

	<b>Strategy</b>	<b>Engineering</b>
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Title: **Tender Technical Evaluation Strategy for Milling Plant Spares at Lethabo Power Station – Category 1 Consumable Spares**

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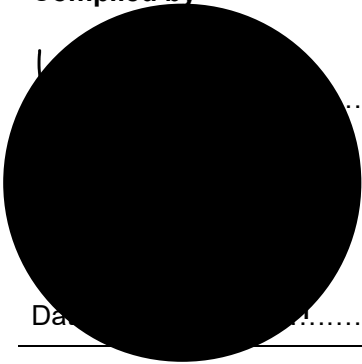
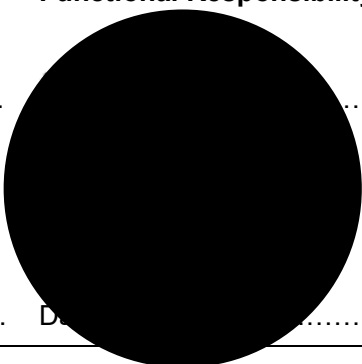
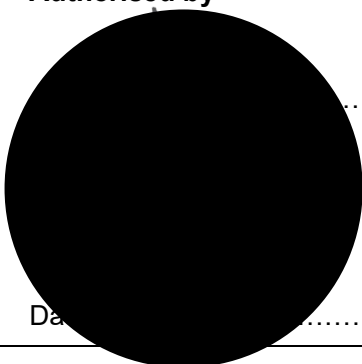
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## **1. INTRODUCTION**

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%.

#### **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 1 Technical Evaluation - Qualitative Requirements				
Item	Item Description	Total Weight (%)	Sub-Item	Weighting (%)
1	Previous experience with regards to industrial spares supply in Power Generation or other related industries . 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.	20	<b>Bolts/Nuts/Washers</b> - Submit one (1) signed Purchase Order/Delivery Note/Completion certificate of a supply completed on bolts and/or nuts and/or washers.	10%
			<b>Valves</b> - Submit one (1) signed Purchase Order/Delivery Note/Completion certificate of a supply completed Valves.	10%
			<b>Shims</b> - Submit one (1) signed Purchase Order/Delivery Note/Completion certificate of a supply completed on Shims.	10%
			<b>Seals/Gaskets</b> - Submit two (2) signed Purchase Order/Delivery Note/Completion certificate of a supply completed on Seals/Gaskets. Each qualifying submission will receive a score of 5%.	10%
			<b>High Pressure Hoses</b> - Submit two (2) signed Purchase Order/Delivery Note/Completion certificate of a supply completed on High Pressure hoses. Each qualifying submission will receive a score of 10%	20%
			<b>Bearings</b> - Submit four (4) signed Purchase Order/Delivery Note/Completion certificate of a supply completed on Bearings. Each qualifying submission will receive a score of 10%	40%

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2	Supply requirements of Category 1 items excluding the bearings	30	Submit a signed declaration by the managing director and the owner of the company (legal representative of the company) stating the committed lead times for all category 1 items excluding the bearings. The committed lead times will form part of the contractual agreement and thus shall be adhered to at all times throughout the contract terms/period. The declaration must be in an official letter format clearly identifying the supplier name and logo as well as the designation/s and contact details of the signitries. <b>Note that one (1) week lead time will get the full score of 50%, two (2) weeks lead time will get a score of 25% and three (3) weeks or more will get a score of 0%</b>	50%
			Submit a signed declaration by the managing director and the owner of the company (legal representative of the company) stating the committed warranty for all category 1 items excluding bearings. The committed warranty will form part of the contractual agreement and thus shall be adhered to at all times throughout the contract terms/period. The declaration must be in an official letter format clearly identifying the supplier name and logo as well as the designation/s and contact details of the signitries. <b>A warranty of six (6) or more will be scored a full score of 50 % and a warranty period less than six months will be scored 0%</b>	50%
3	Supply requirements for bearings	40	Submit a signed declaration by the managing director and the owner of the company (legal representative of the company) stating the committed lead times for all the bearings in category 1. The committed lead times will form part of the contractual agreement and thus shall be adhered to at all times throughout the contract terms/period. The declaration must be in an official letter format clearly identifying the supplier name and logo as well as the designation/s and contact details of the signitries. <b>Note that one (1) week lead time will get the full score of 10%, two (2) weeks lead time will get a score of 5% and three (3) weeks or more will get a score of 0%</b>	10%
			Submit a signed declaration by the managing director and the owner of the company (legal representative of the company) stating the committed warranty for all the bearings in category 1. The committed warranty will form part of the contractual agreement and thus shall be adhered to at all times throughout the contract terms/period. The declaration must be in an official letter format clearly identifying the supplier name and logo as well as the designation/s and contact details of the signitries. <b>A warranty of six (6) or more will be scored a full score of 10 % and a warranty period less than six months will be scored 0%</b>	10%

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			<p>Submit a signed declaration by the managing director and the owner of the company (legal representative of the company) stating/listing all the committed bearing brands/OEMs (e.g SKF, NSK, BMG, FAG etc.) to be supplied for <b>all</b> the bearings in category 1. The committed brands will form part of the contractual agreement and thus shall be adhered to at all times throughout the contract terms/period. The declaration must be in an official letter format clearly identifying the supplier name and logo as well as the designation/s and contact details of the signatories. Every brand listed in the submitted declaration must be accompanied by a signed letter/s from the brand OEM/s addressed to the tenderer to authorise the tenderer as a distributor. If the tenderer is the OEM, then a signed letter must be submitted stating that the tenderer is the OEM of the items to be supplied and that only their brand will be supplied throughout the term/period of the contract. <b>A full score of 70% will be allocated when all the requirements are met, failure to meet the requirements fully will lead to a score of 0%</b></p>	70%
			<p>Submit a signed letter by the managing director and the owner of the company (legal representative of the company) stating that counterfeit/unbranded/uncertified bearings will <b>not</b> be supplied to Lethabo Power Station.</p>	10%
<b>4</b>	<p>Correct completion of Schedule A&amp;B (all the bearings specification must be accompanied with their respective data sheet for verification)</p>	<b>10</b>	<p>The submitted technical specification contains all the technical data of the items as per the schedule submitted at tender phase:</p> <p>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</p>	100%
<b>Total Score</b>		<b>100</b>		
<p><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></p>				

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### **3.5 TET MEMBER RESPONSIBILITIES**

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

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### **3.6 FORESEEN ACCEPTABLE / UNACCEPTABLE QUALIFICATIONS**

#### **3.6.1 Risks**

**Table 3: Acceptable Technical Risks**

<b>Risk</b>	<b>Description</b>
1.	Equivalent products for obsolete material supported by datasheets where applicable.

**Table 4: Unacceptable Technical Risks**

<b>Risk</b>	<b>Description</b>
1.	None

#### **3.6.2 Exceptions / Conditions**

**Table 5: Acceptable Technical Exceptions / Conditions**

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

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

<b>Risk</b>	<b>Description</b>
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.

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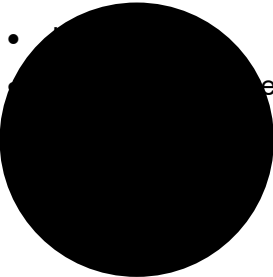
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#### **4. REVISIONS**

**Rev 1.:** The TEC was reviewed by the TET members 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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