



ENERGI VIBORG KRAFTVARME A/S

**EXECUTION OF BORESCOPE INSPECTION AND REPLACEMENT OF
NUMBER 2 MAIN BEARING ON GAS TURBINE**

ADVERTISING CONDITIONS

MARCH 2017

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1. INTRODUCTION

1.1 Scope of the procurement

In connection with the examination of Energi Viborg Kraftvarme A/S' ("Energi Viborg") gas turbine in June 2017, Energi Viborg wishes to receive tenders for the execution of 1) a borescope inspection and 2) replacement of number 2 main bearing on a gas turbine.

The contract comprises an option for alignment of the gas turbine unit in continuation of the replacement of number two bearing (**Option 1**).

The contract is in force for the period **7 June 2017 until 21 June 2017**.

1.2 Form and law of the procurement

The tender procedure is conducted as an advertised tender under the Procurement Act as the contract is estimated to be below the threshold and having a certain cross-border interest, cf. the Procurement Act sections 18 and 191. The procedure is conducted with a possibility to negotiate after the submission of tenders. See more in section 3.3

The procedure form means that the process mainly comprises the following activities:

1. All companies may submit a tender.
2. After the expiry of the tender deadline, Energi Viborg may decide to award the contract - alternatively, Energi Viborg may decide to initiate negotiations with the tenderers who meet the minimum requirements for suitability.
3. After the expiry of the tender deadline (and after a negotiation procedure), Energi Viborg expects to award the contract to the tenderer who has submitted the tender with the lowest price. See more in section 3.5

1.3 Tender documents

The tender documents comprise of the following documents:

- Advertising of February 27 2017.
- Advertising Conditions (this document)
- Technical Specifications
- Technical description of the major components of Energi Viborg Kraftvarme A/S
- Schedule of prices
- Draft agreement with appendices
- Potential questions/answers and revision sheet published during the tender process

The tender documents are electronically available at www.udbud.dk.

1.4 Preliminary time schedule

The preliminary time schedule for the completion of the procurement is as follows:

ACTIVITY	DATE
Advertising on www.udbud.dk	27.02.2017
Time limit for receipt of tenders	04.04.2017
(Potential) Negotiations	Week 15
(Potential) Time limit for receipt of final tenders	28.04.2017
Notification of award (expected)	05.05.2017
Conclusion of contract (expected)	15.05.2017
Commencement of contract (expected)	07.06.2017

1.5 Technical requirements

The main system at Energi Viborg is constructed as a power and district heat producing plant equipped with the gas turbine in a combined cycle setup.

The gas turbine is a General Electric Frame 6 type; model PG-6541 (B) with a DLN system. The gas turbine is factory assembled and supplied by Thomassen International, The Netherlands.

The gas turbine has a performance of approximately 41 MW_e at an ambient temperature of +5 °C.

On an annual basis, the gas turbine has approximately 100-150 starts and approximately 2,000-3,000 operating hours.

The operational startup took place in April/July 1996.

For more information regarding the major components, see the document Technical description of the major components of Energi Viborg Kraftvarme A/S

1.5.1 Borescope inspection

For a technical description of the execution of the borescope inspection, see the document Technical Specifications.

1.5.2 *Replacement of number 2 main bearing*

For a technical description of the execution of the replacement of number 2 main bearing, see the document Technical Specifications.

1.5.3 *Alignment of gas turbine unit (Option 1)*

The alignment of the gas turbine unit must be made so that it is aligned with the rest of the train.

The alignment of the gas turbine unit must be made by decoupling/separated from the rest of the train.

2. **REQUIREMENTS FOR SUITABILITY**

2.1 **Economic and financial standing**

The tenderer shall meet the following minimum requirements for economic and financial capability.

- A positive equity in the last financial year (i.e. that the latest approved financial statements must show a positive equity).

As **documentation** of the minimum requirement, the tenderer must enclose with the tender its latest approved financial statements or an audit statement on the requested financial ratio.

For tenderers who are based on other entities' capacity for meeting the minimum requirements, the tenderer must produce a letter of comfort or similar documentation proving that the entity in question is legally obligated to the tenderer. If a tenderer is dependent on other entities' financial capacity, that entity must undertake joint and several liability for the tenderer's obligations under the tendered contract.

2.2 **Technical and professional ability**

The tenderer must meet the following minimum requirements for technical and professional capability:

- In relation to the **borescope inspection**, the tenderer must have performed at least **one** similar task *within the past three years*. A similar task shall mean tasks in connection with the performance of borescope examinations in gas turbines.
- In relation to **replacement of number 2 bearing**, the tenderer must have performed at least **one** similar task. A similar task shall mean tasks in connection with the replacement of number 2 main bearing on a similar gas turbine.

As **documentation** of the minimum requirement, the tenderer must enclose a list of references. The references must include a description of the task/contract, contract sum, time of performance (date) and recipient of the work/task (contract information on contact person).

For tenderers who are based on other entities' capacity the tenderer must as part of the documentation produce a letter of comfort or similar documentation which proves that the entity is legally obligated to the tenderer.

3. SUBMISSION OF TENDERS

3.1 Questions

All questions regarding the tender documents must be submitted to bt@energiviborg.dk.

The tenderers are *requested* to submit their questions no later than **March 20 2017**.

All questions (including questions received after the abovementioned "time limit") will be answered to the extent that it is possible to answer 6 calendar days before the tender time limit.

Questions, answers and potential changes will be published at www.udbud.dk.

3.2 Time limit

The time limit for Energi Viborg's receipt of the tender is **April 4 2017 at 12 pm**.

The tender **must** be send to:

Energi Viborg Kraftvarme A/S
Att. Peter Boysen
Industrivej 40
8800 Viborg

The tender **must** comprise of the following:

- Filled in and signed schedule of prices
- Reference list cf. section 2.2.

The tenders must be submitted in **one** physical copy as well as **one** electronic copy (USB or the like).

The tender and appertaining material must be in Danish or English.

Tenders received after the stipulated time limit, another place or in another form than specified will not be considered as received in due time and will consequently be rejected.

3.3 **Negotiations**

After the expiry of the tender deadline, Energi Viborg will assess whether it is appropriate to hold individual negotiation meetings with the tenderers.

Energi Viborg must announce as soon as possible after the tender deadline whether the negotiation meetings are held, and if so when. Energi Viborg expects that negotiations meetings, if any, will be held in week 15 (2017). If the negotiation meetings are held, the tenderers will receive an agenda prior to the meeting.

Based on the negotiation meetings, Energi Viborg will assess whether the tenderers are to submit yet another tender, and Energi Viborg will fix a final submission deadline.

Energi Viborg reserves the right to conduct several negotiation rounds. In addition, Energi Viborg reserves the right to negotiate in writing with the tenderers, i.e. without holding negotiation meetings.

If negotiations are initiated, all aspects of the contract, including the penalty clause, and the technical conditions may be negotiated. Energi Viborg does thus not consider itself precluded from changing the tender documents; however, Energi Viborg may not change fundamental parts within the framework of procurement law.

Note: Energi Viborg may make an award decision based on the tenders first received. It is thus not given that, Energi Viborg will choose to hold negotiation meetings, and the tenderers will not necessarily be entitled to submit an additional tender.

3.4 **Assessment of tenders, notification and conclusion of contract**

After the expiry of the tender deadline, Energi Viborg will initially assess whether the tenderers meet the minimum qualification requirements. Thereafter, Energi Viborg will assess whether the tenders - from the tenderers who are assessed to be qualified - meet the formal and substantive requirements as to content and wording.

Thereafter, Energi Viborg will evaluate the tenders in relation to the award criteria, see section 3.5. Energi Viborg will thereafter notify all tenderers electronically which tenderer has submitted the tender with the lowest price.

A contract will be concluded between Energi Viborg and the supplier based on the draft contract included in the tender documents, see section 1.3.

3.5 **Award criteria**

The award criterion is *Price*. The contract will be awarded that tenderer who submitted the tender with the lowest price.

Energi Viborg will evaluate the tenders based on the total price for carrying out the tasks.

In the total price includes the price for carrying out (1) the borescope inspection and (2) the replacement of number two bearing on the gas turbine.

For evaluating the tenders in relation to the award criterion "Price", the tenderers must complete and sign the schedule of price included in the tender documents, see section 1.3.

Note: A non-completed item or an item completed with signs or letters will be interpreted by Energi Viborg as if the tenderer has offered the task in question at DKK 0. The tenderer will be obligated to provide the task in question at DKK 0.

3.6 **Reservations**

The tenderers are requested not to make reservations. If the tenderer perceive a term in the tender documents as unacceptable or inappropriate, the tenderer is requested to ask questions instead of making reservations. Hereinafter, Energi Viborg will decide whether to make changes in the tender documents.

Note: For good measures, if Energi Viborg do not award the contract based on the initial tender, Energi Viborg reserves the right to negotiate about all tenders. By this, Energi Viborg reserves the right to enter into negotiations with tenderers who have submitted tenders with reservation, including reservation to fundamental parts in the tender documents. However, any reservation to fundamental parts in the tender documents must be withdrawn in the final tender, as Energi Viborg is obliged to reject the tender.

If Energi Viborg decides to award the contract based on the initial tender, Energi Viborg is entitled to reject any tender, which contains reservations. In addition, Energi Viborg is obliged to reject tenders, which contain reservation to fundamental parts.

3.7 **Variants**

Energi Viborg does not accept variants.

3.8 **Validity**

The tenders submitted must be valid for a period of 6 months as from the specified time limit for the submission of tenders. In the event that the tenderer in connection with the potential negotiation phase, prepares and sub-

mits a revised tender, such tender must also be valid for the period of 6 months as from the specified time limit for these tenders.

3.9 **Fee**

There will be no remuneration for submission of tender or for the preparation of tender material.

Tender material with appendices are considered Energi Viborg's property and it will not be returned.