



INVITATION TO TENDER

ASSET VALUATION SERVICES

Ref: RTO/403620

July 12

INTRODUCTION

Eskom Uganda Ltd is a wholly owned subsidiary of Eskom Enterprises (SOC) Limited of South Africa and is a limited liability company in Uganda, Operating and Maintaining Nalubaale and Kiira Power station on the River Nile.

Eskom Uganda Ltd took over the operations and maintenance of the two power stations on the 1st April 2003 on a 20 year concession and assignment agreement.

Nalubaale Power station is a hydropower with 10 Kaplan turbines of 18MW each with a rated head of 18.9m commissioned between 1954 and 1968 (Total Capacity of 180MW installed). The Nalubaale Power Station units were upgraded from 15 to 18MW each from 1990 to 1998. The generator output at the generator terminal is 11kV which is transformed to 33kV at the power transformers for Units 1-4 and to 132kV for Units 5-10.

Kiira Power Station is also a hydropower station with 5 Vertical Shaft propeller turbines of 40 MW each with a rated head of 20.8m commissioned from 2000-2007 (Total installed Capacity of 200MW). The five Units in operation at Kiira are rated at 40MW, 0.9 PF. The generator output at the terminal is at 11kV which is transformed at 132kV and the power delivered through a short transmission line to the 132kV switch yard at Nalubaale.

As part of the requirements for the concession agreement, the company maintains insurance cover for the two power stations system assets. The last asset valuation was conducted in 2009.

Over the past 3 years the company has under taken a number of refurbishments, system modifications and has introduced new industry practices to operate and maintain the complex in the most efficient manner. As such the value of the assets at the complex may have changed as a result of inflation and system modifications/ refurbishments, re-engineering and or replacements.

To insure the complex at its true replacement value, the company now invites professional chartered valuers to carry out re-valuation of the assets to reflect inflation and system modifications and evolving industry practices.

The exercise shall involve carrying out an objective assessment of the insurable assets and their appropriate insurance limits, to be used for the company's insurance cover placement programs.

METHODOLOGY

The revaluation exercise will include but not limited to the following;

1. Revalue the current asset portfolio for plant and equipment, machinery, buildings, structures, tools, spares and ancillary equipments, IT equipments, furniture and fixtures and the general contents including work in progress for the Nalubaale and Kiira Power Stations as well as the 33kV and 132 kV substations to reflect their true replacement value.
2. all information which bidders may require in order to ensure a successful execution of this assignment will be provided
3. all costs for bid preparations are at the bidder's cost
4. bidding currency and valuation currency shall be United States Dollars

DELIVERABLES

Following the successful completion of the work, successful bidder will be required to present the following documentation:

1. A schedule of all assets with their historical book value, market and replacement values for their insurable, including appropriate comments, notes and observations will be required.

GENERAL INFORMATION

A. Submission Requirements

To be considered responsive, the tenderer **MUST**:

1. Submit proof of having carried out similar assignment for re-known hydro-power plant within the last five years.
2. be registered with relevant professional bodies and authorities. Show proof of such registration **MUST** be tendered.
3. List the names of proposed professional service team and describe each member's service role. Include at least one qualified individual in the firm having a minimum of five years experience conducting hydropower plant survey and asset re-evaluations who would be directly assigned to the work
4. Submit references with contact information from organisations that have used the firm's services for similar services in the last 5 years.
5. Have professional indemnity cover of 500,000 United States Dollars with a reputable insurance company.
6. The valuation criteria to be used and assumptions foreseeable will be required to be stated.

A submission which fail to address each of the submission requirements above may be deemed non responsive and will not be further considered.

B. Rejection of bids

Eskom Uganda reserves the right in its sole discretion to reject any bids or all bids submitted in whole or in part, without incurring any cost or liability whatsoever. All bids will be reviewed for completeness of the submission requirements.

If a bidder fails to meet a submission requirement of this Terms of Reference (TOR), or if it is incomplete or contains irregularities, the proposal may be rejected.

A deviation is a material to the extent that a bid is not substantially in accord with these TOR requirements.

Immaterial deviation may cause a bid to be rejected. Eskom Uganda may or may not waive an immaterial deviation or defects in the proposal. Eskom Uganda waiver of immaterial deviation or defect shall in no way modify the TOR or excuses a bidder from full compliance to the TOR requirements.

A bid may be rejected where it is determined not to meet Eskom Uganda Ltd's requirements, not responsive enough, not competitive or where the cost is not reasonable. Eskom Uganda Ltd is not bound to consider the lowest or any bid presented.

A bid containing false or misleading statements may be rejected if in Eskom Uganda's Opinion the information was intended to mislead the company regarding a requirement of the TOR.

C. Evaluation process

Eskom Uganda Ltd will review all bids received to determine the Highest Scored Bidder. Eskom Uganda Ltd reserves the right to determine the suitability of the bid on the basis of a bidder meeting the requirements, contract delivery methodology and price quotes.

The following criteria will be used to review and compare the bids and in determining the highest scored bidder.

1. Responsiveness to the submission requirements set in the TOR (10%)
2. The technical ability, capacity and flexibility of the vendor to carry out the work in a timely manner and demonstrated by the company's methodology and previous success in project with similar requirements (40%)
3. The bid price as submitted in the tender document (40%)

4. Time schedule for execution of assignment (5%)
5. Payments terms (5%)

D. Questions regarding this TOR

Questions regarding the TOR may be addressed in writing to the Procurement Manager at betty.amboye@eskom.co.ug. All questions must be submitted not later than 14 days prior to the final date of submission of the proposal

E. Addenda

Eskom Uganda may notify the TOR prior to the date fixed by posting, mailing, emailing or faxing an addendum to the bidders known to be interested in submitting their tender documents.

F. Site Visit

Site visits shall be arranged 2 weeks from the tender advert, the visit shall be optional; however advanced notification of at least one week shall be required. The following shall be adhered too during the site visit

1. Subjected to security gates at the gates, so a valid Identification will be required
2. Avail you self with personal protective equipment, minimum, safety shoes, hard hat helmet.
3. Subject to Alcohol test at the gate and no access shall be around in case the levels exceeds EUL permissible
4. EUL is a no smoking area

G. Contracting Requirements

Upon selection of the prospective bidder, the terms set forth within this TOR should be included in the definitive contract containing additional covenant and other provisions as may be mutually acceptable

Note:

1. Prices quoted by the bidder shall be fixed during the Bidder's performance of the contract and not subject to variation on any account, unless otherwise specified in the **Bid documents**. A bid submitted with an adjusted price quotation shall be treated as non responsive and shall be rejected, However, if in accordance with the **Bids Documents**, prices quoted by the Bidder shall be subject to adjustment during the performance of the Contract, a bid submitted with a fixed price quotation shall not be rejected, but the price adjustment shall be treated as zero.

Bid submission instructions:

1. The tender should be addressed to:
The Procurement Manager
Eskom Uganda Limited
Nalubaale Power Station
P.O.Box 942 Jinja, Uganda
And must be submitted not later than 30th August 2012 at 12:00pm and bids will be opened on at 12:30pm in the presence of bidders who choose to attend
2. Submission of bids must be done in sealed and uncustomised envelopes marked “ **TENDER FOR ASSETS VALUATION**” and must be delivered and registered at the Procurement Office in Room No.8 Nalubaale Power Station- Jinja
3. One original and two copies of bids are required
4. No charges for any other purpose will be allowed over and above the prices quoted on the tender submitted
5. Currency preferably US Dollars
6. If you are unable to participate in the bidding process Please indicate so to us as soon as possible.