

REPLIES TO QUERIES OF Deloitte Touché Tohmatsu India LLP

| S. No. | RFP Page No. | RFP Clause / Section No. | Clause Details | Query / Suggestion / Clarification | Replies | | | | | | | | | | |
|-------------------------|--------------|--|--|------------------------------------|---------|-------------------------|----|------------------|----|-------------------|----|------------|----|--|--|
| 1 | 19 | Technical Bid Evaluation – Clause 19 (B) | <p>Experience of ARR filings / Tariff proposals of Retail Supply Business and Distribution MYT filings for distribution companies.</p> <p>The experience is to be supported by Work Orders or Completion Certificates). (If the same Bidder has performed the relevant works in one or many Discoms in single Financial Year, it will be considered as one assignment for evaluation)</p> <table border="1" data-bbox="604 857 1411 1359"> <thead> <tr> <th data-bbox="604 857 814 902">Years</th> <th data-bbox="814 857 1411 902">Marks</th> </tr> </thead> <tbody> <tr> <td data-bbox="604 902 814 1036">Consultancy for 3 Years</td> <td data-bbox="814 902 1411 1036">15</td> </tr> <tr> <td data-bbox="604 1036 814 1198">For 4 to 6 years</td> <td data-bbox="814 1036 1411 1198">20</td> </tr> <tr> <td data-bbox="604 1198 814 1284">For 6 to 10 years</td> <td data-bbox="814 1198 1411 1284">25</td> </tr> <tr> <td data-bbox="604 1284 814 1359">> 10 years</td> <td data-bbox="814 1284 1411 1359">30</td> </tr> </tbody> </table> | Years | Marks | Consultancy for 3 Years | 15 | For 4 to 6 years | 20 | For 6 to 10 years | 25 | > 10 years | 30 | <p>Clarification Required:</p> <p>Clarity may be provided, whether the experience with multiple organizations will be considered as continuous or is it restricted with continuous experience of 10+ years with a single organization.</p> <p>In case the experience of 10 years is being sought with one organization, we suggest to consider the following revised Clause:</p> <p>Proposed amendment:</p> <p>Multiple engagements with various state DISCOMS (or power utilities) with cumulative experience of > 10 Years (within the past 10 years)</p> <p>Or</p> | <p>The number of years of experience should be continuous with the same utility and but not necessarily with same work order</p> |
| Years | Marks | | | | | | | | | | | | | | |
| Consultancy for 3 Years | 15 | | | | | | | | | | | | | | |
| For 4 to 6 years | 20 | | | | | | | | | | | | | | |
| For 6 to 10 years | 25 | | | | | | | | | | | | | | |
| > 10 years | 30 | | | | | | | | | | | | | | |

Experience of carrying out large multi-year deployment projects with 4 or more staff at the client location. At least 4 such projects in last 5 years may be given weightage.

Rationale:

We understand that your intention is to check the record of accomplishment of the bidder on the performance in regulatory retainer-ship engagements over the years

However, the consulting services like MYT Filings, Retainership Engagements, by most of the states barring few, is procured through transparent bidding process, which results into change in consultants, especially towards the end of 3 or 5 years MYT period. Therefore, continuity with one organization for 10 years is not the appropriate indicator of the performance.

Further, you may also like to give weightage to the experience of bidder in **supporting Regulatory Commissions** in disposing of Tariff Petitions of DISCOMs, as it would ensure understanding of the Regulator's Perspective and be instrumental in undertaking Regulatory Filings more effectively.

| | | | | Also, since the present tender requires deployment of team of 5 resources, the experience of bidder in undertaking such deployments in past/ongoing projects for 1 year or more, must also be given weightage. As it will prove that the bidder has required depth of expertise and large pool of resources. | |
|--------------|----------------------|--|--|---|---|
| 2 | 19 | Technical Bid Evaluation – Clause 19 (B) | Assistance in preparation of Business Plan/ Resource Plan for Distribution Utilities in the last 5years (4 marks for business/ resource plan per control period) | Business plan engagements are generally included as part of MYT Filing / Retainership engagements and is suggested to be clubbed with the Clause 19 (B) 1.a (Experience of the ARR Filings) | Not accepted and the details as per the RFP document holds good |
| 3 | 20 | Technical Bid Evaluation – Clause 19 (B) | Category : Implementation and monitoring of UDAY/Power for all (for any one of the past three years) | <p>Proposed amendment -</p> <p>3 Marks for one assignment where the consultant has provided support under implementation and monitoring of UDAY / Power for All/ IPDS / DDUGJY and additional 2 marks for each additional assignment subject to a maximum of 7 Marks</p> <p>Rationale for including other Schemes:</p> <p>We understand that the scope of services as part of the proposed RFP covers UDAY Monitoring as one of the key aspects</p> | Not accepted and the details as per the RFP document holds good |
| | | | Experience of advising the Discoms as per the UDAY DISCOM Quarterly performance ranking (as on 31st March 2018) | | |
| | | | <table border="1"> <thead> <tr> <th>Band of Rank</th> <th>Marks to be allotted</th> </tr> </thead> <tbody> <tr> <td>01-Oct</td> <td>7</td> </tr> </tbody> </table> | | |
| Band of Rank | Marks to be allotted | | | | |
| 01-Oct | 7 | | | | |

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|--------|----|--|--|---|---|--|-------|---|-------|---|-----|---|--|--|--|
| | | | <table border="1"> <tr> <td>Nov-20</td> <td>5</td> <td rowspan="5"> <p>However, the monitoring process of other Central Government Monitoring Schemes like IPDS, DDUGJY, and Power for ALL are also equally stringent (if not more) and more closely monitored at the Central Govt. level than UDAY scheme alone.</p> <p>Further, marking the consultancy firm (which is primarily assisting the utility in monitoring and implementation of the schemes) based on existing ranking by correlating the ranking at the time of engagement should not be considered towards a reflection of the consultant's performance. In addition, it may be understood that the impact of the engagement might not get reflected in the rankings immediately or during the period of engagement.</p> <p>Hence the evaluation of the experience based on rankings must be removed and the number of engagements related to program monitoring of Central Govt. Schemes, DDUGJY, IPDS, UDAY, PFA etc. must be considered.</p> </td> </tr> <tr> <td>21-30</td> <td>3</td> </tr> <tr> <td>31-40</td> <td>1</td> </tr> <tr> <td>>40</td> <td>0</td> </tr> <tr> <td></td> <td></td> </tr> </table> | Nov-20 | 5 | <p>However, the monitoring process of other Central Government Monitoring Schemes like IPDS, DDUGJY, and Power for ALL are also equally stringent (if not more) and more closely monitored at the Central Govt. level than UDAY scheme alone.</p> <p>Further, marking the consultancy firm (which is primarily assisting the utility in monitoring and implementation of the schemes) based on existing ranking by correlating the ranking at the time of engagement should not be considered towards a reflection of the consultant's performance. In addition, it may be understood that the impact of the engagement might not get reflected in the rankings immediately or during the period of engagement.</p> <p>Hence the evaluation of the experience based on rankings must be removed and the number of engagements related to program monitoring of Central Govt. Schemes, DDUGJY, IPDS, UDAY, PFA etc. must be considered.</p> | 21-30 | 3 | 31-40 | 1 | >40 | 0 | | | |
| Nov-20 | 5 | <p>However, the monitoring process of other Central Government Monitoring Schemes like IPDS, DDUGJY, and Power for ALL are also equally stringent (if not more) and more closely monitored at the Central Govt. level than UDAY scheme alone.</p> <p>Further, marking the consultancy firm (which is primarily assisting the utility in monitoring and implementation of the schemes) based on existing ranking by correlating the ranking at the time of engagement should not be considered towards a reflection of the consultant's performance. In addition, it may be understood that the impact of the engagement might not get reflected in the rankings immediately or during the period of engagement.</p> <p>Hence the evaluation of the experience based on rankings must be removed and the number of engagements related to program monitoring of Central Govt. Schemes, DDUGJY, IPDS, UDAY, PFA etc. must be considered.</p> | | | | | | | | | | | | | |
| 21-30 | 3 | | | | | | | | | | | | | | |
| 31-40 | 1 | | | | | | | | | | | | | | |
| >40 | 0 | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | |
| 4 | 20 | Technical Bid Evaluation – Clause 19 (B) | <p>Category : Reliability improvement</p> <p>We understand that TSSPDCL and TSNPDCL are progressive utilities in the reliability improvement initiatives and the intention is to select the bidder with competency in the reliability improvement initiatives with DISCOMS</p> | <p>Any reliability improvement activity will be considered for awarding marks</p> | | | | | | | | | | | |

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| | | | <ul style="list-style-type: none"> · Technical consultant services for automation of distribution network (33kV, 11kv, 33/11kV Sub-stations) · Support on model for reliability improvement · Support on performance indicators, SWOT analysis and measures to improve performance | <p>In this regard, we suggest that under Technical consulting services, the automation of distribution and sub-transmission network, network optimization, or load flow studies must also be considered as part of the reliability improvement, as these activities lead to reliability improvement as well.</p> | |
| | 20 | Technical Bid Evaluation – Clause 19 (B) | <p>Category : Solar</p> <ul style="list-style-type: none"> · Bid process management for procurement of solar power under decentralized distribution generation model (one mark for each bidding done for past five years) - 3 Marks · Procurement of power from Solar Roof-top Models (1 point for each engagement) – 2 Marks | <p>The requirement for experience in bid process management should be expanded to include all experience with respect to bidding in renewable with a minimum requirement of one assignment relating to support in bid process in case of solar projects.</p> | <p>Not accepted and the details as per the RFP document holds good</p> |
| 5 | 20 | Technical Bid Evaluation – Clause 19 (B) | <p>Category : Miscellaneous</p> <ul style="list-style-type: none"> · Grid connected and off grid Solar Pump Set Model · Implementation of EV Policy | <p>Proposed amendment:</p> <p>Experience of one assignment on supporting Discoms / MoP on various policy related initiatives - 2 Marks</p> <p>Rationale:</p> | <p>Not accepted and the details as per the RFP document holds good</p> |

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| | | | Support on Material Management and quality of material | <p>Evaluating the consultant based on specific consultancy services like EV Policy, Off Grid Solar Pump set etc. which is not taken up by most DISCOMs is restrictive in nature and the utility might not draw value from this additional evaluation.</p> <p>Instead the experience of various policy initiatives with DISCOMs or MoP must be considered.</p> | |
| 6 | 20 | Technical Bid Evaluation – Clause 19 (B) | Experience of advising distribution utilities as per the ratings of the MoP for a period of 3 years in the last 4 years (A+ - 5 Marks) (A – 4 Marks) (B+ - 3 Marks) (B – 2 Marks) – 15 Marks | <p>Clarification Required:</p> <p>Request you to clarify for which year’s ratings of MoP will be considered for the evaluation. Whether the rating for the year in which engagement was carried out will be considered or the recent 6th integrated Ratings will be considered.</p> <p>Further, As there are very few utilities in the respective bands (of A+ and A), you are requested to merge the categories of A+ and A to be eligible for 5 Marks, B+ and B to be eligible for 3 Marks and remaining others for 2 marks</p> | <p>The rating of the Discom for the FY in which the consultancy services have been provided will considered for awarding the marks</p> <p>Not accepted and the details as per the RFP document holds good</p> |
| 7 | 21 | Technical Bid Evaluation – Clause 19 (B) | Senior resources*: | <p>Marks for minimum years of experience with the bidder could be removed for both Senior Resource and Junior Resources</p> <p>Rationale:</p> | <p>The minimum qualifications required for the resources and the evaluation scheme for team credentials are amended and will be placed in the corrigendum</p> |

Graduated in Electrical Engineering (or equivalent) with PGDM (From IIMs)/MBA/M.Tech with minimum 9 years of relevant experience in regulatory and analytical support in power distribution business - 10 Marks

Experience of the resource is greater than 12 years - 2 Marks

Minimum 3 years' experience with the bidder - 3 Marks

Junior Resources* :

Graduated in Electrical Engineering (or equivalent) with PGDM (From IIMs)/MBA/M.Tech with minimum 3 years of relevant experience in regulatory and analytical support in power distribution business - 6

Experience of the resource is greater than 5 years - 2 Marks

With minimum 2 years' experience with the bidder - 2 Marks

As we understand, the assignment requires staff with adequate working experience on regulatory or other power sector related projects and have a minimum years of relevant experience in the power sector. The requirement for having such experienced staff for a minimum period of 2 years in the firm is unnecessary as this does not bring any additional commitment with respect to the experienced manpower being provided by the firms.

Evaluating the Team Credentials based on the number of years of experience within the firm is restrictive in nature and must be removed.

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| 7 | 21 | <p>Technical Bid Evaluation – Clause 19 (B)</p> | <p>Senior resources*:</p> <p>Graduated in Electrical Engineering (or equivalent) with PGDM (From IIMs)/MBA/M.Tech with minimum 9 years of relevant experience in regulatory and analytical support in power distribution business - 10 Marks</p> <p>Experience of the resource is greater than 12 years - 2 Marks</p> <p>Minimum 3 years' experience with the bidder - 3 Marks</p> <p>Junior Resources* :</p> <p>Graduated in Electrical Engineering (or equivalent) with PGDM (From IIMs)/MBA/M.Tech with minimum 3 years of relevant experience in regulatory and analytical support in power distribution business - 6</p> <p>Experience of the resource is greater than 5 years - 2 Marks</p> <p>With minimum 2 years' experience with the bidder - 2 Marks</p> | <p>We believe that the score for resources which would be key for successful execution of the entire assignment and therefore should be provided additional marks. We suggest increasing the weightage of team by additional 15 marks which can be apportioned based on the number of regulatory assignments undertaken by the proposed team members.</p> <p>For senior resources: 1 marks for each regulatory assignment handled upto a maximum of 7 marks.</p> <p>For junior resources: 1 marks for each regulatory assignment handled upto a maximum of 2 marks for each resource.</p> | |
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| 8 | 22 | Technical Bid Evaluation – Clause 19 (B) | <p>T_w = Weight assigned to technical score i.e 0.8</p> <p>F_w = Weight assigned to financial score i.e 0.2</p> | <p>Proposed amendment: Weight assigned to technical score - 0.7</p> <p>Weight assigned to financial score - 0.3</p> <p>Rationale: Generally for any QCBC evaluation a minimum of 30% is given to financial score and considering the TSSPDCL being a public utility, preference should also be given to the financials, as an equally competent firm may bring better value for the Telangana DISCOMs.</p> | <p>Not accepted and the details as per the RFP document holds good</p> |
| 9 | 42 | Anenxure V-B Financial Bid Format | <p>Man Month Rate is sought for the Junior and Senior Resources</p> | <p>While the distribution utility has sought for the Man Month Rate of each resource and have mentioned that minimum 1 Senior Resource and 4 Junior Resources have to be deployed, it is unclear if the licensee shall pay additional amount in case additional resources are required / deployed</p> <p>Request you provide further clarity on the Resource Deployment and evaluation of Financial quote.</p> | <p>There will be no additional payment in case of additional resources deployed. The bidders are required to quote the number of resources taking into account the scope of work proposed to be done as per the RFP document</p> <p>The total contract price including the GST for a period of one year will be considered as financial quote of the bidder as per the Annexure VB and final evaluation will be done based on the procedure as per Clause 19C</p> |
| 10 | 47 | Annexure VII | <p>Except as provided under clause “Force Majeure”, if the successful Bidder fails to deploy the requisite</p> | <p>Proposed amendment:</p> | |

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| | | Draft Agreement Format | manpower and providing of requisite services within the period specified in the Contract, the Client may without prejudice to all its other remedies under the Contract, deduct from the Contract Price, as liquidated damages, a sum equivalent to the percentage specified in the conditions of the Contract Price for each week or part thereof of delay until actual deployment of the manpower and providing of requisite services, up to a maximum deduction of the percentage specified in the bidding document and/ or contract. Once the maximum is reached, the Client may terminate the Contract pursuant to clause "Termination". | Except as provided under clause "Force Majeure", if the successful Bidder fails to deploy the requisite manpower and providing of requisite services within the period specified in the Contract, for the reason solely attributable to the Bidder, the Client may without prejudice to all its other remedies under the Contract, deduct from the Contract Price, as liquidated damages, a sum equivalent to the percentage specified in the conditions of the Contract Price for each week or part thereof of delay until actual deployment of the manpower and providing of requisite services, up to a maximum deduction of the percentage specified in the bidding document and/ or contract. Once the maximum is reached, the Client may terminate the Contract pursuant to clause "Termination". | Not accepted and the details as per the RFP document holds good |
| | | Clause-3.1 | | | |
| 11 | 50 | Annexure VII | In case it has been observed that the consultant has given wrong report regarding the execution/completion of work, a penalty amount of 50% of the monthly bill amount for that particular month will be levied on the consultant. In case there will no monthly bill then the same penalty will be calculated on payment (made/scheduled) for that particular milestone for which wrong report was given. | Clarification required: | If this office finds any work completion report submitted along with the monthly invoice was not actually complete/correct, the client will penalise the successful bidder by deducting the bills of corresponding month |

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| | | Draft Agreement Format | ii. The penalty per resource would be imposed in case of exit/replacement of resource without the consent of client from the project within below mentioned period starting from the date of deployment of respective resource: | There is no clarity on how is 'Wrong Report' determined and who will determine the same. Request you to clarify the guidelines for determining "Wrong Report" and also who shall determine the same. | |
| | | Clause-5.2 | i. Within 6 months- Rs. 1,00,000 (Rupees One Lakh) ii. After 6 months- Rs. 50,000 (Rupees Fifty Thousand) | | |