

**Bid Clarifications and Responses to Queries from the Applicants**  
**on**  
**Nepal – Promotion of Solar Energy in Rural and Semi-urban Regions II (BMZ-NR.: 2019 69 203)**

**Bid Clarification No. 01**

| No .                               | Document Reference  | Applicants' Queries  | Employer's Clarification  |
|------------------------------------|---|--|---|
| <b>Date of Request: 30.07.2024</b> |   |  |   |
| 1.                                 | Section IX. Particular Conditions Section 14.4 Payment Schedule | We kindly ask that you review Particular Conditions, Section 14.4 Payment Schedule, as it appears that there may be an inconsistency regarding the number of schedules.    | We reviewed the numbering and cannot see any inconsistency.   |
| 2.                                 | Section II. Bid Data Sheet, ITB 22.1                            | Could you kindly confirm whether there are three envelopes or if the post-qualification documentation and the technical offer are to be included together in one envelope? | <p>The bid shall be submitted as per instruction ITB 22.1</p> <p>Add Qualification Documents:</p> <p>(a) QUALIFICATION DOCUMENTS<br/>                     The Bidder shall enclose the original and all copies of the Qualification Documents in separate sealed envelopes, duly marking the envelopes as "Qualification Documents - Original", "Qualification Documents – Alternative" and "Qualification Documents - Copy."<br/>                     These envelopes containing the original and the copies shall then be enclosed in one single envelope marked "Qualification Documents".</p> <p>(b) TECHNICAL BID<br/>                     The Bidder shall enclose the original and all copies of the Technical Bid in separate sealed envelopes, duly marking the envelopes as "Technical Bid - Original", "Technical Bid – Alternative" and "Technical Bid - Copy."</p> |

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|                                    |  |  | <p>These envelopes containing the original and the copies shall then be enclosed in one single envelope marked "Technical Bid".</p> <p>(c) FINANCIAL BID</p> <p>The Bidder shall enclose the original and all copies of the Bid, including alternative Bids, if permitted in accordance with ITB 13, in separate sealed envelopes, duly marking the envelopes as "Financial Bid - Original", "Financial Bid - Alternative" and "Financial Bid - Copy."</p> <p>These envelopes containing the original and the copies shall then be enclosed in one single envelope marked "Financial Bid".</p> |
| 3                                  | Section I. Instruction to Bidders, 20.3            | Could you kindly confirm whether the bid security can be issued by a financial institution such as an insurance, bonding or surety company?    | The Bid Security issued from a foreign bank or financial institution shall be duly counter guaranteed by any reputed commercial "A" class bank of Nepal.   |
| 4.                                 | Section III. Qualification and Evaluation, 4.2 (b) | For 4.2 (b) Construction experience in key activities, would it be possible to provide several contracts totalling 12 MWp?                     | <p>To be read as "one (1) or more PV plant installations with minimum total capacity of 12 MWp each".</p> <p>Note: Volume, number or rate of production of any key activity can be demonstrated in one or more contracts combined if executed during same time period. The rate of production shall be the annual production rate for the key construction activity (or activities).</p>   |
| 5.                                 | Section III. Qualification and Evaluation, 4.1     | We would be grateful if you could extend the period of experience 3. Construction Experience in key activities to 10 years instead of 5 years. | Please refer to the requirement. No changes.   |
| <b>Date of Request: 11.08.2024</b> |  |  |  |

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| 6.   | Section IX, PC 14.16 Taxation  | What are the local tax policies? Shall the local registered company in Nepal handle all the local tax?  | Clause 14.16 applies   |
| 7.   | Section IX, PC 14.16 Taxation  | After winning the project, shall the newly registered company apply for Import license for the required equipment? What are suggested Inland transportation (1. Directly from <i>abroad</i> to the site (on-site cleaning and customs declaration), 2. Or transit in the tax reporting area)? Construction equipment entry and exit record? | Clause 14.16 applies   |
| 8.   | Section VII - A. Environmental, Social, Health and Safety Management | For ESHS demonstration, what documents shall we provide? For ESHS providing ISO9001, ISO14001, ISO45001 is enough ? Is it necessary to add a first aid station (hiring a local person) and a full- time stall responsible for ESHS?   | <p>1) For ESHS demonstration, please refer to requirement: Section VII - A. Environmental, Social, Health and Safety Management (2. ESHS Planning Documents)</p> <p>2) For ESHS requirements, the ISO standards are not enough documents, please refer to requirement: Section IV - Environmental, Social, Health and Safety Methodology.</p> <p>3) For fulltime staff responsible for ESHS, please refer to the requirement: section II 5.7 – ESHS and Construction Personnel</p> <p>4) Regarding to first aid station, please refer to requirements: Section VII - 33 First aid; 34 Medical service and personnel; 35.2 Health Care; 36 Emergency Medical Evacuation.</p> <p><b>Note:</b><br/>The quantity of pages without clear content and practical use are not subject of requirements - not the number of pages is important, but the content.</p> |

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| 9.  | Section IX, PC, 8.1 Commencement of Works                            | It is mentioned that "The contractor shall register the local branch office in Nepal and site offices within 56 days after the Contractor receives the Letter of Acceptance." It is local company or shall be branch of the <i>international</i> company? For office set up, shall we set up office in all three project site or only one office set up will be ok? | The <b>contractor</b> shall register the local branch office in Nepal and site offices within 56 days after the Contractor receives the Letter of Acceptance.<br>The contractor is the party that signs the contract agreement.<br>The same entity will open the local branch office. |
| 10. | Section VII - A. Environmental, Social, Health and Safety Management | Regarding Social responsibility (is it a necessity or not? What is the specific cost ratio and amount?)   | Please refer to answer 8.   |
| 11. | Invitation to bid  | The Performance Security will be in the form of an unconditional bank guarantee in the amount(s) of 10% percent of the Contract Price ("Performance Bond"). After providing the Performance Security, what will be the status of the Bid Security which is provided during the bid submission?  | The Bid Security of a bidder shall be returned once the contract is awarded and performance security is submitted by the successful bidder.   |
| 12. | Section IX. PC 18.1 General Requirements for Insurance               | As per tender documents "Periods for submission of insurance: a. evidence of insurance a) 14_days from Commencement Date" , our concern is what scope is covered by this Insurance?   | Clause 18.1 General Requirements for Insurance applies  |
| 13. | Section IV. Bidding Forms;   | What are the requirements for quotation format?   | Refer to Section IV. Bidding Forms;   |

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| 14.                                |   | As per tender documents, "Period for notifying unforeseeable errors, faults and defects in the Employer's Requirements: Within 21 days from the Commencement Date" Are there any limitations for the errors or defect that can be notified? Can we redesign all the projects if needed? | There are no limitations. When identifying an "unforeseeable error", this period is to be applied.<br><br>Yes, redesign is needed as, most likely, the products won't be same as applied for the current layout. Specific conditions (like installed capacity, DC/AC ratio, available area, etc.) have to be considered.  |
| 15.                                | Section VIII. General Conditions  | Are there any clauses for force majeure or Liability boundary?  | Please refer to Section VIII. General Conditions  |
| 16.                                | Section IX, Summary of Sections   | After winning the project, shall we start the projects in 3 sites at same time or can we arrange our work schedule ourselves?   | Refer to Time for Completion (Sub-Clause 1.1.3.3)   |
| <b>Date of Request: 14.08.2024</b> |   |   |   |
| 17.                                | All ESHS references   | Please simplify the ESHS procedure.   | The requested procedures are reflecting international standards. ESHS procedures are very important to comply with as the financing is only possible including international development support. References are made to: <a href="https://www.kfw.de/nachhaltigkeit/About-KfW/Sustainability/Strategie-Management/Umwelt-Sozialverträglichkeitsprüfungen">https://www.kfw.de/nachhaltigkeit/About-KfW/Sustainability/Strategie-Management/Umwelt-Sozialverträglichkeitsprüfungen</a> |
| 18.                                | Volume II; Section 7: Employer's Requirements; 2. Site Specific Information | Please provide Topography Maps/Drawings in better readable conditions for all three sites.  | Figure 4: Gandak, Figure 8: Surkhet and Figure 12: MMHEP of Employers requirements are available in DWG format.   |
| 19.                                | Volume II; Section 7: Employer's  | Please provide Boundary Mapping Drawings for all three sites.   | Boundary mappings are available and can be prepared in KML format.  |

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|                                    | Requirements; 2. Site Specific Information  |   |  |
| 20.                                | Volume II; Section 7. Employer's Requirements; Page 45; 4.14 Module Mounting Structures (MMS): Clause 4.14.1 "The bidder shall consider the results of hydrology report while designing the clearance below bottom of module and finished ground level shall be maintained minimum 500mm from the module bottom." | Please provide the Hydrology Report for all three sites for designing the MMS Structure.  | There is no Hydrology Report available, yet. The design of the MMS structure is part of Bidders input.   |
| 21.                                | Volume-2; Section IX. Particular Conditions; Sub-Clause 14.4; Schedule of Payments.   | We noticed Letter of Credit is not mentioned. Does Letter of Credit not exist in the payment process of this bid. Please confirm. | Sub-Clause 14.7 applies: Part of payments shall be conducted in accordance with the Direct Disbursement Procedure of KfW Development Bank. The remaining portion of payments shall be conducted in accordance with NEA Procedures. |
| <b>Date of Request: 15.08.2024</b> |   |   |  |

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| 22.  | Request for Extension until 6 <sup>th</sup> October 2024   | Letter requesting for Extension until 6 <sup>th</sup> October 2024   | <p>The Consultant believes that an extension for this period has to consider:</p> <ul style="list-style-type: none"> <li>-The initial period for preparation of this offer was for a period of 6 weeks</li> <li>-The tender refers to less than 10 MW in total.</li> </ul> <p>The final decision regarding extension will be submitted at a later stage.</p> |
| 23.  |  | Please provide boundary positioning documents or CAD drawings for the photovoltaic site planning area.   | Please refer to question 19, above.  |
| 24.  | 1721623860_Employer's Requirements; P22/P30<br>2.2.2 Grid Connection (P22)<br>The substation is situated within the Gandak hydropower plant premises, which is the designated location for the solar plant installation. The PV plant shall be connected to LV side of existing substation.<br>2.4.2 Grid Connection (P30) | The Gandak and MMHP solar power plants should be connected to the low-voltage side of the existing substation. Please confirm whether the existing substation has available connection bays. If there are no corresponding bays, should the upgrade and expansion of the existing substation be included in the bid quotation? | The required bay space will be arranged by the Employer whereas the 33kV bay equipment will have to be arranged by the bidder themselves.  |

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|      | MMHP solar plant shall be connected to 33kV bus bar at existing Udipur substation (220/132/33kV) at an approximate distance of 1.5 km from site.  |  |   |
| 25.  | 1721623860_Employer's Requirements, P21<br>The GHI (P50) of Gandak is 1839 kWh/m <sup>2</sup> ;<br>The GHI (P50) of Surkhet is 1917 kWh/m <sup>2</sup> ;<br>The GHI (P50) of MMHEP is 1908 kWh/m <sup>2</sup> ; | For Gandak, according to the latitude and longitude data queried from meteoronorm, the value is 1508.3 kWh/m <sup>2</sup> , while the SOLARGIS data shows 1684.6 kWh/m <sup>2</sup> , which significantly differs from the provided irradiance data. Please provide meteorological data files that can be imported into the PVSyst software. | Consultant's calculations are based on using PVGIS data, and these match with the figures given in the Employer's Requirements. |
| 26.  | 1721623860_Employer's Requirements, P21<br>The substation is situated within the Gandak hydropower plant premises, which is the designated location for the solar plant installation. The PV                    | Please provide the positioning or estimated distance of the outgoing cables from the 33kV distribution room of the existing substation.  | All bidders need to determine the estimated distance based on their site visit and their design.                                |



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|      | <p>plant shall be connected to LV side of existing substation.<br/>The optical fibre cable from the PV Plant shall be connected to existing substation at site.</p> |   |  |
| 27.  | <p>1721623860_Employer's Requirements, P91<br/>5.13.1 Electrical Infrastructure on AC Side</p>  | <p>Is this section not applicable to this project? Should a single busbar single-circuit be adopted on the MV side for this project?</p>  | <p>Please have a look at the SLDs: They show the arrangements for all three sites:<br/>For MMHEP:<br/>The AC output of the inverter will go to HT board via LT panel and transformer. From HT board the power will flow to the substation via 33kV grade cable upto DP structure and from DP structure via transmission conductor and bus.<br/>For SURKHET:<br/>The AC output of the inverter will go to HT board via LT panel and transformer. The power from HT board will be connected at the existing pole mounted transformer via cable / transmission line.<br/>For GANDAK:<br/>The AC output of the inverter will go to HT board via LT panel and transformer. The output of the HT board will go to Gandak substation via cable / transmission line and bus.</p> |
| 28.  | <p>1721623860_Employer's Requirements, P115/P56<br/>6.4.3.1 Guaranteed Minimum PV System Production,</p>  | <p>First-year power generation requirements: Gandak 11,242 MWh; Surkhhet 3,868 MWh; MMHEP 2,677 MWh. Assuming a capacity ratio of 1.2 for all three sites, the first-year specific generation for each site would be:</p> | <p>The requested power generation data is a result of Consultant's simulation and, after re-checking, the figures are reasonable.</p>  |

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|   | <p>including deemed energy, after Operational Acceptance, on the basis of the provided TMY</p> <p>5.1 The maximum allowed DC/AC ratio is 1.2.</p>  | <p>Gandak 1,615 kWh/kW; Surkhet 1,611 kWh/kW; MMHEP 1,394 kWh/kW. Compared to the provided irradiance data for the project sites, the generation for Gandak seems too high, while that for MMHEP is significantly low. Please confirm whether the required guaranteed power generation data is reasonable.</p> |  |
| 29.                                       | <p>1721623860_Employer's Requirements, P59/115</p> <p>5.2.3.2 Product Output Warranty From 2nd year to 25th year: year degradation &lt; 0.6% of STC power</p> <p>6.4.3.1 Functional Guarantee</p> <p>Table 13: Functional Guarantees, Solar PV Power Plant</p> | <p>The guaranteed power generation values provided in Table 13 for the first to fifth years, with an annual degradation rate of less than 3%, are set too high. Please confirm whether the required guaranteed power generation data is reasonable.</p>  | <p>Mentioned Table 13 has been calculated based on a module efficiency of only 21.5% and an annual degradation of 0.3%. The Consultant still sees the figures given in the mentioned Table 13 to be well set as minimum.</p> |
| 30.                                       | <p>1721623860_Employer's Requirements, P140</p> <p>13. Drawings and Additional Documents</p>   | <p>The documents only include the main wiring diagrams for the three sites, with no other drawings provided.</p>   | <p>The Consultant does not understand this question. Obviously, this is a statement of the bidder and does not need any clarification or comment</p>   |
| <p><b>Date of Request: 18.08.2024</b></p> |  |  |  |

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| 31.                                | Criteria 5.2 Experience in Projects with significant ESHS impact  | <p>...qualification criteria 5.2 is very restrictive in terms of standards allowed for experiences relating to ESHS (...either in Nepal or funded by large multilateral agencies like World Bank, ADB &amp; KfW.</p> <p>We request you to revise Criteria 5.2 to allow ESHS guidelines that are "equivalent" or "similar"...</p>                    | Clause 5.2 applies, as it is required by International Development Aid structures.  |
| <b>Date of Request: 20.08.2024</b> |   |   |   |
| 32.                                | Employer's Requirements, Section 7, Clause 1.5 Operation and Maintenance, page 17; and Schedules of Rates and Prices; pages 18, 19 and 29, Schedule No. 6: Operational and Maintenance Requirements | Please clarify, "Operation" means that Contractor has to Operate & Run the Solar PV Plant for the Next Five Years after Commissioning   | The contractor has to operate and maintain all three PV plants for a period of five years   |
| 33.                                |   | <p>Due to the high standard of this solar project, O&amp;M will be a big challenge. Inverter is the key equipment of the solar plant because the power generation will be greatly affected even single inverter breakdowns.</p> <p>Considering the power generation requirements of the bidding document, it is possible to require PV inverter</p> | It will be the sole responsibility of the successful bidder to ensure the performance of the solar plant as per the tender / contract documents. A bidder is free to choose a qualified manufacturer from anywhere who meets the technical specifications / requirements of the tender. |

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|      |                    | manufacturer that should have a local company and professional service team (more than 3 years) in Nepal to cope with emergencies and guarantee the power generation performance. |                                       |
|      |                    |   | <b>Date of Submission: 21.08.2024</b> |

Kuno Schallenberg  
 GOPA-International Energy Consultants


