

TERMS OF REFERENCE FOR NON-GRID SERVICE PROVIDERS FOR THE SUPPLY, INSTALLATION AND MAINTENANCE OF SOLAR HOME SYSTEMS IN KZN, LIMPOPO AND EASTERN CAPE

1. BACKGROUND

- 1.1. The Integrated National Electrification Programme is a national programme intended at ensuring electrification access to South African citizens. The electrification is carried out through the grid and non-grid electrification programmes, which aims to address an estimated electrification backlog of 3, 4 million households.
- 1.2. The non-grid electrification programme was established to ensure temporary electrification of households in areas where grid electricity will not be available in a period of three or more years. Through the non-grid electrification programme, more than 60,000 Solar Home Systems (SHS) have been installed in the Eastern Cape, Kwazulu Natal and Limpopo provinces. These installed SHS exist only in designated concession areas.
- 1.3. The New Electrification Household Strategy which was approved by Cabinet in June 2013 seeks to provide more than 200 000 households with a high quality Solar Home System by 2025 in a cost effective manner.
- 1.4. In order to achieve the set target date, more than 25 000 SHS as opposed to 10000 SHS connected in previous years must be connected annually. It is against this background that the Department needs services of the non-grid service provider to expedite delivery of services to many households that are still without electricity.

2. CONTRACT PERIOD

- 2.1 The service providers will enter into a contract with the Department for the supply and installation of 8500 units of SHS, and the minimum of 350 units will be required to be achieved on a monthly basis.

- 2.2 The maintenance period for an installed SHS will be for period of twenty (20) years or until grid electricity becomes available in the specific serviced areas.

3. SCOPE OF PROJECT

- 3.1 The service provider is expected to produce the following outputs:
- Supply and install SHS in compliance with the National Regulator Standard (NRS 052-1:2012/SAN959) to areas which will be identified by the Department in KZN Limpopo and the Eastern Cape.
 - Commission, test and report for each SHS installed
 - Programme for maintained SHS

4. REPORTING REQUIREMENTS

- 4.1 The appointed service providers will report to the Department's Non-Grid Electrification Planning Manager on a monthly basis from the commencement of the project.
- 4.2 The Department of Energy will conduct technical audits to verify quality and performance of installed SHS before payment is done.

5. TAX CLEARANCE CERTIFICATE

- 5.1 The bidder is required to submit an original and valid Tax Clearance Certificate issued by the South African Revenue Services together with the bid documents before the closing date and time of the bid. **Failure to comply with this condition will invalidate the bid.**

6. SECURITY BACKGROUND CHECKS

- 6.1 The Department reserves the right to conduct Security background checks in respect of the selected bidders, their Directors and staff. Appointment of the successful bidder will be done subject to positive background checks.

7. COMPULSORY INFORMATION SESSION

7.1 A compulsory information session will be held on **08 September 2014 at Department of Energy, 192 Visagie Street, Pretoria, at 10h00.**

8. SITE INSPECTION

8.1 Site inspection will be conducted with the shortlisted service providers at their premises to ensure existence of the necessary infrastructure (Office, storage, vehicles).

9. EVALUATION CRITERIA

9.1 COST

9.1.1 Service providers are requested to submit cost per unit for supply, installation and maintenance of Solar Home Systems; cost must be VAT inclusive and should be quoted using South African currency (i.e. rands).

9.2 Broad-Based Black Economic Empowerment (B-BBEE)

9.2.1 Provisions of the Preferential Procurement Policy Framework Act (PPPFA) 2011 and its regulation will apply in terms of awarding points.

9.2.2 Bidders are required to submit original and valid B-BBEE status level Verification certificates or certified copies thereof together with their bids to substantiate their B-BBEE rating claims.

9.2.3 Bidders who do not submit their B-BBEE status level verification certificates or are non-compliant contributors to B-BBEE will not qualify for preference points for B-BBEE.

9.2.4 A trust, consortium or JV must submit a consolidated B-BBEE status level verification certificate for every separate bid.

9.2.5 AO/AA must ensure that the B-BBEE Status Level Verification Certificates submitted are issued by the following agencies:

- Verification agencies accredited by SANAS; or

- Registered auditors approved by IRBA

9.2.6 The table below depicts the B-BBEE status level of contribution:

B-BBEE Level Contributor	Status of	Number of points (90/10 system)
1		10
2		9
3		8
4		5
5		4
6		3
7		2
8		1
Non-compliant contributor		0

9.3 Company Experience

9.3.1 Service providers should have at least five (5) years experience in providing electrical field services and should provide proof accompanied by correspondence from referees indicating that such project was executed as well as their contactable references.

9.4 Team Leader experience

9.4.1 Team Leader must have at least three (3) years in the electrical field and individual Team members must have at least two (2) years in the same field.

9.4.2 CV's of the Team leader and Team members must be attached to the technical proposal as proof.

9.5 The proposal

9.5.1 The business proposal must address the following:

9.5.1.1 Commercial aspects

- a) Quality of proposed customer managements system
- b) Proximity to the customer and regular visit
- c) User training on system operation
- d) Local job creation
- e) Training of staff

9.5.1.2 Technical requirements

- a) System design and performance of 95Wp system
- b) Battery Management strategy
- c) Theft prevention reduction
- d) System User friendly documentation
- e) System maintenance approach and sustainability model
- f) Local Content of Supply in Serviced Areas
- g) Innovative technical approaches

9.6 Infrastructure

9.6.1 It is expected that the preferred service provider possess relevant infrastructure in terms of office, testing equipments, vehicles, etc.

9.6.2 Site inspections per province will be conducted with all short listed bidders.

10. EVALUATION CRITERIA

10.1 Bids will be evaluated on 90/10 point system as outlined in the PPPFA of 2011.

10.2 The proposals will be evaluated in two phases:

Phase 1: Bidders will be evaluated based on functionality. The minimum threshold for functionality is **70 out of 100 points**. Bidders who fail to meet minimum threshold will be disqualified and will not be evaluated further for price and preference points.

No.	Criteria	Weights
1.	Company Experience <ul style="list-style-type: none"> ❖ At least five (5) years' experience in providing electrical field services. ❖ Proof accompanied by correspondence from referees. 	20 10 10
2.	Team Leader experience <ul style="list-style-type: none"> ❖ Team Leader must have at least three (3) years in the electrical field. ❖ Individual team members must have at least two (2) years in the same field. ❖ CV's of the Team leader and Team members must be attached to the technical proposal as proof. 	25 10 10 5
3.	Proposal/Methodology <ul style="list-style-type: none"> ❖ A detailed business proposal must be submitted as outlined in paragraph 9.5. Commercial Aspects (20): <ul style="list-style-type: none"> ❖ Quality of proposed customer managements system ❖ Proximity to the customer and regular visit ❖ User training on system operation ❖ Local job creation ❖ Training of staff Technical Aspects (20): <ul style="list-style-type: none"> ❖ System design and performance of 95Wp system ❖ Battery Management strategy ❖ Theft prevention reduction ❖ System User friendly documentation 	40 4 4 4 4 4 4 3 2 2

	<ul style="list-style-type: none"> ❖ System maintenance approach and sustainability model ❖ Local Content of Supply in Serviced Areas ❖ Innovative technical approaches 	<p>2</p> <p>4</p> <p>3</p>
4.	Qualifications <ul style="list-style-type: none"> ❖ The team leader must have Grade 12 qualification or equivalent. 	15
	Total	100

For purposes of evaluating functionality, the following values will be applicable:

0=	Very Poor	Will not be able to fulfil the requirements
1=	Poor	Will not be able to fulfil the requirements
2=	Average	Will partially fulfil the requirements
3=	Good	The bidder will be able to fulfil the requirements
4=	Very Good	The bidder will be able to fulfil better in terms of the requirements
5=	Excellent	Fully fulfil in terms of the requirements

Phase 2:

Price	90
B-BBEE compliance	10

11. FORMAT AND SUBMISSION OF THE PROPOSAL

- 11.1 All the official forms (SBD) that are included in the bid document must be completed in all respects by bidders. Failure to comply will invalidate a bid.
- 11.2 Bidders are requested to submit two (2) copies: 1 original plus copy of the proposal and bid documents.

12. CLOSING DATE

- 12.1 Proposals must be submitted by **18 September 2014 at 11H00** at 192 Visagie Street, Pretoria, in the bid box **marked** Department of Energy.

13. ENQUIRIES

- 13.1 All general enquiries relating to bid documents should be directed to:

Lebogang Mosuwe/Daisy Maraba

Tel No: (012) 406 7742/406 7748

E-mail: rachel.moerane@energy.gov.za / daisy.maraba@energy.gov.za

- 13.2 Technical enquiries can be directed to:

Serame Moeketsi

Tel No: (012) 406 7683/082 449 1674

E-mail: serame.moeketsi@energy.gov.za