

## CLARIFICATION QUESTIONS CP6722 (North East Corridor)

1. Under Volume and Operational Commitment, please advise what type of guarantee of volumes do TFR require. Is it a letter of commitment from the volume owner? And will Transnet embark on a verification process to ensure the commitment letter and volumes does actually exist?

**Answer:** Bidders are requested to refer to item 2.1 of the Request for Commercial Proposal document. If the bidder is the cargo owner, then the bidder shall submit a commitment letter confirming that they are the cargo owner. If the bidder is an operator, then the bidder shall submit a commitment letter from the cargo owner. With regard to the “Letter of commitment” – a draft letter will be provided and must be utilized by bidders as a template for the Prospective Tenants to confirm the source of their volumes (as per the attached **Bid Evaluation Response Annexure F**).

2. In order to determine the investment to be made, the bidders will have to understand the rail capacity Transnet will be committing to the siding. Please can you indicate what the current amount of trains is that is allocated to the siding per week, the tonnages each train can rail and if Transnet will maintain such rail capacity or increase it. Especially since the Steelpoort siding as loading capacity indicated as 2.1 million tons per annum.

**Answer:** Your investment plan needs to be aligned with the siding capacity. Rail Capacity will form part of the contracting phase in line with TFR capacity allocation process.

3. Will the Steelpoort Siding be leased out as one area (inclusive of area A, B and C) or will it be a split award?

**Answer: Yes, the Steelpoort siding will be leased out to the successful bidder as a single facility.**

4. Under investment criteria, mention is made of investing in rolling stock. Please clarify what is meant by this? Will bidders be allowed to place their own rolling stock on Transnet’s main line, and if so, who will be allowed to operate the said rolling stock. And if indeed so, how much rolling stock (locomotives and wagons will be needed)?

**Answer:** Bidders are encouraged to provide investment plan under investment item C (other investment categories) which includes, but is not limited to raiiling infrastructure, rolling stock and security and related technology. Investment in rolling stock will form part of the Transport Agreement in the contracting phase. The determination as to who will operate the rolling stock will also be dealt with at contracting phase.

5. Regulatory licences take quite a long time to obtain once a lease is awarded. Will Transnet give the successful bidder an opportunity to obtain such licences, and how long will such period be? Will the lease inception date then be extended to allow for obtaining of such licences?

**Answer:** Bidders to refer to annexures H to N for all compliance related enquiries. The successful bidder will be granted 12 months with project plans to ensure all regulatory and legislative licensing are in place.

6. Transnet indicated a 5-year period for the lease. Are bidders allowed to apply for a longer period and if so, what is the maximum period Transnet will consider?

**Answer:** Facilities have been advertised for leasing for a minimum of 5 years. Lease tenure greater than 5 years will form part of the contracting process considering bidders motivation for extended lease.

- In relation to Commercial Proposal Number: CP6722, please can you provide the TFR area which is subject to the lease for the Steelpoort and Lydenburg Sidings. If you can provide a diagram showing the area and the square meterage of the property for lease it would be highly appreciated.

**Answer:**



