



**Bihar Electricity Regulatory Commission**  
**Vidyut Bhawan-II, J.L. Nehru Marg, Patna- 800 021**

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**Notice No.- 13**

**Dated- 18.08.2022**

**TENDER NOTICE**

**(Request for Proposal (RFP) for Engagement of Institutional Consultants)**

Bihar Electricity Regulatory Commission (BERC) invites Proposals from reputed and experienced consultancy firms/ Institutions for:-

- i) Assisting the Commission in Tariff order consisting of Truing-up of FY 2021-22, Annual Performance Review (APR) of FY 2022-23, determination of ARR for Bihar State Power Transmission Company Ltd. (BSPTCL), State Load Dispatch Centre (SLDC), Bihar Grid Co. Ltd. (BGCL), North Bihar Power Distribution CO. Ltd. (NBPDC) and South Bihar Power Distribution Co. Ltd. (SBPDCL) and for the determination of impact of truing-up exercise of the transmission tariff & SLDC charges and determination of Tariff for retail sale of electricity by the NBPDC and SBPDCL for FY 2023-24 as per applicable Regulations.
- ii) Assisting the Commission on various issues as assigned to them from time to time such as review of existing Regulations and its amendments thereof, Formulation of new Regulations in view of Electricity Act, 2003, various policies, rules and guidelines etc., compliance of various functions/provisions/parameters under EA, 2003, to help in adjudications of cases, Capacity buildings and any other matters as specified by the commission.

**The RFP documents, eligibility criteria and other details are available on Commission's website [www.berc.co.in](http://www.berc.co.in) and may also be obtained from the office of the Commission.**

**The last date for submission of offer is 12.09.2022 by 04.00 P.M.**

**Sd/-  
Secretary, BERC**

# **BIHAR ELECTRICITY REGULATORY COMMISSION**

Vidyut Bhawan-II, J.L. Nehru Marg, Patna 800021



## **REQUEST FOR PROPOSAL (RFP)**

**Engagement of Institutional Consultant for assisting the commission in processing, assessing, evaluating and determination of Tariff for FY 2023-24, Truing up of FY 2021-22 and Annual Performance Review of FY 2022-23 for the Utilities namely BSPTCL, SLDC, BGCL, NBPDC and SBPDCL and assisting the Commission in various technical issues as assigned to them from time to time.**

## **1. INTRODUCTION**

1.1 The Bihar Electricity Regulatory Commission (hereinafter referred to as “Commission” or “BERC”), a body corporate has been established under Section 17 of the Electricity Regulatory Commission Act, 1998 (now under section 82 of the Electricity Act, 2003). The Electricity Distribution, Transmission and Generating Companies of the State of Bihar are the regulated entities of the Commission.

### 1.2 Functions of BERC

As per Section 86 of the Electricity Act 2003, the State Commission shall discharge the following functions, namely:

- a) Determine the tariff for generation, supply, transmission and wheeling of electricity, wholesale, bulk or retail, as the case may be, within the State. Provided that where open access has been permitted to a category of consumers under section 42, the State Commission shall determine the charges inter-alia Transmission Charges, wheeling charges and surcharge etc. thereon, if any, for the said category of consumers in consonance to rules and regulations in force;
- b) Regulate electricity purchase and procurement process of distribution licensees including the price at which electricity shall be procured from the generating companies or licensees or from any other sources through agreements for purchase of power including purchase from market for distribution and supply within the State;
- c) Facilitate intra-state transmission and wheeling of electricity;
- d) Issue licenses to persons seeking to act as transmission licensees, distribution licensees and electricity traders with respect to their operations within the State;

- e) Promote co-generation and generation of electricity from renewable sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person, and specify, for purchase of electricity from such sources, a percentage of the total consumption of electricity in the area of a distribution licensee;
- f) Adjudicate upon the disputes between the licensees, generating companies and to refer any dispute for arbitration;
- g) levy fee for the purposes of this Act;
- h) Specify State Grid Code consistent with the Indian Electricity Grid Code specified with regard to grid standards;
- i) Specify or enforce standards with respect to quality, continuity and reliability of service by licensees;
- j) Fix the trading margin in the intra-state trading of electricity, if considered, necessary; and
- k) Discharge such other functions as may be assigned to it under this Act.

Section 181 also empowers the Bihar Electricity Regulatory Commission to make Regulations to discharge the above functions, to carry out the provisions of the Act and to safeguard the interests of the consumers in the State. In this regard, Bihar Electricity Regulatory Commission intends to appoint technically qualified and professionally managed Consultancy Firms/Institutions to assist the Commission in respect of tasks listed under Section 2 of this document.

## **2. SCOPE OF WORK**

- 2.1 The work has been divided into two parts namely – Part-A and Part-B. The scope of work is as detailed below but not limited to;
- 2.2 **Part-A:** Finalization of Truing-up, APR, ARR and Tariff determination;  
The consultant shall assist the commission in processing,

assessing, evaluating, determination and issuance of Tariff order consisting of Truing up of FY 2021-22, Annual Performance Review (APR) of FY 2022-23, determination of ARR of Bihar State Power Transmission Company Ltd. (BSPTCL), State Load Dispatch Centre (SLDC), Bihar Grid Co. Ltd. (BGCL), North Bihar Power Distribution Co. Ltd. (NBPDC) and South Bihar Power Distribution Co. Ltd. (SBPDC) and for the determination of transmission tariff & SLDC charges and Tariff for retail sale of electricity by the NBPDC and SBPDC for FY 2023-24 as per applicable Regulations. The Consultant shall also work out the Cross subsidy surcharge, additional surcharge, transmission charges, charges for wheeling of electricity and any other charges at different voltage levels for long term, medium term and short term open access customers in the State for FY 2023-24.

The Consultant shall consider the True up, APR and Tariff petition as per provision of the applicable regulations and the directives given by the Commission in its tariff order for FY 2022-23. In case of any difficulties in fixation of norms etc. the same shall be discussed with the Commission.

#### 2.2.1 Deliverables:

Detailed analysis and evaluation of the Tariff petition(s) filed for Truing up of FY 2021-22, Annual Performance Review (APR) of FY 2022-23, transmission tariff & SLDC charges and tariff for retail sale of electricity for FY 2023-24 in accordance with applicable Regulations, inter-alia include the following duties:

- a. Examination of petition of each licensee/SLDC for its compliance with the Act, Rules and Regulations and accepted accounting principles and its completeness and prepare abridged form of the petition to be published in newspapers inviting suggestions/objections from stakeholders and general public.
- b. Study, verification, analysis and authentication from the documents in respect of the data and information submitted by the petitioner(s) in its tariff petition(s) and further information as may be required, including but not limited to the following:-

- i) Income and Expenditure Statement including other statement which are integral part of financial statement and audit report.
- ii) Verification of Regulatory Accounts.
- iii) Demand and Sales Forecasts and analysis.
- iv) Generation and power purchase/sale plans.
- v) Investment and financing plans including its admissibility in terms of Bihar Electricity Regulatory Commission (Procedure for filing Capital investment and Capitalization plan) Regulations, 2018.
- vi) Aggregate Revenue Requirement (ARR).
- vii) Value of fixed assets, depreciation, consumers' contribution, interest charges on working capital and other related expenses.
- viii) Computation of cost of power purchased (with details of capacity charges and energy charges), transmission and distribution costs and cost to serve.
- ix) Computation of cross subsidies.
- x) Tariff design (with details of fixed/demand, energy charge and other charges) and cost allocation issues.
- xi) Verification of Energy Audit results/records and interface wise power purchase and circle/division wise energy sold to consumers.
- xii) Transmission charges, wheeling charges, cross subsidy surcharge, additional surcharge etc. for Open Access consumers in terms of regulations and rules in force.
- xiii) Revenue grants from the State Government and its utilization.
- xiv) Capital grants from the State Government and its utilization.
- xv) Other funds, if any, infused by the State Government and its utilization.
- xvi) Availability of Transmission system elements in accordance with prevailing regulations.

- c. Checking and authentication of information/data submitted by the petitioner(s) in the tariff petition(s) and listing of shortcomings, additional information required, if any, for ARR determination and Tariff setting.
- d. Examining whether the expenditure has been prudently and judiciously incurred/estimated and to indicate to the Commission the items which should be disallowed along with reasons thereof.
- e. Examining whether the actuals/estimates for Revenue Requirements with reference to existing tariff are reasonable and accurate, analysis of aggregate revenue requirement on the basis of the norm specified by the Commission in Tariff Regulations for MYT, and to point out areas of deficiency, if any, in this regard.
- f. Analysis of present level of tariff of the petitioners and comparison with the tariffs of other transmission companies including SLDC and Discoms of the various states in the neighboring and other similarly situated States. This analysis alongwith tariff comparison with the neighboring and similarly situated States such as Jharkhand, West Bengal, Uttar Pradesh, Odisha, Madhya Pradesh, Andhra Pradesh, Gujarat and Delhi of FY 2022-23 are required to be submitted to the Commission in advance.
- g. Scrutiny and analysis of the information/data relating to transmission and Distribution Companies for five financial years to be submitted by the petitioner(s), verification and validation of the same and on the basis of that estimate the data for the FY 2023-24 accurately to be near about actual.
- h. Estimation of energy losses in the network of the Transmission company and Discoms for each voltage level i.e. 220KV, 132KV, 33KV, 11KV and L.T.; Comparison with neighboring/other similarly situated States.
- i. Determination of voltage-wise cost of supply to all categories of consumers connected at the same voltage level and also to determine the cross subsidy based on cost of supply of different

voltage levels.

- j. Review of Cost allocation methodologies being followed by other States and its appropriateness in the present context.
- k. Analysis of the suggestions/objections received in response to publication of tariff petition in newspaper and to attend the public hearings at all levels in the State and to analyze the suggestions/objections made during the public hearings and replies submitted by the petitioner thereon. Preparation of analysis and observation on behalf of the Commission on all the suggestions/objections.
- l. Verification of Energy Accounting Records and validation, scrutiny and analysis of data used in the Tariff petition by the Discoms to be submitted to the Commission at least fifteen days before issue of the tariff order.
- m. Summarizing the suggestions of the State Advisory Committee/coordination forum and analyze them with respect to the tariff proposal(s)
- n. Working-out year-wise aggregate revenue requirement for FY 2021-22 on the basis of audited annual accounts/audited regulatory accounts and for FY 2022-23 on the basis of revised estimated (RE) and for the FY 2023-24 taking into account information supplied by the petitioner, objections received, replies submitted by the petitioner in accordance to the provision/guidelines/rules under the Electricity Act, 2003 and BERC Regulations and as per scrutiny and analysis of data used in the tariff petition authenticated from record. The calculation sheet of ARR should be invariably in excel file with all link and references to different spread sheet of the file so that with change in any figure the ARR should change automatically.
- o. Determination of category-wise tariffs for consumer of FY 2023-24 and working out revenue on excel sheet on the existing tariff and proposed tariff. Preparation of detailed draft tariff order and tariff schedules of the petitioner(s).
- p. Fixation of wheeling charges for different categories of consumers



- q. Examination of expenses and revenues of transmission companies along with SLDC and Discoms for the financial year 2021-22 on the basis of audited regulatory accounts/audited annual accounts or adopted annual accounts, compared to the data considered in the tariff order and truing up exercise of the expenses and revenue approved by the Commission.
- r. Review of the cost and expenditure and revenue for carrying out Annual Performance Review (APR) in terms of applicable MYT Regulations.
- s. The Consultant will participate in discussions with the Commission or its officials/consultants in connection with the exercise with determination of ARR and tariff.
- t. Finalization of tariff order by the Commission. Submission of six copies of final tariff order duly bound hard copy and also in the softcopy.
- u. Clarification on tariff order if sought by the petitioner or any other stakeholder after the issue of tariff order.
- v. In case of filing of any review petition before the Commission or appeal/writ by any person against tariff order to Appellate Tribunal or in any Court of law; the consultant shall assist and furnish the materials to the Commission for preparing reply on the points of review/appeal/writ, as the case may be.
- w. Any other job incidental to the tariff determination process as per the Electricity Act, 2003; Rules there under and BERC Regulations.
- x. Preparation of Agenda points and Proceedings of State Advisory Committee (SAC) meeting & State Co-ordination Forum schedule during the Tariff determination period.
- y. Any other related work deemed necessary by the Commission for determination of ARR and Tariff setting.

2.2.2 Time Schedule for completion of the Assignment:

1	Report on shortcomings and information gaps in the tariff petition and getting clarifications and	Within 7 days of handing over the
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	additional information.	Tariff petitions filed by the licensee to the consultant.
2.	Assistance and feedback in the tariff hearing and suggestions and objections received from stakeholders	As scheduled by the Commission.
3.	Draft Tariff Order (6 hard copies and a softcopy)	As scheduled by the Commission.
4.	Submission of the final Tariff Order on the basis of the comments of Commission on the draft report (6 hard Copies and a softcopy on CD/Pen-drive).	Within one week of the communication of comments by commission.
5.	Follow up and assistance in the Appellate Tribunal/Supreme Court/ High Court/ Commission or any other court of law in the event of review/appeal filed, if any, by any stakeholder.	“As and when required” basis.

2.3 **Part-B:** Assisting the Commission in various technical issues as assigned to them from time to time:

The Commission wants to appoint a reputed consultancy firm to support the Commission for a year, for assistance in various activities of the Commission as detailed below, but not limited to;

- i) Assisting the Commission in various technical issues related to tariffs, distribution, generation, transmission, SLDC, trading, open access, renewable etc. for a year.
- ii) As desired by commission, the consultant shall review existing regulations and suggest amendments in view of rules, policies, guidelines and status, incorporate it as and where required after appraising the commission; formulate new Regulations in view of Electricity Act, 2003, various rules, policies and guidelines etc.
- iii) Compliance of various functions/provisions/parameters under Electricity Act, 2003.
- iv) To help in monitoring of all the Licensees and SLDC of the state on various parameters, such as compliance to Act, directives, Rules,

Regulations of Commission and compliance to State/Central policies, guidelines and rules. Analysis of the compliance report on various directives given to the Licensees/Utilities in Commission's tariff order/separate order and assist in formulating consolidated fresh directives (considering the true up and APR tariff orders) suggesting ways and means to improve the functioning of the Petitioner(s) and consumer services.

- v) Consultation On other issues related to value chain of power sector keeping dynamism of sector in mind and new policies, guidelines and rules of the State/Central Governments.
- vi) Capacity buildings and any other matters as specified by the commission.

### **3. ELIGIBILITY AND QUALIFICATION REQUIREMENT**

**The bidder must possess expertise in the following areas: -**

- (a) Must have sound understanding, adequate technical knowledge and practical experience of the engineering, legal, commerce and economics of transmission and distribution business of electricity and financial analysis and accounting.
- (b) A clear understanding of Electricity Act, 2003, rules and regulations made under the Act and the applicable policies, legal and regulatory framework, developments and reforms at Central and State levels.
- (c) Proven experience of providing assistance to various States/Joint/Central Electricity Regulatory Commissions for formulation of distribution, transmission, SLDC and other related Regulations and analysis of regulatory process and policies.
- (d) Proven experience in providing consultancy services in the area of preparation or analysis and evaluation of petitions for determination of ARR and tariff for transmission, SLDC and distribution of electricity in accordance with the provisions of the Electricity Act, 2003

The bidder should have experience of analysis and

evaluation of tariff petitions on MYT principle for transmission licensee(s), SLDC and retail sale of electricity on behalf of any State or Joint Electricity Regulatory Commission/ preparation of petition on MYT principle for determination of ARR and tariff for transmission and distribution on behalf of utility for filing before State Electricity Regulatory Commission/ Joint Electricity Regulatory Commission.

- (e) The bidder should have minimum average audited annual turnover of Rs. 2 (two) crores from their consultancy business during the three financial years 2018-19 to 2020-21/2019-20 to 2021-22 and it should have adequate financial capability and status to meet the financial obligations pursuant to the services covered in the Bid document substantiated by the admissible documents/proofs.
- (f) The bidder should have Permanent Account Number (PAN) & Goods and Service Tax Number (GST).
- (g) The consultant should have manpower with required skills to carry out the works as per terms of reference.
- (h) The Consultant appointed by the Commission, shall in no case represent or give opinion or advice on the specific matters covered in the RFP simultaneously or concurrently to any regulated entity of the Commission. The Consultants shall inform the Commission their existing assignments with the regulated entities which may have bearing on the regulatory advice covered by this RFP.
- (i) If the Consultant is also working with the BSPHCL, BSPGCL, BSPTCL, BGCL, SLDC, NBPDC and SBPDCL in Bihar whose tariff is determined by the Commission, will not be eligible. 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 comes to its knowledge.

#### **4. INFORMATION TO BE FURNISHED BY THE BIDDERS**

##### 4.1 Manpower details:

- (i) Manpower details for Part A to be provided separately. Manpower details of the Team / Group indicating the name of the team leader who will remain associated with work and would devote considerable time (not less than four weeks for Part-A) during the consultancy period to execute the consultancy job should be submitted as per Annexure-T-1. The maximum age of the any team member including the team leader shall not exceed 65 years as on the last date of submission of the bid.

For Part B, a team of at least 2 members, with experience of more than 5 years of working with Regulatory Commissions as specified in the Scope of work shall be required to be stationed at BERC office for a period of 1 year and documents in this regard are also required to be furnish to the Commission at the time of bidding.

Details of other personnel (key personal and others) who will undertake each item of work given under Scope of Work along with curriculum vitae should be given as per Annexure-T-1.

- 4.2 Details of experience of consultancy relating to works as mentioned under ‘Scope of Work’ particularly with Electricity Regulatory Commission or transmission/distribution utility with documentary proof in the prescribed format (Annexure-T-2) as well as in summary of experience in prescribed format (Annexure-T-3). The experience should clearly indicate, with supporting documents whether voltage wise cost of supply have been computed in the past orders.
- 4.3 Details of Resources available and Tie-up with experts/professional organizations to handle the consultancy work (Annexure-T4).
- 4.4 Documentary evidences in support of requirements under clause 3(c) to 3(f) above and all other information mentioned in various clauses of RFP document

## **5. INFORMATION AND INSTRUCTIONS TO BIDDERS**

- 5.1 Bidders are required to furnish all required information and documents in English as specified in the RFP document.

Further, Part A & B shall be treated as separate tender and shall be evaluated and allotted separately.

- 5.2 Bid documents shall be printed/ typed in three copies. Every page of the bid documents should be signed by the authorized signatory with seal. Additions, alterations and over-writings, if any, in the bid document or accompanying documents must be initialed by the person(s) who signs the bid.
- 5.3 The bidder shall properly check the documents before submission to ensure that all information/documents required are included. In this context a check list is given at Annexure-T7. The bidder shall give a list of enclosures/documents enclosed with the Bid.
- 5.4 Details of all assignments/contracts, if any, in the Power Sector in the State of Bihar and outside, if any, shall be submitted by the bidder. The bidder shall ensure that there is no clash of interest of its contract with other parties in the power sector in Bihar.
- 5.5 Bid shall be liable for rejection on the following grounds:
- a) Incomplete Bid.
  - b) Bid not meeting the technical/commercial conditions laid down in the RFP documents.
  - c) Terms and conditions/technical response quoted price are vague and ambiguous.
  - d) Bid not accompanying bid security deposit and the required documents.
  - e) Bid not valid for the specified period.
  - f) Bidder should furnish only the relevant information/documents as received in this RFP document only in this regard and not unnecessary/irrelevant information /documents.
- 5.6 BEREC reserves the right to reject Bid process without assigning any reason at any time.
- 5.7 Bidder may be required to give a presentation before the Commission for the purpose of clarification on their bid proposal at their own, if so desired by the BEREC.
- 6. CLARIFICATION AND AMENDMENT OF RFP DOCUMENT:**
- 6.1 Bidders who require clarifications on any aspect of the RFP documents should send their queries in writing or through email on or before **01.09.2022** BEREC will respond by e-mail at [bercpat@bihar.gov.in](mailto:bercpat@bihar.gov.in) to such queries and will send copies of the

clarifications to all prospective bidders. Such clarifications will be treated as part of Bid documents.

6.2 At any time prior to deadline for submission of bid or extended date, if deemed necessary, BERC reserves the right to add/delete/modify any portion of the bid documents by issuing an amendment. Such amendment(s) shall be put on the website of the Commission and informed to all prospective bidders by e-mail. However, in such a case clear time of 15 days will be given for submission/modification of the bid documents. The modification shall be binding on all bidders.

6.3 Although details included in RFP document have been compiled with all reasonable care, it is bidders' responsibility to satisfy themselves that the information/documents submitted with the bid documents are adequate and that there is no conflict between the bid documents and stipulations given in the RFP. In case of any such conflict in any document after signing of agreement with BERC, interpretation of BERC shall be final.

**7. EXCEPTION / DEVIATION FROM RFP DOCUMENT:**

Exceptions/deviations, if any, to any clause of the RFP document must be properly spelt out in the Schedule of exception and deviations as per **Annexure- T-8** to be submitted along with the Bid. BERC reserves the right to accept or reject any deviation. In the absence of such schedule, it will be assumed that there is no exception or deviation and the Bid is entirely in line with the RFP document.

**8. PROCEDURE FOR SUBMISSION OF BID:**

8.1 The consultant firm have option to bid either Part A or Part B; and if the firm is bidding for both the part i.e. Part A as well as Part B, bid shall be submitted separately as if there are separate tender for Part A and Part B. The bidder shall submit the bid in two parts :

Part I – Technical Bid

Part II – Financial Bid

In separate sealed envelopes one for Part-I (Technical Bid) and the other for Part- II (Financial Bid) with the covering letter in the