



REPUBLIC OF ALBANIA
Ministry of Infrastructure and Energy
Power Recovery Project
Project Management Unit

Request for Expression of Interest
ALBANIA

**“Power Recovery Project”
Consulting Services**

For

“Technical Assistance to the Ministry of Infrastructure and Energy MIE/OSHEE/OST on Establishing of the Metering Strategy and Standard Policies of the Albanian Power Sector”

(Ref. no. PRP-CS-CQ-7)

Project ID NO. P 144029

Expressions of Interest

This request for Expressions of Interest follows the General Procurement Notice for this Project that appeared in Development Business No. WB 5415-10/14 of October 27, 2014.

The Government of Albania has received, financing from the World Bank toward the cost of the “Power Recovery Project” (PRP), through a Loan from the International Bank for Reconstruction and Development (IBRD), and intends to apply part of the proceeds for consulting service of **“Technical Assistance to the Ministry of Infrastructure and Energy MIE/OSHEE/OST on Establishing of the Metering Strategy and Standard Policies of the Albanian Power Sector/ Ref. no. PRP-CS-CQ-7”**.

The “Power Recovery Project” has four components: i) securing short-term power supply; ii) improving distribution infrastructure, iii) upgrading transmission meter/data center; and iv) providing project implementation support and institutional strengthening at the policy level to steer priority sector reforms. The Project is implemented under the direct responsibility of the Ministry of Infrastructure and Energy (MIE). The project implementation arrangements are designed to have a proper oversight and accountability by the Project Management Unit established within the MIE, which is also responsible for the Component iv) and three PIU-s established within KESh Sh.a., OSHEE Sh.a. and OST Sh.a., respectively the components i), ii) and iii) above.

Main Goal of this Assignment

The main objective of this assignment is to assist the MIE, OSHEE and OST in establishing an overall Metering Strategy and Standard Policies of the Albanian Power Sector associated by proposals of necessary legal changes. In the objectives of this consultancy services should be also considered the following measures such as: (i) Replacement of all inductive meters with new electronic smart meters

for all OSHEE customers; (ii)The gradual elimination of manual reading of energy meters; (iii)Reduction of costs of disconnection and reconnection of bad payers through the introduction of new technologies;(iv)Initiatives to increase the billing and collection rates; (v)Replacement of the existing metering system in the medium voltage networks and including it in the balancing system.

Specific Tasks

During this assignment the Consultant will carry out specific tasks as follows:

Task 0: Inception Report;

Prior to start Task 1 and other tasks under this consultancy, the consultant should produce an Inception Report. The purpose of the Inception Report is to outline the methodology, instruments proposed by the consultant to conduct the various tasks, as well as, reflect the level of effort and timeline that will be followed to develop each of the tasks. The inception stage is expected to cover (without being limited to):

- Review existing documents and instruments, that are applicable and necessary to be consulted under the scope of this consultancy services;
- Identify the current Energy Losses and Bill collection of the Power System;
- Identify the current Smart Metering technologies available in the market;
- Identify the current telecommunication coverage in the main areas to be installed the Smart meters;
- Identify the current IT systems of the OSHEE in order to facilitate the integration with the Smart Metering system;
- Identify the cyber-security policy established by Ministry of Infrastructure and Energy, ERE, KESH, OSHEE and OST.
- Present a timeline of activities that reflect milestones for the delivery of specific outputs;

Task 1: Feasibility Analysis for the Metering Strategy;

As part of task 1 the consultant shall:

- Establish the Energy Losses and Bill collection targets to be attained according to the regulatory targets and the feasibility conducted in this assignment.
- Assessment of the available telecommunication coverage and communication means available in order to design the proper metering strategy in Albania.
- Assessment of additional communication technologies suitable to be considered in the metering strategy in Albania, in order to increase the coverage of Smart Meter installation.
- Assessment of different Smart Metering technologies available in the market to define the better Smart Metering Strategy for Albania.
- Perform a Cost-benefit analysis (feasibility) of the installation of Smart Meters in the country, determining the optimum level of rollout according to the different areas (urban, suburban, rural) considering the telecommunications coverage and the additional identified alternative communication means to reach the targets.
- Identify the optimum roll-out strategy of the Smart metering Project and propose a regulatory approach for their implementation based on best practices.
- Make an economic assessment for installation of smart meters for different categories of customers defining the time frame for the implementation of this measurement system and appraise the potential introduction of the private sector investments through PPP-s or similar schemes for the smart metering system.
- Perform a Cost-Benefit Analysis and Feasibility Analysis of the proposed solution.

Task 2: Gap Analysis and Roadmap;

The consultant will perform and address the following activities under this task:

- Perform a Gap Analysis in order to determine the necessary capabilities and programs to be developed and implemented by OShEE for utilize effectively the smart metering system for improving the energy Losses and Bill Collection and to determine the necessary technological and IT system conditions and requirements for the implementation of the Smart Metering Strategy
- Support the MIE/OShEE/OST to conduct a comprehensive review of OShEE's/OST's existing metering processes, identify gaps and propose appropriate measures to improve the performance of metering processes covering generation transmission and distribution levels; identify critical areas/aspects effecting performance with clear priorities which, once addressed will have a major impact on the performance of the utility's efficiency and service quality in line with international benchmarks.
- Determine the Gap Analysis in regulations and the proposed changes.
- Final recommendations for the use of technology and solutions and its deployment.
- Proposed Roadmap for the Strategic Implementation.

Task 3: Prepare recommendations for the establishment of an independent structure responsible for metering;

Based on the recommendations the consultant should make an analysis of the legal and organizational steps needed for the establishment of an "Independent Structure/Entity" responsible for metering in line with the provisions of the Power Sector Law which would give to the system operators and customers reliability of the service performed:

- Analyses of the recommendations for the creation of a Metering Operator
- Recommendation on the structure of the company
- Draft business plan
- Draft agreements with the system operators

Task 4: Produce final report of Metering Strategy and Standard policies of Albanian Power Sector;

Based on the Draft Reports issued as per assignments of all above Tasks the consultant should include and not limited the following items in Final Metering Strategy Report;

- Final Feasibility Analysis
- Final technologies and communications means considered
- Targets and milestones considered
- Recommendations on deployments
- Recommendations on the adequacy of the internal programs in OShEE
- Final recommendations for the establishment of an independent structure responsible for metering.
- Roadmap of strategy implementation

The "Power Recovery Project" (PRP)/ Ministry of Infrastructure and Energy (MIE) now invites eligible consulting firms ("Consultants") to indicate their interest in providing the Services. Interested Consultants should provide information demonstrating that they have the required qualifications and relevant experience to perform the Services (Summary of relevant experience of the firm, description of similar assignments, experience in similar conditions, list of staff working within the firm and their short bio, etc.). The Consultant should have similar experience with previous project related to: (i) Assisting Electric Utilities and Electricity Regulatory Authorities in identifying the most suitable strategy to develop smart metering infrastructures; (ii) Performing feasibility studies and cost-benefit analysis for smart metering applications; (iii) Supporting Electric Utilities during roll-out of smart meters; (iv) experience in writing the reports; and (viii) strong monitoring and evaluation (M&E) skills.

The short listing criteria are:

No.	Evaluation Criterion	Points
1.	General Qualification of the Consultant	30 points
2.	Relevant Specific Experience in the field of the assignment and Number of assignments similar to ToRs successfully completed during the last 5 years	60 points
3.	Experience in the region	10 points
Total		100 points

The consultant should have a team of 3 key experts and technical personnel will be required for the execution of the project. During contract negotiation with the Client, the successful firm should fulfil the following key staff qualifications. The Consultant Team should be led for the full term of the project by:

- **Team Leader/ Power Systems Economic Expert** (Core team: Key staff 1) with at least **20 years' experience** in electrical power systems, and at least **seven years** in a senior management position and seven years' experience in smart metering projects as well as, in power systems economics including hands-on experience in the metering systems, metering strategies development, power systems analysis and investment planning;
- **Smart Metering Expert** (Core team: Key staff 2) with at least **seven years' experience** in the electricity sector and smart metering projects;
- **Regulatory Expert** (Core team: Key staff 3) with at least **20 years' experience** in supporting governments, regulators and utilities in improving regulations, improving various regulatory frameworks in various areas of the legislation to the power sector;

All three key staff above should have master's degree in respective fields.

The attention of interested Consultants is drawn to paragraph 1.9 of the World Bank's Guidelines: Selection and Employment of Consultants by World Bank Borrowers (January 2011, revised July 2014), setting forth the World Bank's policy on conflict of interest.

The consultant should be an International Company. The selection method to be applied is Consultant Qualification Selection (CQS), in accordance with the procedures set out the World Bank's Guidelines: *Selection and Employment of Consultants under IBRD Loans and IDA Credits & Grants by World Bank Borrowers* (January 2011, revised July 2014).

Timing

The assignment is expected to be completed within **9.5 months**, from the date of signing the contract and the level of inputs required are **28 man/months**. The assignment will be completed under a lump sum contract. The consultant is expected to start the service on **October 2019 until August 2020**.

Further information can be obtained at the address below during office hours 08:00 to 16:30 (Monday to Thursday) and 08:00 to 14:00 on Friday.

Expressions of interest must be delivered in a written form to the address below (in person, or by mail, or by fax, or by e-mail) before **September 23, 2019**.

Attention to: Mr. Arian Hoxha, Project Coordinator
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