

MADHYA PRADESH ELECTRICITY REGULATORY COMMISSION

5TH Floor Metro Plaza, Bittan Market, Bhopal - 462 016



**Request for Proposal (Bids) from Empanelled Consultants
for providing “Consultancy support in framing Guidelines
for Capital Expenditure by Licensees”**

REQUEST FOR PROPOSAL (BID)

1. INTRODUCTION:

- I. The Commission vide public notice dated 26.02.2021 invited the Request For Proposal/ Bid for empanelment of consultants to provide Consultancy support for various Tasks/Assignments. The Commission, thereafter, shortlisted the eligible bidders after evaluation of proposals received and issued letter of Intent (LoI) for their acceptance and, thereafter executed the agreement for a duration of 3 years which shall be extendable for a further period of 2 years on mutually agreed terms & conditions. The empaneled Consultants having executed Agreements with the Commission have thus accepted all terms and conditions of the RFP bid document dated 26.02.2021 including the scope of work and tasks mentioned in clause 9 of the RFP bid document. In pursuance to clause 14 of the aforesaid bid document dated 26.02.2021, this RFP bid is being issued by the Commission for seeking techno-commercial proposal from empaneled consultants for awarding specific tasks as specified in following paragraphs.
- II. As per Section 61 of the Electricity Act, 2003, the Commission has the power to specify the terms and conditions for the determination of tariff and in doing so it is required to be guided by number of factors which include economical use of the resources, good performance and optimum investments. The Commission had specified “Guidelines for Capital expenditure by licensees in Madhya Pradesh” under the provisions of Regulation 10.3 of MPERC (The Conditions of Distribution License for Distribution Licensee (including Deemed Licensee) 2004 and 10.3 of MPERC (The Conditions of Transmission License for Transmission Licensee (Including Deemed Licensee)), 2004 respectively. The existing Capex Guidelines were issued in the year, 2005 based on the situation of the power sector at that point of time. Power sector has come a long way since then. While transmission projects are being taken up in TBCB (Tarif Based Competitive Bidding) mode. Distribution projects have new modes of execution such as OPEX/TOTEX. Under these new modes, it is more important that the financial benefits accrued by the projects are able to service

revenue streams committed to bidders/developers. At the same time Licensees are required to meet new set of statutory and mandatory provisions laid down by way of Rules and Regulations of Central Government/BEE/CEA/CERC and MPERC. Licensees are bound to take up capital works to fulfill mandatory requirements. Hence, the Commission has decided to frame new Guidelines for Capital Expenditure which will address the issues as per the current and dynamic scenario of power sector. Accordingly, RFP is issued to seek proposal from consultants empanelled with the Commission.

2. SCOPE OF WORK

The broad scope of proposed assignment is as under:

- i. Review of existing Guidelines for Capital Expenditure, which is annexed at A-1.
- ii. Review and analysis of Capex Approval Guidelines/Regulations/Framework followed in other States.
- iii. Analysis of issues/ scope for improvement in existing Capital Investment Guidelines including but not limited to the followings:-
 - a. Scope for in-principle approval and final approval and time frame thereof under MYT framework.
 - b. Evaluation Framework and criteria– technical, financial, and legal;
 - c. Approach for Capex / investment analysis, National and International Best Practices, (Literature survey of related Capex Orders / Capex analysis /approval process);
 - d. Formats for seeking information /data of project/schemes;
 - e. Details to be submitted as part of DPR/Proposal:- inter-alia, project/ scheme details, prioritisation, assessment of Least-cost option, cost-benefit analysis, payback period, IRR, Details of measurable benefits /outcome milestones and monitoring mechanism within the licensee company to evaluate benefits actually accrued against projected benefits, details of statutory requirement, Management/Board approval for Schemes, details of competitive procurement process followed, contingency/overheads, etc;
 - f. Treatment of Schemes partly/fully funded by Subsidy/Grant/Consumer Contribution;
 - g. Treatment of Time/Cost Overrun;
 - h. Situations where post-facto approval can be sought;
 - i. Periodic compliances to be submitted after approval and before asset is put to use.
- iv. Preparation of Draft Guidelines
- v. Analysis of the comments and suggestions received on the Draft Guidelines.
- vi. Finalization of Draft guidelines.

The proposed assignment should be completed within four months from the date of award of contract as per following time line:-

Sr. No	Activity	Time line
1	<ul style="list-style-type: none"> Review of existing Guidelines Review and analysis of Capex Approval Guidelines/Regulations/framework followed in other States. 	30 days from the date of Letter of Award
2	<ul style="list-style-type: none"> Analysis of issues/ scope for improvement in existing Capital Investment Guidelines 	30 days from the date of completion of activity 1 (Sr. no. 1)
3	<ul style="list-style-type: none"> Preparation of Draft Guidelines 	30 days from the date of completion of activity 2 (Sr. no. 2)
4	<ul style="list-style-type: none"> Analysis of the comments and suggestions received on the Draft Guidelines. Finalization of Draft guidelines. 	30 days from the date of completion of activity 3 (Sr. no. 3)

3. BID SCHEDULE:

a) The Commission has specified following schedule for various activities:-

<u>ACTIVITY</u>	<u>COMPLETION DATE/TIME</u>
1. Issue of Bid document	- 22 February, 2024
2. Receipt of bid proposals	- 15:00 Hours of 07 March, 2024
3. Opening of technical portion of bids	- 16:00 Hours of 11 March 2024
4. Opening of price portion of bids	- 17:00 hours of 20 March 2024

- b) The Commission reserves the right to extend any of the aforementioned scheduled date, if deemed necessary.
- c) The Commission at its discretion may cancel the above process at any point of time before award of the Contract without assigning any reason to it.

4. Bidding procedures :

4.1 The Empanelled consultants are requested to submit separate technical and price (financial) bids for “**providing Consultancy support for framing Guidelines for Capital expenditures by licensees**” in superscribed and separate sealed envelopes. The Empanelled consultants are also requested that the price (financial) bid should mention the total amount (including of all applicable taxes) in desired format.

Both the envelopes shall be placed in an outer envelope and sealed. The bids shall be typed or written with indelible ink.

- i. Any signing of bids by authorised representative of the Empanelled consultants should be supported by a written power of attorney from Board of Directors/ Partners / proprietors as the case may be.
- ii. The person signing the bids must initial any correction / overwriting.
- iii. All the pages of Bid document should be in numbered, signed and stamped by the authorised representative of the Empanelled consultants.

5. AMENDMENT IN DOCUMENT:

- 5.1 At any time prior to the deadline for submission of the bid (proposals) or extended date, if deemed necessary, the Commission reserves the right to add / modify / delete any portion of this document by issue of an amendment, which shall be intimated accordingly. The amendment shall be binding on all the bidders.
- 5.2 In such eventualities, the Commission may allow additional time for modification of the Bids to the Bidders. Accordingly, the schedule at Clause 3 (a) as indicated above, shall be modified suitably.
- 5.3 Interested empanelled consultants may submit their offer to carry out the task as detailed in scope of work in this document so as to reach the Commission's office by **15:00 hours on 7 March, 2024** in separate sealed covers for techno-financial bids, placed in an outer sealed envelope, on the following address:

**Secretary,
M.P. Electricity Regulatory Commission,
5th Floor, Metro Plaza, Bittan Market,
Bhopal – 462 016 (M.P).**

- 5.4 Bids received after the aforesaid specified date/time shall not be entertained. However, the Commission shall have the option of retaining / returning all bid documents received including those received after the scheduled time as indicated above. The Commission shall not be responsible for any delay / loss / non-receipt of the documents due to error in the in transit i.e. by post, courier or any other means.

6. PREPARATION OF BIDS BY THE BIDDER

- 6.1 The Bidder should study the Scope of Work thoroughly and accordingly is required to furnish the details as per evaluation criteria indicated in this document.

- 6.2 The Bidder must submit curriculum vitae (CV) of manpower to be deployed for the assignment duly signed by the proposed key professional staff or an authorized competent person of the Bidder. Key information should include years with the firm, professional qualification and degree of responsibility held in various assignments during the past five years only. The resource persons should be drawn from the list of consultants submitted before the Commission in their bid proposal in response to RFP /Bid dated 26.02.2021. In case of any change, the justification for the same must be given and the equivalent qualification /experience shall be desirable.
- 6.3 The Formats enclosed with this document must be duly filled and submitted along with the Bid.

7. OPENING OF BIDS

- I. The Commission shall appoint a Committee of at least two officers for opening of bids. One of the two members has to necessarily be the Secretary of the Commission.
- II. The Bids received up to the specified time and date, shall be opened by the Committee on the due date and time in presence of the Bidders who wish to participate.

8. PROCESS FOR AWARDING SPECIFIC TASKS TO THE EMPANELLED CONSULTANTS

8.1 The selection of the Consultants for awarding the task/ assignments shall be based on the composite scores for the task /assignments and it would comprise technical weighted@75% and Financial weighted@25%. Bidding process among empanelled consultants shall be based on Quality & cost based selection (QCBC) while selecting final Consultancy firm for the task /assignments wherein firms will be allotted marks based on the following:

- i. Technical (75 marks):
 - Expertise of Resources proposed for the specific task /assignment (Qualification & Experience) –15 Marks
 - Assignment of similar nature undertaken by the proposed resource – 20 Marks
 - PPT : understanding and proposed methodology /work plan – 40 Marks

Minimum 50 marks are mandatory to qualify technical scrutiny. Only Technically qualified bidders shall be considered for next process.

- ii. Financial (25 marks)

- Lowest total cost of the work (total task/assignment) amongst technically qualified bidders will get 25 marks.
 - All other technically qualified bidders will get proportionate marks with reference to their total cost vis-à-vis lowest cost.
- iii. Firms getting highest composite score (Technical + Financial) will be selected as successful bidder

8.2 The Commission reserves the right to reject any bid without assigning the reason. The bidder shall be required to disclose conflict of interest if any in the bid clearly. The Commission shall be at liberty to reject the bid or terminate the contract at any stage without any liability, if such conflict of interest for any Task/Assignment comes to its knowledge. The decision of the Commission on whether or not conflict of interest is involved, shall be final and binding.

9. DEVIATIONS:

The Bidder must ensure that Technical Offers submitted for tasks /assignments under this bid should satisfy all the Terms and Conditions specified in the RFP Bid document dated 26th February, 2021 In case of any deviations from the RFP bid document dated 26th February, 2021, the Bidder shall specifically bring out the same in writing along with cogent reasons for such deviation. The Commission reserves the right to reject any such proposals involving deviations, without assigning any reason.

10. AWARD OF CONTRACT

- 10.1. The successful Bidder shall be required to furnish a “Performance Bank Guarantee” equal to 10% of the price of contract towards faithful performance of the contract, through a D.D. drawn on a Nationalised Bank /Private Sector Bank at Bhopal in favour of ‘M.P. Electricity Regulatory Commission, Bhopal’ within the time limit fixed by the Commission, which shall be refunded without any interest, after successful completion of the assignment to the satisfaction of the Commission. Security in any other form shall not be accepted.
- 10.2. In case of failure of the Consultant to comply with the above requirement within the prescribed time limit, the Commission shall be free to counter offer the next lowest eligible party for awarding the contract and forfeit the earnest money deposit of the defaulting bidder.
- 10.3. Any subsequent and repeated default may attract additional penal consequences including review / rejection of empanelment of such defaulting Consultants.
- 10.4. The Bidder is required to nominate a Project Director for assignment who shall interact with the Commission, or the Officer designated by the Commission on regular basis during the consultancy period.
- 10.5. The Consultant is obligated to assign one resource person on dedicated basis for working on the assignment. The Consultant has the flexibility to work in hybrid mode (virtual /physical mode)

as per need of assignment. However, the Consultant shall ensure that dedicated resource person will be available continuously for any discussions or presentations as directed by the Commission. In case dedicated person fails to respond to the calls from officers of the Commission for virtual meeting/discussion, notice of default shall be issued by the Secretary of the Commission. After 3 instances of such default, the Commission may proceed for termination of contract as per clause 14.

10.6. The Consultant should ensure that the resource person proposed for this assignment should not be involved in more than one ongoing assignment simultaneously.

10.7. The Commission shall provide requisite office space to the consultants, but the arrangements for their residential accommodation shall be made by the Consultants.

11. PAYMENT

Payment to the consultant after award of assignment would be made subject to submission of bills along with deliverables as specified in work order. The work shall have to be completed as per agreed timelines between the Commission and the Consultant. Any deviation from the timelines shall have to be explained by the Consultant to the satisfaction of the Commission and in the event of failure to meet the agreed timelines without any adequate and sufficient reasons, the Commission shall be at liberty to impose penalty for delay in execution of work. However, the total penalty that may be imposed shall not exceed the total amount deposited on account of performance guarantee.

Payment milestone are as under -

Payment Milestones:

The schedule of payment to the bidder is as under;

1. 10% of the contract value of the assignment after completion of Activity 1 as per scope of work.
2. 20% of the contract value of the assignment after completion of Activity 2 as per scope of work.
3. 30% of the contract value of the assignment after submission of Draft Guidelines as per activity 3 of scope of work
4. 40% of the contract value of the assignment after submission of final guidelines as per scope of work and accepted by the Commission as per activity 4 of scope of work.

12. TAXES AND DUTIES

The Consultant shall pay the taxes, duties, fees, levies and other impositions levied under the existing, amended or enacted laws during life of this contract. The payment to the Consultant shall be made by the Commission after the deduction of tax at source in accordance with law for the time being in force, the amount of which is deemed to have been included in the total Contract Price.

13. DESCRIPTION OF THE SERVICES

The Consultant shall perform the Services and complete the assignment/task as per the schedule of work issued by the Commission through the work order.

14. TERMINATION OF AGREEMENT

The Commission may terminate the contract if:

- i. Dedicated resource person does not respond to the officers of the Commission for virtual/ physical meeting/discussion, as the case may be.
- ii. The Consultant is not timely performing the assigned works.
- iii. Quality of the assigned works is not to the satisfaction of the Commission.
- iv. The Consultant repeatedly fails to achieve the milestones and meet the timelines as decided by the Commission.
- v. The Consultant commits any material or persistent breach of its obligations under the contract (which, in the case of a breach capable of remedy, shall not have been remedied within 15 days of intimation), or Team members of the Consultant are found lacking in honesty and integrity;
- vi. The Consultant becomes insolvent.

The Commission reserves the right to terminate the contract, by giving fifteen days' notice to the Consultant. Termination shall be effective after 15 days of written notice having been served on the Consultant either through email or through Registered post/ Speed Post/Courier. In such event, the performance guarantee shall stand forfeited. The termination will be without prejudice to either party's rights accrued before termination.

15. LIQUIDATED DAMAGES:

- 15.1. For delay: If the Consultant fails to complete the allotted work within the prescribed time period, **as per clause 2 of this RFP**, the Commission may levy liquidated damages at the rate of 10 % of the cost of assignment.
- 15.2. For errors / mistakes: If the Consultant commits any errors / mistakes in the allotted work, the Commission may levy liquidated damages at the rate of 10 % of the cost of assignment.

16. MISCELLANEOUS

- 16.1. If the Consultant fails to execute the work under contract agreement within stipulated time schedule as per scope of work and in the manner indicated in the methodology and work plan, the Commission may consider getting the work done through alternate resources at the risk and cost of the defaulting consultant.
- 16.2. The Commission is neither under any obligation to select any Bidder nor to give any reason for selecting any Bidder. The Commission is also under no obligation to proceed with the work or any part thereof.

- 16.3. The Commission reserves the right to award the total assignment or to delete any part of the assignment without assigning any reason. Payments shall be made according as per clause 11 of this document subject to deliverables. The Commission also reserves the right to reject any or all the bids without assigning any reason.
- 16.4. Failure to provide all information or concealing any information / material facts required in the process to award the contract shall be at Bidder's own risk and may result in to rejection of the proposal / bid / contract.
- 16.5. Any dispute in the matter shall be subject to jurisdiction of Civil Court of Bhopal, Madhya Pradesh.
- 16.6. Bidder should clearly indicate that he is not presently blacklisted by any of the Govt. organisation/Commission.
- 16.7. The bidder shall necessarily enclose **a check list** referring to page no. of requisite enclosures, formats and other compliances stated in this document.

FORMAT 1 :

A brief description of assignments of similar nature carried out in the last 5 years.

Date: _____

FROM:

TO: The Secretary
MPERC, Bhopal

A. Relevant Assignments carried out in the last 5 years
(The following information should be given in respect of each assignment separately.)

1. Title of assignment
2. Objective of assignment
3. Narrative description of the assignment.
4. Name of the client
5. Address
6. Commencement and completion of the assignment
7. Number of man months as well as the duration period for completion of assignment
8. Outcome of the assignment.
9. Contract value of the assignment
10. Any other relevant information.

Yours faithfully,

Signature _____

Full Name _____

Designation _____ Address _____

FORMAT 2 :

List of the resource persons proposed for Assignment

1. Project Personnel

Sr. No.	Name	Positions held in the Bidding Firm/ assignment	Qualification from Graduation onwards	Total years of experience since competition of graduation	Relevant experience in last 5 years	Number of years in bidding firm
1						
2						
3						
4						
5						

FORMAT 3 :

Qualifications, Experience and Competence of the resource persons assigned for the Assignment

Format of Curriculum Vitae (CV) for Consultant proposed for the Assignment (separate sheet for each Consultant)

Name:

Name of Firm:

Profession:

Age & Date of Birth:

No. of Years with Firm:

Membership of Professional Societies:

Detailed Tasks Assigned:

Key Qualifications:

(Give an outline of staff members' experience and training most pertinent to the tasks on assignment. Describe degree of responsibility held by each staff member on relevant previous assignment and give dates and locations. Use up to half a page)

Education:

(Summarize College/University and other specialized education of each staff member, giving names of schools, dates attended and degrees obtained).

Employment Record

(Starting with present position, list in reverse order every employment held. List all positions held by the staff members since graduation, giving dates, name of employing organization, title of positions held and location of assignments. For experience in the last ten years, also give types of activities performed and Client references, where appropriate. Use up to three - quarter of a page).

Experience in Utility Business: Position held, Nature of work, Highlights/ Achievements.

Certification:

I, the undersigned, certify that, to the best of my knowledge this bio-data correctly describes myself, my qualifications and my experience.

Signature of Staff Member

Date:

It is certified that the concerned person is a full time employee of the Firm. Signature of authorised Official from the Firm (with name and designation)

FORMAT 4

Financial Proposal

Name and address of the bidder:

Scope of the Assignment	Total Amount in figures (with all applicable Taxes) (in Rs)
Consultancy support in framing Guidelines for Capital Expenditure by Licensees	
<i>Total amount in words in Rs. :</i>	

.....
**(Signatures of the Authorized
Signatory) Date:
Name & designation:
Address**