

**TECHNICAL ASSISTANCE FOR  
RURAL POWER FOR POVERTY REDUCTION PROGRAM**

USAID Contract No. 388-C-00-02-00124-00  
USAID Project No. 388-0287-06

***RPPR II QUARTERLY REPORT***

**1 July 2003 Through 30 September 2003**

**Prepared By**

**NRECA INTERNATIONAL, LTD.**

**In Partnership With**

**RURAL ELECTRIFICATION BOARD OF BANGLADESH**

**And**

**USAID MISSION TO BANGLADESH**

**QUARTERLY REPORT FOR 07/03 TO 09/03**  
*Technical Assistance for Rural Power For  
Poverty Reduction II Program*

**TABLE OF CONTENTS**

- I. Executive Summary
  
- II. Quarterly Reporting and Overview of RPPR II Program
  
- III. Quarterly Status & Planning of RPPR II Program – Program Activities with Tasks
  - Program Activity A: Planning and System Engineering**
    - Task A.1: Service Territory Database.
    - Task A.2: PBS Short and Medium Range Planning
  
  - Program Activity B: Operations and Maintenance Programs**
    - Task B.1: Preventive Maintenance Programs
    - Task B.2: Material Supply for O&M Program
  
  - Program Activity C: Strengthen Utility Performance**
    - Task C.1: Strengthen Training Program and Procedures
    - Task C. 2: Enhance Computerization in REB and PBSs
  
  - Program Activity D: Supplemental Tasks**
    - Task D.1: Updating Engineering and Construction Standards
    - Task D.2: Socio-Economic Impact Assessment
  
- IV. Quarterly Status and Planning of RPPR II Project Management
  
- V. Brief Summary of Related Observations and Other RE Program Activities
  
- VI. Quarterly Report Exhibits
  - A. Implementation Schedule

## **I. Executive Summary**

The following serves as a summary of the progress made on various activities under each of the four Activities and the subsequent Tasks, with additional details included under section III:

### **Program Activity A: Planning and System Engineering**

#### **Task A.1: Service Territory Database**

- Completed approximately 60% of the incorporation of distribution system data into the GIS database for both Pabna PBS-2 and Natore PBS 1.
- Refined the draft REB Policy Instruction, "Coordinating Development of GIS for PBS System Maps and Data Base" and submitted it to REB for review and approval. This policy broadly defines the purpose of GIS, process to be used in its development, and division of responsibilities between the various stakeholders.
- Completed all preparations necessary to begin the GIS field data gathering process at Dhaka PBS-1 scheduled to begin early next quarter.

#### **Task A.2: PBS Short and Medium Range Planning**

- Completed approximately 90% of the computer model of the Manikganj PBS distribution system.
- Worked extensively with Dhaka PBS-1 on methods to update transformer record cards in electronic format, including procedures for ongoing updates to take place.
- Continued the development of a "draft" short range planning document for Manikganj PBS. Began the process of gathering the necessary system data for Manikganj PBS in to develop the Planning Document for this PBS.
- Identified a qualified local professional for the post of Utility Engineer with expectation of his joining the RPPR II Team at the start of the next quarter.

### **Program Activity B: Operations and Maintenance Programs**

#### **Task B.1: Preventive Maintenance Programs**

- In consultation with REB, selected Dhaka-1 and Narsingdi-1 PBSs to participate in the pilot maintenance project.
- Developed new "substation inspection report" forms to be used in the pilot maintenance project.
- Conducted onsite training of PBS personnel in proper substation inspection procedures.
- Provided "hands on" training of one substation maintenance crew at Narsingdi PBS 1 on up-to-date maintenance techniques during the second visit of the ST Maintenance Specialist.

- Continued with the review and evaluation of existing line and equipment maintenance practices and REB/PBS policy instructions.
- Worked together with NRECA's Computer Team in developing the first upgrade to the Equipment Record Card (ERC) Software that will be used for improved record keeping for the equipment installed on the PBSs distribution systems. This new software will be useful for both the O&M tasks, as well as the engineering and planning tasks.
- Continued the recruitment of a local professional as maintenance engineer in support of this task, including interviews with candidates.

#### **Task B.2: Material Supply for O&M Program**

- There was limited activity on this task this quarter due to the fact that a suitable candidate for the STS position of Materials Specialist has not yet been located.
- The NRECA Arlington office continued with recruiting efforts to locate an interested and qualified STS having the necessary skill sets required for the Materials Specialist position.
- During visits to PBSs on other tasks, the Engineering & Operations Advisor, and ST Maintenance Specialist continued to identify some of the O&M material supply problems that REB and PBS personnel are facing at this time.
- Continued consultations with REB regarding the selection process to determine which two PBSs will participate in the pilot material supply project

### **Program Activity C: Strengthen Utility Performance**

#### **Task C.1: Strengthen Training Program and Procedures**

- Continued with the curriculum development activities with trainer and trainee development for one engineering program (Operation, Maintenance and Repair of Voltage Regulator), one management program (Management: Its Nature and Scope), and one financial program (PBS Accounting Procedures).
- Developed draft curriculum outlines for four management training programs that are part of the Curriculum Plan for PBS Billing Supervisors and submitted these to REB for review and approval.
- Continued to work in collaboration with REB on planning for the training needs assessment that will be conducted for the overall RE Program in the coming months.
- Completed preliminary plans for conducting the regional consultations to Pakistan and Malaysia to investigate functioning training academies that operate in support of electric utilities.

#### **Task C.2: Enhance Computerization in REB and PBSs**

- Continued support to REB Rates and Contract Cell on the implementation of the Statistical Database (Form 550) with the June MIS Report being produced from this software package. Other work included updating the database structure of the Form 550 to accommodate the data for the 13<sup>th</sup> period (i.e. data generated after DM and CM (Debit Memorandum and Credit Memorandum) are issued from REB.

- Completed deployment of PBS Payroll software package in 28 PBS and two persons from each PBS has been trained. Deployment of the Payroll software in these 28 PBSs ends first phase of this task.
- In order to address the huge need for computer training in the PBSs, initiated a new "Computer Fundamentals Training" program for PBS personnel with the target to offer this to approximately twenty individuals at each of the 67 PBSs.
- Utilized the initial visit of the ST Computer Specialist to complete a review of the current progress of the computerization activities for REB and PBSs including software packages developed by NRECA and local vendors for computer billing. This review included both interaction at REB as well as visits to a number of PBSs.
- Continued with the development of the assessment of the computerization within the RE Program with further planning to incorporate this assessment into the formal development of a "strategic plan" for the IT sector within the RE Program.

## **Program Activity D: Supplemental Tasks**

### **Task D.1: Updating Engineering and Construction Standards**

- Reviewed REB's proposed revision to the current Material Specification for combination bypass/disconnects switches.
- Per REB's request, continued to work with NRECA's WQC in support of investigations related to South African Eucalyptus species being used as wood poles in the PBS systems.
- Participated with REB in measuring ground rod resistance, and substation ground resistance.
- Continued discussions with REB concerning the impacts of the neutral theft problem that is occurring in the PBSs and the findings of the report on this issue that is currently under finalization..

### **Task D.2: Socio-Economic Impact Assessment**

- Planned, organized and conducted a major two-day conference on the findings and implications of the Socio-Economic Impact Assessment that was completed by HDRC with USAID funding. The conference included representatives from donors, development partners, GOB, REB and PBSs.
- Continued supports to PBS & REB to promote the ongoing impact evaluation activities that are being institutionalized within the RE Program. This included field training for personnel working in PBS Zonal offices.
- Participated in numerous meetings with a number of donor agencies (e.g., Netherlands, JBIC, DFID) regarding various socio-economic issues related to RE.

## II. Quarterly Reporting and Overview of RPPR II Program

### Background on Quarterly Reporting:

Under the terms of NRECA International, Ltd's Contract with USAID, Quarterly Reports are to be submitted to provide information as to the status of the technical assistance provided under the Rural Power For Poverty Reduction (RPPR) II Program. It should be noted that this technical assistance effort follows a similar approach as to the RPPR Program in that it is "resulted oriented" and is very specific in terms of what is to be accomplished during the 5-year program. Unlike earlier Host Country Contracts (HCCs) between NRECA and REB where NRECA provided overall assistance to REB in all aspects of the RE Program, the RPPR II includes only specific Activities and Tasks. For this reason, it should be understood that Quarterly Reports for the RPPR II Program will present information as to the status of these activities and will not provide the same "broad-based" reporting on the entire RE Program as was done by NRECA under the previous HCCs with REB.

Comments on various other observations made by NRECA on the overall RE Program will be included, but for the most part will be primarily related to those areas that have direct and/or indirect impact on RPPR II activities.

### General Description of RPPR II Program:

The objective of the RPPR II is to continue USAID's support of rural electrification in Bangladesh by concentrating on strengthening business operations and sector management so as to ensure institutional self-sufficiency and sustainability. Ultimately, the RPPR II will support USAID's overall objectives of poverty reduction in Bangladesh. The activities undertaken by REB and NRECA during this first year of the RPPR II program will be aimed at beginning the process of strengthening management and technical capability of the a group of selected PBSs. These activities will promote credibility and viability among these entities so that IFI and MDB donor funding will continue to be available for infrastructure and ongoing technical assistance; and will assist in preparing the REB system for the changes in the Bangladesh electric industry.

### RPPR Mission Statement:

*"To reduce rural poverty by enhancing the capacity of the PBSs to provide efficient user-owned electric service for the benefit of the customers."*

### RPPR II Program Objectives:

The overall RPPR II Program will promote the sufficiency and sustainability of the RE Program as a means of ensuring that the gains made over the last twenty five years will be continued with a reduced need for foreign assistance. Specifically the RPPR Program involves the completion of the eight specific Tasks under four Program Activities that support the following four main objectives:

- **Planning and System Engineering:** This Activity involves the completion of two tasks, including extending the geographic information systems (GIS) to an additional seven PBSs beyond the four systems developed under RPPR; developing improved planning capabilities at REB and the consulting engineering firms serving two PBSs. These efforts will be led by a long term Engineering and Operations Advisor supported by two short-term specialists. The GIS Specialist will provide specific technical support for development of the GIS task. The Planning Specialists will provide

training to the consulting engineers in advanced analysis techniques. The expertise developed from the work in these limited number of PBSs will be expanded to additional PBSs.

- **Operations and Maintenance Program:** The focus of this Activity will include undertaking two tasks - strengthening preventive maintenance programs at two PBSs and working with the REB to institutionalize *maintenance materials procurement* and warehousing at REB and the PBSs. This Activity will be led by the Engineering and Operations Advisor and will be supported by two short-term specialists. The Maintenance Systems Specialist will provide specific guidance on execution and planning of line and equipment maintenance tasks. The Materials Specialist will work with REB and the PBSs to streamline maintenance material acquisition and warehousing.
- **Strengthening Utility Performance:** This focus area will involve two tasks. NRECA will work to strengthen the REB training function and complete the computerization task begun under RPPR I. The effort will be guided and managed by the Team Leader. The Team Leader will be supported by two short term specialists with expertise in training and computerization. Because of the demands on the Team Leader's time and the limited funding available to support the specialists, the bulk of the responsibility for execution of both the training support and computerization programs will fall to seasoned local professionals, all of whom are long term NRECA employees
- **Supplemental Tasks:** This focus area includes Tasks of a specific nature which have been requested by REB and which do not fall into any of the categories above. One task consists of a review and updating of the engineering and construction standards in use at REB with an eye to adapting them both to *changing times* and to new requirements for such things as construction of primary line in densely populated urban areas taken over from BPDB. In addition, the need for a socio economic assessment of the *impact on rural poverty* of electrification has been recognized for some time, and this focus area will include the further institutionalization at REB of capability for evaluating such impacts. The standards review will be carried out by an Engineering Specialist under the supervision of the Engineering and Operations Advisor, while the socio economic assessment will be conducted by local professionals on NRECA's staff under the supervision of the Team Leader.

#### **RPPR Program Elements:**

- Implementing Agency: Rural Electrification Board
- Duration: Five Years: Sept 26, 2002 through September 30, 2007
- Total Amount: US\$ 9.69 million (Tk.56.2 crore)
- Donor Funding: US Agency for International Development (USAID) - Contract

#### **Program Implementation Strategy As "Partnership"**

The design and development of the original RPPR I Program was through a "partnership" between the REB, USAID, and NRECA International, Ltd, and this partnership arrangement will continue in RPPR II. The design of the Program was completed under a *Tripartite Agreement* between the partners. With the incorporation of the RPPR II Program into the *Strategic Objective Grant Agreement* which was executed on March 20, 2000 between the GOB's Economic Resource Division (ERD) and USAID, the partners formally entered into a *Trilateral Agreement* that provides direction for the implementation of the RPPR II Program. This Agreement, which was executed on October 29, 2002, outlines the various responsibilities of the respective partners.

### III. Quarterly Status & Planning on Program Activities with Tasks

#### Program Activity A: *Planning and System Engineering*

##### Task A.1: Service Territory Database

###### Status as of this Quarter:

- Integration of distribution system data for of Natore PBS-1 and Pabna PBS-2 into the two GIS databases was initiated, and substantially completed. Work on both of the databases is estimated to be 60 % complete.
- The planning and preparation for the fieldwork to geo-reference electric distribution attribute data at Dhaka PBS-1 was completed. This work is scheduled to begin on October 15, after the rainy season has ended. Dhaka 1 will be the third PBS included in GIS under RPPR II.
- A draft REB Instruction "Coordinating Development of GIS for PBS System Maps and Data Base" was prepared, and submitted to REB for approval.

###### Plans For Next Quarter:

- Initiate the GIS field work for Dhaka PBS-1. This will include training the field technicians and geo-referencing all PBS distribution system attributes, including the 33 KV system.
- Complete the integration of the distribution system data into the two GIS databases for both Natore PBS-1 and Pabna PBS-2.

##### Task A.2: PBS Short and Medium Range Planning

###### Status as of this Quarter:

- The computer model for the Manikganj PBS electric distribution system was substantially developed using the Milsoft engineering software package with fine-tuning and field verification of data and assumptions still needing to be completed.
- The draft Short Range Work Plan for Manikganj PBS is in the development stage and is progressing well.
- Worked with Dhaka PBS-1 to provide guidance on updating Transformer Record Cards, including an introduction to the Electronic Record Card (ERC) that will be installed after the software is finalized following its pilot testing. Both are critically important in the development of the GIS in that PBS which will begin at the start of Year #2, as well as in preparation for the planning project that will begin later in that year.
- Regarding the recruitment process (including interviewing potential candidates) for a local professional Utility Engineer to support the work associated with the planning task, a suitable candidate has been located. He is presently working at a PBS as an AGM COM with the formal employment process to be completed in the early part of next quarter.

###### Plans For Next Quarter:

- Complete the development of the computer model for Manikganj PBS that will be used in the Milsoft analysis software during the planning process.

- Continue the development of the draft Short Range Work Plan document for Manikganj PBS in anticipation of using this initial document to familiarize personnel at REB, this PBS and the Consulting Engineering firm with the various elements of a properly developed Work Plan and how various studies will be completed to support the Work Plan.
- Continue to make visits to Dhaka PBS 1 to assist personnel with the updating of the records that will be used in planning studies. In addition efforts will be made to further enhance their overall record keeping and to improve their understanding of its importance for proper planning and operations of an electric utility.
- Continue to assist the ST Planning Specialist in the interpretation and correction of data to be used to further develop and refine the Short Range Work Plan document for Manikganj PBS.
- Complete the formalities related to the employment of the previously identified local professional (Utility Engineering Specialist) who will support the work associated with the planning task.
- Work with the new local Utility Engineering Specialist to orient him with the current projects of RPPR II and proceed with establishing him as a fully functioning member of the NRECA team.

## **Program Activity B: *Operations and Maintenance Programs***

### **Task B.1: Preventive Maintenance Programs**

#### Status as of this Quarter:

- Continued the recruitment of a local professional as the Utility Engineering Specialist to support the maintenance task, including interviews with candidates.
- In consultation with REB, selected and received final concurrence from Member (Engineering) to include both Dhaka-1 and Narsingdi-1 PBSs in the pilot-maintenance project to be completed under this Task.
- With consideration being given to various criteria, developed short list of PBSs to be considered as the third PBS in the pilot-maintenance project.
- Continued with work of ST Maintenance Specialist (2<sup>nd</sup> trip) where visits were made to the two PBSs (Dhaka-1 and Narsingdi-1) which have been selected for the pilot-maintenance project. Additional PBSs were also visited as means of determining some of the O&M issues being dealt with at the PBS level.
- Conducted onsite, "hands-on" training in current substation maintenance techniques and procedures, with one substation maintenance crew at Narsingdi-1. This was done at Dohar Substation. During this process some material and equipment needs of the PBSs were also identified.
- Developed two substation inspection forms. One is to be used with the standard REB type rural substation, and the other is to be used for both the "PDB take-over" and other urban type substations.
- Conducted field training with Dhaka-1 and Narsingdi-1 personnel on proper substation inspection procedures.

- Worked with NRECA Computer Team to provide input in the development of upgrades to the initial Equipment Record Card (ERC) software that is currently being pilot tested in three PBSs..
- Conducted field visit to the REB Kulhna Workshop to review its operation and determine its current and future capabilities.
- Identified potential software vendors having various types of software packages that may be appropriate for use in support of the maintenance task.
- Continued the review of present REB and PBS maintenance guidelines.

Plans For Next Quarter:

- Identify and obtain concurrence from REB on the third PBS to participate in the pilot maintenance program.
- Perform "hands-on" field training with the selected PBSs on update to date substation maintenance techniques and procedures with the objective of strengthening both their skills and knowledge of current maintenance practices.
- Continue the normal process of conducting follow up field training on proper substation inspection procedures.
- Continue the review of REB & PBS maintenance guidelines, and developing recommended revisions.
- Assist the NRECA Computer Team staff in continuing the refinement modifications to the Equipment Record Card (ERC) software that is undergoing pilot testing in PBSs.

**Task B.2: Material Supply for O&M Program**

Status as of this Quarter:

- Due to the fact that NRECA has not yet contracted with a ST Materials Specialist, at this time, there was limited activity on this task this quarter. (Note: At this point in time this delay from the difficulties with recruitment will not have much if any negative impact on this Task as the work under the O&M Task is in the process of identifying required O&M materials that will need to be incorporated into this improved material supply process.
- Continued recruitment efforts to identify a STS having the necessary skill sets for the Materials Specialist position.
- Continued to identify some of the material supply problems faced at the PBSs, and REB itself during visits to PBSs that were related to other tasks (O&M and Planning). (Note: It is important that the O&M task is underway in order to have the proper O&M materials identified for procurement.
- Continued the selection process to determine which two PBSs will participate in the pilot material supply project.

Plans For Next Quarter:

- Continue the selection process to determine which two PBSs will participate in the pilot material supply project. There is no need to speed the process, since significant work will not begin until a specialist arrives.
- Identify and execute contract with ST Materials Specialist.

## Program Activity C: Strengthen Utility Performance

### Task C.1: Strengthen Training Program and Procedures

#### Status as of this Quarter:

- Continued with following curriculum development activities:
  - Started work for developing following training manuals (Trainer and Trainee) after receiving approval of the Curriculum Review Committee of REB on the "draft" Curriculum Outlines:
    - ⇒ Operation, Maintenance & Repair of Voltage Regulator for Engineers (TO 235)
    - ⇒ Operation, Maintenance & Repair of Voltage Regulator for SAE Jr. Engineers (TO 237)
    - ⇒ Operation, Maintenance & Repair of Voltage Regulator for Technician Lineman (TL 044)
    - ⇒ PBS General Accounts Manual (IF 305)
  - Completed pilot test, revised as needed, finalized and submitted final copies of the following training manuals to REB's Training Directorate:
    - ⇒ Management: Its Nature and Scope aimed at REB Accounts Personnel (IM 106)
  - Proceeded with English to Bangla translation of the training manuals for the following programs:
    - ⇒ Management: Its Nature and Scope aimed at REB Accounts Personnel (IM 106)
  - Submitted the "draft" Curriculum Outlines to REB for approval of the following training programs designed for PBS Billing Supervisors:
    - ⇒ Planning and Acting Getting the Job Done (IM 121)
    - ⇒ Controlling – Keeping Plans on Target (IM 135)
    - ⇒ Performance Appraisal and Employee Development (IM 141)
    - ⇒ Interpersonal Communication (IM 152)
  - Completed additional work related to reformatting previously developed curriculum materials in support the REB's efforts on Solar Home System:
    - ⇒ Installing & Maintaining of Solar Home Systems for the REB PBS Technical Personnel
    - ⇒ Managing A Solar Home Systems Program for the REB PBS Management Personnel
- Developed a number of communication materials (i.e. posters, banners, leaflets) for promoting different activities of rural electrification program highlighting the USAID-NRECA-REB collaborative approach for RE for use at the "America Week" held in Sylhet in mid-September.
- In order to ensure relevant training materials were developed for the accounting and financial functions of REB and the PBSs, utilized the strong professional background and knowledge of NRECA's Curriculum Development Specialist (Finance) in support of ongoing review and revision of these areas in the following ways:
  - Refinement of REB's Revolving Fund Financial Reporting System and its Administrative Policy
  - Design and development training materials appropriate to the current and revised systems at both REB and PBSs.



Rangpur-1	Joypurhat	Naogaon	Sherpur
Netrokona	Kishoreganj	Mymensingh-3	Munshiganj
Meherpur	Kustia	Kustia	Jhenaidah
Jessore-1	Jessore-2	Satkhira	Satkhira
Khulna	Bsrisal-1	Barisal-2	Pirojpur
Bhola	Patuakhali	Jhalukathi	Sunamganj
Sylhet-1	Sylhet-2	Brahmanbaria	Cox's Bazar

- Continued our support to ongoing software development projects and related training support at REB and the PBSs including the following:
  - Testing of Material Management software at REB HQ with the real data from concerned Directorates (Accounts: Material Planning Standards & Specifications; Procurement; and Clearance, Storage & Movement) in the recently established "mini-LAN" environment.
  - Continued support and training (on the job) to PBS personnel at NRECA offices on an as needed basis with regard to the Statistical Data Base and the Payroll software applications and also on hardware problems.
  - Demonstrated the Equipment Record Card software to the concerned REB senior officials and General Managers from a selected number of PBSs.
  - Completed crosschecking Form-550 data of each PBSs with those in the REB in order to allow for generation of the REB MIS Report using the Statistical Database (Form 550) software beginning in July, 2003.
  - Installed the Equipment Record software in three PBSs (Narshingdi-1, Pabna-2 and Natore-1) and trained relevant people on the operation of this software package.
- Based on information from previously conducted assessments, developed initial draft of Strategic Plan for Information Systems for RE Program that will identify the current status of computerization as well as current and future needs. prepared for REB Strategic Information System Planning.
- Completed initial assignment of Short-term Computer Specialist with his work involving consultations with REB personnel as well as visits to three-four PBSs as well as a review with recommendations on the following:
  - Various software packages developed by NRECA including – REB Payroll, PBS Payroll, Statistical Data Base (550 Form), and Materials Management
  - Consumer billing packages developed by local vendors under REB's direction.
  - Revised REB and PBS Chart of Accounts
  - Initial draft of Strategic Planning document for the Information Systems of RE Program.
  - Platforms for future software development (e.g., Oracle, etc.)
- Designed and developed the training materials for a new training program on the "Basic Computer Application" for both officer and staff-level PBS employees with initial implementation for twelve employees from six PBSs.

Plans for next quarter:

- Continue with ongoing development work with various software packages including training related to the following:
  - Provide ongoing support to the Rates and Contract Cell on as needed bases as well as work on prepare and crosscheck of PTA report that will soon be generated from the Statistical Data Base software.
  - Prepare data entry screens for the additional data that are required in the form 550 as per REB's new requirements.
  - Assist PBSs updating their individual databases with the new module that includes the provision of a 13<sup>th</sup> period and train them on how to enter additional data to be accommodated in the Form-550
  - Upgrade REB Payroll accommodating the benefit, CPF and other related modules.
  - Work on REB General Ledger, as part of the FMIS (Financial Management Information System), and test the same with the updated chart of accounts (chart of accounts are expected to be finalized soon).
  - Install the Equipment Record Card software package at few more PBSs and train relevant people as part of continuing the testing of this new package.
  - Integrate the relevant areas of the Inspection and Testing (IT) Directorate into the Material Management software package.
  - Complete the testing phase of Material Management Software and deliver to the respective Directorates for them to work on it.
  - Initiate study on the requirement specification to design and develop software for the Human Resource Management of REB. This study will initially be conducted in the REB Personnel & Administration and Training Directorates.
- Provide support and training to PBS personnel at NRECA office on an "as needed basis"
- Continue with implementation of the "Computer Appreciation Training" course with coverage to be at at least five more PBSs.
- In consultation with REB, plan with take necessary preparation for workshop to develop a Strategic Plan for Information System of RE Program and conduct the workshop. Information derived from this workshop will be incorporated into a Strategic Planning document that will be prepared in the first quarter of 2004.

**Program Activity D: *Supplemental Tasks***

**Task D.1: Updating Engineering and Construction Standards**

Results as of this Quarter:

- Reviewed REB's proposed revision to the current Material Specification for combination bypass disconnects switches.
- On behalf of REB, continued work with Wood Quality Control, Inc (WQC) regarding investigations of South African Eucalyptus species to determine if these poles are suitable for the Bangladesh RE Program. (Note: WQC is wholly owned subsidiary of NRECA whose objective is to monitor quality of treatment for wooden poles used in US RE Program.)
- Participated with REB in measuring ground rod resistance, and substation ground resistance to remote earth at various locations.

- Participated in discussions with REB concerning interim measures proposed to be taken to minimize the neutral theft problem prior to completion of the final report on this issue.

Plans For Next Quarter:

- Complete the report on recommended system changes required to deal with neutral theft based on the field assessment work that was completed during RPPR I and which has already been discussed with REB.
- Continue to examine the issues initially raised by World Bank regarding its interest in having NRECA's assistance to support the establishment of standards and specifications to help resolve problematic issues (e.g., meter installations, etc..) that are becoming more widespread due to the PBS takeover of "pockets" and load centers from BPDB under the new World Bank project.
- As part of standard practice, advise and assist REB regarding engineering related issues in support of ongoing changes in equipment and new technology that requires a review prior to making changes in equipment specifications and standards.
- Continue to work with NRECA's Wood Quality Control, Inc. in support of the investigation with regard to the REB's acceptance of South African Eucalyptus species for wooden poles to be used in Bangladesh RE Program.

**Task D.2: Socio-Economic Impact Assessment**

Status as of this Quarter:

- Organized and completed a major two-day "Conference on the Economic & Social Impact of the Bangladesh RE Program – Study Findings and Implications for Future" with approximately 500 participants in attendance on first day and more than 350 on second day.
- Conducted a two-day orientation course to IMMAMS on Bangladesh RE Program – its success and USAID assistance as part of quarterly program being conducted with other USAID partners. Included briefing on RE Program and field visit to Dhaka PBS.
- Conducted two training courses for PBS staff on procedure & techniques of the Baseline Data collection. Continued follow up support to involved PBSs (includes Zonal offices) in regard to establishment of the Socio-economic Baseline Database System (SEBDS). Accumulated data of 4,082 (55% of target) completed questionnaires on the SBDS. Finalize selection of additional nine PBSs for extending the SEBDS.
- Assisted the Executive Director's office of REB in regard to evaluation of the bids (4) on Socio-economic Impact Evaluation activity of the upcoming IDA-REB Project.
- Supported other sections of NRECA office: 1) Providing Geo-Code list to the Computer Section and 2) Documents of SE activities to the Training Section (for the American Week in Sylhet).

Plan for the Next Quarter

- Conduct a TOT course on the "Socio-economic Baseline Database System" for staff at the additional nine PBSs.
- Proceed with continuation of follow up support (includes installation the Data Entry Software and training to Data Entry Operators of Zonal offices) to involved PBSs have been implementing the SEBDS.

- Proceed with preparation of the reports(2): Quality of the Baseline Data gathered by PBSs for the year 2002-2003 and Socio-economic Baseline Status of the New Connection Holders of RE Program in the year 2002-2003.

## IV. Quarterly Status & Planning of Project Management For RPPR

### *Project Management/Administration For Program-Related Issues*

#### Status as of this Quarter:

- The Arlington office continued with recruitment and processing of candidates for the various short-term positions.
  - Completed the contracting of the Computer Specialist who came to Dhaka on his first assignment during the reporting period.
  - Continued efforts with recruitment of the Materials Management Specialist, and the Training Specialist.
- Dhaka Office continued specific efforts to identify suitable candidates for the two engineering positions, including having conducted interviews of several candidates. As of the end of the reporting period, the rigorous testing and interviewing had still not resulted in identifying adequately qualified candidates.
- Completed the remaining installation of the new computer equipment (CPU's, monitors, UPS, laptops, etc.) for Dhaka office that came into the country from overseas early in the reporting period.
- Completed some additional procurement actions for the balance of computer equipment for the Dhaka office that will improve efficiency and effectiveness of the staff. As noted in the previous report, this initiative also included the reallocation of equipment to ensure all staff has the best equipment currently available on the project.
- Continued with investigations with USAID, US Embassy and other NGOs in order to locate suitable medical insurance providers for incorporating this coverage for local staff. These investigations involved further communications with various providers as well as customers of these various providers.

#### Plans for Next Quarter:

- The Arlington office will continue efforts to recruit a Materials Management Specialist, and Training Specialist, both of which are short-term posts.
- The Dhaka office will complete recruitment efforts to find suitable candidates for the two local engineering positions being that two suitable candidates were identified during this reporting period.
- Finalize the installation of the new computer equipment (CPU's, monitors, UPS, laptops, etc.) for Dhaka office that were coming into the country from overseas after the end of the reporting period.
- Continue with earlier investigations of potential medical insurance providers for incorporating this coverage for local staff including consultation with USAID Embassy and other NGOs.

## V. Brief Summary of Related Observations & Other RE Activities

### *Key Operational Information*

The following table reflects key operational information regarding the sixty seven (67) commercially operating PBSs included in the RE Program for the months of July, August, and September as contained in the selected REB Management Information System (MIS) Reports:

Description	June 2003	July 2003	August 2003	Sept. 2003	Change - 3 Mos Per'd
System Loss (12 mo. Avg.)	17.33%	17.50%	17.17%	16.96	-0.37%
System Loss (this month's Avg.)	15.75%	20.10%	19.12%	15.30	-0.45%
Percentage of Collection (12 mo. Avg.)	97.90%	97.62	97.74%	97.64	0.26%
Percentage of Collection (this mo. Avg.)	138.20%	88.42	91.74%	93.08	-45.12%
Accounts Receivable (# mo. Outstanding)	1.92	2.06	2.17	2.21	-0.29%
Total Villages Energized	38,414	38,788	38,898	39,105	-691
Number of New Meter Connections	46,076	73,177	61,062	54,268	-188,507
Total # of Meters Connections	4,708,488	4,781,665	4,842,727	4,896,995	-188,507
Total Km of Energized Line	157,829	159,403	160,192	161,381	-3,552
MWH Purchased YTD - % of change last yr.	25.49%	30.04%	23.09%	22.57%	-----

- For this three-month reporting period, the operational statistics for the 67 energized PBSs continue to reflect that the overall RE Program shows significant expansion with **188,507 new connections** made during this reporting period. This averages out to **62,835 per month** or 2,464 per work day based on an average of 25.5 day working days month. As part of this ongoing expansion, **691 new villages** received electric service. Also, the total amount of energized line increased by **3,552 km** during these three months for an average of 1,184 km month or 46.4 km day during an average month of 25.5 work days.
- As of the end of the reporting period, the overall **12-Month Average System Loss** for all 67 operating PBSs decreased by **0.37%** over the three-month reporting period. As noted in previous reports with the process of taking over of lines and facilities from BPDB and DESA continuing, the increases in losses are to be expected for a period of time and will require continued monitoring by REB and joint efforts to bring these new areas under control in order to bring the losses down to appropriate levels. The pattern of lower losses is a positive sign that loss reduction efforts are working in some of the PBSs. Efforts to control system loss must remain a priority item for all PBSs. As noted in an earlier report, the extensive takeovers are being implemented under the new World Bank IDA and these will require a significant effort to control the losses in these new areas.

- There was a reduction of **0.45%** in the *Average Monthly System Loss* for the reporting period which bringing this statistic to **15.30%**. This figure continues to show a positive result for this indicator, which had been showing light increases over the past several months. As was noted under comments for *12 Mos. Average for System Loss*, several PBSs have losses that are well above the acceptable levels and proper attention must be given to assist these PBSs with corrective action.
- The overall *Percentage of Collection (12 mos average)* shows a slight reduction of **0.26%** bringing the collection rate to **97.64%**. This collection rate continues to reflect an earnest effort on the part of the PBS to collect its bills as well as a willingness by the PBS members to pay their electric bills. The *Percentage of Monthly Collection (this month Average)* showed a marked reduction of **45.12%** which moved from **138.20%** for June down to **93.08%**. This significant reduction reflects the fact that the June collection rate was unusually high due to efforts by the PBSs to achieve their Performance Targets within June which is the month ending for the Fiscal Year. As noted in last Report, the high percentage rate for June reflected major efforts by REB (including Member (Finance) and others) who worked with the concerned offices and departments to secure end of year payment from the GOB to cover extensive arrears from GOB offices, mosques, etc.
- The total *Accounts Receivable* showed a decline of **0.29%** during the reporting period thus resulting in a total of **2.21 months outstanding** and owed to the PBSs.
- Another indicator that identifies positive growth is the one related to *MWH Purchased Year to Date*. The continued growth in demand is reflected by the monthly increases for the three months of the reporting period showing increases of **30.04%**, **23.04%** and **22.57%** for each of the respective months in the reporting period. These figures represents the percentage of positive change in the total number of MWH purchased for the year when compared to the same period in the previous year. These increases continue to document some of the findings of the October 2002 "Economic and Social Impact Assessment" related to load growth and some of the positive increases in economic activities due to having electric service in rural areas.

### ***Other Related Activities and Relevant Information***

- NRECA continued as active member of RE Donors' Group that has been formed to improve donor coordination in RE Sector.
- In addition to its participation in regular RE Donor's Group, NRECA staff participated in meetings on various RE issues with representatives from JBIC, the World Bank, The Netherlands, and DFID on a variety of issues related to ongoing donor support to the RE Program.
- Participated in additional meetings with Team members assigned under Dutch funding to develop a Gender Strategy and Action Plan for the RE Program.
- Supported efforts of donors and REB to move the "multi-donor TA Fund" initiative forward within ERD.
- Participated in meetings of USAID's Energy Team contractors that are now being held at the Mission as scheduled by the Mission's Energy Office.
- Participated in the US Embassy USAID-sponsored America Week in Sylhet in mid-September including having a booth in the display area and conducting a presentation on the impacts of RE.

- At REB's continued request, NRECA remained action in attending the REB Revolving Fund Committee meetings that are held on monthly basis to review loan requests from the PBSs and provide general management of the Fund. Some of the key actions included the following:
  - Continued to work jointly with REB personnel to finalize the procedures for administration of the Fund and for loan accounting in preparation for review by the REB management. Efforts also related to the loan accounting procedures for the Fund, as well as taking decisions for automating the accounting which is being undertaken by the NRECA Computer Team's task.

## Quarterly Report Exhibits

### A. Implementation Schedule

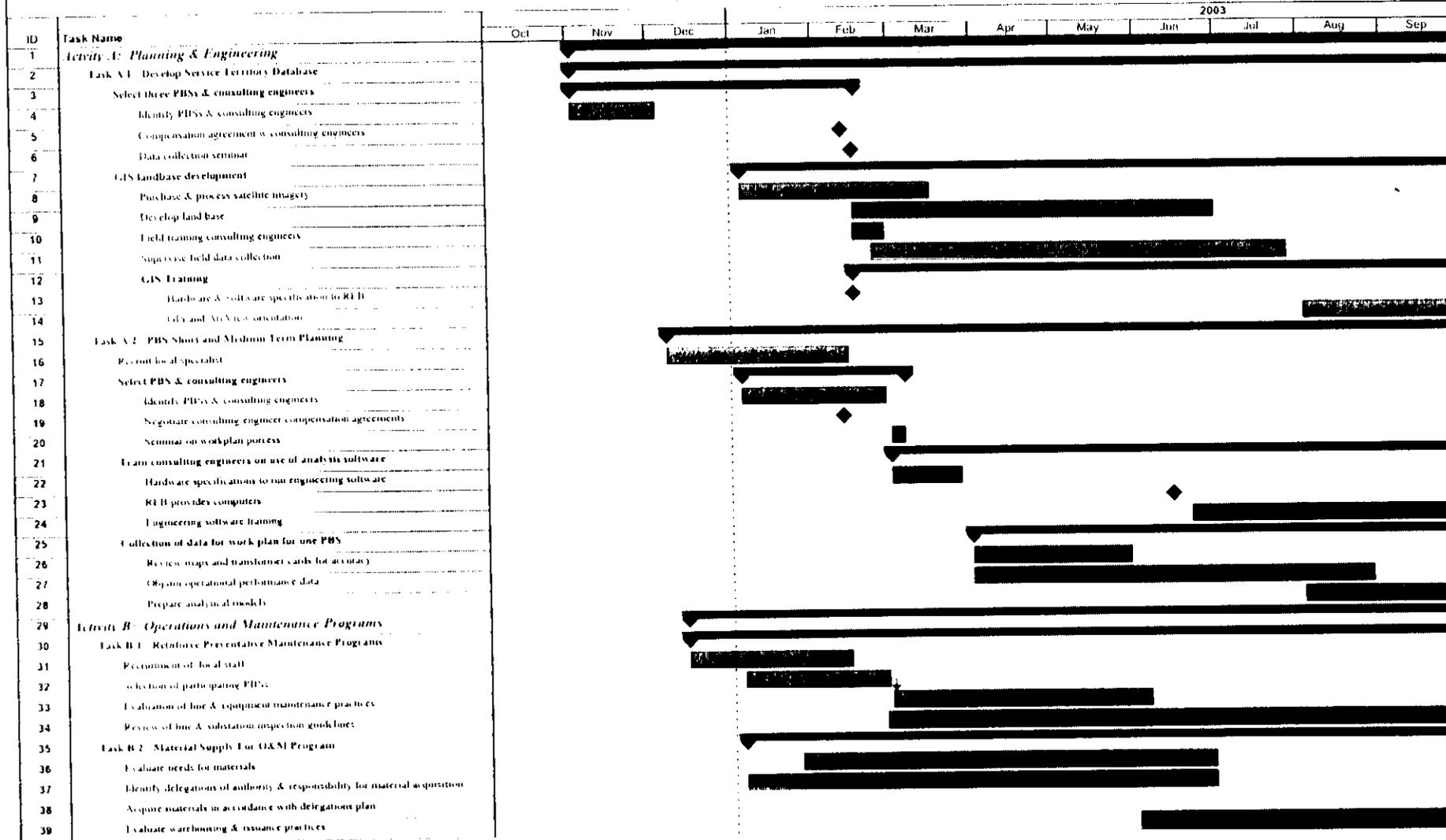
The Implementation Schedule presented in this Quarterly Report reflects the Annual Work Plan for the RPPR II Program prepared for Year #1.

The Implementation Schedules have been developed using *Microsoft Project* in order to monitor progress and modify as necessary. Subsequent Quarterly Reports will reflect progress on each activity and the various subtasks

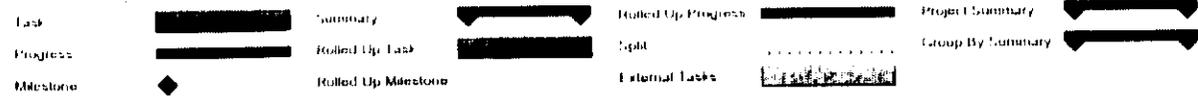
**EXHIBIT - A**

**IMPLEMENTATION SCHEDULE  
With Focus on Year #1**

# RPPR II First Year Workplan and Implementation Schedule



Project C: RPPR II  
Date: September 2002



22

## RPPR II First Year Workplan and Implementation Schedule

ID	Task Name	2003											
		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
40	<b>Activity C: Strengthen Utility Performance</b>	[Redacted]											
41	Task C.1 - Strengthen Training Program & Procedures	[Redacted]											
42	Begin training needs assessment (OVQ and COI)	[Redacted]											
43	Coordinate activities of RPPR training team (REB, PBSS, NRECA, US AID)	[Redacted]											
44	Support REB training academy development	[Redacted]											
45	Curriculum development/improvement program	[Redacted]											
46	Regional & other training forums	[Redacted]											
47	<b>Task C.2 - Enhance Computerization Program</b>	[Redacted]											
48	Computerization assessment report	[Redacted]											
49	Implementation plan for HQ LAN	[Redacted]											
50	Customize application software development at PBSS	[Redacted]											
51	Develop exit strategy for NRECA computerization support	[Redacted]											
52	Facilitate internet communications between HQ and PBSS	[Redacted]											
53	<b>Activity D: Optional Programs</b>	[Redacted]											
54	Task D.1 - Engineering and Construction Standards	[Redacted]											
55	Recommend system changes required to deal with nonlocal threat	[Redacted]											
56	Review distribution construction standards	[Redacted]											
57	Review equipment specifications	[Redacted]											
58	Task D.2 - Socio-Economic Impact Assessment	[Redacted]											
59	Baseline data collection	[Redacted]											
60	Strengthen monitoring and socio-economic analytic capability at REB	[Redacted]											

2 Project ID: RPPR II  
Date: September 2002

Task

Progress

Milestone



Summary

Rollup Task

Rollup Milestone



Rollup Progress

Split

External Tasks



Project Summary

Group By Summary



13