

APL – MSEDCCL - Queries Reply: Bidding for Procurement of 1000 MW of electricity on medium-term basis 13.01.2025

Sr. No.	Document	Clause No. and Existing Provision	Clarification Required	Suggested text for the Amendment	Rationale for Clarification or Amendment	MSEDCCL REPLY
1	RFQ	<p><b>Clause 1.1.1( Pg. no.4)</b> The Maharashtra State Electricity Distribution Company or MSEDCCL.....and supply thereof of RTC power for a period of <b>3 (Three) Years</b> the "project") through Public Private Partnership(the "PPP") on finance own and operate (the "FOO")basis and has</p>	<p>Contract period mentioned in the RFQ and APP seems contradictory, please clarify whether the contract period is for 3 years or 5 years.</p>			5 years
2	Draft APP	<p><b>Clause 3.1.1 ( Pg. no. 9)</b> Subject to and in accordance with provisions .....for supply thereof to the utility ( the "Procurement Contract") for a period of <b>5 years</b> and the supplier hereby accepts the Procurement Contract.....</p>				
3	Draft APP	<p><b>Clause 11.9.1 ( pg. no. 30)</b> Commencing from the month following the month in which the Appointed Date occurs, the Supplier shall, by the 5th (fifth) day of such and each succeeding month (or, if such day is not a Business Day, the immediately following Business Day), submit in triplicate to the Utility, an invoice in the agreed form (the "Monthly Invoice") signed by the authorised signatory of the Supplier setting out the computation of the Fixed Charge and Variable Charge to be paid by the Utility to the Supplier in respect of the immediately preceding month in accordance with the provisions of this Agreement.</p>	<p>Please clarify the reimbursement of TGNA charges shall be made MSEDCCL by to the Supplier within 3 days from the date of raising of Invoice / bill through e-mail. Date of receipt of Invoice / bill shall be counted as day 1.</p>			<p>Reimbursement of TGNA charges shall be made MSEDCCL by to the Supplier within 7 days from the day next to the date of receipt of Invoice / bill through e-mail till 16:00 hrs.</p>
4	Draft APP	<p><b>Clause 12.2 (Pg no 33) Base Variable Charge</b> The Parties agree that the variable charge, in accordance with the offer of the Supplier for the Base Year, shall be Rs. ....(Rupees ....)\$ per kWh, [comprising Rs....(Rupees...)per kWh as the cost of Fuel/generating cost and trading margin in case supplier is trading licensee and Rs.... (Rupees) per kWh as the cost of transportation of which Rs.....(Rupees...) per kWh shall be in respect of domestic transportation, (the "Base Variable Charge") which shall be revised in accordance with the provisions of Clause 12.3 to determine the Variable Charge for the relevant period</p>		<p>The Parties agree that the variable charge, in accordance with the offer of the Supplier for the Base Year, shall be Rs. (Rupees ....)\$ per kWh, [comprising Rs....(Rupees...)per kWh as the cost of Fuel/generating cost and trading margin in case supplier is trading licensee and Rs.... (Rupees) per kWh as the cost of transportation of which Rs (Rupees....) per kWh shall be in respect of domestic transportation, (the "Base Variable Charge") which shall be revised in accordance with the provisions of Clause 12.3 to determine the Variable Charge for the relevant period</p>	<p>As the tender is being called on lumpsum basis, where bidders are required to only quote cost of Fuel/generating, so cost of transportation and trading margin needs to be deleted. Also, MSTs only provides promise to quote cost Fuel/generating of cost of transmission charge and cost of transmission loss only.</p>	<p>Accepted. <b>Modified clause is as follows:</b> The Parties agree that the variable charge, in accordance with the offer of the Supplier for the Base Year, shall be Rs. ....(Rupees ....) per kWh, comprising Rs....(Rupees...) per kWh as the cost of Fuel/generating cost (the "Base Variable Charge") which shall be revised in accordance with the provisions of Clause 12.3 to determine the Variable Charge for the relevant period.</p>

PSTL – MSEDCL - Queries Reply: Bidding for Procurement of 1000 MW of electricity on medium-term basis 13.01.2025,16.01.2025

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4	Draft APP	<p><b>Clause 12.2 (Pg no 33) Base Variable Charge</b>  The Parties agree that the variable charge, in accordance with the offer of the Supplier for the Base Year, shall be Rs. ....(Rupees ....)\$ per kWh, [comprising Rs....(Rupees...)per kWh as the cost of Fuel/generating cost and trading margin in case supplier is trading licensee and Rs.... (Rupees) per kWh as the cost of transportation of which Rs.....(Rupees...) per kWh shall be in respect of domestic transportation, (the "Base Variable Charge") which shall be revised in accordance with the provisions of Clause 12.3 to determine the Variable Charge for the relevant period</p>		<p>The Parties agree that the variable charge, in accordance with the offer of the Supplier for the Base Year, shall be Rs. (Rupees ....)\$ per kWh, [comprising Rs....(Rupees...)per kWh as the cost of Fuel/generating cost and trading margin in case supplier is trading licensee and Rs.... (Rupees) per kWh as the cost of transportation of which Rs (Rupees....) per kWh shall be in respect of domestic transportation, (the "Base Variable Charge") which shall be revised in accordance with the provisions of Clause 12.3 to determine the Variable Charge for the relevant period</p>	<p>As the tender is being called on lumpsum basis, where bidders are required to only quote cost of Fuel/generating, so cost of transportation and trading margin needs to be deleted. Also, MSTs only provides promise to quote cost Fuel/generating of cost of transmission charge and cost of transmission loss only.</p>	<p>Accepted.  <b>Modified clause is as follows:</b>  The Parties agree that the variable charge, in accordance with the offer of the Supplier for the Base Year, shall be Rs. ....(Rupees ....) per kWh, comprising Rs....(Rupees...) per kWh as the cost of Fuel/generating cost (the "Base Variable Charge") which shall be revised in accordance with the provisions of Clause 12.3 to determine the Variable Charge for the relevant period.</p>
5	RFQ	<p><b>2.2.2(B)Financial Capacity:</b> The Bidder and /or its Associate shall have a minimum Net Worth (the "Financial Capacity") equivalent to Rs.1crore (Rs. One crore) per MW of the capacity the Bidder is willing to Bid, at the close of the preceding financial year.  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.</p>	<p>Certain Developer may participate through Trading Licensee and Trading Licensee have small Net Worth as they are SPV of the Parent Company.So, Trading Licensee to be allowed to participate based on the financial strength of its Associate (Parent Company) to meet the Financial Capacity criteria as allowed to Developer.Please confirm.</p>			<p>Yes.Trading Licensee is allowed to participate based on the financial strength of its Associate (Parent Company) to meet the Financial Capacity criteria as allowed to Developer.</p>

	6 Draft APP	<p><b>Article 21 Change in Law</b>  <b>Considering the Lumpsum Tariff option and Medium-Term Bid is not Source or Fuel Specific hence Not withstanding to anything contained in APP, Utility shall not accept any change in law claim.</b></p>		<p>Considering the Lumpsum Tariff option and Medium-Term Bid is not Source or Fuel Specific hence Not withstanding to anything contained in APP, Utility shall not accept any change in law claim.</p> <p>21.1 Increase in costs If as a result of Change in Law, the Supplier suffers an increase in costs or reduction in net after-tax return or other financial burden, the aggregate financial effect of which exceeds 0.1% (zero point one percent) of the Capacity Charge in any Accounting Year or if as a result of Change in Law, the Supplier benefits from a reduction in costs or increase in net after-tax return or other financial gains the aggregate financial effect of which exceeds 0.1% (zero point one percent) of the Capacity Charge in any Accounting Year, the impact of Change in Law to be adjusted and recovered shall be computed in accordance with the procedure provided in the applicable rules issued by the Ministry of Power’.</p> <p>21.3 No claim in the event of recovery from Buyers</p> <p>Notwithstanding anything to the contrary contained in this Agreement, the Utility shall not in any manner be liable to reimburse to the Supplier any sums on account of a Change in Law if the same are recoverable from the Buyers.</p> <p>21.4 Exclusions to the Change in Law</p> <p>The term ‘Change in Law’ shall not include any change in any withholding tax on income or dividends distributed to the shareholders of the Seller.</p>	<p>The medium-term tender floated by the Utilities like Haryana (HPPC), AEML etc. have Change in law provision in APP as per the SBD document 2022.</p> <p>So, we once again request MSEDCL to retain Change in law provision in line with SBD 2022.</p>	Accepted.
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