

Request for Proposals AER (09/2018)



هيئة تنظيم الكهرباء - عمان
AUTHORITY FOR ELECTRICITY REGULATION, OMAN

CRT Impact Survey

September 2018

Contents

1. Overview	2
2. Scope of Work	3
2.1 Developing the Survey	3
2.2 Structuring the Survey	3
2.3 Select Sample & 2.4 Conduct Survey	3
2.5 Benchmark Results & 2.6 Provide analysis for prior and post implementation of CRT	4
2.7 Identify Concerns & Priorities	4
2.8 Reports, Presentation & Deliverables	4
Deliverables/Output	4
3 Timescales.....	4
4 Submission of Proposal.....	5
ANNEX A: FORM OF BID	7
ANNEX B: FORM OF BID BOND	8
ANNEX C: CONTRACT TERMS AND CONDITIONS	9

1. Overview

The Authority for Electricity Regulation, Oman (“the Authority”) is assigned various duties by the Law for the Regulation and Privatization of the Electricity and Related Water Sector (the “Sector Law”) including but not limited to the following: the Authority has a duty to secure the provision of electricity Supply in all parts of the Sultanate (Article (22) sub-para (1)); a duty to promote competition (Article (22) sub-para (2)); a duty to ensure the electricity sector operates in a safe, effective and economic manner (Article (2) sub-para (3)), and a duty to assess the scope for further electricity market Liberalization (Article (22) sub-para (22)). The Authority is also responsible for calculating electricity subsidy in accordance with the provisions of Article (18) of the Sector Law.

On 1 January 2017 new “Cost Reflective Tariffs”(“CRT”) for large Industrial, Commercial & Government customers of electricity were implemented. The new tariffs were introduced to moderate and help manage expected increases in electricity subsidy as a result of: significant growth in electricity demand and the investment needed to supply it, increasing electricity intensity of consumption, the requirement to use more expensive alternatives to local natural gas, and certain technical deficiencies of existing Permitted Tariffs.

The number of customer accounts subject to cost-reflective electricity tariff by end of 2017 was approximately **10,000** accounting for less than 1% of the total customer accounts in the Sultanate, but more than 35% of the total units supplied.

The Authority wishes to retain an experienced and well-qualified consultant to undertake a survey and conduct a study to assess the impact of Cost Reflective Tariff (CRT).

The study will seek to answer questions such as:

- Do the customers understand the concept of CRT?
- How did customers react to the changes in prices, which were unchanged for almost 30 years?
- What are the barriers (if any) that they have faced in responding to the new tariffs?
- What is the electricity consumption expenditure relative to total operating expenses?
- What are the short-term measures entities undertook to mitigate against the rise in tariff?
- What are the long term measures companies expect to undertake to mitigate against the rise in tariff?

2. Scope of Work

The following is an outline of the Scope of Work:

1. Develop a survey tool that can be repeated on an annual basis;
2. Structure the survey to capture key issues;
3. Select a representative sample of CRT customers, providing for responses from different customer categories;
4. Conduct the survey with an option for English or Arabic responses;
5. Benchmark the results of electricity consumption expenditure relative to total operating expenses across different customer categories throughout the Sultanate of Oman;
6. Undertake quantitative analysis of electricity usage data pre and post implementation of CRT;
7. Identify potential energy efficiency concern and/or top priorities for future work;
8. Present findings to the Authority at the survey's conclusion and other government authorities, if required.

2.1 Developing the Survey

Since this is will be the first year survey related to CRT customers, we wish to begin by implementing and reviewing an annual tool and ensuring that it is updated appropriately for each year, without compromising our ability to compare change over time.

2.2 Structuring the Survey

Each department within the Authority has key questions and concerns to address through the survey. The survey needs to be designed to capture multiple issues such as energy efficiency, technical and economic aspects. Guidance notes will be required to develop each related section, especially to set different survey structure for each tariff category.

2.3 Select Sample & 2.4 Conduct Survey

The survey will be conducted online and also include face to face interview based on a sample of CRT customers within different areas in the Sultanate of Oman; ensuring that the sample mirrors the CRT-wide composition in terms of private or government ownership, within industrial area or outside and other factors to be determined in consultation with the selected firm.

2.5 Benchmark Results & 2.6 Provide analysis for prior and post implementation of CRT

This will require analysis of data collected from a sample of CRT customer meters which will be provided by the Authority.

Survey data should be analyzed to provide both:

1. Comparison of responses across customer categories ;
2. Benchmark consumption data across periods; and
3. Comparisons of electricity consumption expenditure relative to total operating expenses against comparable entities;
4. A ranking of CRT customers priorities/areas of concern.

2.7 Identify Concerns & Priorities

Identify potential energy efficiency concern and/or top priorities for future work.

2.8 Reports, Presentation & Deliverables

Present a full report of findings from 1) the Survey and; 2) the qualitative analysis to the Authority and other government authorities, if required.

Deliverables/Output

The primary deliverables for this assignment is a full report of findings reflecting each area of the scope of work.

3 Timescales

The Authority expects to be able to confirm its intention to award a contract one month from the deadline for the submission of proposals. The Consultant shall commence the assignment within 14 days of being notified of the contract award.

The commencement of work will include a kick off meeting, review of documents and agreement of methodology. The assignment is to be completed within two months from commencement. The Consultant should identify the timetable for completing the assignment in the specified period.

The Consultant shall identify in their proposal a list of additional information they would require to be provided prior to commencement of the assignment.

Throughout the assignment the Consultant will be expected to work closely with the Authority's Data & Statistics team. The Authority will provide all reasonable guidance and clarification as requested by the Consultant in relation to CRT customers' data.

4 Submission of Proposal

The Consultant will provide a detailed proposal providing the methodology for undertaking the assignment and the associated fees. The proposal will include the experience of the consultant and work undertaken on similar assignments. The consultant shall submit an electronic copy of their assignment proposal by email by 7th October 2018 to the email: economics@aer-oman.org If the consultant would like to also submit a hard copy of their proposal, this should be submitted to:

Zahra Al Obaidani

Head of Data & Statistics

Authority for Electricity Regulation, Oman

P.O.Box 954, PC 133

Al-Khuwair

Sultanate of Oman

We will be pleased to provide clarification of matters covered by the RFP prior to the submission of proposals.

The proposal shall include:

1. A description of the methodology proposed by the Consultant for each part of the assignment described in the scope of work, and timescales for the submission of project deliverables;
2. Details of the Consultant's experience of similar assignments, including contact details of previous/existing clients;
3. Details of the Consultant (including the CVs of team members who will be working on the assignment) and a description of relevant experience;
4. A total cost of the assignment;
5. Bid letter in the form provided in Annex A to this Request for Proposal;
6. A statement confirming the Consultant is free from any potential conflicts of interest.

Full information about the Authority, Standards and Codes can be obtained from the Authority's website www.aer-oman.org

ANNEX A: FORM OF BID

**HASSAN TAQI
DIRECTOR OF ECONOMIC AND FINANCIAL AFFAIRS
AUTHORITY FOR ELECTRICITY REGULATION, OMAN
PO BOX 954, POSTAL CODE 133
AL KHUWAIR
MUSCAT
SULTANATE OF OMAN**

After compliments,

We have examined the Invitation to Submit a Proposal for Consultancy Services and the Contract Conditions for performance of the Works as described therein. We, the undersigned, offer to perform the assignment in accordance with the bid documents and as stated in the appendices attached, in the sum of:

Rials Omani(in words),
R.O..... (in figures), being the Bid Value. We agree to abide by this bid for a period of forty five (45) days from the date fixed for receiving the same and it shall remain binding upon us and may be accepted at any time before the expiration of that period. [Name of Bidder] will be in a position to commence work with a fully available team within fourteen (14) days of being notified of the success of its Bid. [Name of Bidder] will be able to undertake the work and complete project within 10 weeks of the date of commencement of site visits.

In the event of our Bid being accepted and until a formal Agreement is prepared and executed, this Bid, together with your written acceptance thereof, shall constitute a binding obligation upon us. We understand that you are not bound to accept the lowest or any Bid you may receive. All relevant materials will be provided in accessible electronic format such as Word, Excel or another pre-agreed format

Dated the _____ day of _____ 2018

Capacity in which signing: _____

Signed: _____ Witnessed by: _____

For: _____

ANNEX B: FORM OF BID BOND

**HASSAN TAQI
DIRECTOR OF ECONOMIC AND FINANCIAL AFFAIRS
AUTHORITY FOR ELECTRICITY REGULATION, OMAN
PO BOX 954, POSTAL CODE 133,
AL KHUWAIR
MUSCAT
SULTANATE OF OMAN**

After compliments,

BID BOND NO: _____

By this bond, we _____ whose
address is _____ hereby
guarantee Messrs. _____ of
_____ and hold at your
disposal the sum of R.O. _____ (Rials Omani _____
_____ being
two (2) percent of the Bid Value from _____ until _____ a total period of
forty five (45) calendar days.

This bond shall be free of interest and payable in cash on your first written demand in the event of the Bidder either withdrawing his Bid within a period of forty five (45) calendar days from the date of receipt of Bids or failing to commence work within fourteen (14) days of acceptance of the Bid whichever date is earlier without any reference to or contestation on behalf of the Bidder.

This bond should be returned to us upon its expiry or upon fulfillment of our undertaking whichever is the earlier.

Authorized signatories

(To be issued by a locally registered Bank)

ANNEX C: CONTRACT TERMS AND CONDITIONS

Authority for Electricity Regulation, Oman

AND

[-----]

Agreement for Consultancy Services

Index	Page
1: Definitions and Interpretations	3
2: Validity of Agreement	4
3: Language	4
4: Other Advisors Appointed by the Authority	4
5: Time Schedule	4
6: Remuneration of the Consultant	4
7: Mode of Payment	5
8: Currency and Account Details	6
9: Advisor's Facilities and Equipment	6
10: Copyright	6
11: Sub-Advisors	6
12: Force Majeure	6
13: Termination	7
14: Dispute Resolution	8
15: Duties and Rights of Consultant	8
16: Duties and Rights of the Authority	9
17: Liability of the Consultant	10
18: Notices	11
19: Entire Agreement	12
20: Survival	12

Appendix A – Consultancy Services

Appendix B – Time Schedule

Appendix C – Remuneration

Appendix D – Project Team

This Agreement together with all Appendixes attached hereto, (the “**Agreement**”) is made and entered into in Muscat in the Sultanate of Oman on the ----- day of ----- 2018.

Between

- (1) The Authority for Electricity Regulation, Oman (the “Authority”) having its postal address at PO Box 954, Postal Code 133, Al Khuwair; and,
- (2) [Insert the name of the appointed consultant] (“the Consultant”).

Now it is agreed as follows:

1. Definitions and Interpretation

In construing this Agreement the following expressions shall have the meanings hereby assigned to them except where the context otherwise requires:

Completion of the Consultancy Services	the confirmation by the Authority of the achievement of successful and satisfactory completion of the scope of work by the Consultant in accordance with this Agreement;
Consultancy Services	the professional services detailed in the scope of work and deliverables stipulated in Appendix A to this Agreement and any other work undertaken under this Agreement;
Fixed Fee	has the meaning referred to it in Clause 6.3;
Force Majeure	has the meaning given to it in Clause 12.2;
RFP	the Request For Proposals issued by the Authority on [date]; and
Team Leader	has the meaning referred to it in Clause 15.3.

In this Agreement (including the recitals):

- i. unless otherwise expressly provided to the contrary, all references to days, months or years are references to calendar days, months or years;
- ii. words in the singular include the plural and vice versa and words denoting one gender include the other gender;
- iii. reference to “persons” or “parties” includes natural persons, firms, partnerships, companies, corporations, associations and organisations (in each case whether or not having a separate legal personality);
- iv. any reference in this Agreement to a statute, statutory provision or subordinate legislation includes such legislation as amended and in force from time to time and any legislation which consolidates or re-enacts it;

- v. the table of contents and headings are for convenience only and shall not affect the interpretation of this Agreement;
- vi. unless otherwise provided, reference to clauses, sub-clauses, schedules, annexes and paragraphs are to clauses, sub-clauses, schedules, annexes and paragraphs of this Agreement; and
- vii. this Agreement incorporates the recitals of and Appendixes to it.

2. Validity of the Agreement

This Agreement shall come into force upon signature by the authorised representatives of the parties. The Agreement shall continue to be valid until the Completion of the Consultancy Services or until it is terminated pursuant to its conditions, without prejudice to the liability of the Consultant as stated in Clause 17 hereof.

3. Language

The ruling language of this Agreement is the English language. All reports, minutes, correspondence, etc. shall be in the English language.

4. Other Advisors Appointed by the Authority

The Authority may appoint other advisors for matters relating to Consultancy Services. The Consultant should work with such other advisors appointed by the Authority in line with the requirements of the Consultancy Services or as instructed by the Authority.

5. Time Schedule

The Time Schedule for the Consultancy Services shall be as set out in Appendix B, with any modifications to the Time Schedule agreed to by the Consultant and the Authority. Any delay is contributed to by the Consultant's failure to exercise his duties under this Agreement, there shall be no entitlement to remuneration for the period of the extension.

6. Remuneration of the Consultant

6.1 Consultancy Services

Subject to Clauses 6.2 and 6.5, the remuneration for Consultancy Services shall be the Fixed Lump Sum as set out in Appendix C to this Agreement.

6.2 Remuneration for services

Where additional services are required due to a change in the scope of work requested by the Authority in writing, the Consultant shall calculate the cost of such additional services as may be necessary and the parties shall meet to mutually agree a lump sum fee for such services on the basis of the man-day/hourly rates or any other way as per Appendix C to this Agreement. The additional services or the modified Consultancy Services and the remuneration for such services shall be agreed in writing.

6.3 Inclusive Remuneration

Subject to the provisions of Clauses 6.2 and 6.5 of this Agreement the Fixed Fee (inclusive of the cap regarding expenses) shall be the total remuneration for the Consultant as herein defined and shall be deemed to include all costs, overheads, profits, taxes, duties, charges and all things whatsoever necessary for the performance of the Consultancy Services under the Agreement. No claim will be accepted by the Authority due to the Consultant's lack of knowledge in respect of any matter affecting the level of remuneration in this Agreement or the Consultancy Services to be performed. The effect of any future change of law on the above, which increases the cost of performance of the Consultancy Services, will only be considered on presentation of supporting documents by the Consultant.

6.4 Limit of Remuneration

The total remuneration for the Consultant for Consultancy Service shall constitute their only remuneration in connection with the Agreement and neither they nor their personnel shall accept or benefit from, whether directly or indirectly, any gratuity or commission in respect of any service or article used, or any commission, discount, allowance or indirect payment or other consideration in connection with or in relation to the Agreement or to the discharge of their obligations there under.

6.5 Reimbursement

Provided that the Authority has given the prior written approval for the travel or other expense requests submitted by the Consultant, the Authority shall reimburse the cost of agreed expenses as detailed in Appendix C.

6.6 Delay or Failure

In case of the Consultant failure without just cause to provide the Consultancy Services or any part of it, the Authority reserves the right to penalise the Consultant by deducting 1% of the Fixed Fee for each week subject to a maximum of 20% of the Fixed Fee.

7. Mode of Payment

7.1 Invoices

The Authority shall pay to the Consultant against presentation of invoices the portions of the remuneration for Consultancy Services as stated in Appendix C to this Agreement.

7.2 Payment

Remuneration shall be paid to the Consultant within 60 days after submission of the invoices unless the Authority disputes the invoices for material variations/inconsistencies.

8. Currency and Account Details

The remuneration of the Consultant shall be paid in Omani Riyals either by a cheque drawn on a bank in Oman or directly to the account of the Consultant. There shall be no adjustment to remuneration due to fluctuations and variations in the rates of exchange between the Omani Riyals and any foreign currencies or due to the external money transfer.

9. Consultant's Facilities and Equipment

All facilities, equipment and materials required by the Consultant shall be provided by themselves in Muscat and elsewhere as required.

10. Copyright

The Copyright (if any) of all documents and all material prepared by the Consultant in connection with the Agreement rests with the Authority. The Authority will own the deliverables and any materials created under this Agreement. The Consultant shall not use the deliverables or other materials prepared or created under this Agreement or resulting from the Consultancy Services without prior written consent of the Authority.

11. Sub-advisors

The Consultant may engage the services of sub-advisors only in necessary cases and with the prior written approval of the Authority.

12. Force Majeure

12.1 Remuneration

If at any time before the completion of the Consultancy Services under this Agreement the viability of the scope of work shall be affected as a consequence of Force Majeure, as defined in Clause 12.2 hereof, occurring within the Sultanate of Oman beyond the control of the Consultant and from unforeseen cause, the Consultant will receive the proportionate remuneration for any additional services which may be required to be provided by them as a result of such Force Majeure.

12.2 Non-default

Notwithstanding Clause 5, neither party shall be considered in default in the performance of its obligations hereunder as the result of Force Majeure, which shall include acts of God, war (declared and undeclared), riots, civil commotion, revolution, hostilities, strikes, epidemics, blockades, nuclear hazards, extreme weather conditions, acts of any government causing a political embargo or other political restraint adversely affecting the freedom to transact business with or in the Sultanate of Oman and any other cause similar to the kind herein mentioned or of equivalent force occurring within the Sultanate of Oman which is beyond the control of the parties, unavoidable and which could not reasonably be foreseen and which renders impossible the fulfilment of a particular term of this Agreement.

12.3 Circumstances beyond Control

The Consultant or the Authority shall as soon as is reasonably practical promptly notify the other in writing of any situation or event occurring within the Sultanate of Oman or elsewhere arising from any circumstance beyond their control, which is unavoidable and which could not reasonably be foreseen and which makes it impossible or illegal for the party to carry out in whole or in part its obligations under this Agreement.

12.4 Delay in Performance

If the performance of any obligations or responsibilities of any party is delayed due to Force Majeure for more than sixty (60) days, the terms of this Agreement shall either be extended for such period or this

Agreement may be terminated at the Authority's choice. In the event that the performance of the Consultancy Services is prevented in whole or in part due to an occurrence contained in Clause 12.2 hereof, then the Authority shall have the option at any time after the commencement of such occurrence to terminate this Agreement by giving written notice to the Consultant.

12.5 Termination Notice

If a termination notice is given due to Force Majeure under Clause 12.4 hereof, the termination shall become effective upon seven (7) days following the receipt by Consultant of the Authority's notice to terminate.

13. Termination

13.1 Notice

The Authority shall have the right to terminate this Agreement in whole or in part at any time upon the giving of thirty (30) days prior written notice. In the event of a termination and upon the giving or the receipt of such notice the Consultant shall take immediate steps if requested to do so by the Authority to bring the Consultancy Services to a close and to reduce expenditure to a minimum. Upon the expiration of the said period of notice, the Consultant shall stop work, terminate all orders relating to the performance of work and deliver to the Authority all documents relating to the Consultancy Services. Payment by the Authority for termination will be made in accordance with Clause 13.3 hereof.

13.2 Notice of Dissatisfaction

The Authority shall promptly notify the Consultant in writing, if the Authority considers that the Consultant is not satisfactorily discharging its obligations under this Agreement. The notification shall state the reasons for the Authority's dissatisfaction and set forth the proposed actions of the Consultant necessary to cure the failure. In the event that the Consultant does not respond to such notice or take effective action to rectify such failure within fifteen (15) days, the Authority may terminate this Agreement by written notice to the Consultant.

13.3 Payment for Cancellation

In the event of the whole or any part of the Consultancy Services being cancelled in accordance with Clauses 13.1, and 13.2 hereof, the Authority shall pay to the Consultant all fees and expenses, whether billed or unbilled, relating to Consultancy Services performed by the Consultant up to the effective day of termination of the Consultancy Services.

14. Dispute Resolution

14.1 Amicable Settlement

If a dispute arises out of the contents of this Agreement, the parties shall attempt to resolve it amicably before commencing legal proceedings.

14.2 Law and jurisdiction

The agreement and any dispute arising in relation to it, whether contractual or non-contractual, will be governed by the laws of the Sultanate of Oman and be exclusively subject to the jurisdiction of Omani courts.

15. Duties and Rights of the Consultant

15.1 Care and Diligence

The Consultant shall exercise all reasonable skill, care and diligence in the performance of the Consultancy Services under this Agreement; it is being understood that the Consultant shall not be responsible for delays, errors or other adverse results directly attributable to the Authority's failure to comply with its obligations under this Agreement, including without limitation of Clauses 16.1 and 16.2, provided that the Consultant has brought such failure to comply to the attention of the Authority in a timely manner.

The Consultant (and the Project Team of the Consultant) is required to work diligently and honestly and use their professional knowledge and skill as a faithful agent of the Authority in the performance of their professional duties in compliance with the applicable laws in the Sultanate of Oman. They shall act in a manner to afford and enhance the honour, integrity and dignity of the Advisory profession, and they shall respect the laws, regulations and customs of the Sultanate of Oman.

15.2 Confidentiality

The Consultant agree to use the confidential information only in relation to the Consultancy Services, and not to use it in any other assignment or not to disclose it, except where required by law or any court of competent jurisdiction or in cases where such information become generally available to the public.

The Consultant shall treat the details of this Agreement and all documents prepared hereunder as private and confidential and shall not publish or disclose the same or any particulars thereof in any trade or commercial media or elsewhere without the prior written approval of the Authority.

All documents prepared by the Consultant for the Consultancy Services or supplied to them by the Authority shall be confidential.

In Addition, the Authority reserves the right to ask the Consultant and/or the Project Team of the Consultant to sign a Non-Disclosure Agreement.

15.3 Project Team

The Consultant shall identify and nominate a Team Leader. The Team Leader shall be responsible for the co-ordination of all activities relating to the Assignment. The Project Team shall consist of the personnel as detailed in Appendix D of this Agreement. Other personnel as are required to perform the duties of the Consultant will be nominated by the Consultant in consultation with the Authority as the need arises subject to the approval of the Authority in writing. All inter communications between the Authority and

the Project Team will be co-ordinated by the Team Leader who will also be the primary point of contact with the Authority.

15.4 Assignment

The Consultant shall not assign or transfer the benefit or obligations of this Agreement or any part thereof without the prior written approval of the Authority. However, the Consultant shall be entitled at any time to take into partnership another partner or partners (or directors) and he or they shall be deemed to be included in the expression “the Consultant”.

15.5 Taxes

The Consultant shall be responsible for the payment of all taxes including income tax, customs or import duties, and all other levies that are enforced within the Sultanate of Oman for the time being. Any effect of a Change in Law promulgated after the signing of this Agreement on the above will only be considered by the Authority on presentation of supporting documents by the Consultant and verification of the same by the Authority.

15.6 Visas and Permits

The Consultant shall be responsible for obtaining all visas and permits required in the performance of this Agreement. The Authority may assist in obtaining such visas and permits. The cost of such arrangement of visas and permits shall be borne by the Consultant.

15.7 Omani Nationals

The Consultant shall appoint where available qualified Omani nationals for the execution of this Agreement.

16. Duties and Rights of the Authority

16.1 Information to Consultant

The Authority shall furnish all pertinent data and information available to them and shall give such assistance as shall reasonably be required by the Consultant for the carrying out of their duties and obligations under this Agreement. The Authority will handle all arrangements for liaison with concerned government parties. Target dates are based on receipt by the Consultant of necessary information from the Authority in a timely manner.

16.2 Decisions

The Authority shall give its decision in writing on all relevant reports, recommendation and documents properly referred to it in writing by the Consultant and in such reasonable time as agreed so as not to delay the performance by the Consultant of their Consultancy Services under this Agreement.

16.3 Incompatibility of Agreement

The Authority shall safeguard the Consultant against the consequences of any incompatibility between the provisions of this Agreement and such Laws of the Sultanate of Oman as may be issued after signature of

the Agreement and have a retrospective effect, unless such provisions had been accepted in writing by the Consultant.

16.4 Replacement of Personnel

Should the Authority request, the Consultant shall arrange to suspend the employment of, or repatriate any of the staff employed by the Consultant under the provisions of this Agreement, if in the opinion of the Authority such suspension or repatriation is desirable for any reason whatsoever. All such costs, charges, expenses, financial consequences or liability arising from such suspension or repatriation shall be the responsibility of the Consultant.

16.5 Authority's Approval

The Authorities' approval in writing is required prior to any increase in the scope of work for the Consultancy Services or disbursements which the Consultant believe will create a liability for the Authority to pay over and above the remuneration agreed, or to incur any liability to pay.

16.6 Other Consultants

The Authority may appoint separate consultants for matters relating to any other matters of a specialist nature.

17. Liability of the Consultant

17.1 Errors and Omissions

The Consultant is liable for all the consequences of negligent acts, errors and omissions on their part or on the part of their employees, agents, Sub-advisors or assignees. The Consultant disclaims any liability for errors or omissions in information provided to them by the Authority or their employees, representatives or agents. The Authority confirms that in no circumstances will any proceedings be taken by the Authority against any director, supervisory board member, officer, employee, shareholder, controlling person or agent of the Consultant in respect of the Consultancy Services.

The total liability of the Consultant shall not exceed the Consultant's total fee under the present agreement. This limitation shall not apply to actions, claims, losses and damages caused by the Consultant's wilful misconduct or gross negligence.

17.2 Insurance Cover

The Consultant shall provide to the Authority a certificate of insurance relating to professional indemnity to cover the Consultant's liability as defined hereinbefore in the minimum amount of 500,000 Omani Riyals and such certificate shall be issued in accordance with the laws of Sultanate of Oman. The provision of such certificate shall not lessen or reduce the liability of the Consultant as contained hereunder.

The Consultant shall also provide to the Authority a bank guarantee in the amount of not less than 10% of contract value RO----- (Riyals Omani -----) as guarantee to proper execution of the contract.

17.3 Indemnity

The Authority hereby indemnifies the Consultant against any claims by bidders or other third parties in connection with the bidding process except where the Consultant have acted with wilful misconduct or gross negligence.

18. Communications

Any communication including notice, instruction, request, demand, waiver, consent, approval, or other communication which is required or permitted to be given to any party under this Agreement shall be in writing and treated confidentially. Such communications shall be made to the addresses, fax numbers or e-mails set forth below:

If to the Authority:

P.O.BOX 954, Postal Code 133, Al Khuwair, Sultanate of Oman

Attention [●] (As confidential)

Phone: 24609700

Fax No: 24609701

E-mail: [●]

If to the Consultant:

P.O.BOX [●]

Attention [●] (As confidential).

Phone: [●]

Fax No: [●]

E-mail: [●]

Notices shall be deemed given on receipt if delivered to the representative appointed by each party for the purpose of this agreement. Approval of deliverables and instruction and/or approval of any additional services or payments shall be done by the Authority's representative stipulated below.

The Authority appoints [●] holding the position of [●] as its representative and point of contact. The Consultant appoint [●] holding the position of [●] as its representative and point contract.

19. Entire Agreement

The Agreement forms the entire agreement between the parties in relation to the Consultancy Services. It replaces any earlier agreements, representations or discussions.

20. Survival

Any clause that is meant to continue to apply after the termination of the Agreement will do so including, but not limited to Clauses 10, 15.2 and 17.

In Witness Whereof **parties have executed this Agreement on the day and year first above written.**

Signed:

For and on behalf of the Authority for Electricity Regulation, Oman: _____

Witness: _____

For and on behalf of [-----]

Witness: _____

Appendix A

Consultancy Services

[As per the RFP]

Appendix B Time Schedule

The following Time Schedule shall be adjusted to reflect the actual Contract Award and commencement date of the Consultancy Services.

The Consultancy Services is expected to be completed in [insert the date] with the key activities and milestones as follows:

No.	Activity or Milestone	Timeline
1.		
2		
3		

Appendix C Remuneration

Financial Proposal

Fee rates and expenses shall be as follows and includes all travel and miscellaneous charges and payable upon completion of the Consultancy Services.

- | | | |
|----|-----------------------------|----------|
| a) | Fixed fee for time charges: | RO ----- |
| b) | Expenses (capped): | RO ----- |
| c) | Total fixed fee | RO ----- |

For avoidance of doubt, the expenses portion of the Total Fixed Fee in (c) above shall be paid based on actual but will be capped at RO-----. All fees shall be in Omani Riyals and there shall be no variations as a result of exchange rate fluctuations and variations between the Omani Riyals and any foreign currency.

The Consultant should evaluate the applicability of taxes for their remuneration. The Authority will not provide any tax exemption.

The payment schedule of the remuneration shall be as follows:

Particulars	Fees (RO)
10% on project launch	
20% on [...]	
40% on [...]	
30% on [...]	

Should there be any delay in reaching the activity / milestone as per the time schedule mentioned in Appendix B above, then the Authority reserves the right to delay the payment of the pro-rata invoices until the activity / milestone is reached.

Advisors shall raise separate invoices for expenses.

A per diem rate (per 8 hour day) will apply for any additional work requested and agreed to by the Authority and the Consultant. Hotel rates will be paid based on actual but will not exceed RO 120/- per night and will be inclusive of all meals and other miscellaneous expenses. Local transportation will be provided by the Authority. Air fare will be paid at actual but will be limited to RO 800 per return flight International flights other than from GCC Countries and RO 200 within GCC Countries. Business Class air fare will be paid at actual cost but will be limited to RO 1,500 per return flight for international flights other than from GCC Countries. All personnel with Grade of Director or Principal will be entitled to travel Business Class, subject to the caps above.

Personnel	RO per day

Appendix D

Project Team

The leader of the project team is [...]. The leader of the project team is the representative and point of contact for the Consultant.

The project team will consist of: