electricity & energy

Department:
Electricity and Energy
REPUBLIC OF SOUTH AFRICA

13 July 2026

TERMS OF REFERENCE FOR THE APPOINTMENT OF A SERVICE PROVIDER / TRANSACTION ADVISOR TO DEVELOP THE NATIONAL SOLAR WATER HEATERS PROGRAMME (NSWHP 1.0) CLOSE-OUT REPORT AND DESIGN THE NATIONAL SOLAR WATER HEATERS PROGRAMME (NSWHP 2.0) BUSINESS CASE AND IMPLEMENTATION MODEL

1. BACKGROUND

1.1. South Africa is implementing a decisive energy transformation agenda in which energy security, affordability, sustainability, universal access, industrialisation and inclusive economic participation must be advanced together. The Department of Electricity and Energy (DEE) has been established as the national policy authority and delivery orchestrator for this agenda, with a mandate to stabilise the electricity system, lead the just energy transition (JET) and anchor South Africa's industrial renewal.

1.2. Energy Efficiency (EE) and Demand Side Management (DSM) are therefore not ancillary activities; they are strategic instruments for reducing system costs, moderating peak demand, improving affordability and supporting a resilient electricity system.

1.3. The National Solar Water Heaters Programme (NSWHP) is one of the Department's flagship residential energy-efficiency and electricity-demand-management interventions.

1.4. It is intended to reduce electricity demand associated with domestic water heating, improve household access to affordable hot water, support South Africa's climate-change mitigation objectives, and contribute to the National Development Plan (NDP) target for large-scale deployment of solar water heaters.

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1.5. The Programme must also support local manufacturing, installation capability, SMME participation, skills development and job creation across the solar-water-heating value chain.

1.6. The Programme is structured around two mutually reinforcing pillars: **(i) Social Upliftment**, which targets low-income households and energy-poor communities; and **(ii) Demand Reduction**, which targets households and market segments where electric water heating contributes materially to residential load and peak demand.

1.7. Both pillars must be designed and assessed as part of an integrated demand-side management portfolio that is aligned with the **Department's Strategic Plan 2025-2030**, the applicable **National Energy Efficiency Strategy (NEES) 2026-2035**, and the forthcoming 2026 **National Energy Efficiency Action Plan (NEEAP).**

1.8. The Social Programme targets low-income households with limited or no existing water-heating infrastructure. Its primary purpose is to improve quality of life through access to hot water, reduce household exposure to rising electricity costs, and contribute to social protection and universal access objectives.

1.9. The close-out of **NSWHP 1.0** must therefore assess not only the number of units installed, but also the extent to which installations are functional, safe, maintainable, accepted by communities and capable of delivering sustained social and energy-efficiency benefits.

1.10. The Load Reduction Programme is linked to South Africa's broader energy-efficiency and demand-management strategy. It targets households and market channels where electric geysers are a material source of residential electricity consumption and peak load.

1.11. Accordingly, the future **NSWHP 2.0** model must be evidence-based, financially viable and responsive to current market conditions, including developments in solar water heating, heat pumps, PV-enabled water heating, smart controls, insurance replacement markets, bank finance, municipal implementation capacity, building standards and consumer behaviour.

1.12. DEE is overseeing NSWHP 1.0. The Social Programme commenced in 2019 and is scheduled to conclude in September 2026. It has been implemented in thirteen (13) municipalities across seven (7) provinces, excluding the Free State and Mpumalanga Provinces.

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1.13. The close-out process must provide a complete, auditable and decision-useful account of programme performance, including installation outputs, geographic distribution, expenditure, implementing-agent performance, asset status, quality assurance, beneficiary outcomes, stakeholder lessons, risks, unresolved matters and recommendations for future implementation.

1.14. As NSWHP 1.0 approaches completion, DEE requires a suitably qualified multidisciplinary Service Provider / Transaction Advisor (TA) to collect, verify and analyse data from all relevant stakeholders, including participating municipalities, installation service providers, the Central Energy Fund (CEF), DEE officials, community representatives and other relevant public or private-sector participants.

1.15. The multidisciplinary service provider must use a transparent methodology that enables the Department to defend the close-out findings and to use them as an evidence base for NSWHP 2.0.

1.16. The close-out report must identify the Programme's achievements, constraints, risks and lessons learned, and must translate these into practical recommendations for the design of NSWHP 2.0.

1.17. The recommendations must be aligned to the Department's strategic outcomes, the NEES focus on sectoral energy-efficiency targets and high-impact residential measures, and the need for robust monitoring, reporting and verification (MRV), financing mechanisms, compliance, quality assurance and institutional coordination.

1.18. A feasibility study was completed in 2018 for the Load Reduction Programme and was subsequently revisited through transaction advisory and viability work.

1.19. These earlier studies addressed the proposed implementation framework, financing structure, regulatory framework, stakeholder participation and rollout strategy.

1.20. Since then, the policy, regulatory, market, technology and macro-economic environment have changed materially. The feasibility basis must therefore be comprehensively reviewed and updated before any large-scale re-launch or scale-up is recommended.

1.21. The Department requires the services of a Service Provider / Transaction Advisor (TA) to:

(i) close out NSWHP 1.0 through an auditable close-out report;

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(ii) review and update the feasibility basis for the Load Reduction Programme and broader NSWHP 2.0 model;

(iii) design a decision-ready implementation model for NSWHP 2.0;

(iv) support the Department with procurement, funding mobilisation and implementation planning if the Department elects to proceed beyond Phase 1; and

(v) provide programme-management support only as formally activated by the Department at the relevant Decision Gate.

1.22. The assignment must be undertaken in a manner that supports open, competitive and defensible public procurement. The successful bidder will not make procurement decisions on behalf of the Department and must maintain complete probity, confidentiality and conflict-of-interest controls throughout the assignment.

1.23. The NSWHP 2.0 model must be capable of addressing both the social upliftment and load-reduction objectives of the Programme.

1.24. It must present clear options for target markets, technology eligibility, quality standards, financing and incentive design, implementation partners, municipal roles, stakeholder agreements, data systems, MRV arrangements, risk allocation, consumer protection, maintenance and after-sales support.

1.25. The Department will ***apply a decision-gated approach***. Phase 1 is mandatory and fixed-price. Phases 2 and 3 are optional and may be activated, amended, deferred or not pursued at the Department's sole discretion, subject to affordability, value for money, available budget, governance approvals and the outcomes of the preceding phase.

1.26. Previous transaction advisory process and basis for fresh procurement

1.26.1. A previous Transaction Advisor process was initiated for the Programme through Request for Proposals RFP T41/11/2023 issued by the Industrial Development Corporation of South Africa Limited (IDC) on behalf of the then Department of Mineral Resources and Energy (DMRE).

1.26.2. The Department has reviewed the outcomes of that process and has determined that a fresh procurement is required to reflect: (i) the time elapsed since 2023; (ii) the current policy and regulatory position; (iii) lessons from previous feasibility and viability work; (iv) alignment with the DEE Strategic

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Plan 2025-2030 and the NEES 2026-2035; and (v) the decision-gated model, strengthened MRV requirements, procurement-probity provisions and key-personnel requirements set out in these Terms of Reference.

2. CONTRACT PERIOD

2.1. The base contract period shall be thirty-six (36) months from the date of signature of the Service Level Agreement (SLA).

2.2. Phase 1 must be completed within six (6) months of appointment, unless the Department approves an extension in writing.

2.3. Phase 2 may be implemented within the remaining contract period only if activated through a formal written instruction following Decision Gate 1.

2.4. Phase 3 may be activated for Programme Management Office (PMO) establishment and implementation support within the contract period and/or through a separate approved SLA, extension or procurement process, subject to the Department's approvals, budget availability and applicable procurement prescripts. Appointment for Phase 1 does not create an entitlement to Phase 2 or Phase 3 work.

3. OBJECTIVE

3.1. The primary objective of these Terms of Reference (ToR) is to procure a suitably qualified, independent and multidisciplinary Service Provider / Transaction Advisor to support DEE to close out NSWHP 1.0 and develop a robust, evidence-based and implementation-ready NSWHP 2.0 model aligned to the Department's Strategic Plan, NEES 2026-2035 and applicable public-finance and procurement requirements.

3.1.1. Collect, validate and analyse quantitative and qualitative data from all stakeholders involved in NSWHP 1.0, including installation outputs, expenditure, geographic coverage, beneficiary information, installation quality, maintenance status, stakeholder performance, social outcomes and available energy-efficiency indicators.

3.1.2. Prepare a comprehensive NSWHP 1.0 Close-Out Report by the Department's targeted date of 31 March 2027, or by such adjusted date as may be agreed in the SLA where the appointment date makes the target date impracticable.

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3.1.3. Review and update the feasibility basis for the Load Reduction Programme and prepare a NSWHP 2.0 business case and implementation model that sets out strategic alignment, programme architecture, target markets, technical options, financing and incentive design, procurement packaging, governance, MRV, risk management, stakeholder agreements and an implementation roadmap.

3.1.4. Support the Department, if formally instructed, with procurement documentation, market engagement, funding mobilisation, bid-process support, contract finalisation and onboarding of implementation partners for NSWHP 2.0.

3.1.5. Provide programme-management and implementation-support services only to the extent activated by the Department through a **written Decision-Gate instruction** and an approved work plan, budget envelope and resource plan.

3.1.6. Ensure that all deliverables are suitable for use by the Department in an open tender environment and are written in clear, precise, auditable and decision-useful language.

4. SCOPE OF WORK

The scope of work and deliverables shall be undertaken in **three sequential, decision-gated phases**. ***Phase 1*** is compulsory and covers the NSWHP 1.0 close-out, feasibility review/update and development of the NSWHP 2.0 business case and implementation model. **Phases 2** and **Phase 3** are optional and shall only be undertaken if activated by the Department in writing after the **relevant Decision Gate**. The Service Provider must perform all work in accordance with applicable legislation, public-sector governance requirements, the DEE Strategic Plan 2025-2030, NEES 2026-2035, applicable SANS/SABS standards and the Department's instructions.

The Department's decision to appoint the Service Provider for Phase 1 shall not be construed as a commitment to proceed to Phase 2 or Phase 3. The Department may terminate the appointment at the end of any phase, defer a phase, procure any subsequent work separately, or amend the scope of any subsequent phase based on the approved business case, fiscal and regulatory considerations, SCM requirements, value-for-money considerations and the recommendations of the Project Steering Committee.

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The Service Provider / Transaction Advisor shall be responsible for the following tasks and deliverables:

4.1. Phase 1: NSWHP 1.0 Close-Out, Feasibility Review and NSWHP 2.0 Business Case and Implementation Model

Phase 1 is the foundational, fixed-price phase of the assignment and must be completed within six (6) months of appointment, unless otherwise approved in writing by the Department. Phase 1 must produce a defensible close-out report, an updated feasibility assessment, a decision-ready NSWHP 2.0 business case and implementation model and a Decision Gate 1 submission pack. Any extension of the Phase 1 timeline shall not change the fixed price unless the Department issues a formal change-control instruction for a material scope variation.

4.1.1. Close-out audit and report

4.1.1.1. **Desktop review and benchmarking**: Review all relevant programme records, policy documents, prior feasibility and viability studies, municipal agreements, CEF implementation records, applicable standards and comparable SWH or efficient-water-heating programmes in selected developing-country and local contexts. The review must identify practical lessons for programme design, procurement, quality assurance, financing, maintenance and MRV.

4.1.1.2. **Data collection**: Develop and implement a data collection plan covering participating municipalities, installed units, installation locations, beneficiary categories, supplier and installer records, costs, payment records, handover records, maintenance issues, complaints, community acceptance, warranty information and other data required to compile an auditable close-out report.

4.1.1.3. **Stakeholder engagement**: Conduct structured interviews, focus groups or workshops with municipal officials, DEE officials, CEF representatives, implementing agents, installers, community representatives, relevant industry bodies, financiers, insurers and other stakeholders identified in the approved stakeholder engagement plan.

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4.1.1.4. **Data verification and field validation**: Validate installation and usage data through document review, reconciliation of datasets, geospatial checks and mapping, sample-based site verification (of at least satisfactory valid, risk-based sample, with minimum sample sizes per municipality, technology type, installer and risk category) where required, and assessment of maintenance needs, installation quality, functionality and performance indicators.

4.1.1.5. **Performance assessment, challenges and lessons**: Assess NSWHP 1.0 performance against its intended social-upliftment, demand-reduction, energy-efficiency, localisation, job-creation, skills development, governance, functionality and value-for-money objectives. Identify key challenges across planning, procurement, stakeholder coordination, logistics, technical compliance, quality assurance, financial management, municipal readiness, maintenance, beneficiary engagement and MRV.

4.1.1.6. **Recommendations**: Provide practical, prioritised and evidence-based recommendations for NSWHP 2.0, including improvements to programme design, governance, procurement, financing, standards compliance, beneficiary targeting, installer accreditation, maintenance, consumer protection, MRV, risk management and implementation sequencing.

4.1.1.7. **Close-out evidence register**: Compile an indexed electronic evidence register containing the source documents, datasets, interview records, verification records and assumptions relied upon for the close-out report, subject to confidentiality and POPIA requirements.

4.1.1.8. **Close-out readiness for audit**: Identify unresolved financial, legal, technical or operational matters requiring Departmental decision or follow-up before final closure of NSWHP 1.0.

4.1.2. Feasibility review and update

4.1.2.1. Review and critically assess the 2018 feasibility study, the subsequent transaction advisory process and the 2024 viability work, including their findings, recommendations, assumptions, financial models and implementation propositions. The Service Provider must clearly indicate

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which elements remain valid, which require updating and which should be discontinued or redesigned.

4.1.2.2. Update the feasibility assessment in the following areas, at minimum:

4.1.2.2.1. **Market conditions:** reassess household demand, electric-geyser stock and replacement channels, penetration rates, product availability, insurance and banking channels, municipal readiness, consumer affordability, willingness to pay and the competitive landscape for SWH, heat-pump and PV-enabled water-heating solutions.

4.1.2.2.2. **Financial modelling and structuring:** update the financial model, cost assumptions, funding sources, subsidy or rebate options, consumer contributions, development financial institution (DFI) and commercial-bank participation, insurance-sector participation, public-private financing arrangements, affordability considerations and value-for-money analysis.

4.1.2.2.3. **Technical update**: confirm eligible technology options, system performance requirements, SABS/SANS-aligned product and installation specifications, local content, installer qualifications, warranties, maintenance arrangements, quality-assurance protocols, safety requirements and consumer-protection measures.

4.1.2.2.4. **Regulatory and policy environment:** review and incorporate relevant changes to energy regulation, building regulations, SANS 10400-XA, compulsory specifications, SABS/relevant standards, procurement law, climate-change policy, municipal electricity-distribution arrangements, incentive frameworks and any other applicable legislation or policy since 2018.

4.1.2.2.5. **Programme rollout strategy:** update the rollout plan, target-market segmentation, implementation channels, stakeholder participation framework, municipal role, industrialisation and localisation approach, local-content commitments, skills-development approach, communications plan, data architecture and MRV framework.

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4.1.2.3. Prepare a detailed outline of the NSWHP 2.0 load-reduction and social-upliftment programme, incorporating updated findings and clearly distinguishing between implementation options, recommended options and matters requiring Departmental decision.

4.1.2.4. Incorporate, where appropriate, the insurance and banking industries, DFIs, municipalities, industry bodies, manufacturers, installers and consumer-recourse mechanisms into the proposed planning and rollout arrangements.

4.1.2.5. Prepare draft submissions and decision-support materials for the Department, including National Treasury submissions where required for budget allocations, rollovers, incentive design, rebate methodologies, contingent liabilities, value-for-money considerations and approvals.

4.1.2.6. Identify required stakeholder agreements and assist the Department with drafting or reviewing term sheets, memoranda of understanding, implementation agreements, data-sharing arrangements and other agreements required to operationalise NSWHP 2.0.

4.1.2.7. Develop and submit a draft NSWHP 2.0 implementation model and business case that can support Departmental decision-making and, if approved, downstream procurement.

4.1.2.8. Develop the Phase 2 and Phase 3 work-package scope, procurement packaging, indicative resourcing plan, budget envelope, drawdown profile, decision criteria and risk register to enable the Department to take an informed Decision Gate 1 decision.

4.1.3. Key Phase 1 deliverables

4.1.3.1. Inception Report, including methodology, sampling approach for installed social-uplifting units, work plan, deliverable schedule, stakeholder map, quality-assurance plan, risk register and data-management protocol.

4.1.3.2. **NSWHP 1.0 close-out audit and report deliverables:**

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4.1.3.2.1. Benchmarking and desktop-review report, including lessons from comparable SWH or efficient-water-heating programmes and implications for South Africa.

4.1.3.2.2. Data Collection and Verification Plan, specifying data sources, municipalities and sites to be reviewed, verification methodology, sampling approach, stakeholder engagements and timeline.

4.1.3.2.3. Monthly Progress Reports, including activities completed, stakeholder engagements, data collection status, emerging risks, issues requiring Departmental decision and next-month activities.

4.1.3.2.4. Draft NSWHP 1.0 Close-Out Report for Departmental review, targeted for submission by 31 January 2027 or by an SLA-adjusted date aligned to the appointment date.

4.1.3.2.5. Final NSWHP 1.0 Close-Out Report, incorporating Departmental and stakeholder comments, targeted for submission by 31 March 2027 or by an SLA-adjusted date aligned to the appointment date. The report must include findings, lessons, recommendations and annexed evidence registers.

4.1.3.3. **Feasibility review, updated business case and NSWHP 2.0 implementation model deliverables:**

4.1.3.3.1. Review Note on the 2018 feasibility study, previous transaction advisory process and 2024 viability work.

4.1.3.3.2. Updated Feasibility Study Report and Business Case.

4.1.3.3.3. Editable Financial Model, including assumptions book, sensitivity analysis and funding scenarios.

4.1.3.3.4. NSWHP 2.0 Programme Rollout Strategy, including target-market segmentation, implementation channels, technology options, standards and quality assurance.

4.1.3.3.5. Stakeholder Engagement and Institutional Arrangements Plan.

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4.1.3.3.6. National Treasury and Accounting Officer submission pack, where required.

4.1.3.3.7. NSWHP 2.0 Implementation Model and Decision-Ready Business Case.

4.1.3.3.8. Phase 2 and Phase 3 work-package scope, procurement packaging, resourcing plan and budget envelope.

4.1.3.3.9. Phase 1 Close-Out Report and Decision Gate 1 recommendation pack.

Phase 1 remuneration: Fixed price, payable in South African Rand against accepted deliverables in accordance with the payment schedule agreed in the SLA. Out-of-pocket expenses shall be reimbursed only where pre-approved in writing, incurred at cost and supported by original documentation within an approved ceiling.

4.2. Phase 2: Procurement Support, Funding Structuring and Fund Mobilisation

Phase 2 covers procurement, funding and transaction-support services required to implement NSWHP 2.0 as confirmed by the approved Phase 1 outputs. The scope, sequencing, packaging and level of effort will be confirmed only after Decision Gate 1. Phase 2 shall therefore be undertaken on a time-based / rate-based basis against approved work packages, resource plans and budget envelopes.

Phase 2 shall include, without limitation, the following activities, with the precise scope to be confirmed by the Department at Decision Gate 1:

4.2.1. Procurement strategy for NSWHP 2.0, including procurement packages, sequencing, market-sounding, procurement route, probity controls and evaluation approach in line with the PFMA, PPPFA, Preferential Procurement Regulations, National Treasury instructions and any other applicable prescripts.

4.2.2. Funding structuring and fund mobilisation, including the optimal blend of public funding, DFI funding, commercial bank facilities, insurance-sector

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participation, subsidies, rebates, consumer contributions and other lawful financing mechanisms required to implement NSWHP 2.0.

4.2.3. Preparation of procurement documentation, including RFIs, RFPs, RFQs, terms of reference, technical specifications, functionality criteria, pricing schedules, evaluation matrices, draft contracts, service-level requirements and annexures.

4.2.4. Bid-process support, including bidder briefings, queries and clarifications, addenda, bid-receipt support, evaluation-secretariat support and record keeping for BSC, BEC and BAC processes, as requested by the Department.

4.2.5. Evaluation support, including administrative compliance checks, functionality moderation support, price and preference calculations, evaluation reports and recommendation memoranda. The Service Provider shall not make award decisions on behalf of the Department.

4.2.6. Negotiation support, including negotiation strategy, term sheets, heads of terms, contract finalisation and risk-allocation advice.

4.2.7. Appointment and onboarding support, including award letters, contract execution support, implementation-readiness checks and onboarding of appointed service providers into the approved governance structure.

4.2.8. Programme-level agreements, including drafting and review of agreements with implementing partners such as financial institutions, insurers, manufacturers, installers, distributors, municipalities, data-service providers and other stakeholders.

4.2.9. Treasury, Accounting Officer and governance submissions associated with funding, procurement and programme implementation.

4.2.10. Key Phase 2 deliverables (indicative):

4.2.10.1. Approved NSWHP 2.0 Procurement Strategy and procurement plan.

4.2.10.2. Complete RFP/RFQ packs per approved procurement package.

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4.2.10.3. Bid evaluation reports, recommendation reports and evaluation records per procurement package.

4.2.10.4. Negotiation reports, term sheets and executed contracts with appointed service providers, where applicable.

4.2.10.5. Funding mobilisation report, signed commitments or term sheets where available, and Decision Gate 2 close-out pack.

Phase 2 remuneration: Time-based / rate-based, drawn down against the Schedule of Professional Rates submitted with the bid and approved work packages. Activation of Phase 2 is at the sole discretion of the Department through a formal written instruction issued after Decision Gate 1.

4.3. Phase 3: PMO Establishment, Programme Management and Implementation Support

Phase 3 covers programme-management and implementation-support services for NSWHP 2.0, to the extent activated by the Department after Decision Gate 2. The scope, resourcing and duration will depend on the approved implementation model, procurement outcomes, available budget and Departmental approvals. Phase 3 shall be undertaken on a time-based / rate-based basis against approved work packages and may be limited to PMO establishment and early implementation support within the base contract period.

Phase 3 shall include, without limitation, the following activities, with the precise scope to be confirmed by the Department at Decision Gate 2:

4.3.1. PMO establishment and operation in support of the Department, including governance structures, delegated responsibilities, escalation routes, decision logs, reporting templates, document-control protocols and implementation controls.

4.3.2. Programme planning and resource management, including the integrated programme schedule, work-breakdown structure, resource plan, risk register, issue log, dependency map and implementation roadmap.

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4.3.3. Contract management and administration support for agreements with appointed service providers, including variations, claims, disputes, performance security, insurance, deliverable tracking and exit or termination events.

4.3.4. Performance management of appointed service providers, including KPI dashboards, SLA monitoring, non-performance escalation, corrective-action plans and consequence-management recommendations.

4.3.5. Monitoring, Reporting and Verification (MRV) of programme outputs and outcomes, including units installed, functionality, energy savings, peak-load reduction, beneficiary outcomes, jobs created, local content, financial disbursements and greenhouse-gas emissions reductions where measurable.

4.3.6. Financial management support, including tracking of donor funds, public allocations, capital and operational subsidies, rebate disbursements, cash flow, reconciliations and audit trails.

4.3.7. Governance support to the Project Steering Committee, the Department's Programme Manager, the Accounting Officer and any technical workstreams established for NSWHP 2.0.

4.3.8. Stakeholder engagement and communications, including ongoing engagement with municipalities, financial institutions, insurers, manufacturers, installers, distributors, host communities, organised labour, consumer representatives and other relevant parties.

4.3.9. Knowledge management, lessons learned and structured skills transfer to Departmental personnel over the life of the assignment.

4.3.10. Annual programme reports, mid-term review report and final programme close-out report, as applicable to the activated scope.

4.3.11. Key Phase 3 deliverables (indicative):

4.3.11.1. PMO Operations Manual and governance framework.

4.3.11.2. Integrated programme plan, reporting framework and decision-log template.

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4.3.11.3. Quarterly programme reports and performance dashboards.

4.3.11.4. Contract-management registers, risk registers and performance-management reports.

4.3.11.5. MRV reports per agreed reporting cycle.

4.3.11.6. Annual programme reports, mid-term review report and final programme close-out report, as applicable.

Phase 3 remuneration: Time-based / rate-based, drawn down against the approved Schedule of Professional Rates and approved work packages. Activation of Phase 3 is at the sole discretion of the Department through a formal written instruction issued after Decision Gate 2 and subject to all required approvals.

4.4. Project Management, Governance and Quality Assurance Arrangements

4.4.1. The Service Provider shall support and report into the governance structures established by the Department. The following arrangements shall apply across all activated phases:

4.4.1.1. The Lead Advisor shall be the single point of accountability to the Department for delivery of the assignment and shall not be substituted without the Department's prior written approval.

4.4.1.2. The Service Provider shall report to the Department's Programme Manager on a fortnightly basis during Phase 1 and on a monthly basis during Phases 2 and 3, or as otherwise agreed in the approved work plan.

4.4.1.3. A Project Steering Committee (PSC), established by the Department and comprising relevant public entities and stakeholders, shall provide strategic oversight, review key deliverables, consider Decision-Gate recommendations and convene at least quarterly or as determined by the Department.

4.4.1.4. All deliverables shall be submitted to the Department's Programme Manager for review and written acceptance. Acceptance of a deliverable shall not relieve the Service Provider of responsibility for accuracy, quality, completeness and professional care.

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4.4.1.5. Records management: the Service Provider shall maintain comprehensive, auditable records of work performed, time recorded, data used, assumptions made, deliverables produced, decisions taken and disbursements incurred, and shall provide these records to the Department on request and at contract closure.

4.4.1.6. Quality assurance: the Service Provider shall implement a documented internal quality-assurance process for all deliverables, including senior review, fact checking, version control, consistency checking and verification that recommendations are supported by evidence.

4.4.1.7. Probity and conflict management: the Service Provider shall immediately disclose actual, potential or perceived conflicts of interest. The Service Provider, its consortium members and subcontractors may be restricted from bidding for downstream implementation packages where such participation would create an unfair advantage or conflict of interest.

4.4.1.8. Data protection: all data collected or generated under this assignment shall be handled in accordance with POPIA, applicable confidentiality undertakings and the Department's information-security requirements.

4.5. Phasing, Optionality, Remuneration Structure and Decision Gates

4.5.1. To preserve transparency, value for money and procurement defensibility while accommodating the inherent uncertainty in Phases 2 and 3, the following principles shall apply:

4.5.1.1. Fixed price for Phase 1. Phase 1 shall be priced on a fixed-price, deliverable-based basis. Bidders must submit a fully costed Phase 1 fee proposal with the price per deliverable and VAT shown separately.

4.5.1.2. Rate-based pricing for Phases 2 and 3. Bidders must submit, with their Phase 1 bid, a Schedule of Professional Rates per professional category (for example Lead Advisor, Finance Lead, Technical / Engineering Lead, Legal Adviser, Programme Management Lead, Senior Consultant, Consultant, Analyst and Administrative Support), expressed as all-

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inclusive hourly and daily rates in ZAR, exclusive of VAT, with the proposed annual escalation mechanism.

4.5.1.3. Locked-in rates. The Schedule of Professional Rates submitted with the bid shall bind the appointed Service Provider for the duration of the contract, subject only to the agreed escalation mechanism. The rates shall be evaluated as part of the price evaluation so that Phases 2 and 3 are subject to competitive price discipline.

4.5.1.4. Drawdown against approved work plans. Each call-off of resources under Phases 2 or 3 shall be against an approved work plan, resource plan and budget envelope signed off by the Department's Programme Manager. No work may be invoiced without a prior written instruction.

4.5.1.5. Disbursements. Reasonable, pre-approved out-of-pocket expenses shall be reimbursed at cost against original supporting documentation and within a Department-approved ceiling.

4.5.1.6. Decision Gates. A formal Decision-Gate review shall be conducted at the end of each phase. Each review shall consider accepted deliverables, the case for proceeding, affordability, value for money, risk, the scope and budget for the next phase, and the PSC's recommendation. The Department's decision shall be recorded in writing.

4.5.1.7. Optionality. Phases 2 and 3 are optional. The Department may decline to proceed, defer activation, reduce or amend the scope, procure the next phase separately, or terminate the appointment at the end of a phase. No expectation, commitment or right is created in favour of the Service Provider in respect of any optional phase.

4.5.1.8. Duration. Phase 1 is expected to take six (6) months from appointment. Phase 2 is expected to be completed within the remaining portion of the thirty-six (36) month base contract period, subject to activation. Phase 3 may extend only to the extent approved by the Department through an SLA, extension or separate procurement process, and shall remain subject to Departmental approvals and available budget.

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4.5.1.9. Programme governance. The Service Provider shall support the Department's Programme Manager, the PSC and any technical workstreams established by the Department, while recognising that the Department retains all decision-making authority.

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4.6. Project Duration

4.6.1. The duration of the assignment is structured around the three-phase, decision-gated engagement model set out in this Section. Indicative durations are summarised in the table below and shall be confirmed through the SLA and Decision-Gate approvals:

Phase / Milestone	Indicative duration	Basis
Phase 1 - NSWHP 1.0 close-out, feasibility review and NSWHP 2.0 implementation model	6 months	Fixed-price; deliverable-based; mandatory.
Decision Gate 1	Up to 6 weeks after Phase 1 close-out	Departmental decision to proceed (or not) to Phase 2.
Phase 2 - Procurement support, funding structuring and fund mobilisation	12 — 18 months (Indicative)	Rate-based; optional; activated only by written instruction.
Decision Gate 2	Up to 6 weeks after Phase 2 close-out	Departmental decision to proceed (or not) to Phase 3.
Phase 3 - PMO establishment, programme management and implementation support	Remainder of base contract period and/or approved extension/SLA	Rate-based; optional; activated only by written instruction and approved work package.

5. BID SUBMISSION REQUIREMENTS

5.1. Bids shall be submitted in two separate, sealed envelopes or, where electronic submission is permitted, in two separate files clearly marked 'Envelope 1 - Technical Proposal' and 'Envelope 2 - Pricing Proposal'. Each envelope or file must be clearly marked with the bidder's name, bid reference number and closing date. Bidders must ensure that pricing information is not included in the technical proposal.

5.2. Envelope 1 – Technical Proposal

5.2.1. Envelope 1 - Technical Proposal must include the following:

5.2.1.1. Covering letter signed by the bidder's authorised signatory, confirming compliance with these Terms of Reference and the bid validity period.

5.2.1.2. Statutory and compliance documents: SBD 1, SBD 4, SBD 6.1, SBD 8 and SBD 9; CIPC company documents; valid Tax Compliance Status PIN;

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valid CSD registration confirmation; and any other compliance documents required by the bid invitation.

5.2.1.3. Key personnel pack: signed and dated CVs for all proposed key personnel; certified copies of professional registrations where applicable; certified copies of academic qualifications; project lists per key person indicating role, value, dates and contactable references; and confirmation of availability for the assignment.

5.2.1.4. Government PMO Establishment Evidence Pack (Criterion 4): per PMO claimed — copy or extract of the signed contract between the Government client and the bidding entity (showing the bidding entity's registered name as the contracted party); project description (client, dates, value, number of underlying projects, number of service providers); scope of work performed by the bidding entity; copy or extract of the PMO Operations Manual / governance framework / terms of reference developed by the bidding entity, or written confirmation from the Government client that the bidding entity developed such a framework; contactable Government reference; sworn declaration by the bidding entity's authorised signatory confirming entity-level attribution.

5.2.1.5. Project experience pack: project lists per evaluation criterion (feasibility studies & energy-efficiency track record; programme design & project structuring; negotiations of Government / DBFO contracts; lead advisor availability and value add) with role, value, dates and contactable references.

5.2.1.6. Project comprehension, methodology and work plan document structured around the three phases, Decision Gates, Strategic Plan alignment, NEES alignment, MRV, data verification, procurement probity, stakeholder engagement, risk management and skills transfer.

5.3. Envelope 2 – Pricing Proposal

5.3.1. Phase 1 fixed-price fee proposal — fully-costed, broken down per deliverable, with VAT shown separately, in ZAR.

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5.3.2. Schedule of Professional Rates for Phases 2 and 3 — all-inclusive hourly and daily rates in ZAR per professional category (Lead Advisor; Finance Lead; Technical / Engineering Lead; Legal Adviser; Senior Consultant; Consultant; Analyst; Administrative Support), exclusive of VAT, with the proposed annual escalation mechanism (e.g., CPI). The Schedule of Professional Rates shall be evaluated as part of the Phase 1 price evaluation.

5.3.3. Disbursement ceiling proposal and proposed mechanism for reimbursement of out-of-pocket expenses.

5.3.4. Preference Points and B-BBEE evidence: SBD 6.1 (Preference Points Claim Form); valid B-BBEE Verification Certificate issued by a SANAS-accredited verification agency or an approved Registered Auditor; OR for Exempted Micro Enterprises (EMEs, annual revenue < R10m) and Qualifying Small Enterprises (QSEs, annual revenue R10m – R50m), a sworn affidavit confirming annual total revenue and level of Black ownership; for Joint Ventures / Consortia / Subcontractor structures, either a consolidated B-BBEE scorecard for the JV / consortium OR the B-BBEE Verification Certificate / sworn affidavit of each constituent entity, together with the signed JV / consortium / subcontracting agreement.

6. EVALUATION CRITERIA

6.1. Three-stage Evaluation Framework

Evaluation will be conducted in four sequential stages: Administrative Compliance and Mandatory Minimum Eligibility (Pass / Fail), Functionality, Price and Specific Goals, and Objective Criteria. Bids that fail any applicable stage will not be evaluated further.

Stage	Description
Stage 1 - Administrative Compliance and Mandatory Minimum Eligibility (pass/fail)	Bidders must satisfy all administrative compliance requirements and all Mandatory Minimum Eligibility criteria set out in Section 6.2 below.
Stage 2 — Functionality Scoring (out of 100)	Bidders must achieve at least 75% overall, and at least 60% in Criteria 1, 2, 3 and 4.

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Stage 3 - Price and Specific Goals (80:20 preference-point system)	Conducted only for bids that achieved the Stage 2 minimum thresholds, in accordance with regulation 6(2) of the Preferential Procurement Regulations, 2022.
Objective Criteria	In line with the PPPFA, the Department reserves the right to apply lawful objective criteria before final award, as set out in Section 6.5.

B-BBEE / Specific Goals shall be evaluated only at Stage 3 as part of the preference-point calculation, and shall NOT be scored as part of functionality.

6.2. Stage 1 – Administrative Compliance and Mandatory Minimum Eligibility (Pass / Fail)

Ref	Requirement	Specification & Evidence
M1	Lead Finance Advisor — qualification and experience	The bidder must nominate, by name and CV, a Finance Lead who is (a) a Chartered Accountant CA(SA) registered in good standing with SAICA, or an international CA qualification recognised by SAICA as equivalent; (b) with a minimum of 20 years' post-qualification experience in financial analysis and project finance in large-scale infrastructure, energy and/or public-sector programmes; and (c) demonstrably involved in at least three (3) project finance / PPP transactions reaching financial close or equivalent investment decision, of which at least one (1) is in the energy or renewable-energy sector. **Evidence:** signed and dated CV; certified copy of SAICA registration; project list with client, role, transaction value, dates and contactable referee per project.
M2	Technical / Engineering Lead — qualification and experience	The bidder must nominate, by name and CV, a Technical / Engineering Lead who is (a) a Electric/Mechanical Engineer registered with the Engineering Council of South Africa (ECSA) as a Pr.Eng or Pr.Tech.Eng (or an international Electrical/Mechanical Engineering registration recognised under the Washington / Sydney Accords); (b) holding at minimum a B.Eng or B-Tech (or equivalent) in Electrical/Mechanical Engineering; and (c) with a minimum of 10 years' relevant experience in thermal systems, energy systems, HVAC, energy efficiency or solar water heating-related technologies. **Evidence:** signed and dated CV; certified copy of ECSA registration; project list with role, technical scope, system capacity, client, dates and contactable referee.
M3	Standard Bidding Documents	Completion and compliance with statutory documents as per SBD 1 (Invitation to Bid), SBD 4 (Declaration of Interest), SBD 6.1 (Preference Points Claim Form), SBD 8 (Declaration of Bidder's Past Supply Chain Practices), SBD

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Ref	Requirement	Specification & Evidence
		9 (Certificate of Independent Bid Determination); CIPC company documents;
M4	Tax, B-BBEE and CSD compliance	Valid Tax Compliance Status PIN, valid B-BBEE certificate or sworn affidavit, and active CSD registration for the lead bidder and each JV / sub-contracting member.
M5	Compulsory briefing attendance	Evidenced by the briefing register or the Department's confirmation of attendance.

6.3. Stage 2 – Functionality Scoring Table

Bidders will be scored in terms of the functional requirements indicated in the table below. The corresponding points and weightings will be used to calculate the overall score a bidder has achieved.

The minimum overall functionality threshold is 75%. In addition, sub-thresholds of 60% apply to Criteria 1, 2, 3 and 4 as set out below. Bids that do not meet the overall threshold or any sub-threshold shall be eliminated and shall not be evaluated at Stage 3.

The points allocation and weights below apply to this tender and shall be used to calculate the bidder's functionality score.

No.	*Evaluation criteria*	*Weights*
1	Lead Finance Advisor — Qualifications, Skills & Project Finance Experience	15
2	Technical / Engineering Lead — Qualifications, Skills & Mechanical / Thermal / SWH Experience	15
3	Programme Management Lead – Qualifications, Skills & Programme Management Experience	10
4	Government PMO Establishment Experience (assessed at bidding-entity level only)	15
5	Feasibility Studies & Energy-Efficiency Track Record	10
6	Company Experience - Large-scale data collection and report preparation	10
7	Programme Design & Project Structuring	5

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No.	*Evaluation criteria*	*Weights*
8	Negotiations of Government / Design, Build, Finance, Operate (DBFO) Contracts	5
9	Quality of Project Comprehension, Methodology & Work Plan	15
	TOTAL FUNCTIONALITY POINTS	**100**
	Minimum overall functionality threshold	75%
	Sub-threshold — Criterion 1 (Lead Advisor & Finance Lead)	60% (9/15)
	Sub-threshold — Criterion 2 (Technical / Engineering Lead)	*60% (9/15)*
	Sub-threshold — Criterion 3 (Programme Management Lead)	*60% (6/10)*
	Sub-threshold — Criterion 4 (Government PMO Experience)	*60% (9/15)*

6.3.1. Stage 2 - Detailed Criterion Scoring Bands

6.3.1.1. Criterion 1: Lead Finance Advisor - Qualifications, Skills and Project Finance Experience (15 pts)

Ref	Sub-criterion	Scoring band (0, 1, 2, 3 or 5)	Weight
1.1	Professional qualification of the Finance Lead	• CA(SA) registered in good standing with SAICA, or international CA qualification recognised by SAICA as equivalent **[5** ; • Postgraduate degree in accounting, finance, economics or equivalent without CA(SA) **[3]**; • below postgraduate or no relevant qualification **[0]**. **Evidence Pack: CV and certified qualifications/registrations.**	5
1.2	Years of post-qualification experience in financial analysis and project finance	• ≥20 yrs; **[5]** • 15–19 yrs; **[3]** • 10–14 yrs; **[1]** • < 10 yrs (bid disqualified per M1) **[0]**	5
1.3	Depth and breadth of project finance / PPP track record	• ≥ 5 transactions in large-scale infrastructure or public-sector programmes, ≥ 2 in energy/renewables AND ≥ 1 PPP reaching financial close; **[5]** • 3–4 transactions, ≥ 1 in energy; **[3]** • 1–2 transactions; **[1]** • 0 — none **[0]**	5

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6.3.1.2. **Criterion 2: Technical / Engineering Lead - Qualifications, Skills and SWH Experience (15 pts)**

Ref	Sub-criterion	Scoring band (0,1,2,3,4 or 5)	Weight
1.1	Professional qualification and ECSA registration	• 5 — Pr.Eng/PR.Tech.Eng AND B.Eng/B-Tech (or higher) Electric/Mech. Eng.; **[5]** • 4 —B-Tech/B.Eng Eletric/Mech. Eng.; **[3]** • 2 — B.Eng/B-Tech Electric/Mech. Eng. with ECSA candidate registration only; **[1]** • 0 — below B.Eng/B-Tech (disqualifies per M2) **[0]** **Evidence Pack: CV, and certified Qualifications and Registrations**	5
1.2	Years of relevant mechanical / energy-systems experience	• ≥ 10 yrs; **[5** • 7–9 yrs; **[3]** • 5–6 yrs; **[1]** • < 5 yrs (disqualifies per M2) **[0]**	5
1.3	Depth in solar water heating, thermal systems, HVAC, renewable-energy integration or energy-efficiency programmes	• ≥ 3 projects in SWH/thermal/HVAC or renewable-energy integration, with quantifiable kWh/CO_2e/cost outcomes AND ≥ 1 audit or technical due-diligence assignment; **[5]** • 2 projects; **[3]** • 1 project; 0 — none **[0]**	5

6.3.1.3. **Criterion 3: Programme Management Lead - Qualifications, Skills and Programme Management Experience (10 pts)**

Ref	Sub-criterion	Scoring band (0,1,2,3,4 or 5)	Weight
1.1	Professional qualification and Certification	• PMP / PRINCE2 / CAPM or equivalent recognised project/programme management certification and relevant B.Eng/BSc/BCom or higher qualification **[5]**; • relevant degree without certification **[3]**; • certification without relevant degree **[2]**; • none **[0]**. **Evidence Pack: CV and certified qualifications/registrations.**	5
1.2	Years of relevant programme management experience	• 8 or more years relevant programme-management experience **[5]**; • 6-7 years **[4]**; • 5-6 years **[3]**; • 3-4 years **[2]**; • 2-3 years **[1]**;	3

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		• less than 2 years **[0]**.	
1.3	Depth in programme management experience in solar water heating, renewable-energy or energy-efficiency programmes	• Three or more SWH / renewable-energy / energy-efficiency / public-sector infrastructure programmes with measurable outputs and at least one PMO, audit or technical due-diligence assignment **[5]**; • two such projects **[3]**; • one or none **[0]**.	2

6.3.1.4. **Criterion 4: Government PMO Establishment Experience — assessed at bidding-entity level only (15 pts)**

This criterion is assessed strictly at the level of the bidding entity (the prime legal person submitting the bid), and not at the level of JV / consortium members, subsidiaries, affiliates, legal predecessors, subcontractors, or individual team members. Individual experience on CVs is recognised separately under Stage 1 Mandatory Minimum Eligibility and under Criteria 1 and 2, and shall not be double-counted under this criterion.

The bidding entity itself must demonstrate, by reference to completed and contactable assignments contracted to the bidding entity in its own name, prior experience in the establishment and/or operation of one or more PMOs within a South African national or provincial Department, public entity, organ of state, or PFMA Schedule 1, 2 or 3 entity ("Government PMO"). PMO experience gained outside the South African public sector may be presented for context and shall be scored only as set out in the band below.

Description (bidding-entity-only test) (Scoring band: 0, 1, 2, 3, 4 or 5)	**Weight**
The bidding entity itself has, within the last 10 years, been contractually engaged in its own name to play a substantive role in the establishment of AT LEAST ONE (1) Government PMO in South Africa, with the full Evidence Pack provided. **[5]**	*15*
The bidding entity itself has equivalent PMO establishment experience but only outside South African Government (private sector, NGO, multilateral or foreign Government), with the full Evidence Pack provided. **[5]**	
No qualifying entity-level PMO establishment experience demonstrated by the bidding entity itself, OR Evidence Pack incomplete, OR PMO experience resides with a JV / consortium member, subsidiary, affiliate, predecessor,	

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subcontractor, or only on individual CVs without a corresponding PMO contract held by the bidding entity in its own name.	

Sub-threshold: A bidder scoring less than 9/15 on this criterion fails the 60% sub-threshold and shall be eliminated from further evaluation, regardless of overall functionality score.

Evidence Pack — mandatory and bidding-entity-only:

- Copy or extract of the signed contract between the Government client and the bidding entity, clearly showing the bidding entity's registered name as the contracted party, the client signatory, and contract dates. Contracts in the name of any other entity (including JV partners, consortium members, parents, subsidiaries, affiliates, predecessors or subcontractors) shall NOT be accepted.
- Project description per PMO: Government client, project name, start/end dates, total programme value, number of underlying projects, and number of service providers managed by the PMO.
- Scope of work performed directly by the bidding entity in establishing the PMO (design, set-up, governance, operational launch).
- PMO Operations Manual / governance framework / terms of reference developed by the bidding entity — copy or extract — OR written confirmation from the Government client that the bidding entity itself developed such a framework.
- Contactable Government reference per PMO — name, current designation, telephone and email of the Government client signatory who can confirm the bidding entity's contractual responsibility for the PMO.
- Sworn declaration by the bidder's authorised signatory confirming that all PMO experience claimed under Criterion 4 was contracted to, and delivered by, the bidding entity itself in its own name, and not only by any JV partner, consortium member, subsidiary, affiliate, predecessor or subcontractor.

What does NOT qualify under Criterion 4:

- PMO experience held by a JV partner or consortium member.
- PMO experience held by a parent, subsidiary, sister company or affiliate.
- PMO experience held by a legal predecessor or acquired/merged entity not signed in the name of the bidding entity itself.
- PMO experience held by a subcontractor, sub-consultant or third-party expert.

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- Personal experience on the CV of an individual, gained at any previous unrelated employer.
- Marketing materials, capability statements or generic references to "group expertise" unsupported by a signed contract in the name of the bidding entity itself.
- Establishment of a project office, project team or programme team that does not meet the definition of a multi-project, multi-year PMO with governance, reporting, performance management, and contract management responsibilities.

Bidders remain entitled to submit bids as a JV or consortium. The bidding-entity-only rule under Criterion 4 does not prohibit such structures; it simply means that, for purposes of Criterion 4 only, the PMO experience evaluated shall be that of the prime / lead bidder against which the contract will be concluded. B-BBEE / Specific Goals at Stage 3 shall continue to be assessed on the consolidated JV / consortium scorecard.

6.3.1.5. **Criterion 5: Feasibility Studies & Energy Efficiency Track Record (10 pts)**

Description (bidding-entity-only test) (Scoring band: 0, 1, 2, 3, 4 or 5)	**Weight**
Bidding entity (or named project team) has completed ≥ 3 feasibility studies in energy efficiency / renewable energy / SWH in the last 10 years, of which at least one involved reviewing and updating a prior feasibility study. **Evidence Pack:** Project description, client, project name, start/end dates, total project value, scope of work performed, contactable reference. **[5].**	10
2 such feasibility studies, with at least one update of a prior study. **[3].**	
1 such feasibility study. **[1].**	
None. **[0].**	

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6.3.1.6. **Criterion 6: Company Experience - Large-scale data collection and report preparation (10 pts)**

Description (bidding-entity-only test) (Scoring band: 0, 1, 2, 3, 4, or 5)	**Weight**
Bidding entity (or named project team) has conducted ≥ 3 large-scale data collection and report preparation, particularly within municipal or government projects. **Evidence Pack:** Project description, Government client, project name, start/end dates, total project value, scope of work performed, Contactable Government reference.	10
Two such large-scale data-collection and report-preparation assignments.	
One such large-scale data-collection and report-preparation assignment.	
None.	

6.3.1.7. **Criterion 7: Programme Design & Project Structuring (5 pts)**

Description (bidding-entity-only test) (Scoring band: 0, 1, 2, 3, 4 or 5)	**Weight**
Demonstrated experience in (i) programme structuring, (ii) governance design, and (iii) public-private financing structuring on ≥ 3 large infrastructure or energy programmes, with full evidence. **[5]**.	5
Demonstrated experience on 2 such programmes. **[3]**.	
Demonstrated experience on 1 such programme. **[1]**.	
None. **[0]**.	

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6.3.1.8. **Criterion 8: Negotiations of Government / DBFO Contracts (5 pts). NB: Proof of previous successful negotiation must be provided with contactable reference and in the company's letter head.**

Description (bidding-entity-only test) (Scoring band: 0,1,2,3,4 or 5)	**Weight**
Demonstrated lead role in successful negotiating ≥ 3 Government PPP / DBFO / concession contracts to financial close in the last 10 years. **[5].**	5
2 such negotiations. **[3].**	
1 such negotiation. **[1].**	
None. **[0].**	

6.3.1.9. **Criterion 9: Quality of Project Comprehension, Methodology & Work Plan (15 pts)**

Description (bidding-entity-only test) (Scoring band: 0, 1, 2, 3, 4 or 5)	**Weight**
Excellent demonstration of understanding the assignment and competence to deliver on what is required in line with the scope of work under section 4, clearly mapped to the three-phase decision-gated structure, with detailed work plan including key activities, milestones, timeframes and resources committed to the project, and a robust approach across Phases 1, 2 and 3. **[5].**	15
Good demonstration, with minor gaps in methodology or work plan. **[3].**	
Adequate demonstration, with material gaps. **[1].**	
Inadequate demonstration. **[0].**	

Formula: (A x 100)/B = C%

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Where: A = Total score for the bid under consideration

B = Maximum possible score

C = Percentage score for the bid under consideration

6.4. Stage 3: Price and Specific Goals

6.4.1. Only bids that achieve the minimum functionality threshold and all sub-thresholds in Stage 2 shall be evaluated at Stage 3. Stage 3 shall be conducted on the 80:20 preference-point system in accordance with the PPPFA, the Preferential Procurement Regulations, 2022 or National Treasury procurement prescripts applicable at the date of evaluation, and the Department's Supply Chain Management Policy.

Component	**Maximum Points**
Price	80
Specific Goals	20
TOTAL	**100**

6.4.2. Price formula. Price points shall be allocated using the formula prescribed in regulation 6(2) of the Preferential Procurement Regulations, 2022, namely:

$$\mathbf{Ps = 80 \times (1 - (Pt - Pmin) / Pmin)}$$

6.4.3. where Ps is the points scored for price, Pt is the price of the bid under consideration, and Pmin is the price of the lowest acceptable bid. The award shall be made to the bidder scoring the highest combined total of Price and Specific Goals points, subject to Stage 4 objective criteria where applicable.

6.4.4. The bidder scoring the highest total points may be recommended for award, subject to due diligence, objective criteria, approval by the delegated authority and compliance with all tender requirements.

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6.4.5. Where two or more bidders score the same total points, the award may be made to the bidder that scores the highest points for specific goals.

6.4.6. Where two or more bidders score the same total points and the same points for specific goals, the award may be made to the bidder that scores the highest points for functionality.

6.4.7. Where two or more bidders remain tied after the application of the above tie-breakers, the Department may apply any further lawful tie-break mechanism provided for in the bid documents and applicable procurement prescripts.

6.4.8. The preferential points will be allocated in terms of the Departmental objectives on specific goals. Points allocation on specific goals are tabulated hereunder.

6.4.9. Bidders who do not submit proof (means of verification) of specific goals claimed will not qualify for preference points for specific goals.

Specific Goal	Number of points (80/20 Preference System)	Means of Verification
Enterprise owned by Black people	4	Identity documents and CIPC document
Enterprise owned by Women	4	Identity documents and CIPC document
Enterprise owned by Youth	4	Identity documents and CIPC document
Enterprise owned by disabled persons	4	Medical certification
Enterprise owned by SMMEs (QSE or EME)	4	B-BBEE certificate issued by a SANAS accredited Agency or DTIC, or Sworn affidavit

NB: Ownership means at least 51% ownership unless otherwise specified in the bid documents. Where designated groups/persons form part of the entity but hold less than 51% ownership, points may be calculated on a pro-rata basis in relation to the

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shares held by the designated group/persons, subject to the Department's SCM requirements and verification of evidence.

Eg. Number of women directors = 01

Shares owned by women = 20%

Specific goal for women = 4 points

Points claimable for women ownership = $\frac{20}{100}$ x 4 = **0.8 points**

6.4.10. B-BBEE Evidence Requirements

6.4.10.1. Every bidder shall submit a valid B-BBEE Verification Certificate issued by a SANAS-accredited verification agency or an approved Registered Auditor.

6.4.10.2. Exempted Micro Enterprises (EMEs) (annual revenue < R10m) and Qualifying Small Enterprises (QSEs) (annual revenue R10m – R50m) may submit a sworn affidavit confirming annual total revenue and level of Black ownership, in lieu of a Verification Certificate.

6.4.10.3. Any misrepresentation in such affidavit constitutes a criminal offence under the B-BBEE Act, as amended.

6.4.10.4. Joint Ventures (JVs) / Consortia / Prime + Subcontractor structures must submit either a consolidated B-BBEE scorecard for the JV / consortium, OR the B-BBEE Verification Certificate / sworn affidavit of each constituent entity, together with the JV / consortium / subcontracting agreement, duly signed by all parties.

6.4.10.5. Specific Goals points shall be calculated on the consolidated JV / consortium B-BBEE position, in line with the Preferential Procurement Regulations, 2022.

6.4.10.6. B-BBEE / Specific Goals shall be excluded from Stage 2 functionality scoring and shall be evaluated only at Stage 3.

6.5. Stage 4 — Objective Criteria

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6.5.1. In line with the PPPFA, the Department reserves the right to apply objective criteria before final award, including (without limitation): reputational risk; financial capability in relation to the size and duration of the assignment; past performance of the bidder on Government contracts; any past failure to discharge a PMO mandate satisfactorily; and integrity-related considerations. The Department may make an award to a bidder that did not score the highest preference points where such an objective criterion justifies it, and shall record the reasons for such a decision in writing.

7. REPORTING REQUIREMENTS

7.1. The appointed Service Provider shall submit progress reports, deliverables, decision logs and risk reports to the Department's Programme Manager at the intervals specified in the approved work plan and SLA.

7.2. All reports, datasets, models, registers and supporting materials shall be delivered electronically in editable Microsoft Office formats and PDF, with hard copies only where requested by the Department. All draft and final reports shall be in English, professionally edited, version controlled and suitable for official use. All documents, data, databases, models and intellectual property developed for the assignment shall vest in the Department, subject to pre-existing third-party intellectual property rights disclosed in the bid.

7.3. All drafts and final reports shall be complete, internally quality assured, evidence-based and submitted with a clear record of assumptions, limitations, data sources and outstanding decisions required from the Department.

8. ROLE AND RESPONSIBILITIES

8.1. A Service Level Agreement shall be concluded with the successful bidder and shall set out the obligations of the Department and the Service Provider, including deliverables, timelines, payment milestones, reporting obligations, confidentiality, data protection, conflict management and acceptance procedures.

8.2. The Department reserves the right, where lawful and appropriate, to appoint more than one service provider or to procure downstream work separately.

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8.3. The Service Provider shall develop and maintain a detailed project schedule, work plan, deliverable tracker, risk register and stakeholder engagement plan.

8.4. The Service Provider shall submit an updated payment forecast and resource drawdown plan at intervals agreed with the Department, aligned to approved deliverables and work packages.

8.5. The Service Provider shall disclose all information in its proposal and throughout the contract regarding any actual, potential or perceived conflict of interest.

9. CONFIDENTIALITY, DATA PROTECTION AND INTELLECTUAL PROPERTY

9.1. The names, roles and responsibilities of all members of the Service Provider's team must be disclosed for the Department's approval. Any changes, replacements or additions to key personnel require the Department's prior written approval.

9.2. All team members shall sign a Non-Disclosure Agreement before commencing work and may be required to undergo security screening as determined by the Department. The Service Provider shall comply with confidentiality requirements, POPIA and the Department's information-security protocols.

10. PAYMENT

10.1. The Department shall not make an upfront payment. Payment shall be made only for accepted deliverables or approved time-based work packages, upon receipt of a valid tax invoice and supporting documentation.

10.2. Payments shall be made in accordance with the approved payment schedule, the SLA, applicable Treasury requirements and the Department's acceptance of deliverables.

11. TAX CLEARANCE CERTIFICATE

11.1. Bidders must ensure compliance with their tax obligations.

11.2. Bidders are required to submit their unique personal identification number (pin) issued by SARS to enable the organ of state to view the taxpayer's profile and tax status.

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11.3. Application for tax compliance status (TCS) or pin may also be made via e-filing. In order to use this provision, taxpayers will need to register with SARS as e-filers through the website www.sars.gov.za.

11.4. A bidder may also submit a printed TCS together with the proposal.

11.5. In proposals where consortia / joint ventures / sub-contractors are involved, each party must submit a separate proof of TCS / pin / CSD number.

11.6. Where no Tax Compliance Status PIN is available but the bidder is registered on the Central Supplier Database (CSD), a CSD number must be provided.

12. DOCUMENTATION

12.1. All documentation shall be submitted in accordance with these Terms of Reference, the bid invitation, applicable SBD forms and the Department's SCM instructions.

13. COST / PRICING

13.1. Bidders must submit a pricing proposal that clearly distinguishes the fixed price for Phase 1, the Schedule of Professional Rates for Phases 2 and 3, VAT, disbursement ceilings and any assumptions or exclusions.

13.2. Bidders must indicate a ceiling price for Phase 1 with a clear payment schedule and submit rate-based pricing for optional Phases 2 and 3. All prices must be quoted in South African Rand (ZAR), VAT inclusive where applicable, and must remain valid for the bid-validity period.

13.3. Bidders must provide hourly and daily rates per professional category. Rates must be all-inclusive except for pre-approved reimbursable disbursements, and must be capable of being evaluated as part of the bid price.

13.4. Bidders must provide subsistence and travel rates aligned to applicable National Treasury instructions and Departmental travel policies. Travel shall only be undertaken with the Department's prior written approval.

13.4.1. Hotel accommodation shall not exceed the applicable National Treasury or Department-approved ceiling at the time of travel, unless prior written approval is obtained.

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13.4.2. Air travel must be restricted to economy class unless otherwise approved in writing by the Department in accordance with applicable prescripts.

13.4.3. Claims for kilometres may not exceed rates approved under applicable public-sector travel prescripts and must be supported by approved travel records.

14. CONDITIONS OF THE CONTRACT

14.1. The General Conditions of Contract issued by National Treasury shall apply and are non-negotiable, unless otherwise lawfully amended through the Special Conditions of Contract.

14.2. The successful Service Provider shall sign confidentiality and data-protection undertakings regarding Departmental information not in the public domain.

14.3. No information obtained through this assignment may be furnished or communicated to the public, media or third parties without the Department's prior written approval.

14.4. The Department reserves the right, in its sole discretion, to disqualify a bid where a material conflict of interest is identified, or to accept the bid subject to a conflict-management plan acceptable to the Department.

14.5. The successful Service Provider shall execute the contract in accordance with the approved scope of work, SLA, work plans, Departmental instructions and applicable law.

14.6. The successful Service Provider and its personnel may be subjected to security screening by the State Security Agency or any other competent authority.

14.7. The Department reserves the right to verify the authenticity of all information submitted. Falsified or misleading information may result in disqualification, cancellation of award, termination of contract and any other lawful remedy.

15. FORMAT OF SUBMISSION OF PROPOSAL

15.1. Bidders must submit the number of technical and pricing proposal copies stated in the bid invitation. Where electronic submission is permitted, bidders must comply with the prescribed file format, file-naming convention and submission method.

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15.2. Bidders must index and paginate their proposals and provide a compliance matrix cross-referencing each tender requirement to the relevant page or section of the proposal.

16. PRE-BID MEETING / BRIEFING SESSION DETAILS

16.1. A compulsory briefing session will be held on the **17 August 2026 at 10h00, at Department of Electricity and Energy at the following address:**

192 Visagie Street Cnr Paul Kruger and Visagie Street, Pretoria 0001.

16.2. Attendance is mandatory. Bidders who fail to attend the compulsory briefing session shall be disqualified, and their bids shall not be evaluated further.

16.3. Bidders must ensure that they sign a register during a compulsory briefing session to confirm attendance. Failure to sign the register to confirm attendance will invalidate your bid.

17. CLOSING DATE

17.1. Proposals must be submitted on or before **01 SEPTEMBER 2026, at 11h00, at the Department of Electricity and Energy, at 192 Matimba House Building, Corner Visagie and Paul Kruger Street, Pretoria in a box marked "Tender Box".** Late bids shall not be accepted.

18. ENQUIRIES

18.1. All general enquiries relating to bid documents should be directed to:

Mr Samuel Msiza Tel No: (012) 406 7910
E-mail: Samuel.Msiza@dee.gov.za

18.2. Technical enquiries can be directed to:

Ms. Moniccah Khosana/Yandisa Ngqwayi
Tel No: (012) 406 7718
e-mail: moniccah.khosana@dee.gov.za
e-mail: yandisa.ngqwayi@dee.gov.za