

**Uttar Pradesh Electricity Regulatory Commission**  
**Kisan Mandi Bhawan, 2<sup>nd</sup> Floor, Gomti Nagar, Lucknow**

No. UPERC/ Secretary/ D(G)/1632

Dated: 28<sup>th</sup> January, 2013

**Sir/Madam,**

**Sub :** Solicitation of bids from eligible Consultants for 'Assisting the Commission in prudence check and verification of additional capital cost along with the capital cost of stage I and stage II of Rosa Thermal Power Station'.

Uttar Pradesh Electricity Regulatory Commission (UPERC) proposes to commission an assignment on the above subject. The Terms of Reference (ToR) of the proposed assignment is also available at website [www.uperc.org](http://www.uperc.org)

1. Bids are to be submitted in two parts i.e. Technical and Financial. Selection of the eligible Consultant shall be based on "**Technical**" evaluation (First stage) and the "**Financial**" bids of only those bidders who meet the qualifying requirements shall be opened for final evaluation.
2. It is requested that bid in solicitation proposals (**in sealed cover – separate each for "Technical" and "Financial"**), as per the above requirement may please be sent to this office **latest by 12<sup>th</sup> February, 2013 by 1500 hrs.**

Encl: as stated.

Yours Sincerely,

**(Arun Kumar Srivastava)**  
**Secretary**

Ph: 2720426, 2720427

Fax: 2720423

E-mail: [secretary@uperc.org](mailto:secretary@uperc.org)

## **Terms of Reference (ToR)**

### **Assisting the Commission in prudence check and verification of additional capital cost along with the capital cost of stage I and stage II of Rosa Thermal Power Station**

#### **1.0 Introduction**

M/s Rosa Power Supply Company Limited (RPSCL) herein after referred to as “Developer” has set up a coal based thermal power station situated at Distt. Shahjahanpur (U.P.) and supplying power to UPPCL for 25 years under a PPA. It has a capacity of 2x300 MW (Unit 1 & 2) stage I and 2x300 MW (Unit 3 & 4) stage II.

To carry out prudence check and verification of capital cost of this thermal power station, it is desirable to consider disaggregated capital cost of individual packages. The summation of the relevant individual packages would form the total cost of the project.

#### **2.0 Objectives**

- (i) Prudence check and verification of capital cost of 2x300 MW (Unit 1 & 2) stage I of the thermal power station.
- (ii) Prudence check and verification of capital cost of 2x300 MW (Unit 3 & 4) stage II of the thermal power station.
- (iii) Prudence check and verification of additional capital cost claimed by the Developer.

#### **3.0 Scope of assignment**

The scope of assignment is as given below but not limited to;

- (a) Prudence check and verification of provisionally approved capital cost and additional capital cost from the data certified by the statutory auditor and submitted by the Developer on standard formats as specified.
- (b) The details of costs shall be taken from the filled up standard formats provided by the Developer for determination of tariff under the UPERC (Terms and Conditions of Generation Tariff) Regulations, 2009 and CERC order dated 4.6.2012 on Benchmark Capital Cost (Hard cost) for Thermal Power Stations with Coal as Fuel.
- (c) All other works such as scrutiny of relevant documents, site inspection and physical verification of assets required to be carried out to arrive at the capital cost/ additional capital cost as described above, shall also be deemed to be included in the scope of the assignment.
- (d) Assistance regarding documentation, if required, can be taken from PPA unit of UPPCL.
- (e) All the details of capital cost in the prescribed formats certified by the statutory auditors and submitted by the Developer to the Commission shall be made available to the Consultant.

#### **4.0 Deliverables and Duration of Assignments:**

- (i) The Consultant shall prepare a detailed report on prudence check and verification of capital costs in terms of segregated individual packages. The report shall include the resultant capital cost of the thermal power station after summation of all the individual components which shall form the basis for determination of tariff for thermal power station.
- (ii) The Consultant shall also make a comparative report having comparison, if any, with same category/ capacity plants existing or coming up in India. However, while doing so the site/location specific conditions shall be taken into account.
- (iii) The Consultant shall be required to make a detailed presentation of the report before the Commission.
- (iv) The time for making presentation shall be 30 days from the scheduled date of start of work and thereafter within 7 days the report shall be submitted after incorporating the views of the Commission.
- (v) For package wise break up of costs, as an illustration, the following packages could be considered:
  - a) Steam generator island including coal mills excluding civil works
  - b) Turbo generator island including control and instrumentation, excluding civil works
  - c) Civil package for main plant
  - d) Electrical package including switchyard and transformer yard
  - e) Balance of plant including civil works (coal handling plant, ash handling plant, ESP, CW system, fuel oil system, water treatment plant, cooling towers, workshop, railway siding, emergency DG supply, water clarification plant, water supply system, station air compressors, fire fighting system, cable facilities etc).
  - f) Other works such as roads, bridges, tree plantation, residential facilities, hospital, school and miscellaneous infrastructure facilities.
  - g) The cost of erection, testing and commissioning and other incidental expenses including site preparation, site supervision etc., shall be factored into the various disaggregated capital cost heads.
  - h) The cost of land, financing charges, interest during construction and Right of Way charges etc. shall be additional.

#### **5.0 Qualifying Requirements:**

- a. The bidder must demonstrate that the services of persons having qualifications in Finance (C.A. or equivalent), Technical (B.E., M.E. or equivalent) and Cost Accountancy (ICWA or equivalent) shall be rendered.
- b. The bidder must have done atleast one work of Rs. 5 lacs or more each year of the past 3 financial years related to analysis of project cost, generation tariff or such similar work related to thermal power station. The bidder is required to submit work orders indicating the value of work awarded in support.

- c. Must have an experience of atleast 5 years in works described in para b. above.
- d. In case any of the bidders is found to be associated with the Developer in any capacity or having any conflict of interest in either party, the said bidder will stand automatically disqualified.

#### **6.0 Procedure of submission of bids:**

- a. It may please be noted that the offer for the work is to be submitted in two parts each in a separate envelope.
- b. One envelope shall contain details in support of Bidder's Qualifying Requirements and shall be sealed and superscribed as "Technical bid having details in support of Qualifying Requirements for the work of Assisting the Commission in prudence check and verification of additional capital cost along with the capital cost of stage I and stage II of Rosa Thermal Power Station". The technical bid shall include a list of persons proposed to be deployed for the work along with their detailed resume showing their competency for prudence check and verification of capital costs. A Broad approach / Methodology for the Assignment is essentially to be proposed by the bidder in the Technical bid.
- c. The second envelope shall contain the financial bid and shall be sealed and superscribed as "Financial Bid for the work of Assisting the Commission in prudence check and verification of additional capital cost along with the capital cost of stage I and stage II of Rosa Thermal Power Station". The amount shall be quoted as below:

- |                                |           |
|--------------------------------|-----------|
| (i) Amount quoted for the job: | Rs. _____ |
| (ii) Rebate, if any            | Rs. _____ |
| (iii) Net financial bid        | Rs. _____ |

(Applicable taxes shall be paid separately)

- d. Both these envelopes shall be put in one envelope which shall be sealed and superscribed as "Offer for Assisting the Commission in prudence check and verification of additional capital cost along with the capital cost of stage I and stage II of Rosa Thermal Power Station" and has to be submitted on any working day during working hours on or before 12<sup>th</sup> February, 2013 by 15.00 hrs. at the following address:

**Secretary,  
Uttar Pradesh Electricity Regulatory Commission,  
2nd Floor, Kisan Mandi Bhawan, Vibhuti Khand,  
Gomti Nagar, Lucknow – 226010.**

#### **7.0 Evaluation Criteria:**

- a. The bidder is required to submit separate Technical and Financial bids, duly sealed in separate envelopes. The financial bid shall have only one component. The technical bid shall include a Broad approach / Methodology for the Assignment as proposed by the bidder.
- b. The "**Financial**" bids of only those bidders who qualify in "**Technical**"

evaluation will be opened for final evaluation. The date and time of opening of financial bids shall be intimated to the bidders who shall meet the qualifying requirements.

#### **8.0 Letter of Award and Agreement:**

Successful bidder shall be issued Letter of Award (LoA) by Secretary, UPERC. The selected consultant has to submit acceptance of the same and has to enter into an agreement within fifteen days from the date of start of work.

#### **9.0 Time Schedule:**

The scheduled date of start of work shall be reckoned from seven days after the date of award of work to the consultant and the scheduled date of completion of work shall be (30+7) days from the scheduled date of start. Commission reserves the right to extend the date of submission, if the necessity so demands.

#### **10.0 Payment Terms:**

- (a) 30% of price quoted shall be given after the presentation.
- (b) 70% of price quoted shall be given after acceptance of submitted report.

#### **11.0 Ownership of Material:**

All reports, models and any other documents that the selected consultancy firm will have to prepare under the contract for the purposes of determination of capital cost of coal based thermal generating station shall belong to and remain the property of the UPERC. UPERC shall retain the rights to publish or disseminate reports arising from such materials. The consultancy firm may however retain a copy of such materials for their own use. All submission must be made in 5 copies (spiral bound) along with the soft copy.

#### **12.0 Arbitration and Jurisdiction:**

All disputes and differences by and between the parties hereto in any way relating to or; arising out of the present contract or in any way connected with the contract shall be referred to the arbitration of a sole arbitrator selected by mutual consent of both the parties. All the proceedings of arbitration will be held in Lucknow only. The provisions of Arbitration and Conciliation Act, 1996 and its amendments will be applicable.

Only the Courts established at Lucknow will have the jurisdiction to decide any dispute between the parties.