



FORUM OF REGULATORS (FOR)

TERMS OF REFERENCE

Assignment on Implementation & Impact Analysis of Time of Day tariff (TOD) in India

1.0 Introduction:

1.1 The Forum of Regulators (FOR) has been constituted by the Government of India in terms of Section 166 (2) of the Electricity Act, 2003. The Forum consists of Chairperson of the Central Commission and the Chairpersons of the State Commissions. Chairperson of the Central Commission is the Chairperson of the Forum of Regulators and secretarial assistance to the Forum is provided by the Central Commission. The Forum is responsible for harmonization, coordination and ensuring uniformity of approach amongst the Electricity Regulatory Commissions across the country, in order to achieve greater regulatory certainty in the electricity sector.

1.2 FOR has been taking steps towards ensuring that the provisions in the Electricity Act and the policies i.e. National Electricity Policy (NEP) and Tariff Policy are well implemented. One of the priority areas outlined in the tariff policy relates to differential tariff for peak and off-peak hours. FOR also appreciates that Time of Day (TOD) is necessary to promote demand side management.

1.3 In this context, many State Electricity Regulatory Commissions have taken steps to encourage the distribution licensees to move towards separate peak and off-peak tariffs which would help in reducing peak consumption. With due regard to the need for comprehensive implementation of TOD tariff across the country, FOR has decided to engage a Consultant who would examine the status



of TOD tariff implementation and come out with a detailed report on implementation of TOD tariff in India with its impact analysis.

2.0 Objectives of the assignment:

2.1 To prepare a comprehensive report, detailing the implementation of TOD tariff with its impact analysis in the country which broadly includes;

- i) To find out the steps taken by SERCs to encourage the distribution licensees to move towards separate peak and off-peak tariffs i.e. TOD
- ii) Assessment of impact on peak and energy shortages after TOD
- iii) Assessment of the extent of load shifting and the impact of the tariff in terms of demand-side management
- iv) recommendations & way forward

3.0 Scope of Work:

The Consultant is required to prepare the report by carrying out the study with detailed analysis in the select 5 states where TOD tariff has been in place for the longest period. The states (to be selected in consultation with FOR Secretariat) would also include one of the States where there is little scope of load shifting due to flat nature of demand curve. The detailed scope would include the following:

3.1 Steps taken to move towards TOD tariff - Generic

The Consultant will have to study which SERCs have introduced TOD tariffs in their states along with the basis of differentiation in the tariffs. The Consultant is also required to detail out the steps that have been taken to encourage the various distribution licensees to move towards separate peak and off-peak tariffs i.e. TOD tariff. The study should also bring out the cases where rebate has been made permissible in tariff for off-peak supply of electricity.



3.2 Detailed study on selected 5 States:-

3.2.1 Impact on peak and energy shortages after TOD

The Consultant shall carry out an analysis on how TOD tariffs have had an impact on peak and energy shortages detailing how consumption has changed during peak hours in the various states where TOD tariff is applicable over a period of time ever since its introduction.

3.2.2 Impact on load shifting & demand-side management

The Consultant shall carry out an analysis of end-user's load profile before and after the TOD tariff which shows the usage patterns of the categories for which TOD tariff has been introduced. This will reveal the extent of load shifting and also the impact of the tariff in terms of demand side management by flattening the peak of the demand curve.

3.2.3 Cost of TOD metering

The Consultant should examine costs of metering involved in implementation of TOD tariff.

3.3 Recommendations & Way forward

Based on the above, the Consultant shall analyse the reasons for success and failure of implementation of TOD tariff; and make suitable recommendations for its deeper penetration among the existing categories and also suggest way forward for its introduction and successful implementation in other categories aswell to meet the ultimate objective of TOD tariff i.e. better load management in the deficit scenario in India.



4.0 Deliverables and Duration of Assignment

- 4.1 The assignment shall be completed within a period of 90 days from the date of award of consultancy. The Consultant will be required to:
- 4.2 Submit Inception Report at the end of 30 days from the date of award of assignment;
- 4.3 Submit draft report at the end of 60 days from the date of award of assignment followed by a presentation before Forum of Regulators;
- 4.4 Submit a Final Report at the end of 90 days from the date of award of assignment;

5.0 Payment Schedule:

- 5.1 15% advance of the total fee of the study at the time of signing agreement/acceptance of the offer;
- 5.2 15% on submission of the inception report;
- 5.3 30% on submission of the draft report;
- 5.4 30% on submission of the final report; and
- 5.5 balance 10% on successful completion and acceptance of the final report by the 'FOR'.



6.0 Qualification Criteria:

6.1 The Consultant should have completed at least three assignments in the last five years of assisting State Electricity Regulatory Commission's (SERC's) in two different States in analysis of tariff petition filed by SEB / Distribution Utility and determination of tariff.

OR

6.2 The Consultant should have completed at least three assignments in last five years of assisting SEB / Distribution Utility in two different States in filing of tariff petition by and determination of tariff.

6.3 Total no. of assignment may include assignment as per para 6.1 and para 6.2.

7.0 Application and Evaluation Criteria:

7.1 The format of application is at **Annexure-I** and **Annexure-II**.

7.2 The Consultant is required to submit **four (4)** copies of bids for Technical offer (each of which will be treated as original) and **one copy** of Financial offer, duly sealed in separate envelopes.

7.3 Technical component will carry 70% weightage and Finance component 30% weightage.

7.4 The bids of the eligible bidders as per Clause 6 will be scrutinized by Consultancy Evaluation Committee (CEC) and shortlisted bidders will be called for interaction with the CEC and their technical performance will be evaluated based on the following criteria:

Technical Parameters	Weights
The Consultants relevant experience for the assignment	0.3
Understanding of the issues and approach to be followed	0.3
The qualifications and experience of the key staff proposed	0.4



- 7.5 The minimum qualifying marks in the Technical Evaluation is 50% of the total score for technical component.
- 7.6 Only those bidders, who qualify technically as per Clause 7.5, would be considered for Financial Evaluation.
- 7.7 Weight for Financial parameters: Proposal with the lowest cost will be given a financial score of 100 and other proposals given financial scores that are inversely proportional to their prices.
- 7.8 The total score will be obtained by weighting the Technical and Financial scores.
- 7.9 Only successful bidder would be communicated the award of consultancy assignment.
- 7.10 The right to reject any or all bids rests with the FOR Secretariat without assigning any reason.
- 7.11 The 'FOR' and the Consultant both would have option to terminate the contract by giving a notice of one month or the equivalent remuneration in lieu thereof. In such cases, the Consultant shall be paid fees 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 'FOR', and the decision of the 'FOR' shall be conclusive and binding. The fees so fixed and paid shall be deemed to be final payment in such cases.
- 7.12 The consultant shall abide with the contract as per **Annexure-III**.



/ ANNEXURE – I /

DETAILED PROPOSAL FOR STUDY
(TECHNICAL)

Four (4) copies of the proposal along with project summary to be submitted to Secretary, CERC/FOR.

I. GENERAL INFORMATION:

01. Title of the Proposed Study :
02. Name and address of the Organization/ :
Institution
03. Name & Designation of the Key Person :
04. Contact address of the Key Person :
(e-mail/fax/telephone)
05. Net-worth/Turnover of the Organization/ :
Institution



II. TECHNICAL SPECIFICATIONS:

06. i. Department(s) of the organization/Institution(s) where the study will be carried out

ii. Other department(s), if any, which will collaborate in this study

07. Brief review of the state-of-art in the field (National and International)

08. Detailed Approach & Methodology for undertaking the assignment

09. Facilities available for the proposed work in the applicant's organization/institution

10. Previous experience of the proposer in this or related field

11. Biographical sketch of the Study Team

(i) Name

(ii) Designation

(iii) Date of Birth

(iv) Education and Experience

(a) Academic Qualifications

Degree	University	Field(s)	Year



(b) Experience

Institution	Topic of work done	Period

(v) Field of major interest

(vi) Additional information (if any)

12. Capacity to impart training/transfer of knowledge



II. Fee Proposed:

07. Amount of Fee proposed for:

Components	Basis	Amount (in Rs.)
(I) Consultant Charges		
(II) Misc./Others (if any)		
<i>Total</i>		

(RUPEES _____)

Signature of the Principal Investigator /
Head of the Study Team



/ Appendix-‘A’ /

CERTIFICATE

The undersigned agree to abide by the conditions of the grants and certify that available facilities for proposed work shall be extended to the investigator/study team.

Signature of Executive Authority
Investigator/of the Organisation

Signature of the Principal
Head of the Study Team

Name and Designation

Name and Designation

Date

Date

Signature of Co-investigator
Name and Designation
Date

Official stamp of
Organization/Institution



/ ANNEXURE – III /

AGREEMENT

ARTICLES OF AGREEMENT made on this day of BETWEEN M/s _____ of one part and the Forum of Regulators (herein after called "the FOR") of the other part.

WHEREAS the FOR has engaged the party of the first part to conduct a Study on “**Implementation & Impact Analysis of TOD Tariff**” and the party of the first part has agreed, to conduct the said study and submit the report to the FOR, on the terms and conditions hereinafter contained.

NOW THESE PRESENTS WITNESS and the parties hereto respectively agree as follows:

1. The party of the first part shall complete the assignment as contained in Annexure-I (TOR) within a period of 3 (Three) months commencing from, **2009**.
2. The party of the first part shall be paid as under:
 - a) 15% advance of the total fee of the study at the time of signing agreement/acceptance of the offer;
 - b) 15% on submission of the inception report;
 - c) 30% on submission of the draft report;
 - d) 30% on submission of the final report; and
 - e) Balance 10% on successful completion and acceptance of the final report by the ‘FOR’.

The total fee for the study has been fixed at Rs..... (exclusive of taxes, if any).

3. The schedule of payment shall be as under:

As per clause 2 above.



4. The party of the first part shall not disclose to any unauthorized person any information and data that may be supplied to him by the FOR or by any other organization, under the direction of the FOR. All such documents shall be the property of the FOR or any information that may have come to their knowledge directly or indirectly by virtue of the assignment.

5. The party of the first part undertakes that this assignment shall not be in conflict with their prior or current obligation to other clients nor shall it place them a position of not being able to carry out the assignments objectively and impartially.

6. In case of any default on the part of the party of the first part in completion of the study within the time schedule agreed to between the parties as herein above, the party of the second part shall be at liberty to get the study completed from any other agency at the risk and cost of the party of first part.

7. In case of any differences or disputes between the parties arising out of this Agreement, it shall be referred for arbitration as per the provisions of Arbitration and Conciliation Act, 1996, as amended from time to time. The venue of the arbitration shall be Delhi.

8. The 'FOR' and the Consultant would both have option to terminate the contract by giving a notice of one month or the equivalent remuneration in lieu thereof. In such cases party of the first part shall be paid fees 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 'FOR', and the decision of the 'FOR' shall be conclusive and binding. The fees so fixed and paid shall be deemed to be final payment in such cases.

9. In respect of any matter for which no provision has been made in this Agreement, the provisions contained in the general instructions of the Government on the subject of engagement for study shall apply.

In witness whereof the party of the first part and _____ to the FOR on behalf of the FOR have hereto put their hand the day and the year first above written.

Signed by, the party of the first part in the presence of

Signed by, the said to the 'FOR' for and on behalf of the FOR in the presence of