

**Provisional Terms of Reference (ToR)**  
**for**  
**Appointment of Consulting Firm for**  
**Conducting Performance Audit of Generation and Distribution Units of**  
**Power Sector Entities**

**1. Background**

Electricity plays a pivotal role for the socio-economic development of a country. In the recent years Bangladesh has experienced booming economic growth, rapid urbanization and increased industrialization. Hon'ble Prime Minister has announced 'Vision 2021' which encompasses the target of ensuring affordable and quality electricity supply for all. The Government of Bangladesh has taken diversified fuel based power generation program to fulfil the vision and commitment of the government. Success during the last ten years has been tremendous - generation capacity has reached to about 20,430 MW and peak generation has picked up to 11,623 MW. Around 11,293 km transmission and 4,76,000 km distribution lines have been constructed to provide electricity to about 31.5 million consumers. The government has a target to generate 24,000 MW by the year 2021. New power plants are being built to increase the generation capacity. Side by side transmission and distribution network has been expanding simultaneously.

To achieve the above mentioned target, efficient management in the areas of generation and distribution is important. Necessary steps have been taken by the government with a target to improve the efficiency in the sector as well as to ensure accountability and transparency. To meet the above mentioned target performance audit of generation and distribution units needs to be carried out.

**2. Objective**

The main objectives of performance audit are:

- a) Promoting effective and efficient governance system in the entities;
- b) Rectification measures for improvement of entities performance;
- c) Ensuring accountability and transparency in entities;
- d) Effective utilisation and management of available resources;
- e) Encourage and assist entities to improve performance.

**3. Scope of Services, Tasks, Components and Expected Deliverables**

**3.1 Scope of Work**

The scope of services for the assessment are enlisted below. The consultants can propose some modifications in the scope of work to meet the objectives of the assignment.

- a) The consultant will carry out performance audit at Siddirganj Power Plant and S&D Sylhet-1 under Bangladesh Power Development Board (BPDB), Dhaka Palli biddut Samity-1 under Bangladesh Rural Electrification Board (BREB), Sirajganj S&D under Northern Electric Supply Company Limited (NESCO) and NOCS, Nayanganj (East) under Dhaka Power Distribution Company Limited (DPDC). However the sample area will be selected finally before bid submission;
- b) Prepare work plan for conducting audit against standard sets of indicators considering types of the business. The performance indicators will be set in consultation with the consultant and Power Division;
- c) Collect and review of data and files related to the activities of the specific entities;
- d) Carrying out audit on utilization and management of resources including manpower, money and assets;
- e) Conducting audit in the areas of project management, procurement, engineering support, operation & maintenance and customer services etc.
- f) Survey one feeder of distribution unit to identify the gaps (if any) between meter reading and billing amount.
- g) Review the existing operation parameters of the power generation and distribution system. Identify deviations of parameters and recommend rectification measures for improvement;
- h) Review the procurement procedures followed by the units (utility). Identify gaps and recommend measures to keep procurement process to follow the Public Procurement Act and Rules;
- i) Review the customer services related policies, resources and activities to identify the gaps. Develop required tool/formats and recommend for improvement of customers services;
- j) Review the pending connection/application, service restoration of customers and duration of service provider for connection;
- k) Review of HT connection above 100 kw of last two years (2017-18 & 2016-17) including load approval and location of the consumer;
- l) Review the current unit and staffing structure with particular reference to the distribution of technical and professional staff to ensure optimum output;
- m) Review the KPIs for technical and non-technical issues for each entities;
- n) Impact assessment of identified lacking/deviation/gaps regarding technical and managerial efficiency.
- o) Submission of realistic recommendations and action plan to achieve the desirable target.

Scope of services is not limited to above. It can be changed/ modified to meet the objectives of the performance audit.

#### **4. Team Composition & Qualification Requirements for the Key Experts**

Consulting firms should have experience to perform the consultancy services, experience of similar assignments, conditions, firm's capability and availability of appropriate skills among key staff and resources, relevant transactional experience. The Proposer is expected to engage the following categories of key experts for the Project and CVs shall be submitted accordingly:



- **Power System Specialist (Team Leader) (Position-1):** The Power System Specialist should have a Bachelor's degree in electrical engineering or related engineering and preferably 10 years of experience in Power Sector. He/ She should have relevant experience on different technology based power system operation and maintenance. The specialist should have the ability to carry out technical audit of the power plants, transmission and distribution network.
- **Power Generation Specialist (Position-1):** The Power Generation Specialist should preferably have a Bachelor's degree in electrical/mechanical engineering and preferably 10 years of experience in the generation of power sector. The specialist should have the ability to carry out technical audit of power generation.
- **Power Distribution Specialist (Position-1):** The Power Distribution Specialist should preferably have a Bachelor's degree in electrical/mechanical engineering and preferably 10 years of experience in the distribution system of power sector. The specialist should have the ability to carry out technical audit of the power distribution network.
- **Procurement Specialist (Position-1):** The Procurement Specialist should have at least a Bachelor's degree in Engineering or Master's in Economics/ Statistics/ Finance/ Business Administration/ Management/ Procurement/ Law or other relevant subjects with at least ten (10) years' work experience in the field of public procurement or have had responsibilities with a substantial content of his/her position in the procurement area i.e. use of accepted contract documents for goods, works and consulting services; sound understanding of principles underlying good procurement practices and international guidelines.
- **Human Resources Specialist (Position-1):** The Specialist should have a minimum Master's degree in Public Administration/Management/HRM or any other relevant subject from a recognized university with Postgraduate qualifications in MBA with minimum 20 years of experience with at least 10 years' experience in the field of public administration/HR Management;
- **Financial/Economic Analyst (Position-1):** The Financial/Economic Analyst should have at least a Bachelor's degree in Economics/Finance/Business Administration or any relevant subject with a minimum of 10 years of experience in financial/economic analysis.
- **Auditor (Position-1):** The consultant should have at least a Bachelor's degree in Accounting/Finance/Marketing and professional accountancy qualification with adequate proficiency in auditing specially in the field of public utility/Project Management Units. He/She should have minimum of 10 years general experience and 5 years of specific experience.

#### 5.0 Duration of the Assignment

The duration of this assignment will be 90 (ninety) days.

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## 6.0 Evaluation Criteria

The evaluation of consulting firms will be done according to the criteria mentioned below:

- **General Experience of the firm;**
- **Specific Experience of the firm;**
- **Key Experts Qualification and Experience**
- **Work plan and methodology**

## 7.0 Reporting Requirements and Time Schedule for Deliverables

- a) 10(Ten) copies of each report has to be submitted along with a soft copy;
- b) Person to receive the Report: Secretary, Power Division
- c) The consulting firm will report to the Secretary, Power Division.
- d) The consultant will deliver the following output:
  - Inception Report along with the work plan within 15 days of signing of the contract;
  - Interim Report within 45 days of signing of contract;
  - Draft Final Report within 60 days of signing of contract;
  - Stakeholder's meeting on Draft Final Report within 70 days of signing of contract;
  - Submission of Final Report incorporating comments within 90 days of signing of contract.

## 8.0 Client's Input and Counterpart Personnel

### (a) Services, facilities and property to be made available to the Consultant by the Client:

#### **Facilitation and Reporting**

The entities of power sector will ensure access to the available pertinent information to this assignment. Consultant will work in close association with Power Division and other relevant entities. A coordination mechanism will be set up to review progress, provide guidance and advice. The designated personnel of the entities will interact with the consultants and provide data, arrange discussions and assistance as required.

#### **Logistics Support**

Entities will provide logistic support as far as possible. But office accommodation, field visits, secretarial service will have to be arranged by the consulting firm at their own costs.

### (b) The concerned utility will provide counterpart professional/support personnel to the Consultant's team

## 9.0 Inputs, project data and reports by the client to facilitate preparation of the Proposals

The consultant will have to collect relevant project data and reports from the respective departments as required to successfully completing the study.