

DELHI ELECTRICITY REGULATORY COMMISSION

Viniyamak Bhawan, 'C' Block, Shivalik, Malviya Nagar, New Delhi – 110017.

No. F.3(204)/Tariff/DERC/2007-08/

Petition No. 26/2008

In the matter of:

Determination of Tariff for sale of power generated by the Integrated Waste Management Complex Plant proposed to be constructed and operated by East Delhi Waste Processing Company Private Limited (EDWPCL) at Ghazipur, Delhi, utilising the Municipal Solid Waste generated in the city of Delhi as basic input and to be supplied by Municipal Corporation of Delhi (MCD).

And

In the matter of:

East Delhi Waste Processing Co. Pvt. Ltd.,
Core 4B, 4th Floor,
India Habitat Centre,
Lodhi Road,
New Delhi – 110 003.

...Petitioner

Coram:

Sh. Berjinder Singh, Chairman & Sh. K. Venugopal, Member.

ORDER

(Date of Order: 11.07.2008)

1. This Petition has been filed before the Commission on 22.11.2007 under the provisions of the Electricity Act, 2003 by the East Delhi Waste Processing Company Private Limited (EDWPCL), hereinafter called the Petitioner, for determination of tariff for sale of power generated by the integrated waste management complex plant to be set up at Ghazipur, Delhi, by utilising the municipal solid waste generated in the city of Delhi as basic input. The waste is to be supplied by the Municipal Corporation of Delhi (MCD). The project has been conceptualised as an integrated project which is expected to offer a unique and integrated solution for management of solid waste of the city of Delhi.
2. The proposed project appears to be environment friendly and its implementation would help in reducing pollution, minimise the landfill and develop green electricity in the city of Delhi. The project comprises of the following components:

- a) Power plant of 10 MW capacity at Ghazipur which will use the RDF as a fuel for generating steam in the boiler;
 - b) The MSW processing plant (RDF Plant) based on DST-TIFAC technology for RDF preparation at Ghazipur shall be capable of processing 1300 TPD of MSW.
3. The Petitioner has submitted to the Commission to take into consideration the following important aspects related to the project:
- a) The intention of GoNCTD, MCD and IL&FS behind encouraging the environment friendly disposal of MSW;
 - b) Compelling requirement of 'MSW Handling Rules 2000' issued by Government of India vide GR dated 25th September, 2000;
 - c) Benefits accruing to the society at large due to operation of such integrated Municipal Solid Waste ("MSW") processing project;
 - d) Even though the tariff proposed for power from MSW project is higher than power from conventional sources, the quantum of power and the impact on power purchase cost for BYPL is insignificant;
 - e) The average power purchase tariff under Bilateral agreement for the year 2007-08 has been more than Rs. 6.87 per unit that may further increase with time;
 - f) Non-availability of land for use as landfill site in Delhi & adjoining areas.
4. a) Infrastructure Leasing and Finance Services (IL&FS) has incorporated "Unique Waste Processing Company" (hereinafter referred as UWPC) a subsidiary setup for developing commercially viable municipal waste projects through public/private framework in various parts of the country.
- b) East Delhi Waste Processing Company Private Limited, a subsidiary of UWPC, has been set up as a special purpose vehicle/company for developing an integrated municipal solid waste based processing complex at Ghazipur site in trans Yamuna area of Delhi, for processing

and disposing municipal waste using the technologies of processing municipal waste and also to produce as by-products, inter alia, refuse derived fuel in the form of fluff, organic manure, biogas and use such products for generating electricity.

c) The ownership of the East Delhi Waste Processing Company Private Limited, special purpose vehicle/company, shall be transferred to the successful bidder pursuant to the bidding process alongwith all rights, duties and obligations. The successful bidder will undertake the development, financing, construction, operation and maintenance of an integrated waste processing facility on a build, operate and transfer basis. Accordingly, all the agreements, clearance, etc. have been obtained/signed in the name of East Delhi Waste Processing Company (Private) Limited.

5. The New Delhi Waste Processing Company Private Limited (NDWPCL) is a company jointly setup by the Govt. of NCT of Delhi through Delhi Power Company Limited (DPCL), IL&FS through UWPCCL and APTDC for developing renewable energy projects by way of waste-to-energy in the state of Delhi. The NDWPCL is a master special purpose vehicle for Delhi projects.
6. The project is housed in a special purpose vehicle/company in the name of East Delhi Waste Processing Company (Private) Limited (EDWPCL). The SPV has completed the following task:
 - a) Site identification for the project;
 - b) Characterization of Municipal Waste;
 - c) Allocation of Garbage from MCD;
 - d) Concession Agreement between EDWPCL and MCD has been duly signed on 21.5.2008;
 - e) Consent to establish from Delhi Pollution Control Board;
 - f) Environmental clearance – ToR approved by MoEF; EIA submitted;
 - g) NOC from Central Ground Water Authority;
 - h) Water linkage from Delhi Jal Board – Applied;
 - i) Clearance from Airports Authority of India for stack height;
 - j) Clearance from Airforce HQ for stack height;
 - k) Detailed Project Report;
 - l) Land lease agreement – Draft approved.

7. The project would sell 49% of total power generated from the project to BSES Yamuna Power Ltd. (BYPL) under a long term Power Purchase Agreement (PPA). The BYPL has given "in-principle" approval to purchase power from the project subject to the DERC approval.
8. The Petitioner has requested for determination of tariff by bidding process as mandated under Section 63 of the Electricity Act, 2003 for this special Power Project based on Municipal Solid Waste (MSW). The Petitioner further sought approval for NDWPCL for carrying out the bidding process on behalf of the BYPL. The bidding will be for development of integrated waste processing facility including the power plant and will be strictly carried out as per the competitive bidding guidelines issued by the Ministry of Power, Govt. of India. In view of the provisions of competitive bidding guidelines, the Commission is requested to approve the bidding process alongwith the deviations in the bid documents.
9. The Petitioner, in addition to the Petition above mentioned, placed on record additional documents vide its letters dated 10.3.2008, 28.3.2008, 25.4.2008, 8.5.2008, 12.5.2008, 22.5.2008 and 23.5.2008 for approval of the bid documents alongwith variations/modifications in request for qualification (RFQ), request for proposal (RFP) and Power Purchase Agreement (PPA) by the Commission.
10. The filing of the aforesaid Petition was followed by a series of interactions, both written and oral, wherein the Commission sought additional information/clarification and justification on various issues critical for adoption of the tariff fixed by the competitive bidding. The Petitioner has provided the additional information pertaining to bid documents (RFQ & RFP) alongwith justification and variations from the guidelines issued by the Ministry of Power, Govt. of India, vide its letters dated 28.3.2008, 25.4.2008, 22.5.2008 and 23.5.2008.
11. The Petitioner has submitted that standard bid documents released by the Ministry of Power, Govt. of India are framed, keeping in mind the Large Thermal and Hydro Power Plants and for supply of firm power. However, since the bidding in this case is for a small size special power plant based on renewable source of energy (waste) having infirm power, certain deviations from the standard documents have been suggested for their approval by the Commission. The Petitioner further stated that they have taken some deviations from the standard documents, most of which are

in line with the deviations approved by the Commission vide Order No. F(3)/164/DERC dated August 14, 2007 in the matter of determination of tariff through competitive bidding for the project of Timarpur Okhla Waste Management Company (Private) Limited and subsequent discussion with the Commission.

Deviations from the Competitive Bidding Guidelines

Bidding Guideline	NDWPCL Bid Condition	Justification
Clause 4.16 Normative availability – The Bidder shall specify Normative availability from the Project on an annual basis	Clause regarding the normative availability is deleted	The provision for Normative availability is not suitable for the Projects based on Non Conventional Energy Sources, since this is an infirm power and the generation is largely dependent on the quality of MSW provided by the Municipal Corporation and the developer does not have any control over the quality of the MSW
Clause No. 5 Two stage bidding process is envisaged for long term procurement (more than 25 years) & single stage process is envisaged for Medium term procurement (1 to 7 years)	Single stage bidding is envisaged wherein the RFQ and RFP are invited simultaneously	In view of the small capacity plant single stage bidding is envisaged, however the bidders will be shortlisted first and “RFP-Financial Bids” of shortlisted and responsive bidders will only be evaluated. This will also reduce the timelines of the project and will facilitate in commissioning the project at the earliest
Annexure: Time table for Two stage bidding Process Total duration of bidding process is envisaged at 270 days from the date of issue of RfQ	Time lines curtailed by issue of RFQ and RFP together and parallel submission. Total time for signing of agreements is kept at 120 days from issue of RfQ	The timelines are reduced considering the small size of the project and composite bidding is envisaged instead of two stage bidding process. This will also help in bringing the project at the earliest
Sale of entire power to Procurer(s)	Sale of 49% of energy available (ex-bus) to the Procurer, with remaining 51% being available to Seller for sale to Third Parties or for captive consumption	It will ensure that 49% of available energy (ex-bus) is available to Procurer at the quoted price while allowing the Seller to take benefit of selling/using the remaining 51% energy in open market/self at better price. This would be win-win situation for Seller as well as Procurer ensuring better returns to the Seller and

Bidding Guideline	NDWPCL Bid Condition	Justification
		<p>cheaper power to the Procurer.</p> <p>The 51% energy to the Seller would help him to take benefit of a captive consumer as well, if applicable. (Captive consumption, min 51% own consumption). In addition, this provision creates a uniform platform for all bidders.</p> <p>Otherwise, a 100% captive use may result in a bid price that has no significance resulting in unhealthy competition with no price advantage to the Procurer (public utility).</p>

Deviations from the Standard Bid Document for Location and Fuel specific Project

(Case 2)

MAJOR CHANGES IN STANDARD REQUEST FOR QUALIFICATION (RFQ) DOCUMENT

Standard Bid Document	NDWPCL Bid Condition	Justification
Request for Qualification		
Page 3, Clause 3 Reference to PPA (Power Purchase Agreement)	Reference to EPA and/or PPA (Energy/Power Purchase Agreement)	The model PPA released with standard bid documents has been modified to reflect sale of 49% energy to the Procurer and no capacity sale. The features typically applicable for non conventional energy Sources will have only energy charges and hence terms PPA and EPA has been used interchangeably in the bid document, and refer to the same document i.e. modified version of the Power Purchase Agreement.
Clause 3 Page 3	Additional clause inserted regarding withdrawal of the documents without assigning any reasons. Any modifications/ amendments in the documents/Agreements will be intimated to all the buyers of the Bid document	Adopted from RfP as RfQ as well as RfP are being issued parallely.

Standard Bid Document	NDWPCL Bid Condition	Justification
RFQ notification – commencement of supply needs to be decided by the Procurer and shall not be less than 48 months	NDWPCL has stipulated commencement of supply within 18 months from signing of the Agreement	Should be possible considering small size of the Project
RFQ Notification: Capacity of the Plant - To specify minimum and maximum capacity	The bidder is asked to quote the capacity, however the minimum anticipated capacity is 8 MW (Ex-Bus) and no maximum capacity is mentioned	The technology for waste to Energy is still in the nascent stage of development and it is therefore intended to take the advantage of the latest technology available in the world market so as to get Best Available System and Technology for the project. However based on the committed MSW supply and waste characterization study done by the proponents, the potential capacity is stated as minimum capacity. If anybody quotes the capacity more than it, with the same quantity of MSW it will help in reducing the tariff.
RFQ Notification:	Qualifying requirements added	For easy reference
RFQ notification	Additional clause inserted regarding adherence of the timetable of the Bid process and eventualities if the timelines are exceeded	For bidder's clarity and to ensure adherence to timelines
Section 1.1 and 1.2	Modified Added project details, need, background, concept etc.	For bidder's clarity on the project aspects like need of the project, background, concept, etc.
Clause 1.3 Capacity of the Plant – To specify minimum and maximum capacity	The bidder is asked to quote the capacity, however the minimum anticipated capacity is 8 MW (Ex-Bus) and no maximum capacity is mentioned	The technology for waste to Energy is still in the nascent stage of development and it is therefore intended to take the advantage of the latest technology available in the world market so as to get Best Available System and Technology for the project. However based on the committed Garbage supply and waste characterization study done by us the potential capacity is stated as minimum capacity. If anybody quotes the capacity more than it, with the same quantity of garbage it will help in reducing the tariff.

Standard Bid Document	NDWPCL Bid Condition	Justification
Clause 1.10 Transfer of Project – The assets shall be transferred back to the Procurer at a terminal value	Clause No 1.10 Assets will flow back to respective state authorities. No terminal value is specified.	All the assets will be transferred back to the Licensee / respective state authorities as per the land license/ concession agreement at the end of term of PPA.
Clause 1.11 and 1.12	Added Additional clauses inserted regarding transfer of project when there is / there is no residual life in the project.	For bidders' clarity on transfer of the project
Clause 2.1.3 Qualifying Criteria – Financial Criteria	Cl. 2.1.3 Qualifying Criteria – Financial Criteria	
➤ Internal Resource Generation – Equal to at least Rs. 0.30 Cr/MW of the capacity offered	➤ Internal Resource Generation – Equal to at least Rs.10.0 Crore or equivalent US\$	This has been done in view of the small size of the plant, huge capital cost of the project as compared to the conventional sources @ Rs. 10 Cr/ MW and to ensure that, only the bidders who have sufficient capital adequacy should take part in the bid. Moreover, the values used are in line with the earlier project (per MW basis).
➤ Networth - Rs. 0.50 Crore or equivalent US\$ per MW of the capacity offered by the Bidder	➤ Networth - Rs.15.0 Crore or equivalent US\$	
➤ Annual turnover - Rs. 1.20 Crore or equivalent US\$ per MW of the capacity offered by the Bidder	➤ Annual turnover - Rs.40.0 Crore or equivalent US\$	
Clause 2.1.4 Qualifying Criteria – Technical 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 the amount equivalent to Rs. 0.75 Crore per MW of the capacity offered by the Bidder.	Cl. 2.1.4 Qualifying Criteria – Technical 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 the amount equivalent to Rs. 65.0 Crore or equivalent US\$. (or Two projects of Rs 33.0 Crore or equivalent US\$).	This has been done in view of the huge capital cost of the project (@ more than Rs. 10 Cr/ MW) as compared to the conventional sources and only the bidders who have sufficient capital adequacy should take part in the bid. Moreover, the firm values used are in line with earlier project on per MW basis.

Standard Bid Document	NDWPCL Bid Condition	Justification
Clause 2.2.1 Purchase of power by the Procurer	Procurer plans to purchase 49% of the energy available (ex-bus) by the project with 51% being available to the Seller for selling to Third parties in line with open access policy.	Clause has been modified to cater to the specifications of this project where it is envisaged that Seller sells 49% of total energy (ex-bus) to the Procurer at the bid price
Clause 2.3 The RFQ document can be collected in person against payment of requisite fees.	Clause 2.3 The RFQ as well as RFP document can be collected together.	This has been done to cut-short the time requirements for bidders' selection.
Clause 2	Clause 2.8.2 added: Bidders to be bound by all conditions of authorizations and clearances received so far.	The authorizations and clearances have been received subject to certain pre-conditions that have been communicated to bidders through RFP. The selected bidder has to abide by these.
Clause 2	<u>Clause 2.12 added:</u> Details regarding opening of bid documents added.	To provide relevant information to bidders about bid-opening procedure.
Clause 3.3.4 In case bidder is taking benefit of its parent company, Board resolutions is required at RFP stage.	Clause 3.3.4 Board resolution need to be submitted with RfQ submissions itself.	Since this is composite bidding, RfQ and RfP stages are parallel. Hence, submission to be made with RfQ submissions itself.
Annexure 1: Information on Procurer	Website address of BSES is provided: www.bsesdelhi.com	BYPL (the Procurer) is JV of BSES Limited and Delhi Government, and information on the Procurer (BYPL) is placed on the website of BSES itself. Detailed information on BYPL is not required to be provided. The information of BYPL, available on BSES website should be sufficient for the size of the project under consideration.
Annexure 2: Draft format for Joint deed Agreement among participating Distribution Licensees	Deleted	As only BYPL is the procurer (single), there is no need of any Joint Deed Agreement amongst Procurers.

Standard Bid Document	NDWPCL Bid Condition	Justification
Annexure 6 Power Purchase Agreement	Annexure 6 Power/Energy Purchase Agreement	Being a smaller and renewable energy project, PPA/EPA based on model PPA without any capacity charges or escalable components is to be adopted. Draft of revised PPA is attached herewith.

MAJOR CHANGES IN STANDARD REQUEST FOR PROPOSAL (RFP) DOCUMENT

Standard Bid Document	NDWPCL Bid Condition	Justification
Request for Proposal		
Tariff Structure – Two part tariff structure is provided i.e. capacity charges and energy charges	Single part tariff structure is envisaged	The Competitive bidding guidelines allows the combined tariff structure (clause 4.15 of CBG) and further the fuel in this case i.e. Municipal waste will be provided at no cost. Further the evaluation criteria is in line with the standard bid document released by Ministry of Power.
Definitions: Quoted Tariff	Modified to have only energy charges (and no capacity charges)	Single part tariff, being a small and renewable energy Project.
Quoted Capacity charges	Deleted	No Capacity Charges
Quoted Escalable Capacity Charge	Deleted	No Capacity Charges
Quoted Non-Escalable Capacity Charge	Deleted	No Capacity Charges
Quoted Energy Charge	Deleted	No separate Energy Charges
Quoted Escalable Energy Charge	Deleted	No separate Energy Charges
Quoted Non-Escalable Energy Charge	Deleted	No separate Energy Charges
RFP Project Documents	Modified to remove irrelevant documents and include relevant documents	Removed: Port Services Agreement Included: Concession, Land Lease, CDM revenue Sharing Agreements and copy of other authorizations and clearances
RFQ	Modified to refer to part of same bid documents	
Supercritical Technology	Deleted	Not relevant

Standard Bid Document	NDWPCL Bid Condition	Justification
Bid Bond @ Rs. 3 lakhs per MW	Amount of Bid Bond to be Rs.50 Lakhs for 10 MW project (Rs 5 Lakhs per MW)	Amount of Bid bond increased to ensure that only serious and committed parties bid for the Project
Clause 1.3 Capacity of the Plant – To specify minimum and maximum capacity	The bidder is asked to quote the capacity, however the minimum anticipated capacity is 8 MW (Ex-Bus) and no maximum capacity is mentioned	The technology for waste to Energy is still in the nascent stage of development and it is therefore intended to take the advantage of the latest technology available in the world market so as to get Best Available System and Technology for the project. However based on the committed Garbage supply and waste characterization study done by us the potential capacity is stated as minimum capacity. If anybody quotes the capacity more than it, with the same quantity of garbage it will help in reducing the tariff
Clause 1.5 Design Energy for evaluation purpose	Deleted	No Design Energy envisaged for evaluation
Clause 1.6 Transfer of Project – The assets shall be transferred back to the Procurer at a terminal value	Clause No 1.6 Assets will flow back to respective state authorities. No terminal value is specified. Additional clauses inserted regarding transfer of project when there is / there is no residual life in the project.	For clarity, all the assets will be transferred back to the Licensee / respective state authorities as per the land lease / concession agreement at the end of term of PPA.
Clause 2.1.1 Procurers to procure Contracted capacity	Procurers to procure 49% of the net available energy (ex-bus)	Bidders can specify maximum possible power generation and can sell 51% of this available energy (ex-bus) to Third Parties that can optimize power tariff to Procurer
Clause 2.1.3 Fuel Supply Agreement	Concession Agreement	MSW is Fuel for the project, supplied by way of Concession
Clause 2.1.3.1 RFP Documents to be provided to the Bidders, 30 days prior to the bid deadline	Timelines for providing the RFP documents to the Bidder reduced from 30 days to 15 days (prior the bid deadline).	To curtail timelines.

Standard Bid Document	NDWPCL Bid Condition	Justification
Clause 2.1.3.2 After issue of LoI, time limit of 60 days to the successful bidder for submission of requisite documents.	Time limit curtailed to 30 days.	To ensure early implementation of project.
Clause 2.6 Amendment of RFP, at least 60 days prior to bid deadline	Amendment is possible, until 15 days prior to the bid deadline	Short period necessitates this modification.
Clause 2.7.1.1 Bid Formats	Letter of comfort issued by the Financial Institution/ Bank (as per Format at Annexure 10B) Technical Note on the project to be submitted	This is required to assess the seriousness of the bidder and only committed bidders are expected to submit the bids. To evaluate Bidders understanding of the Project
Clause 2.7.1.4 Preparation & Submission of Financial Bids Ratio of minimum and maximum Quoted tariff during the term of EPA shall not be less than zero point seven (0.7) and this ratio shall be applied only at the Bid evaluation stage on the Quoted tariff	Irrelevant sections deleted Ratio of minimum and maximum Quoted tariff during the term of EPA shall not be less than zero point five (0.5) and this ratio shall be applied only at the Bid evaluation stage on the Quoted tariff Added details of MNRE Grants and thus submission of bids considering the same	No separate capacity and energy charges. Single tariff. Considering the tenure (25 years) and not allowing any escalation in the tariff, it seems more reasonable to allow for a ratio of not less than 0.5. In standard bid documents as well, the non-escalable components have been allowed to have ratio of 0.5 MNRE policy now being in place, bidders should be advised to consider the same while bidding
Clause 2.7.2.4 Bidders to make necessary assessment of Carbon Finance	Bidders to consider submitted PDD.	PDD is already submitted for validation/registration to UNFCCC.
Clause 2.7.3.1 Provision for change in Bidding Consortium	No change in Bidding Consortium.	Since it is a composite bidding with RfQ and RfP submissions being made together, no change in bidding consortium can be allowed.
Clause 2.8.2 Timelines revised with eventualities listed out	Additional clause inserted regarding adherence of the	For bidder's clarity and to ensure adherence to timelines

Standard Bid Document	NDWPCL Bid Condition	Justification
in case of non compliance	timetable of the Bid process and eventualities if the timelines are exceeded	
Clause 2.10 Method of submission	The RFP-Non Financial as well as RFQ requirements to be submitted in a single envelope with RFP-Financial in another sealed envelope.	To ensure that there is no need of submitting the same documents twice eg. Board resolutions, Certificates and Agreements are required as a part of RfQ as well as part of RfP. If RfQ and RfP documents are submitted in single envelope, these need not be submitted twice.
Clause 2.11.2 Cost of RFP document	Deleted	Issued with RFQ and hence there is no separate cost.
Clause 2.13.1 Performance Guarantee for an amount of Rs.7.5 Lakhs per MW	Revised to Rs.5.0 Crores (approx Rs 50 Lakhs per MW)	This has been done in view of the huge capital cost of the project (@ more tha Rs. 10 Cr/ MW) as compared to the conventional sources and the bidders should give sufficient guarantee to take up the Project.
Clause 3.2 Responsiveness check	<ul style="list-style-type: none"> • Bid not accompanied by a Letter of Comfort from Financial Institution/Bank as per Annexure 10B • Technical Proposal not meeting all the conditions laid down in the bid documents • Bid not meeting all the Critical (must meet) Conditions specified in Format 4 of Annexure 6 	<p>To get bids from serious & committed bidders only.</p> <p>Boundary conditions specified in line with various clearances received from MoEF, DPCC etc</p>
Clause 3.3.1.3 Bidders to quote tariff in given format	Irrelevant sections deleted.	Format revised as per single tariff structure.
Clause 3.3.2 Bidders to quote escalated tariff	Irrelevant sections deleted.	Revised as per requirements of single tariff structure with single unit.

Standard Bid Document	NDWPCL Bid Condition	Justification
Annexure 1 List of Procurers	Deleted	Single Procurer.
Annexure 4 Quoted Tariff format given Tariff to be quoted in Indian rupees of USD	Revised Tariff quote in INR only (not in USD)	Single tariff format (with Grant) provided Quote in INR only to be submitted, to prevent such a small project from fluctuations in USD to INR rate
Annexure 6 Undertakings, Scheduled COD & Contracted Capacity Format 1 (Bidder's undertakings): Modify Point 9c: Financial Bid is unconditional Format 4: Added	Modified Format 1 (Bidder's undertakings): To modify Point 9c as: "Financial Bid is unconditional and conditions, if any, imposed in the Financial Bids are withdrawn" Format 4: Critical must meet conditions added	As per changes indicated above The Bidders may include/impose some direct/indirect conditions in the Financial Bid and/or technical bid, as was the case with one of the bids in Timarpur case (and hence bid was considered non-responsive). Bidders should clearly undertake that their bids are unconditional, and conditions (if any) are withdrawn so that confusion is minimal and conditional bids can be avoided altogether. To comply with all stated environmental norms
Annexure 10B Added	Format for letter from FI/Bank regarding access to funds	As indicated above
Annexure 11 Performance bank guarantee in name of Procurer	PBG in name of NDWPCL (authorized representative). Revised format provided	NDWPCL would be in better position at all times to co-ordinate and monitor the Project progress
Annexure 12 List of Banks to be provided	List of Banks provided	
Annexure 13 Illustration for Bid Evaluation	Deleted	Simple, and hence not required

Standard Bid Document	NDWPCL Bid Condition	Justification
Additional Annexure:	<p>Annexure 16:</p> <p>A. Concession Agreement with MCD</p> <p>B. Land License Agreement with DPCL</p> <p>C. Effluent/ Sewage Supply Agreement with DJB</p> <p>Annexure 17: CDM Revenue Sharing Agreement</p> <p>Annexure 18: Statutory Clearances obtained</p> <p>Annexure 19: Draft Project Concept Note (PCN) prepared for CDM</p> <p>Annexure 20: Final EIA for Environmental Clearance (EC)</p> <p>Annexure 21: DERC Order (yet to be issued by DERC in line with this submission)</p>	Added as required

MAJOR CHANGES IN STANDARD POWER PURCHASE AGREEMENT (PPA) DOCUMENT

Standard Bid Document	NDWPCL Bid Condition	Justification
Power Purchase Agreement		
Section 1.1: Definitions:		
Allocated Contracted Capacity	Deleted	Single Procurer with 49% guaranteed offtake.
Availability Based Tariff or ABT	Deleted	Being infirm power, ABT is not applicable.
Availability Factor or Availability	Deleted	Being infirm power, ABT is not applicable.
Available Capacity	Deleted	Being infirm power, ABT is not applicable.
Capacity Charge or Capacity Charges	Deleted	Single part tariff, being a small and non-conventional energy Project.

Standard Bid Document	NDWPCL Bid Condition	Justification
Capacity Notice	Deleted	Being infirm power, ABT is not applicable.
Capital Cost	Deleted	No adjustment to Tariff is required on this account hence irrelevant.
Capital Structure Schedule	Deleted	No adjustment to Tariff is required on this account hence irrelevant.
Captive Coal Mine(s)	Deleted	Not applicable.
Central Transmission Utility (CTU)	Deleted	Not applicable.
Concession Agreement	Added	Concession Agreement is equivalent of Fuel Supply Agreement in this Project and hence important.
Declared Price of Land	Modified	To refer to rental payable by the Seller as there is no initial price for Land.
Fuel	Modified	To refer to Refuse Derived Fuel, primary fuel for the Project.
Fuel Supply Agreement	Modified	Concession Agreement is equivalent of Fuel Supply Agreement as MSW is source of fuel for the Project.
Lead Procurer	Deleted	Single Procurer, hence not applicable.
Minimum offtake Guaranteed	Modified	In the project, minimum off-take guaranteed is 49% of net available energy and there is no contracted capacity.
Monthly Bill or Monthly Invoice	Modified	Reference to Capacity charges deleted.
Normative Availability	Deleted	Being infirm power, this is not applicable.
Performance Guarantee	Modified	Proposed to be in name of Authorized Representative (NDWPCL), revised draft submitted to DERC as part of bid documents.
Power Station	Modified	Reference to ash dyke and township deleted as they are not part of facility.

Standard Bid Document	NDWPCL Bid Condition	Justification
Project Documents	Modified to remove irrelevant documents and include relevant documents	Removed: Fuel Supply and transportation Agreement Included: Concession, Land License, CDM revenue Sharing, Effluent supply Agreements and copy of other authorizations and clearances
Prudent Utility Practices	Modified	Reference to mines deleted as there are no mines involved.
Quoted Capacity charges	Deleted	No Capacity Charges.
Quoted Energy Charge	Deleted	No separate Energy Charges
Quoted Non-Escalable Capacity Charge	Deleted	No Capacity Charges.
Quoted Escalable Capacity Charge	Deleted	No Capacity Charges.
Quoted Non-Escalable Energy Charge	Deleted	No separate Energy Charges.
Quoted Escalable Energy Charge	Deleted	No separate Energy Charges.
Quoted Tariff	Modified	As there is single part tariff, reference to capacity and energy charge deleted and quoted tariff added.
RFP Project Documents	Modified to remove irrelevant documents and include relevant documents	Removed: Port Services Agreement Included: Concession, and CDM related documents
Scheduled Connection Date	Modified	Reduced from 210 days to 180 days
Scheduled Energy or Scheduled Generation	Deleted	Being infirm power, ABT is not applicable.
Scheduled Synchronization date	Modified to max of 60 days from 180 days	Considering size of the Project, 60 days should be sufficient.
Settlement Period	Deleted	Being infirm power, ABT is not applicable.
Super Critical Technology	Deleted	Not Applicable
Terminal Price	Modified to refer to Concession Agreement	In line with terms of the Concession Agreement, the project may be transferred to MCD as well.

Standard Bid Document	NDWPCL Bid Condition	Justification
US \$ or USD or Dollar	Deleted	Quote in INR only to be submitted, to prevent such a small project from fluctuations in USD to INR rate.
Unit	Deleted	Single unit configuration proposed. Unit and Power Station are same.
Section 3.1 PBG @ 7.5 Lakhs per MW, in name of Procurer	PBG of Rs 5 Crores in name of Authorized Representative	NDWPCL would be in better position at all times to co-ordinate and monitor the Project progress Amount has been increased in view of the huge capital cost of the project (@ more than Rs. 10 Cr/ MW) as compared to the conventional sources and the bidders should give sufficient guarantee to take up the Project.
Section 3.1.1A Seller to have option to change unit configuration	Allowed, but not less than 10MW (Gross)	To ensure than adequate size of power plant is available to take care of MSW.
Section 3.1.2 vi. Seller shall take possession of land after paying declared price of land, if any	Seller shall take possession of land in line with land license agreement	To reflect the actual land arrangement.
Section 3.1.3 The Procurer and Seller should jointly appoint Independent Engineer	Cost to be borne by the Seller	The Procurer may not be interested to share cost for such a small project.
Section 3.3.1 Consequences of non-fulfillment of conditions under Article 3.1 and provision of additional Bank Guarantees, if Seller fails to meet any stated timelines	Modified a. provision of additional BG deleted b. termination provision within time period of 30 days is added c. Added that this Article shall survive the termination of this Agreement	No additional BG is envisaged. If timelines are not met, Seller to necessarily sellback its entire equity at Rs One Only, to the erstwhile shareholders. This is kept stringent to ensure that the developer is under pressure to complete the project in time, as it is critical from viewpoint of Common wealth Games 2010.
Section 3.3.2 Additional timelines if conditions are not met in stated timelines w.r.t. Clause 3.3.1	Deleted	As Clause 3.3.1 is changed to clarify course of action in case of non-fulfillment of timelines, this clause is not required.
Section 3.3.3 A Optional Clause	Deleted	Not applicable

Standard Bid Document	NDWPCL Bid Condition	Justification
Section 3.4 Reduction in PBG	Modified to not allow any reduction and hence no mention of BG validity in this clause	Being a small project with single unit configuration and to ensure timely completion, no reduction is envisaged till performance obligations are met.
Section 3.5 Return of PBG by Procurer	Return of PBG by Authorized Rep.	In line with change in Clause 3.1.
Section 4.1.1: Seller's obligations: b) Reference to Contracted capacity	Modified b) reference to contracted capacity deleted Added the following: g) added responsibility of procuring interconnection and transmission facilities	No contracted capacity. Transmission and interconnection facilities are part of project cost and evacuation arrangement is already finalized.
Section 4.2 Procurer's Obligations: a) of interconnection & transmission facility c) payment of transmission & RLDC & SLDC charges	Modified: a) restricted to facilitation and reference to Schedule Connection date is deleted Deleted	Transmission and interconnection facilities are part of project cost and evacuation arrangement is already finalized. Procurer is consuming power locally, hence no charges are payable by Procurer.
Section 4.3 Purchase & Sale of Available Capacity & Scheduled Energy	Modified: Purchase & Sale of Energy (no capacity or scheduled energy sale) Sale of 49% of net available energy to Procurer and allowing Seller to sale 51% to any Third Party/	There is no Capacity or Scheduled Energy Sale in line with being infirm power and non application of ABT to the Project. Clause has been modified to cater to the specifications of this project where it is envisaged that Seller sells 49% of available energy (ex-bus) to the Procurer at the bid price.
Section 4.4 Right to Available Capacity & Scheduled Energy	Modified: Right to Available Energy (no capacity or scheduled energy)	There is no Capacity or Scheduled Energy Sale in line with being infirm power and non application of ABT to the Project.
Section 4.4.1 Entire Contracted capacity and scheduled energy for exclusive benefit of Procurer	49% of net available energy for exclusive benefit of Procurer and allowing Seller to sale 51% to any Third Party	Clause has been modified to cater to the specifications of this project where it is envisaged that Seller sells 49% of available energy (ex-bus) to the Procurer at the bid price.

Standard Bid Document	NDWPCL Bid Condition	Justification
Section 4.4.2 Sale of Available Capacity to third Parties	Deleted	Not Applicable as there is no sale of Capacity.
Section 4.4.3 Right to receive differential Capacity charges	Modified Reference to Capacity charges deleted. Modified to have Right to receive differential Energy Charges for 49% of net available energy	No capacity sale is envisaged. Procurer is obliged to buy 49% of available energy and hence responsible to pay only differential Energy Charges, if so applicable.
Reference to case of more than one Procurer	Deleted	Single Procurer, hence not applicable.
Section 4.4.4 Seller is not allowed to use energy for any purpose other than auxiliary consumption	Modified: Seller is allowed to sale 51% of available energy to any Third Party.	Clause has been modified to cater to the specifications of this project where it is envisaged that Seller can sell 51% of available energy (ex-bus) to any Third Party at any price.
Section 4.4.5 Sale under UI not to be considered third part sale.	Deleted	No UI is applicable as ABT is not applicable.
Section 4.5.3 Extension (beyond scheduled completion date) allowed for maximum 2 years	Extension allowed for maximum 1 year	Being a small project, one year is quite reasonable.
Section 4.6 LD for delay in providing Contracted Capacity	Modified LD for delay in achieving COD	No contracted capacity, COD should be the parameter.
Section 4.6...contd Formula given for LD calculations: reference to capacity charges, max LD can be for 12 months, amount is 10000/- per day for first 60 days, 15000/- per day for remaining period	No reference to capacity charges, max LD can be taken for 3 months, amount is 50000/- per day for first 60 days, 100000/- per day for remaining period	No capacity charges are envisaged, small project and hence LD is proposed to be levied for equivalent of 3 months only, higher LD to ensure timely completion.
Procurer to encash PBG for LD recovery	Procurer to approach Authorized Rep to get recovery of LD by way of en-cashing PBG	PBG is being taken in name of Auth rep.

Standard Bid Document	NDWPCL Bid Condition	Justification
Reference to agreement with CTU/STU and linkage of LD with them	Deleted	No CTU/STU is envisaged as there is direct evacuation in BRPL grid.
<p>Section 4.7 LD for delay due to Procurer's event of default linked to capacity charges calculated on Normative availability</p> <p>Payment obligations of Procurer in case of Direct Non Natural Force Majeure, Indirect Non Natural Force Majeure or Natural Force Majeure affecting the Procurer</p>	<p>Modified LD charges is equal to deemed power generation at 70% PLF plus penalty payable to MCD for non-acceptance of waste.</p> <p>Deleted</p>	<p>No capacity charges are envisaged. If Seller is not able to evacuate energy due to Procurer's event of default, Seller would be suffering losses and hence should be sufficiently compensated. In case of non evacuation, seller may not be able to accept waste as well and hence would be required to pay penalty to MCD that should also be compensated by Procurer.</p> <p>No payment obligation of Procurer is envisaged under the given cases except for Procurer Event of Default or due to Non Natural Force Majeure Event (or Natural Force Majeure affecting the Procurer).</p>
Section 5.1 Seller's Construction Responsibilities	Modified Added reference to MSW Rules 2000 and consents received for the Project	Project to meet all applicable rules and regulations including consents already received.
Section 5.2 Site details including reference to R&R plans for the site	Modified To delete reference to R&R plans	There is no new acquisition of land and hence no R&R plans are envisaged.
Section 5.5 Consents	Modified Seller to be responsible for interconnection facilities as well.	In line with modifications in Section 4.1.1 and 4.1.2.
Section 5.7 Seller and Procurer to provide monthly reports to each other on project progress	Modified No report required from Procurer	Procurer does not have any responsibility except to purchase energy and facilitate interconnection.
Section 6.1 No synchronization allowed prior to 36 months from NTP	Synchronization can be allowed at any time	This being a small project, Procurer would not have any problem in this. Early implementation would be preferable.

Standard Bid Document	NDWPCL Bid Condition	Justification
Section 6.3.4 Provisions for reduction in Contracted Capacity and tariff thereto	Modified To delete all reference to revision in tariff	Tariff is only for energy and is not linked to capacity.
Section 6.3.5 Provision for increase in Contracted Capacity and rights of Procurers	Modified Deleted all references to Procurer's rights over the additional capacity	Procurer is buying energy at Energy Charges only and don't have any capacity rights and hence not required.
Section 7 Seller to inform of scheduled maintenance and not to perform it when other unit is down	Modified To delete reference to other units	The plant is envisaged to have single unit configuration and even otherwise, being a small plant, it should not have any such restrictions.
Section 8.1.4 Seller to inform of scheduled maintenance and not to perform it when other unit is down	Modified To delete reference to other units	The plant is envisaged to have single unit configuration and even otherwise, being a small plant, it should not have any such restrictions.
Section 8.2 Detailed procedure for derating of power plant	Deleted	Since there are no capacity charges, de-rating procedure need not be detailed over here.
Section 8.4 Dispatch to comply with applicable Law, ABT and Grid Code	Power station to enjoy a must-run status without any merit order	As per an earlier order of DERC, we envisage this to be a must-run power station.
Section 9.2 All scheduling and RLDS/ SLDC charges to be paid by Procurer	Modified All scheduling and RLDS/ SLDC charges for sale to Third Parties and/or Captive consumption to be paid by Seller	No charges are applicable on sale to Procurer. Charges may be applicable for sale to Third Parties and/or captive consumption that should be borne by Seller only. Change made in PPA accordingly.
Section 10.2 Application for Insurance Proceeds - Procurer to have no claim on proceeds.	Modified Application for Insurance Proceeds – Procurer to have no claims on proceeds. To be guided by Concession Agreement as well.	Concession Agreement is the key agreement for this Project and hence reference to CA also provided.

Standard Bid Document	NDWPCL Bid Condition	Justification
Section 11.2.2 Bills to include: a. Availability & Energy Account b. Various components of Monthly Tariff c. Supporting data etc.	Modified Bills to include: a. Energy Account b. Monthly Tariff c. Supporting data etc.	To delete reference to Availability tariff and various components as there is no availability based tariff and no other components.
Section 11.3.5 a) Provisional Bill to have details of Capacity Charges and Energy Charges h) No rebate on bills raised on account of change in law	Modified To delete reference to Capacity Charges Deleted	No Capacity Charges are envisaged. No payment envisaged on account of Change in law.
Section 11.4.1 LC related provision. A part of it states that LC shall be from the same bank who is appointed as Default Escrow Agent	Modified Deletion of the last part so as to allow the Procurer to submit LC from any Bank	No Escrow Arrangement is envisaged.
Section 11.4.1.1 Amount of LC in first year to be based on Normative availability Amount of LC in subsequent year based on previous year plus possibility of additional energy due to additional units	Modified Amount of LC in first year to be based on PLF@70% and sale of 49% available energy Reference to additional units deleted	No normative availability envisaged. Sale of 49% of total energy and assumed PLF of 70%. No additional units envisaged.
Section 11.4.2 Collateral Agreement	Deleted	No collateral agreement is required as the project is small and only LC may serve the purpose.
Section 11.5 Detailed clause on Third Part Sales on Default	Modified Allows Seller to sell the 49% share of Procurer, if Procured does not pay in time, after giving 7 days notice. Reference to Capacity charges also deleted.	No detailed clause required. The clause has been modified keeping its essence.

Standard Bid Document	NDWPCL Bid Condition	Justification
Section 14.2 i) Procurer Event of Default included providing LC and Collateral Arrangement	Modified Reference to Collateral Arrangement deleted	No Collateral Arrangement is envisaged.
Section 14.3.4 If Lender does not exercise its right to substitute, Capacity charges can be reduced	Modified Reference to Capacity Charges and its reduction deleted	No capacity charges are envisaged.
Section 14.4.5 Termination for Procurer's Event of Default	Modified to delete specific references to capacity charges and Normative availability.	The Seller's entitlement is to the extent of Energy charges (tariff) only.
Section 18.4.2 Reference to sale or purchase of Electrical output & Contracted capacity	Reference to Contracted capacity deleted	There is no Contracted capacity.
Schedule 1 Name & details of the Procurer	Name of Sole Procure: BSES Yamuna Power Limited Details can be accessed on website of BSES: www.bsesdelhi.com	BYPL (the Procurer) is JV of BSES Limited and Delhi Government, and information on the Procurer (BYPL) is placed on the website of BSES itself. Detailed information on BYPL is not required to be provided. The information of BYPL, available on BSES website should be sufficient for the size of the project under consideration.
Schedule 1A Site	Location: Ghazipur Refer DPR for details	DPR having details would be provided and site details from DPR would be added here at time of signing.
Schedule 2 Initial Consents	Name of Consents Added	As detailed in RfP
Schedule 4 Functional Specifications	Left Blank	May be finalized between selected Bidder and Procurer.
Schedule 5 1.1.i.d) For meeting the performance test, the unit to run at or above ninety five (95) percent of its Contracted Capacity for continuous 72 hours	Modified Ninety Five percent replaced with Ninety percent	With RDF as fuel with not so homogeneous quality, 90% is more reasonable

Standard Bid Document	NDWPCL Bid Condition	Justification
1.1.iv) The unit to be tested for Supercritical technology	Deleted	For the plant size under consideration, testing for super-critical technology is not envisaged.
Schedule 6 Availability Factors	Deleted	It is envisaged that ABT is not applicable to the Project.
Schedule 7 Section 1.1 to 1.2.6 and 1.2.8 Tariff: Details provided	Modified All reference to Capacity Charges, Scheduled Energy, incentives, escalation, penalty etc is deleted. Provision of sale of 51% power to Third parties is included. Only single part tariff is payable (Energy charges only).	Changes made in line with the proposed project requirements wherein single part tariff is payable without any capacity charges and without ABT.
Section 1.2.7 Transmission/ Wheeling/ Scheduling charges to be paid by Procurer	Modified No payment by procurer. Seller to pay if selling its part of (51%) available energy to Third Parties and or captive consumption	Power is being fed to Procurer's grid locally, hence no charges are payable by Procurer. However, the balance 51% energy available with Seller may attract such charges upon Third Party sale and/or captive consumption.
Section 1.2.9 Tariff prior to and beyond COD of Power Station should have requisite escalation	No escalation	Single part tariff envisaged without any escalation.
Section 1.3 Settlement of Bills	Deleted	It primarily relates to capacity charges and ABT that is not applicable for the Project
Schedule 8 Details of Interconnection Point & Facilities	Seller to provided the facilities till the nearby 66kV substation of the Procurer	Interconnection & transmission facilities to be provided by Seller.
Schedule 9 Escalation Index	Deleted	No escalation is envisaged.
Schedule 10 Section 1.6 Procurer's Rep: Allocated Contracted Capacity does not exceed additional demand forecast for next 3 years	Deleted	Being a very small project, this is not relevant and is not required.

Standard Bid Document	NDWPCL Bid Condition	Justification
Schedule 12 List of Articles	Deleted	Required only in case of procurement by more than one Procurer.
Schedule 13 Allocated Contracted Capacity	Deleted	Irrelevant, for the project under discussion.
Schedule 14 Capital Structure Schedule	Deleted	Capital structure schedule has no relevance in the Project structure.
Schedule 15 Format for the Performance Bank Guarantee	PBG in name of NDWPCL (authorized representative). Revised format provided	NDWPCL would be in better position at all times to co-ordinate and monitor the Project progress

12. Section 86 (1)(e) of the Electricity Act, 2003 mandates the Commission to promote co-generation and generation of Electricity from renewable sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person and also specify for purchase of electricity from such sources, a percentage of total consumption of electricity in the area of a Distribution Licensee.
13. Section 61 of Electricity Act, 2003 provides that the appropriate Commission shall, subject to the provisions of the Act specify the terms and conditions for determination of tariff and in doing so shall be guided by following namely:

“(h) The promotion of co-generation and generation of electricity from the renewable sources of energy.”
14. Section 6.4(1) of National Tariff Policy issued by the Ministry of Power, Govt. of India on 06.01.2006 envisages that pursuant to the provision of Section 86(1)(e) of the Act, the appropriate Commission shall fix a minimum percentage for purchase of energy from such non-conventional sources of energy generation including co-generation taking into account availability of such resources in the region and its impact on retail tariff.
15. Section 5.10.5 of National Electricity Policy also stipulates setting up of solid waste to energy projects in urban areas and recovery of energy from industrial effluents with a view to reduce environmental pollution apart from generating additional energy.

16. It is clear from above that the Commission is competent and draws its power to adopt the tariff, if such tariff has been determined through a transparent process of bidding in accordance with the guidelines issued by the Central Government, in accordance with Section 63 and 86 of the Electricity Act, 2003 and Section 6.4(1) of National Tariff Policy and Section 5.10.5 of National Electricity Policy.
17. The Commission has considered the deviations in bid documents suggested by the Petitioner as listed in para 11 of this Order and approves these variations in bid documents (RFQ, RFP and EPA) subject to the following:
 - i. The deviations in bid documents proposed by the Petitioner are approved, keeping in view, the fact that this specific project is a MSW project which is different from the Conventional Power Plant, which is more or less standardised. It is observed that the standard bid documents issued by the Ministry of Power, Govt. of India are framed keeping in mind the large Thermal and Hydro Power Plants and for supply of firm power. However, the present project is for a small size power plant based on Municipal Solid Waste and qualify as renewable source of energy. Therefore, it would not be appropriate to ask the Petitioner to comply with the conditions stipulated in standard bid documents. Some deviations from the standard bid documents, therefore, appear to be unavoidable and accordingly, the deviations proposed by the Petitioner are approved by the Commission.
 - ii. The Commission has observed that after the assignment of Power Purchase Agreement in favour of three Discoms, MES and NDMC w.e.f. 01.04.2007, the DTL is no longer nodal agency for procurement of power. In the present case 49% of total energy available (ex-bus) would be sold to the procurer and remaining 51% would be available to seller for sale of third Parties or for captive consumption.
 - iii. It is noticed by the Commission that the proposed project is being developed based on a few successful projects elsewhere in the world/country. However, as an abundant caution, it is suggested that the final design of the plant chosen shall be thoroughly examined and the appropriate technology to suit the quality of MSW generated in Delhi shall only be chosen to avoid the problems faced

by some of the non performing stations established at Lucknow, Delhi(Timarapur) etc.

- iv. The Petitioner is directed to obtain the Commission's approval for any subsequent changes in RFQ/RFP/PPA documents during the bidding stage and all the bidders shall be informed of such changes.
- v. A single part tariff is proposed instead of two part tariff as per the guidelines released by the Ministry of Power, Government of India. The Commission accepts the single part tariff as this project is a non-conventional power station. Therefore, any reference to capacity charges need to be avoided. However, the Commission directs that this station shall not be covered under merit order and shall be treated as "**must run**" power station.
- vi. The bidders may be advised to optimise the plant load factor of the plant and price the by-products. The final tariff shall take into account such optimisations.
- vii. The Commission has observed that since ABT compliant meters are being used for energy exchange after introduction of intra-state ABT in Delhi w.e.f. 1.4.2007, the joint meter reading for the purpose of billing will not be necessary and the meter readings will only be downloaded.
- viii. The petitioner has submitted that revenue from carbon credits, if any, shall be dealt as per the directions of the Commission. If Commission does not give any direction about carbon credits, the revenue from carbon credits shall be distributed between MCD and EDWPCL in ratio of 75:25. The issue of sharing of CDM benefits is discussed at length in concession agreement. However, the Commission is of the view that since MCD is being benefited otherwise by this project like avoiding of landfill and associated environmental benefits, reduction in expenses in waste disposal and collection of tax, etc., it may not be reasonable to allow the CDM benefits to accrue to MCD. This will load the electricity tariff to the detriment of electricity consumers of Delhi. In view of the above, the Commission orders that the entire CDM benefits shall be available to the EDWPCL. This will help the potential bidders to bid for the most competitive tariff. Alternatively, if

NDWPCL so desire, CDM benefits may be called for separately for adjustment of tariff on year to year basis.

- ix. The Commission observes that banking of energy is only for operation of RDF plant, when the power station is not generating electricity.
- x. The Commission directs the Petitioner that no take or pay conditions shall be included in the Power Purchase Agreement. If this plant is not running, it will create difficulties in disposal of Municipal Solid Waste.
- xi. The Commission directs that RFP shall include provisions with regard to achieving of financial closure and commencement of erection work at site within a specified period and completion of entire project within a scheduled time. Any default on this count should be covered by an appropriate remedial action.
- xii. The Commission further directs that any grant or concessional loan available from any agency either within India or outside India for such project shall be called for in the bidding documents and its impact with regard to reduction in the quoted tariff shall be thoroughly examined and clearly mentioned in the bidding documents.
- xiii. The Commission directs that in case of no extension (after expiry of full term) and the plant is having residual life, the plant may be handed over to the utility/Licensee. The Transfer would be subject to payment of residual value of the plant by the utility and the utility/Licensee should abide by the condition of concession agreement with MCD.
- xiv. The Commission reserves the right to reject the bids if the bidding process is not in accordance with the guidelines of Ministry of Power.
- xv. In case the tariff quoted by bidders are high and non-competitive due to any reason, the Petitioner, NDWPCL, reserves its right to reject all or any of such bid. The Petitioner may not recommend such bid to the Commission for its adoption.

- xvi. The Petitioner has submitted that the draft land lease agreement between Delhi Power Company Ltd. (Licensor) and East Delhi Waste Processing Company Private Limited (Licensee) has been approved and would be signed by both the parties shortly. The deviations from the competitive bidding guidelines as proposed above are approved subject to land lease agreement between Delhi Power Company Ltd. and East Delhi Waste Processing Company Private Limited before the completion of bidding process/award to successful bidder. The Commission directs the Petitioner to submit the copy of duly signed land lease agreement with the Commission before completion of bidding process.
18. The Commission is of the view that the execution of this project will certainly help in making Delhi cleaner which is in the best interest of the citizens of Delhi.
19. Ordered accordingly.

Sd/-
(K. Venugopal)
MEMBER

Sd/-
(Berjinder Singh)
CHAIRMAN