open access is approved, any schedule revision shall be allowed only after consent from CESC .In case of revision / cancellation of approved open access quantum, the party seeking revision / cancellation shall bear all the consequent open access charges and any other charges as applicable under the Inter-State Open Access Regulations in force from the injection point till the point of drawl applicable due to such surrender/cancellation. Please note that any surrender/ downward revision of the approved open access quantum shall be done equally/proportionately in every time block with a clear three days (excluding Sundays & holidays) written advance notice to CESC/trader/utility as the case may be, from the implementation date of the surrender.

The successful bidder/Trader shall apply open access for the entire contracted quantum for all the blocks of the contracted period immediately after the receipt of LoA from CESC as per the stipulated time line of RLDC's guidelines in force, in advance.

Relevant formats for return of power duly signed by Trader/utility is to be furnished to CESC in advance at the time of application for power swap (banking) arrangement from CESC.

In case the Trader/Utility fails to offtake 85% of the monthly energy from CESC as per the LoA for which Open Access is initially granted or Trader/Utility not applying for open access, Trader/Utility shall be liable to offtake the shortfall energy in subsequent month or in the period as mutually decided and the return % applicable for this energy shall be reduced by 5%.

In case the trader/utility fails to supply or apply 85% of the monthly energy to CESC in the manner as mentioned by him in the tender/LOA or the energy for which Open Access is initially granted, trader/Bidder is liable to supply the shortfall energy in the subsequent month or in the period as mutually decided with additional premium of 5%.

## **9. Settlement:**

This banking arrangement shall be on purely energy to energy transaction basis and the parties would complete the contract only through return of banked energy. The financial settlement shall not take place for commercial gain by any party. The financial settlement in lieu of banked energy shall take place



only if parties are unable to perform their respective obligation and after exhaustion of all options to supply/return of energy (as may be applicable). In case of shortfall in return of banked energy as agreed due to force majeure or any other unavoidable reasons, the balance energy shall be carried forward to some other period as mutually decided. However, on completion of transaction if there is any shortfall in the energy then same shall be settled @ Rs 3.00 per kWh. This shall be called the default rate/settlement rate.

#### **9. Force Majeure:**

The parties shall ensure due compliance with the terms of the agreement. However, no party shall be liable for any claim for any loss or damage whatsoever arising out of the failure to carry out terms of the agreement to the extent that such a failure is due to Force Majeure events like rebellion, mutiny, civil commotion, riot strike, lock-out, natural calamity, act of God and technical constraints / transmission constraints imposed by RLDC / SLDC. But any party claiming the benefit of this clause shall fully satisfy the other party of the existence of such event and give written information to the other party within 24 hours of such Force Majeure. Supply / drawl of power shall be resumed immediately by the parties concerned after such eventuality has come to an end or ceased to exist.

#### **10. Dispute Resolution:**

- In case of any dispute by either party, the affected party shall file the written objections within 10 days of receipt of bill/payment with details of dispute.
- The parties shall meet within a period of 30 days from the date of receipt of Notice and use their best efforts to settle the Dispute/Difference in an amicable manner through good faith negotiations.
- In the event of failure of the parties to settle Dispute/Difference amicably within such 30 days period, either party may refer unresolved dispute or difference for resolution by Arbitration, in accordance with the provision under Section 158 of the Electricity Act, 2003. The venue for arbitration shall be at New Delhi.
- Notwithstanding the existence of any disputes and differences, whether referred to arbitration or not, the Parties hereto shall continue to perform their respective obligations under this Agreement throughout the Term of this Agreement.

#### **11. Jurisdiction:**

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

#### **12. Change in Law:**

In case of change of law of restriction imposed by regulator (Central or State) or Government (Central or State) or Appellate Tribunal or Courts on any aspect of sale, purchase or banking of power, the same shall be binding on both the parties.

### **13. Confidentiality:**

Bidders shall treat the Bid Documents and contents therein as strictly confidential. It is clarified that for a period up to 30th April 2019 no disclosures of the Bid Document should be made about the contents of this RFP together with all its Annexure(s) and Schedules by the Bidder(s) to any third person.

### **14. Disclaimer:**

Neither CESC Ltd nor its employees 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 other information supplied by or on behalf of CESC Ltd or its employees. For the avoidance of doubt it is expressly clarified that this Bid Document is an offer to bid and its subject to the award of LoA by CESC Ltd and acceptance of the LoA by the selected bidder will be construed as acceptance of terms and Condition as per Annexure-I.

### **15. Other important dates and information:**

- a) Last date and time of submission of bid documents is 20.01.17 by 14:00 Hrs.
- b) Date and Time of Opening of bids is 20.01.17 at 15:00 Hrs.
- c) In case, above date happens to be a holiday, the date of submission/opening of tender will automatically be shifted to the next working day. The scheduled time will remain the same.
- d) In case the bidder is Trading Licensee, back to back Lol / Agreement with the importing utility shall be attached with the bid. Bids received without Lol / Agreement with the importing utility shall not be considered for evaluation.

### **16. Address of contact person**

Sh. Sanjay Kaul  
Executive Director (Power)  
CESC House, CESC Ltd  
Chowringhee sq, Kolkata-700001  
Ph No. 9748740796  
Fax No.-03322368996  
**e-mail:** ranajit.bhattacharya@rp-sg.in, soumya.sarkar@rp-sg.in, gunjan.thakre@rp-sg.in

**(To be given on the official letter of the Bidder)**

**Annexure II**

**Non-Financial Bid**

Acceptance of General terms and Conditions as defined in Annexure-I:

(To be signed by the authorized person of the bidder)

We/I have carefully gone through the Tender Document and satisfied ourselves/myself and hereby confirm that our/my offer strictly conforms to the requirements of the Tender Document and all the terms and conditions are acceptable to us.

The copy of valid trading license issued for CERC/WBERC is enclosed. (Applicable in case of Electricity Traders only).

Signature:  
(Authorized Signatory)

Name:  
Designation:  
Telephone No:  
Fax No:  
E-mail ID:

(To be given on the official letter of the Bidder)

**Annexure III**

**Financial Bid**

Supply to CESC by the utility/Bidder

<b>Month</b>	<b>Period(excluding Sundays &amp; Holidays)</b>	<b>Duration (Hrs.)</b>	<b>Required Quantum (MW)</b>	<b>Offer by the Bidder (MW)</b>	<b>Trading Margin (Rs./Kwh)</b>
Apr-17	01.04.17 to 30.04.17	10-24	100		
May-17	01.05.17 to 31.05.17	10-24	100		
Jun-17	01.06.17 to 15.06.17	09-24	100		
	16.06.17 to 30.06.17	10-24	100		
Jul-17	01.07.17 to 31.07.17	10-22	85		
Aug-17	01.08.17 to 31.08.17	10-22	85		
Sep-17	01.09.17 to 26.09.17	10-24	95		

**Return of Power by CESC to the Utility/Bidder**

<b>Month</b>	<b>Period</b>	<b>Duration (Hrs.)</b>	<b>Quantum (MW)</b>	<b>Return %</b>

Signature:  
(Authorized Signatory)

Name:  
Designation:  
Telephone No:  
Fax No:  
E-mail ID: