

The Kenya Power & Lighting Co. Ltd
Central Office - P.O. Box 30099 Nairobi, Kenya
STIMA PLAZA, KOLOBOT ROAD, PARKLANDS, NAIROBI.
Telephone - 24-20-3201000 - Fax No. 254 - 20 - 3514485

Date: 7th September 2015

Our Ref: KP1/9AA-3/PT/02/15-16/ro

Your Ref:

TO:

ALL PROSPECTIVE BIDDERS

Dear Sirs/ Madams

RE: ADDENDUM NO. 1 TO THE TENDER NO. KP1/9AA-3/PT/02/15-16 - SUPPLY OF VARIOUS DISTRIBUTION TRANSFORMERS – OPEN TO MANUFACTURERS ONLY.

Please refer to the above Tender.

Following the pre-bid meeting held in our Auditorium at Stima Plaza Nairobi on 18th August, 2015, upon enquiry from prospective bidders thereat, and, at our own initiative we make the following clarifications and amendments to the Principal Tender Document (hereinafter abbreviated as the PTD) for Prefabricated 2015.

1. RELATIONSHIP WITH THE PRINCIPAL TENDER DOCUMENT

Save where expressly amended by the terms of this Addendum, the PTD shall continue to be in full force and effect. The provisions of this Addendum shall be deemed to have been incorporated in and shall be read and construed as part of the PTD.

2. <u>BIDDERS QUERIES & RESPONSES</u>

a. Bidders Question:

Prospective bidders indicated that the Appendix to instructions to tenderers for the tender for supply of transformers reads. "This Invitation to tender is open to all local Manufacturers or Agents/Authorized suppliers. A manufacturer can quote directly OR authorize any number of Agents/Authorized Suppliers to quote products from their factory". There was therefore need to change the clause as the tender invites only manufactures hence creating confusion.

KPLC Response

It was clarified that this was an error which would be clarified in the addendum as the tender was open to manufacturers only.

b. Bidders Ouestion

A bidder wanted to know if the tender for the supply of transformers allows joint ventures with local manufacturers.

KPLC Response

It was clarified that Joint ventures are not permissible.

c. Bidders Question

A bidder wanted to know if there were any local manufacturers given that there was a tender hived off for local manufacturers only.

KPLC Response

Bidders were informed that there were already two manufacturers who had set up plants and one more in the process of setting up a plant.

d. Bidders Ouestion

A bidder wanted to know how long it should take a supplier to deliver based on the guaranteed lead time.

KPLC Response

It was clarified that the procuring entity has given its preferred guaranteed lead time, but requires that the bidder gives their realistic guaranteed lead time. This would give Kenya Power an insight of expected delivery time in cases of emergeny call-off orders.

e. Bidders Question

A bidder wanted to know whether the repairs of transformers should be done locally or replaced in case they fail.

KPLC Response

Bidders were informed in the case where local agents responded to the tender on behalf of foreign manufacturers, the bid shall be in the name of their manufacturer.

f. Bidders Question

Bidders wanted to know the mode of payments for this tender.

KPLC Response

Bidders were informed that the Letter of credit is still the tool used to pay foreign bidders.

g. Bidders Question

A bidder wanted to know if a foreign company can be paid via a Kenyan bank if they have a Kenyan registered company with the same name.

KPLC Response

Bidders were informed that foreign manufacturers can be paid via Kenyan bank if they have a company in the same name as the one in the foreign country registered in Kenya.

h. Bidders Ouestion

A bidder asked about if KRA deduct the 6% VAT withholding tax to foreign bidders.

KPLC Response

It is clarified that foreign bidders will not be deducted the 6% withholding tax. However, this applies to local bidders.

i. Bidders Question

A bidder wanted to know whether the delivery schedule meant that Deliveries for Lot 1 would be in November 2015, Lot 2 in January 2015 and Lot 3 in March 2016.

KPLC Response

It was clarified that Kenya power desires that deliveries of each item be made in three equal installments commencing November 2015, then January 2016 and March 2016 unless otherwise advised by KPLC.

j. Bidders Question

Bidders wanted to know what happens to the tender security when tenders are cancelled.

KPLC Response

Bidders were informed that when tenders are cancelled, the notification of cancellation letters are prepared and sent to the prospective bidders and the tender security that was submitted by the bidders are returned to them on presentation of the cancellation letters.

3. AMMENDMENTS TO THE TENDER DOCUMENT.

Clause 3.2.1 Eligible tenderers in the Appendix to instructions to tenderers has been amended to read "This invitation is open to Manufacturers only."

4. <u>SECTION XXVIII- THE TECHNICAL SPECIFICATIONS (PART B)</u>

Bidders are hereby notified that the specifications have changed and uploaded afresh in the E- portal and website.

5. TENDER CLOSING DATE

The tender closing date has been extended from 8th September 2015 to close on 29th September, 2015 at 10.00 a.m.

All other terms and conditions remain as per the Principal Tender Document.

Yours faithfully,

FOR: THE KENYA POWER & LIGHTING COMPANY LIMITED

BERNARD NGUGI

Ag. CHTÉF MANAGER, SUPPLY CHAIN