

**CENTRAL ELECTRICITY REGULATORY COMMISSION**

Ground Floor, Chanderlok Building,  
36, Janpath, New Delhi - 110 001

No. ADMN-11043/1/2022.-CERC

Dated:30.05.2023

**Subject: Replies / Clarification to Bid No. GEM/2023/B/3456488 dated: 17-05-2023 for Engagement of Corporate Consultants for providing inputs for tariff determination by the Central Electricity Regulatory Commission**

Replies / Clarification to Bidders queries are placed at **Annexure-I.**

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**Annexure-I**

**Subject: Bid No. GEM/2023/B/3456488 dated: 17-05-2023 for Engagement of Corporate Consultants for providing inputs for tariff determination by the Central Electricity Regulatory Commission**

**Reference: Pre-bid meeting held on 23.05.2023**

Pre-bid meeting of the subject tenders held on 23.05.2023 at CERC’s Office. The firms who have participated in the pre-bid meeting, have raised the following points related to the terms and conditions indicated in the tender documents:

<b>Sl. No.</b>	<b>Clause Reference</b>	<b>Query raised by</b>	<b>Query/Proposal from Prospective Bidders</b>	<b>Clarification</b>
1	Scope of Work - Deliverables and duration of the Assignment (Clause No. 4.2.3)	Pricewaterhouse Coopers Pvt. Ltd.	<p>It is submitted that submission of the inputs for Order, etc. from the Project Leader should suffice to consider that the same is duly vetted.</p> <p>The condition of producing a certificate for the same is not understood. In case there is any specific template is required, the same may be provided.</p>	Submission of Certificate from Project leader certifying that inputs have been vetted is essential.
2	Scope of Work - Conflict of Interest (Clause No. 5)	Deloitte Touché Tohmatsu India LLP (DTTILLP)	<p>It is difficult to provide an undertaking with respect to the conflict of interest without knowing the firm/ petitions at this stage. Therefore, we request the Commission to exclude this clause and allow Consultants to select the petitions which are not in conflict with respect to clients/ engagements which are being handled by the respective Consultancy firms at later stage.</p> <p><u>Proposed clause:</u> The Corporate Consultant shall be required to disclose the details of current assignments / clients / obligations at the time of receipt of any Petition. The Commission's decision in these matters will be final and binding.</p>	No change
3	Scope of Work - Application and Evaluation Criteria	Pricewaterhouse Coopers Pvt. Ltd.	It is submitted that list of the Tariff Petitions with basic details, e.g. Petitioner name, Asset Details (no. of Assets in case of TT Petition), no. of Control Periods for which Petition is filed, other details in case of GT Petitions like – Capital Cost determination / Truing-	Clause 6.11 of the Scope of Work provides the L1 bidder may be assigned 10% more petitions than

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	(Clause No. 6.3)		up, etc. may be shared, for correct estimation of the effort required. Further, it is stated that two Corporate Consultants will be engaged, therefore, it is assumed that the allocation ratio of TT and GT Petitions shall remain same, i.e. 35:15 while allocating Petitions between the L1 and L2 Bidder. Please clarify.	the L2 bidder.  Further, Clause 6.13 of the Scope of Work provides as under  <i>"The Commission reserves the right to allocate the petitions depending upon capacity to deliver, pending work load and performance of the Corporate Consultant."</i>
4	Scope of Work - Application and Evaluation Criteria (Clause No. 6.10)	Mercados Energy Market India Private Limited	In case L2 does not matches L1 price, then would L3/L4 be invited to match L1.	No. As per Scope of Work
5	Scope of Work - Application and Evaluation Criteria (Clause No. 6.12)	Pricewaterhouse Coopers Pvt. Ltd.	It is submitted that evaluation of bids may be carried out in Quality Cost based Selection (QCBS) manner with Technical: Financial in ratio of 70:30 instead of "L1" basis. As the no. of Petitions are not very high (only approx. 50 nos.), only one consultancy firm with highest combined score may be considered to be appointed.	No change
		Mercados Energy Market India Private Limited	In case L2 matches L1 then what would be the mode of allocating TT & GT petitions among the two bidders.	Clause 6.11 of the Scope of Work provides the L1 bidder may be assigned 10% more petitions than the L2 bidder.  Further, Clause 6.13 of the Scope of Work provides as under  <i>"The Commission reserves the</i>

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				<i>right to allocate the petitions depending upon capacity to deliver, pending work load and performance of the Corporate Consultant.”</i>
6	Scope of Work – Annexure V, Agreement (clause No. 4. Obligations of the Consultant:  Additional Clause	Deloitte Touché Tohmatsu India LLP (DTTILLP)	We request the Commission to add suggested clauses in this section.  <u>Proposed clause</u> The Commission is solely responsible for (a) managing all aspects of its business; (b) making all management judgements and decisions, assuming all management responsibilities and performing all management functions; (c) designating an individual who possesses suitable skill, knowledge, and/or experience, preferably within senior management, to oversee the Services; (d) evaluating the adequacy and results of the Services performed; (e) accepting responsibility for the results of the Services; (f) establishing and maintaining internal controls, including, without limitation, monitoring ongoing activities and (g) operating all accounting, internal control or management information systems.	No change
	Scope of Work – Annexure V, Agreement (Clause No. 6. Restrictive terms)	Deloitte Touché Tohmatsu India LLP (DTTILLP)	We request the Commission to amend this provision as suggested.  <u>Proposed clause</u> (iv) The CERC shall be entitled to, without prejudice to any other right for civil or criminal proceedings, receive from the Consultant a compensation for the damages for violation by him/ her/ it of any of the terms of the agreement (for the reasons solely attributable to the consultant) which shall be limited to the total fee of the assignment.	No change

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	Scope of Work – Annexure V, Agreement (Clause No. 6. Restrictive terms)  <b>Additional clause</b>	Deloitte Touché Tohmatsu India LLP (DTTILLP)	We request the Commission to cap the indemnity and we should be only liable for indemnities which are judiciously determined and solely attributable to Deloitte.	No change
	Scope of Work – Annexure V, Agreement (Clause No. 7. Termination of contract)	Deloitte Touché Tohmatsu India LLP (DTTILLP)	We request the Commission to amend this provision as suggested.  <u>Proposed clause</u> (ii)(c) The Consultant has failed, without any valid justification, to adhere to the timeframe specified by the CERC in the assignment, for the reasons solely attributable to the consultant.	No change
	Scope of Work – Annexure V, Agreement  <b>Additional clause</b>	Deloitte Touché Tohmatsu India LLP (DTTILLP)	<u>Proposed clause</u> “The Consultant may suspend or terminate the Contract, by not less than thirty (30) days in case - Client does not make the payment to the Consultant - Does not adhere to the arbitration judgement - if Bidder determines that a law, regulation or anything having similar import, or a circumstances (including cases where client’s ownership or constitution has changed), makes Bidder's performance of the Contract impermissible or in conflict with independence or professional rules applicable to Bidder.”	No change

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	Scope of Work – Annexure VI, Confidentially and Non-Disclosure Agreement  <b>Additional clause</b>	Deloitte Touché Tohmatsu India LLP (DTTILLP)	Upon expiration of this Agreement / Contract or sooner upon written request of the Client, all Confidential Information in the possession of the Consultant shall be returned to the Client or destroyed under conditions which preserve the confidentiality of the Confidential Information, at the option and instruction of the Client. Pre-existing of the Consultant's IPR in the deliverables will still vest with the Consultant. Notwithstanding the foregoing, the Consultant retains all rights in the Deliverables and work product, and in any software, materials, know-how and/or methodologies that the Consultant may use or develop in connection with this Contract. the Consultant is not responsible if the client infringes the IPR by modifying the deliverables submitted by the Consultant"	No change

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