



KERALA STATE ELECTRICITY BOARD LIMITED

(Incorporated under the Companies Act, 1956) CIN :U40100KL2011SGC027424
Registered Office: Vydyuthi Bhavanam, Pattom, Thiruvananthapuram-695004, Kerala.
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ABSTRACT

Bench mark cost for Grid connected RTS PV systems for the FY 2020-21-Cancellation of tender & Retender for Soura Phase – II subsidy project - **Approved- Order Issued**

CORPORATE OFFICE (SBU- G/E)

BO(DB) No. **557/2020** (Soura/Phase II- Subsidy- Retender/2020-21) Tvpdm dtd 3.9.2020

- Read :** 1. B O (DB) No.504/2020 (Soura/Phase – II / Subsidy /Tender 3/2019-20)
Tvpdm dated 30.7.2020.
2. Note No. Soura/Phase II- Subsidy- Retender /2020-21 dated 12.8.2019
[Circular Resolution No.1-8/2020] of the Chairman and Managing Director,
KSEB Ltd

ORDER

The Ministry of New and Renewable Energy (MNRE), Government of India announced the new benchmark rates for Grid connected RTS PV systems for the FY 2020-21 as per Office Memorandum dated 21.7.2020. The new benchmark rates are on an average about 20% lesser compared to the previous benchmark rates for 2019-20.

The MNRE Office Memorandum clearly mentions that the new benchmark cost for 2020-21 will be applicable for all Letters of Award to be issued /empanelment of developers/ vendors to be done after 31.7.2020. Hence the subsidy amount will be limited based on the new bench mark rate/ bid discovered price whichever is lower.

The Benchmark rates for 2019-20 and 2020-21 are as below.

Capacity Range	2020-21 (INR)	2019-20 (INR)
1 kW	47000	54000
>1 to 2 kW	43000	
>2 to 3 kW	42000	
>3 to 10 kW	41000	48000
>10 to 100 kW	38000	
>100 to 500 kW	36000	
		45000

Under the MNRE Phase II subsidy scheme, KSEB Ltd was allocated Roof Top Solar (RTS) capacity of 50 MW for the year 2019-20 and RTS capacity of 200 MW has been requested for 2020-21. Including the anticipated quantity of 100 MW for the FY 2020-21 tenders were floated on 13.3.2020 as per Tender No.3 /2019 – 20 for empanelment of vendors in the subsidy scheme to an extent of 150 MW capacity for the years 2019-20 and 2020-21, with the then existing Bench mark price.

The Non financial bid of the tender was opened on 19.6.2020. The details of firms participated in the tender is as follows.

Sl No	Name of firms	PART A (2/3 kW plants)	PART B (4-10 kW plants)	PART C (11-100 kW plants)	PART D (> 100 kW plants)	Total
1	Alternate Energy Corporation	1				1
2	U Solar Clean Energy Solutions Pvt Ltd			4	1	5
3	Kondaas Automation Pvt Ltd	1.5	4.5	5	1	12
4	Tata power solar system limited		90	40	20	150
5	Hive Solar		1			1
6	Hykon India Limited		1			1
7	Refex Energy Limited			2	3	5
	TOTAL	2.5	96.5	51	25	175

Due to insufficient participation in Part A, it has already been decided by the Board to retender the Part A of the bid as per B O read 1 above. It was also decided that in the retender the payment to contractors in Kerala Model shall be annuity payments (7 years) instead of RESCO/tariff method.

The opening of financial bid of the pre-qualified bidders in other parts of the tender was scheduled on 30.7.2020.

After the price bid opening the following processes are to be completed for publishing the empanelled contractor list as per the tender conditions.

- E-Reverse Auction (30.7.2020 – 11.30 AM to 1.30 PM) to discover L1 rate
- Letter to firms for willingness to match L1 rate.

- Reply from firms on agreeing to match L1 rate.
- Remarks from FA on empanelment of firms
- Approval of Board on empanelment of firms
- Issuing letter of Selection to the contractors for furnishing Empanelment BG
- Submission of Empanelment BG and signing of Contract with KSEB Ltd by the selected contractors
- Publishing Empanelment list.

Such procedures are expected to be completed in minimum 15 days from the date of financial bid opening (30.7.2020). As such the tender process could not be completed and published the empanelled list before 31.7.2020.

MNRE had confirmed that any difference in the amount due to new benchmark rate shall be borne by either consumer or KSEBL (for Kerala model) if KSEB Ltd proceeds with Benchmark price for 2019-20.

The matter regarding retender and change in tender conditions subsequent to revision in Benchmark rates was placed in the Full Time Directors meeting held on 12.8.2020. The Full Time Directors examined the matter, approved the changes and also decided to place the same before the Board of Directors for approval through circulated resolution since considerable time has elapsed since the commencement of registration in the project by the consumers.

Accordingly the matter was placed before the Board of Directors vide Board Resolution No. CR: 1-8/2020 dated 12.8.2020 of the Chairman and Managing Director, KSEB Ltd.

The Secretary, Power while agreeing to the proposal suggested that KSEB Ltd may allot 25% of the allocated capacity by MNRE to ANERT to expedite and implement the programme within the time limit. This would be in line with the guidelines where DISCOMS can use State Nodal Agencies.

Having considered the matter, the Board of Directors vide the Board Resolution No. CR: 1-8/2020 dated 12.8.2020 passed the following resolutions.

- (i) Resolved to cancel Part B, C and D of Tender No.3/2019-20 for Soura Phase – II subsidy scheme subsequent to revision in Benchmark rates by the MNRE.
- (ii) Resolved to invite the new tender with new benchmark price for all capacity ranges.
- (iii) Resolved to include the following changes in the tender document, in addition to the changes already approved in the Director Board meeting held on 17.7.2020.

- (a) New requisition for 1 kWp plant
- (b) Separate requisitions for 2 and 3 kW plants
- (c) Minimum bid capacity to be offered in the retender shall be as follows

Plant Capacity (kW)	Minimum bid capacity to be as per original tender	Minimum bid capacity to be offered in proposed retender
1	No requisition	250 kW
2	1 MW for the single requisition for 2 and 3 kW plants	500 kW
3		500 kW

There will be no change in other requisitions.

- (d) For ANERT empanelled firms and startups, participating in Part A (1 kW) alone of the new tender, the PQ conditions shall be relaxed as follows.

PQ condition	As per original tender condition	Proposed retender condition
Solvency	Rs.1.5 Cr / quoted MWp	Rs.75 lakhs for 250 kW
Annual turnover during three financial in last 5 FYs	Rs.0.5 Crores/ quoted MWp	Rs. 25 lakhs for 250 KW
Technical Experience	The contractor shall have commissioned solar plants for a minimum capacity of 1 MWp	The contractor shall have commissioned solar plants for a minimum capacity of 250 kW

- (e) The relaxation in PQ conditions for ANERT empanelled firms and startups approved by KSERC for Part A & B of the original tender (upto 10 kW plants), shall be made applicable for quoting minimum bid capacity in the Parts A,B,C and D of the new tender (upto 10 kW capacity plants).

- (f) The Netmeter cost as mentioned below shall be paid additionally to the contractor per site, since the MNRE Office Memorandum mentions that the benchmark cost excludes netmetering cost.

Meter(bidirectional)	Cost of the Meter payable per site (Rs)
Single Phase (5-30 A)	2400
Three Phase (10-60A)	2750
LT CT operated three Phase	5500
HT CT-PT operated	36000

- (iv) Resolved that the testing of the net meters for Soura Phase - II subsidy scheme supplied by the contractors shall be carried out in KSEBL TMR Divisions free of cost.
- (v) Resolved that for Kerala Model (2 and 3 kW plants) Annuity payout during 7 years from Commercial Operation Date be made to contractor as per Annexure - I, based on bid discovered EPC price.
- (vi) Resolved to allot 25% of the allocated capacity by MNRE to ANERT to expedite and implement the programme within the time limit, in line with the MNRE guidelines wherein DISCOMS can use the State Nodal Agencies, (ANERT in case of KSEBL).

Orders are issued accordingly.

By order of the Director Board,
Sd/-
LEKHA G
Company Secretary - in charge

To

The State Nodal Officer, Soura Project.

Copy To

- 1 The Financial Advisor/Chief Internal Auditor/LA&DEO
2. TA to the Chairman & Managing Director
3. TA to the Director (D, IT & HRM)
4. TA to the Director (T&SO)
5. TA to the Director (Gen - Ele & SCM)
6. TA to the Director (Gen - Civil)
7. TA to the Director (Planning & Safety)
8. PA to the Director (Finance)/Company Secretary
9. The Fair Copy Superintendent, Board Secretariat, Library

FORWARDED BY ORDER

Deep L
ASSISTANT EXECUTIVE ENGINEER

Annexure - I to B O (DB) No. (Soura/Phase II- Subsidy- Retender /2020-21/) Tvpm
dtd

Kerala Model - Proposed annuity payout based on discovered EPC price

EPC bid discovered price (Rs)	Plant capacity – 2 kW Annuity Payout(Rs) during 7 years	Plant capacity – 3 kW Annuity Payout(Rs) during 7 years
43000	6669	-
42500	6601	-
42000	6532	9798
41500	6464	9695
41000	6395	9593
40500	6327	9490
40000	6258	9387
39500	6190	9285
39000	6121	9182
38500	6053	9079
38000	5984	8977
37500	5916	8874
37000	5847	8771
36500	5779	8668
36000	5711	8566
35500	5642	8463
35000	5574	8360

For bid discovered EPC rates in between the above mentioned rates, proportionate Annuity payout rates shall be calculated.