

REQUEST FOR SUBMISSION OF
EXPRESSION OF INTEREST FOR
THE SECOND ROUND OF AUCTION OF COAL LINKAGES
FOR
IPPs HAVING ALREADY CONCLUDED LONG TERM PPAs



कोल इण्डिया लिमिटेड
Coal India Limited
भारत सरकार का उपक्रम
A Government of India Undertaking
एक महारत्न कंपनी A Maharatna Company

March 07, 2019

DISCLAIMER:

The information contained in this request for submission of expression of interest (“EOI”) for second round of auction (the “Auction”) of coal linkages for IPPs (as defined below) having already concluded long term power purchase agreements (“PPAs”) in accordance with paragraph B(ii) of the New More Transparent Coal Allocation Policy for Power Sector, 2017 – SHAKTI (Scheme for Harnessing and Allocating Koyala (Coal) Transparently in India) (“SHAKTI Policy”) (“Request for Submission of EOI”), or information subsequently provided to any IPP (as defined below), prospective bidder, bidder (as defined below), person, party, participant, applicant or interested party (“Prospective Bidder”), whether verbally or in documentary or any other form by or on behalf of Coal India Limited (“CIL”) and/or any of its employees or advisors, is provided to the Prospective Bidder(s) on the terms and conditions set out in this Request for Submission of EOI.

This Request for Submission of EOI is neither an agreement nor an offer by CIL to the Prospective Bidders or any other person. The purpose of this Request for Submission of EOI is to provide the Prospective Bidders with information that may be useful to them in making their EOI. This Request for Submission of EOI includes statements which reflect various assumptions and assessments arrived at by CIL in relation to the power sector. Such assumptions, assessments and statements do not purport to contain all the information that each Prospective Bidder may require. This Request for Submission of EOI may not be exhaustive or appropriate for all persons and it is not possible for CIL, its employees or advisors to consider the investment objectives, financial situation and particular needs of each Prospective Bidder who refers to, reads or uses this Request for Submission of EOI. The assumptions, assessments, statements and information contained in this Request for Submission of EOI may not be complete, accurate, adequate or correct. Each Prospective Bidder should, therefore, conduct its own investigations and analysis and should check the accuracy, adequacy, correctness, reliability and completeness of the statements and information contained in this Request for Submission of EOI and obtain independent advice from appropriate sources before submitting its EOI.

Information provided in this Request for Submission of EOI to the Prospective Bidder(s) has been collated from several sources, some of which is subject to interpretation of the applicable law. The information given is not intended to be an exhaustive account of statutory requirements and should be used as or for reference only. CIL accepts no responsibility for the accuracy or otherwise for any statement contained in this Request for Submission of EOI.

CIL, its employees and advisors make no representation or warranty and shall have no liability to any person, including any Prospective Bidder under any law, statute, rules or regulations or tort, principles of restitution or unjust enrichment or otherwise for any loss, damages, cost or expense which may arise from or be incurred or suffered on account of anything contained in this Request for Submission of EOI or otherwise, including the accuracy, adequacy, correctness, completeness or reliability of this Request for Submission of EOI and any assessment, assumption, statement or information contained therein or deemed to form part of this Request for Submission of EOI or arising in any way from participation in the Auction.

CIL also accepts no liability of any nature whether resulting from negligence or otherwise howsoever caused, arising from reliance by any Prospective Bidder upon the statements contained in this Request for Submission of EOI.

Notwithstanding anything contained in this Request for Submission of EOI, CIL may, in its absolute discretion, but without being under any obligation to do so, update, amend or supplement the information, assessment, process or assumptions contained in this Request for Submission of EOI.

The issuance of this Request for Submission of EOI does not imply that CIL is bound to select or shortlist any Prospective Bidder and CIL reserves the right (without incurring any liability) to reject all or any of the Prospective Bidders, as the case may be, without assigning any reason whatsoever.

Each Prospective Bidder shall bear all its costs associated with or relating to registration, preparation and submission of its EOI or relating to its EOI. Nothing contained in this Request for Submission of EOI shall be binding on CIL or confer any right on the Prospective Bidders.

*Pursuant to this Request for Submission of EOI, CIL will be uploading on the Electronic Platform (as defined below) the scheme document setting out the mechanism for conduct of the Auction ("**Scheme Document**") and the definitive document(s). In case of any inconsistency between this Request for Submission of EOI and the Scheme Document and the definitive document(s), the Scheme Document and the definitive document(s) shall be final and shall prevail, in the manner specified under the relevant document.*

REQUEST FOR SUBMISSION OF EOI

1. Registration

1.1. Pursuant to the Notice Inviting Registration and Expression of Interest (EOI) dated 21.02.2019 (the “**Notice**”), independent power producers, which are generating companies not owned/controlled by the Central/State Government (“**IPP**”), meeting the Eligibility Criteria (as set out in Clause 3 below) and which are desirous of participating in the Auction through their Specified End Use Plant(s) (as defined below), are required to register such Specified End Use Plant(s) on the website of the service provider (M/s MSTC Ltd) (“**Electronic Platform**”) (“**Bidder**”), no later than the timeline as may be prescribed, against payment of a non-refundable fee of Rs. 10,000/- plus applicable taxes.

1.2. The link for registration on the Electronic Platform is provided below:

<https://www.mstcecommerce.com/auctionhome/shakti/indexr2.jsp>

1.3. Each Bidder’s registration shall be linked to a Specified End Use Plant and each Specified End Use Plant may be registered only once.

In this context, “**Specified End Use Plant**” shall mean one or more power generating units (but does not mean and include a captive power plant as defined under Rule 3 of the Electricity Rules, 2005) situated in a single location within the same boundary located in India and owned by the Bidder.

2. Submission of Expression of Interest

2.1. Each Bidder is required to upload on the Electronic Platform the duly executed and stamped EOI in the format set out in **Annexure I**, no later than the timeline as may be prescribed.

2.2. Additionally, the documents set out in Paragraph 1(iv)-(ix) of **Annexure I** are also required to be submitted in original in sealed envelopes, setting out on the covering envelope “*Original Documents for SHAKTI Scheme Auction – Round 2*”, no later than the timeline as may be prescribed. The Bidders must also mention the name of the Bidder submitting the documents on the left bottom corner of the envelope. The sealed envelope(s) shall be submitted at the following address:

Regional Manager (ER)
MSTC Limited
225 F, AJC Bose Road, 3rd Floor
Kolkata – 700020

2.3. All the other documents set out in this Request for Submission and the EOI format provided at **Annexure I** are required to be uploaded on the Electronic Platform.

2.4. The information submitted by the Bidder as part of the EOI shall be verified by the Central Electricity Authority, on the basis of the documentation/information submitted by each Bidder.

2.5. In case any additional information is required, the same shall be provided by the Bidder within the specified timeframe.

2.6. Consumption norms have been provided for information in **Annexure II** hereto.

3. Eligibility Criteria

The Bidder would be required to comply with the following basic and additional eligibility criteria to be able to submit the EOI:

3.1. Basic Eligibility Criteria

3.1.1. The Bidder having already Concluded PPAs in respect of the Specified End Use Plant(s) registered under Clause 1. In this regard, “**Concluded PPA**” shall mean an executed long term PPA (both

under section 62 and section 63 of the Electricity Act, 2003), based on domestic coal, which has been adopted or approved by the appropriate regulatory commission on or before May 17, 2017.

3.2. Additional Eligibility Criteria

3.2.1. A Bidder having already Concluded PPA(s) in respect of the Specified End Use Plant(s) and not having, in respect of such Specified End Use Plant(s), as on the last date of submission of EOI (as may be notified on the Electronic Platform separately):

(a) any coal linkage under the SHAKTI Policy or policy prior to that; and/or

(b) any coal block pursuant to applicable law,

For the purposes hereof, (a) and/or (b) in respect of a Specified End Use Plant shall be referred to as “**Allocated Coal Block/LOA/Linkage**”.

It is hereby clarified that with respect to such Specified End Use Plant, the Bidder whose:

(i) coal block(s) has(ve) been deallocated and the bidder furnishes clearance of MOC to this effect, on or before the last date for submission of EOI; and/or

(ii) letter of assurance (“LOA(s)”) / linkage(s) has(ve) been cancelled by the Ministry of Coal (“**MoC**”) / Standing Linkage Committee (Long Term) (“**SLC(LT)**”),

may also participate in the Auction, if such Bidder does not presently hold any Allocated Coal Block/LOA/Linkage in respect of such Specified End Use Plant.

3.2.2. The Bidder should be the owner of the Specified End Use Plant(s) registered under Clause 1.

3.2.3. The Specified End Use Plant should have already been commissioned or should have a target commissioning date no later than March 31, 2022.

3.2.4. The Bidder shall not have been convicted for wrongful utilization of coal by the Central Bureau of Investigation or any other governmental authority or statutory or judicial body.

3.2.5. Existing linkage holders are not allowed to surrender their LoA/fuel supply agreement to participate in this auction.

ANNEXURE I

FORMAT OF EXPRESSION OF INTEREST

(On the letterhead of the Bidder)

Date:

Sub: Expression of Interest (“EOI”)

[Insert name and Service Provider Registration No. of the Specified End Use Plant]

Dear Sir,

With reference to the request for submission of expression of interest for the second round of auction of coal linkages for IPPs having already concluded long term PPAs dated [insert] (“**Request for Submission**”), we hereby express our interest to participate in the auction and submit the following documents and information for your consideration:

1. Documents and Information

- (i) MSTC Registration Number:
- (ii) Name of the Bidder:
- (iii) Details of the Specified End Use Plant:*

Particulars	Unit	
Name of the Specified End Use Plant		
Location of the Specified End Use Plant		
Date of Commissioning of the Specified End Use Plant**		
Capacity of the Specified End Use Plant	MW	
Capacity of the Specified End Use Plant against which there is a Concluded PPA based on domestic coal	MW	
Number of Concluded PPAs and details of each such PPA (including expiry date of the PPA)		
Station Heat Rate***	kcal/kWh	
Technology (sub-critical, super critical etc)		
Main Steam Pressure	Ata	
Motor Driven Boiler Feed Pump (MDBFP)	Yes/No	
Details of existing linkage (if any)		
Details of the LoA/linkage cancelled by MoC/SLC(LT) 1. Quantity for which the linkage was awarded 2. Grade of coal 3. Date of Cancellation		
Name of the captive coal mine, if any		
Peak-rated capacity of the captive coal mine	TPA	
Grade of coal of the captive coal mine		
Percentage of power sold on merchant basis (of generation capacity of the Specified End Use	%	

Particulars	Unit	
Plant linked to coal mine)		
Details of the coal block deallocated (if any)		
1. Name of the coal block(s)		
2. Capacity of the coal block(s) including the peak rated capacity		
3. Grade of coal		
4. Details of the plant linked to the coal block along with the respective quantities		
5. Date of De-allocation		

**In case two or more units are combined and registered as a Specified End Use Plant, the Bidder has to provide the above details for each such unit.*

***In case the Specified End Use Plant is yet to be commissioned, kindly provide the anticipated commissioning date of the Specified End Use Plant. The Bidder shall intimate CIL, six months in advance, about any change in the commissioning schedule of their Specified End Use Plant.*

****In case the Regulator has approved a higher SHR, the Bidder should specify the same along with supporting documents.*

- (iv) With respect of each registered Specified End Use Plant, copy(ies) of all executed PPAs which have been adopted and/or approved by the appropriate regulatory commission on or before May 17, 2017. *Please ensure that if the size of the PPA exceeds 10 (ten) MB, the PPA shall be split into parts such that the size of each part does not exceed 10 (ten) MB.*
 - (v) Relevant corporate authorizations of the Bidder for executing this EOI viz. notarised Power of Attorney in the format set out in **Appendix I** and certified true copy of board resolution and/or certified true copy of shareholders resolution etc. The said documents are to be submitted in original in the manner prescribed in the Request for Submission.
 - (vi) Letter from the respective DISCOM for each Specified End Use Plant in the format set out in **Appendix II**.
 - (vii) Documents evidencing existing linkage(s), if applicable (e.g. current and existing fuel supply agreements) and/or captive coal mine(s), if applicable (e.g. copy of vesting order, mining plan or any other document evidencing the ownership, peak-rated capacity etc of the captive coal mine). *Please ensure that the size of such documents does not exceed 10MB (in size).*
 - (viii) Relevant documents for cancellation of LoA or coal linkage by MoC/SLC(LT), if applicable. *Please ensure that the size of such documents does not exceed 10MB (in size).*
 - (ix) Copy of letter of clearance issued by MoC with respect to deallocation of the coal block(s), if applicable.
2. We, the undersigned, are duly authorized to represent and act on behalf of [*insert name of the Bidder*] and having reviewed and fully understood all information provided in the Request for Submission and having considered all relevant information, wish to hereby express our continued interest in the auction.
 3. We hereby submit our EOI and we further confirm that we meet the Eligibility Criteria as per Clause 3 of the Request for Submission.

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4. We hereby agree, undertake, understand and declare as under:
 - a. Without prejudice to the foregoing, notwithstanding any qualifications or conditions, whether implied or otherwise, contained in our EOI, we hereby represent and confirm that our EOI is unqualified and unconditional and is without any deviations, conditions or any assumptions in all respects;
 - b. We declare that in the event Coal India Limited (“CIL”) discovers anything contrary to the above declarations, it is empowered to forthwith disqualify us and our EOI from further participation in the auction;
 - c. We undertake that in case due to any change in facts or circumstances or the applicable laws during the auction, we are attracted by the provisions of disqualification, we shall intimate CIL of the same immediately; and
 - d. CIL may, in its sole, absolute and unfettered discretion, reject or accept any EOI and/or cancel/modify the auction.
 5. We undertake to provide any additional documents/information as may be required in this regard. We shall make available to CIL any additional documents/information it may find necessary or require to supplement or authenticate this EOI.
 6. We hereby undertake and confirm that the documents provided and information given herein is true, complete, accurate and correct and is not false, misleading and/or incorrect, in any manner whatsoever. If the information provided is discovered to be false, misleading and/or incorrect, we shall be liable under applicable laws for the time being in force and subject to the consequences envisaged in the Scheme Document and the definitive document(s).
 7. We have not surrendered our letter of assurance(s)/fuel supply agreement(s) for the purpose of participating in this auction.
 8. This EOI shall be governed by and construed in all respects according to the applicable laws being in force in India.
 9. All the terms used herein but not defined, shall have the meanings as ascribed thereto under the Request for Submission.

Signature of the Authorised Signatory
Name and designation of the Authorised Signatory:
Name of the Bidder:
Stamp of the Bidder:
Date:
Place:

Appendix I

Format of Power of Attorney

[To be stamped in accordance with the relevant Stamp Act and notarized]

Know all men by these presents, that we, *[name and registered office address of Bidder]* do hereby irrevocably constitute, nominate, appoint and authorise Mr./ Ms *[name of Attorney]*, son/daughter/wife of *[name of father/spouse of Attorney]* and presently residing at *[address of Attorney]*, who is presently employed with us and holding the position of *[designation or relation with the Bidder]*, as our true and lawful attorney (hereinafter referred to as the “**Attorney**”) to do in our name and on our behalf, all such acts, deeds and things as are necessary or required in connection with or incidental to participation in auction process, in response to documents, including but not limited to, the Notice Inviting Registration and Expression of Interest (EOI) dated 21.02.2019, the Request for Submission of EOI for auction of coal linkages for IPPs having already concluded long term PPAs dated *[date of the Request for Submission]* (“**Request for Submission**”) and any other document(s) issued by Coal India Limited (“**CIL**”) in this regard (collectively referred to as the “**Documents**”) including but not limited to signing (including through affixation of digital signatures) and submission of all applications, affidavits, bids and other documents and writings, participate in bidders’ and other conferences and providing information/responses to CIL, representing us in all matters before CIL, and generally dealing with CIL in all matters in connection with or relating to or arising out of our bid for the coal linkages and/or upon award thereof to us and/or till the entering into of the fuel supply agreement with the relevant subsidiary.

AND we hereby agree to ratify and confirm and do hereby ratify and confirm all acts, deeds and things done or caused to be done by our said Attorney pursuant to and in exercise of the powers conferred by this power of attorney and that all acts, deeds and things done by our said Attorney in exercise of the powers hereby conferred shall and shall always be deemed to have been done by us.

All capitalized terms used but not defined herein shall have the meanings ascribed to them in the Documents.

IN WITNESS WHEREOF WE, *[name of the Bidder]*, THE ABOVE NAMED PRINCIPAL HAVE EXECUTED THIS POWER OF ATTORNEY ON THIS *[date]* DAY OF *[month]*, *[year]*.

For *[name of the Bidder]*

(Signature, name, designation and address)

Witnesses:

- 1.
- 2.

Accepted Notarised

(Signature, name, designation and address of the Attorney)

Notes:

- *The power of attorney to be submitted by the Bidder shall substantially be in the format set out above.*
- *The mode of execution of the power of attorney should be in accordance with the procedure, if any, laid down under the applicable law and the charter documents of the executant(s), and when it is so required, the same should be under common seal affixed in accordance with the required procedure.*
- *Wherever required, the Bidder should submit for verification the extract of the charter documents*

and documents such as a board or shareholders' resolution authorizing the execution of this power of attorney.

- *For a power of attorney executed and issued overseas, the document will also have to be legalised by the Indian Embassy and appropriately notarised in the relevant jurisdiction. However, the power of attorney provided by Bidders from countries that have signed the Hague Legislation Convention, 1961 are not required to be legalised by the Indian Embassy if it carries a conforming apostille certificate.*
- *The power of attorney must be issued in the name of the person whose digital signature would be used to sign the documents on the Electronic Platform.*

Appendix II

Format of Certification from DISCOM

Sub: Verification Certificate

Pursuant to Paragraph B(ii) of the Scheme for Harnessing and Allocating Koyala (Coal) Transparently in India dated May 22, 2017 issued by the Ministry of Coal (“**SHAKTI Policy**”), we have verified the validity and enforceability of the following concluded long term power purchase agreement(s) (“**PPA(s)**”) set out in **Schedule 1** below.

We hereby certify that, having regard to the provisions of the SHAKTI Policy, each of the abovementioned executed long term PPA(s) has been adopted or approved by the appropriate regulatory commission on or before May 17, 2017 and the Bidder meets the Basic Eligibility Criteria specified in the Request for Submission of EOI dated [date of Request for Submission] (“**Request for Submission**”).

(Signatory)

Schedule 1

1. Name of project/Specified End Use Plant			
2. Capacity (MW) and unit configuration			
3. Name of Developer as per Co. registration / Registration No.			
4. COD (Actual / Anticipated)			
5. Status of PPA			
5.1 Name of DISCOM / Lead Procurer (in case of more than one PPA details may be furnished separately for each PPA)			
5.2 If the PPA has been signed as Back to Back with Trader the following details may be furnished.			
5.2.1 Name of the Trader			
5.2.2 PPA capacity (MW)			
5.2.3 Date of signing of PPA with Trader			
5.2.4 Tenure			
6. Capacity (MW) for which PPA has been signed either directly with DISCOM / Lead Procurer or through Trader as back to back (specify Gross capacity, in case of Net capacity approved Aux. consumption and Transmission loss if any shall be taken in to account)			
7. Tenure (Years)			
8. Date of signing of PPA with DISCOM			
9. Effective date of supply of Power as per PPA			
10. Actual date of supply of Power			
11. PPA valid up to (date) :			
12. Remaining period of the PPA in Years			
13. Source of coal as per PPA and adopted by Regulator			
14. If the PPA has been adopted by Regulator (Yes / No) if Yes furnish date of adoption and effective date of PPA.			
15. If PPA signed through MoU or tariff based competitive Bidding			
16. In case PPA signed through MoU whether two part tariff or single part tariff or on variable cost etc.			
16.1 Fixed Charge and Variable Charge for 1 st year and levellised tariff to be furnished.		Fixed Charge	Variable Charge
	1 st Year		
	Levellised		
17. In case PPA signed through tariff based Competitive Bidding furnish the following:			
17.1 Whether competitive bidding is as per competitive bidding guidelines and standard bidding documents issued by MoP			
17.2 If not, furnished details about basis of competitive bidding			
17.3 Fixed Charge and Variable Charge for 1st year and levellised tariff to be furnished.		Fixed Charge	Variable Charge

	1 st Year		
	Levellised		

**Signature of Authorised Person
of Project Developer**
Date
Name
Designation
Seal

**Signature of Authorised Person
of DISCOM/Lead Procurer**
Date
Name
Designation
Seal

ANNEXURE II

CONSUMPTION NORMS

The normative coal requirement for different sizes of power plants.

Grade	GCV Exceeding	GCV Not Exceeding	GCV considering lower value of the range (kcal/kg)	Sub Critical Technology				Supercritical units \$	
				Less than 100 MW	100 MW to less than 200 MW	200 MW to less than 250 MW *	250 MW and above \$		
				Unit Heat Rate (kcal/kWh)					
				2770	2615	2500	2375		2250
Annual coal consumption at 85% PLF (Tonnes per MW per Annum)									
G1	7000		7000	2946	2782	2659	2526	2393	
G2	6700	7000	6700	3078	2906	2778	2639	2501	
G3	6400	6700	6400	3223	3042	2909	2763	2618	
G4	6100	6400	6100	3381	3192	3052	2899	2746	
G5	5800	6100	5800	3556	3357	3209	3049	2889	
G6	5500	5800	5500	3750	3540	3385	3215	3046	
G7	5200	5500	5200	3966	3744	3580	3401	3222	
G8	4900	5200	4900	4209	3974	3799	3609	3419	
G9	4600	4900	4600	4484	4233	4047	3844	3642	
G10	4300	4600	4300	4797	4528	4329	4113	3896	
G11	4000	4300	4000	5156	4868	4654	4421	4188	
G12	3700	4000	3700	5574	5263	5031	4780	4528	
G13	3400	3700	3400	6066	5727	5475	5201	4928	
G14	3100	3400	3100	6653	6281	6005	5705	5404	
G15	2800	3100	2800	7366	6954	6648	6316	5983	
G16	2500	2800	2500	8250	7789	7446	7074	6701	
G17	2200	2500	2200	9375	8851	8461	8038	7615	

Note : In case of power projects where approved heat rate by Regulator is higher than above considered value, the Heat Rate approved by Regulator would be considered for the purpose of working out normative coal consumption requirement.

* In case of main stem pressure is 150 ata or above the Unit Heat Rate shall be reduced by 100 kcal/kWh

\$ In case of units having Motor Driven Boiler Feed Pump (MDBFP) of 500 MW and above size units including Super Critical units the unit heat rate shall be reduced by 50 kcal/kwh.

Following formula may be used for conversion of coal consumption to MTPA per 1000 MW:

$$\text{MTPA per 1000 MW} = \text{Tonnes per MW per Annum} / 1000$$

$$\text{Annual coal consumption at 85\% PLF (Tonnes per MW per Annum)} = \frac{\text{Unit Heat Rate} \times \text{PLF (\%)} \times 8760}{\text{GCV of coal}}$$