



Maharashtra State Electricity Distribution Company Ltd.

Addendum III

Date: 17.05.2024

BTR No. PHPS/01

MSEDCL has floated Request for Selection of Procurement of 1,000 MW Energy Storage Capacity (For 8 Hours discharge with maximum 5 Hours continuous discharge) for 40 years from ISTS/InSTS Connected Pumped Hydro Storage Plant/s through competitive bidding vide BTR No. PHPS/01 date:09.03.2024 on Bharat Electronictender.com. In this regards some modifications and additions will be made to RfS as below:

| SN | Clause No | Original Clause | Modified Clause |
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| <u>1</u> | 3.10 (e) | Procurer shall be responsible for all transmission charges and losses and any other charges as applicable under the respective regulations beyond Delivery Point. | Procurer shall be responsible for all transmission charges (excluding losses) as applicable under the respective regulations beyond Delivery Point for discharge mode and up to Delivery Point for charging mode. |
| <u>2</u> | <u>3.13 i</u> | <p>Bidding Component Selection of bidders shall be through a competitive bidding process, based on the lowest quoted Total Storage Cost discovered (expressed in INR/MW/annum) during E-Reverse Auction. Bidder shall quote the combination of the following.</p> <ul style="list-style-type: none"> - Component A: Annual Fixed Charges (AFC) and - Component B: Cycle Loss (CL) <p>The Bidder/s shall quote the AFC (expressed in INR/MW/annum) and declare the Cycle Loss (expressed in %) of the Projects at the time of submission of response to Tender which is constant during the entire term of the ESFA. Total Storage Cost, which is combination of AFC & Cycle Loss, shall be arrived at and denominated up to two decimal places as per the below formula: Total Storage Cost = Component A+ (Component A x Component B) For illustration: If a Bidder declares a Cycle Loss of 15% for a Contracted Capacity of 500 MW, with an Annual</p> | <p>Bidding Component Selection of bidders shall be through a competitive bidding process, based on the lowest quoted Total Storage Cost discovered (expressed in INR/MW/annum) during E-Reverse Auction. Bidder shall quote the combination of the following.</p> <ul style="list-style-type: none"> - Component A: Annual Fixed Charges (AFC) and - Component B: Cycle Loss (CL) <p>The Bidder/s shall quote the AFC (expressed in INR/MW/annum) and declare the Cycle Loss (expressed in %) of the Projects at the time of submission of response to Tender which is constant during the entire term of the ESFA.</p> <p><u>a.</u> For intra state Developer Total Storage Cost, which is combination of AFC & Cycle Loss, shall be arrived at and denominated up to two decimal places as per the below formula: Total Storage Cost = Component A+ (Component A x Component</p> |

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| | | Fixed Charge of INR 50,00,000/MW, then Total Storage Cost computed as per above formula shall be INR 57,50,000/MW/annum. | <p>B). For illustration If a bidder declares a cycle loss of 15% for contracted capacity of 500MW with an annual fixed charge of INR 50,00,000/MW, then Total storage cost computed as per above formula shall be INR 57,50,000/MW/annum.</p> <p>b. For interstate state Developer All India Transmission Charges declared by NLDC for the month in which bid will be submitted are considered for calculation of total storage cost. Illustration is given in Table A enclosed.</p> |
| <u>3</u> | <u>3.21</u> | ...Bank Guarantee against EMD needs to be submitted in both online and offline modes. The bidders will be required to submit the bank guarantee, either in person or through post, at the office of MSEDCL until the date as on 7 working days after the closing date of bid submission. The 7-day duration will be counted from the date of bid submission. For e.g., if the bid submission deadline is 18:00 hrs on 01.03.2024, the above deadline will expire at 18:00 hrs on 03.03.2024 . In case the above deadline being a holiday, the next working day in MSEDCL will be the deadline for submission of Bank Guarantees. Note: In all cases, the Bank Guarantee against EMD (if applicable), shall be issued on or before the bid submission deadline. These instruments issued after the expiry of the deadline will be summarily rejected. | Bank Guarantee against EMD needs to be submitted in both online and offline modes. The bidders will be required to submit the bank guarantee, either in person or through post, at the office of MSEDCL until the date as on 7 working days after the closing date of bid submission. The 7-day duration will be counted from the date of bid submission. For e.g., if the bid submission deadline is 18:00 hrs on 01.03.2024, the above deadline will expire at 18:00 hrs on 08.03.2024 . In case the above deadline being a holiday, the next working day in MSEDCL will be the deadline for submission of Bank Guarantees. Note: In all cases, the Bank Guarantee against EMD (if applicable), shall be issued on or before the bid submission deadline. These instruments issued after the expiry of the deadline will be summarily rejected. |
| <u>4</u> | <u>3.33</u> | 3.33 Part Commissioning: Part commissioning of the Contracted Capacity shall be accepted by MSEDCL subject to the condition that the Minimum Capacity for acceptance of first part commissioning and subsequent part(s) shall be 50 MW, without prejudice to the imposition of liquidated damages, in terms of ESFA on the part which is not commissioned. The Scheduled Commissioning Date shall not be altered due to part-commissioning. Irrespective of dates of part commissioning or full commissioning, the ESFA will remain in force for a period of 40 (Forty) years from COD. In cases of early full commissioning, till Scheduled Commissioning Date, MSEDCL may utilize the storage facility at 100% (hundred per cent) of the ESFA rate payable to the ESSD. MSEDCL shall | Part Commissioning: Part commissioning of the Contracted Capacity shall be accepted by MSEDCL subject to the condition that the Minimum Capacity for acceptance of first part commissioning and subsequent part(s) shall be 50 MW, without prejudice to the imposition of liquidated damages, in terms of ESFA on the part which is not commissioned. The Scheduled Commissioning Date shall not be altered due to part-commissioning. Irrespective of dates of part commissioning or full commissioning, the ESFA will remain in force for a period of 40 (Forty) years from COD. In cases of early full commissioning, till Scheduled Commissioning Date, MSEDCL may utilize the storage facility at 100% (hundred per cent) of the ESFA rate payable to the ESSD. MSEDCL shall |

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| | procure the capacity at 75% of the AFC pro-rata for the capacity made available for the duration between date of part commissioning and SCD. However, in case MSEDCL is not willing to avail ESS facility for the period of full or part commissioning, then ESSD will be allowed to sell power in exchange or through bilateral contacts with permission of MSEDCL. The Developer should share the profit of part commissioned capacity in the <u>proportion of 75:25 (Procurer: Developer)</u> . | procure the capacity at 75% of the AFC pro-rata for the capacity made available for the duration between date of part commissioning and SCD. However, in case MSEDCL accepts the part or full commissioning by developer and is not willing to avail ESS facility for the period of full or part commissioning before SCOD, then ESSD will be allowed to sell power in exchange or through bilateral contracts with permission of MSEDCL. In this case MSEDCL will not provide any input energy for charging of PHESS. The Developer should share the profit of part commissioned capacity in the proportion <u>of 50:50 (Procurer: Developer)</u> . Further, in case of early part or full commissioning before the SCOD, if Procurer does not accept part or full commissioned capacity of the PHESS facility, Procurer will not provide any input energy to Developer and Procurer will not pay Fixed Charges for this period. In this case developer shall be allowed to sell the power in exchange or through bilateral contracts and the Developer should share the profit with Procurer in the proportion of <u>80:20 (Developer: Procurer)</u> . |
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TABLE A

| SN | Example for Illustration | |
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| 1 | Bidders Quote (Rs/MW/Year) (A) | ₹ 50,00,000/- |
| 2 | Contracted Capacity (MW) (B) | 1,000 |
| 3 | Cycle Loss (C) | 25% |
| 3 | Storage Cost (Rs/ Year) (D)=A*B*(1+C) | ₹ 625,00,00,000/- |
| 4 | Hours of Operation in Generation mode per Day (E) | 8 |
| 5 | Possible Generation per year (KWh) considering 95% availability (F)=B*E*365*0.95*1000 | 277,40,00,000 |
| 6 | Transmission Charges considered for evaluation (Rs/Unit) (G) (bidder should consider interstate transmission charges as declared by NLDC for the month on which bid date appears) ^s | 0.52 |
| 7 | Total Transmission Charges (Rs/year) (H)=F*G | ₹ 1,44,24,80,000/- |
| 8 | Total storage cost considering All India Transmission Charges (Rs/Year) (I)=D+H | ₹ 7,69,24,80,000/- |
| 9 | Rate to be considered for Evaluation (Rs/MW/Year) (J)=I/B | ₹ 76,92,480/- |

§ To be considered only for ISTS connected projects.

Sd/-
Chief Engineer (Power Purchase)
MSEDCL