

BIDS INVITATION FOR THE PANEL OF NON-GRID SERVICE PROVIDERS FOR THE SUPPLY, INSTALLATION AND MAINTENANCE OF SOLAR HOME SYSTEMS FOR THE PERIOD OF THE MEDIUM TERM EXPENDITURE FRAMEWORK STARTING FROM 2019/20 FINANCIAL YEAR ENDING 2021/22 FINANCIAL YEAR

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 2 million households.
- 1.2. The non-grid electrification programme was established to compliment the roll out of electrification programme on households in areas where grid extension is not possible within the period of three (3) or more years. Through the non-grid electrification programme, more than 180,000 Solar Home Systems (SHS) have been installed and the majority of these installations are in the Eastern Cape, Kwazulu-Natal and Limpopo provinces.
- 1.3. The New Electrification Household Strategy which is in line with the National Development Plan was approved by Cabinet in June 2013, it seeks to address 10% of the electrification backlogs with a high quality Solar Home System or any other technologies which are cost-effective by 2025. The households will be identified across all provinces based on the need of the SHS by municipalities as well as the Integrated Electrification Plan.
- 1.4. In order to achieve the set target date, more than 20 000 SHS must be connected annually. It is against this background that the Department needs to conduct the procurement of services of the non-grid service

providers to expedite delivery of services to many households that are still not having access to electricity.

- 1.5. It must be noted that the Department has embarked on the process of reconfiguring the Non-Grid Electrification Programme such that it can have a long term sustainability with regard to delivery models. Therefore should the approval processes for reconfiguration be finalised in 2019/20 financial year, Department reserves the right to either continue or terminate this contract.

2. OBJECTIVE

- 2.1 The objective of the Non-Grid Electrification programme is to complement grid electrification with an additional Solar Home System in order to achieve universal access to energy by 2025.

3. SCOPE OF PROJECT

- 3.1 The service providers are expected to produce the following outputs as indicated below. Also, sample of systems to be inspected on site must meet the specification requirements:
 - a) Supply and install SHS in compliance with the National Rationalisation Standards (NRS) 052-1:2012/SAN959 to areas which will be identified by the Department.
 - b) Commissioning, testing and reporting to the Department on each SHS installed.
 - c) Programme to maintain the SHS in line with the requirements of the NRS 052.
 - d) Submit a proposal for the systems in line with the Quality of Supply attached as **Annexure A**. Proposals should be confined to the Bill of Quantities attached as **Annexure B** for uniformity.

4. CONTRACT PERIOD

- 4.1 The panel of non-grid service providers will enter into an implementation contract with the Department for a period ending 31 March 2022.
- 4.2 The appointed panel of non-grid service providers will be part of the panel for a period ending 31 March 2022 and the implementation contracts will be entered into with the non-grid service providers on an annual basis based on the need and the available budget.
- 4.3 The Department has begun the process of reconfiguring the implementation and service delivery model of the programme. It is for this reason that the Department reserves the rights to renew the contracts on an annual basis until the reconfiguration of the programme has been finalised. Appointed service providers will be informed accordingly.

5. REPORTING REQUIREMENTS

- 5.1 The appointed service providers will provide the progress report to the Department of Energy on a monthly basis from the commencement of the contract.
- 5.2 The Department of Energy will conduct technical audits to verify quality and performance of installed SHS before payment is done.

6. TAX CLEARANCE CERTIFICATE

- 6.1 The potential service provider/s must ensure compliance with their tax obligations.
- 6.2 The potential service provider/s is/are required to submit their unique personal identification number (pin) issued by SARS to enable the organ of state to view the taxpayer's profile and tax status.
- 6.3 Application for tax compliance status (TCS) or pin may also be made via e-filing. In order to use this provision, taxpayers will need to register with SARS as e-filers through the website www.sars.gov.za.
- 6.4 The potential service provider may also submit a printed TCS together with the proposal.

- 6.5 In proposals where consortia / joint ventures / sub-contractors are involved, each party must submit a separate proof of TCS / pin / CSD number.
- 6.6 Where no TCS is available but the potential service provider/s is/are registered on the central supplier database (CSD), a CSD number must be provided.

7. SECURITY BACKGROUND CHECKS

- 7.1 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.

8. COMPULSORY INFORMATION SESSION

- 8.1 A compulsory information session will be held on **18 October 2019** at **Department of Energy, 192 Visagie Street, Pretoria** at 10h00

9. INFRASTRUCTURE

- 9.1 It is expected that the preferred service providers possess relevant infrastructure in terms of office, testing equipment's, vehicles, etc. Site visit will be conducted to establish the mentioned infrastructure.
- 9.2 During site inspection the sample of complete and functional system will be tested against the specifications requirements.

10. EVALUATION CRITERIA

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

- 10.1.1 Provisions of the Preferential Procurement Policy Framework Act (PPPFA) 2000 and its Preferential Procurement Regulation, 2017 will apply in terms of awarding points.
- 10.1.2 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.

10.1.3 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.

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

10.1.5 **Bidders other than** Exempted Micro Enterprises (**EMEs**), **MUST** submit the following documents:

- (a) Verification agencies accredited by SANAS
- (b) Registered auditors approved by IRBA

10.1.6 **Bidders who qualify as EMEs**, **MUST** submit the following documents:

- (a) Sworn affidavit signed by the EME representative; and attested by a commissioner of oaths.

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

B-BBEE Status Level of Contributor	Number of points (80/20 system)	Number of points (90/10 system)
1	20	10
2	18	9
3	14	8
4	12	5
5	8	4
6	6	3
7	4	2
8	2	1
Non-compliant contributor	0	0

10.2 Company Experience

10.2.1 Service providers should have at least five (5) years experience in providing renewable energy service and should provide proof accompanied by correspondence letters from three (3) referees indicating that such project was executed as well as their contactable references.

10.3 Team Leader experience

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

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

10.4 The proposal

10.4.1 The business proposal must address the following:

10.4.1.1 Technical requirements

- a) The bidder needs to provide sufficient detail about the proposed system design, performance, warranties applicable, compatible appliances/services, etc.
- b) Overall system design and performance of 100Wp DC system; indicate components, integration, energy management, energy availability, etc.
- c) Battery Management strategy, how battery charge is regulated and battery life protected
- d) Theft prevention reduction, any available technical interventions to reduce likelihood of theft (social sanctions and community centred solutions should also be considered)

- e) System User friendly documentation, adequate user manuals supported by appropriate end user training need to be indicated within the bid document
- f) Local Content of Supply in Serviced Areas: indicate the extent to which the local value chain that emerges around the supply, installation and on-going technical support incorporates local content (components and/or services). **All components and service will be locally procured except for the panel (failure to comply with local content requirement will invalidate your bid proposal).**
- g) Innovative technical approaches (mobile payments, etc.): Bidders should indicate the extent to which recent technical innovations and opportunities are integrated into the system and its operating environment. The purpose is to promote efficiency and performance.

10.4.1.2 Operational requirements

The bidder's operational plan should ensure that the systems are correctly installed, that sufficient end-user training ensures optimal system usage, that systems are effectively maintained over the determined period and that there is sufficient communication between customers and service providers. Key features of the operational plan should include:

- a) Customer management systems/technologies/approaches (meters, manual systems, etc.).
- b) Character and frequency of engagements with customers (community forums, household visits, SMS contact, etc.)
- c) User training on system operation, [as above] bidders should indicate their approach to end-user training as well as legacy documents such as user manuals, etc.

- d) System maintenance approach; bidders should indicate who will be responsible for on-going maintenance of the installed systems. The bidders may provide such services themselves and/or partner with other entities which will undertake the maintenance duties. The operational plan should include the number of scheduled maintenance visits to each system, the extent to which customers are used for first line maintenance, etc.
- e) Sustainability model; bidders should detail their overall 'business model'. How are the systems going to be maintained, the sources of revenue required (service fees, FBE, others?), how revenue will be collected, etc.
- f) Local job creation; the number of local jobs created both in the installation phase as well as the maintenance phase. Bidders should indicate the kind of training employees are likely to receive.
- g) Bidders should indicate how component warranties will be exercised.
- h) Data management; bidders must detail what measures/system are they going to use to ensure accurate information of beneficiaries is supplied to the municipalities, the service providers and subsequently to the Department.

11. EVALUATION CRITERIA

11.1 Bids will be evaluated on either 80/20 or 90/10 point system as outlined in the PPR of 2017.

11.2 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.	<p>Company Experience</p> <p>(i) At least five (5) years experience in providing electrical field service</p> <p>(ii) Proof accompanied by correspondence letters from at least three (3) contactable referees (previous and/or current clients) indicating that similar service or technology was executed or supplied and installed.</p>	<p>7 years or more = 5 points 6 years = 4 points 5 years = 3 points 4 years = 2 points 3 years or less = 1 point</p> <p>6 letters or more = 5 points 4 -5 letters = 4 points 3 letters = 3 points 2 letters = 2 points 1 letter or less = 1 point</p>	<p>20</p> <p>10</p> <p>10</p>
2.	<p>Team Leader experience</p> <p>(i) Team Leader must have at least three (3) years in the electrical/energy field and proven experience in installation of SHS. Signed CV must be attached.</p> <p>(ii) Individual team members must have at least two (2) years and proven experience in the same field. Signed CV must be attached.</p>	<p>7 years or more = 5 points 4-6 years = 4 points 3 years = 3 points 2 years = 2 points 1 year or less = 1 point</p> <p>6 years or more = 5 points 3-5 years = 4 points 2 years = 3 points 1 years = 2 points Less than one year = 1 point</p>	<p>20</p> <p>10</p> <p>10</p>

3.	<p>Proposal/Methodology A detailed business proposal must be submitted as outlined in paragraph 10.4.</p> <p>Technical Aspects (20): (i) System design and performance as per specification (ii) Battery Management strategy (iii) Theft prevention strategy (iv) System User friendly documentation (design) (v) Local content of supply (vi) Innovative technical approaches</p> <p>Operational Aspects (20): (i) Quality of proposed customer managements system (ii) Customer engagement strategy (iii) User training on system operation (training) (iv) System maintenance approach (v) Business model outline (vi) Local job creation/training (vii) Exercising warranties (viii) Data Capturing and Management</p>	<p>Detail technical aspects including all elements on 10.4 and more = 5points Detail technical aspects including all elements =4 points Technical Aspects =3 points Some technical aspects missing = 2 points No technical aspects included = 1 point</p> <p>Detailed operational plan including all elements on 10.4 and more =5 points Detailed operational plans including all elements =4 points Operational plans =3 points Some operational aspects not included = 2 points No operational plan =1 point</p>	<p>50</p> <p>25</p> <p>25</p>
4.	<p>Qualifications (i) The team leader must have Degree in a field of Electrical or Electronics or Project Management or Renewable Energy (ii) Electricians to attach trade test certificate. Original certified copy of qualification must be attached as proof.</p>	<p>Masters degree = 5 points Honours Degree = 4 points Degree =3 points Diploma = 2 points Certificate = 1 point</p> <p>Attached certificate with more than 4 years = 5 points Attached certificate with 3 years = 4 points Attached certificate with 2 years = 3 points Attached certificate with 1 year = 2 points Less than one year = 1 point</p>	<p>10</p> <p>5</p> <p>5</p>
	Total		100

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

1=	Very poor	Will not be able to fulfil the requirements
2=	Poor	Will not be able to fulfil the requirements
3=	Average	Will partially be able to fulfil the requirements
4=	Good	Will be able to better fulfil the requirements adequately
5=	Excellent	Will fully fulfil the requirements exceptionally

Phase 2: The price must clearly show the equipment costs and the installation costs separately

Price	80 or 90
B-BBEE compliance	20 or 10

NB: Schedule for pricing is attached as annexure B

11.3 It is preferred that the installation price will be fixed and the negotiations will be conducted with the preferred non-grid service providers to determine the final cost price of the installation.

12. FORMAT AND SUBMISSION OF THE PROPOSAL

12.1 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.**

12.2 Bidders are requested to submit two (2) copies: 1 original plus copy of the proposal and bid documents. Proposal and price should be submitted in a separate envelope.

13. DELIVERY

- 13.1 The successful service providers should deliver and commence with the installation eight (8) weeks after an official order has been issued. **Failure to adhere to this time frame will be regarded as non-performance.**

14. NON-PERFORMANCE

- 14.1 This contract, at the discretion of the Department, may be awarded to more than one service provider. Each successful service provider will be allocated certain areas with the highest scoring bidder getting more allocations than the second highest scoring bidder. Department reserves the right to interchange the allocated areas should non-performance arise. A non-performing service provider will be given a written notice to rectify within 14 days after which non-compliance will be declared and the official order will be cancelled. The allocated area will be given to the other successful service provider(s).

15. GUARANTEES AND AFTER INSTALLATION SERVICES

- 15.1 The successful service provider/s will be required to offer a 12 months guarantee on the installed unit. This should cover technical failures as well as manufacturing defects in this 12 months period after installation. The successful service provider/s will also be required to attend to faulty solar lighting units provided under this contract, during the guarantee period, and fix these units at no extra cost to the Department.

16. PRE-QUALIFICATION CRITERIA

- 16.1 Bidders must sub-contract 30% of the value of the contract to the adequate EME's or QSE:
- (i) which is at least 51% owned by black people or
 - (ii) which is at least 51% owned by black women or

(iii) Co-operative which is at least owned by 51% black people.

16.2 Exempted Micro Enterprise (EME) and or Qualifying Small Enterprise (QSE) do not need to sub-contract. Bidders who qualify as EME's or QSE's must submit sworn affidavits signed by the EME or QSE representatives and attested by a Commissioner of oaths. Non signed or invalid affidavits will not be acceptable and will invalidate the bid.

16.3 Bidders must submit proof of sub-contracting between the main contractor and the sub-contractor, which must include sub-contracting arrangements between the two parties. **Failure to submit a signed sub-contracting Agreement will result in the Bidder being disqualified.**

NB: Attached is the list of registered service providers on a central supplier database approved by National Treasury.

17. CLOSING DATE

17.1 Proposals must be submitted on or before **04 November 2019 at 11H00** at 192 Visagie Street, Pretoria, in the bid box **marked** Department of Energy.

18. ENQUIRIES

18.1 All general enquiries relating to bid documents should be directed to:

Rachel Moerane

Tel No: (012) 406 7747

E-mail: rachel.moerane@energy.gov.za

Samuel Msiza

Tel No: 012 406 7910

Email: samuel.msiza@energy.gov.za

18.2 Technical enquiries can be directed to:

Bongani Nhlabathi

Tel No: (012) 406 7682

E-mail: bongani.nhlabathi@energy.gov.za

Serame Moeketsi

Tell No: (012) 406 7683

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

ANNEXURE A

QUALITY OF SERVICE

1. The Rural Energy Service Provider shall, to the extent not provided for in this Schedule, comply with the Quality of Service Standard (NRS070:2004) and or its amendments.
2. Compliance with SATS 1286 for locally manufactured goods is critical.
3. Components of PV systems offered, must have a minimum total local content threshold value of 70% by price.
4. All components must be accompanied by test reports conducted by independent test houses. e.g. light output and power consumption.
5. Solar panels are subject to independent, output flash testing.
6. Charge controllers are subject to testing in accordance with NRS 052.
7. Aesthetics are important. As an example, bare lamps hanging on a wire suspended from the roof, should be covered by a lamp shade.
8. Exposed wire fixed to a wall must be straight both vertically and horizontally.
9. Wall mounted switches indicating on/off positions are preferred. Pull switches are not common in modern housing, thus not acceptable as an alternate in our non- electrified traditional housing.
10. SHS size offering:
 - (a) Indoor lighting comprising of 6 x lights for 4 hrs/day
 - (b) Outdoor lighting of 2 x external lights for 12 hrs/day
 - (c) Energy for 1 x DC colour TV for 5hrs/day
 - (d) 2 x DC socket outlets providing energy for cell-phone charging (4hrs/day), audio-visual appliances and TV, or other small appliances (radio for 4hrs/day)
11. Cable for aerial extension of energy to one external building. The external building will be supplied with at most 2 x Solar Lantern lights and 1 x outdoor light (and these lights are taken from the indoor and outdoor light quantities already mentioned above.

12. Solar photo-voltaic system to supply the above service will include the following at a minimum:

- (a) Solar photovoltaic array of 100Wp minimum power
- (b) Electrical storage battery of minimum capacity 12V 96Ah
- (c) Charge controller compatible with the array and battery
- (d) 6 x DC LED internal ambient lamps , 3W maximum, minimum light output of 80 lumen/watt, minimum life of 15,000hrs
- (e) 2 x DC LED external bulkhead lamps, 3W maximum, minimum light output of 80 lumen/watt, minimum life of 15,000hrs
- (f) Shatterproof Solar Lanterns- solar run time of 4hrs/day at (29-60 Lumen) light global lighting/SABS approved
- (g) 2 x 7A DC socket adaptors (12V cigarette lighter type, suitable for DC TV and DC cell-phone chargers, (or possibly for small dedicated inverter for DSTV, although DC powered DSTV units are now available)
- (h) 1 x DC cell-phone charging adaptors kit for all general cell-phones (cigarette lighter type)
- (i) 1 x 9v outlet for radio
- (j) A wiring kit of appropriate size for all DC wiring.
- (k) Balance of system materials including: array mounting structure, battery box, battery fuse, control cubicle, light switches, and User Manual.