



United States Energy Association

Request for Proposal: Short-Term Technical Assistance for the Haitian Energy Regulatory Authority - Haiti

April 2018

REQUEST FOR PROPOSAL – Short-Term Technical Assistance for the Haitian Energy Regulatory Agency

Closing date of RFP: April 20, 2018

Implementing Partner: United States Energy Association

Funding Agency: United States Agency for International Development

The United States Energy Association (USEA) is inviting prospective organizations or individuals through this Request for Proposal (RFP) to submit proposals for conducting a short-term technical assistance for the newly formed energy regulatory agency, l'Autorité Nationale de Régulation du Secteur de l'Energie (ANARSE), in Haiti. This is an activity implemented by USEA under the United States Agency for International Development (USAID) Energy Utility Partnership Program (EUPP).

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. Elise Voorhis, Program Coordinator, at evoorhis@usea.org. The proposals must be submitted in English and French.

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 is the U.S. Member Committee of the World Energy Council (WEC). 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 Economic Growth, Education and Environment (E3), 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 EUPP is to increase access in USAID-assisted countries to environmentally sound energy services.

Under the EUPP mechanism, USEA implements the Haiti Energy Partnership Program. Currently, Haiti's major source of electricity is predominantly thermal generation, balanced by hydropower. However, 37.9% of the population has access to electricity, which means the majority of the population continues to use biomass and charcoal for cooking and heating. The country has an installed capacity of 284 MW, yet transmission and distribution losses are around 60% due to a weak grid system that needs to be repaired, upgraded, and monitored to prevent technical and non-technical losses. In response, the Government of Haiti has developed a new regulatory agency called l'Autorité Nationale de Régulation du Secteur de l'Energie (ANARSE). ANARSE carries the responsibility of regulating the power sector in order to promote a competitive structure for the industry and ensuring the coordinated, reliable, and adequate supply of electric power.

The purpose of this RFP is to solicit proposals from various candidate organizations or individuals, to assist the Government of Haiti in structuring the new regulatory entity, the “l’Autorité Nationale de Régulation du Secteur de l’Energie” (ANARSE). The mission of this agency is to regulate the generation, transmission, distribution, sale, export and import of electrical energy in Haiti, and to guide the liberalization of the electricity industry, manage licensing, rates, safety and other matters concerning Haiti’s electricity industry.

II. BACKGROUND

The objective of l’Autorité Nationale de Régulation du Secteur de l’Energie (ANARSE) is to regulate the generation, transmission, distribution, sale, and export and import of electrical energy in Haiti. It is also responsible for guiding the liberalization of the electricity industry, managing licensing, establishing electricity rates, and developing safety measures and other matters concerning the electricity industry.

ANARSE will be mandated to issue licenses, ensure compliance, establish tariff structure, and approve rates of charges, among other functions. ANARSE will be duty-bound to conduct its functions in an open, objective, fair, reasonable, non-discriminatory, transparent manner while also promoting fair competition. ANARSE will ensure that the utility, Electricite d’Haiti (EDH), and other Independent Power Producers, earn a reasonable rate of return on their investments necessary to provide quality service at affordable prices to the electricity consumer.

The President of Haiti, Mr. Jovenel Moïse, has indicated that the reform and development of the country’s energy sector is a priority item for his administration. As such, a strong energy regulatory environment is needed in order to promote private sector investment and innovation. The Government of Haiti has encouraged the development of renewable energy and rural electrification. As of November 2017, Mr. Evenson Calixte has been appointed Director General of ANARSE.

Haiti is facing two energy challenges: 1) a disconnected electricity sector, 2) a dependency on charcoal and kerosene. The electricity sector in Haiti is among the most challenging in the region. Only 30% of Haiti’s 10.7 million people are provided with regular access to energy. After the devastating earthquake that hit the capital city of Port-au-Prince in 2010, the availability and reliability of energy services were revealed to be crucial to the recovery and sustainable development of the country. The need for reliable energy sources is even more pronounced in rural areas, where 7.5 million people live without electricity.

III. STATEMENT OF WORK

The technical assistance workshop must be tailored to Haiti and conducted in French. The proposals, deliverables, presentations, and documentation must be submitted in English and French. The participants of the training will include an ad hoc working group of no more than 20 key stakeholders from the energy sector in Haiti (ANARSE, EDH, MTPTC, MEF, etc.)

The training will consist of three training sessions. These sessions will be conducted by international specialists and supported by a local expert recruited according to this Request for Proposal. The documents used for the training will also be made available to the participants in electronic form and in paper format. A special effort should be made on an educational approach that favors the interaction between the theoretical and practical aspects.

IV. SCOPE OF WORK

The consultant will provide short-term technical assistance to provide the necessary information to ANARSE and other key stakeholders within the sector regarding the responsibilities and requirements of organizing a regulatory agency. The consultant will also be working alongside a local Haitian consultant, who will provide local context to the training. All of the activities will be conducted in Port-au-Prince, Haiti for the duration identified in the schedule. The technical assistance will be divided into three separate trainings. Each of these trainings will be allocated a duration of six days (Monday-Friday 8:00AM-1:00PM; Saturday 9AM-12PM).

V. IMPLEMENTATION AND APPROACH

The consultant will assist ANARSE and the Ministry of Public Works in Port-au-Prince, Haiti for the duration indicated in the schedule. USEA will be responsible for arranging the roundtrip airfare to and from Haiti for all on-site consulting, lodging expenses, per diem (meals and incidental expenses) at the current U.S. government rate, travel insurance, visa costs, and all associated ground transportation costs.

TOPIC AREA: LICENSING

SCHEDULE: May 21-26, 2018 (Monday-Friday 8:00AM-1:00PM; Saturday 9:00AM-12:00PM)

The consultant will assist ANARSE to:

- Recommend a plan for granting licenses to operators of the energy sector with a focus on issuing licenses for generation, transmission and distribution of electric power.
- Make relevant recommendations to facilitate the development and the revitalization of the sector by ensuring future investment through legal and regulatory proposals.
- Participate actively in the development of new regulatory tools and ensure their compliance and adaptation to the Haitian system with the support of the local consultant.
- Contribute to the definition of the framework defining the terms and procedures for granting of license, work permit and authorization to operate in all links in the chain of suppliers to the public electricity supply.
- The international consultants will collaborate with the local consultant in the development of the curriculum and materials.

TOPIC AREA: TARIFFS

SCHEDULE: TBD - July 2018 (Monday-Friday 8:00AM-1:00PM; Saturday 9:00AM-12:00PM)

The current tariff structure shall be evaluated with the consultant tasked with preparing a projection of a future average cost recovery tariff for the generation, transmission, and distribution of electric power. In particular: (a) Tariff Determination; (b) Tariff Petition.

The consultant will propose a Tariff Schedule Design that reflects the different customer categories that will be served by the utility. The tariff should take into consideration the level of poverty and the customer's ability to pay, the impact of industrial users being served, and demonstrate the energy efficiency objectives of tariff setting. A review will be conducted regarding any elasticity analysis or willingness/ability to pay studies that have been conducted in Haiti to estimate the maximum tariff level consumers could theoretically bear. If such an analysis is not available, this issue will be discussed with key stakeholders to estimate the highest practicable tariff level and a feasible time schedule to address the following:

- How to determine tariffs for generation, transmission, and distribution of electric power.
- The duties of the regulator to regulate the electric power sector in order to promote a competitive structure for the industry and ensure the coordinated, reliable and adequate supply of electric power in the future.
- The international consultants will collaborate with the local consultant in the development of the curriculum and materials.

TOPIC AREA: ALLOCATION OF REGULATORY RESPONSIBILITIES AND INSTITUTIONAL DESIGN

SCHEDULE: TBD – September 10-15, 2018 (Monday-Friday 8:00AM-1:00PM; Saturday 9:00AM-12:00PM)

The consultant will define regulatory functions and responsibilities and prepare a blueprint for how these would be allocated to ANARSE. This includes defining the institutional arrangements for any new regulatory framework to perform effectively, including staffing, management, operating procedures, salary standards, job descriptions, and identifying equipment and other resources required by the regulatory body being established. The consultant will:

- Establish a regulatory framework for a new structure including the licenses, permission, and concession.
- Provide recommendations for the establishment and operation of a regulatory body.
- Propose a draft template for a Power Purchase Agreement (PPA) contract and discuss model PPA contracts.
- The international consultants will collaborate with the local consultant in the development of the curriculum and materials.

TOPIC AREA: CLOSING SEMINAR

SCHEDULE: TBD – September 17, 2018 (9:00AM-1:00PM)

The consultant(s) will present and discuss the overall outcomes of the three trainings and receive feedback from the ad hoc working group of key stakeholders (ANARSE, EDH, MTPTC, etc.)

VI. DELIVERABLES

The following deliverables will be given to ANARSE, USAID, and USEA in English and French:

1. A preliminary report for review and PowerPoint presentation to ANARSE and the Ministry of Public Works (MTPTC).
 - a. A preliminary report presenting a complete training curriculum with a work schedule. This report should also include the list of trainers as well as the tools to evaluate participants.
2. A comprehensive report on the contexts, the terms, criteria and procedures for granting licensees for generation and distribution and other power projects; including, a draft Power Purchase Agreement (PPA) as a model template for future use in both English and French.
3. A comprehensive training curriculum based on the human resource development plan for the energy sector in general, and for ANARSE in particular, in consultation with the Director General of ANARSE, and inspired by the recommendations of the ad hoc working group.
4. The consultants will provide participants with course material containing the various topics covered during the training. In addition, an electronic version of the course material and a report of the training will be given to ANARSE to be published on its website.
5. The preparation of procedures for the regulation of the energy sector in Haiti.
6. Conduct a closing seminar to publicly present outcomes of the three trainings, receive feedback, and issue certificates of completion.
7. Issue a final report on the training.

USEA will be responsible for all logistical arrangements, including:

- Economy-class roundtrip airfare to and from Haiti
- Per diem (meals, lodging, incidentals) for the consulting time in Port-au-Prince, Haiti. Rate is based on current USG rates.
- Per diem (meals) allowance for international travel days based on the current USG rate.
- Ground transportation in Port-au-Prince between the hotel and airport.
- Reimbursement for visa fees with a valid receipt.
- International health insurance.

VII. SCHEDULE

The technical assistance program is tentatively planned for three trainings:

1. First Training on Licensing: May 21-26, 2018 (Monday-Friday 8:00AM-1:00PM; Saturday 9:00AM-12:00PM)
2. Second Training on Tariffs: TBD July 2018 (Monday-Friday 8:00AM-1:00PM; Saturday 9:00AM-12:00PM)
3. Third Training on Institutional Design: TBD September 10-15, 2018 (Monday-Friday 8:00AM-1:00PM; Saturday 9:00AM-12:00PM)
4. Closing Seminar: TBD September 17, 2018 (9AM-1PM)

VIII. PROPOSAL CONTENT

The proposal must contain the following:

- a) Cover letter to the proposal
- b) Statement of qualifications
- c) Technical proposal, including:
 - Demonstration of an understanding of the issues to be addressed under the proposed scope of work (Maximum two pages)
 - Demonstrated understanding of the issue and the mandate for technical assistance
 - Schedule for implementation and deliverables
- d) A financial proposal, including:
 - Detailed justification (i.e. line item budget)
 - Labor, other direct costs, indirect costs, and level of effort for each employee proposed for this project
- e) Short CVs/bio sketches of proposed consultant(s)
- f) Completed USAID Contractor Employee Biographical Data Sheet forms for each employee proposed for this project (<https://www.usaid.gov/forms/aid-1420-17>)
- g) Summary of the work to be performed by each employee proposed for this project

END OF RFP