

Annexure - A

to the Petition for approval of Request for Qualification issued by Prayagraj Power Generation Company Limited for 3X660 MW Prayagraj Thermal Power Project proposed to be located at Bara , District Allahabad, Uttar Pradesh

LIST OF DEVIATIONS FROM RFQ EARLIER APPROVED BY HONOURABLE COMMISSION VIDE ORDER NO. UPERC/D (G)/Secy/Bara-Karchhana/2007-165 Dated 31.07.2007

Sr.No	Ref	PPGCL Documents (Revised RfQ)	Old RfQ	Rationale
1		Authorised Representative is Prayagraj Power Generation Company Limited (PPGCL).	Authorised Representative was Uttar Pradesh Power Corporation Company Limited.	As per the Standard Bidding Documents (SBD), the Authorised Representative needs to be Special Purpose Vehicle and since the SPV is incorporated as PPGCL, the same is incorporated.
2	Covering Letter of RFQ Document	Request for Qualification (RFQ) for supply of power and providing the transmission services to State-owned Distribution Licensees of Uttar Pradesh, India.	Request for Qualification (RFQ) for supply of power to State-owned Distribution Licensees of Uttar Pradesh, India.	Change in Line with Project Requirements. (Generation and Transmission)
3	Covering Letter of RFQ Document	Prayagraj Power Generation Company Limited may modify, amend or supplement this RFQ document in accordance with "Guidelines for Determination of Tariff by Bidding Process for Procurement of Power by Distribution Licensees" dated 19 January, 2005 or "Tariff based Competitive bidding Guidelines for Transmission Service" dated 17 th April 2006 issued by Ministry of Power		Change in Line with Project Requirements. (Generation and Transmission)

Sr.No	Ref	PPGCL Documents (Revised RfQ)	Old RfQ	Rationale
4	Global Notification (Heading)	Global invitation for prequalification to build, own, operate & Maintain 3 x 660 MW, Bara (Dist. Allahabad) thermal Power Projects based on Supercritical Technology and to build, own, operate & Maintain 765KV two Single circuit Transmission Lines from Bara to Mainpuri in the State of UP, India	Global invitation for prequalification to build, own, operate & Maintain 3 x 660 MW, Bara (Dist. Allahabad) and 2 x 660 MW Karchana (Dist. Allahabad) thermal Power Projects based on Supercritical Technology in the State of Uttar Pradesh, India	Change in Line with Project Requirements. (Generation and Transmission)
5	Global Notification (Point No 1)	The power plant is proposed to be based on Supercritical Technology, which is a green field project with assured availability of water and sufficient land required to set up the plant.	The projects are proposed to be based on Supercritical Technology. Both the projects are green field projects with assured availability of water and sufficient land required to set up the projects.	Word "projects" is replaced with the word "power plant".
6	Global Notification (Point No 2)	Further the project shall include Development, Operation and Maintenance of the Transmission System based on approved Transmission Evacuation plan as outlined in this RFQ document, from the generating station upto the Delivery point.	----	Change in Line with Project Requirements. (Generation and Transmission)
7	Global Notification (Point No 2)	The power produced from the project will be essentially committed to Uttar Pradesh. However, the bidders will be <i>allowed to sell the power outside the state to the extent of 10% of Installed capacity</i> to avail the benefits of Mega Power under Mega Power Policy issued by Ministry of Power. <i>The Authorised Representative will facilitate the process of obtaining the Mega Power Status for the project on "best effort" basis.</i>	The power produced from the project will be essentially committed to Uttar Pradesh. However, GoUP may allow some power to other buyers in order to enable the promoter to get Mega Power Status for the Project.	The quantum of Power to be sold to avail the Mega Power Benefit was not defined at RFQ stage; Now specified.

Request for Qualification – Prayagraj Power Generation Co. Ltd.

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8	Global Notification (Point No 4)	Special Purpose Vehicle “Prayagraj Power Generation Company Limited” has already been incorporated to undertake the developmental activities for the project.	Two special purpose vehicles have already been created to acquire land and other statutory clearances. GoUP has given its concurrence to provide water from adjoining Yamuna river. GoUP has already requested for allotment of coal blocks for the projects.	
9	Global Notification (Point No 5)	In order to ensure that power is available for the State of UP, at most competitive tariff, the Government of UP has decided to permit the selected developer to establish additional two generation units at the selected plant location. To expedite the process, the Government of UP shall facilitate the Land Acquisition and Water allocation for such additional units. As per Thermal Power Generation Development Policy 2008 of U.P State. Other requisite clearances, approvals, fuel tie up etc shall be the responsibility of the bidder. It is also proposed that the developers would be allowed to sell 80% / 70% of the installed capacity of such additional unit as per provision under Thermal Generation Development Policy 2008 of Uttar Pradesh State.	Not Existed	Incorporated based on Thermal Power Generation Development Policy 2008 issued by GoUP. (Government of Uttar Pradesh)
10	Global Notification (Point No 6)	The selection of the developer will be made on the basis of levelised tariff for power procurement and transmission services based on updated Competitive Bidding	The selection of the developer will be made on the basis of levelised tariff based on updated Competitive Bidding Guidelines of Government of India. Incentive under GoUP Power Policy 2003	Change in Line with Project Requirements. (Generation and Transmission)

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Sr.No	Ref	PPGCL Documents (Revised RfQ)	Old RfQ	Rationale
		Guidelines of Government of India. The Utilities buying power and availing transmission services will provide adequate payment security mechanism.	would be admissible to the Projects. The Utilities buying power will provide adequate payment security mechanism.	
11	Prequalification Criteria for Bidders Point No. 1.a.i.	Internal Resource Generation of Rs.706 Crores or equivalent US\$ ¹ , computed as five times the maximum internal resources generated during any of the last five years of business operations;	Internal Resource Generation of Rs.594 Crores or equivalent US\$ ² , computed as five times the maximum internal resources generated during any of the last five years of business operations;	Amount Changed as per Project Requirement (Generation and Transmission)
12	Prequalification Criteria for Bidders Point No. 1.b.i.	Net worth of Rs.1,150 Crores or equivalent US\$. The said computation shall be derived from any of the past three year's annual accounts.	Net worth of Rs.990 Crores or equivalent US\$. The said computation shall be derived from any of the past three year's annual accounts.	Amount Changed as per Project Requirement (Generation and Transmission)
13	Prequalification Criteria for Bidders Point No. 1.2.a	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.1,885 Crores or equivalent US\$. Out of these projects, the capital cost of at least one project should be equivalent to or more than Rs.500 Crores or equivalent US\$. For this purpose, capital expenditure on projects that have been completed at least 7 (seven) days before the RFQ submission date shall be considered.	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\$. Out of these projects, the capital cost of at least one project should be equivalent to or more than Rs.500 Crores or equivalent US\$. For this purpose, capital expenditure on projects that have been completed at least 7 (seven) days before the RFQ submission date shall be considered.	Amount Changed as per Project Requirement (Generation and Transmission)

Request for Qualification – Prayagraj Power Generation Co. Ltd.

Sr.No	Ref	PPGCL Documents (Revised RfQ)	Old RfQ	Rationale
14	Clause 1.1.1	The Authorised Representative, Prayagraj Power Generation Limited, 3rd Floor, Shakti Bhawan Extension, 14-Ashok Marg, Lucknow 226001, Uttar Pradesh, India, (which expression shall also include the successors and Permitted Assigns of the Procurers), acting through the office of Sri Lal Chand, Chief Engineer (Projects), on behalf of Madhayanchal Vidyut Vitaran Nigam Ltd. (MVVNL), Lucknow, Paschimanchal Vidyut Vitaran Nigam Ltd. (PaVVNL), Meerut, Poorvanchal Vidyut Vitaran Nigam Ltd. (PVVNL), Varanasi, Dakshinanchal Vidyut Vitaran Nigam Ltd. (DVVNL), Agra, Kanpur Electricity Supply Company (KESCO), Kanpur (hereinafter to be referred as the "Procurers", invites Bids for purchase of power on a long-term basis as well as to establish, operate and maintain the Transmission System for evacuation of power from the project.	Uttar Pradesh Power Corporation Ltd, 3rd Floor, Shakti Bhawan Ext., 14-Ashok Marg, Lucknow-226001, Uttar Pradesh, India (hereinafter to be referred as the "Authorized Representative"), on behalf of the State Distribution Licensees of Uttar Pradesh, (hereinafter to be referred as the "Procurers"), wishes to invite Bids for purchase of power on a long-term basis.	Change in Line with Project Requirements. (Generation and Transmission)
15	Clause 1.2 Definitions	"Authorized Representative" or "Bid Process Coordinator" shall mean <i>Prayagraj Power Generation Company Limited</i> , the body corporate authorised by Procurers to carry out the Bid process and notified by Government of Uttar Pradesh as Bid Process Co-coordinator vide 2567/24-01-08 dated 05-08-08, for the selection of the Successful Bidder, on their behalf.	Authorized Representative is defined as Uttar Pradesh Power Corporation, the body corporate designated by the Distribution Licensees to carry out the whole Bid process for the selection of the Bidder, on their behalf.	Change in Line with Project Requirements. (Generation and Transmission)

Request for Qualification – Prayagraj Power Generation Co. Ltd.

Sr.No	Ref	PPGCL Documents (Revised RfQ)	Old RfQ	Rationale
16	Clause 1.2 Definitions	<p>“SPV” shall mean Prayagraj Power Generation Company Limited (PPGCL), a company established under the Indian laws to carry out the bid process in accordance with the Bidding Guidelines. Prayagraj Power Generation Company Limited shall act as the Authorised Representative till acquisition of its 100% equity shareholding by the Selected Bidder.</p>	<p>SPV will be defined as a separate legal company established under the Indian laws by the Distribution Licensees to purchase the power on long-term basis.</p>	<p>Since “SPV” is incorporated hence defined.</p>
17	Clause 1.2 Definitions	<p>The following Definitions have been added:</p> <ol style="list-style-type: none"> 1. “Affiliate” 2. “Bid” 3. “Bidder” 4. “Bidding Company” 5. “Bidding Consortium” 6. “Bidding Guidelines” 7. “Change in Ownership” 8. “Conflict of Interest” 9. Consents, Clearances, Permits” 10. “Financially Evaluated Entity” 11. “Functional Specifications” 12. “Grid Code” / “IEGC” or “State Grid Code” 13. “Inter-State Transmission System” 14. “Intra-State Transmission System” 15. “Lead Member of the Bidding Consortium” or “Lead Member” 16. “Letter of Intent” or “LOI” 17. “Long Term Transmission Customer(s)” 18. “Member in a Bidding Consortium” or 	<p>Not Existed</p>	<p>Definitions Added/Modified based on Project Requirements (Generation and Transmission) and also based on Transmission SBD issued by Ministry of Power in February 2008.</p>

Sr.No	Ref	PPGCL Documents (Revised RfQ)	Old RfQ	Rationale
		"Member" 19. "Parent Company" 20. "Project" 21. "RFQ" 22. "Response to RFQ" 23. "Statutory Auditor" 24. "Successful Bidder" 25. "Technically Evaluated Entity" 26. "Transmission System" 27. "Ultimate Parent Company"		
18	Clause 1.3	Clause 1.3 Long Term Procurement has been replaced by Project Description which describes the Project Structure with respect to Generation and Transmission component of the Project, conditions of Purchase of Power by the Procurers.	Long-Term Procurement	Change in Line with Project Requirements. (Generation and Transmission)
19	Clause 1.4	Details relating to Project Development activities for the Project Details relating to the status of various activities such as Land Acquisition, Environmental Clearance, Aviation Clearance, Water Allocation, Fuel Linkage and also details of the Approved Transmission Plan have been mentioned.	Not Existed	Inserted for providing information to bidders about status of Project Development Activities.
20	Clause 1.5	Selection of Successful bidder 1.5.1 <i>The interested bidder will be required to submit their Response to RfQ for qualification and</i>	Not Existed	Inserted for providing information to bidders about Selection Process and transfer of SPV to successful bidders.

Sr.No	Ref	PPGCL Documents (Revised RfQ)	Old RfQ	Rationale
		<p><i>Authorised Representative shall shortlist such bidders based on Evaluation Process as defined hereunder for the next process for issue of Request for Proposal (RfP). At RfP stage the bidders shall be required to quote Bid in two components i.e. a per unit tariff for supply of power and annual Transmission charges for providing the services of Transmission System, to Procurer. For selection of "L1" bidder the annual transmission charges shall be converted per unit based on annual generation considering availability at 80% of contracted capacity offered by the bidder.</i></p> <p>1.5.2 The Procurers / Authorised Representative will transfer the SPV along with the Project site to the successful bidder at a price to be indicated in the RFP for implementing the project, after signing of Agreement.</p>		
21	Clause 1.6	<p>Other information</p> <p>1.6.1 All Bidders are required to submit information in accordance with the instructions set forth in this RFQ. Bidders should provide information sought herein in order to satisfactorily establish their competence and suitability for executing the Project.</p>	Not Existed	Inserted for providing better clarity to Bidders.

Sr.No	Ref	PPGCL Documents (Revised RfQ)	Old RfQ	Rationale
		1.6.2 The bids to RFQ shall be valid for not less than one hundred and eighty (180) days from the last date of submission of bid.		
22	Clause 2.1.1.	The Bidder should be a company duly incorporated under the relevant laws (Bidding Company) or a Consortium of companies (Bidding Consortium) with one of the companies acting as the Lead Member of the Bidding Consortium. Short-listing of Bidder will be based on meeting the Qualification Requirements specified below, as demonstrated by the Bidder's Response to RFQ. Further, a Bidding Consortium can participate in the bidding process for the Project if any Member of the Consortium has purchased the RFQ document for such Project.	Bidders should have adequate technical experience and adequate financial capability to execute the project, as specified in Section 2.1.2 & 2.1.3 below.	Modified for better clarity based on SBD.
23	Clause 2.1.1. (ii) 2.1.2.2 (i)	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 . Net Worth of Rs.1,150 Crores or equivalent US\$. The said computation shall be derived from any of the past three year's audited annual accounts .	Annual Turnover of Rs.2,376 Crores or equivalent US\$. The said computation shall be derived from any of the past three year's annual accounts . Net Worth of Rs.990 Crores or equivalent US\$. The said computation shall be derived from any of the past three year's annual accounts .	Modified for better clarity based on SBD.
24	Note to Clause 2.1.2.3	Note: Audited consolidated annual accounts of the Bidder may be used for the purpose of financial criteria provided the Bidder has at	Not Existed	Inserted for better clarity to Bidders & Based on SBD.

Sr.No	Ref	PPGCL Documents (Revised RfQ)	Old RfQ	Rationale
		least 26% equity in each company whose accounts are merged in the audited consolidated accounts and provided further that the financial capability of such companies (of which accounts are being merged in the consolidated accounts) shall not be considered again for the purpose of evaluation of the Response to RFQ. Bidders shall furnish documentary evidence duly certified by Managing Director / Chief Executive Officer, being a full time director on the Board of the company/Manager of the company and the Statutory Auditor in support of their financial capability as defined in Clause 2.1.2 of this RFQ.		
25	Clause 2.1.2.4	If the Response to RFQ is submitted by a Bidding Consortium the financial requirement shall be met individually and collectively by all the Members in the Bidding Consortium. The financial requirement to be met by each Member of the Bidding Consortium shall be computed in proportion to the equity commitment made by each of them for investment in the Project.	Not Existed	For better clarity and based on SBD.
26	Clause 2.1.3 – 2.1.8	Technical requirements from Bidders for both developments of Power Plant and development of Transmission Network have been mentioned.	Technical requirements from Bidders for developments of Power Plant were mentioned.	Change in Line with Project Requirements. (Generation and Transmission)

Sr.No	Ref	PPGCL Documents (Revised RfQ)	Old RfQ	Rationale
27	Information Required – Clause 2.2 in the Revised RFQ and 2.5 in Old RFQ	Clause 2.2.3 has been added: The Response to RFQ shall contain unconsolidated/consolidated audited annual accounts (consisting of unabridged Balance Sheet, Profit and Loss Account, profit appropriation account, Auditors Report, etc.), as the case may be, of Bidding Company or each Member in Consortium including Lead Member for the last five (5) financial years immediately preceding the last date for submission of Response to RFQ for the purpose of calculation of Internal Resource Generation, Annual Turnover and Networth.	Not Existed	Based on SBD.
28	Clause 2.2.4.a) in the Revised RFQ and 2.4.3.a) in the Old RFQ	If the Bidder/Member in a Bidding Consortium conceals any material information or makes a wrong statement or misrepresents facts or makes a misleading statement in the Response to RfQ, in any manner whatsoever, in order to create circumstances for the acceptance of its Response to RfQ, the Authorized Representative/Procurers reserves the right to reject such Response to RfQ and/ or cancel the Letter of Intent, if issued. Further, in case Letter of Intent is cancelled, consequences as per provisions of the RfP shall follow.	If the Bidder deliberately gives wrong information in its response to RFQ in order to create circumstances for the acceptance of its Bid, the Authorized Representative/Procurers reserves the right to reject such Bid and/ or cancel the award, if made.	Based on SBD.
29	Clause 2.3 in the Revised RFQ and 2.5 in the Old RFQ	Entire clause including the sub clauses of clause 2.5 are being redrafted in accordance with the Revised Standard Bidding Documents issued by		Change is incorporated to keep the RFQ document in line with the Standard Bidding

Sr.No	Ref	PPGCL Documents (Revised RfQ)	Old RfQ	Rationale
		MoP.		Documents issued by MoP.
30	Clause 2.7.2	Clause has been modified and additions have been made.		Addition and Replacement done for better clarity and as per SBD.
31	Clause 2.8 in the Revised RFQ and 2.9 in the Old RFQ.	Clauses have been modified and additions have been made.		Addition and modifications done for better clarity and as per SBD.
32	Clause 3.1	Entire clause is redrafted from the previous one based on SBD.		Redrafting is made to keep the RFQ document in line with the Revised Standard bidding Documents issued by MoP.
33	Clause 3.2	Entire clause is redrafted from the previous one based on SBD.		Redrafting is made to keep the RFQ document in line with the Revised Standard bidding Documents issued by MoP.
34	Clause 3.3, 3.4 and 3.5	New Clauses have been inserted.		New insertion based on standard bidding documents.
35	Clause 4.3	Clause has been modified and additions have been made.		Addition and modifications as per SBD.
36	Annexures	<p>Changes to the following Annexures have been made:</p> <ol style="list-style-type: none"> 1. Format for Covering Letter. 2. Letter of Consent. 3. Power of Attorney. 4. Format for Internal Resource Generation. 5. Format for Net Worth. 6. Format for Turnover. 		Changes, Additions, Deletions and Modifications to the Annexures have been made to keep the RFQ document in line with the Standard Bidding Documents issued by MoP.

Sr.No	Ref	PPGCL Documents (Revised RfQ)	Old RfQ	Rationale
		<p>Following Annexures have been deleted:</p> <ol style="list-style-type: none"> 1. Project Information Memorandum. 2. Ownership and Operation of Power Plant. <p>Following Annexures have been added:</p> <ol style="list-style-type: none"> 1. Bidders Composition and Ownership Structure. 2. Format for Additional Information for Verification of Financial and Technical Capabilities of Bidders. 3. Format for Technical and Financial Requirement – Relationship and Details of Equity Shareholding. 4. Format for Authorisation from Parent/ Affiliate Company. 5. Illustration of Affiliates. 6. Format of Disclosure. 7. Thermal Generation Development Policy 2008 of Uttar Pradesh State <p>Joint Deed Agreement has been renamed to Consortium Agreement and changes have been made.</p> <p>Format for Technical Requirement – Development Experience has been renamed to Technical Requirement and</p>		

Sr.No	Ref	PPGCL Documents (Revised RfQ)	Old RfQ	Rationale
		changes have been made.		