

Notice No. ENG001 of 2022

Proposals are hereby invited for:

Solar PV (Photo - Voltaic) Or Bulk-metering Solution to provide basic electricity to informal settlements in the developing areas of George Municipality.

Background

This could for example be a decentralized Solar Home System (SHS) for each household or a Micro Grid (distribution system) with centralized Solar Power Units (SPU's) each supplying several households in small or large groups. This could also include a Bulk-metering solution with sub-metering installations in order to provide basic electricity to informal settlements.

These would be informal structures in developing areas where there are no formal electricity supplies from the municipal grid. The structures are in random positions and vehicle access is in most cases is very limited or nonexistent. The Municipality's aim to introduce such solutions is to in most cases use it to replace the present illegal and self-made connections from the municipal grid that jeopardize the safety of the community and can cause damage to property. It is also in response to the less fortunate to have access to safe and affordable basic electricity.

Guidelines

In compiling a solution/s, consideration should also be given to the following to make it a workable solution:

- A major challenge will be that in the case of illegal connections, electricity at no cost is currently received and the introduction of a system where payment is required could be met with resistance. It is therefore important that a new system will add significant value and be attractive so that the residents will prefer to convert to the new system.
- A package that includes own sourced finances to cover expenses such as the capital cost of the installation, operation and maintenance of the system, vending system and overhead costs, and profit.
- It should also include the raising of income from the sales of electricity to households by means of a vending system for the Service Providers' account.
- The income should be sufficient to make the system viable, also considering that there should be a minimum period for service delivery and number of consumers. In practical terms the Service Provider will then operate as an Electricity Utility in parallel with the George Municipality within its own managing structures, but meeting certain legislative requirements.
- Performance criteria to be set by the Municipality.
 - The latter could include legislative quality of supply requirements and technical standards,
 - cover certain areas and number of consumers within certain time frames, meeting certain expectations in consultation with households and local leaders, guaranteed performance in terms of vending, etc.
- Remote monitoring of electricity parameters and consumption of each consumer so that power can for example be throttled if there are for example problems with payments.
- Offering different kWh packages, for example X kWh/ month for only lighting and power point to charge a cell phone and Y kWh/month to add a TV or radio and Z kWh/ month to add a small fridge unit. A basic package could allow for say one external light and two internal lights. Allowance should also be made for a small SDB.
- The national Free Basic Electricity (FBE) for indigent households is 50kWh/month, but in the case of George it is 70. For this application, the expectation would most likely be to receive between 5 and 20kWh/month to make the scheme viable. All this needs to be incorporated into a cost model to illustrate that the proposal is workable.
- Consideration should be given to ask the George Municipality to use the monthly FBE grant to subsidize the cost of electricity to the consumer and in this way making it more affordable. This needs to be included in the cost model as an option.

Despite the above guidelines, the George Municipality will consider all possibilities, suggestions and proposals submitted.

Security

The Municipality will not take responsibility for any installation and/or any process or payment that is included in the proposal. The continuity of supply shall be ensured for the complete duration of the project and the solution should fund all costs for the project. The Municipality shall also not be responsible for any security or insurances. This shall form part of the proposal, since this is a high-risk project.

Companies that can make a Submission.

Companies with the required credentials can submit an RFP if it is done in a professional manner. A submission can be made by a company on its own or as a joint venture.

The submission must include a CV of the company as well as any partners in a JV. The CV must also include experience in this regard and details of similar projects undertaken in the past as well as the current resources to undertake such a project.

Benefits to Submit Proposals

The Municipality may follow a selected tender process in consideration of the competency that may be required from companies, such as:

- The specialist research and development work
- To implement unique and proven model/s that will be practical,
- Generate sufficient income through a suitable vending and monitoring system to make it viable,
- Meet the expectations of the inhabitants of the area and the Municipality,
- High level of technical standards,
- Meet statutory requirements,
- Local resources to adequately maintain the service over a reasonable period of time,
- work in close co-operation with all role players, etc.

The benefits are as follows:

- Companies making submissions could therefore align themselves to possibly be part of such a process.
- It could become a showcase for the companies.
- The companies could become the pillars of technical innovation in this field, which may be nationally implemented if the project results in a successful story.
- It is possible that a tender document that may follow will include some of the technology offered, making it more attractive for companies to tender having the same technology to their disposal.

Applicable Legislation

All relevant legislation having an impact on proposals need to be considered. This is particularly relevant in terms of the SANS/NRS (most relevant are NRS 097 and SANS 10142) standards and the OHS Act.

Conditions Applicable to the Submission of Proposals

By submitting information as part of the proposals, the company making same give permission that it can be used in possible future tender or other documentation used by the George Municipality.

By following the RFP route, the George Municipality does not bind itself to any follow-up processes, but will, at its sole discretion, decide on a way forward following closing of the RFP period.

No political office bearer or office shall be contacted during the or after the RFP period to follow-up or to exercise pressure of any kind on a possible way forward.

At the sole discretion of the Municipality such action could lead to the exclusion of an individual company or joint venture from a possible follow-up process.

Interested companies are invited to submit proposals in the tender box of the Supply Chain Management Unit, First Floor, Civic Centre, George Municipality, York Street on or before Friday, 22 of April 2022 at 12h00.

For more information contact Mr Danie Greeff of the Electro Technical Department at +27 (0) 44 801 9221 or dgreeff@george.gov.za

A TCS pin for bidders' tax compliance information must be submitted with the submission document.

It will be required for companies being further involved to register on the Central Supplier Database (CSD).

Dr M Gratz
Acting Municipal Manager
George Municipality
6530