

**Clarifications on RFQ Documents for short listing of Bidders as Transmission Service Provider to establish Transmission System for  
“Development of intra-state transmission work in M.P. Package - I”**

S.n o.	Document name	Clause No. and Existing provision	Clarification required	Suggested text for the amendment	Rationale for the Clarification or Amendment	Reply
<b>Request for Qualification (RFQ)</b>						
1.	RFQ	<p>Clause 1.6.2</p> <p>BPC’s scope of work is briefly outlined hereunder:            1.6.2.1 To obtain approval for laying of overhead transmission lines under section 68 of Electricity Act, from Appropriate Government.            1.6.2.2 BPC or its authorized representative may arrange to carry out the following activities to expedite the Project.            a) To initiate acquisition of land for location specific substations, switching stations or HVDC terminal or inverter stations.            b) To initiate process of seeking forest clearance, if required.</p>	<p>For the purpose of clarity, it is requested to kindly share the specific details about the support/activities to be performed by BPC as mentioned responsibilities of BPC are not specific /confirmed.</p> <p>Further, to assess the risk associated in the Project, it should be known to the bidder about kind of Support which will be extended by appropriate State Government(s)/BPC to TSP during the Construction, Obtaining Forest Clearance and Land Acquisition , rehabilitation, ROW clearances etc.</p>	<p>We request to clearly mention the responsibilities and support to be provided by BPC appropriately as suggested to avoid any condition of ambiguity.</p>		<p>Responsibilities of BPC will be as per provisions of RFQ, RFP and TSA.</p>

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2.	RFQ	RFQ Clause 2.1.2 Pg 20/ Technical requirement to be met by the Bidding Company or Lead Member of Bidding Consortium	Provisioning should also to be there to allow experienced transmission utilities for participation in such projects considering their rich experience in this field.	In addition to the technical requirement mentioned in the RFQ document,, we propose the following additional exclusive alternative QR for power utility for participation, irrespective of the eligibility in the QR already mentioned.  <b>Power utility in India with atleast 15 years of experience of design, construction and operation of transmission lines of more than 1000 Ckt. KM in capacity of a Power Transmission Utility.</b>		This is as per the SBD and amendments thereof, issued by the Ministry of Power and hence, no change is envisaged.
3.	RFQ	<b>Package – I</b> RFQ Clause 2.1.2 , Pg 20/ Experience of development of projects (not necessarily in the power sector) in the last five (5) years with aggregate capital expenditure not less than Rs. 1401.25 Crore or equivalent USD (calculated as per provisions in Clause3.1.3.1). However, the capital expenditure of	Transmission projects call for huge investments and full of many challenges during execution such as managing right of way, detailed and accurate survey, and erection of infrastructure over long route length which requires specific experience in Power sector domain. Selection of a bidder from other sector domain	It is requested to modify the said clause wrt <b>experience of power sector only.</b>		This is as per the SBD and amendments thereof, issued by the Ministry of Power and hence, no change is envisaged.

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		each project shall not be less than Rs.280.25 Crore or equivalent USD.	experience may result into inefficiencies during execution and further they will not have the interest to maintain the system . It should be provided that bidder with only experience in power sector to be allowed. Participation to be allowed for bidders with experience in power sector/developers in power sector only.			
4.	RFQ	Transmission line	Line length has not been mentioned/provided in the RFQ document which is essentially required for clarity on line establishment scope and estimation purposes	We request to provide/share the line length including kmz files for existing lines and approximate total length of the LILO lines in package 1 & 2. Also, provide the line route and length of the line in system strengthening works in package 1 & 2.		The preliminary survey report shall be shared at the RFP stage, as per provisions of SBD.
5.	RFQ	Estimated Project CAPEX	Request you to indicate the estimated Project cost of both the projects	We request to indicate the project cost		There is no such provision in SBD to share the same. Bidders are required to assess the same.

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6.	RFQ	Transmission Customers	We understand that in these projects, MPPTCL is the only Transmission Customer. Confirmation on the same shall be required to know the other customers profile, if any, so that elaboration can be done and customer shall not have any impact on tariff payments to TSP.	It is requested to share the list of transmission customers		This information will be shared at RFP stage.
7.	RFQ	Land Acquisition	Requested to share the areas where land will be provided by state and the land acquisition (locations and size with approximate cost) which shall be in scope of TSP as same shall be required for appropriate estimation	It is requested to share the land details along with detailed information with coordinates and whether BPC will be initiating procedure for acquisition for location specific substations, are substation locations finalized or to be decided by bidder.		This information will be shared at RFP stage.
8.	RFQ	Acquisition of Government Land	We understand that in Package-1, 3 locations are in the urban area (Bhopal - Govt. land & Mandideep) and for Package-2, 1 location is in the urban area (Gwalior MES- Govt. land & Pithampur). We understand that these land will be provided by State Government / BPC.	We request you to provide a confirmation / clarification on the process of allotment of Govt land.		This information will be shared at RFP stage.

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9.	RFQ		<p>We understand that the project would be commissioned in phases and accordingly all the plots would not be required at one go.</p> <p>There is no clarity on Phase wise / Partial COD applicability / provision in both the packages. Provisioning of the same must be there in these packages being multi location &amp; multi substation requirement.</p>	We request to incorporate the same in the RFQ / RFP documents and confirm the same.		This information will be shared at RFP stage.
10.	RFQ	Land Acquisition	We understand Sec. 27 of MP Town Planning Laws provide for prior approval of building plans except for the works undertaken on behalf of State/Central Govt, in which case prior intimation with plan as per town planning norms needs to be submitted 30 days in advance and construction can be started thereafter. It is required to be confirmed if same will be applicable for SPV wrt these RFQs.	We request to share a line of confirmation on this aspect.		Please refer to Point no. 2 of the Disclaimer.

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11.	RFQ	4.1 Format for the Covering Letter  <b>To be signed by any whole-time Director / Manager (supported by a specific Board Resolution) of the Bidding company or Lead Member in case of Consortium.</b>	Power of Attorney to Authorized Signatory is required to be submitted along with the response to RFQ. Thus, it should not be mandatory to get the format signed by Director.	We request to modify the said condition by <b>allowing that the format can be signed by Authorized Signatory.</b>		This is as per the SBD and amendments thereof, issued by the Ministry of Power and hence, no change is envisaged.
12.	RFQ	4.3 For evidence of authorized signatory's authority (Power of Attorney)  <b>Note- 1</b> The mode of execution of the Power of Attorney should be in accordance with the procedure, if any, laid down by the applicable law and the charter documents of the executant(s) and the same should be under common seal of the executant affixed in accordance with the required procedure. Further, the person whose signatures are to be provided on the power of attorney shall be duly authorized by the executant(s) in this regard.	1.Please clarify that specific Board resolution is required for the person whose name and signature to be mentioned in POA 2.kindly provide format of Board Resolution to submit along with POA. 3. If In case Whole time Director of Company is different from the person whose name and designation is mentioned in POA than what is the procedure to execute Board resolution. 4. Name of Package to be mentioned in the Board resolution.			The provisions of the RFQ are amply clear in this regard.

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13.	RFQ	<p>4.7 Format for Qualification Requirement</p> <p>A) Net Worth Certificate &amp; B) Format for Technical Requirement &amp; C) <b>FORMAT FOR TECHNICAL &amp; FINANCIAL REQUIREMENT – RELATIONSHIP &amp; DETAILS OF EQUITY SHAREHOLDING</b></p> <p><b>Signature and stamp of any whole-time Director / Manager (supported by a specific Board Resolution) [refer Note-3&amp; 4 below] of Bidding Company / each Member of Consortium</b></p> <p><b>Signature and Stamp of statutory Auditors of Bidding Company / each Member of Consortium</b></p>	Power of Attorney to Authorized Signatory is required to be submitted along with the response to RFQ. Thus, it should not be mandatory to get the format signed by Director. Also, for listed companies the signatore of statutory auditors should not be mandatory.	We request to modify the said condition by <b>allowing that the format can be signed by Authorized Signatory.</b>		This is as per the SBD and amendments thereof, issued by the Ministry of Power and hence, no change is envisaged.
14.	RFQ	<p>4.12 <b>Format for Disclosure Signature &amp; Name of any whole-time Director / Manager (supported by a specific Board Resolution)</b></p>	Power of Attorney to Authorized Signatory is required to be submitted along with the response to RFQ. Thus, it should not be mandatory to get the format signed by Director.	We request to modify the said condition by <b>allowing that the format can be signed by Authorized Signatory.</b>		This is as per the SBD and amendments thereof, issued by the Ministry of Power and hence, no change is envisaged.
<b>Transmission Service Agreement (TSA)</b>						

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15.	TSA	<p>Clause 2.3 Conditions prior to the expiry of the Transmission License, Pg 17</p> <p>2.3.1 In order to continue the Project beyond the expiry of the Transmission License, the TSP shall be obligated to make an application to the Commission at least two (2) years before the date of expiry of the Transmission License, seeking the Commission's approval for the extension of the term of the Transmission License up to the Expiry Date.</p> <p>2.3.2 The TSP shall timely comply with all the requirements that may be laid down by the Commission for extension of the term of the Transmission License beyond the initial term of twenty-five (25) years &amp; upto the Expiry Date and the TSP shall keep the Nodal Agency fully informed about the progress on its application for extension of the term of</p>	<p>There is no mention of terminal value payable to the TSP, if the Commission does not grant extension of license after 25 years or what will be the compensation amount for 10 years beyond expiry of license, which is forgone as the Transmission charges are to be quoted for 35 years.</p>	<p><b>We suggest to mention the following-</b>  In case licence is not renewed by the Commission post expiry of 25 years, the TSP will be suitably compensated for the traiff of remaining 10 years</p>		<p>Clarification does not pertain to RFQ Document. It will be clarified at RFP stage</p>

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		the Transmission License.				
16.	TSA	<p>Article 3.1.3, Pg 19</p> <p>a. The TSP agrees and undertakes to duly perform and complete the following activities within six (6) months from the Effective Date, unless such completion is affected due to the Long Term Transmission Customers' failure to comply with their obligations under Article 3.2 of this Agreement or by any Force Majeure Event, or if any of the activities is specifically waived in writing by the Majority Long Term Transmission Customers:</p> <p>To obtain the Transmission License for the Project from the Commission;</p> <p>b. To obtain the order for adoption of Transmission Charges by the Commission, as</p>	The timeline mentioned seems too short. It is requested to enhance the same from 6 months to <b>10 Months.</b>	We suggest to consider the same.		Clarification does not pertain to RFQ Document. It will be clarified at RFP stage

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		required under Section 63 of the Electricity Act 2003;				
17.	TSA	<p>3.3 Consequences of non-fulfilment of conditions subsequent, clause 3.3.2, Pg 21 Subject to Article 3.3.4, if:</p> <p>(i) the fulfilment of any of the conditions specified in Article 3.1.3 is delayed beyond nine (9) Months from the Effective Date and the TSP fails to furnish additional Contract Performance Guarantee to the Long Term Transmission Customers in accordance with Article 3.3.1 hereof; or</p>	The timeline mentioned seems too short. It is requested to enhance the same from 9 months to <b>12 Months.</b>	We suggest to consider the same.		Clarification does not pertain to RFQ Document. It will be clarified at RFP stage
18.	TSA	<p>Pg. 21/24/56</p> <p>Clause 3.3.4 Thereafter, this Agreement may be terminated by the Majority Long Term Transmission Customers or the TSP on mutually agreeable basis by giving a notice of at least seven (7) days, in writing to the other Party, with a copy to the Appropriate Commission and the Lenders'</p>	Substantial investments would have done by the TSP by this time before termination & hence it is important that TSP is provided clarity in case of termination and Provisions pertaining to recovery of investment made by TSP to be included. Clarity on the treatment of the investments by TSP would be required.	It is suggested to include the provision for termination payments to TSP wrt the investments made by the TSP till termination date.		Clarification does not pertain to RFQ Document. It will be clarified at RFP stage

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		<p>Representative and the Contract Performance Guarantee shall be returned as per the provisions of Article 6.5.2.</p> <p>Clause 4.4.2 In case the Force Majeure Event continues even after the maximum period of one hundred and eighty (180) days, the TSP or the Majority Long Term Transmission Customers may choose to terminate the Agreement as per the provisions of Article 13.5.</p> <p>Clause 13.5 The Long Term Transmission Customers shall also have the right to cause termination of the Agreement and to approach the Appropriate Commission to seek further directions in this regard.</p>				
19.	TSA	Clause 4.4, Pg. 24 Extension of time:	Work shall involve obtaining clearances and approvals for Grant of Transmission License , approval for adoption of tariff , forest clearance, ROW clearances and many such other approvals	We suggest to incorporate/include the clause of time extension and tariff adjustments as mentioned.		Clarification does not pertain to RFQ Document. It will be clarified at RFP stage

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			etc. and if these delays are not attributable to TSP, ample extension for scheduled COD shall be granted and any cost escalations on account of such delays should be allowed for through tariff adjustments.			
20.	TSA	<p>Point no. 1.2.2 Incentive Payment, Pg 118</p> <p>1.2.2 Incentive Payment If and to the extent the Availability in a Contract Year exceeds ninety eight percent (98%) for AC system, the TSP shall be entitled for an annual Incentive as calculated below: Incentive = 0.02 x Annual Transmission Charges x (Actual annual Availability - Target Availability)</p> <p>Provided that no Incentive shall be payable above the Availability of 99.75% for AC system. Incentive shall be shared by the Long Term Transmission Customer(s) in the ratio of the Transmission Charges paid</p>	<p>It is mentioned that no Incentive shall be payable above the Availability of 99.75% for AC system. There seems to be some typographical error as target availability is mentioned as 98% in the document and incentive must be payable for the availability more than 98%</p>	We suggest to consider the same and revise the said clause appropriately		Clarification does not pertain to RFQ Document. It will be clarified at RFP stage

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		or actually payable to the TSP by then existing at the end of the relevant Contract Year				
21.	TSA	<p>Point no. 1.2.3 Penalty , Pg 118</p> <p>If and to the extent that the Availability in a Contract Year falls below ninety five percent (95%) for AC system, the TSP shall be entitled for an annual penalty as per the formula given below:  Penalty = 0.02 x Annual Transmission Charges x(Target Availability - Actual Annual Availability)  The penalty payable by the TSP shall be apportioned in favour of the Long Term Transmission Customer(s) in the ratio of the Transmission Charges paid or actually payable to the TSP by them existing at the end of the relevant Contract Year.</p>	Penalty mentioned is on higher side. It is suggested to reduce the same.	<p>We suggest to revise the said clause as under-</p> <p>If and to the extent that the Availability in a Contract Year falls below ninety five percent (95%) for AC system, the TSP shall be entitled for an annual penalty as per the formula given below:  Penalty = <b>0.01</b> x Annual Transmission Charges x(Target Availability - Actual Annual Availability)  The penalty payable by the TSP shall be apportioned in favour of the Long Term Transmission Customer(s) in the ratio of the Transmission Charges paid or actually payable to the TSP by them existing at the end of the relevant Contract Year.</p>		Clarification does not pertain to RFQ Document. It will be clarified at RFP stage
22.	TSA	Article 5, Construction of the Project. Point 5.1.3, Pg	For permissions from government authorities as	We suggest to consider the same.		Clarification does not pertain to RFQ

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		<p>26</p> <p>The TSP shall be responsible for obtaining all Consents, Clearances and Permits relating but not limited to road / rail / river / canal / power line / crossings, Power and Telecom Coordination Committee (PTCC), defence, civil aviation, right of way / way-leaves and environmental &amp; forest clearances from relevant authorities required for developing, financing, constructing, maintaining/ renewing all such Consents, Clearances and Permits in order to carry out its obligations under this Agreement in general and Article 5.1.1 in particular and shall furnish to the Lead Long Term Transmission Customer promptly with copy/ies of each Consents, Clearances and Permits, which it obtains. The Long Term Transmission Customers shall assist and support the TSP in obtaining the Consents,</p>	<p>mentioned herewith, assistance from long Term Transmission Customer shall be provided to TSP.</p>			<p>Document. It will be clarified at RFP stage</p>

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		Clearances and Permits required for the Project and in obtaining any applicable concessions for the Project, by providing letters of recommendation to the concerned Indian Governmental Instrumentality, as may be reasonably required from time to time.				
23.	TSA	<p>Pg 45, Article 11 clause 11.3 : Force majeure</p> <p>a) Natural Force Majeure Events: act of God, including, but not limited to drought, fire and explosion (to the extent originating from a source external to the Site), earthquake, volcanic eruption, landslide, flood, cyclone, typhoon, tornado, or exceptionally adverse weather conditions, which are in excess of the statistical measures for the last hundred (100) years.</p>	<p>The sentence "<b>natural calamity of any kind beyond the control of Humans</b>" should be included to the existing clause to make it complete. Further, as project involves clearances and approvals from various external/Govt. authorities and delay may occur in obtaining such approval. All such delays which are beyond the control of TSP should also be considered as Force majeure event</p>	<p>It is suggested to mention the clauses as under-</p> <p>1) Natural Force Majeure Events: act of God, including, but not limited to drought, fire and explosion (to the extent originating from a source external to the Site), earthquake, volcanic eruption, landslide, flood, cyclone, typhoon, tornado, or exceptionally adverse weather conditions, which are in excess of the statistical measures for the last hundred (100) years. It shall also include "<b>natural calamity of any kind beyond the control of</b></p>		<p>Clarification does not pertain to RFQ Document. It will be clarified at RFP stage</p>

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				<p><b>Humans"</b></p> <p>2) Any kind of delays in clearances and approvals not attributable to TSP will be considered as event of Force Majeure</p>		
24.	TSA	<p>Article 11, Clause 11.4 Force Majeure Exclusions, 11.4.1(d), Pg 46</p> <p>"Strikes or labour disturbance at the facilities of the Affected Party".</p>	<p>Strikes or labour disturbance (not employed by the Selected Bidder) are beyond the reasonable control of the Selected Bidder.</p> <p>Request you to make suggested modifications as strikes or labour disturbance (not employed by the bidder) as they are beyond the reasonable control of the Selected Bidder.</p>	We suggest to consider the same.		Clarification does not pertain to RFQ Document. It will be clarified at RFP stage
25.	TSA	Schedule 5, Pg 115 Clause 1.1 (d) In case of any extension of time period for the Scheduled COD, the applicable Transmission Charges, in relation to an Element, shall be the Transmission Charges of the Contract Year in which the COD of such Element occurs or it has deemed to have occurred, and in relation to	the said clause is a deterrent for the participants as it will not allow for tariff recovery for full 35 years of project duration and will unnecessary burden the agency and alternatively the bids will be with higher tariffs. Further, LD provisions are already there in the document for delays.	For the reasons mentioned, it is suggested to delete the said clause.		Clarification does not pertain to RFQ Document. It will be clarified at RFP stage

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		the Project, the Transmission Charges applicable will be for the Contract Year in which the COD occurs.				
26.	TSA	General	Shutdown of Existing Power Transmission Lines. It is to be made clear if shutdowns for crossing of existing transmission lines of POWERGRID/ Any other Transmission Licensee will be given to TSP on chargeable basis or free of cost	We suggest to clarify the same and incorporate the same/make it a part of TSA / RFQ / Final RFP Document		Clarification does not pertain to RFQ Document. It will be clarified at RFP stage
27.	TSA	General	Govt. of India has issue a Guidelines dated 15th Oct 2015 for payment of compensation towards damages in regard to Right of Way for transmission lines. In this said guidelines they had proposed for Payment for land Values for tower support @ 85% of the land Values and @ 15% of the land value of the Right of Way of the Corridor for diminution of land. This Guideline was in addition to the compensation towards normal crop and tree damages.	We suggest to incorporate the same/make it a part of TSA / RFQ / Final RFP Document		Clarification does not pertain to RFQ Document. It will be clarified at RFP stage

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28.	TSA	Article 6, Clause 6.4.1, Pg 31 If the TSP fails to achieve COD of any Element of the Project or the Project, by the Element's / Project's Scheduled COD as extended under Articles 4.4.1 and 4.4.2, then the TSP shall pay to the Long Term Transmission Customer(s), as communicated by the Lead Long Term Transmission Customer, in proportion to their Allocated Project Capacity as on the date seven (7) days prior to the Bid Deadline, a sum equivalent to 3.33% of Monthly Transmission Charges applicable for the Element of the Project [in case where no Elements have been defined, to be on the Project as a whole] / Project, for each day of delay up to sixty (60) days of delay and beyond that time limit, at the rate of five percent (5%) of the Monthly Transmission Charges applicable to such Element / Project, as liquidated damages for	we suggest to revise the 3.33% of monthly transmission charges to be reduced to 1% and beyond 60 Days rate of 5% to 2 % considering the percentages for LD mentioned are on extremely higher side.  Further,,LD should only be on account of delay beyond complete COD and not based on individual project milestones as it will unnecessary add financial burden on the agency and the said provision will lead to high financial bids i.e. resulting into higher tariffs	It is suggested to revise the said clause as under-  <b>If the TSP fails to achieve COD of the Project by the Project's Scheduled COD (irrespective of individual project milestones) as extended under Articles 4.4.1 and 4.4.2, then the TSP shall pay to the Long Term Transmission Customer(s), as communicated by the Lead Long Term Transmission Customer, in proportion to their Allocated Project Capacity as on the date seven (7) days prior to the Bid Deadline, a sum equivalent to 1% of Monthly Transmission Charges</b> applicable for the Element of the Project [in case where no Elements have been defined, to be on the Project as a whole] / Project, for each day of delay up to sixty (60)		Clarification does not pertain to RFQ Document. It will be clarified at RFP stage

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		such delay and not as penalty, without prejudice to Long Term Transmission Customers' any rights under the Agreement		days of delay and beyond that time limit, at the rate of <b>TWO percent (2%)</b> of the Monthly Transmission Charges applicable to such Element / Project, as liquidated damages for such delay and not as penalty, without prejudice to Long Term Transmission Customers' any rights under the Agreement		