

Bid document no: AESD/WtE/NDMC/GTE/01/2021-22

Selection of Concessionaire for Processing and Disposal of Municipal Solid Waste (mixed waste) by establishing Waste to Energy Plant at Ranikhera or alternate suitable municipal land, New Delhi.

Response to Queries received/ discussed in Pre-Bid Meeting

Location: IndianOil. SCOPE Complex, New Delhi (over VC through WebEx platform)

Date: 29.10.2021

Details of participants:

IndianOil Corporation Ltd	North Delhi Municipal Corporation	Prospective Bidders
Shri Bijay Kumar, GM (AE) Shri Manikandan CKN, CM (AE) Shri Faraz Farooqui, Manager (AE)	Shri Pradeep Bansal, Director-in-Chief Shri AK Gupta, Superintending Engineer	Domestic & foreign organizations, their Indian agents

Clarifications:

SN	Subject	Query	Response/Clarifications
1.	Royalty Model	Royalty basis contract is not a successful business model in solid waste management sector, as there are various activities to be performed in compliance with SWM Rule 2016, each of which involves significant operating costs. Moreover, the capital investment made and ongoing OPEX cannot be recovered through the revenue from off-take of CBG, Ethanol & Electricity. Therefore, the Project ideally should be	Upon qualification of bidders in Stage I, Stage II and Stage III as defined in the tender, the Price Bid to be circulated to the qualified bidders will have a provision of quoting the Royalty charges in positive, negative and zero. Positive quote will indicate that the Bidder is willing to give Royalty charges to North DMC for the waste supplied. Negative quote will indicate that the Bidder seeks processing fees /Incentive from North DMC for processing the waste supplied. Zero Royalty charges will indicate that the bidder neither seeks any

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		<p>designed on a specific tipping fee/ Incentive payable by the Employer to Concessionaire in addition to revenue from resource recovery/ power generation</p>	<p>processing fees nor will give any royalty charges to North DMC for the waste supplied.</p> <p>Bidders to consider the above aspect and quote their rates accordingly.</p> <p>The bidder with the highest quote in the financial proposal to be submitted for the waste to be supplied by North DMC shall be declared as the successful bidder & shall be given precedence for award of the Concession by North DMC.</p>
2.	Technology Selection	<p>The specified technology of Bio-methanation for handling the huge quantum of 2500 TPD is neither feasible nor recommended, there is no precedence of any successful project of this scale in India or in any other parts of Asia, Bio-methanation / Compressed Bio Gas/ Ethanol plants are typically of a much smaller scale instead of huge quantum of waste i.e 2,500 TPD.</p> <p>As such, it is suggested that Compressed Bio Gas/ Ethanol technology based projects should be confined and implemented in small scale in an EPCC Model without having performance Risks to the Developer in place of currently proposed High Capital-intensive</p>	<p>There is no specified technology and also no restriction on selection of products/technology for the proposed Waste Processing Facility.</p> <p>It is amply clarified that bidders are free to</p> <ol style="list-style-type: none"> a. deploy any technology in isolation or in combination with 2 or more technologies. b. manufacture / produce any product/ by products from the proposed WtE plant or Waste Processing facility. c. There is no restriction on choosing a particular technology or any producing specific product or by-products.

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		model i.e. on Design, Build, Finance, Operate & Transfer (DBFOT) basis	
3.	Environmental Clearance	<p>(Reference: Schedule# 1 Clause# Q- Scope of Services)</p> <p>To be able to achieve timely completion of any DBFOT project, it is important to obtain Environmental Clearance for the proposed project site. Environmental Clearance (EC) should be obtained by the Employer as obtaining EC itself may take not less than 12 to 18 months</p>	<p>Bidders are advised to refer Bid document (Clause 2.3 e) of Brief Description of Project)</p> <p>North Delhi Municipal Corporation will facilitate all statutory approvals for setting up the facilities/ Plant.</p> <p>However, the overall responsibility of obtaining the EC or any other statutory approval lies with the Concessionaire in line with Clause 2 (xiv) mentioned in Article 3 of the Concession Agreement.</p> <p>Moreover, notes provided under Clause 1.2 (b) and Clause 2.1 (h) of Brief Description of the Project clearly states that, extension of time shall be granted in case the delay is not attributable to the Concessionaire and substantiated by necessary documental evidence.</p>
4.	Royalty Model	<p>No Waste to Energy plant in the country can be set up and operated on the basis of Royalty payment to ULB where 100% capital investment has to be made by the concessionaire. We, therefore request you to change the bidding criteria of the subject project to selection of successful bidder on the basis of lowest processing fees asked from North DMC.</p>	<p>Upon qualification of bidders in Stage I, Stage II and Stage III as defined in the tender, the Price Bid to be circulated to the qualified bidders will have a provision of quoting the Royalty charges in positive, negative and zero.</p> <p>Positive quote will indicate that the Bidder is willing to give Royalty charges to North DMC for the waste supplied.</p> <p>Negative quote will indicate that the Bidder seeks processing fees /Incentive from North DMC for processing the waste supplied.</p>

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			<p>Zero Royalty charges will indicate that the bidder neither seeks any processing fees nor will give any royalty charges to North DMC for the waste supplied.</p> <p>Bidders to consider the above aspect and quote their rates accordingly.</p> <p>The bidder with the highest quote in the financial proposal to be submitted for the waste to be supplied by North DMC shall be declared as the successful bidder & shall be given precedence for award of the Concession by North DMC.</p>
5.	Electricity Tariff	<p>The capital cost to be incurred for setting up State-of-Art RDF based Waste to Energy Plant ranges from INR 22-24 Crores per MW. Central Electricity Regulatory Commission (CERC) has declared a tariff of INR.7.90 per kWh for RDF based WtE plants as per CERC order dated 07.10.2021.</p> <p>One of the sources of revenue for the Concessionaire must be the payment of electricity tariff of Rs.7.90 by Discoms</p>	<p>Bidders are advised to refer Bid document (Clause 2.2 (e), 2.3 (c)& 2.3 (f) of Brief Description of Project)</p> <p>For Electricity produced from the WtE plant, IndianOil shall reserve the first right to enter in to a Power Purchase Agreement with the Concessionaire based on requirement & prevailing guidelines on exemption of various charges under open access system for WtE projects. The prices will be negotiated with the technically qualified bidders. The bidders accepting the offered prices will be allowed to submit the Price bid.</p> <p>Further, North DMC will facilitate the Concessionaire in selling electricity through 30 years power purchase agreement at pre determined rate by Delhi State Electricity Regulatory Commission from time to time to DISCOMs.</p>

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			For any other product which is not purchased by IndianOil, North Delhi Municipal Corporation shall act as facilitator to ensure that the product like electricity, organic manure etc. made in the proposed plant is sold in the market.
6.	Pre-Qualification Criteria	Clause 14.1- <u>'Definition of Eligible Assignments/ Projects for Technical Evaluation'</u> - The capacity for Construction or Operation of Waste to Energy facilities to be revised to 1000 TPD from existing 200 TPD since The technical experience should be according to capacity of the Project	Bidders are informed that the Qualification criteria defined in the tender shall prevail and no change is proposed.
7.	Pre-Qualification Criteria	Clause 14.2.1 Turnover (Financial Eligibility): The average Turnover during the last three financial years preceding March 2021 to be revised to ₹ 70 Crore or US \$ 8.75 from existing ₹ 30 Crore or US \$ 3.75 million	Bidders are informed that the Qualification criteria defined in the tender shall prevail and no change is proposed.
8.	Construction Period	Clause 2.1 h) of Brief Description of Project (Role of the Concessionaire) Setting up the Plant and ramp up to be revised from	The tender clause 2.1 (h) of the Brief Description of the Project shall prevail in this regard. Bidders are advised to refer the notes provided under Clause 1.2 (b)and Clause 2.1 (h) of Brief Description of the Project. It clearly states that, extension of time shall be granted in case the delay is

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		<p>i) 50% of Name Plate Capacity within 12 months from the Compliance date as per the Concession Agreement</p> <p>ii) 100% of Name Plate Capacity within 24 months from the Compliance date as per the Concession Agreement</p> <p>to</p> <p>i) 50% of Name Plate Capacity within 24 months from the date of handing over of encumbrance free land or CTE whichever is later.</p> <p>ii) 100% of Name Plate Capacity within 36 months from the date of handing over of encumbrance free land or CTE whichever is later.</p>	<p>not attributable to the Concessionaire and substantiated by necessary documental evidence.</p>
9.	Role of North DMC	North DMC should provide Land admeasuring 50 acres tothe concessionaire in single parcel instead of two parcels	The land available for setting up the Waste Processing Facilities is available in 2 parcels (33 acres &16.5acres approx.). Bidders to consider this aspect to plan, design the facilities and also quote their rates accordingly.

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10.	Commencement of Project	<p>The Clause to be modified from:</p> <p>“The Bidder shall commence the implementation of the Project at the Site(s) within [7 (seven)] days of the execution date of the Concession Agreement, or such other date as may be mutually agreed”</p> <p align="center">to</p> <p>“North DMC will sign the land lease agreement and hand over the encumbrance free levelled land to the concessionaire. The concessionaire will commence the implementation of the Project within 15 (Fifteen)days from the date of signing of land lease agreement or hand over of project site, whichever is later.”</p>	<p>The tender clause shall prevail in this regard.</p> <p>Bidders are advised to refer the notes provided under Clause 1.2 (b)and Clause 2.1 (h) of Brief Description of the Project. Itclearly states that, extension of time shall be granted in case the delay is not attributable to the Concessionaire and substantiated by necessary documental evidence.</p>
11.	Procurement Price	<p>The procurement price of Compressed Bio-Gas delivered at an IOCL RO should be in line with SATAT base rate @Rs.46/kg + 5% GST fixed by Ministry of Petroleum & Natural Gas.</p>	<p>In the SATAT model, the land and feedstock is arranged by the LOI holder whereas in the subject tender, land is provided at a nominal rate of rental, mixed waste is being delivered at the project site by North DMC and option also exists for quoting for the waste to be supplied in positive or negative or zero.</p> <p>Hence, the tentative procurement price of ₹ 35 per kg for CBG</p>

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			<p>delivered at an identified IndianOil RO as mentioned in the tender shall prevail.</p> <p>Bidders are advised to consider the above aspects, work out their project financials and quote their rates accordingly.</p>
12.	Access/ Approach Road	North DMC shall provide the Approach Road/ Access Road up to the boundary of the project site	<p>Access to the 2 land parcels for setting up the waste processing facilities is already available.</p> <p>The Concessionaire is required to design, construct the Approach Road appropriately as per applicable standards and requirements as part of the Project facilities.</p> <p>Bidders are advised to consider the above aspects, work out their project financials and quote their rates accordingly.</p>
13.	Brief Description of Project	<p>The mix waste shall constitute approximately 1250 to 1500 MT of unsegregated Organic waste, 1000 to 1250 MT of Other combustible / RDF (Refused derived Fuel) waste, inert masses & other waste.</p> <p>Please clarify what do you mean by unsegregated Organic waste. What is the source for supply of RDF.</p> <p>It is requested to share the waste</p>	<p>Bidders are advised to refer the waste characterization report provided by North DMC, which has already been uploaded as part of Response to Queries of the 1st Pre-Bid Meeting.</p> <p>The same can be accessed from the IndianOil Portal: https://www.iocl.com/suppliers-notices</p>

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		characteristics of the MSW/ RDF to be supplied by North DMC.	
14.	Technology Selection	<p>We understand from the clarification by you, the tender is open for any technology adopted by the participants. As you are aware, there are different technologies for W2E projects and Waste Dump upgradation as well as for pollution control in Emissions of Flue gas, Ground water pollution, and requirements land for dumping fly ash containing high metal content. Hence the technology adopted by our consortium will be handling All the problems and are known as Best proven Technology and 3rd Generation Technology. This is well established in European Union and EU measures for pollution and handling all types of Waste including Electric waste.</p> <p>Hence These technologies are very expressive and more suitable to Delhi. We hope that you will consider these points in Evaluation of Bids.</p>	<p>There is no specified technology and also no restriction on selection of products/technology for the proposed Waste Processing Facility.</p> <p>It is amply clarified that bidders are free to</p> <ol style="list-style-type: none"> a. deploy any technology in isolation or in combination with 2 or more technologies. b. manufacture / produce any product/ by products from the proposed WtE plant or Waste Processing facility. c. There is no restriction on choosing a particular technology or any producing specific product or by-products.

Note: The above minutes shall be available in the portal link: <https://iocl.com/suppliers-notice>