

## **EXPRESSION OF INTEREST**

Subject: Request for submission of EXPRESSION OF INTEREST in implementation of RAIL WAGON LOADING GANTRY for LPG inside Haldia Dock Complex on 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.

**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 7<sup>th</sup> 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.

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