

KORPORATA ENERGJETIKE E KOSOVĖS sh.a. KOSOVO ENERGY CORPORATION J.S.C. KOSOVSKA ENERGETSKA KORPORACIJA d.d.

I Nr. 228 Dt 11/05/2012

Për: Mimoza Kusari Lila Deputy PM/Minister

Ministry of Trade and Industry

KEK Ref:

Ref juaj: 2421/10/05/2012

Arben Gjukaj Drejtor Menaxhues

Korporata Energjetike e Kosovës Nr. 36 Rr. Nëna Tereze Prishstinë 10000 Kosovë http://www.kek-energy.com/

PËRMES POSTËS ELEKTRONIKE

Datë: 11 maj 2012

RE: QUANTUM RISK ENGINEERING

Dear Deputy PM/Minister,

Thank your for your letter dated 10th May 2012, which encloses a copy of a letter from Quantum Risk Engineering.

KEK appreciates the interest shown by this company in the current and future status of Kosova A TPP. However, any future works that will be undertaken on this power plant – as long as it is owned and operated by KEK – must be contracted in accordance with the public procurement law. Accordingly, KEK's interaction with this company - and other companies that may participate in future procurements related to Kosova A TPP - is rightfully restricted under the public procurement law framework. In this context, KEK is anxious to ensure that all potential bidders are treated equally and afforded the same level of access to information and data.

Turning to the specific requests made in their letter.

- Unit A1: In line with the commitments made by the Government of Kosovo to the EU and other stakeholders, KEK intends to decommission/dismantle Unit A1 in the near future and based on a timetable agreed with EU funded consultants.
- Unit A2: As you may know, KEK has recently initiated a competitive procurement activity for the reactivation of Unit A2 of Kosova A TPP - a copy of the public notice is attached. Please feel free to forward this notice to Quantum Risk Engineering. KEK welcomes participation in this procurement activity from all qualified contractors.
- Units A3, A4 and A5: Future works on these units will be limited to scheduled maintenance and
 overhauls, which will be procured in the usual manner through public competitive tender. Again,
 KEK welcomes participation in these procurement activities from all qualified contractors. The
 Units will be operated until the end of 2017 or until new generation capacity (in the form of
 KRPP) is commissioned.

Korporata Energjetike e Kosovës Sh.a është kompani e korporatizuar sipas ligjeve të Republikës së Kosovës Numri i Regjistrit: 70325399 Zyra e regjistruar: Rr. Nënë Tereza Nr. 36, Prishtinë, 10000, Republika e Kosovës



If you require any further information please do not hesitate to contact me.

Yours sincerely,

Arben Gjukaj Managing Director



KORPORATA ENERGJETIKE E KOSOVO ENERGY CORPOR KOSOVSKA ENERGETSKA KO.

INT. 228 OF MOTIZON

KORPORATA ENERGJETIKE E KOSOVËS SIL U. KOSOVO ENERGY (ORPORATION). S. C. ENERGETSKA KORPORATIJA KOSOVA D. B.

Për: Mimoza Kusari Lila Zv/kryeministre Ministre

Ministria e Tregtisë dhe Industrisë

KEK Ref:

Ref juaj: 2421/10/05/2012

Arben Gjukaj Drejtor Menaxhues

Korporata Energjetike e Kosovës Nr. 36 Rr. Nëna Tereze Prishstinë 10000 Kosovë http://www.kek-energy.com/

PËRMES POSTËS ELEKTRONIKE

Datë: 11 maj 2012

RE: QUANTUM RISK ENGINEERING

E nderuara Zv.kryeministre/Ministre,

Ju faleminderit për letrën tuaj të datës 10 maj 2012, e cila e përfshin edhe një kopje të letrës nga Quantum Risk Engineering.

KEK-u e vlerëson interesin e treguar nga kjo kompani për statusin aktual dhe të ardhshëm të TC Kosova A. Megjithatë, punimet tjera që do të ndërmerren në të ardhmen në këtë termocentral – për aq kohë sa është në pronësi dhe e drejtuar nga KEK-u- duhet të kontraktohet në përputhje me ligjin mbi prokurimin publik. Prandaj, bashkëveprimi i KEK-ut me këtë kompani- dhe kompanitë tjera që mund të marrin pjesë në të ardhmen në proceset e prokurimit lidhur me TC Kosova A-është i kufizuar me të drejtë sipas kornizës së ligjit mbi prokurimin publik. Në kuptim të kësaj, KEK-u dëshiron që të siguroj trajtimin në mënyrë të barabartë për të gjithë ofertuesit e mundshëm si dhe të ofroj nivelin e njëjtë të qasjes në informata dhe të dhëna.

Duke ju referuar kërkesave specifike të bëra në letrën e tyre.

 Njësia A1: Në përputhje me zotimet e bëra nga Qeveria e Kosovës me BE dhe aktorët e tjerë, KEK-u synon ta nxjerr nga puna/ zbërthej Njësinë A1 në një të ardhme të afërt dhe në bazë të një plani të rënë dakord me konsulentët e financuar nga BE.

Njësia A2: Siç jeni në dijeni, KEK-u ka nisur një aktivitet të prokurimit konkurrues për riaktivizimin e Njësisë A2 të TC Kosova A- e bashkangjitur një kopje e njoftimit publik. Ju lutem të mos ngurroni ta përcjellni këtë njoftim tek Quantum Risk Engineering. KEK-u e mirëpret pjesëmarrjen në këtë aktivitet të prokurimit nga të gjithë kontraktorët e kualifikuar.

 Njësit A3, A4 dhe A5: Punimet e ardhshme në këto njësi do të jenë të kufizuara me një mirëmbajtje të planifikuar dhe riparime kapitale, që do të kalojnë në prokurim në mënyrën e zakonshme përmes tenderit publik konkurrues.

Korporata Energjetike e Kosovës Sh.a është kompani e korporatizuar sipas ligjeve të Republikës së Kosovës Numri i Regjistrit: 70325399 Zyra e regjistruar: Rr. Nënë Tereza Nr. 36, Prishtinë, 10000, Republika e Kosovës

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Edhe njëherë, KEK-u e mirëpret pjesëmarrjen në këto aktivitete të prokurimit nga të gjithë kontraktorët e kualifikuar. Njësitë do të drejtohen deri kah fundi i viti 2017 apo deri derisa të lëshohet në punë kapaciteti i ri gjenerues (në formë të KRPP-Termocentrali Kosova e RE). Nëse keni nevojë për informata shtesë ju lutem mos hezitoni të më kontaktoni.

Me nderime,

Arben Gjukaj Drejtor Menaxhues





REPUBLIC OF KOSOVA KOSOVO ENERGY CORPORATION

CONTRACT NOTICE

WORKS

According to Section 40 of Law No. 04/L-042 on Public Procurement in Kosov

Procurement No	KEKC									
This notice has been prep	pared in the LAN			_				r die	V	
Albanian X		Serbian		X)		4		English	X	
The English language vers	ion, if one has bee	n preparea	snau c	oniroi).						
SECTION I: CON	TRACTING A	AUTHO	RITY	7						
I.1 NAME AND AI	DRESS OF	THE CO	ONTE	RACT	ING A	AUT	HO	RITY (CA)		
Official name: Kos	ovo Energy C	orpora	tion j.	s.c.		_	Y			
Postal address: Str	eet "Nëna Terc	eza" no.	36							
Town: Prishtina							Pos	tal code: 10 00	00	
Internet address (if ap	plicable): www	kek-en	rgy.c	om						
Responsible Officer	: Driton Pru	thi		Er	nail: d	riton	.pru	thi@kek-ene	rgy.com	
Telephone:	1	-		Fa	x: +38	31 38	501	701 1156		
The contracting autho authorities SECTION II: OBJ	ECT OF TH				ontrac	eting		Yes		No X
Rehabilitation of Un	nit A2 of Kosov	a A Pow	er Pla	nt, for	he Ko	sovo	Ene	rgy Corporation	on J.S.C ("KEK")
II.1.2 Type of con (Choose one category of your contract)	tract and loc	ation of	work	s. nla	ce of	deliv	erv	or of perfor	mance	
Works										

X Execution ☐ Design and execution ☐ Realisation, by whatever means, of work, corresponding to the requirements specified by contracting authority		
Main site or location of works Kosova A Power Plant		
II.1.3 Information of framework The notice involves framework		o X
II.1.4 Short description of the	object of the contract	
rehabilitation of Unit A-2, to ensu performance parameters that will I thereafter for a warranty period of	rement is to conclude a contract for re that the Unit achieves and maintain be warranted by the successful bidde 5 years. Vocabulary classification (CPV)	ins compliance with certain both upon commissioning and
II.1.6 Variants are accepted	Yes N	o [X]
II.1.7 Division into lots	Yes N	o X
II.2 QUANTITY OR SCOPE O	OF THE CONTRACT	
Total quantity or scope (includi	ing all lots and options if applical	hle)
	a A Power Plant, for the Kosovo Ene	
that the Unit meets and maintai The warranted performance partiquidated damages – see below a. The ash and particut 50mg/Nm3 (dry at of the Unit must have	ins the warranted performance parantarameters are as follows (failure to): late emissions from the Unit must co for percent oxygen). e an availability factor of 100% on period of five years. Unit must be	ctor to do all that is needed to ensure neters for five years after completion. to do so will allow KEK to invoke ontinuously be equal to or below commissioning and thereafter 80% available with minimum of 100MW

Post-completion technical support: Contractors are required to present – as part of their bid- a detailed
maintenance and outage plan for the Unit (to include preventive maintenance), which will cover the five
year period in question. Schedule outages should only occur during the period April to September of

each year. However, when presenting the outage schedule, the Contractor should be mindful of the need to ensure that the availability factor of 80% of 7,000 hours per annum is achievable. As part of their scope of works – the winning contractor shall deploy necessary and qualified specialist to the unit during each planned outage in the five year period after completion of the works in order to supervise KEK's performance of the maintenance prescribed in the plan. Contractor shall also be entitled to maintain a representative at the Unit during the five year warranty period to observe and record the performance of the Unit. KEK shall maintain a detailed record of maintenance of the Unit and performance to plan proposed by the Contractor. A monthly report shall be provided to the Contractor outlining performance of maintenance of the Unit. If the KEK fails to implement any part of the maintenance plan,

and the failure materially impacts the availability of the Unit, the Contractor shall not be responsible or held liable for corresponding unavailability of the Unit.

3. Liquidated damages – If the Unit does not meet the warranted performance parameters prior to taking over – liquidated damages shall apply (as outlined in the Tender Dossier). Thereafter, in any given month of the five year warranty period – failure to comply with the abovementioned warranted performance and emission parameters will also result in application of liquidated damages – as detailed in the Tender Dossier.

4.

II.3 DURATION OF THE CONTRACT OR TIME LIMITS FOR COMPLETION

Maximum of 365 days from effective date of contract.

SECTION III: LEGAL, ECONOMIC, FINANCIAL AND TECHNICAL INFORMATION

III.	1	COND	ITIC	INS	RELA	TING	TO	THE	CONTR	ACT
------	---	------	------	-----	------	------	----	-----	-------	-----

	III.I CONDITIONS RELATING TO THE CO	JIN I	KACI			
	III.1.1 Performance security required	Yes	X	No		
8	If yes, amount of performance security 10 % of	contr	act valu	e.	- 4	

III.2 CONDITIONS FOR PARTICIPATION

a. A written declaration under Oath signed by the tenderer by using the form in Annex 2.

Proofs regarding the eligibility requirements shall be submitted by the tenderer whom the contracting authority intends to award the contract. These documents must be submitted by the tenderer prior to the contract award. Failure to submit such documents, its tender will be rejected

Documentary evidence which shall be required to be submitted as proof of eligibility requirement is the following:

- a. For situations referred to point 6.2 [a, c, d and e] and point 6.3 [a, b and d], a proof issued by a competent judicial or administrative authority of the Tenderer's country of establishment.
- b. for situation referred to in point 6.3 [h (social security contribution), i and k] a certificate issued by the competent authority or public operator attesting that such situation does not exist..
- c. for situation referred to in point 6.3 [h (taxes)] a proof issued by Tax administration of place of establishment of economic operator, that the mentioned economic operator is not delinquent in the payment of taxes at least until the last quarter of the year [prior to the publication date of Contract Notice].
- d. A confirmation signed by KEK Supply Division stating that the economic operator concerned is not delinquent in paying electricity bills, at least up to two months prior to tender submission (for local companies only)

As regards all other provisions set forth in Section 6 as well as in case where the issue of documents and certificates referred to above is not obtainable for objective reasons, or where these documents do not cover all cases for which the evidence has been produced, a declaration under oath made by the tenderer may be accepted as sufficient evidence..

III.2.1 Personal situation of economic operators, including requirements relating to enrolment on professional or trade registers

Documentary evidence required

a. Proof of registration as an economic operator in a professional, commercial and/or corporate register in

the country of establishment; and

- Copies of any licenses issued by the Ministry of Trade & Industry, which are required for the performance of the economic operator's business (only for local (Kosovo) companies)
- c. VAT registration certificate (for local companies only);
- d. Fiscal number certificate (for local companies only)

TENDERERS THAT ARE PART OF A CONSORTIUM, THE REQUIREMENTS UNDER ARTICLES 6.1 AND 7.1 ABOVE, MUST BE SATISFIED BY ALL MEMBERS OF THE CONSORTIUM, TO INCLUDE PROVIDING REGISTRATION DOCUMENTATION.

III.2.2 Economic and financial capacity

Documentary evidence required

- a. Certified evidence of an annual turnover in the amount of € 50,000,000 (fifty million Euros) in related activities for <u>each</u> of the two (2) prior financial years. This may be provided by way of certified balance sheets or bank statements. In this context, the term 'related activities' shall mean activities concerned with power plants.
- Audited Financial statements for the past two years. Auditing should be performed by a reputable licensed auditing firm.
- c. Proof that it possesses sufficient funding from in hand (firm) funds¹ and/or funding from non-firm funding² to self-finance the performance of the Works. This may be in the form of bank letters, or other banking facility agreements or simply the balance sheet of the economic operator, duly certified by a reputable auditor.

With respect to the documentary evidence required under point (a) above (turnover), if the letter of request is being submitted by a consortium, this financial pre-condition may be satisfied by combining the joint turnover of all consortium members. Provided that: (i) all consortium members submitting evidence of turnover must be signatories to any contract awarded by the contracting authority; and (ii) the turnover of the lead contractor within the consortium must represent at least 45% of the combined turnover of the consortium, and the remaining consortium partners must each represent at least 15% of the combined turnover of the consortium

III.2.3 Technical and professional capacity

A qualified tenderer must have prior experience in the performance of refurbishing thermal power plants. The tenderer must also demonstrate that it has the technical and managerial resources required to successfully complete the contract according to the requisite timeline.

In order to prove that the economic operator is eligible to participate in the procurement procedure, the economic operator that will be performing the Works must submit the following documentary evidence:

a. Prior experience: The economic operator must provide three references in the past 10 years documenting successful completion of projects with a similar scope of work and with a similar value to this procurement activity. In this respect, 'similar work' shall mean the rehabilitation of coal fired power plants of 50 MW or larger, where rehabilitation involved the major overhaul of large turbine generators; replacing water walls, economizers, super-heaters, and air heaters of large steam generators; repair of lignite grinding mills; reconditioning of forced draft and induced draft fans; overhaul of electrostatic precipitators, ash and coal handling systems and rehabilitation of control systems.

Such references should be accompanied with documents, such as a summary of the work performed under the contracts, the price, location and a report on final acceptance of works, signed by the client.

Firm funding shall include cash in hand, and also debt financing or other forms of funding that has already been secured by the bidder on an unconditional basis for the performance of the rehabilitation and operation of A2 Unit. The Contracting Authority may request further clarification or information on the bidder's funding sources.

Non-firm funding shall include debt financing that has <u>not</u> yet been secured by the bidder. The Contracting Authority may request further clarification or information on the bidder's prospective funding sources.

The references should also contain the contact details of the client, as KEK may wish to contact the client in order to verify the reference.

If the bid is being submitted by a consortium, and each member of the consortium is responsible for a particular section or sections of the Works, he should present three references for that section (or sections) of the Works (e.g. three references each for boiler, turbine/generator, ESPs etc.). In this respect, the combined references of the consortium members should cover the work areas mentioned in the first paragraph (above).

b. Key project staff: The economic operator must present information on the following key personnel, who will oversee the management of the project:

<u>Team leader</u>: Must have at least 10 years in project management of similar scope of works (e.g. rehabilitation of coal fired power plants larger than 50MW). A working knowledge of both written and spoken English or Albanian is also desirable.

<u>Technical Supervisor</u> on Site for the turbine generator and their auxiliaries works, with at least 10 years experience in overhaul of turbine generators

<u>Technical Supervisor</u> on Site for steam generator and their auxiliaries works, with at least 10 years experience in major repairs of steam generators

<u>Technical Supervisor</u> on Site for instruments and controls works, with at least 10 years experience in repair and modernization of power plant control and instrument systems.

Prospective tenderers must submit credentials for the proposed key project staff (e.g. CVs/resumes) in sufficient detail to allow the contacting authority to confirm whether they satisfy the minimum professional requirements (outlined above). In addition, each CV should contain the following signed certification:

"I, the undersigned certify that to the best of my knowledge and belief, this CV correctly described myself, my qualifications, and my experience. I understand that any willful misstatement described herein may lead to my disqualification or dismissal, if engaged"

The evaluation committee of the contracting authority shall review the credentials and reserves the right to request additional information if necessary to confirm compliance with the criteria established herein. The contracting authority will not accept substitutions of the Team Leader during the execution of the contract, unless both parties agree that such substitution is unavoidable. In this event, the proposed substitute shall have equivalent or better qualifications and experience than the original candidate.

PLEASE NOTE THAT IF AN ECONOMIC OPERATOR DESIRES ANY INFORMATION PROVIDED IN CONNECTION WITH ARTICLES 8.1 AND 9.1 TO BE CLASSIFIED AND/OR TREATED BY THE CONTRACTING AUTHORITY AS CONFIDENTIAL BUSINESS INFORMATION, A WRITTEN REQUEST MUST BE SUBMITTED BY USING THE FORM IN ANNEX 3 OF THIS TENDER DOSSIER.

SECTION IV: PROCEDURE IV.1 TYPE OF PROCEDURE

IV.I I I I E OI	ROCEDURE	
X Open		

IV.2 AWARD CRITERIA

X The lowest price res	sponsive tender		
Sub-criteria	Weighting in %	Sub-criteria	Weighting in %
		4)	
2)		5)	
3)		6)	

IV.3.1. Previous publications concerning	the same contract
Prior Indicative Notice	
Other publications (if applicable) IV.3.2 Conditions for obtaining tender do	:
Time limit for receipt of requests for tender dos	
date 14.05.2012 at 9:00 to 08.06.2012 at 16:00	
e-mail: driton.pruthi@kek-energy.com	•
ymer.dragusha@kek-energy.com	
Payable documents Yes No	X
IV.3.3 Time limit for receipt of tenders	
	ntina Street "Nëna Tereza" no. 36, Archive Toskana Building
IV.3.5 Is tender security needed (by all tender)	derers/ candidates) Yes X No
If yes, the value of tender security 6600,000.0 Validity of tender security in days 90	00 (six hundred thousand euros)
IV.3.6 Tender validity period 90 days	~ ~
IV.3.7 Tender opening meeting	
	reet "Nëna Tereza" no. 36, Archive Toskana Building
date 20.06.2012 time 12:30 place Prishtina Stranscript SECTION V: COMPLEMENTARY INF V.1 COMPLAINTS Any interested party may file a complaint	FORMATION t with the Procurement Review Body, according to
date 20.06.2012 time 12:30 place Prishtina Strands SECTION V: COMPLEMENTARY INFV.1 COMPLAINTS Any interested party may file a complaint the provisions of Title IXf Law No. 04/L-0	TORMATION t with the Procurement Review Body, according to 042, Law on Public Procurement in Kosovo
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date 20.06.2012 time 12:30 place Prishtina Street SECTION V: COMPLEMENTARY INF V.1 COMPLAINTS Any interested party may file a complaint the provisions of Title IXf Law No. 04/L-14 V.1.1 ADDRESS OF THE PROCUREMI Official name: Hysni Hoxha Address of the PRB: Street "Garibaldi" Town: Prishtina Electronic address (if applicable): Contact person: Telephone:	t with the Procurement Review Body, according to 042, Law on Public Procurement in Kosovo ENT REVIEW BODY (PRB) Postal code: 10 000 E-mail:
date 20.06.2012 time 12:30 place Prishtina Street Prishtina Street Prishtina Street Prishtina Street Prishtina Street Prishtina Street Process of Title IX Law No. 04/L-05/Law No. 04/Law	t with the Procurement Review Body, according to 042, Law on Public Procurement in Kosovo ENT REVIEW BODY (PRB) Postal code: 10 000 E-mail: Fax: to submit a tender, request to participate and other les during the conduct of a procurement activity in

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