Storage Arrangements for the procured SWH Systems

**Initial Storage**
- The Department has procured a total of 87206 solar water heater systems from 12 suppliers based in GP, LP, KZN, EC and WC under BID DOE 008/2015/1 for a period of three years, that is, 2015/16; 2016/17 and 2017/18 financial years.
- The Supply Agreement entered into with the suppliers included the provision of storage facilities for the procured systems.
- Accordingly, the systems are currently warehoused at the respective suppliers’ warehouse facilities and ready to be moved to the temporary storage pending installation.

**Central Storage Facilities**
- The Department is in the process appointing a transportation service provider(s) to move the solar water heaters from suppliers’ warehouses to the specified central storage facilities from which specific deliveries to municipalities will be made once secured storage facilities have been identified, inspected and approved for usage.
- In light of the approval of allocations to participating municipalities, arrangements will be made later to deliver the allocated systems to the respective municipalities.

**Municipal Storage**
- The Framework agreements entered into between the Department and the selected Municipalities include provision for storage facilities by the municipalities.
- Upon commencement of the installation phase, the systems will be dispatched from the central storage facilities to the specified storage facilities at the respective municipalities.
- The respective municipalities shall assume full responsibility for the solar water systems upon their delivery at the specified municipal storage facilities.
Obligations and requirements for storage facilities at the respective Municipalities

Obligations of the Department

• Prior to commencement of the installation phase, the Department shall engage with each municipality in line with its allocation letter and issue a written notice of the delivery date following confirmation and inspection of the identified secured (i.e. security requirements) storage by the municipality

• On the agreed dispatch date, the Department shall ensure that the correct systems and quantity thereof are loaded from the specified central storage facilities.
Obligations and requirements for storage facilities at the respective Municipalities (2)

Obligations of the Department

- The Department shall ensure that the allotted number of solar water heater systems are dispatched to the respective municipalities and will ensure that these are duly signed –off by authorised representatives of the Department together with the receiving municipality on delivery (i.e. a delivery notice will be issued for records)

- The delivery notice shall indicate the kind, quantity and quality of systems dispatched and delivered by the Department or any of its appointed service providers

- The delivery notices shall be in such format as may be prescribed by Department.
Obligations and requirements for storage facilities at the respective Municipalities (3)

Obligations of Municipalities

• The respective municipalities shall inform the Department of the delivery addresses to which the systems should be delivered to allow prior inspection and confirmation of the state of readiness with respect to capacity, security and accessibility related aspects;

• The respective municipalities shall ensure that the systems are received by a duly authorised representative of a municipality on the agreed date;

• The respective municipalities or their duly authorised representatives shall sign the delivery receipt upon receipt of the correct consignment of systems; and

• The signed delivery receipts shall serve as evidence that the systems were received by the municipality in good order and condition, unless such systems are not readily observable
Obligations and requirements for storage facilities at the respective Municipalities

Obligations of Municipalities

- Upon signing delivery receipt, the municipality shall have sole and exclusive care, custody and control of the systems;

- The Municipality, shall ensure that it is at all times appropriately secured against any and all risk pertaining to the systems stored at its specified storage facility;

- The Municipality shall at any time upon request of Department provide the Department with adequate and satisfactory proof that the municipality is appropriately secured in respect of all the system under its care; and

- During installation phase, the appointed service providers will work with the authorised municipality’s representative to reconcile the dispatched systems and report to the Department as and when required, that could be daily or weekly as would be prescribed by the Department.
Requirements for a storage facility

- The building must be structurally sound and must be safeguarded against fire and burglary;
- The premise must be securely fenced and the storage facility must have 24 hour security with close circuit monitoring (CCTV);
- The walls of the building should be of brick, stone or concrete and the roof of slate, tiles or iron;
- Windows, doors, gates and other means of access must be fully secured with adequate locking; and
- Provide an attachment of an approved municipal plan of the intended facility which must reflect the above information
Thank you!