

# **TOR FOR INDIVIDUAL CONSULTANCY SERVICES FOR THE DEVELOPMENT OF UTILITY RUN SUPER ESCO - EOI REF No KP1/1/3A/4/1/EOI/001/21-22**

## **1.1 PROJECT DESCRIPTION**

Energy use in the public sector represents a major cost to the government and competes with other economic and social development programs for the government's limited resources. There are over 20 000 public buildings - including institutional facilities - with an estimated annual energy consumption of 700 GWh (representing about 10% of the country's total energy consumption). The associated energy costs for these buildings are approximately 120M USD per annum.

Kenya has faced a considerable liquidity crunch, caused by an economic slowdown in recent years. As a result, the government has put in place fiscal austerity measures aimed at reducing government spending. As such, state agencies have a need to reduce their energy footprint, in order to forestall the defaulting of bill payments. Further, as part of its Nationally Determined Contributions envisioned in the Paris Agreement, Kenya committed to abate greenhouse gas emissions by 32% by 2030. A key component of this would be the institution of energy efficiency programmes. Public sector establishments, with their significant energy consumption, are prime candidates for these initiatives.

The Government of Kenya (GoK), through Kenya Power & Lighting Company Ltd (KPLC), has initiated several projects aimed at ensuring efficient use of energy through the Demand Side Management (DSM) Unit at KPLC which intends to play a leading role in driving the EE market. Many energy audits have been conducted across the country, but implementation of recommended measures has been slow partially due to insufficient financial capacity to invest in the implementation of these recommendations and notably the unavailability of suitable financial models that can encourage the implementation of the Energy Efficiency recommendations.

The African Development Bank's Sustainable Energy Fund for Africa (SEFA) is therefore providing a Technical Assistant (TA) grant to KPLC to structure and build capacity of a project implementation team ("The PIU") to operate as a Super Energy Service Company (ESCO) in Kenya. The Team will be established within the KPLC Institute of Energy Studies and Research (IESR).

KPLC wishes to recruit an individual consultant (hereafter the Consultant) to provide technical support to KPLC at the SEFA TA start.

## **1.2 THE CONSULTANCY**

The Consultant will be responsible of supporting KPLC in the recruitment process of the consulting firm that will provide the TA for operationalizing the Super ESCO. In addition to expertise in procurement, the individual consultant should have a relevant experience in the development and implementation of ESCOs/Super ESCOs activities. Considering the existing capacities within KPLC, the individual consultant's intervention will be crucial for the selection of a well-qualified consulting firm.

## **2.0 SCOPE OF WORK**

Under the supervision of the Head of the IESR, the Consultant will provide technical support in:

- Assessing and identifying the needs of KPLC based on both its current capacities and international practices in terms of operation and management of Super ESCOs
- Finalizing the terms of reference, based on the results of the need assessment and identification.

- Providing technical support to KPLC in launching the request for expression of interest (REOI) and request for proposal (RFP);
- Evaluating the submitted bids and developing all required reports
- Coordinating with AfDB procurement in facilitating AfDB procurement's No Objection on various procurement steps.
- Negotiation and contract conclusion with selected consulting firm.

The Consultant is expected to provide above-mentioned technical support, detailed as follows, in the following steps:

### **Step 1: Assessment of needs and development of ToR**

The Consult is expected to liaise with KPLC to identify and assess its needs based on both its current capacities and international practices in terms of operation and management of Super ESCOs, and, based on the needs identified, develop the ToR required for the recruitment of the consulting firm. The individual consultant will be provided an existing draft ToR on which he will build on to develop the ToR.

The need assessment will cover the following points, among many others:

- Action plan indicating the priority actions to be carried out and their importance;
- Deliverables expected from the mission of the consulting firm;
- Expertise required to carry out the mission, key people and their schedules of interventions;
- Cost estimate based on assessment of the resources needed for the consulting firm to carry out the mission, such as staff time, logistical support and physical inputs

### **Step 2: Publication of the Request for Expression of Interest (REOI) and Request for Proposal (RFP)**

The Consultant will technically support KPLC in timely preparing and launching the REOI and establishing the REOI evaluation committee. Also, he will:

- Participate in the shortlisting of the consulting firms.
- Prepare the RFP and all other bidding documents required for the recruitment of the consulting firm
- Launch the RFP and answer bidders' questions
- Participate in the evaluation of the technical and financial offers received from bidders,
- Produce the REOI and RFP evaluation reports satisfactory to the KPLC and the Bank

### **Step 3: Contract negotiation with the selected consulting firm/successful bidder**

The Consultant will:

- Provide technical support to KPLC during contract negotiations with the selected consulting firm and develop all associated negotiation minutes/reports;
- Develop the draft contract;
- Finalize reports taking into account any observations of the Bank

## **3.0 DURATION OF ASSIGNMENT, DELIVERABLES AND ACTIVITY SCHEDULE**

The Consultant's mandate is estimated to about 50 man-days of work, over a six-month period and will last until the KPLC's contract signature with the selected consulting firm. The commencement date will be agreed upon in the contract.

Item	Deliverable	Start	End
Step 1: Assessment of needs and development of ToR	<ul style="list-style-type: none"> <li>• Need Assessment report</li> <li>• Finalized ToR</li> </ul>	Week 1	Week 8

<p>Step 2: Publication of the Request for Expression of Interest (REOI) and Request for Proposal (RFP)</p>	<ul style="list-style-type: none"> <li>• REOI</li> <li>• REOI evaluation report and Shortlisted Consulting Firm</li> <li>• RFP and other bidding documents</li> <li>• RFP technical offer evaluation report</li> <li>• RFP financial Offer evaluation report</li> </ul>	<p>Week 9</p>	<p>Week 20</p>
<p>Step 3: Contract negotiation with the selected consulting firm/successful bidder</p>	<ul style="list-style-type: none"> <li>• Negotiation minutes</li> <li>• Contract</li> </ul>	<p>Week 21</p>	<p>Week 24</p>

