

**ODISHA ELECTRICITY REGULATORY COMMISSION
PLOT NO.4, CHUNAKOLI, SAILASHREE VIHAR,
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NOTICE

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Sub: Empanelment of Audit Firms for audit of the Standard of Performance of DISCOMs.

1. Introduction

In the matter of achievement of the Standard of Performance under Section 57 of the Electricity Act, 2003, the Commission has specified the OERC (Licensee's Standard of Performance) Regulation, 2004. The Distribution Licensees are furnishing to the Commission the level of performance achieved by them in periodic manner. The Commission is making publication of such information furnished by the Distribution Licensees under Section 59 (2) of the Electricity Act, 2003. The Commission now has decided that third party auditing of such information shall be conducted through independent firms/agencies. For this, the Commission wants to empanel a panel of firms/agencies from among the interested and qualified expert bodies willing to carry out such work and produce reports as per the scope of work in the document annexed herewith.

2. Role of the Auditors -

The Auditor is required to independently and objectively verify the data reported by the DISCOMs on their Standards of Performance and estimate deviation from the Standards laid down. The auditors are required to visit the Licensees' sites, field/corporate offices, interact with the officials/ staff /consumers/general public, inspect/review the records vis-à-vis the licensees' submitted information. The Auditor may obtain all necessary information from the DISCOM, analyse the same and comment on the report as far as reliability and accuracy is concerned. The scope of work for the auditors is annexed herewith.

3. Eligibility Criteria /Qualifications required -

The institutions /firms /agencies /companies /partnerships /organizations, including firms of Energy Efficiency Auditors desirous of being empanelled should have persons/experts possessing the following qualifications.

- The firm should have adequate number of personnel and resources to carry out the assigned audit.
- At least one person in the firm to be engaged in auditing should have Degree in Electrical Engineering with minimum five years of professional experience in electricity sector.
- Past experience in any third party similar audit in national level.
- Persons of repute with integrity, academics, professionals, industry representative and public figure who should neither have any interest in the utility, nor have any fiduciary relationship with the utility.

The Audit firms must not have any commercial or any other interest in the DISCOMs to be audited or with its owners/shareholders at least for a period of five years preceding their assignment.

4. Selection Procedure -

After the expressions of interest are received from suitable interested institutions/firms/agencies/companies/partnerships/organizations, the Commission shall prepare a short list with gradation depending on their qualification & experience vis-à-vis the eligibility criteria. The Audit firms in the short list will thereafter be required to submit and also make a presentation explaining in detail the methodology to be adopted in conducting this Audit for Standards of Performance. The Request for Proposal will contain their expected fees for the assignment.

5. Final Panel – Validity Period-

Based on the methodology and the fees quoted, a final panel of Auditors will be prepared. The panel of auditors, decided by the Commission as above shall be final. The Commission reserves the right to disengage or remove from the panel any Audit firm/Auditor without assigning any reason. The validity period of the panel shall be three years from the date of formation of the panel.

6. Fees and Expenses -

The fee should be quoted for thousand of consumers. All fees and expenses shall be payable by the respective DISCOM, in whose area the firm undertakes the job.

7. Accordingly, the Commission hereby invites the “Expression of Interest” from suitable institutions/ firms/ agencies/ companies/ partnerships/ organizations, including Energy Efficiency Auditors to reach the Commission by 10.09.2018. The expenses for the auditing shall be borne by the respective Distribution Licensees after satisfactory completion of assignment approval of the Commission.

By order of the Commission

Encl: Annexure –The Scope of Work

Sd / -
SECRETARY

Copy to :

The Commissioner-cum-Secretary, Department of Energy, Govt. of Odisha, Bhubaneswar.

Encl: As above

Sd / -
SECRETARY

Copy to :

The Administrator NESCO, SOUTHCO & WESCO Utility cum CMD GRIDCO Ltd., Janapath, Bhubaneswar, Odisha for information.

Encl: As above

Sd / -
SECRETARY

Copy to :

The CEO,CESU, 2nd Floor, IDCO Towers, Bhubaneswar/ The Authorised Officer, WESCO Utility, At/P.O. Burla, Dist. Sambalpur, The Authorised Officer, SOUTHCO Utility, At/P.O. Courtpetta, Berhampur, Dist. Ganjam/The Authorised Officer, NESCO Utility, At/P.O. Januganj, Dist. Balasore for information and necessary action.

Encl: As above

Sd / -
SECRETARY

SCOPE OF WORK OF THE AUDIT FIRM

Content of audit report

The audit report shall address the following specific matters:

- i. Assessment of the compliance for each performance standard parameter set by Commission and compliance reporting;
- ii. Comment on the adequacy of data collection and management procedures and if warranted, provide recommendations for improvement. Such recommendations shall be provided for any non-compliant performance standard.
- iii. Review and validation of Guaranteed Standards of Performance Parameters and Overall Standards of Performance Parameters.
- iv. Calculation of SAIFI,SAIDI and MAIFI and observation there to basing on the reliability indices.
- v. General observations on the reported standards by the licensees.
- vi. Review of procedures and/or instructions for data collection and management (are they adequate, are they documented, are they regularly reviewed);
- vii. Ensuring that the generated information/reports is in accordance with the documented procedures and the documents maintained;
- viii. Interaction with the responsible staff and assessing their understanding of the task and the procedures, their training and their qualifications/suitability for the task;
- ix. Review of relevant records and ensuring that the procedures are being followed;
- x. Assessment of each indicator for reliability;
- xi. In case of those performance standard parameters for which there is a large volume of data, analysis of a sample of data not less than 10% of the overall data reported for the particular performance standard shall be used for assessing the reliability and accuracy of reporting;
- xii. Facts/documents relied upon
- xiii. Recommendations of the Auditor.

Signature

Date

The Date of visits to each offices/places alongwith the officers/staffs present should be enclosed as Annexure.