

ADDENDUM

1. Request for submission of EXPRESSION OF INTEREST in implementation of RAIL WAGON LOADING GANTRY for LPG inside Haldia Dock Complex on **LAND LEASE MODEL** instead of BOOM (Build, Own, Operate and Maintain) Basis.

Necessary amendment has been made on EOI, placed at **Annexure-I**.

2. Scope of the Project on 'Other aspects':

- (i) The respective users will lay their own pipelines connecting the project site for transferring LPG from their storages for loading into wagons.
- (ii) The facility to be built shall be used as common user facility open to all parties desirous of dispatching LPG by rakes.
- (iii) **Successful bidder should also explore the potential of loading 'Tank Containers' which can be easily unloaded at Roadside terminals and distributed at consumption points.**

3. Reply of HDC on pre EOI queries, placed at **Annexure-II**.

EXPRESSION OF INTEREST

Annexure-I

Subject: Request for submission of EXPRESSION OF INTEREST in implementation of RAIL WAGON LOADING GANTRY for LPG inside Haldia Dock Complex on **LAND LEASE MODEL** instead of BOOM (Build, Own, Operate and Maintain) Basis

Haldia Dock Complex, Kolkata Port Trust invites "EXPRESSION OF INTEREST (EOI)" for setting up of Railway Siding along with the allied facilities for dispatch of LPG through rail wagons from Haldia Dock Complex.

1. The need and potential of the Project:

- a) Haldia has already become hub for storage and distribution of imported LPG with creation of such facilities by Indian Oil Petronas Ltd and Hindustan Aegis LPG Ltd at Haldia. These organisations have also created LPG unloading facilities at the Oil Jetties of HDC with pipeline connectivity upto their storage areas. This has led to continued growth of LPG handling at HDC with HDC handling 3.46 MMT of LPG during 2018-19 a growth rate of 39%.
- b) The handling of LPG is slated to touch 5 MMT by end of 2019-20 and will grow further after BPCL commissions their LPG terminal at Haldia within this fiscal. Besides, the likely growth in LPG demand because of emphasis laid by Government under PM Ujjwala Yojana, the LPG traffic at HDC will go much beyond 5MMT in next few years.
- c) Presently, entire volume of LPG evacuated from terminal stations of Haldia to different filling plants across north eastern region is through road transport only. Each road tanker is capable of handling 18 MT of LPG. With LPG traffic at HDC going beyond 5 MMTPA in few years from now, it will not be possible to dispatch the entire quantity through road alone Therefore, LPG marketing companies are showing interest to also dispatch LPG by rakes from Haldia.
- d) In the light of the above, HDC, KoPT has decided to seek EOI from eligible parties for Construction, Operation & Maintenance of LPG Loading Facilities into rakes (Tank Wagons) and associated facilities on HDC, KoPT land at Haldia at their cost, expenses, manpower and other arrangements in compliance with the approval from PESO and other statutory authorities.

2. Scope of the Project:

(a) Obligation of Service Provider (Successful Party):

Shall be responsible for creation of LPG loading facilities through Rail wagon shall that will primarily comprise,

- (i) construction of suitable spur with LPG loading gantry,

- (ii) A reception cum despatch Railway line together with another separate line for engine reversal with full OHE facility along with signalling arrangement as per approval of S.E. Railway authority,
- (iii) Providing full-fledged fire-fighting system for mitigation of fire along with other safety devices required as per the statutory obligations,
- (iv) Other arrangements that includes power supply, water supply, construction of main approach road along with emergency exit road to and from the proposed facility connecting the existing road as required. The service provider will segregate the 'LPG loading facility' from other facilities in compliance with the rules and recommendations of Petroleum Explosive Safety Organization' (PESO).
- (v) 5 to 6 numbers of dummy wagons to be provided by the successful party.
- (vi) **Minimum Guarantee Throughput (MGT)** to be followed by the Successful Party. Rate of MGT may be: 0 - 5 Years: NIL, 5 -10 Years: 3 Lakhs Tonne per annum and after 10 Years: 8 Lakhs Tonne per annum.

(b) Obligation of HDC, KoPT:

- (i) HDC/KoPT will provide required land to the service provider through a specific arrangement.
- (ii) HDC/KoPT will provide Locomotive for shunting operation, necessary Haulage and Terminal Charges will be levied from the Customer.

(c) Other Aspects:

- (i) The respective users will lay their own pipelines connecting the project site for transferring LPG from their storages for loading into wagons.
- (ii) The facility to be built shall be used as common user facility open to all parties desirous of dispatching LPG by rakes.
- (iii) Successful bidder should also explore the potential of loading 'Tank Containers' which can be easily unloaded at Roadside terminals and distributed at consumption points.

3. Location where the facility may be constructed:

The location plan along with reference to the fixed object for identification of the location at field level is enclosed as Flag –A. The intending applicants may ask for additional details about the locations during the pre-application meeting.

4. What is being sought through EOI:

HDC, KoPT through this EOI wishes to assess the following in greater details on the basis of details to be furnished by the applicants:

- (a) The components of the project facilities including safety and allied aspects that are required to be created.
- (b) The exact quantum of land required.
- (c) The CAPEX and OPEX of the project as well as likely cost to the users for using the project facility.
- (d) The appropriate model through which the facilities may be created is private investment. In this regard, HDC, KoPT is contemplating with Land Lease Model.

Land Lease Model:- In this model, the port will allot the required land on 30 year lease to the successful party fulfilling the techno commercial eligibility on recovery of upfront rent, nominal annual rent and security deposit as applicable for standard leases. The successful party will construct, operate and maintain the facilities and directly charge the users of the facilities as per Tariff to be approved by TAMP. They will also be responsible to obtain all the statutory clearances and abide by the directions therein etc. The techno commercially qualified party quoting the highest lease rent through tender –cum auction process will be considered as the successful party for award of the lease and construction of the facilities.

The purpose of EOI is to understand the demand and finalize the tender to be invited for the purpose.

5. Who May Participate:

The Interested parties fulfilling any of the following may apply:

- (i) Refinery manufacturing/ producing LPG;
- (ii) LPG Storage Operators;
- (iii) Parties having experience in loading/unloading LPG to and from ships/road tankers/railway wagon;
- (iv) Parties having experience in construction of refinery/LPG Storage & ancillary facilities / LPG loading or unloading facilities to and from ships/road tankers/railway wagon;

6. What to Submit:

Each applicant is required to submit the following documents based on their project requirement:

- (i) Brief profile of the applicant.
- (ii) Brief details of Applicant's experience in (a) Production / manufacturing of LPG and / or (b) storage and distribution of LPG and / or (c) loading / unloading of LPG to and from ships / road tankers / rakes and / or (d) construction of Refinery / LPG Storage & Distribution Facilities / loading / unloading facilities to and from ships / road tankers / rakes etc.
- (iii) A feasibility report of the facility, proposed to be setup at the location concern shall contain the following details:
 - (a) The year wise potential of dispatching LPG by rakes from Haldia. This must be given in million metric ton per annum.
 - (b) The locations where LPG may be dispatched from Haldia by rakes.
 - (c) The likely impact of implementation of cross country LPG pipeline connecting Haldia on the proposed rake loading facilities in future.
 - (d) Details of the LPG loading gantry with associated facilities along with a concept plan.
 - (e) The quantum of land required for setting up of the project.
 - (f) Details of railway line pertaining to reception/departure facility along with engine reversal line.
 - (g) Work plan showing how the proposed project will be operated and maintained.
 - (h) Project Bar chart showing total time line for establishing the entire facility.
 - (i) The details of Capital and O&M cost with reasonable item wise break up for 15 years.
 - (j) The optimum annual throughput capacity of the proposed project.
 - (k) The likely cost per ton that the applicant may likely to charge in handling LPG upto the optimum annual throughput capacity. This may be computed following the Upfront Tariff guidelines issued by TAMP in March, 2008.
 - (l) Any other details /document which the applicant feels relevant in the matter.

- Note:**
- (i) KoPT will not give any Minimum Guaranteed Commitment about availability of LPG for railway loading to the successful applicant.
 - (ii) The party will only get revenue from loading and unloading operations from the user of the facilities.
 - (iii) The revenue for haulage of rakes and terminal charges in all the models will be realised by KoPT from the user of the facilities.

- (iv) The period of Agreement will be 30 years that will include period of construction.
- (iv) The current license fee of the earmarked land is **Rs 1146.10** per 100 sqm per month to be escalated by 2% on every 7th April of a year. In case of lease model, the upfront payable for the whole of lease period will be **Rs. 2,33,122.00** per 100 sqm.
- (v) Participation in EOI does not confer qualification or any added advantage in the Tender process.

7. Evaluation of proposals:

HDC, KoPT on the basis of the details to be obtained from the interested parties will assess details as mentioned at para 4 & 5 above. Thereafter HDC, KoPT will invite tender for selection of the service provider.

8. Submission of proposal:

The interested parties may submit the details in a sealed envelope duly superscribed **"Setting up of a Railway siding along with a facility for LPG loading gantry for dispatches of LPG through Rail wagons from Haldia Dock complex"** and addressed to Sr. Dy. Manager (Railways), Haldia Dock Complex, Kolkata Port Trust, Operational Administrative Building, Ground Floor, Chiranjibpur, Dist. Purba Medinipore, West Bengal, Pin-721604 by 17:00 hrs on 30.06.2020.

9. Pre application meeting and site inspection:

The pre application meeting will be held on 26.05.2020 at online or at HDC/KoPT's Conference Room at Jawahar Tower, Haldia Township, Haldia where KoPT will provide clarifications to the queries of intending applicants on this call for EOI. The time and method will be provided as per the prevailing situation in the country. The intending applicant are requested to send their queries in email or writing in advance to Sr. Dy. Manager (Railways), Haldia Dock Complex, Kolkata Port Trust, Operational Administrative Building, Ground Floor, Chiranjibpur, Dist. Purba Medinipore, West Bengal, Pin-721604, Phone Number: (03224) 252209, Mob. No. 9434064873 Email Id. rsrajhans.hdc@kolkataporttrust.gov.in, so that KoPT may prepare its clarifications prior to the meeting to the extent possible. This apart, KoPT will also address the queries raised during the pre-application meeting. The pre-application meeting will be followed by inspection of the sites.

Sub: Request for submission of EXPRESSION OF INTEREST in implementation of RAIL WAGON LOADING GANTRY for LPG inside Haldia Dock Complex on **LAND LEASE MODEL** instead of BOOM (Build, Own, Operate and Maintain) Basis

Reg.: Reply of HDC on pre EOI queries

Sl. No.	Pre EOI Queries	Reply of HDC
1.	Port Charges to be given by Port Authority that will be incurred to both Terminal & OMC's.	Question not clear. However, it is clarified that the required land for setting up of the LPG siding will be allotted on Land Lease Model and the successful bidder is required to pay the licence fee on upfront basis. Railway Haulage and Terminal charges will be realised from consignor/ consignee as per Indian Railway Circular as revised from time to time.
2.	The most likely Minimum Guarantee Throughput (MGT) from us will be: 2.1 Rate of MGT may be: 0-5 years: NIL . 2.2 Rate of MGT may be: 5-10 years: 3 Lakhs Tonne .- it will around 2.8 lakhs tonne. 2.3 Rate of MGT may be: After 10 years: 8 Lakhs Tonne .-It will around 4 lakhs tonne.	In the Land Lease Model, land will be allotted based on highest revenue to the Port considering land rent and minimum guaranteed throughput offered.
3.	Port confirmed charges are Rs. 2,610.00 per wagon for 8 wheeler for haulage charge and Rs. 30 per MT terminal Charge. 3.1 What discount can we get in the mentioned charge during following period: i) 0-5 Years ii) 5-10 Years iii) After 10 Years 3.2 What is the last five years rates of haulage and terminal charges for the wagons. 3.3 What is the frequency of revision in rates of haulage and Terminal charges? 3.4 Are the Locomotive charges for handling of rake is included in these charge? 3.5 If we do more than declared MGT the financial incentive given in haulage and terminal charges?	3.1 Necessary Haulage and Terminal Charges shall be levied by HDC as per the Tariff approved by Railway Board from time to time. 3.2 Last five years rates of Haulage charges of 8 wheeler wagon: (i) 01.04.2014 to 31.03.2015: Rs. 1925.00 (ii) 01.04.2015 to 31.03.2017: Rs. 2195.00 (iii) 01.04.2017 to 29.08.2019 : Rs. 2610.00 (iv) 30.08.19 to till further revision: Rs. 2620 Last five years rates of Terminal charges per tonne: (i) 01.04.2015 to 31.03.2017: Rs. 22.97. (ii) 01.04.2017 to 31.03.2019: Rs. 27.29. (iii) 01.04.2019 to 31.03.2021: Rs. 29.68 3.3 Revision in rates of Terminal charge made by Railway board after 2 years generally. 3.4 One time placement/ withdrawal of wagons by HDC locomotive. 3.5 There will not be any discount in Haulage and Terminal Charge.

4	Will there be any waiting time for locomotive that is to be provided by port once the empty rake arrive & after the rake is loaded for departure?	Detention due to non-availability of Port Locomotive is not envisaged. All efforts will be made for timely placement and withdrawal of wagons.
5.	As confirmed quantity is not given by OMC's for wagon loading. So, in initial phases, the Land prices to be waived off which was requested by both M/s. Aegis & IPPL.	There shall be no waiver in licence fee of Land. Successful bidder is required to pay the licence fee on upfront basis.
6.	Statutory approval: 6.1 Whether NOC's is available on that land LPG wagon loading? 6.2 Soil testing report is available with Port for the Land proposed for LPG wagon Loading? 6.3 The plot plan that we have received we have seen that there is a green belt – what width and depth of the green belt should be provided in the premises of wagon gantry report .	6.1 The statutory approval and necessary permission from Pollution Control Board, PESO, Fire department and other department to be obtained by the Successful bidder . 6.2 Soil test report not available with Port, Soil analysis have to be made by successful bidder. 6.3 Survey report will be provided.
7.	The period of agreement: it should be 30 years from the date of commissioning of wagon gantry and it should not include the period of construction.	The period will be 30 Years from the date of signing of the Agreement. The lease of the land shall be co-terminus with the agreement.
8.	In SR NO 2(A(v)) it is mentioned that 5-6 nos dummy wagons to be provided by successful party but only 2 dummy wagons are required (one at the front and one at the back).	HDC do not maintain flameproof Loco. Therefore, it will be essential to keep sufficient number of dummy wagons by the successful bidder for maintaining desired distance of locomotive from Gantry as per safety norms.
9.	We need a single point contact person from the Port Authority for all matter/ issues pertaining to LPG Wagon Gantry.	Engineer of the Contract will be the nodal person and single point of contact.
10.	Commercial <u>Clause 2 a (vi), 6 iii (a) & (j) : RE : Volume</u> As discussed during the pre-bid, it is very important to understand the volume projection of Oil Marketing companies who are going to be the main user of the facility. This would include the potential receiving locations as well. It is paramount that KoPT obtains a firm volume commitment from IOC, BPC and HPC. Their indicated quantities can be given out by them immediately. This you will appreciate is the basis on which the commercial viability of the project depends. It will be unfair to the bidders if they don't know the business potential.	There shall be no volume commitment under the proposed agreement/ contract. However, the prospective bidders may explore the same under their marketing strategy, if any.

11.	<p><u>Clause 4 : Land Lease Model</u></p> <p>We have always represented that the cost of the land should not be loaded to the project by KoPT as this project will become unviable altogether. KoPT should consider that land in similar light as a jetty. An asset created / contributed by KoPT which in turn facilitates bringing in/ taking out more cargos thus giving more of water front revenue and also the fee that the port can charge from Railway siding users, to be split between the Operator and KoPT. Mind you that the basic cost estimate for this project is a shade under 150 crores without considering the land cost.</p> <p>It is therefore requested that Land to be given for this project by KoPT without any cost.</p>	Land will be given against recovering of upfront premium offered by the Techno-commercially qualified highest bidder and minimum guaranteed throughput offered
12.	<p>Technical <u>Clause 2 a (i)</u></p> <p>a. Reference to location plan, the full rack gantry is to be proposed on single spur/rail track. Kindly confirm whether the bidder shall have an option to propose the gantry on two adjacent spurs (Half rack on each rail track).</p> <p>b. Dimension of the plot (shown in the location plan) and length of the proposed rail track(s) may please be provided for reference.</p>	<p>a. The bidder shall have an option to propose the gantry on two adjacent spurs (Half rack on each rail track).</p> <p>b. Plot dimension will be provided to the bidder.</p> <p>c. In this regard, the area is to adjacent to an open drainage canal (Manasa Tala Khal). Adequate clearances and appropriate steps to be taken for maintaining operation of the canal.</p>
13.	<p><u>Clause 2 a (ii)</u></p> <p>Successful bidder to construct 2 nos. of new rail lines of required length with connection to existing rail line in rail yard as per approval of SE Railway authority. Kindly confirm that approval from SE railway authority is already obtained/shall be obtained by KoPT being owner of the rail facility.</p>	Approval from S. E. Railway, if required, shall be obtained by successful bidder.
14.	<p><u>Clause 2 a (iii)</u></p> <p>Location of the main road to ascertain main approach road and emergency exit road to the proposed facility may please be shown in the location plan.</p>	<p>These roads will be shown in the plan. Approach road and emergency exit road shall be constructed by successful bidder.</p> <p>License fees on the land on which road will be constructed to be borne by successful bidder.</p>
15.	<p><u>Clause 2 c (i)</u></p> <p>In addition to the LPG pipelines; there may be other utility (air, nitrogen, water etc.) pipelines and electrical cables as well for which KoPT shall provide way leave permission. Kindly confirm.</p>	For laying pipelines and electrical cable inside HDC, KoPT area, way leave permission to be taken upon payment of necessary charges by the successful bidder.