RWE Gas Storage, s.r.o. – - Control panels

Clarification meeting with bidders

Oct 22, 2013

RWE

The energy to lead

Meeting´s agenda

- Welcome
  (F. Janáč, RWE Česká Republika)
- Introduction of the project
  (P. Židišin, RWE Gas Storage)
- Introduction of the public tendering procedure
  (F. Janáč, RWE Česká Republika)
- Answering of bidder´s queries
  (F. Janáč, P. Židišin)
- 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
(P. Židišin, RWE Gas Storage)

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

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 (RWE GS) is subject to Czech public procurement rules
  - It cannot contract freely
  - It must follow the specific tender procedure set by Czech Act No. 137/2006 Coll., 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

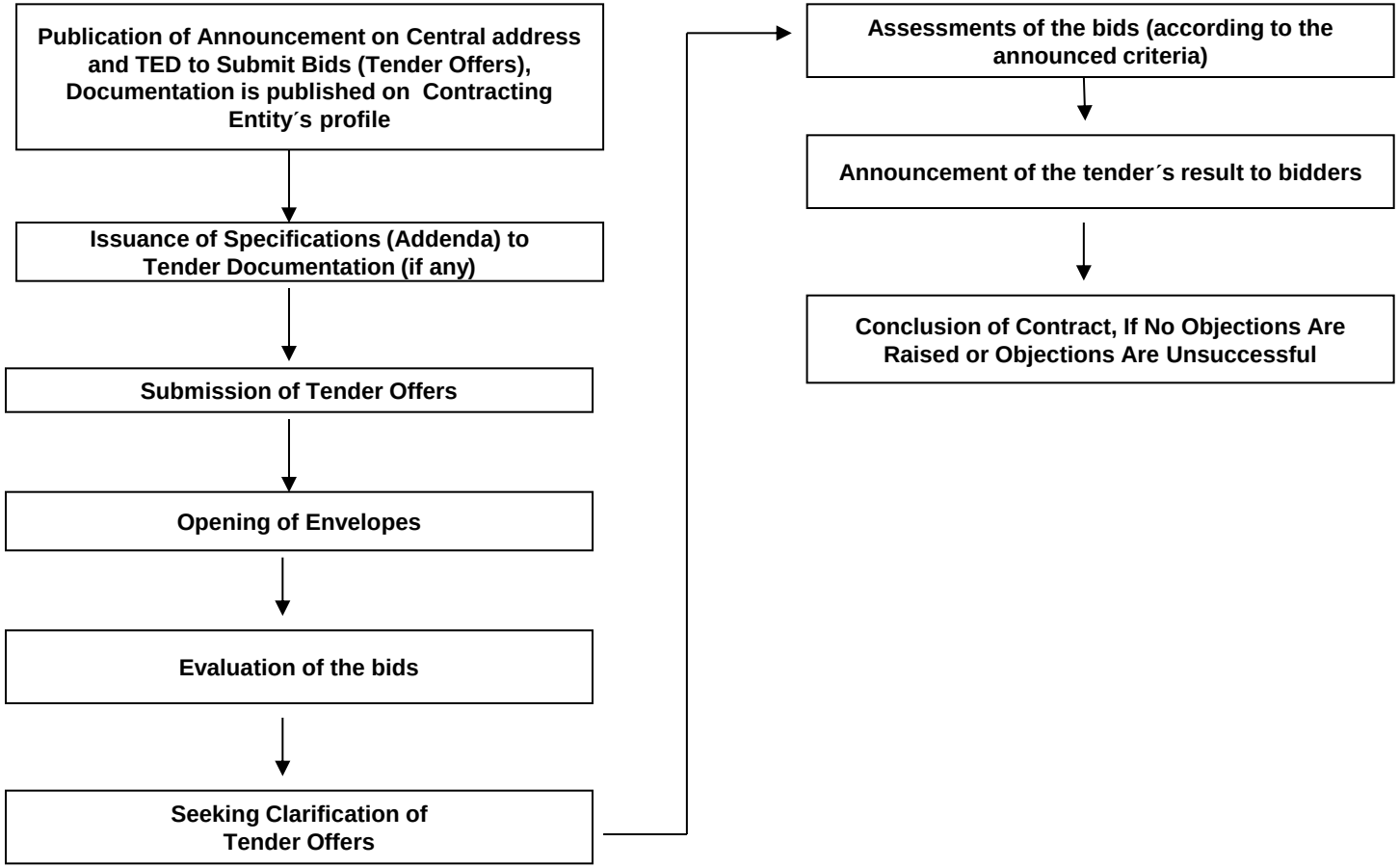
- The tender for RWE Gas Storage – Control panels uses so called

  „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 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 evaluation and assessment 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

Evaluation of the bids

- In Evaluation part the committee is evaluating 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 evaluation 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

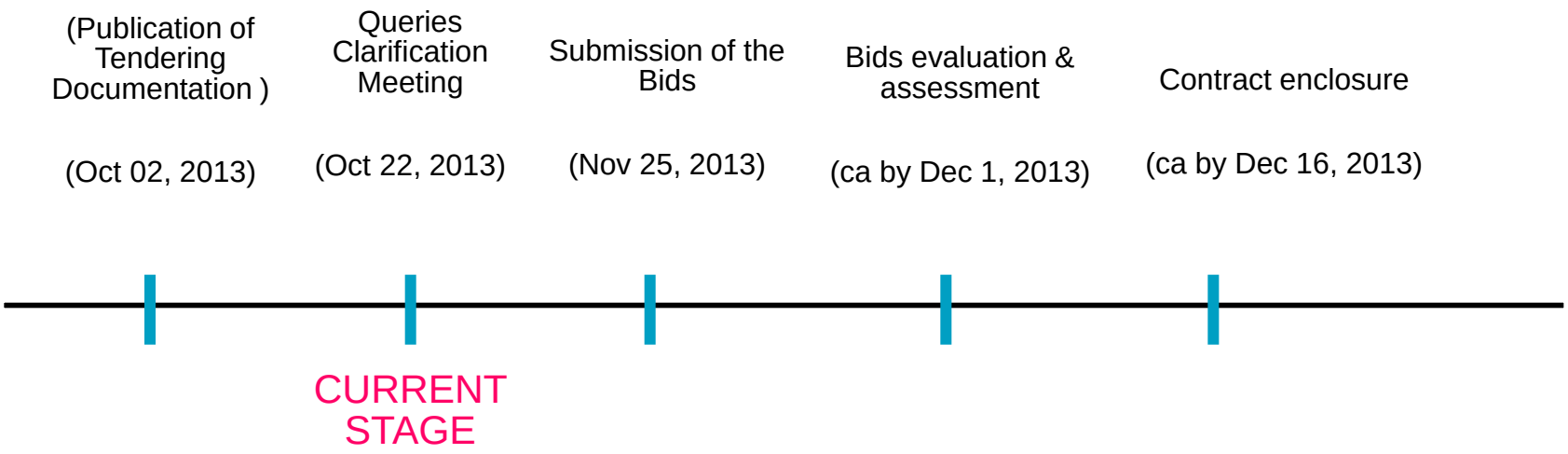
Assessment of the bids

- The bids (positively) evaluated are assessed according to the criteria stipulated in the tendering documentation
- The bidder with highes ranking will be awarded with the contract
- Contract shall be signed immediately after period for submission of objection, 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)
(Oct 02, 2013)
Queries Clarification Meeting
(Oct 22, 2013)
Submission of the Bids
(Nov 25, 2013)
Bids evaluation & assessment
(ca by Dec 1, 2013)
Contract enclosure
(ca by Dec 16, 2013)
CURRENT STAGE

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

> Technical specification. The dimensions for the cabinet per specification are rather small. Is there a possibility to have more space available?

Answer Nr. 1

> We assume that this question is concerned about Annex C to the Annex 1 Technical specification of Tender documentation. If so, then the dimension are only minimal recommendation, but maximal dimension must be

> L – 1 m

> B – 1 m

> H + H_1 = 2 m

Q&A Nr. 2

Query Nr. 2

> Technical specification. Should the PLC to be installed in or outside the cabinet?

> Schematic drawing Annex D gives the impression that this would be outside. Is there anything in our scope of supply for the installation of the PLC outside the cabinet when applicable?

Answer Nr. 2

> PLC will be installed inside the cabinet in lockable cabinet.

> Any scope of work for PLC installation is not required for outside.

Q&A Nr. 3

Query Nr. 3

> Technical specification. On page 3 there is mentioned that pressure switches are to be used for motor pump control. Further there are pressure transmitters required for other functions. Wouldn't it be wise to have only pressure transmitters?

Answer Nr. 3

> Only pressure transmitters is enough in case all information will be delivered to PLC and control panel will be working as is required in Annex 1, TS.

Q&A Nr. 4

Query Nr. 4

> Technical specification. Please confirm electrical ESD signal (PB) from 10 meters from control panel is in our scope of supply. Is this a loose supply or is for example the housing or wiring also our scope of supply. Detailed requirements are to be specified?

Answer Nr. 4

> We assume, that this question is concerned to the Annex 1 TS of TD. Yes, it is part of your supply but with limitation of maximal length of 10 meters for each control panel.

> Supplier delivers: box for ESD with mounting kit + 10 m cable

Q&A Nr. 5

Query Nr. 5

> Technical specification. Accumulator sizing specified is 5 liters minimum. Could you please specify the reason for a 5 litre accumulator for pulsation damping only, specially taken into account limited cabinet sizing?

Answer Nr. 5

> We assume that this question is concerned Annex 1 TS to TD. Accumulator is only for pulsation damping. Minimum requirement is 5 liter sizing.

Q&A Nr. 6

Query Nr. 6

> Technical specification. Please confirm ambient temperature requirement for components inside the heated cabinet (+5 degrees Celsius)?

Answer Nr. 6

> We assume that this question is concerned to Annex A of Annex 1 TS to TD. We will operate the control panels under temperature condition -29°C to 40°C. Heater in the cabinet must be able to start heating once temperature is reaching lower temperature than +5°C.

Q&A Nr. 7

Query Nr. 7

> Technical specification. Logic for SSV and SCSSV control is according to the specification fully electrical with use of pushbuttons/ client DCS system and solenoids. The requirement for fusible plug however does ask for hydraulic logic. Please clarify?

Answer Nr. 7

> We require hydraulic fusible plug and logic is mentioned in Annex 1 TS. In case of fire on the well, the fusible plug must be damaged and hydraulic safety system must close first SSV and after SCSSSV.

Q&A Nr. 8

Query Nr. 8

> Technical specification. Please specify the distance for fusible plug in technological house?

Answer Nr. 8

> Distance will be maximum 10 m.

Q&A Nr. 9

Query Nr. 9

> Technical specification. We ask you kindly to specify the design calculation requirements?

Answer Nr. 9

> Please , calculate theatrical design for hydraulic oil flowing from control panel to the wellhead. Distance between control panel and wellhead for calculate purposes will be 10 m. Control line go directly from control panel to the wellhead. Please do not consider any flow restrictions.

> RWE GS ask for design calculation to be sure that the design of pipe diameters which will be used for SSV, SCSSSV and return lines will fit to requests as in Annex 1 TS.

Q&A Nr. 10

Query Nr. 10

> Technical specification. The control panel should be designed so that in the case of exchange of individual components the operator would not have to bleed off the pressure from whole system. Example components per specification are solenoid and hand pump. Could you please specify which components should be available for exchange and what safety philosophy is required at the moment from exchange?

Answer Nr. 10

> All major parts of the control panels which allows operating the well must be able to be exchanged without depressurizing SSV and SCSSSV.

> Components which should be exchanged: electric motor, hand pump, solenoid valves, high pressure filters.

> Safety is key point in RWE. Safety philosophy for that reason do not increase the risk of injury of operator doing control panel maintenance.

Q&A Nr. 11

Query Nr. 11

> Technical specification. Page 7 asks us to have ATEX certification via a notified body i.e. TUV, Norske Veritas, Lloyds. We ask you kindly to allowed DEKRA as notified body?

Answer Nr. 11

> The tender giver is not allowed to limit any of the 3rd party certification authority and the list of the appointed companies are only for example. It is up to the participant to have the 3rd party ATEX provider which is in line with legal and business habits for Oil & Gas industry.

Q&A Nr. 12

Query Nr. 12

> Technical specification. Control and safety philosophy on page 3 asks for HAND/AUTO switch. We prefer have HAND/OFF/AUTO for maintenance?

Answer Nr. 12

> We prefer have HAND/OFF/AUTO. (see revision of Annex 1 TS r1)

Q&A Nr. 13

Query Nr. 13

> Control and safety philosophy on page 3 asks for operation mode of the pump at lease 2 minutes. We ask you kindly to clarify this requirement?

Answer Nr. 13

> We re-evaluated our request: Minimal operation time must be 1 minute. (see revision of Annex 1 TS r1)

Q&A Nr. 14

Query Nr. 14

> Annex.A We ask you kindly to inform us with detailed requirement for Material certificates per Annex 1?

Answer Nr. 14

> We are asking for all major components (which are important to operate control panels) to have Material certificate (ie. like 3.1 or similar), where we can see the general chemical structure of row material and ability of the material (strength, trim, torque etc.)

> Material certificates we require for:

> - fittings

> - tube/control line

> - cabinet, accumulator, filters, oil reservoir, check/relief/needle valves, electric cables,

Q&A Nr. 15

Query Nr. 15

> Annex A Chapter IX Index asks for Third party certification. Please confirm that certificates for PED are only required for some component (on pressure equipment) and not on assembly.?

Answer Nr. 15

> PED certificates we require on pressure individual components and assembly..

Q&A Nr. 16

Query Nr. 16

> 13.5 Tender Documentation document: It is unclear what type of insurance is meant by "indemnity insurance". Please specify the type of insurance that is meant in 13.5, e.g. general liability insurance?

Answer Nr. 16

> We require general insurance which cover liability of the Contractor/Supplier.

Q&A Nr. 17

Query Nr. 17

> In the annex 1 (Technical Specification), Delivery Schedule sub-section, the estimated equipment delivery volume for 2013 is specified as 50ea units. Could you please confirm if this is correct – given the timing of the tender and planned award date (within 90 days from November 25th 2013) this seems to be unrealistic?

Answer Nr. 17

> Please see Annex 2 SPC, at Article 2 where is in more detail specified answer for your question..

> We require Advance payment against bank guarantee for 2013 year and delivery would take place in 28 weeks from date of mutually signing the contract (approx. May/June).

Q&A Nr. 18

Query Nr. 18

> Enclosures will be custom built from 12 awg, 316 stainless steel and constructed to NEMA 4X standards (IP65) but not third party certified. Please confirm if acceptable?

Answer Nr. 18

> The requirements from TD and it´s Annexes must be kept.

Q&A Nr. 19

Query Nr. 19

> Confirm if the PLC panel is to be a separate panel or can it be combined with the well panel but isolated from the hydraulic section?

Answer Nr. 19

> PLC will be installed inside the cabinet in lockable cabinet and can be isolated from hydraulic section.

Q&A Nr. 20

Query Nr. 20

> Is there an approve vendors list?

Answer Nr. 20

> No, there is any vendor list.

Q&A Nr. 21

Query Nr. 21

> Confirm that the pump motor starter will need to be provided at the panel. We are assuming that there are no local Motor Control Centers (MCC) to house the motor starters?

Answer Nr. 21

> We assume that your question is concerned Annex 1 TS of TD. We want to have starter of the pump motor on the panel.

Q&A Nr. 22

Query Nr. 22

> Please clarify what is meant by “The operation mode of the pump must be at least 2 minutes” on page 3, Section “Control and Safety Philosophy”?

Answer Nr. 22

> See answer for Q No. 13

Q&A Nr. 23

Query Nr. 23

> Please confirm if local HMI panel is required?

Answer Nr. 23

> HMI panel we do not require!

Q&A Nr. 24

Query Nr. 24

> Please confirm if phenolic name plates for the front and inside of the panel will be acceptable?

Answer Nr. 24

> Yes. It will be acceptable.

Q&A Nr. 25

Query Nr. 25

> We expect that at least a minimum of 10 panels per order so that we can better distribute some of the costs and provide a better unit price. Example each panel will need to be inspected by an ATEX inspector who will charge us a daily rate. If we have a minimum order of 10 we can distribute these costs between the 10 panels. If orders of one or two panels at a time then costs would increment because now the day rate the inspector charges is shared by only one or two panels?

Answer Nr. 25

> Please follow the delivery estimation as specified in TD and it´s annexes.

Q&A Nr. 26

Query Nr. 26

> The checklist “TD_Annex_9_check1” it states it’s a “check list of minimal required documentation”. So is it a checklist of what we can supply? Or we must supply everything on that checklist when submitting the bid?

Answer Nr. 26

> The Giver of the Tender is not oblige to participate or be part of preparation of the bid of any of the participants. Therefore the Check list is only recommendation of the structure of the bid, but responsibility of complete documentation is on the bidder(participant).

Q&A Nr. 27

Query Nr. 27

> Please confirm if it is possible to use Parker, Helmet, DKV as an alternative of Swagelok. Annex 1, chapter 3, dot 1 ?

Answer Nr. 27

> We accept alternative technical solution if minimal technical parameters would be as specified for Swagelok.

Q&A Nr. 28

Query Nr. 28

> The SSSV and SSV open-close signals come from pressure switches mounted down stream to hydraulic valves Annex D?

Answer Nr. 28

> In Annex D is mentioned Control lines from SSV and SCSSSV.

> See answer for Query No. 3,

> if signal come from pressure transmitter or pressure switches (which will mounted inside cabinet) is up to you, but required information (open/close position) must be visible (green/red lights).

Q&A Nr. 29

Query Nr. 29

> Fusible plug temperature Annex 1, chapter 2, Control and safety philosophy ?

Answer Nr. 29

> In range of 80-100 °C

Q&A Nr. 30

Query Nr. 30

> Quit botton is electrically connected with DCS Annex 1, chapter 2, Cabinet ?

Answer Nr. 30

> Quit button is digital input to PLC.

Q&A Nr. 31

Query Nr. 31

> The power pressure for SSV has to be derived from the main linet through a pressure reducer or shall we generate it with a separate pump?

Answer Nr. 31

> According the TD and annexes we understood one pump, which will generate power pressure and for SSV pressure will be reduced.

Q&A Nr. 32

Query Nr. 32

> The accumulator will be used for emergency stroke in case of elictric fault or only for pump damping Annex 1, chapter 2, Control and safety philosophy ?

Answer Nr. 32

> The accumulator will be used only for pump damping.

Q&A Nr. 33

Query Nr. 33

> What is the scope of the pressure gauge with electric connections Annex 1, chapter 2, Control and safety philosophy ?

Answer Nr. 33

> On control panel will be pressure gauge – for local reading

> On the line for SSV, SCSSSV will be pressure trasmitter (for PLC)

Q&A Nr. 34

Query Nr. 34

> The ESD push bottom will be provided as loose item or into dedicated box with pole mounting kit Annex A, chapter II, point C – 3 Annex 1, chapter 2,??

Answer Nr. 34

> This was answered in previous answers.

Q&A Nr. 35

Query Nr. 35

> Heater will be supply with 230V ÷ 50 Hz single phase or 400 ÷ 450V 3 phases or both Annex A, chapter II, point A - 3?

Answer Nr. 35

> Heater must be for Voltage 230 – 50 Hz

Q&A Nr. 36

Query Nr. 36

> MCC for motor pump and logic will be on front of the pannel certificated EEXD Annex C?

Answer Nr. 36

> Yes, will be certified EX d (it should be same as EEXD).

Q&A Nr. 37

Query Nr. 37

> Is there a minimum requirement for the thickness of the stainless steel part of the cabinet, for example front and rear doors, etc.. ?

Answer Nr. 37

> It is up to the participant, but it must meet all Tender requirements, legal requirements for environment for it will be used (Ex).

Questions and answers

Time for you to raise any other questions

Q&A Nr. 38

Query Nr. 38

> PLC is supposed to be isolated from hydraulic section. Please clarify:

> 1. Dry and vet section inside panel (Extra door!)

> 2. Just enclosure of PLC ?

Answer Nr. 38

> Please see Query No. 2

Documentation revision:

Annex 1 TS rev 1.

> Corrected document based on question from Clarification meeting

Thank you very much for your attention.

Ing. František Janáč

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Datum: 2013.10.29 12:43:37 +01'00'