

Clarification to the Bidders
Bid Identification No. and Title: NEA/PP/2022-01 "Purchase of Power by NEA"

S.No.	Company Name	Query/Suggestion	Clarification by NEA
1	NVVN	As per clause 2 of the bid document, "All utilities, Generators and Traders having a valid trading license of category IV issued by CERC, Government of India are eligible to participate in this bid". In consideration of the fact that the transaction being a cross border flow of power and involves bilateral and international relationship/ties between two countries, the agreement is supposed to be entered by only very reputed and capable entities, hence it is requested to allow only Category -I trading licensees to participate in the tender.	Please refer to the Addendum - I.
2		As per clause 14 of the bid document, "The bidder shall purchase and submit only one bid in its own name. Joint Ventures and consortium bids are not permitted." "Further, as per clause 3.2, Part B, wherein sale of energy to NEA has to be submitted as per Annexure-3, Annexure-3 states that: 1. Bidder must quote only a single tariff for a specific month	The provisions of the Bid Document remain unchanged. It is also clarified that a Bidder is not required to bid for both delivery points mandatorily in a particular month.



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	2. If bidder quotes more than single tariff for a specific month, the bid shall be rejected 3. Bidder may quote different tariffs for different months" months" In view of the above clauses, it is requested to allow if the bidder, being a trader, can submit bid from multiple generating stations/sources for the same/different months having same or different price/tariff. This will allow serious and reputed players to tie up power and participate and enable more liquidity and efficient price discovery during bidding. Further it may be clarified if a bidder has to bid for both delivery points mandatorily in a particular month, as contradictory clauses are mentioned in bid document in page 1 last line and in annexure-1 point no 1 (1st bullet point); in this regard it is requested to clarify bid evaluation methodology with suitable example. Also, please clarify what is minimum bid quantum for a bidder for a particular month?	
3	As per Clause 7, CPG amount may be considered in line with the guidelines issued by MOP, Gol for Short-Term power procurement.	The provisions of Bid the Document remain unchanged.
4	Further, as per Clause 7 (CPG forfeiture)- It is provided that on failure to supply the contracted power for three (03)	Please refer to the Addendum - I.



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		consecutive days the PPA shall be terminated, and CPG shall be forfeited.	
1	TPTCL	Ref. (Page No. 8) The bid should be at least one month on RTC basis with minimum of 100 MW of power Muzaffarpur Sub-Station and with minimum of 65 MW of power for Tanakapur Sub-Station. We understand that there are two separate requisitions for each month (i.e. one is for Muzaffarpur Sub-Station and second is for Tanakapur Sub-Station.) If bidder wants to participate with 100 MW for Muzaffarpur Sub-Station for December 2022, then seller is not compelled/obligated to submit bid of 65 MW in the same month for Tanakapur Sub-Station as well.	It is clarified that a Bidder is not required to bid for both delivery points mandatorily in a particular month.
2		Booking of Open Access transmission / Distribution Corridor / Designated Authority (DA) * NEA will ensure that the relevant documents are shared with the seller to enable grant of relevant approvals by the DA. In case of any delay on this by NEA which delays the grant of approvals, then there will be no financial implication on the seller. * We understand that the current approval is for sale of power to NEA, again approvals will have to be sought from the DA in India i.e. CEA.	Please refer to the Bid Document.
3		Ref. (Page no. 2) Clause No. 2:- Eligibility	Please refer to the Bid Document.



	criteria To ensure serious participation, there should be credible eligibility criteria's, accordingly, we suggest the following changes needs to be incorporated: 1. Bidder should have experience in Cross Border Electricity trading. 2. If bidder is a trader, they should have CATEGORY I of trading licence issued by the appropriate Commission. 3. Last 3 financial years average net worth of participant should be more than 250 Crore. 4. Bidder should have submitted/filed IT returns in last three years.	
4	Ref. (Page no. 11) Clause No. 15:- Any dispute or difference, arising under, out of, or in connection with this bid shall be subject to applicable laws of Nepal. It should be "Any dispute or difference, arising under, out of, or in connection with this bid shall be subject to applicable laws of India."	The provisions of the Bid Document remain unchanged.
5	Ref. (Page no. 11) Clause No. 17:- Arbitration - The difference or dispute between the parties arising out of or in connection with this "Bid Document" shall be settled through arbitration with appointment of sole arbitrator by NEA. The proceeding of the Arbitration shall be in accordance with Arbitration Act of Nepal, 1999. It should be " The difference or dispute between the parties arising out of or in	Please refer to the Addendum – I.



	connection with this "Bid Document" shall be settled through arbitration decided mutually."		
6	The proceeding of the Arbitration shall be in accordance with Indian Arbitration and Conciliation Act of 1996 Ref. (Page No. 20) Clause No. 15:- Governing Law and Compliance by the bidder with Laws - The Bidder shall comply with the laws of Nepal and India. This PPA and any dispute or claim arising out of or in connection with this PPA or its subject matter, existence, validity, termination, interpretation or enforceability shall be governed by and construed in accordance with the laws of Nepal. It should be "The Bidder shall comply with the laws of India. This PPA and any dispute or claim arising out of or in connection with this PPA or its subject matter, existence, validity, termination, interpretation or enforceability shall be governed by and construed in accordance with the laws of India.	The provisions of the Bid Document remain unchanged.	
7	Ref. (Page No. 9) Clause No. 14:- Force Majeure The following should be included "Any failure of NEA to provide clarifications/ documentations to meet the compliances as per the Indian Cross Border Electricity Trading guidelines and there shall be no financial implications on the bidder of account of the same"	The provisions of the Bid Document remain unchanged.	
8	Ref. (Page No. 2) Clause No. 01:-	Please refer to the Addendum - I.	



	Eligibility - All Utilities, Generators and Traders having a valid trading license of category IV issued by CERC, Government of India are eligible to participate in the Bid. The following should be included All Utilities, Generators and Traders having a valid trading license of category IV and above issued by CERC, Government of India are eligible to participate in the Bid. Also, incorporate our suggestion regarding eligibility criteria as mentioned above in Sr. No. 03	
9	EMD & CPG Validity of EMD and CPG not clearly mentioned, please confirm the validity date. Kindly share the EMD and CPG (Bank Guarantee Format) format to avoid any dispute. Need more clarity on EMD calculation. Please confirm the calculation. If bidder wants to participate with 100 MW for the month of January and February, then EMD amount is 30,000(Amount in INR) X 100(MW) X 2 (Month) = 60,00,000	Please refer to the Addendum – I and the format for CPG will be provided to the successful Bidder (s) along with the letter of award.
10	Additional comment To ensure serious and more competitive participation in the tender, we suggest you to reduce the minimum bid quantum	Please refer to the Bid Document. The understanding about your calculation of EMD amount is correct.
11		The provisions of the Bid Document remain unchanged.



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		as 50 MW for both the locations.		
1	ADANI	In this regard, we request you to kindly share the format in which the requisite EMD BG is to be opened by the Bidder(s) in favor of NEA as the same is not available in Bid Document issued by NEA. We solicit your early response sharing the BG format.	Please refer to the Addendum – I.	
1	Manikaran Power Limited	The requirement of power shall be first assigned to the Bidder, which has quoted the lowest rate (L1), then if any balance requirement of power is left, it shall be offered to the next Bidder as per the Bid ranking at the L2 rate for any month(s) for each delivery point separately.	Please refer to the Addendum – I.	
2		LC shall be negotiable at branch of the issuing bank operating at capital of the country India i.e. New Delhi	Please refer to the Addendum – I.	
1	Manikaran Power Limited	All Utilities, Generators and Traders having a valid trading license of category - I issued by CERC, Government of India are eligible to participate in this Bid.	Please refer to the Addendum – I.	
2		We request NEA to provide the Format for Bank guarantee to submit the Earnest Money deposit. So that the same can be submitted to the banker for preparation of the Bank Guarantee within the time limit. Hence we request NEA to provide the format at the earliest.	Please refer to the Addendum – I.	
4		The EMD shall be refunded on relevant request of the unqualified / non-selected Bidders after 10 days of expiry of Bid Validity period or after the bid finalisation by NEA, whichever is earlier.	The provisions of the Bid Document remain unchanged.	
5		On or prior to the signing of the PPA,	The provisions of the Bid Document remain unchanged.	



	EMD submitted by the successful bidder shall be converted into CPG or the successful Bidder(s) shall have to submit CPG to NEA as the beneficiary of the lumpsum amount of INR 5 Crore for the due observance and performance of the terms and conditions of the PPA (the "Contract Performance Guarantee"). The eBG shall be an unconditional and irrevocable, payable on-demand bank guarantee issued by any class A commercial Nepali bank and if issued by a foreign bank, it shall be duly confirmed by a class A commercial bank of Nepal.	
6	Delete Clause no. 7. Contract Performance Guarantee	Please refer to the Addendum – I.
7	The Bid should be at least for one month on Round the Clock (RTC) basis with minimum of 25 MW of power for Muzaffarpur Sub-Station and with minimum of 25 MW of power for Tankapur Sub-Station.	The provisions of the Bid Document remain unchanged.
8	The differences or disputes between the Parties arising out of or in connection with this "Bid Document" shall be settled through arbitration to be conducted by three arbitrators. Both the Parties shall appoint one arbitrator each and the two arbitrators so appointed shall appoint the presiding arbitrator. The proceeding of the Arbitration shall be in accordance with the Arbitration and Conciliation Act, 1996 of India. The venue for arbitration shall be at New Delhi, India. The language of the arbitration shall be in English. Expenses of the arbitration shall be borne by the	Please refer to the Addendum – I.



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		Parties in equal proportion. The Award of the Arbitrator shall be final and binding upon all Parties.		
9		It is requested to clarify the charges involved for availing Open Access consent form Nepal Agency for booking of open access transmission / distribution corridor, if any. Also please include the payment cycle for reimbursement of the charges beyond the delivery point by NEA to Bidder within 2 days from the date of reimbursement bill raised by successful bidder to NEA as the seller has make the subsequent payment to the RLDC within 3 days.		Please refer to the Bid Document.
10		Any dispute or difference, arising under, out of, or in connection with this Bid shall be subject to applicable laws of India.		Please refer to the Bid Document.
11		In case of revision/ cancellation of approved open access corridor, the party seeking revision/ cancellation of open access corridor shall bear all the open access charges as applicable from the injection point till the point of drawl applicable due to such surrender/ cancellation.		Please refer to the Bid Document.
12		Support required from NEA to get approval of this transaction from Indian Power Ministry and Nepal Power Ministry or any other Designated Authority		Please refer to the Bid Document.
1	GMR	Request you to keep a minimum quantum of 25 MW for either sub-station to ensure more participation with competitive bidding		The provisions of the Bid Document remain unchanged.
2		Request you to consider CPG as 200,000/MW/Month which is a standard		The provisions of the Bid Document remain unchanged.



3	clause for all short term Bidding Guidelines Request you to include supply from alternate source in case of any exigency in scheduling of power from original source	The provisions of the Bid Document remain unchanged.
4	Request you to clarify for the application for open access shall be punched by the successful bidder on behalf of Buyer/Seller	Please refer to the Bid Document.



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