

# SCOPE AND SPECIFICATION

**PNG POWER LTD**  
**MT. HAGEN METER SURVEY - OUTSOURCE ENGAGEMENT**



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## Introduction

### Purpose

The prevalence of power theft is estimated to be very high in Mt Hagen causing revenue leakages. It is critical for PNG Power Ltd (PPL) to intervene through various measures and address these leakages. However, PPL is also aware of the potential safety and security sensitivities of engaging its employees in the meter survey exercises especially in Mt Hagen.

The purpose of this procurement is to outsource a Meter Survey Agent in Mt. Hagen, WHP. PPL plans to conduct a house to house meter survey within the Mt. Hagen urban areas during three [3] months in partnership with this agent.

The procurement objectives are that the suppliers and services selected:

- Provide a fit-for-purpose security service.
- Are managed under a clear contractual framework.
- Deliver Value for Money
- Are selected following the KCH ACT and PPL Procurement Policy

### Scope

The meter survey will be conducted in Mt Hagen city/urban vicinity only. The exercise will be outsourced through an external agent or contractor. The contractor is expected to be a locally based company with sufficient experience in the electricity industry.

Contractor must be well resourced with the staff and other equipment required to conduct the meter survey or house to house inspection.

The main responsibility of the contractor is to check all customers/households/business houses connected to PPL grid and confirm;

- i. If there is a PPL meter on site;
  - a. If Yes, check functionality and potential tampering activity (PPL will provide training). Contractor must report meter status to PPL within agreed timeframe.
  - b. If No [meaning direct connections], contractor must register customer on a form and advise customer to pay a fixed amount (determined through PPL criteria) monthly until a new customer meter is installed.

Contractor is not responsible for customer meter installations, fixing, disconnection or connections.

PPL will not be responsible for providing any logistic support to contractor. PPL will provide logistics support for its staff accompanying the contractor during the survey.

PPL will pay contractor based on completion of agreed number of inspection list [guided by an agreed schedule] on a monthly basis.

There won't be any mobilisation fee or upfront payment to contractor.

### Specification

PNG Power Ltd (PPL) requires;

- PPL to Outsource Meter Survey Exercise to a Registered Local Contractor in Mt. Hagen by way of PPL's Tender Process.
- Target customers for this Meter Survey Exercise Are General Supply and Domestic consumers that have meter tampering and illegal connections in Mt Hagen urban area.

There are two critical steps to be followed;

- Step 1: The contractor to conduct house to house survey and inspect installations of Domestic and General Supply consumers at selected areas for the duration of the project.
- Step 2: Survey findings are to be provided to PPL by the Contractor as per agreed timelines, PPL to proceed with disconnections and Back Bill process to apply. PPL to reconnect customer only upon full payment of Back Bill charges or payments made following an agreed payment plan.
- The contractor will be responsible for providing human resources, tools, equipment and logistics that is sufficient to deliver the Meter Survey exercise.
  - PPL will not be liable for damages incurred by contractor during the engagement period.
  - PPL will be responsible for providing customer meter and the metering accessories.
  - PPL office to provide daily supervisory support only in step 1.
  - PPL will pay contractor based on completion of agreed number of inspection list [guided by an agreed schedule] on a monthly basis satisfactorily.
  - There won't be any mobilisation fee or upfront payment to contractor.

### **Mandatory Requirements**

Any Supplier engaged by PPL must meet the following mandatory requirements:

1. Registered business/company in PNG – IPA Certificate
2. Tax Certificate - Certificate of Compliance
3. Contractor must be Hagen based and preferably locally owned to leverage its local network
4. Contractor must have minimum of five [5] year experience in the electricity industry [including staff and management]
5. Contractor or staff to provide valid electrical licence. Where a contractor staff's licence is provided, the employment contract must also be provided.
6. Contractor to provide proof of resources [ownership] that will be used for the meter survey.

Suppliers must comply with the PPL Supplier Code of Conduct

### **Term of Agreement**

The meter survey exercise will run for three [3] months from the time of signing the agreement with PPL.

### **Delivery timetable**

Start: 27<sup>th</sup> March 2023  
Resource Mobilisation: One [1] week  
Complete: 30<sup>th</sup> June 2023

### **Training, service, support and warranties**

PPL will provide training to contractor in terms of;

1. Tips to look out for during meter survey.

2. Roles and responsibility [Do's and Don'ts] i.e. contractor Vs PPL
3. PPL will not be responsible for any lose[s] to Contractor and or its staff during project.

#### **Key performance indicators**

1. 100 % coverage of targeted area [Hagen Urban] within project duration.
2. Contractor achieves daily/week/monthly meter survey targets [i.e. # of installations] set by PPL and agreed by contractor at the beginning of the project.
3. All illegal customers identified during survey are reported to PPL for actioning daily.
  - a. PPL disconnects all [100%] identified customers at the same time
  - b. PPL prepares back bills for respective customers and full payment is done.
4. PPL reconnects customer with new meters [unmetered customers] or corrects by-passes.
5. PPL's payment to contractor is prepared and made by the end of each month
  - a. Contractor forwards monthly invoices to PPL at month end with # of installation covered (signed off by PPL supervisor).
  - b. PPL's centre manager reconciles and approves for payment
  - c. Payment made to contractor on the 2<sup>nd</sup> week of new month.

#### **Reporting Requirements**

Contractor will be reporting to Mt Hagen Centre Manager on a daily progress. Morning debrief meetings will be held with contractor about zones/areas to cover and targeted number of installations.

Mt. Hagen Centre Manager will prepare week performance report and send to General Manager Retail via email using an agreed reporting template.

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