



**mineral resources
& energy**

Department:
Mineral Resources and Energy
REPUBLIC OF SOUTH AFRICA



BID NUMBER: DMRE

The Republic of South Africa

Department of Mineral Resource and Energy (DMRE)

and

The Central Energy Fund (CEF)

**TERMS OF REFERENCE (ToRs) FOR THE REQUEST FOR BIDS FROM QUALIFIED
SERVICE PROVIDERS FOR THE INSTALLATION OF SOLAR WATER HEATERS
ALSO REFERRED TO AS SOLAR GEYSERS IN PARTICIPATING MUNICIPALITIES
UNDER THE SOCIAL COMPONENT OF THE NATIONAL SOLAR WATER HEATER
(NSWH) PROGRAMME**

LIST OF DOCUMENTS COMPRISING THE RFB AS ANNEXURES

**ANNEXURE A: DOCUMENT FORMAT FOR COMPANY EXPERIENCE AND
DETAILS OF THE BIDDER'S PROPOSED KEY PERSONNEL**

ANNEXURE B: LIST OF APPROVED MUNICIPALITIES

**ANNEXURE C: WARRANTY EXTRACT FROM THE SUPPLY AGREEMENT
BETWEEN THE DEPARTMENT OF ENERGY AND
CONTRACTED SUPPLIERS**

ANNEXURE D: DEFINITIONS AND INTERPRETATIONS

GENERAL REQUIREMENTS, RULES AND PROVISIONS

1. Disclaimer

- 1.1. While all reasonable care has been taken in preparing this RFB, the information contained in it does not purport to be comprehensive or to have been verified by the Department and Central Energy Fund "herein referred as CEF" or any other department of the Government, any of its officers, employees, servants, agents, advisors or any other Person. Accordingly, neither the Department nor any of its advisors accept any liability or responsibility for the adequacy, accuracy or completeness of any of the information or opinions stated herein.
- 1.2. Save where expressly stipulated otherwise, no representation or warranty (whether express or implied) is or will be given by the Department and CEF or any of its officers, employees, servants, agents, advisors or any other Person with respect to the information or opinions contained in this RFB, or in relation to any Briefing Notes issued in relation to this RFB or the National Solar Water Heater Programme in particular the Installation Phase and other related phases of this programme.
- 1.3. The Department and CEF reserve the right to amend, modify or withdraw this RFB or any part of it, or to terminate or amend any of the procedures, procurement processes or requirements detailed in this RFB during the conduct of the National Solar Water Heater Programme and /or the Installation Phase, at any time, without prior notice and without liability to compensate or reimburse any Person pursuant to such amendment or extension, modification, withdrawal, or termination.
- 1.4. The terms and conditions set out in this RFB are stipulated for the express benefit of the Department and CEF, save as expressly stated to the contrary, and may be waived at the Department and CEF's sole discretion at any time. The Department and CEF reserve the right to adopt any proposal made by any Person responding to this RFB at any time and to include such proposal in any documents which may or may not be made available at any stage of the National Solar Water Heater Programme and /or

the Installation Phase to any other Persons responding to this RFB, without the obligation or liability to pay any compensation or reimbursement of any nature to any Person pursuant to such adoption.

- 1.5. This RFB is provided solely for the purpose set out in this document and is not intended to form any part or basis of any investment decisions by the Bidder. Each Person to whom this RFB is made available must make its own independent assessment of the National Solar Water Heater Programme – Social Component in particular the Installation Phase, taking such advice (whether professional or otherwise) as it deems necessary.
- 1.6. This RFB for the NSWHP Programme Installation Phase was finalised exclusively by the Department and CEF and, accordingly, will not be responsible or owe a duty of care to any Person other than the Department and CEF in respect of this RFB for the National Solar Water Heater Programme Installation Phase. The officials of the Department and CEF shall not, nor shall any legal advisor, or advisor to the Department and CEF in relation to the National Solar Water Heater Programme Installation Phase or this RFB, provide any opinion to or for the benefit of any, Bidder or its shareholders in their capacity as advisor to the Department.
- 1.7. No Bidder or its shareholders shall have any claim against the Department and CEF, its officers, employees, servants, agents or Transaction Advisors if there any, under any circumstances whatsoever, arising out of any matter relating to the National Solar Water Heater Programme Installation Phase or this RFB of any nature whatsoever, including where such claim is based on any act or omission by the Department or CEF, or any of its officers, employees, servants, agents or Transactions Advisors of any nature whatsoever, or where such claim is based on the content of, or any omission from, this document of any nature whatsoever.
- 1.8. This RFB does not constitute an offer to enter a contractual relationship with any Bidder, but it is merely a solicitation of Bid Responses to enable the Department and



**mineral resources
& energy**

Department:
Mineral Resources and Energy
REPUBLIC OF SOUTH AFRICA



CEF to select the Preferred Bidders or Service Providers in order to conclude Installation Service Level Agreements with the selected Preferred Bidders.

- 1.9. There is a possibility that some municipalities may be withdrawn from the programme if they fail to meet some of their obligations, in which case their Baseline Systems would be allocated to other participating municipalities.



1.10. In this RFB:

- 1.10.1. references to a statutory provision include any subordinate legislation made from time to time under that provision and include that provision as modified or re-enacted from time to time;
- 1.10.2. words importing the masculine gender include the feminine and neuter genders and vice versa;
- 1.10.3. the singular includes the plural and vice versa;
- 1.10.4. natural Persons include artificial Persons and vice versa;
- 1.10.5. references to a "subsidiary" or a "holding company" shall be references to a subsidiary or holding company as defined in the Companies Act;
- 1.10.6. if a definition imposes substantive rights and obligations on a Person, such rights and obligations shall be given effect to and shall be enforceable, notwithstanding that they are contained in a definition;
- 1.10.7. any definition, wherever it appears in this RFB, shall bear the same meaning and apply throughout this RFB unless otherwise stated;
- 1.10.8. if there is any conflict between any definitions in this RFB then, for purposes of interpreting any clause of this RFB or paragraph of any volume or Annexe, the definition appearing in that clause or paragraph shall prevail over any other conflicting definition appearing elsewhere in this RFB;
- 1.10.9. unless otherwise specified, all references to any time shall be to the time of day in South Africa.
- 1.10.10. The expiration or termination of this RFB shall not affect such of the provisions of this RFB which are expressly provided to operate after any such expiration or termination, or which of necessity must continue to have effect



after such expiration or termination, notwithstanding that the relevant provisions themselves do not provide for this.

2. Invitation

- 2.1. This RFB constitutes a formal invitation to Qualified Bidders to submit their Bid Responses for the Installation of SWH Baseline Systems and or Solar Geysers for the Department of Mineral Resources and Energy and Central Energy Fund in the Social Component of the National Solar Water Heater Programme.

3. Purpose of this RFB

The purpose of this RFB is:

- 3.1. to set out the rules of participation in the Installation Phase;
- 3.2. to provide further information about the National Solar Water Heater Programme in general and the Installation Phase to Bidders and other interested persons so as to allow them to prepare for participation in the National Solar Water Heater Programme Installation Phase and to prepare comprehensive and competitive Bid Responses pursuant to the Installation Phase of this Programme;
- 3.3. to give guidance to the Bidders in the preparation of their Bid Responses;
- 3.4. to enable the Department and CEF to consider those Bid Responses submitted by Bidders that:
- 3.4.1. satisfy the technical, financial, and legal requirements and meet the criteria described;
- 3.4.2. fulfil the comparative and competitive evaluation criteria and requirements as detailed in the RFB;
- 3.4.3. are able to Install the Baseline Systems and or Solar Geysers as envisaged by the Department and CEF; and

SZ

3.4.4. to enable the Department and CEF to select Preferred Bidders.

4. Introduction and Background

- 4.1. In June 2009, the South African Government, through the Department, pronounced through its budget speech its intention to launch a national solar water heater programme. This was done against the backdrop of prevailing national electricity constraints as well as the energy efficiency targets contained in the White Paper and the South African National Energy Efficiency Strategy. At the time, the Minister of Energy set a national target of 1 million installed solar water heaters in the residential and commercial sectors. The national solar water heater programme was subsequently launched in April 2010 and Eskom was appointed as the implementing agent responsible to implement the programme until 2014.
- 4.2. In May 2015, the then Minister of Energy announced the implementation of the revised National Solar Water Heater Programme pursuant to Cabinet consideration as described further below.

5. Overview of the National Solar Water Heater Programme

- 5.1. In this section, several key features of this National Solar Water Heater Programme are introduced.
- 5.2. The National Solar Water Heater Programme comprised of three (3) broad streams or components, that is, Social; Repair and Replace; and Load Reduction. The Social Component with respect to the revised Contracting and or Implementation Model is comprised of Procurement, Supply, Training, Installation and Maintenance of Solar Water Heater Baseline Systems in approved and or participating Residential Dwellings within the Designated Installation Areas throughout South Africa. The Baseline Systems are to be supplied, installed and maintained through the Social Programme largely on a free-issue basis.

5.3. The National Development Plan (NDP) sets a target of five (5) million installed solar water heaters in residential areas by 2030. The set target is subject to available resources.

5.4. For this RFB, the focus is only on the Social Component as explained below:

5.4.1. the Social Programme (i.e. in line with this RFB), in terms of which:

5.4.2. Participating municipalities pursuant the signing of a Framework Agreements (i.e. the signing of Framework Agreements is supported by a Council Resolution) with the guidance from and or criteria set by the Department will identify residential areas which they deem to be a priority or within the Strategic Development areas and feasible for the Installation of Baseline Systems and or Solar Geysers.

5.4.3. The Department procured the Baseline Systems and or Solar Geysers for Installation in participating Residential Dwellings within the Designated Installation Areas. It should be highlighted that this procurement of the Baseline Systems is the subject matter of the separate Supply Phase of the National Solar Water Heater Programme which commenced in December 2015 for a period of three financial years, that is, 2015/16; 2016/17 and 2017/18. Under the Supply Phase, 87 206 Baseline Systems were procured by the Department from twelve (12) suppliers. The Department has collaborated with CEF to implement the NSWHP Programme. Furthermore, of the total procured baseline systems, 200 have already been installed in the Pilot Project in Nelson Mandela Bay Municipality by end of June 2018; 150 installed in Sol Plaatje to pilot the repair and replace component of this programme. The main objective of the Pilot Projects was to test the feasibility and viability of the revised Contracting and Implementation Model of the Social Component of the National Solar Water Heater Programme from which lessons learnt can enhance the implementation of the broader scale roll of the programme. As indicated above, the systems are to be supplied, installed, and maintained through the Social Programme largely on a free-issue basis.



- 5.4.4. The installation phase is preceded by the Technical Feasibility Assessment, which has been undertaken in eighteen (18) beneficiary Municipalities. The Technical Feasibility Assessment was undertaken in residential areas identified by the beneficiary municipalities and endorsed by the Council. The Assessment made highlight various findings and makes recommendations, which the appointed installation companies are expected to note. Social Facilitation has been undertaken and communities are aware of the programme roll out or implementation. Successful bidders will be furnished with the final Technical Feasibility Assessment reports for the respective municipality/ies. The bidders in relation to this RFB can also obtain the terms of references used in appointing the panel of service providers to undertake the Technical Feasibility Assessment to understand the scope of work for the activity.
- 5.4.5. This RFB serves to assist the Department and CEF to finalise the process of appointing Qualified Service Providers for the Installation of **49 614** Baseline Systems and or Solar Geysers on Participating Residential Dwellings from which the Service Providers are expected to further transfer practical skills to the Installation Assistants or installers selected and trained by the accredited Training Institutions within participating municipalities under the Training Phase jointly implemented together with the Unemployment Insurance Fund (UIF) Department of Employment and Labour (DEL), and Energy and Water Sector Training Agency (EWSETA. It is therefore envisaged that each appointed Service Provider will provide on the job training to installation assistants or Installer Assistants. **The Contracted Service Provider is expected to complement the R50 per day of stipend from the EWSETA by the same amount.** As such, it is expected that this amount for stipend be included in the quote for this RFB.
- 5.4.6. The Department entered into a Memorandum of Agreement (MoA) with the Unemployment Insurance Fund (UIF) - Department of Employment and Labour (DEL), and the Central Energy Fund. The Central Energy Fund further entered into a training Implementation Agreement with Energy and Water Sector Training Agency (EWSETA). However, training of the installation assistants is undertaken as a separate procurement under CEF as per the above MoA. It has been planned that approximately **1 788**



installation assistants will be trained by end of this roll out. The Installation Phase is the subject matter of this RFB.

5.4.7. Installation of **49 614** Baseline Systems or Solar Geysers in 15 (fifteen) participating municipalities will be split between the DMRE and CEF. **A list of participating municipalities and is attached as Annexure A.**

5.4.7.1. **32 178** SWH Baseline Systems from the following municipalities will be contracted by the DMRE: Sol Plaatje, Polokwane, eThekweni, Makana and Elundini, Mpofana; and Emthanjeni

5.4.7.2. **17 436** SWH Baseline Systems from the following municipalities will be contracted by the Central Energy Fund: JB Marks, Mafikeng, The City of Matlosana, Cape Agulhas, Matzikama, and City of Tshwane.

6. Policy Objectives of the National Solar Water Heater Programme

The Overall Policy Objectives for the NSWH Programme underpinning the implementation of this RFB are to:

- 6.1. Reduce electricity demand from the grid;
- 6.2. Mitigate against adverse climate change;
- 6.3. Cushion the poor against increasing electricity tariffs;
- 6.4. Facilitate the creation of local manufacturing industry;
- 6.5. Create employment opportunities by providing training and develop unemployed citizens through opportunities within the programme;
- 6.6. Skills development through capacity building programme related to the project; and
- 6.7. Economic empowerment for women, youth, and people with disabilities through the business opportunities emanating from the programme.

82

7. Scope of Work for the Installation Phase

7.1. To respond to the main and specific objectives of the assignment, Service Provider will be expected to thoroughly undertake the following activities. In brief, Qualified Bidders or Service Providers are invited to submit Bid Responses to Install the Baseline Systems and or Solar Geysers for the Department of Mineral Resource and Energy in Designated Installation Areas and or participating municipalities as per the approved list attached as **Annexure B** of the RFB pursuant to the Social Component of the National Solar Water Heater Programme.

7.2. Installation of Procured Baseline Systems

7.2.1. The Bidders are expected to bid for their participation in this Installation Phase that is envisaged to install **49 614** Baseline Systems and or Solar Geysers by the Department of Mineral Resource and Energy. In short, the number of procured Baseline Systems will therefore translate into the number of Residential Dwellings in the approved participating municipalities. A list of approved municipalities and balance number of systems to be installed forms part of this RFB attached as **Annexure B**. The appointed service providers will be provided with beneficiary lists as compiled and approved by the municipalities for the participating Residential Dwellings within the Designated Installation Areas. For the purposes of this RFB, the Bidders are required to focus on the number of remaining Baseline Systems that automatically translates into the number of beneficiary households.

7.2.2. The Bidders are expected to use the existing documents in addition to this RFB document such as all the relevant South African National Technical Standards for installation of Hot Water accessible from the South African Bureau of Standards at the Bidders costs and related annexures for guidance to respond to this Bid which should comprise of both the technical and financial parts for the installation of Baseline Systems or Solar Geysers to provide a detailed Methodology and an Installation Plan to roll out the installation of Baseline Systems or Solar Geysers in respective participating



municipalities. The Methodology should also include the proposed "Complaints or Queries handling approach (i.e. both technical and general in nature) on any related matter from the beneficiaries or end users or any person point along the installation value chain leading to the matter being resolved". The Queries' handling methodology should outline how queries should be registered, tracked, and monitored to its finalisation by both the participating Municipality through a nominated or authorised official and the Department through the Project Officer.

7.2.3. The Bidders are expected to outline the proposed Project Team Structure comprised of Qualified Members for installation. Take into consideration the Installation Assistants to receive on the job training from the Service Providers or Installers as per **Annexure B** of the trained Installation Assistants under the Training Phase as explained above. It should be indicated that the Training Phase forms a major part of the Social Component of the National Solar Water Heater Programme based on the lessons learnt from the previous installation phase (i.e. 2009 – 2014) when the programme commenced and implemented under Eskom SOC Limited. The objective of the Training Phase is to ensure that all contracted Installers or Service Providers are thoroughly trained by accredited Training Service Providers or Institutions to prevent any potential poor workmanship, which may result in reducing the efficiency of the solar geysers or performance and ultimately leading to dysfunctional systems.

7.2.4. The Project Team structure should also provide details of installation site offices that include the provision of secure storage of the Baseline Systems from the point of collection from storage at the time when the systems are under its custody. It should be indicated that municipalities have been requested to provide secure storage from which the appointed or contracted Qualified Installers will be expected to manage the security and dispatching of the Baseline Systems from handover process by the Department /CEF and the Municipality. The secure storage provided by Municipalities will be inspected and signed off by the Department / CEF. In addition, it should be indicated that the contracted Service Provider will be expected to provide security of the Systems

SZ

including insurance in their possession from the collection point to installation. Bidders should consider this during the pricing of their respective Bids.

7.2.5. The Qualified Service Providers will be expected to nominate and avail qualified and accredited installation officials or Installers to undergo product specific training. The product specific training will be conducted by Suppliers who manufactured the Baseline Systems. The product specific training is part of condition stipulated in the Supply Agreement for the Manufacturing, Supply, Delivery and Storage of the Solar Water Heater Programme. The Supply Agreement was entered into by the DMRE with all the suppliers. The Product Specific training ensures that all the Installers are familiar and conversant with the type of technology they are expected to install in the participating Residential Dwellings of the Designated Installation Areas. In brief, the contracted Installers will be provided with a "Product Specific Training." The Department covers the cost of training by the Suppliers **excluding** accommodation, travel, and subsistence of the qualified installer, which should be paid for by the Service Provider. The training will further complement the skills and experience that Project Teams have declared in their Bids. The Department will provide the details of the product specific training once the appointment of Service Providers (qualified installers) has been concluded. The training may take up to two weeks during which the installers will install some Baseline Systems under supervision by the Suppliers who are required to certify a percentage quantum of SWH Baseline Systems to be installed in line with the Supply Agreement entered between the Department and the contracted Suppliers.

7.2.6. **All Bidders are required to indicate the Provinces** they are intending to bid in and the respective participating municipalities for this installation RFB (**Annexure B and Schedule 1**). Each Municipality will be considered separately during the evaluation of this RFB. Installations in all 15 (fifteen) participating municipalities will run concurrently. Bidders are expected to present **separate team members** for each municipality where a Bidder has expressed interest. The Bidder is expected to clearly differentiate the proposed Project Structure for each municipality. **However, this**



request does not preclude the Bidders who have the capacity and ability to participate in all provinces for the participating municipalities.

7.3. Pricing

7.3.1. The Department and CEF understand that the sector is based on a broad field and require multidisciplinary teams. Bidders will have different capabilities, which will enable them to undertake installations. Bidders are required to provide details of the number of Baseline Systems that they can install per day, week, and a month as well as the concomitant number of employees executing the work. The Installation Plan should provide the number of units each installation team will complete per day as well as the total number of installation teams that the bidder can deploy at any given time. Based on the tight timeframe for the Installation Phase, which should take at most eight months, the higher the number of installation teams provided by the Bidder the better, as this will demonstrate the capacity and the ability to execute the task within the specified period. Higher number of installation teams will be considered as an advantage for the bid evaluation. Each bid should have a separate list of the team members for **each Municipality**.

7.3.2. The Standard Installation Kits for the contracted Service Provider staff and Trained Installation Assistants should not be included in the quotations. The trained Installation Assistants will have their standard installation kits supplied by government. The Service Providers' staff or project team's installation kits are at the Service Provider's cost as all contractors are expected to have the tools of trade.

7.3.3. Each bidder is expected to bid at least 500 Baseline Systems but can bid for more depending on the allocation in the respective municipalities. The Service Provider should demonstrate through the size and number of teams the ability to execute the work within the prescribed timeframe in each Designated Installation Areas. The Department will consider the size of the proposed project teams to undertake the task as outlined in the Bid within the required time. Each installation area should have its dedicated team to demonstrate the ability to deliver on the task.

- 7.3.4. On appointment, each successful Bidder will be allocated a minimum number of 500 units. Additional units will be awarded to the Bidder who completes the first 500 units first. Depending on the numbers, additional units will be allocated in tranches of 500 units or less.
- 7.3.5. The Department and CEF reserve the right to appoint more than one Service Provider in one Designated Installation Area to meet the strategic objective of the project such as jobs creation and skills development in the sector and to manage and mitigate the risks. This approach will enable the Department and CEF to obtain an appropriate spread of regional and provincial Installers, to ensure the timing and other needs of a particular Designated Installation Area are met and to encourage a range of potential Installation Contractors to participate in the Installation Programme.
- 7.3.6. The contracted Service Providers will have to take into consideration the results or outcome of the Technical Feasibility Assessments in their final Installation Plans pursuant to the inception meetings with the Department and municipalities to prepare for execution of the task. The Technical Feasibility Assessments does not absolve the Service Providers from ensuring that before installation due diligence is applied.

7.4. Management

- 7.4.1. The "Employer" for all contracted Service Providers under this RFB is the Department together with CEF and as such all record(s) or statistics of jobs created during this bid should be captured appropriately in line with the template to be provided by the Department for reporting purposes and submitted in line with the reporting timelines.
- 7.4.2. The Installation of Baseline Systems within a Designated Installation Area in terms of one or more Installation Service Level Agreements will be administered and managed by an Installation Project Manager or a Project Officer as designated by the Department and CEF. Performance monitoring and progress on the project will be done jointly with all key stakeholders such as the Department, CEF, municipalities, Unemployment Insurance Fund (UIF) & Department of Employment and Labour and



Energy and Water SETA in line with their reporting processes as per their respective organisations. However, all progress reports will be submitted to the Department and CEF and shared with them so that at any point in time, all the stakeholders are in the loop and have the same information and understanding of the status of the project.

7.5. Quality Assurance (QA) and Inspection

- 7.5.1. Quality Assurance (QA) consists of standards, which are intended to ensure that products and services perform as expected, as well as the mechanisms to verify that such requirements are fulfilled. The QA builds the credibility necessary for the creation of health, efficient and rapid growing technology markets and ensures that expectations from investors and end-users for technology performance durability and safety are met. The objective of implementing QA mechanisms is to prevent unsafe, underperforming and failure-prone products.
- 7.5.2. Each Installation Service Provider will be contracted to install a set number of Baseline Systems in terms of the minimum and maximum quantum in line with the Installation Service Level Agreement.
- 7.5.3. Each Installation Service Provider will be required to familiarise themselves with Designate Installation Areas through preliminary inspections based on the results or outcome of Technical Feasibility Assessments to re-confirm or quality assure the suitability of the Participating Residential Dwellings for installation of the Baseline systems or Solar Geysers as required.
- 7.5.4. If a Participating Residential Dwelling is not suitable, the Installation Project Manager of the Contracted Service Provider should notify the Department and Municipality immediately. The contracted Service Provider will be expected to keep a register of all reported cases or incidents in line with the Occupational Health and Safety requirements to form part of the overall project report(s) to be submitted as per the outlined reporting timelines. The Department and CEF is entitled to omit any Participating Residential Dwellings (i.e. beneficiary list) which it considers not suitable for Installation, either as



identified by Technical Feasibility Assessment or by the Installation Service Provider or by the Installation Project Manager, and as such this will reduce the total of the Price in line with price per installation.

7.6. Collection, storage, and transportation of baseline Systems from designated storage facilities in Municipalities

- 7.6.1. The Service Providers will have to collect the Baseline Systems from the municipal storage facilities to the DIAs for installation at their own risks and costs. As such, contracted Service Provider will be expected to provide security personnel and insurance cover of the procured systems. The security and insurance cover commences at the point of transfer and sign off to receive the baseline systems from the Municipal storage facility into the custody of the Installation Service Provider until the unit is installed. Once successfully installed, the baseline system warrant will cover the unit. The proof of insurance cover taken by the Installation Service Provider must be presented to both the Department and CEF upon completion of the Service Level Agreement.
- 7.6.2. The Installation Service Provider will be responsible for the provision of all tools of trade required for Installation where the Standard Installation kit is not adequate.
- 7.6.3. Prior to each collection of SWH Baseline System from the government storage facility in particular municipal storage, the official representative of the contracted Installation Service Provider entrusted with the collection or dispatching of the Baseline Systems will be required to inspect, reconcile and record(s) the number of Baseline Systems and associated components collected, and the status of the units sign off. If there are damaged baseline systems or components missing, the representative must notify the Installation Project Manager of the Installation Service Provider and Project Officer or Manager verbally and in writing of any defects or missing components therein. The serial numbers of the units should be captured where applicable.

SZ



7.6.4. If the Service Provider delegated person fails to report damages on the Baseline Systems on collection, to the respective delegated persons of the Department or CEF, the Installation Service Provider will assume the risk in any damage; defects or loss of the Baseline Systems and/or its associated components, including in respect of their transportation to the Designated Installation Area, and up until installation.

7.7. Standards for Installation

7.7.1. The Installation Service Provider must install in accordance with the Works Information (technical requirements). As part of background information, Bidders at their cost can obtain South African National Standard (SANS) 1307 for Domestic Storage Water Heating Systems (obtainable from SABS) and SANS 10106 for the Installation, Maintenance, Repair and Replacement of the Domestic Solar Water Heating Systems (also obtainable from SABS) and any other technical requirement in line with all the relevant prescripts that regulate the sector. While the procured Baseline Systems complied with all the local content requirements, the Department acknowledges the difference in technology types as per each Supplier hence the requirement for Product Specific training. As part of the product specific training, the Installers will be provided with product installation manuals to make sure that technology specific technical requirements for each Supplier or Manufacturer's product are adhered to and comply with the warranty requirements.

7.8. Personnel "Proposed Project Installation Teams"

7.8.1. Since correct installation is key to proper functioning systems, it is crucial to employ qualified installers and as such each Installation Service Providers will be required to use adequate and suitable qualified and skilled personnel as installers. The qualified installers will provide on the job training to Installer Assistants or trainees as part of transferring skills. The project teams will be complemented by trained Installer Assistants or Installers trained under the Training Phase of the Social Component of the National Solar Water Heater Programme via the EWSETA.



7.8.2. Installation Service Providers are required to ensure their installers are accredited to enable compliance with Warranty of the SWH Baseline Systems to be installed. Installation Service Providers are required to avail their appointed installers for training by the relevant contracted Supplier within the times specified and to be communicated by the Department and CEF. Training is in line with the Supply Agreement for the Manufacturing, Supply, Delivery and Storage of the Solar Water Heater Baseline Systems entered between the Department and the contracted Suppliers under a separate procurement process.

7.8.3. The contracted Installation Service Providers may only use accredited installers.

7.8.4. The contracted Installation Service Provider(s) will also be required to ensure that the installers performing Installations are qualified PIRB registered plumbers and hold the following qualifications:

7.8.4.1. PIRB registered plumber with FET Certificate Qualification ID: **58782 Level 4**, or equivalent, and National Certificate: Hot Water System Installation Qualification ID: **65858 Level 2** or,

7.8.4.2. Plumber with FET Certificate Qualification ID: **58782 Level 4**, or equivalent and Unit standard **SAQA ID 244499**: "Install and maintain solar water heating systems".

7.8.4.3. The qualified plumber should be accredited to issue a Certificate of Completion (COC).

7.9 Installation Completion Date and Termination Date

7.9.1 There will be one completion date for each Installation Service Provider (that is, each Installation Service Provider's Works will not be sectionalised);

7.9.2 The Department reserve the right to terminate a contract where the installation is of poor quality due to poor workmanship not remedied after the issues have been brought to the attention of the Service Provider(s) more than twice without success



and the task not completed within a defined period and or in line with the milestones as set in the work schedule.

7.10 Insurance for Baseline Systems or Solar Geysers

7.10.1 The Insurance of Baseline Systems or Solar Geysers will be the responsibility of the Installation Service Provider, from the point of collection. The insurance should cover among other things any damages to the Baseline systems, theft from point of collection and installation defects that may also be noticed within a year of installation.

7.11 Defects Notification Period(s)

7.11.1 Installation Service Provider will be required to commit to a defect notification period of 1 year, for the remedy of any defects due to improper Installation, however, appropriate provisions will be included to ensure that this does not void the Supplier's warranty to the extent it covers improper Installation by the accredited installer.

8. Project Deliverables / Outputs

8.1. **Detailed Installation Plan** (i.e., outlining the roles of the Project Teams from Collection of Solar Geysers to the storage facilities and finally to the DIAs for installation including manning of the site office during the entire period of installation) that will serve as Project Plan;

8.2. **Develop an Inception Report detailing the methodology providing clear project plan, methodology, and milestones.** The Inception report should be submitted seven (7) days after the inception meeting and commencement of installation;

8.3. **Weekly and Monthly reports** (this will include both normal progress project reports and defects notification reports) for areas of installations to be submitted to the Project Officer of the Department by the Installation Manager as and when required;

8.4. **Develop a Complaints or Queries Standard Operations Procedure (SOP)** to be approved by the Department and CEF and to be accompanied by a **Register** to record all the queries and complaints as and when they are lodged or reported. It should be clearly indicated that the SOP, Complaints and or Queries SOP will have



to be shared with the participating municipalities on how all the complaints and or queries will be managed to enhance communication with everyone or stakeholder involved in the installation and other interlinked activities;

- 8.5. **Complaints and or Queries Reports** to be submitted weekly and consolidated into a monthly report to be submitted by the Installation Project Manager to the Project Officer of the Department and CEF;
- 8.6. **Solar Water Geysers Insurance Documentation** (including Public Liability or All Risk Insurance) to be submitted to the Project Officer of the Department immediately after the appointment and before the commencement of installation;
- 8.7. **Jobs Report** to be submitted to the Project Officer of the Department immediately after commencement of the installation task and thereafter monthly as per the template that will be provided by the Project Officer of the Department and as and when required;
- 8.8. **Injuries incidents reports (as per the Occupational Health and Safety Report procedure(s) and legislative frameworks among others Construction Regulations)**, should there be any, immediately after the incident and final report after the full investigation;
- 8.9. **Record / Minutes** of all meetings held with other stakeholders during installation phase / period;
- 8.10. **Attend and provide project report** on all the project management progress and provincial steering committee meetings (i.e. all reports to be submitted 7 (seven) days prior to the meeting unless agreed upon with the Department to submit on a different depending on the reasons);
- 8.11. **Solar Water Heater Database Management System used during Installation Phase**

52

8.11.1. The DMRE and CEF has created and is using the Database Management System (DBMS) to capture and track installation progress and quality assessment of solar water heaters.

8.11.2. The objective of the DBMS is as follows:

8.11.2.1. Store and accurately reflects the approved locations that are destined to receive installation of solar units.

- Tracking and tracing of SWH units from warehouse to installation.
- Real time monitoring of roll out and SWH units installation progress.
- Real time monitoring and statistical reporting to all stakeholders through a single spatial (mapped) view indication demand, supply, and progress.

8.11.3. Audit trails and archives to support responsible expenditure and manage value for money project requirements.

8.11.4. The appointed **Service Provider will be required to utilize the DBMS to capture and report on progress of installations daily using the allocated handheld devices.**

8.11.5. At high level appointed service provider will be required to perform the following system functions to capture installation progress:

8.11.5.1. **Create user accounts (Once off):** In order to be able to assign sites to installers employed by the installation company, the installation company administrator needs to create an account for each installer and quality assurers related to the specific installation company.

8.11.5.2. **Order and collect SWH units:** Once the installation company administrator receives notification that sites have been assigned for



installation, the company needs to order and collect SWH from a warehouse.

8.11.5.3. **Assign sites to installers:** Allocate/Assign sites to an installer for installation process to begin. Installer will be able to view Job Cards and navigate to the assigned address/location for inspection or installation of the units, capture and upload an installation form and required site photos using the handheld device.

8.11.5.4. **Assign installation quality assurer:** Once installation has been completed the installation company administrator must assign an installation quality assurer to conduct inspection.

8.12. Develop a final **Close Out and or Completion Report**.

9. Payments

9.1. **The DMRE will NOT make an upfront payment to a successful Installation Service Provider.**

9.2. Payment will **only be made in accordance with the delivery of the services (deliverables and milestones) as per the Installation Service Level Agreement** and in particular, the payment schedule that would have been agreed upon by both parties upon receipt of an original invoice.

9.3. **The payment schedule will be negotiated with recommended Service Provider(s)** prior to parties concluding the Installation Service Level Agreement (SLA).

9.4. Payment in respect of an Installation is only due upon completion of the installation and successful commissioning. An Installation Completion Certificate and Certificate of Completion will be issued and signed by the Installation Service Provider. The Installation Completion Certificate(s) and Certificate of Completion for each



installation must be accompanied by project progress installation report attached to an application for payment (i.e. payment request). In addition, each Installation Service Provider should issue Certificate of Completion in line with the certified and accredited plumber who will be a member of the team should issue completion certificates.

10. Reporting Requirements and progress meetings

- 10.1. It is envisaged that the Department of Mineral Resources and Energy and CEF will require **an initial inception meeting with the successful bidder** to discuss the inception report to be submitted shortly thereafter.
- 10.2. Progress meeting feedback shall be held weekly or bi-weekly in the first month and thereafter monthly. A meeting can be requested outside the prescribed times as and when required by either party (DMRE, CEF or Installer). A plan for progress meetings shall be included in the inception report. The venue for these meetings will be at a venue to be provided by the participating municipality at their nearest respective offices in that province or town (any of the nearest office(s) next to the installation area or a virtual meeting. The Service Provider shall be **obliged** to attend. Where applicable, virtual meetings shall be used to substitute face to face meetings.
- 10.3. The Service Provider through its authorised person and the Installation Project Manager will report directly to the Project Officer and respective Senior Manager of the Department Manager or CEF who will be responsible for the day-to-day running of the project and giving instructions as and when required to enable the successful installation of the Baseline Systems or Solar Geysers.

11. Completion Date

- 11.1. The duration of the project shall be eight (8) months after signing of the contract with the Service Provider(s).

52

12. Compulsory Information Session

- 12.1. Due to the prevailing Covid-19 conditions, the briefing session shall be hybrid with a combination of a virtual platform and physical meeting on **23 November 2021 at 11:00**. All participants must confirm if they want to attend a virtual or physical meeting to allow adequate preparations and compliance to covid regulations. The minutes of the virtual briefing session shall form part of the bid.

13. Evaluation Methodology

13.1. Cost

- 13.1.1. Service Provider will be required to provide a quote as per the details provided under pricing, paragraph 7.3 of this RFB including as a minimum to covers the functions listed under the scope of work and deliverable/outputs of this RFB. Schedule 2 is provided for pricing as a guidance.

14. Bid Award

14.1. Broad-Based Black Economic Empowerment (B-BBEE)

- 14.1.1. Provisions of the Preferential Procurement Policy Framework Act, 2000 (PPPFA) and the Preferential Procurement Regulations 2017 will apply in terms of awarding points.
- 14.1.2. Either the 80/20 or the 90/10 preference point system will apply for this bid. The lowest acceptable bid will be used to determine the applicable preference point system.
- 14.1.3. Bidders are required to submit original and valid B-BBEE Status Level Verification Certificates or certified copies thereof together with their bids, to substantiate their B-BBEE rating claims.

SZ



- 14.1.4. Bidders who do not submit their B-BBEE status level verification certificates or are non-compliant contributors to B-BBEE will not qualify for preference points for B-BBEE.
- 14.1.5. A trust, consortium or joint venture must submit a consolidated B-BBEE status level verification certificate for every separate bid.
- 14.1.6. **Bidders must indicate percentage ownership of the company by women, youth and people with disabilities as well as the profile of the team by designated groups in Annexure A tables 1 and 2.**
- 14.1.7.

B-BBEE Status Level of Contributor	Number of points (80/20 system)	Number of points (90/10)
1	20	10
2	18	9
3	14	6
4	12	5
5	8	4
6	6	3
7	4	2
8	2	1
Non-compliant contributor	0	0

15. Evaluation Criteria

15.1. Company Experience

- 15.1.1. Service Provider should have at least a minimum of five (5) years' experience in energy sector in particular solar water heater/solar geyser installation and have experience in writing of projects reports and project planning documents.

SZ



- 15.1.2. The above mentioned experience must be supported by proof in the form of three (03) signed contactable references indicating when and where the experience was gained.

15.2. Team Leader and Team Members' Experience

- 15.2.1. Team leader must have a minimum of five (5) years of experience in the energy sector or related sectors and have report writing, technical data analysis and monitoring and evaluation of energy projects, demonstrated through leading at least five (5) relevant energy projects. A traceable record of development of such projects is required. Additional experience in solar or hot water installation will be required.
- 15.2.2. Individual team member(s), if any, must have a minimum of three (3) years' experience in energy projects implementation particularly installation of solar water heaters/geysers or similar projects. A traceable record of developing such projects is required.
- 15.2.3. A brief Curriculum Vitae (CV) of the proposed project team leader and all member(s) describing their relevant skills and experience, and roles in the proposed projects must be included in the proposal. **Bidders who fail to attach relevant CV's will forfeit points.** Each submitted CV must not exceed four (4) pages.

15.3 Qualification(s)

- 15.3.1 Team leader must possess a minimum of a National Diploma in Electrical Engineering (i.e. either light or heavy current) or Civil Engineering or Environmental Engineering or Technology Management or Engineering or Total Quality Assurance Engineering. A postgraduate degree will be an added advantage. Alternatively, the team leader may possess qualification in any of the following fields energy studies or environmental science or social sciences or economics or natural science or



development studies, provided such qualifications are supported by certificates of PIRB registered plumber with FET Certificate Qualification ID: **58782 Level 4**, or equivalent, and National Certificate: Hot Water System Installation Qualification ID: **65858 Level 2** or Plumber with FET Certificate Qualification ID: **58782 Level 4**, or equivalent and Unit standard **SAQA ID 244499**: "Install and maintain solar water heating systems".

- 15.3.2 Team member(s) from the Preferred or Successful Qualified Installation Service Provider in exception of the Installation Assistants or Installers trained under the Training Phase of EWSETA should have FET certificates in Hot Water System Installation Qualification ID: **65858 Level 2** or Plumber with FET Certificate Qualification ID: **58782 Level 4**, or equivalent and Unit standard **SAQA ID 244499**: "Install and maintain solar water heating systems".
- 15.3.3 Certified copies of certificates for both team leader and more than 60% of the team member(s) must be attached to the proposal as proof, failure to attach these means that the bidders will forfeit points. Certified copies should not be older than 6 months.

15.4 Project Installation Plan

- 15.4.1 Project Installation Plan will be required, and such a plan should include timelines on installation per day, week, and month and also linked to the other deliverables as indicated under **paragraph 9 of this RFB** to show how the intermediate and final outputs will be met.
- 15.4.2 The proposed Installation Methodology on how the project will be conducted should be included and it should cover how the required deliverables will be executed and delivered including record keeping, complaints or queries handling, registered and reported.
- 15.4.3 Clarify management structure of the project and assign responsibilities to the team in line with the Project Installation Plan and deliverables.

52

15.5 Empowerment of designated groups: women, youth, people with disabilities

15.5.1 Service providers must have more than 30% ownership by a designated group and more than 40% of team members come from a designated group.

15.6 Preference Points

15.6.1 Bids will be evaluated either on **80/20** or **90/10** point system as outlined in the PPR of 2017.

15.6.2 The proposals will be evaluated in two phases:

Phase 1: Bidders will be evaluated based on functionality. The minimum threshold for functionality is **70 out of 100 points**. Bidders who fail to meet minimum threshold will be disqualified and will not be evaluated further for price and B-BEEE points.

PHASE 1: TECHNICAL EVALUATION

Bids will be assessed against the technical evaluation criteria listed below. The criteria will be evaluated according to the descriptors described in Table 1 below.

Technical evaluation will be based on the competencies of:

1. Contractor experience
2. Personnel experience
3. Qualifications
4. Empowerment of designated groups
5. Project plan.

52

Supporting documentation will be evaluated against the criteria listed and bids allocated a technical functionality score. A minimum overall technical functionality score of 70% is required to qualify bidders for further evaluation.

Note that appointment letters will not be considered as reference letters.

Table 1: Interpretation of evaluation descriptors

Points	Interpretation	Description
5	Excellent	The important issues are approached in an innovative and efficient way, indicating that the Bidder has outstanding knowledge of state-of-the-art approaches. The approach details ways to improve the project outcomes and the quality of the outputs
4	Very good	Specifically tailored to address the specific project objectives and methodology and is sufficiently flexible to accommodate changes that may occur during execution. The quality plan and approach to managing risk etc. are specifically tailored to the critical characteristics of the project.
3	Good	Satisfactory and partially tailored to address the specific project objectives. The approach minimally deals with the critical characteristics of the project. The quality plan, and approach to managing risk etc. are compliant with project specifications.
2	Average	Generic and not necessarily tailored to address the specific project objectives. The approach does not meaningfully deal with the critical characteristics of the project. The quality plan, and approach to managing risk etc. are too generic.
1	Poor	Poor / is unlikely to satisfy project objectives or requirements. The Bidder has misunderstood certain aspects of the scope of work and does not deal with the critical aspects of the project.



It must be noted that Bidders who fail to meet the minimum threshold, **70 out of 100 points**, for functionality will be disqualified and will not be evaluated further for price point.

No.	Evaluation criteria	Score	Weight
1	<p>Company Experience</p> <p>(i) The service provider should have a minimum of five (5) years of experience in successful installation of solar water heaters/geysers or similar projects. Experience in installing geysers in residential dwelling will be an added advantage.</p> <p>(ii) The reported experience should be supported by at least three (3) signed testimonial letters from contactable referees (previous and/or current) indicating that similar service/project was executed for their entities.</p> <p>Please refer to Table 1 Annexure A regarding format in which required information must provided</p>	<p>7 years or more = 5 points 6 years = 4 points 5 years = 3 points 4 years = 2 points 3 years or less = 1 point</p> <p>5 letters or more = 5 points 4 letters = 4 points 3 letters = 3 points 2 letters = 2 points 1 letter or less = 1 point</p>	<p>15</p> <p>10</p> <p>5</p>
2	<p>Team leader and team members' experience:</p> <p>(i) Team leader must have five (5) years' work experience in the energy sector or related sectors and report writing, technical data analysis and monitoring and evaluation of energy projects,</p>	<p>7 years, 7 projects and more = 5 points 6 years and 6 projects = 4 points 5 years and 5 projects = 3 points</p>	<p>25</p> <p>10</p>



No.	Evaluation criteria	Score	Weight
	demonstrated through leading at least five (5) relevant projects;	4 years and 4 projects = 2 points 3 years, 3 projects and less = 1 point	
(ii)	CV of the team leader must be attached to the technical proposal as proof and should reflect number of projects lead;	<p>Team Leader CVs attached with 6 or more projects , female or youth or PWD = 5 CVs attached with 6 projects and no designated groups projects = 4 CVs attached with 5 projects = 3 CV attached with 4 projects = 2 CV attached with 3 or less projects = 1 point</p>	2.5
(iii)	Team members (minimum of 2) should have three (3) years' work experience in executing of energy projects particularly installation of solar water heaters/geysers or similar projects with demonstrable record of executing such project .	<p>5 years, 5 projects and with designated groups represented = 5 points 4 years, 4 projects = 4 points 3 years and 3 projects = 3 points 2 years and 2 projects = 2 points 1 year, 1 project = 1 point</p>	10
(iv)	CV's of the team members must be attached to the technical proposal as proof, and should reflect the number of projects executed by each member.	<p>Team Members (2 members) CVs attached with 5 or more projects = 5 Points CVs attached with 4 projects = 4 Points CVs attached with 3 projects = 3 Points CV attached with 2 projects = 2 Points CV attached with 1 or less project = 1 point</p>	2.5

52



No.	Evaluation criteria	Score	Weight
3	<p>Qualifications (expected to be in line with the National Qualifications Framework Amendment Act 12 of 2019):</p> <p>(i) Team leader must possess a minimum of a National Diploma in Electrical Engineering/Civil Engineering/Environmental Engineering/Technology Management/Total Quality Assurance Engineering or related sciences discipline. Alternatively, the team leader should be a plumber accredited/registered with PIRB and any other qualification should be supported FET Certificate Qualification ID: 58782 Level 4, or equivalent, and National Certificate: Hot Water System Installation Qualification ID: 65858 Level 2 or Plumber with FET Certificate Qualification ID: 58782 Level 4, or equivalent and Unit standard SAQA ID 244499: "Install and maintain solar water heating systems".</p>	<p>Honours Degree and designated group = 5 points Bachelor Degree and not designated group = 4 points National Diploma/PIRB Accredited plumber and relevant FET certificates = 3 points FET certificates = 2 points Certificate = 1 point</p>	<p>15</p> <p>7</p>



No.	Evaluation criteria	Score	Weight
	<p>(ii) Team members must possess FET certificates in Hot Water System Installation Qualification ID: 65858 Level 2 or Plumber with FET Certificate Qualification ID: 58782 Level 4, or equivalent and Unit standard SAQA ID 244499: "Install and maintain solar water heating systems".</p> <p>(iii) Certified copies (stamped, dated and signed) of such as (qualifications, professional registration, etc.) must be attached to the proposal as proof. Failure to attach the said documents will result in bidders forfeiting points.</p>	<p>Honours degree and designated group = 5 points Honours degree and no designate group = 4 points Post matric FET qualifications in related field = 3 points National Senior Certificate (Matric) = 2 points Qualification rated at NQF level 2 or 3 (SAQA) = 1 point</p> <p>Stamped, dated and signed copies (qualifications, professional registration) of all team members attached = 5 points Stamped, dated and signed copies (qualifications, professional registration) of more than 80% of the team members attached = 4 points Stamped, dated and signed copies (qualifications, professional registration) of more than 60% of the team members attached = 3 points Stamped, dated and signed copies (qualifications, professional registration) of more than 50% of the team members attached = 2 points No certified copies attachment = 1 point</p>	<p>6</p> <p>2</p>
4	<p>Project plan, methodology, approach and management structure:</p> <p>(i) Project implementation plan in line with the scope of work to achieve project objectives. The Bidder must provide a comprehensive project</p>	<p>Project plan with detailed milestones, activities, timelines, estimated budget and deliverables = 5 points</p>	<p>40</p> <p>15</p>



No.	Evaluation criteria	Score	Weight
	<p>plan outlining the critical milestones, timelines and reporting plan amongst others from inception up to project close-out.</p> <p>(ii) Proposed methodology detailing the approach on the provision of the required advisory service. The methodology must consider safety requirements and regulations associated with the current covid-19 pandemic.</p> <p>(iii) Management structure with roles and responsibilities of team member/s</p>	<p>Project plan provided with milestones, estimated budget and timelines = 4 points Project plan with milestones and timelines provided = 3 points Project plan attached but not activities, milestones, estimated budget and deliverables = 2 points No project plan attached = 1 point</p> <p>Detailed methodology and approach provided indicating creativity for Department added value = 5 points Detailed methodology and approach provided = 4 points Generic methodology and approach provided = 3 points Generic methodology or approach provided = 2 points Methodology and approach not provided = 1 point</p> <p>Clear and tailored-for-project management structure with clear team member roles and responsibilities = 5 points Clear management structure with clear team member roles and responsibilities = 4 points Generic Management structure with team member roles and responsibilities provided = 3 points Management structure provided with no team member roles or responsibilities = 2 points Management Structure not provided = 1 point</p>	<p>15</p> <p>10</p>
5	Empowerment of designated groups: women, youth, people with disabilities.	Service provider has more than 60% ownership by a designated group and more	5



No.	Evaluation criteria	Score	Weight
		than 60% of team members come from a designated group = 5 points Service provider has more than 50% ownership by a designated group and more than 50% of team members come from a designated group = 4 points Service provider has more than 30% ownership by a designated group and more than 40% of team members come from a designated group = 3 points Service provider has more than 20% ownership by a designated group and more than 30% of team members come from a designated group = 2 points Service provider has less than 20% ownership by a designated group and more than 25% of team members come from a designated group = 1 point	



ANNEXURE A:

Table 1: (Document format for Company Experience)

Name of the project and year completed	Percentage ownership by designated groups			The role of your company	Monetary size of the project	Project details/description	Contactable reference for each of the project
	Women	Youth	PWD ¹				
							Name: Designation: Contact number: Email address:

[Note to the Bidder: The Bidder may provide this information in a separate page provided it enlist the information required per the template and also it is clearly marked that it's responding to this Technical Evaluation Criteria.]

¹ PWD means **People With Disabilities**

52



Table 2: (Document Format for details of the bidder's proposed key personnel)

Name	Position	Role / Duties	Profile of Team Members			Relevant Project Experience	
			Women	Youth	PWD ²	Project description, Client, Project period	Years of Experience

² PWD means People With Disabilities



mineral resources
& energy

Department:
Mineral Resources and Energy
REPUBLIC OF SOUTH AFRICA



[Note to the Bidder: The Bidder may provide this information in a separate page provided it enlist the information required per the template and also it is clearly marked that it's responding to this Technical Evaluation Criteria.]

SN



PHASE 2: PRICING

Price	80	90
B-BBEE compliance	20	10

16 Format and Submission of proposal

- 16.1 All the standard bidding documents (SBD) must be completed in all respects by bidders. **Failure to comply will invalidate a bid.**
- 16.2 Bidders are requested to submit two (02) copies: 01 original plus copy of the proposal and bid documents.

17 Bid Submission Date and or Closing Date

- 17.1 Proposals must be submitted at the Department of Mineral Resource and Energy, 192 Matimba House, Corner Paul Kruger and Visagie Streets, Pretoria in a bid box marked Department of Mineral Resource and Energy. Proposals must be submitted on or before **07 DECEMBER 2021 at 11h00**. No late bids will be accepted.

18 Enquiries

- 18.1 All technical enquiries to be directed in writing to the following Project Managers and Supply Chain Management officials and copied to Email address: SWHInstallation@dmre.gov.za:

Mr Siyabonga Zondi

Project Manager: Renewable Energy

Tel: (012) 406 7904

Email: Siyabonga.Zondi@dmre.gov.za

Or

SZ



**mineral resources
& energy**

Department:
Mineral Resources and Energy
REPUBLIC OF SOUTH AFRICA



Ms Lebogang Mosenthal

Project Manager: Renewable Energy

Tel: (012) 406 7655

Email: Lebogang.Mosenthal@dmre.gov.za

18.2 All bid enquiries to be directed to:

Mr Samuel Msiza

Tel: (012) 406 7910

Email: samuel.msiza@dmre.gov.za

SZ

ANNEXURE B						
Phase 1 and 2 Solar Water Heater Allocation Table						
Province	Municipality	Total Allocation	Revised CEF Allocation (Phase 1)	DMRE & CEF Allocation (Phase 2)	Progress To Date (31 Oct 2024)	Potential Phase 2 Allocation
Northern Cape	Sol Plaatje	6000	2079	DMRE	91	3921
	Emthanjeni	4000	1759	DMRE	431	2241
	Mahikeng	10000	4226	CEF	3660	5774
North West	City of Matlosana	5000	1950	CEF	1109	3050
	JB Marks	5000	3500	CEF	943	1500
	City of Cape Town	0	0	0	0	0
Western Cape	Swartland	0	0	0	0	0
	Matzikama	2000	0	CEF	0	2000
	Bifou	3000	2742	0	716	0
	Cape Agulhas	2000	500	CEF	0	1500
	Mossel Bay	3000	2000	0	976	1000
	Makana	6000	2276	DMRE		3724
Eastern Cape	Elundini	5000	1896	DMRE	17	3104
	eThekweni	6000	1320	DMRE	9	4680
	Mpofana	5000	1357	DMRE	0	3643
Gauteng	Tshwane	5000	3839	CEF	377	1161
	Ekurhuleni	0	0	0	0	0
Limpopo	Polokwane	16000	3684	DMRE	2803	12316
Total	Total	83000	33128		11132	49614

<p style="text-align: center;">NNEXURE B APPROVED MUNICIPALITIES PHASE 1 AND PHASE 2 SOLAR WATER HEATER ALLOCATION TABLE</p>					
Province	Municipality	Total Allocation	Revised CEF Allocation (Page 4)	DMRE & CEF Allocation per Municipality	Revised Budget Allocation
Northern Cape	Sol Plaatje	6000	2079	DMRE	3921
	Emthanjeni	4000	1759	DMRE	2241
	Mahikeng	10000	4226	CEF	5774
North West	City of Matlosana	5000	1950	CEF	3050
	JB Marks	5000	3500	CEF	1500
	Matzikama	2000	0	CEF	2000
	Cape Agulhas	2000	500	CEF	1500
	Makana	6000	2276	DMRE	3724
Eastern Cape	Elundini	5000	1896	DMRE	3104
	eThekweni	6000	1320	DMRE	4680
Kwa Zulu Natal	Mpofana	5000	1357	DMRE	3643
Gauteng	Tshwane	5000	3839	CEF	1161
Limpopo	Polokwane	16000	3684	DMRE	12316
Total	Total	83000	33128		49614

ANNEXURE C

NATIONAL SOLAR WATER HEATER PROJECT SCHEDULE 5 (WARRANTY)

1. Definitions:

- 1.1 "End User" means the owner of the residence in which the Baseline System is installed;
- 1.2 "Purchaser" means the Department of Energy, an organ of state;
- 1.3 "Supplier" means Solarray Pressdynamik Mathem JV, a company registered in accordance with the laws of the Republic of South Africa, registration number 2016/364834/07; and

"Supply Agreement" means the written agreement entered into between the Purchaser and the Supplier, on or about 19 August 2016 (Supply Contract Reference No. DOE/008/2015/16), as amended, varied, restated, novated or substituted from time to time.

2. Words and expressions defined in the Supply Agreement shall, unless otherwise defined in this Warranty Agreement or otherwise required by the context of this Warranty Agreement, have the same meanings in this Warranty Agreement as those ascribed to them in the Supply Agreement.

3. WARRANTY

- 3.1 The Supplier hereby provides, in favour of the End-User, a comprehensive 5 (five) year warranty running from the date stated in clause 5.

- 3.2 The Supplier accepts, for the purposes of this Warranty that the Purchaser may initiate or submit claims hereunder, as agent for an End User.

- 3.3 The warranty covers all defects including faulty materials and/or workmanship manufacture on each Baseline System, as well as damage or defects caused improper installation by Accredited Installers.

initiate or submit claims hereunder, as agent for an End User.

4. WARRANTY NATURE

Claims under this warranty must include presentation of original proof of purchase and subject to compliance with the service plan set out below.

- 4.2 The Supplier reserves the right to test the Baseline System prior to any repair/ replacement under this Warranty Agreement. The Supplier reserves the right to repair before replacing the tank, solar collector or any component thereof.

5. DATE OF COMMENCEMENT

- 5.1 The warranty commences from the date the Baseline System is installed and a Certificate of Completion is issued notwithstanding the date of purchase or Delivery.

6. NOTIFICATION OF CLAIM

- 6.1 Any claim under the warranty or replacement guarantee must include details of the defect and/or damage to the hot water unit and solar collector or components in the hot water unit and solar collector.
- 6.2 All claims must be made within 3 months of the detection of the defect.
- 6.3 Warranty claims will be attended to within 72 (seventy two) working hours provided that the Baseline System in question is easily and readily available for inspection by the Supplier or his representative.
- 6.4 The costs for assessment, removal, transport and re-installation will be included under this warranty.

- 6.5 On no occasions will the Supplier entertain claims that were not substantiated by legitimate invoicing or where the claim was not initiated and signed by the End User, or the Purchaser acting as agent of the End-User.

7. NORMAL/ INTENDED USE

- 7.1 This warranty is subject to the normal use of the Baseline System and does not apply where the Baseline System or components thereof have not been used in accordance with the user manuals supplied to the End-User or for purposes for which the Baseline System was not intended.

8. INSTALLATION OF THE BASELINE SYSTEM

- 8.1 The installation of the Baseline System must comply with the SANS applicable to this type of product. These may change from time to time and for the purpose of this warranty, the SANS applicable at the date of installation shall apply.
- 8.2 The installation of the Baseline System by an unaccredited Installer is not covered under this warranty and in cases of installation failure, subject to clause 3.3. Defects or damage caused by Accredited Installers will be covered under this warranty.

9. AREA COVERED

- 9.1 The warranty is valid within the Designated Installation Areas in the Republic of South Africa only.

10. ACCESS FOR REPAIRS

- 10.1 Where the warranty applies but the tank and solar collector are installed or located in a position that does not comply with the installation instructions or any relevant statutory requirements due to installation by an unaccredited Installer, the Purchaser / End-user will be responsible for the costs of:

- 10.1.1 The dismantling/ removal & re-fitment of cupboards, doors, walls, roof structures and other special equipment; and

10.1.2 Any labour required to gain access to and to bring the system/ unit to a position that complies with the installation instructions or relevant statutory requirements.

10.2 The following free access is required to perform any maintenance and/or repair work:

10.2.1 500mm unobstructed space around the safety valve;

10.2.2 500mm unobstructed space around the draincock; and

10.2.3 1 000mm unobstructed space around the cover plate.

11. WARRANTY EXCLUSIONS

11.1 The warranty does not apply to any defects or damage not due to defective factory materials or factory workmanship, including but not limited to defects or damage caused by or resulting from the following:

acts of God, (force majeure);

11.1.2 Accidental damage, abuse, misuse, maltreatment, abnormal stress or strain, harsh or adverse water conditions, contamination or corrosion from particles in the water supply, excessive water pressure, excessive temperature or neglect of any kind to the hot water unit and solar collector or their components;

11.1.3 Alteration or repair of the Baseline System other than by an Accredited Supplier agent or Installer;

11.1.4 Attachment of any parts or accessories other than those manufactured or approved or provided by the Supplier;

11.1.5 Faulty or improper installation other than by an Accredited Installer of the Baseline System, including installation otherwise than in accordance with the
instructions contained in the Owner's Manual and Installation Manual;

11.1.6 Usage of the plumbing connections to carry the tank will invalidate the warranty;

- 11.1.7 Any damage caused by usage beyond the design specifications of the particular product (i.e. not used as designed for);
- 11.1.8 Any damage or defects due to the water quality in the area not being equivalent to that in major metropolitan areas (below 600ppm TPS);
- 11.1.9 Where the hot water temperature and pressure relief valve, cold water expansion valve, check valve and trap are not fitted in areas where mains pressure is likely to exceed 400 kPa;
- 11.1.10 Where a closed circuit heat exchanger is not filled with the correct concentration of ST-5 heat transfer fluid in accordance with instructions;
- 11.1.11 In case of excessive pressure of closed circuit system beyond the 400kPa maximum working pressure;
- 11.1.12 Damage through commissioning of the system without having filled the tank with water first or from exposure of the solar collectors to sunlight without being filled with water/ heat exchange fluid;
- 11.1.13 Burnt out elements due to inadequate electric connections;
- 11.1.14 Where closed circuit has had water addition not in accordance with water quality specifications;
- 11.1.15 Frost damage to open circuit system if installed in frost affected areas;
- 11.1.16 Any plumbing or associated parts such as pressure limiting valves, stop cocks, non-return valves, electrical switches, pumps or fuses are not covered by this warranty; and
- 11.1.17 damage resulting from the transport of Goods to the Designated Installation Area;

is not covered by this Warranty Agreement, however the Purchaser may nevertheless instruct the Supplier to repair or remedy such damage or defect resulting from the above

causes, provided that the Supplier shall have an entitlement to the Costs and reasonable profit (of 5% (five percent) of the Costs) of repairing or remedying the same.

12. LIMITATION OF LIABILITY

- 12.1 The Supplier's obligations under this warranty are limited to repairing or replacing the Baseline System or component parts as required. To the extent permitted by law, the Supplier will not be liable for any loss or damage to furniture, carpets, walls, foundations or any other consequential loss of any kind caused by a defect in the Baseline System. The Supplier will therefore, under no circumstances, be held liable for any direct or indirect or consequential loss suffered by the Purchaser, End-user or any other third party.

13. NON-VARIATION

- 13.1 No amendments or additions to this warranty shall be binding on Solarray Pressdynamik Mathem JV unless recorded in writing and signed by a duly authorized officer of Solarray Pressdynamik Mathem JV.

14. WARRANTY CONTACT DETAILS

- 14.1 Contact Mr. Rikus Prins on the following details:

- Physical Address: 3 & 5 Monza Close, Kyalami Business Park, Midrand
- Telephone Number: 011 065 6500
- Mobile Number: 083 336 43326
- E-mail address: rikus@solarray.co.za

- 14.2 These contact details may be subject to change from time to time on prior written notice.

SZ

ANNEXURE D

1. Definitions and Interpretations

In this RFB, the following terms shall have the following meanings:

- 1.1 **"Baseline System"**- a solar water heater system with a capacity ranging from 80 (eighty) litres to 150 (one hundred and fifty) litres, together with any and all associated components and equipment, and that complies with the minimum technical standards, specifications and requirements set out in the Supply Programme;
- 1.2 **"B-BBEE"**- Broad-Based Black Economic Empowerment as defined in section 1 of the B-BBEE Act;
- 1.3 **"B-BBEE Codes"**- the Department of Trade, Industry and Competition (the DTIC) Broad-Based Black Economic Empowerment Codes of Good Practice of 2013 issued in terms of section 9 of the B- BBEE Act;
- 1.4 **"B-BBEE Scorecard"**- the B-BBEE generic scorecard as per the B-BBEE Codes;
- 1.5 **"B-BBEE Verification Certificate"**- a B-BBEE certificate issued by a Verification Agency as measured against the B-BBEE Scorecard or Sector Specific Scorecard, as the case may be;
- 1.6 **"Bidder"**- is a Company and the entity that submits a Bid Response and that will enter into the Installation Service Level Agreement, if awarded Preferred Bidder status;
- 1.7 **"Bid Submission Date"**- the date identified as the bid submission date or closing date;
- 1.8 **"Briefing Note"**- any document issued in writing by the Department and CEF that amends or supplements this RFB in any way. These briefing notes shall be consecutively numbered in the order in which they are issued;
- 1.9 **"Business Day"**- a day other than a Saturday, Sunday or official public holiday in the Republic of South Africa;



- 1.10. **"Central Energy Fund"** CEF (SOC) LTD established in terms of the Central Energy Fund Act 38, 1977 (Act No 38 of 1977) and as amended and reports to the Department of Mineral Resources and Energy representing the State
- 1.11 **"Company"**- a private or public (*whether or not listed*) company, incorporated in the Republic of South Africa in terms of the Companies Act;
- 1.12. **"Compliant Bid"**- a Bid Response that satisfies the Compliance and Functionality Criteria, and "Compliant Bidder" shall have a corresponding meaning;
- 1.13. **"Consumables "in this RFB"** any additional material(s) that may have to be procured by the preferred Bidder as would have approved or authorised by the Department or CEF prior to the procurement of such to enable the complete installation of the SWH Baseline System or Solar Geyser;
- 1.14 **"Contributor Status Level"**- has the meaning ascribed to the definition of "B-BBEE Status Level of Contributor" in the PPPFA Regulations;
- 1.15 **"Delivery"**- has the meaning given to it in the Installation Agreement;
- 1.16 **"Department or DMRE "**- the Department of Mineral Resource and Energy of the Government of the Republic of South Africa or any successor department designated by the Government of the Republic of South Africa from time to time;
- 1.17 **"Designated Installation Area" -** a residential area that is identified by the municipality and approved by the Department for purposes of undertaking or procuring the undertaking of the supply, installation and maintenance of Baseline Systems, in respect of the approved Participating Residential Dwellings;

1.18 "DEL"	the National Department of Employment and Labour;
1.19 "Effective Date"	the date of the last party signing this Agreement;
1.20 "EWSETA"	Energy and Water Sector Education Training Authority, as established in terms of the Skills Development Act, 1998 (Act No. 97 of 1998), as amended and reports to the Department of Labour representing the State,
1.21 "Eskom"-	Eskom SOC Limited, a state owned company, duly established in accordance with the laws of the Republic of South Africa;
1.22 "Evaluation Criteria"-	the evaluation criteria set out in Part III (Comparative and Competitive Evaluation Criteria) of this RFB;
1.23 "Financial Year"-	a period of 12 (twelve) months commencing on 1 April of a given calendar year and ending on 31 March of the following year;
1.24 "Framework Agreement"	Agreement entered into between the Department and participating municipalities for the purposes of the National Solar Water Heater Programme roll out in the Designated Installation Areas;
1.25 "Government"-	the Government of the Republic of South Africa, and any of its departments, agencies or other entities that it manages or controls;
1.26 "Information Session"-	is the compulsory briefing information session set for all the interested bidders to attend in order to qualify to submit a bid response to this RFB;
1.27 "Installation Service Level Agreement"-	the Installation Agreement to be entered into between a Company selected as a Preferred Bidder, as the Installation Contractor, and the Department pursuant to the Social Programme of the National Solar Water Heater Programme to carry out the Installation of Baseline Systems and or Solar Geysers in terms of a Installation Plan within the Designated Installation Area in the approved participating municipality;

- 1.28 **"Installation Completion Certificate"** - the certificate issued by the Installation Project Manager upon completion of the Installation and successful commissioning of a Baseline System on a Participating Residential Dwelling by the Installation Contractor;
- 1.29 **"Installation Assistants"**- Trainees identified by Municipalities with the support of the Department of Labour and trained under the SWH Programme through the EWSETA for the purposes of installation on participating Residential Dwellings in approved Municipalities;
- 1.30 **"Installation Contractor or Service Provider"**- a Service Provider appointed by the Department pursuant to this procurement process that enters into an Installation Agreement to Install Baseline Systems in terms of a Installation Plan within a Designated Installation Area for purposes of the Social Programme of the National Water Heater Programme;
- 1.31 **"Installation Plan"**- the plan that shall be developed by the Department and CEF setting out the Designated Installation Areas and the parameters within which the Installation Contractor or Service Provider should carry out its activities;
- 1.32 **"Installation Phase"**- this procurement process of the Social Component to appoint Installation Contractors or Service Providers to undertake the Installation of SWH Baseline Systems and or Solar Geysers in terms of an Installation Plan in the Participating Residential Dwellings throughout one or more Designated Installation Areas by installers that will be appointed and managed by the Department of Mineral Resource and Energy and CEF;
the consultant appointed [in terms of a separate procurement process conducted under the National

- Solar Water Heater Programme], by the Department to manage and administer, on behalf of the Department the Installation of Baseline Systems within a Designated Installation Area by Installation Contractors acting in terms of one or more Installation Agreements;
- 1.33 "Installation Project Manager"-** the Project Manager appointed by the preferred bidder as part of its approved Project Team to manage and administer the Implementation of National Solar Water Heater Installation of Baseline Systems or Solar Geysers, on behalf of the Department and CEF within a Designated Installation Area of an approved participating Municipality by its Installation project teams and or Contractors or Service Provider acting in terms of one or more Installation Agreements;
- 1.34 "Installer"-** an individual who is used by an Installation Contractor or Service Provider to carry out Installation activities and who may be selected by a Municipality such as the trainees and however managed by the Installation Service Provider as part of the Project Installation Team;
- 1.35 "Lawfully Authorised Occupant"-** an adult Person who is an owner or lessee duly authorised by the owner of a Participating Residential Dwelling;
- 1.36 "Minister"-** the Minister of Mineral Resource and Energy, from time to time;
- 1.37 "Memorandum of Agreements"** Any agreement entered into with any Government Department and or Organ of State for collaborative services required for joint implementation on any of the programme phases for the purposes of the National Solar Water Heater Programme roll out and or implementation.

1.38 "National Solar Water Heater Programme"

National Solar Water Heater Programme comprised of Social; Repair and Replace and Load Reduction Components and implemented by or on behalf of the Department of Mineral Resource and Energy and CEF pursuant to the Supply; Training; Technical Feasibility Assessments; Social Facilitation; Installation and maintenance of Solar Water Heater Baseline Systems or Solar Geysers in approved residential homes of the Designated Installation Areas throughout the Republic of South Africa;

1.39 NSWHP Website"-

the official web page of the National Solar Water Heater Programme being www.energy.gov.za

1.40 "Person"-

a natural person, partnership, firm, corporation, joint stock company, trust, unincorporated association, joint venture, government body, limited liability company, close corporation, any sphere of government (including national, provincial, regional and local government, or organ of state) or any other legal entity which is considered a legal entity under the laws of South Africa or the country in which such an entity has been formed;

1.41 "PFMA"

the Public Finance Management Act No. 1 of 1999;

1.42 "PPPFA Regulations"-

the PPPFA Regulations published under GN R502 in Government Gazette 34350 of 8 Preferential Procurement Policy Framework Act

1.43 "Preferential Procurement Policy Framework Act"-

the Preferential Procurement Policy Framework Act No. 5 of 2000;

1.44 "Preferred Bidder"-

any Bidder that is selected pursuant to a Competitive and Comparative Evaluation Criteria) of this RFB by the Department and CEF as such and which, upon acceptance of such appointment shall, possibly conclude an Installation Service Level Agreement,

- pursuant to the National Solar Water Heater Programme;
- 1.45 "Price"** the price offered by the Bidder in respect of the full cost of Installation of a Baseline Systems and or a Solar Geysers Systems as per the Installation Service Level Agreement which also covers, inter alla, Collection of the Baseline Systems from the Temporary Storage and from the Storage Location to the Designated Installation Area, safe and secure storage at the Designated Installation area pending Installation;
- 1.46 "Project Officer"**- the Person appointed by the Department or CEF as the Project Manager in respect of the implementation of the National Solar Water Heater Programme in any of the Phases;
- 1.47 "Relevant Authority"** any ministry, agency, authority or organ of state at any level of government or any other government or any other public authority, body, entity or natural Person which has legal jurisdiction under over a Party and/or the National Water Heater Programme;
- 1.48 "RFB"**- this Request for Bid document for the Installation Phase of the Social Component of the National Solar Water Programme and all annexures and other appendices to it and any Briefing Notes issued in respect of it, from time to time;
- 1.49 "SABS"**- the South African Bureau of Standards, which was established by section 2 of the Standards Act No, 24 of 1945 and which continues to exist in terms of section 3 of the Standards Act No.8 of 2008;
- 1.50 "SANS 10106"**- the technical standard issued and published by the SABS Standards Division entitled "The Installation,

- Maintenance, Repair and Replacement of Domestic Solar Water Heating Systems";
- 1.51 **"Standard Installation Kit"**- the items of installation material, which will be at the Installation Service Provider's cost but standard Kit issued for free to the Installation Assistants during the Training Phase from which these tools are required for the Installation of a Baseline Systems or Solar Geyser on a Designated Residential Dwelling in standard conditions;
- 1.52 **"Sector Specific Scorecard"**- means those codes of good practice that have the same status as the B-BBEE Codes and are fully binding between and among businesses operating in a specific industry, gazetted under section 9(1) of the B- BBEE Act;
- 1.53 **"Social Component of the National Solar Water Heater Programme"**- the first-time installation of new solar water heaters in accordance with pro-determined annual, medium- and long-term targets and distinguishable from the Repair and Replace Solar Water Heater Programme undertaken by the Central Energy Fund (SOC) Pty Ltd and comprised of the large scale roll-out, supply, training, Installation and maintenance in terms of the National Solar Water Heater Programme of Baseline Systems to Participating Residential Dwellings on a free-issue basis and which are located within municipal residential areas that are selected and identified by participating municipalities and approved by the Department and after having been determined to be technically feasible;

- 1.54 **"Unemployment Insurance Fund or UIF "** Established in terms of the Section 4 (1) of the Unemployment Insurance Act, 2001 (Act No. 63 of 2001) as amended or updated;
- 1.55 **"VAT"** value-added tax levied in terms of the Value-Added Tax Act No. 89 of 1991