

 Eskom	Strategy	Engineering
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Title: **Tender Technical Evaluation Strategy for Milling Plant Spares at Lethabo Power Station – Category 4 Bulk Material Handling Spares**

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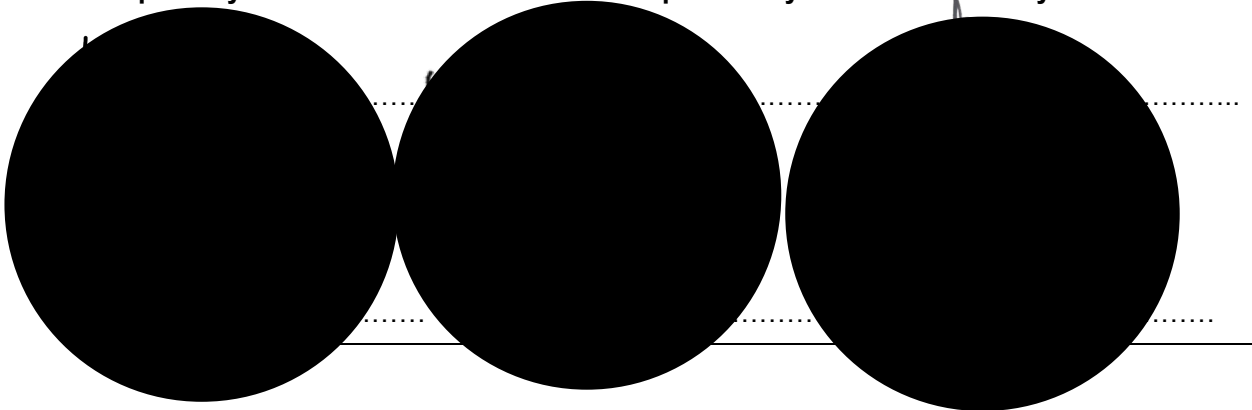
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## **1. INTRODUCTION**

Lethabo Power Station is a coal-fired power station situated in the Free State Province of South Africa. It consists of six production units, each with a capacity of 618 MW, totalling an installed capacity of 3,708 MW. The operational activities of the power station necessitate a supply of spare parts used for energy production and other related functions.

Maintaining an adequate inventory of spare parts is essential for ensuring continuous production at the power station. Any unexpected equipment failure can lead to costly downtime and disruptions in energy generation. Having readily available spares allows for prompt repairs and maintenance, minimizing interruptions and optimizing operational efficiency. This proactive approach not only supports the reliability of the power station but also contributes to meeting the energy demands of the nation effectively.

## **2. SUPPORTING CLAUSES**

### **2.1 SCOPE**

This document provides the tender technical evaluation strategy for the supply of spares at Lethabo Power Station. The document provides annexure schedule A and B (attached) developed to address various aspects required to perform the technical evaluations with reference to applicable Eskom technical standards.

#### **2.1.1 Purpose**

The purpose of this tender technical evaluation strategy is to outline the Technical Mandatory Evaluation, Technical Qualitative Evaluation Criteria, and Technical Factory Assessment Requirements. Additionally, it clarifies the responsibilities of TET members involved in the tender technical evaluation. This strategy serves as the foundation for the entire tender technical evaluation process.

#### **2.1.2 Applicability**

This document applies to Lethabo Power Station only.

## **2.2 NORMATIVE/INFORMATIVE REFERENCES**

Parties using this document shall apply the most recent edition of the documents listed in the following paragraphs.

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### **2.2.1 Normative**

- [1] 240-48929482: Tender Technical Evaluation Procedure
- [2] 240-70240749: Strategic and Critical Spares Policy
- [3] 32-1033: Eskom Procurement and Supply Chain Management Policy
- [4] 32-1034: Eskom Procurement and Supply Management Procedure

### **2.2.2 Informative**

- [1] 240-48197042 Procedure for the Identification and Planning of Plant Asset Obsolescence

## **2.3 DEFINITIONS**

<b>Term</b>	<b>Description</b>
Spare	An item intended to replace a corresponding item to retain or maintain the original required function of the item.

### **2.3.1 Classification**

**Controlled Disclosure:** Controlled Disclosure to external parties (either enforced by law, or discretionary).

## **2.4 ABBREVIATIONS**

<b>Abbreviation</b>	<b>Description</b>
MW	Megawatt
TET	Technical Evaluation Team

## **2.5 ROLES AND RESPONSIBILITIES**

As per 240-48929482: Tender Technical Evaluation Procedure

## **2.6 PROCESS FOR MONITORING**

N/A

## **2.7 RELATED/SUPPORTING DOCUMENTS**

N/A

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### **3. TENDER TECHNICAL EVALUATION STRATEGY**

#### **3.1 TECHNICAL EVALUATION THRESHOLD**

The minimum weighted final score (threshold) required for a tender to be considered from a technical perspective is 70%.

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### **3.2 TET MEMBERS**

TET members will be appointed prior to the Technical Evaluations.

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### 3.3 MANDATORY TECHNICAL EVALUATION CRITERIA

Table 1: Mandatory Technical Evaluation Criteria

Lethabo Power Station Milling Plant Spares Contract Technical Evaluation - Mandatory Requirements				
		Yes	No	Required (Mandatory)
1	<p>Proof of ownership of factory/workshop/warehouse/ (Utility bill or deeds certificate). The address must be clearly stipulated.</p> <p>or</p> <p>If Premises are rented: provide a signed rental agreement in a form of a letter between the supplier and landlord stipulating the form of agreement and duration.</p> <p>or</p> <p>For a newly established company or company without a factory/workshop/warehouse can provide their subcontractor address where the factory assessment will be conducted.</p> <p><b>Note that the factory assessment will be conducted at the provided address only. The address will also be used for ongoing spares assessments before they are delivered on site.</b></p>			<p>Utility bill must not be older than 3 months before the close of tender.</p> <p>If a rental agreement is submitted, it must be a signed copy of the rental agreement clearly stating the lease agreement term/period.</p> <p>If a subcontractor address is submitted, it must be in a form of a signed letter stating that the factory assessment can be conducted at the stated address.</p>
2	Demonstration of a QMS (Quality Management System)			<p>Service Provider must submit either the latest ISO 9001 certification or proof of QMS. The proof QMS document is required to have the following systems' documents in place:</p> <ul style="list-style-type: none"> <li>i. Material verification systems.</li> <li>ii. Destructive and Non-Destructive testing systems.</li> </ul>
3	Fully completed Schedule A&B for the category tendered for			<p>All items in the category tendered for must be fully completed under schedule B. Supplier will be deemed noncompliant if any of the items in the category tendered for is not completed (NB! Supplier must complete schedule B with the actual specification of the items to be supplied and not a copy and paste from schedule A - the brand, model and series where applicable <b>shall</b> be provided, failure to do so will be deemed as noncompliance) Note that the submitted product specifications, brands, models and series will form part of the contractual agreement thus will need to be adhered to throughout the contract term/period</p>
<p><b>NOTE: NON-CONFORMANCE TO ANY ONE OF THE ABOVE REQUIREMENTS WILL AUTOMATICALLY DISQUALIFY THE RESPECTIVE TENDERER AND NO FURTHER EVALUATION WILL BE CONDUCTED.</b></p>				

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### 3.4 QUALITATIVE TECHNICAL EVALUATION CRITERIA

**Table 2: Qualitative Technical Evaluation Criteria**

Lethabo Power Station Milling Plant Spares Contract - Category 4 Technical Evaluation - Qualitative Requirements				
Item	Item Description	Total Weight (%)	Sub-Item	Weighting (%)
1	Previous experience with regards to bulk material handling spares supply in Eskom or other related industries such as mines or other power generation companies. <b>Eskom reserves the right to verify all submitted references. (It is the Suppliers duty and responsibility to ensure that all submitted references are reachable and verifiable). Note that all submitted proof must be within the past five (5) years, anything older than 5 years will not be considered for evaluation. Submit only according to the stipulated quantities, only the first of the required quantity will be considered for evaluation. Any additional or further submissions will not be considered for evaluation.</b>	20	<b>Chain Conveyor Sprockets</b> - Submit two (2) signed Purchase Order/Delivery Note/Completion certificate of a supply completed on Chain Conveyor Sprockets. Each qualifying submission will receive a score of 20%	40%
			<b>Conveyor Belt Idler/Pulleys</b> - Submit two (2) signed Purchase Order/Delivery Note/Completion certificate of a supply completed on Conveyor Belt Idler/Pulleys. Each qualifying submission will receive a score of 20%	40%
			<b>Conveyor Belt Splicings</b> - Submit two (2) signed Purchase Order/Delivery Note/Completion certificate of a supply completed on Conveyor Belt Splicings. Each qualifying submission will receive a score of 10%	20%
2	Auditable Proof of Compliance to fabrication quality guidelines and specifications.	30	Submit a certified copy of a valid ISO 3834 certificate. Alternatively, submit a certified ISO 3834 certificate copy of the sub-contractor that will be sub-contracted for the fabrication work. All certified copies must be valid at the time of the close of tender.	60%
			Submit two (2) samples of your company's previously approved welding procedures on jobs your company has completed, the welding procedures must clearly display company name, company logo and must clearly identify the signatories with dates. <b>Eskom reserves the right to verify all records submitted.</b> Each submitted welding procedure that is compliant will score 20%. The same applies if the fabrication work is sub-contracted.	40%
3	Capacity and Lead Times	20	Submit a signed letter by the managing director and the owner of the company (legal representative of the company) stating in numbers, how many of each finished component they can manufacture per month and supply to Eskom.	40%
			Submit a signed letter by the managing director and the owner of the company (legal representative of the company) stating the lead times for all the items in category 4. A lead time of 2 weeks will score a full score of 60% A lead time of 3 weeks will score 30% A lead time of 4 weeks and more will score 0% Please take note that the submitted lead times will form part of the contractual agreement upon award of contract.	60%

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4	Production Capabilities	20	<b>In-house vs Subcontracting</b> - Submit a signed letter by the managing director and the owner of the company (legal representative of the company) declaring all the work that will be subcontracted stating names of the subcontractors and what they will be doing. In the case that there are no subcontractors then it should be clearly stated in a form of a signed letter. <b>A score of 100% will be allocated if all the items are manufactured in house. A score of 50% will be allocated if some of the items are manufactured in house. A score of 0% will be allocated in the case that none of the items are manufactured in house. Note that production/manufacturing equipment of the items that are manufactured in house will be assessed during the factory assessment</b>	100%
5	Correct completion as Schedule A&B	10	The submitted technical specification contains all the technical data of the items as per the schedule submitted at tender phase:  Scoring Criteria: 0% = Specification provided for 50% or less of all spare items 50% = Specification provided for 51% to 89% of all spare items 80% = Specification provided for 90% to 95% of all spare items 100% = Specification provided for more than 95% of all spare items	100%
		100		
<b>NOTE: A MINIMUM THRESHOLD OF 70% MUST BE ACHIEVED BY THE SERVICE PROVIDER, FAILURE TO DO SO WILL LEAD TO A DISQUALIFICATION AND NO FURTHER EVALUATION WILL BE CONDUCTED</b>				

### 3.5 TECHNICAL FACTORY ASSESSMENT CRITERIA

**Table 3: Technical Factory Assessment Criteria**

Lethabo Power Station Milling Plant Spares Contract - Category 4 Factory Assessment						
Item	Subfactor A	Subfactor B		0% (Non-Compliant or Non-Compliant)	50% (Partially-Compliant)	100% (Fully Compliant)
			Weight %			
Factory Assessment	Fabrication Capability and Lead Times	Basic fabrication machines	30%			
		Original ISO 3834 certificate	20%			
		Storage facility for contingency stock holding	10%			
	Condition of premises	Maintenance of machinery (Provide documents of maintenance e.g completed job cards, invoices for maintenance services etc.)	10%			
		House keeping, Markings and Surface conditions	10%			
	Raw Material and Consumables	Stable and Reliable Supply	5%			
		Alternative Suppliers	5%			
	Power Supply	Back Up Generator	5%			
	Transport/Logistics	Availability of reliable delivery vehicles or delivery services from a reputable logistics company	5%			
				100%		
NOTE: A MINIMUM THRESHOLD OF 70% MUST BE ACHIEVED BY THE SERVICE PROVIDER, FAILURE TO DO SO WILL LEAD TO A DISQUALIFICATION						

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### **3.6 TET MEMBER RESPONSIBILITIES**

The responsibilities of the Technical Evaluation Team are to assess and evaluate tendering suppliers based on the Technical Mandatory, Technical Qualitative, and Technical Factory Assessment criteria to ensure competency and quality assurance.

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### 3.8 FORESEEN ACCEPTABLE / UNACCEPTABLE QUALIFICATIONS

#### 3.8.1 Risks

**Table 4: Acceptable Technical Risks**

Risk	Description
1.	Equivalent products for obsolete material supported by datasheets where applicable.

**Table 5: Unacceptable Technical Risks**

Risk	Description
1.	None

#### 3.8.2 Exceptions / Conditions

**Table 6: Acceptable Technical Exceptions / Conditions**

Risk	Description
1.	As per the requirements set out under the Qualitative Technical Evaluation Criteria section 3.3 of this document.

**Table 7: Unacceptable Technical Exceptions / Conditions**

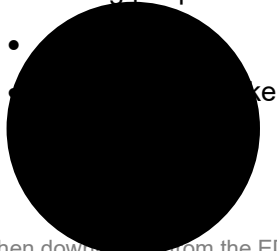
Risk	Description
1.	Deviations to any part of the technical schedules without providing alternate solutions.
2.	The bid submission is generic, incomplete, and not tailored to address the specific objectives and scope.

## 4. REVISIONS

**Rev 1.:** The TEC was reviewed by the TET to mitigate the risk of not getting a supplier when the tender is re-issued.

## 5. DEVELOPMENT TEAM

The following people were involved in the development of this document:



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