

**Expression of Interest
For
Supply of Energy
On
Short/Medium Term Basis
To
VEDANTA LIMITED, Jharsuguda.**

This Document Contains:

1. EOI Document
2. General Terms and Conditions
3. Bidders Company Data (Annexure-A)
4. Performa For Price Bid (Annexure-B)
5. Schedule of Deviations (Annexure-C)

(EOI No : EOI/VL/1800/JSG/JUL/2017)

Head – IPP,
01st Floor, IPP Admin Building
Vedanta Limited, Village - Burkhamunda,
District – Jharsuguda, PIN – 768202

Mobile:
Associate Manager (Powersale) : +91 9937285699

E-mail:
almas.hussain@vedanta.co.in

CONTENTS

1. EXPRESSION OF INTEREST DOCUMENT	Page : 3
2. GENERAL TERMS AND CONDITIONS	Page : 4 – 12
3. BIDDERS COMPANY DATA (Annexure-A)	Page 13
4. PERFORMA FOR PRICE BID (Annexure-B)	Page 14
5. SCHEDULE OF DEVIATIONS (Annexure-C)	Page 15

NOTE :- It outlines the terms and conditions subject to which Vedanta Limited (VL), Jharsuguda is inviting offers for procurement of energy and provides the template of bid and the details as to the information to be provided by the Bidder while submitting the bids. It also briefly outlines the process that will be followed by VL for evaluation of the bids.

Expression Of Interest (EOI) For Short/Medium Term Purchase Of Energy
EOI No. EOI/VL/1800/JSG/JUL/2017

Vedanta Limited, Jharsuguda (VL) invites Expression Of Interest for supply of electrical energy from Generators, State Electricity Boards, State Electricity Utilities, States, IPPs, CPPs & Traders having valid Inter State Trading License issued by CERC for interstate trading of energy, as per table given below:

Period	Duration	Quantum @ VL Ex-Bus
01 st Jan' 2018 – 30 th Jun' 2018	0000 – 2400 Hrs	500 MW
01 st Jul' 2018 – 31 st Dec' 2018	0000 – 2400 Hrs	500 MW
01 st Jan' 2019 – 30 th Jun' 2019	0000 – 2400 Hrs	500 MW
01 st Jul' 2019 – 31 st Dec' 2019	0000 – 2400 Hrs	500 MW
01 st Jan' 2020 – 30 th Jun' 2020	0000 – 2400 Hrs	500 MW
01 st Jul' 2020 – 31 st Dec' 2020	0000 – 2400 Hrs	500 MW

01.	EOI Submission Address	IPP – Head, 01 st Floor, IPP Admin Building, Vedanta Limited, Village – Burkhamunda, District – Jharsuguda, PIN - 768202
02.	EOI Submission E-Mail ID	almas.hussain@vedanta.co.in
03.	Last Date for Bid Submission	05 th August 2017
04.	Date of opening of Price Bid	07 th August 2017

Note: -

- VL reserves the right to increase/decrease the quantum mentioned in the above table as per its requirement before placing the LOA/LOI to the successful bidders. The minimum quantum offered by any bidder should not be less than 20 MW & 50 MW for Renewable sources and Non-Renewable Sources respectively; otherwise their offer shall be rejected.
- Preference shall be given to bidders with renewable sources of supply.
- In case, date of opening happens to be a holiday, then the date of submission and opening of tenders will automatically get shifted to the next working day.
- Bids should reach the mentioned address by post or to the mentioned E-Mail ID along with the required EMD on or before the last date of Bid Submission.
- VL reserves the right to reject any or all bids or to accept any bid in full or in part, as may be required by VL, without assigning any reason what so ever.

GENERAL TERMS AND CONDITIONS FOR PROCUREMENT OF ENERGY

1. INTRODUCTION :

VL is inviting EOI from Generators, State Electricity Boards, State Electricity Utilities, States, IPPs, CPPs & Traders having valid Inter State Trading License issued by CERC for interstate trading of energy to enable VL in meeting its demand/requirement of power in the Jharsuguda Smelter during the period 01st Jan' 2018 to 31st Dec' 2020.

2. TERMS & CONDITIONS FOR SUPPLY OF ENERGY :

Interested parties are requested to submit bids for the following:

Period	Duration	Quantum @ VL Ex-Bus
01 st Jan' 2018 – 30 th Jun' 2018	0000 – 2400 Hrs	500 MW
01 st Jul' 2018 – 31 st Dec' 2018	0000 – 2400 Hrs	500 MW
01 st Jan' 2019 – 30 th Jun' 2019	0000 – 2400 Hrs	500 MW
01 st Jul' 2019 – 31 st Dec' 2019	0000 – 2400 Hrs	500 MW
01 st Jan' 2020 – 30 th Jun' 2020	0000 – 2400 Hrs	500 MW
01 st Jul' 2020 – 31 st Dec' 2020	0000 – 2400 Hrs	500 MW

- Offers from traders duly accompanied by details of the respective source(s) shall only be considered.
- Bidder can bid only Round-the-Clock quantum, as per the format annexed to this EOI, subject to the terms and conditions as provided in the subsequent clauses.

3. TRADING LICENSE :

The Traders submitting bids should have a valid license from the Central Electricity Regulatory Commission (CERC) for Inter-State/Intra-State trading of Electricity. The trader is also required to submit a photocopy of the same along with the bid.

4. BID QUANTITIES :

The Bidder(s) shall indicate the quantum (MW) which it is ready to supply at delivery point. The bidder is required to bid for a minimum of 20 (Twenty) MW & 50 (Fifty) MW for Renewable & Non-Renewable Source(s) respectively otherwise its bid shall be rejected. Bidder is required to quote a fixed quantum not less than the mentioned minimum quantum from each source for each period mentioned above.

5. SOURCES :

The bidder shall provide the details of source(s) of supply i.e. whether the energy shall be supplied from a specific generating source or portfolio of sources (subject to the condition that VL shall be liable to pay the fee for only one application/ single source). The bidder shall also specify whether the source(s) of supply is a renewable source or not.

6. EARNEST MONEY DEPOSIT (EMD) :

- I. The original EMD needs to be submitted along with the Initial Price Offer Documents. The Bidders are required to submit EMD for the total capacity which they wish to offer @ Rs. 30,000/- per MW per month basis either in the form of Bank Guarantee issued by any Nationalized/Scheduled Bank or Demand Draft in favour of 'VEDANTA LIMITED – ALUMINIUM & POWER' payable at Bhubaneshwar or through RTGS transfer to the following details :-

Beneficiary Name	Account No.	IFSC Code	Bank Address
VEDANTA LIMITED – ALUMINIUM & POWER	054451000039	ICIC0000544	ICICI BANK, MIDC, MUMBAI

- The validity of such Bank Guarantee shall be 60 days from the last date for bid submission. For Example: For a requirement of 100 MW for 6 months on RTC basis, the EMD shall be Rs. 30,000 x 6 months x 100 MW = Rs. 1.80 Crore
- II. The EMD shall be forfeited:
 - If Bidder withdraws bid during Bid Validity Period.
 - For non-submission of Contract Performance Guarantee as specified in this document.
 - III. The EMD shall be refunded to the unsuccessful Bidders within 10 days of expiry of Bid validity period.
 - IV. The EMD of the Successful Bidder(s) shall be refunded after furnishing the Contract Performance Guarantee (CPG).

7. INITIAL PRICE OFFER (IPO) :

The Bidder shall quote the Initial Price Offer (in Rs./kWh) at which it is prepared to deliver the energy at the delivery point. VL shall accept IPO only from those bidders who have submitted proper EMD along with their respective IPOs. The price should be on the following basis:

- The delivery point shall be Vedanta Limited's CPP-1800 ex-bus connected to 400 kV OPTCL network of Odisha-STU.
- The rate of offered power (in Rs./kWh) should be quoted at the delivery point (i.e. VL ex-bus) and shall be inclusive of all taxes, duties, cess etc. imposed by Central Govt. / State Govt./ Local Bodies as applicable on the date of opening of tender enquiry and should be limited to 3 (three) decimal points. The Price/rate quoted should be on FIRM basis only and there shall be no change during the contractual period. The source of supply of power and trading margin is also required to be mentioned separately.
- Successful bidder(s) shall be applying for the Short/Medium term open access booking as per the latest open access Regulations/Guidelines in vogue. The successful bidder(s) shall be responsible for the delivery of power at VL ex-bus periphery.
- VL shall in no way be liable for any other charges up to delivery point except for the charges of energy delivered at delivery point on the basis of the REA data of ERPC as per the latest open access regulations applicable.
- Bidder(s) shall offer only Round-the-Clock (0000–2400 Hrs.) powers to VL.
- The transmission charges (POC Injection & Withdrawl charges), transmission losses (POC Injection & Withdrawal losses), Odisha STU Charges & Losses, RLDC/SLDC charges, application/concurrence charges or any other charges covered under Open Access Regulations notified by Central/Odisha Electricity Regulatory Commission (CERC/OERC) and the procedure for Open Access stipulated by the Central/State Transmission Utility (CTU/STU) (as amended up to date) for supply of energy up to the delivery point shall be included in the sale price i.e. all the transmission charges, transmission losses, load dispatch center charges, application/ concurrence charges or any other charges for purchase of energy up to the delivery point shall be borne by the Seller/bidder, if applicable.
- If the offer is conditional / with any deviation to the mentioned terms, VL reserves the right to accept or reject the same without assigning any reason.

8. ELIMINATION OF BIDDERS :

After the opening of Initial Price Offers (IPO), the system will rank the Bidders according to their price bids. 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 Quantum (Q_1), the system shall select not more than 2.5 times of the Requisitioned quantum for the next stage of selection. All the Bidders with higher quoted prices for the quantum more than the selected quantum (max. 2.5 times of Q_1) will be eliminated provided that the total quoted quantity after elimination is not less than or equal to twice the Requisitioned Quantum.

9. E – REVERSE AUCTION :

- After analyzing the bids received in IPO stage, VL may decide to perform Reverse Auction of the bids. The shortlisted Bidders after elimination will be intimated in advance individually by emails only.
- The Reverse auction shall continue for a period of 120 minutes. Provided that during the last 10 (ten) minutes before the scheduled close 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 e-Reverse auction, the close time of e-Reverse auction will be automatically extended by 10 (ten) minutes from the time of the last price bid received. This process of auto extension will continue till there is a period of 10 (ten) minutes during which no price bid are received which is lower than the prevailing lowest price bid.
- During the Reverse Auction, the shortlisted Bidders will have the option of reducing the tariff quoted by them in decrements of 5 (five) paisa or multiples thereof and to increase the quantum quoted by them by 10 MW or multiples thereof.
- During the Reverse Auction the prevailing Lowest Tariff would be visible to all the Bidders.
- The Bidders will have the option to increase the quantum of power up to the value corresponding to the EMD submitted along with IPO, but can decrease the Tariff during the e-Reverse Auction process without any capping.

10. OPEN ACCESS :

- Booking of Transmission Corridors : The successful bidder(s) shall apply for booking of the open access transmission corridor to nodal RLDC. He shall be fully responsible for the timely filing of open access application before the nodal RLDC and coordinating with the relevant RLDC / SLDC so as to get the timely consent & booking of the open access corridor. The energy shall be scheduled and dispatched as per the relevant provisions of CERC regulations

for Short/Medium term open access and Procedure for reservation of Transmission Capacity for Short/Medium Term open access customers (Inclusive of all the amendments till date).

- The successful bidder(s) shall apply for booking of advance reservation in such a manner so as to get the maximum quantum from the shortest route. It is therefore required from the bidder(s) to first apply in MTOA for the applicable period and then apply in STOA for the remaining period of supply which cannot be covered under MTOA application.
- The successful bidder(s) shall have to book the transmission corridor after making advance payment in full to the Nodal RLDC. The open access booking charges as payable by VL shall be reimbursed to the successful bidder(s) within 7 days of the receipt of the bill raised by bidder(s) if any.
- Refunds in case of Revision : In case VL surrenders the already booked Open Access corridor, VL shall bear the Open Access Charges, to be deducted by ERLDC for such surrender of booked corridor as per the prevailing open access regulations. In case, the transmission corridor booked on advance reservation basis, is surrendered/cancelled by the trader/seller, then all the transmission charges shall be borne by Trader/Seller.

11. ENERGY BILLING & PAYMENT :

- Billing For MTOA Approvals : For the energy supply made during the month, the successful bidder(s) shall raise monthly bills based on the REA data (issued by ERPC).
- Billing For STOA Approvals : After receipt of the Provisional/Final REA for the previous month issued by Eastern Regional Power Committee, the final bill for the energy supply made during the month shall be raised by the successful bidder(s) based on the final monthly energy data (based on the Odisha SLDC Drawl Schedule).
- Payment : VL shall make energy payments within due date, i.e. 30 days from the receipt of bill (excluding the day of receipt of bill), through Fax/email from successful bidder. The bill must be faxed/mailed on any bank working day before 1700 Hrs, otherwise the date of receipt of bill shall be considered as the next working day. However, hard copies of the bill shall invariably be sent to VL through courier. In case the 30th day is a holiday, the next working

day would be the due date for the payment. Based on VL discretion, the payments shall either be made through RTGS transfer or through Usance LC.

12. REBATE :

Successful bidder(s) shall allow 02% (Two Percent) rebate on the billed amount of energy charges including trading margin, if VL makes payment of the bill through RTGS within 7 days from the date of Receipt (excluding the day of receipt of bill). Successful bidder(s) shall allow 01% (One Percent) rebate on the billed amount of energy charges including trading margin, if VL makes payment of the bill through RTGS after 7 days but on or before the 30th day from the date of Receipt. However, No rebate shall be applicable on payment of open access charges.

13. SURCHARGE :

A surcharge of 1.25 % per month shall be applied on all payments outstanding after 60 days from the due date of payment. Thereafter surcharge shall be calculated on day-to-day basis for each day of delay.

14. CONTRACT PERFORMANCE GUARANTEE (CPG) :

The successful bidder(s) shall be required to furnish CPG within 7 days from the date of communication from VL of bid being successful. The CPG shall be in the form of BG from any scheduled bank in India or Demand Draft in favour of 'VEDANTA LIMITED – ALUMINIUM & POWER' payable at Bhubaneswar or through RTGS transfer to the following details :-

Beneficiary Name	Account No.	IFSC Code	Bank Address
VEDANTA LIMITED – ALUMINIUM & POWER	054451000039	ICIC0000544	ICICI BANK, MIDC, MUMBAI

The quantum of CPG shall be calculated @ Rs.2 Lakh/MW/Month of Contract Period. Validity of the CPG shall be till 30th day from the last day of Contract.

15. PAYMENT SECURITY MECHANISM :

On submission of CPG by the successful bidder(s), VL shall provide, as Payment Security Mechanism, a monthly revolving letter of credit (LC) for an amount equivalent to 31 days of billing. The LC shall be valid till the 65th day from the last day of contract. All charges in this regard shall be borne by VL.

16. REVISION OF SCHEDULE / CANCELLATION OF OPEN ACCESS :

Revision of Schedules by the successful bidder(s) should be Firm and intimated 2 days in advance (except only in case of Forced Outage) so as to allow VL to arrange the revised quantum of power from any third party. In case of revision/cancellation, the party seeking revision/cancellation of Open Access shall bear the entire cost on its account due to such revision/cancellation as per the applicable CERC regulations for STOA.

17. COMPENSATION FOR DEFAULT IN SCHEDULING :

- It is mandatory on the part of the successful bidder(s) to apply for corridor for each and every month of the contract period first through MTOA for the corresponding applicable period and then through STOA for the balance period that cannot be covered under MTOA. In case of partial approval of MTOA application, the balance quantum shall be applied through STOA. In case, the successful bidder(s) fails to timely apply for corridor, compensation shall be levied on the full contracted quantum.
- The successful bidder(s) shall ensure that actual scheduling does not deviate by more than 5% (Five Percent) of the contracted power as per the approved open access on monthly basis.
- In case, deviation from the successful bidder(s) is more than 5% of contracted energy for which open access has been allocated on monthly basis, the successful bidder(s) shall pay compensation @ Re.1.00/kWh or the differential ex-bus tariff for the power arranged from any alternate source, whichever is higher, for the quantum of shortfall in excess of permitted deviation of 5% while continuing to pay open access charges as per the contract.
- In case, deviation from VL side is more than 15% of contracted energy for which open access has been allocated on monthly basis, VL shall pay compensation to the successful bidder(s) at Re.1.00/kWh for the quantum of shortfall in excess of permitted deviation of 15% and pay for the open access charges to the full extent revised by VL.
- The compensation shall be calculated based on the energy supplied at the delivery point.
- The indicated percentage limitation of quantum is only to meet any technical problems due to poor PLF or due to shortage of fuel or due to some forced

outage in the transmission line and not for utilizing the balance quantum for sales with 03rd parties. If it is found that the successful bidder(s) indulge in such practices, such quantum of energy sold shall carry compensation of Rs.10.00/kWh (Rupees Ten per unit). However, this will not be applicable when VL directs the successful bidder(s) to reduce the scheduling and such quantum reduced can be sold after getting the concurrence of VL.

18. FORCE MAJEURE :

None of the parties herein shall be liable to each other on account of failure or delay, which is caused by an event of “Force Majeure”, defined as follows:

During the pendency of the Contract / Order, if the performance in whole /part by either party or any obligation there under is prevented / delayed by causes arising out of any war, hostility, civil commotion, acts of the public enemy, Sabotage, fire, floods, explosions, epidemics or non-availability of Government controlled raw-material under order/Instructions of Central/State Government regulations, strikes, lockouts, embargo, acts of Civil/Military authorities or any other causes beyond their reasonable control, neither of the two parties shall be made liable for loss or damages due to delay or failure to perform the contract during the currency of Force Majeure conditions, provided that the happening is notified in writing (with documentary proof) within 30 days from the date of the occurrence. Events of Force Majeure shall include the following :

- Fire, chemical or radioactive contamination, earthquakes, lightning, flood, drought, plague, epidemic, other natural calamities and acts of God resulting in the supply of power under this agreement being disrupted.
- Explosion, accident, breakage of transmission facilities transmitting power, Grid failure.
- Acts of war, invasion, riots, blockade, public disorder, civil commotion / unrest, civil riots, and sabotage making the performance of obligations herein impossible.
- None or part availability of open access, congestion/curtailment of transmission corridor.

Note: - Occurrence of Force Majeure conditions must be intimated immediately on their occurrence and in no case later than 24 Hrs from the time of occurrence.

19. VALIDITY OF BID :

The bid/offer should be valid for at least 60 days from the date of opening and any withdrawal or modification of the offer thereafter shall not be permitted.

20. RIGHT TO TERMINATE :

Either party has the right to terminate this agreement by giving an advance notice of 30 days to the other party. However, party seeking such termination shall be liable for payment of Open Access charges, Open Access Cancellation charges on account of such termination. The parties shall remain liable for all acts/deeds/transactions undertaken or done before the date of termination of this agreement.

21. ISSUE OF LETTER OF AWARD (LOA) / LETTER OF INTENT (LOI) :

VL shall issue an LOA/LOI, as per the mutually agreed tariff & terms, to the successful bidder(s) as soon as tender is decided. The bidder shall be required to convey its acceptance of the same within two days through fax/e-mail.

22. POWER PURCHASE AGREEMENT :

The successful bidder(s) shall have to enter into a power purchase agreement within 15 (fifteen) days from the date of LOA or confirmation of Letter of Intent by the bidder

23. LANGUAGE OF DOCUMENTS :

All information and documents submitted must be in English language.

24. JURISDICTION :

All legal proceedings in connection with this bid document and resulting Agreement with the successful bidder shall be subject to the territorial jurisdiction of the local civil courts at New Delhi only.

25. DISCLAIMER AND VEDANTA LIMITED RIGHTS :

This document shall not be construed as an offer and VL shall not be bound to purchase energy from any bidder pursuant to this document. VL reserves the right to modify or withdraw from the process initiated by it. VL reserves the right to reject any or all bids, or any portion of a specific bid for any reason. VL reserves the right to enter into PPA with one or more of the bidders. VL assumes no obligation to provide a reason for rejection of a bidders' bid in full or in part

Annexure A

BIDDER'S COMPANY DATA:

1. Name of the firm:
2. Name of the Contact Person:
3. E-Mail Address:
4. Postal Address:
5. Telephone:
6. Mobile No:
7. Fax Number:
8. Inter/Intra state Trading license (copy to be enclosed)
 - Category of License (in case of traders only) :
 - Validity till :

Signature of the Authorized Representative with Company Seal

Annexure B

PRICE BID

Period	01.01.18 To 30.06.18	01.07.18 To 31.12.18	01.01.19 To 30.06.19	01.07.19 To 31.12.19	01.01.20 To 30.06.20	01.07.20 To 31.12.20
Duration	0000–2400 Hrs	0000–2400 Hrs	0000–2400 Hrs	0000–2400 Hrs	0000–2400 Hrs	0000–2400 Hrs
Source						
Renewable/ Non-Renewable						
Transmission Route						
MW @ Delivery Point						
Delivery Point	VL ex-bus	VL ex-bus	VL ex-bus	VL ex-bus	VL ex-bus	VL ex-bus
Rate including Trading Margin (Rs./kWh)						
Trader Margin (Rs./kWh)						

Note: - Rates at delivery point includes trader margin and Open access charges up to VL ex-bus Periphery.

Signature of the Authorized Representative

Name: _____

Designation: _____

Annexure C

SCHEDULE OF DEVIATIONS

(To be filled by bidder)

Sl. No.	Clause No.	Deviations

We hereby certify that the above mentioned are the only deviations from Purchaser's aforesaid specifications and general conditions. Except for the above deviations in General terms and Conditions of Specification No PPR 3/ 2015 all other terms and provisions are hereby accepted

Signature of Authorized Signatory

Dated: _____

Name: _____

Designation: _____

.