

**PROCUREMENT OF RTC / PEAK POWER ON SHORT-TERM BASIS THROUGH
TARIFF BASED COMPETITIVE BIDDING PROCESS**

(As per “Guidelines for short-term (i.e. for a period of more than one day to one year) Procurement of Power by Distribution Licensees through Tariff based bidding process” issued by Government of India)

POWER COMPANY OF KARNATAKA LIMITED (PCKL)

INVITATION FOR BIDS

[Event No. PCKL/D3/A2/A5/ST/2023-24]

Sl. No.	Event	Date & Time
1	Publication of Request for Proposal (RFP) / Activation of Event	30.10.2023
2	Last Date of Submission of RFP Bids	06.11.2023 @ 17:00 Hrs
3	Opening of Non-Financial Technical Bids (EMD to reach before opening of Non- Financial Technical Bids)	07.11.2023 @ 12:00 Hrs
4	Opening of IPOs	15.11.2023 @ 10:00 Hr
5	Start of e-RA	15.11.2023 @ 12:00 Hrs

Bids to be Submitted through	DEEP e-Bidding Portal
Office Inviting Bids & Place of Submission of EMD	<p>The Additional Director (Projects), Power Company of Karnataka Limited, Room No. 501, 5th Floor, KPTCL Building, Bangalore - 560 009.</p> <p>Phone +91-8277889889 080-22294390</p> <p>E-mail : addl.director2018@gmail.com</p>

1. INTRODUCTION & BACKGROUND:

- 1.1. The Power company of Karnataka Ltd. (PCKL), hereinafter referred to as “Authorized Representative”, on behalf of Bangalore Electricity Supply Company Ltd “Procurer 1, Mangalore Electricity Supply Company Ltd. “Procurer 2” “Chamundeshwari Electricity Supply Corporation Limited “Procurer 3” “Gulbarga Electricity Supply Company Ltd. “Procurer 4”, Hubli Electricity Supply Company Ltd. “Procurer 5” and hereinafter referred to as “Procurer(s)” hereby invites offers from interested Companies (“Bidders”) who are capable of supplying readily available power to participate in the Bidding Process for Procurement of Power under Short term for meeting the Base Load Power and Peak Power requirement of the Procurers. The responsibility of the Successful Bidder(s) would be to supply power to the Procurer(s) as per the Terms and Conditions of this RFP Document.
- 1.2. PCKL is inviting bids for procurement of power under Short Term arrangement for the period from 20.11.2023 to 31.05.2024 from Generators / Trading Licensees / State Utilities / Captive Power Plants / Distribution Licensees. The power would be procured through Tariff based bidding process as per the MoP Guidelines dated 30.03.2016, 30.12.2016 & 22.02.2022 for short-term (i.e. for a period of more than one day to one year) Procurement of Power by Distribution Licensees through DEEP e-Bidding Portal.

2. E BIDDING FEE

All the Bidders would be able to participate in the e-Bidding events on making payment of the requisite fees of ₹ **500/MW/requisition** for the total capacity sought by the utility for that particular requisition for which a Bidder is willing to bid, to PFC Consulting Limited (PFCCL). The requisite fee plus applicable taxes shall be deposited through the portal by e-Payment Gateway provided by MSTC Ltd. After the completion of the bidding process, only successful Bidder(s) will have to pay these charges for the quantum allocated to each Bidder. The balance amount will be refunded by PFCCL within seven (7) working days without any interest. The fee deposited by non-Selected Bidder(s) will also be refunded by PFCCL within seven (7) working days of completion of the event without any interest.

All the users of the e-bidding portal shall require valid Digital Signature to have access to the Portal.

An event one or more bids depending upon single or multiple requisition of power for different time slots during both e-tender and e-Reverse auction process. Each event of the auction would require independent digital signature of the bidder.

For more details, bidders may contact PFCCL for the same.

3. QUANTUM OF POWER:

The Bidder(s) shall be capable of supplying power as mentioned below to PCKL/ESCOMs for the period from 20.11.2023 to 31.05.2024. The Bidder(s) have flexibility to bid for any of the requisition or all requisition subject to condition that quantum shall not be less than minimum bid quantity. Bid Capacity offered by the Bidder shall have to be constant for the entire contract period.

Requisition No.	Period	Duration (in hrs)	Quantum (in MW)	Min. Bid Quantity (in MW)	Delivery Point
1	20.11.2023 to 30.11.2023	RTC	1000	25	KPTCL Periphery
2	20.11.2023 to 30.11.2023	05:00 to 09:00 & 18:00 to 22:00	250	25	KPTCL Periphery
3	01.12.2023 to 31.12.2023	RTC	1000	25	KPTCL Periphery
4	01.12.2023 to 31.12.2023	05:00 to 09:00 & 18:00 to 22:00	250	25	KPTCL Periphery
5	01.01.2024 to 31.01.2024	RTC	1000	25	KPTCL Periphery
6	01.01.2024 to 31.01.2024	05:00 to 09:00 & 18:00 to 22:00	250	25	KPTCL Periphery
7	01.02.2024 to 29.02.2024	RTC	1000	25	KPTCL Periphery
8	01.02.2024 to 29.02.2024	05:00 to 09:00 & 18:00 to 22:00	250	25	KPTCL Periphery
9	01.03.2024 to 31.03.2024	RTC	1000	25	KPTCL Periphery
10	01.03.2024 to 31.03.2024	05:00 to 09:00 & 18:00 to 22:00	250	25	KPTCL Periphery
11	01.04.2024 to 30.04.2024	RTC	1000	25	KPTCL Periphery
12	01.04.2024 to 30.04.2024	05:00 to 09:00 & 18:00 to 22:00	250	25	KPTCL Periphery
13	01.05.2024 to 31.05.2024	RTC	1000	25	KPTCL Periphery
14	01.05.2024 to 31.05.2024	05:00 to 09:00 & 18:00 to 22:00	250	25	KPTCL Periphery

4. QUALIFICATION CRITERIA:

The qualifying requirements for a Bidder to bid for this tender are as follows:

- i. The Bidder must offer bid quantum not less than Minimum Bid Quantity (25 MW) from single source of generation, as mentioned in table above.
- ii. The quantum of power offered by the Bidder shall be firm power for the duration mentioned above.
- iii. If Bidder is a Trader, required to submit a copy of valid Category license or equivalent Trading License issued by Appropriate Commission.
- iv. If Bidder is a Trader, required to submit a copy of back to back agreement with generator / distribution licensees or an equivalent arrangement (LoA /Consent letter from Generator) for supply of power.
- v. The source from which the supply is offered under this tender must have achieved COD and shall be in commercial operation on the date of submission of tender.
- vi. The companies already having PPAs (Long term/Medium Term/Short term) with ESCOMs of Karnataka or any other entity cannot offer the already committed power in this tender.
- vii. Bidder shall give unconditional acceptance to RFP document.

Note: Bidders who are found qualified in non-financial technical bid shall only be considered for Opening of Financial Bid (IPO's).

5. DELIVERY POINT

- a. For interstate transmission of power, Karnataka State (KPTCL) periphery i.e. the point at which the CTU network is connected to the intrastate transmission of Karnataka will be taken as delivery point.
- b. For Intrastate Transmission of power
 - i. In case of STU connected intra state source, interconnection point of seller with STU periphery network will be taken as Delivery point.
 - ii. In case of CTU connected intrastate source (within the state of Karnataka), Karnataka periphery i.e. the point at which the CTU network is connected to the intrastate transmission of Karnataka will be taken as Delivery point.

6. TARIFF STRUCTURE:

- a. The bidder shall quote single tariff up to three (3) decimals which shall include Capacity charges, Energy charges, Trading Margin (in case of bidder being a trader), all applicable transmission charges (as notified by the CERC and state ERCs from time to time), All load dispatch centre charges, application/concurrence charges and all taxes, Duties, Cess etc. imposed by Central Govt. /State Govt. /Local bodies.

- b. Tariff shall be quoted in Indian Rupees only.
- c. In case of CTU connected intrastate source/ Interstate source:

All intrastate charges & Losses up to delivery point, interstate transmission losses (All India transmission loss), all RLDC/SLDC operating and scheduling charges, application/concurrence charges and any other charges covered in Open access Regulations notified by CERC/State ERCs and the procedure for Open Access stipulated by the Central Transmission Utility (CTU) for supply of energy shall be included in the Tariff and shall be borne by seller/bidder during the entire contract period.

Note:

- i) Reimbursement of KPTCL intrastate transmission charges (beyond the delivery point) for CTU connected source will be paid by Procurer and should not be included in the tariff.
- ii) Interstate transmission charges shall be borne by Procurer and should not be included in the tariff by CTU connected sources.

- d. In case of STU connected intrastate source (within Karnataka State):

- i) The intrastate transmission losses & charges up to delivery point, all SLDC operating and scheduling charges, application/concurrence charges and any other charges covered in Open Access Regulations notified by State ERCs and the procedure for Open Access stipulated by the state Transmission Utility for supply of energy shall be included in the tariff and shall be borne by seller/bidder during the entire contract period.

Note: KPTCL intrastate transmission charges (beyond the delivery point) for STU connected source shall be borne by Procurer and should not be included in the tariff.

- ii) Though the delivery point is KPTCL periphery, Karnataka SLDC consent fee, scheduling and operating charges shall not be included in the tariff.
- iii) The tariff shall be constant and there shall be no escalation during the contractual period or later.
- iv) No request citing price increase in fuel, transmission charges, tax and duties, etc will be entertained. The bidders are advised to take into consideration of all the charges before quoting and PCKL/ESCOMs allows the successful bidder to apply for STOA application on behalf of ESCOMs in case of intrastate generators.

- e. If the power is being supplied through alternate source, additional charges and losses if any, due to cancellation of existing corridor and booking of new corridor etc., shall be to the account of Bidders.

7. BIDDING PROCESS:

- 7.1 PCKL has issued an RFP for procurement of power on short term basis as per the details mentioned in clause 3 above and the RFP has been uploaded on the DEEP e-Bidding portal.

7.2 Tender Document Cost & Earnest Money Deposit (EMD) / Bank Guarantee (BG):

7.2.1 **Tender Document Cost:** The applicants are required to submit non-refundable Tender Document Cost of Rs.10000/- plus 18% GST (GST registration number may be provided), as Demand draft drawn in favour of The Additional Director (Projects), Power Company of Karnataka Limited OR through electronic mode i.e. credit card/debit card/net banking in favour of The Additional Director (Projects), Power Company of Karnataka Limited. In case of transfer through electronic mode, the details of remittance of Tender Document Cost shall be accompanied along with the submission of Bid.

7.2.2 **Earnest Money Deposit (EMD) / Bank Guarantee (BG):** The Bidders are required to submit EMD for the maximum capacity which they wish to offer (in single bid or sum total of multiple bids) @ Rs.30,000/MW/ Month on RTC (30 days, 24 hours) basis, and same shall be reduced on pro-rata basis in case bids are invited on hourly basis in the form of Bank Guarantee /e-Bank Guarantee issued by any Nationalized / Scheduled Bank or Electronically Transfer through payment gateway provided by MSTC Ltd. in the portal.

For Example: For a requirement of 1 MW for 15 days for 4 hours, the EMD shall be $Rs.30,000 \times (15 \text{ days} / 30 \text{ days}) \times (4 \text{ hrs} / 24 \text{ hrs}) = Rs.2,500/-$

7.2.3 The original EMD (BG) needs to be submitted before the opening of the Non-Financial Technical Bid to PCKL.

7.2.4 The EMD shall be forfeited:

- a. If Bidder withdraws bid during Bid Validity Period except as provided in the Guidelines.
- b. For non-submission of Contract Performance Guarantee as specified in this RFP document, by Successful Bidder(s).
- c. The documents furnished with the offer are found to be bogus or the documents contain false particulars.

7.2.5 The EMD shall be refunded to the unsuccessful Bidders within 10 days of expiry of Bid Validity Period.

7.2.6 The EMD of the Successful Bidder(s) shall be refunded after furnishing the Contract Performance Guarantee (CPG).

7.2.7 The EMD will not carry any interest.

7.2.8 Bank Account details of PCKL:

Amount payable to PCKL viz. Tender Document Cost shall be paid through RTGS / NEFT to the following account.

Name of Beneficiary	:	The Additional Director (Projects,) PCKL
Bank Name	:	State Bank of India,
Bank Branch	:	CBAB Complex Branch, Bengaluru-560009
Account No.	:	64020970025
IFSC Code	:	SBIN0003182

7.3 BID SUBMISSION:

- 7.3.1 Tenders are to be submitted online through the DEEP e-Bidding portal. All the documents uploaded by the PCKL form an integral part of the contract. Bidders are required to upload all the documents as asked for in the RFP, through the above website within the stipulated date and time as given in the RFP. The Bidder shall carefully go through the RFP and prepare the required documents and upload the scanned documents in Portable Document Format (PDF) to the portal in the designated locations of Technical Bid.
- 7.3.2 The documents uploaded shall be digitally signed using the Digital Signature Certificate (DSC). Bidders should take note of all the addendum / corrigendum related to the RFP and upload the latest documents as part of the Bid.
- 7.3.3 The process of e-Bidding shall be conducted online, in accordance with the provisions laid herein. Each e-Bidding event shall comprise of two parts i.e. e-Tender and e-Reverse Auction. To participate in the event each Bidder will have to specify the source(s) of power for that particular bid. Each bid will have only one price per requisition accompanied by total quantum of power, the Bidder intends to supply and minimum threshold quantum acceptable to the Bidder. However, the Bidder shall have the option to choose the requisition of an event in which it intends to participate. Each of the bids will have to be signed by the Digital Signature of the Bidder.
- 7.3.4 The Bidder shall use one Digital Signature to submit bid through one login and for each login the Bidder may submit only one price bid from one source. However, against each requisition the bidder have the option to bid multiple bids from separate logins either from same or different sources
- 7.3.5 The process of bidding shall be conducted electronically. For this purpose, provisions like registration, log in, downloading and uploading etc. in the eBidding portal shall be specified in the Bid document. An event involves both eTender and eReverse auction process. Each event of the auction would require independent Digital Signature of the Bidder. An event may have requirement of power at different time and period.

7.3.6 Bidders shall be required to submit separate non-financial technical Bid and Financial Bids i.e. Initial Price Offer (IPO) through e-Bidding portal. The Bidder will have the option to indicate their minimum threshold quantity and the same would be considered for allocation of power to the Bidder(s). The non-financial Bids shall contain the acceptance of general terms and conditions without any deviation and information about the sources from which the Bidder shall supply the power. Bidders shall also be required to furnish necessary EMD/Bank Guarantee along with the Bids. The Bidders can revise their IPOs before date and time of submission of RFP.

7.3.7 The IPO shall be strictly as per the format prescribed in the RFP and shall be unconditional. The conditional price bid shall be summarily rejected.

8. VALIDITY OF TENDER & OFFER:

The offer against tender should remain valid for a period of within 30 days from the date of e-Reverse Auction (excluding the date of e-RA).

9. CONDITIONAL & INCOMPLETE TENDER:

Conditional and Incomplete Tenders are liable to rejection.

10. OPENING & EVALUATION OF BID:

10.1 To ensure competitiveness, the minimum number of Bidders should be at least two for each requisition. If the number of Bidders responding to the RFP is less than two, and Procurer still wants to continue with the selection process, the selection of that single Bidder may be done with the consent of the Appropriate Commission (KERC).

10.2 Technical proposals will be opened by the PCKL or its authorized representative electronically from the website stated above, using their Digital Signature Certificate.

10.3 Technical proposals for those tenders whose original copies of DD/BG towards EMD and who have deposited the E-Bidding Fee have been received will only be opened. Proposals corresponding to which original copy of DD/BG towards Tender Document Cost & EMD has not been received, will not be opened and will stand rejected.

10.4 Decrypted (transformed into readable formats) documents of the Statutory and Non-Statutory Covers will be downloaded for the purpose of evaluation.

10.5 PCKL or its authorized representative can seek clarifications/documents required in connection with technical bid. After acceptance of the non-financial technical Bids, the Financial Bids, Initial Price offer (IPO) shall be opened as per the procedures specified in the Bid document.

10.6 In the event, if two or more Bidders quote the same amount of Tariff during IPO and e-Reverse Auction stage, the time of submission of bid will be the deciding factor for their ranking.

11. ELIMINATION OF BIDDERS:

11.1 The elimination of the Bidders shall be done by the following method:

- i) After the opening of Initial Price Offers, the system will rank the Bidders according to their price bids. The Bidder with the highest price bid in IPO stage will be called the H1 Bidder. The system will then analyze all the quantities offered by the Bidders in the IPO stage. If the total quoted quantity is greater than twice the Requisitioned Quantity, the Highest Bidder (H1) will be eliminated provided that the total quoted quantity after elimination is not less than or equal to twice the Requisitioned Quantity.
- ii) The elimination process will be done for each of the requisition separately. One event may have more than one requisition.

12. E - REVERSE AUCTION (e-RA):

12.1 The shortlisted Bidders after elimination will be intimated individually by system generated emails only.

12.2 The Reverse auction should start within 120 minutes of opening of Initial Price Offers and shall continue for a period of next 120 minutes.

12.3 During the Reverse Auction the Bidders will have the option of reducing the tariff quoted by them in decrements of One Paise or multiples thereof and to increase the quantum quoted by them by 1 MW or multiples thereof. During the Reverse Auction the prevailing Lowest Tariff would be visible to all the Bidders.

12.4 Provided that during the last Ten (10) minutes before the scheduled closed time of e-Reverse auction, if a price bid is received which is lower than the lowest prevailing price bid recorded in the system during the e-Reverse auction, the close time of e-Reverse auction will be automatically extended by Ten (10) minutes from the time of the last price bid received. This process of auto extension will continue till there is a period of Ten (10) minutes during which no price bid is received which is lower than the prevailing lowest price bid.

12.5 The Bidders will have the option to increase the quantum of power up to corresponding to the value of EMD submitted along with IPO, but decrease the Tariff during the e-Reverse Auction process.

13. ISSUANCE OF LETTER OF AWARD (LOA):

13.1 The Bidder after the e-RA process will be ranked in accordance with the tariff offered in ascending order. The list would also include the name, quantum offered and tariff quoted by those qualified Bidder(s) who have not changed the quantum of power and tariff from IPO stage to e-RA stage. The Bidder(s), in order of their rankings, offering the quantum of power up to the requisitioned capacity would be the Successful Bidder(s).

- 13.2 PCKL shall procure power from the Successful Bidders in the order of their rankings decided on the basis of tariff quoted by them until the entire Requisitioned Capacity is met.
- 13.3 The Procurers shall have the right to issue Letter of Award (LoA) to the Successful Bidder(s) [Selected Bidder(s)] in the same order to fulfill its requirement, which can be lower than the Requisitioned Capacity but not less than the quantum of Lowest Bidder. In the event Procurer rejects or annuls all the Bids, it may go for fresh Bids hereunder. In case PCKL fails to issue the LoA within a period of within 30 days from the date of e-Reverse Auction (excluding the date of e-RA), the Successful Bidder(s) shall have the option to exit without forfeiting the EMD.
- 13.4 In case the Selected Bidder(s) is allocated a quantity of power less than the minimum threshold quantum mentioned by it, it shall have the option to exit without forfeiting the EMD.
- 13.5 In case the LOA is issued but Selected Bidder(s) is/are not in a position to fulfill the requirement, being selected in another bidding process the EMD/CPG shall be forfeited as the case may be.
- 13.6 After selection, a Letter of Award (the “LOA”) shall be issued, in duplicate, by PCKL to the Selected Bidder(s) and the Selected Bidder(s) shall, sign and return the duplicate copy of the LOA in acknowledgement thereof. In the event the duplicate copy of the LOA duly signed by the Selected Bidder(s) is not received by the stipulated date, PCKL may, unless it consents for extension of time for submission thereof, forfeit the EMD of such Bidder as Damages on account of failure of the Selected Bidder(s) to acknowledge the LOA.

14. CONTRACT AWARD & CONCLUSION:

- 14.1 After acknowledgement of the LOA by the Selected Bidder(s), PCKL shall cause the Selected Bidder(s) to execute the PPA with Procurer(s) within the prescribed period in the Bid document i.e. within 30 days from the date of e-Reverse Auction (excluding the date of e-RA). The Selected Bidder(s) shall not be entitled to seek any deviation, modification or amendment in the PPA. PCKL would appropriate the EMD of such Bidder as Damages on account of failure of the Selected Bidder(s) to execute the PPA with Procurer(s). In case Procurer(s) fails to sign the PPA within the period prescribed above, the Selected Bidder(s) shall have the option to exit without forfeiting the EMD/CPG as the case may be.
- 14.2 PPA will be signed with issue of LoA with the selected Bidders within 30 days from the date of e-Reverse Auction (excluding the date of e-RA).

15. RIGHT TO ACCEPT / REJECT THE BID:

Lowest valid rate of the tender cum reverse auction price should normally be accepted. PCKL reserves the right to reject any or all bids or to accept any bid, at its sole discretion, without assigning any reasons whatsoever thereof and without any liability.

16. CONTRACT PERFORMANCE GUARANTEE (CPG):

16.1 The Successful Bidder(s) shall furnish CPG within 7 days from the date of issue of letter of award by PCKL for an amount calculated at Rs.2 Lakhs/MW/month (30 days, 24 hours) of contract period or part thereof. The CPG for the procurement of power on hourly basis shall be calculated on pro-rata basis as per the example given above for calculating EMD. The CPG shall be furnished by the Successful Bidder to each Procurer in proportion to the contracted capacity allocation as indicated in the LOA.

16.2 The CPG shall be in the form of BG issued by any Nationalized / Scheduled Bank and valid for the period of Contract with a claim period of 1 month after the expiry of contract period.

16.3 In the event, the CPG is not furnished within the stipulated date, the EMD submitted against the Notification shall be forfeited.

16.4 The CPG provided by the Successful Bidder(s) shall be forfeited for non-performing the contractual obligations. The CPG shall be released after 30 days of completion of Contract Period.

17. POWER PURCHASE AGREEMENT (PPA):

PPA proposed to be entered with the Selected Bidder(s) would have following necessary details on:

17.1 Risk allocation between parties;

17.2 **Force Majeure Events** shall mean the occurrence of any of the following events:-

- a) Any restriction imposed by RLDC/SLDC in scheduling of power due to breakdown of Transmission/Grid constraint shall be treated as Force Majeure without any liability on either side.
- b) Any of the events or circumstances, or combination of events and circumstances such as act of God, exceptionally adverse weather conditions, lightning, flood, cyclone, earthquake, volcanic eruption, fire or landslide or acts of terrorism causing disruption of the system.
- c) The contracted power will be treated as deemed reduced for the period of transmission constraint. The non/part availability of transmission corridor should be certified by the concerned RLDC/SLDC.

- d) The procurer would return the CPG in case of non-availability of transmission corridor during the contract period.

18. CHANGE IN LAW: Change in Law shall include

18.1 Any change in transmission charges and open access charges

18.2 Any change in taxes (excluding income tax), duties, cess or introduction of any tax, duty, cess made applicable for supply of power by the Bidder

19. SCHEDULING:

19.1 In case of CTU connected sources, the scheduling and dispatch of the power shall be coordinated with the respective RLDCs as per the relevant provisions of IEGC and within the frame work of ABT and the decisions of RLDCs and RPCs.

19.2 The intrastate sources shall submit day ahead declaration of their capability for the next day to Karnataka SLDC.

19.3 Whenever downward revision is required, Karnataka SLDC will give instruction for downward revision for injection. All generators shall scrupulously adhere to Karnataka SLDC's instruction.

20. OPEN ACCESS:

20.1 PCKL allows the successful bidder to apply for STOA application on behalf of ESCOMs. The interstate / CTU connected intrastate source bidder shall be fully responsible for timely filing of open access application for the contracted quantum of power from each source before nodal RLDC and coordinate with relevant RLDC/SLDC so as to get the timely booking of open access corridor. The energy shall be scheduled and dispatched as per the relevant provisions of CERC regulations for Short Term open access.

20.2 The Intra-state generators, immediately on award of contract shall apply for Open Access before Karnataka SLDC for the contracted quantum for the entire duration of contract.

21. REIMBURSEMENT OF KARNATAKA INTRA STATE TRANSMISSION CHARGES:
(for CTU Connected source)

21.1 The successful bidder/Trader, shall book the transmission corridor after making advance payment to the nodal RLDC towards open Access Charges in full. Bidder/Trader shall be reimbursed the concerned Karnataka Intrastate transmission charges as per the amount paid to Nodal RLDC and raise invoice towards open access charges of Karnataka Intrastate transmission charges to the Procurer and payment will be done within 7 working days (excluding the date of receipt).

21.2 In case of revision/cancellation of Open Access by seller, seller has to repay the amount of Karnataka Intrastate transmission charges to the Procurer.

22. BILLING:

22.1 **Billing Cycle:** Bill shall be raised on Monthly basis for the interstate generators /CTU connected Intra state source /STU connected intrastate generator.

a) For the Power Scheduled from Interstate: (Monthly basis)

Supplier shall raise bills for the month based on Regional Energy Account (REA). The supplier shall furnish the bill to ESCOMs. If bill is received after working hours (17:15 Hrs), the next working day will be reckoned as the date of receipt of bill. If the bills are received on holidays / Sundays only the next working day shall be reckoned as the date of receipt of the bill for all payment purpose.

Note 1: The final bill of the month shall be raised based on Regional Energy Account (REA)

22.2 For Intrastate generators:

a) For the power scheduled from CTU connected intrastate sources: (Monthly Basis)

Supplier shall raise bills for the month based on Regional Energy Account (REA). The supplier shall furnish the bill to ESCOMs. If bill is received after working hours (17:15 Hrs), the next working day will be reckoned as the date of receipt of bill. If the bills are received on holidays/Sundays only the next working day shall be reckoned as the date of receipt of the bill for all payment purpose.

Note 1: The Final Bill of the month shall be raised based on Regional Energy Account (REA)

b) For the power scheduled in the STU connected intrastate sources: (Monthly Basis)

In case power injected from local generators in Karnataka, the bills for month shall be raised. The supplier shall furnish the bill to ESCOMs within the office working hours. If received after working hours, the bill shall be deemed to have been received on the following working day. If the bills are received on holidays/Sundays only the next working day shall be reckoned as the date of receipt of the bill for all payment purpose.

- i) A copy of downloaded data for the relevant billing parameters shall be enclosed with the bill.
- ii) The energy bills will be scrutinized, passed and paid by the ESCOMs.

- iii) The invoice shall be supported with statement of Block-wise contracted quantum in terms of energy, SLDC instruction, actual energy scheduled and Seller/Procurer deviation for each block. The downloaded data shall be compared and checked with respect to LOA conditions and SLDC's instructions.
- iv) The seller shall supply energy equivalent to the contracted quantum of power on First charge basis to Karnataka. The quantum of energy supplied by the generator to Karnataka network under this contract/agreement during 15 minutes block will be verified with respect to LOA conditions and SLDC's dispatch instructions. The energy pumped in over and above the SLDC's dispatch instruction will be treated as un-requisitioned power and no payment will be made.
- v) If any abnormal variation is noticed, the same is to be recorded and intimated to bidder.
- vi) For the purpose of energy accounting, each source will be accounted separately as accounting will be done at different circles with different injection points. Even if the same generator offers from more than one source, for the purpose of energy accounting, the contracted quantum means the power offered from each source.

22.3 In the event actually energy supplied by Intra State Generator is less than the scheduled energy, the procurer(s) will recover the difference of Deviation charges and quoted tariff in case the Deviation charges being less than the quoted tariff.

22.4 The bills for liquidated Damages for the month shall be raised only after end of that month.

23. PAYMENT:

23.1 Procurer(s) shall make payment to the Seller(s) account within 30 (thirty) days from the date of submission of the energy bills to Procurer(s) Office, by Fax/Email. In the event of the due date of payment being a Bank / Government holiday, the next working day shall be considered as the due date of payment. In case of timely payment by Procurer(s), adjustment for the admissible rebate shall be made while making the payment against the energy bills. In case of default in payment by the Due Date then the admitted amount shall be recovered through Letter of Credit (LC).

23.2 The Procurer(s) may be required to provide irrevocable Letter of Credit (LC) equivalent to 100% of the monthly average energy corresponding to 100% of Contracted Capacity at the tariff indicated in LoA / PPA. LC may be opened prior to commencement of supply of power.

24. REBATE ON PAYMENT:

A rebate @ 2 % shall be applicable on payment of Energy Bill within 7 days from the date of bill excluding the date of receipt of the Bill. If the payments made after 7 days and within a period of one month from the date of the receipt of the Bill, Rebate of 1% shall be

allowed. The Due date shall be 30 days from the date of receipt of the Invoice at Procurers Office. No rebate shall be applicable on payment of Open Access Bills.

25. LATE PAYMENT SURCHARGE:

A surcharge of 1.25% (One Point Two Five Percent) per month shall be applied on all payments, outstanding after 30 days for the period of non-payment beyond the due date. This surcharge would be calculated on a day-to-day basis for each day of the delay. Any disputes raised by the Discom on the energy bills shall not be treated as outstanding.

26. PAYMENT OF LIQUIDATED DAMAGES FOR FAILURE TO SUPPLY THE INSTRUCTED CAPACITY:

26.1 Both the parties would ensure that actual scheduling does not deviate by more than 15% of the contracted power as per the approved open access on monthly basis.

26.2 In case deviation from Procurer side is more than 15% of contracted energy for which open access has been allocated on monthly basis, Procurer shall pay compensation at 20% of Tariff per kWh for the quantum of shortfall in excess of permitted deviation of 15% while continuing to pay open access charges as per the contract.

26.3 In case deviation from Seller side is more than 15% of contracted energy for which open access has been allocated on monthly basis, Seller shall pay compensation to Procurer at 20% of Tariff per kWh for the quantum of shortfall in excess of permitted deviation of 15% in the energy supplied and pay for the open access charges to the extent not availed by the Procurer.

26.4 The request of Sellers for reduction of supply quantity citing the machine breakdowns or unforeseen conditions of generating companies (except force majeure condition) will not be accepted.

26.5 In case seller fails to apply for Open Access in stipulated time as per RLDC's guidelines in force, then compensation shall be levied at the rate mentioned in compensation clause and for the entire contracted quantum. Open access once approved cannot be cancelled or revised without mutual consent.

26.6 The Seller shall agree to indemnify and hold PCKL/ESCOMs of Karnataka against any loss / damage / extra expenditure incurred by PCKL/ESCOMs of Karnataka resulting from any negligent act or omission of the Seller/non fulfillment of obligations under this RFP.

26.7 Compensation will be calculated separately for each requisition on monthly basis.

26.8 Consequences on Sale of Contracted Power to Third Party without consent of the Procurer:

- In case the Seller fails to offer the contracted power as per the Agreement to the Procurer and sells this power without Procurer's consent to any other party, the Procurer shall be entitled to claim damages from the Seller for an amount equal to the higher of: **(a)** twice the Tariff as per the PPA for the corresponding contracted power; and **(b)** the entire sale revenue accrued from Third Parties on account of sale of this contracted power. These damages shall be in addition to Liquidated Damages as per Clause 26.3, for failure to supply the Instructed Capacity.
- On a complaint to this effect by the Procurer to the concerned Load Dispatch Center, the Seller shall be debarred from participating in Power Exchanges and also from scheduling of this power in any short term/medium term/long term contracts from the generating station for a period of three months from the establishment of default, in the complaint. The period of debarment shall increase to six months for second default and shall be one year for each successive default.

27. COMMUNICATION:

27.1 All parties shall rely of written communication only.

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

27.3 PCKL reserves the right to ask for the additional information from the Bidder through email only. The e-mail ID adl.director2018@gmail.com will be used.

28. GOVERNING LAW:

All matters arising out of or in conjunction with the Bid Document and/or the bidding process shall be governed by and construed in accordance with Indian law and the Courts in the State in which PCKL has its headquarters shall have exclusive jurisdiction.

29. DISCLAIMER:

Neither PCKL nor its employees shall be liable to any Bidder or any other person under any law including the law of contract., tort, the principles of restitution or unjust enrichment or otherwise for any loss, expense or damage which may arise, or be incurred, or suffered, in connection with the bid, or any other information supplied by or on behalf of PCKL or its employees. For the avoidance of doubt it is expressly clarified that this Bid Document is an offer to bid and its subject to the award of LoA / PPA by PCKL and acceptance of the LoA / PPA by the selected Bidder will be construed as acceptance of terms and Condition.

30. DISPUTE RESOLUTION:

- 30.1 All differences or disputes between the parties arising out of or in connection with this matter shall be settled through the statutory provisions under the Electricity Act 2003. Where any dispute arises claiming any change in or regarding determination of the tariff or any tariff related matters, or which partly or wholly could result in change in tariff, such dispute shall be adjudicated by the Appropriate Commission.
- 30.2 All other disputes shall be resolved by arbitration under the Indian Arbitration and Conciliation Act, 1996.
- 30.3 Notwithstanding any legal dispute, disagreement or difference, the parties here to, continue to perform the respective obligations under power purchase agreement.

FORMAT FOR EMD

To
Power Company of Karnataka Limited
Bangalore

In consideration of [Insert name of the Bidder] submitting the Bid inter alia for supply of RTC power firm power on Short term basis through tariff based Competitive Bidding Process for meeting the requirements of Procurers in response to the **RFP dated** _____ issued by Power Company of Karnataka Limited agreeing to consider the bid of [insert the name of the Bidder] as per the terms of the RFP, the _____ [insert name of bank] a Banking company registered under the Companies Act 1956 and having its licensee to carry out Banking Business under the Banking Regulation Act 1949 at having the registered office at _____ (Insert the address of Bank) [hereafter referred to as Guarantor Bank] hereby agrees unequivocally, irrevocably and unconditionally to pay to the Authorized Representative or its authorized representative at Bangalore forthwith on demand in writing from the Authorized Representative or any representative authorized by it in this behalf an amount not exceeding Rupees _____ only on behalf of _____[Insert name of the Bidder]

This guarantee shall be valid and binding on the Guarantor Bank up to and including **30 days (Thirty days)** from the date of e-Reverse Auction (excluding the date of e-RA) i.e. up to _____ and shall not be terminable by notice or any change in the constitution of the Guarantor Bank or by any other reasons whatsoever and our liability hereunder shall not be impaired or discharged by any extension of time or variations or alternations made, given, or agreed with or without our knowledge or consent, by or between concerned parties.

Our liability under this Guarantee is restricted to Rupees [Insert amount] only. Our Guarantee shall remain in force until _____. The Authorized Representative or its authorized representative shall be entitled to invoke this Guarantee until [Insert Date which is 30 days after the date in the preceding sentence].

The Guarantor Bank hereby expressly agrees that it shall not require any proof in addition to the written demand by the Authorized Representative or authorized representative, made in any format, raised at the above mentioned address of the Guarantor Bank, in order to make the said payment to the Authorized Representative or authorized representative.

The Guarantor Bank shall make payment hereunder on first demand without restriction or conditions and notwithstanding any objection, disputes or disparities by the Bidder or any other person. The Guarantor Bank shall not require Authorized Representative or its authorized representative to justify the invocation of this BANK GUARANTEE, nor shall the Guarantor Bank have any recourse against the Authorized Representative or its authorized representative in respect of any payment made hereunder.

This BANK GUARANTEE shall be interpreted in accordance with the laws of India and the courts at Bangalore (Karnataka) shall have exclusive jurisdiction.

The Guarantor Bank represents that this BANK GUARANTEE has been established in such form and with such content that it is fully enforceable in accordance with its terms as against the Guarantor Bank in the manner provided herein.

This BANK GUARANTEE shall not be affected in any manner by reason of merger, amalgamation, restructuring, liquidation, winding up, dissolution or any other change in the constitution of the Guarantor Bank.

This BANK GUARANTEE shall be a primary obligation of the Guarantor Bank and accordingly, the Authorized Representative or its authorized representative shall not be obliged before enforcing this BANK GUARANTEE to take any action in any court or arbitral proceedings against the Bidder, to make any claim against or any demand on the Bidder or to give any notice to the Bidder to enforce any security held by Authorized Representative or its authorized representative or to exercise, levy or enforce any distress, diligence or other process against the Bidder.

The Guarantor Bank acknowledge that this Bank Guarantee is not personal to the Authorized Representatives or its authorized representative and may be assigned in whole or in part (Whether absolutely or by way of security) by the Authorized representative or its authorized representative to any entity to whom it is entitled to assign its rights and obligations under the RFP documents.

The Guarantor Bank hereby agrees and acknowledges that Authorized Representatives or its authorized representative shall have a right to invoke this Bank Guarantee either in part or in full, as it may deem fit.

Notwithstanding anything contained hereinabove, our liability under this Guarantee is restricted to Rs. ----- (Rs. ----- only) and it shall remain in force until _____ [Amount & Date to be inserted on the basis of clause 7.2.2 of RFP] with an additional claim period of 30 days thereafter. We are liable to pay the guaranteed amount or any part thereof under this Bank Guarantee only if "Authorized Representative" or its authorized representative serves upon us a written claim or demand.

In witness whereof the Bank, through its authorized officer, has set its hand and stamp on this _____ at _____

Signature _____

Name _____

Power of Attorney No. _____

For

_____ **[Insert Name of the Bank]** _____

Banker's Stamp and Full Address.

Dated this _____ **day of** _____, **20**____