

## Expression of Interest (EOI)

for

### “Business Models for Disposal of Replaced Electricity Meters across India”

REC Ltd.

(RDSS Unit under PMD Division at CO)

## Key Dates

<b>Date of Release of EOI</b>	13 <sup>th</sup> June 2022
<b>Last date for submission of EOI</b>	4 <sup>th</sup> July 2022
<b>Shortlisting of EOI Responses and EOI presentation by shortlisted participants</b>	14 <sup>th</sup> July 2022 onwards; to be communicated to shortlisted participants
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<b>Mode of submission</b>	Soft Copy submission

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## **1. Background**

- 1.1. The Government of India has launched Revamped Reforms-based and Results-linked, Distribution Sector Scheme (RDSS), which seeks to improve the operational efficiencies and financial sustainability, by providing financial assistance to DISCOMs for strengthening of supply infrastructure based on meeting pre-qualifying criteria and achieving basic minimum benchmarks in reforms. REC and PFC are the two nodal agencies for the scheme. The scheme has two parts:
  - Part A – Metering & Distribution Infrastructure Works
  - Part B - Training & Capacity Building and other Enabling & Supporting Activities
- 1.2. Under Part A, the scheme envisages large-scale deployment of ~25 Cr smart prepaid meters over a span of 3 years across the country in two phases. This would result in replacement of all existing static consumer meters and network (DT/ Feeders) meters, with smart/ prepaid meters. Therefore, it becomes absolutely essential to develop a plan for sustainable and efficient disposal or reuse of these replaced electricity meters. This would also entail effective supply chain management, wherein the replaced electricity meters would need to be picked up from the Discom's identified facility at a district/ zone level.
- 1.3. REC Limited on behalf of the Ministry of Power, now invites eligible parties to submit their Expression of Interest (EOI), for exploring new business models around sustainable and efficient disposal or recycling or reuse of replaced consumer electricity meters. Interested parties should also provide information that they have the required qualifications and relevant experience to deliver the required services.

## **2. Objective of the EOI**

- 2.1. The objective of this EOI is to solicit business models from interested participants relating to disposal or recycling or reuse etc of replaced electricity meters. The same needs to be done while taking into account, any requirements / guidelines on electronic waste generated in the proposed process and proactively working out a long-term sustainable solution / strategy for replacement / recycling / refurbishment of electricity meters.
- 2.2. While preparing a response to this EOI, the interested party shall focus primarily on below mentioned objectives:

- a) To explore potential business and revenue models around disposal/ reuse/ recycle/ refurbishment etc. of used electricity meters that may be currently installed at consumer/ network premises of public owned distribution utilities.
- b) To formulate a possible strategy focusing on collection, channelization, and supply chain management including frequency of consumer meter collection (weekly/ monthly etc.) for disposal of electricity meters.
- c) To estimate a potential price range for sustainable disposal/ reuse/ recycle/ refurbishment/ alternative use cases etc. of these electricity meters on a per meter basis depending upon the type of meter (for e.g. 1-Phase, 3-Phase, LT- CT, HT-CT etc.), quantities under consideration etc.

**3. Eligibility Requirements** - The Participant must satisfy the below-mentioned eligibility requirements/ criteria:

- 3.1. The Participant shall have a registered office (under the Companies Act 1956/ 2013 with Registrar of Companies) in India at the time of submission of the response to this Expression of Interest (EOI). In case the Participant is a foreign entity, then it should have at least one branch office in India and should submit a certificate of registration/ details of its registered office in its country of origin.
- 3.2. The Participant shall be ineligible in the event it is banned/ debarred/ blacklisted by REC Ltd. or any of its subsidiaries/ PFC Ltd. or any of its subsidiaries/ Government of India/ Ministry of Power/ any Regulatory Authority/any State Government/ Central or State PSU, as on the date of submission of the application.

**4. Guidance for submission of EOI** - The EOI must necessarily include the following contents:

- 4.1. Covering letter
- 4.2. Overview of the company/ business profile (may include brief description of the business, country, commercial and technical overview etc.)
- 4.3. Compliance to eligibility requirements
- 4.4. Summary of relevant experience
- 4.5. Participant's understanding of the context –
  - 4.5.1. Problem statement,
  - 4.5.2. Existing relevant policy and regulatory ecosystem,

- 4.5.3. Process proposed e.g. disposal/ reuse/ recycle/ refurbishment/ alternative use cases etc
- 4.5.4. Policy level and other interventions required for enabling the proposed process, if any
- 4.5.5. Other relevant details, if any.
- 4.6. Proposed business model for Electricity meter disposal
  - 4.6.1. Business and revenue model for the Discom for disposal/ reuse/ recycle/ refurbishment/ alternative use cases etc of used electricity meters
  - 4.6.2. States/ Discoms where the participant may be interested to offer its services (the list of RDSS States is provided at <https://recindia.nic.in/rdss-guidelines-and-om>)
  - 4.6.3. Frequency of electricity meter collection (Weekly/ Monthly etc.)
  - 4.6.4. Supply chain management, warehousing, inventory management etc.
  - 4.6.5. Compliance to electronic waste disposal guidelines/ policies/ statutory compliances, and other environmental/ sustainability norms and requirements
  - 4.6.6. Critical success factors including support expected from the Discom
  - 4.6.7. Tentative estimates of per meter value which can be remitted to the Discom based on volume, type, age of meter etc. based on the participant's current understanding of the electricity distribution market

## **5. Instructions to participants**

- 5.1. The Expression of Interest shall be submitted through e-mail only with e-mail subject and front page titled as "EOI FOR DISPOSAL OF REPLACED ELECTRICITY METERS - <Name of Participant>"
- 5.2. EOI must be submitted along with a covering letter on the Company's Letter Head
- 5.3. Participants must ensure that the response to the EOI must be submitted within a page limit of up to 50 Pages (excluding cover page and table of contents).
- 5.4. All information contained in this EOI subsequently provided / clarified are in good interest and faith. This is not an agreement and is not an offer or invitation to enter into an agreement of any kind with any participant.
- 5.5. It is specifically clarified that this EOI document should not be treated as a Request for Proposal (RfP) document. Therefore, the participants must refrain from adding any financial proposal details (it is explicitly clarified that at this stage only an estimate/ indication of the per meter disposal/ recycle cost is to be included in the EOI and this should not be construed as a financial

proposal). A full-fledged proposal may be subsequently called for by REC Limited/ other entities on this subject.

## **6. Evaluation of the EOI**

- 6.1. REC Limited shall reserve the rights for screening the applications received from various participants. The Screening of EOIs will be done after careful evaluation and verification of documents submitted by the participants. REC Limited reserves the right to reject any or all proposals.
- 6.2. All eligible participants who are shortlisted after the screening process shall be invited for an EOI meet and to make a presentation to REC showcasing their competence and details of the proposed business model on a stipulated date & time.