



## **KERALA STATE ELECTRICITY BOARD LIMITED**

(Incorporated under the Indian Companies Act, 1956)

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### **ABSTRACT**

Implementation of SCADA/DMS project – Implementation of SCADA/DMS project – Contract with M/s. Schneider Electric – Release of Project Management Cost to SIA on pro-rata basis – Sanctioned - Orders issued.

### **CORPORATE OFFICE (IT&CR)**

BO (FTD) No. 43 /2019 (CEIT/SCADA-DMS/PMC/2018-19) dated TVPM. 21.01.2019

Read:- (1) LoA 08/2013-14 dated 22.5.2013 & amendment dated 11.6.2013.  
(2) SIA letter No. RAPDRP SCADA DMS SE KSEB 680\_R1 dated 27.11.2018  
(3) PFC record Notes of Meeting on review of SCADA held on 16.10.2018  
(4) Letter No. KLK/SYS/17-18/KSEBL/014 dated 04.12.2018 from SDC  
(5) Letter No. RAPDRP SCADA DMS KSEB 702 dated 02.01.2019 of SIA  
(6) Note No. CEIT/SCADA-DMS/PMC/2018-19 dated 03.01.2019 of the CE (IT,CR & CAPS) submitted to the Full Time Directors (Agenda: 54/1/19)

### **ORDER**

The implementation of SCADA/DMS project in three towns, viz. Kochi, Kozhikode and Thiruvananthapuram, is progressing well and has achieved major milestones. Remote Terminal Units (RTU) integration is almost completed. SIA has delivered entire quantity of 2865 Feeder Remote Terminal Units (FRTUs). Erection works of 2820 Nos. (98%) FRTU panels completed in RMU locations and RMU integration of 2780 Nos. (97%) FRTUs are completed. FRTU end to end testing with control center is in progress and end to end testing has been completed in 508 FRTU locations. PFC has directed to complete the Project including third party verification by March 2019. All efforts are being taken by KSEBL & SIA to speed up the project implementation activities so as to complete the project within the timeline granted by PFC.

M/s. Schneider Electric India Ltd. (SIA) vide letter read as 2<sup>nd</sup> paper above informed that the Project Management cost was quoted with lump sum price at the time of tendering. This Project Management cost includes all activities viz. resourcing, procurement, coordination for design approval, planning, manufacturing, organizing for inspection, dispatch, documentation, etc. SIA further informed that they had completed majority work towards installation, commissioning & End to End test for 48 Nos. RTUs, VPS, SCADA/DMS Control Centers, UPS & the end to end testing of FRTUs are in progress. All the equipment except FRTU was put into operation more than a year now. Since Cash-flow is very essential to execute the project without any hindrance and considering all SIA's efforts for project, in-order to expedite the project activities, SIA requested to release 40% of milestone payment against the Project Management cost.

As per LoA & RFP, a total amount Rs. 4.24 Crores is allotted against project management cost as a single line item: Installation, Testing and Commissioning Cost to Integrate Entire SCADA & IT (relevant to SCADA) Infrastructure. As per the payment conditions, all the milestone based payments to SIA except the project management cost can be released on pro-rata basis.

As per the Record Notes of Meeting on review of SCADA held at PFC on 16.10.2017 at New Delhi, **PFC** clarified that in order to ensure cash flow, Project Management charges being part of installation, testing & commissioning can be paid in progressively on pro-rata basis linked to other milestone payment. SCADA/DMS Consultant (**SDC**) vide letter read as 4<sup>th</sup> paper above recommended to release the Project Management cost on pro-rate basis.

In view of the above, the Chief Engineer (IT,CR&CAPS) vide Note read as 6<sup>th</sup> paper above recommended to release the Project Management Cost to SIA on pro-rata basis, as per the payment milestones, in order to maintain the cash flow to expedite the implementation of SCADA/DMS project, as recommended by SDC

Having considered the matter in detail and the recommendation of the Chief Engineer (IT,CR&CAPS), the Full Time Directors in its meeting held on 16.01.2019 resolved to accord sanction to make the following amendment in Payment Schedule [*RFP Clause GCC 13.1 (C), Section-VIII-Special Conditions of Contract*] issued to M/s. Schneider Electric India Ltd. (SIA), so as to release Project Management Cost to SIA on pro-rata basis in order to maintain the cash flow to SIA and hence to expedite the implementation of SCADA/DMS project.

Description of line item	Payment Milestone <b>Existing clause</b>	Payment Milestone <b>Amended clause</b>
Installation, Testing and Commissioning Cost to Integrate Entire SCADA & IT (relevant to SCADA) Infrastructure.	40% after successful completion of Field Installation Test (as defined in MTS)	40% <b>on pro-rata basis</b> after successful completion of Field Installation Test (as defined in MTS)
	25% after successful completion of end to end test (as defined in MTS)	25% <b>on pro-rata basis</b> after successful completion of end to end test (as defined in MTS)

Orders are issued accordingly.

By Order of the Full Time Directors,  
Sd/-  
LEKHA G,  
COMPANY SECRETARY in Charge

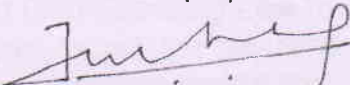
To

The Chief Engineer (IT, CR & CAPS)

Copy to:

The T.A. to Chairman & Managing Director/ Director (D&IT)/ Director (T&SO)/  
Director (CP,GE,SCM & S)/ Director (GC&HRM)  
The P.A. to Director (Finance)/ Senior CA to Secretary (Admn.)  
The Financial Adviser/ Chief Internal Auditor  
The Fair Copy Superintendent/ Library/ Stock File.

Forwarded / By Order

  
Assistant Engineer