



THE SHELL PETROLEUM DEVELOPMENT COMPANY OF NIGERIA LIMITED

SUPPLY CHAIN COUNCIL SUBMISSION

Confidential

Part A1- Strategy & Contract Plan

Date: 08 October, 2015.

Category	IAE - Automation	Contract ID	
Contract Title	Corporate Electronic Control Systems Maintenance Contract		
HSE Mode & Risk	Mode 1/Medium	Segmentation (Click here to access tool)	Tactical
Agenda Item	SPDC-SCCT-15-37 SPDC-SCCT-15-37		
Estimated Contract Value (ECV)	F\$6m.		
Proposed Contract Start Date	01/10/2016	Extension options	1 year
Proposed Contract End dates	30/09/2018		

EXECUTIVE SUMMARY & RECOMMENDATION

To seek approval from SCC:

1. To competitively tender for the supply of Corporate Electronic Control Systems Maintenance services for a two year duration with a one year extension option.
2. To seek SCC approval for the
 - a. Contract Strategy/Tender Category, and Advertisement.
 - b. Product Category List (1.10.08 - Process Control and Monitoring Equipment and Systems)
 - c. The basis of award including Technical & Commercial Evaluation criteria
3. To issue Technical Invitation To Tender (ITT) to the pre-qualified bidders in the Nipex product category.
4. To issue Commercial Invitation to Tender to bidders that pass the technical evaluation.
5. To award based on the award strategy of lowest bidder per package.

Stakeholder Endorsement:

	Procurement Manager	Contract Owner
	Reviewed and approved for SCC/MTB and confirms: <ol style="list-style-type: none">1. Alignment with approved Category Strategy (& Global Category Strategy where applicable)2. Compliance with the NOGICD Act & Community Content commitments.	Reviewed whole submission and confirms support from: <ol style="list-style-type: none">1. Finance [Olusina Akanni] - for the financial aspects of the submission, including adequate budget cover/JV Partner approval to ensure full cost recovery/approved GIP in place (if applicable)2. HSSE [Mike Nduka] - HSSE consideration and requirements are met.
Signature		
Name	Olusegun Edun	Chigozie Nwajiuba
Date	13/10/15	9-10-2015

Approval:

	SCC Chairman
Signature	
Name	Pemi Otubano
Date	14/10/15

Declaration:

Signatories to this submission acknowledge that they have read and understood the Conflict of Interest Policy in SEPCIN and that they do not have any direct or indirect arrangement or relationship with any other person or company that breaches the requirements of that Conflict of Interest Policy, or that they have fully disclosed any potential Conflict of Interest to the Contract Owner, CP Manager and the Supply Chain Council/Tenders Board.

SCC Submission - Strategy & Contract Plan

Prepared by: (CL) Ezekiel Ndem (CH) Benjamin Etukudoh

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version 06/2015

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SECTION A: ASSESS DEMAND & SUPPLY

SCOPE AND BUSINESS REQUIREMENTS

Service/Project Scope (Indicate scope of Nigerian Content):

Describe work scope and consideration for each key work element, including the known unknowns. Compare with similar service/project scope within and outside Shell. State any issues/concerns with execution of work scope.

Indicate extent of Nigerian Content within overall work scope.

The work scope covers all installed base across SPDC, Yokogawa, Emerson, Honeywell, and Other Electronic Control Systems. (e.g. Allen Bradley, Siemens, SMAR, Schneider, CCC, Woodward etc.)

Activities to be covered under this scope will include but not limited to the following:

- On-site PM (Preventive Maintenance)
 - This includes in-situ system health check and reporting.
 - System backup and restore, software patches.
 - Hardware cleaning and visual inspection with recommendations and reports.
- Unscheduled Break down Call-out
 - Field visits
 - Remote/Telephone Support.
- System Re-configuration and Development
 - System Software Upgrades and re-issues.
 - Systems Reconfigurations and add-ons.
- Training and competence development
 - On site On the Job training.
 - Class room training.
 - Facilitate training on other OEM locations.
- Provision of Spares
 - Other materials not already captured under the CP material procurement strategy as the need arises
- Automation Systems modifications

The work scope is consistent with SPDC facilities Maintenance Reference Plans. The Nigerian Content involvement is largely significant as all the contractors are locally based and employ the services of Nigerian Engineers.

Business Requirements:

Define (1) key business objectives/drivers (i.e. cost, HSSE, performance, availability), (2) demand forecast including breakdown by geography & business, and (3) key functional specifications, delivery requirements, quality, etc.

- Sustain Production Volume
 - Reduce deferments due to unavailability of Controls and safeguarding systems.
 - Optimize production volumes with an efficient use of automated well testing systems.
 - Provide a reliable production model/forecasting with improved production data availability/accuracy.
- Sustain Technical Integrity Targets for the Plant.
 - Maintaining a fully functional Plant Automation and Safeguarding Systems.
- Sustain HSSE performance
 - Reduce field staff exposure to risk by maintaining a functional control system.

- Effective contract HSE management, (particularly **LSR and Goal Zero**)
- Improve Operating Cost of Automation Systems.
 - Harmonise rates and take advantage of opportunities arising from bundling.
 - Effective contract management and contract quality monitoring.

Summary of value contribution	Benefit	Losses
Safety	Asset integrity and Production uptime	
Production – Oil ('000 b/d)	300Kbbls of oil	300Kbbls of oil
Production – Gas (mscf/d)	1.6k	1.6k
Reserves (mboe/d)	Not Applicable	Not Applicable
Flares reductions (mscf/d)	Not Applicable	Not Applicable
Cost Saving	Cost avoidance	Not Applicable

GLOBAL STRATEGY FIT (CURRENT STRATEGY)

Explain the category strategy for this service and plan to utilise existing Enterprise Framework Agreement (EFA).

Automation includes the distributed control and safety systems through which operators monitor and control the production and manufacturing processes from cradle to the point of sale. The dynamics of the Process Automation market has changed. Normally, the process automation market is driven by new projects. However, the global economics climate has significantly changed these dynamics ensuring that Brownfield project and assets are in scope. New capital projects, however, do not represent the majority of process automation sale as the existing installed base continues to represent a good opportunity as many end users must upgrade their aging control systems.

The aftermarket or operational services segments of the process automation market will continue to offer good growth opportunities for several reasons. Most important of these is the service-intensive nature of the process automation business. Over 50 percent of the total process automation market is now services. Most major process automation suppliers have increased the scope of automation services offered to cover all aspects of the equipment and plant operating lifecycle.

In the light of the factors above, strategic approach for Automation is to develop advantaged relationships with a limited number of Process Automation suppliers based on a three tiered application of :

- i) Standardised methodologies to deliver reduced lead times,
- ii) Lower capital & lifecycle costs and
- iii) Enhanced reliability.

This will focus on identifying the criticality of the Process Automation systems based on risk of failure and its impact, technology maturity & local site/application in order to exploit market capabilities to its fullest extent. The "Design one build many" philosophy will also be adopted.

From Shell Group perspectives, the key strategic elements of the MAC includes:

- Fewer suppliers, healthy relationships - Enterprise Framework Agreements (EFA) with 3 suppliers (Greenfield/Brownfield- Emerson, Honeywell & Yokogawa//Brownfield-Invensys/Schneider)
- Allocate projects to each of the MAC vendors i.e. without competitive tendering or bidding
- Early MAC involvement during Define phase
- Standardization via toolkits
- Optimal use of value engineering (best cost Centres or "Central Engineering Centres")
- Measurement and Management of life cycle cost
- Establish a joint Supplier/Shell Program Management Office (PMO) to manage performance, competitiveness and drive incremental value delivery

For SPDC installed base, the intention is to leverage on the MAC EFA where practically possible.

Due to local regulations guiding all tender opportunity, the EFA approach of direct allocation will not apply to this tender as it runs against the Due Process guidelines on competitive tendering and any attempt to progress this alone may potentially lead to cost-

recovery exposure. However, where practically possible without jeopardising Due Process, Local Content Act and Total Cost of Ownership to SPDC, Shell MAC EFAs will be applied to maximize value for money to SPDC. In this case, MAC vendors are not obligated to use the EFA discounts on a competitively bid project but efforts shall be made with the support of the GCM to push for value and savings from the EFA using the Toolkits as the T&C's have already been negotiated.

RED THREADS

Utilizing the [Red Threads Checklist](#) identify the Red threads relevant to you.

Red Thread	Consideration	Mitigating Action	Action Owner
Ethics & Compliance	Private interest or gifts & hospitality could interfere with Shell's interest	Fully disclosed COI and record in the Code of Conduct Register	All
Finance	Supplier Financial Risk assessment indicates that financial risk requires mitigation	Contractor to provide PCG or Bank guaranty	Contract Holder

MARKET CONDITIONS

MARKET INSIGHTS:

Analyse market conditions: How can current market dynamics affect this tender? Indicate key market structures using tools such as Porters 5 forces, Force Field analysis, SWOT and price trend analysis?

Expertise in the instrumentation and control business is currently limited to a few major players who have direct relationship with the OEMs, however there are pockets of local contractors who have developed some level of expertise in this area of business but whose influence in the market place is limited due to limited financial and managerial capacity.

Bargaining Power of SPDC

There is a large installation base of Electronic control systems cutting across various Assets and various OEMs. SPDC can therefore leverage spend in this market on the basis of business volume. The proliferation of OEMs in this space also makes the market less specific. There is therefore room for competition amongst OEMs and system integrators. SPDC's bargaining power is considered high.

Power of Suppliers

Seller power is High. OEMs are very protective of their intellectual property and do not easily release technical information of equipment to industry rivals. Recently, Competent/accredited systems integrators have emerged with access to experienced certified engineers from OEMs thus bringing some level of competition to the market.

Threat of new Entrants to Market

Because of the large number of existing EMERSON & YOKOGAWA systems within SPDCs installed base. The barrier to entry by system integrators is considered substantial as the OEM has a firm presence in Nigeria; it is considered difficult to break the monopoly of the OEM for this service. This classification is however challenged in recent times with the growth in capacity of systems integrators.

Threat of Substitutes

Substitutes to EMERSON and YOKOGAWA exist from accredited systems integrators like INTECH Process Automation, GIL Automation, BQUB etc. Threat of substitutes is therefore considered high.

Competitive Rivalry between Existing Players

The competition among the OEMs has been traditionally high. Existing players compete for selection in projects based on capacity, total cost of ownership and presence of local support.

PRICING STRUCTURE AND TRENDS:

Evaluate pricing structures and current and future price trends; this evaluation may include the impact of supply and demand balance, distribution channels, etc.

This contract will adopt combination of pricing structures i.e. unit rates and lump sum Commercial Models.

CURRENT & POTENTIAL SUPPLIERS

POTENTIAL SUPPLIERS:

State source of suppliers list or if single source capable of meeting the business needs, logic for inclusion, and current contracts with Shell (if applicable), including scope and Contract Management Teams (Contract Owner, Contract Holder, CP Lead, HSSE Contract Advisor, Finance Focal Point).

Yokogawa – Yokogawa Nigeria Ltd

Emerson – AOS Orwell Ltd

Honeywell – Honeywell Group

Certified Systems Integration Companies.

BASIC INFORMATION APPLICABLE TO NON-NIPEX SUPPLIERS (if not NipeX)

If not NipeX, provide logic for inclusion, current contracts etc.

Not Applicable.

INDICATE ANY ISSUE OF CONCERN REGARDING EACH BIDDER

E.g. Overloaded order book; new to industry and untested; weak balance sheet; etc....

Not Applicable at this stage.

SECTION B: DEVELOP & SELECT STRATEGY

COST MODELLING, COMPANY ESTIMATE, BENCHMARKING & VALUE FOR MONEY

State estimate? How was this estimate determined? What benchmark was used to arrive at estimate -e.g. - existing framework agreement, cross-estimate from Global Category Manager, Shell Estimating Team, Industry index, recent market research? Highlight any allowance for inflation or changes in market prices, where applicable.

The estimated contract ceiling is based on the planned call-off or projected PM/CM activities for this category. Rates benchmark will be done against similar service providers with same work scope as well as with GCM input.

VALUE CREATION OPPORTUNITIES

Utilizing the [Value Creation Guidance Note](#), identify the potential value creation opportunities. Note: this table will be carried into the Contract Management Plan (CMP). Consolidate all opportunities that have been identified and determine those with the greatest potential value to the business (For Strategic Contracts Only)

NA	Lever	Opportunity Description	VI Type	Potential Value (MM)
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Not applicable.

INITIATIVES

THE SHELL PETROLEUM DEVELOPMENT COMPANY OF NIGERIA LIMITED
Supply Chain Council Submission

Reflecting on the analysis of the **Value Creation Guidance Note** and the Value Creation Opportunities, develop the Initiatives that will be actioned in the Category Strategy. Initiative-specific risks should be added to the Critical Risks and Mitigations table.
(For Strategic Contracts Only)

Initiative Title	Description	Value / Benefits	Delivery Timeframe	Resources Required
1.
2.

Not applicable.

RISK ASSESSMENT

Risk Description	Likelihood (H / M / L)	Impact (H / M / L)	Mitigating Actions	Action Owner
Unavailability of the Electronic control systems would lead to limited functionality or total facility shutdown with attendant deferment/ process safety concerns.	M	H	Ensure leverage on existing Global EFAs Apply due diligence process with multiple vendor participation.	Contract Holder
The risks of non-performance due to contractor's financial liquidity.	H	M	Apply robust technical evaluation in the vendor selection process.	Contract Holder
The risks of having a poorly qualified contractor.	H	M	Apply robust technical evaluation in the vendor selection process with clear demonstration of MAC relationship.	Contract Holder
Reluctance of MACs to bid for competitors systems Maintenance Contract may lead to loss of systems integrity.	H	H	Secure JV support for four part award strategy targeting all MACs and integration vendors as applicable.	Contract Holder

SOURCING STRATEGY

Nigerian Content Development (NCD)

Applicable Schedule A targets, actions required to close target gaps and Nigeria Content Plan including training plan.

a. Applicable NOGICD Act - Schedule target(s), current in country capacity and plan to close gap if any.

Table below illustrates required information for this section.

*Work Category	Schedule Target	Current In-Country Capacity	Measurement Metrics	Proposed Action to close gaps
Site Services	85%	60%	Spend/Man-hour	• On the job training on System administration for Major MAC – Skill level
Software Development and Support Services	45	20%	Spend	• On the job training on System administration for Major MAC – Skill level.
Electrical / Electronic Systems Integration	55%	40%	Man Hour	• On the job training on System administration for Major MAC – Skill level
Operating system installation/support services	50%	50	Man Hour	• On the job training on System administration for Major MAC – Skill level

***List relevant Work Category/Categories to the contract as defined in NOGICD Act**

NOGICD Act = Nigeria Oil & Gas Industry Content Development Act

b. Nigeria Content Plan (This is for ALL contracts >\$1m)

- i. Research & Development Plan
- ii. Technology Transfer Plan (Strategic contracts only)
- iii. Training Plan (Mandatory for all contracts)

(Training Plan must be aligned with the pre-approved Nigeria Content Plan for the Project if any and also in line with the human capacity development guidelines)

Training Type	No of Trainees	Total Man-hours	Name / Level of Certification
System Administration	8	3 Months	System administration for Major MAC – Skill level
System reconfiguration and development advice	8	3 Months	System reconfiguration procedure for Major MAC

Training is for National Skill pool per NCDMB database.

All training must be certifiable by statutory or industry recognised professional body and in line with NCDMB training guidelines.

c. Global Sustainable Sourcing plan (outline plan to utilise global sourcing opportunity to support attainment of Nigerian Content targets)

****Where the Nigeria Content in-country capacity falls short of set minimum targets by law an authorisation to import may be required for these categories.**

COMMUNITY CONTENT DEVELOPMENT

Applicable directives/targets for this category. List opportunities and actions required to make this CCD opportunity happen.
Successful vendor will be expected to engage local community indigenes (from the EA Host community) for execution of elements of the project that require unskilled labour.

*Work Category	Schedule Target	Current In-Country Capacity	Measurement Metrics	Proposed Action to close gaps
Electrical/Instrumentation services	45%	45%	Spend/Order count.	<ul style="list-style-type: none"> Enforce implementation of training plan, while exercising the contract.
Electrical/Electronic System Integration	45%	45%	Spend/Order count	<ul style="list-style-type: none"> Enforce implementation of training plan, while exercising the contract.

PRICING STRUCTURE & INCENTIVES

Describe which work element is lump sum, unit rate, reimbursable. Potential payment discounts?

The pricing structure for this contract shall be a combination of Unit rates, Lump sum and reimbursable due to the nature of the service to be delivered.

MARKET APPROACH

Competitive tendering using the NIPeX tool.

Prequalified bidders will be sourced from the (1.10.08 - Process Control and Monitoring Equipment and Systems) category in NJQS.

Two tier competitive tendering process involving technical and commercial evaluation of prequalified vendors from the NipeX NJQS database for the Product Category List.

NipeX NJQS Prequalification

- Advert will be published in three Daily Nigerian Newspapers with a 3 week closing date.
- NipeX NJQS download from the appropriate work categories will be done on advert expiration to generate list of pre-qualified bidders.

Technical tender

Technical bids will be requested based on the Technical evaluation criteria categorised into four aspects: Yokogawa, Emerson, Honeywell, and Non MAC Systems. Bidders will be allowed to submit technical bids for one or more of the categories. The Technical bids shall be submitted and evaluated via NipeX Portal. The Technical evaluation criterion is attached – A1. Only bidder that meet the minimum pass mark of 60% from the technical evaluation shall be progressed to Commercial Stage.

Commercial Tender

The commercial bids shall be submitted and evaluated via NipeX Portal.

The Commercial evaluation criterion is attached – A2.

Award recommendation shall be made into four different packages (Each Package per MAC/Non MACs) to cover SPDC operations as follows:

- Electronic Control Systems Maintenance Contract for Yokogawa Systems
- Electronic Control Systems Maintenance Contract for Emerson Systems
- Electronic Control Systems Maintenance Contract for Honeywell Systems
- Electronic Control Systems Maintenance Contract for Non MAC (Major Automation Contractors)

BASIS OF AWARD / BIDDING STRATEGY

Technically acceptable and commercially lowest/OEM/Nigerian Content initiative, single or multiple awards? State envisaged commercial risk(s) associated with award and mitigation plan.

Technical evaluation criteria will seek to identify vendors who are authorised to handle Honeywell, Yokogawa, Emerson, and Non MAC systems within SPDC operations.

Commercial evaluation criteria will seek to make award to the lowest bidders based on the rates submitted in the lowest commercially viable bid. The lowest bidder quoted rates shall be adjudged as realistic and acceptable based on verifiable submitted supporting documentation from OEM.

If the lowest bidder's rates are not realistic based on supporting documentation from the OEM, the next lowest bidder will be considered for award if his bids are realistic based on supporting documentation from the OEM. This will apply to each MAC/non-MAC package.

If none of the bidders' bids are realistic based on supporting documentation from the OEM, the issue will be referred to the SCC with the following decision options (cancellation of the bids, re-tendering of the commercial, tendering of stopgap contracts for business continuity whilst pursuing re-tendering, etc. To forestall this unlikely scenario, there will be a pre-tender meeting before the commercial bids are received from the vendors.

NEGOTIATION POINTS (where applicable):

Starting Position	Benchmark Position / Company Estimate	Target Position and Associated Logic	Walk-away Position and Associated Logic
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ALTERNATIVE STRATEGIES CONSIDERED: *Has alternative strategy been considered? Give brief overview of alternative(s) considered and reason for not choosing alternative(s). If no alternative considered, why not?*

Alternative strategy would be to pursue a Single Source strategy with already recognised OEM representatives. However, this strategy will only increase the uniqueness of the Supplier, make the service more specific and increase Supplier power through monopoly. There is need to create value, reduce Supplier uniqueness, introduce new players, improve Supplier after-market services and response time. SPDC can only leverage on these through the creation of a competitive environment.

COMMERCIAL TIMELINE:

Activity	Target Completion Date
Tender and Award Schedule	
Issue Technical ITT	January 2016
Technical Evaluation	March 2016
Issue Commercial ITT	April 2016
Commercial Evaluation	June 2016
SCC submission	July 2016
Nigerian Content Compliance Certification	July 2016
NAPIMS submission	August 2016
Contract Award	September 2016

KEY PERFORMANCE INDICATORS:

Business Objective	KPI	Measure	2014 Target	Frequency Measured
E.g. HSSE	Total Recordable Case Frequency (TRCF)	Per million man hours	0.00	Monthly cumulative

Attachments

- A1 – Technical Evaluation Criteria
- A2 – Commercial Evaluation Criteria

THE SHELL PETROLEUM DEVELOPMENT COMPANY OF NIGERIA LIMITED
Supply Chain Council Submission

A3 – Draft Advert
A4 – NAPIMS Letter

From: Akanni, Olusina C SPDC-FUI/OG
Sent: 08 September 2015 16:06
To: Etukudoh, Benjamin I SPDC-UIO/G/PMD
Cc: Adu, Oluseun A SPDC-FUI/OG
Subject: RE: ECS MTB_PartA1/ NC plan.

Supported. This is a call off contract.

Benjamin please remember to update the finance focal point name.

Regards,
'Sina

From: Adu, Oluseun A SPDC-FUI/OG
Sent: 07 September 2015 15:59
To: Akanni, Olusina C SPDC-FUI/OG
Cc: Etukudoh, Benjamin I SPDC-UIO/G/PMD
Subject: FW: ECS MTB_PartA1/ NC plan.

Ben,

Please send subsequent requests to the Mtce & Integrity Advisor

From: Etukudoh, Benjamin I SPDC-UIO/G/PMD
Sent: 07 September 2015 15:29
To: Adu, Oluseun A SPDC-FUI/OG
Cc: Ndem, Ezekiel U SPDC-PTC/UAO; Nwajiuba, Chigozie U SPDC-UIO/G/PMD
Subject: FW: ECS MTB_PartA1/ NC plan.

Hello Seun,

Your support will be required to progress renewal of the Corporate Electronic Control Systems Contract. Find attached the Part A and other contract documentation.

Regards,
Benjamin.

From: Ndem, Ezekiel U SPDC-PTC/UAO
Sent: Monday, September 07, 2015 3:02 PM
To: Etukudoh, Benjamin I SPDC-UIO/G/PMD
Subject: FW: ECS MTB_PartA1/ NC plan.

Where is the commercial evaluation criteria?

Also attach the support you received from Finance, HSE and NCD, then I think we are good to go.

Kind regards

From: Etukudoh, Benjamin I SPDC-UIO/G/PMD
Sent: 07 September 2015 13:21
To: Ndem, Ezekiel U SPDC-PTC/UAO
Subject: FW: ECS MTB_PartA1/ NC plan.

Tony,

Please can we get some traction on this? We are at the brink of operating SPDC Assets without a controls systems maintenance contract in place. Implication is that, we will not be able to mobilize specialist support for our controls if required.
NAPIMS mandated that we get this through by latest July. Grateful you review my submission and provide steer for action require to progress contract.

Regards,
Benjamin.

From: Etukudoh, Benjamin I SPDC-UIO/G/PMD
Sent: Friday, August 14, 2015 10:53 AM
To: Okafor, Anthony O SPDC-PTC/UAO
Cc: Nwajiuba, Chigozie U SPDC-UIO/G/PMD; Ogunjimi, Debo B SNEPCO-PTC/UAO
Subject: FW: ECS MTB_PartA1/ NC plan.

Reminder!!!!

We are really running late on this, plan is to secure MTB approval before commencement of the extension process for the existing contract. This contract expires on October this year.

Regards,
Benjamin

From: Etukudoh, Benjamin I SPDC-UIO/G/PMD
Sent: Tuesday, August 11, 2015 1:57 AM
To: Okafor, Anthony O SPDC-PTC/UAO
Subject: FW: ECS MTB_PartA1/ NC plan.

Tony,
Please any update for me, what would be the next the step.

Regards,
Benjamin.

-----Original Message-----

From: Etukudoh, Benjamin I SPDC-UIO/G/PMD [benjamin.etukudoh@shell.com]
Received: Monday, 10 Aug 2015, 1:39
To: Okafor, Anthony O SPDC-PTC/UAO [anthony.okafor@shell.com]
CC: Nwajiuba, Chigozie U SPDC-UIO/G/PMD [chigozie.nwajiuba@shell.com]; Ndem, Ezekiel U SPDC-PTC/UAO [ezekiel.ndem@shell.com]; Ogunjimi, Debo B SNEPCO-PTC/UAO [Debo.Ogunjimi@shell.com]
Subject: RE: ECS MTB_PartA1/ NC plan.

Please find attached, kindly help review for suitability and advise submission.

Regards,
Benjamin.

From: Etukudoh, Benjamin I SPDC-UIO/G/PMD
Sent: Tuesday, August 04, 2015 3:21 PM
To: Akubue, Kenechukwu P SPDC-PTC/UAO; Ogbe, Mitchell O SNEPCO-PTC/UAO
Cc: Ndem, Ezekiel U SPDC-PTC/UAO
Subject: ECS MTB_PartA1

Kene/ Mitchell,

Ndem, Ezekiel U SPDC-PTC/UOA

From: Nduka, Mike I SPDC-UIO/G/STC
Sent: 05 June 2015 08:56
To: Etukudoh, Benjamin I SPDC-UIO/G/PMD
Cc: Ndem, Ezekiel U SPDC-PTC/UOA; Nwajiuba, Chigozie U SPDC-UIO/G/PMD; Esekody, Emeka P SPDC-PTC/UOA; Ataga, Ehi SPDC-UIO/G/PSD
Subject: FW: S-17386 HSE review
Attachments: ECS Renewal_2015 (5).doc

HSE Support given to attached contract submission.

From: Etukudoh, Benjamin I SPDC-UIO/G/PMD
Sent: 03 June 2015 12:28
To: Nduka, Mike I SPDC-UIO/G/STC
Cc: Ndem, Ezekiel U SPDC-PTC/UOA; Nwajiuba, Chigozie U SPDC-UIO/G/PMD; Esekody, Emeka P SPDC-PTC/UOA; Ataga, Ehi SPDC-UIO/G/PSD
Subject: S-17386 HSE review

Hello Mike,

HSE review and support will be very well appreciated too progress the this contract for MTB submission.

Regards,
 Benjamin.

From: Davies, Barry SEPL-PTC/PSC
Sent: Wednesday, June 03, 2015 1:28 AM
To: Ndem, Ezekiel U SPDC-PTC/UOA; Jackson, Deborah G SDIUS-PTC/PSC
Cc: Etukudoh, Benjamin I SPDC-UIO/G/PMD
Subject: FW: ECS Renewal_2015 (5).doc

Hi Ezekiel,

The scope you are referring to in the document is related to the MAC/DCS scope that falls under Deborah Jackson (copied).

I see that you have an installed base of Emerson and Yokogawa, both of which are EFA suppliers to Shell, so these two would be potential EFA options for your contract scope, provided this is feasible. I suggest that you connect with Deborah directly to discuss this opportunity. Thank you.

Best regards,
 Barry

Barry Davies
 Category Manager, Instrumentation
 Shell Eastern Petroleum (Pte) Ltd
 The Metropolis Tower 1,
 9 North Buona Vista Drive, #07-01
 Singapore 138588
 Direct Line: +65 64777525
 Mobile Line: +65 97298202
 Email: barry.davies@shell.com

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From: Ndem, Ezekiel U SPDC-PTC/UOA
Sent: Tuesday, June 02, 2015 9:12 PM

To: Davies, Barry SEPL-PTC/PSC
Cc: Etukudoh, Benjamin I SPDC-UIO/G/PMD
Subject: ECS Renewal_2015 (5).doc

Barry

Please kindly confirm that we have EFA covering the work scope in the attached proposal.

We need the info to populate Section C4 in the proposal.

That notwithstanding, we recognize the Nigerian contract obligations of Oil Industry players in the country, so the adoption of EFAs, if any, will uphold those obligations, not the contrary.

Kind regards.

NCD Support

Ndem, Ezekiel U SPDC-PTC/UA

From: Akubue, Kenekukwu P SPDC-PTC/UA
Sent: 10 August 2015 08:49
To: Etukudoh, Benjamin I SPDC-UIO/G/PMD
Cc: Nwajiuba, Chigozie U SPDC-UIO/G/PMD; Okafor, Anthony O SPDC-PTC/UA; Ogbe, Mitchell O SNEPCO-PTC/UA; Ndem, Ezekiel U SPDC-PTC/UA; Ogunjimi, Debo B SNEPCO-PTC/UA
Subject: RE: ECS MTB_PartA1/ NC plan.
Attachments: ECS MTB_PartA1.docx

Ben,
Attached Part A is ok for NC.

Rgds
Kene

From: Etukudoh, Benjamin I SPDC-UIO/G/PMD
Sent: Friday, August 07, 2015 7:53 PM
To: Ogbe, Mitchell O SNEPCO-PTC/UA; Ndem, Ezekiel U SPDC-PTC/UA; Akubue, Kenekukwu P SPDC-PTC/UA; Ogunjimi, Debo B SNEPCO-PTC/UA
Cc: Nwajiuba, Chigozie U SPDC-UIO/G/PMD; Okafor, Anthony O SPDC-PTC/UA
Subject: RE: ECS MTB_PartA1/ NC plan.

Please find attached, kindly help review for suitability and advise submission.

Regards,
Benjamin.

From: Etukudoh, Benjamin I SPDC-UIO/G/PMD
Sent: Tuesday, August 04, 2015 3:21 PM
To: Akubue, Kenekukwu P SPDC-PTC/UA; Ogbe, Mitchell O SNEPCO-PTC/UA
Cc: Ndem, Ezekiel U SPDC-PTC/UA
Subject: ECS MTB_PartA1

Kene/ Mitchell,
Kindly assist with review of the attached Part A. I have attempted to draft the NC part from the already agreed plan, SC now wants it in the new format.
We can have a joint review first thing tomorrow if you don't mind.


Regards,
Benjamin.


INSTRUCTION TO CONTRACT SPECIALIST: CONTRACT SPECIALIST IS TO ENSURE THAT CRITERIA IS FIT FOR PURPOSE

SPDC		TENDER:		Corporate Electronic Control Systems Maintenance Contract		TECHNICAL EVALUATION CRITERIA	
SERVICE:							
S/n	Criteria	Overall Weighting	Available Score / Criteria	Parameters / Criteria for Objective Analysis and Ranking Assignment			
1	MANDATORY TEST			A - 0%	B - 30%	C - 60%	D - 100%
a)	Registration & Incorporation in Nigeria	MANDATORY					
	Has TENDERER evidenced relevant registration requirements (Certificate of Incorporation, Forms CO2/CO7/Memorandum/Article of Association,DPR Liscence relevant to category of work) necessary to legally do business in Nigeria.		Mandatory	Objective evidence available-TENDERER is qualified for further evaluation. Objective evidence not available-TENDERER is disqualified from further evaluation			
b)	Tax Certificate	MANDATORY					
	Has TENDERER evidenced tax clearance certificate for the last three years [2008, 2009, 2010]		Mandatory	Objective evidence available-TENDERER is qualified for further evaluation. Objective evidence not available-TENDERER is disqualified from further evaluation			
c)	Shell Business Principles Mandatory Tests	MANDATORY					
	Has the TENDERER provided certifications and document relevant to status as a Government or Non Government Intermediary		Mandatory	Certificate relevant to status provided-TENDERER is qualified for further evaluation. Certificate relevant to status not provided-TENDERER is disqualified from further evaluation			
d)	Ethical Status	MANDATORY					
	Is the TENDERER under sanction or blacklisted for non compliance or violation of company standards, the Shell Life Saving Rules or involvement in a HSE incident resulting in multiple fatality?		Mandatory	Do not proceed with further evaluation if TENDERER is under sanction or blacklisted for non compliance or violation of company standards, the Shell Life Savin Rules or involvement in a HSE incident resulting in multiple fatality			
e)	Litigations	MANDATORY					
	Is the TENDERER involved in litigations with Shell which preclude being extended a further chance to tender?		Mandatory	Do not proceed with further evaluation if TENDERER involved in litigations with Shell which preclude being extended a further chance to tender			
2	CORPORATE STRUCTURE	5%					
a)	Corporate formation	2%					
	Did the TENDERER provide evidence of independent operating status for this tenders, if not independent is there a legally binding Joint venture/Partnership agreement showing clear definition of fnacial and operational roles		100%	TENDERER did not provide evidence defining Joint Venture/Partnership status	TENDERER did not provide sufficient evidence defining Joint Venture/Partnership status	TENDERER provided sufficent evidence defining legally binding Joint Venture/Partnership status	TENDERER provided evidence showing independent operating status.
b)	Communication	1%					
	Did the TENDERER provide evidence of corporate and operational bases with robust communication infrastructure in place (Corporate, Address and Contact details,Branch Office Address and Contacts details,Corporate Telephone Numbers,Corporate email address,Corporate Website etc)		100%	Communication infrastructure is Poor or non existent	Communication infrastructure is Fair	Communication infrastructure is Good	Communication infrastructure Excellent
c)	Organisational Structure	2%					

CRITERIA

SPDC		TENDER:	Corporate Electronic Control Systems Maintenance Contract			TECHNICAL EVALUATION CRITERIA		
SERVICE:		Parameters / Criteria for Objective Analysis and Ranking Assignment						
S/n	Criteria	Overall Weighting	Available Score / Criteria	A - 0%	B - 30%	C - 60%	D - 100%	
	Does the structure of TENDERER's organisation appear robust enough to support the WORK for the term of the contract, and do partnership and ownership details confirm this?		100%	Poorly defined Organisational structure. Will not be able to adequately support tender scope requirement	Definition of Organisational structure Fair. Able to provide a fair support to tender scope requirement	Definition of Organisational structure okay. Able to provide average support to tender scope requirement	Excellent and well defined Organisational structure. Able to excellently support tender scope requirement	
3	FINANCIAL CAPABILITY	15%						
(a)	Accounts for the last 3 years audited by a licensed audit firm.		Mandatory to continue financial evaluation	Not available. Score and discontinue financial evaluation				
(b)	A licensed accountancy firm has audited the accounts. In Nigeria this shall be a member of the institute of Chartered Accountants of Nigeria with a public practice license evidenced by the presence of the ICAN PPS stamp on the certificate.		Mandatory to continue financial evaluation	Not available. Score and discontinue financial evaluation				
(c)	Most recent accounts should not have an end of year date more than 18 months before time of pre-qualification.		Mandatory to continue financial evaluation	Not available. Score and discontinue financial evaluation				
(d)	Status of the latest audit certificate.		20%	No Audit Certificate	Audit certificate not current	Current Audit certificate submitted but not stamped and signed	Latest audit certificate submitted and audit carried out by a reputable auditing firm, stamped and signed.	
(e)	Contract value ratio - Average annual turnover / (the estimated annual contract value.		13%	≤ 2.5	$2.5 < x < 4$	$4 < x < 5.5$	≥ 5.5	
(f)	Current ratio for each of the past 3 years - current assets / current liabilities.		20%	≤ 1	$1 < x < 1.5$	$1.5 < x < 2.0$	≥ 2.0	
(g)	Contract exposure - (Net current assets - / - maximum 3-month contract exposure) / maximum 3-month contract exposure		13%	≤ 2	$2 < x < 1.5$	$1.5 < x < 2.1$	≥ 2.1	
(h)	Debt to equity ratio - (total assets - shareholder's equity) / shareholders' equity.		14%	$x \geq 1$	$1 > x > 0.5$	$0.5 > x > 0.3$	$x \leq 0.3$	
(i)	Interest cover ratio - (profit before interest and tax) / interest payable.		20%	$x \leq 1.5$	$1.5 < x < 3.5$	$3.5 < x < 5.0$	$x \geq 5.0$	
	Additional Financial Capability criteria for estimated Approved Contract Value > \$ 25 mln:							
j)	Analysis of Cash Flow - split in cash resulting from 1) operational activities, 2) investment activities, 3) Financial activities		On a par with 2d, f & i	Negative	Break even	Positive total cash flow	Positive operational & total	
k)	Net Cash versus short term debt facilities (important in short term to understand whether supplier will be able to refinance in this difficult market).		On a par with 2d, f & i	< 1.0	$= 1.0$	$1.0 < x < 2.0$	≥ 2.0	
l)	Minimum of Bbb Credit rating by S&P, Moody's or Agusto & Co. for Nigerian firms		Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	
m)	Credit Default Swap (where available)		An indicator only	Indicates market view of credit worthiness, if it is easily tradeable - Positive or Negative. Not commonly available in Nigeria, but if so consult BFP.				
	*See below for further Additional Financial Capability tests, where scores are <2 on three or more of the criteria in Section 2:							
	TEST			OBJECTIVE			OUTCOME	
n)	Analysis of their order books: what kind of contracts (reimbursable or lump sum, scope of work), likelihood of cancellation, long lead items involved		Assurance that Vendor will not be solely dependant on SEPCIN business during the life of the contract'			Assured - Pass	Not Assured - Fail	
o)	Insight into short-term debt facilities, their terms and conditions (interest rate, currency, revolving), and identify banks providing these lines of credit		To ensure these are committed facilities i.e. cannot be pulled by a bank at short or no notice.			Committed - Pass	Not Committed - Fail	
p)	Net Cash versus CAPEX requirements		Significant capex requirement in upfront years vs cash or undrawn debt may raise concern given difficulty in raising short-term debt currently.			No Concerns - Pass	Concerns - Fail	
q)	Financial stability of sub contractors and suppliers.		Sustainability of the Contractor's supply chain over the contract life.			Sustainable - Pass	Not Sustainable - Fail	
r)	Financial latest estimates or monthly management accounts.		Provision of the current vs historical financial position			No Concerns - Pass	Concerns - Fail	

 SPDC		TENDER:		Corporate Electronic Control Systems Maintenance Contract				TECHNICAL EVALUATION CRITERIA			
SERVICE:											
S/n	Criteria	Overall Weighting	Available Score / Criteria	Parameters / Criteria for Objective Analysis and Ranking Assignment							
4	TECHNICAL CAPABILITY / (50% of Total Score)	65%		A - 0%	B - 30%	C - 60%	D - 100%				
4.1	Organisational Experience	5%									
(a)	Does TENDERERS Synopsis of operating experience demonstrate relevant operation in Nigeria, specifically in the area of the WORK, backed up by client details etc.		40%	Objectively, minimal/no previous experience in the Nigerian/other offshore environment.	Objectively, less than average experience in the Nigerian/other offshore environment.	Objectively, average experience in area of the WORK within the Nigerian / other offshore environment	Objectively, higher than average experience in area of the WORK within Nigeria				
(b)	Does TENDERERS Synopsis show understanding of the Tender requirements & the scope of work in general supported by an execution plan		60%	Objectively, patchy execution plan demonstrating poor understanding of the Tender requirements & the scope of work in general	Objectively, less than average execution plan identifying a detailed understanding of the Tender requirements & the scope of work in general	Objectively, average execution plan identifying a detailed understanding of the Tender requirements & the scope of work in general	Objectively, excellent execution plan identifying a detailed understanding of the Tender requirements & the scope of work in general				
4.2	PERSONNEL	20%									
a)	Structure, Roles and Responsibility										
	Is TENDERER able to show Maintenance management and execution team (names, roles and responsibilities, work cycle of key personnel) who will be deployed to the contract.		40%	Not Submitted	N/A	N/A	Submitted				
b)	Competence										
	Is TENDERER able to demonstrate beyond any doubt the competence of their personnel based on their CVs that should specify age, qualification and experience.		60%	Not compliant per minimum requirement.	Number of staff less than 5 with an average qualification of OND and its equivalent, and an average staff experience of less than 5 years.	Number of staff between 5-10 with an average qualification of HND and its equivalent, and an average staff experience of between 5 -10 years.	Number of staff greater than 10 with an average qualification of a Degree and above, and an average staff experience of more than 10 years.				
4.3	EQUIPMENT, HARDWARE & MOBILISATION	10%									
(a)	Mobilisation time/Response time - Normal										
	Is TENDERER able to demonstrate a concise plan to mobilize resources(personnel and tools) to site in a quick manner without unnecessary delays when a callout is made for a regular maintenance activity.		30%	No Plan	A plan exists and a response time greater than 96 hours	A plan exists and a response time of between 48 - 96 hours	A plan exists and a response time less than 48 hours				
(b)	Mobilisation time/Response time - Emergency										
	Is TENDERER able to demonstrate a concise plan to mobilize resources(personnel and tools) to site in a quick manner without unnecessary delays when a callout is made in the event of a system emergency.		30%	No Plan	A plan exists and a response time greater than 24 hours	A plan exists and a response time of between 12 - 24 hours	A plan exists and a response time less than 12 hours				
(c)	Inspection and Maintenance										
	Is TENDERER able to demonstrate availability of equipment compliant with minimum requirement, with sufficiency of back-up / redundancy measures and is this supported by a documented maintenance plan per COMPANY minimum requirement.		20%	Objectively, inspection and maintenance either not recognised or that vague / irregular and/or reactionary to provide any discernable value to service delivery. Greatly increased / near certain potential for rig site failures.	Objectively, less than average inspection period and maintenance plan. Irregular periodic and spasmodic pre-ship inspection. Irregular inspection and maintenance programme. Increased potential for rig-site failures	Objectively, average inspection and maintenance plan. Periodic and pre-ship inspection undertaken. Family regular inspection and maintenance programme.	Objectively, most thorough inspection plan for equipment and other items. Periodic and pre-ship inspection. Regular inspection and maintenance programme enforced. Highly reduced potential for rig-site failures				
(d)	Availability of Back-up / Spares										

 SPDC		TENDER:		Corporate Electronic Control Systems Maintenance Contract			TECHNICAL EVALUATION CRITERIA		
SERVICE:		Parameters // Criteria for Objective Analysis and Ranking Assignment							
S/n	Criteria	Overall Weighting	Available Score // Criteria	A - 0%	B - 30%	C - 60%	D - 100%		
	Is TENDERER able to demonstrate ability to procure spares at short notice (detailed evidence of program/plan, resources/international partners, price agreements with oversea vendors/local representatives).		20%	No program/plan in place	A program/plan is in place	A program/plan is in place and has resources(overseas partners)	A program/plan is in place, resources(overseas partners) and has price agreements with OEM		
4.4	Training program and resources	5%							
	Is TENDERER able to provide evidence of training program and resources		100%	No program, resources and experience	A training program is in place	There is evidence of a training program and resources	There is a clear evidence of training program, resources and training record		
4.5	Testing Equipment	5%							
	Is TENDERER able to provide evidence and information on key information in their workshop (DCS/PLC simulation system, component level troubleshooting equipment and complete system backup storage facility).		100%	None of the stated facilities are available	1 out of 3 stated above are available	2 out of 3 stated above are available	DCS/PLC simulation system, component level troubleshooting equipment and complete system backup storage facility available		
4.6	OEM Relationship	20%							
	Is TENDERER able to provide evidence of agreement with OEM and Contractor's Engineer certification by OEM		100%	No foreign technical partners and evidence of Contractor's Engineer certification by OEM not submitted	Has foreign technical partner but no agreement and evidence of Contractor's Engineer certification by OEM not submitted	Has foreign technical partner and also agreement on vendor support evidence of Contractor's Engineer certification by OEM is submitted	Has foreign technical partner and also agreement on vendor support also evidence of Contractor's Engineer certification by OEM is submitted		
5	QUALITY MANAGEMENT	10%							
5.1	QA / QC Plan	4%							
	Is the TENDERER able to demonstrate through a well formulated and implemented QA/QC plan, the ability to provide subject service to meet minimum requirement.		100%	Critical omissions observed. Less than average responses to process control. Very high likely hold of non compliant systems.	Less than average repsonses with critical omissions observed in formulation and deployment process.	Average quality plan managing all issues of formulation and delivery process.	Higher than average/thorough quality plan managing all issues of formulation and deployment process		
5.2	Past Performance	2%							
	Is TENDERER able to demonstrate by providing examples of previous projects management commitment to: a) Customer Satisfaction b) Continuous Improvement?		100%	No previous project management documentation to assure that TENDERER is committed to satisfaction. Performance assurance is speculative.	Limited number of previous project management documentation to assure that TENDERER is committed to customer satisfaction.	Evidence of sufficient number of previous project management documentation to assure that TENDERER is committed to customer satisfaction but no continuous improvement programme for sustainability.	Clear evidence of previous project management documentation to assure that TENDERER is committed to customer satisfaction and there is a programme in place for continuous improvement.		
5.3	Technical Integrity	2%							
	Is TENDERER able to demonstrate from previous projects, assurance of technical integrity of installed equipment		100%	No evidence of any installations	No evidence of any installations but TENDERER showed evidence good procedure to ensure technical integrity	Previous projects documented but no documentation by client certifying that project was well carried and completed	Previous projects documented with certification from client that project was well carried and completed satisfactorily		
5.4	Audit and Review	2%							
	Is TENDERER able to comprehensively describe their audit programme and how the process findings by giving examples from previous projects?		100%	no evidence of an audit programme prepared for subject tender, procedure not too clear and cannot be deduced that audit programme is functional.	Documents include reference to auditing but there are no specific details about scheduling and coverage.	Documents include details of how auditing is to be implemented with schedules /coverage but no examples of previous projects that have been audited.	As in C but additionally specifies management's role in audit and follow up on action items.Documented examples that could be deduced that system is working.		

SPDC	TENDER:	SERVICE:	Corporate Electronic Control Systems Maintenance Contract	TECHNICAL EVALUATION CRITERIA			
				Parameters / Criteria for Objective Analysis and Ranking Assignment			
S/n	Criteria	Overall Weighting	Available Score / Criteria	A - 0%	B - 30%	C - 60%	D - 100%
6	HSE EVALUATION MODEL FOR LOW RISK MODE 2 and All Mode 1 and 3 contracts ***	5%					
6.1	HSE Management						
a)	Assessment of Contractor Management, contract administration, technical, HSES per Contractor Simplified HSE Checklist for Contracts Exempt from CA - Mode 2 low risk and Mode 1 & 3 contracts.		100%	Fair to Poor	Adequate	Good	Excellent

NOTE * HSE EVALUATION MODEL FOR MODE 2 LOW RISK and All Mode 1 & 3 CONTRACTS**

- 1) For Low Risk Mode 2 tenders and all Mode 1 & 3 tenders, This HSE evaluation model will account for at least 5% of total Technical Evaluation score.
- 2) To qualify, a contractor MUST meet mandatory criteria in section 1 and attain a minimum of 60% of the score available in section 6. Failure to pass either criteria automatically leads to disqualification.

ATTACHMENT 2.0

Commercial Evaluation for DELTAV DCS/PAS and HIMA Sub-system CATEGORY

Service Line	Work Scope/Activity	Unit of Service	Unit Price in FUSD	Unit Price in Naira	Unit Price in USD	Vendor A	Vendor B	Vendor C	Remarks
1	System Administration								
1.1	System Administration of DELTAV DCS/PAS System (Includes running software checks, recording, analyzing and reporting data generated by DCS/PAS SYSTEMS diagnostic programs)	Day	\$1,250.00	NGN 95,000.00	\$750.00				
1.2	System Administration of HIMA sub-Systems (Includes running software checks, recording, analyzing and reporting data generated by PLC and other sub-SYSTEMS diagnostic programs)	Day	\$1,250.00	NGN 95,000.00	\$750.00				
2	Scope of Telephone and Remote services								
2.1	24hrs Telephone Support (technical support by VENDOR Technical Assistant Center (TAC) over the phone during office hours and outside office hours 7x24 hours)	LOT	\$14,400.00	NGN 1,094,400.00	\$8,640.00				
2.2	Additional Support from Remote Centre (24hrs timely assistance with software problems and product usage questions during and outside normal working hours from VENDOR Remote Center)	Day	\$2,400.00	NGN 182,400.00	\$1,440.00				
3	On-site PM (Preventive Maintenance). This includes in-situ system health check and reporting, system backup and restore, software patches, hardware cleaning and Visual inspection with recommendations and reports.	Day	\$1,250.00	NGN 95,000.00	\$750.00				
4	Unscheduled Break down Call-out Site visit (All hour coverage 7*24 response, 8hours on site)	Day	\$1,250.00	NGN 95,000.00	\$750.00				
5	System Software Upgrades and re-issues (Essential, mandatory and non-essential upgrades and re-issues)	Day	\$1,250.00	NGN 95,000.00	\$750.00				
6	System Re-configuration and Development Advice/Support	Day	\$1,250.00	NGN 95,000.00	\$750.00				
7	On-the-Job Training (In-situ non-course training on daily coverage, for a run of 5participants by 8hours on site)	Day	\$1,250.00	NGN 95,000.00	\$750.00				
8	Transport & Logistics (T&L) Covering cost of personnel and Material transportation to/from agreed PH/IA or Logistic base. Cost of Material, tools and personnel movement including accommodation at Site/ Remote location shall be taken by SPDC.	LOT/ Trip	\$426.00	NGN 81,000.00	\$0.00				
9	Provision of Spares (Spares not available under SPDC Supply Chain Process), this shall be reimbursable at 15 % of OEM quote.	Lot							
	Total								

Commercial Evaluation for YOKOGAWA DCS/PAS and Yokogawa Sub-systems (Yokogawa Single controllers and Maglog) CATEGORY

Service Line	Work Scope/Activity	Unit of Service	Unit Price in FUSD	Unit Price in Naira	Unit Price in USD	Vendor A	Vendor B	Vendor C	Remarks
1	System Administration								
1.1	System Administration of YOKOGAWA DCS/PAS System (Includes running software checks, recording, analyzing and reporting data generated by DCS/PAS SYSTEMS diagnostic programs)	Day	\$1,240.00	NGN 94,420.00	\$744.00				

2.1

1.2	System Administration of YOKOGAWA sub-Systems-YOKOGAWA Single Controllers and Maglog Sub-systems (Includes running software checks, recording, analyzing and reporting data generated by PLC and other sub-SYSTEMS diagnostic programs)	Day	\$1,240.00	NGN 94,240.00	\$744.00				
2	Scope of Telephone and Remote services 24hrs Telephone Support (technical support by VENDTOR Technical Assistant Center (TAC) over the phone during office hours and outside office hours 7x24 hours))	LOT	\$7,666.00	NGN 582,540.00	\$4,599.00				
2.1									
2.2	Additional Support from Remote Centre (24hrs timely assistance with software problems and product usage questions during and outside normal working hours from VENDTOR Remote Center)	Day	\$1,530.00	NGN 116,280.00	\$918.00				
3	On-site PM (Preventive Maintenance). This includes in-situ system health check and reporting, system backup and restore, software patches, hardware cleaning and Visual inspection with recommendations and reports. Unscheduled Break down Call-out Site visit (All hour coverage 7*24 response, 8hours on site)	Day	\$430.00	NGN 32,680.00	\$258.00				
4	System Software Upgrades and re-issues (Essential, mandatory and non-essential upgrades and re-issues)	Day	\$1,240.00	NGN 94,240.00	\$744.00				
5	System Re-configuration and Development	Day	\$1,240.00	NGN 94,240.00	\$744.00				
6	Advice/Support	Day	\$1,240.00	NGN 94,240.00	\$744.00				
7	On-the-Job Training (In-situ non-course training on daily coverage for a run of 5participants by 8hours on site)	Day	\$1,240.00	NGN 94,240.00	\$744.00				
8	Transport & Logistics (T&L)	Day	\$426.00	NGN 81,000.00	\$0.00				
9	Provision of Spares (Spares not available under SPDC Supply Chain Process), this shall be reimbursable at 15 % of OEM quote	Lot							
	Total								

Commercial Evaluation for Honeywell DCS/PAS and Safety Sub-system CATEGORY

Service Line	Work Scope/Activity	Unit of Service	Unit Price in FUSD	Unit Price in Naira	Unit Price in USD	Vendor A	Vendor B	Vendor C	Remarks
1	System Administration								
1.1	System Administration of Foxboro DCS/PAS System (Includes running software checks, recording, analyzing and reporting data generated by DCS/PAS SYSTEMS diagnostic programs)	Day	\$1,800.00	NGN 136,800.00	\$1,080.00				
1.2	System Administration of Triconex sub-Systems (Includes running software checks, recording, analyzing and reporting data generated by PLC and other sub-SYSTEMS diagnostic programs)	Day	\$1,800.00	NGN 136,800.00	\$1,080.00				
2	Scope of Telephone and Remote services 24hrs Telephone Support (technical support by VENDTOR Technical Assistant Center (TAC) over the phone during office hours and outside office hours 7x24 hours))	Lot	\$3,600.00	NGN 273,600.00	\$2,160.00				
2.1									
2.2	Additional Support from Remote Centre (24hrs timely assistance with software problems and product usage questions during and outside normal working hours from VENDTOR Remote Center)	Day	\$2,400.00	NGN 182,400.00	\$1,440.00				

	On-site PM (Preventive Maintenance). This includes in-situ system health check and reporting, system backup and restore, software patches, hardware cleaning and Visual inspection with recommendations and reports.		\$1,680.00	NGN 127,680.00	\$1,008.00				
3	Visual inspection with recommendations and reports.	Day							
4	Unscheduled Break down Call-out Site visit (All hour coverage 7-24 response, 8hours on site)	Day	\$1,800.00	NGN 136,800.00	\$1,080.00				
5	System Software Upgrades and re-issues (Essential, mandatory and non-essential upgrades and re-issues)	Day	\$1,800.00	NGN 136,800.00	\$1,080.00				
6	System Re-configuration and Development Advice/Support	Day	\$1,800.00	NGN 136,800.00					
7	On-the-Job Training (In-situ non-course training on daily coverage, for a run of 5participants by 8hours on site)	Day	\$1,800.00	NGN 136,800.00					
8	Transport & Logistics (T&L)	Day	\$426.00	NGN 81,000.00					
9	Provision of Spares (Spares not available under SEDC Supply Chain Process), this shall be reimbursable at 15 % of OEM quote	Lot							
	Total								

Commercial Evaluation for Non MAC and other Sub-systems CATEGORY

Service Line	Work Scope/Activity	Unit of Service	Unit Price in FUSD	Unit Price in Naira	Unit Price in USD	Vendor A	Vendor B	Vendor C	Remarks
1	System Administration								
1.1	System Administration of SMAR DCS/PAS System (Includes running software checks, recording, analyzing and reporting data generated by DCS/PAS SYSTEMS diagnostic programs)	Day	\$480.00	NGN 42,240.00	\$288.00				
1.2	Scope of Telephone and Remote services	Day	\$480.00	NGN 42,240.00					
2.1	24hrs Telephone Support (technical support by VENDOR Technical Assistant Center (TAC) over the phone during office hours and outside office hours 7x24 hours)	Day	\$630.00	NGN 47,880.00	\$378.00				
2.2	Additional Support from Remote Centre (24hrs timely assistance with software problems and product usage questions during and outside normal working hours from VENDOR Remote Center)	Day	\$450.00	NGN 34,200.00	\$270.00				
3	On-site PM (Preventive Maintenance). This includes in-situ system health check and reporting, system backup and restore, software patches, hardware cleaning and Visual inspection with recommendations and reports.	Day	\$480.00	NGN 36,480.00	\$288.00				
4	Unscheduled Break down Call-out Site visit (All hour coverage 7-24 response, 8hours on site)	Day	\$480.00	NGN 36,480.00	\$288.00				
5	System Software Upgrades and re-issues (Essential, mandatory and non-essential upgrades and re-issues)	Day	\$480.00	NGN 36,480.00	\$288.00				
6	System Re-configuration and Development Advice/Support	Day	\$480.00	NGN 36,480.00	\$288.00				
7	On-the-Job Training (In-situ non-course training on daily coverage, for a run of 5participants by 8hours on site)	Day	\$1,126.21	NGN 85,582.00	\$675.73				
8	Transport & Logistics (T&L)	Day	\$456.00	NGN 81,000.00	\$0.00				

Specimen Newspaper Advert

SHELL PETROLEUM DEVELOPMENT COMPANY OF NIGERIA

Operator of the NNPC/Shell/Ell/Agip joint venture
EASTERN DIVISION, P.O. BOX 263
PORTHARCOURT, NIGERIA

INVITATION TO PRE-QUALIFICATION

Tender Reference:

Tender Title: Corporate Electronic Control Systems Maintenance in SEPCIN

Introduction and Outline Scope of Work

The Shell Exploration & Production Companies in Nigeria intends to award an Integrated Electronic Control System contracts for the Maintenance, repair and upgrade services of its Electronic Control systems across all its installations in Nigeria.

To pre-qualify for the above tender, Contractors must demonstrate the capacity and the technical competence to undertake the work scopes below, either through own experience, or via competent sub-contractors.

SPDC herewith wishes to invite Electronic Control system (DCS/PAS/SIS/ FGS/ Controllers) Original Equipment Manufacturers (OEM's) representatives and specialised system maintenance companies (based in Nigeria) with requisite equipment and work experience in the Land, Swamp terrain of the Niger Delta as well as Offshore locations as potential bidders to pre-qualify for the following associated work scope: -

The WORK comprises maintenance of the control systems installed across SPDC and SNEPCO locations in, swamp, land and offshore locations in Nigeria. The WORK shall include, but shall not be limited to, the following:

1. System Administration
2. Support from Remote Centre
3. PM (Preventive Maintenance) Site visits
4. Unscheduled (Breakdown) Site Visits
5. System Information
6. Software Upgrades and Re-issues
7. Reconfiguration/System Development Advice
8. Provision of spares when required
9. Non-Course (Hands-on) Training

The contractor will manage a Health care Maintenance Programme for the systems across SEPCIN asset teams of Land East, Swamp East, West and Offshore.

The contract will provide the following services:

- Maintenance planning schedules
- Supply of replacement parts and consumables when required for reactive maintenance
- Troubleshooting and re commissioning of the equipment after Health Care maintenance activity in accordance with the SPDC recommended maintenance intervals.
- Supply of engineers, technicians and unskilled labour necessary for maintenance planning,

supervision and maintenance execution,

- Planned and corrective maintenance history data reporting ,
- Maintenance history analysis and maintenance strategy improvement recommendations
- Equipment availability and performance tracking

The following are the associated Electronic Control systems

- PAS/DCS/PLC/SIS/FGS Control Systems.
- Compressor control/ Vibration Monitoring/ Anti Surge Control system
- Pump Control/ Generator Control systems
- Additional installation of electronic control system where applicable

Planned Commencement Dates

- | | |
|--|----------|
| 1. Deployment of Electronic Control System Maintenance Contracts | Q3, 2015 |
|--|----------|

Pre-Qualification

Interested reputable and experienced OEM's and contractors with requisite experience, equipment, expertise and capability to deliver the required services are invited to submit pre-qualification documents containing the following: -

1. Evidence of compliance with regulatory requirements: evidence of incorporation and valid Department of Petroleum Resources (DPR) permit.
2. Company profile, stating clearly the equity structure of the company.
3. Company organisational structure, including the names and addresses of any affiliates or sub-contractors.
4. Evidence of relevant Electronic Control System major Health Care maintenance experience with SPDC or other organisations particularly in the Land, Swamp of the Niger Delta and the offshore terrain showing clearly scope, cost and actual duration the projects were undertaken.
5. Evidence of financial capability, including audited financial accounts for the last three years. Expected financial information should include profitability and return on capital, cash flow and liquidity ratio & capital structure.
6. Evidence of availability of requisite equipment, logistics, IT systems and manpower to execute the project in the time frame indicated. State clearly the source of each equipment (owned or lease) and their location.
7. Evidence of previous experience in health care maintenance activity on sub vendor system listed in proposed new scope. Attach previous experience as part of pre-qualification document.
8. Ensure capacity to execute volume of work in terms of manpower and technical ability across SEPCiN facilities.
9. Evidence of Nigerian Content Development (NCD) strategy to show transfer of technology and relevant skills to local partner over the duration of the contract.
10. CV's of key personnel that as a minimum will include Contract / Planning Manager, Maintenance Engineers, HSE Manager/officer, materials co-coordinator, and QA/QC inspector.
11. Evidence of health, safety, environmental and community management systems backed up with actual statistics of safety and environmental incidents, medical facilities and community engagements in the past 3 years.
12. Evidence of SPDC registration, if any.
13. Any other information that may enhance the potential of your company.

1.1 Health Safety and Environment

Contractor shall furnish the company HSE-MS for pre-qualification comprising the following

- Leadership and Commitment

- Policy and strategic objectives
- Organisation and responsibilities
- Manpower resource and Competence assurance
- Implementation and monitoring
- Audit review

Hazard and Effects management process shall be applied as per SPDC requirements by the Contractor as necessary to address the following major HSE issues identified as part of this scope

- Travel Security
- Community related issues
- Permit to work
- Communication

Apart from these, the contractor shall provide HSE-Specific document as per SPDC HSE standards. HSE specific standards to this project are detailed below

- HSE-S-01 Personnel Protective Equipment
- HSE-S-49 Minimum Standards for survival Swimming
- HSE-S-47 Medical fitness Standards
- HSE-S-48 Minimum Accommodation Standards
- SPDC 2000-064 Journey management Standard Jun'00.

All the above can be obtained from SPDC on request.

Contractor shall address all the above as a pre-qualification to enter this contract.

Though this contract is classified as Low Risk in terms of its technicality, the other issues associated with Marine and road travel in which work personnel are involved raises the classification to MEDIUM Risk.

NOTE:

Prequalification Information package should be in a binder (3 copies). No fees are expected to accompany the bids.

Pre-qualification information must be delivered to the Vendor Service Centre at the address below, latest by 14.00 hours 4 weeks from his publication. Pre-qualification information not delivered by date stated above shall be disregarded.

Please note that only the successful pre-qualified companies would be included in the bid list for these works.

Submission of pre-qualification documents

All pre-qualification documents to be subsequently submitted, shall be sealed and marked: "YXXX" and addressed to:

The Secretary to The Tender Board Eastern Division (CPE-SPTP)
Via The Vendor Services Centre (CPE-SPTV), Contractor's Gate, I.A. Port Harcourt.
Attention: PBSE-CPP
Shell Petroleum Development Company of Nigeria Limited,
Port Harcourt, Rivers State, Nigeria.

The marked and sealed applications (with contract title boldly written at the back) must be submitted to the **Vendor Services Centre, Port Harcourt.**

SPDC reserves the right to include only those contractors/companies in the final bidders list that have passed the pre-qualification and technical evaluation exercises.

The Shell Petroleum Development Company of Nigeria Limited
(Operator of the NNPC/Shell/EPNL/Agip Joint Venture)



NIGERIAN NATIONAL PETROLEUM CORPORATION

NATIONAL PETROLEUM INVESTMENT MANAGEMENT SERVICES (NAPIMS)
36/38 GERRARD ROAD, IKOYI, LAGOS.

www.nnpcgroup.com

Telephone: 01-7901215

Ref: NAP/JV/FAC/E.02.07

Date: July 6, 2015

The Managing Director,
Shell Petroleum Development Company of Nigeria Limited,
Freeman House,
21/22 Marina - Lagos

SHELL PET DEV CO NIG LTD	
ACTION	INFORMATION
21 JUL 2015	
RECEIVED	

Attention: Steve Okwuosah

Dear Sir,

SPDC CORPORATE ELECTRONIC CONTROL SYSTEMS MAINTENANCE CONTRACT

Resolution of Meeting: NAPIMS Approval

Reference:

SPDC: UIO/G/NG/SPDC-PROD-06-2015-006L dated June 8, 2015 and Minutes of Meeting between NAPIMS and SPDC held on July 1, 2015.

In consideration of your request, we hereby convey to you NAPIMS Management approval of the resolution of meeting as follows:

1. SPDC to adopt a contract award strategy of four (4) parts approach comprising of Yokogawa, Emerson, Honeywell and other control systems (SMAR, Allen Bradley, Siemens, Foxboro) for NAPIMS further review and approval.
2. SPDC is advised to maintain the corporate approach without breaking the contract into assets.

Please contact Manager Facilities, JV Oil Operations Engr. R.O. Oyedele on telephone number 0803 311 1764 for further clarification.

We thank you for your usual co-operation.

Yours faithfully,

For: NIGERIAN NATIONAL PETROLEUM CORPORATION

Jonathan K. Okehs, FNSChE

Group General Manager, NAPIMS

BOARD OF DIRECTORS

Mrs. Diezani Alison-Madueke (Minister of Petroleum Resources/Chairperson), Dr. Joseph T. Dawha (GMD), Mr. Bernard O. N. Otti (DGMD/GED/F&A), Mrs. Anastasia Daniel-Nwaobia (Perm. Sec., Fed. Min. of Finance), Prof. Olusegun Okunnu (Member), Alhaji Abdullahi Bukar (Member), Mr. Daniel Wadzani (Member), Dr. Peter S. Nmadu (Member), Mr. Stephen Oronsaye (Member), Mr. Ikechukwu Oguine (Sec. to the Corporation/Coord. Legal Services).

THE SHELL PETROLEUM DEVELOPMENT COMPANY OF NIGERIA LIMITED

CONFIDENTIAL

TECHNICAL & SERVICES SUPPLY CHAIN COUNCIL

Ref: SPDC_SCCT_15_37

MINUTES OF SCCT MEETING NO.15_37

HELD ON THURSDAY 8TH OCTOBER 2015 AT 9.30AM

VENUE: PHC 1A - P1 BUILDING CONFERENCE ROOM

PRESENT:

Chairman: Igo Weli (Femi Otubanjo rep)

Secretary: Eniola Olowokure

Members: Femi Otubanjo
Judah Ogunnoiki (Dave
Oyageshio rep)

Phillip Obanya (absent)
Okey Chine (Rose Akano rep)

Mojeed Okunade

SPDC_SCCT_15_37_4 CORPORATE ELECTRONIC CONTROL SYSTEMS MAINTENANCE CONTRACT

PART A1 – STRATEGY & CONTRACT PLAN

The objectives of this submission are to seek T&S SCC approval for:

1. The contract strategy/ tender category/advertisement.
2. The product category list (1.10.08 – process control and monitoring equipment and systems).
3. The basis of award including technical and commercial evaluation criteria.
4. To issue technical invitation to tender (ITT).

DISCUSSION:

Clarifications:

1. The technical ITT will categorise the scope into the four packages (MAC and NON MAC) and the bidders will be allowed to bid for one or all packages.

SCC's comments:

1. The Executive Summary does not sufficiently describe the request to the Council.

DECISION: Approved

DIRECTIVES: Update the submission as follows and revert for the Chairman's sign off:

1. Provide more robust Executive Summary. - **Page 1 reflected with a more robust summary.**
2. Explain the technical ITT and commercial evaluation & award process in more details. - **Page 9 paragraph 2 and 3 updated accordingly.**

TARGET DATE: 22nd October 2015

ACTION: Benjamin Etukudoh (CH) & Ezekiel Ndem (CL)
