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# **Office of Utilities Regulation**

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**REQUEST FOR PROPOSALS**

**2018/ELE/025/RFP.002**

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**CONSULTANCY SERVICES TO CONDUCT ELECTRICITY  
SECTOR COSTING STUDY**



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**OFFICE OF UTILITIES REGULATION**

**2019 January 1**

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## Section 1. Letter of Invitation

2019 January 1

Dear Sir/Madam:

1. The Office of Utilities Regulation (“OUR”) has committed funds to undertake a consultancy project to obtain expert advice on electricity sector costing for the upcoming Five Year Rate Review for the Jamaica Public Service Company Limited for which this Request for Proposals (“RFP”) is issued.
2. The OUR now invites proposals to provide the following consulting services: *Consultancy Services to Conduct Electricity Sector Costing Study*. More details on the services are provided in Section 5: Terms of Reference.
3. A firm will be selected under the Quality Cost-Based Selection method described in Volume 3 of the Government of Jamaica Handbook of Public Sector Procurement Procedures (Updated March, 2014) which can be found at the following website - [www.mof.gov.jm](http://www.mof.gov.jm) - as well as the procedures described in this RFP.
4. The RFP includes the following documents:
  - Section 1 - Letter of Invitation
  - Section 2 - Instructions to Consultants (including Data Sheet)
  - Section 3 - Technical Proposal - Standard Forms
  - Section 4 - Financial Proposal - Standard Forms
  - Section 5 - Terms of Reference
  - Section 6 - Standard Form of Contract
5. Your proposal should be received by **2019 February 18 at 11:00 a.m.** Local (Jamaican) Time and should be addressed to:

**Consultancy – Electricity Sector Costing Study**  
**Office of Utilities Regulation**  
**3<sup>rd</sup> Floor, PCJ Resource Centre**  
**36 Trafalgar Road**  
**Kingston 10**

Yours sincerely,

**OFFICE OF UTILITIES REGULATION**



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*Cedric Wilson*

*Director- Research Policy Monitoring and Enforcement*

## Section 2. Instructions to Consultants

### Definitions

- a. "OUR or Procuring Entity" means the Office of Utilities Regulation.
- b. "Consultant" means any entity or person that may provide or provides the Services to the OUR under the Contract.
- c. "Contract" means the Contract signed by the Parties and all the attached documents listed in its Clause 1 that is, the General Conditions (GC), the Special Conditions (SC), and the Appendices.
- d. "Data Sheet" means the part of the Instructions to Consultants used to reflect specific assignment conditions or amendments to these Instructions to Consultants.
- e. "Day" means calendar day.
- f. "Government" means the Government of Jamaica.
- g. "Instructions to Consultants" means this document included as Section 2 of the RFP, which provides Consultants with all the information needed to prepare their Proposals.
- h. "JPS" means the Jamaica Public Service Company Limited.
- i. "LOI" means the Letter of Invitation included as Section 1 of the RFP.
- j. "Personnel" means professionals and support staff provided by the Consultant or by any Sub-Consultant and assigned to perform the Services or any part thereof; "Foreign Personnel" means such professionals and support staff who at the time of being so provided had their domicile outside of Jamaica; "Local Personnel" means such professionals and support staff who at the time of being so provided had their domicile inside Jamaica.
- k. "Proposal" means the Technical Proposal and the Financial Proposal.
- l. "RFP" means this Request for Proposals.
- m. "Services" means the work to be performed by the Consultant pursuant to the Contract.
- n. "Sub-Consultant" means any person or entity to whom the Consultant subcontracts any part of the Services.
- o. "Terms of Reference" or "TOR" means the document included in the RFP as Section 5 which explains the objectives, scope of work, activities, tasks to be performed, respective responsibilities of the OUR and the Consultant, and expected results and deliverables of the assignment.

### 1. Introduction

- 1.1 The OUR will select a consulting firm/organization to provide the Services in accordance with the method of selection specified in the Data Sheet.

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- 1.2 Consultants are invited to submit a Technical Proposal and a Financial Proposal for consulting services required for the assignment named in the Data Sheet. The Proposal will be the basis for contract negotiations and the signed Contract with the selected Consultant.
  - 1.3 Consultants should familiarize themselves with local conditions and take them into account in preparing their Proposals. To obtain first-hand information on the assignment and local conditions, Consultants are encouraged to attend the pre-proposal conference if one is specified in the Data Sheet. Attending the pre-proposal conference is optional. Consultants should contact the Procuring Entity's representative named in the Data Sheet to arrange for their visit or to obtain additional information on the pre-proposal conference. Consultants should ensure that these officials are advised of the visit in adequate time to allow them to make appropriate arrangements.
  - 1.4 The OUR will timely provide at no cost to the Consultants the inputs and facilities specified in the Data Sheet, assist the firm in obtaining licences and permits needed to carry out the Services, and make available relevant project data and reports.
  - 1.5 Consultants shall bear all costs associated with the preparation and submission of their proposals and contract negotiation. The OUR is not bound to accept any proposal, and reserves the right to annul the selection process at any time prior to Contract award, without thereby incurring any liability to the Consultants.
    - 1.5.1 The OUR is not bound to accept any proposal, and reserves the right to annul the selection at any time prior to Contract award, without thereby incurring any liability to the Consultants. The OUR reserves the right not to award a contract to any party with whom we are currently in litigation or in the past engaged in litigation.
  - 1.6 **Conflict of Interest** Consultants are required to provide professional, objective, and impartial advice and at all times hold the OUR's interests paramount, strictly avoid conflicts with other assignments or

their own corporate interests and act without any consideration for future work.

1.6.1 Without limitation on the generality of the foregoing, Consultants, and any of their affiliates, shall be considered to have a conflict of interest and shall not be contracted, under any of the circumstances set forth below:

**Conflicting activities**

(i) A firm that has been engaged by the OUR to provide goods, works or services other than consulting services for a project, and any of its affiliates, shall be disqualified from providing consulting services related to those goods, works or services. Conversely, a firm hired to provide consulting services for the preparation or implementation of a project, and any of its affiliates, shall be disqualified from subsequently providing goods or works or services other than consulting services resulting from or directly related to the firm's consulting services for such preparation or implementation. For the purpose of this paragraph, services other than consulting services are defined as those leading to a measurable physical output, for example surveys, exploratory drilling, aerial photography, and satellite imagery.

**Conflicting assignments**

(ii) A Consultant (including its Personnel and Sub-Consultants) or any of its affiliates shall not be hired for any assignment that, by its nature, may be in conflict with another assignment of the Consultant to be executed for the OUR or for another procuring entity. For example, a Consultant hired to prepare engineering design for an infrastructure project shall not be engaged to prepare an independent environmental assessment for the same project, and a Consultant assisting the OUR in the privatization of public assets shall not purchase, nor advise the procuring

entities of, such assets. Similarly, a Consultant hired to prepare Terms of Reference for an assignment should not be hired for the assignment in question.

**Conflicting relationships**

- (iii) A Consultant (including its Personnel and Sub-Consultants) that has a business or family relationship with a member of the OUR's staff who is directly or indirectly involved in any part of (i) the preparation of the Terms of Reference of the assignment, (ii) the selection process for such assignment, or (iii) supervision of the Contract, may not be awarded a Contract, unless the conflict stemming from this relationship has been resolved in a manner acceptable to the OUR throughout the selection process and the execution of the Contract.

1.6.2 Consultants have an obligation to disclose any situation of actual or potential conflict that impacts their capacity to serve the best interest of the OUR, or that may reasonably be perceived as having this effect. Failure to disclose said situations may lead to the disqualification of the Consultant or the termination of its Contract.

1.6.3 No agent or current employees of the OUR shall be permitted to work as Consultants in connection with the project to which this RFP relates. Recruiting former employees of the OUR to work on this project is acceptable provided no conflict of interest exists. If the Consultant nominates any Government employee as Personnel in its technical proposal, such Personnel must have written certification from the Government or their employer confirming that they are on leave without pay from their official position and allowed to work full-time outside of their previous official position. Such certification shall be provided to the OUR by the Consultant as part of its technical proposal.

**Unfair  
Advantage**

1.6.4 If a Consultant could derive a competitive advantage from having provided consulting services related to the assignment in question, the OUR shall make available to all other Consultants together with this RFP all information that would in that respect give such Consultant any competitive advantage over competing Consultants.

**Fraud and  
Corruption**

1.7 The OUR requires that Consultants, observe the highest standard of ethics during the procurement and execution of its contracts. In pursuit of this policy:

(a) the terms set forth below for the purposes of this provision, are defined as follows:

**“corrupt practice”** means the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the action of a public official in the procurement process or in contract execution;

**“fraudulent practice”** means a misrepresentation or omission of facts in order to influence a procurement process or the execution of a contract, to the detriment of the OUR and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the OUR of the benefits of free and open competition;

**“collusive practice”** means a scheme or arrangement between two or more bidders, with or without the knowledge of the OUR, designed to establish bid prices at artificial non-competitive levels or to influence the action of any party in the procurement process or the execution of a contract; and

**“coercive practice”** means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the procurement process or affect the execution of a contract;

- (b) the OUR will reject a proposal for award if it determines that the Consultant recommended for award has, directly or through an agent, engaged in corrupt, fraudulent, collusive or coercive practices in competing for the Contract in question;
- (c) the OUR will sanction a firm or individual, including declaring them ineligible, either indefinitely or for a stated period of time, to be awarded a contract with the OUR if it at any time determines that they have, directly or through an agent, engaged in corrupt, fraudulent, collusive or coercive practices in competing for, or in executing, a contract with the OUR; and
- (d) the OUR will have the right to require that a provision be included in the RFP and in its contracts, requiring Consultants to permit the OUR to inspect their accounts and records and other documents relating to the Bid submission and contract performance and to have them audited by auditors appointed by the OUR.

1.8 Consultants shall furnish information on commissions and gratuities, if any, paid or to be paid to agents relating to this proposal and during execution of the assignment if the Consultant is awarded the Contract, as requested in the Financial Proposal submission form (Section 4).

**Origin of Consulting Services**

- 1.9 Consulting Services provided under the Contract may originate from any country except where:
- the procurement is covered under a Free Trade Agreement;
  - a multilateral funding agency policy which limits the origin;
  - the procurement is limited to local consultants.

**Only one Proposal**

1.10 Consultants may only submit one proposal. If a Consultant submits or participates in more than one proposal, such proposals shall be disqualified. However, this does not limit the participation of the same Sub-Consultant, including individual experts, to more than one Proposal.

- Proposal Validity**
- 1.11 The Data Sheet indicates how long Consultants' Proposals must remain valid after the submission date. During this period, Consultants shall maintain the availability of Professional staff nominated in the Proposal. The OUR will make its best effort to complete contract negotiations within this period. Should the need arise however, the OUR may request Consultants to extend the validity period of their Proposals. Consultants who agree to such extension shall confirm that they maintain the availability of the Professional staff nominated in the Proposal, or in their confirmation of extension of validity of the Proposal, Consultants could submit new staff in replacement, who would be considered in the final evaluation for contract award. Consultants have the right to refuse to extend the validity of their Proposals.
- 2. Clarification and Amendment of RFP Documents/ Extension of Deadline for Submission of Proposals**
- 2.1 Consultants may request a clarification of any of the RFP documents up to the number of days indicated in the Data Sheet before the Proposal submission date. Any request for clarification must be sent in writing, or by standard electronic means to the OUR's address indicated in the Data Sheet. The OUR will respond in writing, or by standard electronic means and will send written copies of the response (including an explanation of the query but without identifying the source of inquiry) to all Consultants. Should the OUR deems it necessary to amend the RFP as a result of a clarification, it shall do so following the procedure under paragraph 2.2 of these Instructions to Consultants.
- 2.2 At any time before the submission of Proposals, the OUR may amend the RFP by issuing an addendum in writing or by standard electronic means. The addendum shall be sent to all Consultants and will be binding on them. Consultants shall acknowledge receipt of all amendments. To give Consultants reasonable time in which to take an amendment into account in their Proposals the OUR may, if the amendment is substantial, extend the deadline for the submission of Proposals.
- 2.3 The OUR reserves the right to extend the deadline for the submission of Proposals for any other reason it may deem fit. Such extension of time shall be notified by way of an addendum

issued by the OUR in accordance with paragraph 2.2 of these Instructions to Consultants.

### **3. Preparation of Proposals**

3.1 The Proposal, as well as all supporting documentation and related correspondence exchanged by the Consultants and the OUR, shall be written in the English language.

3.2 In preparing their Proposal, Consultants are expected to examine in detail the documents comprising the RFP. Material deficiencies in providing the information requested may result in rejection of a Proposal.

3.3 While preparing the Technical Proposal, Consultants must give particular attention to the following:

(a) If a Consultant considers that it may enhance its expertise for the assignment by associating with other Consultants in a joint venture or sub-consultancy, it may do so. In case of a joint venture, all partners shall be jointly and severally liable and shall indicate in its Technical Proposal who will act as the leader of the joint venture. This indication should be accompanied by any relevant Power of Attorney or other acceptable documentation evidencing the authority of the leader.

(b) The estimated number of professional staff-months or the budget for executing the assignment shall be shown in the Data Sheet, but not both. However, the Proposal shall be based on the number of Professional staff-months or budget estimated by the Consultants.

(c) Alternative professional staff shall not be proposed, and only one curriculum vitae (CV) may be submitted for each position.

#### **Language**

(d) Documents to be issued by the Consultants as part of this assignment must be in English. It is expected that the firm's Personnel be proficient in reading, writing, and speaking English.

**Technical  
Proposal Format  
and Content**

3.4 Consultants are required to submit a Full Technical Proposal (FTP). The Data Sheet indicates the format of the Technical Proposal to be submitted. Submission of the wrong type of Technical Proposal will result in the Proposal being deemed non-responsive. The Technical Proposal shall provide the information indicated in the following paragraphs from (a) to (g) using the attached Standard Forms (Section 3 of this RFP).

- (a) A brief description of the Consultants' organization and an outline of recent experience of the Consultants and, in the case of joint venture, for each partner, on assignments of a similar nature is required in Form TECH-2 of Section 3. For each assignment, the outline should indicate the names of Sub-Consultants/ Professional staff, duration of the assignment, contract amount, and Consultant's involvement. Information should be provided only for those assignments for which the Consultant was legally contracted by the procuring entity as a corporation or as one of the major firms within a joint venture. Assignments completed by individual Professional staff working privately or through other consulting firms cannot be claimed as the experience of the Consultant, or that of the Consultant's associates, but can be claimed by the Professional staff themselves in their CVs. Consultants should be prepared to substantiate the claimed experience if so requested by the OUR.
- (b) Comments and suggestions on the Terms of Reference including workable suggestions that could improve the quality/ effectiveness of the assignment; and on requirements for counterpart staff and facilities including: administrative support, office space, local transportation, equipment, data, etc. to be provided by the OUR (Form TECH-3 of Section 3 of the RFP).
- (c) A description of the approach, methodology and work plan for performing the assignment covering the

following subjects: technical approach and methodology, work plan, and organization and staffing schedule. Guidance on the content of this section of the Technical Proposals is provided under Form TECH-4 of Section 3. The work plan should be consistent with the Work Schedule (Form TECH-8 of Section 3) which will show in the form of a bar chart the timing proposed for each activity.

- (d) The list of the proposed professional staff team by area of expertise, the position that would be assigned to each staff team member, and their tasks (Form TECH-5 of Section 3).
- (e) Estimates of the staff input (staff-months of foreign and local professionals) needed to carry out the assignment (Form TECH-7 of Section 3). The staff-months input should be indicated separately for home office and field activities, and for foreign and local professional staff.
- (f) CVs of the professional staff signed by the staff themselves or by the authorized representative of the professional staff (Form TECH-6 of Section 3).
- (g) A detailed description of the proposed methodology and staffing for training.

3.5 The Technical Proposal shall not include any financial information. A Technical Proposal containing financial information may be declared non responsive.

**Financial  
Proposals**

3.6 The Financial Proposal shall be prepared using the attached Standard Form (Section 4). It shall list all costs associated with the assignment, including (a) remuneration for staff (foreign and local, in the field and at the Consultants' home office), and (b) reimbursable expenses indicated in the Data Sheet. If appropriate, these costs should be broken down by activity and, if appropriate, into foreign and local expenditures. All activities and items described in the Technical Proposal must be priced separately; activities and items described in the Technical

Proposal but not priced, shall be assumed to be included in the prices of other activities or items.

## **Taxes**

- 3.7 The Consultant may be subject to Jamaican taxes (such as: value added or sales tax, social charges or income taxes on non-resident foreign Personnel or resident Personnel, duties, fees, levies) on amounts payable by the OUR under the Contract. The Consultant should take any such taxes into account when finalizing its Financial Proposal as it will be responsible for paying such taxes.

All resident/Jamaica based Consultants are required to present a valid Tax Compliance Certificate (TCC) or Tax Compliance Letter (TCL) issued by the Jamaican tax authorities with its Proposal. For non-resident/foreign Consultants, a valid TCC or TCL will be required prior to execution of the Contract.

- 3.8 Consultants shall quote the price of their services and costs in the Financial Proposal in United States Dollars. Notwithstanding the foregoing, some or all payments under the Contract to a Consultant which is resident in Jamaica may be made in Jamaican dollars. In this case, the Contract price shall be converted to Jamaican dollars at the prevailing rate of exchange published by the Bank of Jamaica as at the date of execution of the Contract by the OUR and the successful Consultant.

- 3.9 Commissions and gratuities, if any, paid or to be paid by Consultants and related to the assignment will be listed in the Financial Proposal Form FIN-1 of Section 4.

## **4. Submission, Receipt, and Opening of Proposals**

- 4.1 The original proposal (Technical Proposal and Financial Proposal) shall contain no interlineations or overwriting, except as necessary to correct errors made by the Consultants themselves. The person who signs the proposal must initial such corrections. Submission letters for both Technical and Financial Proposals should respectively be in the format of TECH-1 of Section 3, and FIN-1 of Section 4, respectively.

- 4.2 An authorized representative of the Consultants shall initial all pages of the original Technical and Financial Proposals. The

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authorization shall be in the form of a written power of attorney accompanying the Proposal or in any other form demonstrating that the representative has been duly authorized to sign. The signed Technical and Financial Proposals shall be marked "ORIGINAL".

- 4.3 The Technical Proposal shall be marked "**ORIGINAL**" or "**COPY**" as appropriate and in such number of copies and in such form as indicated in the Data Sheet. All required copies of the Technical Proposal are to be made from the original. If there are discrepancies between the original and the copies of the Technical Proposal, the original shall govern.
- 4.4 The original and all copies of the Technical Proposal shall be placed in a sealed envelope clearly marked "**TECHNICAL PROPOSAL**". Similarly, the original Financial Proposal shall be placed in a sealed envelope clearly marked "**FINANCIAL PROPOSAL**" followed by the name of the assignment, and with a warning "**DO NOT OPEN WITH THE TECHNICAL PROPOSAL.**" The envelopes containing the Technical and Financial Proposals shall be placed into an outer envelope and sealed. This outer envelope shall bear the submission address, reference number and title, and be clearly marked "**DO NOT OPEN BEFORE 11:00 A.M. LOCAL (JAMAICAN) TIME ON 2019 FEBRUARY 18**". The OUR shall not be responsible for misplacement, losing or premature opening if the outer envelope is not sealed and/or marked as stipulated. This circumstance may be cause for Proposal rejection. Non-compliance with the requirements specified in this paragraph 4.4 may be a ground for rejection of the Proposal. If the Financial Proposal is not submitted in a separate sealed envelope duly marked as indicated above, this will constitute grounds for declaring the Proposal non-responsive.
- 4.5 The Proposals must be sent to the address indicated in the Data Sheet and deposited in the TENDER BOX provided at that address for this purpose no later than the time and the date indicated in the Data Sheet, or any extension to this date in accordance with paragraph 2.3. Any proposal received by the OUR after the deadline for submission shall be returned unopened.

- 4.6 The OUR shall open the Technical Proposal immediately after the deadline for their submission, at the date, time and place indicated in the Data Sheet. The envelopes with the Financial Proposal shall remain sealed and securely stored.
- 5. Proposal Evaluation**
- 5.1 From the time the Proposals are opened to the time the Contract is awarded, the Consultants should not contact the OUR on any matter related to its Technical and/or Financial Proposal. Any effort by Consultants to influence the OUR in the examination, evaluation, ranking of Proposals, and recommendation for award of Contract may result in the rejection of the Consultants' Proposal.
- Evaluators of Technical Proposals shall have no access to the Financial Proposals until the technical evaluation is concluded.
- Evaluation of Technical Proposals**
- 5.2 The evaluation committee established by the OUR (the "Evaluation Committee") shall evaluate the Technical Proposals on the basis of their responsiveness to the Terms of Reference, applying the evaluation criteria, subcriteria, and point system specified in the Data Sheet. Each responsive Proposal will be given a technical score (St). A Proposal shall be rejected at this stage if it does not respond to important aspects of the RFP, and particularly the Terms of Reference, or if it fails to achieve the minimum technical score indicated in the Data Sheet.
- Public Opening and Evaluation of Financial Proposals**
- 5.3 After the technical evaluation is completed the OUR shall notify those Consultants whose Proposals did not meet the minimum qualifying mark or were considered non responsive to the RFP and TOR, that their Financial Proposals will be returned unopened after completing the selection process. Where possible the financial proposals should be opened publicly. In this case, the OUR shall simultaneously notify in writing Consultants that have secured the minimum qualifying mark, of the date, time and location for opening of their Financial Proposals. The opening date should allow Consultants sufficient time to make arrangements for attending the opening. Consultants' attendance at the opening of Financial Proposals is optional.

- 5.4 Financial Proposals shall be opened publicly in the presence of the Consultants' representatives who choose to attend. The name of the Consultants, and the technical scores of the Consultants shall be read aloud. The Financial Proposal of the Consultants who met the minimum qualifying mark will then be inspected to confirm that they have remained sealed and unopened. These Financial Proposals shall then be opened, and the total prices read aloud and recorded. Copy of the record shall be sent to all Consultants.
- 5.5 The Evaluation Committee will correct any computational errors in the Financial Proposals. When correcting computational errors, in case of discrepancy between a partial amount and the total amount the partial amount will prevail, or between word and figures the amount in words will prevail. In addition to the above corrections, as indicated under paragraph 3.6, activities and items described in the Technical Proposal but not priced, shall be assumed to be included in the prices of other activities or items. In case an activity or line item is quantified in the Financial Proposal differently from the Technical Proposal, no corrections are applied to the Financial Proposal in this respect.
- 5.6 The lowest evaluated Financial Proposal ( $F_m$ ) will be given the maximum financial score ( $S_f$ ) of 100 points. The financial scores ( $S_f$ ) of the other Financial Proposals will be computed as indicated in the Data Sheet. Proposals will be ranked according to their combined technical ( $S_t$ ) and financial ( $S_f$ ) scores using the weights ( $T$  = the weight given to the Technical Proposal;  $P$  = the weight given to the Financial Proposal;  $T + P = 1$ ) indicated in the Data Sheet:  $S = S_t \times T\% + S_f \times P\%$ . The firm achieving the highest combined technical and financial score will be invited for contract negotiations.

## **Negotiations**

- 6.1 The date and address of negotiations will be notified to the Consultant whose Proposal has received the highest combined score as indicated in paragraph 5.6 above. The invited Consultant will, as a pre-requisite for attendance at the negotiations, confirm availability of all Professional staff indicated in its Proposal. Failure in satisfying such requirements may result in the OUR proceeding to negotiate with the next highest ranked

Consultant. Representatives conducting negotiations on behalf of the Consultant must have written authority to negotiate and conclude a Contract.

**Technical  
Negotiations**

6.2 Negotiations will include a discussion of the Technical Proposal, the proposed technical approach and methodology, work plan, and organization and staffing, and any suggestions made by the Consultant to improve the Terms of Reference. The OUR and the Consultants will finalize the Terms of Reference, staffing schedule, work schedule, logistics, and reporting. These documents will then be incorporated in the Contract as "Description of Services". Special attention will be paid to clearly defining the inputs and facilities required from the OUR to ensure satisfactory implementation of the assignment. The OUR shall prepare minutes of negotiations which will be signed by the OUR and the Consultant.

**Financial  
Negotiations**

6.3 It is the responsibility of the Consultant, before starting financial negotiations, to contact the local tax authorities to determine the local tax amount, if any, to be paid by the Consultant under the Contract. The financial negotiations will include a clarification (if any) of the firm's tax liability in Jamaica, and the manner in which it will be reflected in the Contract; and will reflect the agreed technical modifications in the cost of the services. Unless there are exceptional reasons, the financial negotiations will involve neither the remuneration rates for staff nor other proposed unit rates.

**Availability of  
Professional  
staff/experts**

6.4 Having selected the Consultant on the basis of, among other things, an evaluation of proposed Professional staff, the OUR expects to negotiate a Contract on the basis of the Professional staff named in the Proposal. Before contract negotiations, the OUR will require assurances that the Professional staff will be actually available. The OUR will not consider substitutions during contract negotiations unless both parties agree that undue delay in the selection process makes such substitution unavoidable or for reasons such as death or medical incapacity. If this is not the case and if it is established that Professional staff were offered in the Proposal without confirming their availability, the Consultant

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may be disqualified. Any proposed substitute shall have equivalent or better qualifications and experience than the original candidate and be submitted by the Consultant within the period of time specified in the letter of invitation to negotiate.

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|---------------------------------------|-----|--|
| <b>Conclusion of the Negotiations</b> | 6.5 | Negotiations will conclude with a review of the draft Contract. To complete negotiations the OUR and the Consultant will initial the agreed Contract. If negotiations fail, the OUR may invite the Consultant whose Proposal received the second highest combined score to negotiate a Contract.   |
| <b>7. Award of Contract</b>           | 7.1 | After completing negotiations the OUR shall award the Contract to the selected Consultant and publish notice of the award on its website. After Contract signature the OUR shall promptly notify all other Consultants who have submitted proposals of the award and return the unopened Financial Proposals to the unsuccessful Consultants.  |
|                                       | 7.2 | The Consultant is expected to commence the assignment on the date and at the location specified in the Data Sheet.   |
| <b>8. Confidentiality</b>             | 8.1 | Information relating to evaluation of Proposals and recommendations concerning awards shall not be disclosed to the Consultants who submitted Proposals or to other persons not officially concerned with the process, until the publication of the award of Contract. The undue use by any Consultant of confidential information related to the process may result in the rejection of its Proposal. |

## Instructions to Consultants

### DATA SHEET

Paragraph Reference	Modifications of/Additions to Instructions to Consultants
1.1	Method of selection: <b>Quality and Cost Based Selection (QCBS)</b>
1.2	Name of the assignment is:  <b>Consultancy Services to Conduct Electricity Sector Costing Study</b>
1.3	There will be no pre-proposal conference.
1.4	<p>The OUR will provide at no cost to the Consultant the following inputs and facilities:</p> <p><b>When the Consultant is performing the Services at the OUR offices, the OUR shall provide office accommodation, internet access, photocopying, printing, facsimile, local and international telephone calls, lunch, and transportation to and from the airport and for specific activities relating to the performance of the Services.</b></p> <p><b>The OUR will also make all necessary arrangements to ensure that the Consultant has access to the necessary resources and inputs that will enable and facilitate the performance of the Services.</b></p> <p><b>Except as specifically indicated in the Terms of Reference, the performance of the Services may not necessarily require the physical presence of the Consultant in Jamaica.</b></p>
1.6.1	<p>An additional sub-paragraph (iv) shall be added as follows:</p> <p><b>Contracts with JPS and Independent Power Producers</b></p> <p>A Consultant (including its Personnel and Sub-Consultants) that is affiliated to, employed by or engaged in a contract for services, with JPS or any of the independent power producers or any of their affiliated companies, whether operating in Jamaica or not, shall not be eligible for award of Contract.</p>
1.9	Consultancy Services provided under the Contract may originate from any country.

1.11	<p>Proposals must remain valid for <b><u>One Hundred and Twenty (120) days</u></b> after the Proposal submission date, i.e. until: <b>2019 June 18</b>.</p> <p><b><u>Only</u> if the final evaluation for contract award has not yet been completed will Consultants be permitted, in their confirmation of extension of validity of the Proposal, to submit new staff in replacement of the professional staff named on the Proposal. The new staff would then be considered in the final evaluation for contract award.</b></p>
2.1	<p>Clarifications may be requested no later than <b><u>seven (7) days</u></b> before the Proposal submission date.</p> <p>The address for the purpose of sending requests for clarification is:</p> <p><b>Office of Utilities Regulation 3<sup>rd</sup> Floor, PCJ Resource Centre 36 Trafalgar Road Kingston 10</b></p> <p><b>Attention: Ms. Camile Rowe</b></p> <p>Facsimile: <b>(876) 929-3635</b>      Email: <a href="mailto:electricitycostingstudy_procurement@our.org.jm">electricitycostingstudy_procurement@our.org.jm</a></p>
2.2	<p>Clarifications and Addenda will be posted on the OUR's website.</p>
3.3 (b)	<p>The estimated number of <b><u>calendar months</u></b> for executing the assignment is three (3) months. However, the Proposal shall be based on the number of Professional staff-months estimated by the Consultants.</p>

<p><b>3.4</b></p>	<p>The format of the Technical Proposal to be submitted is the Full Technical Proposal (FTP). Information should therefore be provided in the formats indicated in Section 3: Technical Proposal Standard Forms:</p> <p>TECH-1    Technical Proposal Submission Form</p> <p>TECH-2    Consultant’s Organization and Experience              A    Consultant’s Organization              B    Consultant’s Experience</p> <p>TECH-3    Comments or Suggestions on the Terms of Reference and on Counterpart Staff and Facilities to be Provided by the OUR              A    On the Terms of Reference              B    On the Counterpart Staff and Facilities</p> <p>TECH-4    Description of the Approach, Methodology and Work Plan for Performing the Assignment</p> <p>TECH-5    Team Composition and Task Assignments</p> <p>TECH-6    Curriculum Vitae (CV) for Proposed Professional Staff</p> <p>TECH-7    Staffing Schedule</p> <p>TECH-8    Work Schedule</p>
<p><b>3.4 (g)</b></p>	<p>Training is a specific component of this assignment.</p> <p><b>It is expected that selected members of the OUR will be trained to update any costing model that is developed during the assignment.</b></p>
<p><b>3.6</b></p>	<p>The Financial Proposal shall include a breakdown of the following reimbursable expenses:</p> <p>(1) a per diem allowance in respect of Personnel of the Consultant for every day in which the Personnel shall be absent from its home office for purposes of the Services;</p> <p>(2) cost of necessary travel, including transportation of the Personnel by the most appropriate means of transport and the most direct practicable route;</p> <p>(3) other allowances where applicable and provisional or fixed sums (if any); and</p> <p>(4) cost of such further items required for purposes of the Services not covered in the foregoing.</p>

	<p>Additionally, Financial Proposals are to be based on a fixed fee and are to indicate how the proposed overall Project costs have been developed, including staff man-hours and the relevant hourly/daily rates; travel and accommodation expenses, office expenses; overheads, contingencies and all other relevant costs.</p>
<p><b>3.7</b></p>	<ol style="list-style-type: none"> <li>1. Amounts payable by the OUR to the Consultant under the Contract may be subject to local taxation.</li> <li>2. The Consultant shall ascertain its liability for Jamaican taxes, duties, fees or other impositions, and take any such taxes, duties, fees and other impositions, if any, into account when finalizing its Financial Proposal, as it will be responsible for paying such taxes. <u>The proposed Contract Sum shall be deemed to include all such taxes, duties, fees or other impositions.</u></li> <li>3. It should be noted that under Jamaican law, the OUR <u>may</u> be required to withhold taxes from certain payments made to non-resident/overseas-based Consultants (e.g. income tax) and resident/Jamaica based Consultants (e.g. General Consumption Tax). Consultants are therefore required to do their own due diligence regarding the potential tax liability that may arise from their activities under the Contract and take this into account in the final Contract Price submitted in the Financial Proposal.</li> <li>4. Specifically, it should be noted that a non-resident/overseas-based consultant is not liable for General Consumption Tax. Pursuant to section 23B of General Consumption Tax Act, the OUR is deemed to be the supplier of the Services and is therefore liable for the payment of General Consumption Tax.</li> </ol> <p><b>Applicable Taxes</b></p> <p>The OUR cannot say exhaustively what the applicable taxes are, however, the following document provides some information concerning applicable taxes:</p> <p><a href="https://www.jamaicatax.gov.jm/documents/10181/420772/it_and_non_residents.pdf/33565bd3-8289-4430-918b-15210859d85a">https://www.jamaicatax.gov.jm/documents/10181/420772/it_and_non_residents.pdf/33565bd3-8289-4430-918b-15210859d85a</a></p> <p><b>Tax Compliance Certificate/Tax Compliance Letter</b></p>

	<p>A Tax Compliance Certificate is a document issued to an individual or a company as proof that payments of tax liabilities and wage-related statutory deductions (if applicable) are up-to-date.</p> <p>Information regarding the application for a Tax Compliance Certificate/ Tax Compliance Letter can be found at the Tax Administration Jamaica website – <a href="http://www.jamaicatax.gov.jm/">www.jamaicatax.gov.jm/</a></p>
<p><b>4.3</b></p>	<ol style="list-style-type: none"> <li>1. Consultants must submit one (1) original Technical Proposal and one (1) electronic copy of the Technical Proposal on portable media such as CD-ROM or USB Drive. Consultants must also submit one (1) original Financial Proposal and one (1) electronic copy of the Financial Proposal in portable media such as CD-ROM or USB Drive.</li> <li>2. <b>Proposals transmitted by electronic mail will not be accepted and this may result in the Consultant’s disqualification from the procurement process.</b></li> </ol>
<p><b>4.4 &amp; 4.5</b></p>	<p>The outer envelope of the Proposal submission shall be addressed as follows:</p> <p><b>Attention:</b></p> <p><b>Consultancy – Electricity Sector Costing Study</b></p> <p><b>“DO NOT OPEN BEFORE 2019 FEBRUARY 18</b></p> <p><b>Addressed to:</b></p> <p><b>Office of Utilities Regulation 3<sup>rd</sup> Floor, PCJ Resource Centre 36 Trafalgar Road Kingston 10 Jamaica</b></p> <p><u>Proposals shall be sent to the above address and placed in the Tender Box provided for this purpose.</u></p> <p>Proposals must be submitted no later than the following date and time:</p> <p><b>2019 FEBRUARY 18, at 11:00 a.m. Local (Jamaican) Time.</b></p>

4.6	<p>Technical Proposals that are submitted by the deadline for submission will be opened on <b>2019 February 18 at 11:15 a.m. Local (Jamaican) Time</b> at Office of Utilities Regulation, 3<sup>rd</sup> Floor, PCJ Resource Centre, 36 Trafalgar Road, Kingston 10. Consultants or their representatives are invited to attend the opening.</p>
5.2	<p><b>Criteria, sub-criteria, and point system for the evaluation of Full Technical Proposals are:</b></p> <p><b>(i)</b></p> <p>a) Specific experience of the Consultants relevant to the assignment: 15 points</p> <p>b) Demonstrable knowledge of electricity sector equipment costing trends 5 points</p> <p style="text-align: right;"><b>Total points for criterion (i): 20</b></p> <p><b>(ii) Adequacy of the proposed methodology and work plan in responding to the Terms of Reference:</b></p> <p>a) Technical approach and methodology 25 points</p> <p>b) Work plan 12 points</p> <p>c) Organization and staffing 8 points</p> <p style="text-align: right;"><b>Total points for criterion (ii): 45</b></p> <p><b>(iii) Key professional staff qualifications and competence for the assignment:</b></p> <p>a) Team Leader 5 points</p> <p>b) Electricity Costing Expert/Economist 15 points</p> <p>c) Power Sector Expert 10 points</p> <p style="text-align: right;"><b>Total points for criterion (iii): 30</b></p> <p><b>(iv) Suitability of the transfer of knowledge (training) program:</b></p> <p>a) Training approach and methodology 3 points</p> <p>b) Qualifications of experts and trainers 2 points</p>

	<p style="text-align: right;"><b>Total points for criterion (iv): 5</b></p> <p style="text-align: right;"><b>TOTAL POINTS FOR THE FIVE CRITERIA: 100</b></p> <p>Δ While the composition of the Consultant’s team is expected to have the three (3) mentioned functional roles, the Consultant may assign more or less than three (3) persons if it desires. That is, the Consultant may indicate in its bid that a particular function will be carried out by more than one person or that one person will carry out more than one or all functions. Where more than one person is identified for a particular functional role, each person will be scored with an arithmetic average of the score taken to arrive at the final score for the functional role. Scoring will be based on the three (3) functional areas identified. As such, the scoring will depend on the ability and experience of the named person(s) to carry out the specific function.</p> <p><b>The minimum technical score St required to pass is: <u>75</u> Points</b></p>
5.6	<p>The formula for determining the financial scores is the following:</p> $Sf = 100 \times Fm / F$ <p>Sf is the financial score  Fm is the lowest price  F is the price of the proposal under consideration.</p> <p><b>The weights given to the Technical and Financial Proposals are:</b>  T = 0.7  P = 0.3</p>
7.2	<p>Expected date for commencement of the Services:  <b>2019 April 4</b></p> <p>The date and location for commencement of services will however be confirmed and specified in the Contract executed with the successful Consultant.</p>

### **Section 3. Technical Proposal - Standard Forms**

The Technical Proposal shall be submitted in the accordance with the forms and formats attached to this section as listed below:

- TECH-1    Technical Proposal Submission Form
  
- TECH-2    Consultant's Organization and Experience
  - A    Consultant's Organization
  - B    Consultant's Experience
  
- TECH-3    Comments or Suggestions on the Terms of Reference and on Counterpart Staff and Facilities to be provided by the OUR
  - A    On the Terms of Reference
  - B    On the Counterpart Staff and Facilities
  
- TECH-4    Description of the Approach, Methodology and Work Plan for Performing the Assignment
  
- TECH-5    Team Composition and Task Assignments
  
- TECH-6    Curriculum Vitae (CV) for Proposed Professional Staff
  
- TECH-7    Staffing Schedule
  
- TECH-8    Work Schedule

Note that instructions included in square brackets are for your guidance only and should not be included in the Proposal submitted.

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**FORM TECH-1 TECHNICAL PROPOSAL SUBMISSION FORM**

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[Address, Date]

To: **Office of Utilities Regulation**  
**3<sup>rd</sup> Floor, PCJ Resource Centre**  
**36 Trafalgar Road**  
**Kingston 10**

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**Attention: Consultancy Services to Conduct Electricity Sector Costing Study**

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Dear Sirs:

We, the undersigned, offer to provide **Consultancy Services to Conduct Electricity Sector Costing Study** in accordance with your Request for Proposals dated 2019 January 1, (the "RFP") and our Proposal. We are hereby submitting our Proposal, which includes this Technical Proposal, and a Financial Proposal sealed in a separate envelope.

[We are submitting our Proposal in association with: *[Insert a list with full name and address of each associated Consultant if applicable]*].

We hereby declare that all the information and statements made in this Proposal are true and accept that any misinterpretation contained in it may lead to our disqualification.

If negotiations are held during the period of validity of the Proposal, i.e., before the expiration of date indicated in Paragraph Reference 1.11 of the Data Sheet included in the RFP, we undertake to negotiate on the basis of the proposed staff. Our Proposal is binding upon us and subject to the modifications resulting from Contract negotiations.

We undertake, if our Proposal is accepted, to initiate the consulting services related to the assignment not later than the date indicated in Paragraph Reference 7.2 of the Data Sheet included in the RFP.

We understand you are not bound to accept any Proposal you receive.

Yours sincerely,

Authorized Signature: \_\_\_\_\_

Name and Title of Signatory: \_\_\_\_\_

Name of Firm: \_\_\_\_\_

Address: \_\_\_\_\_

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**FORM TECH-2 CONSULTANT'S ORGANIZATION AND EXPERIENCE**

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**A - Consultant's Organization**

*[Provide here a brief description of the background and organization of your firm/entity and each associate for this assignment.]*

## B - Consultant's Experience

*[Using the format below, provide information on each assignment for which your firm, and each associate for this assignment, was legally contracted either individually as a corporate entity or as one of the major companies within an association, for carrying out consulting services similar to the ones requested under this assignment.]*

Assignment name:	Approx. value of the contract (in current US\$):
Country: Location within country:	Duration of assignment (months):
Name of the procuring entity:	Total N° of staff-months of the assignment:
Address:	Approx. value of the services provided by your firm under the contract (in current US\$):
Start date (month/year): Completion date (month/year):	N° of professional staff-months provided by associated Consultants:
Name of associated Consultants, if any:	Name of Key Personnel involved and functions performed (indicate most significant profiles such as Project Director/Coordinator, Team Leader):
Was benchmark data used in this assignment	Yes ___ No ___
Narrative description of Project:	
Description of actual services provided by your staff within the assignment:	

Firm's

Name:

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**FORM TECH-3 COMMENTS AND SUGGESTIONS ON THE TERMS OF REFERENCE AND ON  
COUNTERPART STAFF AND FACILITIES TO BE PROVIDED BY THE OUR**

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**A - On the Terms of Reference**

*[Present and justify here any modifications or improvement to the Terms of Reference you are proposing to improve performance in carrying out the assignment (such as deleting some activity you consider unnecessary, or adding another, or proposing a different phasing of the activities). Such suggestions should be concise and to the point, and incorporated in your Proposal.]*

## **B - On Counterpart Staff and Facilities**

*[Comment here on counterpart staff and facilities to be provided by the OUR according to Paragraph Reference 1.4 of the Data Sheet including: administrative support, office space, local transportation, equipment, data, etc.]*

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**FORM TECH-4      DESCRIPTION OF APPROACH, METHODOLOGY AND WORK PLAN FOR  
PERFORMING THE ASSIGNMENT**

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*[Technical approach, methodology and work plan are key components of the Technical Proposal. You are suggested to present your Technical Proposal (inclusive of charts and diagrams) divided into the following three chapters:*

- a) Technical Approach and Methodology,*
- b) Work Plan, and*
- c) Organization and Staffing*

*a) Technical Approach and Methodology. In this chapter you should explain your understanding of the objectives of the assignment, approach to the services, methodology for carrying out the activities and obtaining the expected output, and the degree of detail of such output. You should highlight the problems being addressed and their importance, and explain the technical approach you would adopt to address them. You should also explain the methodologies you propose to adopt and highlight the compatibility of those methodologies with the proposed approach.*

*b) Work Plan. In this chapter you should propose the main activities of the assignment, their content and duration, phasing and interrelations, milestones (including interim approvals by the OUR), and delivery dates of the reports. The proposed work plan should be consistent with the technical approach and methodology, showing understanding of the TOR and ability to translate them into a feasible working plan. A list of the final documents, including reports, drawings, and tables to be delivered as final output, should be included here. The work plan should be consistent with the Work Schedule of Form TECH-8.*

*c) Organization and Staffing. In this chapter you should propose the structure and composition of your team. You should list the main disciplines of the assignment, the key expert responsible, and proposed technical and support staff.]*



**FORM TECH-6 CURRICULUM VITAE (CV) FOR PROPOSED PROFESSIONAL STAFF**

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**1. Proposed Position** *[Insert position assigned to the staff]:* \_\_\_\_\_

**2. Name of Firm** *[Insert name of firm proposing the staff]:* \_\_\_\_\_

**3. Name of Staff** *[Insert full name]:* \_\_\_\_\_

**4. Date of Birth:** \_\_\_\_\_ **Nationality:** \_\_\_\_\_

**5. Education** *[Indicate college/university and other specialized education of staff member, giving names of institutions, degrees obtained, and dates of obtainment]:* \_\_\_\_\_

**6. Membership of Professional Associations:** \_\_\_\_\_

**7. Other Training** *[Indicate significant training since degrees under 5 – Education, where obtained]:* \_

**8. Countries of Work Experience:** *[List countries where staff has worked in the last ten years]:* \_\_\_\_\_

**9. Languages** *[For each language indicate proficiency: good, fair, or poor in speaking, reading, and writing]:* \_\_\_\_\_

**10. Employment Record**

*[Starting with present position, list in reverse order every employment held by staff member since graduation, giving for each employment (see format here below): dates of employment, name of employing organization, positions held.]:*

From [Year]: \_\_\_\_\_ To [Year]: \_\_\_\_\_

Employer: \_\_\_\_\_

Positions held: \_\_\_\_\_

<p><b>11. Detailed Tasks Assigned</b></p> <p><i>[List all tasks to be performed under this assignment by the individual to which the Curriculum Vitae corresponds]</i></p>	<p><b>12. Work Undertaken that Best Illustrates Capability to Handle the Tasks Assigned</b></p> <p><i>[Among the assignments in which the staff has been involved, indicate the following information for those assignments that best illustrate staff capability to handle the tasks listed under point 11.]</i></p> <p>Name of assignment or project: _____</p> <p>Year: _____</p> <p>Location: _____</p> <p>Procuring entity: _____</p> <p>Main project features: _____</p> <p>Positions held: _____</p> <p>Activities performed: _____</p>
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**13. Certification:**

I, the undersigned, certify that to the best of my knowledge and belief, this CV correctly describes myself, my qualifications, and my experience. I understand that any wilful misstatement described herein may lead to my disqualification or dismissal, if engaged.

\_\_\_\_\_ Date: \_\_\_\_\_  
*[Signature of staff member or authorized representative of the staff]* *Day/Month/Year*

Full name of authorized representative: \_\_\_\_\_

FORM TECH-7 STAFFING SCHEDULE<sup>1</sup>

N°	Name of Staff	Staff input (in the form of a bar chart) <sup>2</sup>													Total staff-month input			
		1	2	3	4	5	6	7	8	9	10	11	12	n	Home	Field <sup>3</sup>	Total	
<b>Foreign</b>																		
1		[Home]																
		[Field]																
2																		
																		
3																		
																		
n																		
																		
										<b>Subtotal</b>								
<b>Local</b>																		
1		[Home]																
		[Field]																
2																		
																		
n																		
																		
										<b>Subtotal</b>								
										<b>Total</b>								

- 1 For Professional Staff the input should be indicated individually; for Support Staff it should be indicated by category (e.g.: draftsmen, clerical staff, etc.).
- 2 Months are counted from the start of the assignment. For each staff indicate separately staff input for home and field work.
- 3 Field work means work carried out at a place other than the Consultant's home office.

 Full time input  
 Part time input



## **Section 4. Financial Proposal - Standard Form**

The Financial Proposal Standard Form shall be used for the preparation of the Financial Proposal according to the instructions provided under paragraph. 3.6 of Section 2.

FIN-1 Financial Proposal Submission Form

FIN-2 Summary of Costs

FIN-3 Breakdown of Costs by Activity

FIN-4 Breakdown of Remuneration

FIN-5 Reimbursable expenses

Note that instructions included in square brackets are for your guidance only and should not be included in the Proposal submitted.

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**FORM FIN-1 FINANCIAL PROPOSAL SUBMISSION FORM**

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[Address, Date]

To: **Office of Utilities Regulation**  
**3<sup>rd</sup> Floor, PCJ Resource Centre**  
**36 Trafalgar Road**  
**Kingston 10**

**Attention: Consultancy Services to Conduct Electricity Sector Costing Study**

---

Dear Sirs:

We, the undersigned, offer to provide **Consultancy Services to Conduct Electricity Sector Costing Study** in accordance with your Request for Proposals dated 2019 January 1 (the "RFP") and our Technical Proposal. Our attached Financial Proposal is for the sum of *[Insert amount(s) in words and figures<sup>1</sup>]*. This amount is inclusive of all taxes, for which we may be liable.

Our Financial Proposal shall be binding upon us subject to the modifications resulting from Contract negotiations, up to expiration of the validity period of the Proposal, i.e. before the date indicated in Paragraph Reference 1.11 of the Data Sheet included in the RFP.

Commissions and gratuities paid or to be paid by us to agents relating to this Proposal and Contract execution, if we are awarded the Contract, are listed below<sup>2</sup>:

Name and Address of Agents	Amount and Currency	Purpose of Commission or Gratuity
_____	_____	_____
_____	_____	_____
_____	_____	_____

We understand you are not bound to accept any Proposal you receive.

Yours sincerely,

Authorized Signature: \_\_\_\_\_

Name and Title of Signatory: \_\_\_\_\_

Name of Firm: \_\_\_\_\_

Address: \_\_\_\_\_

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1 Amounts must coincide with the ones indicated under Total Cost of Financial proposal in Form FIN-2.

2 If applicable, replace this paragraph with: "No commissions or gratuities have been or are to be paid by us to agents relating to this Proposal and Contract execution."

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**FORM FIN-2 SUMMARY OF COSTS**

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Item	Costs
	UNITED STATES DOLLARS
Total Costs of Financial Proposal <sup>1</sup>	

- 1 Indicate the total costs to be paid by the OUR. Such total costs must coincide with the sum of the relevant Subtotals indicated in all Forms FIN-3 provided with the Proposal.

## FORM FIN-3 BREAKDOWN OF COSTS BY ACTIVITY<sup>1</sup>

<b>Group of Activities (Phase):<sup>2</sup></b> <hr style="border: 0; border-top: 1px solid black; margin: 5px 0;"/> <hr style="border: 0; border-top: 1px solid black; margin: 5px 0;"/>	<b>Description:<sup>3</sup></b> <hr style="border: 0; border-top: 1px solid black; margin: 5px 0;"/> <hr style="border: 0; border-top: 1px solid black; margin: 5px 0;"/>
<b>Cost component</b>	<b>Costs</b>
	UNITED STATES DOLLARS
Remuneration <sup>4</sup>	
Reimbursable Expenses <sup>4</sup>	
Subtotals	

- 1 Form FIN-3 shall be filled at least for the whole assignment. In case some of the activities require different modes of billing and payment (e.g.: the assignment is phased, and each phase has a different payment schedule), the Consultant shall fill a separate Form FIN-3 for each group of activities. The sum of the relevant Subtotals of all Forms FIN-3 provided must coincide with the Total Costs of Financial Proposal indicated in Form FIN-2.
- 2 Names of activities (phase) should be the same as, or correspond to the ones indicated in the second column of Form TECH-8.
- 3 Short description of the activities whose cost breakdown is provided in this Form.
- 4 Remuneration and Reimbursable Expenses must respectively coincide with relevant Total Costs indicated in Forms FIN-4, and FIN-5.



**FORM FIN-5 BREAKDOWN OF REIMBURSABLE EXPENSES**

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<b>N°</b>	<b>Description<sup>1</sup></b>	<b>Unit</b>	<b>Unit Cost<sup>2</sup></b>
	Per diem allowances	Day	
	International flights <sup>3</sup>	Trip	
	Miscellaneous travel expenses	Trip	
	Local transportation costs		

- 1 Delete items that are not applicable or add other items according to Paragraph Reference 3.6 of the Data Sheet.
- 2 Indicate unit cost.
- 3 Indicate route of each flight, and if the trip is one- or two-way.

## Section 5. Terms of Reference

### A. INTRODUCTION

- A.1.1 The Office of Utilities (OUR) located in Kingston, Jamaica is a multi-sector regulatory agency established in 1995 by an Act of Parliament, the Office of Utilities Regulation Act (OUR Act), to regulate the provision of utility services in the electricity, telecommunications, water supply and sewerage sectors.
- A.1.2 The OUR commenced operation in January 1997 with a mandate to ensure that the interests of the utility consumers and utility companies are protected. The OUR's mission is *"OUR contributes to national development by effective regulation of utility services that enables consumer access to modern, reliable, affordable and quality utility services while ensuring that service providers have the opportunity to make a reasonable return on their investment."*
- A.1.3 Economic regulation is one of the core functions of the OUR. With regard to the electricity sector, the OUR Act, Electricity Licence, 2016 and Electricity Act, 2015 are the legislative instruments governing the sector. Pursuant to the Electricity Licence, 2016, the OUR sets tariffs at five (5) year intervals for the Jamaica Public Service Company Limited (JPS), as well as conducts annual rate reviews primarily, to adjust for the effects of inflation and foreign exchange movements. The current five (5) year regulatory period (2014 – 2019) ends in 2019 June. A Five (5)-Year Rate Review for JPS is scheduled to commence in 2019 April (2019 Rate Review).
- A.1.4 The 2019 Rate Review will for the first time, apply the revenue cap methodology introduced in the Electricity Licence, 2016. Prior to 2016, JPS was regulated under a price cap regime and its revenue requirement was based on a historic test year. However, under the new revenue cap regime, a forward looking approach is stipulated and JPS' revenue requirement will be based on costs projections derived from the utility's 5-year business plan.
- A.1.5 In conducting the 2019 Rate Review, the OUR, will be required to appraise and approve projects and projected maintenance and operating expenses proposed by JPS. The OUR wants to ensure that cost of programs/projects are based on appropriate market prices and conditions. In addition, the OUR intends to examine areas in which possible cost reduction may be achieved. The ultimate goal is to generate greater value and savings to customers, without sacrificing the quality and utility of the projects. In this regard, the OUR intends to engage the services of an Electricity Sector Costing Expert (Costing Expert/Consultant) to determine a relevant reference of standard unit costs for major electricity sector equipment especially those in the transmission and distribution (T&D) areas of JPS' business. The Costing Expert will also be required to evaluate maintenance and operating costs for major T&D sector activities.

## **A.2 BACKGROUND**

- A.2.1 Jamaica is an island located in the northern Caribbean with a population of approximately 2.7 million. Pursuant to the Electricity Licence, 2016, JPS has the exclusive right to transmit, distribute and supply electricity. However, the generation of electricity is shared among JPS and Independent Power Producers (IPPs).
- A.2.2 JPS is a privately owned vertically integrated utility. It is owned by two primary shareholders – Korea East West Power and Marubeni Corporation whom together accounts for eighty percent (80%) of the company's ordinary shares. The remaining twenty percent (20%) is owned principally by the Government of Jamaica (GOJ) with other private investors holding point one percent (0.1%).
- A.2.3 The company's operations cover the generation, transmission, distribution and supply of electricity. Total generating capacity currently stands at 902.6 MW of which approximately seventy-one percent (71%) is JPS owned and the remainder is supplied by IPPs. Generation technologies include renewables (hydro, wind, and solar) and thermal plants. In 2017, approximately sixty-eight percent (68%) of the electricity was produced from Heavy Fuel Oil, another nineteen percent (19%) from natural gas, two percent (2%) from Diesel, ten percent (10%) from Wind and Hydro and approximately one percent (1%) from Solar (grid and roof top).

## **B. PROJECT OBJECTIVES**

- B.1.1. Under the revenue cap regime, JPS is required to submit a 5-year business plan, as part of its 2019 Rate Review application. The business plan is expected to detail the company's planned investment activities and projected operating and maintenance expenses over the five (5) year period. In this regard, the OUR's objective is to ensure that JPS' projects and programmes deliver the expected benefits to customers at the lowest cost. Accordingly, there is a need for establishing a framework that will provide a relevant reference of standard unit costs for projects/programmes in the electricity sector. Such a framework would provide an objective and informed basis for the OUR's evaluation of cost efficiency and cost effectiveness of projects/programmes proposed by JPS in its 2019 Rate Review application.
- B.1.2 The objectives of the consultancy are as follows:

- 1 To construct a database that effectively covers major equipment and components of JPS transmission, distribution and supply system including meters that will guide the OUR in assessing the design of JPS projects.
- 2 To establish a catalogue of efficient unit prices for major T&D equipment based on the database constructed (see 1 above) to provide the OUR with an independent and objective source of evaluating JPS' project cost.
- 3 To identify key factors that determine the prices of major equipment in the database and estimate typical range within which such prices vary to facilitate regulatory discretion in the evaluation of JPS' projects.
- 4 To evaluate historical trends and technological development that has impacted major equipment in the database to provide a roadmap with respect to the future trajectory for construction and O&M cost of T&D infrastructure projects.

## **B.2 SCOPE OF SERVICES**

B.2.1 In conducting the study, the selected Costing Expert/Consultant shall:

1. *Review JPS' historical Capital and O&M costs for T&D projects.*

This requires a review of JPS' accounting, budgeting and project records and collection of information on project costs for its major T&D construction projects from 2014 to 2018. This review shall include, but not be restricted to:

- a. Comparisons of budgeted cost vs actual costs.
  - b. An analysis of trends in unit construction costs (US\$/km, US\$/MVA-km, US\$/MVA etc) for major T&D projects between 2014 and 2018. The analysis shall include, but must not be limited, to the following projects:
    - i. Transmission line construction/expansion/re-conductoring;
    - ii. Power transformer installation;
    - iii. Substation construction/expansion;
    - iv. Distribution feeder construction/re-conductoring; and
    - v. Line extensions.
  - c. An analysis of trends in JPS' operating and maintenance cost for infrastructure within the T&D network.
  - d. An assessment of the extent to which the projects executed by JPS over the 2014 -2018 period were completed on time and within budget.
2. *Construct a database of the major equipment and components of the transmission, distribution and supply infrastructure.*

3. *Develop a comprehensive list of Unit Costs for both Construction and O&M equipment and components in the T&D infrastructure project database, based on standard sets of Bill of Quantities (BOQ) and cost estimates.* This will require:
- a. the acquisition of relevant costing data from equipment suppliers, installers, manufacturers and equipment owners and where applicable, use referenced material from reputable publications to determine cost of major individual components, considering the applicable standards and specifications of equipment used by JPS.
  - b. the identification and delineation of the factors (e.g. voltage class, line characteristics, terrain, world metal prices, etc.) to which these costs are sensitive. In addition, the consultant shall establish a range of value that the project and/or project components costs should fall within based on a reasonable confidence (probability) interval.
  - c. Develop unit cost for operating and maintaining each type of T&D infrastructure.
  - d. Develop construction and O&M unit costs models (equations) for typical T&D projects, to enable the OUR to update the unit costs at least on an annual basis. Unit Costs shall include a formula/factor in adjusting the figures for the different locations to take into account locational variations in prices as well as inflation/deflation and other factors which may be deemed appropriate for inclusion. The model shall be presented in Excel format.

*(The cost estimates should be reasonable, publishable, comparable between technologies, and presented without bias.)*

4. *Provide an assessment of some possible near-term developments that may affect equipment cost.*

The Consultant shall provide an analysis of major market trends that could impact the cost of T&D projects within the next five (5) years. This is especially pertinent to technologies which are changing at a fairly rapid pace including, but not limited to smart meters, LED street lighting, smart lighting controllers and distribution automation technology.

### **B.3 DELIVERABLES**

- B.3.1 The Consultant shall provide the following key deliverables:

1. An Inception Report outlining the schedule and logistics for conducting the assignment inclusive of detailed work plan, within one (1) week of the commencement date.
2. An Interim Report four (4) weeks after the Inception Report. The Interim Report shall include details of the review of JPS' capital projects, budgeting and accounting record.
3. Draft Final Report indicating draft final output of the study including the derivation of the unit costs to be submitted four (4) weeks after the Interim Report.
4. A Final Report, incorporating agreed revisions after review by the OUR, not later one (1) week after the receipt of comments on the Draft Final Report.
5. A workshop to the OUR's team on the methodology employed during the study and the main results.

#### B.4 **FORMAT OF REPORTS**

B.4.1 Reports are to be submitted as follows:

- i. Original and two (2) copies to the OUR.
- ii. In addition to the above, reports shall be provided in an agreed editable electronic format (preferably using the Microsoft Suite of software).

B4.2 The Consultant is expected to provide orientation/briefing on each of the output reports mentioned above to the concerned personnel of the OUR, as needed.

#### C. **TEAM COMPOSITION**

C.1.1 The composition of the Consultant's team is expected to have the following three (3) functional roles. Scoring will be based on the three (3) functional roles identified. If the Consultant indicates that a functional role will be carried out by more than one person, each person will be scored and their scores averaged to determine the score assigned to the functional role. The score given to each person will depend on the academic qualification and experience of the named person(s) to carry out the assigned function.

- 1) **Team Leader** – is the project manager with overall reporting responsibility to the OUR. The team leader is charged with coordinating the activities of the Consultant team to ensure successful completion of the project. This

person will be the OUR's point of contact/liaison and will be responsible for providing updates on the project's progress.

- 2) **Costing Expert/Economist** - will provide technical expertise to the project team. This person will play a key role in assessing the unit costs of T&D infrastructure projects and unit O&M costs.
- 3) **Power System Expert** – should have the relevant qualification and understand the operations and components of the electricity network.

#### D. REFERENCES

- 1) The Electricity Act, 2015

<http://www.our.org.jm/ourweb/sectors/electricity-act-2015-became-effective-2015-aug-27>

- 2) The Electricity Licence, 2016

<http://www.our.org.jm/ourweb/sectors/jps-electricity-licence-2016-published-ja-gazette-wed-2016-jan-27-0>

- 3) The Office of Utilities Regulation Act and the Office of Utilities Regulation (Amendment) Act.

[http://www.our.org.jm/ourweb/sites/default/files/attachments/page/the\\_our\\_act\\_of\\_1995\\_as\\_amended\\_in\\_2000.pdf](http://www.our.org.jm/ourweb/sites/default/files/attachments/page/the_our_act_of_1995_as_amended_in_2000.pdf)

[https://japarliament.gov.jm/attachments/article/339/The%20Office%20of%20Utilities%20Regulation%20\(Amendment\)%20Act,%202015.pdf](https://japarliament.gov.jm/attachments/article/339/The%20Office%20of%20Utilities%20Regulation%20(Amendment)%20Act,%202015.pdf)

- 4) JPS Tariff Application 2014 – 2019

<http://www.our.org.jm/ourweb/sectors/electricity/tariff-applications/jps-tariff-application-2014-%E2%80%93-2019>

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Section 6. Standard Form of Contract

STANDARD FORM OF CONTRACT

# Consultant's Services

Lump-Sum



OFFICE OF UTILITIES REGULATION

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**CONTRACT FOR CONSULTANTS' SERVICES**

**Lump-Sum**

between

**OFFICE OF UTILITIES REGULATION**

and

\_\_\_\_\_  
[name of the Consultant]

Dated: \_\_\_\_\_

## I. Form of Contract

### LUMP-SUM

This **CONTRACT** (hereinafter called the “Contract”) is made the *[day]* day of the month of *[month]*, *[year]*, between, on the one hand, the Office of Utilities Regulation (hereinafter called the “**OUR**”) and, on the other hand, *[name of Consultant]* (hereinafter called the “Consultant”).

*[Note: If the Consultant consist of more than one entity, the above should be partially amended to read as follows: “...(hereinafter called the “OUR”) and, on the other hand, a joint venture/consortium/association consisting of the following entities, each of which will be jointly and severally liable to the OUR for all the Consultant’s obligations under this Contract, namely, *[name of Consultant]* and *[name of Consultant]* (hereinafter called the “Consultant”).]*

#### WHEREAS

- (a) the OUR has requested the Consultant to provide certain consulting services as defined in this Contract (hereinafter called the “**Services**”);
- (b) the Consultant, having represented to the OUR that it has the required professional skills, and personnel and technical resources, has agreed to provide the Services on the terms and conditions set forth in this Contract.

**NOW THEREFORE** the parties hereto hereby agree as follows:

1. The following documents attached hereto shall be deemed to form an integral part of this Contract:
  - (a) The General Conditions of Contract;
  - (b) The Special Conditions of Contract;
  - (c) The following Appendices:
    - Appendix A: Description of Services
    - Appendix B: Reporting Requirements
    - Appendix C: Key Personnel and Sub-Consultants
    - Appendix D: Breakdown of Contract Price in Foreign Currency
    - Appendix E: Breakdown of Contract Price in Local Currency
    - Appendix F: Services and Facilities Provided by the OUR
    - Appendix G: Form of Advance Payment Guarantee

2. The mutual rights and obligations of the OUR and the Consultant shall be as set forth in the Contract, in particular:
  - (a) the Consultant shall carry out the Services in accordance with the provisions of the Contract; and
  - (b) the OUR shall make payments to the Consultant in accordance with the provisions of the Contract.

**IN WITNESS WHEREOF** the Parties hereto have caused this Contract to be signed in their respective names as of the day and year first above written.

For and on behalf of the Office of Utilities Regulation:

---

*[Authorized Representative]*

For and on behalf of *[name of Consultant]*:

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*[Authorized Representative]*

**[Note:** *If the Consultant consists of more than one entity, all these entities should appear as signatories, e.g., in the following manner:]*

For and on behalf of each of the Members of the Consultant

*[name of member]*

---

*[Authorized Representative]*

*[name of member]*

---

*[Authorized Representative]*

## II. General Conditions of Contract

### 1. GENERAL PROVISIONS

#### 1.1 Definitions

Unless the context otherwise requires, the following terms whenever used in this Contract have the following meanings:

- a. **“Applicable Law”** means the laws and any instruments having the force of law in Jamaica.
- b. **“Consultant”** means [*insert names*] of Consultant].
- c. **“Contract”** means the Form of Contract signed by the Parties and all the attached documents listed in its Clause 1, that is, these General Conditions (GC), the Special Conditions (SC), and the Appendices.
- d. **“Contract Price”** means the price to be paid for the performance of the Services, in accordance with Clause 6;
- e. **“Effective Date”** means the date on which this Contract comes into force and effect pursuant to Clause GC 2.1.
- f. **“Foreign Currency”** means any currency other than the currency of Jamaica.
- g. **“GC”** means these General Conditions of Contract.
- h. **“Government”** means the Government of Jamaica.
- i. **“Local Currency”** means the currency of Jamaica.
- j. **“Member”** means any of the entities that make up the joint venture/consortium/association comprising the Consultant, and **“Members”** means all of these entities.
- k. **“Party”** means the OUR or the Consultant, as the case may be, and **“Parties”** means both of them.

- l. **“Personnel”** means persons hired by the Consultant or by any Sub-Consultants and assigned to the performance of the Services or any part thereof.
- m. **“SC”** means the Special Conditions of Contract by which the GC may be amended or supplemented.
- n. **“Services”** means the work to be performed by the Consultant pursuant to this Contract, as described in Appendix A hereto.
- o. **“Sub-Consultants”** means any person or entity to whom/which the Consultant subcontracts any part of the Services.
- p. **“Tax Compliance Certificate”** or **“Tax Compliance Letter”** means a document or certification issued by the Ministry with portfolio responsibility for finance in Jamaica to an individual or company as proof that the Jamaican tax liabilities and wage related statutory deductions of that individual or company have been duly paid.
- q. **“Third Party”** means any person or entity other than the OUR, the Consultant or a Sub-Consultant.
- r. **“In writing”** means communicated in written form.

**1.2 Law Governing Contract** This Contract, its meaning and interpretation, and the relationship between the Parties shall be governed by the Applicable Law.

**1.3 Language** This Contract has been executed in the English language, which shall be the binding and controlling language for all matters relating to the meaning or interpretation of this Contract.

**1.4 Notices**

**1.4.1** Any notice, request or consent required or permitted to be given or made pursuant to this Contract shall be in writing. Any such notice, request or consent shall be deemed to have been given or made when delivered in person to an authorized representative of the Party to whom the communication is addressed, or when sent to such Party at the address specified in the SC.

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- 1.4.2** A Party may change its address for notice hereunder by giving the other Party notice in writing of such change to the address specified in the SC.
- 1.5 Location** The Services shall be performed at such locations as are specified in Appendix A hereto and, where the location of a particular task is not so specified, at such locations, as the OUR may approve.
- 1.6 Authority of Member in Charge** In case the Consultant consists of a joint venture/ consortium/ association of more than one entity, the Members hereby authorize the entity specified in the SC to act on their behalf in exercising all the Consultant's rights and obligations towards the OUR under this Contract, including without limitation the receiving of instructions and payments from the OUR.
- 1.7 Authorized Representatives** Any action required or permitted to be taken, and any document required or permitted to be executed under this Contract by the OUR or the Consultant may be taken or executed by the officials specified in the SC.
- 1.8 Taxes and Duties** The Consultant, Sub-Consultants, and their Personnel shall pay such taxes, duties, fees, and other impositions levied under the Applicable Law as specified in the SC, the amount of which is deemed to have been included in the Contract Price. For the duration of this Contract, the Consultant shall demonstrate that it has paid all applicable taxes, duties, fees and other impositions as may be levied in Jamaica by the submission to the OUR of a valid Tax Compliance Certificate or Tax Compliance Letter, whenever requested by the OUR.
- 1.9 Fraud and Corruption**
- 1.9.1 Definitions** The OUR requires that its bidders, suppliers, contractors and consultants observe the highest standard of ethics during the procurement and execution of its contracts. In pursuit of this policy, the OUR:
- (a) defines, for the purpose of this provision, the terms set forth below as follows:

(i) **“corrupt practice”** means the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the action of an officer or servant of the OUR in the procurement process or in contract execution;

(ii) **“fraudulent practice”** means a misrepresentation or omission of facts in order to influence a procurement process or the execution of a contract, to the detriment of the OUR and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the OUR of the benefits of free and open competition;

(iii) **“collusive practice”** means a scheme or arrangement between two or more bidders, with or without the knowledge of the OUR, designed to establish bid prices at artificial non-competitive levels or to influence the action of any party in the procurement process or the execution of a contract; and

(iv) **“coercive practice”** means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the procurement process or affect the execution of a contract.

- 1.9.2 Commissions and Fees** The OUR requires the Consultant to disclose any commissions or fees that may have been paid or are to be paid to agents, representatives, or commission agents with respect to the selection process or execution of the contract. The information disclosed must include at least the name and address of the agent, representative, or commission agent, the amount and currency, and the purpose of the commission or fee.

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## 2. COMMENCEMENT, COMPLETION, MODIFICATION AND TERMINATION OF CONTRACT

- 2.1 Effectiveness of Contract** This Contract shall come into effect on the date the Contract is signed by both Parties or such other later date as may be stated in the SC. The date the Contract comes into effect is defined as the Effective Date.
- 2.2 Commencement of Services** The Consultant shall begin carrying out the Services not later than the number of days after the Effective Date specified in the SC.
- 2.3 Expiration of Contract** Unless terminated earlier pursuant to Clause GC 2.6 hereof, this Contract shall expire at the end of such time period after the Effective Date as specified in the SC.
- 2.4 Modifications or Variations** Any modification or variation of the terms and conditions of this Contract, including any modification or variation of the scope of the Services, may only be made by written agreement between the Parties.
- 2.5 Force Majeure**
- 2.5.1 Definition** For the purposes of this Contract, “Force Majeure” means an event which is beyond the reasonable control of a Party and which makes a Party’s performance of its obligations under the Contract impossible or so impractical as to be considered impossible under the circumstances.
- 2.5.2 No Breach of Contract** The failure of a Party to fulfil any of its obligations under this Contract shall not be considered to be a breach of, or default under, this Contract insofar as such inability arises from an event of Force Majeure, provided that the Party affected by such an event (a) has taken all reasonable precautions, due care and reasonable alternative measures in order to carry out the terms and conditions of this Contract, and (b) has informed the other Party as soon as possible about the occurrence of such an event.
- 2.5.3 Extension of Time** Any period within which a Party shall, pursuant to this Contract, complete any action or task, shall be extended for a period equal to the time during which such Party was unable to perform such action as a result of Force Majeure.

**2.5.4 Payments** During the period of its inability to perform the Services as a result of an event of Force Majeure, the Consultant shall not be entitled to payment under the terms of this Contract, except for the OUR's payment liabilities incurred prior to the said suspension of the Contractor's performance of the Services. On resumption of the Consultant's performance of the Services, the OUR's obligation to make payments under the terms of this Contract shall also resume.

## **2.6 Termination**

**2.6.1 By the OUR** The OUR may terminate this Contract in case of the occurrence of any of the events specified in paragraphs (a) through (f) of this Clause GC 2.6.1. With the exception of the event referred to in paragraph (f) of this Clause 2.6.1, the OUR shall give not less than thirty (30) days' written notice of termination to the Consultant. The OUR shall give not less than sixty (60) days' written notice in the case of the event referred to in paragraph (f) of this Clause 2.6.1.

- (a) If the Consultant does not remedy a failure in the performance of its obligations under the Contract, within thirty (30) days after being notified or within any further period as the OUR may have subsequently approved in writing.
- (b) If the Consultant becomes insolvent or bankrupt.
- (c) If the Consultant, in the judgment of the OUR has engaged in corrupt or fraudulent practices in competing for or in executing the Contract.
- (d) If, as the result of Force Majeure, the Consultant is unable to perform a material portion of the Services for a period of not less than sixty (60) days.
- (e) If the Consultant fails to comply with any final decision reached as a result of arbitration proceedings pursuant to Clause GC 8 hereof.
- (f) If the OUR, in its sole discretion and for any reason whatsoever, decides to terminate this Contract.

- 
- 2.6.2 By the Consultant** The Consultant may terminate this Contract, by not less than thirty (30) days' written notice to the OUR, such notice to be given after the occurrence of any of the events specified in paragraphs (a) through (c) of this Clause GC 2.6.2:
- (a) If the OUR fails to pay any money due to the Consultant pursuant to this Contract and not subject to dispute pursuant to Clause GC 8 hereof within forty-five (45) days after receiving written notice from the Consultant that such payment is overdue.
  - (b) If, as the result of Force Majeure, the Consultant is unable to perform a material portion of the Services for a period of not less than sixty (60) days.
  - (c) If the OUR fails to comply with any final decision reached as a result of arbitration pursuant to Clause GC 8 hereof.
- 2.6.3 Payment upon Termination** Upon termination of this Contract pursuant to Clauses GC 2.6.1 or GC 2.6.2, the OUR shall make the following payments to the Consultant:
- (a) payment pursuant to Clause GC 6 for Services satisfactorily performed prior to the effective date of termination;
  - (b) except in the case of termination pursuant to paragraphs (a) through (c), and (e) of Clause GC 2.6.1, reimbursement of any reasonable cost incidental to the prompt and orderly termination of the Contract, including, if applicable, the cost of the return travel of the Personnel and their eligible dependents.

### 3. OBLIGATIONS OF THE CONSULTANT

#### 3.1 General

**3.1.1 Standard of Performance** The Consultant shall perform the Services and carry out its obligations hereunder with all due diligence, efficiency and economy, in accordance with generally accepted professional standards and practices, and shall observe sound management practices, and employ appropriate technology and safe and effective equipment, machinery, materials and methods. The Consultant shall always act, in respect of any matter relating to this Contract or to the Services, as faithful advisers to the OUR, and shall at all times support and safeguard the OUR's legitimate interests in any dealings with Sub-Consultants or Third Parties.

**3.2 Conflict of Interests** The Consultant shall hold the OUR's interests paramount, without any consideration for future work, and strictly avoid conflict with other assignments or its own corporate interests.

**3.2.1 Consultants Not to Benefit from Commissions, Discounts, etc.** The payment of the Consultant pursuant to Clause GC 6 shall constitute the Consultant's only payment in connection with this Contract or the Services, and the Consultant shall not accept for its own benefit any trade commission, discount, or similar payment in connection with activities pursuant to this Contract or to the Services or in the discharge of its obligations under the Contract, and the Consultant shall use its best efforts to ensure that the Personnel, any Sub-Consultants, and agents of either of them similarly shall not receive any such additional payment.

**3.2.2 Consultant and Affiliates Not to be Otherwise Interested in Project** The Consultant agrees that, during the term of this Contract and after its termination, the Consultant and any entity affiliated with the Consultant, as well as any Sub-Consultants and any entity affiliated with such Sub-Consultants, shall be disqualified from providing goods, works or services (other than consulting services) resulting from or directly related to the Consultant's Services for the preparation or implementation of the project.

**3.2.3 Prohibition of Conflicting Activities** The Consultant shall not engage, and shall cause its Personnel as well as its Sub-Consultants and their personnel not to engage, either directly or indirectly, in any business or professional activities which would conflict with the activities assigned to them under this Contract.

**3.3 Confidentiality** Except with the prior written consent of the OUR, the Consultant and the Personnel shall not at any time communicate to any person or

entity any confidential information acquired in the course of the performance of the Services, nor shall the Consultant and the Personnel make public the recommendations formulated in the course of, or as a result of, the performance of the Services.

- 3.4 Insurance to be Taken Out by the Consultant** The Consultant (a) shall take out and maintain, and shall cause any Sub-Consultants to take out and maintain, at their (or the Sub-Consultants', as the case may be) own cost but on terms and conditions approved by the Procuring Entity, insurance against the risks, and for the coverage, as shall be specified in the SC; and (b) at the Procuring Entity's request, shall provide evidence to the Procuring Entity showing that such insurance has been taken out and maintained and that the current premiums have been paid.
- 3.5 Consultant's Actions Requiring OUR's Prior Approval** The Consultant shall obtain the OUR's prior approval in writing before taking any of the following actions:
- (a) entering into a subcontract for the performance of any part of the Services;
  - (b) appointing such members of the Personnel not listed by name in Appendix C; and
  - (c) any other action that may be specified in the SC.
- 3.6 Reporting Obligations**
- (a) The Consultant shall submit to the OUR the reports and documents specified in Appendix B hereto, in the form, in the numbers and within the time periods set forth in the said Appendix.
  - (b) Final reports shall be delivered in CD ROM in addition to the hard copies specified in the said Appendix B.
- 3.7 Documents Prepared by the Consultant to be the Property of the OUR**
- (a) All plans, drawings, specifications, designs, reports, other documents and software submitted by the Consultant under this Contract shall become and remain the property of the OUR, and the Consultant shall, not later than upon termination or expiration of this Contract, deliver all such documents to the OUR, together with a detailed inventory thereof.

- (b) The Consultant may retain a copy of such documents and software. Restrictions about the future use of these documents, if any, shall be specified in the SC.

- 3.8 Accounting, Inspection and Auditing** The Consultant (i) shall keep accurate and systematic accounts and records in respect of the Services hereunder, in accordance with internationally accepted accounting principles and in such form and detail as will clearly identify all relevant time, charges and costs, and the bases thereof, and (ii) shall periodically permit the OUR or its designated representative and up to two years from the expiration or termination of this Contract, to inspect the same and make copies thereof as well as to have them audited by auditors appointed by the OUR, if so required by the OUR.

#### **4. CONSULTANT'S PERSONNEL**

- 4.1 Description of Personnel** The Consultant shall employ and provide such qualified and experienced Personnel and Sub-Consultants as are required to perform the Services. The titles, agreed job descriptions, minimum qualifications, and estimated periods of engagement in the performance of the Services of the Consultant's Key Personnel are described in Appendix C. The Key Personnel and Sub-Consultants listed by title as well as by name in Appendix C are hereby approved by the OUR.
- 4.2 Removal and/or Replacement of Personnel**
- (a) Except as the OUR may otherwise agree, no changes shall be made in the Key Personnel. If, for any reason beyond the reasonable control of the Consultant, such as retirement, death, medical incapacity, among others, it becomes necessary to replace any of the Key Personnel, the Consultant shall provide as a replacement a person of equivalent or better qualifications.
  - (b) If the OUR finds that any of the Personnel have (i) committed serious misconduct or have been charged with having committed a criminal act, or (ii) have reasonable cause to be dissatisfied with the performance of any of the Personnel, then the Consultant shall, at the OUR's written request specifying the grounds thereof, replace such person with a person possessing qualifications and experience acceptable to the OUR.

- (c) The Consultant shall have no claim for additional costs arising out of or incidental to any removal and/or replacement of Personnel.

## **5. OBLIGATIONS OF THE OUR**

- 5.1 Change in the Applicable Law Related to Taxes and Duties** If, after the date of this Contract, there is any change in the Applicable Law with respect to taxes and duties which increases or decreases the cost incurred by the Consultant in performing the Services, then the remuneration and reimbursable expenses otherwise payable to the Consultant under this Contract shall be increased or decreased accordingly by agreement between the Parties, and corresponding adjustments shall be made to the amounts referred to in Clauses GC 6.2 (a) or (b), as the case may be.
- 5.2 Services and Facilities** The OUR shall make available free of charge to the Consultant the Services and Facilities listed under Appendix F.

## **6. PAYMENTS TO THE CONSULTANT**

- 6.1 Lump-Sum Payment** The total payment due to the Consultant shall not exceed the Contract Price which is an all inclusive fixed lump-sum covering all costs required to perform the Services described in Appendix A. Except as provided in Clause 5.1, the Contract Price may only be increased above the amounts stated in Clause 6.2 if the Parties have agreed to additional payments in accordance with Clause 2.4.
- 6.2 Contract Price**
- (a) The price payable in foreign currency/currencies is set forth in the SC.
- (b) The price payable in local currency is set forth in the SC.
- 6.3 Payment for Additional Services** For the purpose of determining the remuneration due for additional services as may be agreed under Clause 2.4, a breakdown of the lump-sum price is provided in Appendices D and E.
- 6.4 Terms and Conditions of Payment** Payments will be made to the Consultant according to the payment schedule stated in the SC. Unless otherwise stated in the SC, the first payment shall be made against the provision by the Consultant of an advance payment guarantee for the same amount, and shall be valid for the period stated in the SC. Such guarantee shall be in the form set forth

in Appendix G hereto, or in such other form, as the OUR shall have approved in writing. Any other payment shall be made after the conditions listed in the SC for such payment have been met, and the Consultant has submitted an invoice to the OUR specifying the amount due.

## **7. GOOD FAITH**

- 7.1 Good Faith** The Parties undertake to act in good faith with respect to each other's rights under this Contract and to adopt all reasonable measures to ensure the realization of the objectives of this Contract.

## **8. SETTLEMENT OF DISPUTES**

- 8.1 Amicable Settlement** The Parties agree that the avoidance or early resolution of disputes is crucial for a smooth execution of the Contract and the success of the assignment. The Parties shall use their best efforts to settle amicably all disputes arising out of or in connection with this Contract or its interpretation.
- 8.2 Dispute Resolution** Any dispute between the Parties as to matters arising pursuant to this Contract that cannot be settled amicably within thirty (30) days after receipt by one Party of the other Party's request for such amicable settlement may be submitted by either Party for settlement in accordance with the provisions specified in the SC.

### III. Special Conditions of Contract

(Clauses in brackets { } are optional; all notes should be deleted in final text)

Number of GC Clause	Amendments of, and Supplements to, Clauses in the General Conditions of Contract
1.4.1	<p>The addresses are as follows:-</p> <p>For the OUR:</p> <p style="text-align: center;"><b>Office of Utilities Regulation</b> 3<sup>rd</sup> Floor, PCJ Resource Centre 36 Trafalgar Road Kingston 10</p> <p>Attention: Facsimile:(876) 929-3635 E-mail:</p> <p>For the Consultant:</p> <p style="text-align: center;">Consultant:</p> <p>Attention: Facsimile: E-mail:</p>
{1.6}	<p>{The Member in Charge is <i>[insert name of member]</i>}</p> <p><b>Note:</b> <i>If the Consultant consists of a joint venture/ consortium/ association of more than one entity, the name of the entity whose address is specified in Clause SC 1.6 should be inserted here. If the Consultant consists only of one entity, this Clause SC 1.6 should be deleted from the SC.</i></p>
1.7	<p>The Authorized Representatives are:</p> <p>For the OUR: _____</p> <p>For the Consultant: _____</p>
1.8	<p>(a). Any income tax, general consumption tax (GCT), customs and excise duties or other similar taxes and duties for which the Consultant may be liable under Applicable Law and all wage related statutory deductions in respect of the Consultant's Personnel who are domiciled in Jamaica for which the Consultant is liable under Applicable Law.</p>

	<p>(b). [Notwithstanding the foregoing, pursuant to section 40 of the Income Tax Act and the double taxation treaty between Jamaica and [ ] the OUR shall withhold [ ]% of all payments made to the Consultant under this Contract for income tax, except for those payments made in respect of approved reimbursable expenditure, and shall remit such withholding to the Jamaican taxing authorities on behalf of the Consultant.]</p> <p>(c). Notwithstanding the foregoing, as a public body, the OUR is required to withhold any GCT which may be payable in respect of the supply of Services. [In this regard, the OUR shall withhold and remit to the Jamaican taxing authorities the applicable GCT payable in respect of this Contract, and shall provide the Consultant with the requisite withholding certificate evidencing such payment to the taxing authorities.] or [In this regard, the OUR pursuant to section 23B of General Consumption Tax Act, is deemed to be the supplier of the Services and is therefore liable for the payment of GCT and shall make such payment to the taxing authorities.]</p>
<b>2.1</b>	The Effective Date of this Contract is <i>[insert date]</i> .
<b>2.2</b>	The date for the commencement of Services is <i>[insert date]</i> .
<b>2.3</b>	The Contract shall expire [ ] after the Effective Date, that is <i>[insert date]</i> .
<b>3.4</b>	The OUR has no special requirements regarding insurance.
<b>3.5 (c)</b>	The other actions are: Assigning the Contract to a Third Party.
<b>3.6(b)</b>	Final reports shall be delivered on a portable media, such as CD ROM or USB Drive, in addition to the hard copies specified in Appendix B.
<b>3.7 (b)</b>	The Consultant shall not use these documents and software for purposes unrelated to its performance of the services under this Contract without the prior written approval of the OUR.
<b>6.2(a)</b>	The amount in foreign currency or currencies is <i>[insert amount]</i> .
<b>6.2(b)</b>	The amount in local currency is <i>[insert amount]</i> .

<p><b>6.4</b></p>	<p>A. The Consultant’s accounts for payment are:  [for foreign currency or currencies: <i>[insert account]</i>  for local currency: <i>[insert account]</i></p> <p>B. Payments of the Contract Price shall be made as follows:</p> <p><b><u>Reimbursable Expenses</u></b>  Reimbursable expenses provided for under this Contract, up to a maximum of \$[ ], shall be paid by the OUR to the Consultant within thirty (30) days of submission of an invoice from the Consultant. The invoices shall be submitted with receipts evidencing that the said expenses have been incurred by the Consultant.</p> <p><b><u>Contract Fee</u></b>  The remainder of the Contract Price less the Reimbursable Expenses, that is, the sum of \$[ ] (the “Contract Fee”) shall be paid within thirty (30) days of submission of an invoice by the Consultant in accordance with the following schedule:</p> <p>(a) Twenty (20) percent of the Contract Fee (less the withholding for income tax and/or GCT, if applicable) shall be paid upon satisfactory completion of the Inception Report.</p> <p>(b) Twenty (20) percent of the Contract Fee (less the withholding for income tax and/or GCT, if applicable) shall be paid upon satisfactory completion of the Interim Report.</p> <p>(c) Fifty (50) percent of the Contract Fee (less the withholding for income tax and/or GCT, if applicable) shall be paid upon satisfactory completion of the Final Report.</p> <p>(d) Ten (10) percent of the Contract Fee (less the withholding for income tax and/or GCT, if applicable) shall be paid upon satisfactory completion of the Final Report.</p>
<p><b>8.2</b></p>	<p><b><u>Dispute Settlement – Arbitration</u></b></p> <p>(a) In the event of the failure of the Parties to amicably settle any dispute as to matters arising pursuant to this Contract, then the matter shall be submitted by either party to arbitration before a single arbitrator. The arbitrator shall be selected and appointed with the mutual agreement of the Parties. In the event that the Parties fail to agree on the appointment of an arbitrator within thirty (30) days after receipt of notice by one Party from the other that the matter be submitted to</p>

	<p>arbitration, then the arbitrator shall be appointed by the President of the Jamaican Bar Association.</p> <p>(b) The seat of the arbitration shall be Jamaica and disputes shall be settled in accordance with the Arbitration Act of Jamaica. Rules of procedure to be adopted shall be those as published by the United Nations Commission on International Trade Law (UNCITRAL) <i>Arbitration Rules of 1976</i>.</p> <p>(c) During the dispute settlement process, the Contractor shall continue to perform the Services in accordance with this Contract as far as is possible. Failure to do so shall be considered a breach of contract.</p>
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## **IV. Appendices**

**APPENDIX A – DESCRIPTION OF SERVICES**

**APPENDIX B - REPORTING REQUIREMENTS**

**APPENDIX C - KEY PERSONNEL AND SUB-CONSULTANTS**

**APPENDIX D - BREAKDOWN OF CONTRACT PRICE IN FOREIGN CURRENCY**

**APPENDIX E - BREAKDOWN OF CONTRACT PRICE IN LOCAL CURRENCY**

**APPENDIX F - SERVICES AND FACILITIES PROVIDED BY THE OUR**

When the Consultant is performing the Services at the OUR offices, the OUR shall provide:

- office accommodation
- internet access
- photocopying
- printing
- facsimile
- local and international telephone calls
- lunch
- transportation to and from the airport

The OUR will also make all necessary arrangements to ensure that the Consultant has access to the necessary resources and inputs that will enable and facilitate the performance of the Services.

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**APPENDIX G - FORM OF ADVANCE PAYMENTS GUARANTEE****Bank Guarantee for Advance Payment**

\_\_\_\_\_ *[Bank's Name, and Address of Issuing Branch or Office]*

**Beneficiary:** Office of Utilities Regulation  
3<sup>rd</sup> Floor, PCJ Resource Centre  
36 Trafalgar Road  
Kingston 10

**Date:** \_\_\_\_\_

**ADVANCE PAYMENT GUARANTEE No.:** \_\_\_\_\_

We have been informed that *[name of Consulting Firm]* (hereinafter called "the Consultant") has entered into a contract for consultant's services dated *[insert date]* with you, for consultation on and the development of a long run incremental cost model for the telecommunications sector (hereinafter called "the Contract"). Furthermore, we understand that, according to the conditions of the Contract, an advance payment in the sum of *[amount in figures]* (*[amount in words]*) is to be made against an advance payment guarantee.

At the request of the Consultant, we *[name of Bank]* hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of *[amount in figures]* (*[amount in words]*)<sup>1</sup> upon receipt by us of your first demand in writing accompanied by a written statement advising that the Consultant is in breach of its obligation under the Contract because the Consultant has used the advance payment for purposes other than toward providing the Services under the Contract or has not otherwise complied with the conditions attached to the advance payment as specified in the Contract.

The maximum amount of this guarantee shall be progressively reduced by the amount of the advance payment repaid by the Consultant to the OUR or the value of work completed by the Consultant in accordance with the Contract as indicated in copies of monthly statements certified by the OUR which the Consultant shall present to us.

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<sup>1</sup> The Guarantor shall insert an amount representing the amount of the advance payment and denominated either in the currency(ies) of the advance payment as specified in the Contract, or in a freely convertible currency acceptable to the OUR.

This guarantee shall expire, at the latest, upon our receipt of the monthly payment certificate indicating that the Consultant has made full repayment of the amount of the advance payment or has completed services in accordance with the Contract up to the value of the advance payment, or on the \_\_\_ day of \_\_\_\_\_, 2\_\_\_, whichever is earlier. Consequently, any demand for payment under this guarantee must be received by us at this office on or before that date.

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*[signature(s)]*

*Note: All italicized text is for indicative purposes only to assist in preparing this form and shall be deleted from the final product.*