



**M.P. Power Trading Company Limited**  
(A Government of M.P. Undertaking)

Block No.2, Shakti Bhawan, Rampur, Jabalpur – 482 008  
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email: cecomml\_mpseb@yahoo.co.in

No.05-01/Banking/Tender Enquiry/503  
To,

Jabalpur, dated: 09 /03/2010.

As per List.

Sub:- Tender Enquiry for banking of power by MP Tradeco for the period from **16<sup>th</sup> June, 2010 to 31<sup>st</sup> March, 2011.**

Dear Sirs,

M.P. Power Trading Company Ltd. Intends to bank following power for the period from 16<sup>th</sup> June, 2010 to 31<sup>st</sup> March, 2011.

**(A) On As and When Available Day Ahead Basis:**

Period	Duration	Quantum (in MW)
16 <sup>th</sup> June'10 to 15 <sup>th</sup> July' 10 & Oct.'10	00:00 to 06:00 & 23.00-24.00 Hrs.	Up to 400
	06:00 to 17:00 Hrs.	Up to 400
	17:00 to 23:00 Hrs.	Up to 400

**(B) On Firm Basis:**

Period	Duration	Quantum (in MW)
July' 10 (16 <sup>th</sup> to 31 <sup>st</sup> )	00:00 to 06:00 & 23.00-24.00 Hrs.	Up to 400
	06:00 to 17:00 Hrs.	Up to 400
	17:00 to 23:00 Hrs.	Up to 400
Aug.'10 & Sept'10.	00:00 to 06:00 & 23.00-24.00 Hrs.	Up to 500
	06:00 to 17:00 Hrs.	Up to 500
	17:00 to 23:00 Hrs.	Up to 500

The detailed terms and conditions for banking of above power are given here under:-

**1. Period and Quantum of Banking of Energy:-**

MP Tradeco shall supply power up to **400 MW** in the month of July 2010 (from 16<sup>th</sup> July'10 to 31<sup>st</sup> July'10), up to **500 MW** in the month of August'10 & September'10 during 00:00 to 06:00 & 23.00-24.00 hrs., 06:00 to 17:00 hrs. & 17:00 to 23:00 hrs. to trader/utility on **Firm Basis** and up to **400 MW** power in the month of June'10-July'10 (from 16<sup>th</sup> June'10 to 15<sup>th</sup> July'10) & October'10 during 00:00 to 06:00 & 23.00-24.00 hrs., 06:00 to 17:00 hrs. & 17:00 to 23:00 hrs. on **Day Ahead As and When available basis**. Trader / utility will return the banked power on Firm Basis to MP Tradeco from **1<sup>st</sup> November 2010 to 31<sup>st</sup> March 2011.**

**Return of power** - Trader/utilities are requested to clearly indicate the percentage of returnable power to MP Tradeco.

**2. Delivery Point-** The delivery point in either case shall be at exporting utility State periphery i.e. **MP periphery** (inter connection point of exporting utility State Transmission system and CTU network of WR) for supply of power to buyer State / utility

and **Buyer's periphery** (inter connection of buyer's transmission system and CTU network) for return of banked power to MP Tradeco.

3. **Open Access, Transmission Charges & Losses** – All Open Access charges, transmission charges and transmission losses up to delivery point shall be to exporting utility account and all Open Access charges, transmission charges and transmission losses beyond delivery point shall be to the account of importing utility.
4. **Earnest Money Deposit:** The prospective bidder shall deposit Earnest Money of **Rs.25.00 lacs** (Rupees Twenty five Lacs) in the form of crossed Demand Draft of any Nationalized Bank / Scheduled Bank drawn in favour of MP Tradeco, Jabalpur, payable at Jabalpur. However, Government Companies / Undertakings / Utilities which are owned/ controlled by the Central or the State Governments are exempted from requirement of giving EMD. The EMD of the successful bidders shall be returned only after completion of the above contract and to those of unsuccessful bidders, after 60 days from the date of opening of the tender enquiry.
5. **Settlement Rate** – Energy will be exchanged with energy only. If the energy is exchanged between MP Tradeco and trader/ utility in the desired proportion **no monetary transaction** will take place.
  - In case quantum of power returned by trader / utility is more than or equal to 99.5% and less than 100% of power returnable by it, the differential energy will be settled at the rate of **Rs.6.00/kwh**.
  - In case quantum of power returned by the trader / utility is less than 99.5% of the quantum returnable by it, will pay for the entire shortfall energy at the rate of maximum UI rate without surcharge applicable at the time of settlement (presently UI rate is Rs.7.35/kwh) and in case quantum returned is more than the quantum returnable by the trader, MP Tradeco will pay for such energy at the rate of **Rs.3.00/kwh**.
  - In case trader / utility is willing to return the banked power during the contracted period and MP Tradeco fails to schedule, resulting in shortfall, then the shortfall quantum will be settled at the rate of **Rs.3.00/kwh**.
6. **Revision / Cancellation in Open Access:**

10% variation in schedule (i.e. supply of up to 10% less energy on monthly basis) is acceptable on either side and there will not be any reduction in Open Access payment. For more than 10% variation in schedule, pro-rata deduction in Open Access charges will be made by importing utility and such expenses shall be borne by exporting utility. Both MP Tradeco and trader/ utility will have the right to supply mutually agreeable quantum of energy to make up the shortfall in scheduled energy to be supplied or returned vide Day Ahead Open Access applications and in such an event, all Open Access charges shall be borne by defaulting party.
7. **Energy Accounting:**
  - (a) For the power supplied by MP Tradeco during the entire month, the trader/utility shall issue a certified energy statement to MP Tradeco based on the REA issued by Nodal WRPC.
  - (b) For the supply of banked power by the trader/utility to MP Tradeco during the entire month, the trader/utility shall issue a certified energy statement based on the REA issued by Nodal RPC.
  - (c) Once all the transactions are completed, trader/utility shall prepare a final energy account for MP Tradeco showing the supply and return of power in energy terms (MUs).
  - (d) Accounting of energy exchange will be carried out by trader / utility on the basis of implemented schedule / final revision by Western Regional Load Dispatch Centre and respective Regional Load Dispatch Centre subject to final reconciliation on the basis of Regional Energy Accounts issued by WRPC and respective Regional Power Committee at the end of contract period. Final bill shall be raised on the basis of REA adjustment.
8. **Payment :** - All payments against Open Access bills shall be made within 7 working days from the date of receipt of bills. For delay in payment beyond 30 days, surcharge

will be applicable @ 1.25% per month. The payment against trading margin bills are to be made within 7 days.

9. **Rebate** - 2% prompt payment rebate will be applicable only on trading margin bills for receipt of payment within 7 days.
10. **Surcharge for late payment** – For all the payments outstanding for more than 30 days after receipt of respective bill, surcharge @ 1.25% per month shall be applicable on defaulting party.
11. **Payment Security Mechanism:** The buyer shall provide weekly revolving letter of credit equivalent to 30 days of energy billing in favour of MP Tradeco, Jabalpur. All LC charges viz. opening, operation/ negotiation, recoupment, shall be borne by the prospective buyer. The amount of LC shall be based on tentative cost of energy @ **Rs.5.00/kwh**.

The credit shall be available to M.P. Tradeco for all the dues not paid/ outstanding including but not limited to energy / compensation / penalty/ open access charges/ surcharge etc. within the validity period of L.C.

M.P. Tradeco may not commence flow of power in absence of adequate payment security mechanism. In the event of failure to provide “payment security mechanism”, before the start of flow of power, EMD submitted by the bidder shall stand forfeited & M.P. Tradeco shall reserve the right to cancel the award or not to schedule the power at its sole discretion. The L.C. will be used only as a back-up mechanism.

12. **Compensation for Default** - Without prejudice to the provisions of force majeure, the MP Tradeco shall endeavour to supply the power to the extent the capacity approved for Open Access for a month, in energy terms. However, the quantum of supply shall depend upon the monsoon and reservoir level / storage capacity of Hydel Stations in M.P. In case M.P. Tradeco withdrawn partial or full power due to any reason whatsoever the quantum for banking shall stand modified to that extent without any liability on other side. However, in case a Trader / Utility fails to schedule power upto the 75% of the Open Access approved for a month or a particular period as the case may be in energy terms then the Trader/Utility shall compensate M.P. Tradeco @ Rs.2.00/kwh for the difference (shortage) quantity. No compensation will be applicable for M.P. Tradeco.
13. **Scheduling** : Scheduling of power shall be as per CERC Open Access Regulations, CTUs Open Access procedure and IEGC in vogue and shall include the following:-
  - (a) Both, importing and exporting utility shall schedule power in full, except in case of transmission constraints. The scheduling and dispatch of the power shall be coordinated with the respective RLDCs as per the relevant provisions of IEGC and the other decisions of RLDC and RPCs.
  - (b) SLDCs of importing and exporting utilities shall be forwarding a copy of the daily schedule for supply of power to trader for further coordination. Trader shall not be responsible for any UI charges.
  - (c) Scheduling of power should be uniform throughout the day subject to Open Access approval received from nodal RLDC.
  - (d) In case of less scheduling by MP Tradeco during November 2010 to March 2011, compensation will not be applicable on MP Tradeco to the extent of less scheduling.

**14. Trading Margin:**

Importing utility shall pay a trading margin @ 4.00 paise/kwh to the trader.

15. The traders/ buyers must have valid license/authorization from appropriate commission under the applicable laws for supply of electrical power at the time of submission of tender enquiry. Copies of latest partnership deed / ownership deed, Memorandum of Articles of Association of the firm and latest audited financial accounts have to be furnished along with the offer.
16. The quantum of power for banking indicated in this tender enquiry, are only “tentative” which may increase or decrease as per availability. MP Power Trading Company may reject any or all tender enquiries or accept any tender enquiry in part or full as

considered advantageous to the MP Tradeco. The MP Tradeco may split the quantities amongst more than one selected bidders. The decision of the MP Power Company Limited shall be final and binding on the bidders.

- 17. Force majeure and technical constraints/transmission constraints:-** The parties shall ensure due compliance with the terms of the agreement. However, no party shall be liable for any claim for any loss or damage whatsoever arising out of the failure to carry out the terms of the agreement to the extent that such a failure is due to force majeure events like, rebellion, mutiny, civil commotion, riot strike, lock-out, natural calamity, inadequate rainfall in M.P., act of God and technical constraints/transmission constraints imposed by RLDC/ RPC. But any party claiming the benefit of this clause shall fully satisfy the other party of the existence of such an event and give written information to the other party within 24 hours of such force majeure. Supply/ drawal of power shall be resumed immediately by the parties concerned after such eventuality has come to an end or ceased to exist. The prediction/ decision of Indian Meteorological Department in respect of "inadequate rainfalls in M.P." shall be final and acceptable to the trader / utility.
- 18. Dispute Resolution:**  
All differences or disputes between the parties arising out of or in connection with this matter shall be referred to the Appropriate Commission under Electricity Act, 2003.
- 19.** In case of change in law or restriction imposed by Regulator (Central / State) or Government or Appellate Tribunal / High Court / Supreme Court, on any aspect for sale or purchase of power, the same shall be binding on both the parties.
- 20. Validity of offers-** All offers shall remain valid for a period of 15 days from the date of opening of the price bid and the bidders shall have no right to withdraw the offer or change/ amend or revise any terms thereof during the said period of validity.

It is requested to kindly submit your offer at the delivery point mentioned in Clause- 2 above for banking of above said power. Your offer must reach this office latest by **29/03/2010 upto 12.00 noon**, through post or personally.

Thanking you,

Yours faithfully,

Chief General Manager (Commercial)  
MP Power Trading Company Limited, Jabalpur  
**FAX.NO. 0761-2661245**