
TERMS OF REFERENCE FOR APPOINTMENT OF A PANEL OF SERVICE PROVIDERS TO UNDERTAKE INDEPENDENT TECHNICAL AUDIT AND MEASUREMENT AND VERIFICATION (M&V) OF ENERGY SAVINGS ACHIEVED FROM THE IMPLEMENTATION OF MUNICIPAL ENERGY EFFICIENCY AND DEMAND SIDE MANAGEMENT (EEDSM) PROGRAMME FOR THE PERIOD 2015/16, 2016/17 AND 2017/18 FINANCIAL YEARS.

1. BACKGROUND

- 1.1 Energy Efficiency and Demand Side Management (EEDSM) is an initiative funded by National Government and is aimed at assisting selected municipalities to implement energy efficiency technologies within their area of supply in order to reduce their electricity consumption. The measures considered for funding are currently limited to the retrofitting of energy efficient technologies for street and traffic lighting, building and water supply and treatment infrastructure. The measures are focused towards minimising supply interruptions and also to improve efficiency of electricity usage within the local government sector.
- 1.2 The municipal programme forms part of the broader energy efficiency and demand side management programme led by governments, Eskom and business community amongst others. This initiative would contribute significantly towards the national energy efficiency targets as stipulated in the National Energy Efficiency Strategy (NEES). It is important for government to monitor the performance of this programme through the M&V process which would ultimately confirm the electricity savings achieved thereof.
- 1.3 The technical audits and M&V activities to be undertaken will form part of the overall Energy Efficiency programme monitoring and evaluation with respect to the amount of electricity saved post the implementation of the EE initiatives within the municipal EEDSM programme. The implementation of these initiatives have taken place against the background of steep electricity

price increases since 2009, as well as increasing efforts to relieve South Africa's tight supply-demand balance by promoting energy efficiency.

1.4 It is for these reasons that the Department of Energy is inviting competent and qualifying Measurement and Verification Experts to express their interest for conducting technical audits, measurement and verification of energy savings for the municipal EEDSM projects implemented by municipalities over a three year period.

1.5 The selected service providers will be listed on the Department's panel and will be appointed to undertake this function on a need bases. All service providers will be given a fair chance to compete for the work as and when required.

2. OBJECTIVES

The objective of this M&V project is to:

2.1 Measure and quantify municipal EEDSM savings from all municipal projects that will be implemented in the financial years 2015/16, 2016/17 and 2017/18. It should be noted that, one of the key success of the EEDSM programme would be to profile the impact of the energy savings achieved to date since the programme inception against the set national energy intensity reduction target of 12% based on the year 2000 baseline. The energy savings data to be received from participating EEDSM municipalities will be used in the national energy efficiency monitoring system currently being piloted by the Department of Energy (DoE). The outcome of this M&V will also inform government's policy development process.

2.2 Support Energy Services Companies (ESCOs) or bodies with required practical sessions towards M&V accreditation by the South African National Accreditation System (SANAS).

3. SCOPE OF WORK

3.1 Experienced and qualifying ESCOs or companies shall be required to conduct the following activities.

- 3.1.1 Conform to all reporting procedures as determined by the Department
- 3.1.2 Attending various Workshops and meetings with Government and Municipalities in relation to EEDSM programme. Rendering of measurement and verification services for analysis of energy efficiency, load management and related type savings realised by energy efficiency and demand side management or related initiatives.
- 3.1.3 Perform full and detailed investigations regarding energy efficiency and demand side management projects and initiatives
- 3.1.4 Perform and provide to DoE scoping study and report
- 3.1.5 Development of M&V plan
- 3.1.6 Verify and certify electricity baseline data determined by municipalities prior to commencement of the programme and upon consultation with the DoE.
- 3.1.7 Conduct the technical audit of technology retrofit.
- 3.1.8 Provide a survey report of the key participants and or stakeholders associated with this programme. These should at least include suppliers (e.g. manufacturers, distributors, installers and ESCOs. The aim should be to obtain an understanding of the key constraints and opportunities that should be considered, based on the experience gained during the implementation of this programme
- 3.1.9 Produce post implementation report showing the details of the implementation of the project and its benefits
- 3.1.10 Produce a final performance assessment certificate

4. DURATION OF THE PROJECT

- 4.1 The service provider will be allocated a minimum period of 6 months to complete all the work related to M&V function and in line with the SANS 50010..

5. PAYMENT

- 5.1 Payment will be based on the achievement of pre-determined milestone and submitted reports. The Department will not make an upfront payment to a successful service provider. Payment will only be made within 30 days in accordance to the delivery of services that will be agreed upon by both parties and upon receipt of an original invoice.

6. REPORTING

- 6.1 The service provider will work closely and report directly to the Programme manager assigned.
- 6.2 All resulting reports and data shall be delivered in two copies, i.e. in electronic format and in hard copies. All draft and final reports shall be printed in full colour. The reporting language is English. All documents and copyrights, including data and databases developed during the process, will remain the intellectual property of the DoE.
- 6.3 All drafts and final reports shall be submitted in full by the end of the project to the Programme Manager. They must be edited, complete and presented in their final versions.

7. PROJECT OUTPUT/ DELIVERABLES

- 7.1 Inception report - the report shall cover project plan with intermediate and final outputs, proposed methodology and identified timeframes/milestones.
- 7.2 Baseline verification report and a certificate
- 7.3 Final M&V report entailing a summary and evaluation of the overall M&V project in each municipality in accordance to the report structure agreed to by the parties.
- 7.4 Issue individual municipal EEDSM M&V certificate.
- 7.5 Provide proof on the application for the SANAS M&V accreditation process if not approved already.

8. COMPULSORY BRIEFING SESSION

- 8.1 A briefing session will be held on **12 August 2015, at 10H00**, DoE offices Head Office (Matimba House, 192 Visagie streets or corner of Paul Kruger and Visagie streets).

9. EVALUATION METHODOLOGY

9.1 BROAD-BASED BLACK ECONOMIC EMPOWERMENT

- a) Provisions of the Preferential Procurement Policy Framework Act (PPPFA) of 2011 and its regulation will apply in terms of awarding points.
- b) 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.
- c) 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.
- d) A trust, consortium or joint venture must submit a consolidated B-BBEE status level verification certificate for every separate bid.
- e) The B-BBEE status level verification certificates submitted must be issued by the following agencies:
 1. For bidders who qualify as Exempted Micro Enterprises:
 - Accounting officers as contemplated in the CCA; or
 - Verification agencies accredited by SANAS; or
 - Registered auditors (Registered auditors do not need to meet the prerequisite for IRBA's approval for the purpose of conducting verification and issuing EMEs with B-BBEE Status Level Certificates).
 2. For bidders other than EMEs:
 - Verification agencies accredited by SANAS
 - Registered auditors approved by IRBA

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

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

9.2. COMPANY EXPERIENCE

- a) The service provider must have at least a minimum of five (5) years in the electricity industry, energy management, monitoring and reporting, and M&V of energy savings.
- b) Proof from three (3) contactable referees indicating that similar project/s was/were executed.

9.3 TEAM LEADER AND TEAM MEMBERS' EXPERIENCE

- a) The Team Leader must have at least a minimum of 5 years relevant work experience to be shown in at least five (5) M&V project as reference.
- b) Team members must have at least a minimum of 3 years relevant work experience in at least three (3) M&V projects as reference.
- c) CV's of the team leader and team members must be attached to the technical proposal as proof, and should reflect the number of projects executed by the project leader and each team member. Details of the team leader and team member should indicate their designated responsibilities.

9.4 QUALIFICATION OF TEAM LEADER AND TEAM MEMBERS

- a) Team Leader must have a degree in Engineering, Environment, or Economics with a certificate in Measurement and Verification Professional and Energy Management.
- b) Team Members must have a minimum of three (3) years qualification in Electrical Engineering, Environment or Economics and a certificate in Measurement and Verification Professional or Energy Management.
- c) Copies of certified certificates must be attached to the proposal as proof, failure to attach, bidders will forfeit points.

9.5. PROJECT PLAN

9.5.1 The service provider will be required to provide a Project plan detailing the following:

- the intermediate and final outputs, timeframes and milestones.
- methodological approach to be deployed in executing the task and
- the overall project management structure related to management of activities related the execution of the project.

9.6 MUNICIPAL ALLOCATION PER SERVICE PROVIDER

- a) Municipalities will be allocated in to groups or regions depending on the total number of municipalities participating in the financial year. Each service provider will be allocated one group although the Department reserves the right to allocated more than one group per service provider.

10. EVALUATION CRITERIA

10.1 Bids will be evaluated on the **90/10 preference 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 the minimum threshold will be disqualified and will not be evaluated further for price and BBBEE points.

No	Criteria	Weights
1	<p>Company Experience:</p> <ul style="list-style-type: none"> ❖ Service providers should at least have a minimum of five (5) years in the electricity industry, energy management, monitoring and reporting, and M&V of energy savings. ❖ The contents should be supported by proof from 3 contactable referees indicating that similar project was executed. 	<p>20</p> <p>15</p> <p>5</p>
2	<p>Team leader and team members:</p> <ul style="list-style-type: none"> ❖ Team Leader must have at least a minimum of 5 years relevant work experience by the team leader to be shown in at least five M&V project as reference; ❖ Team members must have at least 3 years relevant work experience for team members in at least three (3) M&V projects as reference, and ❖ CV's of the team leader and team members must be attached to the technical proposal as proof, and should reflect the number of projects executed by the project leader and each team member. 	<p>25</p> <p>15</p> <p>5</p> <p>5</p>
3.	<p>Qualifications:</p> <ul style="list-style-type: none"> ❖ A minimum of a five (5) years' experience, a Degree for the Project Team leader in Engineering, Environment, or Economics with a certificate in Measurement and Verification Professional and Energy Management. ❖ Team Members must have a minimum of three (3) years qualification in Electrical Engineering , Environment or Economics 	<p>15</p> <p>8</p> <p>5</p>

	❖ Copies of certified certificates must be attached to the proposal as proof, failure to attach, bidders will forfeit points.	2
4	Project Plan: ❖ Project plan with intermediate and final outputs, Timeframes and milestones. ❖ Proposed Methodology. ❖ Management of the project.	40 10 20 10
Total		100

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

0	Very Poor	Do not meet the requirements
1	Poor	Will not be able to fulfil the requirements
2	Average	Will partially fulfil the requirements
3	Good	Will be able to fulfil the requirements
4	Very Good	Will be able to fulfil better in terms of the requirements adequately
5	Excellent	Will fulfil the requirements exceptionally

Phase 2:

Bidders who complied with the minimum threshold for functionality, i.e. 70 out of 100 points will then be evaluated on the 90/10 point system as outlined in the PPPFA of 2011.

Price	90
B-BBEE status	10

11. FORMAT AND SUBMISSION OF PROPOSAL

- 11.1 All standards official bidding document forms (SBD) must be completed in all respects by bidders. Failure to comply will invalidate a bid. Bidders are requested to submit three (3) copies: one (1) original plus (2) copies of the proposals and bid documents.

12. TERMS AND CONDITIONS

- 12.1 The Department reserves the right to appoint more than one (1) service provider.

13. CLOSING DATE

Proposals must be submitted on or before **21 August 2015 at 11H00**, at the DoE offices, Head Office (Matimba House, 192 Corner Visagie and Paul Kruger Streets, Pretoria in the bid box marked Department of Energy). **No late bids will be accepted**

14. ENQUIRIES

- 14.1 All technical enquiries to be directed in writing to:

Maphuti Legodi

Tel: 012- 406 7645

Email: Maphuti.legodi@energy.gov.za

- 14.2 All bid enquiries to be directed to:

Ms Rachel Moerane/Ms Daisy Maraba

Tel: 012- 406 7747/7748

Email: rachel.moerane@energy.gov.za/[Daisy Maraba@energy.gov.za](mailto:Daisy.Maraba@energy.gov.za)

ANNEXURE C

Pricing Schedule

Deliverable	Main Activities	Time Period for completion	Cost %
1. Scoping Report and M&V plan	<ul style="list-style-type: none"> • To be developed in compliance with SANS 50010:2011 • To be based on site visits and Meetings with the stakeholders • To be based on Site evaluations • To be based on Preliminary energy audits/measurements • To contain Meter specifications • To be signed off by the Client 	30 working days after the visit to the site and the meetings with the Client and the stakeholders.	30%
2. Baseline Report	<ul style="list-style-type: none"> • To be developed in compliance with SANS 50010:2011 • To be in compliance with the M&V Plan • All power data to be represented in tabular and graphical formats in 30 min intervals • To be signed off by the client 	30 working days after receiving/downloading required data and receiving all relevant documentation or measurements from the client	30%
3. Performance assessment report	<ul style="list-style-type: none"> • To be developed in compliance with SANS 50010:2011 • To be in compliance with the M&V Plan • To present the savings in kW and kWh where appropriate and in the same format as the base line • To be signed off by the client 	30 working days after receiving the Certificate of Completion (COC) and all required data from the client.	30%
4. Performance certificate issued	<ul style="list-style-type: none"> • To be developed in compliance with SANS 50010:2011 • To be signed off by the client 	5 working days after receiving/downloading required data and receiving all relevant documentation by the Client	10%
TOTAL PRICE			(including VAT)