

**Alternative Energy Promotion Centre (AEPC)
Renewable Energy for Rural Livelihood (RERL)**

REQUEST FOR PROPOSAL FOR CONSULTING SERVICES

RFP No. RERL/010/2019

Title of Consulting Services

**Business Opportunities Assessment and Business Plan Preparation of
Solar Mini-Grid Projects in Thabang and Susta**

Project Name : Renewable Energy for Rural Livelihood (RERL)

Office Name : Alternative Energy Promotion Centre (AEPC)

Office Address : Khumaltar Height, Lalitpur, Nepal

Financing Agency: RERL

Date of RFP Issue: 7 November 2019

Deadline for Submission of RFP: 14 November 2019

Date.....

Dear Sir/Madam

Subject: Business Opportunities Assessment and Business Plan Preparation of Solar Mini-Grid Projects in Thabang (Rolpa) and Susta (Nawalparsi)

Please study the evaluation criteria and provide the relevant information

To enable you to submit a proposal, attached are:

- i. Instruction to OfferorAnnex I
- ii. General Terms and Conditions of the ContractAnnex II
- iii. Proposal Submission FormAnnex III
- iv. Financial Proposal Submission Form.....Annex IV
- v. Terms of Reference (TOR).....Annex V

Your offer comprising of both a technical proposal and a financial proposal, in a separate sealed envelopes, should reach the following address no later than **14:00 hours, 14 November 2019**.

The National Programme Manager
Renewable Energy for Rural Livelihood (RERL)
Khumaltar Height, Lalitpur, Nepal
Phone: 01 5539390, 5539391, Fax: 01 5542397
Website: <http://www.aepc.gov.np/rerl/>
Email: rerl@aepc.gov.np

If you required additional information, we are ready to provide information, but any delay in providing such information will not be considered a reason for extending the submission date of your proposal.

Yours sincerely,

Mr. Satish Gautam
National Programme Manager(NPM)

Annex I

A.Introduction

1. General

The purpose of this RFP is to invite technical and financial proposals from the potential consulting firms who have skill, knowledge and expertise for "**Business Opportunities Assessment and Business Plan Preparation of Solar Mini-Grid Projects in Thabang and Susta**"

2. Cost of Proposal

The offeror shall bear all costs incurred during submitting the proposal. The offeror shall bear all costs associated with the preparation and submission of the proposal. RERL will in no case be responsible or liable for those costs, regardless, of the conduct or outcome of the evaluation of this proposal.

B. Solicitation Documents

3. Contents of solicitation documents

Proposals must offer services for total requirement. The Offeror is expected to examine all corresponding instructions; forms, terms and specifications contained in the solicitation Documents. Failure to comply with these documents will be at the offeror's risk and may affect the evaluation of the Proposal.

4. Clarification of solicitation documents

The offerors requiring any clarification of the Solicitation Documents can forward their queries in the following email address

Email: rerl@aepec.gov.np

5. Amendment of solicitation documents

At any time prior to the deadline for submission of proposals, the RERL may, for any reason, whether at its own initiative or in response to a clarification requested by a shortlisted Offeror, modify the Solicitation Documents by amendment.

All offerors that have received the Solicitation Documents will be notified in writing of all amendments to the Solicitation Documents. In order to afford prospective Offerors reasonable time in which to take the amendments into account in preparing their offers, RERL will notify in time.

C. Preparation of Proposals

6. Applying for providing services

The Offerors need to read the RFP including the ToR and prepare proposal accordingly. The proposal must address all the requirements of the proposal including required documents.

7. Language of the proposal

The proposal prepared by the Offeror and all correspondence and documents relating to the proposal exchanged by the Offeror and the RERL shall be written in the English language.

8. Documents comprising the proposal

The proposal shall comprise the following **mandatory documents**:

- a. Proposal submission form
- b. Certificate of Registration
- c. VAT certificate
- d. Tax Clearance Certificate of 2074/75
- e. Organizational Profile
- f. Demonstration of similar experience
- g. Overall Methodology covering all the activities
- h. Proposed System
- i. Relevant Human Resource

9. Proposal form

The Offeror shall structure the operational and technical part of its proposal as follows:

i. Proposed methodology

This section should demonstrate the Offeror's responsiveness to the specification by identifying the specific components proposed, addressing, the requirements, as specified, point by point, providing a detailed description of the essential performance characteristics proposed warranty; and demonstrating how the proposed methodology meets or exceeds the specifications. **This section should explain clearly how the required information as mentioned in the scope of work in the attached ToR will be collected and analyzed.**

Pricing information shall be separated and only contained in the appropriate Price Schedules.

It is mandatory that the Offeror's Proposal numbering system corresponds with the numbering system used in the body of this RFP. All the references to descriptive material and brochures should be included in the appropriate response paragraph, though material/documents themselves may be provided as annexes to the Proposal/response.

Information which the Offeror considers proprietary, if any, should be clearly marked "proprietary" next to the relevant part of the text and it will then be treated as such accordingly.

ii. Summary Sheet

The Offeror is required to prepare a summary sheet (Table 1) with information related to previous or ongoing work relevant to this study.

Table 1 Summary sheet

SN	Name of the program/project	Contract agency	Duration	Amount of contract

Note: Please mention only settlement, infrastructure or urbanization sector program/project

iii. Qualification of the Service Provider

The consulting firm (Offeror) must demonstrate at least 2 projects showing experience in activities similar as proposed in this proposal. The consulting firm must be legally registered as per the rule of Government of Nepal and provide the following documents

1. Consulting Firm/Company Registration Certificate
2. VAT Registration Certificate
3. 2074/75 Tax Clearance Certificate

iv. Human Resource Requirement

Team Leader

The Team Leader will be responsible for coordinating all activities pertaining to the assignment mentioned in this ToR. The Team Leader should have at least 7 years' proven experience in management, planning, design, analysis of project. S/he should have the extensive knowledge on business plan preparation (commercial business plan), private sector promotion and institutional development. S/he should also have a strong working orientation on rural enterprises and related market mechanisms. S/he should have at least Bachelor's Degree in Business Administration, Rural Development, Engineering, and Economics, or any other relevant subjects.

Electrical Engineer

The electric engineer should have Bachelor degree in electric engineering and sound knowledge on electrical mechanical items. He/S should have at least 3 years working experiences in micro/mini hydro sector.

10. Proposal prices

The Offeror shall indicate on an appropriate Price Schedules, the price of a service it proposes to supply under the contract. The VAT should be included in the offer, if applicable. The tax will be deducted at source as per prevailing tax rule of the government.

11. Proposal currencies

All prices shall be quoted in the Nepalese Rupees (NRs)

12. Period of validity of proposals

Proposals shall remain valid for One Hundred And twenty (120) days after the date of the Proposal submission prescribed by the RERL, pursuant to the deadline clause. A Proposal valid for a shorter period may be rejected by RERL on the grounds that it is non-responsive.

In exceptional circumstances, the RERL may solicit the Offeror's consent to an extension of the period of validity. The request and the responses there to shall be made in writing. An Offeror granting the request will not be required or permitted to modify its proposal.

13. Format and signing of Proposals

The Offeror shall prepare the Proposal. The Proposal shall be in typed or written in indelible ink and shall be signed by the Offeror or a person or persons duly authorized to bind the Offeror to the contract. The latter authorization shall be indicated by written power-of-attorney accompanying the proposal.

The Proposal shall contain no interlineation, erasures, or overwriting except, as necessary to correct errors made by the Offeror, in which case such corrections shall be initialed by the person of persons signing the proposal.

14. Estimated Completion Date

The desired delivery date for completion of this task is 2 months after signing the contract.

15. Payment

The RERL shall effect payments to the Contractor/Offeror after acceptance by the RERL of the invoices submitted by the Contractor/Offeror. The payments will be made in installment basis based on deliverables.

Amount in percentage

Payment

- | | |
|----------|--|
| i) 30% | Immediately after Signing Contract. |
| ii) 40% | After submission and approval of project preparation report |
| iii) 30% | After submission of final report and approval from AEPC/RERL |

D. Submission of Proposals

16. Sealing and marking of Proposals

The Offeror shall seal (lahachhap) the proposal in one outer and two inner envelopes, as detailed below.

- (i) The outer envelope shall be

Addressed to:

The National Project Manager

Renewable Energy for Rural Livelihood (RERL)

Khumaltar Height, Lalitpur, Nepal

Phone: 01 5539390, 5539391, Fax: 01 5542397

Website: <http://www.aepc.gov.np/rerl/>

Email: rerl@aepc.gov.np

And,

Marked with:

**" Business Opportunities Assessment and Business Plan Preparation of Solar Mini-Grid Projects in Thabang and Susta
"**

- (ii) Both inner envelopes shall indicate the name and address of the Offeror. The first inner envelope shall contain the information specified in clause 8 (Proposal Form) above. The second inner envelope shall include the price schedule and price schedule of individual Offeror duly identified as such.

NOTE, if the inner envelopes are not sealed and marked as per the instructions in this clause, the RERL will not assume responsibility for the Proposal's misplacement or premature opening.

17. Deadline for the submission of Proposals

Proposals must be received by the RERL at the address specified under clause *Sealing and Marking of Proposals* no later than **14:00 hrs, 14 November 2019**.

RERL may, at its own discretion extend this deadline for the submission of Proposals by amending the solicitation documents in accordance with clause *Amendments of Solicitation Documents*, in which case all right and obligations of the RERL and Offerors previously subject to the deadline will thereafter be subject to the deadline as extended.

18. Late Proposals

Any Proposals received by RERL after the deadline for the submission of Proposals, pursuant to clause *Deadline for the submission of Proposals*, will be rejected.

19. Modification and withdrawal of the Proposals

The Offeror may withdraw its proposal after the Proposal's submission, provided that written notice of the withdrawal is received by the RERL prior to the deadline prescribed for the submission of the Proposals.

The Offeror's withdrawal notice shall be prepared, sealed, marked, and dispatched in accordance with the provisions of the Clause Deadline for Submission of Proposals. The withdrawal notice may also be sent by telex or fax but followed by a signed confirmation copy.

No proposal may be modified subsequent to the deadline for the submission of the Proposals.

No Proposal may be withdrawn in the interval between the deadline for submission of proposals and the expiration of the period of the Proposal validity specified by the Offeror on the Proposals Submission Form.

E. Opening and evaluation of the Proposals

20. Opening of proposals

The RERL will open the Proposals in the presence of AEPC and UNDP representatives at the Programme Office.

21. Clarification of the proposals

To assist in the evaluation and comparison of Proposals, the Purchaser may at its discretion, ask the Offeror for clarification of its Proposal. The request for clarification and the response shall be in written form and no change in price or substance of the Proposals shall be sought, offered or permitted.

22. Preliminary examination

The Procurer will examine the Proposals to determine whether they are complete, whether any computational errors have been made, whether the documents have been properly signed, and whether the Proposals are generally in order.

Arithmetical errors will be rectified on the following basis: If there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price errors, its proposal will be rejected. If there is a discrepancy between the words and figures the amount in words will prevail.

Prior to the detailed evaluation, the Procurer will determine the substantial responsiveness of each Proposal to the request for Proposals (RFP). For the purposes of these clauses, a substantially responsive Proposal is one which confirms to all the terms and conditions of RFP without material deviations. The producer's determination of a proposal's responsiveness is based on the contents of the proposal itself without recourse to extrinsic evidence.

23. Evaluation and comparison

Total Score (100%) = Technical Evaluation (70%) + Financial Evaluation (30%)

Maximum Total Score = 1000

The Financial Proposal carries a total score of 300 points. The points for the financial proposal will be allocated as per the following formula:

Lowest Bid Offered *

----- X 300

Bid of the Firm/Offeror

* "Lowest Bid Offered" refers to the lowest aggregate price offered by proposers scoring at least 70% points in Technical Evaluation.

The Contract will be awarded to the (agency/Organization/Firm) Offeror scoring the highest combined scores (Technical and Financial).

Technical evaluation criteria will be as follows:

Summary of technical proposal evaluation form	Score weight	Point obtainable
Expertise of the firm submitting proposal	10%	100
i) Methodology, its appropriateness to the ToR, ii) clarity in technology proposed, its functions and its relevance, iii) timeliness of the implementation plan	60%	600
Qualification and experience of personnel	30%	300
Total		1000

NOTE: Seventy percent weightage will be given to technical proposal and thirty percent for financial proposal.

Form 1: Criteria for evaluation of expertise of the firm

SN	Criteria	Obtainable points	Company/Firm				
			A	B	C	D	E
1	General Experiences of Firm (2 years)	50					
2	Experineces for Conducting Business Opportunities Assessment	50					
	Sub-total	100					

Form 2: Criteria for evaluation of approach, methodology and appropriateness

SN	Criteria	Obtainable points	Company/Firm				
			A	B	C	D	E
1	Understanding of Scope of Work	50					
2	Proposed approach and methodology	150					
3	Innovative approach to exective task	100					
4	Practical Manning and work schedule	200					
5	Timeline plan	100					
	Sub-total	600					

Form 3. Criteria for evaluation of proposed human resources

SN	Criteria	Obtainable points	Company/Firm				
			A	B	C	D	E
Team Leader	General Experiences of personal as per ToR	150					
	Additonal Qualification of the Personnel	25					
	Adequacy of experinces of the personnel in similar task	75					
Electrical Engineer	Bachelor's Degree in electrical engineering with at least 3 years' experience in monitoring and electricity consumption pattern and end uses appliances in micro/mini hydro sector. knowledge of the application of energy for productive energy uses,	50					
Sub-Total		300					

B. Award of contract**24. Award criteria, award of contract**

The RERL reserves the right to accept the proposal or reject all proposals at any time prior to award of the contract, without thereby any liability to the affected Offeror or any obligation to inform the affected Offeror or Offerors of the grounds for the Purchaser's action prior to the expiration of the period of proposal validity, the RERL will award the contract to the qualified Offeror whose proposal after being evaluated is considered to be the most responsive to the needs of the organization and activity concerned.

25. Purchaser's right to vary requirements

The purchaser reserves the right at the time of award of the contract to vary the quantity of services and goods specified in the RFP without any change in price or other terms and conditions.

26. Signing of the conditions

After the evaluation of the proposals, **a selected Offeror will be asked to enter into contract.** Within 5 days of the receipt of the contract, the successful Offeror shall sign and date the contract and return it to the purchaser.

General Terms and Conditions of the Contract

1. Independent Relationship

Nothing contained in the contract shall be construed as establishing or creating between Government and the Organization the relationship of a master and a servant or principal and agent, it being understood that the Organization is an independent person vis-à-vis Government.

2. Organization /Expert/Consultant's General Responsibilities

- The organization shall carry out services under this contract with due diligence and efficiency and in conformity with the highest standards of professionals and ethical competence and integrity.
- The Organization shall act at all times so as to protect, and not be in conflict with the interests of Government.
- The organization shall be responsible for the professional and technical services provided by him/her in the implementation of this contract.

3. Workmen's compensation and other insurance

The organization shall make his/her own arrangements regarding insurance for the medical expenses and for an accident, death and permanent disability for the period of this contract. All costs involved will be borne by the Organization.

4. Source of Instruction

The organization shall neither seek nor accept instructions from any authority other than NPC/RERL's authorized agent in connection with the performance of services under this contract.

5. Prohibition on conflicting activities

The Organization shall ensure that he/she will not directly/indirectly engage in any activity that would conflict with those of RERL in respect of this evaluation.

6. Officials no to benefit

The Organization warrants that no RERL has been or will be admitted by him/her to any direct/indirect benefit arising from this contract or award thereof.

7. Assignment

The Organization shall not assign, transfer, pledge or make other disposition of this contract or any other parts thereof rights, claims or obligations under this contract, without prior written approval of RERL.

8. Records, Accounts, Information and Audit

- The organization shall maintain accurate and systematic records and accounts in respect of the services to be performed under this contract.

- The Organization shall furnish, compile or make available at all times to RERL any records or information, oral or written, which RERL may reasonably request for in respect of the services to be performed under this contract.
- The Organization shall allow RERL or its authorized agents to inspect and audit all such records or information upon reasonable notice.

9. Language

Unless otherwise specified in this contract, English language shall be used by the Organization in all written communications to RERL with respect to the services rendered and with respect to all documents procured or prepared pertaining to such services.

10. Confidential Nature of Documents

All maps, drawings, photographs, mosaics and plans.

11 Amendments

The terms and conditions of this contract may be amended only in writing signed by both parties to this contract or their duly authorized representatives.

12. Obligation to Inform RERL of change in condition

The organization shall promptly and fully notify RERL in writing of any conditions, which interfere, or threatens to interfere, with successful carrying out of the services under this contract. Such notice shall not however relieve the Organization of his/her obligations to continue to provide services under this contract. Upon receipt of such notice, RERL shall take such action as in its sole discretion it considers to be appropriate or necessary under the circumstances.

13. Taxation

The Organization shall be liable for any tax levied on the remuneration and allowances paid as per this contract. Income tax on the remuneration and allowances paid to the organization will be deducted at source.

Proposal Submission Form (Company Letter Head)

The National Programme Manager
Renewable Energy for Rural Livelihood (RERL)
Khumaltar Height, Lalitpur, Nepal
Phone: 01 5539390, 5539391, Fax: 01 5542397
Website: <http://www.aepc.gov.np/rerl/>
Email: rerl@aepc.gov.np

Dear Sir,

Having examined the Solicitation Documents, the receipt of which is hereby duly acknowledged, we, the undersigned, offer to provide services to conduct evaluation of the **"Business Opportunities Assessment and Business Plan Preparation of Solar Mini-Grid Project in Thabang and Susta"** for the sum as may be ascertained in accordance with the Price Schedule attached herewith and made part of this proposal.

We undertake, if our proposal is accepted, commence and complete delivery of all services specified in the contract within the time frame stipulated.

We agree to abide by this Proposal for a period of 120 days from the date fixed for opening of Proposals in the invitation for proposal, and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

We understand that you are not bound to accept any proposal –whole or part –you may receive.

Dated this day/Month of year

Signature
Name
Position
Stamp

Duly authorized to sign Proposal for and on behalf of

Financial Proposal Submission Form

PRICE SCHEDULE

The Consulting Firm/Contractor is asked to prepare the Price Schedule alongwith the cost breakdown (as provided in this annex IV below) in separate envelop. All prices/rates quoted must be inclusive of all taxes. The Price Schedule must provide a detailed cost breakdown. Provide separate figure for each functional grouping or category. The format shown on the following pages should be used in preparing the Price Schedule. The format includes specific expenditures, which may or may not be required or applicable but are indicated to serve as the examples. Therefore, it should be considered as broad guidelines for Price Schedule (s).

Table A. Cost Breakdown by Cost Component [*This is only an Example*]:

S.N.	Particulars	Quantity	Unit	Rate NRs	Amount NRs.
A	Human Resource				
1	Team Leader		MD		
2	Electrical Engineer		MD		
3					
B	Travel cost and DSA				
C	Total (A +B)				
D	VAT (13%) of C				
	Total (C+D)				

Notes:

1. Financial proposals will be selected on the basis of compliance with RERL costing parameters.
2. Payment will be made only for the activities costed in the financial proposal.
3. *Table A is for financial proposal including the cost of meter that will be procured with the proposal
4. **Table B is for financial proposal including the cost of renting meter per month
5. The financial cost of purchase of meter and renting of meter per month will be assessed with other proposals in similar terms
6. Other cost relevant to the methodology should be included in the table
7. Both Tables A and B must be filled for the financial proposal
8. The overall cost should cover the objective 1 and 2 as mentioned in the section Objective of the Terms of Reference

(Signature)

[Name and Signature of the Service Provider's Authorized Person]

[Designation]

[Date]

(Office Stamp)

Terms of Reference (ToR)

Business Opportunities Assessment and Business Plan Preparation of Solar Mini-Grid Projects in Thabang and Susta

1. Background

AEPC/RERL is providing technical support to design, develop, install and operate/manage mini hydro and solar system mini-grid coordination with AEPC/SASEC project. Currently, AEPC/SASEC has initiated to install the solar mini-grid project in Susta (100kWp) Nawalparasi and Thabang (150kWp) in Rolpa. In addition to that there are number of power projects which is under the construction and some of them have installed and operation.

Study and reports shows that sustainable operation and management of such project is a challenging and have face number of problems after operation of the power projects. Proper management and sustainable operation of the project need to institutionalize with having appropriate rules and regulations in place. Use of optimum utilization of the electricity is challenging in rural area whereas very limited market opportunities for establishing and upgrading the business. Due to having the low knowledge of skill, entrepreneurship, availability, appropriate technologies and in access of financial services are major problems faced by the potential entrepreneurs. Thus it is inevitable that identification of appropriate business/services to potential entrepreneurs is crucial for creating enabling environment for the establishment of business at the both projects. Furthermore, business plan can show the pathway for future strategy to manage and operate of solar mini grid project in systemic and efficient way. Business plan also helps to minimize the risk and optimization of resources for sustainable management of the power project. In this context, RERL float the ToR to conduct business opportunities and prepare business plan from interested consulting firm/individual.

2. Objective of the Assignment

The overall objective of the assignment is to conduct the business opportunities assessment and to prepare business plan and orient to the management committee.

3. Scope of work

The overall scope of this assignment is to provide a consulting service to AEPC/RERL for assessment of business opportunities and to prepare business plans of solar mini grid projects in Thabang (Rolpa) and Susta (Nawalparasi). The scope of this assignment includes, but not limited to the followings;

- Conduct Business Opportunity Assessment (BoA) in Thabang and Susta mini-grid projects
- Conduct at least 2 focus group discussions, 10 key informant interviews each in both sides
- Organize meeting with all concern stakeholders to share preliminary finding of the business opportunities assessment in both sides
- Conduct interview to all value chain actors in order to conduct assessment
- Coordination with concerned stakeholders to conduct preparing business plans with users committee, shareholder members, banks, entrepreneurs, local political leaders, representative of rural municipality, and others stakeholders
- Consultative meeting with AEPC/RERL/SASEC staffs, private service providers and other service providers for preparing business plan

- Coordination and meeting with banks, financial institutions and others possible institutions to prepare realistic business plan
- Prepare business plan based on business opportunities assessment report and carryout validation in Susta and Thabang projects.
- Conduct one day orientation on finding of business plan to management committee as well RM representatives
- Submit the report of business opportunities and business plans to RERL and concern management team of solar proejcts.

4. Key Deliverables

Key deliverables of the consulting services are:

- Preparation of business opportunities assessment report
- Prepare realistic business plan of all above mentioned solar mini grid projects
- Conduction of orientation to management committee about the business plan
- Submit the business plan at RERL in Nepali language and concern management committee

5. Inputs from AEPC/RERL

Τηε πολλοωινγ ινπυτσ ωιλλ βε μαδε απαιλαβλε φορ χομπλετινγ τηε ασσιγνμεντ:

- Budget to carry out the assignment, relevant AEPC documents, and other available information.
- Inputs to assist the consultant in different stages of the assignment from AEPC/SASEC project and RERL team
- Provide related documents and reports

6. Time and Budget

7. 1. Timing

The duration of this task shall be two months from the date of signing the contract agreement with AEPC/RERL

List of solar mini grid projects for business opportunity assessment and preparation of business plan

SN	Name of Project	kW	Address
1	Thabang	150	Thabang, Rolpa
2	Susta	100	Susta, Nawalparsi