

MINUTES OF THE PRE-BID MEETING HELD ON 11-11-2021

Date: 10-12-2021

NIT No. C-5/1/2021:CSEZA dated the 18th October, 2021

Tender ID: 2021_CSEZA_629328_1

Name of the work: Expression of Interest (EOI) for selection of an agency for operation, Maintenance & Management and Project Management Consultancy of Power Distribution System in CSEZ

Sl. No.	EOI Tender Clause/Sub Clause No.	EOI Requirement	Bidder's query	CSEZA Response
1	Clause 3.1 (Eligibility criteria)	The Bidder shall be a Central or State Public Works Organisation/Public Sector Enterprises registered in India	We should like to submit that there are various credible agencies including PSUs/CPSU/PSU promoted Companies undertaking the similar works as required by CSEZ under this EOI. Therefore, we propose to amend the said clause as follows: The Bidder should be a Central or State Public Works Organisation/Public Sector Enterprises/Companies promoted by CPSUs registered in India.	The bidder shall be a CPSE or State PSE as identified by appropriate Government/competent authority.
2	Definition of PMC cum O&M Agency under Section-I	The agency/firm who shall supervise, oversee & manage the PDS of CSEZ employing the required staff as specified in this EOI. The PMC cum O&M Agency shall invite tenders and engage contractors for undertaking the works	As per the tender document, the selected party would manage the process of selecting the Contractor for Operation & Maintenance of the distribution system at CSEZ. However, it is felt that, CSEZ may engage a credible agency offering comprehensive services that includes managing all the key domain areas of power distribution system like O&M of electrical system/networks, commercial functions (metering and billing), Regulatory matters, Power procurement, etc.	It is clarified that the agency/firm who complies with the scope of work specified in the EOI shall be eligible for selection.

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		connected with the regular operations, repairs maintenance and management of PDS of CSEZ.	<p>along with providing technical advisory for modernisation/ improvement of distribution system through identifying capex schemes and provide support in design, engineering, contracting and PMC works for successful implementation of such schemes.</p> <p>Considering the same, it is requested to kindly arrange to incorporate these requirement and issue a comprehensive scope for management of entire power distribution functions mentioned above along with technical advisory including capex supervision.</p>	
3	Sr. No.1.1 of the Clause No.4.1.1	Satisfactory completion of Design, supply, installation, testing and commissioning of 110kV substation & power distribution system	<p>We understand that the scope of work mentioned in EOI is mainly related to management of power distribution functions like O&M, Connection/Disconnection, Power Procurement, handling Regulatory Matters, Metering, Billing & Collection activity, etc.</p> <p>Further, the works related to PMC or Design, supply, installation and commissioning related works are not even known at this stage and are expected to be only 5-10% of the estimated scope. Moreover, considering the limited scope for such works in the SEZ area, it is proposed that weightage of marks allocated to such activity is kept at minimal i.e. in the range 2-5 marks only instead of the</p>	<p>Such presumptions regarding the scope of work cannot be entertained. Mark allocations shall be the same as specified in the EOI.</p> <p>However, “110kV substation” in Clause 4.1.1 is revised as “Extra High Tension (EHT) substation ie. voltage exceeding 33kV”.</p> <p>Refer Corrigendum II.</p>

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			<p>present 15 marks allocated in the present document. This would help in aligning the marks allocation to the scope of work, which is predominately PMC services for O&M of distribution network as also defined in the EOI document.</p>	
4	Sr. No.1.2 of the Clause No.4.1.1	Satisfactory completion of similar work – operation, maintenance & management of 110KV substation and power distribution system	<p>As mentioned above, the scope of work is mainly related to the management of Distribution Functions. Accordingly, the marks allocation for this section may be increased to 35-40 marks instead of the 20 marks proposed in the present document.</p> <p>Further, the electrical networks on distribution/ sub-transmission levels consist of LT, HT voltages like 6.6/11/22/33/66/100/110/132 kV etc. as per Grid Code. Restricting scope to 110kV may limit the competition. Therefore, the experience of handling various distribution/ sub-transmission may also be considered.</p>	<p>Marks allocation specified the in EOI shall remain unchanged.</p> <p>However, “110kV substation” in Clause 4.1.1 is revised as “Extra High Tension (EHT) substation ie. voltage exceeding 33kV”. Refer Corrigendum II.</p>
5	Sr. No.5 of the Clause No.4.1.1	<p>Min. three years experience in O&M of 110kV substation or above.</p> <p>More than six years experience in O&M of 110kV substation or above.</p>	<p>Marks allocation for nos. of years of experience in similar works is proposed in two slabs of 3 and 6 years, such clauses usually limit the competition and favour old organisations. As a standard industry practice experience or 3 years is required in most of the similar tenders. The marks allocation for this criteria may please reviewed and full marks may be allocated to bidders with 2-3</p>	<p>No such changes in the allocation of marks can be made in the EOI.</p> <p>However, “110kV substation” in Clause 4.1.1 is revised as “Extra High Tension (EHT) substation ie. voltage exceeding 33kV”. Refer Corrigendum II.</p>

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6	Sr. No.6 of the Clause No.4.1.1	Requirement of Certifications (ISO etc.)	<p>years experience.</p> <p>It is submitted that the agency to be appointed by CSEZ shall only be following the processes established by CSEZ and regulatory guidelines/procedure notified by KSERC while executing the works.</p> <p>Hence, the said requirement of ISO certification may please be removed and marks allocated for this criteria may be aligned accordingly.</p>	The EOI criteria on ISO certification shall remain unchanged.
7	New Clause	Requirement of Budget Estimate	The budgeted estimate for this EOI may also be provided to the Bidders for assessment.	Bidders may assess the scope of work and manpower to be provided by them and quote accordingly.
8	New Clause	Single Line Diagram of the SEZ	The Single Line Diagram of the SEZ's distribution network may be given to the bidder for understanding the present power distribution network of the SEZ.	Adequate description of the Power distribution system has already been explained in EOI. If necessary, bidders can visit the site and familiarise themselves with the PDS prior to bidding. The request for such Single line diagram cannot be entertained at the stage of bidding.
9	Clause 4.1.1	Satisfactory completion of design, supply, installation, testing and commissioning of 110 kV substation & power distribution system	Kindly clarify, whether it is meant as satisfactory completion of design and PMC services for supply, installation, testing and commissioning of 110 kV substation & power distribution system.	<p>It is clarified that the selected agency shall provide PMC services including design and all other consultancy services connected to the project, namely, supply, installation, testing and commissioning of 110 KV substation.</p> <p>However, "110kV substation" in Clause 4.1.1 is revised as "Extra High Tension (EHT) substation ie. voltage exceeding 33kV".</p> <p>Refer Corrigendum II.</p>

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10	Clause 4.1.1	Has been achieving net profit for the past three consecutive years (5 marks)	Requesting modification/ relaxation as has been achieving net profit in any one of the financial year in the past three consecutive years. Our projects (Govt. projects) were severely affected due to the floods and landslides in 2018 & 19 in Kerala and Pandemic lockdown in 2020.	No change in the existing Clause in EOI
11	Clause 5.11	Such expenses on materials incurred by the PMC cum O&M Agency during a month or when the expenses incurred reaches Rs.50,000/-, a monthly expenditure statement along with the bills may be submitted to CSEZA to keep effective check on utilization and reimbursement at the beginning of the subsequent month or when the expenses incurred crosses Rs.50,000/-. CSEZA shall scrutinize the claim and only eligible amount shall be reimbursed.	Our understanding is that the bills should be in the name of CSEZA; kindly clarify	Since the PMC cum O&M agency is not eligible for GST exemption, they will have to pay the GST upfront for the material/service and hence would be eligible to Input tax credit on these items which can be used by them to pay any of their dues of GST or claim refund of the same. All billings should be in the name of PMC cum O&M agency. The reimbursement of the expenses will be made as and when the amount reaches Rs.50,000/- and on production of the expenditure statement. Refer Corrigendum II.
12	Clause 5.14	PMC cum O&M	Our understanding is that the PMC charges	Payments of PMC charge shall not be made on

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		Charges	will be paid against the following milestones: 10% on submission of preliminary project report; 20% on submission of DPR; 10% on obtaining of A/A & E/S; 10% finalisation of the contractor; 50% pro-rata basis on progress of work - kindly clarify	the basis of mile stones mentioned in the query. The payment of PMC charges shall be made on prorata basis on the progress of execution of work and as per certified Running/Part Bill. "PMC cum O&M Charges" is revised to read as "PMC Charges". Refer Corrigendum II.
13	Annexure F	Financial proposal	Kindly confirm that the bid price to be quoted is for one year.	Bid price is to be quoted for one year. This amount quoted shall be firm for first two years and escalation as stipulated in EOI shall be applicable in the event of extension of tenure. Point No. 6 in ANNEXURE – F may be read as "I/We hereby submit our bid and offer a bid price of Rs..... per annum,.....". Refer Corrigendum II.
14	Section I & Annexure F	O&M Fees: Amount quoted by the successful bidder/Fixed remuneration against the Tender Value for providing Operation, Maintenance & Management services per year by employing core staff/manpower as specified in clause 6.4 of this EOI.	It is not clear about the amount to be quoted in the financial bid whether it is monthly /Yearly / Two Year. As the initial appointment is for two years (730 days) the amount to be quoted in financial bid can be monthly amount for an initial period of two years, please clarify	Bid price is to be quoted for one year. This amount quoted shall be firm for first two years and escalation as stipulated in EOI shall be applicable in the event of extension of tenure. Point No. 6 in ANNEXURE – F may be read as "I/We hereby submit our bid and offer a bid price of Rs..... per annum,.....". Refer Corrigendum II.
15	Section III;	Such expenses on	The procurement of such material/service will	Since the PMC cum O&M agency is not eligible

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	Clause 5.11	materials incurred by the PMC cum O&M Agency during a month or when the expenses incurred reaches Rs.50,000/-, a monthly expenditure statement along with the bills may be submitted to CSEZA to keep effective check on utilization and reimbursement at the beginning of the subsequent month or when the expenses incurred crosses Rs.50,000/-. CSEZA shall scrutinize the claim and only eligible amount shall be reimbursed.	be made by the PMC cum O&M agency; hence the bill including GST will be in the name of the PMC cum O&M agency who are not eligible for GST exemption. Whether CSEZ will be making reimbursement of GST part also	for GST exemption, they will have to pay the GST upfront for the material/service and hence would be eligible to Input Tax Credit on these items which can be used by them to pay any of their dues of GST or claim refund of the same. All billings should be in the name of PMC cum O&M Agency. The reimbursement of the expenses will be made as and when the amount reaches Rs.50,000/- and on production of the expenditure statement. Refer Corrigendum II.
16	Section III; Clause 5.13(ii)	The O&M Fees shall take into account all expenses and tax liabilities. For the avoidance of doubt, it is clarified that the O&M Fees shall be inclusive of applicable GST with its Service Accounting Code (SAC), rate and	The Financial bid format is to be quoted excluding GST. (i) Whether GST payment on the O&M Fee will be made by CSEZA? (ii) Whether GST payment of outsourcing agencies that would be incurred by the O&M agency will be made by CSEZA? (iii) We presume that the direct supply to CSEZ Authority will be zero rated, please clarify?	As stated above as per Section 16 of the IGST Act, 2017 all supplies to CSEZA are Zero Rated Supplies. This would mean that the O&M Agency would be liable to pay GST on the supplies/services sourced from their vendors which can be claimed by the O&M Agency as input credit for payment of their GST liability and /or claimed as refund from GST Authorities. Since the O&M Agency would be able to claim input credit/refund of any GST paid to its

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		amount. Further, all payments shall be subject to deduction of taxes at source as per applicable laws.	<p>(iv) We presume that there won't be any other tax liability (other than professional tax and income tax) for O&M agency for supply/service to CSEZ Authority. What are the tax liabilities to be included in O&M Fee?</p> <p>(v) Since the outsourcing contract is between PMC/O&M agency and the Contractor, the supply will be subjected to payment of GST to the contractor. Whether CSEZA will reimburse such GST to be paid by O&M agency to contractor, as it will affect the cash flow of the O&M agency as well as the contractor, which intern affect the progress of the work ?</p>	vendors/service providers the question of claiming the same from CSEZA does not arise. As such any GST paid by the O&M Agency on its contractor's bills is not reimbursable by CSEZA.
17	Section III; Clause 5.13(iii)	The above is a lump sum contract and the successful bidder shall not be entitled to any additional payment whatsoever including reimbursement of expenses of whatsoever nature. However, travel expenses outside Ernakulam District made with the approval of the Procuring Entity shall be reimbursed by	This clause is in contradictory to the various clauses in EoI; viz. payment of outsourcing contractor bill (payment clauses in draft agreement), petty expenses incurred on monthly (C1.5.11), PMC charges on other works related to (C1.5.14). Please clarify.	<p>The successful bidder shall not be entitled to any additional payment (on account of O&M fees) other than</p> <ul style="list-style-type: none"> • payment of outsourcing contractor bill, • petty expenses as stated in Clause.5.11, • PMC charges as stated in Clause 5.14. <p>Refer Corrigendum II.</p>

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		the Procuring Entity by restricting it as given below:		
18	Section III; Clause 5.4	Original Works (Additional in infrastructure related work)	Whether the Civil/Mechanical works related to PDS will also be included in the scope of O&M agency?	Yes. Any essential civil /mechanical works in connection with or incidental to scope of works in this EOI or PDS shall be part of the work of the selected PMC cum O&M agency.
19	Section III; Clause 5.6.1	Provide office space for the PMC cum O&M Agency at reasonable rent.	As an office space is essential for the core team to operate, and also the O&M Fee includes the rent; we request to clarify the rent proposed for the office space for PMC cum O&M Agency.	The lease rent chargeable for office space for O &M Agency shall be Rs.2916/- per square meter per annum. Clause 5.6.1 is revised to read as "Provide office space for the PMC cum O&M Agency at reasonable rent of Rs.2916/- per square meter per annum". Refer Corrigendum II.
20	Section III; Clause 5.14	PMC cum O&M Charges	We presume that PMC cum O&M charges will be paid on pro-rata basis based on the contractor bill recommended, please clarify.	Payment of PMC charge shall be made on prorata basis on the progress of execution of work and as per certified Running/Part Bill and the final payment shall be subject to the satisfactory completion of the works and after verification by CSEZA. Refer Corrigendum II.
21			Estimate provision for the O&M Fee for the work tendered under this EoI is not mentioned anywhere in the EoI document, please clarify the same.	Bidders may assess the scope of work and manpower to be provided by them and quote accordingly.
22	Section III; Clause 6.4	Resident Engineer: Bachelors degree in Electrical Engineering with minimum 15 years	(i) Whether post qualification experience of 15 years after BE/B. Tech is considered or total experience is also considered?	(i) Experience of 15 years after BE/B. Tech is required. Total experience alone will not be acceptable. (ii) There will be no relaxation in the total

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		experience in	(ii) Generally higher qualification (M. Tech. in Power Systems, suitable for similar work) will get a relaxation in the total years of experience, please clarify the applicability in this case? (iii) Whether all HT license from KSELB will get a relaxation in experience or advantage in scoring.	years of experience. (ii) HT license from KSEBL will not get a relaxation in experience or advantage in scoring.
23	Section III; Clause 6.4	Assistant Engineer cum Energy manager: Degree in Electrical Engineering. Degree from Bureau of Energy Efficiency as certified Energy Manager 5 years experience in the field of plant operations, power distribution and maintenance. 3 years experience in the field as energy manager	(i) Whether Diploma holder with more than 10 year experience will be considered eligible for this post? (Generally in Licensee like KSEB, Diploma with 5 years experience is eligible for the post of assistant Engineer). (ii) Whether the certification from Bureau of Energy Efficiency as certified Energy Manager for anyone of the team member (Resident Engineer/AE/JE) will be sufficient.	(i) Diploma holder with more than 10 year experience will not be considered eligible for this post. (ii) Either Resident Engineer or Assistant Engineer having BEE certification as Energy manager will be sufficient. However, he should be fully aware of the energy auditing and reporting requirements of BEE as per the regulations for Energy auditing and energy accounting of Distribution Licensees. Energy manager shall undertake all functions of Energy manager of CSEZA as per the regulations and prepare and endorse the periodic returns to BEE on behalf of CSEZA. Refer Corrigendum II.
24	Section III; Clause 4.1.1 S. No.1.1	Satisfactory completion of Design, supply, Installation, testing and commissioning of 110kV substation & power distribution system	It is understood that said criteria given in this clause pertains to PMC services and not as EPC contract. The same may be clarified. Whether higher capacity of substation can be considered for scoring?	The criteria given pertains to PMC Services and not EPC contract. However scope shall cover design and overseeing/supervising/ managing the supply, supervision of installation, testing and commissioning of required facilities. However, "110kV substation" in Clause 4.1.1 is revised as "Extra High Tension (EHT) substation

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				ie. voltage exceeding 33kV". Refer Corrigendum II. No. Higher capacity of substation cannot be considered for scoring.