



**United States Energy Association
South Asia Regional Initiative for Energy Integration (SARI/EI)
Request for Proposal – Capacity Building Training Program
February 2021**

REQUEST FOR PROPOSAL – Training on the Design, Management and Operation of a Power Trading Entity

Closing date of RFP: April 2, 2021

Implementing Agency: United States Energy Association

Funding Agency: United States Agency for International Development

Maximum Award Amount: \$25,000 USD

Training recipients: Training focused on South Asia

Location of training: Remote via video conferencing

Through funding provided to the U.S. Energy Association’s (USEA) cooperative agreement with the U.S. Agency for International Development (USAID), USEA is organizing a training program on electricity trading tailored to South Asia. The training is intended to provide the participants with institutional and human capacity building in the design, management and operation of a power trading entity.

The training will be conducted as part of USAID’s South Asia Regional Initiative for Energy Integration (SARI/EI) program.

Proposals are due by 17:00 hours EST of the closing date. Please forward your proposal in soft copy with a read receipt to Ms. Sarah Blanford, Deputy Program Director, Energy Utility Partnership Program, at sblanford@usea.org.

As this is a USAID-funded program, the RFP follows USAID Procurement Regulations and Laws. All bidder details will be kept confidential.

I. INTRODUCTION

The U.S. Energy Association (USEA), headquartered in Washington, DC, is an association of public and private energy-related organizations, corporations, and government agencies.

Through a cooperative agreement with the United States Agency for International Development (USAID Bureau for Development, Democracy, and Innovation (DDI), the United States Energy Association implements an Energy Utility Partnership Program (EUPP) available to all USAID-assisted countries and USAID Missions. EUPP assists developing countries to increase environmentally sustainable energy production and use and improve the operational efficiency and increased financial viability of their utilities and related institutions. The goal of the EUPP is to increase access in USAID-assisted countries to environmentally sound energy services.

Under the EUPP mechanism, USEA implements activities for the USAID South Asia Regional Initiative for Energy Integration (SARI/EI) program. USAID first launched the South Asia Regional Initiative for Energy (SARI/E) program with USEA in 2000. The first three phases of the program focused on cross-border energy trade (CBET), energy market formation and regional clean energy development. The current phase, entitled the South Asia Regional Initiative for Energy Integration (SARI/EI), covers the eight countries of Afghanistan, Bangladesh, Bhutan, India, the Maldives, Nepal, Pakistan and Sri Lanka, and aims to further the earlier objectives of advancing regional energy integration and increasing CBET. Since 2015, USEA's SARI/EI program has conducted a number of capacity-building trainings focused on designing, managing, and operating a power trading entity. This RFP is intended to serve the continued need for capacity building in this area.

II. SUMMARY

This "Power Trading Training" will provide 25 participants with institutional and human capacity-building in the design, management, and operation of a power trading entity. The training will stress the development of skills and knowledge in the functional operations of power trading. The anticipated attendance will be comprised of 7 delegates each from Bangladesh, Bhutan, and Nepal; and 4 delegates from Sri Lanka – 25 total.

The contractor must have expert knowledge of the design and development of energy trade, markets and the political, economic and technical issues associated with South Asian regional energy trade. The contractor is expected to have prior regional, relevant working experience providing and a solid understanding of the South Asian regional power sector and its market capabilities as well as other power markets in the region.

The purpose of this RFP is to solicit proposals, conduct a fair and extensive evaluation, and select the organization or consortium deemed most suitable to conduct the training.

Read more: www.sari-energy.org.

III. BACKGROUND

South Asia is the fastest growing region in the world, with an average annual growth rate of 7% as measured by GDP per capita. Yet despite this impressive macroeconomic growth, the energy sector in the region has not been able to keep pace and continues to experience problems of supply shortage and poor quality of service. South Asia's energy security dilemma is one of the single energy development challenges of the 21st century critical to the economic future of almost 1.5 billion people. Given this dilemma, the only long-term solution is the sustained increase in regional energy cooperation among the South Asian countries. USAID's South Asia Regional Initiative for Energy Integration (SARI/IE) program has been advocating energy cooperation in South Asia since 2000. Now the program has transitioned to the next phase of advancing regional energy integration and cross-border energy trade (CBET) in the eight South Asian countries. The program addresses policy, legal, and regulatory issues related to energy in the region; promotes transmission interconnections and works towards establishing a regional market exchange for electricity.

Over the past several decades South Asia has witnessed the steady growth of CBET between India and Bhutan and, more recently, between India and its other eastern neighbors, Nepal and Bangladesh. However, despite the tremendous benefits of regional energy trade and co-operation, CBET has thus far been limited in scope and influence upon energy trade in South Asia. There is a clear recognition that South Asia's energy sector has not been able to keep pace with the needs of the region, including a growing customer base, and it continues to experience chronic problems of shortage of supply and poor quality of service. The majority of South Asian countries struggle to connect their remote and rural customer base to the electricity grid, and CBET could expand the reach of electricity into these unlit regions.

Currently in South Asia, India, Bangladesh, Bhutan and Nepal have established transmission links through which electricity is being traded. Opportunities for cross border electricity trade in the region have amplified particularly

now that energy security has become a political priority for all the country governments. The Government of India's revised guidelines on Cross-Border Power Trade paved way for tri-lateral power trade and also made Indian power exchanges more accessible to the regional participants. These developments have mobilized stakeholders for regional and sub-regional projects in the areas of power generation, transmission and power trade. The gravitas for CBET in South Asia has been further supported by the creation of the "SAARC Council of Experts and Energy Regulators (Electricity)". India and Nepal are in the process of expanding their cross-border transmission lines to further establish the two country's energy trade, which has been beneficial for both countries in developing transmission interconnections and grid connectivity.

For additional information regarding the region's cross-border energy trade: <https://sari-energy.org/program-activities/cross-border-electricity-trade/>

IV. SCOPE OF WORK

Training Purpose

The training will provide the participants with the background for developing the institutional and human capacity to participate in, as well as design, manage, and operate a power trading entity.

Training Objectives

Classroom-style lectures are to be delivered by highly experienced instructors, supplemented by hands-on exercises that emphasize development of skills and knowledge in the functional operations of power trading. Emphasis should be on providing hands-on activities including role play, class exercise, review of PPAs, PSAs, demonstration of bid submission to clearance on power trading software.

Training will supply participants with proficiency in the following topics:

- The evolution of power trading as a separate entity in the power sector, the various roles played by power traders, basic guidelines for power trading, propriety trading vs. portfolio optimization, arbitrage
- Market participants & their role: brokers, traders, dealers, market makers, liquidity providers, marketers, wholesale merchants, investment banks, traders, power exchange, and grid system operator
- Setting up a power trading entity:
 - Legal framework for operation of a power trading entity
 - Procedures and terms and conditions for granting of trading license
 - Statutory compliance for traders
 - Human resources and infrastructure requirements for setting up of a power trading entity
 - Net worth and working capital considerations and requirements
- Short term, long/medium term power purchase and sales
- Power purchase/sales agreements: major contractual, financial and commercial provisions and their significance
- Scheduling, billing, energy accounting, settlement, and bidding on power exchanges and over-the-counter trade
- Tariff models for competitive bidding processes, review of the existing tariff models
- Identifying and mitigating risks
- Gap analysis of existing and required policies
- Case studies within the region
- Guarantees (such as sovereign guarantee from GOP) or no guarantees

Program Requirements:

The lessons are to be tailored to the status of South Asia's power sector. The contractor must have extensive knowledge of the design and development of power trade, energy markets and the political, economic, and technical issues associated with South Asian regional energy trade, as well as imparting this knowledge through trainings. The contractor is expected to have prior relevant working experience in the region and a solid understanding of the South

Asian power sectors and market capabilities (particularly Bangladesh, Bhutan, India, Nepal, and Sri Lanka). Training is to be delivered by highly experienced instructors, supplemented by hands-on exercises that emphasize development of skills and knowledge in the functional operations of a power exchange. The training shall include mock exercises on bidding and scheduling, demonstrations of simulated or bidding platforms, and other practical experiences.

The same set of participants will participate in all modules of training. USEA and USAID will jointly handle selection and coordination with the participants. The trainer will be responsible for ongoing communication with the participants to coordinate video conferencing logistics, provide updates on the training, and be responsive to inquiries and discussions.

Training sessions shall include pre-training and post-training surveys administered to all participants. A pre-training survey shall be conducted prior to the first training module. It will be designed to assess participants' baseline knowledge and competencies and to identify knowledge gaps and weak areas. The planned training courses shall be modified to address the identified gaps. A post-training/skill assessment survey will take place after the last module and will be designed to measure participating trainees' knowledge improvements in the subject areas. The assessments should inform quantitative and qualitative results.

The bidder should propose a training approach, including training platform(s), duration and schedule. Bidders should provide a detailed format in their technical proposal that allows for sufficient coverage of all the requested topics and practical exercises. The format should outline the total number of person-hours of training, number of hours/day, number of training sessions/week, and format.

Deliverables

Based on the Scope of Work, the following deliverables and products shall be submitted:

Training deliverables:

- Pre-activity reading materials for delegates to provide them with as much background knowledge on the subject that is suitable, but reasonable – documents should not be overly lengthy. It is also recommended to distribute example documents (e.g. PPAs) that can be reviewed prior to the training and then discussed during the training.
- Annotated outline of full training curriculum for the training (including annotated outlines of hands-on working sessions). Draft and final copies to be provided to USEA for review and approval.
- Training assessments that measure participants' knowledge of key topics (pre -training) (to be provided only before the first module of training). Draft and final copies to be provided to USEA for review and approval.
- Manuals, presentations and all other training materials developed for and distributed to the participants.
- Handouts of various documents relevant to the institutional, staffing and management issues critical to the formation of a power trading organization, including but not exclusive to, organizational charts, job descriptions/summaries, staff training and evaluation plans, etc. Draft and final copies to be provided to USEA for review and approval.
- Attendance sheets for each day of training
- Certificates of participation to each delegate, with signatures included from USAID and USEA. Draft and final copies to be provided to USEA for review and approval.

Final Deliverable:

Final training report, including:

- Summary of the training provided. A short one-page summary should be given, along with a lengthier and more detailed summary of 4-6 pages in length.
- A list of topics that the participants felt were of particular interest and use to them, noting which countries and organizations the topics were applicable to
- Summary of lessons-learned and subject areas requiring more training
- From the perspective of the contractor – an outline of detailed steps the countries need to take to design, develop, and operate a power trading entity. Must include regulations and policies needed, as

well as operational changes at the utility level. The contractor can include information taken from the participants, as well as outside resources/expertise.

- Information on additional trainings, webinars, online-courses that participants could utilize to increase their knowledge of the subject matter
- Copies of assessments and a summary of the assessments. Assessments to measure pre and post knowledge levels on all training topics, open feedback on what topics were most and least useful, and open feedback on what topics require further training/were not adequately covered by contractor.
- Qualitative and quantitative summary of the participants' training assessment
- Written summaries of the action plans
- Copies of all final presentation and hand-out materials
- Copies of all participants' action plans

Reporting

The consultants will report to USEA.

Schedule

Training is to start in July 2021 and be completed by August 31, 2021.

V. IMPLEMENTATION AND APPROACH

The purpose of this RFP is to solicit proposals from various candidate organizations or individuals, conduct a fair evaluation, and select the organization deemed most suitable to undertake the project.

Award Ceiling

USEA is constrained by a \$25,000 budget for this project.

Subcontract Agreement Management and Oversight

A subcontract agreement between USEA and the winning bidder shall be subject to all USAID Special Terms and Conditions, including all mandatory FAR Flow-Down clauses, where applicable, and the provisions included in 2CFR200 and 2CFR700. All bidders are strongly encouraged to review these provisions prior to submitting a proposal.

- Standard Provisions for U.S. Nongovernmental Organizations:
<https://www.usaid.gov/sites/default/files/documents/1868/303maa.pdf>
- 2CFR200: <https://www.gpo.gov/fdsys/pkg/CFR-2014-title2-vol1/pdf/CFR-2014-title2-vol1-part200.pdf>
- 2CFR700: <https://www.gpo.gov/fdsys/pkg/CFR-2015-title2-vol1/pdf/CFR-2015-title2-vol1-part700.pdf>

Subcontract agreement management, oversight, and payment will be carried out by USEA.

VI. PROPOSAL CONTENT

The proposal must contain the following components. Exclusion of any of the required items will impact the proposal's scoring.

- a) A cover letter to the proposal, including a bidder's current Data Universal Numbering System (D-U-N-S) number and proof of a current registration in the System of Award Management (SAM).
Note regarding SAM registration: USEA will accept a proposal if it includes proof that the company is in the process of obtaining a SAM registration. A PDF copy of an email from "notification@sam.gov" to the bidder stating that the bidder "successfully submitted the entity registration for NAME OF COMPANY in the U.S. Government's System for Award Management (SAM)" is the only form of acceptable proof. Please note that

SAM registration is a 10-step process. Please refer to this [guide](#) for more information. **Proposals without a DUNS number or proof of SAM registration will not be considered.**

- b) A technical proposal, including:
- Demonstration of the knowledge of the design and development of energy markets and the political, economic, and technical issues associated with South Asian regional energy trade, particularly Bangladesh, Bhutan, India, Nepal, and Sri Lanka and their readiness to develop in a power exchange. (Maximum 1 page).
 - Demonstration of an understanding of the issues to be addressed under the proposed scope of work specified above by providing a summarized technical approach for each of the tasks listed. This section should include the bidder's general approach to implementing different tasks and activities described in the SoW above and must include an adequate description of training methodology. (Maximum 2 pages).
 - Proposed project schedule to perform the tasks under this project highlighting any deviations to the proposed scope of work specified above.
 - Proposed summary of quantitative and qualitative results that can be provided by the contractor at the conclusion of the training.
 - Proposed reports and other deliverables that will be provided that can be used by the South Asian participants to assist them in their planning for creation of a power exchange entity.
 - Bio sketches of personnel, including at least 1 – 2 subject matter experts, one of which will be a team leader that will be dedicated to the project. The bio sketches must highlight each individual's direct experience with the subject matter. (Maximum 2 paragraphs per person). The bidder can propose a consortium of multiple organizations and/or individuals; however, one organization must be identified as the lead organization who will enter into contract with USEA and be in compliance with the SAM and DUN registration noted in this RFP.
 - Summary of relevant experience of each proposed team member for (not beyond) the past 10 years. Relevant experience should be listed chronologically (starting with the most recent). Not to exceed 3 pages for each proposed team member.
 - Summary of the work to be performed by each employee proposed for this project.
- c) A financial proposal, including:
- Detailed justification (i.e., line-item budget), including direct and indirect costs (printing, administrative supplies, etc.).
 - Anticipated labor costs, broken down by the number of man-hours and fully loaded daily rate for each employee proposed for this project. All salary information will be kept confidential.
 - Bids must be made in USD.
- d) Completed USAID Contractor Employee Biographical Data Sheet forms for each employee proposed for this project (<https://www.usaid.gov/forms/aid-1420-17>).
- e) A summary of the company's background and experience may be included but must be limited to 2 pages.

VII. EVALUATION CRITERIA

Selection of an offer for a subcontract award will be based on an evaluation of proposals against qualifications, subject matter expertise, technical approach, and budget justification. Proposals shall first be evaluated from a technical standpoint (qualifications, subject matter expertise and technical approach) without regard to proposed budget justification. For those proposals determined to be technically acceptable, budget justification will be evaluated.

Evaluation Criteria:	25%:	Experience with similar projects (for each contractor & the organization in general)
	25%:	Subject matter expertise (education and professional experience)
	20%:	Technical approach
	30%:	Cost

VIII. QUESTIONS AND PROPOSAL TIMEFRAME

All questions related to this RFP should be submitted via email with a read-receipt to Sarah Blanford at sblanford@usea.org no later than 5:00 pm EST on **March 19, 2021**. All questions and answers will be posted on USEA's website.

Interested parties are requested to submit final proposals no later than **April 2, 2021** by 05:00 pm EST. Proposals should be sent via email with a read receipt to Sarah Blanford at sblanford@usea.org.

END OF RFP