REQUEST FOR PROPOSALS AND TERMS OF REFERENCE - TARIFF REVIEWS FOR THE ELECTRICITY SECTOR IN THE BAHAMAS

ES 24/2026
Issue Date: 3 September 2026
Closing Date: 25 September 2026

1. Introduction

The Utilities Regulation and Competition Authority ('URCA') wishes to engage the services of a suitably qualified consultant to support URCA with the tariff review applications for the electricity sector (ES) in The Bahamas. As part of the Consultant's scope of work, the Consultant will support URCA's assessments of the tariff applications from two public electricity suppliers (PES) with possible further engagements to review Authorized Public Electricity Supplier (APESL). For the avoidance of doubt, the award of the contract to conduct the PES tariff reviews does not indicate that the same consultant will be awarded the contract for the APESL tariff reviews.

URCA is the independent regulator for the ES in The Bahamas. As set out in section 14(1) of the Electricity Act, 2024 (EA),[1] URCA's functions and powers include, inter alia;

> . . . to review and determine that the rates and scale of charges comprising the tariff rate for electricity supply services proposed by a licensee are reasonable, reflect efficiently incurred costs and are not inconsistent with, or in contravention of, this Act or any other law and allow an opportunity for public input.

Notably, sections 38(8) and (9) of the Electricity Act, 2024 (EA) state:

(8) Without prejudice to subsections (1) – (7), URCA shall for a period of three years from the date of commencement of this Act, adopt and apply the existing tariff rate for any public electricity supplier or authorised public electricity supplier and any modification made by any public electricity supplier or authorised public electricity supplier thereto during the three years period shall be submitted to URCA in accordance with subsection (9).

(9) All public electricity suppliers or authorised public electricity suppliers shall, no less than six months prior to the expiration of the period referred to in subsection (8), submit to URCA, a tariff review application, which shall include justification for the proposed adjusted tariff rate for electricity services of that public electricity supplier or authorised public electricity supplier, which upon approval is to take effect from the date of the expiration of the said period.

[1] The Electricity Act, 2024 can be found here: https://laws.bahamas.gov.bs/cms/images/LEGISLATION/PRINCIPAL/2024/2024-0009/2024-0009_1.pdfhttps://laws.bahamas.gov.bs/cms/images/LEGISLATION/PRINCIPAL/2024/2024-0009/2024-0009_1.pdf.

As the EA was issued on 31 May 2024 and the period referred to in section 38(8) above will expire on 31 May 2027, PES and APES are expected to submit their respective tariff review applications to URCA no later than 1 December 2026. For reference, URCA's document titled *Tariff Review Framework, Guidelines and Procedures for Public Electricity Suppliers* (ES 07/2021)[2] provides guidance to PES and APES on the preparation of their applications.

Section 38(2) of the EA requires that URCA shall, in determining the tariff rate, have regard to the need for revenue derived by the licensee from sales, services and other sources to be sufficient to pay –

(a) The compensation payable to any system operator under the terms of the management contract;
(b) All other expenses and obligations of the licensee properly chargeable to income;
(c) Payments due to be made in respect of interest or principal of money borrowed by the licensee, whether or not there is a continuing economic return on the money borrowed;
(d) Sums required for redemption of securities issued by the licensee under section 10;
(e) Any restorative costs associated with any natural disaster relief;
(f) Such sums as may be required for a reserve fund, extensions, renewals, depreciation, loans and other like purposes.

Additionally, section 38(3) stipulates that URCA shall in determining the non-fuel base rate of the tariff, make adequate provision for a licensee to meet its outstanding debt obligations reasonably incurred.

Below, URCA sets out further the general scope of the work to be carried out by the Consultant, project deliverables, selection criteria, and other information relevant to the survey.

2. Submission of Proposals

Proposals shall be identified as **'Tariff Review Applications for the Electricity Sector of The Bahamas'** and submitted to URCA electronically by 5:00 p.m. (Bahamas time) on or before **Friday, 25 September 2026** to:

Jonathan Hudson
Director of Utilities and Energy

[2] The document ES 07/2021 can be found here: https://urcabahamas.bs/wp-content/uploads/2021/07/Tariff-Review-Framework-Guidelines-and-Procedures-for-Public-Electricity-Suppliers-ES-07-2021.pdf.

Utilities Regulation and Competition Authority
Frederick House, Frederick Street
Nassau, Bahamas
Email: procurement@urcabahamas.bs

URCA welcomes any further queries which bidders may have in relation to the proposal, but any delay by URCA in providing the required information will not be considered as a reason for extending the submission date of the proposals. Please contact Kandice Davis via email at kdavis@urcabahamas.bs no later than Monday, 21 September 2026 if clarification on details of the required service is needed. Clarifications will be shared with all bidders who have notified URCA (at kdavis@urcabahamas.bs) of their intent to submit a proposal.

3. Specific Terms of Reference for Consultancy Services

The essential tasks to be carried out by the Consultant are as follows:

(i) Provide independent economic and financial analysis to determine the applicants' revenue requirements and proposed tariffs, and formulation of URCA's decision. This will include, but is not limited to, the reasonableness and efficiency of operating and capital expenditure, rate base, depreciation, financing costs, cost of capital, demand and sales forecasts, and other relevant cost and revenue assumptions.
(ii) Develop and present recommendations for the appropriate revenue requirement, tariff structure and tariff rates, including the rationale for any proposed adjustments to the applicants' submissions. Consideration being given to stability of the tariff by treatment of variable costs such as the fuel charge.
(iii) Identify any areas of concerns or inconsistencies with the applications.
(iv) Participate in on-site inspections, meetings, and other discovery activities (as necessary).
(v) Recommend and analyse necessary supporting documents, such as demand projections and capital expenditure plans, to justify recommendations and make assumptions (where necessary) underpinning the tariff applications.
(vi) Provide analysis, drafting assistance, and advice for requests for information, written comments, consultations, and regulatory decisions related to the tariff reviews.
(vii) Prioritise knowledge transfer including meetings and/or workshops with URCA's staff to explain findings, regulatory options, and implications for decision-making.

4. Proposals and Qualifications

The Proposal must contain a description of the company's background, a technical proposal and a financial proposal enclosing, at a minimum, the details below.

4.1 Company Background

The company background information should include the following information:

a) Company name (and legal registered name, if different).
b) Contact details for all correspondence, i.e., name, physical address, phone number, and email address.
c) A copy of the current Business License.
d) A copy of the current Certificate of Registration for VAT (if applicable).
e) A brief description of the primary business activities of the company.
f) The address of the company's website. If the company does not have a website, then state the same.

4.2 Technical Proposal

The technical proposal should provide:

a) Relevant details of the team members to be involved in the project, with their curriculum vitae (CVs) attached and the amount of time each would be expected to contribute to the project.
b) A description of similar assignments and details on appropriate skills, knowledge, and experience of each team members to be committed to the project (both on a company and per individual basis). Include at least three references for similar prior projects performed by the company.
c) A concise description of the general approach to be used to complete the tasks indicated in Section 3 above and the project deliverables in Section 5 below.
d) A project/work plan outlining indicative timeframe for completion of tasks and deliverables.
e) Any proposed amendments (additions, deletions, or modifications) to the scope in Section 3 that the consultant considers relevant with an explanation for the same.

4.3 Financial Proposal

The financial proposal should include:

a) A fixed fee financial proposal containing fee estimates based on the level of effort required to achieve (1) the objectives in the original scope in Section 3 above and deliverables is specified in Section 5 below; and (2) the incremental change to the fixed fee that would result from the inclusion of the consultant's proposed amendments to the original scope in Section 3 above.

b) An estimate of expenses, where applicable, including airfares and hotels depending on the need for travel time, etc.
c) The proposed payment terms, with payment dates to correspond to measurable deliverables.
d) The Proposal shall state fees and expenses separately for each member of the project team and the number of days each will devote to the project. The proposal must include unit rates for out of scope work and reimbursable expenses.
e) The Proposal should remain valid for at least 45 days after its submission. URCA reserves the right to accept or reject the Proposal.
f) All fees and expenses must be denominated in Bahamian Dollars.

The company must disclose to URCA any potential or perceived conflict of interest issues within its Proposal document. Any potential or perceived conflict of interest that arises at any time following submission of the Proposal should be disclosed to URCA as soon as it arises.

5. Project Deliverables

The below timescales are indicative only. The timing for completion of the project will also depend on the cooperation of the operators in meeting URCA's information/data requests in a timely manner. The key project deliverables are as follows:

Proposed Project Timescales

Deliverables/Tasks	**Tentative Timelines**
URCA issues Request for Proposals and Terms of Reference	3 September 2026
Due date for Proposals	25 September 2026
Execution of Contract with selected Consultant	October 2026
Kick-off meeting	October 2026
Review and assessments of tariff applications once submitted	October 2026 – January 2027
Consultant prepares and issues data/information requests with URCA's assistance	December 2026 – January 2027

Consultant and URCA conduct on-site inspections of PES where necessary	Prior to consultation
Consultant conducts an on-site workshop on preliminary results prior to consultation. On-site visit should also allow for a separate workshop to train URCA staff on tariff reviews/rate cases.	Prior to consultation
Consultant submits separate draft consultation documents for the two PES tariff review applications.	January - February 2027
URCA publishes separate draft consultation documents on the PES tariff review applications for URCA's review	January - February 2027
URCA to conduct stakeholder meetings with the public and the PES. Consultant is expected to participate and/or contribute to the meetings.	January – March 2027
Responses to consultations due	30 days following the publication of the consultation documents
Consultant submits separate draft Final Decision documents on the PES tariff review applications for URCA's review	Two to four weeks following the close of the consultations
URCA publishes Final Decisions on the PES tariff reviews	April 2027
Final briefings with URCA staff	April - May 2027

6. Reporting and Accounting

The Consultant will report directly to the project lead regarding the day-to-day activities.

The Consultant will regularly interact with and advise the project lead on the progress of the work conducted. The Consultant will produce written status reports/updates as required by the Director of Utilities and Energy and/or the project lead.

Deliverables and outputs will be monitored and evaluated by URCA's Director of Utilities and Energy and the project lead.

7. Evaluation of Proposals

The proposal will be scored as follows:

Item	Maximum number of points to be awarded
Financial Criteria	
Level of fee estimates based on level of effort and seniority of consultants	20
Estimate of expenses including airfares and accommodation	5
Subtotal for Financial Proposal	**25**
Technical Criteria	
Consultant's relevant knowledge and expertise	20
Demonstrated experience in conducting tariff reviews/rate cases	20
Qualification and experience of individual members of the Consultant's team	15
Consultant's approach to tariff reviews/rate cases	10
Project plan and adherence to timeline	10
Subtotal for Technical Proposal	**75**

8. Form of Agreement

It is expected that the services to be carried out shall be performed based on a contract. URCA shall submit a draft contract for the Consultant's consideration, which will be consistent with the Deliverables (Section 5 above). Once the Consultant agrees with the draft contract, the final terms and conditions of the contract will be subject to URCA's approval.

9. Timing

Proposals and their accompanying bids shall be opened by close of business Monday, 28 September 2026. It is anticipated that the contract will commence in October 2026 and be completed no later than May 2027.

10. Miscellaneous

This Request for Proposals creates no obligation (legal or otherwise) on URCA to award a contract to or compensate the respondent for any costs incurred during the proposal presentation, response, submission, presentation, or oral interviews. URCA also reserves the right to negotiate further with the Consultant. URCA reserves the right to reject all or any of the Proposals without assigning any reasons.

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