

# POWER INFORMATION TECHNOLOGY COMPANY



## TENDER DOCUMENT

FOR

ACQUISITION OF CONSULTANCY FOR CALCULATION OF  
COST OF SERVICE AND UNIFORM SLA AGAINST IT  
SERVICES DELIVERED TO DISCOS BY PITC

TENDER NO. PITC/G-224(107)/09-2024

CONTACTS:

Phone: D.G (ISDS)

Ph: 042-99202666

**ABRIDGMENT**

1. Recipient:	CEO (PITC)
2. Venue:	PITC Conference Room, Lower Ground, Building # 3, Aiwan-E-Iqbal Complex, Edgerton Road Lahore.
3. Closing Date& Time:	08-10-2024 (11:00 AM)
4. Opening Date &Time:	08-10-2024 (11:30 AM)
5. Type	Single Stage One Envelope
6. Bid Money:	2% Of The Total Value Of Quoted Cost
<b><u>SERVICES REQUIRED:</u></b>	
Acquisition of Consultancy for Calculation of Cost of Service and Uniform SLA Against IT Services Delivered to Discos By PITC.	

Sealed quotations are invited from the potential dealing firms for calculation of cost of service and uniform SLA against IT services being delivered to DISCOs by PITC as per BOQ and "TORs" (Annexure-A) to be completed within 1 month from the date of award.

## INSTRUCTIONS TO THE BIDDER

- 1.1 Quoted rates should be included all type of charges.
- 1.2 The bidding process will be **single stage one envelope** (PPRA 36(a)). Bidders are required to submit technical and financial proposals in single sealed envelope. Soft copies of bids may also be required. Firms will be evaluated on the basis of criteria as per para-7 of this RFQ.
- 1.3 The bidders shall furnish 2% bid money as a part of their tenders in form of Bank Draft or Pay Order in favour of CEO (PITC), WAPDA House, Lahore, to be enclosed in the envelop of financial bid. The same will be released to the unsuccessful bidder.
- 1.4 Competent Authority reserves the right to accept or reject any offer without assigning any reason. The offer received incomplete or not in accordance with the conditions/specifications/TORs will not be entertained. The proposal offered is likely to be ignored if: -
  - i) The proposal is unsigned (all pages should be signed).
  - ii) It is received after the time and date fixed for its receipt.
  - iii) Offer is ambiguous or conditional.
  - iv) The offer is from a firm who is blacklisted by PEPCO, WAPDA or any other government organization, or is in litigation with any government organization or is defaulter in any previous order and/or contract.
  - v) The offer is unsolicited.
  - vi) The bid is not accompanied with bid money.
- 1.5 The tender proposals prepared by the bidders should comprise of the following documents:-
  - i) Covering letter.
  - ii) Receipt of tender document cost and bid money.
  - iii) Bill of quantities provided with tender document duly filled, signed and stamped.
  - iv) All certificates as per clause-4.

## **2. TERMS AND CONDITIONS**

- 2.1 This is fixed time assignment to be completed within one month from date of assignment.
- 2.2 The quoted price must be firm, final, inclusive of all taxes, transportation charges etc. in Pak Rupees.
- 2.3 The purchaser is not bound to accept the lowest offer not fulfilling the requisite criteria. The reasons for rejecting the lowest or any offer shall not necessarily be communicated.
- 2.4 Price will remain valid for at least 15 days from the date of opening of bids.
- 2.5 If the bidder fails to perform the services within one month, the Purchaser may without prejudice to all its other remedies under the Contract, deduct from the Contract Price, as liquidated damages, a sum equivalent to 2% of the value of the Services, supplied beyond stipulated delivery schedule.
- 2.6 Satisfactory report shall be issued by CEO (PITC) or its representative.

## **3 Schedule of Services**

The Services shall be required to be completed within 15 days after the issuance of Work Order.

## **4 Evaluation Criteria**

Bidder as a part of his bid shall provide the following depending upon applicability: -

- 4.1 A list showing the location of head office along with those of branch offices.

4.2 A list of clients to whom the bidder has done or been doing business during last 3 years along with their Names, Addresses and Phone Numbers.

5 Evaluation Formula

5.1 Single stage one envelope procedure is opted in evaluation of the bids, The total points for bid evaluation are 100.

5.2 The bidder will be declared technically qualified if score of technical factors is 70% or more. The technical factors are defined at clause-7.

5.3 The contract will be awarded to those technically qualified firm who will be financially lowest.

6. Terms of Payment

Payment of the equipment supplied shall be made directly by consignees within thirty days, from the date of receipt of invoice, on production of following documents:

- a) Invoice having NTN.
- b) Services provided working satisfactory certificate.
- c) Cost of service report and uniform SLA document
- d) Sales Tax Invoice (if not exempted) or attach exemption certificate.
- e) Non-payment certificate.

7. TECHNICAL EVALUATION FORMULA

The Technical responsiveness will be determined by evaluating the following factors.

Sr.#	Factors	Max. Score					
<b>A</b>	<b>Mandatory Factors</b>						
	Registration/Incorporation/Business Certificate						
	Valid Necessary Tax Registrations						
	Undertaking to the effect that bidder is not blacklisted and rendered ineligible for corrupt and fraudulent practices by any Government (Federal, Provincial or Local) or a public-sector organization/Division/ Ministry						
<b>B</b>	<b>Bidder</b>						
I.	Company profile		30				
	i.	Type of Company Pvt. Limited = 10 marks Partnership = 07 marks Proprietary = 05 marks		10			
	ii.	Age of Company (2 Marks per year)		10			
	iii.	Experience with WAPDA/PEPCO/NTDC/PITC/DISCOs		10			
II.	<b>Financial Business:</b> A list of clients to whom the bidder has done or been doing business during last 3 years along with their Names, Addresses, Phone Numbers. List is to be provided bifurcating in following slabs: <input type="checkbox"/> Less than 5.0 million (30 marks) <input type="checkbox"/> 5.0 million to 7.0 million (20) <input type="checkbox"/> Above 7.0 million (10)	30					
III.	<b>Qualified staff for the requested service from the firm (attach list).</b> experience >= 03 years per person 15 points experience <= 03 years and >2 years per person 10 points experience <= 02 years and >1 years per person 5 points		60				
	S.No	Name		Post	Qualification	Total Experience	Experience with present employer
	Total		100				



BILL OF QUANTITIES

<b>Sr.No.</b>	<b>SERVICE DESCRIPTION</b>	<b>Charges (Inclusive of all Taxes) PKR</b>
	Hiring of consultancy services from reputed audit and costing companies to determine the cost of services against IT services being given by PITC to DISCOs and a Uniform SLA for all DISCOs	

## (TORs) for Costing Assignment

### 1. Perspective

Power Information Technology Company (PITC) stands as a premier service provider in Pakistan, primarily offering essential services such as Billing Services, Advanced Metering Infrastructure (AMI), and Customer Care and Management System (CCMS) to the country's power distribution companies (DISCOs). Over the years, PITC has successfully developed and implemented robust billing software solutions tailored to the specific needs of these distribution companies, alongside its AMI and CCMS services. These solutions have not only streamlined operations for DISCOs but have also played a pivotal role in enhancing customer satisfaction through efficient service delivery.

Currently, PITC's revenue model charges DISCOs on a per-consumer basis, which directly ties its earnings to the number of consumers serviced by these companies. However, to maintain a competitive edge and ensure profitability, it is crucial for PITC to conduct an in-depth cost analysis. This analysis aims to accurately determine the internal cost of providing these services on a per-consumer basis. By understanding these costs, PITC can make informed decisions on pricing strategies, optimize resource allocation, and identify areas where efficiency improvements can be made. This initiative is expected to provide valuable insights into the company's operational expenses, facilitating better strategic planning and ensuring sustainable growth.

### 2. Objectives of the Assignment

The primary objectives of this assignment are multifaceted, focusing on a comprehensive understanding of the costs involved in PITC's service offerings and the development of strategies to enhance profitability:

- i. **Calculate the Internal Cost per Consumer:** The foremost objective is to meticulously calculate the internal cost incurred by PITC for servicing each consumer. This involves an in-depth analysis of various cost components such as personnel, IT infrastructure, software development, and operational expenses. The goal is to arrive at an accurate per-consumer cost figure that reflects the true expenses associated with delivering PITC's services.
- ii. **Identify and Analyze Key Cost Drivers:** Understanding what drives these costs is essential for effective management. This objective seeks to pinpoint the key factors that contribute to the overall cost structure, such as labor, technology investments, maintenance, and operational overheads. By analyzing these cost

drivers, PITC can identify areas where costs may be reduced or optimized without compromising the quality of service.

- iii. **Develop a Cost Model for Future Estimations:** A robust cost model will be developed as part of this assignment. This model will serve as a valuable tool for PITC, enabling the company to estimate future costs under various scenarios. It will incorporate key cost drivers, service levels, and operational variables, allowing PITC to forecast expenses and make informed decisions regarding pricing and resource allocation.
- iv. **Recommend Cost Efficiency and Profitability Strategies:** The final objective is to provide actionable recommendations based on the cost analysis and model. These recommendations will focus on optimizing cost efficiency, such as through better resource allocation, improved operational processes, and strategic negotiations with suppliers and ultimately improving PITC's profitability.

### 3. Scope of Work

To achieve the aforementioned objectives, the consultant will undertake a series of tasks designed to gather data, analyze costs, develop a cost model, and provide strategic recommendations. The scope of work is detailed as follows:

#### i. **Data Collection:**

- a. **Gather Relevant Data:** The consultant will begin by collecting all necessary data from PITC's financial records, operational data, and any other relevant sources. This data will form the foundation of the cost analysis.
- b. **Identify Key Cost Elements:** The consultant will identify and gather data on crucial cost elements, such as personnel costs (e.g., salaries, benefits), IT infrastructure costs (e.g., hardware, software, network maintenance), software development costs (e.g., development, testing, deployment), and operational expenses (e.g., utilities, administrative costs). This comprehensive data collection will ensure that all significant cost components are considered in the analysis.

#### ii. **Cost Analysis:**

- a. **Develop a Cost Breakdown Structure (CBS):** A detailed CBS will be created to categorize and allocate costs accurately. This structure will





## Annexure-A

- i. **Detailed Cost Analysis Report:** This report will include a comprehensive calculation of the internal cost per consumer, along with a breakdown of the key cost components and drivers.
- ii. **Cost Model and Documentation:** The consultant will provide a detailed cost model, along with documentation that explains the model's structure, assumptions, and how it can be used for future cost estimations.
- iii. **Recommendations for Cost Optimization:** A set of recommendations aimed at optimizing costs and improving profitability will be provided. These recommendations will be actionable and tailored to PITC's specific operational context.
- iv. **Presentation of Key Findings:** The consultant will prepare and deliver a presentation summarizing the key findings from the analysis and the recommendations. This presentation will be designed for PITC's management, providing them with clear insights and strategic guidance.
- v. **Uniform SLA:** The consultant will develop and deliver a standardized and comprehensive Service Level Agreement (SLA) that is directly aligned with the insights and outcomes derived from the costing model. This SLA will serve as a uniform framework, outlining the specific terms, conditions, and performance metrics that PITC will commit to in its service delivery. The SLA will be meticulously crafted to reflect the cost structures and pricing strategies identified in the costing model, ensuring that the terms of the agreement are both financially sustainable and aligned with PITC's operational capabilities.

Key aspects of the SLA will include:

- a. **Performance Metrics:** Clear and measurable performance indicators that align with the service levels defined in the costing model. These metrics will help ensure that PITC meets its commitments efficiently and cost-effectively.
- b. **Cost-Linked Terms:** The SLA will include terms that are directly linked to the internal cost per consumer, ensuring that PITC's pricing and resource allocation remain consistent with its cost analysis. This alignment will help maintain profitability while delivering high-quality services.
- c. **Service Delivery Standards:** The agreement will define the standards for service delivery, including response times, service availability, and customer support, all calibrated according to the insights from the costing model.

- d. **Scalability Provisions:** The SLA will account for variations in service demand, providing a scalable framework that allows for adjustments in service levels and costs as needed.
- e. **Compliance and Monitoring:** The SLA will include mechanisms for ongoing compliance monitoring and reporting, ensuring that service delivery remains aligned with the agreed-upon terms and that any deviations can be quickly addressed.

### 5. Timeline and Reporting

The consultant will be expected to complete the entire assignment within a four-week timeframe. To ensure that the project stays on track, regular progress reports will be submitted to PITC's management. These reports will provide updates on the status of the project, any challenges encountered, and the steps taken to address them. The final deliverables will be submitted at the end of the four-week period, with a final presentation to PITC's management to discuss the findings and recommendations in detail.