

NOTICE INVITING TENDER

NESCO/SOUTHCO/WESCO desires to develop Distribution Franchisee for the areas at Electrical Division / Circle falling under district mentioned below. The aim of this initiative is to design and implement an institutional arrangement for ensuring reliability and quality of electric supply by improving distribution system and enhanced customer services thereby, facilitation of superior social and economic outcomes by appointing franchisees in the areas. The list of areas is enumerated below:

Areas Proposed for Electricity Distribution Franchisee:

Area Name		District	Utility	Type of Franchisee
Anandpur	Division	Keonjhar	NESCO	Input Based Distribution Franchisee (Non CAPEX)
Parlakhemundi	Division	Gajapati	SOUTHCO	
Sonepur	Division	Sonepur	WESCO	

As per the provisions of Section 14 of the Electricity Act, 2003, "...in a case where a distribution licensee proposes to undertake distribution of electricity for a specified area within his area of supply through another person, that person shall not be required to obtain any separate licence from the concerned State Commission and such distribution licensee shall be responsible for distribution of electricity in his area of supply"

Accordingly, the Franchisee shall be responsible for all the activities relating to distribution of power towards fulfilment of obligation of licensee i.e. WESCO under the Electricity Act, 2003 besides abiding to terms and conditions as stipulated from time to time by WESCO, Govt of India, Govt of Orissa and Orissa State Electricity Regulatory Commission (OERC) in this regard.

1. Input based Distribution Franchisee without CAPEX (IBDF non Capex):

Input based Franchisee model is a via-media between fundamental structural and ownership changes and continuation of status quo. In this model, the franchisee buys power supply from Utility at input points based on a pre decided principals for arriving at input rate. The floor level input rate is decided through a competitive bidding process, to solicit highest revenue for the licensee, which in turn is based on projected AT&C loss reduction trajectory. The franchisee benefits financially if it reduces losses over and above the trajectory.

Eligibility Criteria for Input Based Distribution Franchisee without Capex:

The bidder should be a company incorporated under the Companies Act, 1956, the bidder should have experience of working in Infrastructure Sector preferably Utilities either as EPC contractor or Manufacturer or Service Provider.

In addition to above criteria; The Bidder should meet the following qualifying technical and financial criteria:

Technical Eligibility Criteria:

1. The Bidder or its Promoter Company must have a proven track record of two years of successful working experience in Power Transmission/Distribution **OR** The Bidder or its Promoter Company must have a minimum two years of experience in handling at least 50000 (fifty thousand) customers in retail or services sector **OR** The Bidder or its Promoter Company must have a workforce strength of at least 100 employees continuously for the last three years applying for the area.

2. The Bidder and its Promoter should have never been blacklisted by any Government Department of any state or by a utility. A declaration to this effect would require to be furnished by the Bidder.
3. The bidder should have (or shall undertake to have) technically competent workforce on its roll. At least ten of whom should be engineer either graduate/diploma having more than 5 years experience in power distribution & transmission operation, projects, commercial etc.

Financial Eligibility Criteria:

1. The Bidder or its promoter must have average annual turnover equivalent to Annual revenue assessed during baseline year for the area applied, as per the latest three Audited Annual Reports.
2. The Bidder or its promoter must have a net worth of at least 50% of Annual revenue assessed during baseline year for the area applied, as per the latest Audited Annual Reports.

The Bidder or its promoter must be non loss making as per the latest three Audited Annual Reports or from the period of incorporation of company (in case the company is incorporated within three years) on a cumulative basis.

Request for Proposal (RFP) document can be obtained w.e.f 20th October'2011 on all working days up to 27th October'2011 up to 2.00 PM from the office of the undersigned upon payment of Non-refundable document fee by crossed Demand Draft of Rs.20800/- (Rupees Twenty Thousand Eight Hundred only) (Rs 20000/- + VAT @ 4%), drawn in favour of "North Eastern Electric Supply Company of Orissa Limited" payable at Bhubaneswar. The RFP document can also be downloaded from the website of DISCOMs at www.orissadiscoms.com, www.wescoorissa.com, www.nescoorissa.com, www.southcoorissa.com and in that case, the document fee shall have to be attached with the bids in the manner prescribed in the RFP document. Payment towards the tender form in the shape of cheque, cash, money order or postal order will not be accepted. All tenders have to be submitted in double envelope system latest by 27th October'2011 up to 4.00 PM in this office and the same shall be publicly opened on the same day at 4:30 PM. The bidders have to submit an Earnest Money Deposit (EMD) of Rs 10,00,000/- (Rupees Ten Lakhs only) per area along with technical Bid. All tenders have to be submitted on the prescribed tender forms issued by this office along with document fee failing which the tender shall not be accepted. The Managing Director (WESCO, NESCO & SOUTHCO) reserves the right to reject one or all the tenders without assigning any reasons there for. Prebid meeting shall be convened at the Registered office of the Distribution Companies, address mentioned below; at 11.00 AM on 19th October'2011. Interested parties may attend the prebid meeting on the scheduled date and time.

Chief Executive Officer (Commerce),

(NESCO, WESCO and SOUTHCO)

Registered Office: Plot - N-1/22, Nayapalli,
Bhubaneswar, Orissa – 751015
Phone – 0674-2558677

Contact Persons of DISCOMs

WESCO:	Shri S.K. Patel	GM (Commerce) 9437057138
	Shri Surendra Hota	Mgr (Franchisee Cell) 9437057358
NESCO:	Shri S. C. Singha	Sr. G.M. (Commerce) 9337611127
	Shri S.D. Bhanj	GM (RA) 9937022203
SOUTHCO:	Shri S. K. Choudhury	Sr. G.M. (Commerce) 9437959900
	Shri Subrat Routray	D.M. (Franchisee Cell) 9437959778

Registered Office: Shri Sandeep Misra DGM (RA) 9338707434
Shri Soumendra Pal (Dy Manager) 9583406510