

Queries and Responses

1. In some cases two or more separate phases of a single End Use Plant has been listed separately in the list of Eligible Gas Based Plants. Can Bidder club these separate phases (separate Eligible Gas Based Plants as per the list) as one and apply accordingly. Specific power plants as mentioned in the pre-bid are as follows:

a) Owner: LANCO KONDAPALLI POWER LTD
KONDAPALLI EXTN CCPP - 366 MW
KONDAPALLI EXP St-III - 742 MW

The three units of the power plant are listed as two separate plants in the list of Stranded Gas Based Plants. Can these units be listed together and the Company can bid for the entire 1108 MW as one plant?

It may kindly be noted that another plant of LANCO named "Kondapalli CCPP (LANCO)" having capacity of 350 MW is listed under Plants Receiving Domestic Gas.

b) Plants owned by Pragati Power Corporation Ltd listed under Stranded Gas Based Plants and Plants Receiving Domestic Gas.

***Response:** Units at the same location under the same SPV / company and having the same TRA and presently classified under the same category i.e., SGP or DGP, may be treated as units of a single plant. In cases of such clubbing of units, the CEA will rework the SHR and communicate the same to the project developer. For this purpose, the project developers may write directly to CEA at gbphelp@nic.in before 11.00 AM on 01.05.2015, who will decide the matter in accordance with the principles above and communicate it to the project developers by 5.00 PM on 01.05.2015*

2. What are the tax implications related to co-mingling of the gas? What are the probabilities related to waivers in such cases?

Response: Tax implications related to co-mingling of the gas are as per the OM dated 27.03.2015 and notification issued by Dept of Revenue in this regard.

3. Will the diversion of gas between plants owned by same entities be allowed?

Response: No Diversion is permitted. May please refer to the definition of Diversion and Rostering included in the Corrigendum to the Tender Documents

4. Definition of PLF to be used for the Tender Document. Will it be net PLF or gross PLF? Since the formula defined is on the basis of gross energy generated (i.e. including auxiliary consumption). In other words, what will be the number of units on which subsidy will be available?

Response: The PLF is on Gross basis as given in clause 1.1.35. As per clause 1.1.24 (of Bid document) "Incremental Electricity" shall mean the Units of the electricity to be generated over and above Base PLF at the Eligible Gas Based Plant by using the e-bid RLNG and **supplied to the Discom(s).** Hence the PSDF support is available on the net generation supplied to Disoms.

This is further clarified in clause 1.1.34 (of Bid document) "Per Unit PSDF Support" shall mean the support required (in Rs. per Unit) from PSDF Fund by the Bidder for each Unit of the **Incremental Electricity supplied to the Discom without exceeding the Target PLF** for ensuring that the net purchase price for the Discoms is not more than the Target Price.

Further, the SHR for each of the plants will be adjusted with the gas requirement for the auxiliary consumption. The data regarding the adjustment in the SHR will be communicated by CEA individually to the plants at the email id provided at the time of registration on or before 03.05.2015.

5. Whether cogen plants (where gas is used for generation of electricity as well as other processes) be eligible for participation in tender process under the scheme?

Response: *Cogen plants are eligible to participate in the bidding process subject to the condition that the period during which the e-bid RLNG is used, the electricity generated will be used solely for the purpose of supply to the Discom and such electricity shall not be used for captive consumption. For this purpose, the successful bidder shall indicate in advance to the e-bid RLNG Operator, the period during which the plant is to be used solely for generating electricity for sale to Discom.*

6. Would the Stranded Gas Based Plants be moved to the list of Plants Receiving Domestic Gas in the next round of auction?

Response: *No.*

7. What is the amount of PSDF Support earmarked for fluctuation in gas price and forex rate for both SGPs and DGPs?

Response: *Question is not relevant to the bidding process.*

8. The following may be confirmed by MoP:

“In the event, the State Government(s) of certain Successful Bidders do not extend waiver of VAT, CST, Entry Tax and Octroi, on or before the date of signing of the PSDF Support Agreement, the said Successful Bidders shall become ineligible (“Ineligible Successful Bidders”) to receive the support from PSDF Fund and the Allocated e-bid RLNG. In such a scenario, the Allocated e-bid RLNG of the Ineligible Successful Bidders shall become part of the Unallocated e-bid RLNG.”

Response: *Please refer to clause 3.11 of the Tender Document for SGP and DGP*

9. “In case of NTPC gas stations, RGPPL and Sugden (Torrent), the Normative SHR is determined by CERC. In the Tender doc, the Normative SHR given are matching except that for Sugden (Torrent). The Tender doc figure for Sugden is 1737 where as the CERC Tariff Regulation (2014-19) fig is 1850.

Further, for the State gas plants and IPPs, the SHR of the plants needs to be cross checked with the tariff regulations of respective SERCs.”

Response: *The heat rates in the tender documents have been found to be in order.*

10. Clause 2.8.2 of the PSDF Support Agreement- It is clarified that the Heat Rate (HR) to be used in above formulae shall be the lower of Normative SHR provided by CEA for the Specified End Use Plant and the Allowable SHR (corresponding to the e-bid RLNG required and the Total Incremental Units).

Clause 1.1.44 of the Tender Document: “Required e-bid RLNG” shall mean the quantity of Available e-bid RLNG (in MMSCMD), subject to operational and pipeline system constraints, required by the Successful Bidder to generate the Total Incremental Electricity at the Allowable SHR provided in Annexure – I.

It is well appreciated that required gas is calculated on allowable SHR keeping in view the low target PLF, so less efficiency and more SHR, but payment is made on normative SHR, which is lower, so, full gas payment is not recovered from energy cost. Thus, the Heat Rate (HR) to be used in above formulae may be the Allowable SHR.

Response: *Existing provision of using the lower of Normative SHR provided by CEA and the Allowable SHR are in order.*