

Methodology for implementation of the provision for allocation of additional capacity of 100 MW to Central Public Sector Enterprises (CPSEs) under the MNRE scheme for setting up of 1000 MW ISTS-connected Wind Power Projects

Ministry sanctioned a scheme for setting up of 1000 MW ISTS-connected Wind Power Projects issued on 04.05.2017, which is being implemented by SECI. The RfS for selection of Wind Power Developers (WPDs) has already been issued by SECI, and the financial bids of techno-commercially shortlisted bidders are also opened.

2. As per the provisions of the scheme additional 100 MW capacity can be allotted to Central Public Sector Enterprises (CPSEs) willing to undertake development of ISTS connected wind power projects on build, own and operate basis without participation in the bidding process at the lowest bid tariff discovered through reverse auction under the scheme and the minimum capacity that can be allotted to a CPSE will be 50 MW on the basis of first come first serve basis.

Following methodology is proposed to be adopted to operationalize the above requirement:

1. In order to ensure the “first-come-first-serve basis” criteria of allotment of projects to the CPSEs, the entire process of project allocation shall be conducted on the TCIL website. It may be noted that the same website is currently being used by SECI for its e-tendering and e-Reverse Auction processes and performance of the portal has been generally satisfactory.
2. SECI shall upload a short Request for Proposal (RfP) document on the TCIL website for submission of bids under the above scheme, which shall be exclusively limited for CPSEs. The basis for selection of projects shall be matching of L1 price discovered in the e-Reverse Auction and meeting the ‘first-come-first-serve’ criterion, which shall be determined by the time stamp of receipt of bids submitted on the TCIL website.
3. The other terms and conditions of the RfP shall be identical to the RfS already issued for selection of 1000 MW ISTS-connected Wind Power Projects, based on which the L1 price would be discovered.
4. Subsequent to the culmination of the e-RA, the above mentioned RfP document shall be made ‘live’ on the TCIL website, on the same day of uploading of the L1 price on SECI’s website.
5. As per the MNRE Guidelines for the scheme, the maximum timeline to be provided to the CPSEs to upload their response to the above tender document shall be 30 days from the date of uploading of the L1 price on SECI’s website.
6. Minimum project size to be quoted by the bidders shall be 50 MW.
7. The processing fees for evaluation of the bids received shall be Rs. 1 Lakh/project as per the MNRE Scheme. However, there shall also be an EMD @Rs. 10 lakh/MW/project required to be submitted along with the response to the RfP, in order to ascertain seriousness among the CPSEs for signing of PPAs with SECI.
8. Based on the successful evaluation of the bids received, the price bids of the CPSEs shall be opened, which shall have to re-iterate the L1 price (INR/kWh) as discovered after the e-RA.
9. The project allotment shall be made on the basis of the time-stamp of the receipt of response to RfP submitted on the TCIL website, which shall distinguish the earliest received bid from the latest.

10. Bids shall be awarded for a minimum capacity of 50 MW. In case the rank one bidder has quoted a capacity of 100 MW, the entire 100 MW capacity shall be awarded to the Rank-1 bidder. In other scenarios, if the bidder has quoted for a capacity more than 50 MW (and less than 100 MW) and is eligible for project allotment by SECI, the capacity awarded by SECI shall be limited to 50 MW, with the remaining capacity to be surrendered by the bidder. In case the bidder refuses the part capacity allocation, his offer shall be cancelled and the same capacity shall be offered to the next eligible bidder as per the shortlist. The same process shall be followed until the entire capacity of 100 MW is filled.

An illustration to the above effect is as follows:

Scenario 1:

Rank (based on FCFS)	Bidder	Project Capacity	Awarded capacity
1	Bidder-A	50 MW	50 MW
2	Bidder-B	70 MW	50 MW
3	Bidder-C	100 MW	-----

Scenario 2:

Rank (based on FCFS)	Bidder	Project Capacity	Awarded capacity
1	Bidder-A	100 MW	100 MW
2	Bidder-B	70 MW	-----
3	Bidder-C	100 MW	-----

Scenario 3:

Rank (based on FCFS)	Bidder	Project Capacity	Awarded capacity
1	Bidder-A	70 MW	50 MW
2	Bidder-B	70 MW	50 MW
3	Bidder-C	100 MW	-----

11. Letters of Award shall be issued by SECI to the selected CPSEs based on above methodology.
12. Other criteria pertaining to PBGs/success fee and deadlines for signing of PPAs, Financial Closure and Commissioning of Projects shall be identical to the ones mentioned in the RfS for 1000 MW ISTS-connected wind power projects.