

Procurement Notice

The Government of Nepal, through the Ministry of Energy, Water Resources and Irrigation has applied for financing from the Asian Development Bank (ADB) toward the cost of the Terai Mechanized Irrigation Innovation Project (MIIP) under a Design Build and Operate (DBO) contract arrangement whereby the Government intends to apply part of its budgetary allocation to payments under the contract for design, construction, operation and maintenance of:



1. A network of 1,000 publicly-owned tube wells (TW) each irrigating approximately 40 ha of land. The feasibility study carried out by consultants has identified 40,000 ha of land for groundwater irrigation in three high water demand zones in the Sarlahi and Rautahat districts of the Terai Region of Nepal. Each of the 1,000 TW within the command area of about 40 ha will each discharge 40 l/s of water through a network of buried PCV pipes (or equivalent). The Study also proposes introducing a sustainable management, operations and maintenance (MOM) regimen using pre-paid meters, smart card payment operations and telemetering system.

2. A 30 MW capacity Solar PV Power Plant will be installed by the project in the project area at the Bagmati NP of Sarlahi to link with NEA existing power system. Power to the TWs will be provided by dedicated 33 kV distribution supply lines constructed by the contractor but operated by the Nepal Electricity Authority (NEA) through grid provided power from the 30 MW Solar Photovoltaic Power Plant (SPP). Power will be supplied under a Power Purchase Agreement (PPA) and Grid Connection Agreement. The Solar Plant shall be installed at Sarlahi district Bagmati Municipality on the left bank of the river downstream from the Bagmati Highway Bridge. The solar power grid shall be connected by a 2.5 km transmission line to the NEA transmission grid at Karmaiya. The transmission line will be connected to an on-site 132 kV substation.

The DBO contract provides a turnkey design and construction contract for the TWs and the Solar PV Power Plant to the winning bidder. The Solar PV Power Plant design shall include construction of the 30 MW PV Power Plant, 132 kV sub-station, 2.5 km of 132 kV transmission, about 510 km of new 33 kV distribution and transformers. The TW development will include design and construction of 1,000 deep tube wells to specified delivery, a header tank and distribution network with four pre-paid meters.

A maximum of 20-year operating agreement between the Government of Nepal and the winning bidder shall require the winning bidder to operate TWs for the benefit of local irrigators in each of the 3 water demand zones and operate the Solar PV Power Plant. Revenues for TW operation is generated through direct charges to irrigators in the command area based on a

parametric irrigation service fee formula. A pre-paid smart card will be used by farmers to access water. Operation and maintenance will be done by the contractor for all aspects of the water supply, including service the tube wells, pre-paid meter, smart cards and distribution system.

Solar PV Power Plant operating revenues will be under contract between NEA and the winning bidder and shall include all operating costs incurred by the Operator plus an agreed markup based on the parametric solar fee formula.

It is the intent of the Government of Nepal to seek individual expressions of interest from all parties interested in the design, construction and operation of either or both TWs and Solar PV Power Plant under a single or multiple DBO. However, the government would ideally wish to seek consortia of firms for an individual contract to a single entity operating under a Special Purpose Vehicle arrangement.

The Ministry of Energy, Water Resources and Irrigation through the Department of Water Resources and Irrigation now invites eligible contractors to indicate their interest in providing the services. Interested contractors should provide information indicating that they are qualified to perform the services (brochures, description of similar assignments, experience in similar conditions, availability of appropriate skills among staff, etc.). Contractors are encouraged to associate to enhance their qualifications. A contractor will be selected in accordance with the procedures set out by the Asian Development Bank under the ADB Procurement Guidelines dated April 2015. A detailed road-show will be held after sufficient interest has been generated where contractors will be presented with final details of the potential project and a chance to ask questions. Further details will be given to interested parties.

Interested contractors may obtain further information at the address below from 10.00 hrs - to 15.00 hrs Nepal time. Expressions of interest must be delivered to the address below by email.

Project Director

Water Resources Project Preparation Facility

Department of Water Resources and Irrigation

Lalitpur, Nepal

Email: wppf.doi@gmail.com, trevbeau@gmail.com

Tel: +977 +977 5536657 (WRPPF Office), +977 9851125575 (Mr. Ajay Adhikari, Deputy Project Director, WRPPF), +977 9818852026 (Mr. Trevor Beaumont, Consultant Team Leader)