PURC
PUBLIC UTILITIES REGULATORY COMMISSION

REQUEST FOR PROPOSALS

RFP0126001

CONSULTANCY SERVICES TO SUPPORT THE PURC IN THE REVIEW OF THE ELECTRICITY SECTOR COST-OF-SERVICE STUDY AND UTILTIY TARIFF PROPOSAL

4th February 2026

Deadline Extended

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1. Background and Context

The Public Utilities Regulatory Commission (PURC) was established by the Public Utilities Regulatory Commission Act, 2016 PURCA (as amended) and is the statutory body mandated to regulate public utilities in Grenada, specifically the electricity and water & sewerage sectors. As part of its remit, the Commission is responsible for approving the tariffs charged by regulated utilities to ensure that such tariffs are just and reasonable, while supporting the efficient and financially sustainable provision of utility services.

As part of the implementation of its statutory mandate, the Commission developed and brought into force the Electricity (Tariff-Setting Methodology) Regulations in 2022. These Regulations establish the policy principles, tariff structure, and regulatory framework governing the setting and adjustment of retail electricity tariffs. In particular, the Regulations provide inter alia, for the use of Cost-of-Service Studies to inform cost-reflective tariff design; define the components of the retail tariff; prescribe procedures for periodic tariff reviews and annual tariff adjustments; and set out requirements for transparency and public consultation in the tariff review process.

In accordance with the Tariff-Setting Methodology, Grenlec engaged an independent consultant to prepare a comprehensive Cost-of-Service Study. The Commission has undertaken a preliminary review of the Study as part of its regulatory oversight responsibilities. Prior to formally instructing Grenlec to submit a retail tariff proposal, the Commission considers it prudent to obtain additional independent technical and regulatory expertise to conduct a thorough review of the Cost-of-Service Study and to provide advice on its suitability as the foundation for the forthcoming tariff review process.

Against this background, the Commission seeks to engage the services of a qualified consulting firm to provide independent technical and regulatory advisory support in relation to:

i. the review of the existing Cost-of-Service Study, to inform the Commission's direction to Grenlec regarding the submission of a retail tariff proposal; and

ii. the assessment of the utility's retail tariff proposal once submitted, including assistance, where necessary, with the stakeholder and public consultation process.

2. Objectives of the Assignment

The objectives of this consultancy are to:

Enable the Commission to determine whether the existing Cost-of-Service Study provides an adequate and reliable basis for initiating a retail tariff review, including whether any issues or gaps should be addressed prior to instructing the submission of a tariff proposal by the utility;

i. Enable the Commission to determine whether the existing Cost-of-Service Study provides an adequate and reliable basis for initiating a retail tariff review, including whether any issues or gaps should be addressed prior to instructing the submission of a tariff proposal by the utility; and

ii. Support the Commission's evaluation of the utility's retail tariff proposal, once submitted, by facilitating a structured, transparent, and well-informed review process, including stakeholder and public consultations conducted in accordance with the applicable regulatory framework; and

iii. Enable the Commission to strengthen internal capacity through embedded advisory support and collaborative engagement throughout the consultancy, ensuring effective and continuous knowledge transfer during both the entire process.

3. Scope of Work

The consultant shall be expected to provide services to the Commission in accordance with the scope of work outlined below.

3.1 Review of the Cost-of-Service Study (Task 1)

Under this task, the consultant shall confirm the suitability of the existing Cost-of-Service Study prepared on behalf of Grenlec, without undertaking a new cost-of-service analysis, by:

i. Assisting the Commission's review of the study;

ii. Assessing the overall structure, assumptions, methodologies, and allocation approaches applied in the Study, with a focus on their suitability for use in a retail tariff review under the Electricity (Tariff-Setting Methodology) Regulations, 2022;

iii. Identifying any material issues, limitations, or areas requiring clarification or refinement prior to the initiation of a tariff review; and

iv. Providing technical advice to the Commission on whether the Cost-of-Service Study provides an adequate and reliable basis for instructing Grenlec to submit a retail tariff proposal.

3.2 Review of the Utility's Retail Tariff Proposal and Consultation Support (Task 2)

This task shall be undertaken in two phases, corresponding to the review of the initial tariff proposal and the review of the revised tariff proposal following stakeholder and public consultations. Under this task, the consultant shall, upon submission of a retail tariff proposal by the utility:

i. Review and analyze the tariff proposal for consistency with the approved Cost-of-Service framework, the Electricity (Tariff-Setting Methodology) Regulations, 2022, and applicable regulatory principles;

ii. Assess the proposed tariff structure, rate design, and cost recovery mechanisms, and identify any areas of concern or inconsistency;

iii. Provide technical advice to the Commission to support its evaluation of the tariff proposal and formulation of regulatory positions; and

iv. Assist the Commission, where necessary, with the preparation for and facilitation of stakeholder and public consultations, which may include written consultations and/or public meetings such as town hall style sessions, including the review of consultation materials and the clarification of technical issues raised by stakeholders.

3.3 General

In carrying out the above tasks, the consultant shall place emphasis on knowledge transfer and capacity building within the Commission. This shall include, as appropriate:

i. Working closely with Commission staff throughout each task to explain methodologies, assumptions, and analytical approaches applied;
ii. Providing clear technical briefings and written explanations to support the Commission's understanding of key issues arising from the Cost-of-Service review and tariff proposal assessment;
iii. Participating in meetings or workshops with Commission staff to discuss findings, regulatory options, and implications for decision-making; and
iv. Ensuring that recommendations and outputs are presented in a manner that supports the Commission's ability to independently apply similar analyses in future tariff reviews.

4. Deliverables and Reporting Requirements

4.1 Deliverables

The consultant shall be responsible for the preparation and submission of the following deliverables:

4.11 Inception Deliverable (All Tasks)

The consultant is expected to deliver an inception report within two (2) weeks of contract commencement. This report should include the methodology, work plan, timeline, stakeholder engagement, and capacity-building approach.

4.12 Deliverables for the Review of the Cost-of-Service Study

i. A technical review memorandum assessing the suitability of the existing Cost-of-Service Study as a basis for initiating a retail tariff review, including identification of any material issues, limitations, or areas requiring clarification or refinement;

ii. A briefing note or presentation to the Commission summarizing key findings and recommendations arising from the review.

4.13 Deliverables for the Review of the Utility's Retail Tariff Proposal and Consultation Support

i. A technical assessment report evaluating the utility's retail tariff proposal for consistency with the Cost-of-Service framework, the Electricity (Tariff-Setting Methodology) Regulations, 2022, and applicable regulatory principles;

ii. Technical inputs and advisory notes to support the Commission's internal deliberations and final decision memorandum;

iii. Support materials for stakeholder and public consultations, as required, including the review of consultation documents and assistance in responding to or clarifying technical issues raised through written submissions or public meetings.

4.14 Cross-Cutting Deliverables

i. Technical briefing sessions with Commission staff at key stages of the assignment, to explain methodologies applied, findings, and regulatory implications arising from the Cost-of-Service review and tariff proposal assessment;

ii. Clear explanatory notes or presentation materials, prepared as part of task deliverables, summarizing key analytical approaches, assumptions, and conclusions in a manner suitable for internal capacity building; and

iii. Final knowledge transfer session, at the conclusion of the assignment, to consolidate lessons learned, discuss application of the approaches used, and support the Commission's ability to independently undertake similar reviews in future.

4.2 Reporting Requirements

The consultant shall report to the PURC. Reporting shall include:

i. An inception meeting at the commencement of the assignment;
ii. Progress updates, provided at agreed intervals or at key milestones; and
iii. Presentation and discussion of draft and final deliverables, as required.

Reporting arrangements shall include technical briefings and knowledge transfer sessions as outlined in the Deliverables section.

5. Implementation Schedule and Timeline

The table below sets out an indicative implementation schedule for the assignment.

Task/ Deliverable	Description	Indicative Timeline/ Task duration
Inception Tasks	Inception meeting and submission of inception report	Within two (2) weeks of project commencement
Task 1: Cost-of-Service Review	Review of existing Cost-of-Service Study and submission of review memorandum and briefing	Within five (5) weeks of the inception report
Task 2: Tariff Proposal Review	Review and assessment of the utility's retail tariff proposal once submitted	To be undertaken following submission of the tariff proposal; four (4) months
Task 2: Consultation Support	Support for written and/or public consultations, including technical clarification	Guided by the Electricity (Tariff-Setting Methodology) Regulations, 2022
Knowledge Transfer	Technical briefings and final knowledge transfer session	Throughout the project duration
Completion Tasks	Submission of final deliverables	At the end of the project period

6. Payment Schedule

Payments shall be made only upon satisfactory completion and formal acceptance by the Public Utilities Regulatory Commission (PURC) of the deliverables associated with each task/ component, and in accordance with the costs proposed for each component in the consultant's Financial Proposal.

Component	Deliverable	Payment
Task 1: Cost-of-Service Review	Cost-of-Service review memorandum and briefing (including knowledge-sharing elements)	100% of Task 1 cost
Task 2A: Initial Tariff Proposal Review & Consultations	Approval of technical assessment of initial tariff proposal	50% of Task 2A cost
	Approval of consultation support deliverables following first consultation period	50% of Task 2A cost
Task 2B: Revised Tariff Proposal Review & Consultations	Approval of technical assessment of revised tariff proposal	50% of Task 2B cost
	Approval of consultation support deliverables following second consultation period	50% of Task 2B cost

7. Proposal Submission and Evaluation

Interested consulting firms shall submit a single proposal setting out their approach to the assignment and the associated costs.

Proposals should be submitted via email to **office@purc.gd** no later than 27th March 2026. Proposals should be addressed to

Mr. Andrew Millet
Chief Executive Officer
Public Utilities Regulatory Commission

The subject of the email should state the RFP number (**RFP0126001)** and the name of the consulting firm. Late submissions will not be considered.

The proposal shall include, at a minimum:

i. A brief understanding of the assignment and the consultant's proposed approach and methodology for carrying out the scope of services;
ii. An indicative work plan and timeline, consistent with the requirements set out in this RFP;

iii. Details of the proposed team and relevant experience in similar assignments, particularly in electricity tariff rate proposals and cost-of-service reviews; and
iv. A clear breakdown of costs for each task/component of the assignment, including:

- Task 1: Review of the Cost-of-Service Study;
- Task 2A: Review of the initial tariff proposal and associated consultations;
- Task 2B: Review of the revised tariff proposal and further consultations; and

In relation to consultation support under Task 2, bidders shall provide a further breakdown of costs distinguishing between:

- Written consultation support, including review of submissions, preparation of technical responses, and advisory inputs to the Commission; and
- Public consultation meetings, based on up to seven (7) town hall–style sessions, which may be conducted in person and/or virtually.
- Costs for public consultation meetings shall be itemized on a per-session basis, clearly indicating any assumptions regarding format (in-person or virtual), staffing, preparation, and participation.

The number and format of public consultation sessions to be undertaken shall be determined by the Commission.

The Commission reserves the right to award all or part of the assignment and to phase the implementation of individual components.

Proposals will be evaluated on the basis of the consultant's relevant experience, proposed approach, and the reasonableness of the proposed costs.

8. Consultant Qualifications

The Consulting firm shall have:

1. At least ten (10) years of experience in the analysis and review of electricity sector Cost-of-Service Studies;
2. Demonstrated experience reviewing or analyzing Cost-of-Service Studies for utilities in the Caribbean or comparable small island or developing country contexts;
3. Strong understanding of electricity market structures, tariff design, and international regulatory best practices;
4. Strong analytical and drafting skills, including the ability to translate technical analysis into clear regulatory advice;
5. Demonstrated experience in stakeholder and public engagement, particularly in the context of regulatory or policy processes; and
6. Full proficiency in English, both written and oral.

9. Reporting and Institutional Arrangements

The consulting firm shall report to PURC and shall work closely with and communicate through officer(s) designated by the Commission for the purposes of this assignment. The designated officer(s) shall be confirmed at the inception meeting or at such other time as the Commission may determine.

All key deliverables shall be subject to review and formal approval by PURC.

10. Confidentiality and Ownership of Documents

All documents, data, and outputs produced under this assignment shall remain the property of PURC and shall not be disclosed without prior written consent.

11. Annex

The following Acts and Regulations are those most relevant to this consultancy. This list is not intended to be exhaustive.

11.1 The Public Utilities Regulatory Commission Act and its amendments

Act-No.-20-of-2016-Public-Utilities-Regulatory-Commission-4.pdf

Act-31-of-2017-Public-Utilities-Regulatory-Commission-Amendment-3.pdf

Act-No.-2-of-2025-Public-Utilities-Regulatory-Commission-Amendment-Act-2025.pdf

11.2 The Electricity Act and its amendments

Act-No.-19-of-2016-Electricity-Supply-Act.pdf

Act-31-of-2017-Public-Utilities-Regulatory-Commission-Amendment-3.pdf

Act-33-of-2017-Electricity-Supply-Amendment-1.pdf

11.3 The Electricity Tariff Setting Regulation

S.R.O.-20-of-2022-Electricity-Tariff-Setting-Methodology-Regulations-2022-1.pdf