

# ***Delhi Electricity Regulatory Commission***



## **Terms and Conditions**

**For**

**Appointment of Consultants for framing “Regulations for preparation of Regulatory Accounts by generation, transmission and distribution utilities and compliance audit of the same”**

**May 2012**

**Viniyamak Bhavan**

**C-Block, Shivalik**

**Malviya Nagar**

**New Delhi 110017**

**Ph: 26673608**

**Notice Inviting Bid for Appointment of consultants for framing of  
“Regulations for preparation of Regulatory Accounts by  
generation, transmission and distribution utilities and compliance  
audit of the same”**

(May 2012)

**Terms and Conditions**

1.	Name of the client: <b>DELHI ELECTRICITY REGULATORY COMMISSION</b> Method of selection: QCBS (Quality & Cost Based System)
2.	<p>Delhi Electricity Regulatory Commission (hereinafter referred to as the DERC or the Commission) is a body corporate set up by the Government of National Capital Territory of Delhi under the Delhi Electricity Reforms Act, 2000. Some of the major responsibilities assigned to the Commission are:</p> <p>(a) To determine tariff for electricity including wholesale, bulk or retail and for the use of transmission facilities in the National Capital Territory of Delhi</p> <p>(b) To regulate power purchase and procurement process of the distribution licensees including the price at which the power shall be procured from generating companies/stations etc. in the National Capital Territory of Delhi</p> <p>(c) To issue and regulate the licences for transmission, bulk supply, distribution or supply of electricity in the National Capital Territory of Delhi</p> <p>(d) To promote competition efficiency and economy in the activities of the electricity industry in the National Capital Territory of Delhi</p> <p>(e) To regulate the operation of power system in the National Capital Territory of Delhi</p>
3.	The Government of National Capital Territory of Delhi (GoNCTD) had, in exercise of the powers conferred by Section 60 read with Sections 15 and 16 of DERA 2000 notified the Delhi Electricity Reform (Transfer Scheme) Rules, 2001 (Transfer Scheme) on 20 <sup>th</sup> November 2001, paving the way for unbundling of the erstwhile Delhi Vidyut Board (DVB) into six entities on the functional lines of Generation, Transmission and Distribution. As per the Transfer Scheme, the functions of DVB had been unbundled into the following six companies/entities and the distribution business had been taken over by three Joint Venture Companies on 1 <sup>st</sup> July 2002,

the effective date of Transfer Scheme:

1. Indraprastha Power Generation Company Limited (GENCO), to which the generation assets of existing Indraprastha Thermal Power Station, Rajghat Thermal Power Station and Gas Turbine Power station have been transferred ;
2. Delhi Power Supply Company Limited (TRANSCO), the Transmission Company to which the existing transmission assets of DVB have been transferred;
3. Central-East Delhi Electricity Distribution Company Limited (DISCOM 1); the Distribution Company now renamed as BSES Yamuna Power Limited for Distribution in Central and East Delhi;
4. South-west Delhi Electricity Distribution Company Limited (DISCOM 2); the Distribution Company now renamed as BSES Rajdhani Power Limited for Distribution in South and West Delhi;
5. North North-West Delhi Distribution Company Limited (DISCOM 3); the Distribution Company now renamed as North Delhi Power Limited for Distribution in North North-West Delhi;
6. Delhi Power Company Limited (Holding company) a company that holds shares in GENCO, TRANSCO and the three Distribution Companies (DISCOMs) and the residual liabilities of the erstwhile DVB.

In addition, Pragati Power Corporation Limited (PPCL), a Generation Company, also existed with installed capacity of two units of 104MW each and one unit of WHRU of 120MW (CCGT).

4. 4.1 In terms of Section 91(4) of the Electricity Act, 2003, DERC intends to appoint an institutional consultant or Consultant Agency having Professionals possessing required level of qualification and experience for preparation of Regulatory system of presentation of Regulatory Accounts by generation, transmission and distribution utilities as well as Regulations for ensuring a system of compliance audit of the same.
- Scope of work:** To frame the “Regulations for submission of a system of Regulatory Accounts by generation, transmission and distribution utilities and compliance audit of the same”. The Regulation shall be segregated into two modules viz.
- Module 1: Preparation of Regulatory Accounts by the generation, transmission and distribution utilities.** - To Design Forms/Formats for the Regulatory Accounts to be maintained by generation, transmission and distribution

	<p>utilities - the selected consultant shall, in discussion with the Delhi Electricity Regulatory Commission (DERC), develop the framework which shall cover the following:</p> <p>a) Assess information requirements for analysis of data of the generation, transmission and distribution utilities with reference to the Act, rules, regulations made thereunder, orders and directions issued by the Commission.</p> <p>b) Categorization of the same.</p> <p>c) Develop standard Forms/Formats.</p> <p><b>Module 2: Compliance Audit :</b> Design framework for the Compliance Audit of the Regulatory Accounts of generation, transmission and distribution utilities - the selected consultant shall, in discussion with the DERC, develop a framework which shall cover the process for verification of the Regulatory Accounts of the generation, transmission and distribution utilities with reference to the Act, rules, regulations made thereunder, orders and directions issued by the Commission.</p> <p>4.2 The above mentioned jobs would include the following:</p> <p>a) To attend public hearings on these Regulations and assist the Commission in conduct thereof and prepare replies to the comments received on the proposal.</p> <p>b) Preparation of Final Regulations.</p> <p>c) Any other work incidental to the preparation of Regulatory Accounts by generation, transmission and distribution utilities and compliance audit of the same.</p> <p>4.3 The Regulations shall be vetted by the legal division/legal advisor of the consultant firm.</p> <p style="text-align: center;"><b>The detailed Terms of Reference (TOR) of the consultancy assignment is given in the <i>Annexure I</i> and Deliverables &amp; timelines are given in Annexure II.</b></p>
5.	<p>The address for submission of proposal and requesting clarifications is:</p> <p>The Secretary,  Delhi Electricity Regulatory Commission,  Viniyamak Bhawan,  C-Block, Shivalik, Malviya Nagar, New Delhi – 110 017.  Telefax: 011-26673608, E-mail: secyderc@nic.in</p>

6.	<p>The chosen Consultant must possess expertise in the following areas:</p> <ul style="list-style-type: none"> <li>• Clear understanding of the Indian legal, regulatory and power scenario and developments over the last decade including the applicable policies, legal and regulatory framework and reforms at Central and State levels.</li> <li>• Proven experience of similar assistance given, preferably to Electricity Regulatory Commissions, which would need to be demonstrated.</li> <li>• Expertise will include high level inputs in the Regulatory, Policy, Finance, Legal and Governance fields.</li> <li>• Consultants shall have their project office in DERC, Delhi and deploy adequate resources during the course of this assignment.</li> </ul>
7.	<p>The Consultant shall submit separate financial bid in respect of the Scope of work enumerated at Para 4 above and in the Annexure-I for:</p> <p>Total (A) Distribution Licensees viz. BRPL, BYPL, NDPL &amp; NDMC</p> <p>Total (B) Transmission Licensee</p> <p>Total (C) Generation Companies</p>
8.	<p>Consultants who can commit full time manpower on regular employment exclusively for the assignment of the Commission will be eligible for consideration. The Commission will require firm assurance in the Technical bids itself that the professional staff committed for the assignment will be actually working. The key professional staff shall be the same as proposed in the Form 2 of the TOR and normally not be changed during the course of the assignment unless both parties agree.</p>
9.	<p>Bidders can either be a consultant firm or consortium, which more than one consultant firm may constitute with another/others for submitting their proposals. Where the bid is submitted by a consortium, the written consent of each member of the consortium to participate in the bid on the basis of joint and several liabilities to the DERC for the performance of the services shall be provided along with the bid.</p> <p>The bid shall be submitted by the lead consultant alongwith the copy of the arrangement/agreement. Change in consortium shall not be permitted unless approved by the Commission.</p>
10.	<p>The Consultant shall have an obligation to disclose any situation of actual or potential conflict that impacts their capacity to serve the best interest of the Commission or that may reasonably be perceived as having this effect.</p>

	The Consultants shall not be hired for any assignment that would be in conflict with their prior or current obligations to their other clients or that may place them in a position of not being able to carry out the assignments objectively and impartially.		
11.	<p>i. Proposals, all related documents and subsequent reports (in case of selection as Consultant) shall be submitted in ENGLISH only.</p> <p>ii. Consultants are required to quote the prices in the Indian currency only. Proposals must remain valid for 3 calendar months from the date of opening of the bids. The bids valid for a period shorter than the specified period shall be rejected as being non-responsive.</p>		
12.	The Bid Schedule shall be as under:		
	1	Pre-bid meeting with prospective bidders	<b>01.06.2012 at 1500 hrs.</b>
	2	Last Date of Receipt of Bid Proposals	<b>08.06.2012 at 1500 hrs</b>
	3	Opening of Technical Bids	<b>08.06.2012 at 1600 hrs</b>
	4	Evaluation results of Technical Bids	<b>15.06.2012 at 1500 hrs</b>
	5	Opening of Financial Bids	<b>22.06.2012 at 1600 hrs</b>
		Selection and Award of Assignment	<b>29.06.2012</b>
13.	<p>i. Separate Technical and Financial proposals are required to be submitted for the assignment. Separate sealed cover shall be submitted for the Financial and Technical Bids. The Bidder shall submit only one original set of the Bid. <b>The envelopes shall mention name of assignment and nature of Bid (Technical/Financial) at the top and the name of the submitting bidder at the left hand corner of the envelope.</b> The bids shall be submitted in the enclosed formats (Form 1 to 6).</p> <p>ii. The technical offer(s) shall be accompanied by an <b>Earnest Money Deposit of Rs. 25000/- (Rupees Twenty Five Thousand only)</b> in form of a Pay Order/Demand Draft in favour of the Secretary, DERC, payable at New Delhi, in a separate sealed envelope. This must be placed in the sealed cover containing the technical bid.</p> <p>iii. The Technical bids shall not indicate particulars of the Financial bids otherwise the bids shall be liable to be rejected. All Technical documents like literature, catalogues, etc. shall be placed in the same sealed cover.</p> <p>iv. The proposal shall clearly indicate the names and designations of the persons who shall be available to the Commission on full time basis along with the time</p>		

schedule of availability of other team members showing the exact times of their availability for each assignment in accordance with Form 4 of the TOR.

v. Each page of bid should be numbered and signed by the authorized signatory with the seal of the firm and the forwarding letter must indicate the details of the enclosures attached.

vi. A Power of Attorney duly notarised by the Notary Public, indicating that the person(s) signing the bid has the authority to sign the bid and that the bid is binding upon the Bidder during the full period of its validity, shall be submitted.

14. **Technical Evaluation:**

The Technical bids shall be opened at in the office of the Secretary, DERC, by the Evaluation Committee in the presence of bidders, who wish to participate. The Technical evaluation will be done on the basis of the following criteria with maximum marks of 100 for each criterion. The weights for each factor of the criteria shall be as follows:

1.	Consultants' specific experience relevant to the assignment	0.20
2.	The quality of proposed methodology and work plan	0.30
3.	Qualifications and competence of the key-staff for the assignment Committed time in man-weeks	0.50

15. **Criterion for Technical evaluation-**

- Specific experience of the Consultants relevant to the assignment with emphasis on handling similar projects of Regulatory Commissions and Utilities in the power sector.
- Adequacy of the proposed methodology and work plan - The qualifying proposal should qualify under all the sub-criteria, viz.
  - (a). **Technical approach & methodology** – The consultants shall explain their understanding of the objectives of the Assignment/job, approach to the Assignment/job, methodology for carrying out the activities and obtaining the expected output. They shall highlight the issues being addressed and their importance, and explain the technical approach they would adopt to address them. They shall also explain the methodologies proposed to be adopted and highlight the compatibility of those methodologies with the proposed approach.
  - (b). **Work plan** - The proposed work plan shall be consistent with the technical approach and methodology, showing understanding of the TOR and ability to

	<p>translate them into a feasible working plan. A list of the final documents, including reports, drawings, and tables to be delivered as final output, shall be included here. The work plan shall be consistent with the Work Schedule.</p> <p>(c). <b>Organisation &amp; Staffing</b> - The consultant shall propose and justify the structure and composition of their team. They shall list the main disciplines of the Assignment/job, the key expert responsible, and proposed technical and support staff.</p> <ul style="list-style-type: none"> <li>• <u>Qualification and competency of the Key professional staff</u> will be evaluated giving due preference to the man-weeks committed by the Team Leader and other professionals, who will be actually working on the project. The sub-criterion to be followed for evaluation of the key professionals shall be (a). Educational Qualifications and (b). Adequacy for the assignment/job (i.e. experience in carrying out similar assignments/Jobs).</li> </ul>
16.	<p>The minimum qualifying total score, for the technical bid shall be 70/100. The financial bids of only those bidders shall be opened whose score shall be 70 or above in technical bids. After completion of the technical evaluation, the Commission shall inform those consultants whose proposals did not meet the minimum qualifying mark or were considered non-responsive to the TOR and the financial proposal etc. of such non-responsive bids shall be returned un-opened on completion of the selection process. The list of bidders whose offers have been selected after technical evaluation shall be displayed at the website and notice board of the Commission's Office Such selected bidders may attend the opening of financial bids at the office of the Secretary, DERC on scheduled date.</p>
17.	<p><b>Financial Evaluation:</b></p> <p>The financial proposals of the pre-qualified Consultants shall be opened by the Evaluation Committee in presence of those consultants or their representatives whose bids are short listed for financial evaluation.</p> <ol style="list-style-type: none"> <li>The proposal with lowest evaluated cost shall be given a financial score of 100 and other proposals shall be given financial scores that are inversely proportional to their prices.</li> <li>Evaluation of overall bid shall entail selection of consultant after adding scores of technical and financial proposals with respective weight-age, which shall be <b>0.70</b> for technical bid and <b>0.30</b> for financial bid.</li> </ol>



18.	The Commission will select the bidder with the highest score and discuss the detailed work plan with them. Any suggestions that the bidder has, to improve the TORs, staffing details, activities to be undertaken by the consultants, reporting, etc. as also the inputs required from the DERC to ensure satisfactory implementation of the assignment, shall be discussed with the bidder and finalized. These discussions will be on the strict understanding that the amount quoted in the Bid document will not be increased for any reason whatsoever.
19.	Having selected the Consultant, amongst other things, also in consideration of the proposed key professional staff, DERC shall award a contract on the basis of the staff named in the proposal and, prior to the award of contract, shall require an assurance that the staff mentioned in the Form 2 of the Bid document will be actually available and deployed for this assignment. DERC will not consider substitutions during the contract period except in cases of genuine hardship subject to the satisfaction of the Commission. DERC may hold review meetings fortnightly, or more frequently if so needed, with the Consultant during which senior/key personnel of Consultant shall be present.
20.	<ul style="list-style-type: none"> <li>i. The successful bidder shall enter into a contract agreement with the Commission in the prescribed format as per <b>Annexure 'III'</b> and shall commence the assignment as per schedule assigned by the Commission.</li> <li>ii. The successful bidder shall furnish a "Performance Bank Guarantee" equal to 10% of the value of contract, which shall be valid for 90 days after the completion of the assignment.</li> <li>iii. If the Consultant, finally selected for award of contract on basis of above procedure, fails to enter into a contract within the time limit as may be prescribed, the Commission shall invite the consultant who has obtained the second highest score on consideration of Financial and Technical bids for award of the contract for carrying out the assignment.</li> </ul>
21.	The consultant shall not utilize or publish or disclose or part with any statistics, data or information collected for the purpose of Commission, without written consent of the Commission. The consultant shall be duty bound to hand over the entire records of assignment to the Commission before the expiry of the contract.

22.	The Commission reserves the right to award the total assignment or to delete any part of assignment or reject any bid without assigning any reasons for the same. Failure to provide all information or conceal any information material to award of contract shall be at bidder's own risk and may result into rejection of the proposal.
23.	The financial proposal submitted in Form 6 shall be a firm and unconditional proposal for the execution of the scope of assignment given in the contract.

## **PROPOSAL SUBMISSION FORM**

To:

**The Secretary,  
Delhi Electricity Regulatory Commission  
Viniyamak Bhawan,  
C-Block, Shivalik,  
Malviya Nagar,  
New Delhi – 110 017**

Madam,

We, the undersigned, offer to provide the consultancy services for undertaking the assignments relating to in accordance with your bid ..... (ref. No. ....)

We are hereby submitting our proposal for assignment in one Original and two copies marked as "Original" and Copy no.-1 and Copy no.-2 respectively in the prescribed formats, which includes the Technical Proposal and the Financial Proposal sealed under separate envelopes. Each page of the proposal has been numbered and signed by the Authorized Signatory.

A Power of Attorney duly notarised by the Notary Public, indicating that the person(s) signing the bid has the authority to sign the bid and that the bid is binding upon the Bidder during the full period of its validity is enclosed.

It is also confirmed that presently we are not handling any assignment that would be in conflict with this assignment or place us in a position of not being able to carry out this assignment objectively and impartially.

If negotiations are proposed by the Commission at any stage we undertake to negotiate as per the requirement of the assignment. Our Proposal is binding upon us and subject to the modifications resulting from contract negotiations.

A demand draft/pay order no. \_\_\_\_\_ dt. \_\_\_\_\_ for Rs. 25,000/- in favour of Secretary, DERC payable at New Delhi is enclosed herewith.

We understand that you are not bound to accept any Proposal you receive.

**Encl. As above**

Yours sincerely,

Authorized Signatory:  
Name and Title of Signatory:  
Name of the Firm:

**Technical Proposal**  
**FIRM'S REFERENCES**

**Relevant services carried out in the last five years**  
**that best illustrate qualifications**

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

1. Assignment Name:	
2. Name & address of the client:	
3. (i) Professional Staff including Senior Staff (Project Director/Coordinator, Team Leader) Provided by Your Firm/entity (attach profiles)  (ii) No. of Staff-weeks; duration of assignment	
4. Start Date and Completion Date (Month/Year):	
5. Details of Associated Consultants, if any:	
6. No. of Months of Professional Staff Provided by Associated Consultants	
7. Approx. Value of Services (in Current Indian Rs.)	
8. Experience Certificate (whether provided or not)	

**Note: Please provide documentary evidence (i.e. copy of the work order, contract for each assignment etc.) in the absence of which, the experience shall not be considered for evaluation.**

Authorized Signatory

**Technical Proposal**  
**Format of Curriculum Vitae (CV) for proposed**  
**Professional Staff/Key experts**

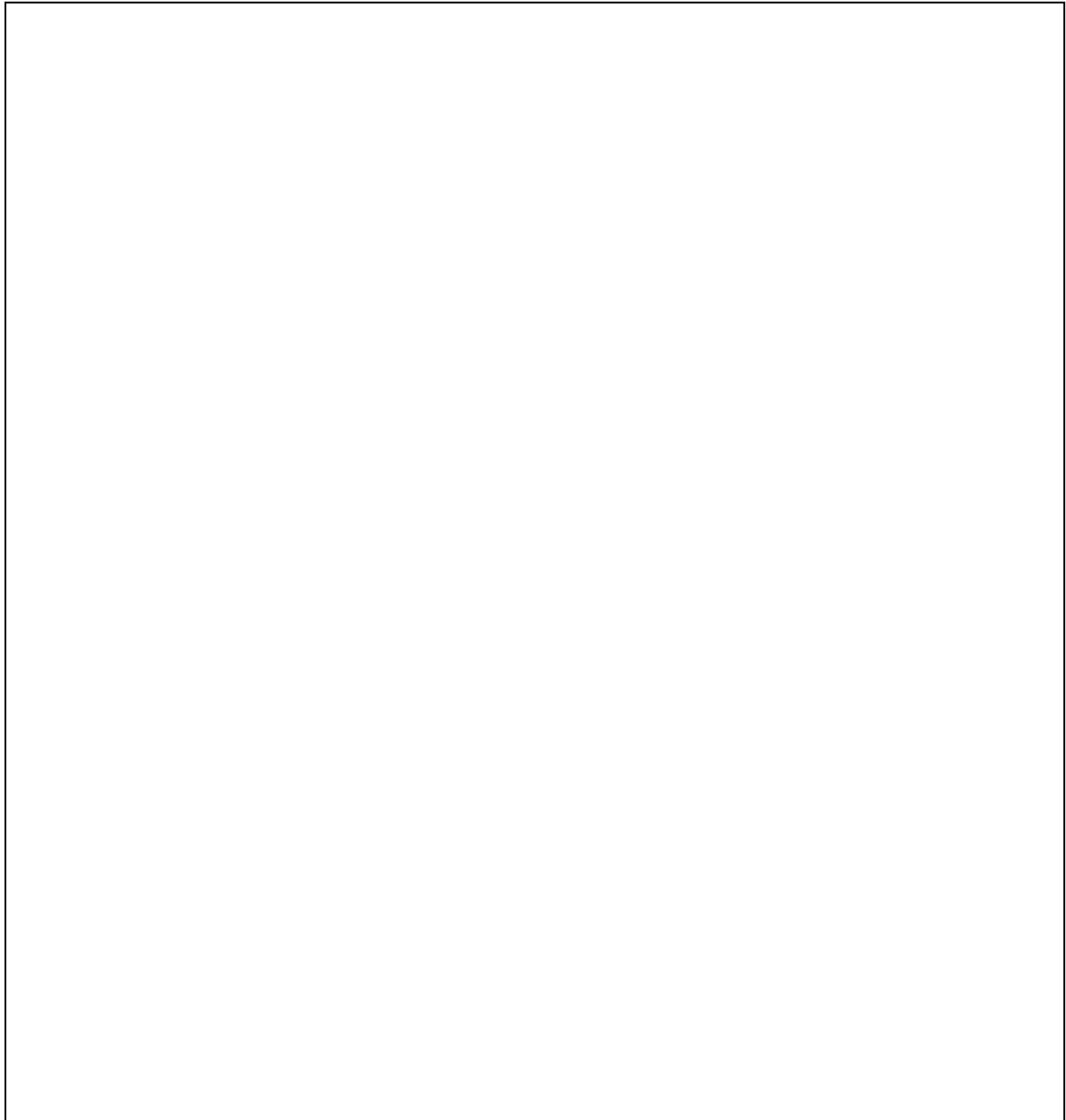
1. Proposed position	
2. Name of Firm	
3. Name of Staff and Nationality	
4. Profession	
5. Date of Birth	
6. Years with Firm/entity	
7. Membership in Professional Societies	
8. Details of task Assigned	
9. Educational Qualifications	
10. Work undertaken that best illustrates capability to handle the task assigned (mention name of assignment, year, location, employer, main projects, features, position held and activities performed.	

Authorized Signatory

**Technical Proposal**

**Description of the proposed methodology and**

**Work plan for performance of the assignment**

A large, empty rectangular box with a thin black border, occupying the central portion of the page. It is intended for the user to write the technical proposal, including the description of the methodology and the work plan.

Authorized Signatory

**Technical Proposal**

**Format of Task Schedule for Professional Staff proposed for assignment**

<b>Name</b>	<b>Position</b>	<b>TASK</b>	<b>Committed Time schedule (in days/week)</b>
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			

Authorized Signatory

**FINANCIAL PROPOSAL SUBMISSION FORM**

To

**The Secretary,  
Delhi Electricity Regulatory Commission  
Viniyamak Bhawan,  
C-Block, Shivalik,  
Malviya Nagar,  
New Delhi – 110 017**

Sir,

We, the undersigned, offer to provide the consultancy services for undertaking the assignment relating to in accordance with your bid.

We hereby submit our Financial Proposals in Form 6 for the assignment.

We hereby confirm that the financial proposal in Form no.-6 is unconditional and we acknowledge that any condition attached to financial proposal shall result in rejection of our financial proposal.

Our Financial Proposal shall be binding upon us subject to the modification resulting from Contract negotiations, with by the Commission. Each page of the proposal has been signed by the Authorized Signatory.

We understand that you are not bound to accept any Proposal you receive.

We further understand that these costs are all inclusive which include manpower cost, establishment cost, travel expenses and other overheads etc.

**Encl. Form 6**

Yours sincerely,  
Authorized Signatory:  
Name and Title of Signatory:  
Name of the Firm:  
Address:



**Financial Proposal**  
**Summary of cost**

<b>Costs</b>	<b>Bid amount (in Rs.) Exclusive of taxes</b>
Total (A) Distribution Licencees namely BRPL, BYPL, NDPL & NDMC Total (B) Transmission Licensee Total (C) Generation Companies	
Total (A+B+C) (in figures and words)	

Authorized Signatory

## TERMS OF REFERENCE (TOR)

1. **The Scope of work/Term of Reference** : To frame the “Regulations for submission of a system of Regulatory Accounts by generation, transmission and distribution utilities and compliance audit of the same”. The Regulation shall be segregated into two modules viz.

**Module 1: Preparation of Regulatory Accounts by the generation, transmission and distribution utilities.** - To Design Forms/Formats for the Regulatory Accounts to be maintained by generation, transmission and distribution utilities - the selected consultant shall, in discussion with the Delhi Electricity Regulatory Commission (DERC), develop the framework which shall cover the following:

- a) Assess information requirements for analysis of data of the generation, transmission and distribution utilities with reference to the Act, rules, regulations made thereunder, orders and directions issued by the Commission.
- b) Categorization of the same.
- c) Develop standard Forms/Formats.

**Module 2: Compliance Audit:** Design framework for the Compliance Audit of the Regulatory Accounts of generation, transmission and distribution utilities - the selected consultant shall, in discussion with the DERC, develop a framework which shall cover the process for verification of the Regulatory Accounts of the generation, transmission and distribution utilities with reference to the Act, rules, regulations made thereunder, orders and directions issued by the Commission.

2 The above mentioned jobs would include the following:

- a) To attend public hearings on these Regulations and assist the Commission in conduct thereof and prepare replies to the comments received on the proposal.
- b) Preparation of Final Regulations.
- c) Any other work incidental to the preparation of Regulatory Accounts by generation, transmission and distribution utilities and compliance audit of the same.

3. Deliverables and timelines as per **Annexure ‘II’**: The Consultant shall deliver the following to DERC for above scope of work:-

- The methodology and work plan of the assignment.
- Back-up data/information/documents to justify the proposal.
- Any other report/data incidentally required.
- Soft copy of all the documents alongwith source codes

4. The Regulations shall be vetted by the legal division/legal advisor of the consultant firm.

5. The Consultant shall submit separate financial bids in respect of the Scope of work in Form 6. The evaluation shall be made based on the total value of contract.

6. Other Issues:

The above description of scope of consultancy is purely indicative and not exhaustive. Changes/additions can be made by DERC as a better understanding develops, to enhance the value of the study, without changing its basic nature.

7. Terms of payment:

Consultant shall be paid Consultancy charges on completion of milestones as under:

<b>Milestones as per which invoices for fees shall be raised by consultant</b>	<b>% of contract value</b>
Mobilization fees	10%
Submission of Draft Regulation	40%
Submission of Final Regulation to the Commission after public hearing	30%
Issue of final Regulation approved by the Commission	20%

**Deliverables and Timelines as per the following WORK PLAN AND ACTIVITY SCHEDULE for preparation of “Regulation for preparation of Regulatory Accounts by generation, transmission and distribution utilities and compliance audit of the same”**

<b>Sl. No.</b>	<b>Description</b>	<b>Time</b>
1	Placement of consultants in DERC	Date of award of work
2	Presentation on Methodology by Consultants	
3	Presentation on Progress of work to the Commission	
4	Submission of Draft Regulation	
5	Presentation on Draft Regulation to the Commission	
6	Submission of public comments and suggestions /views of consultant thereon for approval of Commission	
7	Submission of Final Regulation to the Commission	

**(Contract Agreement to be signed by Consultant with DERC)**

This ARTICLES OF AGREEMENT made on this ..... day of .....2011

**BETWEEN:**

**Delhi Electricity Regulatory Commission** a statutory Body set up by the Government of NCT of Delhi under the Delhi Electricity Reform Act, 2000 and having its office at Viniyamak Bhawan, C-Block, Shivalik, Near Malviya Nagar, New Delhi – 110 017, hereinafter referred to as the “Commission’ (Which expression shall unless excluded by or repugnant to the context or meaning thereof, include its successors and permitted assigns) of the FIRST PART

AND

\_\_\_\_\_ Company registered under the Companies Act, 1956 and having its office at \_\_\_\_\_, herein after referred to as the \_\_\_\_\_ or the Consultant (which expression shall unless excluded or repugnant to the context or meaning thereof include its successors and permitted assigns) of the SECOND PART.

(The Commission and the \_\_\_\_\_ are individually referred to as the “Party” and collectively as the “parties”).

WHEREAS the Commission has awarded the contract on the basis of open bid to the party of the SECOND part as a Consultant inter alia to assist in “preparation of Regulation for preparation of Regulatory Accounts by generation, transmission and distribution utilities and compliance audit of the same more precisely explained in the ‘Terms of reference’ contained in the bid document dated \_\_\_\_\_”.  
M/S \_\_\_\_\_ has agreed to provide consultancy services to the Commission on the terms and conditions hereinafter contained.

NOW THESE PRESENTS WITNESS and the parties hereto respectively agree as follows:

1. \_\_\_\_\_ is appointed as consultant of the Commission for the aforementioned assignment. \_\_\_\_\_ shall commence the assignment from zero date, which is mutually agreed between the Commission and the Consultants as \_\_\_\_\_. The Consultant shall execute and complete the assignment as per the work plan and activity schedule mentioned herein: -

#### **WORK PLAN AND ACTIVITY SCHEDULE**

<b>Sl. No.</b>	<b>Description</b>	<b>Time</b>
1	Placement of consultants in DERC	Date of award of work
2	Presentation on Methodology by Consultants	
3	Presentation on Progress of work to the Commission	
4	Submission of Draft Regulation	
5	Presentation on Draft Regulation to the Commission	
6	Submission of public comments and suggestions /views of consultant thereon for approval of Commission	
7	Submission of Final Regulation to the Commission	

2. **The Scope of work/Term of Reference** : To frame the “Regulations for submission of a system of Regulatory Accounts by generation, transmission and distribution utilities and compliance audit of the same”. The Regulation shall be segregated into two modules viz.

**Module 1: Preparation of Regulatory Accounts by the generation, transmission and distribution utilities.** - To Design Forms/Formats for the

Regulatory Accounts to be maintained by generation, transmission and distribution utilities - the selected consultant shall, in discussion with the Delhi Electricity Regulatory Commission (DERC), develop the framework which shall cover the following:

- a) Assess information requirements for analysis of data of the generation, transmission and distribution utilities with reference to the Act, rules, regulations made thereunder, orders and directions issued by the Commission.
- b) Categorization of the same.

c) Develop standard Forms/Formats.

**Module 2: Compliance Audit:** Design framework for the Compliance Audit of the Regulatory Accounts of generation, transmission and distribution utilities - the selected consultant shall, in discussion with the DERC, develop a framework which shall cover the process for verification of the Regulatory Accounts of the generation, transmission and distribution utilities with reference to the Act, rules, regulations made thereunder, orders and directions issued by the Commission.

3.1 The above mentioned jobs would include the following:

- a) To attend public hearings on these Regulations and assist the Commission in conduct thereof and prepare replies to the comments received on the proposal.
- b) Preparation of Final Regulations.
- c) Any other work incidental to the preparation of Regulatory Accounts by generation, transmission and distribution utilities and compliance audit of the same.

3.2 The Tariff regulation shall be vetted by the legal division/legal advisor of the consultant firm.

4. The \_\_\_\_\_ agrees and undertakes that the respective tasks shall be performed & completed only by the personnel mentioned in Para 5 hereinabove and that if any change in the composition of the said team is necessitated, the second party shall seek prior permission of the Commission to effect the changes.

5. Consultant shall be paid as under:

(i) Consultancy charges of Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_ only) including of taxes as applicable in respect of assistance for analysis of Petitions filed by DISCOMs, transmission and generation companies, shall be as under:

<b>Milestones as per which invoices for fees shall be raised by consultant</b>	<b>% of contract value</b>
Mobilization fees	10%
Submission of Draft Regulation	40%
Submission of Final Regulation to the Commission	30%

Issue of final Regulation approved by the Commission	20%
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6. a) The Consultant shall within one week of signing of this agreement provide performance security by way of Performance Bank Guarantee @ 10% of the total contract value in a format acceptable to the Commission from any scheduled Bank which shall be valid for a period of six months beyond the scheduled completion date, extendable suitably in case of extension of period of contract.
- b) The payment of fee to Consultant shall be made by the Commission after the deduction of tax at source in accordance with law for the time being in force.
- c) The Commission shall be entitled to evaluate the reports submitted by the Consultant at any stage and the Consultant shall incorporate / restructure the report as per the recommendations of the Commission within such reasonable time as may be prescribed by the Commission.
- d) The Commission shall make payments to the Consultant within 30 days of the date of receipt of Invoice in the Commissions' office subject to acceptance of deliverables wherever required unless prevented by reasons beyond its control and in the latter case the Consultant shall not be entitled to claim any interest or damages on account of such delay.
7. No TA/DA shall be admissible for the Consultant for local journey in connection with the Consultancy.
8. The Commission reserves its right to foreclose, terminate or cancel the engagement of the Consultant without assigning any reasons. In such cases Consultant shall be paid remuneration after taking into consideration the part of work completed prior to such foreclosure, termination or cancellation of the engagement as may be decided by the Commission, and the decision of the Commission shall be conclusive and binding. The remuneration so fixed and paid shall be deemed to be the final payment in such cases.
9. In case of any differences or disputes between the parties arising out of this AGREEMENT, the matter shall be dealt with in accordance with the provisions of the Arbitration and Conciliation Act, 1996.
10. Any information of confidential nature, which may be so marked by the Commission, which comes to the knowledge or in the possession of the



Consultant or of any of its employees by virtue of their engagement on subject matter of this contract; shall not be disclosed by the Consultant or its employees to any unauthorized person in any manner. Any breach of this clause without prejudice to any other action that may be initiated as per law, shall also subject the Consultant to a liability to pay to the Commission such compensation as may be decided by the Commission keeping in view the nature, manner and motive of the information disclosed and the extent of the damage caused by such unauthorized disclosure.

Provided that any information that was (a) rightfully already known to Consultant at the time of its disclosure, (b) independently developed by Consultant without referring to the Commission's confidential information, (c) known to the public through a source other than Consultant, or (d) disclosed to Consultant by a third party not having an obligation of non disclosure to the proprietor of the information, shall not be deemed to be confidential information for the purposes of this agreement. Provided further that the obligation of confidentiality on Consultant shall not apply where such confidential information is required to be disclosed under any law.

11. The Consultant undertakes that this assignment shall not be in conflict with its prior or current obligation to other clients nor shall it place him in a position of not being able to carry out the assignments objectively and impartially.
12. A team constituted by the Commission shall evaluate the deliverables submitted by the Consultant. The team shall finalize the deliverables within 15 days of receipt of the same from the Consultant. The Consultant shall within a reasonable time incorporate/restructure the deliverables as per the recommendations of the said team.
13. It is mutually agreed between the parties that the time will be the essence of this CONTRACT/AGREEMENT. The Consultant, the party of the second part, shall adhere to the time schedule as prescribed in this AGREEMENT and complete the work within the stipulated time frame, failing which the party of the second part would be liable for a penalty which may go upto Rs.5000/- per day, for each day of delay beyond the time stipulated in this AGREEMENT, provided that each day of delay beyond time schedule is attributable solely to

the Consultant. The Commission's decision in this matter will be binding on all parties.

14. In case the party of the second part fails to fulfill its obligations, the Commission would be entitled to invoke the performance Bank Guarantee as furnished by party of the second part and the amount mentioned in the Performance Bank Guarantee shall stand forfeited.
15. In respect of any matter for which no provision has been made in this agreement, the provisions contained in the general instructions of the Government on the subject of engagement of Consultant shall apply. All the letters issued by the Commission and the proposal and clarifications submitted by the Consultant shall form part of this agreement.

IN WITNESS WHEREOF the Consultant and Secretary to the Commission on behalf of the Commission have hereto put their hands on the day and the year first above written.

( )  
Executive Director  
Consultant

( )  
Secretary  
DERC

Witness:

- 1.
- 2.