



KERALA STATE ELECTRICITY BOARD LIMITED

(Incorporated under the Companies Act, 1956) CIN :U40100KL2011SGC027424
Registered Office: Vydyuthi Bhavanam, Pattom, Thiruvananthapuram-695004, Kerala.
E-Mail ID :sourakseb@gmail.com Ph: 0471-2514602 Website:www.kseb.in

ABSTRACT

Soura Phase – II Subsidy project tender-Retender – Part A - Approved- Orders Issued

CORPORATE OFFICE (SBU- G/E)

BO(DB) No.504/2020(Soura/ Phase – II/Subsidy /Tender 3/2019-20), Tvpm dtd 30.7.2020

- Read :-** 1 BO(DB) No. 957/2019 (Soura/ MNRE/Phase – II Subsidy programme/2019-20) Tvpm dtd 24.12.2019
2. G.O . (Rt) No.5/2020/POWER Dated, Thiruvananthapuram 13/01/2020
3. BO (FTD) No. 227 /2020 (Soura/Phase II- Subsidy /2019-20) , Tvpm dtd 23.03.2020
4. Note No. Soura/ Phase – II-Subsidy /2019-20 dtd 13.7.2020 of the Chairman and Managing Director
5. Proceedings of the 54th meeting of te Board of Directors held on 17.7.2020 vide Agenda No.12-07/2020

ORDER

The Ministry of New and Renewable Energy, Government of India have announced the MNRE Phase II subsidy programme for domestic sector, towards achieving the goal of 40 MW of Roof Top Solar plants by 2022 as per order No. 318/331/2017-GCRT Division dated 8.3.2019. The DISCOMS of the States are designated as implementing agencies in the MNRE Phase II subsidy programme for channeling the subsidy to the beneficiaries. The MNRE has also announced incentive to the DISCOMS for increase in installed roof top solar (RTS) capacity with respect to the installed RTS capacity of previous year. The incentive (10 % of plant cost) shall be applicable for the initial addition of 18000 MW and an amount of Rs.4950 Crores is set aside for the purpose.

KSEB Ltd has been allocated 50 MWp capacity under the scheme for the year 2019-20 as per allocation letter dated 20.8.2019. A quantity of 200 MW has been requested for the FY 2020-21.

Under the subsidy programme, KSEB Ltd shall empanel contractors and based on the selection by the consumer, the work has to be executed through the selected contractor.

KSEBL and Government as per orders read 1st and 2nd above respectively have approved three hybrid models applicable for consumers having consumption upto 200 units and plant capacities of 2 or 3 kWp involving MNRE, Government of Kerala, KSEB Ld, Consumer and Solar Power Developer as stake holders.

Based on approval as per BO read 3 above and approval from KSERC dated 11.3.2020, tenders were floated on 13.3.2020 for empanelment of contractors in the subsidy project for two years 2019-20 and 2020-21 for maximum bid capacity of 150 MWp, as Tender No. 3 / SOURA-Subsidy-Domestic/2019-20 dated 13.3.2020. Also the matter regarding invitation of tender has been informed to the Board of Directors in its 53rd meeting held on 25.5.2020 as per Agenda Item No.18-05/2020 (Note No. Soura/Phase – II –Subsidy /2019-20 dated 20.5.2020).

The tender has been floated in the following Parts/Capacity Ranges.

Part / Capacity range	Minimum Capacity to be quoted (MWp)	Maximum Capacity to be quoted (MWp)
Part-A: 2-3 kWp (EPC / EPC-RESCO Hybrid modes)	1	150
Part-B: 4-10 kWp (EPC mode only)	1	
Part-C: 11-100 kWp (EPC Mode only)	1	
Part-D: 101-500 kWp (EPC Mode only)	1	

The pre-qualification bid of the subsidy tender was opened on 19.6.2020.

In the tender, only two firms have participated in the PART A category and their offered quantity is too low to meet the requirement of already registered consumer in Part A (2/3 kWp plant) . There is sufficient participation in other parts of the tender.

The reason for the less participation in Part A is due to the following payment condition fixed for Part A scheme.

In Part A, the contractors are to execute the project in EPC / EPC-RESCO Hybrid mode. In EPC-RESCO Hybrid mode, 2/3rd payment is effected upon completion and remaining 1/3rd payment will be paid for energy generation from the plant over 25 years on RESCO basis.

The matter was placed before the Director Board as per note read 4 above .

The Board was informed that bidders are not interested in RESCO method for small capacity plants spread across the State and hence participation is not expected even if retendered with the same business model. Hence it is was proposed to adopt annuity payment model instead of RESCO model for the retender, wherein the 2/3rd cost shall be paid upon commissioning of the plant and balance 1/3rd amount as annuity payout over a period of 7 years based on satisfactory performance of the plant. After the contract period of 7 years with the developer, KSEB Ltd shall

undertake the O & M of the plant for the remaining period of the plant upto 25 years.

Having considered the matter in detail, the Board of Directors in its meeting held on 17.07.2020 vide the proceedings read 5 above

1. Resolved to cancel the Part A of Tender No. 3 / SOURA-Subsidy-Domestic/2019-20 dated 13.3.2020 and to retender the same since enough response is not received to meet the requirements as per registration from consumers in the scheme.
2. Resolved also that in the retender the annuity payout model (7 years) may be adopted instead of levelised tariff payment (25 years).
3. Resolved further to authorise the State Nodal Officer , Soura Project to revise the tender documents and float the tender immediately and to take up the matter with the State Government for appraisal of deviation in the model.
4. Also resolved to authorise the Deputy Chief Engineer (TRAC) to intimate the changes of tender condition to Kerala State Electricity Regulatory Commission.

Orders are issued accordingly.

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

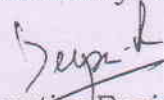
To

The State Nodal Officer, Soura Project.

Copy to

1. The Chief Engineer (Commercial and Planning)
2. The Deputy Chief Engineer (TRAC)
3. The Financial Advisor/ Chief Internal Auditor/ LA&DEO
4. TA to the Chairman & Managing Director
5. PA to Director (Finance)
6. TA to the Director (D, IT& HRM) / T,SO & REES/ Planning & Safety/ Gen-Civil/ Gen- Ele & SCM

Forwarded by Order


Assistant Executive Engineer