



KENYA ELECTRICITY TRANSMISSION COMPANY LIMITED  
*"Building a World Class National Grid"*

**TENDER NO. KETRACO/PT/002/2018**

**TENDER FOR SUPPLY OF  
SUBSTATION BATTERIES AND  
BATTERY CHARGERS**

**CLOSING DATE: 29<sup>TH</sup> MARCH 2018  
AT 10:00 AM**

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**SECTION I INVITATION TO TENDER**  
**DATE \_\_\_\_\_**

**TENDER REF NO. KETRACO/PT/002/2018**

**TENDER NAME TENDER FOR SUPPLY OF SUBSTATION  
BATTERIES AND BATTERY CHARGERS**

- 1.1 Kenya Electricity Transmission Company Limited invites sealed bids from eligible candidates for **Supply of Substation Batteries and Battery Chargers.**
- 1.2 Interested eligible candidates may obtain further information from and inspect the tender documents at Senior Manager, Supply Chain Management, **Kenya Electricity Transmission Company Limited at KAWI Complex, Block B, Popo Lane, Off Red Cross Road, South C, P.O Box 34942 – 00100, Nairobi, Kenya** on working days from Monday to Friday (excluding any public or gazette holiday). *Bidders may also view and download the bidding document from [www.ketraco.co.ke](http://www.ketraco.co.ke) or from [supplier.treasury.go.ke](http://supplier.treasury.go.ke) and immediately forward their particulars for records and for the purposes of receiving any further tender clarifications and/or addendums to [supplychain@ketraco.co.ke](mailto:supplychain@ketraco.co.ke).*
- 1.3 A complete set of tender documents may be obtained by interested candidates upon payment of non-refundable fees of five thousand Kenya Shillings (Kshs. 5,000) in cash or Bankers cheque payable to Kenya Electricity Transmission Company Limited. Bidders who download the tender document will not be required to pay.
- 1.4 Completed tender documents are to be enclosed in plain sealed envelopes marked with tender reference number and be deposited in the Tender Box at **4<sup>th</sup> Floor KAWI House, South C** or be addressed to:  
**The Company Secretary,  
Kenya Electricity Transmission Company,  
P.O Box 34942-00100,  
Nairobi**

so as to be received on or before **Thursday, 29<sup>th</sup> March 2018 at 10.am local time**

- 1.5 Prices quoted should be net inclusive of all taxes and delivery must be in Kenya Shillings and shall remain valid for ninety (90) days from the closing date of the tender.
- 1.6 Tenders will be opened immediately thereafter in the presence of the Candidates or their representatives who choose to attend at Kenya Electricity Transmission Company Limited at KAWI Complex offices

## SECTION II - INSTRUCTIONS TO TENDERERS

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## **SECTION II - INSTRUCTIONS TO TENDERERS**

### **2.1 Eligible Tenderers**

- 2.1.1 This Invitation for Tenders is open to all tenderers eligible as described in the Invitation to Tender. Successful tenderers shall complete the supply of goods by the intended completion date specified in the Schedule of Requirements Section VI.
- 2.1.2 Kenya Electricity Transmission Company Limited's employees, committee members, board members and their relative (spouse and children) are not eligible to participate in the tender.
- 2.1.3 Tenderers shall provide the qualification information statement that the tenderer (including all members of a joint venture and subcontractors) is not associated, or have been associated in the past, directly or indirectly, with a firm or any of its affiliates which have been engaged by Kenya Electricity Transmission Company Limited to provide consulting services for the preparation of the design, specifications, and other documents to be used for the procurement of the goods under this Invitation for tenders.
- 2.1.4 Tenderers shall not be under a declaration of ineligibility for corrupt and fraudulent practices.

### **2.2 Eligible Goods**

- 2.2.1 All goods to be supplied under the contract shall have their origin in eligible source countries.
- 2.2.2 For purposes of this clause, "origin" means the place where the goods are mined, grown, or produced. Goods are produced when, through manufacturing, processing, or substantial and major assembly of components, a commercially-recognized product results that is substantially different in basic characteristics or in purpose or utility from its components
- 2.2.3 The origin of goods is distinct from the nationality of the tenderer.

### **2.3 Cost of Tendering**

2.3.1 The Tenderer shall bear all costs associated with the preparation and submission of its tender, and Kenya Electricity Transmission Company Limited, will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the tendering process.

2.3.2 The price to be charged for the tender document shall not exceed Kshs.5,000/=

2.3.3 All firms found capable of performing the contract satisfactorily in accordance with the set prequalification criteria shall be prequalified.

## **2.4. The Tender Document**

2.4.1 The tender document comprises the documents listed below and addenda issued in accordance with clause 2.6 of these instructions to Tenderers

- (i) Invitation to Tender
- (ii) Instructions to tenderers
- (iii) General Conditions of Contract
- (iv) Special Conditions of Contract
- (v) Schedule of requirements
- (vi) Technical Specifications
- (vii) Tender Form and Price Schedules
- (viii) Tender Security Form
- (ix) Contract Form
- (x) Performance Security Form
- (xi) Bank Guarantee for Advance Payment Form
- (xii) Manufacturer's Authorization Form
- (xiii) Confidential Business Questionnaire

2.4.2 The Tenderer is expected to examine all instructions, forms, terms, and specifications in the tender documents. Failure to furnish all information required by the tender documents or to submit a tender not substantially responsive to the tender documents in every respect will be at the tenderers risk and may result in the rejection of its tender.

## **2.5 Clarification of Documents**

2.5.1 A prospective tenderer requiring any clarification of the tender document may notify Kenya Electricity Transmission Company Limited in writing or by post at the entity's address indicated in the Invitation to Tender. The Procuring entity will respond in writing to

any request for clarification of the tender documents, which it receives not later than seven (7) days prior to the deadline for the submission of tenders, prescribed by Kenya Electricity Transmission Company Limited. Written copies of the Procuring entities response (including an explanation of the query but without identifying the source of inquiry) will be sent to all prospective tenderers that have received the tender document.

2.5.2 Kenya Electricity Transmission Company Limited shall reply to any clarifications sought by the tenderer within 3 days of receiving the request to enable the tenderer to make timely submission of its tender.

## **2.6 Amendment of Documents**

2.6.1 At any time prior to the deadline for submission of tenders, Kenya Electricity Transmission Company Limited, for any reason, whether at its own initiative or in response to a clarification requested by a prospective tenderer, may modify the tender documents by amendment.

2.6.2 All prospective candidates that have received the tender documents will be notified of the amendment in writing or by post and will be binding on them.

2.6.3 In order to allow prospective tenderers reasonable time in which to take the amendment into account in preparing their tenders, Kenya Electricity Transmission Company Limited, at its discretion, may extend the deadline for the submission of tenders.

## **2.7 Language of Tender**

2.7.1 The tender prepared by the tenderer, as well as all correspondence and documents relating to the tender exchange by the tenderer and Kenya Electricity Transmission Company Limited, shall be written in English language, provided that any printed literature furnished by the tenderer may be written in another language provided they are accompanied by an accurate English translation of the relevant passages in which case, for purposes of interpretation of the tender, the English translation shall govern.

## **2.8 Documents Comprising of Tender**



- 2.8.1 The tender prepared by the tenderers shall comprise the following components
- (a) a Tender Form and a Price Schedule completed in accordance with paragraph 2.9, 2.10 and 2.11 below
  - (b) documentary evidence established in accordance with paragraph 2.1 that the tenderer is eligible to tender and is qualified to perform the contract if its tender is accepted;
  - (c) documentary evidence established in accordance with paragraph 2.2 that the goods and ancillary services to be supplied by the tenderer are eligible goods and services and conform to the tender documents; and
  - (d) tender security furnished in accordance with paragraph 2.14

## 2.9 Tender Forms

2.9.1 The tenderer shall complete the Tender Form and the appropriate Price Schedule furnished in the tender documents, indicating the goods to be supplied, a Supply of Tool Kits and Test Equipment for Operations and Maintenance, their country of origin, quantity, and prices.

## 2.10 Tender Prices

2.10.1 The tenderer shall indicate on the appropriate Price Schedule the unit prices and total tender price of the goods it proposes to supply under the contract

2.10.2 Prices indicated on the Price Schedule shall include all costs including taxes, insurances and delivery to the premises of the entity.

2.10.3 Prices quoted by the tenderer shall be fixed during the Tender's performance of the contract and not subject to variation on any account. A tender submitted with an adjustable price quotation will be treated as non-responsive and will be rejected, pursuant to paragraph 2.22

2.10.4 The validity period of the tender shall be 60 days from the date of opening of the tender.

## 2.11 Tender Currencies

2.11.1 Prices shall be quoted in Kenya Shillings unless otherwise specified in the Appendix to Instructions to Tenderers.

## **2.12 Tenderers Eligibility and Qualifications**

2.12.1 Pursuant to paragraph 2.1. the tenderer shall furnish, as part of its tender, documents establishing the tenderers eligibility to tender and its qualifications to perform the contract if its tender is accepted.

2.12.2 The documentary evidence of the tenderers eligibility to tender shall establish to Kenya Electricity Transmission Company Limited's satisfaction that the tenderer, at the time of submission of its tender, is from an eligible source country as defined under paragraph 2.1

2.12.3 The documentary evidence of the tenderers qualifications to perform the contract if its tender is accepted shall be established to Kenya Electricity Transmission Company Limited's satisfaction;

- (a) that, in the case of a tenderer offering to supply goods under the contract which the tenderer did not manufacture or otherwise produce, the tenderer has been duly authorized by the goods' Manufacturer or producer to supply the goods.
- (b) that the tenderer has the financial, technical, and production capability necessary to perform the contract;
- (c) that, in the case of a tenderer not doing business within Kenya, the tenderer is or will be (if awarded the contract) represented by an Agent in Kenya equipped, and able to carry out the Tenderer's maintenance, repair, and spare parts-stocking obligations prescribed in the Conditions of Contract and/or Technical Specifications.

## **2.13 Goods Eligibility and Conformity to Tender Documents**

2.13.1 Pursuant to paragraph 2.2 of this section, the tenderer shall furnish, as part of its tender documents establishing the eligibility and conformity to the tender documents of all goods which the tenderer proposes to supply under the contract

2.13.2 The documentary evidence of the eligibility of the goods shall consist of a statement in the Price Schedule of the country of origin of the goods and services offered which shall be confirmed by a certificate of origin issued at the time of shipment.

2.13.3 The documentary evidence of conformity of the goods to the tender documents may be in the form of literature, drawings, and data, and shall consist of:

- (a) a detailed description of the essential technical and performance characteristic of the goods;
- (b) a list giving full particulars, including available source and current prices of spare parts, special tools, etc., necessary for the proper and continuing functioning of the goods for a period of two (2) years, following commencement of the use of the goods by Kenya Electricity Transmission Company Limited; and
- (c) a clause-by-clause commentary on Kenya Electricity Transmission Company Limited's Technical Specifications demonstrating substantial responsiveness of the goods and service to those specifications, or a statement of deviations and exceptions to the provisions of the Technical Specifications.

2.13.4 For purposes of the documentary evidence to be furnished pursuant to paragraph 2.13.3(c) above, the tenderer shall note that standards for workmanship, material, and equipment, as well as references to brand names or catalogue numbers designated by the Procurement entity in its Technical Specifications, are intended to be descriptive only and not restrictive. The tenderer may substitute alternative standards, brand names, and/or catalogue numbers in its tender, provided that it demonstrates to the Procurement entity's satisfaction that the substitutions ensure substantial equivalence to those designated in the Technical Specifications.

## **2.14 Tender Security**

2.14.1 The tenderer shall furnish, as part of its tender, a tender security for the amount specified in the Appendix to Invitation to Tenderers.

2.14.2 The tender security shall be in the amount of 0.5 – 2 per cent of the tender price.

2.14.3 The tender security is required to protect Kenya Electricity Transmission Company Limited against the risk of Tenderer's conduct which would warrant the security's forfeiture, pursuant to paragraph 2.14.7

- 2.14.4 The tender security shall be denominated in Kenya Shillings or in another freely convertible currency, and shall be in the form of a bank guarantee or a bank draft issued by a reputable bank located in Kenya or abroad, or a guarantee issued by a reputable insurance company in the form provided in the tender documents or another form acceptable to Kenya Electricity Transmission Company Limited and valid for thirty (30) days beyond the validity of the tender.
- 2.14.5 Any tender not secured in accordance with paragraph 2.14.1 and 2.14.3 will be rejected by Kenya Electricity Transmission Company Limited as non responsive, pursuant to paragraph 2.22
- 2.14.6 Unsuccessful Tenderer's tender security will be discharged or returned as promptly as possible but not later than thirty (30) days after the expiration of the period of tender validity prescribed by Kenya Electricity Transmission Company Limited.
- 2.14.7 The successful Tenderer's tender security will be discharged upon the tenderer signing the contract, pursuant to paragraph 2.27 and furnishing the performance security, pursuant to paragraph 2.28
- 2.14.8 The tender security may be forfeited:
- (a) if a tenderer withdraws its tender during the period of tender validity specified by Kenya Electricity Transmission Company Limited on the Tender Form; or
  - (b) in the case of a successful tenderer, if the tenderer fails:
    - (i) to sign the contract in accordance with paragraph 2.27
    - or
    - (ii) to furnish performance security in accordance with paragraph 2.28

## 2.15 **Validity of Tenders**

- 2.15.1 Tenders shall remain valid for 90 days or as specified in the Invitation to Tender after the date of tender opening prescribed by Kenya Electricity Transmission Company Limited, pursuant to paragraph 2.18. A tender valid for a shorter period shall be rejected by Kenya Electricity Transmission Company Limited as non responsive.
- 2.15.2 In exceptional circumstances, Kenya Electricity Transmission Company Limited may solicit the Tenderer's consent to an extension of the period of validity. The request and the responses thereto shall be made in writing. The tender security provided under paragraph

2.14 shall also be suitably extended. A tenderer may refuse the request without forfeiting its tender security. A tenderer granting the request will not be required nor permitted to modify its tender.

## **2.16 Format and Signing of Tender**

2.16.1 The tenderer shall prepare two copies of the tender, clearly marking each “ORIGINAL TENDER” and “COPY OF TENDER,” as appropriate. In the event of any discrepancy between them, the original shall govern.

2.16.2 The original and all copies of the tender shall be typed or written in indelible ink and shall be signed by the tenderer or a person or persons duly authorized to bind the tenderer to the contract. The latter authorization shall be indicated by written power-of-attorney accompanying the tender. All pages of the tender, except for unamended printed literature, shall be initialed by the person or persons signing the tender.

2.16.3 The tender shall have no interlineations, erasures, or overwriting except as necessary to correct errors made by the tenderer, in which case such corrections shall be initialed by the person or persons signing the tender.

## **2.17 Sealing and Marking of Tenders**

2.17.1 The Tenderer shall seal the original and each copy of the tender in separate envelopes, duly marking the envelopes as “ORIGINAL” and “COPY.” The envelopes shall then be sealed in an outer envelope.

2.17.2 The inner and outer envelopes shall:

(a) be addressed to Kenya Electricity Transmission Company Limited at the address given in the Invitation to Tender:

(b) bear, tender number and name in the Invitation for Tenders and the words, “DO NOT OPEN BEFORE,” **Thursday, 29<sup>th</sup> March 2018 at 10.00am local time**

2.17.3 The inner envelopes shall also indicate the name and address of the tenderer to enable the tender to be returned unopened in case it is declared “late”.

2.17.4 If the outer envelope is not sealed and marked as required by paragraph 2.17.2, Kenya Electricity Transmission Company Limited will assume no responsibility for the tender's misplacement or premature opening.

## **2.18 Deadline for Submission of Tenders**

**2.18.1** Tenders must be received by Kenya Electricity Transmission Company Limited at the address specified under paragraph 2.17.2 no later than **Thursday, 29<sup>th</sup> March 2018 at 10.00am local time**

2.18.2 Kenya Electricity Transmission Company Limited may, at its discretion, extend this deadline for the submission of tenders by amending the tender documents in accordance with paragraph 2.6, in which case all rights and obligations of Kenya Electricity Transmission Company Limited and candidates previously subject to the deadline will therefore be subject to the deadline as extended.

## **2.19 Modification and Withdrawal of Tenders**

2.19.1 The tenderer may modify or withdraw its tender after the tender's submission, provided that written notice of the modification, including substitution or withdrawal of the tenders, is received by Kenya Electricity Transmission Company Limited prior to the deadline prescribed for submission of tenders.

2.19.2 The Tenderer's modification or withdrawal notice shall be prepared, sealed, marked, and dispatched in accordance with the provisions of paragraph 2.17. A withdrawal notice may also be sent by cable, telex but followed by a signed confirmation copy, postmarked not later than the deadline for submission of tenders.

2.19.3 No tender may be modified after the deadline for submission of tenders.

2.19.4 No tender may be withdrawn in the interval between the deadline for submission of tenders and the expiration of the period of tender validity specified by the tenderer on the Tender Form. Withdrawal of a tender during this interval may result in the Tenderer's forfeiture of its tender security, pursuant to paragraph 2.14.7

2.19.5 Kenya Electricity Transmission Company Limited may at any time terminate procurement proceedings before contract award and shall not be liable to any person for the termination.

2.19.6 Kenya Electricity Transmission Company Limited shall give prompt notice of the termination to the tenderers and on request give its reasons for termination within 14 days of receiving the request from any tenderer.

## **2.20 Opening of Tenders**

2.20.1 Kenya Electricity Transmission Company Limited will open all tenders in the presence of tenderers' representatives who choose to attend, at Kawi office on **Thursday, 29<sup>th</sup> March 2018 at 10.00am local time**. The tenderers' representatives who are present shall sign a register evidencing their attendance.

2.20.2 The tenderers' names, tender modifications or withdrawals, tender prices, discounts and the presence or absence of requisite tender security and such other details as Kenya Electricity Transmission Company Limited, at its discretion, may consider appropriate, will be announced at the opening.

2.20.3 Kenya Electricity Transmission Company Limited will prepare minutes of the tender opening.

## **2.21 Clarification of Tenders**

2.21.1 To assist in the examination, evaluation and comparison of tenders Kenya Electricity Transmission Company Limited may, at its discretion, ask the tenderer for a clarification of its tender. The request for clarification and the response shall be in writing, and no change in the prices or substance of the tender shall be sought, offered, or permitted.

2.21.2 Any effort by the tenderer to influence Kenya Electricity Transmission Company Limited's tender evaluation, tender comparison or contract award decisions may result in the rejection of the tenderers' tender.

## **2.22 Preliminary Examination**

2.22.1 Kenya Electricity Transmission Company Limited will examine the tenders to determine whether they are complete, whether any computational errors have been made, whether required sureties have been furnished, whether the documents have been properly signed, and whether the tenders are generally in order.

2.22.2 Arithmetical errors will be rectified on the following basis. If there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantify, the unit price shall prevail, and the total price shall be corrected. If the candidate does not accept the correction of the errors, its tender will be rejected, and its tender security forfeited. If there is a discrepancy between words and figures the amount in words will prevail.

2.22.3 Kenya Electricity Transmission Company Limited may waive any minor informality or non-conformity or irregularity in a tender which does not constitute a material deviation, provided such waiver does not prejudice or effect the relative ranking of any tenderer.

2.22.4 Prior to the detailed evaluation, pursuant to paragraph 2.23 Kenya Electricity Transmission Company Limited will determine the substantial responsiveness of each tender to the tender documents. For purposes of these paragraphs, a substantially responsive tender is one, which conforms to all the terms and conditions of the tender documents without material deviations. Kenya Electricity Transmission Company Limited's determination of a tender's responsiveness is to be based on the contents of the tender itself without recourse to extrinsic evidence.

2.22.5 If a tender is not substantially responsive, it will be rejected by Kenya Electricity Transmission Company Limited and may not subsequently be made responsive by the tenderer by correction of the non conformity.

## **2.23 Conversion to Single Currency**

2.23.1 Where other currencies are used, Kenya Electricity Transmission Company Limited will convert these currencies to Kenya Shillings using the selling exchange rate on the date of tender closing provided by the Central Bank of Kenya.

## **2.24 Evaluation and Comparison of Tenders**



2.24.1 Kenya Electricity Transmission Company Limited will evaluate and compare the tenders which have been determined to be substantially responsive, pursuant to paragraph 2.22

2.24.2 The tender evaluation committee shall evaluate the tender within 30 days of the validity period from the date of opening the tender.

2.24.3 A tenderer who gives false information in the tender document about its qualification or who refuses to enter into a contract after notification of contract award shall be considered for debarment from participating in future public procurement.

## **2.25 Preference**

2.25.1 Preference where allowed in the evaluation of tenders shall not exceed 15%

## **2.26 Contacting Kenya Electricity Transmission Company Limited**

2.26.1 Subject to paragraph 2.21 no tenderer shall contact Kenya Electricity Transmission Company Limited on any matter related to its tender, from the time of the tender opening to the time the contract is awarded.

2.26.2 Any effort by a tenderer to influence Kenya Electricity Transmission Company Limited in its decisions on tender, evaluation, tender comparison, or contract award may result in the rejection of the Tenderer's tender.

## **2.27 Award of Contract**

### **(a) Post-qualification**

2.27.1 In the absence of pre-qualification, Kenya Electricity Transmission Company Limited will determine to its satisfaction whether the tenderer that is selected as having submitted the lowest evaluated responsive tender is qualified to perform the contract satisfactorily.

2.27.2 The determination will take into account the tenderer financial, technical, and production capabilities. It will be based upon an examination of the documentary evidence of the tenderers qualifications submitted by the tenderer, pursuant to paragraph 2.12.3

as well as such other information as Kenya Electricity Transmission Company Limited deems necessary and appropriate.

2.27.3 An affirmative determination will be a prerequisite for award of the contract to the tenderer. A negative determination will result in rejection of the Tenderer's tender, in which event Kenya Electricity Transmission Company Limited will proceed to the next lowest evaluated tender to make a similar determination of that Tenderer's capabilities to perform satisfactorily.

**(b) Award Criteria**

2.27.4 Kenya Electricity Transmission Company Limited will award the contract to the successful tenderer(s) whose tender has been determined to be substantially responsive and has been determined to be the lowest evaluated tender, provided further that the tenderer is determined to be qualified to perform the contract satisfactorily.

**(c) Kenya Electricity Transmission Company Limited's Right to Vary quantities**

2.27.5 Kenya Electricity Transmission Company Limited reserves the right at the time of contract award to increase or decrease the quantity of goods originally specified in the Schedule of requirements without any change in unit price or other terms and conditions

**(d) Kenya Electricity Transmission Company Limited's Right to Accept or Reject Any or All Tenders**

2.27.6 Kenya Electricity Transmission Company Limited reserves the right to accept or reject any tender, and to annul the tendering process and reject all tenders at any time prior to contract award, without thereby incurring any liability to the affected tenderer or tenderers or any obligation to inform the affected tenderer or tenderers of the grounds for Kenya Electricity Transmission Company Limited's action

**2.28 Notification of Award**

2.28.1 Prior to the expiration of the period of tender validity, Kenya Electricity Transmission Company Limited will notify the successful tenderer in writing that its tender has been accepted.

2.28.2 The notification of award will constitute the formation of the Contract but will have to wait until the contract is finally signed by both parties

2.28.3 Upon the successful Tenderer's furnishing of the performance security pursuant to paragraph 2.28, Kenya Electricity Transmission Company Limited will promptly notify each unsuccessful Tenderer and will discharge its tender security, pursuant to paragraph 2.14

## **2.29 Signing of Contract**

2.29.1 At the same time as Kenya Electricity Transmission Company Limited notifies the successful tenderer that its tender has been accepted, Kenya Electricity Transmission Company Limited will send the tenderer the Contract Form provided in the tender documents, incorporating all agreements between the parties.

2.29.2 The parties to the contract shall have it signed within 30 days from the date of notification of contract award unless there is an administrative review request.

2.29.3 Within thirty (30) days of receipt of the Contract Form, the successful tenderer shall sign and date the contract and return it to Kenya Electricity Transmission Company Limited.

## **2.30 Performance Security**

2.30.1 Within Thirty (30) days of the receipt of notification of award from Kenya Electricity Transmission Company Limited, the successful tenderer shall furnish the performance security in accordance with the Conditions of Contract, in the Performance Security Form provided in the tender documents, or in another form acceptable to Kenya Electricity Transmission Company Limited.

2.30.2 Failure of the successful tenderer to comply with the requirements of paragraph 2.27 or paragraph 2.28 shall constitute sufficient grounds for the annulment of the award and forfeiture of the tender security, in which event Kenya Electricity Transmission Company Limited may make the award to the next lowest evaluated Candidate or call for new tenders.

## **2.31 Corrupt or Fraudulent Practices**

2.31.1 Kenya Electricity Transmission Company Limited requires that tenderers observe the highest standard of ethics during the procurement process and execution of contracts when used in the present regulations, the following terms are defined as follows;

(i) “corrupt practice” means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution; and

(ii) “fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of Kenya Electricity Transmission Company Limited, and includes collusive practice among tenderer (prior to or after tender submission) designed to establish tender prices at artificial non-competitive levels and to deprive Kenya Electricity Transmission Company Limited of the benefits of free and open competition;

2.31.2 Kenya Electricity Transmission Company Limited will reject a proposal for award if it determines that the tenderer recommended for award has engaged in corrupt or fraudulent practices in competing for the contract in question.

2.31.3 Further a tenderer who is found to have indulged in corrupt or fraudulent practices risks being debarred from participating in public procurement in Kenya.

## Appendix to Instructions to Tenderers

The following information regarding the particulars of the tender shall complement supplement or amend the provisions of the instructions to tenderers. Wherever there is a conflict between the provision of the instructions to tenderers and the provisions of the appendix, the provisions of the appendix herein shall prevail over those of the instructions to tenderers

<b>INSTRUCTIONS TO TENDERERS REFERENCE</b>	<b>PARTICULARS OF APPENDIX TO INSTRUCTIONS TO TENDERS</b>
2.1.1 – <b>Eligible Tenderers</b>	<b>All tenderers are eligible</b>
2.14.1 – <b>Tender Security</b>	<b>Two (2) percent of the Tender Price</b>
2.15 – <b>Validity of Tenders</b>	<b>Tender Validity is 90 days</b>
2.18.1 – <b>Tender Closing date</b>	<b>Thursday, 29th March 2018 at 10.00am local time</b>
2.20.1 – <b>Tender Opening Date</b>	<b>Thursday, 29th March 2018 at 10.00am local time</b>
<b>2.32 Evaluation and Comparison of Tenders</b>	<p>The following shall be the evaluation criteria</p> <p><b>1. Mandatory Requirements: the following will form part of preliminary and mandatory requirements</b></p> <ul style="list-style-type: none"> <li>a. Duly completed tender form</li> <li>b. Duly completed price schedule</li> <li>c. Valid Tax Compliance Certificate</li> <li>d. Valid Tender Security</li> <li>e. Copy of Certificate of Incorporation, or Registration of Business Name</li> <li>f. Copy of the current valid Trade license</li> <li>g. Copy of commendation letters from three (3) major clients for supply of similar items</li> <li>h. Duly filled, Completed and signed Mandatory Confidential Business questionnaire as provided</li> <li>i. Copy of certified Audited accounts for the last three years.</li> </ul>

- j. Well organized bid document, serialized and paginated with reference table of contents for all the attachments.
- k. The submission of the required number of copies of the bid document one (1) original and one (1) copy.

Bidders that pass and conform to preliminary mandatory requirements shall be considered in the technical evaluation.

## **2. Technical Evaluation Requirements**

- Bidder must provide documentary evidence that they comply with all our technical requirements.
- Provide Technical Data sheets, Catalogues, Brochures, Descriptive literature of what is being quoted.
- Provide manufacturers authorization for dealership for models being sold.
- ISO certification for the manufacturer.
- The warranty period must be specified
- Provision of Back up service and after sale technical support
- And fulfil the requirements of each item as the per Technical Specifications

## **3. Financial Evaluation**

- a. Average turnover for the last 3 financial years (2014 – 2017) must be above equivalent of Ksh. 10 Million / letter from a bank /Financial institution to guarantee in case the threshold is not met.
- b. Duly completed price schedule.
- c. The unit prices read out during the opening of the bids shall be absolute and final and not subject to any amendment. Errors deemed as substantial will result to disqualification at this stage.
- d. The lowest evaluated bidder per item will be considered for award.

	KETRACO may at its own discretion conduct due diligence on the eligible bidders to establish their ability to perform the contract.
<b>2.30.1 – Performance Security</b>	<b>Ten (10) Percent of the Contract Price</b>

## **SECTION III - GENERAL CONDITIONS OF CONTRACT**

### **3.1 Definitions**

3.1.1 In this Contract, the following terms shall be interpreted as indicated:-

- (a) “The Contract” means the agreement entered into between Kenya Electricity Transmission Company Limited and the tenderer, as recorded in the Contract Form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- (b) “The Contract Price” means the price payable to the tenderer under the Contract for the full and proper performance of its contractual obligations
- (c) “The Goods” means all of the equipment, machinery, and/or other materials, which the tenderer is required to supply to Kenya Electricity Transmission Company Limited under the Contract.
- (d) “Kenya Electricity Transmission Company Limited” means the organization purchasing the Goods under this Contract.
- (e) “The Tenderer” means the individual or firm supplying the Goods under this Contract.

### **3.2 Application**

3.2.1 These General Conditions shall apply in all Contracts made by Kenya Electricity Transmission Company Limited for the procurement installation and commissioning of equipment

### **3.3 Country of Origin**

3.3.1 For purposes of this clause, “Origin” means the place where the Goods were mined, grown or produced.

3.3.2 The origin of Goods and Services is distinct from the nationality of the tenderer.



### **3.4 Standards**

3.4.1 The Goods supplied under this Contract shall conform to the standards mentioned in the Technical Specifications.

### **3.5 Use of Contract Documents and Information**

3.5.1 The tenderer shall not, without Kenya Electricity Transmission Company Limited's prior written consent, disclose the Contract, or any provision therefore, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of Kenya Electricity Transmission Company Limited in connection therewith, to any person other than a person employed by the tenderer in the performance of the Contract.

3.5.2 The tenderer shall not, without Kenya Electricity Transmission Company Limited's prior written consent, make use of any document or information enumerated in paragraph 3.5.1 above

3.5.3 Any document, other than the Contract itself, enumerated in paragraph 3.5.1 shall remain the property of Kenya Electricity Transmission Company Limited and shall be returned (all copies) to Kenya Electricity Transmission Company Limited on completion of the Tenderer's performance under the Contract if so required by Kenya Electricity Transmission Company Limited

### **3.6 Patent Rights**

3.6.1 The tenderer shall indemnify Kenya Electricity Transmission Company Limited against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the Goods or any part thereof in Kenya Electricity Transmission Company Limited's country

### **3.7 Performance Security**

3.7.1 Within thirty (30) days of receipt of the notification of Contract award, the successful tenderer shall furnish to Kenya Electricity Transmission Company Limited the performance security in the amount specified in Special Conditions of Contract.

- 3.7.2 The proceeds of the performance security shall be payable to Kenya Electricity Transmission Company Limited as compensation for any loss resulting from the Tenderer's failure to complete its obligations under the Contract.
- 3.7.3 The performance security shall be denominated in the currency of the Contract, or in a freely convertible currency acceptable to Kenya Electricity Transmission Company Limited and shall be in the form of a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in Kenya or abroad, acceptable to Kenya Electricity Transmission Company Limited, in the form provided in the tender documents.
- 3.7.4 The performance security will be discharged by Kenya Electricity Transmission Company Limited and returned to the Candidate not later than thirty (30) days following the date of completion of the Tenderer's performance obligations under the Contract, including any warranty obligations, under the Contract

### **3.8 Inspection and Tests**

- 3.8.1 Kenya Electricity Transmission Company Limited or its representative shall have the right to inspect and/or to test the goods to confirm their conformity to the Contract specifications. Kenya Electricity Transmission Company Limited shall notify the tenderer in writing in a timely manner, of the identity of any representatives retained for these purposes.
- 3.8.2 The inspections and tests may be conducted in the premises of the tenderer or its subcontractor(s), at point of delivery, and/or at the Goods' final destination. If conducted on the premises of the tenderer or its subcontractor(s), all reasonable facilities and assistance, including access to drawings and production data, shall be furnished to the inspectors at no charge to Kenya Electricity Transmission Company Limited.
- 3.8.3 Should any inspected or tested goods fail to conform to the Specifications, Kenya Electricity Transmission Company Limited may reject the equipment, and the tenderer shall either replace the rejected equipment or make alterations necessary to make specification requirements free of costs to Kenya Electricity Transmission Company Limited.

3.8.4 Kenya Electricity Transmission Company Limited's right to inspect, test and where necessary, reject the goods after the Goods' arrival shall in no way be limited or waived by reason of the equipment having previously been inspected, tested and passed by Kenya Electricity Transmission Company Limited or its representative prior to the equipment delivery.

3.8.5 Nothing in paragraph 3.8 shall in any way release the tenderer from any warranty or other obligations under this Contract.

### **3.9 Packing**

3.9.1 The tenderer shall provide such packing of the Goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the Contract.

3.9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the Contract

### **3.10 Delivery and Documents**

3.10.1 Delivery of the Goods shall be made by the tenderer in accordance with the terms specified by Kenya Electricity Transmission Company Limited in its Schedule of Requirements and the Special Conditions of Contract

### **3.11 Insurance**

3.11.1 The Goods supplied under the Contract shall be fully insured against loss or damage incidental to manufacturer or acquisition, transportation, storage, and delivery in the manner specified in the Special conditions of contract.

### **3.12 Payment**

3.12.1 The method and conditions of payment to be made to the tenderer under this Contract shall be specified in Special Conditions of Contract

3.12.2 Payments shall be made promptly by Kenya Electricity Transmission Company Limited as specified in the contract

### **3.13 Prices**

- 3.13.1 Prices charged by the tenderer for goods delivered and services performed under the Contract shall not, with the exception of any price adjustments authorized in Special Conditions of Contract, vary from the prices by the tenderer in its tender.
- 3.13.2 Contract price variations shall not be allowed for contracts not exceeding one year (12 months)
- 3.13.3 Where contract price variation is allowed, the variation shall not exceed 10% of the original contract price.
- 3.13.4 Price variation request shall be processed by Kenya Electricity Transmission Company Limited within 30 days of receiving the request.

### **3.14. Assignment**

- 3.14.1 The tenderer shall not assign, in whole or in part, its obligations to perform under this Contract, except with Kenya Electricity Transmission Company Limited's prior written consent

### **3.15 Subcontracts**

- 3.15.1 The tenderer shall notify Kenya Electricity Transmission Company Limited in writing of all subcontracts awarded under this Contract if not already specified in the tender. Such notification, in the original tender or later, shall not relieve the tenderer from any liability or obligation under the Contract

### **3.16 Termination for default**

- 3.16.1 Kenya Electricity Transmission Company Limited may, without prejudice to any other remedy for breach of Contract, by written notice of default sent to the tenderer, terminate this Contract in whole or in part
- (a) if the tenderer fails to deliver any or all of the goods within the period(s) specified in the Contract, or within any extension thereof granted by Kenya Electricity Transmission Company Limited

- (b) if the tenderer fails to perform any other obligation(s) under the Contract
- (c) if the tenderer, in the judgment of Kenya Electricity Transmission Company Limited has engaged in corrupt or fraudulent practices in competing for or in executing the Contract

3.16.2 In the event Kenya Electricity Transmission Company Limited terminates the Contract in whole or in part, it may procure, upon such terms and in such manner as it deems appropriate, equipment similar to those undelivered, and the tenderer shall be liable to Kenya Electricity Transmission Company Limited for any excess costs for such similar goods.

### **3.17 Liquidated Damages**

3.17.1. If the tenderer fails to deliver any or all of the goods within the period(s) specified in the contract, Kenya Electricity Transmission Company Limited shall, without prejudice to its other remedies under the contract, deduct from the contract prices liquidated damages sum equivalent to 0.5% of the delivered price of the delayed items up to a maximum deduction of 10% of the delayed goods. After this the tenderer may consider termination of the contract.

### **3.18 Resolution of Disputes**

3.18.1 Kenya Electricity Transmission Company Limited and the tenderer shall make every effort to resolve amicably by direct informal negotiation and disagreement or dispute arising between them under or in connection with the contract

3.18.2 If, after thirty (30) days from the commencement of such informal negotiations both parties have been unable to resolve amicably a contract dispute, either party may require adjudication in an agreed national or international forum, and/or international arbitration.

### **3.19 Language and Law**

3.19.1 The language of the contract and the law governing the contract shall be English language and the Laws of Kenya respectively unless otherwise stated.

### **3.20 Force Majeure**

3.20.1 The tenderer shall not be liable for forfeiture of its performance security or termination for default if and to the extent that its delay in performance or other failure to perform its obligations under the Contract is the result of an event of Force Majeure.

## SECTION IV - SPECIAL CONDITIONS OF CONTRACT

- 4.1. Special Conditions of Contract shall supplement the General Conditions of Contract. Whenever there is a conflict, between the GCC and the SCC, the provisions of the SCC herein shall prevail over these in the GCC.
42. Special conditions of contract as relates to the GCC

<b>REFERENCE GCC</b>	<b>OF</b>	<b>SPECIAL CONDITIONS OF CONTRACT</b>
3.7.1		<i>Performance Security shall be ten (10) percent of the Contract Price</i>
3.12.1		<i>Terms of payment shall be after delivery and submission of invoices</i>
3.18.1		<i>Resolutions of disputes shall be as clause 3.18</i>

## **SECTION V - TECHNICAL SPECIFICATIONS**

### **5.1 General**

- 5.1.1 These specifications describe the requirements for goods. Tenderers are requested to submit with their offers the detailed specifications, drawings, catalogues, etc for the products they intend to supply
- 5.1.2 Tenderers must indicate on the specifications sheets whether the equipment offered comply with each specified requirement.
- 5.1.3 All the dimensions and capacities of the equipment to be supplied shall not be less than those required in these specifications. Deviations from the basic requirements, if any shall be explained in detail in writing with the offer, with supporting data such as calculation sheets, etc. Kenya Electricity Transmission Company Limited reserves the right to reject the products, if such deviations shall be found critical to the use and operation of the products.
- 5.1.4 The tenderers are requested to present information along with their offers as follows:
- (i) Shortest possible delivery period of each product
  - (ii) Information on proper representative and/or workshop for back-up service/repair and maintenance including their names and addresses.



## 5.2 PARTICULARS

1. Technical Specifications are attached for batteries and chargers
2. Herein attached is a specification for supply and installation of Capacitors

### Technical Specifications for Capacitors

#### **SUPPLY AND INSTALLATION OF 3 – PHASE 415 V 50Hz, 75kVAr POWER FACTOR CORRECTION CAPACITOR BANK FOR SUSWA SUBSTATION CONTROL ROOM**

### Technical Specifications

The Goods and Related Services shall comply with following Technical Specifications and Standards:

<b>Item No</b>	<b>Name of Good or Related Service</b>	<b>Technical Specification and Standards</b>
1.	3 – Phase Delta Connected, 415 V 50 Hz, 75kVAr self – healing dielectric Automatic Power Factor Correction (PFC) Panel	<ol style="list-style-type: none"><li>a) Design should conform to IEC 831 – 1 and IEC 831 – 2, Manufacturing Standard for Power Factor Correction Capacitors.</li><li>b) Automatic Reactive Power Control Relays and / or Contactors to suit load conditions. State – of – the – art reactive power control relays enable switch status, <math>\cos \phi</math>, active current, reactor current and the harmonics monitor. Strict adherence to the set <math>\cos \phi</math> as minimum value with negligible overcorrection under low – load conditions. It should also measure and monitor 5th, 7th, 11th and 13th harmonics for power quality.</li><li>c) No – volt and zero – current release: ability of the PFC system to disconnect from the power supply if there is a break in the voltage or current measurement circuit.</li><li>d) Rugged construction, long life</li></ol>

		<p>expectancy minimum of 120,000 operating hours, and guaranteed safety under overload conditions.</p> <p>e) Permissible current carrying capacity not less than 1.5 times the rated current continuously.</p> <p>f) Permissible current carrying capacity not less than 250 times the rated current for transient current peaks.</p> <p>g) Continuous sensing and monitoring of load conditions and maintenance of consistent power factor.</p> <p>h) Group overcurrent protection.</p> <p>i) Audio frequency suppression circuits.</p>
2.	PFC Accessories and Spares	600/5A Current Transformers or equivalent
3.	Installation and Commissioning Labour Cost	

## SECTION VI - SCHEDULE OF REQUIREMENTS

	Item Description	Quantity in Sets	Delivery Schedule (months)
1	110 Volts, 800 Ahrs	1	
2	110 Volts, 480 Ahrs	1	
3	110 Volts, 315 Ahrs	6	
4	48 Volts, 240 Ahrs	10	
5	Supply and installation of 3 – Phase 415V 50Hz, 75kVAr Power Factor Correction Capacitor Bank for Suswa Substation Control room	1	

**Note;**

**A set comprises of Batteries (Battery Bank) and Battery Charger**

The following are the substations where the batteries shall be installed.

	Item Description	Protection	Communication
1	Rangala 132/33kV Substation	110V	48V
2	Galu 132/33kV Substation	110V	48V
3	Malindi 220/33kV Substation	110V	48V
4	Garsen 220/33kV Substation	110V	48V
5	Lamu 220/66/33kV Substation	110V	48V
6	Sotik 132/33kV	110V	48V
7	Meru 132/33kV	110V	48V
8	Kegati 132/33kV	110V	48V
9	Isiolo 132/33kV	110V	48V
10	Rabai 220/132kV	110V	48V
11	Supply and installation of 3 – Phase 415V 50Hz, 75kVAr Power Factor Correction Capacitor Bank for Suswa Substation Control room		

## SECTION VII - PRICE SCHEDULE FOR GOODS

Name of tenderer \_\_\_\_\_ Tender Number \_\_\_\_\_ Page \_\_\_\_\_ of \_\_\_\_\_

1	2	3	4	5	6	7
Item	Description	Country of origin	Quantity	Unit price	Total Price EXW per item (cols. 4x5)	Unit price of other incidental services payable
1	110 Volts, 800 Ahrs					
2	110 Volts, 480 Ahrs					
3	110 Volts, 315 Ahrs					
4	110 Volts, 240 Ahrs					
5	Supply and installation of 3 – Phase 415V 50Hz, 75kVAr Power Factor Correction Capacitor Bank for Suswa Substation Control room					

Signature of tenderer \_\_\_\_\_

*Note:* In case of discrepancy between unit price and total, the unit price shall prevail.

**SECTION VIII - STANDARD FORMS**

**8.1 FORM OF TENDER**

Date \_\_\_\_\_  
Tender No. \_\_\_\_\_

To: \_\_\_\_\_

\_\_\_\_\_  
*[name and address of Kenya Electricity Transmission Company Limited]*

Gentlemen and/or Ladies:

1. Having examined the tender documents including Addenda Nos. .... *[insert numbers]*.the receipt of which is hereby duly acknowledged, we, the undersigned, offer to supply deliver, install and commission ( ..... *(insert equipment description)* in conformity with the said tender documents for the sum of ..... *(total tender amount in words and figures)* or such other sums as may be ascertained in accordance with the Schedule of Prices attached herewith and made part of this Tender.

2. We undertake, if our Tender is accepted, to deliver install and commission the equipment in accordance with the delivery schedule specified in the Schedule of Requirements.

3. If our Tender is accepted, we will obtain the guarantee of a bank in a sum of equivalent to \_\_\_\_\_ percent of the Contract Price for the due performance of the Contract , in the form prescribed by ..... *( Kenya Electricity Transmission Company Limited)*.

4. We agree to abide by this Tender for a period of ..... *[number]* days from the date fixed for tender opening of the Instructions to tenderers, and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

5. This Tender, together with your written acceptance thereof and your notification of award, shall constitute a Contract, between us. Subject to signing of the Contract by the parties.

6. We understand that you are not bound to accept the lowest or any tender you may receive.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_

\_\_\_\_\_  
[signature]

\_\_\_\_\_  
[in the capacity of]

Duly authorized to sign tender for an on behalf of \_\_\_\_\_

## 8.2 CONFIDENTIAL BUSINESS QUESTIONNAIRE FORM

You are requested to give the particulars indicated in Part 1 and either Part 2(a), 2(b) or 2 (c ) whichever applied to your type of business  
 You are advised that it is a serious offence to give false information on this form

<i>Part 1 – General:</i>	
Business Name .....	.....
Location of business premises. ....	.....
Plot No.....	Street/Road .....
Postal Address .....	Tel No. .... Fax .....
Nature of Business .....	E mail .....
Registration Certificate No. ....	.....
Maximum value of business which you can handle at any one time – Kshs. ....	.....
Name of your bankers .....	Branch .....

	Part 2 (a) – Sole Proprietor			
	Your name in full .....	Age .....		
	Nationality .....	Country of origin .....		
	<ul style="list-style-type: none"> <li>• Citizenship details</li> <li>.....</li> <li>.....</li> <li>•</li> </ul>			
	Part 2 (b) Partnership			
	Given details of partners as follows:			
	Name	Nationality	Citizenship Details	Shares
	1. ....	.....	.....	.....
	2. ....	.....	.....	.....
	3. ....	.....	.....	.....
	4. ....	.....	.....	.....
	Part 2 (c) – Registered Company			
	Private or Public .....			
	State the nominal and issued capital of company-			
	Nominal Kshs. ....			
	Issued Kshs. ....			
	Given details of all directors as follows			
	Name	Nationality	Citizenship Details	Shares
	1.....	.....	.....	.....
	2.....	.....	.....	.....
	3.....	.....	.....	.....
	4.....	.....	.....	.....
	5.....	.....	.....	.....
	Date .....	Signature of Candidate .....		

- If a Kenya Citizen, indicate under “Citizenship Details” whether by Birth, Naturalization or registration.

### 8.3 TENDER SECURITY FORM

Whereas ..... [name of the tenderer]  
(hereinafter called “the tenderer”) has submitted its tender dated .....  
[date of submission of tender] for the supply, installation and  
commissioning of ..... [name and/or description of the  
equipment] (hereinafter called “the Tender”)  
..... KNOW ALL PEOPLE by these  
presents that WE ..... of ..... having  
our registered office at ..... (hereinafter called “the Bank”),  
are bound unto ..... [name of Kenya Electricity Transmission  
Company Limited} (hereinafter called “the Kenya Electricity Transmission  
Company Limited”) in the sum of ..... for which  
payment well and truly to be made to the said Kenya Electricity  
Transmission Company Limited, the Bank binds itself, its  
successors, and assigns by these presents. Sealed with the Common Seal  
of the said Bank this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_  
\_\_\_\_\_.

THE CONDITIONS of this obligation are:-

1. If the tenderer withdraws its Tender during the period of tender validity specified by the tenderer on the Tender Form; or
2. If the tenderer, having been notified of the acceptance of its Tender by Kenya Electricity Transmission Company Limited during the period of tender validity:
  - (a) fails or refuses to execute the Contract Form, if required; or
  - (b) fails or refuses to furnish the performance security in accordance with the Instructions to tenderers;

We undertake to pay to Kenya Electricity Transmission Company Limited up to the above amount upon receipt of its first written demand, without Kenya Electricity Transmission Company Limited having to substantiate its demand, provided that in its demand the Kenya Electricity Transmission Company Limited will note that the amount claimed by it is due to it, owing to the occurrence of one or both of the two conditions, specifying the occurred condition or conditions.

This tender guarantee will remain in force up to and including thirty (30) days after the period of tender validity, and any demand in respect thereof should reach the Bank not later than the above date.

[signature of the bank] \_\_\_\_\_  
(Amend accordingly if provided by Insurance Company)

## 8.4 CONTRACT FORM

THIS AGREEMENT made the \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_ between ..... [*name of Procurement entity*] of ..... [*country of Procurement entity*] (hereinafter called “Kenya Electricity Transmission Company Limited) of the one part and ..... [*name of tenderer*] of ..... [*city and country of tenderer*] (hereinafter called “the tenderer”) of the other part;

WHEREAS Kenya Electricity Transmission Company Limited invited tenders for certain goods ] and has accepted a tender by the tenderer for the supply of those goods in the sum of ..... [*contract price in words and figures*] (hereinafter called “the Contract Price).

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract referred to:
2. The following documents shall be deemed to form and be read and construed as part of this Agreement viz:
  - (a) the Tender Form and the Price Schedule submitted by the tenderer
  - (b) the Schedule of Requirements
  - (c) the Technical Specifications
  - (d) the General Conditions of Contract
  - (e) the Special Conditions of contract; and
  - (f) Kenya Electricity Transmission Company Limited’s Notification of Award
3. In consideration of the payments to be made by Kenya Electricity Transmission Company Limited to the tenderer as hereinafter mentioned, the tender hereby covenants with Kenya Electricity Transmission Company Limited to provide the goods and to remedy defects therein in conformity in all respects with the provisions of the Contract
4. Kenya Electricity Transmission Company Limited hereby covenants to pay the tenderer in consideration of the provisions of the goods and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the contract.

IN WITNESS whereof the parties hereto have caused this Agreement to be executed in accordance with their respective laws the day and year first above written.

Signed, sealed, delivered by \_\_\_\_\_ the \_\_\_\_\_ (for Kenya Electricity Transmission Company Limited

Signed, sealed, delivered by \_\_\_\_\_ the \_\_\_\_\_ (for the tenderer in the presence of \_\_\_\_\_

*(Amend accordingly if provided by Insurance Company)*



**8.5 PERFORMANCE SECURITY FORM**

To .....  
[name of Kenya Electricity Transmission Company Limited]

WHEREAS ..... [name of tenderer]  
(hereinafter called “the tenderer”) has undertaken , in pursuance of Contract  
No. \_\_\_\_\_ [reference number of the contract] dated \_\_\_\_\_  
20 \_\_\_\_\_ to supply .....  
[description of goods] (hereinafter called “the Contract”).

AND WHEREAS it has been stipulated by you in the said Contract that the  
tenderer shall furnish you with a bank guarantee by a reputable bank for the  
sum specified therein as security for compliance with the Tenderer’s  
performance obligations in accordance with the Contract.

AND WHEREAS we have agreed to give the tenderer a guarantee:

THEREFORE WE hereby affirm that we are Guarantors and responsible to  
you, on behalf of the tenderer, up to a total of .....  
[amount of the guarantee in words and figure] and we undertake to pay you,  
upon your first written demand declaring the tenderer to be in default under  
the Contract and without cavil or argument, any sum or sums within the  
limits of ..... [amount of guarantee] as aforesaid, without  
you needing to prove or to show grounds or reasons for your demand or the  
sum specified therein.

This guarantee is valid until the \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_

Signed and seal of the Guarantors

\_\_\_\_\_  
[name of bank or financial institution]

\_\_\_\_\_  
[address]

\_\_\_\_\_  
[date]

**8.6 BANK GUARANTEE FOR ADVANCE PAYMENT FORM**

To .....  
[name of Kenya Electricity Transmission Company Limited]

[name of tender] .....

Gentlemen and/or Ladies:

In accordance with the payment provision included in the Special Conditions of Contract, which amends the General Conditions of Contract to provide for advance payment, ..... [name and address of tenderer](hereinafter called “the tenderer”) shall deposit with Kenya Electricity Transmission Company Limited a bank guarantee to guarantee its proper and faithful performance under the said Clause of the Contract in an amount of ..... [amount of guarantee in figures and words].

We, the ..... [bank or financial institutions], as instructed by the tenderer, agree unconditionally and irrevocably to guarantee as primary obligator and not as surety merely, the payment to Kenya Electricity Transmission Company Limited on its first demand without whatsoever right of objection on our part and without its first claim to the tenderer, in the amount not exceeding ..... [amount of guarantee in figures and words]

We further agree that no change or addition to or other modification of the terms of the Contract to be performed there-under or of any of the Contract documents which may be made between Kenya Electricity Transmission Company Limited and the tenderer, shall in any way release us from any liability under this guarantee, and we hereby waive notice of any such change, addition, or modification.

This guarantee shall remain valid in full effect from the date of the advance payment received by the tenderer under the Contract until ..... [date].

Yours truly,

Signature and seal of the Guarantors

\_\_\_\_\_  
[name of bank or financial institution]

\_\_\_\_\_  
[address]

\_\_\_\_\_  
[date]

## 8.7 MANUFACTURER'S AUTHORIZATION FORM

To *[name of Kenya Electricity Transmission Company Limited]*  
.....

WHEREAS .....*[ name of the manufacturer]* who are established and reputable manufacturers of ..... *[name and/or description of the goods]* having factories at ..... *[address of factory]* do hereby authorize ..... *[name and address of Agent]* to submit a tender, and subsequently negotiate and sign the Contract with you against tender No. .... *[reference of the Tender]* for the above goods manufactured by us.

We hereby extend our full guarantee and warranty as per the General Conditions of Contract for the goods offered for supply by the above firm against this Invitation for Tenders.

---

*[signature for and on behalf of manufacturer]*

*Note:* This letter of authority should be on the letterhead of the Manufacturer and should be signed by a person competent.

**8.8 LETTER OF NOTIFICATION OF AWARD**

Kenya Electricity Transmission Company Limited

To: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

RE: Tender No. \_\_\_\_\_

Tender Name \_\_\_\_\_

This is to notify that the contract/s stated below under the above mentioned tender have been awarded to you.

\_\_\_\_\_

\_\_\_\_\_

1. Please acknowledge receipt of this letter of notification signifying your acceptance.
2. The contract/contracts shall be signed by the parties within 30 days of the date of this letter but not earlier than 14 days from the date of the letter.
3. You may contact the officer(s) whose particulars appear below on the subject matter of this letter of notification of award.

*(FULL PARTICULARS)* \_\_\_\_\_

\_\_\_\_\_

SIGNED FOR ACCOUNTING OFFICER