

**Detailed Expression of Interest Document**  
**For**  
**Empanelment of External Independent Agency / Consulting Firm for Assets verification of Transmission Licensees in Maharashtra State in accordance with Orders issued by the Commission.**

**1) Introduction:-**

The Maharashtra Electricity Regulatory Commission (MERC) was established on 5 August, 1999 under the Electricity Regulatory Commissions Act, 1998, a Central Act which was superseded by Electricity Act, 2003 (EA 2003).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; regulation of electricity purchase and procurement process of Distribution Licensees; issue of Licences for Transmission, Distribution, and Trading of electricity and promotion of generation /co-generation of electricity from renewable sources of energy.

**2) Background of the task of asset verification:-**

Presently there are 9 Transmission Licences working as a part of Intra State Transmission System (InSTS) of Maharashtra as detailed out below;

1. MSETCL – Deemed Transmission Licensee for the State
2. TPC-T- Lines Specific Licensee
3. RInfra-T-Lines Specific Licensee
4. JPTL-Lines Specific Licensee
5. ATIL-Lines Specific Licensee
6. MEGPTCL-Lines Specific Licensee
7. APTCL-Lines Specific Licensee
8. SPTCL-Lines Specific Licensee
9. VIPL-T-Lines Specific Licensee

Transmission Licensees submit their Petitions for approval of capital cost and Aggregate Revenue Requirement (ARR).,After COD of their projects, whenever Transmission Licensees file their Petitions for ARR, the Commission issues Orders provisionally approving the capital cost and ARR subject to physical and financial verification of the completed capital works and the relevant documents. After completion of the project, prudence check for the capitalization claimed and also for technical as well as economical benefits accrued to Licensees may require to be carried out by an Independent Agency/ Consulting Firm.

As per Tariff Regulations, the Commission has approved or is in the process of approving provisional capital cost of the project subject to third party verification of the cost assets for following Transmission Licensees:

1. Vidarbha Industries Power LTD. (VIPL-T) – Order dated 29 February, 2016.
2. Amravati Power Transmission Co. LTD. (APTCL) – Order 22 February, 2016.
3. Maharashtra Eastern Grid Power Transmission Co. LTD (MEGPTCL)-Order dated 8 August, 2014 (after COD).
4. Sinnar Power Transmission Co. LTD. (SPTCL) [Yet to achieve CoD and has not submitted its Capital Cost and MYT Petition].

The Commission intends to appoint technically qualified and professionally managed External Independent Agency / Consulting Firm to assist the Commission in carrying out verification of Assets of Transmission Licensees.

### **3) Scope of Work:-**

- a) Detailed scrutiny, physical and financial verification of the completed capital cost and the relevant documents pertaining to the Project to check whether the work (assets) of the Transmission Project are commissioned and the same is in operation as claimed by the Transmission Licensees in its Petition including :
  - i. Transmission Lines of various voltage levels;
  - ii. Substation of various voltage levels ;
  - iii. Various types of reactors;
  - iv. Land, Building etc.
  - v. Any other equipments which are part of Substation or Transmissions Lines.
- b) The Independent Agency/ Consulting Firm shall examine the process of bidding adopted by Transmission Licensees for the award of the contracts and verify whether least cost option has been followed and optimal project cost is achieved while executing the Transmission Project.
- c) To verify the item-wise actual costs and phasing of capital expenditure incurred vis-à-vis those proposed by Transmission Licensees and provisionally approved by the Commission.
- d) To compare the costs incurred with available benchmark costs, if any, or with those of PGCIL and other Transmission utilities / Licensees to justify the prudence of expenditure and capitalization claimed by Transmission Licensees towards implementation of the Project.
- e) The expert institution shall undertake verification of geographical and technical constraints as claimed by Transmission Licensees such as ROW, Legal and geographical issues etc.

- f) To verify and confirm the reasonability of amounts of capital expenditure and capitalization claimed in the Tariff Petition vis a vis actually incurred by Transmission Licensees. Accordingly, for such verification purpose, apart from the scrutiny of the audited annual accounts, all EPC and non-EPC work and/or service related contracts, documentary evidence related to such contracts, sample invoices for supply as well as service, documentary evidence for delay, if any, in the implementation of the Project shall be verified by the expert institution.
- g) To examine the technical as well as monetary benefits actually achieved and accrued by Transmission Licensees.
- h) To submit the final report to the Commission considering above points.

4) **Period of Empanelment:** Selected bidders will be empaneled for period of three years.

5) **Schedule for completion of the tasks:**

The time allowed for the task shall be on case to case basis as directed by the Commission.

6) **Eligibility and qualification requirement:-**

The Independent Agency/ Consulting Firm intending to bid for the assignment shall fulfill the following eligibility conditions and shall provide satisfactory evidence towards the following:

- a) Shall be Consultancy Firms or Institutions (including practicing CA firms and educational institution such as IIT, IIM etc.) which have key personnel on its payroll having proven track record.
- b) The consultants proposed for appointment by the Consultancy Firm or Institution should be Graduate / Post Graduate in the relevant disciplines and additionally each such consultant must possess expertise in any particular relevant field viz: Electricity Regulation, Transmission of Electricity, Transmission equipments costing, Finance etc., commensurate with the nature of work mentioned at para. 3 of this document.
- d) The Consultancy Firm / Institutions should have adequate technical and financial capability to undertake such task 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 the Commission.
- e) The Independent Agency/ Consulting Firm shall have an appropriate team of 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 the Commission. If any Independent Agency/ Consulting Firm fails to have the requisite number of resources during the currency of the contract, then penalty will be imposed on the Independent Agency/ Consulting Firm the quantum of which will be at the discretion of the Commission.

- f) The Firm shall furnish copies of certificate of registration/ agreement/articles of association, as the case may be, as service firm and PAN, and service tax registration.

## **7) Submission of EOI Bid and Bidding Procedure**

**7.1.** The duly completed Bid as described below, in a sealed envelope, super- scribed “Tender for empanelment of External Independent Agency for “Assets verification of Transmission Licensees” should be submitted so as to reach the office of the Commission on or before **31 May 2016 at 17.00 Hrs.** In the event of the specified date for the submission of the bids being declared a holiday, the bids will be received up-to the appointed time on the next working day of Commission’s office. Any bid received after the abovementioned deadline will be rejected and may be returned un-opened.

**7.2.** The Bid shall comprise two parts, i.e. (i) Technical Offer, and, (ii) Financial Offer, as follows:

- (I) The Technical Offer, as per the format given at **Annexures – I, I - A, I - B, I – C and I - D**, shall be submitted in triplicate (one original plus two copies of the Offer), sealed in an envelope which must be clearly marked as “Tender for appointment of External Independent Agency for Assets verification of Transmission Licensees(Technical Offer)”.
- II) The Financial Offer, as per the format given at **Annexure-II** -one original plus one copy of the Offer, shall be submitted, sealed in a separate envelope which must be clearly marked as “Tender for appointment of External Independent Agency for Assets verification of TransmissionLicensees (Financial Offer)”.

Note: Technical Offer and Financial Offer should be in two different envelopes marked as mentioned above. These two sealed envelopes should be submitted in a single large envelope / packet marked as mentioned in Para 7.1.

### **Basis of Bid Evaluation:-**

#### **(A) Technical Evaluation**

7.3. The bidder in addition to furnishing complete information in the formats appended with the documents shall furnish a complete document on the proposed approach, methodology & work plan for handling the tasks assigned. The work plan shall include full justification for methodology to be adopted. An indicative time schedule for carrying out each component of the tasks is also to be indicated.

7.4. The technical bid will carry maximum marks of 100, with Qualifying Minimum total score of 60 %. The Evaluation Committee nominated by the Commission shall evaluate the bids on the basis eligibility and qualification requirement as provided in Section 3 of this document. The response of the bidders will be evaluated as per following criteria:

Sr.No	Particulars	Weightage
1	Experience of the bidder in Technical related assignments	30 %
2	Qualification and competency of the personnel	70 %

7.5. The Evaluation Committee will identify suitable bidders based on evaluation of the technical bid and, if considered necessary, may also call for technical discussion / presentations from the identified bidders. On the basis of the technical bids submitted and on the basis of discussions and presentations, if any, the bidders would be short listed. The financial bids of short listed / Technically Qualified bidders only will be opened for further evaluation.

#### **(B) Financial Evaluation**

7.6. Among the financial offers, the lowest offer(s) will be given a financial score of 100 and the others will be given pro rata scores.

7.7. A composite score (weighted average) of technical and financial scores will be worked for each bidder. While calculating the composite score, the weightage shall be 60% for technical score and 40% for financial offer.

7.8. The selection of the bidder shall be based on the highest scores.

7.9. MERC reserves the right to reject any/all the bids in part/or in full without assigning any reason.

#### **8) Earnest Money Deposit:**

The Technical Offer should be accompanied by an Earnest Money Deposit of Rs.20,000/- (Rupees Twenty Thousand only), in the form of a Demand Draft drawn on Nationalized / Scheduled Banks in favour of 'Maharashtra Electricity Regulatory Commission', payable at Mumbai. The earnest money will be returned to the unsuccessful bidders, after

appointment of the Independent Agency / Consulting Firm. Bids without the Earnest Money Deposit as above will not be accepted, and will be summarily rejected.

**9) Deviations:**

- 9.1 The bidder must ensure that Technical and the Financial Offers submitted by him satisfy all the Terms and Conditions specified in the Tender specifications. In case of any deviations from the requirements of this Tender, the Bidder shall specifically bring out the same in a separate Sheet enclosed to the Technical Bid, entitled “Schedule of Deviations”, and make a reference to the same in covering note of the Bid. In absence of any such schedule, it shall be deemed that the Bidder has no deviation, and Bidder shall be meeting all the requirements as per the Tender specifications. The Commission reserves the right to reject any bid, based on any deviation taken by the Bidder, or otherwise, without assigning any reason.
- 9.2 Any revision/correction in the Bid after opening of the Bids will not be allowed. Any such revision will render the Bid as non-responsive, and also result in forfeiture of Earnest Money Deposit.
- 9.3 The bidder shall make in his bids such disclosures as may be required to ascertain that the bidder has no conflicting interest in undertaking the proposed assignment

**10) General Conditions of Contract:**

**10.1 Security Deposit:**

The successful bidder shall furnish a Bank Guarantee (as per the Format attached as **Annexure-III**) from a Nationalized Bank / Scheduled Bank, on a Stamp Paper of Rs.100/-, as Contract Security Deposit, for a value equal to Rs.1, 00,000/- (Rupees One Lakh only), valid for the entire period of the contract plus a period of three (3) months, to enable lodging of any claims, arising due to failure on Consultant’s part. As an alternative, the successful bidder may furnish a Demand Draft drawn in favour of ‘Maharashtra Electricity Regulatory Commission’, payable at Mumbai, money of which will be returned by the Commission after satisfactory completion of work.

**10.2 Terms of Payment:**

Payment for the Independent Agency/ Consulting Firm would be made after submission of invoice / bill after completion of the assignment.

**10.3 Tax Deduction at Source:**

The Income Tax or any other tax liable to be deducted, as per the prevailing rules will be deducted at source before effecting the payment, for which the Commission will issue TDS Certificate/s. Service Tax, as applicable shall be payable extra, at the prevalent rates.

#### **10.4 No extra charge:**

The charges quoted by the Bidder in his Bid, and accepted by the Commission in the Contract, will be inclusive of the costs of Consulting Firm's Teams' travel, lodging and boarding, and also all incidental expenses, professional fees etc., incurred by the teams, in connection with the assignment. No separate charges will be payable by the Commission on any such account. However, in case the consultants are required to travel outside Mumbai in the context of the work/ assignment, the Commission shall reimburse the actual cost as per Rules/ Regulations of the Commission.

**10.5** The Independent Agency/Consulting Firm shall keep the Commission and all the concerned Utilities to be visited, indemnified from any damages, on any account.

#### **10.6 Confidentiality of data and documents**

The Intellectual Property Rights (IPR) of the data collected as well as the deliverables produced for the Commission shall remain with the Commission. No one shall utilize or publish or disclose or part with, to a third party, any part of the data or statistics or proceedings or information collected for the purpose of this assignment or during the course of the assignment for the Commission, without the express written consent of the Commission. The Independent Agency/Consulting Firm shall be bound to hand-over the entire set of records of assignment to the Commission before the expiry of the contract, and before the final payment is released by the Commission.

#### **10.7 Conflict of interest:**

The Independent Agency/Consulting Firm appointed by the Commission, shall in no case represent or give opinion or advice to others in any matter which is adverse to the interest of the Commission.

### **11) Bid Opening**

11.1 The Technical Offers of the Bids will be scrutinized and the bidders who have qualified for further evaluation will be intimated. The Bidders shall clearly mention the name, designation and contact details of the person to be informed in their organization regarding such intimation and regarding queries /clarifications, if any.

11.2 Pre-Bid Discussion: For the benefit of the bidding firms, a pre-bid session will be held **on 18 May 2016 at 15.00 hrs at the Commission's Office.**

11.3 Opening of Financial offers: The Financial Offers will be opened **at 15.00 Hrs. on 15 June, 2016 (tentatively) at the Commission's office**, in the presence of the qualified bidders, who may choose to remain present. The representative of such bidders, desirous of attending shall bring with him duly signed Letter of Authority.

## **12) Award of appointment on Contract:**

### **12.1 Contract Finalization:**

12.1.1 On completion of the evaluation of the technical and financial offers of the Bids received, and finalization of the Successful Bidder/s, the Commission will issue 'Letters of Intent' (LOIs) to the successful bidder/s, along with a format of the Contract to be signed.

12.1.2 Within seven days of receipt of the LOI, the successful bidder(s) shall enter into a Contract with the Commission in the prescribed format and by submitting the Contract Security Deposit (in form of bank Guarantee).

If the successful bidder fails to enter into the said Contract, within 7 days of issue of Order, the Earnest Bid Deposit submitted by the bidder will be forfeited, and the Commission may exercise its right to invite the next-in-line 'successful bidder' to award him the Contract. The Commission may also exclude the former bidder from all future assignments/ Tender processes.

12.1.3 The Commission reserves the rights, as follows:

I) To award the Contract against this Tender, to a single bidder for all the work or to a number of bidders.

II) To decide to cancel this Tender, and not to proceed in the matter, at any stage of the bidding or analysis of the Bids and also accept or reject any or all bids, without giving any explanation, whatsoever. In case of cancellation, the Commission shall have discretion to decide whether to return or not the un-opened portions of the Bidders' documents and also how to deal with the documents retained by the Commission.

III) To disqualify 1) any bidder found canvassing in the office of the Commission during the bidding process 2) any bidder who has worked with the Commission in the past but has failed to deliver appropriate output for similar type of tasks as mentioned in Para 2.

### **12.2 Operation of the Contract:**

12.2.1 The Commission is not responsible for any accidents occurred at the time of execution of the works under this assignment. Members of the team visiting the power station/field areas or any related sites, in connection of the assignment should have a good knowledge of safety precautions at the premises being visited.



**12.3 Termination of Agreement:** The Commission may terminate a contract to which these terms apply if:

12.3.1 The Independent Agency/Consulting Firm is unable to address the assigned works;

12.3.2 Quality of the assigned works is not to the satisfaction of the Commission;

12.3.3 The Independent Agency/Consulting Firm fails in timely achievement of the milestones as decided by the Commission;

12.3.4 The Independent Agency/Consulting Firm 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 Independent Agency/Consulting Firm are found lacking in honesty and integrity;

12.3.5 The Independent Agency/Consulting Firm becomes insolvent;

12.3.6 The Commission reserves the right to terminate the contract, by giving fifteen days' notice to the Independent Agency/Consulting Firm. In such event, the Contract Security Deposit will stand forfeited;

12.3.7 Termination shall be effected by written notice served on the Independent Agency/Consulting Firm and shall take effect in 15 days of delivery of such notice. The termination will be without prejudice to either party's rights accrued before termination.

**12.4 Governing law:** The contract shall be governed by and construed in accordance with the laws of the Republic of India.

**13) Last date for submission of EOIs:**

The final bids complete in all respects are required to be submitted **by 31 May 2016 at 17.00 hrs.**

**Secretary, MERC**

**Annexure – I**  
**(FORMAT)**

**Technical Offer**

Date: \_\_\_\_\_

FROM:

TO:

Secretary,  
MERC, Mumbai

**Subject:** “Offer for providing assistance to the Commission for Assets verification of Transmission Licensees as per scope of work defined at Para 3 of Bidding Document”

Sir,

I/We, \_\_\_\_\_, enclose herewith our Offer for providing assistance to the Commission for Assets verification of Transmission Licensees as per scope of work defined at Para 3 of Bidding Document

\*We have not taken any deviation from the scope of work or working conditions and confirm compliance to all the conditions specified in the Tender documents/ \*We have taken a few deviations from the terms and conditions of bid documents and details of same are brought out in Annexure-\_\_\_\_.

(Note: \* = to be appropriately modified by the bidder.)

The Earnest money deposit of Rs. .... (Rupees ..... only) is enclosed in the form of the Demand Drafts bearing nos. \_\_\_\_\_.

Yours faithfully,

Signature \_\_\_\_\_

Full Name \_\_\_\_\_

Designation \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_

Encl.: (list of all enclosures)

**Annexure – I (A)**  
(FORMAT)

**Relevant Experience & Track Record of the Independent Agency/ Consulting firm**

Date: \_\_\_\_\_

A brief description of the Independent Agency/ Consulting firm and the similar nature of work as mentioned in bid documents carried out in the last 5 years after constitution of the Firm.

FROM:

TO: Secretary  
MERC, Mumbai

A. Brief description of the organization:

1. Name of the Firm
2. Nature of the Firm
3. Business/Profession and number of years in the business
4. Number of staff
5. Registration
6. Affiliation with national and international professional/financial bodies.
7. Annual Turnover (last three years)
8. Any other relevant information

B. Significant nature of work 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 of the client
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 \_\_\_\_\_

**Annexure – I-B**  
(NO PRESCRIBED FORMAT)  
(Not more than 5 pages)  
Concept Note on the Understanding of the Tasks Envisaged

**Annexure – I(C)**

**Qualifications, Experience and Competence of the Consultants 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 authorized Official from the Firm (with name and designation)

**Annexure – I-D**  
**Qualifications, Experience and Competence of the Consultant for the Assignment**  
**(contd.)**

**List of the Consultants included in the team of a Bidder**

1. Project Personnel

Sr.No.	Name	Position in the Organization (Bidding Firm)	Whether accommodation is available at Mumbai or nearby place
1			
2			
3			

**Annexure - II**  
(FORMAT)

**FINANCIAL OFFER**

Date:

FROM:

TO:

Secretary,  
MERC, Mumbai

Subject:

Sir,

This has reference to our Technical Offer under our reference no. \_\_\_\_\_ dated \_\_\_\_\_, for assisting the Commission to carry out Assets verification of Transmission Licensees as per scope of work defined at Para 3 of Bidding Document.

I/We \_\_\_\_\_ (Firm), hereby furnish our Financial Offer, in respect of the aforesaid assignment, as under:-

Sr.no.	Name of the person as per Annexure I-D	Monthly Fee
1		
2		
3		

We confirm that the above quoted prices are inclusive of all costs (excluding service tax) for carrying out the work as specified in the bidding documents.

We certify that all the terms and conditions of the tender documents are acceptable to us.

Signature of the authorized person

Date Name:

Place Designation:

Company Seal:

**Annexure – III**  
**(FORMAT)**

**CONTRACT SECURITY DEPOSIT**

To  
The Secretary,  
MERC

WHEREAS ..... (Name firm) hereinafter called "the firm" has undertaken assignment of Contract No.....dated.....to assist MERC in the matter of providing assistance to the Commission as per Para 3 of Bidding Document ..... (hereinafter called "the Contract").

AND WHEREAS it has been stipulated by you in the said Contract that the firm shall furnish you with a bank Guarantee by a scheduled bank for the sum specified therein as security for compliance with the firm's performance obligations in accordance with the Contract.

AND WHEREAS we have agreed to give the firm a guarantee

THEREFORE WE, ....., (Bank's name and address) hereby affirm that we are Guarantors and responsible to you, on behalf of the firm, up to a total of ..... (Amount of the guarantee in words and figures) and we undertake to pay you, upon your first written demand declaring the firm to be in default the contract and without cavil or argument, any sums within the limit of.....as aforesaid, without your needing to prove or to show the grounds or reasons for your demand or the sum specified therein.

This guarantee shall remain valid until the end of the .....day of....., 20....., for acceptance of your claims in the matter.

Signature and Seal of Guarantors

----- Date -----

Address -----