KERALA STATE ELECTRICITY REGULATORY COMMISSION
THIRUVANANTHAPURAM

Present : Shri T K Jose, Chairman
Shri B Pradeep, Member

OP No. 32/2026

In the matter of	:	Petition seeking approval for revising the bid evaluation methodology framework and the bid documents for the procurement of 300 MW for a period of five years during 18.00 to 24:00 hours (peak hours) on lumpsum tariff basis.
Petitioner	:	Kerala State Electricity Board Ltd (KSEB Ltd)
Petitioner represented by		Adv. Ajit Joy Shri Suresh Kumar S, Dy CE, TRAC Smt. Latha. S.V Executive Engineer, TRAC Shri Rajesh R, Executive Engineer, Commercial Smt. Sangeetha P, AEE, Commercial
Scheduled date of hearing	:	14.07.2026, 12:00 Noon

Order dated 16.07.2026

1. M/s Kerala State Electricity Board Ltd (hereinafter referred as KSEB Ltd or petitioner) on 22.06.2026 has filed a petition before the Commission with the prayer;
"
   (a) Approve the bid evaluation methodology suggested in the proposed Corrigendum and Annexure-A in respect of the ongoing tender for procurement of 300 MW peak power during 18:00 hrs to 24:00 hrs for the period from 01.01.2027 to 31.12.2031;
   (b) Approve the consequential deviations proposed in the RFQ and RFP documents;
   (c) Permit KSEBL to continue and complete the competitive bidding process on the basis of the above deviations;
   (d) Pass such other orders as may be deemed fit and proper in the facts and circumstances of the case."

2. The summary of the petition filed by KSEBL is given below;

   (1) Commission vide Order dated in 06.12.2023 in petition OP No. 66/2023, has approved the bidding for procuring 300MW RTC power on medium term basis for the period from February 2024 to June 2026, under Finance, Own and Operate (FOO) basis. Accordingly, tender was floated in DEEP portal on 07.12.2023, with commencement of supply from February 2024. The bid was opened on 30.01.2024. Two bidders were qualified namely, M/s. OPG Power Generation Pvt Ltd and M/s. MB Power (Madhya Pradesh) Ltd and the bids were opened on

05.02.2024. After the e- reverse auction and L1 matching was conducted on 05.02.2024, matched to Rs. 7.48/ kWh against quantum of 150 MW and 100 MW respectively. The discovered rate corresponds to rate at CTU interconnection point of the Generator.

As the rate offered by the bidders was high, KSEBL decided to annul the tender.

(2) Thereafter KSEBL decided to proceed with long term power procurement process of 500 MW RTC for 15 years, under B(iii) SHAKTI policy on DBFOO basis, for meeting the power requirement of the consumers of the State.

Commission vide Order dated 18-12-2024, approved the tender for long term procurement of 500 MW RTC power for 15 years under B(iii) SHAKTI Policy. The bid was floated on 23.12.2024 in the DEEP portal by PFCCL on behalf of KSEBL. Though, six bidders were qualified at the RFQ stage, only two bidders had participated in the RFP stage. The RFP bids were opened on 13.05.2025.

After completing the bidding process, the final rate arrived was Rs 6.25/unit by the L1 bidder, M/s Sarda Energy & Minerals Ltd. The rate discovered was on the higher side, hence KSEBL accorded sanction vide order dt 23.08.2025 to annul the tender for long term procurement of 500 MW RTC power under B(iii) SHAKTI Policy (DBFOO basis).

(3) Government of Kerala (GoK) vide GO dt 27/9/2024 had indicated the coal linkage allocated to the State under B(iv) of SHAKTI Policy for 500MW power on long term basis, to KSEBL, so as to undertake tariff based competitive bidding for long term procurement of power.

Subsequently, GoK vide the G.O dated 07.03.2025 accorded sanction for availing the services of PFC Consulting Limited (PFCCL), Central PSU under MoP, GoI as Transaction Advisor of KSEBL for the long term procurement of 500MW RTC power under SHAKTI -B (iv) for 25 years.

Commission vide Order dated 18.06.2025 approved the tender for long term procurement of 500MW RTC power for 25 years under B (iv) SHAKTI policy. Tender was invited on 19.06.2025 in the DEEP portal by PFCCL on behalf of KSEBL. Though, five bidders were qualified at the RFQ stage, only four bidders had participated in the RFP stage. The bids were opened on 09.10.2025 and the discovered rates were on higher side particularly fixed charge component. Therefore, KSEBL has negotiated with the L1 bidder M/s Jindal Power Ltd, who has quoted the tariff of Rs 5.80/unit with fixed charge Rs 4.04/unit and Variable Charge Rs1.76/unit. Subsequently on negotiation they have reduced the price to Rs 5.76/unit with a reduction of only 1 paisa in fixed cost and 3 paisa in the variable cost.

Considering the high cost of RTC power, KSEBL has accorded sanction vide order dated16.02.2026 to annul the tender for long term procurement of 500 MW RTC power under B(iv) SHAKTI Policy on DBFOO basis for 25 years.

(4) Subsequently, KSEBL requested on 24.02.2026 Government of Kerala, for granting permission to retender and requested ministry to coal for extending the allocation. The matter is currently under the consideration of Government of Kerala.

(5) Due to the exceptionally high discovered Round-The-Clock (RTC) rates through short term power purchase bids, and also considering the increasing peak demand of the State, KSEBL has decided to float tender for the procurement 300 MW of peak power (from 18:00 to 24:00 hrs) for a period of five years through tariff-based competitive bidding on an Finance, Own and Operate (FOO) basis under a lump-sum tariff.

Accordingly, KSEBL floated e-Tender No. KSEBL/Medium/Lumpsum Tariff/26-27/ET/8 and e-Reverse Auction No. KSEBL/Medium/Lumpsum Tariff/26-27/RA/8 on the DEEP Portal on 12.03.2026 for procurement of 300 MW power during 18:00 hrs to 24:00 hrs from 01.01.2027 to 31.12.2031. **The delivery point specified in the bid document is the CTU Interconnection Point of the Generator.**

The bidding documents were prepared based on the MoP Guidelines dated 30.01.2019 and amendments thereto and the Standard/Model Bidding Documents issued by the Ministry of Power. The deviations in the document were incorporated as approved in the KSERC Order dated in 06.12.2023 in petition OP No. 66/2023 and the Commission vide letter dated 04.01.2024. The timelines specified in the tender document floated on 12.03.2026 is given below;

Sl. No.	Event Description	Date	Time
1	Date and time of Start of e-Tender Stage	12.03.2026	2.30 PM
2	Last date and time for receiving queries on RFQ and RFP	23.03.2026	11.30 AM
3	Pre-Bid Meeting	30.03.2026	11.00 AM
4	Utility response to queries latest by	10.04.2026	
5	Last date and time of submission of Application and Bids (including Section A and Section B) – Bid Due Date	30.04.2026	01.30 PM
6	Submission of Hard copy of letter comprising of Bid, Bid security, Power of Attorney and initialed APP	05.05.2026	05.00 PM
7	Opening of Application	06.05.2026	2.30 PM
8	Intimation to Qualified Bidders for opening of their Bids	18.05.2026	
9	Opening of Bids of those Qualified Bidders	20.05.2026	11.30 PM
10	Start of e-Reverse Auction	20.05.2026	01.30 PM

11	Close of e-Reverse Auction	120 minutes from the start of e-Reverse Auction subject to Auto Extension of 10 minutes	
12	L-1 Matching	If needed at the close of the e-Reverse Auction Stage, there will be an L-1 Matching Round for 30 mins	
13	Letter of Award (LOA)	After approval of KSERC.	
14	Validity of Bids	120 days of Bid Due Date	
15	Signing of APP	Within 10 days of award of LOA	

(6) The pre-bid meeting was conducted on 30.03. 2026.

During the pre-bid stage, several queries were received from prospective bidders relating to the bidding framework, eligibility conditions, tariff structure, and treatment of renewable energy sources and storage systems.

Several prospective bidders requested extension of the bid submission date by a period ranging from fifteen days to four weeks citing the complexity involved in structuring bids under the lump-sum tariff framework, particularly for Renewable Energy and Battery Energy Storage System based projects. It was submitted that additional time would facilitate formulation of competitive bids and improve participation in the tender.

Hence, considering these requests and with a view to ensuring adequate competition and better price discovery, KSEBL revised the tender schedule and uploaded Corrigendum dated 28.04.2026 extending the bid submission date and consequential tender milestones.

Subsequent to the issuance of Corrigendum dated 28.04.2026, several further representations were received from prospective bidders, particularly from Renewable Energy and Energy Storage developers, seeking additional clarification regarding the complexity involved in separately quoting fixed charge and variable charge under lump-sum tariff structure framework.

(7) KSEBL examined the the implications of participation by Renewable Energy projects and Renewable Energy coupled Energy Storage Systems. **KSEB Ltd observed that many such projects are eligible for partial or full waiver of Interstate Transmission System (ISTS) charges under various policies and guidelines issued by the Government of India**.

KSEBL noted that, the evaluation to discover the L1 bidder at the delivery point (CTU inter connection point) may not be appropriate in the case of RE/BESS projects, as such projects are eligible for waiver of Interstate Transmission Charges.

Since ambiguity arose in discovering the L1 bidder at the delivery point, the selection of the L1 bidder based solely on the generator's CTU interconnection point will not be beneficial to KSEBL.

Hence, KSEB Ltd decided that a methodology incorporating loading of Interstate Transmission Charges shall be adopted for evaluation to discover the L1 bidder, so that the actual per-unit cost to be borne by KSEBL could be appropriately considered.

(8) As per the DEEP portal, the formula for computation of per unit cost at the delivery point is 2*a + b + c

where:

- a = Cost of Generation (Rs/kWh)
- b = Transmission Charges (Rs/kWh)
- c = Transmission Losses (Rs/kWh)

In Clause 1.2.13(k) of the bidding document, relating to Lumpsum Tariff, it has been specified that:

"The Bidder shall quote a Base Variable Charge comprising the generation cost of electricity, the transmission charges, and transmission losses. Based on its Bid, a lumpsum tariff shall be paid to the Supplier comprising of (a) a Base Variable Charge, and (b) a Base Fixed Charge, as per the provisions of Clause 12.3.1 of the APP. The Bid for the Project shall, therefore, comprise the Base Fixed Charge and the Base Variable Charge and the Bidder seeking the lowest Tariff (inclusive of transmission charges & losses till the delivery point) shall be the Selected Bidder."

As above, existing methodology does not specifically account for the differential impact of Interstate Transmission Charges arising from ISTS charge waiver available to Renewable Energy projects. Since the delivery point under the bid document is the CTU Interconnection Point of the Generator, the actual ISTS transmission cost liability to be borne by KSEBL may vary substantially between bidders.

Considering these matters, the KSEBL decided to amend the tender documents by introducing a detailed evaluation methodology that would appropriately account for the impact of ISTS charges while determining the lowest evaluated bidder. KSEBL also extended the bid submission date.

(9) Subsequently, KSEBL revised the tender schedule and issued Corrigendum-IV dated 14.05.2026 extending the bid submission date and consequential milestones to facilitate approval and implementation of the revised evaluation methodology. The bid submission date extended to 29.06.2026 vide corrigendum IV.

(10) The Technical committee meeting held on 16.05.2026 recommended that the applicable Interstate Transmission Charges should be incorporated into the bid evaluation methodology so as to accurately reflect the actual landed cost of power to KSEBL.

The Committee also examined the issue of Interstate Transmission Losses. However, it was observed that transmission losses would have substantially similar impact on all bidders and therefore would not materially affect competitive ranking. Accordingly, the Committee decided that Interstate Transmission Losses need not be separately loaded for evaluation purposes.

The Committee therefore proposed that all bidders shall furnish tariff components in the DEEP Portal under the following heads:

a = Cost of Generation
b = Applicable Interstate Transmission Charges (as defined by KSEBL), if applicable plus Intra-State Transmission Charges, if any
c = Intra-State Transmission Losses, if any

The evaluation shall be carried out on the basis of effective landed cost derived from the above components.

The Committee further recommended adoption **of a standard KSEBL-defined ISTS Charge of Rs. 0.562/kWh. This is derived from the CTUIL invoice for March 2026** and this is solely for evaluation purposes.

It was further decided that Thermal and Conventional Generators shall include the full KSEBL-defined ISTS Charge for evaluation purposes, whereas Renewable Energy projects shall include only the applicable proportion of such charge after considering the ISTS transmission charge waiver available under prevailing Government of India policy.

(11) The Committee further recommended that all bidders shall submit a declaration specifying the applicable percentage of ISTS transmission charge waiver along with supporting documents so as to ensure transparency and avoid disputes during bid evaluation.

Based on the above recommendations, they had prepared new Corrigendum-V along with Annexure-A, introducing a comprehensive bid evaluation methodology, by considering all the above, by insisting the bidders to quote in the DEEP portal accordingly.

The proposed methodology clearly distinguishes between the contractual delivery point under the APP (Agreement for Power Purchase) and delivery point for the evaluation methodology to be adopted solely for determining the successful bidder.

Under the proposed framework, the Delivery Point for commercial settlement under the APP shall continue to remain the CTU Interconnection Point of the Generator and tariff payment shall continue to be based on the tariff discovered at such delivery point.

The proposed loading of KSEBL-defined ISTS Charges is intended solely for evaluation and ranking of bids and does not alter the commercial obligations, delivery obligations, tariff structure or payment mechanism under the APP.

(12) KSEB Ltd submitted that amendments are required in the RFQ and RFP documents replacing the expression "Lowest Tariff (inclusive of transmission charges and losses till the delivery point)" with "Lowest Tariff as specified in the evaluation methodology vide corrigendum dated ……" in the relevant clauses of the bidding documents.

(13) The relevant portion of the proposed corrigendum is reiterated below for the kind consideration

"All references in the uploaded bid documents to "Lowest Tariff (inclusive of transmission charges and transmission losses up to the delivery point)" shall be substituted with "Lowest Tariff (as specified in the evaluation methodology vide corrigendum dated ……………...)". Such references appear in Section A (RFQ) under Clauses 1.2.9, 1.2.13 and 1.2.13(k), and in Section B (RFP) under Clauses 1.1.5, 1.1.6, 5.1 and 5.8.2(k) of the bid document.

Further, the following provisions are proposed to be incorporated through the corrigendum:
1. For the purpose of bid evaluation, bidders shall quote the tariff as detailed in the corrigendum attached as Annexure.
2. Payment shall be made based on the tariff applicable at the Delivery Point defined in the APP, i.e., the CTU Interconnection Point.
3. Bidders shall submit a declaration confirming inclusion of KSEBL-defined ISTS Charges and eligibility for waiver, as detailed in the corrigendum attached as Annexure."

(14) KSEBL submitted that the proposed corrigendum ensures fair comparison among conventional generators, Renewable Energy projects, Renewable Energy coupled storage projects and trading licensees and facilitates identification of the bidder offering the lowest effective landed cost to KSEBL.

Further the proposed corrigendum promotes transparency, competitive neutrality, and proper price discovery and consumer interest and is therefore necessary for successful completion of the ongoing competitive bidding process.

KSEB Ltd further submitted that, with the inclusion of new corrigendum, certain deviation has to be made in the RFP and RFQ documents. KSEB Ltd had submitted the list of deviations along with the petition. Copy attached as Annexure- A.

(15) KSEBL request the Commission for the approval for implementation of the proposed Corrigendum and the consequential amendments proposed in the tender document. Once the Commission accorded approval, it will be uploaded in the DEEP portal as corrigendum.

3. Commission admitted the petition as OP No. 32/2026, and hearing on the petition was conducted on 14.07.2026. Adv. Sri. Ajit Joy along with the other senior officials of KSEBL presented the matter on behalf of KSEBL. Summary of the deliberations during the hearing is given below.

(1) KSEBL submitted during the hearing that;

(i) After appraising the demand and supply position of the State, KSEBL has floated the tender for procurement of 300MW peak power during 18:00hrs to 24:00 hrs from 01.01.2027 to 31.12.2031 (for five years), in the DEEP portal on 12.03.2026. The bidding documents was prepared based on bidding guidelines dated 30.01.2019, and also incorporating the deviations approved by the Commission in a similar tender vide the Order dated 06.12.2023 in petition OP No. 66/2023.

(ii) As per the bidding documents, the L1 bidder is selected at the rate discovered at the delivery point which is the generators CTU inter connection point.

(iii) However, during the pre-bidding meetings, many RE generators and Renewable Energy coupled with energy storage systems also expressed interest to participate in the tender. Full/ partial waiver of Interstate Transmission charges is available to such projects as per the policies and guidelines notified by MoP, GoI.

However, if the L1 bidder is selected based on the rate discovered at the delivery point which is the generators CTU inter connection point, the waiver of the inter-state transmission charges could not be factored into.

Hence, KSEBL decided to evolve a methodology to load the inter-state transmission charges also to arrive the rate for selecting the L1 bidder.

(iv) For the purpose of clarity, KSEBL has recommended to adopt the ISTS charges of Rs 0.562/kWh, which is the average ISTS charges for the month of March 2026.

KSEBL further proposed that, Thermal and Conventional Generators shall include the full KSEBL-defined ISTS Charge for evaluation purposes, whereas Renewable Energy projects shall include only the applicable proportion of such charge after considering the ISTS transmission charge waiver available under prevailing Government of India policy.

(v) Based on the above, KSEBL proposed to upload ‘Corrigendum V’ along with Annexure as part of the bidding documents. KSEBL also submitted that, corresponding changes has to be incorporated in various Clauses of RFQ and RFP.

(2) Commission during the hearing has clarified that, the tender floated on 12.03.2026 is entirely different from the tender for the deviations approved by the Commission vide the Order dated 06.12.2023 in petition OP No. 66/2023.

Commission also noted that, KSEBL has not submitted the changes in the RFQ and RFP documents, based on the change in methodology proposed for the selection of bidders incorporating the inter-state transmission charges including its waiver, if any, as per the policies and orders of the Central Government.

Commission also directed KSEBL to incorporate appropriate clauses to the effect that, the electricity purchase under this contract from RE sources and BESS projects etc shall be accounted towards the licensees RPO/RCO in the relevant years concerned. Hence, Commission has directed KSEBL to submit the details by return.

4. As directed by the Commission, KSEBL vide the letter dated 16.07.2026 has submitted the details before the Commission.

Analysis and Decision of the Commission

5. Commission having examined in detail the petition filed by KSEBL dated 22.06.2026, deliberations during the hearing held on 14.07.2026, provisions of the Electricity Act, 2003 and Guidelinnes for Procurement of Electricity for Medium Term from Power Stations set up on Finance, Own and Operate (FOO) basis, and other relevant Rules and Regulations, in force, decided the matter as follows.

6. KSEBL has filed the instant petition, seeking approval for revising the bid evaluation methodology framework and the bid documents for the procurement of 300MW power for a period of five years during 18:00 to 24:00 hrs (peak hours on lumpsum tariff basis.

7. Ministry of Power, Government of India vide the resolution No. 23/17/2013-R&R- vol-VI (Part-2) dated 30.01.2019 has notified the revised Guidelines for Procurement of Electricity for Medium Term from Power Stations set up on Finance, Own and Operate (FOO) basis. These guidelines specified that, the distribution licensees shall adopt the Model Bidding Documents issued on 29.01.2019 for Procurement of Electricity from the Power Producers/Traders/Distribution Licensees through a process of open and transparent competitive bidding conducted by Distribution Licensees through an electronic platform (DEEP e-Bidding Portal) based on offer of the lowest tariff from power generating stations constructed and/or operated on FOO

basis. These guidelines dated 30.01.2019 specify the following terms and conditions.

(1) The terms and conditions specified in the Model Bidding Documents referred to hereinabove shall, by reference, form part of these Guidelines and shall be treated as such.

(2) The application of these Guidelines shall be restricted to projects from which power is procured in accordance with an Agreement for Procurement of Power for a period between one and five years, with a provision for extension of this period upto 25% of the initial contract period or one year whichever is lower, with mutual consent.

(3) The tariff determined through the DEEP e-Bidding process using e-reverse Auction based on these Guidelines comprising the Model Bidding Documents shall be adopted by the Appropriate Commission in pursuance of the provisions of section 63 of the Act.

(4) A**ny deviation from the Model Bidding Documents shall be made by the Distribution Licensees only with the prior approval of the Appropriate Commission.** Provided, however, that any project specific modifications expressly permitted in the Model Bidding Documents shall not be construed as deviations from the Model Bidding Documents.

(5) The amendments made in the Guidelines for Procurement of Electricity from Thermal Power Stations set up on Design, Build, Finance, Own and Operate (DBFOO) basis vide Ministry of Power Resolution No. 23/9/2015-R&R dated 16th April, 2015 in view of new coal block auction policy issued by Ministry of Coal, shall also apply, mutatis mutandis, for procurement of electricity for Medium Term from Power Stations set up on Finance, Own and Operate (FOO) basis.

As above, the bidding guidelines dated 30.01.2019 specifies that, any deviations on the Model Bidding Documents issued on 29.01.2019 shall be made by the distribution licensees only with the prior approval of the Appropriate Commission.

8. Further, the bidding guidelines dated 30.01.2019 and the bidding documents dated 29.01.2019 was issued for enabling the use of linkage coal as per the provisions of Para B(I), B(III) & B(IV) of SHAKTI policy.

Further, as per these bidding documents, the delivery point is the CTU inter connection point of the generator. The transmission charges and losses associated with the use of inter-state transmission system is to be borne by the buying entities, i.e., the distribution licensee who purchase the power.

9. However, at present the electricity generated and supplied from Renewable Energy projects, especially RE projects coupled with Energy Storage System (ESS) plays a major role in fulfilling the electricity requirement of the distribution licensees for distribution among its consumers. Further, as part of the promotion of the RE sources especially Wind and Solar and Battery Energy Storage Systems (BESS), the Central Government has provided full/partial waiver of the 'inter state transmission charges' based on the commercial operation date of these projects.

The ISTS waiver available to RE projects and BESS projects are given below;

Waiver of Interstate Transmission charges available to RE projects and BESS

SL No.	Particulars	Waiver
1	Wind and Solar	
	(i) Projects commissioned on or before 30.06.2025	100%
	(ii) Projects commissioned from 01.07.2025 to 30.06.2026	75%
	(iii) Projects commissioned from 01.07.2026 to 30.06.2027	50%
	(iv) Projects commissioned from 01.07.2027 to 30.06.2028	25%
	(v) Projects commissioned after 01.07.2028	Nil
2	Hydro-pumped storage, for which award of construction works by 30.06.2028	100%
3	BESS projects connected to a substation where no REGS is connected or BESS is charged from a source other than REGS	100% for projects commissioned by 30th June-2025 and 25% annually thereafter
4	BESS projects connected to a substation where REGS is connected or BESS is charged from a source other than REGS	100% for projects commissioned by 30th June 2028

Hence, when the DISCOMs purchase from the RE sources including BESS projects outside the State, the DISCOMs may get full/partial waiver of the inter-State Transmission charges as per the orders/ policies issued by the Central Government from time to time.

10. In the instant case, KSEBL had floated the tender on 12.03.2026 in the DEEP portal for the procurement of 300MW peak power between 18:00 hrs to 24:00 hrs from 01.01.2027 to 31.12.2031. KSEBL had prepared the bidding documents as per the model bidding guidelines dated 30.01.2019, along with the model bidding documents dated 29.01.2019.

Since the bidding guidelines dated 30.01.2019 and the bidding documents dated 29.01.2019, was issued for enabling the use of linkage coal as per the provisions of Para B(I), B(III) & B(IV) of SHAKTI policy, these guidelines, do not directly applicable for procurement of power from RE sources and BESS projects.

11. KSEBL reported that, during the course of the bidding process, the prospective bidders of RE/ RE projects also shown interest in participating in the proposed tender. Many of these prospective bidders are eligible for full/partial waiver of the inter-state transmission charges.

12. Commission examined the methodology proposed by KSEBL for the selection of the L1 bidder, duly factoring the ISTS charges upto Kerala periphery, as given as 'Corrigendum-V along with Annexure-A'.

Commission agree with the methodology proposed by KSEBL in general. However, instead using the inter-State Transmission charges for the month of March-2026 for arriving KSEBL-defined ISTS charges in the bid documents, KSEBL may adopt the twelve (12) month average of the CTUIL monthly invoices from Aprul-2025 to March 2026. Commission had asked KSEBL to clearly list out the rationale for the deviation to certify what are the Technical, Financial and Legal impact/implication to KSEBL due to proposed deviations. Unfortunately in this case also the licensee could not bring out such an analysis. Hence a strict adherence to such impact analysis would be mandatory for future proposals for deviations.

13. Commission has also examined the deviations proposed in the Clauses 1.2.9, 1.2.13 and 1.2.13 (k) of the RFQ and Clauses 1.1.5, 1.1.6, 5.1 and 5.8.2(k) of the bid document. Commission after examining the details, hereby approve the deviations with observations as given as Annexure-1 of this Order.

14. KSEBL during the deliberations of the subject petition submitted that, while approving the bidding documents, KSEBL has incorporated the deviations approved by the Commission vide the Order dated 06.12.2023 in petition OP No. 66/2023.

Commission during the hearing held on 14.07.2026 has clarified that, the deviations approved in a different bidding documents for procuring power under Section 63 of the Electricity Act, 2003 cannot be adopted without seeking approval from the Commission for adopting the same.

KSBEL vide its additional submission dated 16.07.2026 has submitted the deviations proposed in the bidding documents from the model bidding documents notified by Ministry of Power Government of India dated 30.01.2019.

Commission after examining the deviations proposed by KSEBL, hereby approve the same, as detailed in Annexure-2 of this Order.

15. KSEBL also proposed certain project specific deviations in the bidding documents, as detailed in the Annexure-3 of this Order. However, as per the paragraph 4 the model bidding guidelines dated 30.01.2019, the project specific

modifications made by KSEBL shall not be approved as deviations, and hence the approval of this Commission is not required for the same. However, KSEBL shall ensure that such deviations are project specific modifications, and any risks associated with such deviations shall be the responsibility of KSEBL.

16. Commission further clarify that, the electricity purchased from the RE sources/ BESS projects, selected through the present bid under Section 63 of the Act, 2003, shall qualify for meeting the RPO/RCO obligations of the licensee of the relevant years concerned. Hence necessary clarifications in this regard shall be incorporated in the bidding documents.

Order of the Commission

17. The Commission after examining the petition filed by KSEB Ltd for seeking approval for revising the bid evaluation methodology framework and the bid documents for the procurement of 300 MW for a period of five years during 18.00 to 24:00 hours (peak hours) on lumpsum tariff, as per the provisions of the Electricity Act, 2003 and Guidelinnes for Procurement of Electricity for Medium Term from Power Stations set up on Finance, Own and Operate (FOO) basis, and other relevant Rules and Regulations, in force, Orders the following;

(1) Approve the bid evaluation methodology proposed by KSEBL as Corrigendum V along with its Annexure as part of the bidding documents for procurement of 300MW peak power during 18:00 hrs to 24:00 hrs for the period from 01.01.2027 to 31.12.2031, as discussed under paragraph-11 of this Order.

(2) Approve deviations proposed in the bidding documents by KSEBL as discussed under paragraphs 12 and 13 and Annexures-1 & 2 of this Order.

(3) After concluding the bidding process, KSEB Ltd shall file a separate petition under Section 63 read along with the Section 86(1) (b) of the EA-2003 for the adoption of the tariff derived through the bidding process.

Petition disposed of. Ordered accordingly.

Sd/-	**Sd/-**
T K Jose	**B Pradeep**
Chairman	**Member**

Approved for issue

Sd/-
Rajendran K.V
Secretary

Annexure-1

Deviations proposed in the bidding documents consequent to the proposed methodology for selection of bidders

Sl. No:	Bid Clause	Proposed Modified Bid Clause	Remarks
1	**Section A Clause 1.2.9 of RFQ-** In e-Reverse Auction Stage, the lowest Bid received in the e-Tender Stage shall be displayed to the Bidders on the DEEP Portal and thereafter any subsequent lowest bid in e-Reverse Auction Stage on a real time basis. During the e-Reverse Auction Stage, the Bidders will have the option of reducing the Tariff in decrements of 1 (one) paise or multiples thereof and to increase/maintain the quantum quoted by them at e-Tender Stage by 1 MW or multiples thereof. At the end of the e-Reverse Auction, lowest bidder will be identified by the system, the system will check all bids received in e-Tender and e-Reverse Auction and identify the Bidder who has quoted the lowest Tariff**(inclusive of transmission charges and losses till the delivery point) ,** therein ("Lowest Bidder").	**Section A Clause 1.2.9 of RFQ-** In e-Reverse Auction Stage, the lowest Bid received in the e-Tender Stage shall be displayed to the Bidders on the DEEP Portal and thereafter any subsequent lowest bid in e-Reverse Auction Stage on a real time basis. During the e-Reverse Auction Stage, the Bidders will have the option of reducing the Tariff in decrements of 1 (one) paise or multiples thereof and to increase/maintain the quantum quoted by them at e-Tender Stage by 1 MW or multiples thereof. At the end of the e-Reverse Auction, lowest bidder will be identified by the system, the system will check all bids received in e-Tender and e-Reverse Auction and identify the Bidder who has quoted the lowest Tariff**(as specified in the evaluation methodology vide corrigendum dated ………………..)** , therein ("Lowest Bidder").	Commission has examined the proposed deviations in the bidding documents. The deviations are consequent to the change the methodology for selection of the L1 bidder. Commission hereby approve the deviation proposed by KSBEL as above.
2	**Section A Clause 1.2.13 of RFQ-** Bids are invited for the Project under Section B of this Bidding Document, on the basis of a tariff to be offered by a Bidder for production and supply of electricity in accordance with the terms of the draft APP forming part of the Bidding Documents. For the purposes of bidding hereunder, the Base Fixed Charge and Base Variable Charge shall constitute the tariff for the Power Station (the "Tariff"). For Lumpsum Tariff, generating cost of electricity, the transmission charges and the transmission losses, shall form part of the Base Variable Charge. The Base Fixed Charge and the Base Variable Charge shall each be at least 35% of the Tariff. The contract period shall be pre-determined, and will be indicated in the draft APP. The Project shall be awarded to the Bidder quoting the lowest Tariff**(inclusive of transmission charges and losses till the delivery point)** , after the completion of the process under Clause 1.2.7 above.	**Section A Clause 1.2.13 of RFQ-** Bids are invited for the Project under Section B of this Bidding Document, on the basis of a tariff to be offered by a Bidder for production and supply of electricity in accordance with the terms of the draft APP forming part of the Bidding Documents. For the purposes of bidding hereunder, the Base Fixed Charge and Base Variable Charge shall constitute the tariff for the Power Station (the "Tariff"). For Lumpsum Tariff, generating cost of electricity, the transmission charges and the transmission losses, shall form part of the Base Variable Charge. The Base Fixed Charge and the Base Variable Charge shall each be at least 35% of the Tariff. The contract period shall be pre-determined, and will be indicated in the draft APP. The Project shall be awarded to the Bidder quoting the lowest Tariff**(as specified in the evaluation methodology vide corrigendum dated ………………..),,** after the completion of the process under Clause 1.2.7 above.	Commission has examined the deviations proposed by KSEBL as above. The modification is made to accommodate the renewable sources under Lumpsum Tariff. Commission hereby approve the deviation proposed by KSBEL as above.
3	**Section A Clause 1.2.13(k) of RFQ- (k) <u>Lumpsum Tariff</u>** The Bidder shall quote a Base Variable Charge comprising the generating cost of electricity, the transmission charges and the transmission losses. Based on its Bid, a lumpsum tariff shall be paid to the Supplier comprising of (a) a Base Variable Charge, and (b) a Base Fixed Charge, as per the provisions of Clause 12.3.1 of the APP. The Tariff shall be revised as per the terms of the APP. The Bid for the Project shall, therefore, comprise the Base Fixed Charge and the Base Variable Charge and the Bidder seeking the lowest Tariff **(inclusive of transmission charges and losses till the delivery**	**Section A Clause 1.2.13(k) of RFQ-** (k) **<u>Lumpsum Tariff</u>** The Bidder shall quote a Base Variable Charge comprising the generating cost of electricity, the transmission charges and the transmission losses. Based on its Bid, a lumpsum tariff shall be paid to the Supplier comprising of (a) a Base Variable Charge, and (b) a Base Fixed Charge, as per the provisions of Clause 12.3.1 of the APP. The Tariff shall be revised as per the terms of the APP. The Bid for the Project shall, therefore, comprise the Base Fixed Charge	Commission has examined the deviations proposed by KSEBL consequent to the change in the evaluation methodology. Commission hereby approve the deviations as proposed by KSEBL.

	point) shall be the Selected Bidder.] Lumpsum tariff shall include supply of electricity irrespective of source of Fuel including renewable source of energy. In this Section A, the term "Lowest Bidder" shall mean the Bidder who is offering the lowest Tariff(**inclusive of transmission charges and losses till the delivery point)**	and the Base Variable Charge and the Bidder seeking the lowest Tariff **(as specified in the evaluation methodology vide corrigendum dated ………………..)**shall be the Selected Bidder.] Lumpsum tariff shall include supply of electricity irrespective of source of Fuel including renewable source of energy. In this Section A, the term "Lowest Bidder" shall mean the Bidder who is offering the lowest Tariff**(as specified in the evaluation methodology vide corrigendum dated ………………..).**	
4	**Section B Clause 1.1.5 of RFP**-Bids are invited for the Project on the basis of a tariff to be offered by a Bidder for and in respect of the Project. For the purposes of evaluation er, the Base Fixed Charge and Base Variable Charge shall constitute the tariff for the Power Station (the "Tariff"). For Lump sum Tariff, generating cost of electricity, the transmission charges and the transmission losses, shall form part of the Base Variable Charge. The Base Fixed Charge and the Base Variable Charge shall each be at least 35% of the Tariff. The contract period shall be pre-determined and specified in the Bidding Documents. In this RFP, the term "Lowest Bidder" shall mean the Bidder who is offering the lowest Tariff (**inclusive of transmission charges and losses till the delivery point).**	**Section B Clause 1.1.5 of RFP**-Bids are invited for the Project on the basis of a tariff to be offered by a Bidder for and in respect of the Project. For the purposes of evaluation er, the Base Fixed Charge and Base Variable Charge shall constitute the tariff for the Power Station (the "Tariff"). For Lump sum Tariff, generating cost of electricity, the transmission charges and the transmission losses, shall form part of the Base Variable Charge. The Base Fixed Charge and the Base Variable Charge shall each be at least 35% of the Tariff. The contract period shall be pre-determined and specified in the Bidding Documents. In this RFP, the term "Lowest Bidder" shall mean the Bidder who is offering the lowest Tariff **(as specified in the evaluation methodology vide corrigendum dated ………………..).**	Commission has examined the deviations proposed by KSEBL consequent to the change in the evaluation methodology. Commission hereby approve the deviations as proposed by KSEBL.
5	**Section B Clause 1.1.6 of RFP-**In e-Reverse Auction Stage, the lowest Bid received in the e-Tender Stage shall be displayed to the Bidders on the DEEP Portal and thereafter any subsequent lowest bid in e-Reverse Auction Stage on a real time basis. During the e-Reverse Auction Stage, the Bidders will have the option of reducing the Tariff quoted by them at e-Tender Stage in their Bids in decrements of 1 (one) paise or multiples thereof and to increase/maintain the quantum quoted by them at e-Tender Stage by 1 MW or multiples thereof. At the end of the e-Reverse Auction, lowest bidder will be identified by the system, the system will check all bids received in e-Tender and e-Reverse Auction and identify the Bidder who has quoted the lowest Tariff **(inclusive of transmission charges and losses till the delivery point)** therein ("Lowest Bidder").	**Section B Clause 1.1.6 of RFP-**In e-Reverse Auction Stage, the lowest Bid received in the e-Tender Stage shall be displayed to the Bidders on the DEEP Portal and thereafter any subsequent lowest bid in e-Reverse Auction Stage on a real time basis. During the e-Reverse Auction Stage, the Bidders will have the option of reducing the Tariff quoted by them at e-Tender Stage in their Bids in decrements of 1 (one) paise or multiples thereof and to increase/maintain the quantum quoted by them at e-Tender Stage by 1 MW or multiples thereof. At the end of the e-Reverse Auction, lowest bidder will be identified by the system, the system will check all bids received in e-Tender and e-Reverse Auction and identify the Bidder who has quoted the lowest Tariff **(as specified in the evaluation methodology vide corrigendum dated ………………..)**therein ("Lowest Bidder").	Commission has examined the deviations proposed by KSEBL consequent to the change in the evaluation methodology. Commission hereby approve the deviations as proposed by KSEBL.
6	**Section B Clause 5.1 of RFP-**Subject to the provisions of Clause 2.15.1, the Bidder whose Bid is adjudged as responsive in terms of Clause 3.2.1 and who quotes the Lowest Tariff **(inclusive of transmission charges and losses till the delivery point)** offered to the Utility after Bid Stage, in conformity with the provisions of Clause 5.8 shall be declared as the selected Bidder(s) (the "Selected Bidder(s)"). In the event that the Utility rejects or annuls all the Bids, it may, in its discretion, invite all eligible Bidders to submit fresh Bids hereunder.	**Section B Clause 5.1 of RFP-**Subject to the provisions of Clause 2.15.1, the Bidder whose Bid is adjudged as responsive in terms of Clause 3.2.1 and who quotes the Lowest Tariff **(as specified in the evaluation methodology vide corrigendum dated ………………..)**offered to the Utility after Bid Stage, in conformity with the provisions of Clause 5.8 shall be declared as the selected Bidder(s) (the "Selected Bidder(s)"). In the event that the Utility rejects or annuls all the Bids, it may, in its discretion, invite all eligible Bidders to submit fresh Bids hereunder.	Commission has examined the deviations proposed by KSEBL consequent to the change in the evaluation methodology. Commission hereby approve the deviations as proposed by KSEBL.

7	**Section B Clause 5.8.2. (k) of RFP-** (k) Lumpsum Tariff The Bidder shall quote a Base Variable Charge comprising the generating cost of electricity, the transmission charges and the transmission losses **up to the delivery point**. Based on its Bid, a lumpsum tariff shall be paid to the Supplier comprising of (a) a Variable Charge, and (b) a Fixed Charge as per the provisions of Clause 12.3.1 of the APP. The Tariff shall be revised as per the terms of the APP. The Bid for the Project shall, therefore, comprise the Base Fixed Charge and the Base Variable Charge and the Bidder seeking the lowest Tariff **(inclusive of transmission charges & losses till the delivery point)** shall be the Selected Bidder. Lumpsum Tariff shall include supply of electricity irrespective of source of fuel including renewable source of energy.	**Section B Clause 5.8.2. (k) of RFP-** (k) Lumpsum Tariff The Bidder shall quote a Base Variable Charge comprising the generating cost of electricity, the transmission charges and the transmission losses ~~**up to the delivery point**~~. Based on its Bid, a lumpsum tariff shall be paid to the Supplier comprising of (a) a Variable Charge, and (b) a Fixed Charge as per the provisions of Clause 12.3.1 of the APP. The Tariff shall be revised as per the terms of the APP. The Bid for the Project shall, therefore, comprise the Base Fixed Charge and the Base Variable Charge and the Bidder seeking the lowest Tariff **(as specified in the evaluation methodology vide corrigendum dated ………………..)** shall be the Selected Bidder. Lumpsum Tariff shall include supply of electricity irrespective of source of fuel including renewable source of energy.	Commission has examined the deviations proposed by KSEBL consequent to the change in the evaluation methodology. Commission hereby approve the deviations as proposed by KSEBL.
8	**Section B Appendix-1(Letter comprising the bid) 30(c)of RFP**-30. I/ We hereby submit the following Bid and offer, as on the Bid Due Date, in accordance with the provisions of the APP and Clause 5.8 of this RFP: (c) A Tariff of Rs.……and paise……$ (Rupees….and paise……) per kWh comprising a Base Variable Charge of Rs…..and paise……$ (Rupees ….and paise ….)per kWh inclusive of transmission charges and transmission losses till the delivery point and a Base Fixed Charge of Rs…..and paise……$ (Rupees….and paise ….) per kWh which is equal to the cost of generation. In witness thereof, I/we submit this Bid under and in accordance with the terms of this document.	Section B Appendix-1(Letter comprising the bid) 30(c)of RFP- (c) A Tariff of Rs.……and paise…… (Rupees….and paise……) per kWh comprising a Base Variable Charge of Rs…..and paise…… (Rupees ….and paise ….) per kWh including (**i**) cost of generation(which includes generating cost of Rs.….and paise… (Rupees….and paise….) per kWh and Rs .... and paise .... (Rupees….and paise….) as cost of transportation)(**ii)** Rs.….and paise… (Rupees….and paise….) per kWh as the cost of transmission charge and (**iii**) Rs…..and paise… (Rupees….and paise….) per kWh as the cost of transmission loss up to **the delivery point** and a Base Fixed Charge of Rs…..and paise…… (Rupees….and paise ….) per kWh which is equal to the cost of generation] In witness thereof, I/we submit this Bid under and in accordance with the terms of this document.	Commission has examined the proposed deviations. The word upto the delivery point is added for clarifying that the payment is effect at CTU interconnection point. Further clarity is provided for each tariff component.

Annexure-2

Deviations from the Model Bidding Documents proposed by KSEBL and approved by the Commission

Sl. No:	Bid Clause	Bid Clause - Deviations proposed	Remarks
1	Clause 1.1.5 of RFQ- All Bidders shall indicate the particulars of the relevant Power Station in the form specified at Annex-V of Appendix-I and at National e-Bidding Portal ("DEEP Portal") developed by PFC Consulting Ltd. Bidders may bid for the capacity specified in Clause 1.1.1, or a part thereof, not being less than not being less than <u>[50% (fifty per cent)] of such capacity or 100 (one hundred) MW, whichever is lower</u>. The remaining capacity, if any, may be procured from other Bidders who are willing to match the lowest Bid.	Clause 1.1.5 of RFQ- All Bidders shall indicate the particulars of the relevant Power Station in the form specified at Annex-V of Appendix-I and at National e-Bidding Portal ("DEEP Portal") developed by PFC Consulting Ltd. Bidders may bid for the capacity specified in Clause 1.1.1, or a part thereof, not being less than <u>100 (one hundred) MW</u>. The remaining capacity, if any, may be procured from other Bidders who are willing to match the lowest Bid.	Deviation proposed is as approved by Commission vide Order dated 06.12.2023 in petition OP No.66/2023. Approved to effect the deviation in this Bid also
2	Clause 1.2.13 of RFQ- Bids are invited for the Project under Section B of this Bidding Document, on the basis of a tariff to be offered by a Bidder for production and supply of electricity in accordance with the terms of the draft APP forming part of the Bidding Documents. For the purposes of bidding hereunder, the Base Fixed Charge and Base Variable Charge shall constitute the tariff for the Power Station (the "Tariff"). [The cost of Fuel, transportation/transit thereof, the transmission charges and the transmission losses / supply from Hydro-electric Power Station or for Lumpsum Tariff, generating cost of electricity, the transmission charges and the transmission losses,] shall form part of the Base Variable Charge. The Base Fixed Charge and the Base Variable Charge shall each be at least 35% of the Tariff. The contract period shall be pre-determined, and will be indicated in the draft APP. The Project shall be awarded to the Bidder quoting the lowest Tariff, after the completion of the process under Clause 1.2.7 above.	Clause 1.2.13 of RFQ- Bids are invited for the Project under Section B of this Bidding Document, on the basis of a tariff to be offered by a Bidder for production and supply of electricity in accordance with the terms of the draft APP forming part of the Bidding Documents. For the purposes of bidding hereunder, the Base Fixed Charge and Base Variable Charge shall constitute the tariff for the Power Station (the "Tariff"). For Lumpsum Tariff, generating cost of electricity, the transmission charges and the transmission losses, shall form part of the Base Variable Charge. The Base Fixed Charge and the Base Variable Charge shall each be at least 35% of the Tariff. The contract period shall be pre-determined, and will be indicated in the draft APP. The Project shall be awarded to the Bidder quoting the lowest Tariff, after the completion of the process under Clause 1.2.7 above.	Deviation proposed is as approved by Commission vide Order dated 06.12.2023 in petition OP No.66/2023. Approved to effect the deviation in this Bid also
3	**Clause 2.2.2(A) of RFQ**-Technical Capacity: For demonstrating technical capacity and experience (the "Technical Capacity"), the Bidder shall own and operate power generating station(s) having an installed capacity **equivalent to <u>at least twice</u> the capacity for which the Bidder is willing to Bid**. Bidders shall not be allowed to increase their capacity at e-Reverse Auction Stage or L1 Matching round greater than for which Technical Capacity has been demonstrated.	Clause 2.2.2(A) of RFQ-Technical Capacity: For demonstrating technical capacity and experience (the "Technical Capacity"), the Bidder shall own and operate power generating station(s) having an installed capacity **equivalent to the capacity** for which the Bidder is willing to Bid. Bidders shall not be allowed to increase their capacity at e-Reverse Auction Stage or L1 Matching round greater than for which Technical Capacity has been demonstrated.	Commission has examined the deviation proposed. Since the tender is for lump sum tariff where power can be supplied from any sources of energy including renewables. Even generators with smaller installed capacity can participate in the tender. Commission hereby approve the proposed deviations.
4	Clause 2.2.2(B) of RFQ- Financial Capacity: The Bidder shall have a minimum Net Worth (the "Financial Capacity") equivalent to Rs. 1 crore (Rs. one crore) per MW of the capacity the Bidder is willing to Bid, at the close of the preceding financial year. Bidders shall not be allowed to increase their capacity at e- Reverse Auction Stage or L1 Matching round greater than for which Financial Capacity has been demonstrated. In case the Bidder is a Trading Licensee, the condition under Clause 2.2.2(B) may be either fulfilled jointly or severally by the Trading Licensee and Developer.	Clause 2.2.2(B) of RFQ- Financial Capacity: The Bidder <u>and/or its Associate</u> shall have a minimum Net Worth (the "Financial Capacity") equivalent to Rs. 1 crore (Rs. one crore) per MW of the capacity the Bidder is willing to Bid, at the close of the preceding financial year. Bidders shall not be allowed to increase their capacity at e- Reverse Auction Stage or L1 Matching round greater than for which Financial Capacity has been demonstrated. In case the Bidder is a Trading Licensee, the condition under Clause 2.2.2(B) may be either fulfilled jointly or severally by the Trading Licensee and Developer <u>and /or its Associate of Developer.</u>	Deviation proposed is as approved by Commission vide Order dated 06.12.2023 in petition OP No.66/2023. Approved to effect the deviation in this Bid also

5	Clause 2.2.3(ii) of RFQ- certificate(s) from statutory auditors of the Bidder specifying the net worth of the Bidder, as at the close of the preceding financial year, and also specifying that the methodology adopted for calculating such net worth conforms to the provisions of this Clause 2.2.3 (ii). For the purposes of this Section A, net worth (the "Net Worth") shall mean the net worth as per the Companies Act, 2013.	Clause 2.2.3(ii) of RFQ- certificate(s) from statutory auditors of the Bidder <u>or its Associates</u> specifying the net worth of the Bidder <u>or its Associates, as the case may be</u>, as at the close of the preceding financial year, and also specifying that the methodology adopted for calculating such net worth conforms to the provisions of this Clause 2.2.3 (ii). For the purposes of this Section A, net worth (the "Net Worth") shall mean the net worth as per the Companies Act, 2013.	Deviation proposed is as approved by Commission vide Order dated 06.12.2023 in petition OP No.66/2023. Approved to effect the deviation in this Bid also
6	Clause No. 2.12.2(vi) of RFQ 2.12.2 Documents required to be uploaded as per this RFQ shall contain:…………. (vi) a copy of Fuel Supply Agreement or equivalent arrangement for the Power Station; [; and	Clause No. 2.12.2(vi) of RFQ 2.12.2 Documents required to be uploaded as per this RFQ shall contain:…………. (vi) a copy of Fuel Supply Agreement or equivalent arrangement for the Power Station <u>or an undertaking for arrangement of assured supply of fuel, in the case of thermal power Station;</u>	Commission examined the deviation proposed. Since the tariff is under Lumpsum tariff no specific fuel source is mandated, However, if the thermal power plant is participating, inorder to ensure the fuel availability the clause is modified. Approve the modifications as proposed by KSEBL.
7	Clause 2.12.2(vii) of RFQ- any other project-specific requirement that may be specified by the Utility]	Clause 2.12.2(vii) of RFQ- The Developer shall specify in the Annexure II (technical capacity of the Bidder) the source of charging energy for the BESS/PSP projects as Renewable Energy (RE) or Non-Renewable Energy (Non-RE). KSEBL shall have the exclusive right to avail the applicable RPO and ESO benefits associated with the energy supplied from the Project, in accordance with applicable law	Commission has examined the deviation proposed by KSEBL. The proposed deviation is ensure source of power from RE sources including BESS. Commission hereby approve the deviation as proposed by KSEBL.
8	Clause 2.12.2(viii) of RFQ- any other project-specific requirement that may be specified by the Utility]	Clause 2.12.2(viii) of RFQ- Duly Signed copy of tender documents including Corrigendum, Response to queries etc.	Approve the deviations proposed by KSEBL
9	Clause 2.18.1(i) of RFQ- it contains a statement on fuel supply arrangement for the Power Station	Clause 2.18.1(i) of RFQ- it contains a statement on fuel supply arrangement for the Power Station, <u>if applicable</u>;	Commission has examined the proposal. Modification made to accommodate the renewable sources under Lumpsum Tariff. Approve the deviations as proposed by KSEBL
10	Clause 2.18.1(j) of RFQ- it contains an attested copy of the system generated receipt or receipt of the Utility for payments towards the cost of the Bidding Process, e-Bidding fees submitted to PFCCL as per Clause <u>1.2.1</u> and Bid Security as specified in Clause <u>1.2.6;</u>	Clause 2.18.1(j) of RFQ- it contains an attested copy of the system generated receipt or receipt of the Utility for payments towards the cost of the Bidding Process, e-Bidding fees submitted to PFCCL as per Clause <u>1.2.2</u> and Bid Security as specified in Clause <u>1.2.8;</u>	Deviation proposed is as approved by Commission vide Order dated 06.12.2023 in petition OP No.66/2023. Approved to effect the deviation in this Bid also
11	Point 19 of Appendix I of RFQ {I/We hereby undertake that in the event the Bidder is selected as the Selected Bidder, I/We shall surrender the proportionate quantity of any existing Letter of Assurance /Fuel Supply Agreement to the supplier of the coal, not being the Letter of Assurance/ Fuel Supply Agreement arranged by the Utility, corresponding to the tenure of the Letter of Assurance /Fuel Supply Agreement arranged by the Utility.}	Point 19 of Appendix I of RFQ- Omitted;	Deviation proposed is as approved by Commission vide Order dated 06.12.2023 in petition OP No.66/2023. Approved to effect the deviation in this Bid also

12	Clause 2.19.1 of RFP- "The Bidder shall furnish as part of its Bid, a Bid Security referred to in Clauses 2.1.7 and 2.1.8 hereinabove in the form of a bank guarantee or e-bank guarantee issued by a nationalized bank, or a Scheduled Bank in India having a net worth of at least Rs. 1,000 crore (Rs. one thousand crore), in favour of the Utility in the format at Appendix–II (the "Bank Guarantee") and having a validity period of not less than 180 (one hundred eighty) days from the Bid Due Date, inclusive of a claim period of 60 (sixty) days, and may be extended as may be mutually agreed between the Utility and the Bidder from time to time. In case the Bank Guarantee is issued by a foreign bank outside India, confirmation of the same by any nationalized bank in India is required. For the avoidance of doubt, Scheduled Bank shall mean a bank as defined under Section 2(e) of the Reserve Bank of India Act, 1934."	Clause 2.19.1 of RFP- "The Bidder shall furnish as part of its Bid, a Bid Security referred to in Clauses 2.1.7 and 2.1.8 hereinabove in the form of a bank guarantee or e-bank guarantee issued by a nationalized bank, or a Scheduled Bank in India having a net worth of at least Rs. 1,000 crore (Rs. one thousand crore), in favour of the Utility in the format at Appendix–II (the "Bank Guarantee") and having a validity period of not less than 180 (one hundred eighty) days from the Bid Due Date, inclusive of a claim period of 60 (sixty) days, and may be extended as may be mutually agreed between the Utility and the Bidder from time to time. For the avoidance of doubt, Scheduled Bank shall mean a bank as defined under Section 2(e) of the Reserve Bank of India Act, 1934."	Deviation proposed is as approved by Commission vide Order dated 06.12.2023 in petition OP No.66/2023. Approved to effect the deviation in this Bid also
13	Point 30 of Appendix I of RFP 30. I/ We hereby submit the following Bid and offer, as on the Bid Due Date, in accordance with the provisions of the APP and Clause 4.8 of this RFP:	Point 30 of Appendix I of RFP 30. I/ We hereby submit the following Bid and offer, as on the Bid Due Date, in accordance with the provisions of the APP and Clause 5.8 of this RFP:	Deviation proposed is as approved by Commission vide Order dated 06.12.2023 in petition OP No.66/2023. Approved to effect the deviation in this Bid also
14	Clause 1.2.1(k) of APP- reference to a "business day" shall be construed as reference to a day (other than a Sunday) on which banks in the State where the Power Station is situate are generally open for business;	Clause 1.2.1(k) of APP- reference to a "business day" shall be construed as reference to a day (other than a Sunday) on which banks in the State of Kerala are generally open for business;	Deviation proposed is as approved by Commission vide Order dated 06.12.2023 in petition OP No.66/2023. Approved to effect the deviation in this Bid also
15	Clause 4.1.2(a) of APP- executed and procured execution of the Default Escrow Agreement in accordance with the provisions of Clause 13.1;	Clause 4.1.2(a) of APP- Omitted;	Deviation proposed is as approved by Commission vide Order dated 06.12.2023 in petition OP No.66/2023. Approved to effect the deviation in this Bid also.
16	Clause 4.1.2(b) of APP- executed the Deed of Hypothecation in accordance with the provisions of Clause 13.1.2;	Clause 4.1.2(b) of APP- Omitted;	Deviation proposed is as approved by Commission vide Order dated 06.12.2023 in petition OP No.66/2023. Approved to effect the deviation in this Bid also.
17	Clause 4.1.3(e) of APP- (e) [The Supplier shall have executed the Fuel Supply Agreement upon the fulfillment of all the conditions laid down in the Letter of Assurance;	Clause 4.1.3(e) of APP- Omitted;	Deviation proposed is as approved by Commission vide Order dated 06.12.2023 in petition OP No.66/2023. Approved to effect the deviation in this Bid also
18	Clause 4.6 of APP- Date of Commencement of Supply The date of commencement of supply shall be [******]. The date of commencement shall be advanced by such number of days by which the Appointed Date has been extended as per Clause 4.5.	Clause 4.6 of APP- Date of Commencement of Supply The date of commencement of supply shall be [******]. The date of commencement shall be extended by such number of days by which the Appointed Date has been extended as per Clause 4.5.	Deviation proposed is as approved by Commission vide Order dated 06.12.2023 in petition OP No.66/2023. Approved to effect the deviation in this Bid also
19	Clause 5.1.2 of APP- Explanation- Availability of the Power Station to its full capacity shall, in respect of any hour, mean the capacity of the Power Station to the extent it is offered by the Supplier for producing and supplying electrical energy equal to []*kWh per mega watt of Contracted Capacity over a period of one hour, after accounting for auxiliary consumption, and transmission losses upto the Delivery Point, and for any month or year, as the case may be, the hours during that month or year when the Contracted Capacity of the Power Station is	Clause 5.1.2 of APP- Explanation- Availability of the Power Station to its full capacity shall, in respect of any hour, mean the capacity of the Power Station to the extent it is offered by the Supplier for producing and supplying electrical energy equal to 1000 kWh per mega watt of Contracted Capacity over a period of one hour, after accounting for auxiliary consumption, and transmission losses upto the Delivery Point, and for any month or year, as the case may be, the hours during that month or	Deviation proposed is as approved by Commission vide Order dated 06.12.2023 in petition OP No.66/2023. Approved to effect the deviation in this Bid also

	fully available for production of electricity shall be expressed as a percentage of total hours in that month or year, as the case may be, (the "Availability"). * To be filled up by Utility before calling the Bids. This figure to be specified considering type of fuel source for power generation and prevailing CERC Regulations	year when the Contracted Capacity of the Power Station is fully available for production of electricity shall be expressed as a percentage of total hours in that month or year, as the case may be, (the "Availability").	
20	Clause 6.1.2 of APP- The Utility shall provide and facilitate non-discriminatory open access to its network for enabling the Supplier to supply electricity to Buyers in the licence area of the Utility in accordance with the provisions of sections 42 and 49 of the Act.	Clause 6.1.2 of APP- Omitted.	Deviation proposed is as approved by Commission vide Order dated 06.12.2023 in petition OP No.66/2023. Approved to effect the deviation in this Bid also
21	Clause 9.1.1 of APP- The Supplier shall, for the performance of its obligations hereunder, provide to the Utility no later than 30 (thirty) days from the date of this Agreement, an irrevocable and unconditional guarantee from a Schedule Bank for a sum equivalent to Rs. ***** crore (Rupees ***** crore) in the form set forth in Schedule-B (the "Performance Security") valid for a period ending 6 (six) months after date of commencement of supply. The amount towards the Performance Security can be paid through NEFT/RTGS/ also.	Clause 9.1.1 of APP- The Supplier shall, for the performance of its obligations hereunder, provide to the Utility no later than 30 (thirty) days from the date of this Agreement, an irrevocable and unconditional guarantee from a Schedule Bank for a sum equivalent to Rs. ***** crore (Rupees ***** crore) [Rs. 10 Lakh/MW of the contracted capacity] in the form set forth in Schedule-B (the "Performance Security") valid for a period ending 6 (six) months after date of commencement of supply. The amount towards the Performance Security can be paid through NEFT/RTGS/ also.	Deviation proposed is as approved by Commission vide Order dated 06.12.2023 in petition OP No.66/2023. Approved to effect the deviation in this Bid also
22	Clause 9.1.2 of APP- The Utility shall, for the performance of its obligations hereunder, provide to the Supplier no later than 30 (thirty) days from the date of this Agreement, an irrevocable and unconditional guarantee from a Schedule Bank for a sum equivalent to Rs. *****crore (Rupees ***** crore) in the form set forth in Schedule-B (the "Performance Security-Utility") valid for a period ending 6 (six) months after date of commencement of supply.	Clause 9.1.2 of APP- The Utility shall, for the performance of its obligations hereunder, provide to the Supplier no later than 30 (thirty) days from the date of this Agreement, an irrevocable and unconditional guarantee from a Schedule Bank for a sum equivalent to Rs. *****crore (Rupees ***** crore) [Rs. 10 Lakh/MW of the contracted capacity] in the form set forth in Schedule-B (the "Performance Security-Utility") valid for a period ending 6 (six) months after date of commencement of supply.	Deviation proposed is as approved by Commission vide Order dated 06.12.2023 in petition OP No.66/2023. Approved to effect the deviation in this Bid also.
23	Clause 10.5 of APP- Supply on Round the Clock Basis The Supplier shall ensure the Availability of the Power Station on round the clock basis. The Utility may opt for a lower capacity requirement during pre specified hours comprising [*****hours between ********** hoursand********hours.	Clause 10.5 of APP- Omitted;	Commission has examined the deviations. This clause is not applicable as procurement of electricity is confined to(Designated Hours) peak hours. Commission hereby approve the deviations as proposed by KSEBL.
24	Clause 11.4.4 of APP- In the event that any shortfall in supply of electricity to the Utility occurs on account of shortage of Fuel, Availability shall be deemed to be reduced in accordance with the provisions of Clause 11.5.3. Provided, however, that the Non-Availability arising as a consequence of shortage of Fuel caused by any event of Force Majure shall, for the purpose of payment of Fixed Charge, be deemed to be availability to the extent of 30% (thirty per cent) of the Non-Availability hereunder.	Clause 11.4.4 of APP- Deleted	Commission has examined the proposed deviations. Modified as per Amendment in revised model APP under Medium Term on FOO Basis Dated 12.05.2023 in petition OP No.66/2023. Commission hereby approve the modifications as proposed by KSEBL.

25	Clause 11.8.1 of APP- The Parties expressly agree that the Tariff shall be inclusive of all taxes and duties, save and except the taxes and duties specified in Clause 11.8.2. It is further agreed that the Supplier shall pay all taxes and duties, including the taxes and duties specified in Clauses 11.8.2, in accordance with Applicable Laws.	Clause 11.8.1 of APP- The Parties expressly agree that the Tariff shall be inclusive of all taxes and duties.	Deviation proposed is as approved by Commission vide Order dated 06.12.2023 in petition OP No.66/2023. Approved to effect the deviation in this Bid also
26	Clause 11.8.2 of APP- The Tariff payable by the Utility under this Article 11 shall be exclusive of Goods and Service Tax, Electricity Duty, Value Added Tax or Goods and Service Tax, Custom Duty on Fuel or any replacement thereof, if applicable, and any Goods and Service Tax, Electricity Duty, Value Added Tax or Goods and Service Tax and Custom Duty on fuel thereon shall be paid by the Supplier and reimbursed by the Utility upon submission of necessary particulars by the Supplier.	Clause 11.8.2 of APP- Omitted;	Deviation proposed is as approved by Commission vide Order dated 06.12.2023 in petition OP No.66/2023. Approved to effect the deviation in this Bid also
27	Clause 12.4 of APP- In the event the Supplier anticipates a shortfall in the production of electricity for supply to the Utility from Contracted Capacity on account of a shortfall in Fuel for reasons beyond the control of the Supplier, the Supplier shall, as soon as practicable but in any event no later than 7 (seven) days from the date when it anticipated the shortage of Fuel, notify the Utility of the nature, extent and period of shortage of Fuel and the reasons thereof. For the avoidance of doubt, the Parties expressly agree that no Tariff shall be payable to the Supplier for any shortfall in Availability occurring on account of shortage of Fuel, save and except as provided in Clause 11.4.4.	Clause 12.4 of APP- In the event the Supplier anticipates a shortfall in the production of electricity for supply to the Utility from Contracted Capacity on account of a shortfall in Fuel for reasons beyond the control of the Supplier, the Supplier shall, as soon as practicable but in any event no later than 7 (seven) days from the date when it anticipated the shortage of Fuel, notify the Utility of the nature, extent and period of shortage of Fuel and the reasons thereof. For the avoidance of doubt, the Parties expressly agree that no Tariff shall be payable to the Supplier for any shortfall in Availability occurring on account of shortage of Fuel.	Deviation proposed is as approved by Commission vide Order dated 06.12.2023 in petition OP No.66/2023. Approved to effect the deviation in this Bid also.
28	Clause 12.5 of APP- The Parties expressly acknowledge and agree that the [Supplier if supplier is NOT a Trading Licensee, or Developer if Supplier is a Trading Licensee] shall produce electricity for supply thereof under this Agreement by utilising gas procured under a fixed supply contract which shall require the Supplier to pay for supply of gas even if it is not utilised, and in the event such electricity is not Dispatched by the Utility or sold to a Buyer in accordance with the provisions of this Agreement, the Utility shall pay to the Supplier the cost incurred by it for the gas that has remained unutilised.]	Clause 12.5 of APP- Omitted;	Deviation proposed is as approved by Commission vide Order dated 06.12.2023 in petition OP No.66/2023. Approved to effect the deviation in this Bid also
29	Clause 13.1 of APP- Default Escrow Account Subclauses 13.1.2,13.1.3,13.1.4	Clause 13.1 of APP- Omitted Subclauses 13.1.2,13.1.3,13.1.4 also omitted	Deviation proposed is as approved by Commission vide Order dated 06.12.2023 in petition OP No.66/2023. Approved to effect the deviation in this Bid also
30	Clause 13.2.1 of APP-	For the purpose of this section, Monthly payment means Revenues equivalent to 1.1 times the sum of 1/12th of the applicable annual Capacity Charge for the relevant year and 1/12th of the total amount paid on account of variable charge for the last year. Provided that in the first year of operation, total amount of variable charge shall be assessed by multiplying energy generation at normative availability and applicable variable charge.	Deviation proposed is as approved by Commission vide Order dated 06.12.2023 in petition OP No.66/2023. Approved to effect the deviation in this Bid also

31	Clause 13.2.2 of APP- The Letter of Credit shall be procured by the Utility from a bank where at least twice the value of the Monthly Payment are normally deposited, and which shall have been appointed as the Default Escrow Bank. All costs and expenses relating to opening and maintenance of the Letter of Credit shall be borne by the Utility.	Clause 13.2.2 of APP- The Letter of Credit shall be procured by the Utility from any scheduled bank. All costs and expenses relating to opening and maintenance of the Letter of Credit shall be borne by the Utility.	Deviation proposed is as approved by Commission vide Order dated 06.12.2023 in petition OP No.66/2023. Approved to effect the deviation in this Bid also
32	Clause 13.3.1 of APP- In the event the Utility fails to pay the Monthly Invoice on or before the relevant Payment Due Date(s) or the amount covered by the Letter of Credit is at any time less than the Monthly Payment or is insufficient for recovery of payment due against the Monthly Invoice or the Supplier is unable to recover its Tariff through the Default Escrow Account and the Letter of Credit, as the case may be, and if the Tariff or part thereof remains unpaid for a period of 1 (one) month from the Payment Due Date, then the recovery shall be made in accordance with the procedure provided in the applicable rules issued by the Ministry of Power, as amended from time to time.	Clause 13.3.1 of APP- In the event the Utility fails to pay the Monthly Invoice on or before the relevant Payment Due Date(s) or the amount covered by the Letter of Credit is at any time less than the Monthly Payment or is insufficient for recovery of payment due against the Monthly Invoice or the Supplier is unable to recover its Tariff through the Letter of Credit, as the case may be, and if the Tariff or part thereof remains unpaid for a period of 1 (one) month from the Payment Due Date, then the recovery shall be made in accordance with the procedure provided in the applicable rules issued by the Ministry of Power, as amended from time to time.	Deviation proposed is as approved by Commission vide Order dated 06.12.2023 in petition OP No.66/2023. Approved to effect the deviation in this Bid also
33	Clause 13.3.3 of APP- Supply of electricity to the Utility in accordance with the provisions of this Agreement shall be restored no later than 7 (seven) days from the day on which the Utility pays, or is deemed to have paid, the arrears due to the Supplier in accordance with the provisions of this Agreement, restores the Default Escrow Account and renews the Letter of Credit.	Clause 13.3.3 of APP- Supply of electricity to the Utility in accordance with the provisions of this Agreement shall be restored no later than 7 (seven) days from the day on which the Utility pays, or is deemed to have paid, the arrears due to the Supplier in accordance with the provisions of this Agreement, renews the Letter of Credit.	Deviation proposed is as approved by Commission vide Order dated 06.12.2023 in petition OP No.66/2023. Approved to effect the deviation in this Bid also
34	Clause 13.4 of APP- Payment security for Termination The Parties agree and acknowledge that upon Termination and on failure of the Utility to make the Termination Payment within 30 (thirty) days of demand by the Supplier, Revenues equal to the Monthly Payment, deposited into the Default Escrow Account in accordance with the provisions of this Agreement and the Default Escrow Agreement, shall be appropriated every month and paid to the Supplier until discharge of the Termination Payment and any interest thereon. For the avoidance of doubt, the Utility expressly agrees and undertakes that 30% (thirty per cent) of its total monthly Revenues shall continue to be deposited into its account with the Default Escrow Bank until its liability for an in respect of the Termination Payment is fully discharged.	Clause 13.4 of APP- Omitted;	Deviation proposed is as approved by Commission vide Order dated 06.12.2023 in petition OP No.66/2023. Approved to effect the deviation in this Bid also

35	Clause 18.3 of APP- Extension of Contract Period In the event that a material breach or default of this Agreement causes delay in achieving the Appointed Date or leads to reduction in Availability, as the case may be, the Utility shall, in addition to payment of compensation under Clause 18.2, extend the Contract Period, such extension being equal in duration to the period by which the Appointed Date was delayed or Availability was reduced on account thereof, as the case may be; and in the event of reduction in Availability below80% (eighty per cent) of the Normative Availability, the Utility shall, in addition to payment of compensation hereunder, extend the Contract Period in proportion to the loss of Availability. For the avoidance of doubt, loss of 25% (twenty five per cent) of Availability for 4(four) days shall entitle the Supplier to extension of 1 (one)day in the Contract Period. [Provided further that the Utility shall arrange for the extension of the Fuel Supply Agreement commensurate to the period of extension of this Agreement to ensure continuous coal supply.]	Clause 18.3 of APP- Extension of Contract Period In the event that a material breach or default of this Agreement causes delay in achieving the Appointed Date or leads to reduction in Availability, as the case may be, the Utility shall, in addition to payment of compensation under Clause 18.2, extend the Contract Period, such extension being equal in duration to the period by which the Appointed Date was delayed or Availability was reduced on account thereof, as the case may be; and in the event of reduction in Availability below80% (eighty per cent) of the Normative Availability, the Utility shall, in addition to payment of compensation hereunder, extend the Contract Period in proportion to the loss of Availability. For the avoidance of doubt, loss of 25% (twenty five per cent) of Availability for 4(four) days shall entitle the Supplier to extension of 1 (one)day in the Contract Period.	Commission has examined the proposed deviations. Since the Modification made is to accommodate the renewable sources under Lumpsum Tariff. Commission hereby approve the deviations.
36	Clause 19.3.1 of APP- Apart from the other payments to be made by the Supplier on Supplier Default, upon Termination on account of a Supplier Default, the Supplier shall pay to the Utility, by way of Termination Payment, an amount equal to the Fixed Charge that would have been due and payable for Normative Availability for a period of [6(six) months]* as if the Contracted Capacity was Available for such [6(six) months]* from the date of Termination. *This period may be equal to about 10% of the contract period	Clause 19.3.1 of APP- Apart from the other payments to be made by the Supplier on Supplier Default, upon Termination on account of a Supplier Default, the Supplier shall pay to the Utility, by way of Termination Payment, an amount equal to the Fixed Charge that would have been due and payable for Normative Availability for a period of 3 (three) months as if the Contracted Capacity was Available for such 3 (three) months from the date of Termination.	Deviation proposed is as approved by Commission vide Order dated 06.12.2023 in petition OP No.66/2023. Approved to effect the deviation in this Bid also
37	Clause 19.3.2 of APP- Apart from the other payments to be made by the Utility on Utility Default, upon Termination on account of a Utility Default, the Utility shall pay to the Supplier, by way of Termination Payment, an amount equal to the Fixed Charge that would have been due and payable for Normative Availability for a period of [6(six) months]* as if the Contracted Capacity was Available for such [6(six) months]* from the date of Termination. *This period may equal to about 5% (five per cent) of the Contract Period.	Clause 19.3.2 of APP- Apart from the other payments to be made by the Utility on Utility Default, upon Termination on account of a Utility Default, the Utility shall pay to the Supplier, by way of Termination Payment, an amount equal to the Fixed Charge that would have been due and payable for Normative Availability for a period of 1.5 (one and half months) as if the Contracted Capacity was Available for such 1.5 (one and half months) from the date of Termination.	Deviation proposed is as approved by Commission vide Order dated 06.12.2023 in petition OP No.66/2023. Approved to effect the deviation in this Bid also
38	Clause 21.1 of APP- **Increase in costs** If as a result of Change in Law, the Supplier suffers an increase in costs or reduction in net after-tax return or other financial burden, the aggregate financial effect of which exceeds 0.1% (zero point one percent) of the Capacity Charge in any Accounting Year or if as a result of Change in Law, the Supplier benefits from a reduction in costs or increase in net after-tax return or other financial gains the aggregate financial effect of which exceeds 0.1% (zero point one percent) of the Capacity Charge in any Accounting Year, the impact of Change in Law to be adjusted and recovered shall be computed in accordance with the procedure provided in the applicable rules issued by the Ministry of Power'.	Clause 21.1 of APP- **Effect of Change in Law** The determination of compensation for any increase or decrease in expenses to the Seller on account of Change in Law and the date from which such compensation shall become effective shall be decided by the rule notified by MoP for lumpsum tariff(if any).	Deviation proposed is as approved by Commission vide Order dated 06.12.2023 in petition OP No.66/2023. Approved to effect the deviation in this Bid also

39	Clause 25.3 of APP- Interest Unless otherwise specified, any interest payable under this Agreement shall accrue on a daily outstanding basis and shall be compounded on the basis on quarterly rests.	Clause 25.3 of APP- Interest Unless otherwise specified, any interest payable under this Agreement shall accrue on a daily outstanding basis.	Deviation proposed is as approved by Commission vide Order dated 06.12.2023 in petition OP No.66/2023. Approved to effect the deviation in this Bid also
40	Clause 26.1 of APP- Definitions "Deed of Hypothecation" shall have the meaning as set forth in Clause 13.1.2; "Default Escrow Account" shall have the meaning as set forth in Clause 13.1.1; "Default Escrow Agreement" shall have the meaning as set forth in Clause 13.1.1; "Default Escrow Bank" shall have the meaning as set forth in Clause 13.1.1;	Clause 26.1 of APP- Definitions Omitted;	Deviation proposed is as approved by Commission vide Order dated 06.12.2023 in petition OP No.66/2023. Approved to effect the deviation in this Bid also
41	Clause 26.1 of APP- Definitions- "Monthly Payment" shall have the meaning as set forth in Clause 13.1.1;	Clause 26.1 of APP- Definitions- "Monthly Payment" shall have the meaning as set forth in Clause 13.2.1;	Deviation proposed is as approved by Commission vide Order dated 06.12.2023 in petition OP No.66/2023. Approved to effect the deviation in this Bid also
42	Clause 26.1 of APP- Definitions- "Secured Obligations" means: (a) the amounts due to the Default Escrow Bank from the Utility in relation to the Letter of Credit;	Clause 26.1 of APP- Definitions- "Secured Obligations" means: (a) the amounts due from the Utility in relation to the Letter of Credit;	Deviation proposed is as approved by Commission vide Order dated 06.12.2023 in petition OP No.66/2023. Approved to effect the deviation in this Bid also
43	SCHEDULE – C of APP DEFAULT ESCROW AGREEMENT	SCHEDULE – C of APP Omitted	Deviation proposed is as approved by Commission vide Order dated 06.12.2023 in petition OP No.66/2023. Approved to effect the deviation in this Bid also
44	SCHEDULE – D DEED OF HYPOTHECATION	SCHEDULE – D of APP Omitted	
45	Foot Note $$ of SCHEDULE – E LETTER OF CREDIT As provided in the Agreement for Procurement of Power, this amount shall be equal to 20% of the annual Capacity Charge payable by the Utility to the Supplier for Normative Availability of the power station during a period of one month. The Letter of Credit shall be modified and renewed once every year to reflect the revision in Monthly Payment in accordance with the provisions of the Agreement	Foot Note $$ of SCHEDULE – E LETTER OF CREDIT The Letter of Credit shall be modified and renewed once every year to reflect the revision in Monthly Payment in accordance with the provisions of the Agreement	Commission has examined the proposal. The modifications is as per Amendment in revised model APP under Medium Term on FOO Basis Dated 12.05.2023.
46	Point 8 of SCHEDULE – E LETTER OF CREDIT The Expiry Date of this Letter of Credit shall be deemed to be automatically extended, 2 (two) months prior to its Expiry Date, without any act or deed, for an additional period of 1 (one) financial year from the respective Expiry Date, unless at least 180 (one hundred and eighty) days prior to any Expiry Date, the Bank gives notice in writing to the Supplier and the Utility that the Bank elects not to renew this Letter of Credit for any such additional period, in which case immediately after the Expiry Date of this Letter of Credit, the Bank shall cease to be the Default Escrow Bank under and in accordance with the provisions of the Default Escrow Agreement dated ...., entered into between the Bank, the Utility and the Supplier.	Point 8 of SCHEDULE – E LETTER OF CREDIT The letter of Credit shall be renewed for an additional period of 1(one) financial year from the respective Expiry Date, before the expiry of the Letter of Credit.	LC has been considered as security

Annexure-3

Project specific modifications proposed by KSEBL
(Approval of the Commission is not required)

Sl. No:	Bid Clause	Modified Bid Clause
1	Clause 1.2.13 of RFQ- Bids are invited for the Project under Section B of this Bidding Document, on the basis of a tariff to be offered by a Bidder for production and supply of electricity in accordance with the terms of the draft APP forming part of the Bidding Documents. For the purposes of bidding hereunder, the Base Fixed Charge and Base Variable Charge shall constitute the tariff for the Power Station (the "Tariff"). [The cost of Fuel, transportation/transit thereof, the transmission charges and the transmission losses / supply from Hydro-electric Power Station or for Lumpsum Tariff, generating cost of electricity, the transmission charges and the transmission losses,] shall form part of the Base Variable Charge. The Base Fixed Charge and the Base Variable Charge shall each be at least 35% of the Tariff. The contract period shall be pre-determined, and will be indicated in the draft APP. The Project shall be awarded to the Bidder quoting the lowest Tariff, after the completion of the process under Clause 1.2.7 above.	Clause 1.2.13 of RFQ- Bids are invited for the Project under Section B of this Bidding Document, on the basis of a tariff to be offered by a Bidder for production and supply of electricity in accordance with the terms of the draft APP forming part of the Bidding Documents. For the purposes of bidding hereunder, the Base Fixed Charge and Base Variable Charge shall constitute the tariff for the Power Station (the "Tariff"). For Lumpsum Tariff, generating cost of electricity, the transmission charges and the transmission losses, shall form part of the Base Variable Charge. The Base Fixed Charge and the Base Variable Charge shall each be at least 35% of the Tariff. The contract period shall be pre-determined, and will be indicated in the draft APP. The Project shall be awarded to the Bidder quoting the lowest Tariff, after the completion of the process under Clause 1.2.7 above.
2	Clause 2.2.1(e) of RFQ- Other eligibility conditions shall include the following;	Clause 2.2.1(e) of RFQ- Omitted;
3	Clause 1.1.5 of RFP- Bids are invited for the Project on the basis of a tariff to be offered by a Bidder for and in respect of the Project. For the purposes of evaluation hereunder, the Base Fixed Charge and Base Variable Charge shall constitute the tariff for the Power Station (the "Tariff"). [The cost of Fuel, transportation/transit thereof, transmission charges and the transmission losses / supply from Hydro-electric Power Station or for Lump sum Tariff, generating cost of electricity, the transmission charges and the transmission losses, shall form part of the Base Variable Charge.] The Base Fixed Charge and the Base Variable Charge shall each be at least 35% of the Tariff. The contract period shall be pre-determined and specified in the Bidding Documents.	Clause 1.1.5 of RFP- Bids are invited for the Project on the basis of a tariff to be offered by a Bidder for and in respect of the Project. For the purposes of evaluation hereunder, the Base Fixed Charge and Base Variable Charge shall constitute the tariff for the Power Station (the "Tariff"). For Lump sum Tariff, generating cost of electricity, the transmission charges and the transmission losses, shall form part of the Base Variable Charge. The Base Fixed Charge and the Base Variable Charge shall each be at least 35% of the Tariff. The contract period shall be pre-determined and specified in the Bidding Documents.
4	Clause 2.1.15 of RFP- [Other Bid conditions shall include:***]	Clause 2.1.15 of RFP- Omitted;
5	Agreement (A) The Utility has resolved to procure electricity from a power generating station that would deliver a Contracted Capacity of *** MWat the Delivery Point corresponding to ***MW of gross generation[1] on finance, own and operate (the "FOO") basis,[by sourcing coal from the Allocated Coal Linkage in terms of the Letter of Assurance issued/to be issued in the name of the Supplier and the Fuel Supply Agreement to be executed between the Supplier and the Coal Supplier,][2] in accordance with the terms and conditions to be set forth in an agreement for procurement of power to be entered into under and in accordance with the provisions of the Electricity Act, 2003.	Agreement (A) The Utility has resolved to procure electricity from a power generating station that would deliver a Contracted Capacity of *** MW at the Delivery Point corresponding to ***MW of gross generation on finance, own and operate (the "FOO") basis, in accordance with the terms and conditions to be set forth in an agreement for procurement of power to be entered into under and in accordance with the provisions of the Electricity Act, 2003.

6	Agreement (E) [The Utility has obtained the Letter of Assurance, dated [**] issued by [**] ("Coal Supplier") in the name of the Supplier for the supply on a linkage basis, [**] tonnes per annum of [**] grade coal for the entire Term of this Agreement ("Letter of Assurance" appended herein as Annexure 1) for the purposes of the Contracted Capacity;]	Agreement (E) Omitted;
7	Clause 2.1(a) of APP- (a) ensure the operation and maintenance of the Power Station, situated at the Site described in Schedule-A and having the principal features stated therein, in accordance with the provisions of this Agreement [utilizing the Coal Linkage/ Allocated Coal Linkage in accordance with the terms contained herein read with the terms and conditions of the Fuel Supply Agreement and the Letter of Assurance] ;	Clause 2.1(a) of APP- (a) ensure the operation and maintenance of the Power Station, situated at the Site described in Schedule-A and having the principal features stated therein, in accordance with the provisions of this Agreement ;
8	Clause 4.1.2(d) of APP- Obtained the letter of assurance, dated [**] issued by [**] ("Coal Supplier") in the name of the Supplier for the supply on a linkage basis, [**] tonnes per annum of [**] grade coal for the entire Term of this Agreement ("Letter of Assurance" appended herein as Annexure 1) for the purposes of the Project.]	Clause 4.1.2(d) of APP- Omitted
9	Clause 4.1.3 of APP- The Conditions Precedent required to be satisfied by the Supplier within a period of [90 (ninety) days] from the date of this Agreement shall be deemed to have been fulfilled when the Supplier shall have:	Clause 4.1.3 of APP- The Conditions Precedent required to be satisfied by the Supplier within a period of [30 (thirty) days] from the date of this Agreement shall be deemed to have been fulfilled when the Supplier shall have:
10	Clause 4.1.3(e) of APP- (e) [The Supplier shall have executed the Fuel Supply Agreement upon the fulfillment of all the conditions laid down in the Letter of Assurance;	Clause 4.1.3(e) of APP- Omitted;
11	Clause 18.3 of APP- Extension of Contract Period In the event that a material breach or default of this Agreement causes delay in achieving the Appointed Date or leads to reduction in Availability, as the case may be, the Utility shall, in addition to payment of compensation under Clause 18.2, extend the Contract Period, such extension being equal in duration to the period by which the Appointed Date was delayed or Availability was reduced on account thereof, as the case may be; and in the event of reduction in Availability below80% (eighty per cent) of the Normative Availability, the Utility shall, in addition to payment of compensation hereunder, extend the Contract Period in proportion to the loss of Availability. For the avoidance of doubt, loss of 25% (twenty five per cent) of Availability for 4(four) days shall entitle the Supplier to extension of 1 (one)day in the Contract Period. [Provided further that the Utility shall arrange for the extension of the Fuel Supply Agreement commensurate to the period of extension of this Agreement to ensure continuous coal supply.]	Clause 18.3 of APP- Extension of Contract Period In the event that a material breach or default of this Agreement causes delay in achieving the Appointed Date or leads to reduction in Availability, as the case may be, the Utility shall, in addition to payment of compensation under Clause 18.2, extend the Contract Period, such extension being equal in duration to the period by which the Appointed Date was delayed or Availability was reduced on account thereof, as the case may be; and in the event of reduction in Availability below80% (eighty per cent) of the Normative Availability, the Utility shall, in addition to payment of compensation hereunder, extend the Contract Period in proportion to the loss of Availability. For the avoidance of doubt, loss of 25% (twenty five per cent) of Availability for 4(four) days shall entitle the Supplier to extension of 1 (one)day in the Contract Period.
12	Clause 19.6 of APP- The expiry of this Agreement on account of efflux of time or earlier Termination thereof shall lead to the automatic termination of Fuel Supply Agreement in accordance with the terms thereof	Clause 19.6 of APP- Omitted;
13	Clause 26.1 of APP- Definitions ["Allocated Coal Linkage" shall mean [Insert coal linkage arranged by Utility]]	Clause 26.1 of APP- Definitions Omitted;