



# TRSCSSV for RWE Gas Storage, s.r.o. 2013

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Nákup TRSCSSV včetně instalací pro RWE Gas Storage, s.r.o. 2013

## Clarification meeting with bidders

Oct 16, 2013

**RWE**  
The energy to lead

# Meeting's agenda

- > Welcome  
(F. Janáč, RWE Česká republika a.s.)
- > Introduction of the project APOLOGIZED DUE TO EMERGENCY  
(L. Svozil, RWE Gas Storage, s.r.o.)
- > Introduction of the public tendering procedure  
(F. Janáč, RWE Česká Republika a.s.)
- > Answering of bidder's queries  
(F. Janáč, L. Svozil - APOLOGIZED DUE TO EMERGENCY)
- > Discussion

# Non-participating Bidders

The presentations and the minutes of today's event will also be distributed to the absent applicants in order to ensure equal treatment.

**Introduction of the project  
(L. Svozil, RWE Gas Storage, s.r.o.)**

Introduction of the public tendering  
procedure  
(F. Janáč, RWE Česká republika a.s.)

# Introduction of the contracting entity

The contracting entity is:

**RWE Gas Storage, s.r.o.**

Prosecká 855/68

190 00 Praha 9

ID No.: CZ27892077

The appointed contact person: František Janáč, Strategic Purchaser

# Presentation's purpose

- > RWE Gas Storage, s.r.o. (hereinafter „RWE GS“) is subject to Czech public procurement rules
  - It cannot contract freely conclude contracts obliging itself to pay for supplies, services or public works on the condition, that the price exceeds the legal thresholds
  - It must follow the specific tender procedure set by Czech Act No. 137/2006 Sb., the Public Procurement Act, as amended (the “PPA”)
  
- > Presentation's Objectives
  - => RWE GS wants to make sure that all of the bidders have a proper understanding of the procurement rules
  
  - => RWE GS wants to receive complete and error-free bids
  
  - => RWE GS wants to ensure the comparability of the bids

# Nature of Tender Procedure

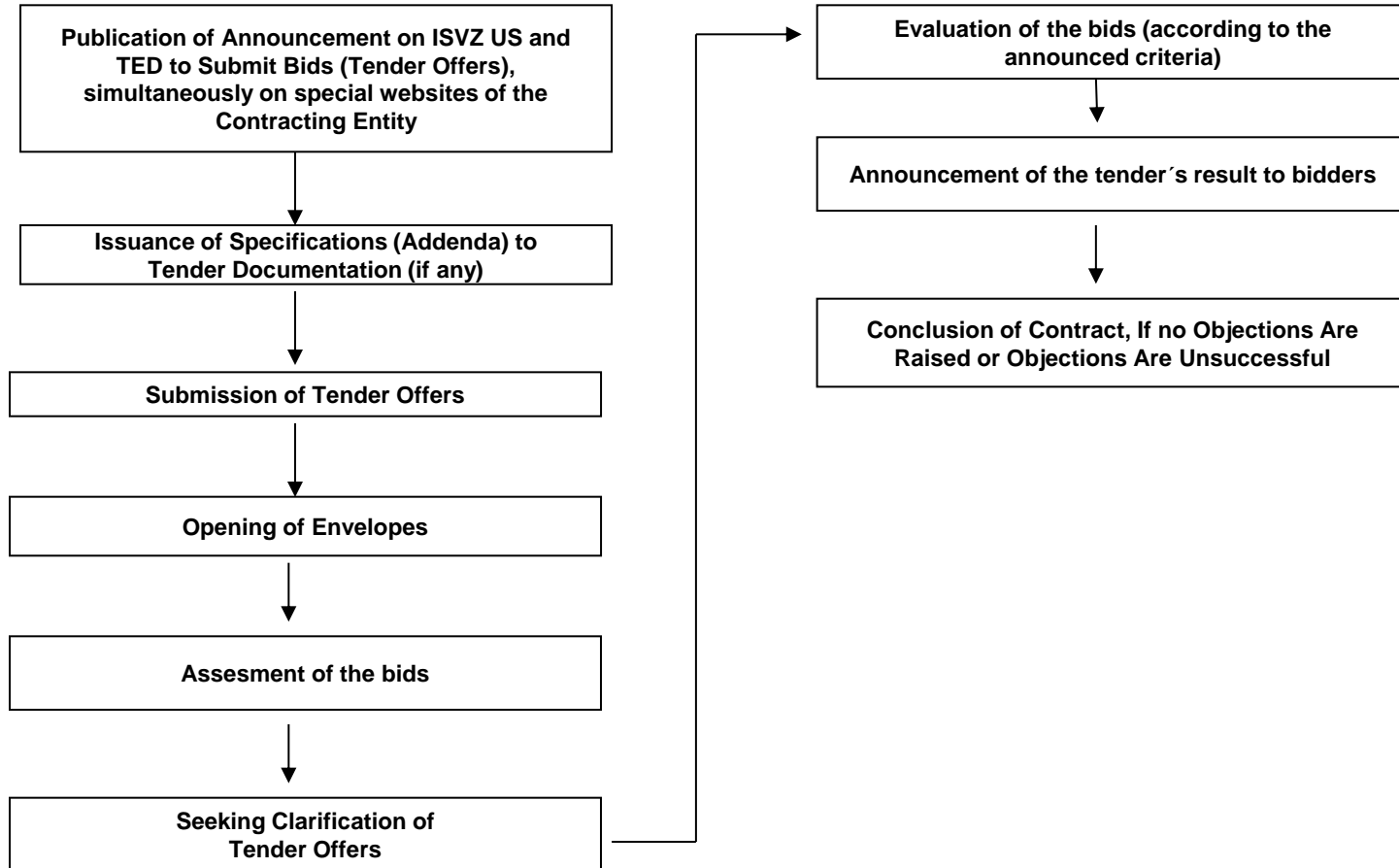
- > Precise and detailed description in the PPA
- > Deviations from the PPA rules only if the PPA so permits
- > Main Principles:
  - Transparency
  - Non-discrimination
  - Equal Treatment
- > All actions of RWE GS are to follow these principles



# Present Tender

- > The tender for TRSCSSSV for RWE GS uses so called „OPEN TENDER PROCEDURE“
- > The main features of this procedure are:
  - Each bidder may join the tender (it is open)
  - Each bidder has only „one shot“
  - There are no further negotiations concerning the price or other conditions, the submitted bid of binding for the tenderer.
  - The winning bidder (which fulfills all qualification requirements and all other requirements and conditions of the tender) will be directly awarded with the contract.

# Open Tender Procedure: Summary Chart



# Milestones of the bids' processing

- > The whole procedure of assessment and evaluation is governed by assigned evaluation committee

## **Opening of the bids**

- > Each bidder may participate by envelopes' opening
- > According to the PPA the committee is checking whether:
  - The bid is submitted in the required language
  - The draft of the contract is signed by a person authorized to act on behalf of the bidder

# Milestones of the bids' processing II

## Assesment of the bids

- > In Assesment part the committee is consideration whether the bid fulfills all conditions and requirements of the documentation (legal, technical and commercial)
- > If any **document proving the qualification** is missing in the bid, the committee has a right (not a duty) to ask a bidder to submit such a document in an adequate time period. **This is not a case of missing draft contract.**
- > The bids which do not fulfill any of the condition or requirement **are excluded from the tender.**
- > The bidder can not submit new or modified offer!

# Consequence of documents' mismatch

- > A bid not including the required documents and/or not meeting the required conditions is void
  
- > A void tender offer must be rejected, and the bidder submitting such void tender offer must subsequently be excluded from the tender

**RWE GS has no other choice**

# Milestones of the bids' processing III

## **Assessment of the bids**

- > The bids (positively) fulfilling the qualification and other legal requirements shall be evaluated according to the criteria stipulated in the tendering documentation
- > The bidder with the best ranking will be awarded with the contract
- > Contract shall be signed immediately after period for submission of objections, if no objections are raised or objections are unsuccessful

# Consequences of Non-Compliance

- > Consequences of non-compliance with tender procedure rules:
  - On the part of RWE GS:
    - **a fine**
    - **the tender potentially being void**
  - On the part of a bidder:
    - **rejection of its tender offer by RWE GS**
- > Consequences of a lack of cooperation and understanding between RWE GS and bidders => potential cancellation of the tender by RWE GS

# Timetable

(Publication of  
Tendering  
Documentation )

(Sep 26, 2013)

Queries  
Clarification  
Meeting

(Oct 16, 2013)

Submission of the  
Bids

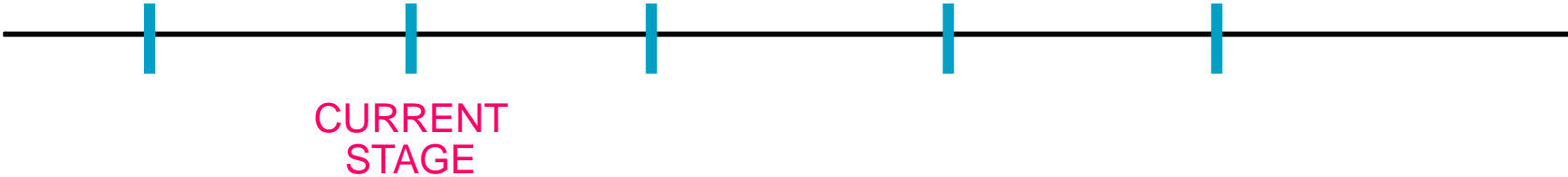
(Nov 18, 2013)

Bids evaluation &  
assessment

(ca by Dec 1, 2013)

Contract enclosure

(ca by Dec 16, 2013)





# Questions and answers

Time for you to raise any questions related to the Tender Procedure

Answering of bidder's queries

# Q&A Nr. 1

## Query Nr. 1

- > Please specify material grade of production tubing on which all respective SCSSV sizes will be run ?

## Answer Nr. 1

- > The material we usually use is J 55.
- > Sizes  $2 \frac{3}{8}$ " ,  $2 \frac{7}{8}$ " ,  $3 \frac{1}{2}$ " and  $4 \frac{1}{2}$ "

# Q&A Nr. 2

## Query Nr. 2

- > Please confirm if equipment delivery date (30.04.2014) can be extended, considering that the decision on tender awarding is to be done within 90 days since the tender opening day. In the worst case (awarding on February 16) there just over 10 weeks left to deliver the equipment. This lays outside of current manufacturing lead times.

## Answer Nr. 2

See milestones of the tender, we are convinced, that there is enough time.

## Q&A Nr. 3

### **Query Nr. 3**

> Will partial deliveries of equipment be accepted by Contractor?

### **Answer Nr. 3**

> We can not accept partial delivery.

# Q&A Nr. 4

## Query Nr. 4

- > Will RWE GS take the complete responsibility of any equipment failures or damage due to mistakes of service personnel of the Contractor or of its 3rd party, when supplier personnel is no longer supervising the installation of equipment??

## Answer Nr. 4

- > RWE GS take a risk related to installation service without supervision of TRSSSV vendor
- > In case TRSSSV internal component failure (flapper, piston, piston seals etc.) RWE GS apply warranty

## Q&A Nr. 5

### Query Nr. 5

- > We can only find the link to Czech version of the tender. Can you please guide us how to access the English version?

### Answer Nr. 5

- > Visit RWE GS link, which will guide you to the profile, where are the documents
- > <http://www.rwe-gasstorage.cz/en/2205/>

# Q&A Nr. 6

## Query Nr. 6

- > We normally receive notifications through system and an access-code via Email when a new tender comes, but this time I didn't receive neither of them. Can you advise what's the access code for the mentioned tenders?

## Answer Nr. 6

- > For tenders according Public Procurement Act no links has been sent. It is own responsibility of the participant to oversee the profile (special websites) of the Contracting Entity or Official Journal.



## Q&A Nr. 7

### **Query Nr. 7**

> Can you please advise when is your new deadline?

### **Answer Nr. 7**

> All information you will find in Tender documentation. No information from Tender documentation has been changed so far.

## Q&A Nr. 8

### Query Nr. 8

- > Is the training split up in part I and Part II?
- > Is it part I: training for size 2 3/8", 2 7/8" and 4 1/2" Safety Valves
- > Part II: Training for size 3 1/2" Safety Valve?

### Answer Nr. 8

- > It is correct training is split in Part I and Part II.
- > Correct

# Q&A Nr. 9

## Query Nr. 9

- > Would you accept an ID of:
- > 1. 6.550" instead of 5.982" for Size 4-1/2" TRSCSSSV (Part I b)  
and 2. 5.180" instead of 5.170" for Size 3-1/2" TRSCSSSV (Part II a)?

## Answer Nr. 9

- > We can not accept any alternative dimension.

# Q&A Nr. 10

## Query Nr. 10

> What tubing material are you running (2 3/8" , 2 7/8" , 3 1/2" and 4 1/2") ?

## Answer Nr. 10

> Material J-55

# Q&A Nr. 11

## Query Nr. 11

- > The training is split up in 2 parts.
- > Will it be possible to do both trainings in same week?

## Answer Nr. 11

- > There are two independent parts, if you win both parts, there is a possibility to do training in one time. Nevertheless the Contracting Entity has right to ask two independent trainings.
- > But we would appoint, that both parts are independent, so you should take into your mind, that in case you would win only one part, the cost can not be increased and the price from the bid will be for you binding

# Questions and answers

Time for you to raise any other questions

# Q&A Nr. 12

## Query Nr. 12

> What qty is correct for size 4 1/2" as mentioned in pricelist Annex 3 to TD?

## Answer Nr.

> Correct qty is 5 pcs. Also see Annex 3 rev 1 as corrected document.

# Q&A Nr. 13

## Query Nr. 13

- > Will RWE GS (or 3rd party) take upon themselves complete responsibility of installation mistakes and damages to equipment by service personnel of RWE GS (or its 3rd party) after they start doing equipment installation without supervision of supplier? (Supplier has no control on quality of installation at his point.)?

## Answer Nr. 13

- > Already answered to the Query No. 4.



# Q&A Nr. 14

## Query Nr. 14

- > Will sample TRSCSSSV be kept by RWE GS after training or can supplier get them back once training is complete?

## Answer Nr. 14

- > After training will be sample send back.
- > Training sample is not part of this tender. Part of tender is training. For better understanding we kindly ask for training sample of TRSCSSSV.

# Q&A Nr. 15

## Query Nr. 15

- > Can you confirm that responsibility of any installation failure when done without provider of supervision will be on company's side. Material guarantee stays on the provider if stocked and handled according our instructions?

## Answer Nr. 15

- > Partly answered in Query No. 4
- > When material will be handled according Supplier instructions for installation and there will be failure of material Supplier will also pay for additional installation.

# Q&A Nr. 16

## Query Nr. 16

> Please clarify or specify information needed or expected in traceability report and material reports?

## Answer Nr. 16

> Would you please specify in more detail your question?

# Q&A Nr. 17

## Query Nr. 17

- > Is this “Contract for Supplies” intended to cover the service element of the tender ie/ the installation and services or just the sale of the Products. The contract format is very much focused on the sale element and, although it makes some reference to services, the provisions do not appear to be sufficient to cover services?

## Answer Nr. 17

- > The Contract for Supplies is more focused on material supply (approx. 80-90 %), although it covers installation/supervision for limited qty and also training. The Contract for Supplies cover all performance of this Public Contract.

# Q&A Nr. 18

## Query Nr. 18

- > Can we discuss the inclusion of some indemnity provisions? Ideally we would like to include a knock for knock mutual indemnity provision covering people, property, 3rd party claims and Consequential Loss as well as specific provisions apportioning liability in event of a Catastrophic Loss situation and equipment lost in hole. As a compromise and bare minimum, we could discuss an overall cap on Contractors liability for all claims under the Contract, with the Company accepting liability for all claims under the contract over and above that amount. I believe this is the approach that was taken and accepted by RWE in the past under CMS 25493-2012. . If we were successful with obtaining an overall cap on liability under the Contract, we do not require the full indemnity provisions and can simply seek management approvals according to the value of the cap we agree. If RWE will not consider one of these two approaches, we are extremely unlikely to be able to obtain the required approvals for this contract, as the potential risk would simply be too high in relation to the reward under the Contract.

## Answer Nr. 18

- > The Contract for Supplies is more focused on material supply (approx. 80-90 %), although it covers installation/supervision for limited qty and also training. We do not see any risk related to lost in hole conditions.

# Q&A Nr. 19

## Query Nr. 19

- > Clarification: Art 13.4: These provisions relates to any particular type of Insurance. Supplier has various different types of Insurance at different levels.

## Answer Nr. 19

- > Insurance must cover all potential responsibility of the supplier arising during performance of public contract, esp. works, supply (material and service) and usual risk which might occur.

# Q&A Nr. 20

## Query Nr. 20

- > Can we insert a cap on liability for default, delay, breach, warranty etc. since there are so many cumulative penalties and remedies?

## Answer Nr. 20

- > No, it can lead to your exclusion from the tender procedure. The tenderer is not entitled to change tender conditions.

# Q&A Nr. 21

## Query Nr. 21

- > Would it be possible to mitigate some contractual conditions in relation to the supplier?

## Answer Nr. 21

- > The Contracting Entity agrees to adjust the contractual conditions regarding liability for damage. The adjusted draft contract is an integral part of this document as its annex No. 1.



# Q&A Nr. 22

## Query Nr. 22

> Can the oil be delivered in Barrels?

## Answer Nr. 22

> No we require canisters for 5 liter.

# Q&A Nr. 23

## Query Nr. 23

> Is the qty in pricelist for dimension 4 ½“ 20 pcs or 5 pcs?

## Answer Nr. 23

> 5 pcs is correct.

# Documentation revision:

## **Annex 3 price list rev 1.**

- > Corrected qty for dimension 4 ½“

## **Annex 2 SPC rev 1**

- > Limited liability to 100 % of value of the contract.

Thank you very much  
for your attention.