

# PAKISTAN ELECTRIC POWER COMPANY



**CONSULTANCY SERVICES TO  
CARRY OUT REVALIDATION OF FIGURES OF  
RECOVERIES AND T&D LOSSES THROUGH  
A THIRD PARTY.**

## **REQUEST FOR PROPOSAL**

Single Stage : Two Envelop Procedure

RFP Identification No. : 002 / 2017

**General Manager (Finance) PEPCO  
712-WAPDA House, Lahore.**

**Date : JULY -2017**

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**SECTION – 1**  
**LETTER OF INVITATION**

## **LETTER OF INVITATION**

**Subject: REQUEST FOR PROPOSAL (RFP); TO CARRY OUT REVALIDATION OF FIGURES OF RECOVERIES AND T&D LOSSES THROUGH A THIRD PARTY .**

The Client (PEPCO) intends to carry out revalidation of figures of recoveries and T&D losses through a third party on the directive of Cabinet Committee On Energy (CCOE) for all DISCOs.

1. The Client (PEPCO) accordingly invites Proposals for hiring services of Category-A Auditing Firms (Chartered Accountants) on panel of auditors maintained by State Bank of Pakistan under Section 35 (1) of Banking Companies Ordinance 1962. The auditing firm must have vast experience of revalidation power sector specially in recoveries and losses of DISCOs.

2. Selection of Consultant for the services shall be made Least Cost method as per given in the RFP, Contract will be awarded on lump sum.

3. The RFP includes the following documents:

SECTION 1. LETTER OF INVITATION

SECTION 2. INFORMATION TO CONSULTANT

SECTION 3. TECHNICAL PROPOSAL – STANDARD FORMS

SECTION 4. FINANCIAL PROPOSAL - STANDARD FORMS

SECTION 5. TERMS OF REFERENCE

CONSULTANCY SERVICES AGREEMENT

4. Bidders are invited to submit a comprehensive Proposal (Technical and Financial) in triplicate (One original + Two copies) in separate sealed envelopes. The proposal should be submitted in English Language.

5. Client reserves the rights to accept or reject any or all the proposals as per PPRA rules without assigning any reason.

**General Manager (Finance) PEPCO**  
712-Wapda House, Lahore

## **SECTION 2 – INSTRUCTIONS TO CONSULTANTS AND DATA SHEET**

### **A. General Provisions**

#### Definitions

- (a) “Applicable Guidelines” means the policies of PEPCO.
- (b) “Applicable Law” means the laws and any other instruments having the force of law in Pakistan,
- (c) “Client” means the implementing agency that signs the Contract for the Services with the selected Consultant.
- (d) “Consultant” means consulting firm having Category-A Auditing Firms (Chartered Accountants) on panel of auditors maintained by State Bank of Pakistan under Section 35 (1) of Banking Companies Ordinance 1962 .
- (e) “Contract” means a legally binding written agreement signed between the Client and the Consultant.
- (f) “Services” means the work to be performed by the Consultant pursuant to the Contract.
- (g) “Data Source” will be provided by DISCOs (CEO,) and comparison will be made from data provided by PITC/GM(R&CO) in case of any variation is observed same should be indicated against each DISCOs
- (h) “T&D” Losses” means transmission and distribution losses
- (i) “DISCOs” means distribution companies
- (j) “Third Party” means any person or entity other than the government, the client, the consultant.
- (k) “Proposal” means the technical proposal and financial proposal of the consultant.
- (l) “TORs” (this section-5 of the RFP) means the terms of reference that explain the objectives, scope of work, activities, and the task to be performed, respective responsibilities of the client and the consultant, and expected results and deliverables of the assignment.

## 1. Introduction

1.1 The shortlisted Audit Consulting Firms are invited to submit to carry out revalidation of figures of recoveries and T&D losses proposal , as specified in the **Data Sheet**, for Consultants required for the assignment named in the **Data Sheet**.

1.2 The Consultants are invited to submit a Technical Proposal and a Financial Proposal, as specified in the Data Sheet for consulting services required for the assignment named in the Data Sheet. The proposal will be the basis of least cost method for contract and negotiations and ultimately for a signed contract with the selected firm.

1.3 The assignment shall be implemented in accordance with the phasing indicated in the Data Sheet. When the assignment includes several phases, the performance of the consultant under each phase must be to the Client's satisfaction before work begins on the next phase.

1.4 To obtain first-hand information on the assignment and on the local conditions, Consultants are encouraged to visit the Client before submitting a proposal and to attend a pre-proposal conference if one is specified in the Data Sheet. Attending the pre-proposal conference is optional. The Consultants' representative should contact the official(s) named in the Data Sheet to arrange for their visit or to obtain additional information on the pre-proposal conference. Consultants should ensure that this(these) official(s) is(are) advised of the visit in adequate time to allow him/her(them) to make appropriate arrangements.

1.5 The Client will provide the inputs specified in the Data Sheet, assist the firm in obtaining licenses and permits needed to carry out the services, and make available relevant project data and reports.

## 2. Clarification and Amendment of RFP Documents

2.1 Consultants may request a clarification of any of the RFP documents up to the number of days indicated in the Data Sheet before the proposal submission date. Any request for clarification must be sent in writing by paper mail, cable, telex, facsimile, or electronic mail to the Client's address indicated in the Data Sheet. The Client will respond by cable, telex, facsimile, or electronic mail to such requests and will send written

copies of the response (including an explanation of the query but without identifying the source of inquiry) to all invited Consultants who intend to submit proposals.

2.2 At any time before the submission of proposals, the Client may, for any reason, whether at its own initiative or in response to a clarification requested by an invited firm, amend the RFP. Any amendment shall be issued in writing through agenda. Agenda shall be sent by mail, cable, telex, facsimile, or electronic mail to all invited Consultants and will be binding on them. The Client may at its discretion extend the deadline for the submission of proposals.

**Preparation of Proposal**

3.1 Consultants are requested to submit a proposal (para. 1.2) written in the language(s) specified in the Data Sheet.

**Technical Proposal**

3.2 In preparing the Technical Proposal, Consultants are expected to examine the documents constituting this RFP in detail. Material deficiencies in providing the information requested may result in rejection of a proposal.

3.3 While preparing the Technical Proposal, Consultants must give particular attention to the following:

- (i) If a firm considers that it does not have all the expertise for the assignment, it may obtain a full range of expertise by associating with individual Consultant(s) and/or other firms or entities in a joint venture or Sub-Consultancy, as appropriate. Consultants may associate with the other Consultants invited for this assignment only with approval of the Client as indicated in the Data Sheet. The Consultants are encouraged to seek the participation of local Consultants by entering into a joint venture with, or subcontracting part of the assignment to, national Consultants.
- (ii) For assignments on a staff-time basis, the estimated number of professional staff-months is given in the Data Sheet. The proposal shall, however, be based on the number of professional staff-months estimated by the firm. For fixed-budget-based assignments, the available budget is given in the Data Sheet, and the Financial Proposal shall not exceed this budget.
- (iii) It is desirable that the majority of the key professional staff proposed be permanent employees of the firm or have an extended and

stable working relationship with it.

- (iv) Proposed professional staff must, at a minimum, have the experience indicated in the Data Sheet, preferably working under conditions similar to those prevailing in the country of the assignment.
- (v) Alternative professional staff shall not be proposed, and only one curriculum vitae (CV) may be submitted for each position.
- (vi) Reports to be issued by the Consultants as part of this assignment must be in the language(s) specified in the Data Sheet. It is desirable that the firm's personnel have a working knowledge of the national language of the beneficiary country.

3.4 The Technical Proposal shall provide the following information using the attached Standard Forms (Section 3):

- (i) A brief description of the firm's organization and an outline of recent experience on assignments (Section 3B) of a similar nature. For each assignment, the outline should indicate, *inter alia*, the profiles of the staff proposed, duration of the assignment, contract amount, and firm's involvement.
- (ii) Any comments or suggestions on the Terms of Reference and on the data, a list of services, and facilities to be provided by the Client (Section 3C).
- (iii) A description of the methodology and work plan for performing the assignment (Section 3D).
- (iv) The list of the proposed staff team by specialty, the tasks that would be assigned to each staff team member, and their timing (Section 3E).
- (v) CVs recently signed by the proposed professional staff and the authorized representative submitting the proposal (Section 3F). Key information should include number of years working for the firm/entity and degree of responsibility held in various assignments during the last ten (10) years.
- (vi) Estimates of the total staff input (professional and support staff; staff time) needed to carry out



the assignment, supported by bar chart diagrams showing the time proposed for each professional staff team member (Sections 3E and 3G).

- (vii) A detailed description of the proposed methodology, staffing, and monitoring of training, if the Data Sheet specifies training as a major component of the assignment.
- (viii) Any additional information requested in the Data Sheet.

3.5 The Technical Proposal shall not include any financial information.

**Financial Proposal**

3.6 In preparing the Financial Proposal, Consultants are expected to take into account the requirements and conditions outlined in the RFP documents. The Financial Proposal should follow Standard Forms (Section 4). It lists all costs associated with the assignment, including (a) remuneration for staff (local, in the field and at headquarters), and (b) reimbursable expenses such as subsistence (per diem, housing), transportation (international and local, for mobilization and demobilization), services and equipment (vehicles, office equipment, furniture, and supplies), office rent, insurance, printing of documents, surveys, and training, if it is a major component of the assignment. If appropriate, these costs should be broken down by activity and, if appropriate, in to local expenditures.

3.7 The Consultant may be subject to local taxes (such as: value added or sales tax, social charges or income taxes on non resident Foreign Personnel, duties, fees, levies) on amounts payable by the Client under the Contract. The Client will state in the Data Sheet if the Consultant is subject to payment of any local taxes. Any such tax amounts shall not be included in the Financial Proposal as they will not be evaluated, but they will be discussed at contract negotiations, and applicable amounts will be included in the Contract.

3.8 Consultants may express the price of their services in the currency of any Client member country (Pak Rupees). The Client may require Consultants to state the portion of their price representing local cost in the national currency if so indicated in the Data Sheet.

3.9 Commissions and gratuities, if any, paid or to be paid by Consultants and related to the assignment will be listed in the Financial Proposal submission form (Section 4A).

3.10 The Data Sheet indicates how long the proposals must remain valid after the submission date. During this period, the Consultant is expected to keep available the professional staff proposed for the assignment. The Client will make its best effort to complete negotiations within this period. If the Client wishes to extend the validity period of the proposals, the Consultants who do not agree have the right not to extend the validity of their proposals.

**4. Submission, Receipt, and Opening of Proposals**

4.1 The original proposal (Technical Proposal and, Financial Proposal; see para. 1.4) shall be prepared in indelible ink. It shall contain no interlineation or overwriting, except as necessary to correct errors made by the firm itself. Any such corrections must be initialed by the persons or person who sign(s) the proposals.

4.2 An authorized representative of the firm initials all pages of the proposal. The representative's authorization is confirmed by a written power of attorney accompanying the proposal.

4.3 For each proposal, the Consultants shall prepare the number of copies indicated in the Data Sheet. Each Technical Proposal and Financial Proposal shall be marked "ORIGINAL" or "COPY" as appropriate. If there are any discrepancies between the original and the copies of the proposal, the original governs.

4.4 The original and all copies of the Technical Proposal shall be placed in a sealed envelope clearly marked "Technical Proposal," and the original and all copies of the Financial Proposal in a sealed envelope clearly marked "FINANCIAL PROPOSAL" and warning: "DO NOT OPEN WITH THE TECHNICAL PROPOSAL." Both envelopes shall be placed into an outer envelope and sealed. This outer envelope shall bear the submission address and other information indicated in the Data Sheet and be clearly marked, "DO NOT OPEN, EXCEPT IN PRESENCE OF THE EVALUATION COMMITTEE."

4.5 The completed Technical and Financial Proposals must be delivered at the submission address on or before the time and date stated in the Data Sheet. Any proposal received after the closing time for submission of proposals shall be returned unopened.

4.6 After the deadline for submission of proposals, the Technical Proposal shall be opened immediately by the evaluation committee. The Financial Proposal shall remain sealed and deposited in a safe location until all submitted proposals are opened publicly.

## 5. Proposal Evaluation

- General**
- 5.1 From the time the bids are opened to the time the contract is awarded, if any Consultant wishes to contact the Client on any matter related to its proposal, it should do so in writing at the address indicated in the Data Sheet. Any effort by the firm to influence the Client in the Client's proposal evaluation, proposal comparison or contract award decisions may result in the rejection of the Consultant's proposal.
- 5.2 Evaluators of Technical Proposals shall have no access to the Financial Proposals until the technical evaluation is concluded.
- Evaluation of Technical Proposals**
- 5.3 The evaluation committee, appointed by the Client, evaluates the proposals on the basis of their responsiveness to the Terms of Reference, applying the evaluation criteria, sub criteria (typically not more than three per criteria), and point system specified in the Data Sheet. Each responsive proposal will be given a technical score (St). A proposal shall be rejected at this stage if it does not respond to important aspects of the Terms of Reference or if it fails to achieve the minimum technical score indicated in the Data Sheet.
- 5.4 In the case of Least Cost, Selection Based on Consultant's Qualifications, and Single-Source Selection, the highest score taking firm or firm selected on a single-source basis is invited to negotiate its proposal and the contract on the basis of the Technical Proposal and the Financial Proposal submitted in accordance with the instructions given in para. 1.2 and the Data Sheet.
- Public Opening and Evaluation of Financial Proposals: Ranking (QCBS, Fixed-Budget, and Least-Cost Selection Methods Only)**
- 5.5 After the evaluation of quality is completed, the Client shall notify those Consultants whose proposals did not meet the minimum qualifying mark or were considered nonresponsive to the RFP and Terms of Reference, indicating that their Financial Proposals will be returned unopened after completing the selection process. The Client shall simultaneously notify the Consultants that have secured the minimum qualifying mark, indicating the date and time set for opening the Financial Proposals. The opening date shall not be sooner than two weeks after the notification date. The notification may be sent by registered letter, cable, telex, facsimile, or electronic mail.
- 5.6 The Financial Proposals shall be opened publicly in the presence of the Consultants' representatives who choose to attend. The name of the Consultant, the

quality scores, and the proposed prices shall be read aloud and recorded when the Financial Proposals are opened. Financial proposal of that consultant having technical score less than qualifying score shall be returned unopened. The Client shall prepare minutes of the public opening.

5.7 The evaluation committee will determine whether the Financial Proposals are complete (i.e., whether they have costed all items of the corresponding Technical Proposals; if not, the Client will cost them and add their cost to the initial price), correct any computational errors, and convert prices in various currencies to the single currency specified in the Data Sheet. The official selling rates used, provided by the source indicated in the Data Sheet, will be those in effect on the date indicated in the Data Sheet. The evaluation shall include local taxes and charges as specified in para. 3.7.

5.8 In the case of Fixed-Budget Selection, the Client will select the firm that submitted the highest ranked Technical Proposal within the budget ("evaluated" price). Proposals that exceed the indicated budget will be rejected. In the case of the Least-Cost Selection, the Client will select the lowest proposal ("evaluated" price) among those that passed the minimum technical score. In both cases the selected firm is invited for negotiations.

## **6. Negotiations**

6.1 Negotiations will be held at the address indicated in the Data Sheet. The aim is to reach agreement on all points and sign a contract.

6.2 Negotiations will include a discussion of the Technical Proposal, the proposed methodology (work plan), staffing and any suggestions made by the firm to improve the Terms of Reference. The Client and firm will then work out final Terms of Reference, staffing, and bar charts indicating activities, staff, periods in the field and in the home office, staff-months, logistics, and reporting. The agreed work plan and final Terms of Reference will then be incorporated in the "Description of Services" and form part of the contract. Special attention will be paid to getting the most the firm can offer within the available budget and to clearly defining the inputs required from the Client to ensure satisfactory implementation of the assignment.

6.3 The financial negotiations will include a clarification (if any) of the firm's tax liability in the beneficiary's country, and the manner in which it will be reflected in the contract; and will reflect the agreed technical

modifications in the cost of the services. Unless there are exceptional reasons, the financial negotiations will involve neither the remuneration rates for staff (no breakdown of fees) nor other proposed unit rates in the cases of QCBS, Fixed-Budget Selection, and the Least-Cost Selection methods. For other methods, the firm will provide Consultants with the information on remuneration rates described in the Appendix to this information.

6.4 Having selected the firm on the basis of, among other things, an evaluation of proposed key professional staff, the Client expects to negotiate a contract on the basis of the experts named in the proposal. Before contract negotiations, the Client will require assurances that the experts will be actually available. The Client will not consider substitutions during contract negotiations unless both parties agree that undue delay in the selection process makes such substitution unavoidable or that such changes are critical to meet the objectives of the assignment. If this is not the case and if it is established that key staff were offered in the proposal without confirming their availability, the firm may be disqualified.

6.5 The negotiations will conclude with a review of the draft form of the contract. To complete negotiations the Client and the firm will initial the agreed contract. If negotiations fail, the Client will invite the firm whose proposal received the second highest score to negotiate a Contract.

**7. Award of Contract**

7.1 The contract will be awarded following negotiations. After negotiations are completed, the Client will promptly notify other Consultants on the shortlist that they were unsuccessful and return the unopened Financial Proposals of those Consultants who did not pass the technical evaluation (para. 5.3).

7.2 The firm is expected to commence the assignment on the date and at the location specified in the Data Sheet.

**8. Confidentiality**

8.1 Information relating to evaluation of proposals and recommendations concerning awards shall not be disclosed to the Consultants who submitted the proposals or to other persons not officially concerned with the process, until the winning firm has been notified that it has been awarded the contract.

**9. Applicable Law**

9.1 Applicable Law means the laws and any other instruments having the force of law in Islamic Republic of Pakistan.

## Instruction to Consultants

### E. Data Sheet

<b>A- General</b>	
<b>1.1</b>	<p><b>a. Name of the Client</b></p> <p style="text-align: center;">Pakistan Electric Power Company (Pvt.) Limited (PEPCO)</p> <p><b>b. Method of Selection</b></p> <p style="text-align: center;">Least Cost based Selection method (LCBS): with single stage two envelop system of after qualifying the technical proposal Selection the Consultant which has quoted the minimum price will be selected for the assignment.</p>
<b>1.2</b>	<p><b>Proposal for Third Party Audit of Recoveries and T&amp;D Losses of DISCOs to be submitted :</b></p> <p>Yes</p> <p><b>Name of the assignment is:</b></p> <p>Hiring services of Consultants (Chartered Accountants) to carry out revalidation of figures of Recoveries and T&amp;D losses being a third party.</p>
<b>1.3</b>	<b>No phases</b>
<b>1.4</b>	<p><b>A pre- proposal conference will be held</b></p> <p>Yes (Date to be mentioned in RFP) Time of pre-proposal conference will be intimated later.</p> <p><b>The Client representative is:</b> General Manager (Finance), Pakistan Electric Power Company Limited (PEPCO)</p> <p><b>Address:</b> General Manager (Finance), PEPCO, Room No. 712-WAPDA House, Lahore, Pakistan</p> <p><b>Phone:</b> +92 (042) 99202641 <b>Fax:</b> +92 (042) 99202067 <b>E-mail:</b> ddc610@gmail.com</p>
<b>1.5</b>	<b>Information regarding assignment will be provided as required</b>
<b>2.1</b>	<p><b>Clarification may be requested no later than 05 days prior to the submission deadline:</b></p> <p>The contact information for requesting clarifications is: General Manager (Finance), PEPCO, Room No. 712-WAPDA House, Lahore, Pakistan</p>

	<b>Phone:</b> +92 (042) 99202641 <b>Fax:</b> +92 (042) 99202067 <b>E-mail:</b> ddc610@gmail.com
<b>3.1</b>	<b>This RFP has been issued in English language.</b> Proposals shall be submitted in the following language: <b>English</b> All correspondence exchange shall be in English language
<b>3.7</b>	The Consultant has no exemption of any taxes. <b>Information on the Consultant tax obligations in the Client's country can be found from Federal Board of Revenue, Pakistan.(www.fbr.gov.pk)</b>
<b>3.8</b>	<b>Consultant to state local cost in Pak Rupees</b>
<b>3.10</b>	<b>Proposals must remain valid for 120 days</b> after the last date for submission of proposal.
<b>4.3</b>	<b>The Consultant must submit:</b> (a) <b>Technical Proposal</b> one (1) original and two (2) copies along with soft copy (CD); (b) <b>Financial Proposal</b> one (1) original and one (2) copy
<b>4.4 , 4.5&amp;5.1</b>	<b>The Proposals must be submitted not later than:</b> <b>Date: 24.08.2017</b> <b>Time:1100 hrs</b> <b>The Proposal submission address is:</b> General Manager (Finance), PEPCO, Room No. 712-WAPDA House, Lahore, Pakistan  <b>Phone:</b> +92 (042) 99202641 <b>Fax:</b> +92 (042) 99202067  <b>E-mail:</b> ddc610@gmail.com
<b>5.2</b>	<b>Evaluation Methodology</b> Single stage – Two Envelope Procedure The firm must score 65% marks to become technically responsive.
<b>5.3</b>	The number of points to be given under each of evaluation criteria are <b><u>Technical Proposal:</u></b>

	Description	Nature of Conditions/ Max. Marks
1	Experience of the firm. No. of years working in the specific field	15
2	Power Sector Experience specially in revalidation of losses and recoveries of DISCOs	15
3	Power Sector Experience	10
4	Number of Qualified Chartered Accountants Employed by Firm in Pakistan	15
5	Number of Audit Staff	20
6	Number of BSc. electrical Engineers employed in Pakistan	15
7	Number of Offices in Pakistan	10
<p>Following criteria shall be used for the selection of the firm:</p> <p><b><u>Financial Evaluation:</u></b></p> <p>Financial Proposals of only Technically Qualified Audit Firm will be opened. The Firm with lowest evaluated financial proposal (Least Cost) will be selected.</p>		
<b>5.7</b>	Not applicable	
<b>5.8</b>	The least cost base selection method will be used accordingly, the technically qualified firms/ consultancy offered minimum price will be awarded the contract	
<b>6.1</b>	Expected date and address for contract negotiations: As notified after Evaluation of proposals	
<b>6.2</b>	<b>The publication of the contract award information following the completion of the contract negotiations and contract signing will be done.</b>	
<b>7.2</b>	Expected date for the commencement of the Services: Signing of contract agreement date.	



## **ELIGIBILITY AND EVALUATION CRITERIA**

The Client (PEPCO) accordingly invites Proposals for hiring services of Category-A Consultant (Chartered Accountants) firm on panel of auditors maintained by State Bank of Pakistan under Section 35 (1) of Banking Companies Ordinance 1962. The auditing firm must have vast experience of revalidation power sector specially in recoveries and T&D losses of DISCOs shall be engaged through Least Cost Selection Method under single stage two envelop procedure.

The RFP defines the “minimum “qualifying mark for the “quality” and request the firms to submit at the same time technical and financial proposals in separate envelopes. Technical proposals will be opened first and evaluated. **Those securing less than the minimum qualifying mark 65% (Technical Score Threshold) will be rejected**, and the financial proposals of the rest will be opened in public. The firm with the lowest price shall then be selected and invited to finalize the contract.

### **Technical and Financial Evaluation**

#### **(A) Eligibility and Initial Screening (Mandatory Requirement)**

The following documents/ certificates are the pre-requisite for **Eligibility** and may be used for initial screening as under:

1. The firm must be Category “A” Audit Firm (Chartered Accountant) on the panel maintained by State Bank of Pakistan
2. The firm must have affiliation with one of the global audit firms
3. Satisfactory QCR Rating of ICAP
4. NTN Certificate
5. No litigation Certificate

## (B) Evaluation Criteria for Technical Score Threshold

If bidder does not supply information on any of these factors a score of zero will be assumed. The score assigned by PEPCO evaluation committee will be final.

<b>1. Experience of the firm. No. of years working in the specific field</b>	<b>Total Marks</b>	<b>Range of Partners</b>	<b>Marks</b>
At least 5	<b>15</b>	5	5
		6-10	10
		Above 10	15
<b>2. Power Sector Experience specially in revalidation of losses and recoveries of DISCOs</b>	<b>Total Marks</b>	<b>No. of Organizations</b>	<b>Marks</b>
Experience of at least 01 Power Sector Companies Audit in last 10 years	<b>15</b>	01	8
		2-3	12
		Above 03	15
<b>3. Power Sector Experience</b>	<b>Total Marks</b>	<b>No. of Organizations</b>	<b>Marks</b>
Experience of at least 1 Audit regarding revalidation of figures of recoveries and losses of DISCOs in last 5 years	<b>10</b>	1	6
		2 & above	10
<b>4. Number of Qualified Chartered Accountants Employed by Firm in Pakistan</b>	<b>Total Marks</b>	<b>Range of Qualified Chartered Accountants</b>	<b>Marks</b>
At least 03 (List attached)	<b>15</b>	3-5	5
		05-06	10
		Above 06	15
<b>5. Number of Audit Staff</b>	<b>Total Marks</b>	<b>Range of Staff</b>	<b>Marks</b>
At least 25 Staff (List of Audit Staff attached)	<b>20</b>	25-35	5
		36-45	10
		46-50	15
		Above	20
<b>6. Number of BSc. electrical Engineers employed in Pakistan</b>	<b>Total Marks</b>	<b>No. of Organizations</b>	<b>Marks</b>
Employee has Experience of Transmission & Distribution in DSCOs at least 10 years	<b>15</b>	10 years	08
		15 years	12
		20 years and above	15
<b>7. Number of Offices in Pakistan</b>	<b>Total Marks</b>	<b>No. of Offices</b>	<b>Marks</b>
At least 03	<b>10</b>	03	6
		Above 03	10

**(C)Financial Evaluation:**

Financial Proposals of only Technically Qualified Audit Firm will be opened. The Firm with lowest evaluated financial proposal (Least Cost) will be selected.

**SECTION 3.**

**TECHNICAL PROPOSAL**

**STANDARD FORMS**

Section	Description	Remarks
3A	Technical Proposal Submission Form.	-
3B	Firm's references	-
3C	Comments on the Terms of Reference	-
3D	Description of the methodology and work plan for performing the assignment	-
3E	Team composition and task assignments	-
3F	Curriculum Vitae (CV)	-
3G	Time schedule for professional personnel	N/A
3H	Activity (work) schedule	N/A

### 3A. TECHNICAL PROPOSAL SUBMISSION FORM

*{Location, Date}*

**General Manager Finance PEPCO**

712- Wapda House,  
Lahore.  
Ph: 042-99202641  
Fax: 042-99202067

Dear Sir,

I, the undersigned, offer to provide the consulting services to carry out revalidation of figures of recoveries and T&D losses of 10 DISCOs in accordance with your Request for Proposal. I am hereby submitting my Proposal, which includes Technical and Financial Proposal sealed under an outer envelope which will be opened in single stage on the same date and time.

I understand you are not bound to accept any Proposal you receive.

I remain,

Yours sincerely,

Signature *{In full and initials}*: \_\_\_\_\_

Name and Title of Signatory: \_\_\_\_\_

Address: \_\_\_\_\_

Contact information *(phone and e-mail)*: \_\_\_\_\_

## 3B- FIRM'S REFERENCE

### Relevant Services Carried Out in the Last Ten Years Which Best Illustrate Qualifications

Using in the format below, provide information on each reference assignment for which your firm, either individually as a corporate entity or as one of the major companies within a consortium, was largely contracted.

Assignment Name:		Country:
Location within Country:		Professional Staff Provided by Your Firm:
Name of Client:		No of Staff:
Address:		No of Staff Months:
Start Date (Month/Year):	Completion (Month/Year):	Date
		Approx. Value of Services (in Rs.)
Name of Associated Firm (s), if any:		No. of Months of Professional Staff Provided by Associated Firm(s)
Name of Senior Staff (Project Director/Coordinator, Team Leader) involved and functions performed:		
Narrative Description of Project		
Description of Actual Services Provided by Your Staff		

Consultants'

\_\_\_\_\_

Name:

### **3C. COMMENTS AND SUGGESTIONS ON THE TERMS OF REFERENCE**

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Comments and suggestions on the Terms of Reference that could improve the quality/effectiveness of the assignment.



**3D. Description of the methodology and work plan for performing the assignment**

**3 E. Team composition and task assignments**  
**1. Technical/Managerial Staff for each DISCO**

<b>Name</b>	<b>Position</b>	<b>Task Assignment</b>

**2. Support Staff**

<b>Name</b>	<b>Position</b>	<b>Task Assignment</b>

**3F. FORMAT OF CURRICULUM VITAE (CV) FOR PROPOSED  
PROFESSIONAL STAFF**

Proposed Position: \_\_\_\_\_

Name of Firm: \_\_\_\_\_

Name of Staff: \_\_\_\_\_

Profession: \_\_\_\_\_

Date of Birth: \_\_\_\_\_

Years with Firm/Entity: \_\_\_\_\_ Nationality: \_\_\_\_\_

Membership in Professional Societies: \_\_\_\_\_

\_\_\_\_\_

Detailed Tasks Assigned: \_\_\_\_\_

\_\_\_\_\_

**Key Qualifications:**

*[Give an outline of staff member's experience and training most pertinent to tasks on assignment. Describe degree of responsibility held by staff member on relevant previous assignments and give dates and locations. Use about half a page.]*

\_\_\_\_\_

**Education:**

*[Summarize college/university and other specialized education of staff member, giving names of schools, dates attended, and degrees obtained. Use about one quarter of a page.]*

\_\_\_\_\_

**Employment Record:**

*[Starting with present position, list in reverse order every employment held. List all positions held by staff member since graduation, giving dates, names of employing organizations, titles of positions held, and locations of assignments. For experience in last ten years, also give types of activities performed and client references, where appropriate. Use about two pages.]*

---

**Languages:**

*[For each language indicate proficiency: excellent, good, fair, or poor in speaking, reading, and writing.]*

---

**Certification:**

I, the undersigned, certify that to the best of my knowledge and belief, these data correctly describe my qualifications, my experience, and me.

\_\_\_\_\_ Date: \_\_\_\_\_  
*[Signature of Consultant]* *Day/Month/Year*

Full name of staff member: \_\_\_\_\_

Full name of authorized representative: \_\_\_\_\_

**Section 4.**  
**Financial Proposal**  
**Standard Forms**

Financial Proposal Standard Forms shall be used for the preparation of the Financial Proposal according to the instructions provided in Section 2.

FIN-4A Financial Proposal Submission Form

FIN-4B Summary of Costs

## 4A. FINANCIAL PROPOSAL SUBMISSION FORM

*{Location, Date}*

**General Manager Finance PEPCO**

712- Wapda House,  
Lahore.  
Ph: 042-99202641  
Fax: 042-99202067

Dear Sir,

I, the undersigned, offer to provide the consulting to carry out revalidation of figures of recoveries and T&D losses of 10 DISCOs in accordance with your Request for Proposal and my Technical Proposal.

My attached Financial Proposal is for the amount of {Indicate the corresponding to the amount(s) (Pak Rupees)}{Insert amount(s) in words and figures}, *including all relevant costs like remuneration, direct cost and local taxes (including direct & indirect taxes) in accordance with the Data Sheet.*

I understand you are not bound to accept any Proposal you receive.

I remain,

Yours sincerely,

Signature {In full and initials}: \_\_\_\_\_

Name and Title of Signatory: \_\_\_\_\_

In the capacity of: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail: \_\_\_\_\_

#### 4B. SUMMARY OF COSTS (LUM SPUM COST)

Sr. No.	Description	Unit	Period	Rate Rs./hr	Estimated Cost Rs.
1					
2					
<b>Total</b>					

Lump sum Costs, including remuneration, direct & indirect costs and all applicable taxes, applicable GST as 16% of cost will be deducted at source by PEPCO and paid to concerned department.



# **Section 5**

## **Terms of Reference**

### **(TORs)**

## **TERMS OF REFERENCES**

### **Cabinet Committee of Energy(CCOE) during its meeting held on 10<sup>th</sup> April 2017 in Case No. CCE-I/2017, dated 10<sup>th</sup> April 2017 decided as under:-**

“Directed Ministry of Water & Power to carry out revalidation of figures of recoveries and line losses through a third party.”

#### **LINE LOSSES (FY 2015-16)**

1. Energy purchased by DISCOs from CPPA-G and SPPs etc.
2. Energy sent out by DISCOs on 11 kV system
3. Energy loss in DISCOs 132 KV system (1-2) i.e Transmission losses.
4. Energy loss in DISCOs 132 KV system as %age of energy purchased by DISCOs(3/1)x100
5. Energy sold to consumers by DISCOs
6. Energy loss of 11KV system and below (2-5) i.e Distribution losses.
7. Energy loss on 11 KV system and below as %age of energy sent out on 11 KV system (6/2) x100
8. DISCOs system losses (1-5)/1 x 100

#### **RECOVERY ( FY 2015-16)**

##### **1. Total Billing ( in million Rupees ) including all taxes and levies .**

- a) GOVT. ( federal Govt. Depts. ./Agencies , Provincial Govt. Depts./ Agencies , AJ&K) .
- b) Private
- c) Total

##### **2. Collection ( in Million Rupees ) ( FY 2015-16)**

- a) GOVT. ( federal Govt. Depts. ./Agencies , Provincial Govt. Depts./ Agencies , AJ&K) .
- b) Private
- c) Total

##### **3. Total collection as % Age of Progressive billing during ( FY 2015-16 ) ending June , 2016.**

#### **Source Data : for (FY 2015-16)**

Source data will be provided by DISCOs (CEO,) and comparison will be made from data of PITC/GM(R&CO) in case of any variation is observed the same should be indicated against each DISCOs.

# **CONSULTANCY SERVICES AGREEMENT**

# **PAKISTAN ELECTRIC POWER COMPANY**



## **CONSULTANCY SERVICES AGREEMENT**

**FOR**

**CARRY OUT REVALIDATION OF FIGURES OF  
RECOVERIES AND T&D LOSSES THROUGH A THIRD  
PARTY.**

**GENERAL MANAGER  
Finance PEPCO  
712-WAPDA HOUSE, LAHORE**

**July, 2017**

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## AGREEMENT FOR CONSULTANCY SERVICES

**THIS AGREEMENT**, together with APPENDICES A to D which constitute an integral part thereof **“To carry out revalidation of figures of recoveries and T&D losses through a third party.**  
is entered into on this ---- day of ----- (month), 2017 between **Pakistan Electric Power Company (PEPCO)** (herein referred to as the “Client”) of the first part; and

-----  
----- (herein referred to as “Consultant”), of the second part.

The Parties hereto agree as under:-

### 1. **ARTICLE 1: THE PROJECT**

The Project for which Services are required to be performed under this Agreement is described in the attached Appendix A.

### 2. **ARTICLE 2: SCOPE OF SERVICES**

2.1 The scope of consultancy and other professional services “To carry out revalidation of figures of recoveries and T&D losses through a third party to be performed by the Consultant for the Project under this Agreement are described in the attached Appendix A.

### 3. **ARTICLE 3: TIME SCHEDULE**

#### 3.1 **Effective Date of Commencement**

Effective Date of Commencement of Services shall be as defined in the attached Appendix-B.

#### 3.2 **Time Schedule of Services**

The time schedule of Services is given in the attached Appendix B.

#### 3.3 **Extension of Time**

Extension of Time for completion of Services and the terms and conditions thereof shall be mutually agreed between the Client and the Consultant as and when required.

## **4. ARTICLE 4: MODE OF OPERATION**

### **4.1 Obligations of the Consultant**

- The Consultant shall perform Services as an independent Consultant in accordance with recognized international standards, applicable laws and regulations.
- The Consultant named in Appendix D shall be responsible for the administration of the Agreement including performance of Services thereunder. He shall remain in contact with the representative of the Client to keep him fully informed on all matters relating to the provision of Services by the Consultant.
- The Consultant shall carry out the Services with due diligence and efficiency and in conformity with sound engineering practices.
- The Consultant shall act at all times so as to protect the interests of the Client and shall take all reasonable steps to keep all expenses to a minimum consistent with sound economic and engineering practices.
- The Consultant shall furnish the Client such information relating to the Services as the Client may from time to time reasonably request.
- Except with the prior written approval of the Client, the Consultant shall not assign or transfer the Agreement for Services or any part thereof nor engage any other independent Consultant or sub-contractor to perform any part of the Services.
- The Consultant agrees that no proprietary and confidential information received by the Consultant from the Client shall be disclosed to a third party unless the Consultant receives a written permission from the Client to do so.

### **4.2 Obligations of the Client**

The Client shall provide to the Consultant:

- All necessary data/documents/reports, as listed in Appendix A, that may be required by the Consultant for performing the Services.
- The Client shall designate a person named in Appendix D to act as its representative on all matters pertaining to this Agreement and to fully cooperate with the Consultant.

- The Client shall take all necessary measures to make timely payments to the Consultant as stipulated in Article 5, hereof.

**5. ARTICLE 5: REMUNERATION FOR SERVICES AND SCHEDULE OF PAYMENT**

The remuneration for Services rendered by the Consultant and the mode of payment shall be as described in the attached Appendix-C.

**6. ARTICLE 6: ADDITIONAL SERVICES**

The Client may ask the Consultant to perform Additional Services during the currency of this Agreement. Such Additional Services shall be performed with the prior concurrence of both the Parties. the Consultant shall submit an estimate of the additional time (if any) and the additional remunerations for such Additional Services which shall be approved in writing by the Client before the commencement of the Additional Services.

**7. ARTICLE 7: TERMINATION**

**7.1 End of Services**

The Agreement shall terminate when, pursuant to the provisions hereof, the Services have been completed and the payment of remunerations have been made.

**7.2 Termination by the Client**

The Client may, by a written notice of thirty (30) days to the Consultant, terminate this Agreement. All accounts between the Client and the Consultant shall be settled not later than sixty (60) days of the date of such termination.

**7.3 Termination by the Consultant**

The Consultant may suspend the Agreement by a written notice of thirty (30) days only if the Consultant does not receive payments due under this Agreement within thirty (30) days of submission of its invoice. If the payment is still not made to the Consultant after thirty (30) days of notice of suspension, the Consultant may terminate this Agreement in whole or in part by giving fifteen (15) days advance notice of intent to terminate. If the Agreement is terminated by the Consultant under such circumstances, the Client shall pay, within a period of thirty (30) days of the date of such notice of intent to terminate referred above, all payments due to the Consultant.



**8. ARTICLE 8: FORCE MAJEURE**

The term "Force Majeure" as employed herein shall mean acts of God, strikes, lock-out or other industrial disturbances, acts of public enemy, wars, blockades, insurrection, riots, epidemics, landslides, earthquakes, storms, lightning, floods, washouts, civil disturbances, explosions and any other similar events, not within the control of either Party and which by the exercise of due diligence neither Party is able to overcome.

If either Party is temporarily unable by reason of Force Majeure or the laws or regulations of Pakistan to meet any of its obligations under the Agreement, and if such Party gives to the other Party written notice, of the event within fifteen (15) days after its occurrence, such obligations of the Party, as it is unable to perform by reason of the event, shall be suspended for as long as the inability continues. Neither Party shall be liable to the other Party for loss or damage sustained by such other Party arising from any event referred to as Force Majeure or delays arising from such event. Force Majeure shall not include insufficiency of funds or failure to make any payment required under the Agreement.

**9. ARTICLE 9: RESOLUTION OF DISPUTES**

Any dispute or difference arising out of the Agreement which cannot be amicably settled between the Parties, shall be finally settled under the provisions of the Arbitration Act, 1940 (Act No. X of 1940) and Rules made thereunder as amended from time to time. The venue of arbitration shall be in Pakistan as given in Appendix D, Special Conditions.

**10. ARTICLE 10: APPLICABLE LAWS**

This Agreement shall, in all respects, be read and construed and shall operate in conformity with the laws of Pakistan and the courts at the location indicated in Appendix D, Special Conditions shall have exclusive jurisdiction for adjudicating and interpreting the Agreement.

**11. ARTICLE 11: CONTRACT AMENDMENT**

No variation in or modifications to the terms of the Agreement shall be made, except by a written amendment signed by the Parties hereto.

**12. PENALTY AGAINST NON COMPLIANCE**

**Consultants are bound to complete the services within stipulated time as mentioned in Appendix-B (B2) failure of**

**completion of services will be liable for penalty 5% of the cost per week**

**13. ARTICLE 12: NOTICES**

Any notice given by any of the Parties hereto shall be sufficient only if in writing and delivered in person or through registered mail as follows:

To: The Client                      General Manager Finance PEPCO  
712-Wapda House, Lahore

To: The Consultant                -----  
-----  
-----  
-----  
-----

or to such other address as either of these Parties shall designate by notice given as required herein. Notices shall be effective when delivered.

IN WITNESS WHEREOF, the Parties have executed this Agreement, in two (2) identical counterparts, each of which shall be deemed as original, as of the day, month and year first above written.

FOR AND ON BEHALF OF  
(The Consultant)

FOR AND ON BEHALF OF  
(The Client)

Signed by: -----

Signed by: -----

Designation:-----

Designation:-----

(Seal)

(Seal)

Witness:

Witness:

Signed by:-----

Signed by:-----

**APPENDIX A**  
**THE PROJECT**  
**&**  
**SCOPE OF SERVICES**

**A-1 THE SERVICES**

To carry out revalidation of figures of recoveries and T&D losses through a third party.

**A-2 SCOPE OF SERVICES**

The main tasks and responsibilities of the Consultant will include but not limited to the following:

Perform detailed auditing of underlying contemporary records of recoveries of DISCOs (Govt. depts. /agencies , private ).

Perform detailed auditing of underlying contemporary records of collection of DISCOs (Govt. depts. /agencies , private ).

Total collection as % Age progressive Billing during (FY 2015-16) ending June ,2016

DISCOs wise progressive transmission and distribution (T&D) during 2015-2016. Energy purchase by Discos from CPPA –G and SPPs , T&D losses in ( 132 kv system , 11 kv system and below losses provided by DISCOs

Comparison will be made from data of PITC/GM(R&CO) in case of any variation same should be indicated against each DISCOs

**A-3 DATA/DOCUMENTS/REPORTS**

Source data will be provided by DISCOs (CEO,) and comparison will be made from data of PITC/GM(R&CO) in case of any variation is observed same should be indicated against each DISCOs

**A-4 DOCUMENTATION**

The consultant will prepare on timely basis, audit documentation that provides.

- a) The sufficient and appropriate record of the basis for the consultant's report and
- b) Evidence that the audit was performed in accordance with the scope as mentioned above

**A-5 TIME FRAME**

The assignment is required to be completed in one month (30 days). This time frame starts after the acceptance of engagement letter.

## APPENDIX B

### TIME SCHEDULE

Total period of services of the Consultant under Contract will be one Month (30 days) (after signing of contract).

PEPCO will provide the data to Consultant from time to time to carry out revalidation of figures of recoveries and T&D losses any other data related to scope of services. Time schedule for completion of each assignment referred to Consultant will be provided with the case.

B-1 Effective Date of Commencement of Services.

(The date on which this Agreement shall come into effect is the date when the Agreement is signed by both the parties)

B-2 Time Schedule of Services

1. The contract will be awarded for the period of one month.

#### Work Schedule and planning for Deliverables

Sr. No.	Deliverables (D)	Weeks						
		1	2	3	4	5	6	Total
1	Comparison analysis Report	→						
2	Survey and verification of DISCOs record	→	→					
3	Draft Report		→	→				
4	Final Report		→	→	→			
5	Approval of final Report by BOD PEPCO					→	→	

- 1 list of deliverables with breakdown for activities required to produce then and other bench mark such as the client approval. For phase assignments indicate the activities, delivery of reports and bench mark separately for each phase.
- 2 Duration of activities shall be indicated in a form of a bar chart.
- 3 Include a legend, if necessary, to help read the chart

## APPENDIX C

### Cost of services & SCHEDULE OF PAYMENT

(With reference to Article 5)

#### C-1 Contract Price :

“Total remuneration for the services is pak Rs. \_\_\_\_\_ / Rupees  
\_\_\_\_\_ only”.

C-1.1 Government taxes like sales tax /levies etc . are not included in fee and shall be paid as clamed in invoice.

#### C-2 Advance Payment

Advance payment as per schedule shall be made under this contract.

#### C-3 Schedule of Payments:

Mobilization advance	25%
After approval of final report From competent authority (BOD)	75%

C-4 Penalty against non-compliance 5% of consulting cost per week after one month period of the services

**APPENDIX D**  
**SPECIAL CONDITIONS**

D-1	INDIVIDUAL CONSULTANT	(Refer Article 4.1)
D-2	REPRESENTATIVE OF THE CLIENT General Manager Finance, PEPCO	(Refer Article 4.2)
D-3	VENUE OF ARBITRATION Lahore	(Refer Article 9)
D-4	LOCATION OF THE COURTS HAVING JURISDICTION Lahore	(Refer Article 10)