



MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
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Expression of Interest (EOI) from Consultancy Firms /
Institutions for Empanelment with MERC
for Assisting in various Technical tasks

Maharashtra Electricity Regulatory Commission (MERC) under Section 86 of the Electricity Act, 2003 (EA 2003) undertakes various functions, mainly determination of tariff for generation, transmission and wheeling of electricity, bulk or retail supply of electricity, as the case may be, within the State of Maharashtra, to regulate electricity purchase and procurement process of Distribution Licensees and issue Licences to persons seeking to act as Transmission Licensee, Distribution Licensee, and electricity Traders, and promote cogeneration and generation of electricity from renewable sources of energy.

MERC intends to empanel technically qualified and professionally managed Consultancy Firms/Institutions to assist the Commission for discharging its functions effectively. The task areas for which MERC is seeking empanelment are as under;

- TASK-I:** Tariff Determination
TASK-II: Review & Amendment of Regulations
TASK-III: Energy Efficiency and Demand Side Management
TASK-IV: Cogeneration and Generation of electricity from renewable sources
TASK-V: Issuing Licences for transmission, distribution and trading of electricity
TASK-VI: To discharge other functions assigned under EA 2003 and specify standards for quality service by licensee
TASK-VII: Capacity Building in Electricity Regulations

Description of each tasks under each of the above mentioned work areas, qualification required, EOI submission format and procedure as well as EOI evaluation methodology is provided in the “Detailed Expression of Interest Document” available on MERC’s website (www.mercindia.org.in) a hard copy of the “Detailed Expression of Interest Document” can be collected from MERC’s office at the address mentioned above on payment of Rs **100/-** by Demand Draft (drawn in favour of “Maharashtra Electricity Regulatory Commission, Mumbai”).

The interested Consultancy Firms / Institutions may submit EOI latest by, **on or before 15.07.2009, 16:00 hrs.**

(P.B. Patil)
Secretary, MERC
June 1, 2009

Detailed Expression of Interest Document

Expression of Interest (EOI) from Consultancy Firms/Institutions for Empanelment with MERC for Assisting in various Technical tasks

1. INTRODUCTION

Maharashtra Electricity Regulatory Commission (MERC) was established on August 5, 1999 under the Electricity Regulatory Commission Act, 1998, a Central Act which was superseded by Electricity Act, 2003 (EA 2003). The Commission under Section 86 of the EA 2003 undertakes various functions, such as, determination of tariff for generation, transmission and wheeling of electricity; bulk or retail supply of electricity, as the case may be, within the State of Maharashtra; regulate electricity purchase and procurement process of Distribution Licensees; issue Licences for Transmission, Distribution, and Trading of electricity and promote generation /co-generation of electricity from renewable sources of energy.

MERC intends to empanel technically qualified and professionally managed Consultancy Firms/Institutions to assist the Commission for discharging its functions effectively for the tasks listed under Section 2.

2. List of Technical Tasks undertaken by MERC

The List of tasks of MERC, which are proposed to be assigned to the Consultancy Firms/Institutions is as under:

TASK-I: Tariff Determination

1. Multi-Year Tariff (MYT) determination of the following Generating Companies for the Control Period (FY 2010-11 to FY 2014-15):
 - a. Maharashtra State Power Generating Company Limited (MSPGCL)
 - b. The Tata Power Company Limited, Generation Business (TPC-G)
 - c. Reliance Infrastructure Limited , Generation Business (RInfra-G)

2. Multi-Year Tariff (MYT) determination of the following Transmission Licensees for the Control Period (FY 2010-11 to FY 2014-15):
 - a. Maharashtra State Electricity Transmission Company Limited (MSETCL)
 - b. The Tata Power Company Limited, Transmission Business (TPC-T)
 - c. Reliance Infrastructure Limited , Transmission Business (RInfra-T)
 - d. Jaigad Power Transco Limited
 - e. Any other Transmission Licensee operating in the State of Maharashtra
 - f. Transmission Pricing of Intra-State Transmission System (InSTS) of Maharashtra

3. Approval of Budget for MYT Control Period (FY 2010-11 to FY 2014-15) of the Maharashtra State Load Despatch Centre (MSLDC)
4. Multi-Year Tariff (MYT) determination of following Distribution Licensees for the Control Period (FY 2010-11 to FY 2014-15):
 - a. Maharashtra State Electricity Distribution Company Limited (MSEDCL)
 - b. Reliance Infrastructure Limited, Distribution Business (RInfra-D)
 - c. The Brihan-Mumbai Electric Supply & Transport Undertaking (BEST)
 - d. The Tata Power Company Limited, Distribution Business (TPC-D)
 - e. Mula Pravara Electric Cooperative Society Limited (MPECS)
5. Annual Performance Review (APR), determination of Annual Revenue Requirement (ARR) and Tariff determination for every year in respect of Utilities listed at 1,2,3 & 4 above within the over-arching principles laid down in the five year MYT Regime **if required**.
6. Determination of Tariff for New Thermal Generating Units
7. Determination of Tariff for New Hydro Power Plants
8. Vetting of levy of Fuel Adjustment Charges (FAC) by Distribution Licensees/Generating Companies.

TASK-II: Review & Amendment of Regulations

1. Amendment of MERC (Terms and Conditions of Tariff), Regulations, 2005 in consistency with CERC (Terms and Conditions of Tariff) Regulations, 2009 issued by CERC for FY 2009-14 and in view of MYT Control Period of 5 years.
2. Evaluation of Capital Expenditure (Capex) schemes submitted by Generating Companies, Transmission and Distribution Licensees.
3. Review and amendment of various existing Regulations (Other than Tariff Regulations) notified by the Commission, if required

TASK-III: Energy Efficiency and Demand Side Management

1. Framing of Guidelines for Demand Side Management/Energy Efficiency measures in respect of use of electricity in the Rural and Agricultural Sectors.
2. Framing of Regulations/Initiation of Regulatory measures to facilitate / nudge the implementation of the Guidelines/Programmes of the Bureau of Energy Efficiency in the State of Maharashtra.
3. Framing of Guidelines for Demand Side Management/Energy Efficiency measures for water pumping, sewerage and street lighting by Urban Local Bodies of Maharashtra with ESCO arrangement

TASK-IV: Cogeneration and Generation of electricity from renewable sources

1. Revisiting of existing Tariff Orders of Wind Energy, Small Hydro and Bagasse based Cogenerating units
2. Restructuring of Renewable Purchase Specification (RPS) and its enforcement
3. Feasibility Study of availing Open Access by customers having Contract Demand of 1 MVA and above.

TASK-V: Issuing Licences for transmission, distribution and trading of electricity

1. Processing of application for new Transmission, Distribution and Trading Licence
2. Framing and resolving of legal issues related to deemed Distribution Licensee status and conditions of licence applicable to Appropriate Government companies defined under Section 14 of EA 2003.

TASK-VI: To Discharge other functions assigned under Electricity Act 2003 and specify standards for quality of service by licensees

1. Third Party Energy Audit as per National Electricity Policy (NEP)
2. Third party meter testing arrangement as per NEP
3. Audit of Generation Company's and Licensee's regulated business accounts as per Maharashtra Electricity Regulatory Commission (Uniform Recording, Maintenance and Reporting of Information) Regulations, 2009
4. Prudence check for the implemented/executed capital expenditure schemes for all electrical utilities in the state of Maharashtra by Govt. Authority/Institutions.
5. Framing of Methodology for Demand Forecast for Distribution Licensee's supply area in the State of Maharashtra
6. Compliance Monitoring of directives issued by the Commission in various Orders, Tariff Orders on Monthly, Quarterly basis inclusive of all interactions and feedback discussions regarding the same.
7. Review of new issues and revisions of Scheduling and Despatch Code, Metering Code etc. and various Codes and Procedures brought out by STU and State level bodies.
8. Review of performance of Generating Companies and Transmission and Distribution Licensees against standard criteria and setting of performance indices.

TASK-VII: Capacity Building in Electricity Regulation

1. Training and capacity building for permanent employees of the MERC

3. Eligibility & Qualification criteria

The Consultancy Firm/Institution intending to empanel for such above mentioned tasks should fulfill the following eligibility criteria and shall provide satisfactory evidence towards the following:

- a) Shall be Consultancy Firm or Institution (including educational institution such as IIT, NABL accredited Government Laboratory in case of third party meter testing, etc.) which has key personnel on its payroll, having proven records of accomplishment in the above field with minimum two years experience in the similar task areas listed under Section 2.
- b) The Consultancy firm or the Institution shall be well acquainted with the Regulatory environment in the power sector, and functioning of Utility/ Central or State Electricity Companies/ Central or State Electricity Regulatory Commissions (CERC/SERCs), and possess experience in dealing with such similar matters on a wide range.
- c) In case of Task-I, Tariff Determination. : The concerned personnel of the Consulting firm or the Institution should have completed at least one assignment in the past, of preparation or determination of tariff proposals on behalf of licensees / Power Utilities, or, should have experience of analyzing the tariff proposals filed to the CERC/ SERCs by the utilities. Bidder is required to submit documentary evidences in support of having completed such jobs.
- d) Personnel of Consultancy Firm/ Institution should be Graduate/Post Graduate in the relevant disciplines and additionally may have MBA/ICWA/CA or Law qualifications related to tasks which are to be performed and shall be technically sound with practical knowledge in performing various assigned tasks.
- e) The Consultancy Firm/Institution shall have adequate technical and financial capability to undertake such tasks as per terms of reference provided to them considering various steps to be performed from the inception to the completion within the time frame prescribed by MERC.
- f) Shall have an appropriate team or individuals, with majority of the proposed key resources being full time employees with requisite skills to carry out the tasks within the time frame prescribed by MERC.
- g) Consultancy firm/ Institution should furnish copies of certificate of registration as services firm and PAN, and service tax registration.

4. Submission of EOI Bid and Bidding Procedure

4.1.The Consultancy Firm/ Institution qualifying under the above criteria shall submit only technical pre-qualification bid in a sealed cover containing documents in support of the eligibility criteria as mentioned above along with the following documents:

- a) Expression of Interest Proforma-Form-I
- b) Details of similar task areas performed –Form-II
- c) Details of Broad Methodology and Work Plan proposed-Form-III
- d) Details of Educational Qualification and Experience of Key Personnel/Firm–
Form IV
- e) Last 3 years balance sheet/audited statements of Accounts
- f) Service tax registration certificate
- g) Details of the key personnel which are proposed to handle the tasks with their
Bio-data in brief mentioning their experience in similar tasks done earlier.
Details of external experts with complete qualification and experience profile
if required.

In case the Consultancy firm/Institution does not have key personnel for all tasks of areas listed under Section 2, it should clearly mention the same under “Deviations” para in the submission and the MERC shall have the right to reject the application or to consider the bidder for empanelment for limited tasks which are to be performed.

The bidder in addition to furnishing complete information in the Forms appended with the documents shall furnish a complete document on the proposed broad approach; methodology & work plan for rendering the tasks to be empanelled. The work plan shall include full justification for procedures to be adopted. An indicative time schedule for carrying out each element of the tasks should also be submitted.

4.2. EOI Bid

- Documents in support of the eligibility criteria mentioned above
- A brief note on the proposed methodology of task
- Details of Technical/Managerial capability of Key Personnel. C.V.s of the key personnel to be engaged for the task should be made available for assessment.

4.3. Evaluation of EOIs

MERC will identify the suitable bidders based on evaluation of the technical pre-qualification bid and if considered necessary, may also call for technical discussion/presentations from the identified bidders. Based on the discussions/presentations and other technical factors including methodology in respect of transfer of knowledge to the staff of the Commission, the bidders would be short listed.

The Evaluation Committee nominated by the Commission shall evaluate the technical bids on the basis of the response of the bidders taking into account the following criteria. The technical bid will carry maximum marks/weight-age of 100.

Sr No	Particulars	Weight-age
1	Assignment related experience of the bidder	40%
2	Adequacy/quality of the proposed work plan and its methodology/technical discussion	30%
3	Qualification and competency of the key staff for the assignment	20%
4	Proposed methodology in respect of transfer of knowledge to the staff of the Commission	10%

After scrutiny and evaluation of technical pre-qualification bids, reasonable number of bidders, as approved by MERC from amongst those who have scored minimum 60 marks as per the criteria laid down above, shall be shortlisted for Request for Proposal (RFP) bid.

- 4.4. MERC reserves the right to reject any/all the bids (EOI) in part/or in full without assigning any reason.
- 4.5. The validity of empanelment of Consultancy Firm/Institution shall be minimum for 3 years which can be extended upto five years on the basis of re-evaluation of the tasks performed by the Consultancy Firms/Institutions during its first phase of three (3) years.
- 4.6. MERC reserves right to empanel other consultancy Firms/Institutions, based on the tasks that may arise in the mid-term and outside of the purview of this EOI.
- 4.7. The Consultancy Firm/Institution, so empanelled, shall assist the Commission in identifying the necessary alterations and modifications required in the tariff Petition to bring it in conformity with the provisions of the Act and Rules/Regulations, and also the additional data gap/ information or clarifications needed, including that necessary to move towards cost-to-serve, etc. The Consultancy Firm/Institution shall assist the Commission in Technical Validation, with the participation of the

authorized consumer representatives, that may involve discussions or hearings with Distribution, Transmission utilities and Generation Companies regarding further alterations and modifications to their proposal in accordance with the provisions of the Act and the Regulations, and to identify further processing, data gaps/information and/or clarification that may be required. The Commission may conduct further Public Hearings in the matter of Tariff/Multi Year Tariff determination after receipt of proposal envisaged. The documents approved after Technical Validation Session along with the tariff proposal shall be made available to the public to submit objections and suggestions. On analysis of the tariff proposal, the Consultancy Firm/Institution shall present before the Commission, the issues involved, before public hearing, and will have internal meetings with the Commission for understanding the philosophy and the baseline for both the Fixed cost and Variable Cost with various incentives prevailing to develop a framework for determination of tariff rates for various categories of Consumers.

4.8. Without the express written consent of the Commission, the Consultancy Firm/Institution appointed by the Commission shall not utilise, publish, disclose, or part with any information collected for the Commission and the Firm/Institution shall be duty bound to hand over the entire record of the assignment to the Commission before the expiry of the contract

5. Last date for submission of EOIs:

The final bids complete in all respects are required to be submitted by **latest by on or before 15.07.2009, 16:00 hrs.**

Deadline of submission: 15.07.2009 (16:00 hrs)

(P.B. Patil)
Secretary, MERC
June 1, 2009

FORM-I
EOI Letter Proforma

To,
Secretary
Maharashtra Electricity Regulatory Commission
13th floor, Centre No.1, World Trade Centre,
Cuffe Parade, Mumbai-400 005

Sub: Empanelment of Consultancy Firms/Institutions for Assisting MERC in its various tasks

Sir,

The undersigned Consultancy Firm/Institution having read and examined in detail all the EOI documents for empanelment of various tasks to be undertaken

2. Correspondence details:

- a) Name of Consultancy Firm/Institution
- b) Address
- c) Name of contact person to whom all references shall be made
- d) Address of the person to whom all references shall be made regarding this tender
- e) Telephone (with STD code)
- f) Mobile No. of the contact person
- g) Email of the contact person
- h) Fax No (with STD code)

3. Documents forming part of EOI

We have enclosed the followings;

- a) Details of similar tasks performed –Form-II
- b) Details of Financial Status of the bidder-Form-III
- c) Details of Methodology and Work Plan proposed-Form-IV
- d) Details of educational qualification and experience of key personnel–Form V
- e) Last 3 years balance sheet/audited statements of Accounts
- f) Income Tax registration and income tax clearance
- g) Service tax registration certificate
- h) Details of the key personnel which are proposed to handle the task with their Bio-data in brief mentioning their experience in similar tasks done earlier. Details of external experts with complete qualification and experience profile if required.

We hereby declare that our EOI is made in good faith and the information contained is true and correct to the best of our knowledge and belief.

Thanking you,

(Signature)

Name & Seal

Address & Date

FORM-II
Details of Similar Tasks Performed IN LAST TWO YEARS

(Using the format below, provide information on each reference assignment for which your firm/entity, either individually or as a corporate entity or as one of the major companies within an association, was legally contracted)

1. Name of Consultancy Firm/Institution: _____
Address _____

(a) Name of assignment:

(b) Location within the Country:

(c) Name of client and address:

(d) Name of associated consultants/ firms employed, if any:

(e) Duration of assignment:

(i) Start (Month/Year):

(ii) Completion (Month/Year) :

(f) Approx. value in Indian Rupees:

(g) Name of senior staff (Project Director/Coordinator/Team Leader involved and functions performed.

(i)

(ii)

(iii)

(h) Professional staff employed (Give profile in brief):

(i) Narrative description of the project (in brief)

(j) Description of methodology & work plan for performing the assignment.

(Authorized Signatory)

(Name & Title of Signatory)

Name and Address of the Firm/Institution

FORM-III
DETAILS OF THE METHODOLOGY AND WORK PLAN FOR PERFORMING
THE TASK/ASSIGNMENT

(Authorized Signatory)
(Name & Title of Signatory)
Name and Address of the Firm/Institution

FORM-IV
Details of Educational Qualification and Experience of Key Personnel

Proposed Position:

Name of Firm/Institution:

Profession:

Date of Birth:

Years with Firm:

Membership of Professional Societies:

Detailed Tasks Assigned:

Key Qualifications:

(Give an outline of key personnel experience and training most pertinent to the tasks on assignment. Describe degree of responsibility held by each key personnel 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 key personnel, giving names of schools, dates attended and degrees obtained. Use up to a quarter page).

Employment Record:

(Starting with present position, list in reverse order every employment held. List all positions held by the staff members since graduation, giving dated, 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).

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 key personnel

Date:

Signature of authorized Official from the firm/Institution

Composition of the Key Personnel in the Consultancy Firm/Institution

Sr.No.	Name	Position	Responsibility	Proposed Duration on the Task (days)
1				
2				
3				
4				
5				

(Authorized Signatory)

(Name & Title of Signatory)

Name and Address of the Firm/Institution