



KERALA STATE ELECTRICITY BOARD LIMITED

(Incorporated under the Companies Act, 1956) CIN:U40100KL2011SGC027424
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Abstract

Management of power deficit during Summer 2021- Short term power procurement during April-May 2021- RfP floated through DEEP portal on 28-01-2021- Issuing of LoA to the successful bidders - Orders issued-

Corporate Office (Planning)

BO(FTD) No.194/2021 (No.CE(C&T)/CML/EE-2/STP/e-tender-7/2020-21
Thiruvananthapuram Dtd 26-02-2021

- Ref:1. Power Position Review meeting held on 20-12-2021
- Note No.CE(C&T)/CML/EE-2/STP/e-tender-7/2020-21/975/25-01-2021 of Dy.Chief Engineer (Comml & Plg) with full powers of Chief Engineer submitted to Full Time Directors (Agenda No.77/1/21)
 - Note No.CE(C&T)/CML/EE-2/STP/e-tender-7/2020-21/1053/12-02-2021 of Dy.Chief Engineer (Comml & Plg) with full powers of Chief Engineer submitted to Full Time Directors (Agenda No.47/2/21)

ORDER

In view of the upcoming summer 2021 and the expected assembly elections during April-May 2021, the Load-Generation-Balance (LGB) for summer and monsoon 2021 was reviewed by KSEBL in order to ascertain the probable deficit /surplus, so that early action to meet the expected power deficit during summer 2021(March 2021 to May 2021) can be initiated. Based on such assessment, it was decided to invite offers for banking of power during the period from March'21 to May'21, with return of banked power from mid June'21 to Sep'21 to offset a part of the expected deficit. Accordingly banking tender was invited on 10-12-2020, for the period from 01-03-2021 to 30-09-2021 in order to meet the expected power deficit during summer 2021(March 2021 to May 2021) and to manage the expected energy surplus during Monsoon 2021(Mid June 2021 to Sep-2021). Thereafter petition has been filed before KSERC on 20-01-2021 for issuing LoA to PTC the successful bidder of the banking tender for the supply of 50MW RTC and 100MW from 14-24hrs during March 2021 and 50 MW RTC for April 2021 with return as specified in the banking tender. No banking offers were received for the month of May 2021 and the requirement for April 2021 was only partially met through the banking tender.

In the Power Position meeting held on 20-01-2021, the LGB during April and May 2021, after considering banking arrangements , in the worst and best scenario i.e. with and without considering 10% credible outage in respect of Central Generating Stations and LTA generators were analyzed. It was observed that even in the best scenario, i.e. by considering the full availability of CGS & LTA quantum and the full availability of machines at Idukki Station, power deficit to the tune 180-440MW round the clock during April and May 2021 has to be expected. Since ideal scenario is unlikely to happen as unanticipated forced outages may occur in internal generating stations as well as power tied up from CGS/LTA, it was recommended that 100MW firm power on RTC basis and 100 MW from 14-24 hrs can be procured on short term basis through DEEP portal during April and May 2021. To ensure more participation and competitiveness of rates, it was suggested that the requisition during

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each month may be split into two i.e. each of 15-16 days with minimum bid quantum 25MW. It was also suggested that the matter of inviting short term bids may be brought to the notice of Commission as an additional submission along with the petition filed for the approval of issuing LoA to the successful bidder of the banking tender invited on 10-12-2020 and to issue of LoA/ execution of short term agreement only after obtaining the approval of the Commission through a separate petition. Further to the above, in view of the new ISTS regulations 2020 dated 08-05-2020 it was suggested that bidders may be informed to quote tariff (upto three decimal places) at Kerala periphery, which shall include capacity charge, energy charge, trading margin(in case of trader), intra-state open access charges, transmission (inter & intra state) losses, SLDC/RLDC Fees and Charges, all taxes and duties payable upto and including the Delivery Point i.e. Kerala periphery. Since KSEB Ltd has sufficient approved LTA quantum to accommodate the short term power proposed in the bid, it was included in the RfP that interstate transmission charges need not be factored in the bid price by bidders.

Accordingly, the Dy. Chief Engineer (Commercial & Planning) with full powers of Chief Engineer as per note read as 2nd above recommended to authorize him to initiate steps, for inviting short term tender through DEEP Portal as per the standard RfP of KSEB Ltd, for procuring power as indicated in table A and as per the timelines under table B below.

Table A:

| Requisition No | Period | | Required quantity MW | Duration hrs | Minimum Bid quantity MW |
|----------------|------------|------------|----------------------|--------------|-------------------------|
| | From | To | | | |
| 1 | 01-04-2021 | 15-04-2021 | 100 | RTC | 25 |
| 2 | 01-04-2021 | 15-04-2021 | 100 | 14-24 | 25 |
| 3 | 16-04-2021 | 30-04-2021 | 100 | RTC | 25 |
| 4 | 16-04-2021 | 30-04-2021 | 100 | 14-24 | 25 |
| 5 | 01-05-2021 | 15-05-2021 | 100 | RTC | 25 |
| 6 | 01-05-2021 | 15-05-2021 | 100 | 14-24 | 25 |
| 7 | 16-05-2021 | 31-05-2021 | 100 | RTC | 25 |
| 8 | 16-05-2021 | 31-05-2021 | 100 | 14-24 | 25 |

Table B:

| Sl. No. | Event | Date |
|---------|-----------------------------------------------------------------------------------|------------------------------------|
| 1 | Publication of RfP/Activation of Event | 28-01-2021 |
| 2- | Last date for submission of queries if any | 02-02-2021 |
| 3 | Reply to queries | 06-02-2021 |
| 4 | Submission of RfP (on line digitally signed non financial technical Bid and IPOs) | 10-02-2021; 05:00pm |
| 5 | Opening of non financial technical Bids | 11-02-2021; 11am |
| 6 | Clarification, if any, sought from Bidder(s) | 11-02-2021 |
| 7 | In case of no clarification, evaluation of nonfinancial technical Bids | 11-02-2021 |
| 8 | Opening of IPOs (upto 1300 hrs) | 12-02-2021 11:00 am to 1:00 pm |
| 9 | Start of e-RA | 12-02-2021 01:00 pm to 03:00 pm |

It was also suggested to authorize the Chief Engineer(Trans-SO) to take necessary steps to make STOA application on behalf of KSEBL in case the successful bidder is a Generator/DISCOM without LTA/ embedded intrastate entity Generator and that the matter of inviting short term tender through DEEP portal may be brought to the notice of KSERC, as an additional submission alongwith the petition filed for the approval for issuing LoA to the successful bidder of the banking tender invited on 10-12-2020.

Based on the above, the Full Time Directors in its meeting held on 27-01-2021 had resolved to accord sanction to authorize the Dy. Chief Engineer (Commercial & Planning) with full powers of Chief Engineer to initiate steps, for inviting short term tender through DEEP Portal as per the standard RfP of KSEB Ltd, for procuring power as indicated in table A and as per the timelines under table B above. The Chief Engineer(Trans-SO) was authorized to take necessary steps to make STOA application on behalf of KSEBL in case the successful bidder is a Generator/DISCOM without LTA/ embedded intrastate entity Generator. It was also directed that the matter of inviting short term tender through DEEP portal may be brought to the notice of KSERC, as an additional submission alongwith the petition filed for the approval for issuing LoA to the successful bidder of the banking tender invited on 10-12-2020.

Accordingly based on the timelines in RfP, the technical bids were opened on 11-02-2021 and the financial bids i.e IPOs (Initial Price Offers) were opened on 12-02-2021, followed by e-Reverse Auction.

On completion of the bid process the following rates were discovered against each requisition through bucket filling in DEEP portal:

| Period | | Bid Qtm MW | Duration hrs | Offered Qtm MW | Price discovered Rs/kwh , | Trader |
|------------|------------|------------|--------------|----------------|---------------------------|--------|
| From | To | | | | | |
| 01-04-2021 | 15-04-2021 | 100 | RTC | 50 | 3.04 | GMRETL |
| | | | | 50 | 3.04 | AEL |
| 01-04-2021 | 15-04-2021 | 100 | 14-24 | 50 | 3.40 | GMRETL |
| | | | | 50 | 3.41 | PTC |
| 16-04-2021 | 30-04-2021 | 100 | RTC | 50 | 3.04 | GMRETL |
| | | | | 50 | 3.04 | AEL |
| 16-04-2021 | 30-04-2021 | 100 | 14-24 | 50 | 3.42 | GMRETL |
| | | | | 50 | 3.43 | PTC |
| 01-05-2021 | 15-05-2021 | 100 | RTC | 50 | 3.04 | GMRETL |
| | | | | 50 | 3.04 | AEL |
| 01-05-2021 | 15-05-2021 | 100 | 14-24 | 50 | 3.47 | GMRETL |
| | | | | 50 | 3.48 | PTC |
| 16-05-2021 | 31-05-2021 | 100 | RTC | 50 | 3.04 | GMRETL |
| | | | | 50 | 3.04 | AEL |
| 16-05-2021 | 31-05-2021 | 100 | 14-24 | 50 | 3.47 | GMRETL |
| | | | | 50 | 3.48 | PTC |

The Standing Committee constituted to evaluate the bid process and the financial bids observed that there was fair participation in the tender and that the average price discovered in the power exchange in S3 region for RTC power and from 14-24 hrs during April and May of 2017 to 2019 is more than the price discovered in this tender. Also losses at regional periphery are applicable for power drawn from exchange. In the recent bids invited by APPCC (Andhra Pradesh), PFCCL (NMDC periphery) and TANGENCO (Tamil Nadu) in DEEP portal the price discovered for RTC power during April 2021 and May 2021 was ranging from Rs.3.29/kwh to Rs.3.59/kwh. Thus the prices discovered at Kerala Periphery are comparable. Hence the Committee recommended the Board to issue Letter of Award (LoA) to the successful bidders namely GMR Energy Trading Ltd (GMRETL), Adani Enterprises Ltd (AEL) and PTC India Ltd (PTC) as per the price discovered through bucket filling during the eRA in the DEEP portal on 12-02-2021 as shown below.

Table 1 : Letter of Award to Adani Enterprises Ltd (AEL)

| Period | Duration Hrs | Quantum (MW) on Firm basis | Rate at Delivery Point i.e. Kerala Periphery | Source of Power |
|--------------------------|--------------|----------------------------|-------------------------------------------------------|---------------------------------------------------------|
| 01.04.2021 to 30.04.2021 | RTC | 50 | Rs. 3.04/- (Rupees Three and four paise Only) per kWh | Raipur Energen Ltd, Chhattisgarh in the Western Region. |
| 01.05.2021 to 31.05.2021 | RTC | 50 | Rs. 3.04/- (Rupees Three and four paise Only) per kWh | |

Table 2 : Letter of Award to GMR Energy Trading Ltd (GMRETL),

| Period | Duration Hrs | Quantum (MW) on Firm basis | Rate at Delivery Point i.e. Kerala Periphery | Source of Power |
|--------------------------|----------------|----------------------------|--------------------------------------------------------------|---------------------------------------------------|
| 01.04.2021 to 30.04.2021 | RTC | 50 | Rs. 3.04/- (Rupees Three and four paise Only) per kWh | DB Power Ltd, Chhattisgarh in the Western Region. |
| 01.05.2021 to 31.05.2021 | RTC | 50 | Rs. 3.04/- (Rupees Three and four paise Only) per kWh | |
| 01.04.2021 to 15.04.2021 | 14:00 to 24:00 | 50 | Rs. 3.40/- (Rupees Three and forty paise Only) per kWh | |
| 16.04.2021 to 30.04.2021 | 14:00 to 24:00 | 50 | Rs. 3.42/- (Rupees Three and forty two paise Only) per kWh | |
| 01.05.2021 to 31.05.2021 | 14:00 to 24:00 | 50 | Rs. 3.47/- (Rupees Three and forty seven paise Only) per kWh | |

Table 3 : Letter of Award to PTC India Ltd (PTC)

| Period | Duration Hrs | Quantum (MW) on Firm basis | Rate at Delivery Point i.e. Kerala Periphery | Source of Power |
|--------------------------------|----------------------|----------------------------|-------------------------------------------------------------|-----------------------------------|
| 01.04.2021 to 15.04.2021 | 14:00 to 24:00 | 50 | Rs. 3.41/-(Rupees Three and forty one paise Only) per kWh | Jindal Power Ltd, Chhattisgarh |
| 16.04.2021 to 30.04.2021 | 14:00 to 24:00 | 50 | Rs. 3.43/-(Rupees Three and forty three paise Only) per kWh | |
| 01.05.2021 to 31.05.2021 | 14:00 to 24:00 | 50 | Rs. 3.48/-(Rupees Three and forty eight paise Only) per kWh | |

Accordingly the Deputy Chief Engineer (Commercial & Planning) with full powers of Chief Engineer as per note read as 3rd above recommended to authorize him to issue Letter of Award to the successful bidders, namely Adani Enterprises Ltd (AEL), GMR Energy Trading Ltd (GMRETL) and PTC India Ltd (PTC) as per Table 1, Table 2 and Table 3 above clearly mentioning that the same is subject to the approval of KSERC and to place the outcome of the Bid and Certificate of conformity of the Bid Process submitted by the Standing committee before the Hon'ble KSERC, for adoption of tariff and approval of power procurement.

Having considered the matter in detail, Full Time Directors in its meeting held on 15-02-2021,

- (i) Resolved to authorize the Deputy Chief Engineer (Commercial & Planning) with full powers of Chief Engineer to issue Letter of Award to the successful bidders, namely Adani Enterprises Ltd (AEL), GMR Energy Trading Ltd (GMRETL) and PTC India Ltd (PTC) as per Table 1, Table 2 and Table 3 above clearly mentioning that the same is subject to the approval of KSERC
- (ii) Further resolved to authorize the Deputy Chief Engineer (Commercial & Planning) with full powers of Chief Engineer to place the outcome of the Bid and Certificate of conformity of the Bid Process submitted by the Standing committee before the Hon'ble KSERC for adoption of tariff and approval of power procurement.

Orders are issued accordingly.

By Order of the Full Time Directors

Sd/-
LEKHA G.
Company Secretary in Charge

To

The Chief Engineer (Commercial & Planning),
The Chief Engineer (Trans & SO)
The Financial Advisor