

CESCLIMITED

BID DOCUMENTFOR

**POWER SWAP (BANKING) OF RTC/SLOT WISE POWER ON FIRM BASIS
FOR THE PERIOD OF
01.04.2016 to 28.02.2017**

COMMERCIALANDGENERALCONDITIONS

TENDER NO: CESC/ PM/Banking/Tender/52

Power Marketing Dept.
CESC Ltd
1st Floor, CESC House
Chowringhee Sq
Kolkata-700001

No. CESC/PM/Banking/Tender/52

Date: 22.02.16

1. Introduction and Background:

M/S CESC Limited 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,16 to 28th Feb,17 as per the details given below:-

Option: I: CESC shall avail power

Month (excluding Sundays)	Period (Hrs)	Hrs/day	Quantum(MW)
Apl-16	11-20	9	50
May-16	10-24	14	150
Jun-16	11-20	9	150
Jul-16	11-20	9	100
Aug-16	11-20	9	150
Sep-16	11-22	11	150

CESC shall return power:

Return Percentage	Time Period (Hrs)	*Indicative quantum (MW)	
% of return to be specified by the bidder	0-6hrs & 22-24hrs	1-15 th Nov,16	Upto 100 (0-06hrs)
		16 th to 30 th Nov,16	Upto 250 (0-06hrs) Upto 50 (22-23hrs) Upto 150 (23-24hrs)
		Dec,16	Upto 250 (0-6hrs) Upto 50 (22-23hrs) Upto 150 (23-24hrs)
		Jan,17	Upto 250 (0-06hrs) Upto 50 (22-23hrs) Upto 150 (23-24hrs)
		Feb,17	Upto 100 (0-06hrs) Upto 50 (22-23hrs) Upto 100 (23-24hrs)
		Mar,17	Upto 200 (0-06hrs) Upto 100 (22-24hrs) Upto 200 (23-24hrs)

*The quantum shall vary subject to % return.

Option- II: CESC shall avail power:

Month (excluding Sundays)	Period (Hrs)	Hrs/day	Quantum(MW)
Apl-16	11-20	9	50
May-16	10-24	14	150
Jun-16	11-20	9	150
Jul-16	11-20	9	100
Aug-16	11-20	9	150
Sep-16	11-22	11	150

CESC shall return Power:

Month	Period (Hrs)	Hrs/day	Quantum(MW)
16 th to 30 th			
Nov-16	RTC	24	83
Dec-16	RTC	24	83
Jan-17	RTC	24	83
Feb-17	RTC	24	83

To match the total energy, the quantum of power shall be adjusted accordingly in the month of Feb,17

Remarks: All power during Import and Export by all the parties shall be transacted on firm basis.

2. 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 for option I.

The trading margin shall be considered for the purpose of bid evaluation and finalization of the successful bidder for option-II.

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, Photocopy of the (inter/intra state) Trading License (in case Bidder is a Trading Licensee) & acceptance of general terms & conditions duly filled in, attached as Annexure-II, of the tender document.*
- *“Part-II”- shall consist of “Financial bid” for Banking of power in the prescribed format duly*

filled in, attached as Annex-III of the tender Document & back to back LOI/Agreement with the importing utility(in case bidder is a trading licensee).

The Part-I shall be sealed in separate envelope and marked as "Part-I" and correspondingly the Part- II shall be sealed in separate envelope and marked as "Part-II".

Both the envelopes shall be put together in one sealed envelope marked "CESC Power Swap Arrangement" and shall be sent to:

Sh. Sanjay Kaul
Executive. Director (Power)
CESC Ltd
CESC House
Chowringhee Square
Kolkata-700001

The Electricity Trading Companies are also required to submit photocopy of their valid license issued by CERC along with Bid Document.

The Bid submitted by the Bidder and all correspondence and documents relating to the bid shall be written in the English Language.

3. 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 within 7 days of the opening of the Bids. 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.

4. 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 any such bid with any deviations.**

5. 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.

6. 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.

7. Bid ValidityPeriod:

The offer shall remain valid for a period of 10 days from the date of opening of bid ("Bid Validity Period") and the Bidders shall have no right to withdraw the offer or alter any terms and conditions during the period of validity.

8. Submission of the Bid:

The bid may be submitted in CESC's office on or before 05.03.16 and the same will be opened on 05.03.16 by 15:00hrs. The offer received after 15:00 hours 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 who satisfy the criteria laid in Part-I and qualify shall be opened immediately thereafter on the same day.

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

9. 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)
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:-

Option- I CESC shall avail power as per following details:

Month (excluding Sundays)	Period (Hrs)	Hrs/day	Quantum(MW)
Apl-16	11-20	9	50
May-16	10-24	14	150
Jun-16	11-20	9	200
Jul-16	11-20	9	100
Aug-16	11-20	9	150
Sep-16	11-22	11	150

CESC shall

return power:

Return Percentage	Time Period (Hrs)	*Indicative quantum (MW)
% of return to be specified by the bidder	0-6hrs & 22-24hrs	1-15 th Nov,16 Upto 100 (0-06hrs)
		16 th to 30 th Nov,16 Upto 250 (0-06hrs) Upto 50 (22-23hrs) Upto 150(23-24hrs)
		Dec,16 Upto 250 (0-6hrs) Upto 50 (22-23hrs) Upto 150 (23-24hrs)
		Jan,17 Upto 250 (0-06hrs) Upto 50 (22-23hrs) Upto 150 (23-24hrs)
		Feb,17 Upto 100 (0-06hrs) Upto 50 (22-23hrs) Upto 100 (23-24hrs)
		Mar,17 Upto 200 (0-06hrs) Upto 100 (22-24hrs) Upto 200 (23-24hrs)

Option- II: CESC shall avail power:

Month (excluding Sundays)	Period (Hrs)	Hrs/day	Quantum(MW)
Apl-16	11-20	9	50
May-16	10-24	14	150
Jun-16	11-20	9	150
Jul-16	11-20	9	100
Aug-16	11-20	9	150
Sep-16	11-22	11	150

CESC shall return power:

Month	Period (Hrs)	Hrs/day	Quantum(MW)
16 th to 30 th Nov-16	RTC	24	83
Dec-16	RTC	24	83
Jan-17	RTC	24	83
Feb-17	RTC	24	83

To match the total energy, the quantum of power shall be adjusted accordingly in the month of Feb,17

2. Delivery Point:

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

3. Transmission Charges & Losses:

a) Upto Delivery Point:

When CESC is exporting: All Open Access Charges **upto 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 monthly 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 days from the receipt of bill through Fax/e mail.
- b) **Open access charges**- The due date shall be 7 days from the receipt of bill through Fax/e mail. No rebate is applicable on Open Access bills
- c) **Adjustment of energy shortfall**- The due date shall be 7 days from the receipt of bill through Fax/e mail. In case of billing of adjustment of energy shortfall, 2 % rebate shall be applicable, if the payment is made on or before the due date.

For all the payments outstanding for more than 30 days after bill date of respective bill, surcharge @ 1.25% per month 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 curtailment/ 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 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.

9. Settlement:

Energy will be exchanged only with energy. If the energy exchanged between the Utility and CESC in the desired proportion, **no monetary transaction** will take place. However,

In case quantum of power supplied by Utility/CESC is more than or equal to 99.5% and less than 100% of power to be supplied by it, the differential energy will be settled at the rate of **Rs. 3.00/kwh.**

In case quantum of power to be supplied by the utility/ CESC is less than 99.5% of the quantum to be supplied by it, utility/ CESC will pay for the entire shortfall energy at the rate of **Rs. 4.00/kwh.**

In case quantum returned by CESC is more than the quantum returnable by it, the utility will pay for such energy at the rate of **Rs. 4.00/kWh.**

10. 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 / RPC/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.

11. 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.

12. 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.

13. 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.

14. Other important dates and information:

- a) Last date and time of submission of bid documents is 05.03.16. by 15:00 Hrs.
- b) Date and Time of Opening of bids is 05.03.16 at 15:30 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.

15. 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, aloke.dhar@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 photocopy of valid trading license issued for CERC 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

Option-I

CESC to import power:

Month (excluding Sundays)	Period (Hrs)	Hrs/day	Quantum(MW)	Trading margin (Rs./Kwh)
Apl-16	11-20	9	50	
May-16	10-24	14	150	
Jun-16	11-20	9	150	
Jul-16	11-20	9	100	
Aug-16	11-20	9	150	
Sep-16	11-22	11	150	

CESC to return power:

Return Percentage	Time Period (Hrs)	*Indicative quantum (MW)
% of return to be specified by the bidder	0-6hrs & 22-24hrs	1-15 th Nov,16
		16 th to 30 th Nov,16
		Dec,16
		Jan,17
		Feb,17
		Mar,17

Option-II

CESC to import power:

Month (excluding Sundays)	Period (Hrs)	Hrs/day	Quantum(MW)	Trading margin (Rs./Kwh)
Apl-16	11-20	9	50	
May-16	10-24	14	150	
Jun-16	11-20	9	150	
Jul-16	11-20	9	100	
Aug-16	11-20	9	150	
Sep-16	11-22	11	150	

CESC to return power:

Month	Period (Hrs)	Hrs/day	Quantum(MW)	Return (%)
16 th to 30 th Nov-16	RTC	24	83	100% (To match the total energy, the quantum of power may be adjusted accordingly in the month of Feb,17)
Dec-16	RTC	24	83	
Jan-17	RTC	24	83	
Feb-17	RTC	24	83	

Signature: (Authorized Signatory)

Name: _____

Designation: _____

Telephone No: _____

Fax No: _____

E-mail ID: _____