

Clarification Questions: BATCH 3

North Corridor

Compulsory Tender Briefing - 5 July 2024, relating to the following tenders:

Siding	Tender number	Date advertised
Vandyksdrift	CPEX20124NC	26 Jun 24
Voorslag (A) and Voorslag (B)	CPEX40124NC	26 Jun 24
Rietkuil	CPEX60124NC	26 Jun 24
Hlobane	CPEX70124NC	26 Jun 24
Carolina	CPEX80124NC	26 Jun 24
Panbult	CPEX90124NC	26 Jun 24
Blackhill	CPEX100124NC	26 Jun 24
Vandykdrift (Springbok)	CPEX110124NC	26 Jun 24
Blinkpan	CPEX120124NC	26 Jun 24
Broodsynergplaas	CPEX130124NC	26 Jun 24

1. Which rail account will be used for the sidings? Should the lessee apply for a rail account?

Answer:

Rail allocation for the siding will be dealt with via TFR's rail allocation model (RAM). The lease agreement for a siding and the transport agreement are two different agreements.

For the tenders in this batch, all volumes will be dealt with through the rail allocation model.

2. Why is the handling and storage rate of the lessee of the siding relevant for this Bid, which is primarily for the leasing-out of the Blinkpan siding?

Answer:

Sidings form a key enabler to connect road to rail volumes, and form an integral part of the supply chain.

It is prudent of TFR to continue our mandate of reducing our cost to serve. As such, it is important to TFR to have line of sight of all cost components of the supply chain.

3. We would like to confirm that it is permissible for an appointed subcontractor's profile and performance to be submitted as the technical operations portion for out Blackhill tender submission. The subcontractor in question has extensive experience operating the Blackhill siding, having been the operator for the past seven years. We currently have an active contract with them, under which they are managing the siding operations.

Could you please also advise on the appropriate documentation required to substantiate this arrangement and demonstrate the relationship between the bidder and the subcontractor for the tender submission?

Answer:

Only work done by the legal entity who submitted the bid would be considered for scoring purposes.

4. What are the control measures and assurances in place to ensure verification of early bid submissions

Answer:

The system will acknowledge receipt of the bid. Everything is system generated and nothing is done manually.

5. Under the experience confirmation document, who is referred to as cargo owner? Client or legal Entity?

Answer:

In the "Experience Confirmation Document", the legal entity appointed to do the work should be the same as the bidder.

There are several possible relationships between them and the entity they are working for. Please be as specific as possible about the nature of the business relationship(s) in order to ensure that the evaluating team fully understands the business relationship(s).

6. Will Transnet agree to sign confidentiality agreements before Audited financial statements submitted?

Answer:

The members of the Cross Functional Evaluation Team are the only people who have access to the bid submissions. They need to sign confidentiality agreements prior to gaining access to any bid documents.

7. This is in relation to the Blinkpan siding, we have a few questions we need some clarity on.

When we attended the briefing, we were advised that the entrance to the siding belongs to the operators currently operating the site. So can you please just clarify for us whether there is another entrance to gain access to the site or is there just one that we saw.

Answer:

That entrance is a TFR entrance.

8. Please also advise on the water supply at Blinkpan. Is there perhaps a borehole on site or does the site have access to the municipal water, we just want to plan accordingly when preparing our investment for our proposal.

Answer:

There is a borehole at the office on the eastern side of the siding. The water in this borehole was tested in 2015 and was found to be fit for human consumption. This office however is no longer in use and the water tank next to that building was stolen. The water for the offices at the siding entrance is purchased water. The tank at the siding entrance is filled regularly.

9. Page 14 – per para 2.1.1. all sidings being bid for are coal sidings and therefore please confirm that rail allocation capacity from the siding is dealt with for both RBCT, DBT, Navitrade and Maputo ports?

Answer:

The siding lease process is independent from the rail allocation process.

10. Page 16 – para 3.2.2 – please advise what is Annexure F so that the number of years can be stated?

Answer:

Apologies for the omission. Annexure F is attached.

11. Page 17, para 3.3.3. – how will this be audited? We wish to confirm that during the adjudication process that all elements of the tender should be measured against the existing Service Level Agreement between Transnet and its coal export parties (SLA). For example, the loading times submitted should be in terms of a track record of THT times for loading trains over a substantial period of time. Another example is for 24/7 workings to be proven with a track record of train loading times at the siding. Will all technical operational parameters therefore be validated in terms of the existing SLA which outlines all the rules

for such operational elements in order for submissions responses to be properly audited? Please confirm?

Answer:

Transnet does not want to disadvantage the new entrants by requesting a track record related to TFR operations. However, TFR can use historical information to verify the feasibility of the operational commitment.

12. Page 17/18, para 3.4 – We confirm that the DCF calculation that obtains the rate per ton must factor in the capital cost committed to in the investment plan. As the rate tariff to be offered to customers must be market related, the request is made that capital investment commitments is limited to known items, such as those included in the detailed investment plan (Annexure F2b), with a auditable cost for the investment. In the presentation during the Briefing Session, R200m was used as an example of the method of adjudication, and we believe that such an investment would be excessive. Will a maximum investment plan schedule be shared by Transnet?

Answer:

TFR does not prescribe what the optimal operation solutions should be. It is up to the bidder to design an optimal operational solution and state the investment required to execute it. During the adjudication process, investments by the different bidders will be compared.

13. Please can you clarify the rental amount for Blackhill Siding as the rental figure in the Proposal Document is different from the rental figure in the Presentation given at the Briefing Session? As a general query, does the Proposal Document take precedence over the Briefing Session Presentation?

Answer:

Please refer to the rental amount in the Request for Commercial Proposal

15. May Transnet please confirm if the following annexures need to be completed signed and submitted as part of the Bid submission. Annexures B, C, D, E, L, M and N.

Answer:

Please sign and initial all Annexures and submit as part of the Bid submission

16. The Annexure I attached in the Bid Document is the Standard Conditions of Carriage ("SCC"). However, on the commercial proposal Annexure listing page 3 of 47 Annexure I is referred to as the Rail Transport Agreement. Please

confirm if the Standard conditions of Carriage and the Rail Transport Agreement are the same document and is this a labeling error of the document.

Answer:

1. The Standard Condition of Carriage (SCC) is a standard document of conditions that all customers rail under until they agree on a transport agreement.
2. The Transport agreement is a document negotiated between TFR and Customer once the rate and capacity are confirmed. This process is managed by Sales and the customer.

17. Are the Bidders required to sign both the SSC and Rail Transport Agreement and submit as part of the required documents or are these agreement for information and review purposes only?

Answer:

Please only initial the Standard Conditions of Carriage.

18. How will Transnet deal with the transfer of the Water Use License (WUL) from the current WUL holder to the incoming lessee given the amount of time it takes to attain a WUL?

Answer:

It will be a negotiated process between the incoming and outgoing lessees. It will be further guided by the processes and procedures prescribed by the Department of Water Affairs and Sanitation.

19. Can the tender omit: Financial Statements must come from the bidding company and not a Holding Company or Group. This would assist new entrants in the market.

Answer:

The bidding company must submit their financial statements. It is optional to submit the holding company's financial statements. If the holding company is the funder of the investment their financial statements must be submitted.

Once the winning bidder has been appointed, they will be subject to a credit check.

20. Will Transnet agree to sign confidentiality agreements before Audited financial statements submitted?

Answer:

The members of the Cross Functional Evaluation Team are the only people who have access to the bid submissions. They need to sign confidentiality agreements prior to gaining access to any bid documents.

21. On page 9, para 4.2 – please can you clarify what is section 5 that is being referenced in this paragraph?

Answer:

Apologies, there was a mistake in the bid document. On page 9, paragraph 4.2 should refer to Section 6, which can be found on page 31 of 47.