

Consolidated Clarification Document of 50MW WINDER & 100MW BELA Bidding Process

The responses are as shared with prospective bidders on the clarifications sought; any change in responses is issued as Amendment and Corrigendum on KE Website and on Ariba.

We have now concluded the clarification process of Winder & Bela bidding process.

Clarification Responses to Bidder of 50 MW Winder and 100 MW Bela

Sr.#	RFP & EPA / Clause	Commercial/EPA Queries	KE Response	KE Response date
1	Definition	If GOB Cabinet Changes the land cost, will the same be allowed adjustment at COD?	The land price mentioned in “Land Cost” definition shall be included in the Bid Tariff of the Bidder. If any changes are proposed by the GOB Cabinet to the mentioned prices or structure, the same will be intimated to the Applicants/Bidders prior to bid submission deadline.	10/5/2024
2	Land	<p>1. In the Definition of "Land Cost" the price mentioned is upfront while in clause 7 the allocation of land is against lease rentals for the Land Cost. Clarity is required whether Land Cost is Upfront or Lease Rental. We understand that GOB will hold equity equal to the Land Cost, thus, this clarity is critical for Bid preparation</p> <p>2. Land Cost mentioned in the RFP is exorbitantly high and has a significant impact on Project economics and equity</p>	<p>1. Land Cost is a fixed upfront lease payment as mentioned in section 7 of the RFP and will be payable through the Land Lease Agreement between BECL and the successful Bidder/SPV.</p> <p>GOB will not hold any equity in the Projects.</p> <p>2. Land Cost is provided by Balochistan Energy Company Limited.</p>	10/5/2024
3	Fee Structure	The paragraph below the table states that "It must be noted that all Applicants intending to participate in the process will be required to submit both" the Bid Processing Fee and the Prequalification Fee along with their Bid.". Does this hold for the Applicants who have prequalified already?	Already prequalified applicants are required to submit Bid Processing Fee only as they are not required to re-submit the prequalification application	10/5/2024
4	Bid Bond	Submission of Bid bond by any one JV partner in case of two/three members in consortium.	The bid bond will be submitted by the registered applicant on ARIBA that will be submitting the bid	10/5/2024

5	Selection of Successful Bidder for each Project	How can a bid be proved "imprudent"? The Term needs clear definition for clarity as it also serves as a basis for disqualification under section 9.10(14)	The prudency check will be based on the then-prevailing equipment prices, cost of funds and macro-economic conditions.	10/5/2024
6	Generation License and Tariff Fee	The fees are to be paid by SPV or the Successful Bidder?	The Successful Bidder will form the SPV with management control. The SPV would be responsible for filing the Tariff Application with NEPRA and obtaining its concurrence on setting up the Generation Facility, with applicable fees.	10/5/2024
7	Shareholding of Successful Bidder, KE and GoB in the SPV	KE is yet to communicate its and Balochistan Govt.'s shareholding in the SPV as per NEPRA's decision in the RFP	KE and GOB will have no shareholding in the Projects.	10/5/2024
8	Contract Type/ Must Purchase Obligation	Clarity on Must Purchase Obligation is required as to Take or Pay OR Take and Pay whether KE is obligated to offtake energy?	KE will accept the Net Delivered Energy in accordance with the terms of the EPA.	10/5/2024
9	KE's incurred costs	KE to provide details related to cost of project studies such as Feasibility Study, Load Flow Study, and Environmental Impact Assessment.	This is not required as these are borne by KE. However, K-Electric shall not assume responsibility regarding any interpretation made by the Bidder/Applicant from the information furnished by K-Electric including any studies carried out by its consultants.	10/5/2024
10		What sort of security support KE would be providing during the visit of Chinese engineers to site?	The bidder is responsible for all aspects of security, administration, transportation, etc.	12/6/2024
11		What type of payment security mechanism will be followed for payment through the joint account?	Escrow Arrangement will be used as a payment security mechanism. The brief of the escrow mechanism is shared.	12/6/2024
12		If the COD of the project gets delayed due to any political risk, how KE will support and provide relaxation (due to additional contractual costs incurred)?	Any support provided by KE will be in accordance with the term and conditions of EPA.	12/6/2024
13		The lease agreement with BECL for land is 30 years while the EPA agreement with KE is for 25 years.	Agreed, the understanding is correct.	12/6/2024
14		Applicable taxes on the Invoices raised by the seller to the purchaser of electricity like GST, VAT, and others.	Please refer to section 9.4 of EPA for clarity.	12/6/2024

15		Given that Chinese EPC Contractors are restricted to work in Baluchistan region, Will KE allow more than one contractor to execute the Project	Bidder is allowed to execute EPC with more than one contractor for 50MW Winder and 100MW Bela Solar project	12/6/2024
16		<p>1. Applicant intends to form a Consortium with a Consortium Partner, which is itself a JV of two (02) companies (X and Y), and will invest equity with applicant.</p> <p>2. The Project Company fulfils the financial criteria for pre-qualification based on the good financial health of applicant and it's Consortium Partner.</p> <p>3. However, clarification is required whether expertise of the Technical Partner (X) of applicant Consortium Partner may be used to fulfil the technical criteria for pre-qualification.</p>	<p>Kindly refer to below clause of Exhibit 15 of the RFP document for clarification</p> <p>“The members of the Consortium/Joint venture shall together meet the Eligibility Criteria. The members of the Consortium/Joint venture shall be evaluated collectively on aggregate basis as per Section 6 Evaluation and Scoring Criteria. Provided, the consortium/joint venture shall have no more than 3 members.”</p>	14/6/2024
17		Will KE be paying for the transfer of ownership for the metering system and what payment procedure would be followed?	As mentioned in Section 7.2 of EPA, the cost of procurement and installation of Metering system and Backup metering system shall be borne by the Seller, as per Grid Code	20/6/2024
18		In case SBP financing is not available, Bela will be treated as Bela I and Bela II, will the interconnection for both will be same?	Kindly note that in case of unavailability of SBP financing, Bela will be treated as 100MW Bela project instead of 50MW Bela I and 50 MW Bela II	20/6/2024
19		The parameters of forecasting given in 5.3 of EPA are grossly different from given in Grid Code 2023. To create harmony between EPA and Grid Code, an independent expert opinion is requested before going to NEPRA for EPA approval.	As discussed, Applicant is requested to share the relevant EPA clauses and forecasting calculation formula.	24/6/2024
21		<p>Definition of custom duties is very narrow, it should be as:</p> <p>“All Taxes (other than Sales Tax) on or relating to the import into or export from Pakistan of plant, machinery and equipment, and levied by any Federal Entity including Federal Excise Duty (levied under the Federal Excise Act 2005).”</p> <p>If it is not done, any Governmental levy other than custom duty is imposed on the import stage, it would</p>	Please refer section 16.3 Pass-through Items of RFP for clarity on allowed pass through items	24/6/2024

		become CLFME and would affect the project implementation. Difficult for lenders to absorb.		
22		Land lease till FC must be ensured to meet the construction timelines. No disbursement will be possible without this; hence, it will cause delay in project completion timelines.	It is the Bidder's (SPV) responsibility to ensure timely lease of land in co-ordination with BECL and Bidder can execute land lease as required. Note: Any subsequent change or update from BECL will be duly communicated to the all the bidders	24/6/2024
23		COD delay penalty which is USD 4 / KW is 60 % higher than the comparable with the recent solar EPAs signed by CPPA. It should be competitive. With the recent solar EPAs signed by CPPA. It should be competitive	COD delay penalty is Non-negotiable.	24/6/2024
24	In Clause 12.1, it is provided that: For avoidance of doubt, to ascertain commercial reasonableness of the insurance rates, the same may be compared to the insurance allowed in the Tariff Determination.	The tariff is single number how the insurance rates can be treated separately? Please rectify.	Under the new regime, there is one single tariff, hence all cost needs to be considered within the bid tariff	
25		9.4 (a)(i)(D) The first invoice for Energy Payment after the Commercial Operations Date may include the invoice for the Pre-COD Energy Payment under Section 8.7; Whereas in RFP it is free of cost energy. Please rectify.	Pre-COD Energy is free, though the purpose of the invoice is to record the Net Delivered Energy at nil tariff.	24/6/2024

26		Will the bid tariff comprise a single-stage tariff applicable for the entire project lifespan of 25 years or the bid tariff structured as a 2-stage tariff? The first tariff period would cover the debt period, approx. 14 years, while the second tariff would cover equity and O&M costs for the remaining years.	The decision is a single tariff for Project life. Please refer to NEPRA decision NEPRA/Advisor(CTBCM)/RFP-04 section 37 https://nepra.org.pk/tariff/Tariff/K-Electric/2024/RFP-04%20KE%20BALOCHISTAN%2029-02-2024%203115-21.pdf	10/5/2024
27		If the bid tariff is a levelized tariff, how would indexation be implemented?	Please refer to NEPRA decision NEPRA/Advisor(CTBCM)/RFP-04 section 43 sub section (d)	10/5/2024
28	<p>Definitions - Land Cost Balochistan Energy Company Limited (BECL) has proposed upfront land price of [Rs. 1,065.61 million] for 50 MWp capacity at Winder and [Rs. 532.81 million] for each site of 50 MWp capacity at Bela 1 and 2 however, this land price is subject to approval of the GOB Cabinet.</p> <p>The Bidders shall account for the above-mentioned prices in their financial bid. If any changes are proposed by the GOB Cabinet to the abovementioned prices or structure, the same will be intimated to the Applicants/Bidders.</p>	For the sake of clarity, KE is requested to share the mechanism for calculation of land cost. Would there be a fixed upfront price (lump sum) for the project life or would there be annual charges per acre or per MW?	This is the fixed upfront amount for the project life, payable to BECL and shall be accounted for in the bid accordingly.	10/5/2024
29	8.1. Major Project Milestones 1. Bid Submission Deadline: 20-May-2024	Considering the bid scope and timelines as well as the requirement to include new pre-qualified bidders, bid submission deadline is requested to be extended by another 2 months.	Extension provided till 31st July'24. https://www.ke.com.pk/assets/uploads/2024/05/Corrigendum-No1-Deadline-extension.pdf	10/5/2024

30	Land : 7.1 to 7.3	The Energy Department, Government of Balochistan has issued Lease Orders for all sites in favor of Balochistan Energy Company Limited (BECL). The BECL will sub-lease the sites to the Successful Bidder through a Land Lease Agreement.	The Energy Department, Government of Balochistan has issued Lease Orders for all sites in favor of Balochistan Energy Company Limited (BECL). The BECL will sub-lease the sites to the Successful Bidder through a Land Lease Agreement.	10/5/2024
31	16.1.1. Indexation mechanism – SBP Financing Indexation mechanism in case 150 MWp shall be developed as three projects of 50 MWp each with SBP financing.	Clarity is requested against Bela project whether it will be considered as a single 100 MWp project, or as 2 separate projects of 50MWp each?	Any Bidder interested in bidding for Bela shall bid for a cumulative capacity of 100 MW as per section 4.5 of the RFP	10/5/2024
32	Exhibit 2 – Confidentiality Agreement Indexation mechanism in case 150 MWp shall be developed as three projects of 50 MWp each with SBP financing.	Clarity is requested against Bela project whether it will be considered as a single 100 MWp project, or as 2 separate projects of 50MWp each?	Any Bidder interested in bidding for Bela shall bid for a cumulative capacity of 100 MW as per section 4.5 of the RFP	10/5/2024
33	Exhibit 2 – Confidentiality Agreement The Applicant/Bidder must execute the Confidentiality Agreement on stamp paper and submit to K-Electric along with complete Application for Prequalification.	For the sake of clarity, KE is requested to share the value of the stamp paper.	Region Sindh denomination of stamp paper PKR 1000 Region Punjab denomination of stamp paper PKR 500	10/5/2024
34	Exhibit 4 – Power of Attorney The Bidder must execute the Power of Attorney on stamp paper and submit to K-Electric along with the Bid.	For the sake of clarity, KE is requested to share the value of the stamp paper.	Region Sindh denomination of stamp paper PKR 1000 Region Punjab denomination of stamp paper PKR 2000	10/5/2024
35	Exhibit 5 – Affidavit The Bidder must execute the Affidavit on stamp paper and submit to K-Electric along with complete Bid.	For the sake of clarity, KE is requested to share the value of the stamp paper.	Region Sindh denomination of stamp paper PKR 200 Region Punjab denomination of stamp paper PKR 300	10/5/2024
36	Exhibit 6 – Letter of Acceptance by the	For the sake of clarity, KE is requested to share the value of the stamp paper.	Region Sindh denomination of stamp paper PKR 200 Region Punjab denomination of stamp paper PKR 300	10/5/2024

	Applicant/Bidder to be submitted on stamp paper			
37	1.1 Definitions Net Delivered Energy	Please clarify the calculation basis of Net Delivered Energy. Also confirm the allowable degradation during project Term.	As outlined in the EPA, the Net Delivered energy is the net electrical energy expressed in kWh generated by the Complex and delivered at the Interconnection Point, as measured by the metering System or the Back-Up Metering System (as the case may be). The Bidder has been requested under the RFP to submit the single BID tariff for the project and no additional cost / allowances will be allowed to the bidder.	10/5/2024
38	1.1 Definitions “Ancillary Services” — Services provided by the Seller through the Complex, other than the delivery of Net Delivered Energy, as provided in Schedule 5, which services shall be provided within the Technical Limits and according to the provisions of the Grid Code.	EPA schedules are not attached with this RFP. For the sake of clarity, KE is requested to share all EPA schedules.	Details of ancillary services cannot be provided at this stage and will be shared with the successful bidder.	10/5/2024
39	2.9 Specification of Contract Capacity (a) The Parties agree that the Contract Capacity is [50/100] MWP, being the nameplate capacity of the PV modules installed at the Site at Commercial Operations Date. In the event that PV Panels are added after Commercial Operations Date, at the Seller’s cost, to address effect of yearly degradations, the same would not be added to calculate the Contract Capacity.	For the sake of clarity please specify if any degradation is allowed for the project Term? If yes, how much degradation is allowed during project Term?	As outlined in the EPA, the Net Delivered energy is the net electrical energy expressed in kWh generated by the Complex and delivered at the Interconnection Point, as measured by the metering System or the Back-Up Metering System (as the case may be). The Bidder has been requested under the RFP to submit the single BID tariff for the project and no additional cost / allowances will be allowed to the bidder.	10/5/2024

40	5.3 Forecasting of Net Delivered Energy No later than one hundred and fifty (150) Days prior to the Scheduled Commercial Operations Date the Seller shall appoint, at its own cost, the Forecasting Consultant, with the consent of the Purchaser pursuant to Schedule 13, to establish, the Hybrid Forecast Model.	Considering the fact that the projects are solely solar based, what is requirement of Hybrid Forecast Model? Please clarify	This is required for accurate forecast and for NPMV	10/5/2024
41	7.2 (B) Installation of Metering System Purchaser shall thereafter be responsible for the ownership and maintenance of the Meter and the Back-Up Meter provided that the Seller shall thereafter be responsible for the ownership and maintenance of the Allied Metering Equipment and the Allied Back-Up Metering Equipment.	What will be mechanism to carry out the daily energy reading from energy meters under the ownership of the Purchaser? Please clarify	Seller will have access to the metering room	10/5/2024
42	7.3(a) Reading Meters Thereafter, the Purchaser and the Seller shall test the accuracy of each of the Metering System and the Backup Metering System at any time that the readings of Net Delivered Energy from the Metering System and the Back-Up Metering System differ by an amount greater than one-fifth of one percent (0.2%). In such eventuality, the Purchaser and the Seller together shall test the accuracy of the Metering System and recalibrate the Metering System, if necessary. The Purchaser	The percent error is deviating from the Grid Code which is $\pm 0.5\%$. Please clarify if there is any ambiguity.	The difference of the Net Delivered Energy from the Metering System and the Back-Up Metering System should be within 0.2% Generally the Grid Code has to be followed but KE has specified a more stringent criteria based on its experience.	10/5/2024

	shall provide the Seller no less than forty-eight (48) hours' notice of such			
43	9.3 Liquidated Damages 9.3 (a), (b), (c)	Clause 9.3 pertains to Liquidated Damages which are focused only on a breach of Seller duties and do not provide any circumstance entitling the Seller to claim Liquidated Damages. A clause should be added encapsulating the failure on part of the Purchaser to fulfil its obligations and the consequences thereof entitling the Seller to claim Liquidated Damages.	Purchaser LDs are covered in Section 6 for delay in Purchaser Interconnection Facilities and Section 8 for delay in Commissioning Tests.	10/5/2024
44	13. Representations, Warranties and Covenants 13.1 (h) The Seller will act in a reasonable and prudent manner in relation to its obligations under this Agreement;	This specific clause should be reiterated for the Representation and Warranties of the Purchaser (13.3).	This is KE standard EPA clause	10/5/2024
45		What documentary evidence is required to demonstrate the inability to arrange SBP Financing? Would a letter from SBP suffice?	Yes, letter from SBP or commercial Banks will suffice	17/5/2024
46		Please provide an update on the progress of the 132kV transmission line from Winder to Bela?	The timeline for the completion of the transmission project will be aligned with the COD of the project	17/5/2024
47		After the project term, the SPV has land rights for five additional years. Can the SPV operate the project privately or extend the existing project during this period?	Successful bidder after award may discuss with BECL.	17/5/2024
48		If an Applicant seeks prequalification for both Winder and Bela Projects, is only one Exhibit 15 submission required? However, separate bids for each project are to be submitted by KE.	Yes, one submission for PQD and separate bid for Winder and Bela project	17/5/2024

49		Please confirm that Exhibit 13 - Form of Letter of Intent is not required to be submitted with the bid documents.	Not required	17/5/2024
50		Similarly, please confirm that Exhibit 9 – Form of Performance Guarantee is not to be filled and submitted as part of the bid submission	Not required	17/5/2024
51		Regarding Exhibit 14, would indicative term sheets from relevant banks meet the requirement?	Yes Indicative Term Sheet from relevant bank can be used for defining “Funding Mechanism”	17/5/2024
52		Financial criteria mentioned within the RFQ for net worth is in USD terms, hence for the purpose of conversion from PKR to USD, we would be using the exchange rates prevalent on the last date of each respective financial year (source: NBP Rate Sheet). Please confirm if that is acceptable.	It is acceptable, for further clarification Exhibit 5 (a) & (b) can be referred.	17/5/2024
53		Clarification on whether the amount of Total Debt for calculation of DSCR would be equivalent to the debt obligations (principal + interest) paid out in a particular year or the total outstanding debt obligations stated in the audited accounts of the Applicant.	As per RFQ, Total Debt includes Total outstanding principal plus total outstanding interest (long as well as short term).	17/5/2024
54		In case the Applicant is a Consortium, would the Lead Member’s letter head be used for issuance of the Covenant of Integrity as well as other exhibits?	YES	17/5/2024
55		It is our understanding that the information provided under the requested sources for financing of the project under Exhibit 5, section g, would be construed as tentative and will be subject to change upon the discretion of the Applicant. Please confirm.	The Applicants are required to demonstrate their previous expertise of achieving Financial Close of Projects. The Applicant shall submit the necessary supporting evidence including but not limited to certificates for achievement of financial close / deal closure, bank letters	17/5/2024
56		Please confirm if consolidated financial and technical criteria tables (as opposed to individual forms/filled out Exhibits for Consortium Members is also a requirement under this prequalification process.	Please refer Exhibit 5 (c) & (d) which explicitly mentioned requirement of both. Applicant applying as a consortium is required to	17/5/2024

			submit Exhibits relevant to consortium mentioned in the RFQ document	
57		In case of consortium, the Bid bond and Performance Guarantee would be submitted jointly or individually by each of consortium member.	The bid bond and performance guarantee will be submitted by the registered applicant on ARIBA that will be submitting the bid	17/5/2024
58		In Exhibit 12, signed equity commitment from Sponsors is required, would it be required on corporate letterhead and is there any specific template for Exhibit 12.	It can be provided on a corporate letterhead, there is no specific format provided	17/5/2024
59		As we are already prequalified, do we still need to submit Exhibit 16 - Exhibit 16 of RFP – Prequalification Document along with Bid? (Copy of the one submitted for prequalification earlier).	Prequalified applicants do not need to apply for prequalification	17/5/2024
60	Base rate for foreign lending 16.1.1 and 16.1.2, definition of Rev SOFR Quarterly revised Term or Daily SOFR, as the case may be based on GOP policy decision on the transition from LIBOR to SOFR, as on the last day of the preceding quarter	We understand that the RFP provides flexibility to bidders to consider either Term and / or Daily SOFR as base rate (in line with lender's requirements) with the indexation mechanism to be available for both as applicable. Please confirm this understanding. Please also confirm that if the financing sets base rate as "Term SOFR", the same will be used for indexation, and in case financing is based on "Daily SOFR" (in arrears), the same methods will be used? Is this the purpose of stating both SOFR application methods in the definition?	Term or Daily SoFR, is in accordance with the NEPRA decision No. NEPRAfAdvisor (CTBCM)/RFP-04/3115-21 in which it was stated that SoFR either Term or Daily will be based on GOP policy decision at the time of transition from LIBOR to SoFR, rather than individual discretion. However, we believe that whatever the GoP decision is in this regard it will not have any impact for bid submission since the reference SoFR for Bid preparation has been provided in the RFP decision.	6/6/2024
61	Exhibit 13 - Form of Letter of Intent to Successful Bidder Recital C (ii) of the LoI says that the SPV shall be required to enter into EPC contract for the design, construction and commissioning of the Complex	The RFP does not specify any requirements / prerequisites for EPC contractors based on which we understand that bidders are allowed to opt for an unbundled EPC structure. Please confirm this understanding along with clarification of the apparent mismatch of the above with the draft LoI.	Bidder is allowed to opt for unbundled EPC structure for 50MW Winder and 100MW Bela project	6/6/2024

62	15.15 Design Experience and Capability requires engagement of Design Consultant along with specifying capability requirements.	Confirmation is required on whether the EPC Contractor (in case one is appointed) can be designated as the Design Consultant?	In such case the EPC contractor shall meet the criteria outlined in Section 15.15	6/6/2024
63	EPA Schedules	EPA Schedules are not provided as part of the RFP. Please share these schedules as they are an integral part of the EPA and are required for a thorough commercial; / financial review of the EPA by Bidders. Bidder will not be able to bid without knowing the exact requirements for insurance, Schedule 1 (pass through items), technical, NPMV protocol (Schedule 10 and 13) etc. Project specific requirements may be left blank in the Schedules to the EPA.	Schedule 10 & 13 that is relevant to NPMV is shared	6/6/2024
64	9.3 (b) Delay in COD LDs EPA provides that in case of delay beyond RCOD, LDs will be charged at USD 4 /KW per month.	We request to revise the rate to USD 2.5 per KW per month as is provided in other NTDC/CPA and KE contracts	This is as per standard KE requirement & will only be applicable upon delay in achievement of COD as per timelines	6/6/2024
65	Payment Security Clause 9.8 (a) The Purchaser shall secure the payments due to the Seller under this Agreement through KE's consumer collections by way of a waterfall arrangement, Escrow or any other method ("Payment Security").	The wording of this clause suggests that the mechanism is not finalized for now and will be done at a later stage. During the roundtable for investors, it was informed that payment security shall be through an escrow arrangement. Please confirm the nature / structure of payment security mechanism and provide details of the MCAs to be allocated for this project.	Details of Escrow arrangement has been shared	6/6/2024
66	Payment Security – Timeline 16.2 (f) and Definition of Financial Closing non-signing of Payment Security arrangement / agreement becomes a Purchaser Event of Default post [x] days of COD.	Under previous KE precedents, the Escrow Agreement execution is a pre-condition to Financial Close which is not the case in the current draft EPA and should be reconsidered by KE.	Details of Escrow arrangement has been shared	6/6/2024

67	Seller's Event of Default 16.1 (a) (ii) non-achievement of COD after 180 days of RCOD is an EOD	Earlier KE precedents have this at 365 days which should be considered for this EPA as well.	The requirement will be kept as provided by KE under EPA and bidder will be required to ensure compliance.	6/6/2024
68	Seller Other Default- Consequences Section 16.1 Upon occurrence of Seller Other Default which has not been cured, an additional 365 days cure period would trigger. However, if the Seller is unable to cure the same within such period, then KE has the right to suspend the EPA.	Please note that the Seller should have the option to terminate the EPA as it may not be viable for it to operate the same.	The EPA clause is as per standard KE EPA that is implemented with IPPs	6/6/2024
69	Change in Law and Change in Tax	Both Change in Law and Change in Tax provisions are applicable from the Agreement (EPA) date whereas they should be linked to the Bid Submission Date	Please refer amendment note Dated June 11, 2024	6/6/2024
70		We understand that the Bidder must furnish a Bid Bond equivalent to USD 1,000/MW for each Project. Please confirm whether this Bid Bond shall be furnished in USD only, or if the Bid Bond may be acceptable in equivalent PKR from a local bank as per RFP stipulated rating/requirements	The Bid Bond is required to be furnished in USD only.	24/06/2024
71		We seek clarification on whether the draft EPA provided with the RFP for the Winder Bela, Balochistan Projects has received NEPRA's approval.	EPA will be approved by NEPRA after finalization of bidding process & selection of successful bidder, and completion of other regulatory requirement.	20/6/2024

72		<p>There will be contingent commitments made to the lenders like “cost over run” commitment, Debt Service Reserve commitment and some level of completion guarantees. These will have to be shared by all shareholders in their respective ratios (i.e. KE and Sponsors) in a form acceptable to the lenders (usually, cash reserve or SBLCs). Please confirm that the proportionate share of such commitments will be met by KE as shareholder. Failure to meet such commitment, will result in dilution of KE provided other sponsors funds it. Please confirm.</p>	<p>KE will have no shareholding in the Projects.</p>	<p>10/5/2024</p>
73		<p>(a) When can bidders have NEPRA RFP approval determinations for winder and Bela sites?</p>	<p>NEPRA RFP approval is available on the official NEPRA website. https://nepra.org.pk/tariff/Tariff/K-Electric/2024/RFP-04%20KE%20BALOCHISTAN%2029-02-2024%203115-21.pdf The determination was also shared via email with the relevant contact persons.</p>	<p>10/5/2024</p>
74		<p>Please confirm that the lowest bidder tariff in its entirety will either be approved or rejected by NEPRA, and no changes can be made to the tariff conditions, including pass-through. Please confirm this.</p>	<p>NEPRA reserves the right to reject a successful bid if found imprudent. Pass-through items approved by NEPRA are outlined in the RFP document</p>	<p>10/5/2024</p>
75		<p>Escrow Agreement have to be in place as a condition to Financial close. Escrow mechanism/structure and draft of escrow agreement needs to be provided to the bidders</p>	<p>Details of Escrow arrangement has been shared</p>	<p>10/5/2024</p>

76		<p>What will be the timeline for EPA-related questions? Will these be addressed at this stage or only with the successful bidders?</p> <p>RFP require bidders to submit letter of acceptance with the bid that “applicant/bidder accepts all the terms and conditions of mentioned in [draft] EPA. Without negotiations of the EPA and acceptance by the lenders of the final draft of the EPA, this undertaking is not possible.</p>	<p>EPA related clarifications will be addressed at this stage.</p> <p>EPA is non-negotiable and only clarifications and any amendments will be provided at the bidding stage</p>	10/5/2024
77		<p>What will be the scenario in the case of Bela if one project bid is received based on SBP financing, for 50 MW, while other bidders have submitted bids based on a 100 MW project? How will this situation be dealt with during evaluation?</p>	<p>Any applicant bidding for Bela shall submit its bid for both Bela 1 and 2, as follows:</p> <ul style="list-style-type: none"> • In the case of SBP financing as 2x50MW projects and • In the case of commercial financing as 1x100 MW project. <p>If the Applicant can secure SBP Financing for only one project, the Applicant may bid for Winder.</p>	10/5/2024
78		<p>There are numerous instances where existing projects are unable to remit dividends to foreign shareholders or to get forex for meeting operational needs. How will the situation be different for these projects and is KE prepared to bear the cost, for similar delays?</p>	<p>KE is not participating in the Projects as a shareholder.</p>	10/5/2024

79	Land	<p>a) The land cost mentioned in the definitions is the lease money or the cost of land?</p> <p>b) What will be the mechanism/frequency for lease rental payments?</p> <p>c) Bidders need to have draft of the land lease rental agreement.</p> <p>d) Given that so far KE has engaged with GoB/BECL for all intents and purposes in the matter of land for projects. In the absence of any draft lease agreements and terms of lease as part of RFP, how can bidder be made responsible for executing land lease agreement, including any changes in terms and delays?</p> <p>e) Given that land lease arrangement has to be approved by the cabinet, how will any changes to the terms be dealt with or any delay caused because of it?</p> <p>f) RFP is silent on who has the title to land for the projects. Is it the GoB or BECL?</p> <p>g) The land lease would be on non-terminable basis during the life of the project? Please confirm.</p> <p>h) In 16.1, it is mentioned that "The Land Cost shall be accounted for by the Bidder in its Bid Tariff." Kindly clarify whether the land cost is to be accounted for or the lease rentals and mechanism for the same.</p>	<p>a) The land cost mentioned in the definitions "Land Cost" is the lease money as mentioned in Section 7 of the RFP.</p> <p>b) Upfront payment in accordance with the Land Lease Agreement between BECL and SPV.</p> <p>c) The Land Lease Agreement will be provided by BECL to the Successful Bidder.</p> <p>d) KE has engaged with GoB for transfer of land to BECL and finalization of lease amount. Bidder is responsible to engage with BECL for finalization and execution of land lease agreement as already mentioned in the RFP.</p> <p>e) Any changes will be duly communicated to the Applicants prior to bid submission deadline.</p> <p>f) The Lease Orders are issued in favor of BECL. BECL will sub-lease the land to the SPV.</p> <p>g) This would be covered in the Land Lease Agreement.</p> <p>h) The Land Cost provided in the RFP is the amount of lease rental payable upfront as mentioned above in point (a).</p>	10/5/2024
80	SBP Financing	<p>a) What documentary evidence for the non-availability of SBP financing will fulfill the requirement and why this requirement has been included given that KE has already submitted the necessary information to NEPRA for the non-availability of SBP financing..</p> <p>b) Assuming any bidder is able to arrange liquidity under the SBP scheme, will SBP provide dollars to open the LCs?</p>	<p>a) As per NEPRA directives, the Applicants shall attempt to secure SBP Financing. Hence, in case the Applicant is unable to secure SBP Financing, relevant documentation including confirmation from the bank for non-availability of limit under the Scheme shall be shared with KE.</p> <p>b) Please check with the SBP.</p>	10/5/2024

81	EPC Agreements	The RFP document and draft EPA does not cater to scenario where successful bidder, instead of EPC contractor, will itself do the construction. KE to confirm there is no bar on bidder doing the project other than under EPC arrangement.	KE has not discouraged self-EPC in the RFP. The Bidder is free to undertake the Project under self-EPC mode.	10/5/2024
82	Communications and Bid Submission Requirements	(a) While the Bidders will be submitting both the Technical and Tariff Proposal on ARIBA also, how the confidentiality of the financial part of bid will be ensured on ARIBA? (b) What will be the procedure of opening of Financial Bids?	(a) Separate enveloped for the technical & tariff proposal are required to be submitted on ARIBA (b) Explained in RFP section 8 of the document.	10/5/2024
83	Bid Bond	a) Please confirm the USD exchange rate to be used for issuance of bid bond? b) The release of an unsuccessful bidder's bid bond is contingent upon the award of the successful bid. However, the specific point in time at which the successful bid is deemed awarded needs clarification. Furthermore, as mentioned in the definition of Successful Bidder, if it is a time of issuance of LOI then in case of delay from NEPRA for approval of bid evaluation report, it will unnecessarily hold the Bid Bond of unsuccessful bidder. Clarify it.	a) The Bid Bond shall be issued in USD. b) The understanding is correct. The LOI will be issued to the Successful Bidder after approval of the Bid Evaluation Report by NEPRA. Upon approval and issuance of LOI against submission of Performance Guarantee by the Successful Bidder, KE shall release the bid bond of unsuccessful bidder.	10/5/2024
84	Performance Guarantee	If KE will be shareholder in SPV, we assume it will fund the proportional amount of the Performance Guarantee in its role as a shareholder? Please confirm.	As mentioned above, KE will not have any shareholding in the SPV,	10/5/2024
85	Project milestones-	If there is a delay in the project milestones that are beyond the reasonable control of bidder, will the dates mentioned in the milestones extend accordingly?	Any extension required will be communicated on KE website and ARIBA.	10/5/2024
86	Forecasting Consultant	What is the rationale for having third party consultant for hybrid forecast model for the entire term of the project? It results in additional O&M cost.	This is necessary for Non-Project Event and to have accurate forecast.	10/5/2024
87	Indexation Mechanism	Kindly share the rationale of different indexation % ages for SOFR and KIBOR.	These percentages are determined by NEPRA in its approval of RFP.	10/5/2024

88	Indexation Mechanism	In the footnote, it is mentioned that first quarter will be partial based on COD, and then onwards it will be calendar quarters. However, the note need to state that the last quarter will also be partial to get to end of the concession period.	This is in accordance with NEPRA approval of RFP.	10/5/2024
89	Pass through items	The payment of interest to foreign lenders is liable to withholding tax deduction of 15%. Please confirm this would be treated as pass through as the same cannot be accounted for in bid tariff as SOFR is not known today. Also confirm that any change in withholding rate would also be a pass-through?	All pass-through items approved by NEPRA are given in the RFP and no additional items will be allowed as pass-through.	10/5/2024
90	Pass through items	The dividend withholding tax is not a pass through. However, if rate of withholding tax on dividend is increased from the current rate, then it should be treated as pass-through. Please confirm.	NEPRA has not allowed withholding tax on dividend as a pass-through item.	10/5/2024
91	Pass through items	After 2022 no power project is exempt from income tax as per current income tax law (schedule II section 132), as per the RFP language this income tax will be full pass through. please confirm what process has to be followed to reclaim this	This will in accordance with Section 9 of EPA	10/5/2024
92	Confidentiality Agreement	There is a requirement of submission of Confidentiality Agreement with bid. Please clarify signing date of the same by KE which has to be before bid submission?	The Confidentiality Agreement signed by the Bidder will be submitted by the Bidder with its Proposal. Upon receipt, it will be counter signed by KE.	10/5/2024
93	Letter of Intent	<p>a) LOI preamble (Clause A) states that successful bidder will be awarded LOI. This wording needs to be changed to successful bidder is being awarded this LOI for formation of SPV</p> <p>b) Clause 1.11(c) refers to clause 2.9 of LOI. This appears to be typo as 2.9 does not exists in the LOI. Furthermore, termination of LOI should be for cause and not convenience, as is stipulated presently.</p> <p>c) Section 1.13 list milestones. If there is delay beyond the reasonable control of the bidder and is not attributable to the bidder, the milestones should</p>	<p>a) Will be changed at LOI issuance</p> <p>b) It is a typo. Regarding LOI termination; it is a standard practice.</p> <p>c) Any extensions required will be dealt with at the LOI stage. (Refer above)</p> <p>d) The LOI will be signed by the successful bidder.</p>	10/5/2024

		extend accordingly. Please confirm? d) The signatures given are that of SPV. Given that SPV is to be formed following issuance of LOI, therefore the signatures would be of the bidder and not SPV		
94	EPA- LDs for delay in COD	We understand that EPA contain LDs for delay in COD. Please confirm that such delay shall be excused if caused by third parties and is beyond the reasonable control of bidder.	Bidder will be responsible for the achievement of COD on timely basis	10/5/2024
95	Is it permissible to later change the proposed vendors in the bid provided the new vendors fulfil the necessary criteria?	Is it permissible to later change the proposed vendors in the bid provided the new vendors fulfil the necessary criteria?	Change of vendors is permissible, if they fulfil the qualification criteria and subject to the approval of KE.	10/5/2024

96	Definitions	<ol style="list-style-type: none"> 1. The escrow arrangement to be in place as condition of financial close has been excluded from definition of financial close. 2. Similarly concepts of escrow agent and escrow agreement are excluded from EPA. 3. We assume that the capacity of the array is in the AC, please confirm it. 4. Average Quarterly Energy and Average Semi-Annul Energy are defined but are not used in the text of the Agreement. 5. Why the Carrying Cost require approval by NEPRA as per definition, given that the full PPA has to be approved by NEPRA. 6. The change in tax has to apply from bid submission date instead of effectives of EPA. 7. The time period for the COD cannot be more than 15 days prior to RCOD. Given that this is not a cost-plus tariff therefore this period at least be 90 days. 8. The delayed Payment rate needs to incorporate the spread of 3% in the event of purchaser EOD in section 16. 9. In absence of any precedent to our understanding, please explain rationale for hiring third party service provided for Hybrid Forecast model, together with qualifying criteria for the same. 10. In definition of Non-Project Event, dispatch instruction not corresponding to the hourly availability notice has to be incorporated. 11. Ordinary Share Capital now includes Purchaser also, the reference to the Purchaser should be excluded. 12. The SOFR should be based on Agreement with the Lenders. 13. In the definition of taxes, the wording the following wording needs to be included “basis for 	<ol style="list-style-type: none"> 1- Please refer to amendment to the KE EPA & brief on Escrow that have been shared for clarity in this regard. 2- Please refer to amendment to the KE EPA & brief on Escrow that have been shared for clarity in this regard. 3- The nameplate capacity of the arrays is expressed in DC 4- Please refer to amendment to KE EPA 5- Definition of Carrying Cost will also be approved by NEPRA at the time of EPA approval 6- Please refer to amendment to KE EPA 7- We believe that there is no direct linkage between the allowed number of days for COD before RCOD and cost plus tariff and the number of days as defined in the EPA is aligned with other factors. 8- Delayed Payment Rate would be consistent in all cases and is based on the average cost of working capital financing incurred by the Project due to delay in payment. 9- This is imperative for Non-Project Events and to ensure precise forecasting 10- This is already covered under point (e) of the Non Project Event definition. 11- KE will not hold any equity in the SPV and the reference to Purchaser will not remain valid. 12- We understand that the query relates to SOFR rate used for Indexation. This will be in accordance with the formula approved by NEPRA in RFP decision and as per Section 16.1.1. And 16.1.2. Of the RFP. 13- The definition of taxes included in the EPA provides the necessary coverage to the Seller. 	28/6/2024
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		assessing taxes (including the rates of or periods for depreciation of assets for tax assessment purposes)".		
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97		<p>1. The relevant sections of the draft EPA need to cater the scenario where the bidder intends to do the project construction and completion itself without full EPC Contract.</p> <p>2. The nonpayment due to NEPRA not permitting the same to the Purchaser should only be in the event of breach of Seller under the EPA.</p>	<p>1- Bidder is allowed to be a self EPC if it fulfill the requirements of the RFP. The relevant sections in the EPA may be amended once the Successful Bidder has been finalized (if applicable).</p> <p>2- Any disallowances by NEPRA that relate to Project tariff will be adjusted by the Purchaser from payments made to Seller. This is as per standard regulatory practice.</p>	
98	9.8 Payment Security	<p>1. Draft include concept of escrow or any other method as payment security. Escrow or any other method are not defined, or drafts or structure not provided. 2. Payment security is to be in place before COD and not condition of financial close. 3. Certain conditions added in payment security for it to be remain effective. For instance All Consents timely obtained, Seller failure to pay any undisputed amount. All Consents include both purchase consents and seller consents. These two conditions are extraneous and cannot be linked to payment security remaining effective.</p>	<p>1) and 2) Details of Escrow arrangement have been shared by KE. Please refer to the amendment to KE EPA and brief on Escrow for clarity in this regard.</p> <p>3) Seller consents required for payment security will be required. In case no Seller consent is required, the clause will not be applicable on Seller</p>	28/6/2024
99	16.2	<p>Purchaser's payment default has been excluded from Purchaser's event of default/Purchaser major default. Instead default is now linked with Payment Security, which is different from payment default.</p>	Please refer to amendment to the EPA	28/6/2024

100	2.2- Term	For term extension under 2.2 of EPA, should also automatically result in land lease extension under EPA and Land lease documents. The concept needs to be incorporated for term extension due to Seller suspension period (Periods). The Concept of FME suspension period has been included this needs to be deleted.	Terms of Land lease agreement with BECL will be for 30 years. This can't be linked in the EPA as land lease will not be executed with the Purchaser and any change in terms will require separate approvals from GoB.	28/6/2024
101	3.3	There is equal sharing mechanism of Carbon Credits. Since the tariff is under competitive bidding, and not cost plus tariff, therefore, there should not be nay sharing of Carbon Credits.	Any benefit of Carbon Credits will be shared between the Company and consumers.	28/6/2024
102	5.3(b)	The revision of forecast of net delivered energy should not be restricted once only. It should be between 5 and 2 hours prior to the relevant hour without restriction of one revision only	This is in accordance with the Power Purchaser requirement and the Seller will be required to ensure compliance in accordance with the EPA requirement.	28/6/2024
103	5.4(c)	What is the rational of accepting the Net Delivered Energy due to change in the availability of Arrays only at purchaser sole discretion? Whereas, there is no such discretion when the same is other the due to the availability of Arrays.	The EPA clause is as per standard KE EPA	28/6/2024
104	5.10	Standard of data retention period is 5 years why are you asking for 10 years.	This is KE policy requirement	28/6/2024
105	6.1	Obligation on the Seller to undertake the Work on behalf of the Purchaser for cost to be reimbursed, the threshold has USD. 500 K whereas it should not exceed from USD.250 K.	The EPA clause is as per standard KE EPA. It is believed that applicant has merely pointed out some differences between their earlier and current EPA here and none of the changes as highlighted by applicant should be of concern to the Seller	28/6/2024
106	6.5	Clause 6.5 (iv), reference of the same in proviso and in 6.5 (b) should be deleted	We believe that the linkage between both clauses is necessary and will be retained.	28/6/2024

107	6.5 (c)	The spread on treated loan representing on principal of purchaser carries interest rate K+3%. Given that this payment is owing to Purchaser default therefore there should not be any delayed payment on such loan.	The EPA clause is as per standard KE EPA	28/6/2024
108	7.1	The Metering System is at the cost and expense of Seller instead of the Purchaser. The cost should be the Purchaser Obligation	This aligns with the provisions outlined in the Grid Code 2023	28/6/2024
109	8.1	The time period for to defer the commissioning test is 30 days by the Purchaser. This should not be more than 7 days. (b)- (Iii) - In case of foreign debt the conversion from foreign currency into Rupees on the date of payment to Lenders to be included. (b) - (IV) - Given that the spread on treated loan representing on principal of purchaser carries interest rate K+3%. Given that this payment is owing to Purchaser default therefore there should not be any delayed payment on such loan. The loan amount is to be adjusted at the rate of 20% of the Energy prices from the monthly energy payments, this %age needs to be renegotiated later	This is in accordance with the Power Purchaser requirement and the Seller will be required to ensure compliance in accordance with the EPA requirement	28/6/2024
110	8.5	a) What is the intent of this clause	This is in accordance with the Power Purchaser requirement and the Seller will be required to ensure compliance in accordance with the EPA requirement.	28/6/2024
111	8.7	The Pre COD energy cannot be free of cost given that tariff is being bid on competitive bidding process and it's not on cost plus basis.	Pre COD energy will be provided free of cost and the Bidder may incorporate the same in its bid.	28/6/2024
112	9.3 (b)	The delay LD's are USD. 4 per KW of contract capacity this should not be more than 2.5 KW of the Contact capacity given that the exchange rate has considerably has increased.	This is as per standard KE requirement & will only be applicable upon delay in achievement of COD as per timelines.	28/6/2024
113	9.4 (d)	Resetting of due date of monthly invoice or return of the same due to any clarification or sustentation requested by the Purchaser should be deleted.	This is in accordance with the Power Purchaser requirement and the Seller will be required to ensure compliance in accordance with the EPA requirement.	28/6/2024

114	9.4 (h)	The Disallowance under the determined by the NEPRA can be for specific instances and not for each and every payment under the EPA as is currently drafted.	Please refer to response in General (2) above	28/6/2024
115	9.5(d)	The USD obligation cannot carry interest at KIBOR especially when the purchaser is protected for any exchange rate movement. This has to be based on SOFR.	This is as per standard KE EPA	28/6/2024
116	9.7	The retention requirement for 3 years should be sufficed.	This is KE policy requirement	28/6/2024
117	9.8	Payment security is waterfall arrangement, ESCROW or any other method, the payment security needs to be charily stated in the draft and based on the precedent has to be ESCROW arrangement. However, this remains subject to Lender's review. Exception has been created for payment security where all agreements under EPA are not timely obtained. Purchaser and Seller consents cannot be an exception for payment security. Another exception created failure of seller to pay any undisputed invoices issued by the Purchaser. This cannot be an exception for payment security. The concept of, in case of termination of an ESCROW arrangement prior to EPA purchaser to provide Seller with (a) alternate ESCROW arrangement with similar term or revolving Purchaser Letter of Credit.	Details of Escrow arrangement is shared	28/6/2024
118	13.1 (h)	The Term Buyer has used, it should be Purchaser.	Noted	28/6/2024
119	13.1 (k)	This term is vague and broad. Needs to be deleted. In any case any EPA amendment has to be by mutual consent of both parties.	This is standard requirement	28/6/2024
120	14.4 (a) (I)	The nonpayment due to NEPRA not permitting to be pass through to the Purchaser should only be in the event of breach of Seller under the EPA.	The EPA clause is as per standard KE EPA	28/6/2024

121	15.1 (a) & (c)	Under PPFME and OFME, any strike whether major or minor that classifies as FME should be classified as such, the inclusion of word major therein is to be deleted.	Only major strikes will be considered under FME.	28/6/2024
122	15.6 (a) (ii)	The monetary cap in this clause should be USD. 1 million instead of USD. 750 K	The EPA clause is as per standard KE EPA	28/6/2024
123	15.6 (iii) (a)	The p compensation should be based on the average daily energy adjusted for ambient site conditions. Furthermore, there should not be any % age reduction from such payment.	The EPA clause is as per standard KE EPA	28/6/2024
124	15.6 (I)	The p compensation should be based on the average daily energy adjusted for ambient site conditions. Furthermore, there should not be any % age reduction from such payment.	The EPA clause is as per standard KE EPA	28/6/2024
125	15.6 (k)	Reference to CLFME needs to be excluded.	The EPA clause is as per standard KE EPA	28/6/2024
126	15.6 (k) (The right for suspension under this section remains with the Seller and cannot be suspended by the Purchaser.	KE is not sovereign entity hence either party can be affected by PPFME/CLFME	28/6/2024
127	1 5.6 (A)	The right for suspension under this section remains with the Seller and cannot be suspended by the Purchaser.	KE is not sovereign entity hence either party can be affected by PPFME/CLFME	28/6/2024
128	15.6 (A) (e) (f)	The wordings are inconsistent with each other	There is not any inconsistency between the two clauses.	28/6/2024
129	15.1	Right of termination under this clause remains with the Seller and also to include OFME.	Please see response to query related to 15.6 (k)	28/6/2024

130	18.3 (a)	Rules of Arbitration will be LCIA and applicable Arbitration Law will be dependent on whether the arbitral award is local or foreign. Therefore, reference to Arbitration Act 1940 to be deleted.	The reference to the Arbitration Act 1940 cannot be deleted because clause 18.3 refers to both local and foreign awards.	28/6/2024
131	Schedule 13:	<p>Since the Forecasting error calculations and error rebate has recently been implemented very recently and the first IPP in this scenario is Applicant, therefore There are two options and either of the option can be followed to make the said schedule workable.</p> <p>Option 1 • To follow the ASL – for the forecast error calculation as well as for the rebate table. • Details are attached and we are available for any discussion.</p> <p>Option 2: • If we follow the suggested obligations, we suggest that said obligations (formula and rebate) should not be locked till the appointment of the Forecasting consultant as: other FC will have to establish the Hybrid Forecast Model not later than 150 days to the SCOD.</p> <ul style="list-style-type: none"> • We understand that FC has to test and forecast the error and determine a forecast error threshold that may take two years minimum. 	The forecasting follows the existing practices of KE EPA. Additionally, there is no rebate mechanism proposed for forecasting errors in the Winder Bela Project EPA. Please consult NPMV Schedules 10 and 13 for details regarding the NPMV formula, forecasting consultant, and forecasting errors.If the error surpasses the allowable limit, KE retains the right to substitute the consultant as outlined in Schedule 13. Engaging a competent consultant enhances the probability of adhering to forecasted error thresholds. Should errors persist consistently, the regulator may withhold payments.	5/7/2024

		<ul style="list-style-type: none"> This cost should be pass-through for the Hybrid Forecast Model and appointment of FC enabling to ensure it pragmatic. 		
132	<p>KE - Appointment of Forecasting Consultant (5.3) a(a) No later than one hundred and fifty (150) Days prior to the Scheduled Commercial Operations Date the Seller shall appoint, at its own cost, the Forecasting Consultant, with the consent of the Purchaser pursuant to Schedule 13, to establish, the Hybrid Forecast Model. The Forecasting Consultant (i) shall be an expert in forecasting solar power generation with at least ten (10) current facilities in its forecasting portfolio with aggregate generation capacity of one thousand (1,000) MW or more, as demonstrated to the Purchaser, and (ii) shall use sophisticated and reliable</p>	<p>We suggest to please reconsider the criteria as right now current IPPs in solar portfolio are around 11 with aggregate capacity is around 800 MW in Pakistan. Out of 11 IPPs, 7 are not subject to any forecast error calculations/ rebate. The most recent 04 IPPs are obligated to ensure the Forecasting Error and such calculations hence we are afraid that no local FC firms will be available.</p>	<p>Criteria stipulated in the EPA for forecasting consultants are to maintain the quality of forecasts</p>	5/7/2024

	forecasting tools and software. The Hybrid Forecast Model shall forecast the Net Delivered Energy for the available Arrays pursuant to Sections 5.3(b)(iii) and 5.3(b)(iv) below based on the minimum following criteria			
133	EPA:Credit Support	Unlike the CPPA-G EPA (where CPPAG's obligations are secured by GOP Guarantee), in this case, KE is expected to provide access to KE customers' bill payments. We would expect that it to be in line with the precedent transaction which could address any potential risk of inadequacy of payment security.	Please refer KE EPA amendments and detailed of Escrow arrangement that has been shared on ARIBA	5/7/2024
134	EPA: PPFME/ CLFME	The risk mitigate regime in case of PPFME / CLFME under the EPA is different from CPPA-G EPA. There is KE revenue support for 180 days (similar to CPPA-G EPA) following which there is right to suspension (up to 5 years) of all obligations, failure to do so, could result in termination. There are no compensations payable in case of such termination. If suspension is exercised, then, the Agreement Year is extended to allow the Seller to re-coup its revenues once the PPFME / CLFME ceases. It is important to note that compensations in relation to PPFME / CLFME are subject to them being permitted under KE's own tariff. Please consider.	The EPA mechanism pertaining to compensation during PPFME/CLFME is as per standard KE EPA that is already implemented with IPPs. However, with respect to approval of NEPRA on such compensation, it must be noted that power purchase and generation costs of KE are claimed from NEPRA under KE's monthly fuel cost and Quarterly Capacity payments and any deduction therein made by the Authority with respect to Project tariff will be subsequently adjusted accordingly, from the IPP payments.	5/7/2024

135	EPA Purchaser EODs	<p>Unlike the CPPA-G EPA, there are no payment of Compensation Amounts (i.e. debt, equity and revenue amount) following termination due to a Purchase Event of Default. In case of material Purchaser EOD (failure to maintain payment security or construct purchaser interconnection facilities), there is revenue support for up to 3 years. In case of other Purchaser EOD, there is right of suspension with no revenue support. If there is failure to cure, and a termination occurs, there is no compensation payable by KE following such termination. Please reconsider and share a mechanism</p>	<p>KE is a private entity unlike CPPA-G; Therefore, it does not have buy out option / compensation on terminations in case of Purchaser EOD and this mechanism is as per standard KE EPA that is implemented with IPPs.</p>	5/7/2024
136	<p>Grid Codes 2023: Forecast Errors For hour-ahead intraday generation forecasts, the desired forecast accuracy, measured in terms of P95 of the absolute percentage error is 10%. For day-ahead generation forecasts, the desired forecast accuracy is P95 of 15%.</p>	<p>It is given in Grid code 2023 No provision in Grid Codes to give such notification</p>	<p>The forecasting mechanism is as per prevailing KE EPA practices. Further, no rebate mechanism for forecasting error is currently proposed in Winder Bela Project EPA. Please refer to NPMV Schedules 10 and 13 regarding the NPMV formula, forecasting consultant, and forecasting error.</p>	5/7/2024

<p>Draft EPA by K-Electric : Subject to Section 5.3(a) above and following the Commercial Operations Date, the Seller shall:</p> <p>(I) No later than thirty (30) Days before the beginning of each Agreement Year, notify the Purchaser (or revise any such information previously given) of the year ahead forecast of estimated net energy of the Complex in MWh which the Complex is likely to generate for each Month of such Agreement Year (the Year Ahead Notification);</p> <p>(ii) No later than seven (7) days prior to the beginning of each Month, notify the Purchaser (or revise any such information previously given) of the month ahead forecast of estimated net energy of the Complex in MWh which the Complex is likely to generate for each Day of the Month;</p> <p>(iii) No later than sixteen (16) hours prior to the beginning of each Day, notify the Purchaser of the Day Ahead Forecast for each hour of the relevant Day;</p> <p>(iv) Not later than six (6) hours before the start of each hour, a forecast of the Net Delivered Energy for the said</p>	<p>It is given in Grid code 2023.</p> <p>Grid Codes only binds the Seller to give the hour-ahead notification hence the EPA should follow it.</p> <p>We understand Grid Codes will prevail on the EPA hence the Grid codes and EPA should have similar provisions.</p>	<p>While adherence to the Grid Code is mandated, KE has stipulated a more rigorous criterion based on its Operational expertise</p> <p>While adherence to the Grid Code is mandated, KE has stipulated a more rigorous criterion based on its operational expertise.</p>	
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<p>hour, provided, the Seller may revise once, and only once, the forecast for the said hour no later than four (4) hours prior to the commencement of the hour for which the forecast is revised; and</p>			
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<p>137</p>	<p>Grid Code 2023 Minimum Metric for Forecasting Error Calculation: where APE is the absolute percentage error, A is Actual net generation in MW, Xt is curtailment in MW due to transmission congestion or other reasons, F is forecast in MW, C is the available capacity in MW, and t is a time block. Step 2: (i) Daily P95 - Create a daily time series of {APE_t, t=1 to 24}, and compute the daily P95 using t his time series (ii) Monthly P95 - Create a monthly time series of {APE_t, t=1 to 24m}, where n is the number of days in the month. The monthly P95 is computed using this time series.(iii) Annual P95 - Create the yearly time series of {APE_t, t=1 to 24*365}. The annual P95 is computed using this time series.</p>	<p>As per the formula given in the Grid Code, the forecast error and rebate should be calculated on the “annual” basis because in Solar plants output is heavily dependent on weather and available sun therefore its output is very much cyclical, hence, the capacity factor and degradation etc. are measured on annual basis. Forecast error should also be on annual basis as is envisaged in Grid Code formulae. Monthly forecast error calculations would not be workable hence schedule 13 of EPA should revise or drawn on the annual calculation basis There is no Hybrid Forecast Model (HFM) which gives us forecast which can fulfill the condition of binding forecast for an hour 4 hours prior to the said hour with P95 at 10% range. Even the best forecast consultant cannot guaranty this range.</p>	<p>The forecasting mechanism is as per prevailing KE EPA practices. Further, no rebate mechanism for forecasting error is currently proposed in Winder Bela Project EPA. Please refer to NPMV Schedules 10 and 13 regarding the NPMV formula, forecasting consultant, and forecasting error. The forecast error will be the rolling average of the previous 12 months. The HFM should be procured by the Seller which will provide the forecast as per the conditions mentioned in Section 5 of EPA. The HFM model will be calibrated as per EPA Section 8.5A and Schedule 13. The Seller shall ensure that the forecast provided by the HFM shall be as accurate as possible in case of forecasting error beyond the permissible limit the Buyer has right to request the change of forecasting consultant</p>	<p>5/7/2024</p>
	<p>EPA: No later than five (5) Days after the end of each Month, the Seller shall notify the Purchaser of the Forecast Error based on Adjusted Forecast Energy in accordance with Schedule 13 The forecasts of Net Delivered Energy provided by the Seller to the Purchaser under Section 5.3(b) shall not:</p> <p>(i) be binding on the Seller or the Purchaser; provided however the</p>			

<p>Purchaser shall rely on the Hourly Availability Notice to prepare and send its Dispatch Instructions.</p> <p>(ii) result in the Seller incurring or accruing any liability of any nature towards the Purchaser in relation to any discrepancy or deviation between the non-binding estimates and the actual Net Delivered Energy; or</p> <p>(iii) Prejudice the rights and obligations of the Parties under Section 3.1(a).</p> <p>No later than thirty (30) Days prior to the Scheduled Commercial Operations Date the Seller shall be obligated, at its own cost, to procure, install and operate the relevant devices, systems and other ancillary equipment, including data recorder, required to implement the Hybrid Forecast Model. The data recorded by such systems and devices implementing the Hybrid Forecast Model shall only be used to determine (i) estimated net energy of the Complex in accordance with Section 5.3(b) above and (ii) subject to section 5.4(c) the Adjusted Forecast Energy shall be used for the verification/calculation of the Non-Project Missed Volume, if any.</p>			
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138		Does three hard copies and a soft copy in USB need to submit for the Pre-Qualification application and for the Bid submission?	Bidders are required to submit their applications electronically through ARIBA and provide one (1) original hardcopy for both the bid and pre-qualification documents. Please note that additional hardcopies may be required at a later stage for regulatory or other purposes. In such cases, we will provide bidders with at least three (3) working days' notice.	10/7/2024
139	Exhibit 5 – Affidavit	Clause 8 states that if a Bidder is declared the successful Bidder, it will execute the project unconditionally. It must be borne in mind that there are certain requirements upon KE which are material for successful completion of the project.	This is regarding the bidder's responsibilities. KE Responsibilities are covered in the EPA	10/7/2024
140	Exhibit 6 - Letter of Acceptance by the Applicant/Bidder -	Clause 2 requires the bidders to accept all terms and conditions of the EPA. The clause must be removed or amended as there may be possible changes in the EPA during the negotiation period.	Kindly note that EPA is non-negotiable, and Bidder is required to accept all terms and conditions of the EPA at the time of submission of bid.	10/7/2024
141	Exhibit 13 - Form of LOI to Successful Bidder	Clause 1.9 provides a very strict deadline for rectification of material deviations, i.e. 10 days. The timeline is requested to be reconsidered as the exact deviation cannot be known at this time. The same should be extended as it appears if a deviation is 'material' more than 10 days would be needed to rectify the same. Clause 1.11 (c) deals with termination under clause 2.9, however, clause 2.9 is missing/non-existent. The numbering of clauses appears to be incorrect as can be seen from clause 5.1/6(a). Lastly, no witnesses' signatures are provided for in the form.	The deadline mentioned in Clause 1.9 of Exhibit 13 of the RFP will remain unchanged Identification of incorrect referencing (i.e. linkage with 2.9) has been noted and will be corrected accordingly. Highlighted issue with reference to numbering should be considered as a typo and disregarded.	10/7/2024

142	EPA	There has been an insertion of Escrow Agreements. For reference, KE is requested to share the Escrow Agreement (Existing and proposed) for the sake of clarity.	KE has already shared a brief on Escrow arrangement with the Bidders outlining the probable arrangement. The bidder is requested to share any clarities need in this regard. Please note that the existing will not be shared at this stage and will only be provided to the Successful bidder	10/7/2024
143	EPA	Addition of section 16.2 (b) in 16.3 (b) (ii) via amendment provides 60 days cure period. However, 16.3 (b) (i) already includes the 16.2 (b) section and this would increase the total time to 120 days. We believe that 16.3 (b) (i) should be removed since the new clause has now been added in 16.2 (b)	It must be noted that event of default under 16.2(b) will only be triggered after the completion of a period mentioned in the said clause while 16.3(b)(i) specifies the cure period. There is a typographical error in the section 16.3(b)(ii), reference to section 16.2(b) shall be excluded from 16.3(b)(ii) and shall be notified accordingly.	
144	Escrow arrangement	How many MCAs does KE have, what percentage of KE collections goes into these MCAs, and how is it determined?	KE has 3 MCAs at the moment for lenders. Collections under these MCAs / Escrow accounts are based on predetermined customers cash flows / banks, however sufficiency of the cash flow for debt servicing is ensured. Further, sufficiency of cash flows for monthly payments under MCA for KE's tendered IPPs will be demonstrated to the Successful Bidder and its lenders. Approximately 35% of the total collections are deposited in the above-mentioned MCA's.	19/7/2024
145	Escrow arrangement	Are MCA deposits and balances driven by a coverage ratio in KE's existing loan agreements? If yes, what is the coverage ratio?	MCA Deposits are based on collections of banks and retention is done every month to ensure the debt service requirement is satisfied. Once the collections are trapped in MCAs to meet the debt service requirement, the surplus cash flows are then released to KE for its own use.	19/7/2024

			<p>However, with respect to the Escrow mechanism for tendered IPPs, it is to be noted that KE has excess cash flows available under such MCAs which is over and above the lender requirements which shall be provided for payment to tendered IPPs.</p>	
146	Escrow arrangement	<p>How many lenders have rights on these MCAs, and how will upcoming IPPs be assured their security won't be diluted by new MCAs during the EPA terms?</p>	<p>Security of tendered IPPs won't be diluted as sufficiency of cash flows for their payments will be demonstrated to the Successful Bidder while addition of any new parties to the MCA or any rerouting of cash flows / collection accounts will only take place in case excess cash flows over and above the IPP requirement are available. For this purpose, KE will ensure that a 20% additional cushion over cash flows is always available in MCA based on which, new IPPs / lenders will only be added subject to the availability of such cushion for tendered IPPs/Lenders.</p>	19/7/2024
147	Escrow arrangement	<p>What happens once KE loans are paid off and MCA requirements fall away?</p>	<p>As provided in the EPA, Escrow will be provided for the Term of the EPA and any Escrow account / MCA will be provided for the EPA term.</p> <p>Further, it is to be noted that the repayments of KE's existing loans would not automatically dissolve the MCA mechanism because the tendered IPPs will be made party to the existing MCA agreement. Accordingly, the MCA will continue for tendered IPPs even if all loans covered under the MCA have been repaid in entirety.</p>	19/7/2024
148	Escrow arrangement	<p>What is the payment priority and cash waterfall in these MCAs?</p>	<p>Payments to existing lenders and tendered IPPs will be made on pari passu basis.</p>	19/7/2024

149	Escrow arrangement	Generally, purchases and vendor payments are ranked above debt services in the cash waterfall. Why is KE proposing suppliers' payments through PSA, Which is subordinated to debt service through MCA?	As explained in KE's brief on Escrow arrangement, this is not a cash waterfall arrangement similar to IPPs. Only payments to existing lenders and tendered IPPs will be made through this MCA and both payments will be considered on pari passu basis. Purchases and vendor payments are not made from MCA's and are rather paid from the operational cash flows from unencumbered accounts.	19/7/2024
150	Escrow arrangement	If there is a default on the KE loan agreement, how does that affect the collection flow from MCAs to PSA?	This is a very unlikely scenario as KE already has substantial excess cash flows available in the MCA. Moreover, lenders' payments are likely to reduce in future due to debt repayment while collections will grow each year due to increase in consumers and inflationary trends.	19/7/2024
151	Escrow arrangement	Is there a reason why KE cannot assign a batch of customer collections directly to PSA rather than making it subordinated to MCAs?	KE has already assigned certain collection accounts to MCA and sufficient cushion is available for future debt servicing and RE Project payments. Also, as explained above, payments to existing lenders and tendered IPPs will be released on pari passu basis.	19/7/2024
152	Escrow arrangement	Do other existing IPPs get paid through the same MCA/PSA waterfall arrangement?	This arrangement has been proposed for tendered IPPs due to availability of cash flow cushion in the MCA. Few of the KE's existing IPPs have access to specific escrow accounts while others are paid directly from operational cashflows.	19/7/2024

153	Escrow arrangement	Where do the tendered IPPs fit into the cash waterfall mechanisms compared to other IPPs, and how will payment priorities be determined?	As explained, the proposed MCA will only be used for payments to existing lenders and tendered IPPs. Also, as explained above, payments to existing lenders and IPPs will be released on pari passu basis.	19/7/2024
154	Escrow arrangement	Is it possible to have a separate PSA account for each IPP with allocated customers and an agreed buffer?	PSA is just an operational mechanism, and all payments will be managed through the collections under the MCA. Accordingly, we don't believe that having a separate or single MCA would have any effect on the provided security.	19/7/2024
155	Escrow arrangement	Which existing and future IPPs will be covered through this PSA escrow arrangement? Will KE's own IPPs be part of it, and if so, how will payment priority be determined (i.e., non-KE IPPs first or pari passu)?	No existing IPP is covered under the proposed MCA account. As explained above, the MCA includes existing lenders and only tendered IPPs will be added.	19/7/2024

	Query	Further Description of Query	KE Response	Date
156	Section 9.1 of the RFP mentions submission of "Form of Performance Guarantee" along with the bid, however since performance guarantee is a pre-condition prior to the issuance of LOI, we believe its submission should be subject to being designated as the successful bidder	To be submitted by the successful bidder.	Agreed	19/7/2024

157	<p>Clarification regarding the pass-through nature of taxes, which are contingent upon NEPRA's approval as per section 16.3 (b) of the RFP.</p>	<p>These have been approved by NEPRA and are to be considered as pass-through items.</p> <p>Additionally, based on our understanding, taxes and custom duties on machinery/equipment shall be considered as pass-through under the tariff. Please confirm.</p>	<p>The approved pass-through items are mentioned in section 16.3 of RFP</p>	19/7/2024
158	<p>Clarification on expected land arrangement with BECL. Would the SPV be signing a lease rental agreement with BECL or would the land be acquired upfront?</p>	<ul style="list-style-type: none"> • Upfront cost of land is to be assumed • Lease Rental Agreement being finalized and shall be shared by KE 	<p>Upon agreement with BECL, the Lease agreement will be shared with the bidders</p>	19/7/2024
159	<p>In several instances within the EPA, KE has specified the phrase “further such payments shall be pass-through items in the Determined Tariff by NEPRA”.</p> <p>While we acknowledge that certain costs require NEPRA’s approval, explicitly specifying this has raised concerns among lenders. Specific reference is made to the following clauses:</p> <p>Section 15.6(a)(iii) of the EPA - Restoration consequences of PPFME/CLFME events, which may delay construction or operational capabilities of the facility – states that “further such payments shall be pass-through items in the Determined Tariff by NEPRA”.</p>		<p>The EPA mechanism pertaining to compensation during PPFME/CLFME is as per standard KE EPA</p> <p>The risk is to be borne by the Sell</p>	19/7/2024

	<p>Section 15.6 (i) of the EPA - Payments in case of a Non-Restoration Event – specifies that “such payment hereunder shall be pass-through under the Determined Tariff by NEPRA.”</p> <p>Given recent NEPRA precedents disallowing project costs incurred due to delays from Covid-19, we believe that payments related to PPFME and CLFME events being contingent on NEPRA’s approval poses a risk to the Seller. How does KE intend to mitigate this risk?</p>			
160	<p>Could KE kindly provide clarity on clause 2.2(e) of the EPA? The clause states:</p> <p>“Notwithstanding the aforesaid but subject to Section 15.6(k), if NEPRA does not permit the Purchaser to pass through any payments pursuant to Section 15.6(a)(iii) and/or 15.6(i) for the PE Compensation Period (or for any part thereof), under its Determined Tariff, then the Agreement Year shall be extended for such duration of the PE Compensation Period during which payments were disallowed as pass through payments to the Purchaser under its Determined Tariff (“PPFME/CLFME Pendency Period”).”</p> <p>With reference to the above clause, if</p>		<p>Extension in agreement year as per clause 2.2(e) does not require any further approval from NEPRA as the mentioned clause will be part of NEPRA approved EPA</p>	19/7/2024

	NEPRA does not approve costs related to the PE Compensation Period for pass-through, how will it approve an extension in the Agreement year for such a duration that disallowed payments are passed through to the Seller? This appears to pose a potential contradiction. Your clarification on this matter would be greatly appreciated.			
161	What are the dates on which the base rates for KIBOR and SOFR were assumed at?	Reference figures have been provided by NEPRA; however, the dates on which these rates were based are unknown.	Agreed, KE is not aware of the dates of base rates.	19/7/2024
162	Is the Reference SOFR of 5.3671% inclusive of CAS?	CAS was a one-time adjustment factor for transitioning from LIBOR to SOFR and will not be applicable to future contracts. Therefore, there will be no impact of CAS on the tariff computation.	Reference SOFR has been already provided in NEPRA decision of RFP and its basis has no impact on the bid submission.	19/7/2024
163	Confirmation on the fact that if an Applicant is a pre-qualified applicant therefore based on our understanding Exhibit 15 does not need to be submitted again.	In case there is no change in the consortium members then a pre-qualified applicant does not need to submit Exhibit 15.	Agreed	19/7/2024

164	It is our understanding that in the event where the bidder opts for commercial financing, Bela 1 and Bela 2 are to be considered as one project, therefore a Bid Processing Fee of PKR 1,500,000 shall be applicable on Project Bela as a whole. Please confirm.	<ul style="list-style-type: none"> • Only one bid bond to be arranged for Project Bela; • A Bid processing fee of PKR 1,500,000 is to be submitted for Project Bela by the bidder. 	Agreed for bidding of Bela project under commercial financing	19/7/2024
165	It is our understanding that Exhibit 7 – Bid Evaluation Criteria, is for the use of K-Electric and shall not be part of the bid submitted by the applicant. Please confirm.	Yes, it is only for the bidder’s benefit and is not to be attached as part of the bid submission documents.	Agreed	19/7/2024
166	In what format is Exhibit 10 - Bid Tariff, supposed to be submitted?	The bid tariff (PKR/kWh) printed on the letterhead of the company and duly signed by the authorized representative shall suffice.	Agreed	19/7/2024
167	With reference to Exhibit 14 – Financing Structure and Equity Commitment from Sponsors - what format do these evidences for equity commitment and financing structure are required to be submitted?	<p>For evidence regarding Equity Commitment – A letter stating the equity commitment amount and duly signed by the sponsors along with relevant board resolution on the subject shall meet the requirement laid out in the RFP.</p> <p>Evidence related to Debt Financing: Applicant’s team proposed that, given this is a single bid tariff with a fixed indexation mechanism, submitting a detailed Indicative Term Sheet (which is most suitable to be provided where indexation is applicable on separate different tariff components) at this stage may constrain bidders in securing better terms by the time</p>	<p>1) Agreed</p> <p>2) Bidder is required to submit the available document from Lender as evidence for debt financing. KE may request additional evidence from the applicant if it is necessary</p>	19/7/2024

		<p>the project reaches financial close.</p> <p>KE's team responded that the bidder may submit Expressions of Interest (EOIs) or Letters of Intent (LOIs) from relevant banks stating the loan amount.</p>		
168	<p>In the event that SBP concessionary financing is unavailable, we will provide letters from local banks confirming this. Please confirm if this will meet the requirements outlined in the RFP.</p>	<p>Yes</p>	<p>Agreed</p>	<p>19/7/2024</p>
169	<p>Detailed project cost breakdown is not required to be provided as part of the bid in the RFP. Please confirm that this understanding is correct.</p>	<p>From our perspective, we are of the viewpoint that presenting a detailed breakdown of project costs is not necessary at this point. Given the competitive nature of bidding, such disclosures could potentially lead to backward pricing for the successful bidder. According to KE, disclosure of project cost and its breakdown is not required as it is not specified in the RFP.</p>	<p>Agreed</p>	<p>19/7/2024</p>
170	<p>It is our understanding that the Technical and Financial Bid can be signed by the Authorized Signatory. Please confirm.</p>	<p>Yes, that is correct.</p>	<p>Agreed</p>	<p>19/7/2024</p>

TECHNICAL CLARIFICATION

Sr.#	RFP & EPA Clause	Technical Queries	KE Response	KE Response date
1	132kV Double Circuit In-out Interconnection scheme	We understand that KE would be responsible for laying the transmission line from the Interconnection Point to the nearest grid station	Yes. KE will construct the Transmission Line till Interconnection Point.	10/5/2024
2	Metering System Cost	We understand that this cost is to be borne by KE	As per the requirement of Grid Code, Section MC 3. "METERING SYSTEM", Seller (SPV) will be responsible for procuring and installing Metering System and Back-up Metering System at its expense. After testing and commissioning, ownership will be transferred to KE(Purchaser) and KE will be responsible for maintenance of Meter and Back-up Meter while Seller will be responsible for Allied Metering Equipment and Allied Back-up Metering Equipment. Refer EPA Section 7.2, and RFP Section 15.6	10/5/2024
3		Which design standards KE would be following for the installation of the solar power projects (and whether Chinese standard would be acceptable to KE)?	All plant equipment must be designed and tested in accordance with IEC standards. Where specified, IEC or equivalent standards may be adhered to.	14/6/2024

4		What should be the parameters of the reactive power compensation that will be required from the Solar PV Plant?	As mentioned in the EPA Section 1.1, SVG (Static VAR Generator) and Reactive Power Compensation must adhere to the Grid Code 2023. This will particularly include clause CC6.3.2 of the Grid code, which stipulates the following: "A SWE shall manage at the Connection Point the reactive power control to maintain the power factor within the range of 0.90 lagging to 0.95 leading, over the full range of operation, as per dispatch instructions and/ or Voltage adjustments requirements within the above range of power factor."	14/6/2024
5		Does KE require a certified company for commissioning of Interconnection Facilities?	Commissioning of interconnection facilities should be done according to the OEM guidelines/ requirements as per RFP and section 8.3 of the EPA. The commissioning activities will be monitored by Independent Engineer and KE personals.	14/6/2024
6	15.1 – Solar Panel Panels considered for the Project should be Tier-1 as determined by BNEF. Tier-2 or above shall be disqualified without any assessment.	BNEF Tier-1 is a varying assessment every year whereas few of the top tier may not make it to the list every time. As such there should be a specific criterion to the BNEF Tier-1 list or OEMs specified as BNEF Tier-1 in the last 5 years, etc. There are other OEMs which are not specified in BNEF list however have proven performance record with considerable installed capacity (GW scale).	Panels considered for the Project should be Tier-1 as determined by BNEF, and the Original Equipment Manufacturer (OEM) must be listed on the BNEF Tier-1 list at the time of bid submission. Tier-2 or above shall be disqualified without any assessment. Bidder shall select the technology of panel considering the site/area condition. In the event that the selected OEM loses its BNEF Tier-1 status after the bid is awarded or due to any other reason in which the bidder may not be able to procure panels from the selected OEM, the bidder shall propose an alternative OEM from the latest available BNEF Tier-1 list with the prior written consent of KE. The substitution of the OEM will not, under any circumstances, impact the submitted proposed tariff.	10/5/2024

7		A list of vendors approved by KE for the supply of MV/HV equipment to be provided.	Bidder is free to select any vendor for MV/HV equipment but should be type-tested, IEC-certified and meeting the technical requirements specified in RFP.	14/6/2024
8		To facilitate a comprehensive evaluation of technical capabilities, we kindly request a detailed breakdown of the scoring criteria. This will allow us to understand how points are allocated and how meeting specific requirements contributes to our overall technical score, i.e. will there be partial credit awarded for partially met requirements?	For scoring distribution, please refer to Exhibit 7 of the RFP, which includes passing criteria, any change or revision in criteria will be communicated to all bidders.	14/6/2024
9		What is meant by the Hybrid forecasting model, as referred to in draft EPA. Please elaborate.	The state-of-the-art predictive tools or software prepared and operated by the Forecasting Consultant which generates an energy forecast for the complex in accordance with Section 5.3(a) of the EPA.	14/6/2024
10		A comprehensive list of necessary documents required under Technical Bid.	For general understanding please refer to Section 9.1 & 9.3. Moreover, it would be preferred if documents can be categorized as per Exhibit 7 of the RFP for the technical bid evaluation.	14/6/2024

11	Yearly generation simulation shared is using two weather data sources which are Meteonerm and SolarGIS	<ul style="list-style-type: none"> • Due to the high sand content in soil at Winder, the soiling losses are expected to be higher than 3%. • The average monthly ambient temperature according to the shared climate report is almost 4-5 degrees higher than data used in the simulation therefore there is another 2% loss expected from the generation numbers shared. (Vinder and Bela sites) • MV and HV losses are not accounted for in the Annual generation number in the pv syst simulation which can be between 2% to 4% (Vinder and Bela sites) • The PV syst simulation predicts generation of year one, it isn't accounting for the degradation factor of year One and thereafter. (Vinder and Bela sites) <p>KE needs to provide clarifications of the applicability of the data used in feasibility studies and simulations for assessment of year over year generation from the plants.</p>	The feasibility study was based on the data received from the relevant departments/ agencies. This is an open competitive bidding. Bidders are free to take the call on certain loses being considered in the report.	10/5/2024
12	Anti-theft module fibre system	There will be a minimum of 8 to 10 feet wall from ground level with PSI strength of a minimum of 3000. There will be a CCTV system in place capturing the whole site and monitored by a 24-hr surveillance team present on site. The anti-theft equipment seems unnecessary for every solar panel and will be a major cost add on with a security team on site.	Please refer to Corrigendum # 5 for specific changes in the requirement.	10/5/2024

13	Reference is made to the RFP document for 50 MWp Winder and 100 MWp Bela Solar PV Projects.	It is understood that the IEE has been conducted for the 50MW Winder and 50MW Bela projects, and the Environmental Approval (ENOC) was granted in accordance with Section 15 of the Balochistan Environmental Protection Act 2012. As per Clause 9, this approval is valid for three years from the date of issuance, i.e., from 2nd September 2021 to 1st September 2024. As per the timelines it is imminent that ENOC will expire, it is essential to initiate the renewal process promptly. Delaying this may adversely impact the progress of the projects, as the renewal process might require a considerable amount of time. Therefore, we request KE to confirm if any renewal activities have been initiated for the ENOC to avoid any unforeseen circumstances in the bidding process/later stages.	KE has already initiated the process for renewal of NOC for Winder and Bela Projects. Further, please note that the obligations of the NOC will be transferred to the SPV after conclusion of bidding process.	8/7/2024
14		Additionally, we like to clarify that IEEs and ENOCs are available for the 50MW Winder and 50MW Bela projects, we have learned that there is no IEE or ENOC available for the 50MW Bela 2 project. According to Section 15 of the Balochistan Environmental Protection Act 2012, "No construction activity can be carried out unless approval is obtained from the EPA." In light of this, we seek confirmation from KE on whether an IEE has been conducted for the Bela 2 project to obtain the necessary Environmental NOC and whether NOC approval process initiated.	KE has initiated the process of obtaining NOC for Bela-2 project. Once obtained, the NOC will be shared with all participants.	8/7/2024
15		It is clear that the electrical equipment must comply with the relevant standards listed in Section 15 and the bid will be evaluated based on the compliance as per Exhibit 7. However, it is not clear what documentation is expected to be submitted by the bidder in order to provide sufficient information for KE to evaluate what constitutes to "compliance with Standards (Relative)	For major equipment which include, but are not limited to Solar Panel, Inverter, Tracking System, GIS, Power Transformer, etc. both data sheets and certificates are to be provided. For other equipment, only data sheets are enough.	10/7/2024

		and Efficiency". Do data sheets stating that the equipment complies with the relevant standards and codes suffice, or does KE expect to receive actual IEC/EN/UL/ISO certificates proofing compliance. In case the latter is required, we note that it will be difficult to obtain certificates for each and every standard listed in the RFP. In case of a certificate not being available, is it acceptable to provide a duly signed letter from the manufacturer stating the reason of not having the said certificate?		
16		With reference to section 9.1, page 23 of the Request for Proposal (RFP) document, Applicant seeks clarification: should we provide EPC Proposal only or do we need to provide any supporting document to suffice the requirement of Technical Proposal.	Technical details of the major equipment, which include, but are not limited to Solar Panel, Inverter, Tracking System, GIS, Power Transformer, etc. must be provided along with its OEM details.	19/7/2024
17		With reference to section 15.1(e), page 34 of the Request for Proposal (RFP) document, It is written as "It is recommended that the Bidders choose solar panels that have increased/improved efficiencies, extended warranties and insurance coverage.". It is to be noted that no solar panel manufacturer provides insurance coverage. Please clarify.	Insurance coverage for the Complex will be sufficient for the need.	19/7/2024
18	Regarding the Environmental, Social, and Governance (ESG) and Health, Safety, and Environment (HSE) plan required as per the RFP's technical requirements, does KE require a complete plan to be submitted along with the bid, or would a confirmation by the bidder to follow the laid-out procedures and develop a plan according to lenders' demands suffice?	A complete site-specific plan is required to be submitted as per procedures specified in section 15.18. of the RFP.	Agreed	19/7/2024

19	As part of the technical proposal, we believe that we are not supposed to be submitting the prices and the quotations that we receive from technical consultants. Please confirm.	According to KE, there is no requirement to submit quotations for equipment provided by potential suppliers and received by the bidder as part of the bid.	Agreed	19/7/2024
20	In the technical evaluation criteria exhibit 7 – there is a score assigned to CSR. Would a report on CSR activities having been carried out in the past and being carried out in the present by the Applicant suffice or a CSR plan for the project sites required?	This is a requirement stated by NEPRA under the RFP, therefore a site-specific CSR plan is to be provided.	Applicant is required to submit project specific CSR activities and commitments for technical evaluation.	19/7/2024
21	Regarding the requirement for five years of design experience by the Design Consultant, we request an exemption as the consortium intends to undertake the project through self-EPC.	<p>KE’s response to this query was:</p> <ul style="list-style-type: none"> • Undertaking the project through self-EPC is permissible. • The requirement for the Design Consultant to have completed a minimum of 50 MW projects, with each project not less than 10 MW interconnected with the Grid in the last five years as per section 15.15(c) of the RFP, will be relaxed due to the limited number of projects undertaken in Pakistan over the past five years. • If the bidder opts for an EPC Contractor, then the EPC Contractor’s relevant experience can also be provided to fulfill the requirements outlined in Section 15.15 of the RFP. • If the bidder has an in-house design team, the collective experience of their team should be provided and must meet the requirements 	Agreed	19/7/2024

		specified in the aforementioned section of the RFP.		
22	As part of the technical proposal, we will provide a detailed checklist according to the technical evaluation criteria mentioned in the RFP (Exhibit 7), along with supporting technical data sheets. Would this be sufficient?	Yes, along with: <ul style="list-style-type: none"> • Details on equipment type and • HSE and CSR Plan 	Agreed	19/7/2024
23	It is our understanding that the RFP does not require the bidder to submit a detailed EPC design/plan. Please confirm the same.	As per KE's team, there is no such requirement.	The layout/ design of the plant needs to be provided.	19/7/2024
24	We understand that Exhibit 11, 12, 13 and 16 to 19 are not relevant at this stage and required to be submitted as part of the bid. Please confirm.		The Exhibit 16, 17 and 18 are required to be submitted with the bid while the other Exhibits will be required at a later stage.	19/7/2024
25	Are type test reports form Chinese labs acceptable?		Both lab and type test reports must adhere to the established international standards.	19/7/2024
26	Availability of Transmission Network till Bela	When does KE expect COD of the ongoing construction of 132 kV Transmission Network till Bela	The timeline for the completion of the transmission project will be aligned with the COD of the project.	17/05/2024
27	SCADA, Tele-communication and Protection	Specification of SCADA will be finalized with KE's consent. When will KE provide complete details of SCADA? This is a critical cost in terms of tariff and a critical equipment for the Projects.	The Plant SCADA system should be compatible with the KE installed SCADA system, which is Siemens Sinout Power Spectrum 4.7.	10/05/2024
28		What is meant by the standard warranty of the equipment such as inverters and Gas Insulated Substation (GIS). For Inverters, the major inverter brands are providing different warranties/ extended warranties for additional cost?	For Inverters: It is mandatory to provide a minimum standard warranty of 5 years. For GIS (Gas Insulated Switchgear): The GIS switchgear shall have a product warranty covering	12/06/2024

			defects in materials and workmanship of at least two (2) years.	
29		Grid interconnection/load flow studies for the 50 MWp Winder and 100 MWp Bela Projects.	<p>The Grid Interconnection study of Bela-2 is under revision. Kindly note that all bid preparation requirements are already outlined in the RFP documents. Please let us know which specific parameters you need from the Interconnection study so we can share them accordingly. (<i>Winder & Bela-1 study has been shared with all bidders as a reference</i>).</p> <p>Additionally, the proposed short circuit level for KE 132kV Grid Stations (Hub, Vinder, Bela, and Uthal) is 40kA for 3 seconds at the 132kV level considering the current and future additions.</p> <p>Moreover, the Static Var Generator (SVG) and Reactive Power Compensation must adhere to the Grid Code 2023. This will particularly include clause CC6.3.2 of the Grid Code.</p>	11/06/2024
30		<p>KE Major equipment specifications (HV transformer, GIS, etc.) will be added to the RFPs.</p> <p>Regarding the specification requirements, please note that OEMs have queries such as HV Transformers specification (i.e. Vector group etc.) and as per our understanding and NTDC specification vector group for HV Generator step up transformer is Dyn11, KE input would support in resolving such queries.</p>	<p>It is the responsibility of the design consultant to provide the OEM/EPC with relevant details, such as HV Transformers and GIS specifications, according to the standards outlined in Sections 15.3 and 15.4 of the RFP. However, the Power Transformer vector group shall be YNd11, with an Earthing Transformer (sized based on internal plant design) and a Neutral Grounding Resistor (NGR) based on CT dimensioning/sizing for earth fault detection system on the Medium Voltage (MV) side (either 22 kV or 33 kV or as per internal plant design). The 132 kV side of the transformer shall be configured in a star (Y) connection, while the MV side shall be configured in a delta (D) connection. All other specifications for the Power Transformer provided by KE in the RFP must be followed as stated.</p>	11/06/2024
31	Appointment of Operating Committee Section 2.4	In case of precedent CPPA-G EPAs, the formation of the Operating Committee is scheduled for 10 months prior to the COD	The requirement will be kept as provided by KE under EPA and bidder will be require to ensure compliance.	06/06/2024

	No later than thirty (30) Days following the occurrence of Financial Closing, the Parties shall establish the Operating Committee to perform the functions set forth in Section 5.9			
32	O&M of the Complex Section 5.1(b) The Complex will be operated within the range of voltage levels specified in the Grid Code.	The technical limits and ranges defined in Schedule-5 should be followed. Those ranges and limits may be as per the Grid Code 2023. Schedule-5 is not shared by KE	Limits that will be defined in Schedule will be in compliance with Grid Code 2023. Any deviation from the Grid Code is specifically mentioned in the EPA	06/06/2024
33	O&M of the Complex Section 5.1(d) Not later than sixty (60) Days following the end of the Agreement Year commencing on the second anniversary of the Commercial Operations Date and not later than sixty (60) Days following the end of each alternate Agreement Year thereafter, shall be final and binding on the Parties in respect to the corrective or remedial actions to be taken and the time period in which they should be completed by the Seller.	Not present in CPPA-G EPAs	The requirement will be kept as provided by KE under EPA and bidder will be require to ensure compliance.	06/06/2024
34	Forecasting Of Net Delivered Energy Section 5.3(a) No later than one hundred and fifty (150) Days prior to the Scheduled Commercial Operations Date the Seller shall appoint, at its own cost, the Forecasting Consultant, with the consent of the Purchaser pursuant to	30 days in CPPA-G EPAs	The requirement will be kept as provided by KE under EPA and bidder will be require to ensure compliance.	06/06/2024

	Schedule 13, to establish, the Hybrid Forecast Model.....			
35	Operating Committee Duties Section 5.9 (a) (vi) "review and improve, if required, the methods for evaluating the NPMV in accordance with Schedule 10 and Schedule 13"	NPMV calculation method should be pre-defined and preset for the entire duration of the project.	Schedule 10 & 13 that is relevant to NPMV has already been shared with all participants.	06/06/2024
36	Maintenance of Operating Records Section 5.10 (a) "All such records and data shall be maintained for a minimum of one hundred twenty (120) Months after the creation of such record or data, and for any additional length of time and the Party receiving such notice has not objected thereto in writing within such ten (10) Days of receiving such notice."	Data to be kept for 5 years instead of 10 as per previous CCPA-G EPAs	The requirement will be kept as provided by KE under EPA and bidder will be require to ensure compliance.	06/06/2024
37	Construction of Seller Interconnection Facilities Section 6.1 (d) The Seller shall undertake the following works on behalf of the Purchaser, if required by the Purchaser, at the Purchaser's Interconnection Facilities at the Purchaser's cost and time: (i) Replacement and/or upgradation of power line carrier, SCADA, remote terminal unit interface; (ii) Signal parameterization from the Complex to the Grid System and the main Control Centre;	Not present in CCPA-G EPAs	The requirement will be kept as provided by KE under EPA and bidder will be require to ensure compliance.	06/06/2024

	(iii) Procurement and installation of relevant SCADA and/or remote terminal unit hardware at Purchasers Grid system(s) and Control Centre; (iv) Augmentation of SCADA / remote terminal unit communication at Control Centre			
38	Construction & Completion of Purchaser Interconnection Facilities Section 6.5 (a) Within seven (7) Days of the Effective Date, the Seller shall give to the Purchaser written notice of the Scheduled Commercial Operations Date then anticipated by the Seller (which date shall not in any event be earlier than the earliest date on which the Commercial Operations Date may occur hereunder).	Notice to be given 12 months prior to the COD as per CPPA-G EPA	The requirement will be kept as provided by KE under EPA and bidder will be require to ensure compliance.	06/06/2024
39		We understand Bela might be divided into Bela-1 and Bela-2; the number of interconnection points is unclear. Clarification on the interconnection points for the 100 MW Bela project is required, i.e. will there be: a. A single interconnection points for the entire 100 MW? b. Two separate interconnection points, each handling 50 MW?	Please refer to corrigendum#2 for WBB, which refers to section 15.3. Moreover, the proposed interconnection scheme will be single circuit in-out from 132 kV transmission line as per section 15.13 of RFP. Please note that if the bidder develops two separate 132 kV grid stations for Bela-1 and Bela-2, there will be two transmission line bays on each grid station.	14/06/2024
40	Capacity Factor	For calculation of Capacity Factor, please confirm basis for calculation of “maximum annual generation capacity in DC”?	Capacity Factor is defined as 21.5% in the RFP, it is calculated as the ratio of the annual plant net electrical output to the maximum annual generation capacity in	10/05/2024

			<p>DC. It is a measure of how much of this theoretical maximum is achieved in practice.</p> <p>The "maximum annual generation capacity in DC" would be the product of the nominal rated capacity and the total number of hours in a year (i.e., nominal rated capacity * 8760 hours). This figure represents the theoretical maximum amount of energy the plant could generate in a year under continuous peak conditions.</p> <p>Annual Plant Net Electrical Output is the total amount of electricity produced by the plant over a year, recorded by the metering system at the 132 kV side of the step-up transformer.</p> <p>Nominal Rated Capacity is the expected maximum power output under standard test conditions, typically measured in Megawatt-peak (MWp) for solar projects.</p>	
41	Minimum Capacity factor required is 21.5%	If Bidder achieves higher ACTUAL capacity factor during the Term of the EPA, the same rate will continue to apply on the excess generation, without any sharing with KE, since this is not a "cost plus tariff"? Please confirm.	The understanding is correct.	10/05/2024
42	Solar Panels	Some standards specified in the requirements are not supplied by the Original Equipment Manufacturer (OEM) but rather by the installer. How can this issue will be dealt with especially if bidder is to do the construction itself?	The RFP specifies that all equipment and installation practices must comply with the relevant standards and regulations. Certain standards are for OEM, and some are for Installations for EPC. It is the responsibility of the bidder, who may also be the installer, meets the required standards as per the equipment selected.	10/05/2024
43	Power Inverters	Some standards specified in the requirements are not supplied by the Original Equipment Manufacturer (OEM) but rather by the installer. How this issue will be dealt with especially if bidder is to do the construction itself?	The RFP specifies that all equipment and installation practices must comply with the relevant standards and regulations. Certain standards are for OEM, and some are for Installations for EPC. It is the responsibility of the bidder, who may also be the installer, meets the required standards as per the equipment selected.	10/05/2024
44	Power Inverters	The relevant IEEE standard (-----) for THD specifies a limit of 5%. Please provide the standard reference that specifies 2.5%.	IEEE 519 1992 states that for a system of 69.001 kV to 161 kV, THD should be 2.5% and the system here is of 132 kV.	10/05/2024

45	Corrosive prevention category C5 will be preferred.	As per the geotechnical reports for Vinder and Bela, C5 hasn't been recommended after the soil investigation was carried out. No special corrosion protection is required as per para 8.7 of Geo technical investigation.	Refer Section 15.8 of the RFP.	10/05/2024
46	Module Cable with temperature range -55 to +125 degree Centigrade is required	The upper limit is too high for outdoors and will severely limit the available supplier. The relevant IEC standards also support it.	Please IEC Standard 62930 for module cables.	10/05/2024