

No. 23/17/2013-R&R-Vol-VI (Part 2)
Government of India
Ministry of Power

Shram Shakti Bhawan, Rafi Marg,
New Delhi, 03rd August, 2021

To

1. Secretary, Ministry of Coal, Shastri Bhawan, New Delhi
2. The Chairperson, Central Electricity Authority, R. K. Puram, New Delhi.
3. The Secretary, CERC/FOR, Chanderlok Building, Janpath, New Delhi.
4. Principal Secretaries/Secretaries (Power/Energy) of all State Governments/UTs.
5. Secretaries of all State Electricity Regulatory Commissions(SERCs)/JERCs.
6. Chairman/CMDs of all PSUs under administrative control of Ministry of Power.
7. CMDs/MDs of Discoms/Gencos of all State Governments.
8. DG, Association of Power Producers(APP), New Delhi.
9. CEO, PFC Consulting Ltd(PFCCL), New Delhi.

Subject: Amendments in the 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 refer the MOP letter of even No. dated 29th January 2019, forwarding therewith the revised Model Bidding Documents for Procurement of Electricity for Medium Term from Power Stations set up on Finance, Own and Operate (FOO) basis for enabling the use of linkage coal as per the provisions of Para B (I), B (III) & B (IV) of SHAKTI Policy and subsequent amendments issued vide MOP letter of even No. dtd 12th July, 2019(Copy enclosed).

2. In this regard, certain amendments are hereby made in the said Model Bidding documents as follows.

- i. The footnote 20 to Clause 1.2.13 (k) Lumpsum tariff²⁰ of Section A i.e. Request for Qualification (RFQ) of Standard Bidding Document (SBD)

“20 Lumpsum tariff shall include supply of electricity irrespective of source of Fuel including renewable source of energy. However, Bidders whose source of Fuel is from Coal Mine/Blocks allocated through auction by Governmental Instrumentality as per provisions of Applicable Laws under Option (c) or from Linkage Coal under Option (b), shall not be eligible to Bid under this sub-clause (k) (Lumpsum Tariff).”

May be substituted as under:

“20 Lumpsum tariff shall include supply of electricity irrespective of source of Fuel including renewable source of energy.”

- ii. The footnote 18 to Clause 5.8.2 (k) Lumpsum tariff¹⁸ of Section B i.e. Request for Proposal (RFP) of Standard Bidding Document (SBD)

“¹⁸ Lumpsum tariff shall include supply of electricity irrespective of source of Fuel including renewable source of energy. However, Bidders whose source of Fuel is from Coal Mine/Blocks allocated through auction by Governmental Instrumentality as per provisions of Applicable Laws under Option (c) or from Linkage Coal under Option (b), shall not be eligible to Bid under this sub-clause (k) (Lumpsum Tariff).”

May be substituted as under:

“¹⁸ Lumpsum tariff shall include supply of electricity irrespective of source of Fuel including renewable source of energy.”

- iii. The footnote 31 to Clause 12.3.1 of option k: Lumpsum tariff³¹ of Model Agreement for Procurement of Power

“³¹ May be used for procurement any sources of energy including renewable source of energy where deemed feasible. Bidders whose source of Fuel is from Coal Mine/Blocks allocated through auction by Governmental Instrumentality as per provisions of Applicable Laws or from Coal Linkage allocated by CIL as stated under Options (b), shall not be eligible to Bid under this Option (k) (Lumpsum Tariff).”

May be substituted as under:

“³¹ May be used for procurement any sources of energy including renewable source of energy where deemed feasible.”

3. Further, for incorporating the above mentioned amendments, corresponding changes may be carried out in the MBDs. Other terms and conditions mentioned in the Model Bidding Documents (MBDs) remain same.

4. This issues with the approval of competent authority.

Encl:- As above

Yours faithfully,



(Debranjana Chattopadhyay)
Deputy Secretary to the Govt. of India
Tele No. 2371 5250

Copy for information to: Sr. PPS to Secy.(P), Sr. PPS to AS(Thermal), Sr. PPS to JS(RR &OM), CE(Thermal) Ministry of Power.

No. 23/17/2013-R&R-Vol-VI (Part 2)
Government of India
Ministry of Power

Shram Shakti Bhawan, Rafi Marg,
New Delhi, the 29th January, 2019

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(SERCs)/JERCs
5. Chairman/CMDs of all PSUs under administrative control of Ministry of Power.
6. CMDs/MDs of Discoms/Gencos of all State Governments.
7. DG, Association of Power Producers(APP), New Delhi

Subject: Revised 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 say that the Model Bidding Documents for procurement of electricity by Distribution Licensees for Medium Term from power stations set up on Finance, Own and Operate (FOO) basis, through competitive bidding process were issued under the provisions of Section 63 of the Electricity Act, 2003 on 29th January, 2014. Guidelines in this regard were also issued on 10th February, 2014. These Model Bidding Documents and Guidelines were amended on 20th August, 2015. These Guidelines and Model Bidding Documents were further revised in January 2017 to introduce e-bidding and e-reverse auction.

2. Coal linkage Allocation Policy for Power Sector known as 'Scheme for Harnessing and Allocating Koyala (Coal) Transparently in India' (**SHAKTI Policy**) was issued by the Ministry of Coal on 22nd May 2017. Under the SHAKTI scheme, use of linkage coal has also been allowed in Medium term power procurement.

3. Subsequently, an Advisory was issued by Ministry of Power on 16th November 2017 on introduction of provisions of SHAKTI (Scheme for Harnessing and Allocating



Koyala (Coal) Transparently in India) in procurement of power for Medium Term by distribution licensees. It was advised that during the pendency of the approval and notification of the revised MBDs for procurement of power on Medium term basis, the distribution licensees who are willing to invite bids for procurement of power on Medium Term basis in line with SHAKTI Policy, may carry out appropriate modifications in the existing MBDs for Medium Term procurement of power issued on 16th January 2017, and obtain the approval of the Appropriate Commission.

4. Now, in accordance with the provisions of Para B (I), B (III) & B (IV) of SHAKTI Policy, Ministry of Power has revised bidding documents for Medium Term Procurement of Power i.e. **Standard Bidding Document** (comprising of both the Model Request for Qualification and Model Request for Proposal) and the **Model Agreement for Procurement of Power** (collectively referred as '**Model Bidding Documents**') and enclosed herewith. The Guidelines in this regard, are being issued separately.

5. The link for the e-Bidding Portal shall be made available at the website of PFC Consulting Limited (www.pfclindia.com) and shall also be available on the website of Ministry of Power (www.powermin.nic.in).

6. The soft copy of the Model Bidding Documents is available at the website of Ministry of Power i.e. www.powermin.nic.in under "Current Notices".

Yours faithfully,



(Debranjana Chattopadhyay)
Under Secretary to Govt. of India
Tele No. 2373 0265

Copy to:

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

Copy for information to: PS to MoSP(I/C) for Power, & NRE, PPS to Secy.(P), PPS to AS(SNS), PS to CE(RR &OM), PS to Dir(R&R)

Copy to: In-charge, NIC Cell for uploading on MOP's website under "Current Notices".

No. 23/17/2013-R&R-Vol-VI (Part 2)
Government of India
Ministry of Power

Shram Shakti Bhawan, Rafi Marg,
New Delhi, the 12th July, 2019

To

1. Secretary, Ministry of Coal, Shastri Bhawan, New Delhi
2. The Chairperson, Central Electricity Authority, Sewa Bhavan, R. K. Puram, New Delhi.
3. The Secretary, Central Electricity Regulatory Commission (CERC)/FOR, Chanderlok Building, Janpath, New Delhi.
4. Principal Secretaries/Secretaries (Power/Energy) of all State Governments/UTs.
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6. Chairman/CMDs of all PSUs under administrative control of Ministry of Power.
7. CMDs/MDs of Discoms/Gencos of all State Governments.
8. DG, Association of Power Producers(APP), New Delhi
9. CEO, PFC Consulting Ltd(PFCCL), New Delhi

Subject: Amendments in the Model Bidding Documents (MBDs) for procurement of electricity for Medium Term from Power Stations set up on Finance, Own and Operate (FOO) basis issued on 29-01-2019 – Reg

Sir/Madam,

I am directed to refer the MOP letter No. 23/17/2013-R&R-Vol-VI (Part 2) dated 29th January 2019, forwarding therewith the revised Model Bidding Documents for Procurement of Electricity for **Medium Term** from Power Stations set up on Finance, Own and Operate (FOO) basis for enabling the use of linkage coal as per the provisions of Para B (I), B (III) & B (IV) of SHAKTI Policy (Copy enclosed).

2. In this regard, certain amendments are hereby made in the said Model Bidding documents as follows.

- (i) The part (b) of explanation of Para 1.2.13 of Section A i.e. Request for Qualification(RFQ) of Standard Bidding Document (SBD) i.e. Coal from Linkage Coal

“Since the Bidder is expected to source fuel [from Coal India Limited (“CIL”) / Singareni Collieries Company Limited (“SCCL”) or a subsidiary thereof] from the Allocated Coal Linkage as per SHAKTI Policy [arranged by the Utility], the cost of Fuel which shall be included in the Variable Charge shall be a ‘pass through’ in accordance with the terms of the APP. However, the element of coal transportation and transit losses may vary from case to case and shall affect the Variable Charge offered by each Bidder. The Bid for the Project shall, therefore, comprise the Fixed Charge and Variable Charge, which shall be specified separately, and the Bidder seeking the lowest Tariff shall be the Selected Bidder. ”

May be substituted as under:

"Since the Bidder is expected to source fuel [from Coal India Limited ("CIL") /Singareni Collieries Company Limited ("SCCL") or a subsidiary thereof] from the Allocated Coal Linkage including Coal Linkage as per SHAKTI Policy [arranged by the Utility], the cost of Fuel which shall be included in the Variable Charge shall be a 'pass through' in accordance with the terms of the APP. However, the element of coal transportation and transit losses may vary from case to case and shall affect the Variable Charge offered by each Bidder. The Bid for the Project shall, therefore, comprise the Fixed Charge and Variable Charge, which shall be specified separately, and the Bidder seeking the lowest Tariff shall be the Selected Bidder."

- (ii) The part (b) of Para 5.8.2 of Section B i.e. Request for Proposal (RFP) of Standard Bidding Document (SBD) i.e. Coal from Linkage Coal

"Since the Bidder is expected to source fuel [from Coal India Limited ("CIL") / Singareni Collieries Company Limited ("SCCL") or a subsidiary thereof/ from Allocated Coal Linkage through Letter of Assurance / FSA arranged by the Utility], the cost of Fuel which shall be included in the Variable Charge shall be a 'pass through' in accordance with the terms of the APP. However, the element of coal transportation and transit losses may vary from case to case and shall affect the Variable Charge offered by each Bidder. The Bid for the Project shall, therefore, comprise the Fixed Charge and Variable Charge, which shall be specified separately, and the Bidder seeking the lowest Tariff shall be the Selected Bidder."

May be substituted as under:

"Since the Bidder is expected to source fuel [from Coal India Limited ("CIL") /Singareni Collieries Company Limited ("SCCL") or a subsidiary thereof] from the Allocated Coal Linkage including Coal Linkage as per SHAKTI Policy [arranged by the Utility], the cost of Fuel which shall be included in the Variable Charge shall be a 'pass through' in accordance with the terms of the APP. However, the element of coal transportation and transit losses may vary from case to case and shall affect the Variable Charge offered by each Bidder. The Bid for the Project shall, therefore, comprise the Fixed Charge and Variable Charge, which shall be specified separately, and the Bidder seeking the lowest Tariff shall be the Selected Bidder."

- (iii) The Para 2.2.2 (B) of Section A i.e. Request for Qualification(RFQ) of Standard Bidding Document (SBD) i.e. Financial Capacity

(B) ***"Financial Capacity:*** *The Bidder shall have a minimum Net Worth (the "Financial Capacity") equivalent to Rs. 1 crore (Rs. one crore) per MW of the capacity the Bidder is willing to Bid, at the close of the preceding financial year. Bidders shall not be allowed to increase their capacity at e-Reverse Auction Stage or L1 Matching round greater than for which Financial Capacity has been demonstrated.*

In case the Bidder is a Trading Licensee, the condition under Clause 2.2.2(B) may be either fulfilled jointly or severally by the Trading Licensee and Developer "

May be substituted as under:

(B) ***"Financial Capacity:*** *The Bidder and /or its Associate shall have a minimum Net Worth (the "Financial Capacity") equivalent to Rs. 1 crore (Rs. one crore) per MW of the capacity the Bidder is willing to Bid, at the close of the preceding financial year. Bidders shall not be allowed to increase their capacity at e-Reverse Auction Stage or L1 Matching round greater than for which Financial Capacity has been demonstrated.*

In case the Bidder is a Trading Licensee, the condition under Clause 2.2.2(B) may be either fulfilled jointly or severally by the Trading Licensee and Developer and /or its Associate of Developer"

- (iv) The Para 2.2.3 (ii) of Section A i.e. Request for Qualification(RFQ) of Standard Bidding Document (SBD):
- ii. certificate(s) from statutory auditors of the Bidder specifying the net worth of the Bidder as at the close of the preceding financial year, and also specifying that the methodology adopted for calculating such net worth conforms to the provisions of this Clause 2.2.3 (ii). For the purposes of this Section A, net worth (the "Net Worth") shall mean the net worth as per the Companies Act, 2013.

May be substituted as under:

- ii. certificate(s) from statutory auditors of the Bidder **or its Associates** specifying the net worth of the Bidder **or its Associates, as the case may be**, as at the close of the preceding financial year, and also specifying that the methodology adopted for calculating such net worth conforms to the provisions of this Clause 2.2.3 (ii). For the purposes of this Section A, net worth (the "Net Worth") shall mean the net worth as per the Companies Act, 2013.

3. Further, for incorporating the above mentioned amendments, corresponding changes may be carried out in the MBDs.
4. Other terms and conditions mentioned in the Model Bidding Documents (MBDs) and Ministry of Power letter of even number dated 29-01-2019 remain same.
5. This issues with the approval of competent authority.

Yours faithfully,

Encl:- As above



(Debranjana Chattopadhyay)
Under Secretary to Govt. of India
Tele No. 2373 0265

Copy to:

All JSs of Ministry of Power & Economic Adviser, Ministry of Power

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