



Kenya Power

TENDER NO. KPI/1/3A/4/1/PREQ/001/20-21

**PREQUALIFICATION OF FIRMS FOR THE DEVELOPMENT OF CAPTIVE
SOLAR GENERATION FOR KPLC'S COMMERCIAL & INDUSTRIAL
CONSUMERS**

APRIL 2021

**ALL TENDERERS ARE ADVISED TO READ CAREFULLY THIS EXPRESSION OF
INTEREST IN ITS ENTIRETY BEFORE MAKING ANY BID**

(TENDER DOCUMENT FOR EXPRESSION OF INTEREST)

THE KENYA POWER & LIGHTING COMPANY LIMITED
CENTRAL OFFICE, STIMA PLAZA,
KOLOBOT ROAD, PARKLANDS,
P.O. BOX 30099-00100,
NAIROBI,
KENYA.

Telephones: +254-020-3201000; 3644000 Pilot Lines
Telephones: +254 -720-600070/1-5; 733-755001/2-3 Cellular
E-mail 1: AOnsare@kplc.co.ke
E-mail 2: VSimiya@kplc.co.ke
E-mail 3: JMuigai@kplc.co.ke
Website: www.kplc.co.ke

TABLE OF CONTENTS

INVITATION TO TENDER.....	2
BACKGROUND	3
BUSINESS PROPOSAL.....	4
PRE-QUALIFICATION CRITERIA.....	4
JOINT VENTURE.....	5
LANGUAGE OF TENDER	6
LANGUAGE OF LAW.....	6
EVALUATION CRITERIA.....	6
CLARIFICATION DOCUMENTS.....	9

INVITATION TO TENDER

DATE: APRIL 2021

1.1 TENDER NO. KPI/1/3A/4/1/PREQ/001/20-21 ON LISTING OF FIRMS FOR THE DEVELOPMENT OF CAPTIVE SOLAR GENERATION FOR KPLC'S COMMERCIAL & INDUSTRIAL CONSUMERS

1.2 The Kenya Power & Lighting Company PLC hereinafter referred to as KPLC is seeking prequalification of suitable **Firms for the Development of Captive Solar Generation for KPLC's Commercial & Industrial Consumers**

Tenderers may obtain further information from the General Manager, Supply Chain, KPLC at Stima Plaza, 3rd Floor, Kolobot Road, P.O. Box 30099 – 00100 Nairobi, Kenya.

1.3 Tender documents detailing the requirements may be viewed at the KPLC E-procurement Web Portal found on the KPLC website (www.kplc.co.ke) beginning 03.2.2017

1.2 Submission of Tender documents

Completed Tenders are to be submitted as **PDF Documents** in electronic format on the IES&R(Training School) E-Procurement Web Portal found on the KPLC Website (www.kplc.co.ke) on the due date **Tuesday 4th May 2021** and time **10.00 am** as published on the portal and shall be opened at **10.30am** following the submission deadline. Tenderers are required to visit the portal from time to time for revised closing dates and addendums. The Tender is to be submitted **ONLINE** on the submission date and time and as indicated on the **KPLC tendering portal**.

1.3 Tender Opening

Tenders will be opened electronically promptly thereafter in the presence of the prospective bidders or their representatives who may choose to attend at KPLC's Training School – IESR RUARAKA.

2. BACKGROUND

KPLC has an undertaking to sustainably provide cost-effective, reliable and quality power supply that delight customers, and subsequently better their lives. To this end, the company has been innovatively evolving its business model in order to enhance the cost-competitiveness and reliability of power supply. A key emerging issue in this regard is the need to enhance use of clean and renewable energy technologies. Grid-tied Solar Photovoltaic (PV) systems has in recent years grown as a complementary power source which can contribute to lowering cost of power. The growth of solar PV is anchored on tremendous technological and process innovations, which have resulted in drastic reduction in prices. The global cost of solar modules has for instance reduced by over 80% in the period 2010-2020. As such, there are opportunities to ensure a cheaper, more reliable energy mix, by enhancing distributed generation, in partnership with our customers and private sector developers.

Kenya Power & Lighting Company PLC (KPLC) intends to facilitate development of captive solar generation for Commercial & Industrial Customers in partnership with private sector generators. In this arrangement, KPLC will collaborate with private captive solar developers through equipment leasing. KPLC will undertake the role of project development by liaising with interested C&I customers who will provide rooftop space or ground space for installation of the PV modules. A private sector investor will then be selected competitively through a request for proposal (RFP) to develop and operate the grid tied captive solar plants at the customer premises.

The benefits of this approach are as follows:

- a) Consumers will benefit from cheaper solar energy generated during sunny hours.
- b) The solar plants will include storage with minimum autonomy to cancel out effect of short-duration supply interruptions which has been a major cause of concern among some commercial and industrial customers.
- c) The developments will take the form of distributed generation with plants sited at the consumer's premises. This substantially cuts down on the distribution losses.
- d) The risk of evacuation of excess capacity is low considering that KPLC would take all the power generated and distribute excess to other customers unlike the case where the excess energy would be dumped at the developer's and/or customers cost.
- e) The equipment leasing approach proposed provides an opportunity for private sector to participate in investments that do not require a sovereign guarantee.
- f) KPLC will consolidate several customer requirements for the investor to benefit from economies of scale resulting to saving in CAPEX and hence lower cost of power.
- g) The solution will contribute to the de-carbonization of the energy mix, and facilitate the achievement of the climate resilience objectives of Kenya's National Adaptation Plan 2015-2030.'

- h) The responsibility of consumers is to provide roof top or ground space for installation of the PV panels only and they do not have to tie their funds in capital investments.

3. BUSINESS PROPOSAL

Kenya Power intends to prequalify eligible firms with the capacity to finance, develop and operate captive solar generating plants on equipment leasing basis with installed capacities of between 500kW and 10MW. The scope of services will include but is not limited to:

- a) Solar energy resource assessment
- b) Load Assessment
- c) Solar park planning and design
- d) Grid interconnection studies and design
- e) Financing
- f) Supply, Installation, testing and commissioning of the solar plant complete with attendant balance of plant infrastructure
- g) Operation of the plant of the plant for a period of 20 years

The requirement is however more detailed in a Request for Proposal (RFP) document which will be issued to shortlisted firms upon evaluation of submissions. Firms will be shortlisted for participation based on their demonstration of technical and financial capability in response to this request.

4. PRE-QUALIFICATION CRITERIA

Submission of the prequalification document will not constitute a bid. The information submitted in the therein will be solely used by Kenya Power for the purpose of completing its prequalification exercise and thereafter in the preparation of a restrictive tendering which will be issued to the final shortlisted bidders only. Eligible and reputable firms or consortia who wish to be shortlisted must provide adequate information regarding their company profile, qualification and competence to undertake such a project and specific experience in performing similar works. In addition, the firm or consortia must meet the following minimum requirements;

- i. They should be currently involved in offering **commercial** solar generation services. Company profile and any other documentary evidence.
- ii. They have successfully completed on turnkey basis, at least three (3) solar power plant projects with an installed capacity of between 500kW and 10MW over the last six (6) years. Proper references either in the form of Reference Letters, or Certificate of Completion for projects fulfilling this requirement must be provided complete with Name, Designation, Mobile Number and Email Address of the relevant point of contact at the referenced client organization.

- iii. They have experience in operation and maintenance of a solar photovoltaic power plant of capacity of between 500kW and 10MW for a period of not less than 2 years. Proper references either in the form of Reference Letters, or Certificate of Completion for projects fulfilling this requirement must be provided complete with Name, Designation, Mobile Number and Email Address of the relevant point of contact at the referenced client organization.
- iv. They should have suitably qualified personnel in the following areas of expertise: Photovoltaic Solar Expert, Electrical Power System Engineer, Civil & Structural Engineer, Financial & Economic Analyst.
- v. They must submit evidence of access to financing adequate for a solar photovoltaic project with an installed capacity of up to 10MW.
- vi. They must provide their audited financial accounts for the last Eighteen (18) months clearly showing profit, turnover and company's capital.
- vii. They will be required to make presentation on their submissions and methodology for development including financing, construction as well as operation of solar photovoltaic plants and where necessary facilitate site visits to selected plants completed or in operation as provided in items (ii) and (iii) above.

This prequalification exercise shall lead to the short-listing of eligible Captive Solar Generation providers or consortia who will then be invited to make presentations to the Kenya Power evaluation team. Only those firms who are successful at the presentation stage will have their sites visited as required. The site visits will also lead to further short listing and those shortlisted will be invited to bid by way of restrictive tender.

JOINT VENTURE

Tenders submitted by a joint venture of two or more firms, as partners shall comply with the following requirements: -

- a) In case of a successful tender, the Contract Agreement Form, shall be signed so as to be legally binding on all partners of the joint venture.
- b) One of the partners shall be nominated as being lead partner, and this authorization shall be evidenced by submitting a Power of Attorney signed by legally authorized signatories of all the partners.
- c) The Power of Attorney which shall accompany the tender, shall be granted by the authorized signatories of all the partners as follows:-
 - (i.) For local bidders, before a Commissioner of Oaths or a Notary Public or Magistrate of the Kenyan Judiciary.
 - (ii.) For a foreign bidder, before a Notary Public, or the equivalent of a Notary Public, and in this regard the bidder shall provide satisfactory proof of such equivalence.
- d) The lead contractor shall be authorized to incur liability and receive instructions for and on behalf of any and all the partners of the joint venture and the entire execution of the contract including payment shall be done exclusively with the lead contractor.

- e) All partners of the joint venture shall be liable jointly and severally for the execution of the contract in accordance with the contract terms, and a relevant statement to this effect shall be included in the authorization mentioned in (b) above as well as in the Contract Agreement Form (in case of the accepted tender).
- f) A copy of the agreement entered into by the joint venture partners shall be submitted with the tender.

*** NOTE:**

If a firm considers that it does not have all the expertise for the assignment, it may obtain a full range of expertise by associating with individual consultant(s) and/or other firms or entities in a joint venture or sub-consultancy as appropriate. Firms/Consultants shall not associate with the other firms/consultants invited for this assignment. Any firms associating in contravention of this requirement shall automatically be disqualified.

5. LANGUAGE OF TENDER

The Tender prepared by the Tenderer, as well as all correspondence and documents relating to the tender, exchanged between the Tenderer and KPLC, shall be written in English language. Any printed literature furnished by the Tenderer written in any other language shall be 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. The English translation shall be on the Tenderer's letterhead and shall be signed by the duly authorized signatory signing the Tender and stamped with the Tenderer's stamp.

The translated version shall be authenticated by way of signature as follows:

- (i) for local and citizen contractors, before a Commissioner of Oaths or a Notary Public or Magistrate of the Kenyan Judiciary.
- (ii) for a foreign bidder, before a Notary Public, or the equivalent of a Notary Public, and in this regard the bidder shall provide satisfactory proof of such equivalence.

6. LANGUAGE AND LAW

Language of the Contract and the law governing the Contract shall be English language and the Laws of Kenya respectively unless otherwise stated.

7. EVALUATION CRITERIA

The evaluation of the prequalification will be carried out in three stages as per the pre-qualification criteria. The bidders who wish to be shortlisted must provide adequate information regarding their company profile, qualification and competence to undertake such a project and specific experience in performing similar projects. Each evaluation stage will result in the short listing of the bidders who will proceed to the next stage. The stages will be:

- i) Preliminary Evaluation
- ii) Presentation Evaluation
- iii) Site Visits

Shortlist of firms for the assignment will be prepared based on detailed references (or letters of commendation) of similar assignments successfully carried out, access to financing and evidence of access to qualified personnel suitable for the assignment. Interested firms must provide evidence to demonstrate that they meet minimum requirements as stipulated in Section 3 above.

8.1. Preliminary Evaluation

The purpose of this stage is to determine the substantial responsiveness of each bidder based on the contents of their response, without recourse to extrinsic evidence. This is to ensure that the bidders have responded to the key requirements as stated in the **pre-qualification criteria**. Only bidders who score **80 %** will be considered for the next stage.

No	Evaluation Criteria	Criteria Reference	Maximum Score (%)
1.	Technical Experience & Capability		
1.1.	Involved in Commercial Solar Generation Business	3(i)	5
	Presentation of company documents		5
1.2	Completed at least 3 solar plants on turnkey basis over the last 6 years	3(ii)	30
1.3	Involved in Operation of solar plant of capacity of between 500kW to 10MW for not less than 2 years	3(iii)	20
2.	Personnel		
2.1	Has suitably qualified personnel (Photovoltaic Solar Expert, Electrical Power System Engineer, Civil & Structural Engineer, Financial & Economic Analyst)	3(iv)	10
3.	Financial Capability		
3.1	Evidence of Access to financing	3(v)	20
3.2	Audited Financial Statements for the last 18 months		10
	Total Score (%)		100

8.2. Presentation Evaluation

The bidders who are successful at the preliminary evaluation stage will be invited to make presentations to the Kenya Power Evaluation team. The purpose of this stage is to perform a detailed evaluation of each bidder's response as per their submission and other extrinsic factors and the bidders must clearly articulate their proposal, their capability and project implementation methodology. The presentation will be carried out in Nairobi at Kenya Power's Institute of Energy Studies and Research (Training School) – Ruaraka, at a date to be communicated to the progressing bidders during the evaluation exercise. Only bidders who score **80 %** will be considered for the site visit stage.

No	Evaluation Criteria	Maximum Score (%)
1.	Technology Platform	
1.1	Generation Equipment (Technology & Vendors)	10
1.2	Monitoring & Control	10
1.3	Grid Interface	10
2.	Project Development	
2.1	Studies (Resource assessment, demand analysis and grid studies)	10
2.2	Project Financing & Timelines	10
3.	Project Execution	
3.1	Construction Approach	10
3.2	Quality Management	10
3.3	EHS Management	10
4.	Plant Operation	
4.1	Operation Approach	10
4.2	Organization & Staffing	10
	Total Score(%)	100

8.3. Site Visits

Kenya Power will then carry out sites visits for the successful shortlisted bidders in order to understand and fully appreciate the available technologies in a working environment. The visits will include two (2) **reference sites**. The site visit report will then be written by the evaluation team and the successful bidders will then be invited to submit a Technical and Commercial proposal through an RFP.

8. Clarification of Documents

A prospective Tenderer requiring any clarification of the Tender Document may notify the General Manager Supply Chain in writing and ensure receipt is acknowledged at KPLC's Physical address indicated and Emails as indicated on the Tender Document and shown below. KPLC 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 KPLC. Written copies of KPLC's response (including an explanation of the query but without identifying the source of inquiry) will be published and accessible to all prospective Tenderers on the KPLC's tendering portal.

Email: AOnsare@kplc.co.ke, VSimiyu@kplc.co.ke, JMuigai@kplc.co.ke,

END