MOST IMMEDIATE

No.23/17/2013-R&R (Vol-IV)
Government of India
Ministry of Power
***

Shram Shakti Bhawan, Rafi Marg,
New Delhi, the 20th August, 2015

To

1. The Chairperson, Central Electricity Authority, Sewa Bhavan, R.K. Puram, New Delhi.
2. The Secretary, Central Electricity Regulatory Commission (CERC)/FOR, Chanderlok Building, Janpath, New Delhi.
3. Principal Secretaries/Secretaries (Power/Energy) of all State Governments/UTs
4. Secretaries of all State Electricity Regulatory Commissions/JERCs.
5. Chairman/CMDs of all PSUs under administrative control of Ministry of Power.
6. CEO, POSOCO, New Delhi.
7. DG, Bureau of Energy Efficiency, New Delhi.
8. CMDs/MDs of Discoms /Gencos of all State Governments.

Subject: Amendments to Guidelines and Model Bidding Documents (MBDs) for procurement of electricity for Medium Term from Power Stations set up on Finance, Own and Operate (FOO) basis- reg.

Sir/Madam,

I am directed to state that the Guidelines for procurement of power by Distribution Licensees for long term as well as for medium term through competitive bidding process were issued under the provisions of Section 63 of the Electricity Act, 2003 on 19th January, 2005 and amended from time to time.

2. The aforesaid Guidelines and SBDs were further revised by the Ministry of Power and the revised Model Bidding Documents containing (Model Request for Qualification, Model Request for Proposal and Model Agreement for Procurement of Power) for procurement of electricity for Medium Term from Power Stations set up on Finance, Own and Operate (FOO) basis were issued on 29th January, 2014. The Guidelines to be adopted by distribution licensees for procurement of electricity from Power Stations set up on Finance, Own and Operate (FOO) basis were also notified in the Gazette of India on 10th February, 2014

3. Based on the request of some of the State Governments and the recommendations of Inter-Ministerial Group, Ministry of Power has made certain further amendments in the said MBDs and Guidelines. The important amendments made are as under:

(i) Any deviation from the Model Bidding Documents shall be made by the Distribution Licensees with the prior approval of the Appropriate Commission instead of Central Government.

(ii) The applicants may bid for the capacity as specified by the procurer or a part thereof, not being less than 50% of such capacity or 100 MW, whichever is lower.

(iii) Participation of Traders/Discoms has been allowed to participate in bidding process in medium term power procurement provided appropriate back to back arrangements are there with the generators.

(iv) Presently, use of concessional fuel under medium term is not permitted. However, in case use of concessional fuel under medium term is allowed by Ministry of Coal under applicable laws in future, suitable amendments in the Guidelines/MBDs will be made.

(v) The amendments made in the Guidelines for Procurement of Electricity from Thermal Power Stations set up on Design, Build, Finance, Own and Operate (DBFOO) basis vide Ministry of Power Resolution No. 23/9/2015-R&R dated 16th April, 2015 in view of new coal block auction policy, shall also apply, ***mutatis mutandis,*** for procurement of electricity for Medium Term from Power Stations set up on Finance, Own and Operate (FOO) basis.

4. In addition to the above, the Ministry of Power has made some other minor changes and consequential changes in the MBDs (Model RFQ, Model RFP, Model APP). The soft copies of the modified documents are available at the website of Ministry of Power i.e. **www. powermin.nic.in** under 'NEWS UPDATES'.

5. The necessary amendments in the Guidelines under Section 63 of the Electricity Act 2003 to enable the utilities to use the aforesaid Model Bidding Documents for inviting tariff based bids for supply of electricity to such utilities are also being notified.

Yours faithfully,

Bharti/20/08/15

(Gyanesh Bharti)
Director
Tel No: 2371 5250

Copy to-

i) Secretary, Department of Economic Affairs, Ministry of Finance, New Delhi.
ii) Secretary, Ministry of Coal, New Delhi.
iii) Secretary, Department of Environment & Forest, New Delhi
iv) Secretary, Ministry of New and Renewable Energy, New Delhi
v) Secretary, Deptt. of Legal Affairs, Ministry of Law & Justice, New Delhi
vi) CEO, NITI Aoyog, Sansad Marg, New Delhi
vii) President, Confederation of Indian Industry (CII), Mantosh Sondhi Centre 23, Institutional Area, Lodi Road, New Delhi – 110 003
viii) President, Federation of Indian Chambers of Commerce & Industry (FICCI), Federation House 1, Tansen Marg, New Delhi -110001
ix) President, ASSOCHAM, ASSOCHAM Corporate Office, 5, Sardar Patel Marg, Chankyapuri, New Delhi – 110 021
x) CMD, PTC India Ltd., 2nd Floor, NBCC Tower, 15 Bhikaji Cama Place, New Delhi
xi) Director General, Association of Power Producers, New Delhi.
xii) Member, Prayas Energy Group, Pune, Maharashtra.

Copy also to :

1. All JSs of Ministry of Power/JS&FA/Economic Adviser, Ministry of Power
2. All Directors/DSs, Ministry of Power

Copy for information to: PS to MoS(I/C) for Power, Coal & NRE, PPS to Secy.(P), PPS to AS(BNS), PPS to AS(BPP), PPS to JS(RR), PPS to Director(RR)

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