



MPUVN/GCRT-RESCO-III/2019-20/520

Dated: 24-05-2019

**Minutes of Pre Bid Meeting**

**Replies to the queries raised in the Pre-bid meeting on MPUVNL's RESCO Industry tender conducted on 9<sup>th</sup> of April'2019 at New Delhi**

RFP No. MPUVN/GCRT-RESCO-III/2018-19/4675, Dated 28.02.2019 was issued for selection of bidder for implementation of ~25MWp grid connected rooftop solar PV systems for sale of power under the RESCO model for Industries located in Mandideep near Bhopal in Madhya Pradesh. The pre-bid meeting for the above mentioned RfP/tender was held in New Delhi on 9<sup>th</sup> of April 2019. The meeting was chaired by Principal Secretary MPNRED, Govt. of MP in presence of Managing Director MPIDC and representatives from World Bank, ISA, Asian Development Bank, IREDA, State Bank of India and Punjab National Bank, along with aspiring participants.

As per the suggestions received, MPUVNL has agreed to change the tender process from closed bid to tender-cum-auction. MPUVNL has also acquired the necessary approvals from the Election Commission for the same. Accordingly, the revised RfP and the Model PPA Documents, incorporating all the changes mentioned below, would be uploaded on the website [www.mptenders.gov.in](http://www.mptenders.gov.in) shortly, which will **supersede previously uploaded tender documents** and all the Corrigenda issued so far. Bidders are requested to ignore the earlier version of tender documents, once the revised tender would be uploaded.

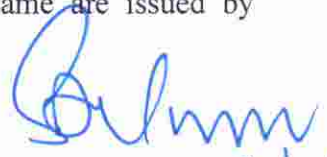
| S. No. | Queries raised from Bidders  | Clarifications   |
|--------|--|--|
| 1.     | Can the project be divided into small clusters of 5-10 MW each so that more than 1 bidder can be selected for timely completion? | The estimated capacity of the tender is over 37MW, which would be divided into packages of about 4 MW each. Efforts would be made to have equality in each package in terms of distribution of site capacities (>100 kWp, 50-100 kWp, <50 KWp) and creditworthiness of the procurers.<br>Bidder can bid for one or more package, but cannot bid for broken/ part of the package. A bidder would not be able to bid for any specific group. |
| 2.     | Can the process of discovery be changed from tender to tender-cum-auction mode?  | MPUVNL has agreed to this suggestion, since this would be the most transparent mode and would also help in reaching the most competitive tariff. Accordingly, documents would be revised and uploaded on the portal.   |
| 3.     | Is it possible to extend the completion timelines as the no. of sites are more?  | The tender capacity has now been divided into multiple packages as mentioned above and multiple bidders will be selected to complete the work in the stipulated timeline. Hence, extension of completion time is not required.   |
| 4.     | Technical eligibility criteria is not mentioned in the RfP?  | Eligibility shall be determined as per clause 3.2 of the RfP.  |
| 5.     | How many projects are coming under category-I & III?   | The count of systems under each category is available in the data room. Large number of systems are under Category-III.  |
| 6.     | Do I need to apply for net-  | Net-metering applications needs to be filed only for the   |

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|        | metering for both the categories?  | systems which are coming under Category-I (Net Metered RE Systems) under which the power is first consumed within the premise and any surplus power is fed to the grid. However, under Category-III systems, all the power generated is consumed within the premise with no export of power. Hence, the installation of net meter is not required. For Category-III systems, the project shall be treated as commissioned when Nodal Agency provide a Completion Certificate to the Power Producer.  |
| 7.     | Minimum CUF of 12% to be reduced by taking degradation factor into consideration?              | Minimum CUF of 15% is required for demonstration of performance of the project during commissioning and acceptance. However, we expect that at the time of commissioning a system would show CUF more than 15%. Also, the industry standard guarantees 90% solar output upto 10 <sup>th</sup> year and 80% until 25 <sup>th</sup> year. Considering this, during the term of the PPA, the minimum CUF is kept at 12% and penalties will accrue only if CUF falls below 12% for a continuous period of 4 months. Termination of PPA shall trigger only if the CUF is below 10% continuously for a period of six months. |
| 8.     | Reducing the amount of net-worth as the capacity can go upto 40MW?                             | The bidder has to meet net-worth of 1 Cr/MW. If a bidder bids for one package, he has to provide net-worth of only Rs. 4 Cr. If the bidder decided to bid for the entire capacity, he has to provide the net-worth for all the packages. A bidder can bid for as many packages as he wants, based on his financial capabilities.   |
| 9.     | Can the amount of CPBG be reduced since the size of the project is more than 25 MW?            | The tender capacity has been divided into multiple packages. Hence, the amount of CPBG shall remain the same as per the provisions of the RfP.   |
| 10.    | Does the PPA safeguard the developer from any change of regulatory provisions?                 | PPA safeguards all the parties on account of any Change in Law described under Article 11 of the PPA.  |
| 11.    | Is there any regulatory involvement during transfer of PPA/substitution of producer by lender? | There is no involvement of the Electricity Regulatory Commission in case of transfer of PPA to lender's substitute.  |
| 12.    | How the lender's amount would be paid during event of default?                                 | The lender shall have the first right for recovery of their debt due, if any, from the Power Producer. The termination payment shall be deposited in Nodal Agency's designated bank account. Nodal Agency would transfer the same within Seven (7) days to the designated bank account of the Lender of the Power Producer to clear dues, if any, or directly to the Power Producer on submission of No Objection Certificate (No Dues) from the Lender.   |



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| 13.    | Can MPIDC give payment security instead of payment assurance?      | MPIDC has been entrusted the responsibility of Industrial promotion through development of Industrial Growth Centers in selected areas of its jurisdiction in the State of Madhya Pradesh. It is not a paying entity and is not responsible for payments on behalf of an Industry. It can only recover the dues from the Industry as dues of MPIDC.                          |
| 14.    | Can MPIDC provide credit rating of all the prospective industries? | Credit rating is only available for medium and large scale industries. In Mandideep, more than 90% are small scale Industries, whose credit rating is not available. Therefore, MPIDC has decided to provide EBITDA margin of all the Industries, which will be available in the Data Room for the bidders, so that they can assess the financial health of such Industries. |
| 15.    | Is there any Ceiling tariff?                                       | The tender has provided a ceiling tariff of Rs. 5.50 per unit above which the rates will not be accepted by the nodal agency and shall be rejected during the e- Reverse Auction process.  |
| 16.    | Can a bidding company use credential of Parent company?            | As per the provisions of RfP, a bidder company is allowed to use the net worth of its parent company provided the Parent Company has a controlling shareholding/ownership of more than 50% in the bidding company.   |
| 17.    | Bid Security should be exempted for MSME registered Companies?     | No exemption would be given towards Bid processing fee or Bid security to any type of organization/agency, including MSME or any Govt/ Semi-Govt./PSU.   |

These clarifications shall be treated as part of RfP document. The same are issued by approval of competent authority.

  
 Shrikant Deshmukh  
 (Superintending Engineer)

24/5/19