

TENDER NO: DOE/008/2015/16

**The Republic of South Africa
Department of Energy**

**REQUEST FOR BIDS FOR SUPPLY OF BASELINE SYSTEMS UNDER THE SUPPLY PROGRAMME OF
THE NATIONAL SOLAR WATER HEATER PROGRAMME**

BRIEFING NOTE 2

12 JANUARY 2016



energy

Department:
Energy
REPUBLIC OF SOUTH AFRICA

1. Introduction

- 1.1 This Briefing Note (Number 1) is issued in terms of clause 28.1 of the Department of Energy’s Request for Bids for Supply of Baseline Systems under the Supply Programme of the National Solar Water Heater programme dated 30 November 2015 (Tender No: DOE/008/2015/16) (the “RFB”) and is subject to all the terms and conditions contained therein.
- 1.2 Unless otherwise expressly stated, or the context otherwise requires, words and expressions defined in the RFB shall bear the same meanings in this Briefing Note as those ascribed to them in the RFB.

2. Purpose of the Briefing Note

- 2.1 The purpose of this Briefing Note is to:
- 2.1.1 Correct the previously extended due date for the Bid Submission Notification Form;
 - 2.1.2 Amend Financial Criterion 2;
 - 2.1.3 Amend the Purchase Order Schedule in regard to the Amount of Performance Security;
 - 2.1.4 Amend the Pro-forma Performance Bond; and
 - 2.1.5 Provide responses to Bidders’ enquiries and requests for clarification.

3. Correct Revised Due Date for Bid Submission Notification Form

- 3.1 The correct revised due date for Bidders to register their intention to bid through completing the Bid Submission Notification Form (online or manual) is **21 December 2015** – see table 1 below.

Milestone	Anticipated Date
Issue of RFB	04 December 2015
Information Session	14 December 2015
Bidder Clarifications Submission of written questions by Bidders	See clause 22 (<i>Time for information requests and clarifications</i>) Part I (<i>General Requirements, Rules and Provisions</i>) of this RFB
Submission of the Bid Submission Notification Forms	21 December 2015
Bid Submission Date	15 January 2016
Evaluation of Bid Responses	12 February 2016

Milestone	Anticipated Date
Announcement of Preferred Bidders	19 February 2016
Signature of the Supply Agreement	29 February 2016

Table 1: Corrected revised due date for online registration of Intention to Bid

4. Amendment of Financial Criterion 2

4.1 Criterion 2 is amended as follows:

4.1.1 Clause 37.5.5.2.1 is deleted.

5. Amendment of PURCHASE ORDER SCHEDULE

5.1 The Amount of Performance Security under the Purchase Order Schedule is deleted.

6. Amendment of PRO-FORMA PERFORMANCE BOND

6.1 Clause 1.5 of the Pro-forma Performance Bond (Schedule 2) is amended as follows:

6.1.1 “Guaranteed Sum” means:

A written undertaking as outlined in Schedule 2 that financially covers the warranty in respect of the total quantity of Baseline Systems which a Bidder is contracted for.

7. Department's responses to enquiries raised by Bidders (on or before due date)

Issue No	Category	Reference in RFB documents	Date Received	Issue Description	Department's Instruction
1.			Tue 12/8/2015 12:08 PM	<ul style="list-style-type: none"> - Kindly check Appendix 5A collector and 5A Storage tank do not have Annex C and D only E. - Appendix 5A (Collector) - Declaration Certificate for Local Production and Content for Designated Sectors (SBD 6.2) - Annex C, D and E - Appendix 5A (Storage Tank) - Declaration Certificate for Local Production and Content for Designated Sectors (SBD 6.2) - Annex C, D and E 	<ul style="list-style-type: none"> - Annex C, D and E all included in the Bid documents
2.			Tue 12/8/2015 01:11 PM	<ul style="list-style-type: none"> - The Bid documents that are currently on your website are in the PDF format. Please can I request they be emailed to me in WORD format? 	<ul style="list-style-type: none"> - Please reproduce the Purchase Order Schedule on page 53 and the corresponding Pricing Schedule on page 60; this must be done in respect of each Bid Category selected by

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					the Bidder.
3.			Thu 12/10/2015 6:42 AM	<ul style="list-style-type: none"> - Is this tender designed to operate in a particular region or the entire country? - Does this tender allows me the privilege only to manufacture and other contractors conduct the site installations or to do all as the tender requires? - Am I limited to the region I'm based in and other provinces would that be a problem? 	<ul style="list-style-type: none"> - No, the bid is open for the supply of compliant Baseline Systems and is not restricted to any particular region. - This tender is for SUPPLY ONLY. Installation will be contracted under a separate tender process. - There is no limitation to the region from which the supply of the compliant Baseline System comes.
4.			Fri 12/11/2015 12:26 PM	<ul style="list-style-type: none"> - Does this tender refer to installation of Solar Water Geysers? - In the Ad reference is made on the manufacture, supply, delivery, and warehousing of Solar Water Heater Systems. If so, are you seeking a manufacturing plant for Solar Water Geysers and is this for existing plants or new 	<ul style="list-style-type: none"> - Installation of solar water heaters (SWHs) is not part of this tender (DOE/008/2015/16). Only training obligations are placed on manufacturers. The tender for installation will be issued in the first half of 2016. - This tender is issued to bidders and potential bidders that meet the "Compliance and Functionality Criteria" and can

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				ones as well?	deliver the Goods (Baseline Systems) at the specified dates. Please check the requirements and see if your company can be able to meet them.
5.			Sun 12/13/2015 01:49 PM	- Please clarify if the abovementioned tender is for the supply only and not for the installers of the solar water heater mass-rollout project.	- The tender is for Supply ONLY. The one for the Installation Programme will be released separately from this one.
6.	Technical	Part II, Clause 37.4.4	Tue 12/15/2015 2:19 PM	- Due to the SABS being out of service for over a year, how do we mitigate the issue of the SABS Mark and Test Reports for the abovementioned Bid?	- All Bidders are required to meet the stipulated compliance requirements.
7.			Wed 12/16/2015 10:23 PM	<ul style="list-style-type: none"> - How will Accredited Plumbers (for the solar installations) be appointed? - Will an Implementing Agent be responsible for these appointments? Or, is there 	- This tender is for the SUPPLY ONLY of Baseline Systems. Installation and related services (including maintenance) will be addressed under a separate

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				<p>going to be a separate bidding process for this?</p> <ul style="list-style-type: none"> - Who will pay for these Accredited Plumbers? - Once the systems are installed, who will be accountable for the Maintenance of these geysers for the forthcoming 5 years? 	tender process.
8.		Part II, Clause 8.6	Thu 12/17/2015 12:10 PM	<ul style="list-style-type: none"> - We submit the full tender with all relevant documents. These documents will have reference to all or just selective bid categories. - At the pricing Schedule we break it down into the specific Bid categories which we wish to Bid for. - We can bid for all categories or just select OR does this Bid only have reference to Category A1 & B1 – total of 	<ul style="list-style-type: none"> - The Bid documents apply to tender (DOE/008/2015/16). Bidders are at liberty to submit bids in respect of any bid category you select. Each selected bid category must be accompanied by the relevant pricing schedule (see and complete page 60 of the Supply Agreement).

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				20 000 systems to be delivered by March 2016?	
9.	Local content	Appendix 6A	Fri 12/18/2015 10:36 AM	- Could you please clarify what you require in terms of documentary proof regarding the declaration as per SBD6.2 Para 5?	- We require an audit report to substantiate the self-declaration in regard to the Local Content Declaration Templates that you would have completed.
10.		Part II, Clause 8.6	Fri 12/18/2015 10:47 AM	- Please clarify where in the bidding documents we should indicate the quantities and dates which we intend bidding for as per clause 8.6 of the RFB.	- Bidders must refer to Issue No. 8 above. In addition to completing the Pricing Schedule on page 60 of the Supply Agreement, Bidders must also complete the Purchase Order Schedule on page 53, in respect of each Bid Category you have selected
11.		Part II, Clause 8.7	Fri 12/18/2015 10:47 AM	- Please clarify what clause 8.7 means.	- Each Bid Category is capped as indicated e.g. 10 000 systems delivered by 31 March 2016 in respect of A1 or B1 (and NOT 20 000). Notwithstanding the cap relating to A1/B1, we will place

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					orders to a maximum of 1 500 systems per Purchase Order, in accordance with the Bidder's Purchase Order Schedule on page 53 of the Supply Agreement. Note that each Bid Category will have its own Purchase Order Schedule
12.		DoE Checklist	Fri 12/18/2015 11:11 AM	<ul style="list-style-type: none"> - Could you kindly specify what you require for the following as requested in the bidding document checklist; <ol style="list-style-type: none"> 1. General conditions attached 2. Price breakdown can be included in the proposal 3. Combined BBEE certificate for JV 	<ul style="list-style-type: none"> - General Conditions of Contract must be printed and attached as part of the bid response. - Pricing information required is outlined on page 60 (Schedule 4 - Pricing Schedule). - If combined certificate does not exist, Bidders to provide individual certificate in respect of each JV partner.
13.		Appendix 2H	Fri 12/18/2015 12:23 PM	<ul style="list-style-type: none"> - We are trying to complete the Supply Agreement, but are unable to do so as the document is in Pdf format. We are trying to copy it on a 	<ul style="list-style-type: none"> - See Issue No. 2 above

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				Word document, but are unable to copy all the pages. Is it possible for you to please send through the document in Word format in order for us to complete the Supply Agreement?	
14.	Local content	Appendix 6A	Mon 12/21/2015 9:55 AM	- For the calculation of the local content, am I correct to take the exchange rate of Sunday, 6 December (i.e. R14-35/USD)?	- Bidders to use the rate published by the SARB on the date of advertisement of the Bid (6 December 2015).
15.			Mon 12/21/2015 12:06 PM	- Which SWH type does DoE prefer, that is, the evacuated system or the flat plate?	- Only those Baseline Systems that meet the prescribed requirements (irrespective of the collector type) will be considered.
16.		Part II, Clause 22.2	Tue 12/22/2015 9:00 AM	- The closing date of the 23 rd of December 2015 is for what?	- The 23 rd of December 2015 is the last date for submission of written queries and requests for clarification.

Table 2: DoE responses to Bidders' enquiries

8. Department's responses to enquiries raised by Bidders (on or before due date)

8.1 The following questions were received by DoE after the due date (**23 December 2015**).

8.2 In its sole discretion DoE hereby provides the responses thereto.

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17.		Appendix 2H	Tue 1/5/2016 11:29 AM	- On the tender documents under Supply Agreement, we are referred to Section 3: Purchaser's Requirements on page 68 but it's not attached. Please advise.	- Deliberately left blank for now.
18.		Appendix 2H	Tue 1/5/2016 2:50 PM	- The Supplier cannot be held liable for installations over which he has no control. The Supplier is responsible for the correct theoretical and practical on-site training and certification of the Accredited Installers, but once this phase is complete the Supplier has no more control over the proper or improper installation of the Baseline Systems by the Accredited Installers.	- The comment is noted.

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19.		Appendix 2H, Schedule 5, Clause 8.2	Wed 1/6/2016 7:36 AM	- How will supplier be paid if the system is installed by an unaccredited installer in maybe harsh water conditions?	- Installation will be undertaken by Accredited rather than unaccredited Installers.
20.		Appendix 2H, Schedule 5, Clause 11.1.2	Wed 1/6/2016 7:36 AM	- Warranty does not apply to failure of a system under these conditions. Supplier payment and who is responsible e.g. a system installed in harsh water conditions and fails within a 1 year is free of any warranty obligation. What about replacement? End user is left with?	- See Clause 11 for warranty exclusions.
21.		Appendix 2H, Schedule 5, Clause 11.1.8	Wed 1/6/2016 7:36 AM	- When and by whom is 600ppm measured? Is the Supplier responsible for installation area?	- This is not the responsibility of the Supplier. It will be undertaken by the Purchaser.
22.		Part II, Clause 22.2	Thu 1/7/2016 12:22 PM	Pursuant to the above tender that is closing on January 15, 2016 and per technical compliance requirements	- All Bidders are required to meet the stipulated compliance requirements. - Until DoE receives Bid

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				<p>expected from OEM, please be advised that SABS has not been forthcoming regarding key requirement items outlined in this section of the tender, citing staff availability issues. Even though we have successfully installed in some areas over the years, some certificates were sent in for renewal severally to SABS over the past year but without success as to date there has been no action from SABS. Full Test Reports have been requested with the same result for the same reason. Below are key impacted compliance items that need resolution. I do not see us being able to circumvent the situation prior to the closing</p>	<p>Responses and the Compliance and Functionality Criteria are assessed, at this stage, DoE is unable to pass judgment on the chances of any Bidder passing technical compliance based on the listed shortcomings.</p>

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				<p>date of January 15, 2016 on these issues:</p> <ul style="list-style-type: none"> - According to your assessment and given this outlook, what are the chances of us passing technical compliance based on the shortcomings listed below: - SANS 1307 - SABS Mark of Approval Certificate for the Baseline System - YES, we do have the certificate, but the latest valid is till 11/2014. - Full SABS Test Report - CAN ONLY BE PROVIDED AS SOON AS SABS IS ABLE TO ISSUE. 	
23.		Appendix 2H	Thu 1/7/2016 11:47 AM	<ul style="list-style-type: none"> - Could you please advise in what format you require the Performance Bond as requested under Section 8 of Appendix 2H? Can this bond be issued by the holding 	<ul style="list-style-type: none"> - Performance bond must be issued in accordance with Schedule 2 by a Bank or similar financial institution.

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				company?	
24.		Part II, Clause 36.5	Fri 1/8/2016 10:22 AM	- Must we submit a copy with the original tender document or not.	- Please refer to clause 36.5, read together with the entire clause 36, of the RFB.
25.	Financial	Part II, Clause 37.5.5.2.1	Fri 1/8/2016 11:22 AM	<ul style="list-style-type: none"> - What quantum of a performance bond is required for this tender? - Does it have to be issued by a bank or can a JV or holding company issue this bond? 	- Performance bond must be issued in accordance with Schedule 2 by a Bank or similar financial institution.
26.	Technical	Appendix 3A	Fri 1/8/2016 12:27 PM	- What capacity are bidders to price on? Is it 80 litres, 100 litres or 150 litres?	- Refer to the requirements in respect of a Baseline System.
27.		Part II, Clause 36.5	Mon 1/11/2016 9:49 AM	<ul style="list-style-type: none"> - In addition to the master copy, how many other copies are we to submit? - Further I am confused as to how to submit the entire document. I have the structure for PART II but I am not sure about the structure of the RFB for PART III. 	<ul style="list-style-type: none"> - Please refer to clause 36.5, read together with the entire clause 36, of the RFB. - Requirements for Part III are outlined in clause 38 of the RFB.

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				- I know that there is an executive summary but can you please forward me a list of items that should be in PART III.	

9. Schedule of Briefing Notes Issued

- 9.1 **Briefing Note Number 1:** Provision of an alternative (manual) registration process, extension of the due date for the Bid Submission Notification Form, revision of the delivery date for Bid Categories A1 and B1, and amendment of clause 10 (Timetable for the First Bid Submission Phase of the Supply Agreement) of the RFB Final 5: 30 November 2015.
- 9.2 **Briefing Note Number 2:** Correction of the previously revised due date for the Bid Submission Notification Form, amendment of Financial Criterion 2, amendment of the Pro-forma Performance Bond, amendment of the Purchase Order Schedule in regard to the Amount of Performance Security, and provision of responses to Bidders' enquiries and requests for clarification.