

# **DELHI ELECTRICITY REGULATORY COMMISSION**



**ENGAGEMENT OF TARIFF CONSULTANT FOR THE DETERMINATION OF TARIFF FOR TRUE-UP OF FINANCIAL YEAR 2023-24 AND AGGREGATE REVENUE REQUIREMENT (ARR) ORDER FOR FINANCIAL YEAR 2025-26 OF GENERATION, TRANSMISSION, DISTRIBUTION AND STATE LOAD DESPATCH CENTRE AND FOR THE REVIEW & VERIFICATION OF PAST YEAR CAPITALIZATION OF DISTRIBUTION LICENSEES**

**March, 2025**

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## A. BACKGROUND:

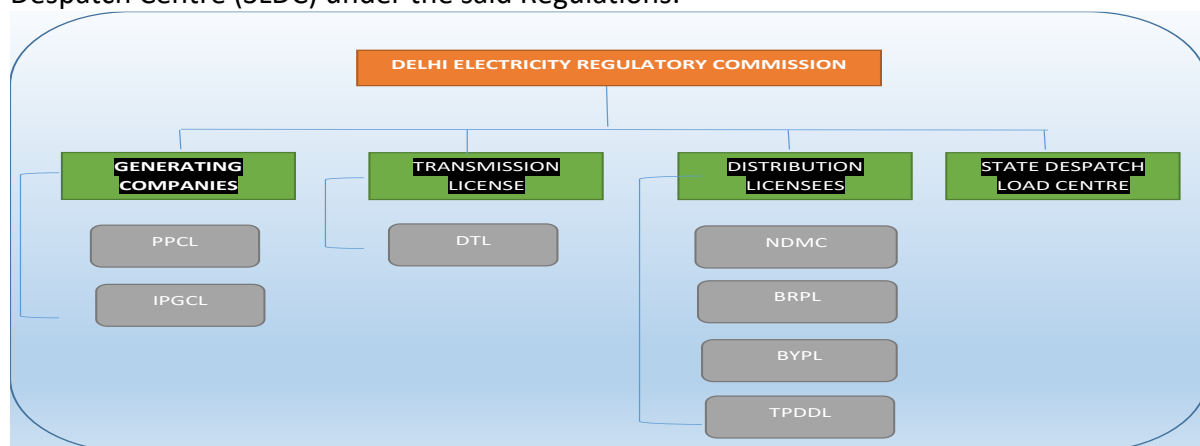
The Delhi Electricity Regulatory Commission was constituted by Govt. of NCT of Delhi vide Notification No.F.11(28)/98-EB/341 dt. 3/03/1999 for discharge of the following functions:

- a) To determine the tariff for electricity, wholesale bulk, grid or retail, as the case may be, in the manner provided in section 29 of the Electricity Regulatory Commission Act, 1998;
- b) To determine the tariff payable for the use of the transmission facilities in the manner provided in section 29 of the Electricity Regulatory Commission Act, 1998;
- c) To regulate power purchase and procurement process of the transmission utilities and distribution utilities including the price at which the power shall be procured from the generating companies, generating stations or from other sources for transmission, sale, distribution and supply in the National Capital Territory of Delhi.
- d) To promote competition, efficiency and economy in the activities of the electricity industry to achieve the objects and purposes of the Central Electricity Regulatory Commission Act, 1998.

Subsequently the Govt. of NCT of Delhi notified the Delhi Electricity Reform Act 2000 deemed to be enforced from 3rd day of November 2000.

The Delhi Electricity Reform Act provides that the Commission established and constituted under section 17 of the Electricity Regulatory Commissions Act 1998 shall be the first Commission for the purposes of this Act also.

The Commission issued *Delhi Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff) Regulations, 2017* (hereinafter referred to as the “Tariff Regulations, 2017”) along-with *DERC (Business Plan) Regulations, 2017, 2019 & 2023* and determined the tariff of the following Generating Stations [Indraprastha Power Generation Co. Ltd. (IPGCL) & Pragati Power Corporation Ltd. (PPCL), Transmission Utility [Delhi Transco Ltd. (DTL)] and Distribution Utilities [New Delhi Municipal Council (NDMC), BSES Rajdhani Power Ltd. (BRPL), BSES Yamuna Power Ltd. (BYPL) & Tata Power Delhi Distribution Ltd. (TPDDL) and State Load Despatch Centre (SLDC) under the said Regulations:



## **B. OBJECTIVE FOR ENGAGEMENT OF TARIFF CONSULTANT:**

The objective of engaging the Tariff Consultants is to assist the Commission in determination of Aggregate Revenue Requirement (ARR) along-with True-up of the Generating Companies, Transmission Licensee, Distribution Licensees and State Load Despatch Centre in accordance with the applicable Tariff and other Regulations, Judgments of APTEL/Supreme Court/High Court and Orders of the Commission taking into consideration the submissions made by the General Public, Stakeholders and Petitioners for disposal of the Tariff Petitions in a time bound manner.

## **C. SCOPE OF ASSIGNMENT OF THE TARIFF CONSULTANT:**

The Tariff Consultant's Scope shall be as under:

### **i. ASSISTANCE IN TARIFF DETERMINATION**

- a) Assistance and consultancy in Processing, Assessing, Evaluating, Determination & Issuance of Tariff Orders for True-up of FY 2023-24 and Order for Aggregate Revenue Requirement (ARR) for FY 2025-26 for the four Distribution Licensees (*namely NDMC, BRPL, BYPL and TPDDL*), two Generating Stations (*IPGCL and PPCL*), one Transmission Licensee (*DTL*) and State Load Despatch Centre (SLDC) as per applicable Regulations.
- b) Verification, Determination and preparation of Power Purchase Cost Adjustment Charges (PPAC) Orders of Distribution Licensees on Quarterly basis for 4 quarters of FY 2025-26.
- c) Assisting the Commission with replies, etc., against Appeals filed by Delhi Power Utilities in APTEL/High Court/Supreme Court along-with Briefing to the Counsels of the Commission.

### **ii. REVIEW AND VERIFICATION OF PAST YEARS CAPITALIZATION – ONE TIME EXERCISE**

- d) **Responsibilities and Role of Tariff Consultant for past years Capitalization shall include :**
  - (i) For the Distribution Utilities namely TPDDL, BRPL and BYPL for FY 2016-17, FY 2018-19 to FY 2022-23.
  - (ii) In past, the Commission has issued Tariff/True-up Orders considering the capitalization on provisional basis pending Physical Verification (Capex Review) of the schemes (Projects/works). However, based on the past experience, time taken, and the variations in the actual capitalization as observed during Physical Verification vis-à-vis in Petitioner's submission, it has been decided to dispense with the practice of Physical Verification of the schemes and instead

go for financial verification through SAP data/ records etc. besides the submissions of the above mentioned Distribution Utilities to arrive at the final capitalization figures. Accordingly, the capitalization data for the past years as prescribed above, needs to be checked, verified and impact thereof passed on the ensuing true-up.

**(iii) Activities and Process involved for capitalization:**

Reconciliation of actual details of capitalization for the year vis-à-vis the in-principle approval of such capitalization by the Commission. The Consultant shall analyze various components of all capitalized schemes such as material expenses, A&G and Employee Expenses, etc. with respect to principle/provisional approvals by the Commission from time to time. The examination, verification & analysis in respect of capitalization of the works/projects/scheme shall include the following:

- (a) To check Fixed Asset Register and the linkage of assets with GIS Maps installed at site and verify with SAP.
- (b) To examine documents related to tendering, purchase orders, store documents, invoices & payments etc. for all EHV, HT & LT schemes capitalized, in compliance with the competitive bidding guidelines of the Commission/Govt. as the case may be.
- (c) Related party transactions (Sister Concern), if any, shall be specifically scrutinized and reported.
- (d) Highlight the schemes in which actual capitalization is in excess of the approved cost of the scheme with percentage of increase.
- (e) Review the capitalization of Employee Expenses and A&G Expenses, ensuring it is equivalent to the lower of either 10% *(or such other percentage commission may specify from time to time)* of the total Employee and A&G Expenses or the actuals in a given financial year.
- (f) To check the details of actual capitalization as per audited accounts under different asset class as specified in Appendix-1 i.e. Depreciation schedule under DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 and bifurcation of the assets capitalized as per Capex Schemes.
- (g) To check expenditure capitalized by Distribution Licensee on account of replacement / repair of existing assets and to comment/ qualify whether the amount booked by Distribution Licensee on account of replacement / repair of existing assets under capitalization is correct or is part of O&M expenses.
- (h) Whether the Electrical Inspector's (EI) Certificate, wherever required, has been obtained by Distribution Licensees within the particular financial year in which the schemes are capitalized. If not, the amount thereof.
- (i) To check whether the expenditure has been correctly accounted in

Capitalization, O&M and Inventory and the adjustments have been made correctly.

- (j) Checking of Network details with respect to new capitalized schemes and addition, deletion (both in Ckt. Kms and MVA capacities) as on 31<sup>st</sup> March in line with DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 and DERC (Business Plan Regulation), 2017/2019/2023 or the amendments thereof.
- (k) To Analyse and scrutinize the details of de-capitalization carried out by the Distribution Licensee in its audited accounts, and its impact on GFA as per the Commission's Regulations, identifying any discrepancies, and compute the de-capitalization/ depreciation accordingly.
- (l) To check asset class wise calculation of depreciation in line with DERC Regulations & as per Appendix-1 of DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017.
- (m) To check details of Consumer contribution/ Grants/ Capital Subsidy in Capitalization/ CAPEX in particular financial year. The Consultant shall analyze Payment Settlement/adjustment in case of deposit schemes.
- (n) To check the details of Capital Works in Progress (CWIP).
- (o) For IDC calculations, the Tariff Consultant shall also examine time schedule/time taken for completion of scheme. IDC shall not be allowed for any delay in completion of scheme attributable to Distribution Licensee as per the decision of the Commission.
- (p) To Check and submit the asset class-wise FAR to be maintained by Distribution Licensee in SAP and the data to be submitted in soft copy.
- (q) Capitalization details of smart meters.
- (r) The above stated exercise & tasks for the verification & examination of capitalization are not exhaustive and the consultant may have to do such other exercise and prudence check as may be considered necessary by the Commission.

**(iv) O&M expenses charged to capitalization, in respect of following:**

- (a) Actual Employee expenses as per audited accounts.
  - (b) Actual administrative and general expenses as per audited accounts,
  - (c) Details of payments done under the head of 7<sup>th</sup> Pay Commission in the particular financial year for FRSR Employees & charged to capitalization.
- (v) Classification of Loss or gain under different asset classes as specified in Appendix-1 i.e. Depreciation schedule, due to decapitalization of assets as per of *DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017*.
- (vi) The Consultant shall submit details and incorporate changes in the approved Capitalization/ O&M / Decapitalization/ Depreciation/ loss on sale as per the above verification and its impact shall be passed in the True-up Order of FY 2023-24 and ARR of FY 2025-26.

#### **D. RESPONSIBILITIES & ROLE OF TARIFF CONSULTANT IN THE TARIFF DETERMINATION PROCESS**

- 1) Exercise of Tariff determination involves the calculation of Aggregate Revenue Requirement (ARR) of the respective Licensees i.e. the Distribution Licensees (DISCOMs) namely NDMC, BRPL, BYPL and TPDDL, the Transmission Licensee namely DTL and the Generation Utilities namely IPGCL & PPCL.
- 2) The ARR of the licensees and generating utilities comprises of expenditure and return on capital employed (RoCE). The allowable expenditure and RoCE are computed as per the norms and methodologies specified in the applicable regulations issued by the Commission. The indicative list of regulations is given in the **Annexure A**. The Tariff Consultant is expected to make themselves fully aware of Applicable Laws and Regulations.
- 3) The tariff determination process also involves the projections as well as ascertainment of the actual revenue from tariff of the licensees and the generating utilities for the concerned financial year.
- 4) The exercise of determination of ARR and projected and actual revenues may need the consultant to scrutinize, verify, examine & analyse the accounting, financial & technical data and information including accounts of the licensees and generating utilities.
- 5) For the purpose of guidance and reference, the bidders may go through the tariff petitions of the licensees and generating utilities and the tariff orders passed by the Commission for preceding financial years uploaded on the website of the Commission. In this regard, the indicative list of the activities & examination to be carried out by the consultant is placed at **Annexure B**. However, the said activities and examination are indicative for guidance and are not exhaustive. The consultant may require to do such further examination, which may be necessary to determine the Tariffs and passing of Tariff orders by the Commission.
- 6) The Tariff Consultant shall be required to collect any additional information/data from each Petitioner that may be felt necessary for completion of the assignments. The Tariff Consultant shall depute its officers in the respective offices of the Petitioners with Authorization Letter of the Commission for completion of the assignment as per Commission's schedule and requirements.
- 7) Further, the Tariff Consultant shall assist the Commission in different stages namely, Pre-admission and Post-admission of the Tariff Petitions.

##### **i. Pre-Admission Stage**

- a) To undertake scrutiny/evaluation/technical validation of Tariff Petitions filed by the respective Generating Companies, Transmission Licensee, Distribution Licensees and State Load Despatch Centre on Financial, Technical, Commercial and Legal aspects.

The Tariff Consultant shall prepare Input for Curing of Defects, if any, for the said Petitions;

- b) To submit draft Curing of Defects report of each petition which include the findings and inadequacies in the Tariff Petitions from Financial, Technical, Commercial and Legal angle for determination of tariff. Further, the said report should also indicate requirement, if any, of additional information required for determination of Tariff.;
- c) To brief the Commission on issues raised by the Licensee/Petitioners in Tariff Petitions;
- d) To prepare the Executive Summaries of the Petitions.
- e) To attend meetings as desired by the Commission.

## **ii. Admission of Petitions**

To brief the Commission and attend the hearing of the Petitions.

## **iii. Post Admission Stage**

- a) To attend the Public hearing and to collect details of comments of the stakeholders.
- b) To analyse Submissions/Comments/Suggestions/Objections of the Stakeholders/ Respondents and Additional Submissions by the Petitioner during and after hearing;
- c) To examine & Prudence Checks Sessions with the Petitioners for analysis of the data submitted in their respective Petitions.
- d) To carry out Financial & Technical analysis of data/accounting and other information relevant to the Tariff claimed by the Licensees/Petitioners considering all relevant Legal, Financial, Commercial and Technical inputs as well as previous decisions of the Commission. For this purpose, the consultant may need to verify & examine the records of the Petitioner and to have consultations with the officers of the Commission. The exercise by the Tariff Consultant in this regard shall include & consider:
  - i. The suggestions/comments/objections received from various stakeholders, written and oral submissions of the Petitioner and respondents and previous decisions of the Commission, APTEL, Hon'ble High Courts and Hon'ble Supreme Court on various aspects;
  - ii. Applicable Tariff Regulations and all relevant Regulations, Acts, Rules and Orders applicable thereto.



- iii. In addition to the above, the Tariff Consultant shall also be required to provide all assistance, so as to enable the Commission to dispose of the Tariff Petitions in a time bound manner and issue the Tariff Orders.
- e) The Tariff Consultant shall be required to put-up the calculations about Aggregate Revenue Requirement (ARR) for consideration and analysis by the Commission.
- f) The Tariff Consultant shall handover Information/Details/Data:
  - i. After disposal of the Petition, the Tariff Consultant shall handover soft and hard copy of the Petition, entire Workings/Data including ARR & Tariff calculations sheets, Technical/Financial/Legal inputs etc. to the Nodal Officer designated by the Commission for this purpose, within Five days of posting of the order on the Commission's website.
  - ii. The Tariff Consultant shall make and submit index of the details of the hard and soft copy of the material submitted to the Nodal Officer.
- g) The Tariff Consultant will function from the premises of the Commission and will not remove the records/documents relating to the Petitions from the assigned premises and shall also maintain absolute secrecy in case of all data's/documents/information's related to and about Tariff. An undertaking to this effect will be furnished by the Tariff Consultant and any breach in this respect will be viewed as breach of privacy covenants/undertaking. In this regard, a Non-Disclosure Agreement (NDA) shall be executed. NDA format is enclosed as **Annexure-C**.

**iv. At the Time of Review/Appeal on the Tariff Orders**

In case any Review or Appeal or Writ Petition is filed in respect of the Commission's Orders pertaining to Tariff Petitions handled by the Consultant, the Consultant shall provide all the inputs/materials/reports required by the Commission for defending the same.

**E. Deliverables and Duration of the Assignment**

**i. Period of the Contract:**

The engagement of Tariff Consultant will be for the financial year 2023-24 in respect of True-up Orders and for the financial year 2025-26 in respect of ARR Order. However, the assignment may be extended at the discretion of the Commission upto next Two (2) financial years on the same Terms & Conditions and fees.

**ii. Time-lines:**

- a) The Tariff Consultant shall complete each Task/Milestone in accordance with the

following timelines:

Sr. No.	Activity	Schedule completion
1	Examination/technical validation of the Petitions and all the documents referred therein; submission of the draft report including the list of inadequacies/data gaps in the Petition along with additional information to be sought from the Petitioners	Within 15 days from the date of handing over of the Petitions to the Tariff Consultant.
2	Submission of Inputs for Admissibility of the Petitions	Within 5 days from the date of receipt of above information from the Petitioners
3	Submission of the Inputs along with Final Tariff Calculations along-with Draft True-up and ARR Report.	Within 30 days of the Public hearing.

- b) The time-lines for deliverables are to be strictly adhered to. For any delay, except where extension is allowed, following penalty will be levied:

Sr. No.	Event	Penalty in Rs.
1	Non-adherence of timelines mentioned at Sr. No. 1 and 2 of the table above	0.5% of the Contract Value for 1 week or part there of
2	Non-adherence of timeline mentioned at Sl. No. 3 of the table above	1% of the Contract Value for 1 week or part there
<i>The total penalty shall not exceed 10% of the Contract Value. However, the levy of the penalty by the Commission is without pre-judice to its right to terminate this contract and to appoint other consultant, if the Tariff consultant fails to complete or perform the contract as per its terms and conditions.</i>		

iii. The project leader of the Tariff Consultant at the time of submitting the Inputs to the Commission shall ensure that these are complete in all respect and duly vetted from Financial, Technical, Commercial and Legal point of view.

iv. The individual task shall be completed in phased manner and overlapping of One or more Tariff proposals shall not be considered as a constraint in adhering to the timelines.

v. The minimum number of the manpower to be essentially deployed for the assignment is mentioned in **Annexure D**. However, the Tariff Consultant shall deploy the adequate number of professionals/manpower to ensure that the deliverables are commensurate with the timeline and requirements.

vi. The Tariff Consultant (including its Team Leader) will remain present in all hearings related to the Petitions assigned to it.

vii. The Tariff Consultant shall make presentations to the Commission, for demonstrating the progress and better understanding of the inputs on weekly basis or as may be considered necessary by the Commission.

## **F. QUALIFYING REQUIREMENTS FOR THE BIDDERS (QR)**

- i. The Bidding firm must be a registered Firm/ LLP / Institutions (*including educational Institutions such as IIT, IIM etc.*). No Joint Venture/Association of Independent Consultants/Consortium is allowed.
- ii. The Bidding firm must possess expertise and 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.
- iii. Essential Qualifying Requirements for the bidders are as follows:
  - a) The Bidders must have average Annual Turnover (*Average of 5 Financial Years of the bidder preceding the date of NIT*) **equal to or more than Rs. 50 Crores as per audited accounts of the bidders.** The Annual Turnover should be also certified by Chartered Accountant or Statutory Auditors.
  - b) The Bidders must have done **at least 7 assignments, each of Rs. 20 Lakhs or more or at-least 3 (Three) assignments each of Rs. 50 Lakhs or more,** of any Electricity Regulatory Commission during the past 5 Financial Years (*i.e. from FY 2019-20 to FY 2023-24*) of providing consultancy to Electricity Regulatory Commissions in analyzing the True-up Petitions/ARR Petitions and finalizing True-up & ARR Orders of Generation Companies, Transmission Utilities & Distribution Licensees i.e. the bidder should have handled the tariff related assignments of all the segments of Electricity Business i.e. Generation, Transmission & Distribution. The bidder is required to submit work orders indicating the value of work awarded in support along-with a certificate that the works have been completed satisfactorily.
  - c) In addition to meeting QR as per para a) and b) above, the Bidders must have an experience of **at least 3 years in finalization of True-up and ARR Orders** of Distribution Licensees from the side of the State Regulatory Commissions.

- d) In support of the Technical qualifications as mentioned in para a), b) and c), the bidders shall submit the performance certificate from the concerned Commission in original along-with audited annual accounts & CA certificate. Commission reserves the right to get the certificate confirmed independently from the concerned Commission &/or CA firms.
- e) The Bidders must undertake that the Bidder or his partner's Firms/Promoters/Directors have not been associated with the Delhi Power Utilities (i.e. IPGCL, PPCL, DTL, NDMC, BRPL, BYPL, TPDDL and SLDC) or any of its Group Companies in any Activity/Audit/Review/Consultancy for last 3 years.

#### **G. EVALUATION OF TECHNICAL BIDS:**

The evaluation of the technical qualification of the bidders shall be as per the minimum qualifying requirement specified in para "F" of this bid document. The qualifications of the bidders shall be evaluated from the performance and CA certificates and the other documents submitted by them as referred in para "F" of this Bid Document.

#### **H. FINANCIAL BIDS AND EVALUATION:**

- i. The Bidder shall quote its rates on lump-sum basis in two parts:

**Part-1 – Bid Price for the assignment of Capitalisation for the preceding financial years**

**Part-2 – Bid Price for the assignment of Tariff Consultancy for True-up of FY 2023-24 and ARR for FY 2025-26**

- a) Fees for both the assignments shall be exclusive of applicable taxes, but inclusive of all other expenses. However, the bidders shall specify the amount/rate of taxes separately.
- b) No TA/DA shall be admissible for the Bidder for any journey in connection with the assignment.
- ii. The bidder whose total quoted Price for both the assignments along-with taxes i.e. mentioned as Part-1 & Part-2 above shall be considered for award of contract for both the assignments. However, based on price evaluation for both the assignments, the Commission can split the award of both the assignments at its discretion and the decision of the Commission shall be final.
- iii. In case of the mistake in the sum of both the parts of the quoted prices, the total quoted prices shall be corrected and considered for the comparison with the other bids.

- iv. The financial bids shall be submitted strictly in the form of Price bid as annexed to this NIT. In case of any deviation/error/different form of Price Bid submitted by the bidder, the same shall not be acceptable by the Commission and the said bids shall be rejected at the discretion of the Commission and EMD thereof forfeited. In case of any mismatch in the Financial Quote between quote in Numbers and quote in Figures/Words, quote in Words shall prevail and be considered.
- v. The Technically Qualified Bidder with the Lowest Quoted Price (L1) shall be awarded the assignment.

#### **I. SUBMISSION OF BIDS BY THE BIDDERS:**

- i. Bid proposal shall be submitted in a sealed envelope super-scribing on the top of the Envelope **“Offer for Engagement of Tariff Consultant for the determination of Tariff for True-Up of FY 2023-24 & Aggregate Revenue Requirement (ARR) Order for FY 2025-26 of Generation, Transmission, Distribution and State Load Despatch Centre and for the Review & Verification of Past Year Capitalization of Distribution Licensees”** containing the following in separate sealed envelopes, duly super-scribing its contents:

(a) Earnest Money Deposit (EMD) of Rs. 100,000/- (Rupees One Lakh only) through Pay Order/Demand Draft/NEFT/RTGS in favour of “The Secretary, DERC”, payable at New Delhi in:

<b>Bank Account No.</b>	90941010003951
<b>Branch</b>	Canara Bank, Malviya Nagar, New Delhi-110017
<b>IFSC Code</b>	CNRB0001387
<b>MICR Code</b>	110015022

*Bidder who chooses to submit required EMD through NEFT/RTGS, must necessarily enclose the proof of such Transaction for EMD in a sealed cover duly signed by bidder’s authorized signatory.*

(b) Technical Bid which will contain:

- i. NIT with all the pages signed and stamped
- ii. Performance & CA certificates as per Para F i.e. QR
- iii. Copies of Audited Accounts of last 5 years
- iv. Listed Manpower
- v. Form as per **Annexure E**

(c) Financial Bid – In Bid Price Schedule as per **Annexure F**

- ii. A short profile of the firm, containing brief history of the firm and exposure in consultancy, shall also be submitted.
- iii. The Bidder shall authorize one person as Authorized Signatory through Power of Attorney duly notarized by the Notary Public on a non-judicial stamp paper of Rs. 100/- indicating that the person signing the bid has the authority to sign the bid/ enter the contract with the Commission and that the bid/ contract is binding upon the Bidder during the full period of its validity. In the event of any change in the Authorized Signatory during any stage of the bid process, the Bidder shall furnish the fresh Power of Attorney indicating the new Authorized Signatory for the purpose of this assignment.
- iv. Each page of the bid shall be numbered and signed by the Authorized Signatory with the official seal of the Bidder/firm and the forwarding letter must indicate the details of the enclosures.
- v. The validity of the bid/offer of the bidder shall not be less than 180 days from the scheduled/notified date of opening of bids.
- vi. The bid document can be either downloaded from the Commission's website (<http://www.derc.gov.in>) or can be obtained from the Commission's office.
- vii. Bids received after the scheduled/notified date and scheduled/notified time of Bid submission shall not be accepted and DERC shall not be responsible for any postal delay.
- viii. The Bids shall be opened at the office of DERC as per the schedule date and time indicated by DERC and the authorized representative of the bidder may attend the bid opening session, if they so desire. The envelope containing EMD shall be opened first. The envelope containing Technical bid shall be opened only for those bidders whose EMD is found to be in order. Any bid not accompanied by requisite EMD in accordance with the above condition shall be summarily rejected as being non-responsive and its Bid Proposal(s) shall be returned un-opened.
- ix. Only those Bidders who qualify in the Technical Bid shall be intimated for attending the opening of the Financial Bids through website / email.
- x. EMD of the unsuccessful bidder(s) shall be returned to them within 1 (One) Month after placement of Award to successful bidder by the Commission.

- xi. EMD of the successful bidder shall be returned within 15 (*Fifteen*) days after unconditional acceptance of the Letter of Award of the Commission and the submission of Performance Bank Guarantee as stated herein below.
- xii. The Bid Schedule shall be as under:

Sr. No.	Activity	Date
1	Notice inviting Tender	18/03/2025
2	Last Date of Receipt of Bid Proposals	15/04/2025 at 12:00 hours
3	Opening of Technical Bids	21/04/2025 at 15:00 hours

- xiii. No overwriting/cutting shall be allowed in the bid proposal(s) including the Financial Bid proposal. Further, no modification in the bid shall be entertained /permitted after the submission of the bid. Bidders are required strictly to submit their Bid proposals without any deviation to the Bid document. In case of any deviation to the conditions of NIT in the Technical parameters of the bids, the Commission may ask the bidder to withdraw the same, failing which the said bids shall be rejected.
- xiv. The Commission reserves the right to accept or reject the bids of the bidders without assigning any reason therefore, notwithstanding the quoted prices of the rejected bidder being lowest.

#### **J. AWARD OF CONTRACT:**

- i. The name of the Successful Bidder shall be uploaded on the website of the Commission. The successful bidders shall be issued Letter of Award (LoA) which shall have to be returned duly acknowledged & signed to Commission within 5 (Five) working days from the receipt of the same by the successful bidder.
- ii. The successful bidder shall sign and execute the Contract within 5 working days from the date of communication by the Commission, at the office of the Commission. Non fulfillment of this condition, would constitute sufficient ground for cancelation of the award of the contract and forfeiture of the Earnest Money Deposit.
- iii. The successful bidder shall furnish the following within 7 (*Seven*) working days of signing of the contract:
  - a) "*Performance Bank Guarantee*" equal to 10% (*Ten Percent*) of the value of Contract.

- b) *“Advance Bank Guarantee”* equal to 100% (*One Hundred Percent*) of the value of Mobilization Advance.

Both of the above referred Bank Guarantees shall be valid up to 3 (*Three*) Months after the successful completion of the assignment.

- iv. In case, the successful bidder fails to furnish the “Performance Bank Guarantee” of required value within stipulated time period, the Commission reserves the right to terminate the Contract and forfeit the EMD.
- v. In the event of annulment of award/termination of contract as indicated above, the Commission reserves the right to either award the contract for carrying out the assignment to the technically qualified Bidder who is L-2 in quoted price comparison on consideration of Financial bid or invite fresh bids. The said bidder shall be blacklisted by the Commission and shall not be allowed to bid for the same or other assignment of the Commission for a period of 5 (Five) years.
- vi. The Tariff Consultant shall hand over the entire records / working papers related to the assignment to the Commission before the expiry of the contract and shall not utilize or publish or disclose or part with any statistics, data or information collected for the purpose of assignment, in any form, without specific written consent of the Commission.
- vii. The successful bidder having been assigned the contract shall be bound by the provisions related to secrecy and privacy of the data, information & documents received by it from the Commission and the Petitioners. Any violation in this regard shall made them liable for breach under the appropriate law.
- viii. The Tariff Consultant shall give a Certificate of Compliance for all its statutory obligations.
- ix. DERC reserves the right to accept or reject any or all the bids without assigning any reason.
- x. Terms of payment shall be as follows:

**Part-1: Review and Verification of Past Year Capitalization**

Sr. No.	Milestone	% of contract value
A.	Mobilization Advance against Bank Guarantee of 100% of the Advance amount upon unconditional acceptance of Letter of Award	10%
B	Submission of Final Report and acceptance by the Commission	70%



Sr. No.	Milestone	% of contract value
C	After Disposal of Review Orders, if any, filed by Distribution Licensees	20%*

*\*In case no review/appeal is filed, then balance 20% payment shall be released after 120 days from the date of issuance of the Tariff Orders.*

#### **Part-2: Assistance in Tariff Determination**

Sr. No.	Milestone	% of contract value
A.	Mobilization Advance against Bank Guarantee of 100% of the Advance amount upon unconditional acceptance of Letter of Award	10%
B	On acceptance of the Reports submitted by the Tariff Consultant for True-up and ARR Order	70%
C	After Disposal of Review Orders, if any, filed by the Petitioners	20%*

*\*In case no review/appeal is filed, then balance 20% payment shall be released after 120 days from the date of issuance of the Tariff Orders.*

The payment of fee to Tariff Consultant shall be released by the Commission after the deduction of applicable tax at source.

**PROPOSAL SUBMISSION FORM**

To,

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

Sir/Madam,

We, the undersigned, offer to provide the services for undertaking the assignment in accordance with your Notice Inviting Tender dated \_\_\_\_.

We are hereby submitting our proposal for undertaking the assignment in the prescribed formats, which includes the EMD, Technical Proposal and the Financial Proposal. Each page of the proposal has been signed by our Authorized Signatory.

A Power of Attorney duly notarized 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.

Demand Drafts/Pay Order No. \_\_\_\_\_ dated \_\_\_\_\_ for Rs. 1,00,000/- (Rupees One Lakh only) as EMD, in favour of Secretary, DERC payable at New Delhi is enclosed herewith.

We hereby confirm that the validity of the Bid Document is not less than 180 days from the scheduled/notified date of opening of bids.

We understand that the Commission is not bound to accept any Proposal it received against the NIT dated.....

Yours sincerely,

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

Encl. As above

**INDICATIVE LIST OF APPLICABLE ACT, REGULATIONS, POLICIES,  
JUDGMENT AND ORDERS ETC.**

- (a) Electricity Act, 2003
- (b) DERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2011
- (c) DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017
- (d) DERC (Business Plan) Regulations, 2017
- (e) DERC (Business Plan) Regulations, 2019
- (f) DERC (Business Plan) Regulations, 2023
- (g) DERC (Supply Code & Performance Standards) Regulations, 2017
- (h) State Grid Code Regulations, 2008 and Amendments
- (i) DERC (Net Metering for Renewable Energy) Regulations, 2014
- (j) DERC (Demand Side Management) Regulations, 2014
- (k) DERC (terms and conditions for Open Access) Regulations, 2005 and Amendments
- (l) DERC (Levy and Collection of Fee and Charges by State Load Despatch Centre) Regulations, 2007
- (m) Tariff Orders issued by the Commission
- (n) Order / Judgment of Hon'ble Appellate Tribunal of Electricity (APTEL), Hon'ble High Court and Hon'ble Supreme Court in the matter of Petitions / Appeals filed by Delhi Power Utilities

## **TENTATIVE LIST OF KEY ACTIVITIES TO BE UNDERTAKEN BY THE TARIFF CONSULTANT**

### **FOR DISTRIBUTION LICENSEES:**

#### **A. POWER PURCHASE COST**

- I. Reconciliation of Power purchase quantum, cost through:
  - (a) Long Term (Inter-state Generating Stations & State Generating stations)
    - a. Fixed Cost
    - b. Variable Cost
    - c. Arrears
  - (b) Short Term (Bilateral, Exchange, Intra DISCOM, UI etc.)
  - (c) Tender wise Banking transactions (opening balance, during the year, closing balance)
- II. Reconciliation of Transmission Charges
  - (a) Central Transmission Utility
  - (b) State Transmission Utility
  - (c) Open Access
- III. Verification of invoices w.r.t. Form-15 and Form-26 w.r.t. Energy Charges as computed by Generating Companies.
- IV. Impact of any CERC/APTEL/Supreme Court Orders w.r.t. Power Purchase Cost.
- V. Reconciliation of Renewable Purchase Obligation vis-à-vis Actual Renewable Power with cost and quantum of Renewable Energy Certificates procured
- VI. Monthly Reconciliation of company wise Power Purchase and Transmission Charges' payment
- VII. Violation of Merit Order Dispatch Principle
- VIII. Overlapping in Banking and Bilateral transactions
- IX. Contingency limit under UI
- X. Incentive for sale of Surplus Power
- XI. Violation of cash receipt from consumers exceeding the limit
- XII. Verification of self-levied PPAC during the year.
- XIII. LPSC paid to Generators/Transmission Utilities

## **B. BILLING AND REVENUE**

- XIV. Reconciliation of Sales
- a) Monthly Sales as per SAP and Form-2.1 (a).
  - b) Monthly Adjustments as per SAP and Form-2.1 (a)
    - i. Adjustments on account of Contra Entries
    - ii. Adjustments on account of Open Access Consumers
    - iii. Adjustment on account of Provisional Billing
      - (a) Provisional Bills adjusted within 2 months
      - (b) Provisional Bills adjusted after 2 months and within a year
      - (c) Provisional Bills adjusted after a year.
    - iv. Other Adjustments, if any (with remarks)
- XV. Reconciliation of Category-wise Revenue Billed on account of
- a) Fixed charges
  - b) Energy charges
  - c) Theft / Misuse / Enforcement
  - d) PPAC
  - e) 8% Deficit Recovery Surcharge
  - f) Load violation surcharge (Maximum Demand)
  - g) ToD Surcharge/ Rebate
  - h) Electricity Duty / Tax
  - i) Late Payment Surcharge (LPSC)
  - j) Voltage Discount, etc.
  - k) Pension Trust Surcharge
- XVI. Reconciliation of Category-wise Revenue Collected
- a) 8% Surcharge
  - b) Electricity Duty / Tax
  - c) Late Payment Surcharge (LPSC)
  - d) Street Light Maintenance charges
  - e) Incentive on Street Light Maintenance charges
  - f) Theft / Misuse / Enforcement
  - g) Advances from customers.
  - h) Net Revenue
  - i) Pension Trust Surcharge
- XVII. Quarterly Reconciliation of Subsidy- Actual released / adjusted by GoNCTD and passed to consumers in their electricity bills
- XVIII. Monthly Reconciliation of Pension trust- Billed by DISCOMs, Paid by DISCOMs to Pension Trust,
- XIX. Direct expenses of other business,
- XX. Power factor (sample basis) used for different set of consumers.

- XXI. Verification of component-wise (Fixed Charges, Energy Charges, etc.) Billed to individual consumers and revenue collected thereof from Billing Dump and from bank statement.
- XXII. Regulation 9 of Net Metering Regulations- credit debit adjustments of sales at the end of the year.
- XXIII. Verification of Energy input at various exchange points at transmission distribution periphery and Inter-DISCOM exchange.

**C. OTHERS:**

- XXIV. Reconciliation of actual details of capitalization for each quarter of the year vis-à-vis the date of in-principle approval of such capitalization by the Commission. Further, the following break-up/work w.r.t. to capitalization to be verified:
  - a. The details of actual capitalization as per audited accounts under different heads such as Material Cost, Labour Cost, Interest during construction (IDC), Employee expenses capitalised, A&G expenses capitalised.
    - i. Review the capitalization of employee and A&G expenses, ensuring it is equivalent to the lower of either 10% of the total employee and A&G expenses or the actuals in a given financial year.
    - ii. The details of actual capitalization as per audited accounts under different asset classes as specified in Appendix-1 of Depreciation schedule of DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017.
    - iii. To verify that whether the amount booked by Distribution Licensee on account of replacement / repair of existing assets under capitalisation is correct or part of O&M expenses.
    - iv. Whether the EIC Certificate, wherever required, has been obtained by Distribution Licensees within the financial year. If not, the cost of the schemes thereof.
  - b. Examine the de-capitalization of DISCOM assets, particularly its impact on depreciation and analyze and scrutinize the details as per the Commission's Regulations, identifying any discrepancies.
  - c. Examine documents related to tendering, evaluation, purchase orders, store documents, road restoration receipts, invoice & payments etc. for all the LT, HT & EHV schemes capitalized, and to check compliance with the competitive bidding guidelines of the Commission.
  - d. Examine procurement contracts and comment on compliance with the competitive bidding guidelines of the Commission.

- e. Amount of actual capitalisation and addition in network capacity during the year under different network capacity heads alongwith units as mentioned in Table 8, 9, 10 & 11 of Regulation 23 of DERC (Business Plan) Regulations, 2019 and Check capitalised schemes with procurement, store and locations at site, in the SAP system and/or through GIS mapping & verify proper linkages leading to capitalization.
  - f. Highlight the partial capitalization of the approved schemes and link it to the total cost specified in the approved scheme.
- XXV. Bifurcation of Interest During Construction (*IDC*) into Cash IDC (*to be considered as part of capital cost on COD*) and Accrued IDC (*to be considered as part of Capital cost in the year of payment*).
  - XXVI. Related party transactions
  - XXVII. Inter DISCOM fund transfer
  - XXVIII. Means of Financing for Capitalization, Working capital & Accumulated Revenue Gap through:
    - (a) Equity
    - (b) Debt
    - (c) Consumer Contribution
    - (d) Grant etc.
  - XXIX. Prudence of Cost of Debt Financing
  - XXX. Verification of Audited Financial Statement w.r.t. Segmental Reporting in respect of the distribution business and other businesses and disclosure of the same in the report.
  - XXXI. Hedging policy and Hedging Cost incurred
  - XXXII. Verification of Inter Corporate Loan if any with reference to the Company's Policy or Board Approval and analyzing the merits of the interest rate with reference to the weighted average interest rate of the lending company as well as the borrowing company
  - XXXIII. Computation of Weighted Average Rate of Interest excluding penal interest and additional interest on account of non-deposit of any collateral security, if any, on Loans availed for:
    - (a) Capitalisation
    - (b) Working Capital
    - (c) Accumulated revenue Gap
  - XXXIV. Reconciliation of Debtors and Computation of Collection Efficiency
  - XXXV. Verify any provisions created for doubtful debts, write-off of any doubtful debts along with write back of the consequent excess provision with reference to the Company's

Policy for Provision/write-off of doubtful trade receivables. The same will be done with reference to the origin of the debt, collection efficiency claimed and admitted previously.

- XXXVI. Reconciliation of Net-worth as per Regulatory provisions and as per audited financial statement
- XXXVII. Computation of Depreciation as per Regulatory Provisions
- XXXVIII. Computation of Return on Capital Employed (RoCE)
- XXXIX. Computation of Working Capital
- XL. Actual O&M expenses:
  - (a) Actual Employee expenses as per audited accounts
  - (b) Actual administrative and general expenses as per audited accounts
  - (c) Actual Repair & Maintenance expenses as per audited accounts
  - (d) Actual O&M expenses booked by the distribution licensee as per audited accounts
  - (e) Amount of provisions made under different heads in audited accounts
  - (f) To comment whether all provisions made in audited accounts have been shown separately.
  - (g) Amount of Loss or gain to be reported separately on account on decapitalization of assets.
  - (h) Whether the water charges, statutory levies and taxes under O&M expenses have been indicated separately.
  - (i) Bifurcation on Loss or gain on account of decapitalization of assets as per Regulation 45, 46 & 47 of *DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017*.
- XLI. Actual Other expenses.
- XLII. Verification of income earned from other businesses. Separate disclosure of the same w.r.t. income earned from battery swapping and electric vehicle charging stations.
- XLIII. Reconciliation of Non-Tariff Income as per regulatory provisions and other income as per Audited Financial Statement
- XLIV. Verification of Meter jump cases (*Meter fast/ Meter slow*).
- XLV. Income Tax applicable as per Regulatory provisions vis-à-vis paid by the utilities.



**FOR GENERATION UTILITIES, TRANSMISSION LICENSEE AND STATE LOAD DESPATCH  
CENTRE:**

Tariff Consultant shall check the following tentative documents/parameters for Generation, Transmission Utilities and State Load Despatch Centre:

1. Annual Audited Accounts for the respective period.
2. Cost Audit Records and Report for segregation of expenses for Generating stations.
3. Income Tax applicable as per Regulatory provisions vis-à-vis paid by the utilities.
4. Payment Vouchers/Purchase Orders.
5. Verification of Rate of Interest.
6. Comparison of Normative O&M Expenses vis-à-vis Actual Expenses.
7. Computation and verification of incentive on account of efficiency in operations.
8. Computation and verification of incentive on account of efficiency in Normative O&M Expenses vis-à-vis Actual Expenses, if any.
9. Verification of CAPEX during the period.
10. Verification of incentive on Re-financing of Loan, if any.

## NON- DISCLOSURE AGREEMENT (NDA)

**NON- DISCLOSURE AGREEMENT (NDA)**

This Agreement (NDA) is made and entered into between **Delhi Electricity Regulatory Commission**, herein referred to as “Disclosing Party” with its registered office at Viniyamak Bhawan, C-Block, Shivalik, Malviya Nagar, New Delhi -110017, and **Tariff Consultant**, herein referred to as “Receiving Party” having its registered office \_\_\_\_\_ and corporate office at \_\_\_\_\_ and jointly referred as “the Parties”.

Whereas the Disclosing Party has engaged the Receiving Party on contract for providing Consultancy Services *to assist and advise the Commission in tariff-related matters such as Generation, Transmission, Distribution and State Load Despatch Centre Tariff*; as elaborated in the ‘Terms of Reference’ contained in the Bid Document dated \_\_\_\_\_”.

Whereas for the said scope of work, there is a likelihood of exchange of information between the parties.

Therefore, in order to maintain the confidentiality of the said information, the Parties hereby enter into a Non-Disclosure Agreement (NDA) as under.

**Broad terminology of the Terms used in the NDA**

1. Confidential Information: “Confidential Information “shall mean any information, including but not limited to, business and technical documents and Data that Receiving Party receives from the Disclosing Party for the said assignment. This will also include any materials, know-how, business and marketing plans, financial and operational information, and all other non-public information, material or data relating to the current and/ or future business and operations of the Disclosing Party and analysis, compilations, studies, summaries, extracts or other documentation prepared by the Disclosing Party.

**Exchange of Information**

2. Information Exchange: The Disclosing Party will, to the extent it deems necessary for the Purpose disclose its information to the Receiving Party

during the term of this Agreement, without tampering and complete in all respects.

### **Obligation to maintain Confidentiality**

3. **Confidentiality:** The Receiving Party shall refrain from disclosing, reproducing, summarising and/or distributing Confidential Information and shall otherwise safeguard and keep the Confidential Information in confidence. The Receiving Party shall not, without the prior written consent of the Disclosing Party, disclose Confidential Information to any person or entity except to The Receiving Party's employees, officers and directors who have a need to know such Confidential Information for the Purpose and who are bound by the confidential obligations that are at least as restrictive as those contained in this Agreement. The Receiving Party shall ensure that each of such employees, officers and directors are made aware of the nature of the confidential information and shall at all times remain liable for the wrongful disclosure by such persons.

The Receiving Party shall use the Confidential Information only to the extent necessary for the purpose and may not use the Confidential Information for purposes other than the Purpose. The Receiving Party may make copies of the Confidential Information only to the extent necessary for the Purpose, and shall not modify, alter, disassemble, recompile or reverse engineer such Confidential Information.

The Receiving Party shall not disclose the Confidential Information to its Affiliates, Holding Company/ Parent as well as Group Companies. Affiliates in relation to a Company shall mean a person who controls, is controlled by, or is under the common control with such Company. The expression 'control' shall mean the ownership, directly or indirectly, off more than 50% of the voting shares of such Company or right to appoint majority Directors.

4. **Standard of Care:** The Receiving Party shall use the same degree of care it uses to prevent unauthorized use, dissemination, or publication of its own information of similar nature, notwithstanding, however, in no event shall such degree of care be less than reasonable degree of care.

5. Exclusions: Notwithstanding anything contained herein, this Agreement imposes no obligation upon The Receiving Party with respect to any information, which:

(a) was at the time of the disclosure or becomes a part of the public domain without any breach of this Agreement by the Receiving Party:

(b) is lawfully disclosed, to the Receiving Party, by a third Party without any confidentiality obligation:

(c) is independently developed by the Receiving Party without use of Confidential Information:

(d) is approved for release with the prior written approval of the Disclosing Party:

(e) to the extent the disclosure is required under a competent law or judicial order of governmental order ("Order"), provided the Receiving Party shall notify the Disclosing Party promptly of such Order to the extent possible, the Disclosing Party an opportunity to object to such Order or

(f) is not disclosed as per set forth in Section 1 hereof.

6. Rights: All Confidential Information shall be and remain the property of the Disclosing Party. Except as otherwise expressly provided herein nothing contained herein nor the disclosure of Confidential information shall be construed as either Party assigning or granting any right or license in Confidential Information or intellectual property rights to the other Party. Neither Party shall use the other Party's name, trademarks, proprietary words or symbols or disclose the contents of any other information under this Agreement in any publication, press release, marketing material, or otherwise without the prior written approval of the other.

7. Term: This agreement shall become effective from the date of signing of NDA (\_\_\_\_\_) and shall remain effective for \_\_ years.

#### **Duration of the NDA**

8. Notwithstanding any termination or expiration of this Agreement, the obligations under the agreement shall remain in effect for 5 years from the completion of term of the Contract.

9. Miscellaneous:

- (a) Nothing in the Agreement nor disclosure or receipt of any information hereunder shall:
- (i) obligate on either Party to disclose or receive any particular information:
  - (ii) obligate either Party to engage in any business or enter into any agreement with the other Party:
  - (iii) limit either Party from developing, manufacturing, or marketing products or services which may be competitive with those of other Party provided no unauthorized use or disclosure of the Confidential Information made:
  - (iv) create any joint relationship or authorizes either Party to act or speak on behalf of the other Party: and/or
  - (v) limit either Party from entering into any business relationship with any other parties.
- (b) The Parties confirm that no information disclosed hereunder nor any products deriving from such information is intended to or will be exported or re- exported, directly or indirectly, to any destination restricted or prohibited by governments of India or the relevant jurisdiction, without necessary authorization by the appropriate governmental authorities.
- (c) Failure or delay on the part of either Party to exercise any right or remedy hereunder shall not constitute a waiver of rights or remedies under this Agreement.
- (d) This Agreement shall inure to the benefit of and be binding upon the Parties hereto, their successors and assignees, provided however, that neither Party may assign all or any part of this Agreement without the prior written consent of the other Party.
- (e) This Agreement shall be governed by the laws of India. Any and all disputes, controversies, and differences which any arise out of in connection with this Agreement shall be settled as per the provisions of Clause 12 of this NDA.

(a) Injunctive Relief and Specific Performance: Notwithstanding the foregoing, the Parties acknowledge and agree that a breach of the Agreement may result in irreparable and continuing damage to the affected Party for which monetary remedies are insufficient and in the event of such breach, the non-breaching Party shall be entitled to obtain from a competent court an immediate injunctive relief and/or a decree of specific performance, in addition to the other right or remedies hereunder.

(b) This Agreement supersedes all agreements, written or oral, between the Parties relating to the protection of Confidential Information exchanged between the parties. This Agreement may not be modified, changed or discharged, in whole or part, except by an agreement in writing signed by all parties.

(c) The relationship between both the Parties to this Agreement shall be on a principal-to-principal basis and nothing in this agreement shall be deemed to have created a relationship of an agent or partner between the Parties and no of the employees of the Receiving Party shall be considered as employees of the Disclosing Party.

(d) If any provision of this agreement is held to be invalid or unenforceable to any extent, the remainder of this Agreement shall not be affected and each provision hereof shall be valid and enforceable to the fullest extent permitted by law. Any invalid or unenforceable provision of this Agreement shall be replaced with a provision that is valid and enforceable and most nearly reflects the original intent of the unenforceable provision.

10. Indemnity: (a) The Receiving Party shall indemnify the Disclosing Party for all costs, expenses or damages that Disclosing Party incurs as a result of any violation of any provisions of this Agreement which shall include court, litigation expenses, and actual, reasonable attorney's fees. (b) Neither Party shall be liable for any special, consequential, incidental or exemplary damages or loss (or any lost profits, savings or business opportunity) regardless of whether a Party was advised of the possibility of the damage or loss asserted.

11. Value Additions on raw data/ Analysis/ Reports/ Interpretations/ Compilations/ Studies/ Summaries/ Extracts/ or other documentation

prepared by the Receiving Party shall be the proprietary of the Disclosing **Party.**

12. Jurisdiction & Arbitration - This Agreement shall be governed by and construed in accordance with the Laws of India (without reference to the rules relating to the conflict of laws), under the jurisdiction of the Courts at Delhi. Any dispute or difference with respect to the construction or interpretation of any of the clauses hereof, or as to the meaning or effect thereof, which could not be resolved amicably between the parties hereto, shall be referred to arbitration. The arbitration shall be governed by the Arbitration and Conciliation Act, 1996, as amended or re-enacted. Each party hereto shall appoint one arbitrator. Both these arbitrators shall jointly appoint a third arbitrator. The seat of arbitration shall be Delhi. The fees of the arbitrators shall be shared equally.

The Parties have caused this Agreement to be executed by their duly authorized representatives.

\_\_\_\_\_ Disclosing 1 \_\_\_\_\_  
Receiving Party

By. \_\_\_\_\_ By. \_\_\_\_\_

Name \_\_\_\_\_ Name \_\_\_\_\_

Title \_\_\_\_\_ Title \_\_\_\_\_

Date \_\_\_\_\_ Date \_\_\_\_\_

**Minimum Number of Manpower**

Particular	Minimum No. of Key Professional
<b><u>Team Leader (Finance) –</u></b> Qualified Chartered Accountant/Cost Accountant with minimum 15 years of relevant experience post qualification with experience of finalization of Tariff Orders of SERCs/CERC	1
<b><u>Team Members (Finance) -</u></b> Qualified Chartered Accountant/Cost Accountant with minimum 7 years of relevant experience post qualification	2
<b><u>Team Leader (Engineering) -</u></b> Graduate in Electrical Engineering with minimum 15 years of relevant work experience post qualification with experience of finalization of Tariff Orders of SERCs/CERC	1
<b><u>Team Members (Engineering) -</u></b> Graduate in Electrical Engineering with minimum 7 years of relevant work experience post qualification	2
<b><u>Team Members (Legal) -</u></b> Graduate in Law with minimum 7 years of relevant work experience post qualification	2

- I. *The Tariff Consultant shall nominate and depute a Project Director as the head of the Assignment in this contract.*
- II. *In addition, the Consultant shall also depute the adequate number of support staff to ensure the timely & smoothly execution and completion of the assignment under the Bid Document.*



TECHNICAL BID FORM		
Sr. No.	Particular	Details
1	Name of the bidder	
2	Firm details to be provided	
3	Bidder Registration No. (copy to be attached)	
4	Pan No. (copy to be attached)	
5	GST Registration No. (copy to be attached)	
6	TIN No. (copy to be attached)	
7	Address of the Bidder (Head Office/Registered Office)	
8	Phone No. & Fax No.	
9	Year of Establishment of the Bidder	
10	No. of Partners	
11	Name of Partners & membership no.	
12	No. of Regular Employees	
13	Name of Team Leader and Team Members responsible for this assignment *  (with academic qualification & experience)	
16	Enclosures: (a) Details of Firm (b) Bidder Registration Number (c) Copy of Pan Card (d) Copy of GST Registration (e) Copy of TIN Registration (f) Original Power of Attorney (g) Supporting documents for Turnover of the firm (h) Work Order and completion certificate of assignment in support of experience of bidder	

TECHNICAL BID FORM		
Sr. No.	Particular	Details
	(i) Degree/CA Membership Card/Experience Certificates/CV in support of qualification and experience of manpower	

*\* Membership Number shall be indicated against Chartered Accountants/Cost Accountant forming part of the team*

Name & Signature of the Authorized Person  
(Stamp)

**FINANCIAL BID**

Name of the Bidder:

Sl. No.	Particular	Amount (in Rs.)	Amount (Rs. in Words)
1	<p>For assistance in Tariff Determination for following work as specified in Para C i. of the Bid Document (Exclusive of taxes):</p> <p>(a) Assistance and consultancy in Processing, Assessing, Evaluating, Determination &amp; Issuance of Tariff Orders for True-up of FY 2023-24 and Order for Aggregate Revenue Requirement (ARR) for FY 2025-26 for four Distribution Licensees, One Transmission Licensee and Two Generating Utilities.</p> <p>(b) Verification, Determination and preparation of PPAC Orders of Distribution Licensees on Quarterly basis for four quarters of FY 2025-26.</p> <p>(c) Assisting the Commission with replies etc. against Appeals filed by Delhi Power Utilities in APTEL/Supreme Court/High Court along-with briefing to the counsels of the Commission.</p>		
2	For Review and Verification of Past Years Capitalization – One Time exercise for the Distribution Utilities namely TPDDL, BRPL and BYPL for FY 2016-17, FY 2018-19 to FY 2022-23, specified in Para C ii. of the Bid Document (Exclusive of taxes)		
3	<b>Sub-Total (1+2)</b>		
4	Taxes		
5	<b>Total (3+4)</b>		

Name &amp; Signature of the Authorized Person

(Stamp)

**FORMAT FOR PERFORMANCE BANK GUARANTEE**  
(To be stamped in accordance with Stamp Act)

Ref.....

Bank Guarantee No.....

Date .....

To

Delhi Electricity Regulatory Commission  
Viniyamak Bhavan  
C Block, Shivalik  
Malviya Nagar  
New Delhi - 110017

Dear Sir,

In consideration of the DERC (hereinafter referred to as the 'Commission', which expression shall unless repugnant to the context or meaning thereof include its successors, administrators and assigns) having awarded to M/s \_\_\_\_\_ (Consultant Name) with its Registered/Head Office at \_\_\_\_\_ (hereinafter referred to as the consultant, which expression shall unless repugnant to the context or meaning thereof, include its successors, administrators, executors and assigns), a Contract, by issue of Commission's Letter of Award No. \_\_\_\_\_ dated \_\_\_\_\_ and the same having been unequivocally accepted by the Consultant, resulting into a Contract valued at Rs. \_\_\_\_\_ (excluding taxes) for \_\_\_\_\_ (*Scope of Contract*) and the Consultant having agreed to provide a Contract Performance Guarantee for the faithful performance of the entire Contract equivalent to 10% (ten percent) of the said value of the Contract to the Commission.

We \_\_\_\_\_ (Name and Address of the Bank), having its Head Office at \_\_\_\_\_ (hereinafter referred to as the 'Bank', which expression shall, unless repugnant to the context or meaning thereof, include its successors, administrators, executors and assigns) do hereby guarantee and undertake to pay the Commission, on demand any and all monies payable by the Consultant to the extent of \_\_\_\_\_ as aforesaid at any time upto \_\_\_\_\_ @ (days/month/year) without any demur, reservation, contest, recourse or protest and/or without any reference to the Consultant. Any such demand made by the Commission on the Bank shall be conclusive and binding notwithstanding any difference in claims between the Commission and the Consultant or any dispute pending before any Court, Tribunal, Arbitrator or any other authority. The Bank undertakes not to revoke this guarantee during its currency without previous consent of the Commission and further agrees that the guarantee herein contained shall continue to be enforceable till the Commission discharges this guarantee.

The Commission shall have the fullest liberty without affecting in any way the liability of the Bank under this guarantee from time to time to extend the time for performance of the Contract by the Consultant. The Commission shall have the fullest liberty, without affecting this guarantee, to postpone from time to time the exercise of any powers vested in them or of any right which they might have against the Consultant and to exercise the same at any time in any manner, and either to enforce or to forbear to enforce any covenants, contained

or implied, in the Contract between the Commission and the Consultant or any other course or remedy or security available to the Commission. The Bank shall not be relived of its obligations under these presents by any exercise by the Commission of its liberty with reference to the matters aforesaid or any of them or by reason of any other act or forbearance or other acts of omission or commission on the part of the Commission or any other indulgence shown by the Commission or by any other matters or thing whatsoever which under law would, but for this provision, have the effect of relieving the Bank.

The Bank also agrees that the Commission at its option shall be entitled to enforce this Guarantee against the Bank as a principal debtor, in the first instance without proceeding against the Consultant and notwithstanding any security or other guarantee that the Commission may have in relation to the Consultant's liabilities. Notwithstanding anything contained hereinabove our liability under this guarantee is restricted to \_\_\_\_\_\* and it shall remain in force upto \_\_\_\_\_ (days/month/year) and shall be extended from time to time for such period (not exceeding one year), as may be desired by M/s \_\_\_\_\_ (Consultant Name) on whose behalf this guarantee has been given.

In witness whereof the Bank, through its authorized Officer, has set its hand and stamp on this \_\_\_\_\_ day of \_\_\_\_\_ 201\_\_\_\_\_ at \_\_\_\_\_.

Witness:

(Signature)

(Signature)

(Name)

(Name)

(Official Address)

(Designation with Bank stamp)

(Attorney as per Power of Attorney)

No. \_\_\_\_\_ Dated \_\_\_\_\_

Note: 1. \*This sum shall be ten percent (10%) of the Contract Price excluding Taxes and Duties.

@The date will be 3 (three) months beyond the completion date of the assignment.

2. The Stamp Paper of appropriate value shall be purchased in the name of guarantee issuing Bank or the Party on whose behalf the BG is being issued. The Bank Guarantee shall be issued on a stamp paper or value as application in the State in India from where BG is issued or NCT of Delhi, whichever is higher.

Form of Contract between Tariff Consultant and DERC

(Contract to be signed by Tariff Consultant with DERC)

**This ARTICLES OF CONTRACT made on this ..... day of .....2025**

**BETWEEN:**

Delhi Electricity Regulatory Commission, a Statutory Body established by the Government of NCT of Delhi under the Delhi Electricity Reforms 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, includes its successors and permitted assigns) of the FIRST PART

AND

M/s \_\_\_\_\_, having its office at, \_\_\_\_\_ hereinafter referred to as the “Tariff 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 Tariff Consultant may be, hereinafter, individually referred to as the “Party” and collectively as the “Parties”).

**WHEREAS** the Commission has awarded the contract on the basis of open bids to the Party of the SECOND PART as a *Tariff Consultant for the assignment as mentioned in Para C of the Bid Document* dated \_\_\_\_\_”.

M/s \_\_\_\_\_, the Tariff Consultant have agreed to provide consultancy services to the Commission on the terms and conditions as hereinafter contained.

**NOW** the Parties to these Present hereby agree as follows:

1. M/s \_\_\_\_\_ is hereby appointed as the Tariff Consultant for the aforementioned Consultancy Services. The Tariff Consultant shall commence the assignment from zero date i.e., date of Letter of Award (LoA).

**SCOPE OF WORK:**

2. The Consultancy activities to be carried out shall be in accordance with and compliance of the Bid Document dated \_\_\_\_\_
3. The Scope of Work shall be primarily governed by the Act, Regulations, Policies, Orders, Judgments etc. broadly indicated in *Annexure A* of the Bid document.
4. Any other consultancy service related to or connected with the above scope of work rendered by an Audit firm, but not specifically referred to hereinabove.
5. The above description of scope of work is purely indicative and not exhaustive. Changes/additions thereto may be made within the broad outlines of the scope of work by Commission as and when required for better understanding the task, and also for receiving the periodical feedback from the Tariff Consultant in order to enhance the value of the study, without changing its basic nature.
6. The Commission shall be entitled to evaluate the interim reports submitted by the Tariff Consultant in stages and the Tariff Consultant shall incorporate/restructure the report as per the recommendations of the Commission within such reasonable time as may be prescribed by the Commission.

**Duty and Responsibility**

7. The Tariff Consultant shall assume full responsibility for supervision and proper execution of works covered under the contract. The work shall be executed in professional manner and with true workmanship.

### **Miscellaneous Terms:**

8. The Tariff Consultant agrees and undertakes that the scope of work shall be performed and completed only by the authorized personnel of the Consultant. Any change in the composition of the personnel shall require prior permission of the Commission to effect the proposed changes.

### **Consultancy Fee payment structure**

9. Tariff Consultant shall be paid as follows:

- a) For Services Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_ only)
- b) Reimbursement of applicable Taxes Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_ only)

10. Stage- wise description of payment schedule shall be as follows:

### **Part-A: Review and Verification of Past Year Capitalization**

Sr. No.	Milestone	% of contract value
A.	Mobilization Advance against Bank Guarantee of 100% of the Advance amount upon unconditional acceptance of Letter of Award	10%
B	Submission of Final Report and acceptance by the Commission	70%
C	After Disposal of Review Orders, if any, filed by Distribution Licensees	20%*

*\*In case no review/appeal is filed, then balance 20% payment shall be released after 120 days from the date of issuance of the Tariff Orders.*



## **Part-B: Assistance in Tariff Determination**

<b>Sr. No.</b>	<b>Milestone</b>	<b>% of contract value</b>
A.	Mobilization Advance against Bank Guarantee of 100% of the Advance amount upon unconditional acceptance of Letter of Award	10%
B	On acceptance of the Reports submitted by the Tariff Consultant for True-up and ARR Order	70%
C	After Disposal of Review Orders, if any, filed by the Petitioners.	20%*

*\*In case no review/appeal is filed, then balance 20% payment shall be released after 120 days from the date of issuance of the Tariff Orders.*

11. The Commission shall make payments to the Tariff Consultant within 30 days of the date of receipt of Invoice for the individual milestone complete in all respects, in the Commission's office subject to acceptance of deliverables, wherever required, unless prevented by reasons beyond its control and in the later case, the Consultant shall not be entitled to claim any interest or damages on account of such delay.

12. No TA/DA shall be admissible for the Tariff Consultant for local journey in connection with the assignment.

### **Tax Deduction**

13. The payment of fee to the Tariff Consultant shall be made by the Commission after the deduction of applicable tax at source.

### **Provision of Security to be furnished by the Consultant**

14. The Tariff Consultant shall within 7 working days of signing of this contract provide performance security by way of Bank Guarantee from a Scheduled Bank for an amount equal to 10% (Ten Percent) of the total contract value and

security against Mobilization Advance by way of Bank Guarantee from a Scheduled Bank for an amount equal 100% (One Hundred Percent) of the value of Mobilization Advance, in formats acceptable to the Commission, which shall be valid upto period of 3 (three) months beyond the completion date. The said Bank Guarantees shall be extended suitably in case of extension of period of contract.

### **Extent of Liability and Immunity**

15. The Tariff Consultant shall be liable to the Commission for the performance of its obligations in this Contract as a result of any default of the Tariff Consultant except the following limitations:

- a) The Tariff Consultant shall not be liable for any damage or injury caused by or arising out of the act, omission, neglect or default of any person other than the Tariff Consultant.
- b) The Tariff Consultant shall not be liable for any loss or damage caused by or arising out of circumstances over which the Tariff Consultant has no control.
- c) The total liability of the Tariff Consultant under this clause shall be limited to 10% of the charges mentioned in Clause 9 (a) of NDA except for gross negligence or any damage on account of the Tariff Consultant, for which the Tariff Consultant shall be fully liable.
- d) It is mutually agreed between the Parties that the time and the fixed schedule given in relation thereto shall be the essence of this CONTRACT. The Tariff Consultant, *(the Party of the second part)* shall adhere to the time schedule as prescribed in this CONTRACT and complete the work within the stipulated time frame, failing which the Party of the Second Part would be liable for a penalty as prescribed in the Bid Document. The Commission's decision in this matter shall be binding on both the Parties.

### **Provision for premature Termination of Consultancy Services**

16. The Commission reserves its right to amend, foreclose, terminate or cancel the engagement of the Tariff Consultant without assigning any reasons. In such cases Tariff 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.

### **Obligation of Confidentiality**

17. Any information of confidential nature, which may be so marked by the Commission, which comes to the knowledge or in the possession of the Tariff Consultant or of any of its employees by virtue of their engagement on subject matter of this contract; shall not be disclosed by the Tariff Consultant or its employees to any unauthorized person in any manner.

### **Liability for violating Confidentiality Clause**

18. Any breach of confidentiality clause may, without prejudice to any other action that may be initiated as per law, shall also subject the Tariff Consultant to a liability to pay to the Commission such compensation for damages 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 Tariff 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 Tariff Consultant, or (d) disclosed to Tariff 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 contract;

Provided further that the obligation of confidentiality on Tariff Consultant shall not apply where such confidential information is required to be disclosed under any law.

### **Conflict of Interest**

19. The Tariff Consultant undertakes that they are not handling any assignment that would be in conflict with this assignment or place them in a position of not being able to carry out this assignment objectively and impartially.

### **Conditions for invoking Performance Bank Guarantee (PBG)**

20. In case the Tariff Consultant fails to fulfill its obligations, the Commission would be entitled to invoke the Performance Bank Guarantee furnished by the Tariff Consultant and the amount mentioned in the Performance Bank Guarantee shall stand forfeited.

### **Arbitration**

21. In case of any differences or disputes between the parties arising out of this CONTRACT, the matter shall be referred to the arbitration. The arbitration shall be governed by the Arbitration and Conciliation Act, 1996, as amended or re-enacted. Each party hereto shall appoint one arbitrator. Both these arbitrators shall jointly appoint a third arbitrator. The seat of arbitration shall be Delhi. The fees of the arbitrators shall be shared equally.

### **Cases unprovided for**

22. In respect of any matter for which no provision has been made in this contract, the provisions contained in the *Delhi Electricity Regulatory Commission (Appointment of Consultants) Regulations, 2001*, shall apply.

IN WITNESS WHEREOF the Authorised Signatory of the Tariff Consultant and Secretary to the Commission on behalf of the Commission have thereto put their signature on the day and the year first above written.

(       )  
Authorised Signatory  
Tariff Consultant

(       )  
Secretary  
DERC

Witness:

- 1.
- 2.