

Investment Opportunity in Uttar Pradesh Power Sector

GLOBAL INVITATION FOR REQUEST FOR QUALIFICATION (RfQ)

FOR SELECTION OF DEVELOPER FOR SETTING-UP OF 3 X 660 MW DOMESTIC COAL BASED
PRAYAGRAJ THERMAL POWER PROJECT AT BARA, DISTRICT ALLAHABAD, UTTAR PRADESH STATE, INDIA
ON BUILD, OWN, OPERATE AND MAINTAIN BASIS

The opportunity: Prayagraj Power Generation Company Limited in its capacity as the authorized representative and Bid Process Coordinator of State Distribution Licensees of Uttar Pradesh have taken an initiative for development of 3 X 660 MW Prayagraj Thermal Power Project based on domestic coal to be setup at Bara, District Allahabad of Uttar Pradesh through Private Sector participation. The project will be awarded to successful bidder based on Competitive Tariff based Bidding. National and International developers are invited to participate in the bid process.

The project: The 3 X 660 MW Thermal Power Project is proposed to be based on Supercritical Technology. The site is located at Bara, District Allahabad, Uttar Pradesh, India. The site is approachable by an all weather road. Draft Environment Impact Assessment report has been submitted for clearance of Ministry of Environment and Forest. The DPR for the project is prepared which will be made available to the qualifying bidders at RfP stage. The Government of Uttar Pradesh has decided to permit the selected developer to establish upto two additional generation units at the selected plant location. Further it is proposed that the developers would be allowed to sell 80% / 70% of the installed capacity of such additional unit(s) at the discretion of the selected bidder as per provision under Thermal Generation Development Policy 2008 of Government of Uttar Pradesh State.

The Bidder: The bidder may be a single entity or a multi entity consortium, coming together to implement the project. Consortium as a whole must have necessary technical and financial expertise to execute large projects of this size. The members shall be jointly and severally responsible.

Please note that this notification is an amendment of invitation issued earlier for the RfQ issued on 12th August 2008 wherein the Project was considered to be a combined generation cum transmission project. Bidders who have submitted response to the RfQ under the said earlier notification and who have qualified earlier need not submit the response to this RfQ document again. Such bidders would continue to remain qualified under this qualification process as well. Further, as per directives of UPERC Order dated 4th November 2008 (available on www.uperc.org), the RFP documents for the project are also available on UPPCL website. All the existing qualifiers (list available on UPPCL website) and new qualifier under this notification shall submit the RFP responses to PPGCL on or before 30th November 2008.

The qualifying requirements are as under:

Qualifying Criteria:

- The Bidder must have experience of developing projects (not necessarily in the power sector) in the last 10 years whose:
 - Aggregate capital costs must not be less than Rs.1,485 Crores or equivalent US\$.
 - The capital cost of at least one project should be equivalent to or more than Rs.500 Crores or equivalent US\$.

OR

- The applicant must own or operate power plant(s) of minimum aggregate gross capacity not less than 500 MW.

For this purpose, capital expenditure on projects that have been completed or the power plants which have been commissioned at least 7 (seven) days before the RFQ submission date shall be considered.

- The Bidder must also fulfill
 - Any one of the following two financial requirements
 - ❖ Internal Resource Generation of Rs.594 Crores or equivalent US\$, computed as five times the maximum internal resources generated during any of the last five years of business operations; OR
 - ❖ Annual Turnover of Rs.2,376 Crores or equivalent US\$. The said computation shall be derived from any of the past three year's audited annual accounts.
 - In addition to above the following financial requirement
 - ❖ Net Worth of Rs.990 Crores or equivalent US\$. The said computation shall be derived from any of the past three year's audited annual accounts.

The applicant shall furnish documentary evidence confirming their technical and financial capabilities as per the RfQ formats.

Collection of RfQ document: The Bidders can collect the RfQ document by deputing their authorised representative in person against a payment of Rs. 50,000/- (Rupees Fifty Thousand only) in the form of a Demand Draft payable at Lucknow in favour of "Prayagraj Power Generation Company Limited". The RfQ document will be available for sale on all working days from 5th November, 2008 to 19th November, 2008 between 1000 hrs and 1700 hrs at following address. The RfQ document can also be downloaded from UPPCL website www.uppcl.org. However, in such case the interested parties should submit Demand Draft of Rs.50,000/- (Rupees Fifty Thousand only) as above along with the RfQ.

Submission of RfQ: The detailed RfQ along with the documents confirming compliance with technical and financial requirements may be submitted at the address mentioned below by 1400 hrs on or before 20th November, 2008.

Address for sale, communication and submission of RfQ:

Chief Engineer - Project

Prayagraj Power Generation Company Limited
3rd Floor, Shakti Bhawan Extension,
14-Ashok Marg, Lucknow – 226001
Uttar Pradesh, India
Ph: +91-522-2287867;
Fax: +91-522-2288484/ 2287343
Email: cgm2plg@yahoo.co.in

Issued by:

Prayagraj Power Generation Company Limited
(PPGCL)

On Behalf of:

- 1.Madhayanchal Vidyut Vitaran Nigam Ltd. (MNVNL), Lucknow
- 2.Paschimanchal Vidyut Vitaran Nigam Ltd. (PaVVNL), Meerut
- 3.Poorvanchal Vidyut Vitaran Nigam Ltd. (PVVNL), Varanasi
- 4.Dakshinanchal Vidyut Vitaran Nigam Ltd. (DVVNL), Agra
- 5.Kanpur Electricity Supply Company Ltd. (KESCO), Kanpur