

e-Auction (Eskom system) training – phase I

Learner Guide

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ABOUT THIS COURSE

Purpose of this Course

The purpose of the course is to enable Eskom accredited Procurement practitioners as well as Eskom accredited Disposal officers to conduct official procurement or disposal negotiation events by means of the e-auction tool.

Target Audience

- Eskom accredited Procurement practitioners,
- Eskom accredited Disposal officers.

Course Duration

This is a 1-day course.

NQF/Proficiency Level

LEARNING COMPONENT	DURATION
In-class learning	3 Hours
Self-study and completion of Portfolio of Evidence	1 Hours
Assessment by assessor	N/A

Prerequisites

It is assumed that the learners are competent in the following:

- Performing the procurement process in compliance with the Procurement and Supply Chain Management (P&SCM) procedure, 1034, rev4.
- Performing the disposal process in compliance with the Procurement and Supply Chain Management (P&SCM) procedure, 1034, rev4.

Safety Requirements

Learners will adhere to the occupational, health and safety requirements of the learning environment and comply with Eskom's occupational, health and safety regulations.

Learners with Special Needs

A learner attending this program, who has any handicap which may impair his / her ability to learn, should inform the facilitator in order to discuss a strategy for addressing such a need.

Contact

Your facilitator will share after training contact details, if necessary.


Assessment Information

Assessment is an integral part of the learning process. Your newly acquired knowledge and skills will be assessed by means of:

- **Formative Assessment:** Practical activities, reflective questions and short assignments are used throughout the course to help your understanding and retention of course content.
- **Summative Assessment:** A final assessment is given to learners at the end of the learning session and is based on the learning outcomes of the course.
- **A Portfolio of Learner Evidence (POE):** A file should be submitted which contains evidence of competence.

See the **Assessment Guide** for more details.

Icons used in this Learner Guide

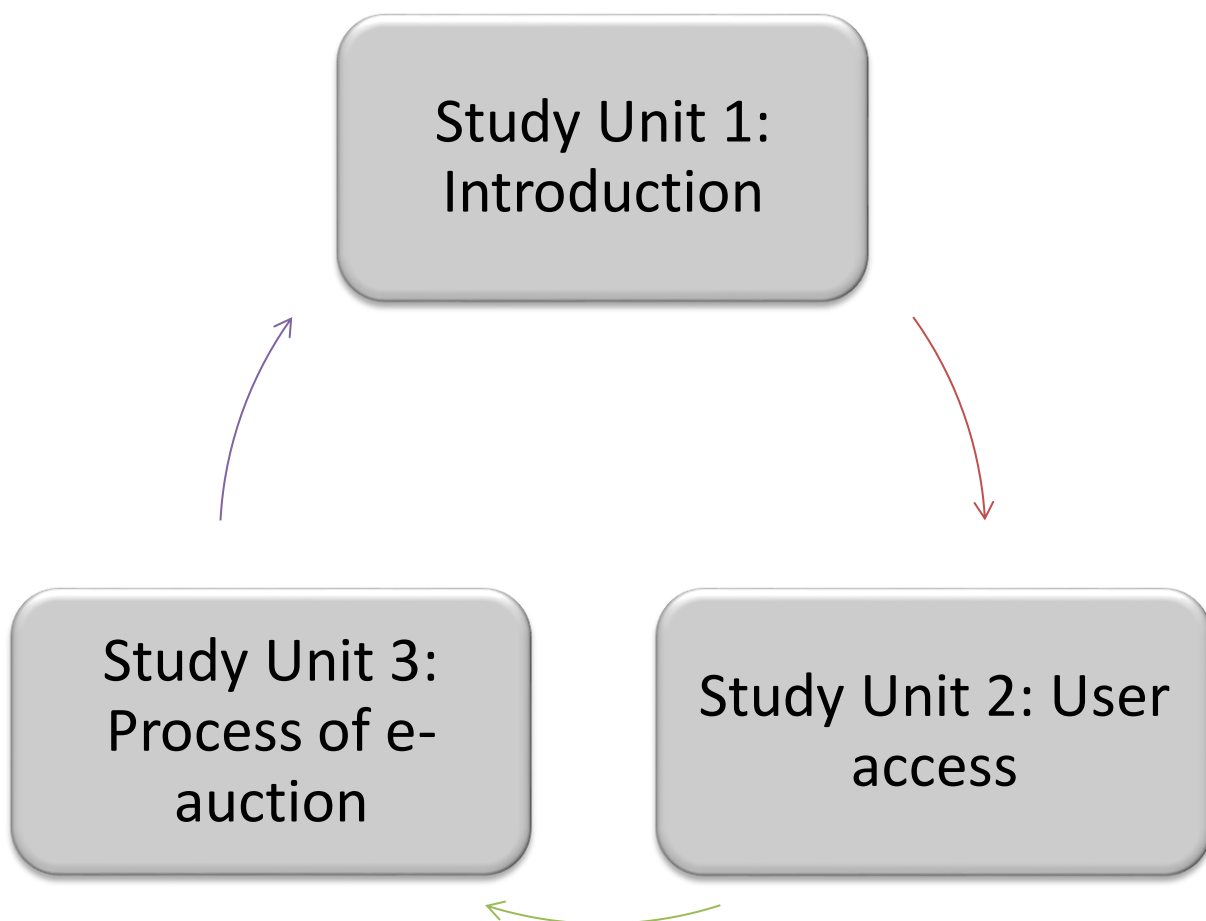
Symbol	Meaning	Description
	Important	This indicates that the information displayed is critical.

Learning Outcomes

After completing this course the learner will be able to:

1. Create a procurement e-auction event in compliance to the P&SCM procedure, 1034, rev4 and the related Instruction Note 10 of 2019.
2. Create a disposal e-auction event in compliance to the P&SCM procedure, 1034, rev4 and the related Instruction Note 10 of 2019.

Course Map



Course Map

STUDY UNIT 1

Introduction

Study Unit 1 Learning Outcomes

At the end of this session the learner will be able to demonstrate understanding of:

1. The concept of e-auction in Eskom and how it should be used.

1.1 INTRODUCTION

The e-auction project in Eskom was initiated in 2015 as part of the cost savings initiative.

The cost savings team requested Eskom Group Information Management (GIM) to develop an in-house application which can be used by the Eskom organization in order to achieve savings in the most competitive prices for clearly specified items.

The application which was developed is very similar to the ones which are available within the South African market. This application is an electronic application which can be used for both the buying and selling of clearly specified items on a competitive basis.

The e-auction tool is basically meant to address the disposal related and the procurement part of the procurement and supply chain management (P&SCM) value chain. The disposal related part of the tool is therefore known as e-auction and that means the procurement related part is called reverse e-auction.

The e-auction tool is meant to ensure that within the disposal function the aim is to achieve the highest value for an item that will be disposed of whereas the procurement function aims to achieve the lowest cost of an item that needs to be procured.



All the procedural requirements as per P&SCM procedure, 32 – 1034, Rev 4 should be addressed before the e-auction tool can be used.

It should therefore be noted that compliance to the P&SCM procedure is of utmost importance. This is further addressed by means of the P&SCM Instruction Note 10 of 2019, dated 13 November 2019.

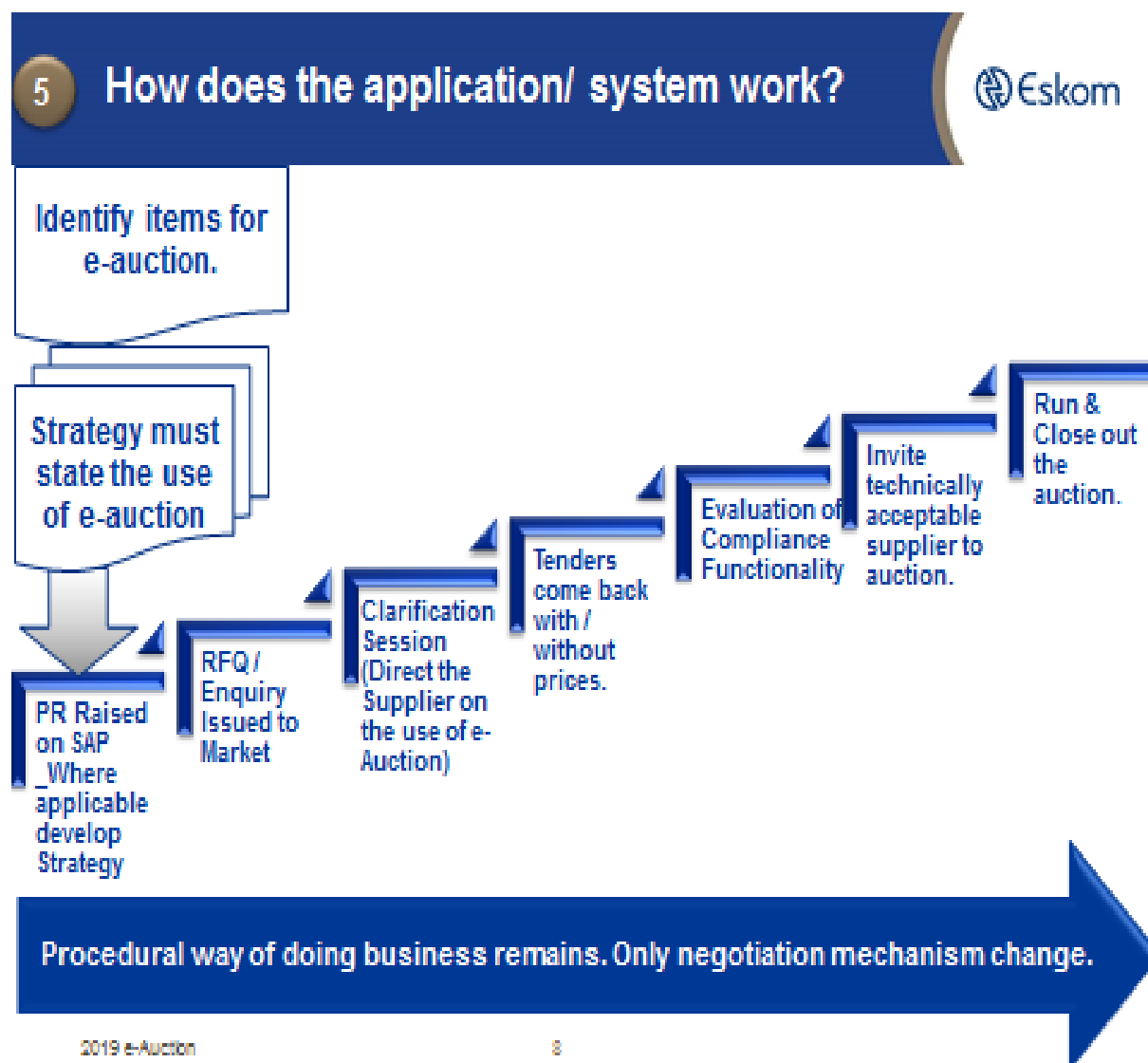
The background to this Instruction Note indicates that the P&SCM procedure 32-1034, Rev 4 came into effect on 01 July 2019, however, it has become evident that e-auction process is not captured in sufficient detail hence the need to clarify the process via Instruction Note 10 of 2019.

It should be further noted that the Instruction Note clearly indicates on section 8 that the Procurement Instruction becomes effective from the date of the last signature on that Instruction Note and remains in effect until superseded by a new Procurement Instruction Note or a revision of Eskom Procurement and Supply Chain Management Procedure 32-1034 or otherwise directed by National Treasury.

Section 7 of that Procurement Instruction Note further indicates that Procurement Instruction Note 10 of 2019 repeals:

- a) Eskom P&SCM Procedure 32-1034 – Rev 4, paragraph 14.4.8 and
- b) Eskom P&SCM Procedure 32-1034 – Rev 4, Guideline E.

This matter is addressed clearly during the awareness session as per slide or picture shown below:



STUDY UNIT 2

User access


Study Unit 2 Learning Outcomes

At the end of this session the learner will be able to:

1. Know how to access the e-auction system
2. Know how to login
3. Know how to logout
4. Know how to manage the user profile
5. Know where to start when using the Eskom e-auctions tool.

2.1 KNOW HOW TO ACCESS THE E-AUCTION SYSTEM:

The Eskom e-auction system can be accessed in 3 ways and 2 of the ways are meant for use only by the procurement and disposal officers. The 3rd way of accessing the Eskom e-auction system is meant to be used only by the bidders which entails Eskom employees (for disposal related auctions) as well as the external suppliers (for both disposal and procurement related auctions).

	<p>3 ways of accessing the e-auction system:</p> <ol style="list-style-type: none"> 1. Pre-production environment – for testing and training purposes – accessed by disposal and procurement officers. 2. Live production environment – for actual auctions – accessed by disposal and procurement officers. 3. Bidders' environment – for live bids – accessed by the bidders to an auction (both Eskom employees and external companies).
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It should be noted that the first 2 e-auction environments can be accessed by means of links which will be available through the P&SCM site on the share-point system. The 3rd environment for the bidders' can be accessed via the internet. The login pages for the 3 environments are shown below from Figure 1 to Figure 3:



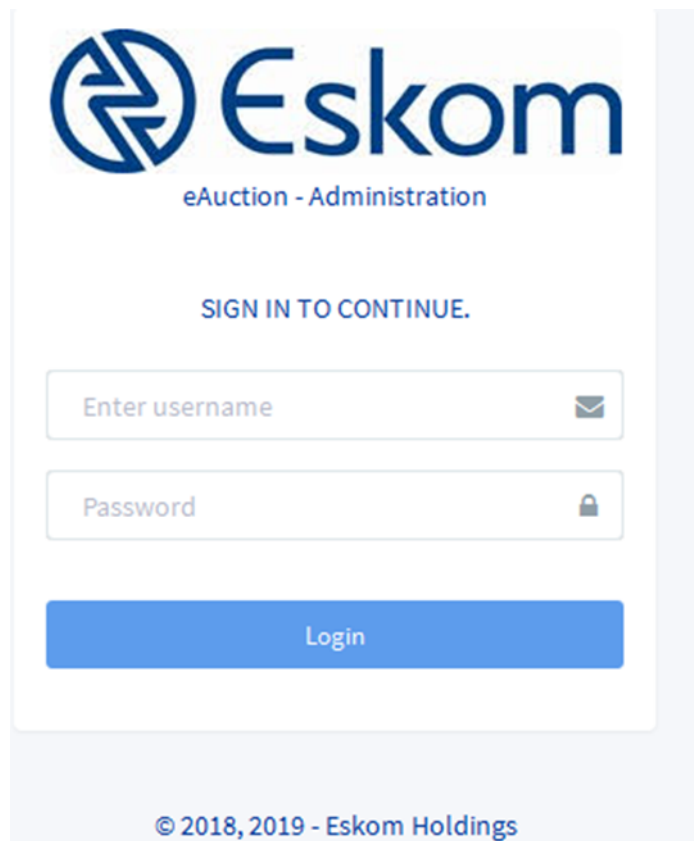
SIGN IN TO CONTINUE.

Please Login with your username and password like outlook or eforms. Should you experience any issues, please log a call with ITCARE.



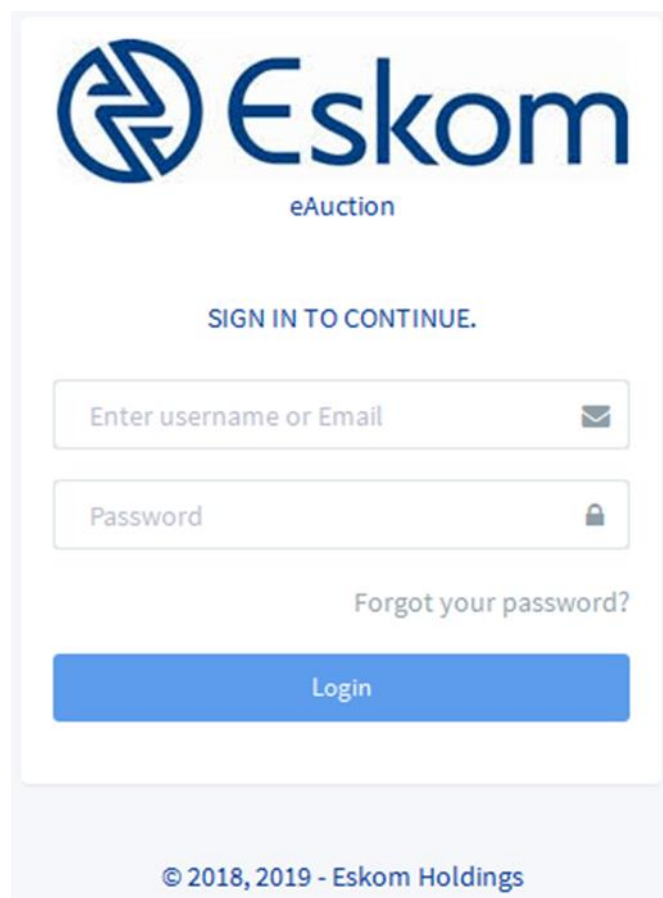
Login

Figure 1: Login screen for the officer on pre-prod environment



The image shows a login screen for the Eskom eAuction - Administration system. At the top, the Eskom logo is displayed next to the word "Eskom" in a large, blue, sans-serif font. Below this, the text "eAuction - Administration" is written in a smaller, blue, sans-serif font. The main heading "SIGN IN TO CONTINUE." is centered in a blue, sans-serif font. Below the heading, there are two input fields: "Enter username" with an envelope icon on the right, and "Password" with a lock icon on the right. A blue "Login" button is positioned below the password field. At the bottom of the screen, the copyright notice "© 2018, 2019 - Eskom Holdings" is displayed in a small, blue, sans-serif font.

Figure 2: login screen for the officer on the production environment



The image shows the login screen for the Eskom eAuction system. At the top, there is the Eskom logo (a stylized 'E' inside a circle) followed by the word 'Eskom' in a large, bold, blue font, and 'eAuction' in a smaller, blue font below it. Below the logo, the text 'SIGN IN TO CONTINUE.' is displayed in blue. There are two input fields: the first is labeled 'Enter username or Email' with an envelope icon on the right, and the second is labeled 'Password' with a lock icon on the right. Below these fields, there is a link that says 'Forgot your password?'. A large blue button with the text 'Login' is positioned below the password field. At the bottom of the screen, the copyright notice '© 2018, 2019 - Eskom Holdings' is visible.

Figure 3: login screen for the bidders on internet

The 3 pages shown above are specific to the 3 different environments. It should be noted that the very 1st environment indicated as Figure 1 is used specifically for training purposes by the disposal and procurement officers whereas the 2nd environment shown as Figure 2 is the actual production environment.

The 2 environments as above shown by Figure 1 and Figure 2 both indicate administration. The function of creating auctions by both the disposal and procurement officers is viewed as administration as such that role appears on both the training as well as the production environments. It should therefore be understood that it is only training on the e-auction system which will enable all the officers (both disposal and procurement) to gain access to the production environment where live auctions will be conducted.

It should be mention at this stage that the 3rd environment for the bidders (both for disposal and procurement) is not on the same environment as that of the officers so as to ensure that there is security of information. As much as the officers are able to view the auction as it takes place, it is not possible for the bidders to view the officers' administration of the auction. Basically, that means that the officers are conduction their auction administration on

the back-end of the e-auction system whereas the actual auction takes place on the front-end of the e-auction system.

2.2 UNDERSTANDING THE E-AUCTION LANDING PAGE:

The landing pages on all 3 environments almost looks the same especially in relation to indicating that you are on the Eskom e-auction system, then indicating the name and role of the user of the system then indicating the user profile, system menu and finally the auctions area. The page below shows 4 specific areas of the landing page:

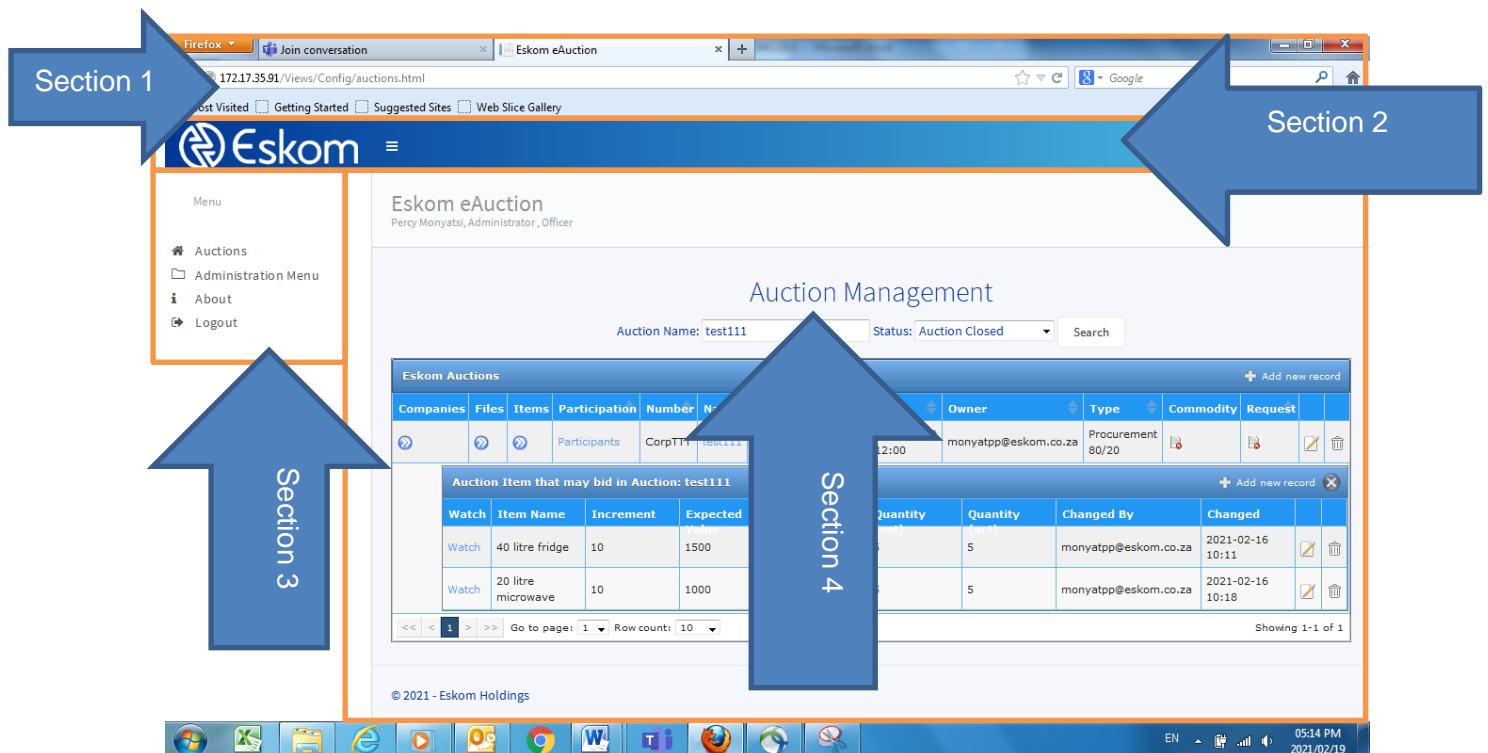


Figure: Display of the 4 sections of the landing page

The above picture named Figure 4 is showing the 4 key sections of the Eskom e-auction landing page. The 4 key sections are shown by the blue block arrows. More details on the 4 sections is provided below.

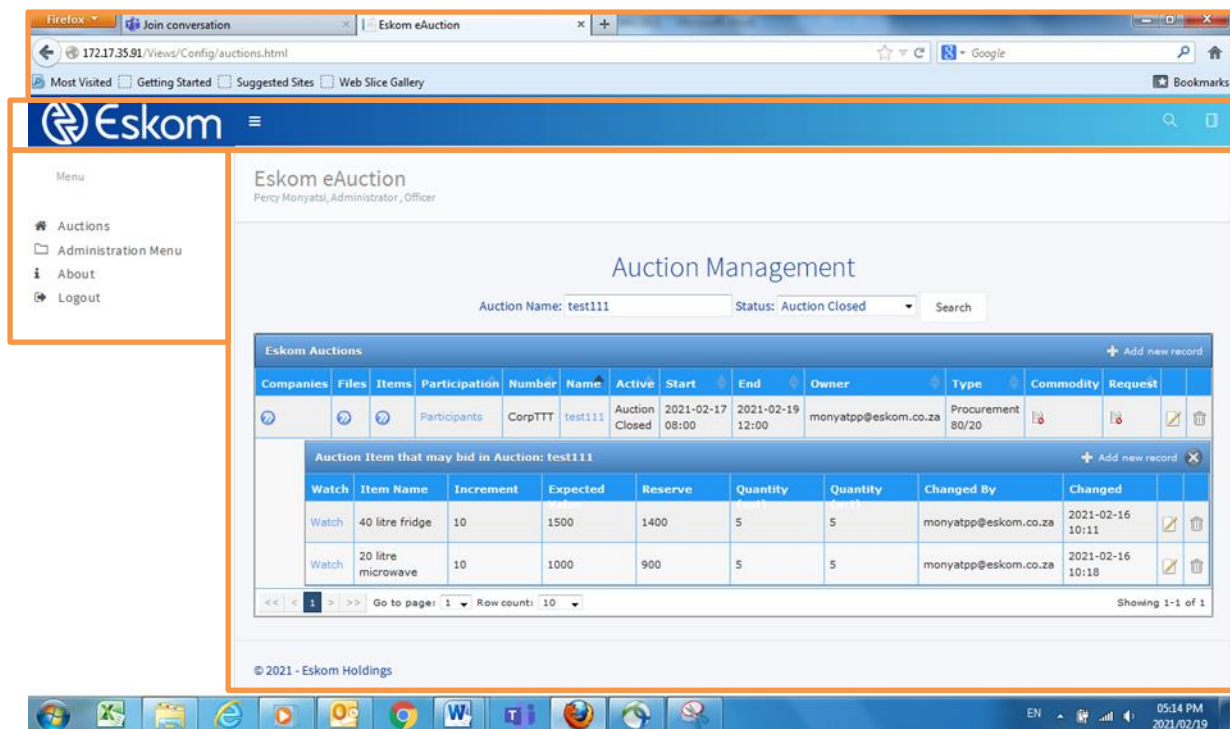


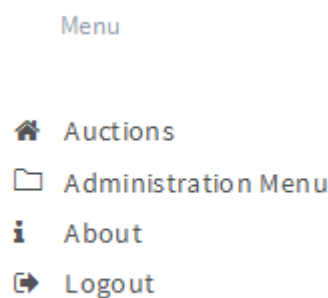
Figure 5: 4 sections of e-auction page explained


The 1st key section indicates that everything is done on internet though the 3 environments are accessed differently as explained above. The 2nd section indicates that you are on the Eskom site (shown by the Eskom logo on the left hand side of that section) as well as 2 other buttons on the right hand side of that section (those 2 buttons to be explained later). The 3rd section indicates the Eskom e-auction Menu section. The 4th section and main section of the Eskom e-auction landing page indicates who the user is, the role of that user and the Auction Management part which shows the actual auctions (more explanations on that section to follow).

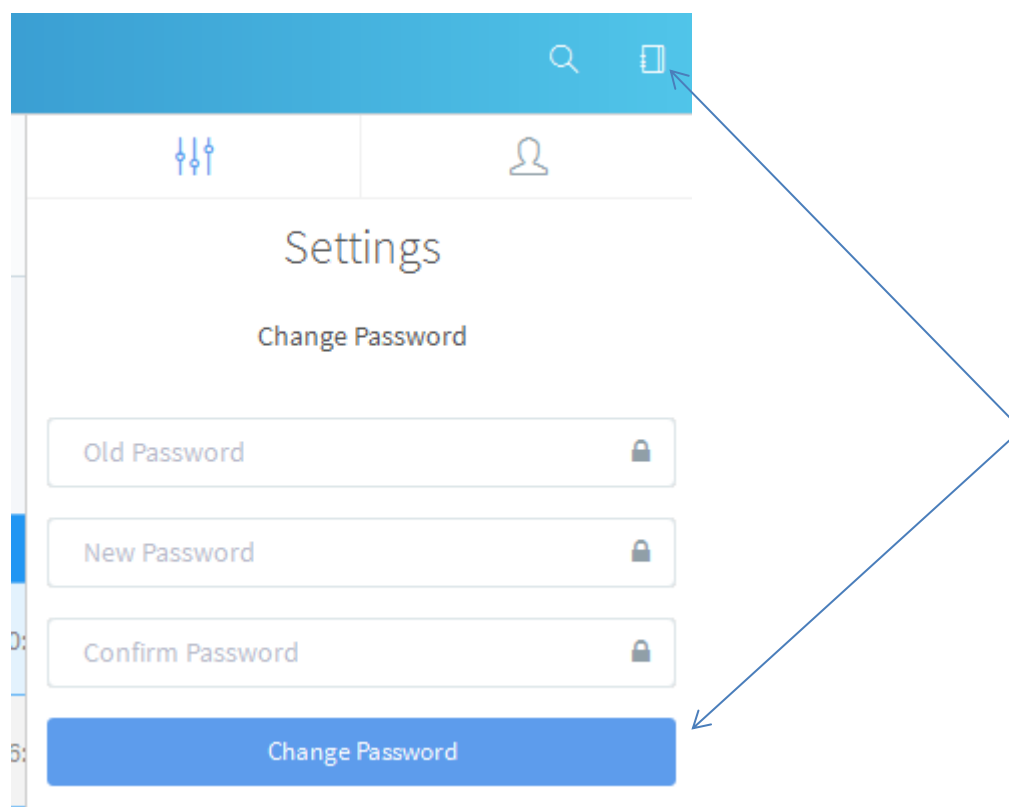
2.3 KNOW HOW TO LOGOUT:

When a user is finished with their actions on the system, they should logout. This is a security feature to ensure that no one else with access on the computer may make an unauthorized bid on behalf of the user.

The user should click on the logout option on the Menu options which are on the left hand side of the e-auction system, as shown below.




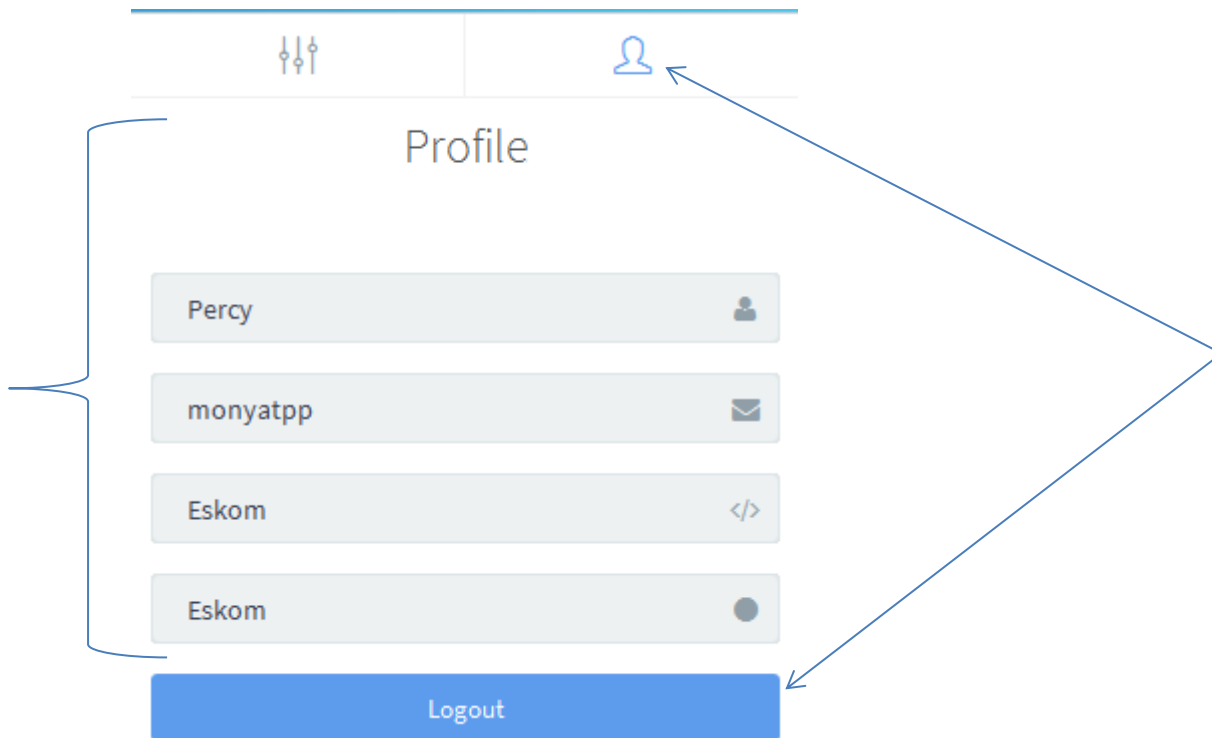
Alternatively, the user can click on the user profile button  and then the logout button which appears thereafter, as shown below.



2.4 KNOW HOW TO MANAGE THE USER PROFILE:

The user profile screen has two sections which are the Change Password Settings section and the user Profile section. The Change Password Settings option is the default option but

when you click on the user Profile option  then you will be able to see the profile for the user as well as the logout button as explained on previous section.



2.5 KNOW WHERE TO START FOR AN AUCTION:

The main section (section 4 as shown above) of the Eskom e-auction landing page allows the officers' access to all auctions (all, open or upcoming, new, pre-auction, pending approval, auction open, auction closed and auction cancelled). This means that the creation of a new auction, change of an already created auction, entry and deletion of bidders or suppliers or companies, finalization and archiving or reporting of auction results will take place on this main Eskom e-Auction screen. The roles mentioned above are known as administration on this Eskom e-Auction system.



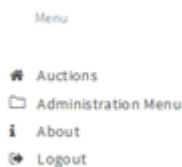
All the officers' administration duties require approval by the relevant team leader. This means no auction can be opened for bids before approval takes place.

The main Eskom e-Auction landing page is actually divided into the following sections which are:

- Eskom e-Auction toolbar which indicates the Eskom logo on the left hand side as well as the search button and the user profile button on the right hand side, see below:



- Eskom e-Auction Menu section which contains the Auctions option, Administration Menu option, About option and Logout option, see below:



- Auctions summary section which will show all the open or closed Auctions depending on what the user selected from the Auctions tab or button on the Menu section.

Auction Management

Auction Name: Status: Search

Companies	Files	Items	Participation	Number	Name	Active	Start	End	Type	Co
			Participants	0	The Auction of ERI Vehicles	Auction Closed	2019-06-14 14:30		Public Open	
			Participants	OLT1223720	The disposal of 14 X KVA transformers in Mogwase CNC	Auction Closed	2020-10-06 11:00	2020-10-06 13:00	IIS APPPOOL\Eaution	Disposal 80/20
			Participants	OLT1226924	The disposal of 22 X KVA transformers in Lichtenburg CNC	Auction Closed	2020-10-30 10:00	2020-10-30 12:00	IIS APPPOOL\Eaution	Disposal 80/20
			Participants	OLT1223721	The disposal of 30 X scrap KVA transformers in Rustenburg RDC	Auction Closed	2020-10-28 09:00	2020-10-28 11:00	IIS APPPOOL\Eaution	Disposal 80/20
			Participants	OLT1220493	The disposal of 38 X scrap KVA transformers in Rustenburg RDC	Auction Closed	2020-09-22 12:00	2020-09-23 10:00	IIS APPPOOL\Eaution	Disposal 80/20

The details about the various auction stages are also shown on the above picture.

It should be noted that all sections work together. The Administration Menu is further divided into the dashboard option, auctions option, mail audit option, companies or external users' option, commodity groups' option, regions option and categories option as shown below:



STUDY UNIT 3

Auction processes


Study Unit 3 Learning Outcomes

At the end of this session the learner will be able to:

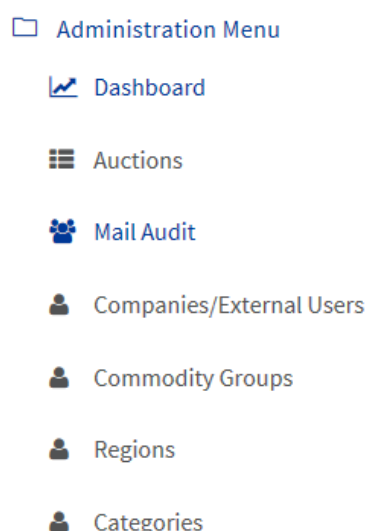
1. Know when to create a new auction,
2. Know how to create a new auction
3. Know how to add external companies
4. Carry out the auction
5. Close the auction
6. Carry out any additional requirements

3.1 KNOW WHEN TO CREATE A NEW AUCTION

The Eskom officers' (disposal and procurement) has to ensure that the Procurement AND Supply Chain Management (P&SCM) procedure as well as the Procurement Instruction Number 10 of 2019 is clearly understood at all times.

	<p>It should be clearly understood that the same requirements as indicated by the P&SCM procedure should be adhered to before the officer can start creating an auction on the Eskom e-auction system.</p>
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Officers' who are conversant with the use of the Eskom e-auction system will then create the auction after ensuring that all the relevant prescriptions of the P&SCM procedure have been adhered to. The starting point can either be through the use of the Administration Menu which is part of the Menu section on the Eskom e-auction landing page or through the use of the Auction Management section.

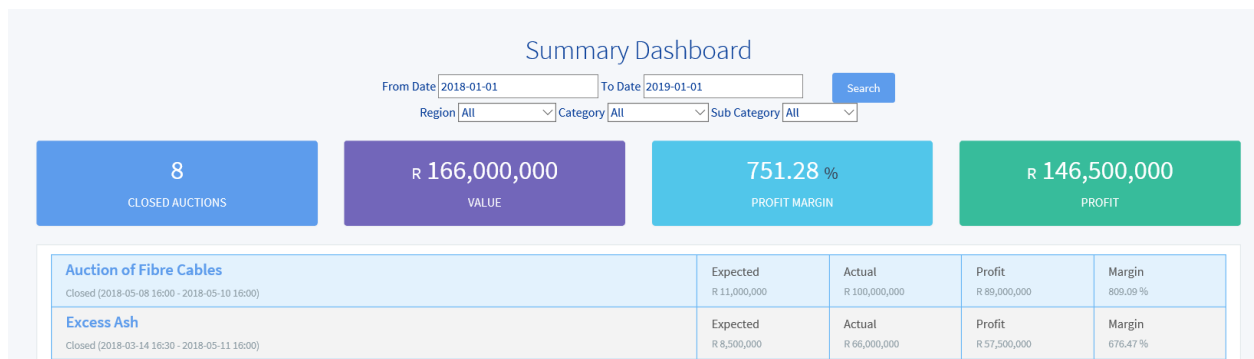


The various administration options allow Auction Officers to maintain the information in the system to ensure data integrity.

All actions taken as part of the data administration are recorded in the database and an email is sent to the creator of the auction.

3.1.1 DASHBOARD

The dashboard screen shows the overall status of the eAuction system. This screen is available to give a quick overview of the status of the system. No data can be changed from the dashboard.



The dashboard screen by default shows the summary of all auctions for the current financial year. The Start and End Dates can be changed to search for a specific period. A summary can be drawn for Auction within a region or within a Category (and subcategory).

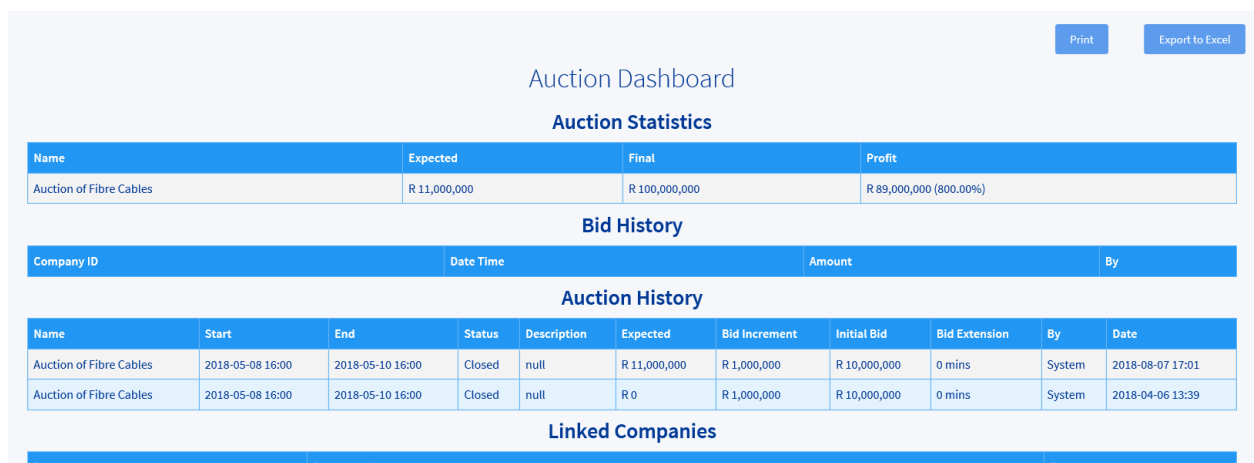
The top layer of the dashboard displays a summary of the data for the period.

The table gives a brief summary of each auction that was completed in the period along with the relevant profit margin and figures. Any auction that did not receive a bid will be included in the report but will clearly indicate that it was not completed successfully.

Clicking on the name of an Auction will take you to the individual Auction dashboard

3.1.2 INDIVIDUAL AUCTION DASHBOARD

The complete history of an auction is contained in its individual dashboard.



It should be noted that any officer (disposal or procurement) is able to see only the auctions that relate to him or her.

3.1.3 AUCTION STATISTICS

This section displays the status information about the Auction. Including the profit or loss value based on the expected value entered and best bid received.

3.1.4 BID HISTORY

Each bid entered for the period the auction was running is displayed. This allows the officer to see how the best bid changed during the period of the auction.

3.1.5 AUCTION HISTORY

Any changes made to the auction information (e.g. changing date or expected value) are displayed here.

3.1.6 LINKED COMPANIES

The date each company was linked to the auction is displayed here.

3.1.7 AUCTION EMAIL TRAIL

Each auction sent by the system to end users is listed here.

3.1.8 AUCTIONS

The Auctions screen is used to manage existing auctions and to create new auctions.

Auction Management																
Eskom Auctions + Add new record																
Companies	Name	Active	Changed By	Changed	Start	End	Expected	Initial	Increment	Extend	Type	Region	Category	SubCategory		
	20 MVA Transformer	Closed	cairnswm@gmail.com	2018-08-08 06:22	2018-05-15 10:00	2018-05-15 11:25	80000	70000	2000	10	Increment	Gauteng	Disposals	Scrap Metal		
	Auction of Fibre Cables	Closed	System	2018-08-07 15:01	2018-05-08 16:00	2018-05-10 16:00	11000000	10000000	1000000	0	Increment	National	Uncategorised	Uncategorised		

<< 1 >> Go to page: 1 Row count: 100 Showing 1-15 of 15



It should that the Auction management section as shown above is the main area where you can create a new auction

+ Add new record

To add a new auction to the system, use the + Add new record link at the top of the tables. This option opens the screen to allow new Auctions to be created.

Add new record
✕

Number

Name

Start

End

Extend-by

Type

Procurement 80/20 ▼

Region

Eastern Cape ▼

Category

Appliances ▼

Cancel

Save

The screenshot shows the Eskom eAuction web application interface. A 'Add new record' pop-up is displayed over a table of auction items. The pop-up form includes the following fields:

- Item Name
- Increment
- Expected Value
- Reserve
- Quantity (est)
- Quantity (act)

At the bottom of the pop-up are 'Cancel' and 'Save' buttons. The background table shows a list of auction items with columns: Companies, Files, Items, Participation, Number, Name, Active, Start, End, Owner, Type, Commodity, and Request. The selected item is 'Test2222'.

Please note that the above 2 screens showing the Add Record pop-up screen are showing 2 different data. The 1st pop-up screen requires the data for the parent or main auction whereas the 2nd pop-up screen requires the data for the child auction (line item).

The explanations relating to the data sections to be added are shown below.

Enter a name: to distinctly identify the auction. A name should allow all Auction Officers to know what the auction is about by simply reading the name. For Auctions specific to a region/site it would make sense to include this in the name.

The Start date: is the first time a bidder will be able to make a bid on the auction.

The End date: is the date and time that the auction will be complete unless the Extension By field comes into effect.

Expected: is the Rand amount that the Auction Officer predicts would be achieved if the product/services was sold as normal.

Initial: is the amount of the first Bid. This is effectively a reserve amount and the system will reject any bids under this amount.

Increment: is the amount bids should increase by. This has been put in place to stop minimal increases of bids on larger projects, for example a bid of R1 on a R1,000,000 project makes little difference. Typically, the Increment should allow 3-4 bids to occur before the Initial amount reaches the Expected amount.

Extend by: is the period to extend the auction by if bids are received close to the End time. This value is always set in minutes. If the Extend By is set at 15 minutes, then any bid that happens within 15 minutes of the end time the bid will be extended for a minimum of 15 minutes from that point in time. This allows another bidder time to react to the bid and decide if they want to bid again. This Extend by time will vary per event and is set by the Procurement Practitioner responsible for the event

Type: can be only one of 2 types.


- a standard auction where bids/prices increase (i.e. Eskom is selling goods and wants the highest price), or
- a Reverse Auction where bids/prices are decreasing (i.e. Eskom is buying and looking to pay the lowest price).






The Margin of profit on each Auction is the difference between the final value achieved and the Expected amount entered when the auction was created. The expected value is never shown to bidders and is included to estimate the impact the eAuction site has on the value of purchases and sales.


3.1.9 LINKING COMPANIES TO AN AUCTION

Before a company can be linked to an auction it needs to be created using the “Companies/External users” menu option.

The eAuction system only allows certain users/companies to bid on auctions. This ensure that the companies bidding on an auction are valid suppliers that have passed the required RFx process (pre-qualified) or have been approved through other mechanisms within Procurement.

Click the  link next to an auction to see the companies that have been linked to the auction. These are the only companies that may bid on the auction. (Note Eskom Employee Auctions and Open auction do not require linked companies)

Companies	Name	Active	Created By	Created	Start	End	Expected	Initial	Increment	Extend	Type	
	11kv Transformers - Polokwane	Closed	calmswm@eskom.co.za	2018-07-17 10:55	2018-04-23 12:00	2018-04-30 12:00	100000	100000	10000	0	Increment	 
Companies that may bid in Auction: 11kv Transformers - Polokwane + Add new record x												
	10000002 - Active Construction	Status										
	100001 - Balele Construction	Active Bidder										

The  will close the child table.

To add a new company (it must already exist) click the + Add new record x link in the child table. In the popup form select the company and press OK.

Add new record x

10000002 - Active Construction

Status


Active Bidder


Cancel

Save

Note that the Status field on a new record should be left as active.

EDIT LINKED COMPANY

To edit the bidding status of a company in an auction press the edit button  and change the Status field to, for example, “Cannot Bid” or “Disqualified” based on the relevant reason the company may no longer bid.

Using the Commodity group button  allows a complete group of companies linked to a commodity group to be linked to the auction at once.

Select the commodity group to be linked. Note that once a commodity group is linked the only way to remove them is on an individual basis.

Two or more commodity groups can be added to the same auction.

3.1.10 MAIL AUDIT

The Mail audit screen is read only, no mail can be edited or deleted. This allows information to be audited only.

Mail Audit

Mail Audit			
Sent	To	Subject	Mail Body
2018-04-08 18:51	cairnswm@gmail.com	Eskom eAuction: You have been outbid	Hi Someone has outbid you on an Auction you were previously...
2018-05-14 12:26	Default	Eskom eAuction: Auction of Auction of Fibre Cables has closed	Hi An Auction you were bidding in has closed, at the end of...
2018-05-14 12:26	System	Eskom eAuction: Auction of Auction of Fibre Cables has closed	Hi The Auction you are managing has closed. Please contact...
2018-05-14 12:26	cairnswm@gmail.com	Eskom eAuction: Auction of Excess Ash has closed	Hi An Auction you were bidding in has closed, at the end of...

3.1.11 COMPANIES / EXTERNAL USERS

Before Companies can be linked to the Auctions they may bid on, they need to be created in the Companies section. Users do not get created but are linked to the relevant company when they register.

Company Management

External Companies								+ Add new record	
Registered	Reference	Name	Active	Contact Name	Contact EMail	Created By	Created		
?	10000002	Active Construction	Active	John	John@W.co.za	cairnswm@gmail.com	2018-05-14 12:20		
?	100001	Balele Construction	Active	Peter de Vries	Peter@balele.co.za	cairnswm@eskom.co.za	2018-07-23 08:29		

Click the [+ Add new record](#) link to add a new company to the system.

Use the reference field to link to a known value for the company – e.g. the supplier/vendor number from the Eskom SAP System / Vendor Master.

The Company Name is only visible to administrators and as such is just used as an easy

reference value.

Make sure the email address is correct as the initial email containing the company code is sent to this address and without supplier / vendor receiving this code they will not be able to bid on an auction.

The edit button on each company record will allow you to update the company details

Note that an inactive or removed company will not be able to bid on projects and should only be used / selected when a company is no longer going to be active on the system.

3.1.12 EDITING COMPANY USERS

External users cannot be added to the system. Users are automatically linked to the relevant company when they first register on the website and enter their company code. Errors can however be updated by the administrator – e.g. Changing name or email address.

100001	Balele Construction	Active	Peter de Vries	Peter@balele.co.za	cairnsww@eskom.co.za	2018-07-23 08:29		
Registered users of: Balele Construction								
Full Name				Email Address				
Peter de Vries				peter@balele.co.za				

Administrators can also reset a user's password by clicking the change password button



Then enter a new password for the user. This password is communicated by the Auction Officer / Procurement Practitioner to the user. This option can be used to reset the bidder password if they have lost access / forgotten their password.

3.2 COMMODITY GROUPS

Commodity Groups allow easy linking of groups of companies to an Auction. By creating a group and linking the companies to it, the Commodity Group can be linked to the auction in a single action.

Commodity Group Management					
Commodity Groups					
Linked	Name	Active	Changed By	Changed	
	Construction	Active	calmswm@gmail.com	2018-08-01 09:17	
	Scrap Metal	Active	calmswm@gmail.com	2018-08-08 06:27	
<< 1 >> Go to page: 1 Row count: 10 Showing 1-2 of 2					

Click the link next to a commodity Group to see the linked companies.

Commodity Groups					
Commodity Groups					
Linked	Name	Active	Changed By	Changed	
	Construction	Active	calmswm@gmail.com	2018-08-01 09:17	
Companies in group Construction					
Company	Active	Changed By	Changed		
100002 - Active Construction	Active	IIS APPPOOL\Auction	2018-08-01 09:18		
100001 - Balele Construction	Active	IIS APPPOOL\Auction	2018-08-01 09:18		
100003 - Harbour Construction	Active	IIS APPPOOL\Auction	2018-08-01 09:18		

The button will close the child table.

Add new record

Company
100002 - Active Construction







Active
Active

Cancel Save

To add a new company (it must already exist). Click the link in the child table. In the popup form select the company and press OK.

3.3 REGIONS

Regions allow grouping of Auctions to a region. The Administrator can modify the regions available.

Region - Maintenance			
Auction Region			
Name	Changed By	Changed	
Gauteng	System	2018-08-07 15:01	 
Kwazulu-Natal	System	2018-08-07 15:01	 
National	System	2018-08-07 15:01	 

Go to page: 1 Row count: 10 Showing 1-3 of 3

Add new record

Name




Cancel Save

To add a new Region, click the  link in the table. In the popup form enter the new Region name and press Save.

Note that Regions are not Hierarchical and are designed to only manage provincial and national level.



3.4 CATEGORIES


Categories allow grouping of Auctions for reporting. For example, each department handling auctions could be defined as a Category, and the various types of auctions conducted by the department could be loaded as sub-categories.

Category - Management			
Auction Categories			
Sub	Name	Changed By	Changed
	Disposals	System	2018-08-07 15:01
	Primary Energy	System	2018-08-07 15:01
	Uncategorised	System	2018-08-07 15:01

Go to page: 1 Row count: 10 Showing 1-3 of 3

Click the  link next to a Category to see the Sub-Categories.


Category - Management				
Auction Categories + Add new record				
Sub	Name	Changed By	Changed	
?	Disposals	System	2018-08-07 15:01	 
Sub Categories for: Disposals + Add new record 				
Name	Changed By	Changed		
Scrap Metal	System	2018-08-07 15:01		
Transformers	System	2018-08-07 15:01		
Uncategorised	System	2018-08-07 15:01		
Vehicles - External	System	2018-08-07 15:01		
?	Primary Energy	System	2018-08-07 15:01	 


Add new record


Name

Cancel

Save

The  button will close the child table.

To create a sub category, click the  link in the child table. In the popup form enter the Sub-Category name and press Save.

This section is included as part of the administration manual to provide an understanding of the process prospective bidders will be following.

3.5 STANDARD AND REVERSE AUCTIONS

The eAuction system supports both **Standard Auctions** (Eskom is selling a product) and **Reverse Auctions** (Eskom is Buying a product or service).

- In the case of a **Standard auction**, Eskom is selling a product and therefore each bid is required to be higher than the last bid.
- In a **Reverse auction** where Eskom is buying a service or product, each bid is required to be lower than the previous bid.

On the bidding screen the current auction type is displayed:

Eskom is trying to obtain the highest price for this sale.

3.6 NEXT BID

The eAuction system indicates what the next bid is required to be. This value is based on the current winning bid and a fixed bid increment that is applied. In a standard auction this is the lowest bid that can be made next, bids of a lower amount will be rejected, however bids of a higher amount can be made (The opposite applies in a Reverse Auction).

This has been implemented to prevent very small bid increments that have no material difference to the final price obtained.

3.7 END TIME OF AN AUCTION

The End Time of an auction is the earliest time the auction can close. However bids made close to the end time will extend the end time of the auction to give other bidders an opportunity to react to any bids made.

This has been implemented to ensure that all bidders have a fair opportunity to make the winning bid.

An example:

eAuction for the sale of 10000 tons of Ash from Lethabo Power Station had an End Time of 10:00am in the morning. Bidder A makes a bid at 09:58am, the Auction is therefore extended by 10 minutes to 10:08am. At 10:04am, Bidder B makes a new best bid and the

auction gets extended to 10:14 to allow Bidder A an opportunity to react to Bidder B's bid. Bidder A makes a new bid at 10:05am and the auction gets extended to 10:15am. Bidder B decides that the new bid by A cannot be beaten and does not make any further bids. The auction then closes at 10:15am when no new bids have been received for the 10 minutes. (10 minutes is an example only and each auction can have their own increment extension value).

3.8 WINNING AN AUCTION

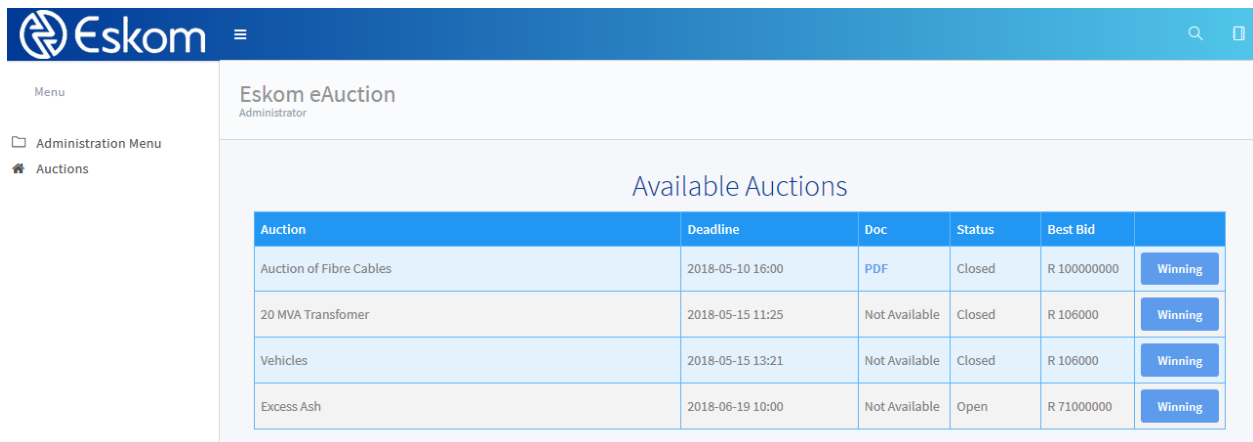
Bids made on an Auction are a financial commitment to buy/deliver the product/services as explained in the Auction, at the price offered. It is a financially binding commitment. Please read the End User License Agreement for more details on the legal aspects of making a bid.

The final bids are still subject to Eskom review as the final awarding of a contract is also influenced by other requirements such as BEE rating etc. To find out more about the impact of these rating on the final awarding of the contract please speak to the Procurement Practitioner to get the details.

When an Auction closes all bidders will receive an email indicating that the Auction has closed. Once the auction is closed no more bids can be entered and no opportunity is available to change your final bid.

The Procurement Practitioner will contact the winning bidder directly and finalise the contract.

3.9 SCREEN LAYOUT



The screenshot shows the Eskom eAuction Administrator interface. On the left is a navigation menu with 'Administration Menu' and 'Auctions'. The main content area is titled 'Available Auctions' and contains a table with the following data:

Auction	Deadline	Doc	Status	Best Bid	
Auction of Fibre Cables	2018-05-10 16:00	PDF	Closed	R 100000000	Winning
20 MVA Transformer	2018-05-15 11:25	Not Available	Closed	R 106000	Winning
Vehicles	2018-05-15 13:21	Not Available	Closed	R 106000	Winning
Excess Ash	2018-06-19 10:00	Not Available	Open	R 71000000	Winning

The screen is divided into three parts, the top is the header section containing the Eskom



Logo and the user profile button. The left section has the menu area allowing quick access to the main auction screen from any other screen. The central portion of the screen contains the information about available auctions

3.10 AUCTION DETAILS

Available Auctions					
Auction	Deadline	Doc	Status	Best Bid	
Auction of Fibre Cables	2018-05-10 16:00	PDF	Closed	R 100000000	Winning
20 MVA Transformer	2018-05-15 11:25	Not Available	Closed	R 106000	Winning
Vehicles	2018-05-15 13:21	Not Available	Closed	R 106000	Winning
Excess Ash	2018-06-19 10:00	Not Available	Open	R 71000000	Winning

Information about auctions is displayed in a tabular format. Note that the button on the right hand side indicates if the currently logged on bidder is winning the auction or not. (If not currently the best bid, the button will read “Bid”).

Clicking on the button will take the user to the screen where bids can be made. (See the next section)

Only auctions open to the company of the logged-in user will be displayed. Note that the screen also displays auctions that are closed.

3.11 MAKING A BID

Auction Bidding

Auction Details

Auction: Excess Ash
 End Date: 2018-06-19 10:00
 Specification:
 Eskom is trying to obtain the highest price for this sale.

New Bid

The minimum next bid is:

72000000

Bid

Current Bids

Bid Date	Amount	Action
2018-04-09 14:05	R 71000000	Your bid
2018-04-06 13:39	R 66000000	
2018-04-06 13:39	R 64000000	

When the user enters an auction to view the bids, the best unique bids from all bidders is displayed on the screen. The current company bid is marked as “Your Bid” to allow the logged in user to compare their current bid to the other bidders.

New Bid

The minimum next bid is:

72000000

Bid

The New Bid box shows the next possible bid that can be made. This bid, if made, will make the current user the holder of the best bid *(Note that other bidders see the same screen and it is possible that they make this*

bid before you, in this case the screen will update with the new best bid and an error will be returned).

When a new bid is made the bid screen will update with the new information. It is suggested that the winning bidder or company or Eskom employee should refresh the screen on a regular basis to see if another bidder has made a bid.

If you are outbid on an auction your company will receive an email indicating that you have been outbid.

Course summary

As mentioned earlier that this training manual is meant to enable the potential Eskom user to be exposed to the initial Eskom e-Auction system. It is therefore expected that the potential Eskom user will familiarize with the system and thereafter make inputs relating to how the system can be improved. The intention with this first attempt of the Eskom e-Auction system is to encourage the potential Eskom user to add value to the system which has been developed so far.

This Eskom e-auction system has been improved so that there can be more security therefore the 3 environments instead of 1 environment and there has been more enhancements like the addition of multiple lines.

In conclusion, it has been identified that it would work to the organization's advantage to indicate the recommended reserve prices for each item on the chosen basket to be used (either e-auction or reverse e-auction. This initial training document is meant to assist the potential Eskom users to first familiarize themselves with the system and engage more as the experience is gained on the system. Good wishes to all who will partake in this exercise.