
Western Electricity Supply Company of Orissa Limited



Request for Proposal (RFP)

For

**Appointment of Input Based Distribution Franchisee
(Without Capital Investment)**

in Sonapur Electrical Division

Document Specification No. IBDF/WESCO/11-12/02

Due date for Technical bid opening 27th October'2011

issued by

**Chief Executive Officer (Commerce),
(NESCO, WESCO and SOUTHCO)**
Registered Office: Plot - N-1/22, Nayapalli,
Bhubaneswar, Orissa – 751015
Phone – 0674-2550043

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Date of Issue of RFP Document:

RFP Specifications for Appointment of Input Based Distribution Franchisee (without Capital Investment) for Sonepur Electrical Division falling under Western Electricity Supply Company of Orissa Limited (WESCO)

This "RFP document" along with Schedules & Annexure is issued to _____

M/s.....

.....

.....

Please note:-

1. This document is non-transferable.
2. Although WESCO has taken adequate care while preparing the RFP document, the Bidder shall satisfy himself that document is complete in all respects. The Bidder shall intimate any discrepancy in the RFP document to this office on or before pre bid meeting. If no intimation is received by this office from the Bidder within that period from the date of issue of RFP document, it shall be assumed that the document, as issued to the Bidder, is complete in all respects.
3. WESCO may modify, amend or supplement this RFP document including selection process and evaluation criteria, if deemed necessary by it or the same is required under law. Further, WESCO or its authorized officers reserve the right, without prior notice, to change the selection procedure and the delivery of information at any time before the submission of bid without assigning any reasons thereof. However, such change shall be published on website and or intimated to all parties who have procured this document.
4. This document is not intended to desire any capital investment from the Bidder in the franchised area. Each prospective Bidder must make his own independent assessment of the project, baseline parameters and ground conditions at his own cost. WESCO, nor its employees, consultants, advisors accept any liability or responsibility for the accuracy or completeness of, nor make any representation or warranty, express, or implied, with respect to the information contained in the RFP, or on which the RFP is based, or any other information or representations supplied or made in connection with the Selection Process.
5. Nothing in the RFP should be relied on, as a promise or representation as to the future.

6. The Distribution Franchise Agreement shall be executed between WESCO and the successful bidder selected through a transparent competitive bidding process by WESCO.

7. WESCO reserves the right to reject any or all of the Bids submitted in response to this RFP document at any stage without assigning any reasons thereof.

8. It is also agreed that the document is not confidential.

Place:

Designation of the Issuing Authority,

Address of the Issuing Authority

Phone & Fax No.

1. Summary Sheet

| | |
|---|--|
| Project Summary | Appointment of Input Based Distribution Franchisee |
| Specified Area | Sonepur Electrical Division falling under WESCO, details are contained in Clause 2.5 of this RFP document |
| Pre-Bid Meeting | 22 nd October'2011 at 15:00 hours |
| Last Date and Time of Receipt of Bids | 27 th October'2011 at 16:00 Hours |
| Due date of Opening | Part - I - Technical Bid 27 th October'2011 at 16:30 Hours Part - II – Price Bid of the technically qualified bidders on a date and time to be intimated after the technical bid evaluation |
| Place of Pre bid Meeting & Bid Opening | Conference Hall Registered Office: Plot - N-1/22, Nayapalli, Bhubaneswar, Orissa – 751015 |
| Bid to be Addressed to | Chief Executive Officer (Commerce), (NESCO, WESCO and SOUTHCO) |
| Telephone No. | 0674 – 2550043 |
| Fax No. | 0674 – 2558343 |
| Email | sandeep.misra@orissadiscoms.com |
| Website | www.orissadiscoms.com , www.wescoorissa.com |
| Earnest Money Deposit | Amount Rs 10,00,000.00 (Rupees Ten Lakhs Only) in the form of a Bank Guarantee or Demand Draft drawn on a Nationalised /Scheduled bank, in favour of North Eastern Electricity Supply Company of Orissa Ltd. Payable at Bhubaneswar. |

2. General**2.1. Background of WESCO**

Western Electricity Supply Company of Orissa Limited (WESCO) is a Electricity Distribution Licensee as per license issued by the Orissa Electricity Regulatory Commission (OERC) responsible for planning and managing the Distribution and Supply of electricity in its designated area, the western part of Orissa.

2.2. Objectives of the Project

2.2.1. In an endeavour to improve operational efficiency in the distribution system and quality in service to the consumers under Rajiv Gandhi Grameen Vidyutikaran Yojana RGGVY Scheme, WESCO desires to bring in management expertise in the distribution of Electricity through deployment of Input base Distribution Franchisee without Capital Investment.

2.2.2. WESCO intends to appoint an Input Based Distribution Franchisee, to be selected, through a competitive bidding process for deployment in **Sonepur Electrical Division**.

2.2.3. WESCO's objective of appointing a distribution franchisee, inter alia, are:

- i. To minimise Aggregate Technical and Commercial losses
- ii. To bring improvement in Metering, Billing and Revenue Collection Activities
- iii. To minimise arrears
- iv. To enhance customer satisfaction level by improving quality of service

2.2.4. The selection of the franchisee shall be through a transparent bidding process and within the provisions of the Electricity Act, 2003.

2.3. Relevant Provisions of the Electricity Act, 2003

2.3.1. The Electricity Act has opened new avenues for bringing in private participation in the distribution sector.

2.3.2. The 7th proviso to Section 14 of the Electricity Act, 2003 states that:

"...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"

2.3.3. Accordingly, a person who undertakes the distribution of electricity for a specified area on behalf of the Distribution Licensee will not be required to obtain separate license from the concerned State Electricity Regulatory Commission.

2.4. Definitions & Abbreviations**2.4.1. Definitions****Aggregate Technical and Commercial Losses (ATC Losses)**

Shall mean the sum total of technical loss, commercial losses and shortage due to non-realisation of total billed amount. The same shall be computed as

$\{\text{Total Energy Input (MUs) less Energy Realised (MUs)}\} / \text{Total Energy Input (MUs)} \times 100$

Where, Energy Realised is the Sale of Energy (MUs) X Collection Efficiency

Average Revenue Realisation

Shall mean the total revenue collected per unit energy supplied by WESCO at Input Points of the Franchised area during given period. The same shall be computed as:

Total Revenue Collected in a period / Total Energy Input during the same period

Average Billing Rate (ABR):

ABR shall mean the sum product of total billed units and approved tariff in each Consumer category divided by total billed units in all Consumer categories in the franchised area.

Revenue for this purpose shall include all those components which are billed against the units consumed by consumers under different heads as per tariff order, regulation issued by Orissa Electricity Regulatory Commission (OERC) such as Energy charges, Fixed /or Demand charges, Fuel and Other Cost Adjustment Charges (FOCA), Power Factor (PF) Penalty/ Incentive and shall exclude all components which are billed to consumers and remitted to Government/Other agencies after collection e.g. Electricity duty (ED), Tax on Sale of Electricity (TOSE). The ABR doesnot include collection of meter rent from consumers and remitted to WESCO. The unit of ABR is Rs. / Kwh.

$\text{ABR} = \text{Total Billed Revenue for all categories of consumers} / \text{Total Billed units}$

Base Year

Base year shall mean the Financial Year 2010-11 i.e. 1st April 2010 to 31st March 2011.

Bid

Shall mean the Technical Bid and Price Bid submitted in response to this RFP document issued by WESCO.

Bidder

Shall mean the Bidding Company.

Bidding Company

Shall mean the single corporate entity bidding for the Project.

Consumer

Shall be as defined under the E-Act, 2003 and OERC regulation 2004.

Distribution

Shall mean the supply and conveyance of electricity upto the point of end user by means of distribution system.

Distribution Assets

Shall mean the assets employed by WESCO/ Distribution Franchisee in the Franchise Area for distribution of electricity. The Franchisee will have the right to use the existing distribution network within the franchised area to perform its obligation under the Franchise Agreement.

Distribution Franchise Agreement “DFA”

Shall mean the Agreement to be executed by the successful bidder with WESCO, for sale of power to the Franchisee for further retail distribution to consumers on behalf of WESCO and any other associated services in the franchised area.

Distribution Franchisee/Franchisee

Shall mean the Successful Bidding Company appointed by WESCO to act as an agent of WESCO to purchase and distribute electricity in the Franchise Area.

Distribution Licensee

Shall mean the Western Electricity Supply Company of Orissa Limited (WESCO).

Effective Date

Shall mean the date of handing over of business operations of Franchise Area by WESCO to the Distribution Franchisee, pursuant to DFA after all the conditions precedents mentioned in DFA are satisfied. Such date shall be mutually decided by DISC OM and the Distribution Franchisee.

Expiry Date

Shall mean the Twelveth (12) anniversary of the effective date.

Financial Proposal

Shall mean the proposal of the Bidder setting out the Input Rate for all Twelve (12) years of agreement period against the energy injected by WESCO at the Input Points in the Franchise Area, and other details as set out in **Clause 5.3** of this Document.

Franchise Area

Shall mean the area as mentioned in Section 2 of the RFP in respect of which Distribution Franchisee shall act as an agent of WESCO.

Input Energy

Shall mean sum total of energy supplied through all input points in the franchised area.

Input Rate

Shall mean the quoted rate by the selected bidder or the rate arrived as per formula given in Article 7 of DFA in Rupees per unit of electricity supplied by WESCO at the Input Point of the franchisee area, which should be either equal or above the given Benchmark yearly floor input rate or Annualised Input Rate (AIR) as mentioned in Exhibit 5 of RFP. The Input rate shall be used for all future commercial transaction. It is measured in Rs./Kwh

Input Points

Shall mean the 33KV or 11KV side of 220KV and/or 132KV Substations or the interception points with the adjoining areas of the DISCOM of the franchised area as specified in Section 2 and shall include such other EHT/HT substations or feeders or interception points, which may feed energy to the Franchise Area at the Effective date or subsequently added during the term of the Agreement. It may include the feeders to be added subsequently during the franchisee period.

Parties

Shall mean a reference to selected Bidder and WESCO collectively and “Party” shall mean an individual reference to either one of them.

Project

Shall mean the purchase and distribution of electricity and related activities in the Franchise Area as a Distribution Franchisee of WESCO in accordance with the requirements set forth in this RFP.

Promoters

Shall mean those corporate entities holding not less than 50% of the voting securities in the Bidding Company, either directly or indirectly. In the event of an indirect holding in Bidding Company through a chain of company / companies, the percentage of holding

would be considered on proportionate terms. Any bank or financial institution would not be considered as a Promoter.

Prudent Utility Practices

Shall mean the practices, methods and standards that are generally accepted nationally from time to time by electric utilities for the purpose of ensuring the safe, efficient distribution of electricity, operation and maintenance of Distribution Assets, billing & collection of distributed power, etc.

Request for Proposal (RFP) document

Shall mean this document, issued to the Bidders seeking Technical and Financial Proposals for the franchisee area described under Section 2.

Technical Proposal

Shall mean the proposal of the Bidder setting out details as set forth in **Clause 5.2** of this RFP Document.

OERC

Shall mean Orissa Electricity Regulatory Commission.

Yearly Floor Input Price

Yearly floor input price (YFIP) is the minimum input rate below that the prospective bidder cannot quote input price for the relevant year.

2.4.2. Abbreviations

| | | |
|------------------|---|--|
| Cre | : | Number equivalent to 10 million or 100 lacs |
| D/B | : | Distribution Box |
| DF | : | Distribution Franchisee |
| EHT | : | Extra High Tension |
| EMD | : | Earnest Money Deposit |
| Eoi | : | Expression of Interest |
| FA | : | Franchise Area |
| FY | : | Financial Year |
| HP | : | Horse Power |
| HT | : | High Tension |
| IST | : | Indian Standard Time |
| IT | : | Information Technology |
| WESCO | : | Western Electricity Supply Company of Orissa limited |
| KM | : | Kilometer |
| kV | : | Kilo Volt |
| Loi | : | Letter of Intent |
| LT | : | Low Tension |
| MCB | : | Miniature Circuit Breaker |
| MUs | : | Million Units |
| O & M | : | Operations & Maintenance |
| PD | : | Permanently Disconnected |
| RFP | : | Request for Proposal |
| Rs. | : | Indian Rupees |
| SCC | : | Service Connection Charge |
| SD | : | Security Deposit |
| SLC | : | Service Line Charge |
| T&D | : | Transmission & Distribution |
| T/F | : | Transformer |

2.5. Brief description about the Franchise Area

2.5.1. The Franchise Area shall be the Sonapur Electrical Division under WESCO including area falling under subdivision & sections of the Division.

Sonapur also known as Subarnapur, presently a district head quarter of Orissa, has figured on the political and cultural map of Orissa since the pre-historic period. It is bounded on the north by Sambalpur district, on the south and the South-East by Boudh district, on the east by Rairakhol sub-division of Sambalpur district and on the west by the ex-state Patna.

Subarnapur, the City of Temples is situated between 20°30'N to 21°11'N latitude and 83°27'E to 84°16'E longitude. The district spreads over an area of 2284.89 Sq. KM with two Sub-Divisions namely Sonapur and Birmaharajpur and four Tahasil i.e. Sonapur, Binka, Rampur & Birmaharajpur.



Sonapur Town is 280 K.Ms. to the Bhubaneswar on N.H.-6. National Highway No.6 passes through the district acts as the main artery of inter-regional trade and other links.

Sonapur has total population of about 502,237 having 06 blocks named as Sonapur, Binka, tarva, Birmaharajpur, Dunguripalli and Ulunda. The area has 96 gram panchayat addressing 960 villages.

Sonapur is widely known as a

pilgrimage center and the religious and historical sites attract thousands of tourists and pilgrims every year. Some of the most frequented tourism centers in and around Sonapur are:

- Panchratha Temple
- Papakshyaghat
- Charada
- Puja Dunguri

Industries contribute a large share of the city's revenue. The district town is famous for its handloom industries and handcraft products. Agriculture is also an important occupation in the town.

- 2.5.2.** A brief description of the existing electrical distribution network in the Franchise Area is given hereunder. The Organisation Structure of Sonapur Electrical Division along with Sub-divisions and sections as outlined in Table 1.

Table 1: Organisational Structure

| S. No. | Name of the Division | Sub Divisions | Sections |
|--------|----------------------|---------------|------------|
| 1 | Sonapur | Sonapur | Sonapur |
| | | | Khari |
| | | | Tarva |
| | | Bimitrapur | Ullunda |
| | | | Bimitrapur |
| | | Binka | Binka |
| | | | Cherupali |

- 2.5.3.** The distribution infrastructure in the Franchise Area is given below:

Table 2: Distribution Infrastructure Summary

| Particulars | Units | Particular |
|---|-------|------------|
| No. of EHV Sub-stations feeding to the Area | Nos. | 3 |
| 33 kV Input Points | Nos. | 6 |
| 11 kV Input Points | Nos. | 0 |
| 33 kV Input Points (Cross Over) | Nos. | 1 |
| 11 kV Input Points (Cross Over) | Nos. | - |
| Total Input Points | Nos. | 7 |
| 33 kV Substations | Nos. | 8 |
| 33 kV Substations Capacity | MVA | 51.65 |
| 11 kV Switching Stations | Nos. | - |
| 33 kV Feeders | Nos. | 7 |
| 11 kV Feeders | Nos. | 34 |
| 33 KV Lines | | |
| Over head Line | Km | 323.7 |
| Under Ground | Km | - |
| Total | Km | 323.7 |

| Particulars | Units | Particular |
|--------------------|----------|------------|
| 11 KV Lines | | |
| Over head Line | Km | 1552 |
| Under Ground | Km | - |
| Total | Km | 1552 |
| | | |
| L.T. Lines | | |
| Over head Lines | Km | 1323 |
| Under Ground | Km | - |
| Total | Km | 1323 |
| | | |
| DTR's | | |
| 11 KV/433 V DTR | Capacity | 68.5 MVA |
| TOTAL No. of DTR | No. | 1334 |

The figures shown in table 2 is the updated data as on 31st March'2011

2.5.4. The EHT/HT substations/feeders/interception points of the Franchise Area as mentioned in Table 3 shall form the Input Points for injection of electricity in the Franchise Area. Details of EHT sub stations (Input Points) are as under:

Table 3: Details of Transmission EHT Substations for input supply to SONEPUR

| Name of the Division | Name of EHV/HV Sub-station | Capacity Installed | Maximum Demand | Connected Load | No. of Input Feeders | |
|----------------------|----------------------------|--------------------|----------------|----------------|----------------------|-------|
| | | (MVA) | (MVA) | (MVA) | 33 KV | 11 KV |
| Sonepur | 132/33 KV GSS, Bolangir | 2x40 | | 9.75 | 1 | 4 |
| | Sonepur GSS | 2x12.5 | | 29.00 | 4 | 19 |
| | 132/33 KV Chipilima PH | 1x40 | | 7.90 | 1 | 11 |
| | | 145 | | 35.65 | 6 | 34 |

2.5.5. The load data as on 31/03/2011 for the Franchise Area is given below:

Table 4: Loading parameters of SONEPUR DIVISION

| Data Head | Total (MVA) |
|------------------------|-------------|
| Total connected Load | 51.65 |
| Maximum demand | 30.71 |
| Existing load capacity | 47.2 |

2.5.6. The loss and collection efficiency for the Franchise Area is given below:

Table 5: Losses and Average Billing and Revenue Realization

| Financial Year | Units Received / Injected (MUs) | T&D Loss (%) | Collection Efficiency (%) |
|---------------------------|---------------------------------|--------------|---------------------------|
| Y2-2008-09 | 141.55 | 65.50% | 63.04% |
| Y1-2009-10 | 144.77 | 64.20% | 63.08% |
| Yo (Base Year) 2010 -2011 | 182.21 | 69.94% | 67.32% |

2.5.7. Category wise consumer detail, Connected Load, Sales, Revenue Details is as under:

Table 6: Category wise Consumer Details

| Particulars (Indicative Category List) | No. of Consumers | | | |
|--|------------------|--------------|--------------|--------------|
| | Unit | Y2 2008-09 | Y1 2009-10 | Yo 2010-11 |
| LT Others Domestic | Nos. | 25092 | 26350 | 28728 |
| LT Domestic Bulk Supply | Nos. | 1 | 1 | 1 |
| LT Kutir Jyoti | Nos. | 321 | 318 | 1289 |
| LT General Purpose < 110 KVA | Nos. | 2308 | 2429 | 2527 |
| LT General Purpose > 110 KVA | Nos. | 95 | 135 | 156 |
| LT Public Lighting | Nos. | 13 | 13 | 13 |
| LT PLI | Nos. | 891 | 901 | 911 |
| LT OLIC | Nos. | 602 | 658 | 706 |
| LT Allied Agro-Industrial Activities | Nos. | 6 | 7 | 11 |
| LT Allied Agricultural Activities | Nos. | 0 | 0 | 4 |
| LT Public Water Works and Sewerage Pumping<110 KVA | Nos. | 45 | 84 | 113 |
| LT Industrial (S) Supply | Nos. | 375 | 379 | 382 |
| LT Industrial (M) Supply | Nos. | 43 | 44 | 47 |
| LT Specified Public Purpose | Nos. | 360 | 379 | 424 |
| TOTAL LT | Nos. | 30152 | 31698 | 35312 |
| HT General Purpose >= 110 KVA | Nos. | 1 | 1 | 1 |
| HT Large Industry | Nos. | 19 | 20 | 22 |
| HT Irrigation Pumping and Agriculture | Nos. | 0 | 3 | 0 |
| TOTAL HT | Nos. | 20 | 24 | 23 |
| Total No. of Consumers | Nos. | 30172 | 31722 | 35335 |

Table 7: Category wise Connected Load

| Particulars (Indicative Category List) | Connected Load (KW) | | |
|--|---------------------|-----------------|-----------------|
| | Y2 2008-09 | Y1 2009-10 | Yo 2010-11 |
| LT Others Domestic | 25134.20 | 26451.88 | 28264.78 |
| LT Domestic Bulk Supply | 1.00 | 1.00 | 1.00 |
| LT Kutir Jyoti | 52.24 | 51.94 | 184.3 |
| LT General Purpose < 110 KVA | 2637.85 | 2700.22 | 2800.20 |
| LT General Purpose > 110 KVA | 845.28 | 1323.31 | 1525.31 |
| LT Public Lighting | 144.00 | 144.00 | 144.00 |
| LT PLI | 2571.85 | 2609.85 | 2636.60 |
| LT OLIC | 5984.36 | 6535.85 | 6906.85 |
| LT Allied Agro-Industrial Activities | 214.00 | 225.50 | 263.50 |
| LT Allied Agricultural Activities | 0.00 | 0.00 | 208.00 |
| LT Public Water Works and Sewerage Pumping<110 KVA | 392.69 | 536.42 | 761.94 |
| LT Industrial (S) Supply | 3062.55 | 3102.06 | 3129.06 |
| LT Industrial (M) Supply | 3029.23 | 2520.01 | 2553.86 |
| LT Specified Public Purpose | 563.04 | 580.04 | 627.08 |
| TOTAL LT | 44632.29 | 46782.08 | 50006.48 |
| HT General Purpose >= 110 KVA | 112.50 | 112.50 | 112.50 |
| HT Large Industry | 2388.06 | 2838.06 | 3045.06 |
| HT Irrigation Pumping and Agriculture | 0.00 | 1086.84 | 0.00 |
| TOTAL HT | 2500.56 | 4037.40 | 3157.56 |
| TOTAL CONNECTED LOAD | 47132.85 | 50819.48 | 53164.04 |

Table 8: Category wise Unit Sales

| Particulars (Indicative Category List) | Unit Sales (MU) | | |
|--|-----------------|---------------|---------------|
| | Y2 2008-09 | Y1 2009-10 | Yo 2010-11 |
| LT Others Domestic | 27.534 | 28.182 | 28.96 |
| LT Domestic Bulk Supply | 0.002 | 0.001 | 0.001 |
| LT Kutir Jyoti | 0.022 | 0.028 | 0.196 |
| LT General Purpose < 110 KVA | 2.634 | 2.733 | 2.595 |
| LT General Purpose > 110 KVA | 1.515 | 2.137 | 2.772 |
| LT Public Lighting | 0.555 | 0.556 | 0.556 |
| LT PLI | 1.837 | 2.040 | 1.910 |
| LT OLIC | 5.129 | 6.109 | 5.732 |
| LT Allied Agro-Industrial Activities | 0.332 | 0.371 | 0.405 |
| LT Allied Agricultural Activities | 0.000 | 0.000 | 0.005 |
| LT Public Water Works and Sewerage Pumping<110 KVA | 0.509 | 0.761 | 0.851 |
| LT Industrial (S) Supply | 1.003 | 1.140 | 1.034 |
| LT Industrial (M) Supply | 1.732 | 1.973 | 1.660 |
| LT Specified Public Purpose | 0.447 | 0.501 | 0.552 |
| TOTAL LT | 43.251 | 46.531 | 47.229 |
| HT General Purpose >= 110 KVA | 0.074 | 0.06 | 0.03 |
| HT Large Industry | 5.512 | 5.24 | 7.51 |
| HT Irrigation Pumping and Agriculture | - | - | - |
| TOTAL HT | 5.587 | 5.305 | 7.539 |
| TOTAL SALES | 48.837 | 51.836 | 54.768 |

Seal & Signature of Bidder

Table 9: Category wise Revenue Billed, Collected and Arrears (Million Rs.)

| Particulars (Indicative Category List) | Revenue Billed | | | Revenue Collected | | | Arrears (Rs Lacs) |
|---|----------------|---------------|---------------|-------------------|--------------|---------------|----------------------|
| | Y2 08-09 | Y1 09-10 | Yo 10-11 | Y2 08-09 | Y1 09-10 | Yo 10-11 | As on Mar'11 |
| LT Others Domestic | 52.14 | 54.01 | 60.25 | 24.49 | 25.287 | 28.15 | 327.09 |
| LT Domestic Bulk Supply | 0.01 | 0.01 | 0.01 | 0.00 | 0.001 | 0.00 | 0.03 |
| LT Kutir Jyoti | 0.03 | 0.03 | 0.19 | 0.02 | 0.025 | 0.03 | 0.22 |
| LT General Purpose < 110 KVA | 10.62 | 11.05 | 13.46 | 5.94 | 6.520 | 8.54 | 29.35 |
| LT General Purpose > 110 KVA | 6.67 | 9.55 | 16.28 | 6.43 | 8.799 | 14.74 | 0.95 |
| LT Public Lighting | 1.79 | 1.80 | 2.36 | 0.38 | 0.595 | 0.55 | 13.16 |
| LT PLI | 2.27 | 2.50 | 2.35 | 1.01 | 0.981 | 1.34 | 12.22 |
| LT OLIC | 6.16 | 7.30 | 6.90 | 2.24 | 2.621 | 2.21 | 17.82 |
| LT Allied Agro-Industrial Activities | 0.38 | 0.44 | 0.51 | 0.69 | 0.510 | 0.56 | 0.07 |
| LT Allied Agricultural Activities | 0.00 | 0.00 | 0.03 | 0.00 | 0.000 | 0.000 | 0.00 |
| LT Public Water Works and Sewerage Pumping<110 KVA | 1.78 | 2.64 | 3.72 | 1.63 | 2.304 | 3.35 | 1.64 |
| LT Industrial (S) Supply | 4.02 | 4.46 | 5.13 | 3.24 | 3.413 | 4.10 | 1.10 |
| LT Industrial (M) Supply | 6.06 | 6.86 | 7.15 | 3.95 | 4.589 | 6.85 | 0.23 |
| LT Specified Public Purpose | 1.68 | 1.85 | 2.53 | 1.36 | 1.438 | 2.28 | 6.40 |
| TOTAL LT | 93.61 | 102.50 | 120.88 | 51.38 | 57.08 | 72.71 | 410.28 |
| HT General Purpose >= 110 KVA | 0.46 | 0.43 | 0.36 | 0.15 | 0.77 | 0.18 | 0.36 |
| HT Large Industry | 21.17 | 20.20 | 34.01 | 21.12 | 19.83 | 31.62 | 0.53 |
| HT Irrigation Pumping and Agriculture | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL HT | 21.63 | 20.63 | 34.37 | 21.27 | 20.59 | 31.80 | 0.89 |
| | 115.25 | 123.13 | 155.24 | 72.65 | 77.68 | 104.51 | 411.16 |

Seal & Signature of Bidder

2.5.8. Details of capital work in progress, planned capital investment and outsourced activities are mentioned as below:

Table 10 : Capital Works in Progress by WESCO

RAJIV GANDHI GRAMEEN VIDYUITIKARAN YOJANA (RGGVY)

| Name of the Implementing Agency | No of Blocks covered | Coverage for Electrification | | | Achievement | | |
|---------------------------------|----------------------|------------------------------|--------------------------|----------------------|------------------------------------|------------------------------------|-----------------|
| | | Total No. of Villages | Total No. of Habitations | Total No. of BPL Hhs | Villages / Habitations Electrified | Villages / Habitations Handed Over | BPL Hhs Charged |
| PGCIL | 6 | 858 | - | 59064 | 304 | 259 | 9917 |

BIJU GRAMYA JYOTI YOJANA (BGJY)

| Executing Authority | Year wise Status | | | | | |
|---------------------|------------------|-------------|---------|-------------|---------|-------------|
| | 2008-09 | | 2009-10 | | 2010-11 | |
| District Collector | Target | Achievement | Target | Achievement | Target | Achievement |
| | 72 | 72 | 0 | 0 | 45 | 33 |

BIJU SAHARANCHALA VIDYUTIKARAN YOJANA (BSVY)

| Name of the Executing Authority | Name of Division | No. of Estimates Prepared | No. of Work Order Issued | Name of Contractor |
|---------------------------------|------------------|---------------------------|--------------------------|---|
| District Collector | SED, Sonapur | 55 | 12 | S. K. Bhatt, Dhenkanal M/s KP Electricals, BGR M/s Pioneer Engineering, BGR |

Table 11: Planned Capital Investment

FY 2010-2011

| DESCRIPTION | | SONEPUR | Rate | Total Amount (in Rs. lakhs) | |
|-------------|--|------------|-------|-----------------------------|-------|
| P-1 | Proposed HVDS 16 KVA | 41 | 1.00 | 41.00 | |
| | Associated Line in Kms | 8.30 | 2.00 | 16.60 | |
| P-2 | 11KV NEW LINE | - | 2.50 | - | |
| | Upgradation of 11KV Line | - | 2.00 | - | |
| P-3 | 95 mm ² AB Cable | 16.48 | 3.50 | 57.68 | |
| | 50 mm ² AB Cable | 19.25 | 2.50 | 48.13 | |
| P-4 | 33KV NEW LINE | - | 4.20 | - | |
| | Upgradation 33KV line in 100 mm ² | - | 3.20 | - | |
| | Upgradation 33KV line in 232 mm ² | - | 7.00 | - | |
| P-5a | Metering Units | 4 | 2.00 | 8.00 | |
| | Meters | 4 | 0.10 | 0.40 | |
| P-5b | Proposed 33KV Breaker along with CT & Energy Meter | 2 | 6.00 | 12.00 | |
| | Proposed 11KV Breaker along with CT & Energy Meter | 8 | 4.00 | 32.00 | |
| | TOTAL COST FOR PT | - | 1.50 | 3.00 | |
| P-5c | Metering Unit with meter | - | 1.00 | - | |
| | Meter | - | 0.10 | - | |
| P-6 | Consumer Metering | 1-Ph | 1,691 | 0.02 | 25.37 |
| | | 3-Ph | 125 | 0.08 | 10.00 |
| P-7 | Boundary Wall | 33/11KV ss | - | 5.00 | - |
| | | Dist.ss | - | 0.50 | - |

| | | | | | |
|----------------------------------|---|----------------------------|------|--------|---------------|
| P-8 | Replacement of old, fragile and worn out LT conductor | 95mm ² AB Cable | 7.40 | 3.50 | 25.90 |
| | | 50mm ² AB Cable | - | 2.50 | - |
| P-9 | NEW PRIMARY S/S | 2X8 | - | 375.00 | - |
| | | 2X5 | - | 350.00 | - |
| | | 2X3.15 | - | 300.00 | - |
| | IT | | 24 | 1.00 | 24.00 |
| | Distribution Transformer | 500 KVA | 3 | 5.50 | 16.50 |
| | | 315 KVA | 4 | 4.50 | 18.00 |
| | | 100 KVA | 30 | 1.50 | 45.00 |
| TOTAL COST (in Rs. lakhs) | | | | | 383.57 |

FY 2011-2012

| DESCRIPTION | | SONEPUR | Rate | Total Amount (in Rs. Lakhs) | |
|----------------------------------|---|-------------|-------|-----------------------------|-------|
| P-1 | Proposed HVDS 16 KVA | 42 | 1.00 | 42.00 | |
| | Associated Line in Kms | 11.60 | 2.00 | 23.20 | |
| P-2 | 11KV NEW LINE | - | 2.50 | - | |
| | Upgradation of 11KV Line | - | 2.00 | - | |
| P-3 | 95 mm ² AB Cable | 25.40 | 3.50 | 88.90 | |
| | 50 mm ² AB Cable | 20.49 | 2.50 | 51.23 | |
| P-4 | 33KV NEW LINE | - | 4.20 | - | |
| | Upgradation 33KV line in 100 mm ² | - | 3.20 | - | |
| | Upgradation 33KV line in 232 mm ² | - | 7.00 | - | |
| P-5a | Metering Units | - | 2.00 | - | |
| | Meters | - | 0.10 | - | |
| P-5b | Proposed 33KV Breaker along with CT & Energy Meter | 4 | 6.00 | 24.00 | |
| | Proposed 11KV Breaker along with CT & Energy Meter | 17 | 4.00 | 68.00 | |
| | TOTAL COST FOR PT | - | 1.50 | 6.00 | |
| P-5c | Metering Unit with meter | 20 | 1.00 | 20.00 | |
| | Meter | 1,365 | 0.10 | 136.50 | |
| P-6 | Consumer Metering | 1-Ph | 1,000 | 0.02 | 15.00 |
| | | 3-Ph | 100 | 0.08 | 8.00 |
| P-7 | Boundary Wall | 33/11KV ss | - | 5.00 | - |
| | | Dist.ss | - | 0.50 | - |
| P-8 | Replacement of old, fragile and worn out LT conductor | 95 AB Cable | 8.14 | 3.50 | 28.49 |
| | | 50 AB Cable | 17.60 | 2.50 | 44.00 |
| P-9 | NEW PRIMARY S/S | 2X8 | - | 375.00 | - |
| | | 2X5 | - | 350.00 | - |
| | | 2X3.15 | - | 300.00 | - |
| | 11KV, 36KVAR Capacitor Bank | 6.00 | 0.53 | 3.18 | |
| | IT | 75 | 1.00 | 75.00 | |
| | MRT Testing Kit & Equipments | | | 15.11 | |
| TOTAL COST (in Rs. Lakhs) | | | | 648.61 | |

Table 12: Details of Outsourcing Activities

| S. No. | Scope of Work | Name of the Outsourcing Agency | Contract Value (Rs.) | Period of Contract | Liability for early Termination (Rs.) |
|--------|----------------------------|--------------------------------|----------------------|--------------------|---------------------------------------|
| 1 | Disconnection/Reconnection | S.S Enterprise | - | - | - |

2.5.9. Details of employees in the franchise area are as below:

Table 13: Details of Utility Employees in the Franchise Area

| Employee Category | No of Employees |
|---------------------------------|------------------------|
| Excutive Engineer | 1 |
| Asst Manager (Finance) | 2 |
| ESO | 11 |
| SDO | 3 |
| Regular Staff | 20 |
| Technical & Work Classification | 131 |
| MRT | 4 |
| TOTAL (Nos.) | 172 |

2.5.10. Details of employees and other expenditure in the franchise area are as below:

Table 14: Details of Annual Expenditure in the Franchise Area

| Head | Annual Amount (Lakhs) |
|--------------------------|------------------------------|
| Employees | 353.60 |
| Repair & Maintenance | 105.26 |
| Administrative & General | 28.87 |

The figure mentioned against Employees Salary is exclusive of Pension, Gratuity & Arrears paid towards sixth pay commission.

2.5.11. Bidders requiring further details on any of the above mentioned heads may contact the issuing authority or the concerned field offices.

3. Project Description**3.1. Salient Features of the Project**

3.1.1 The project encompasses all the activities relating to purchase and distribution of power to the existing/future consumers in the Franchise Area, maintenance of the Distribution Assets and all the related activities mentioned in the Distribution Agreement subject to the terms and conditions as stipulated from time to time by WESCO and OERC.

3.2. Brief Roles and Responsibilities of Distribution Franchisee

3.2.1 Undertaking all the responsibilities and obligations of the Distribution Licensee in the Franchisee Area as stipulated in Electricity Act 2003 and OERC Regulation 2004 and DFA in Annexure I of this RFP document;

3.2.2 Discharging all duties and responsibilities on behalf of WESCO as per the terms and conditions of the Licensee given by Orissa Electricity Regulatory Commission;

3.2.3 Undertaking any other activity as may be notified from time to time by Orissa Electricity Regulatory Commission to WESCO;

3.2.4 Complying with all the directives issued from time to time by Orissa Electricity Regulatory Commission and WESCO;

3.2.5 Undertaking the distribution and supply of power to the consumers of WESCO in the Franchise Area;

3.2.6 Undertaking all Operations and Maintenance related activities in the Franchise Area;

3.2.7 Maintaining the existing distribution network and replacing failed distribution transformers and defective meters within the prescribed time frame including repair of the Distribution Network as per Standard of Performance (SOP) of OERC;

3.2.8 Undertaking reading of meters, generation of bills, distribution of the same and payment collection from the consumers in the Franchise Area, as per the retail tariff structure determined by Orissa Electricity Regulatory Commission and abiding by the Supply Code and other Standard of Performance and license conditions thereof;

3.2.9 Making payments to WESCO as per the terms and conditions of the clause on Payment and Collection in the Distribution Franchise Agreement (DFA);

3.2.10 Collection of pre franchise arrears as an agent of WESCO, and remittance of the same to WESCO as per the terms and conditions of the DFA;

- 3.2.11 Establish a consumer service centre as per WESCO's specifications for handling consumer complaints;
- 3.2.12 Redressal of Commercial and Billing Complaints;
- 3.2.13 Allotting new connections and carrying out all necessary activities for release of the same;
- 3.2.14 Maintaining consumer database and billing records as per the format prescribed by WESCO;
- 3.2.15 Generating Management Information System (MIS) periodically and monitoring reports in prescribed formats in submission of the same to WESCO;
- 3.2.16 Installing metering devices and carrying out energy audit on monthly basis and submit the report of the same to WESCO;
- 3.2.17 Carrying out periodical demand estimation / load forecasting and apprising WESCO of the same;
- 3.2.18 Maintaining rolling stock of transformers and other necessary material as per the norms prescribed by WESCO;
- 3.2.19 Upgrading, renovating and maintaining the existing distribution network/systems/assets as per Prudent Utility Practices and the standards that may be prescribed by WESCO or Orissa Electricity Regulatory Commission from time to time;
- 3.2.20 Distribution Franchisee shall submit to WESCO, for its information the operational Approach and Methodology to be followed during the agreement period in consonance to the prevailing laws.

Rights and Authorities of a Franchisee

- 3.2.21 Initiating necessary action and assist DISCOM as required in Article 2.1.6 of DFA, in accordance with the Electricity Act and OERC Regulation 2004 and amendments thereof, to prevent the theft of power, interference with meters and extinguishing public lamps, theft of electric lines and material etc;
- 3.2.22 Procuring power from any outside agency subject to adherence to the prevalent rules and regulations with the permission of the WESCO and OERC, in accordance to Article 5.4 of DFA.

3.2.23 To take up and complete the work in progress for Capital Investment in case the WESCO so desires on mutually settled terms & conditions as per DFA.

3.2.24 DF shall have to take care for preventing the overloading of secondary 33/11 KV sub-stations within the franchised area.

3.3. Support to be given by WESCO

3.3.1 WESCO shall supply the power at Input Points as per its aggregated power supply and load shedding schedule planned periodically, based on directives issued by Orissa Electricity Regulatory Commission on load shedding and availability of EHT transmission capacity at Input Points.

3.3.2 WESCO or SLDC shall communicate to DF any shortfall or inability to supply the scheduled power requirements of the DF.

3.3.3 WESCO shall carry out the meter reading jointly with DF or through AMR on a monthly basis at input point of the Franchise Area.

3.3.4 WESCO shall permit deemed deputation of 50% of its employees in each grade working in the Franchise Area as on the Effective Date to the Distribution Franchisee for which the DF shall complete the entire formalities with the Utility within 3 months of Effective Date and offer terms and conditions as stipulated in Article 12 and Annexure 4 of the DFA.

3.3.5 WESCO shall facilitate approval of the Investment schemes planned by the Distribution Franchisee from Orissa Electricity Regulatory Commission.

3.4. Term of Franchise

The term of the Distribution Franchise shall be for a period of Twelve (12) years from the Effective Date extendable for two (02) years upon mutual consent.

3.5. Distribution Franchise Agreement “DFA”

WESCO shall enter into an agreement with the DF. The DFA has been annexed herewith and marked as Annexure 1. WESCO reserves the right to make any amendments to the Agreement in Annexure 1 before the DFA is signed by the Parties. However no such change which may have any financial implication for either parties shall be carried out except with the mutual consent of both the parties.

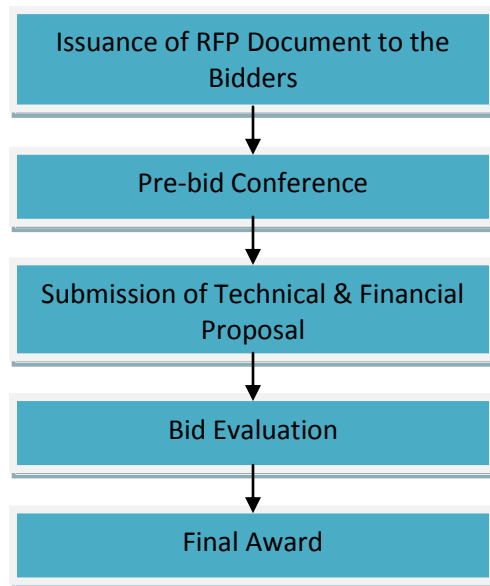
4. Selection Process

4.1 Bidding Process

The bidding process would mainly consist of the following stages.

- Issuance of RFP document
- Pre-bid conference
- Submission of the Technical and Financial Proposal
- Bid Evaluation & Award of Contract

A diagrammatic representation of the bidding process is as shown below;



4.1.1 WESCO shall issue the RFP document to all the interested bidders. The bidding process shall be deemed to commence from the time of issue of the RFP document. The purpose of this RFP is to provide Bidders with information regarding the proposed franchisee arrangement in order to assist them in formulation of their proposals.

4.1.2 A Pre-Bid Conference shall be held by WESCO on the date as indicated in the Time Table as per clause 6.4 of this document, the purpose of which shall be to address the concerns of the bidders with respect to RFP & DFA.

4.1.3 The bidders shall submit a Technical and Financial Proposals in response to the RFP document on the date as indicated in the Time Table mentioned in clause 6.4 of this document.

4.1.4 As a part of the selection process, Technical Proposal submitted by interested Bidders in response to RFP, shall be evaluated based on the methodology and evaluation criteria as

- detailed in the RFP. The Bidders are required to submit their Technical Proposal in the formats placed as Exhibit 1 to 3 of this document.
- 4.1.5 Financial Proposal of the bidders satisfying the technical evaluation criteria shall be evaluated based on the methodology and evaluation criteria as detailed in this RFP. The information required to be provided by the Bidders submitting their Financial Proposal is placed as Exhibit 4 and 5 of this document.
- 4.1.6 The final award of the Project shall be made by WESCO to the Bidder short-listed after evaluation of the Financial Proposal.
- 4.1.7 In the event of two or more Bidders found equal after evaluation of Financial Proposal or if WESCO desires at any stage may call any bidder for detailed presentation of Methodology proposed to be adopted in the franchised area to evaluate its ability to ensure smooth implementation of the project. However, WESCO reserves the right to select and declare a bidder through any such measure as may be deemed fit, with or without calling for presentation, in its sole discretion including annulment of the bidding process.
- 4.1.8 The selected Bidder shall be issued the Letter of Intent (LoI) by WESCO.

5. Evaluation**5.1 Responsiveness**

The bids submitted by Bidders shall be initially examined to establish “Responsiveness”. A Bid may be deemed “Non-Responsive” by WESCO if it does not satisfy any of the following conditions.

- 5.1.1 It is not received by the Due Date and time specified in the RFP. WESCO does not take any responsibility for postal/other delays in receiving the required documents by the Due Date and time.
- 5.1.2 It does not include sufficient information including documentary proof towards the eligibility criteria for it to be evaluated and/ or it does not comply strictly with the formats specified.
- 5.1.3 It is not signed and/ or sealed in the manner and to the extent indicated in this RFP.
- 5.1.4 It is not accompanied by the required RFP document fee, if applicable.
- 5.1.5 It is not accompanied by a valid Earnest Money Deposit.
- 5.1.6 It is not accompanied by a signed copy of the RFP document including Distribution Franchise Agreement.
- 5.1.7 The bidder seeks deviations on the RFP and/or draft DFA.
- 5.1.8 If the bidder fails to submit the undertaking regarding blacklisting or is black-listed in the format mentioned at Exhibit 6.

5.2 Technical Proposal

- 5.2.1 For the purpose of technical evaluation, the bidder should satisfy the following prequalification criteria:
 - The bidder should be a company incorporated under the Companies Act, 1956
 - The bidder should have experience of working in Infrastructure Sector preferably in Power Utilities either as EPC contractor or Manufacturer or Service Provider or The Bidder or its Promoter must have a proven track record of two years of successful working experience in Power Transmission/Distribution or The Bidder or its Promoter must have a minimum two years of experience in handling at least 50000 (Rupees Fifty thousand) customers in retail or services sector or The Bidder or its Promoter must have workforce strength of at least 100 employees continuously for the last three years.

- 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
- 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.

For the purpose of evaluation of eligibility as per clause 5.2.1; provisional results duly certified by the statutory auditors shall be acceptable subject to the successful bidder submitting audited financial results prior to signing of the agreement and provided that such bidder would continue to meet the eligibility criteria based on these audited results.

The bidder should necessarily submit the documentary evidence in regard to the above failing which the bidder may be considered disqualified on account of non-responsiveness.

5.3 Financial Proposal

- 5.3.1 **The Bidders are required to bid for annualized Input Rate for energy to be injected by WESCO at Input Points of the Franchise Area for the entire term of DFA.** The Bidder should clearly indicate annualised Input rate in Rs. upto two decimal points per unit of input energy separately in figure and in words in the respective columns of the financial bid. In case any difference observed in rate indicated in figure (no.) and indicated in words, the rate indicated in words shall be treated as quoted rate. The bidders are required to submit a detailed Financial Proposal as per the Exhibit 4 and 5 of this document.
- 5.3.2 The annualised Input Rate, as quoted by the Bidders shall factor in for at least the minimum reduction in T&D losses as per Article 5.8 of the DFA placed at Annexure-1.
- 5.3.3 The bidders shall quote at least the Yearly floor input price given in Exhibit 5 for Annualized input rate. The rates shall be quoted in terms of Rupee per unit of Energy Input in the Franchise Area and up to 2 decimal places and the same shall be non-decreasing for each year of the contract period. In case any bid quoted below the floor input rate in any year or the rate quoted in a year less than the quoted rate of previous year the bid will be treated as invalid and shall be rejected.
- 5.3.4 The Evaluation of Financial Proposals submitted by the technically qualified Bidders shall be carried out by comparing the present value of the revenue derived on the basis of the annualised Input Rate for entire term of DFA, computed at a discount rate of as per the latest norms specified by CERC and the estimated energy input as mentioned in the exhibit 5 of this document.

- 5.3.5 The methodology for computation of present value tariff is explained with the help of an exhibit below:

| Year | Estimated Energy Input (Kwh) | Yearly Floor Input Price below which bid will not be accepted– Rs./kwh | Assumed Annualised Input Rate quoted by the Bidder – Rs./kwh |
|------|------------------------------|--|--|
| 1 | 400 | 1.89 | 1.90 |
| 2 | 450 | 2.08 | 2.10 |
| 3 | 530 | 2.30 | 2.35 |
| 4 | 600 | 2.45 | 2.50 |
| 5 | 625 | 2.70 | 2.75 |

Assuming the discounting rate as 11%, the present value shall be calculated as follows:

| Year (A) | Discounting Factor (B) | Estimated Energy Input (MU) (C) | Assumed Annualised Input Rate quoted by the Bidder – Rs./kwh (D) | Present Value of the Cash Flows (B * C * D*1000) (E) |
|-----------|------------------------|---------------------------------|--|--|
| Base Year | 1 | | | |
| 1 | 0.90 | 400 | 1.90 | 6,84,000.00 |
| 2 | 0.81 | 450 | 2.10 | 7,65,000.45 |
| 3 | 0.73 | 530 | 2.35 | 9,09,000.22 |
| 4 | 0.66 | 600 | 2.50 | 9,90,000.00 |
| 5 | 0.59 | 625 | 2.75 | 10,14,000.06 |
| Total | | | | 4,3,62,000.73 |

- 5.3.6 The objective of the evaluation of the Financial Proposal is to shortlist a Bidder who has offered the maximum present value for the power injected by WESCO at Input Points in the Franchisee Area.
- 5.3.7 The Bidders may note that Annualised Input Rates to be quoted by them **shall be as per Article. 10.1 of DFA.**
- 5.3.8 **The Bidders may note that tariff sharing ratio for the financial year 2011-12 shall become applicable on account of revision of RST as defined in Article 7 in DFA on the outcome of WP(C) No: 8409/2011 pending before the Honourable High court of Orissa. The honourable high court of Orissa vide above referred case has stayed collection on the basis of revised tariff issued by the OERC for the FY 2011-12.**
- 5.3.9 The Bidder short-listed after evaluation of Technical Proposal, quoting the maximum present value, for the power injected by WESCO at Input Points, in the Financial Proposal will be selected for awarding the Project. However, WESCO's decision in the matter shall be final and binding on the bidder.
- 5.3.10 Any conditional Financial Proposal is liable for rejection.

6. Instructions to Bidders

The Bidders shall submit the Technical and Financial Proposals in two separate sealed envelopes.

Bidders may note that at any point of time, if any difference is observed between NIT and RFP version of the tender, the RFP version shall be treated as final.

6.1 Submission of Technical Proposal

6.1.1 The Technical Proposal, one original and one copy, organized in a manner as specified in Exhibit 1 to 5 of this document, should be delivered in a sealed envelope or a box, with the following inscription:

“Technical Proposal for Distribution Franchisee for Sonapur Division”

Name of the Bidder: _____

To,

[Name & Address of the Issuing Authority]

6.1.2 The original of the Technical Proposal shall be clearly marked “ORIGINAL” and copy of the Technical Proposal shall be clearly marked “Copy”. In the event of any discrepancy between the original and the copy, the original shall prevail.

6.2 Submission of Financial Proposal

6.2.1 The Financial Proposal, one original and one copy, organized in a manner as specified in Exhibit 6 and 7 should be delivered in a sealed envelope or a box, with the following inscription:

“Financial Proposal for Appointment of Distribution Franchisee in Sonapur Division ”

Name of the Bidder: _____

To,

[Name & Address of the Issuing Authority]

6.2.2 The original of the Financial Proposal shall be clearly marked “ORIGINAL” and copy of the Financial Proposal shall be clearly marked “Copy”. In the event of any discrepancy between the original and the copy, the original shall prevail.

6.2.3 The Bidder has the option of sending his Bids i.e. Technical Proposal and Financial Proposal, by registered post or submitting the Proposal in person so as to reach the designated address by the time and date stipulated by WESCO. WESCO shall not be responsible for any delay in receipt of the Proposal. Any Proposal received by WESCO

after the deadline for submission of the Proposal stipulated under Article 6.4, shall not be opened. Each page of the Proposal should be initialled by the authorized signatory of the Bidder and the bid should be accompanied by the letter of authorization in the name of the person who has signed the bid. The last date of submission of proposals is 27th October'2011 upto 16:00 Hrs. However, WESCO reserves the right to extend the last date before the time of opening of proposals, if deemed necessary.

6.3 Fees and Deposits

RFP Document Fee

6.3.1 The Bidder shall pay WESCO a non-refundable amount of Rs 20,800/- [inclusive of applicable tax, if any], towards RFP document fee, by way of Crossed Demand Draft/Pay Order, drawn on a Nationalised/Scheduled bank, in favour of North Eastern Electricity Supply Company of Orissa Ltd. Payable at Bhubaneswar. In addition, the bidder shall also pay Application Processing Fee of Rs 1,00,000/- (Rupees One lakh Only) alongwith the RFP document which is non refundable.

6.3.2 The bidders who have downloaded the RFP & DFA document from website shall submit the Demand Draft/Pay Order towards RFP Document fee along with technical proposal. In such a case, the RFP Document and application processing fee shall be placed in a separate envelope clearly marked as Document Fee & Application Processing Fee on it, along with the Technical Proposal. The bidders who have procured RFP document by paying the RFP document fee in advance, may place the Xerox copy of money receipt issued by WESCO in this regard as a token of proof in the envelop along with Application processing fee as referred above.

6.3.3 Bids, which are not accompanied by the above document and processing fee, shall be rejected by WESCO as non-responsive.

6.3.4 The Bidder shall be responsible for all the costs associated with the preparation of the proposal and participation in discussions. WESCO shall not be responsible in any way for such costs, regardless of the conduct or outcome of this process.

Earnest Money Deposit (EMD)

Each Bidder shall submit an Earnest Money Deposit (EMD) of an amount Rs.10,00,000.00 (Rupees Ten lakh Only) in the form of a Bank Guarantee or Demand Draft drawn on a Nationalised /Scheduled bank, in favour of North Eastern Electricity Supply Company of Orissa Ltd. Payable at Bhubaneswar.

6.3.5 EMD shall be placed in a separate envelope clearly marked as Earnest Money Deposit on it, along with the Technical Proposal.

6.3.6 Proposals, which are not accompanied by the above EMD, shall be rejected by WESCO as non-responsive.

- 6.3.7 For unsuccessful Bidders, the EMD shall be refunded within 30 days of signing the DFA with the selected Bidder without any interest.
- 6.3.8 For successful Bidder, EMD shall be released on the payment of the security deposit.
- 6.3.9 The following shall cause the forfeiture of EMD.
- If the Bidder modifies/withdraws it's proposal except as per the provisions specified in the RFP;
 - If the Bidder withdraws it's proposal before the expiry of the validity period of the Proposal;
 - If the successful Bidder fails to provide the security deposit and execute the DFA within the stipulated time or any extension thereof provided by WESCO;
 - If any information or document furnished by the Bidder turns out to be misleading or untrue in any material respect.

6.4 Time Table and Milestones

| Milestone | Date |
|--|--|
| Commencement of Sale of bid document | 14 th October'2011 at 10:00 hours |
| Last date for sale of the bid document | 27 th October'2011 at 14:00 Hours |
| Last date of submission of bids | 27 th October'2011 at 16:00 Hours |
| Opening of Technical Proposal | 27 th October'2011 at 16:30 Hours |

6.5 Opening of Technical Proposal

The Technical Proposal shall be opened on 27th October'2011 at 16:30 Hrs, at the address Plot – N-1/22, Nayapalli, Bhubaneswar, Orissa – 751015 to be intimated at a later stage, in the presence of representative from each Bidder, if desires to attend. The details regarding the Technical Proposal, as provided in the Exhibit 3 would be read out.

6.6 Opening of Financial Proposal

- 6.6.1 The Financial Proposal shall be opened in the presence of one representative from each of the technically qualified Bidder. Date, Time and Place for the same shall be notified by WESCO in due course of time. The details regarding the Financial Proposal, as provided in the Exhibit 5 would be read out.
- 6.6.2 Information relating to the examination, clarification, evaluation and recommendation for the short listed Bidders shall not be disclosed to any person, officially concerned with the process. WESCO would treat all information submitted as part of the proposal in confidence and will ensure that all who have access to such material treat it in confidence. WESCO would not divulge any such information unless ordered to do so by any competent authority that has the power under law to require its disclosure.

6.7 Validity of terms of bids

Each Proposal shall indicate that it is a firm and irrevocable offer, and shall remain valid and open for a period of not less than six months from the last date for submission of the Bids. Non-adherence to this requirement will be a ground for declaring the Proposal as non-responsive. In exceptional circumstances, WESCO may solicit the Bidder's consent for extension of the period of validity. A Bidder accepting WESCO request for extending the period of validity shall not be permitted to modify its Proposal.

6.8 Language of the Bid

The bid and all associated documents shall be in English

6.9 Signature of Bid

The person authorised to act on behalf of the Bidder shall sign the completed Bid and all related documentation at each page. In case an existing power of attorney already covers the authorisation for the present bidding then such Power of Attorney along with a certified copy of the Board Resolution shall be attached. Otherwise a proper Power of Attorney authorising to take all necessary action covering the present bid process shall have to be attached with the bid document along with a certified copy of the Board Resolution shall be attached with the proposal.

6.10 Sealing of Bids

6.10.1 The Technical/ Financial Proposal form shall be delivered in a sealed envelope or package clearly marked as "Confidential Technical/Financial Proposal".

6.10.2 The Financial and Technical Proposals shall be enclosed in two separate envelopes.

6.10.3 If the envelopes and /or the packages are not sealed, WESCO shall not be responsible for the Bid's misplacement, premature opening or confidentiality.

6.11 Other Instructions

The following may please be noted:

6.11.1 The Bids, that are incomplete in any respect and/or are not consistent with the requirements as specified in this RFP; and/or do not contain the Covering Letter, Letter of Commitment, and Letters of Acceptance as per the specified formats; would be considered non-responsive and would be liable for rejection.

6.11.2 The Bids, that are not accompanied by a signed copy of the RFP document including Distribution Franchisee Agreement would be considered non-responsive and would be

- liable for rejection. The bidder shall sign each and every page of the RFP document including the Annexure 1 i.e. DFA issued to them on plain paper and shall submit it along with their proposal.
- 6.11.3 Strict adherence to formats, wherever specified, is required. Non-adherence to formats may be a ground for declaring the Proposal non-responsive. However, in case of Exhibit 2, if a bidder is unable to provide a letter of commitment as prescribed along with the proposal, the bidders shall have to provide an undertaking on a non-judicial stamp paper of value of Rupees One hundred Only (Rs.100/-) that if awarded the work, they will produce the letter of commitment before the signing of the DFA.
- 6.11.4 All communication and information should be provided in writing and in the English language only.
- 6.11.5 All the communication and information provided should be legible, and wherever the information is given in figures, the same should also be mentioned in words.
- 6.11.6 No change in, or supplementary information to a Proposal shall be accepted after its submission. However, WESCO reserves the right to seek additional information from the Bidders, if found necessary, during the course of evaluation of the Proposal. Non-submission, incomplete submission or delayed submission of such additional information or clarifications sought by WESCO, may be a ground for rejecting the Proposal.
- 6.11.7 The Bids shall be evaluated as per the criteria as specified in this RFP.
- 6.11.8 The Bidder should designate one person (“Contact Person” and “Authorised Signatory”) to represent the Bidder in his dealings with WESCO. This designated person should be authorized to perform all tasks including, but not limited to providing information, responding to enquiries, entering into contractual commitments on behalf of the Bidder.
- 6.11.9 If any claim made or information provided by the Bidder in the Proposal or any information provided by the Bidder in response to any subsequent query of WESCO, is found to be incorrect or is a material misrepresentation of facts, then the Proposal may be liable for rejection.
- 6.11.10 WESCO reserves the right to reject any or all the Proposal without assigning any reasons whatsoever.

7. Formats for Bid Submission**7.1 Technical Proposal**

The Technical Proposal to be submitted by the Bidders shall be organized in the manner specified below:

- 1) Section 1:
 - a. Covering Letter as per the format specified in Exhibit 1.
 - b. Demand Drafts for RFP Document and Application Processing Fee, as applicable
 - c. Earnest Money Deposit
 - d. Undertaking towards Non Blacklisting as per the format specified in Exhibit 6.
- 2) Section 2:
 - a. Letter of Commitment as per the format specified in Exhibit 2
- 3) Section 3:
 - a. Information Requirements as per the formats specified in Exhibit 3
 - b. Audited Annual Reports for the last three years for all the corporate entities that are desired to be considered for evaluation of the Proposal.

7.2 Financial Proposal

The Financial Proposal to be submitted by the Bidders shall be organized in the manner specified below:

- 1) Section 1: Covering Letter as per the format specified in Exhibit 4.
- 2) Section 2: Financial Proposal as per the format specified in Exhibit 5.

8. Exhibit 1: Covering Letter for Technical Proposal

(The covering letter is to be submitted by the Bidding Company along with the Technical Proposal. This should be on the company’s letterhead.)

Date:

Place:

[Address of the issuing authority]

Dear Sir,

Sub: Distribution Franchisee for Area.

Please find enclosed **one (1) original + One(1) copy** of our Technical Proposal in respect of the Distribution Franchisee for Area (**“Project”**), in response to the Request for Proposal (“RFP”) document issued by the WESCO on DD/MM/YYYY.

We hereby confirm the following:

1. The Proposal is being submitted by _____ (name of the Bidding Company) in accordance with the conditions stipulated in the RFP.
2. We have examined in detail and have understood and agree to abide by all the terms and conditions stipulated in the RFP issued by WESCO and in any subsequent communication sent by WESCO. Our Technical Proposal is consistent with all the requirements of submission as stated in the RFP or in any of the subsequent communications from WESCO.
3. We desire / do not desire to get credited for the financial strength of our Promoter(s), and/or experience & track record of our Promoter(s). Our Technical Proposal includes (only if desired to be credited for Promoter(s)’ strength) the Letter(s) of Commitment in the format specified in RFP, from _____(mention name of the corporate entities that are Promoter(s) /, who is/are the Promoter(s)) as per the conditions stipulated in the RFP, of _____(mention name(s) of the Bidding Company / respective Member Companies).
4. Our Technical Proposal includes Letters of Acceptance, consistent with the format as specified in the RFP. The following have been enclosed along with Technical Proposal in accordance with Article 7.
 - Demand Draft No.of amount (Rs.....) towards cost of RFP document
 - Demand Draft No.of amount (Rs.....) towards processing fee
 - Earnest Money Deposit
 - Undertaking towards Non Blacklisting
 - Letter of Commitment

- Information Requirements for technical proposal
 - Audited Annual Reports for the last three years as defined in Article no.
5. The information submitted in our Technical Proposal is complete, is strictly as per the requirements as stipulated in the RFP, and is correct to the best of our knowledge and understanding. We would be solely responsible for any errors or omissions in our Technical Proposal.
6. We as the Bidding Company, designate Mr./Ms. _____ (mention name, designation, contact address, phone no., fax no. etc) as our representative who is authorized to perform all tasks including, but not limited to providing information, responding to enquiries, entering into contractual commitments on behalf of the Bidder, etc. in respect of the Project.

For and on behalf of :

Signature :
(Authorised Signatory)

Name of the Person :

Designation :

9. Exhibit 2: Letter of Commitment

(The letter of Commitment to be submitted, along with the Technical Proposal, shall be from the Promoter(s) if any, the strengths of which are desired to be considered for the purpose of evaluation of the Technical Proposal)

Date:

Place:

[Address of the issuing authority]

Dear Sir,

Sub: Distribution Franchisee for Area

This has reference to the Technical Proposal being appointment of submitted by _____ (name of the Bidding Company), in respect of Distribution Franchisee for Area ("**Project**"), in response to the Request for Proposal ("RFP") document issued by the WESCO on DD/MM/YYYY.

We hereby confirm the following:

1. We _____ (name of Promoter), have examined in detail and have understood and satisfied ourselves regarding the contents mainly in respect of the following :
 - The Request for Proposal document issued by WESCO.
 - All subsequent communications between WESCO and the Bidder, represented by _____ (name of the Bidding Company) ;
 - The Technical Proposal being submitted by _____ (name of the Bidding Company).

2. We undertake to support _____(name of the Bidding Company for which the Letter of Commitment is being furnished) as detailed in the Technical Proposal being submitted by _____(name of the Bidding Company).

3. We therefore request WESCO to consider our strengths, our experience, and our track record as specified in the Proposal pursuant to the conditions specified in the RFP, for the purposes of evaluation of the Technical Proposal.

For and on behalf of :
 Signature :
 (Authorised Signatory) :
 Name of the Person :
 Designation :

10. Exhibit 3: Information Requirement for Technical Proposal

- a) This section specifies information to be provided in respect of all the relevant corporate entities as stated by the Bidder; and only such entities would be considered for evaluation.
- b) Bidders should attach the Audited Annual Reports for the last three years of all the corporate entities which would be evaluated under Technical Evaluation in accordance with the information submitted by the Bidder.

FINANCIAL CAPABILITY

Under this head the financial strength of the Bidding Company or the consolidated financial strength of any one of the Promoter(s) of the Bidding Company is evaluated. In the following table, the corporate entity that is to be considered for evaluation of Financial Capability should be mentioned clearly.

| Name of the Company to be considered for Evaluation of Financial Capability | Tick only one of the following |
|---|--------------------------------|
| Bidding Company | |
| Promoter of the Bidding Company | |

If the Bidding Company requires that the consolidated strength of the Promoter be considered, then details regarding such a Promoter should be furnished in the following table. In the absence of any information regarding the Promoter, the financial strength of the Bidding Company only would be evaluated.

| S. No. | Name of the Promoter | Relationship with the Bidding Company / Lead Partner |
|--------|----------------------|--|
| | | |

1. Evaluation of Financial Net Worth

Under this head, the financial net worth as per the latest Audited Annual Reports of the Bidding Company or the consolidated financial strength of any one of the Promoter(s) of the Bidding Company would be considered.

| Particulars of the company | Name of the Company to be considered for Evaluation of Financial Capability | Tangible Financial net worth as on Month, Date, [Year] (Rs. Crores) |
|---------------------------------|---|---|
| Bidding Company | | |
| Promoter of the Bidding Company | | |

2. Annual Turnover

Under this head, the bidder shall provide information as defined the annual turnover (i.e. Sales from core activities) in the latest three years of Audited Annual Reports of the Bidding Company or the consolidated financial strength of any one of the Promoter(s) of the Bidding Company should be taken. In the following table, the corporate entity that is to be considered for evaluation of Financial Capability should be mentioned clearly.

| Particulars of the company | Name of the Company to be considered for Evaluation of Financial Capability | Annual turnover (Rs. Crores) FY 20__-__ | Annual turnover (Rs. Crores) FY 20__-__ | Annual turnover (Rs. Crores) FY 20__-__ |
|---------------------------------|---|---|---|---|
| Bidding Company | | | | |
| Promoter of the Bidding Company | | | | |

3. Gross Cash Accruals

Under this head, gross cash accruals (i.e. Profit after Tax plus Depreciation and other non-cash expenses) for the latest three Audited Annual Reports or from the period of incorporation of company (in case the company is incorporated within three years) of the Bidder company or the consolidated financial strength of any one of the Promoter(s) of the Bidding Company would be considered. In the following table, the corporate entity that is to be considered for evaluation of Financial Capability should be mentioned clearly.

| Particulars of the company | Name of the Company to be considered for Evaluation of Financial Capability | Gross Cash Accruals (Rs. Crores) FY 20__-__ | Gross Cash Accruals (Rs. Crores) FY 20__-__ | Gross Cash Accruals (Rs. Crores) FY 20__-__ |
|---------------------------------|---|---|---|---|
| Bidding Company | | | | |
| Promoter of the Bidding Company | | | | |

4. Stock Exchange Listing Information (In case Applicable)

Under this head the scrip code and the scrip name, as on March 31, 2011, of the Bombay Stock Exchange/ the National Stock Exchange or any recognised stock exchange should be mentioned.

| Name of the Exchange | Scrip Code | Scrip Name |
|--|------------|------------|
| The Bombay Stock Exchange | | |
| The National Stock Exchange | | |
| Any other please specify the Exchange name | | |

EXPERIENCE AND TRACK RECORD

The bidder should include the following in this section:

1. The Bidder should provide proof of being a company incorporated under the Companies Act, 1956 and details of incorporation.
2. The bidder should provide proof of experience of working in Infrastructure Sector preferably with Power Utilities either as EPC contractor or Manufacturer or Service Provider
3. In this section the bidder should clearly mention about its company profile including core business activities, clientele, number of employees, and any other detail the bidder feel necessary to provide.

11. Exhibit 4: Covering Letter for Financial Proposal

(This covering letter for Financial Proposal is to be submitted by the Bidding Company *along* with the Financial Proposal.)

Date:

Place:

[Address of the issuing authority]

Dear Sir,

Sub: Distribution Franchisee forAreas falling _____

Please find enclosed **one (1) original + one (1) copy** of our Financial Proposal in respect of appointment of the Distribution Franchisee forArea ("**Project**"), in response to the Request for Proposal ("RFP") document issued by the WESCO on __DD/MM/YYYY.

We hereby confirm the following:

1. The Proposal is being submitted by _____ (name of the Bidding Company) who is the Bidding Company in accordance with the conditions stipulated in the RFP.
2. We have examined in detail and have understood, and abide by; all the terms and conditions stipulated in the RFP document issued by WESCO and in any subsequent communication sent by WESCO.
3. Our Financial Proposal is consistent with all the requirements of submission as stated in the RFP or in any of the subsequent communications from WESCO.
4. We would be solely responsible for any errors or omissions in our Financial Proposal.

For and on behalf of :
 Signature :
 (Authorised Signatory)
 Name of the Person :
 Designation :

12. Exhibit 5: Format for Financial Proposal

| Year | Estimated Annual Energy Input (MUs) | Year on Year T&D Loss level (%) | Yearly Floor Input Rates (Rs/kWh) Note | Annualised Input Rate in figures (Rs/kWh) (Up to two decimal places) | Annualised Input Rate in words (Rs/kWh) |
|------|-------------------------------------|---------------------------------|---|---|---|
| 1 | 179.45 | 61.94% | 0.57 | - | - |
| 2 | 188.90 | 51.94% | 0.99 | - | - |
| 3 | 167.58 | 43.94% | 1.28 | - | - |
| 4 | 151.81 | 35.94% | 1.48 | - | - |
| 5 | 145.84 | 30.94% | 1.59 | - | - |
| 6 | 140.89 | 25.94% | 1.70 | - | - |
| 7 | 140.44 | 22.94% | 1.76 | - | - |
| 8 | 140.25 | 19.94% | 1.82 | - | - |
| 9 | 140.31 | 16.94% | 1.88 | - | - |
| 10 | 140.61 | 13.94% | 1.94 | - | - |
| 11 | 144.37 | 12.94% | 1.96 | - | - |
| 12 | 149.17 | 12.44% | 1.96 | - | - |

Note: The Bidders may note that tariff sharing ratio for the financial year 2011-12 shall become applicable on account of revision of RST as defined in Article 7 in DFA on the outcome of WP(C) No: 8409/2011 pending before the Honourable High court of Orissa. The honourable high court of Orissa vide above referred case has stayed the revision in tariff of domestic category while allowing DISCOMs to serve electricity bill as per revised tariff approved by OERC to other category of consumers with effect from 1st July'2011. Hence in accordance to Article 5.3.8 of RFP the Tariff sharing Ratio for the financial year 2011-12 shall be applicable in computation of Monthly Invoice under Article 7 of DFA. Further the Average Billing Rate (ABR) is subject to undergo revision as and when the Honourable high Court passes it order on revision in tariff of domestic category.

For and on behalf of :

Signature :

(Authorised Signatory)

Name of the Person :

Designation :

13. Exhibit 6: Undertaking for Non Blacklisting to be attached with the Technical Proposal

(This undertaking is to be submitted by the Bidding Company and promoter, if applicable along with the Technical Proposal. This should be on a non-judicial stamp paper of requisite value)

Date:

Place :

[Address of the Issuing Authority]

Dear Sir,

Sub: Distribution Franchisee forArea.

This undertaking is being submitted in respect of appointment of the Distribution Franchisee forArea (“Project”), in response to the Request for Proposal (“RFP”) document issued by the WESCO on DD/MM/YYYY.

We hereby confirm the following:

1. We have never been blacklisted by any Government Department or Public Sector Undertaking of any State Government in India or the Government of India.
2. We understand and agree that if this information is found to be incorrect at any stage before technical and financial evaluation; our proposal will be considered as non-responsive and rejected accordingly.
3. We further understand and agree that if the project is awarded to us on the strength of this undertaking and this undertaking is found to be incorrect post award of project, this will be treated as Critical Event of Default in terms of Article 16.1 of the Distribution Franchisee Agreement and dealt with as provided for in that article.

For and on behalf of :
 Signature :
 (Authorised Signatory)
 Name of the Person :
 Designation :

14. Exhibit 7: Letter of Acceptance to be attached with the Technical Proposal

(The letters of Acceptance are to be submitted by the Bidding Company).

Date :

Place :

[Address of Issuing Authority]

Dear Sir,

Sub: Distribution Franchisee for _____ Area

We are submitting the Technical Proposal in respect of the Distribution Franchisee for ("Project"), in response to the Request for Proposal ("RFP") issued by the [Utility name] on _____

We hereby confirm the following:

1. We _____ (name of the Company furnishing the Letter of Acceptance), have examined in detail and have understood and satisfied ourselves regarding the contents mainly in respect of the following:
 - The RFP document issued by DISCOM;
 - All subsequent communications between DISCOM and the Bidders and clarifications provided on the websites of DISCOM, and
 - The Technical Proposal being submitted by us.

2. We hereby furnish our acceptance to the terms and conditions stipulated in the documents listed under point 1 above and assure that no deviation will be made by us and no further amendment will be sought on the terms and conditions stipulated in the said documents.

For and on behalf of :
Signature :
(Authorised Signatory)
Name of the Person :
Designation :

15. Annexure 1: DISTRIBUTION FRANCHISEE AGREEMENT