

**CLARIFICATIONS**  
for  
**PQD O&M SERVICES FOR 7.64MW MARALA HYDRO POWER PLANT, SIALKOT**  
22-Jul-19

S.No	Section	PQD Reference	Applicant's Query	PPDCL's Response
1	INTRODUCTION	Brief Description	PPDCL has informed us that operation cost is 57.42 million and maintenance cost is 98,000 US Dollars. If we consider exchange rate in Feb 2015, 1 US dollar- 102 Pakistani Rupees So, if we convert the operation cost is 562,941 US DollarCurrent exchange rate is 1 US Dollar— 160.2 Pakistani Rupees So, operation cost come up to 90.18 million per annum and furthermore, if we consider inflation rate of last 4 years, there should be an increase of 20% at least. Thus, logical figure comes up to 108.20 Million Pakistani Rupees. Owner is requested to please comment is this a fair bidding process where PPDCL is under mining the market precedence and wages of the employees, which is the clear violation of human right in Pakistan.	In furtherance of current tariff determination by NEPRA, PPDCL has submitted application for the Quarterly Adjustments for FY-2014-15, FY-2015-16, FY-2016-17, FY-2017-18 and 1 <sup>st</sup> and 2 <sup>nd</sup> Quarters of FY-2018-19 pertaining to, inter alia, Adjustments of local O&M component on account of local inflation and adjustments of foreign O&M component on account of variation in dollar/rupee exchange rate and US CPI. However, the authority has not yet allowed the Quarterly Adjustments for the aforesaid FY. Revision of O&M cost as determined by NEPRA is beyond the sphere of influence of procuring agency.
2			It is understood that every cost has some milestones like number of man-power and their expertise. Thus, therefore, before entering into PQD, we need to understand what factors would be taken into consideration to determine die final O & M cost basing on the no of staff, their services, Income tax and sales tax factor. Please comment.	O&M cost will comprise of salary cost, recurring reimbursable costs, cost of consumables and materials and One time cost. Billing rates for personnel are inclusive of all costs including salary cost, workman compensation allowance, social and insurance charges, technical fee, Management fee, overhead charges and all applicable taxes etc. Further breakdown of cost heads shall be provided in the RFP issued to prequalified firms as no costing is required from the Applicants at the stage of prequalification. The Contractor will be subject to all applicable taxes at a rate prevailing on the date of O&M contract agreement unless exempted by relevant tax authority.
3			We request PPDCL to define this term at this stage. (What charges in percentage age of invoice charges will proposed by PPDCL, if contractor does not get payment on time (within 15 days of invoice)?	Payment Terms will be delineated in General Conditions of Contract to be provided with Request of Proposal, issued to Pre-qualified firms for Marala HPP.
4			We are having serious concerns over here that the criteria announce by PPDCL for net worth, annual turnover and experience of O & M . We are having strong feeling that the power of PPRA to the owner PPDCL for defining this PPDCL parameters are 100% biased. We consider this an intention of PPDCL to keep our firm out of bidding process. We are requested PPDCL to ensure with strong facts & pasidence that this PQD is not engineered to keep our firm out of this process	Evaluation criteria are fair, transparent, self-explanatory and well suited to the assignement without any bias. Criteria is laid down in the best interest of the project while encouraging maximum participation by capable firms of good repute.
5			With reference to our general term stated above, we need the stance and PPDCL strategy on all these 9 points which should not be kept black for moving at later stages.	Documents, spares and technical details of the plant will be shared with O&M Contractor who is selected for Contract Award as a result of Competitive Bidding by pre-qualified bidders
6			In every company, there is a job descripdon which clearly define the tasks of every employee. We hope that PPDCL will provide such documents enabling us to understand role of RE at site.	Such documents will be provided if required by O&M Contractor who is selected for Contract Award as a result of Competitive Bidding by pre-qualified bidders
7			Your answer need more clarification like,There would be no need of axillary supply by generators or by UPS for staff living in colony. So, PPDCL to ensure 24 hours electricity supply. Please comment.	Power will be supplied from GEPCO grid. Contractor will be free to make auxilliary supply arrangements at their own expense.
8			We will again request to address this point in line of our general comments.	Please note that clarifications pertain to the stipulations of PQD issued by PPDCL. Querries pertaining to RFP will be addressed at bidding stage.
9			Please provide all the data enabling us to take a decision to enter for PQD.	
10			Please ensure that none of PPDCL personal will be involve in any kind of kickbacks or corruption, while POD evaluation, operation at site and in daily routine matters. Please reply.	PPDCL is Government owned entity and all its employee are subject to transparency and anti-corruption law. Any individual involved in the process, either from the procuring agency or Applicant's firm, will be dealt with as per prevailing law.