



## KERALA STATE ELECTRICITY BOARD LIMITED

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

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22/12/2020

### Abstract

Summer 2021- Managing power deficit from Feb 2021 to May 2021 -recommendations of the Chief Engineer ( Trans- SO) - cancellation on 20-11-2020- Re- tendering of tender on 10-12-2020 for banking of power during the period from 01-03-2021 to 30-09-2021- ratification - Orders issued-

### Corporate Office (Planning)

BO(FTD) No.750/2020 (No. CE(C&T)/CML/EE-2/banking tender -2/20-21

Dtd 21-12-2020

- Ref:
1. Note No.CE(C&T)/CML/EE-2/STP/20-21/06-11-2020 of the Deputy Chief Engineer (C& P) to the Full Time Directors .
  2. Banking tender document floated on 06-11-2020
  3. Letter No CESO/LD1/LGB/2020-21/1902/13-11-2020 of Chief Engineer (Trans-SO)
  4. Note No.CE(C&T)/CML/EE-2/STP/20-21/746/17-11-2020 of the DyCE (C& P) (Agenda 71/11/2020)
  5. G.O. (Rt) No. 3444/2020/GAD dated 09-11-2020
  6. Note No.CE(C&T)/CML/EE-2/STP/20-21/762/19-11-2020 of the DyCE(C&P)
  7. Letter No. CMD/105/Election- LSG/proposals/2020 dated 20-11-2020
  8. Minutes of the 6<sup>th</sup> Screening Committee meeting held on 07-12-2020
  9. Letter No. C3/237/2020POWER /09-12-2020 of the Secretary(Power),GoK
  10. Banking tender document floated on 10-12-2020
  11. Note No. CE(C&T)/CML/EE-2/banking tender -2/20-21/840/14-12-2020 of the Dy.Chief Engineer (Comm & Plg) with full powers of Chief Engineer submitted to the Full Time Directors (Agenda No.55/12/20)

### ORDER

Consequent to the stage by stage lifting of lockdown imposed due to covid-19 pandemic, it was noticed that the power demand scenario is gradually picking up its normal pace. Under the above circumstances, in view of the upcoming summer 2021 and the expected assembly elections during April 2021, the Load-Generation-Balance (LGB) for summer and monsoon 2021 was reviewed by KSEBL. The probable deficit /surplus assessment was ascertained so that early action can be initiated 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).

Based on such assessment, it was decided to invite offers for banking of power during the period from March 2021 to September 2021 to offset a part of the deficit i.e. 100 to 225 MW estimated during the summer months. Accordingly a banking tender was floated by KSEBL on 06-11-2020 as per the note read as 1<sup>st</sup> above with the approval of Chairman and Managing Director with direction to obtain ratification from the Full Time Directors. Wide publicity of inviting banking tender was given through 2 National Dailies and through

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the official web site of KSEBL. Further, the prospective bidders i.e. the Utilities and traders were also intimated directly through their email-ids.

Subsequently, in the meeting held on 12.11.2020 between KSEBL and NTPC to discuss issues related to the payment of Annual Fixed Charges of RGCCPP, Kayamkulam for the control period 2019-24, it was mutually agreed to schedule RGCCPP, Kayamkulam which was under shut down, latest by March 2021 so that the existing stock of Naphtha in this Station is consumed during this financial year. In such a scenario, the actual quantum proposed during the supply period of the banking tender floated on 06-11-2020 had to be revised, after taking into consideration the proposed schedule of RGCCPP, Kayamkulam during March 2021. But the return period and duration specified in the banking tender was not proposed to change, since the expected power surplus scenario during the monsoon 2021 remains unaffected. Since the quantum and duration specified in the supply period of the already floated banking tender had to be substantially modified, proceeding with the same tender was not recommendable.

Thus based on the recommendations of the System Operations wing, as per letter read as 3<sup>rd</sup> above, the revised banking proposal (Table A) alongwith new timelines and the modifications suggested by traders in the tender document floated on 06-11-2020 was placed before the Full Time Directors as per note read as 4<sup>th</sup> above.

Table A:

Supply period			Return period				
Month	Duration/MW		Month	Duration/ Max MW return possible against each slot			
	RTC	14-24		00:00 to 05:00	05:00 to 08:00	08:00 to 18:00	22:00 to 24:00
Mar-21	50	100	16-06-2021 to 30-06-2021	150	100	70	100
Apr-21	150	130	Jul-21	300	250	100	150
May-21	50	130	Aug-21	300	200	100	150
			Sep-21	100	70	70	100

The Full Time Directors in its meeting held on 17-11-2020, ratified the action of the Deputy Chief Engineer (Commercial & Planning) with full powers of Chief Engineer in having floated the banking tender document dated 06-11-2020 and also directed to cancel this banking tender by approving the cancellation notice, with direction to retender the banking proposal after the period of Model Code of Conduct (MCC) which is in force in the State in connection with the election to Local Self Government or after getting the approval of KSEC. Accordingly the banking tender floated on 06-11-2020 was cancelled by issuing a cancellation notice on 20-11-2020 with wide publicity.

Meantime Government of Kerala as per order read as paper 5 above, constituted a Screening Committee to streamline the process and to ensure time bound disposal of all proposals during the operation of Model Code of Conduct (MCC) in force in the State in

connection with the election to Local Self Government, so that the matters are referred to the State Election Commission after proper examination of the provisions of MCC. Observing the delay in floating the banking tender, by highlighting the necessity of banking of power, the matter of retendering the banking tender during the period of operation of MCC, was taken up with the Screening Committee through Secretary (Power) as per the letter read as 7<sup>th</sup> above.

The Screening Committee held on 07-12-2020 decided that the matter of retendering the banking tender during the period of operation of MCC need not be referred to SEC, as the administrative department can take an appropriate decision. Thus the Secretary (Power), GoK as per letter read as 9<sup>th</sup> above permitted KSEBL to continue the procedures on the proposals submitted by KSEBL.

In the above scenario, based on the approval of GoK, the modified banking tender document which was already submitted before the Full Time Directors on 17-11-2020 as per Table A above, was floated by the Dy. Chief Engineer (Commercial & Planning) with full powers of Chief Engineer on 10-12-2020, under intimation to the CMD/Director (Finance), KSEB Ltd. It was also pointed out that if KSEBL receives suitable banking offers, by floating banking tender, approval of KSERC may be obtained for those banking arrangements before issuing LoA to successful bidders.

Thus the Deputy Chief Engineer (Commercial & Planning) with full powers of Chief Engineer as per note read as 11 above had placed the matter before the Full Time Directors for ratification.

Having considered the matter in detail, Full Time Directors in its meeting held on 16-12-2020, resolved to ratify the action of the Deputy Chief Engineer (Commercial & Planning) with full powers of Chief Engineer, in having invited the revised banking tender on 10-12-2020 from traders/ utilities for banking power with KSEB Ltd during the period from 01-03-2021 to 30-09-2021 as per the terms and conditions specified in modified bid document and as per the revised timelines.

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  
The Deputy Chief Engineer (TRAC)

Copy to:

TA to the Chairman and Managing Director/PA to the Director (Finance)/TA to the Director (T-SO)/ TA to the Director (Dist; IT& HRM)/ TA to the Director (G-E & SCM )/ TA to the Director (G-C)/TA to Director (Planning & Safety, REES & Soura) Secretary (Administration)/ The Legal Advisor & Disciplinary Enquiry Officer/The Financial Adviser/The Chief Internal Auditor/The Fair Copy Superintendent, Office of the Secretary (Administration)/Library/Stock file/General Stock file.

Forwarded / By Order

  
Assistant Executive Engineer