



EMALAHLENI LOCAL MUNICIPALITY

ELM 12/2023

SUPPLY OF PREPAID ELECTRICITY VENDING SERVICES WITH THIRD PARTY VENDING MANAGEMENT AND REVENUE ENHANCEMENT/TID MANAGEMENT

| | |
|--|--|
| <p>EMPLOYER: Emalahleni Local Municipality P.O Box 3 Witbank 1035</p> <p>Acting Municipal Manager Tel No.: +27 (13) 690 6911 Fax No.: +27 (13) 690 6207 E-mail: matlebojanes@emalahleni.gov.za</p> | <p>QUERIES: Directorate: Finance Services MR M Radingwana E-mail: radingwanam@emalahleni.gov.za</p> <p>Supply Chain Management Mr LD Nkosi Tel No.: +27 (13) 690 6502 E-mail: nkosild@emalahleni.gov.za</p> |
|--|--|

Tender Closing Date:
Wednesday, 16 August 2023 at 11:00

| TENDER PRICE | |
|--------------------------------------|--------|
| TOTAL MONTHLY COST (INCL. VAT) | :..... |
| AMOUNT IN WORDS | :..... |

Bidder's Details:

| | |
|-------------------------------|--|
| Company Name | |
| Physical Address | |
| Contact No. | |
| E-mail Address | |
| Contact Person | |
| Central Supplier Database No. | |
| Company Registration No. | |

EMALAHLENI LOCAL MUNICIPALITY

SUPPLY OF PREPAID ELECTRICITY VENDING SERVICES WITH THIRD PARTY VENDING MANAGEMENT AND REVENUE ENHANCEMENT/TID MANAGEMENT

TENDER NO: ELM 12/2023

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EMALAHLENI LOCAL MUNICIPALITY

**SUPPLY OF PREPAID ELECTRICITY VENDING SERVICES WITH THIRD PARTY
VENDING MANAGEMENT AND REVENUE ENHANCEMENT/TID MANAGEMENT**

T1.1: TENDER NOTICE AND INVITATION TO TENDER

Tender Notice and Invitation to Tender

TENDER NO.: ELM 12/2023
CLOSING DATE: 16 AUGUST 2023

SUPPLY OF PREPAID ELECTRICITY VENDING SERVICES WITH THIRD PARTY VENDING MANAGEMENT AND REVENUE ENHANCEMENT/TID MANAGEMENT

Emalahleni Local Municipality hereby invites service providers to submit quotations for the supply of prepaid electricity vending services with third party Vending Management and Revenue Enhancement/TID Management.

Tender documents with full specifications can be obtained from www.emalahleni.gov.za or www.etenders.gov.za.

A **compulsory** clarification meeting will take place on Tuesday, 25 July 2023 starting at 09h00 at the Emalahleni Local Municipality, Banquet Hall, 29 Mandela street, eMalahleni, 1035.

The closing time for receipt of tenders is **11:00 on 16 August 2023**. Telegraphic, telephonic, telex, facsimile, e-mail, unmarked and **late tenders** will under no circumstances be considered and accepted. The tender box will be emptied just after closing time on the closing date. Thereafter all bids will be opened in public.

Any technical enquiries relating to the tender document may be directed to Mr Tau Radingwana at telephone number 082 481 0671 and during working hours or e-mails may be sent to radingwanam@emalahleni.gov.za. Supply Chain Management Office may also be contacted on (013) 690 6483/6497/6484.

Fully completed tender documents, clearly marked "**Tender No. ELM 12/2023 SUPPLY OF PREPAID ELECTRICITY VENDING SERVICES WITH THIRD PARTY VENDING MANAGEMENT AND REVENUE ENHANCEMENT/TID MANAGEMENT**" must be placed in a sealed envelope and placed in the **tender box** situated on the **First floor**, Emalahleni Local Municipality, Civic Centre, 29 Mandela Street, eMalahleni, 1035 **by no later than 11h00 on 16/08/2023**.

A preferential point system shall apply whereby a contract will be allocated to a tenderer in accordance with the Preferential Procurement Regulations, 2022 and as defined in the Conditions of Tender in the tender document, read in conjunction with the Supply Chain Management Policy of Emalahleni Local Municipality where **80 points** will be allocated in respect of price and **20 points** in respect of Specific goals.

The specific goals allocated points in terms of this tender:

A total of 15 preference points shall be allocated on a proportional or pro rata basis for contracting an enterprise owned by historically disadvantaged persons or individuals who meet the following requirements -

- for 100% black person or people owned enterprise 5 points
- for at least 30% woman or women shareholding or owned enterprise 5 points
- For at least 30% youth shareholding or owned enterprise 2.5 points
- for at least 30% people living with disability shareholding or owned enterprise 2.5 points

A total of 5 preference points shall be allocated on a proportional or pro rata basis for implementing of programmes for RDP –

- for enterprise regarded as EME located within the local area of jurisdiction. 5 points

(The Municipality will utilize the CSD report to verify the above-mentioned information)

No awards will be made to a person:

- Who is not registered on the **Central Supplier Database (CSD)**;
- Who is in the service of the state;
- If that person is not a natural person, of which any director, manager, principal shareholder or stakeholder is a person in the service of the state; and/or
- Who is an advisor or consultant contracted with the municipality or municipal entity.

The municipality reserves the right to withdraw any invitation to tender and/or to re-advertise or to reject any tender or to accept a part of it. The municipality does not bind itself to accepting the lowest tender or award a contract to the bidder scoring the highest number of points.

Should you not hear from us within 90 days after the closing date, please consider your tender unsuccessful.

S MATLEBJOANE
ACTING MUNICIPAL MANAGER

T1.2: TENDER DATA

Wording

The employer is the EMALAHLENI LOCAL MUNICIPALITY.

The tender documents issued by the employer comprise:

PART T1: TENDERING PROCEDURES

T1.1: Tender Notice and Invitation to Tender

T1.2: Tender Data

PART T2: RETURNABLE DOCUMENTS

T2.1: List of Returnable Documents

T2.2: Returnable Schedules

PART C1: AGREEMENTS AND CONTRACT DATA

C1.1: Form of Offer and Acceptance

C1.2: Standard Conditions of Tender

PART C2: PRICING DATA

C2.1: Pricing Instructions

C2.2: Bills of Quantities

C2.3 Evaluation and Adjudication Criteria

PART C3: SCOPE OF WORKS

C3 Scope of Work

C3.1 Description of the Works

APPENDICES

The Employer is represented by:

Name: Mr. M Radingwana

Address: 29 Mandela Street, eMalahleni, 1035

Tel: 082 481 0671

E-mail: radingwanam@emalahleni.gov.za

No alternative tender offer will be considered; however, proposals and suggestions are welcomed provided that they clearly state the manner of approach, designs if any, calculations and cost implications.

Parts of each tender offer communicated on paper shall be submitted as an original, plus 0 (nil) copies.

| |
|---|
| Wording |
| All documents accompanying this invitation must be completed in detail where applicable, be sealed in an envelope and be deposited in the bid box before the closing date and time. The bid box is situated at Civic Centre, First Floor, Mandela Street, eMalahleni |
| The Employer's address for delivery of tender offers and identification details to be shown on each tender offer package are: Location of tender box: EMALAHLENI LOCAL MUNICIPALITY Physical address: 29 Mandela Street, eMalahleni, 1035 |
| Duly completed and signed original bid documents should be sealed in an envelope marked: "TENDER NO. ELM 12/2023" SUPPLY OF PREPAID ELECTRICITY VENDING SERVICES WITH THIRD PARTY VENDING MANAGEMENT AND REVENUE ENHANCEMENT/TID MANAGEMENT Closing date: 16 August 2023 Closing time: 11:00 Name of bidder: _____ |
| The closing time for submission of tender offers is stated in the Tender Notice/Invitation to Tender |
| Late bids shall not be accepted. Please note that bids are late if they are not received at the address given in the invitation after the bid closing date and time. |
| Telephonic, telegraphic, telex, facsimile or e-mailed tender offers will not be accepted. |
| All bid prices must be quoted in South African currency on a fixed price basis and include VAT. |
| The tender offer validity period is 90 Days from the closing date. |
| All relevant documents attached to this bid must be completed and signed in black ink by an authorized representative of the business. The authorized representative of the business is required to initial each page of the bidding document. |
| The tender shall, when requested by the Employer to do so, submit the names of all management and supervisory staff that will be employed to supervise the labour-intensive portion of the works together with satisfactory evidence that such staff members satisfy the eligibility requirements. |
| Access shall be provided for the following inspections, tests and analysis: Due to the spatial displacement of the various sites the site clarification meeting shall be conducted at the offices of Emalahleni Local Municipality, whereby a site briefing shall be presented. The Employer shall discuss the scope of works and answer any questions raised. The site briefing shall be compulsory for all prospective bidders. |
| Tender offers will be opened immediately after the closing time at 11:00 for tenders at the Civic Centre Building of the municipality in the presence of a municipal representative and the tenderers whom wish to attend the session. The tender offer amounts shall be read out publicly and the list of returnable documents shall be stamped by the employer. |
| The conditions contained in the General Conditions of Contract (GCC) 2010, and the attached bid forms, as well as any other conditions accompanying this invitation are applicable. |
| The work procedure, the bidder proposes to follow in order to obtain the required result must be clearly outlined and its terms may not conflict with those contained in the General Conditions of Contract. |
| The Emalahleni Local Municipality reserves the right to accept any bid in whole or in part and does not bind itself to accept the lowest or any bid at all. |

| Wording |
|--|
| <p>The following preference point systems are applicable to all bids:</p> <ul style="list-style-type: none"> - the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and - the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included). <p>The value of this bid is estimated not to exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 preference point system shall be applicable.</p> |
| <p>Tender offers will only be accepted on condition that:</p> <ul style="list-style-type: none"> a) the tenderer is registered on the Central Supplier Database (CSD) of the National Treasury; b) the tenderer or any of its directors is not listed in the Register of Tender Defaulters in terms of the Prevention and Combating of Corrupt Activities Act of 2004 as a person prohibited from doing business with the public sector; and c) the tenderer has not: <ul style="list-style-type: none"> i) abused the Employer's Supply Chain Management System; or ii) failed to perform on any previous contract and has been given a written notice to this effect; and d) has completed the Compulsory Municipal Bidding Documents (MBD) and there are no conflicts of interest which may impact on the tenderer's ability to perform the contract in the best interests of the employer or potentially comprise the tender process. |
| <p>The number of paper copies of the signed contract to be provided by the Employer is ONE (1).</p> |

EMALAHLENI LOCAL MUNICIPALITY

**SUPPLY OF PREPAID ELECTRICITY VENDING SERVICES WITH THIRD PARTY
VENDING MANAGEMENT AND REVENUE ENHANCEMENT/TID MANAGEMENT**

TENDER NO: ELM 12/2023

| |
|--------------------------------------|
| PART T2: RETURNABLE DOCUMENTS |
|--------------------------------------|

T2.1 List of Returnable Documents

T2.2 Returnable Schedules

TENDER NO: ELM 12/2023

T2.1: LIST OF RETURNABLE DOCUMENTS

The following documents are to be completed and returned as they constitute the tender. Whilst many of the returnable are required for the purpose of evaluating the tenders, some will form part of the subsequent contract, as they form the basis of the tender offer. For this reason, it is very important that tenderers return **all information requested**.

1. RETURNABLE SCHEDULES REQUIRED FOR TENDER EVALUATION PURPOSES (included hereafter for completion)

| | |
|--------------|--|
| Schedule: 1A | MBD 1 - Invitation to Bid |
| Schedule: 1B | MBD 4 - Declaration of Interest |
| Schedule: 1C | MBD 6.1 – Preference Points Claim Form in Terms of the Preferential Procurement Regulations 2022 |
| Schedule: 1D | MBD 8 - Declaration of Bidder's Past Supply Chain Management Practices |
| Schedule: 1E | MBD 9 - Certificate of Independent Bid Determination |
| Schedule: 1F | Authority of Signatory |
| Schedule: 1G | Record of Addenda to Tender Documents |
| Schedule: 1H | Schedule of Similar Work satisfactorily carried out by the Tenderer |
| Schedule: 1I | List of previous client and certificate of excellence |

2. OTHER MANDATORY DOCUMENTS REQUIRED FOR TENDER COMPLIANCE PURPOSES

| | |
|--------------|--|
| Schedule: 2A | Proof of Authority of Signatory |
| Schedule: 2B | Municipal water and lights statement or written confirmation that municipal rates and taxes and municipal service charges of the prospective bidder and directors of the business are not in arrears from the relevant municipality for more than 90 days. |
| Schedule: 2C | Proof of registration on the Central Suppliers Database (CSD) of the National Treasury |
| Schedule: 2D | Joint Venture Agreement in case of a Joint Venture signed by both parties |
| Schedule: 2E | South African Revenue Protection Association registration. |
| Schedule: 2F | Reference letters from 3 municipalities |
| Schedule: 2G | Payment Aggregator letter |
| Schedule: 2H | Sample receipt which shows Receipt number, Token digits, Units in KWh purchased, amount tendered and VAT) |

3. RETURNABLE SCHEDULES THAT WILL BE INCORPORATED INTO THE CONTRACT (to be attached with submission)

This should include the project plan, risk management plan, project risk register and contingency plan.

4. OTHER SCHEDULES AND AFFIDAVITS THAT WILL BE INCORPORATED INTO THE CONTRACT (included hereafter for completion)

C1.1: The offer portion of the Form of Offer and Acceptance

C1.2: Standard Conditions of Tender

C2.1: Pricing instructions

C2.2: Bills of Quantities

C2.3 Evaluation and Adjudication Criteria

C3.1 Description of the Works

SCHEDULE 1A: MBD 1 - INVITATION TO BID**YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE EMALAHLENI LOCAL MUNICIPALITY**

| | | | | | |
|-------------|--|---------------|-----------------------|---------------|--------------|
| BID NUMBER: | ELM 12/2023 | CLOSING DATE: | 16 AUGUST 2023 | CLOSING TIME: | 11:00 |
| DESCRIPTION | SUPPLY OF PREPAID ELECTRICITY VENDING SERVICES WITH THIRD PARTY VENDING MANAGEMENT AND REVENUE ENHANCEMENT/TID MANAGEMENT | | | | |

THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN
THE BID BOX SITUATED AT

**EMALAHLENI LOCAL MUNICIPALITY
CIVIC CENTRE
29 MANDELA STREET
EMALAHLENI**

SUPPLIER INFORMATION

| | | | | | |
|--|---|--|-------------------------------------|---|--|
| NAME OF BIDDER | | | | | |
| POSTAL ADDRESS | | | | | |
| STREET ADDRESS | | | | | |
| TELEPHONE NUMBER | CODE | | NUMBER | | |
| CELLPHONE NUMBER | | | | | |
| FACSIMILE NUMBER | CODE | | NUMBER | | |
| E-MAIL ADDRESS | | | | | |
| VAT REGISTRATION NUMBER | | | | | |
| TAX COMPLIANCE STATUS | TCS PIN: | | OR | CSD No: | |
| B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX] | <input type="checkbox"/> Yes <input type="checkbox"/> No | | B-BBEE STATUS LEVEL SWORN AFFIDAVIT | <input type="checkbox"/> Yes <input type="checkbox"/> No | |

[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]

| | | | |
|---|---|--|--|
| ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED? | <input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF] | ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED? | <input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER PART B:3] |
| TOTAL NUMBER OF ITEMS OFFERED | | TOTAL BID PRICE | R |
| SIGNATURE OF BIDDER | | DATE | |

CAPACITY UNDER WHICH THIS BID IS SIGNED

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO TECHNICAL INFORMATION MAY BE DIRECTED

| DIRECTED TO: | | TO: | |
|------------------|------------------|------------------|--|
| DEPARTMENT | SCM | CONTACT PERSON | MR M Radingwana |
| CONTACT PERSON | MS ZINHLE MOROKU | TELEPHONE NUMBER | 082 481 0671 |
| TELEPHONE NUMBER | (013) 690 6497 | FACSIMILE NUMBER | (013) 690 6207 |
| FACSIMILE NUMBER | (013) 690 6207 | E-MAIL ADDRESS | radingwanam@emalahleni.gov.za |

PART B TERMS AND CONDITIONS FOR BIDDING

| |
|---|
| 1. BID SUBMISSION: |
| <p>1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.</p> <p>1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED- (NOT TO BE RE-TYPED) OR ONLINE</p> <p>1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.</p> |
| 2. TAX COMPLIANCE REQUIREMENTS |
| <p>2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.</p> <p>2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.</p> <p>2.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.</p> <p>2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.</p> <p>2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.</p> <p>2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.</p> <p>2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.</p> |
| 3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS |
| <p>3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA?</p> <p>3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.</p> |

**NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.
NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE.**

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:

DATE:

| |
|---|
| SCHEDULE 1B: MBD 4 - DECLARATION OF INTEREST |
|---|

1. Any legal person, including persons employed by the state¹, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes a price quotation, advertised competitive bid, limited bid or proposal). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her positioning relation to the evaluating/adjudicating authority where-
 - the bidder is employed by the state; and/or
 - the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declaring acts and persons who are involved with the evaluation and or adjudication of the bid.
2. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**
 - 2.1 Full Name of bidder or his or her representative:
 - 2.2 Identity Number:
 - 2.3 Position occupied in the Company (director, trustee, shareholder²):
 - 2.4 Company Registration Number:
 - 2.5 Tax Reference Number:
 - 2.6 VAT Registration Number:
 - 2.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / persal numbers must be indicated in paragraph 3 below.

¹ "State" means –

- (a) any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
- (b) any municipality or municipal entity;
- (c) provincial legislature;
- (d) national Assembly or the national Council of provinces; or
- (e) Parliament.

2" Shareholder" means a person who owns shares in the company and is actively involved in the management of the enterprise or business and exercises control over the enterprise.

2.7 Are you or any person connected with the bidder presently employed by the state? YES/NO

2.7.1 If so, furnish the following particulars:

Name of person / director / trustee / shareholder/ member.....

Name of state institution at which you or the person connected to the bidder is employed:
.....

Position occupied in the state institution.....

Any other particulars.....

.....

.....

2.7.2 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector? YES/NO

2.7.2.1 If yes, did you attach proof of such authority to the bid document? YES/NO

(Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the bid.

2.7.2.2 If no, furnish reasons for non-submission of such proof:

.....

.....

2.8 Did you or your spouse, or any of the company's directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months? YES/NO

2.8.1 If so, furnish particulars:

.....

.....

.....

2.9 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid? YES/NO

2.9.1If so, furnish particulars:

.....
.....

2.10 Are you, or any person connected with the bidder,
aware of any relationship (family, friend, other) between
any other bidder and any person employed by the state
who may be involved with the evaluation and or adjudication
of this bid?

YES/NO

2.10.1 If so, furnish particulars.

.....
.....
.....

2.11 Do you or any of the directors / trustees / shareholders / members
of the company have any interest in any other related companies
whether or not they are bidding for this contract?

YES/NO

2.11.1 If so, furnish particulars:

.....
.....
.....

3 Full details of directors / trustees / members / shareholders.

| Full Name | Identity Number | Personal Tax Reference Number | State Number Number | Employee / Persal Number |
|-----------|--------------------|----------------------------------|---------------------------|--------------------------------|
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

4 DECLARATION

I, THE UNDERSIGNED (NAME).....

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 AND 3 ABOVE IS
CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF
PARAGRAPH 23 OF THE GENERAL CONDITIONS OF CONTRACT SHOULD THIS
DECLARATION PROVE TO BE FALSE.

.....

Signature

.....

Date

.....

Position

.....

Name of bidder

| |
|--|
| SCHEDULE 1C: MBD 6.1 - PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022 |
|--|

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to invitations to tender:

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2 To be completed by the organ of state

- a) The applicable preference point system for this tender is the 80/20 preference point system.

1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

- (a) Price; and
- (b) Specific Goals.

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

| | POINTS |
|---|--------|
| PRICE | 80 |
| SPECIFIC GOALS | 20 |
| Total points for Price and SPECIFIC GOALS | 100 |

- 1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.
- 1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

2. DEFINITIONS

- (a) **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) **“tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

3.1.1 THE 80/20 PREFERENCE POINT SYSTEMS

A maximum of 80 points is allocated for price on the following basis:

80/20

$$Ps = 80 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Commission percentage of tender under consideration
Pmin = Commission percentage of lowest acceptable tender

3.2. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT

3.2.1. POINTS AWARDED FOR PRICE

A maximum of 80 points is allocated for Commission percentage on the following basis:

$$Ps = 80 \left(1 + \frac{Pt - Pmax}{Pmax} \right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Commission percentage of tender under consideration
Pmax = Commission percentage of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/documentation stated in the conditions of this tender:

4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of –

- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or

(b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system, then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

Table 1: Specific goals for the tender and points claimed are indicated per the table below.

Note to tenderers: The tenderer must indicate how they claim points for each preference point system.

| Item no. | The specific goals allocated points in terms of this tender | Number of points allocated (80/20 system) | Number of points claimed (80/20 system) (To be completed by the tenderer) |
|---|---|---|---|
| A total of 15 preference points shall be allocated on a proportional or pro rata basis for contracting an enterprise owned by historically disadvantaged persons or individuals who meet the following requirements - | | | |
| 1. | for 100% black person or people owned enterprise | 5 points | |
| 2. | for at least 30% woman or women shareholding or owned enterprise | 5 points | |
| 3. | For at least 30% youth shareholding or owned enterprise | 2.5 points | |
| 4. | for at least 30% people living with disability shareholding or owned enterprise | 2.5 points | |
| A total of 5 preference points shall be allocated on a proportional or pro rata basis for implementing of programmes for RDP - | | | |
| 7. | for enterprise regarded as EME located within the local area of jurisdiction. | 5 points | |
| The Municipality will utilize the CSD report for the above-mentioned information. | | | |

DECLARATION WITH REGARD TO COMPANY/FIRM

4.3. Name of company/firm.....

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

☐ Partnership/Joint Venture / Consortium

- ☐ One-person business/sole propriety
 - ☐ Close corporation
 - ☐ Public Company
 - ☐ Personal Liability Company
 - ☐ (Pty) Limited
 - ☐ Non-Profit Company
 - ☐ State Owned Company
- [TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
 - (a) disqualify the person from the tendering process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and

(e) forward the matter for criminal prosecution, if deemed necessary.

SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME:

DATE:

ADDRESS:

.....

.....

.....

| |
|--|
| SCHEDULE 1D: MBD 8 - DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES |
|--|

- 1 This Standard Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by institutions in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be disregarded if that bidder, or any of its directors have-
 - a. abused the institution's supply chain management system;
 - b. committed fraud or any other improper conduct in relation to such system; or
 - c. failed to perform on any previous contract.
- 4 **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

| Item | Question | Yes | No |
|-------|---|---------------------------------|--------------------------------|
| 4.1 | Is the bidder or any of its directors listed on the National Treasury's database as companies or persons prohibited from doing business with the public sector? (Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the <i>audi alteram partem</i> rule was applied). | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| 4.1.1 | If so, furnish particulars: | | |
| 4.2 | Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? To access this Register, enter the National Treasury's website, www.treasury.gov.za, click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number (012) 3265445. | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| 4.2.1 | If so, furnish particulars: | | |
| 4.3 | Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years? | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| 4.3.1 | If so, furnish particulars: | | |

| | | | |
|-------|---|---------------------------------|--------------------------------|
| 4.4 | Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract? | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| 4.4.1 | If so, furnish particulars: | | |

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME)

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS TRUE AND CORRECT.

I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....

Signature

.....

Date

.....

Position

.....

Name of Bidder

| |
|--|
| SCHEDULE 1E: MBD 9 - CERTIFICATE OF INDEPENDENT BID DETERMINATION |
|--|

- 1 This Municipal Bidding Document (MBD) must form part of all bids¹ invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging). ² Collusive bidding is a *per se* prohibition meaning that it cannot be justified under any grounds.
- 3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
 - a. disregards the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
 - b. cancels a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
- 4 This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

¹ Includes price quotations, advertised competitive bids, limited bids and proposals.

² Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Institution)

do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of: _____ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
 - (a) has been requested to submit a bid in response to this bid invitation;
 - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
 - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
 - (a) prices;
 - (b) geographical area where product or service will be rendered (market allocation)
 - (c) methods, factors or formulas used to calculate prices;
 - (d) the intention or decision to submit or not to submit, a bid;
 - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
 - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

³ Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill, and knowledge in an activity for the execution of a contract.

10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

SCHEDULE 1F: AUTHORITY OF SIGNATORY

Indicate the status of the tenderer by ticking the appropriate box hereunder. The tenderer must complete the certificate set out below for the relevant category.

| A Company | B Partnership | C Joint Venture | D Sole Proprietor | E Close Corporation |
|--------------|------------------|--------------------|----------------------|------------------------|
| | | | | |

A. Certificate for Company

I,, chairperson of the board of directors of ...
, hereby confirm that by resolution of the
 board (**copy attached**) taken on 20..., Mr./Ms.
 acting in the capacity of, was authorized to sign all documents in
 connection with this tender for contract and any contract resulting from it on
 behalf of the company.

As witnesses:

- | | | | |
|----|--|------------|--|
| 1. | | Chairman : | |
| 2. | | Date : | |

Tenderers must attach a copy of the Resolution of the Board.

B. Certificate for Partnership

We, the undersigned, being the key partners in the business trading as
 hereby authorize Mr. / Ms.

 acting in the capacity of to sign all documents in
 connection with the tender for Contract and any contract resulting from it
 on our behalf.

| NAME | ADDRESS | SIGNATURE | DATE |
|------|---------|-----------|------|
| | | | |
| | | | |
| | | | |

NOTE: This certificate is to be completed and signed by all of the key partners upon whom rests the direction of the affairs of the Partnership as a whole

C. Certificate for Joint Venture

We, the undersigned, are submitting this tender offer in Joint Venture and hereby authorise Mr/Ms.

..... , authorised signatory of the company
..... , acting in the capacity of lead partner, to sign all documents in connection with the tender offer for Contract and any contract resulting from it on our behalf.

This authorization is evidenced by the attached power of attorney signed by legally authorized signatories of all the partners to the Joint Venture.

| NAME OF FIRM | ADDRESS | AUTHORISING SIGNATURE, NAME & CAPACITY |
|--------------|---------|--|
| Lead partner | | |
| | | |
| | | |

D. Certificate for Sole Proprietor

I, hereby confirm that I am the sole owner of the business trading as

.....

As witnesses:

| | | | | |
|----|-------|------------|------------|-------|
| 1. | | Sole owner | Signature: | |
| 2. | | | Date : | |

E. Certificate for Close Corporation

We, the undersigned, being the key members in the business trading as
..... hereby authorize Mr./Ms.

acting in the capacity of, to sign all documents in connection with the tender for Contract and any contract resulting from it on our behalf.

| NAME | ADDRESS | SIGNATURE | DATE |
|------|---------|-----------|------|
| | | | |
| | | | |

| |
|--|
| CERTIFICATE OF AUTHORITY FOR JOINT VENTURES (if applicable) |
|--|

This returnable schedule is to be completed by joint ventures.

We, the undersigned, are submitting this tender offer in joint venture and hereby authorize Mr/Ms, authorised signatory of the company, close corporation or partnership , acting in the capacity of lead partner, to sign all documents in connection with the tender offer and any contract resulting from it on our behalf.

| NAME OF FIRM | ADDRESS | DULY SIGNATORY | AUTHORISED |
|--------------|---------|-------------------|------------|
| | | Signature | |
| | | Name | |
| | | Designation | |
| | | Signature | |
| | | Name | |
| | | Designation | |
| | | Signature | |
| | | Name | |
| | | Designation | |

NOTE: A copy of the Joint Venture Agreement showing clearly the **percentage contribution of each partner** to the Joint Venture shall be appended to this schedule.

EMALAHLENI LOCAL MUNICIPALITY

SCHEDULE 1G: RECORD OF ADDENDA TO TENDER DOCUMENTS

We confirm that the following communications received from the Employer before the submission of this tender offer, amending the tender documents, have been taken into account in this tender offer:

| No. | Date | Title or Details |
|-----|------|------------------|
| 1. | | |
| 2. | | |
| 3. | | |
| 4. | | |
| 5. | | |
| 6. | | |
| 7. | | |
| 8. | | |
| 9. | | |
| 10. | | |

Attach additional pages if more space is required.

Signed

Date

Name

Position

Tenderer

EMALAHLENI LOCAL MUNICIPALITY

**SCHEDULE 1H: SCHEDULE OF WORK SATISFACTORILY
CARRIED OUT BY THE TENDERER**

The following is a statement of similar work successfully executed by myself/ourselves:

| Employer, contact person and telephone number | Description of Contract | Value of Work Inclusive of VAT (Rand) | Date Completed |
|--|--------------------------------|--|---------------------------|
| | | | |

Signed

Date

Name

Position

EMALAHLENI LOCAL MUNICIPALITY

| |
|---|
| SCHEDULE 1I: SUITABLE REFERENCES AND PROOF OF EXCELLENCE |
|---|

Five (5) Suitable references, may include: International Organizations, Banks, other financial institutions, Large Public or Private Companies, large NGO's. Must have successfully carried out similar projects in large institutions in similar business areas.

| |
|---|
| SCHEDULE 2A: PROOF OF AUTHORITY OF SIGNATORY |
|---|

EMALAHLENI LOCAL MUNICIPALITY

SUPPLY OF PREPAID ELECTRICITY VENDING SERVICES WITH THIRD PARTY VENDING MANAGEMENT AND REVENUE ENHANCEMENT/TID MANAGEMENT

| |
|---|
| SCHEDULE 2B: MUNICIPAL RATES AND TAXES |
|---|

Section 38 (d) (i) of Municipal Supply Chain Regulations requires that the municipality must reject a bidder whose municipal rates and taxes are in arrears for more than three months.

The purpose of this schedule is to obtain proof that municipal services, rates and taxes of the service provider are not in arrears for more than three months, with the relevant municipality / landlord in the municipal area where the service provider conduct his / her business.

The tenderer must attach to this page proof of registration with the Municipalities (local and/or district) as a payer of municipal levies and valid proof that municipal rates and taxes and municipal service charges of the prospective bidder and directors of the business are not in arrears from the relevant municipality for more than 90 days.

EMALAHLENI LOCAL MUNICIPALITY

**SUPPLY OF PREPAID ELECTRICITY VENDING SERVICES WITH THIRD PARTY VENDING
MANAGEMENT AND REVENUE ENHANCEMENT/TID MANAGEMENT**

| |
|--------------------------------------|
| SCHEDULE 2C: CSD REGISTRATION |
|--------------------------------------|

The tenderer must attach to this page proof of registration on the Central Suppliers Database (CSD) of the National Treasury.

EMALAHLENI LOCAL MUNICIPALITY

**SUPPLY OF PREPAID ELECTRICITY VENDING SERVICES WITH THIRD PARTY VENDING
MANAGEMENT AND REVENUE ENHANCEMENT/TID MANAGEMENT**

| |
|---|
| SCHEDULE 2D: JOINT VENTURE AGREEMENT |
|---|

The tenderer must attach to this page proof of Joint Venture Agreement in case of a Joint Venture signed by both parties.

EMALAHLENI LOCAL MUNICIPALITY

**SUPPLY OF PREPAID ELECTRICITY VENDING SERVICES WITH THIRD PARTY VENDING
MANAGEMENT AND REVENUE ENHANCEMENT/TID MANAGEMENT**

SCHEDULE 2E: SOUTH AFRICAN REVENUE PROTECTION ASSOCIATION REGISTRATION

EMALAHLENI LOCAL MUNICIPALITY

**SUPPLY OF PREPAID ELECTRICITY VENDING SERVICES WITH THIRD PARTY VENDING
MANAGEMENT AND REVENUE ENHANCEMENT/TID MANAGEMENT**

SCHEDULE 2F: REFERENCE LETTER FROM 3 MUNICIPALITIES

EMALAHLENI LOCAL MUNICIPALITY

**SUPPLY OF PREPAID ELECTRICITY VENDING SERVICES WITH THIRD PARTY VENDING
MANAGEMENT AND REVENUE ENHANCEMENT/TID MANAGEMENT**

SCHEDULE 2G: PAYMENT AGGREGATOR LETTER

EMALAHLENI LOCAL MUNICIPALITY

**SUPPLY OF PREPAID ELECTRICITY VENDING SERVICES WITH THIRD PARTY VENDING
MANAGEMENT AND REVENUE ENHANCEMENT/TID MANAGEMENT**

| |
|--|
| SCHEDULE 2H: SAMPLE RECEIPT WHICH SHOWS RECEIPT NUMBER, TOKEN DIGITS, UNITS IN KWH PURCHASED, AMOUNT TENDERED AND VAT |
|--|

EMALAHLENI LOCAL MUNICIPALITY

**SUPPLY OF PREPAID ELECTRICITY VENDING SERVICES WITH THIRD PARTY
VENDING MANAGEMENT AND REVENUE ENHANCEMENT/TID MANAGEMENT**

TENDER NO: ELM 12/2023

| |
|---|
| PART C1: AGREEMENT AND STANDARD CONDITIONS OF TENDER |
|---|

- C1.1 Form of Offer and Acceptance**
- C1.2 Standard Conditions of Tender**

EMALAHLENI LOCAL MUNICIPALITY

**SUPPLY OF PREPAID ELECTRICITY VENDING SERVICES WITH THIRD PARTY
VENDING MANAGEMENT AND REVENUE ENHANCEMENT/TID
MANAGEMENT**

TENDER NO: ELM 12/2023

C1.1: FORM OF OFFER AND ACCEPTANCE

1. OFFER

The employer, identified in the acceptance signature block, has solicited offers to enter into a contract for the procurement of:

**SUPPLY OF PREPAID ELECTRICITY VENDING SERVICES WITH THIRD PARTY
VENDING MANAGEMENT AND REVENUE ENHANCEMENT/TID MANAGEMENT**

The tenderer, identified in the offer signature block, has examined the documents listed in the tender data and addenda thereto as listed in the tender schedules, and by submitting this offer has accepted the conditions of tender.

By the representative of the tenderer, deemed to be duly authorized, signing this part of this form of offer and acceptance, the tenderer offers to perform all of the obligations and liabilities of the Contractor under the contract including compliance with all its terms and conditions according to their true intent and meaning for an amount to be determined in accordance with the Conditions of Contract identified in the Contract Data.

The offered total of the prices inclusive of Value-Added Tax is:

.....
.....

Rand (in words);

.....R (in figures)

This offer may be accepted by the employer by signing the acceptance part of this form of offer and acceptance and returning one copy of this document to the tenderer before the end of the period of validity stated in the tender data, whereupon the tenderer becomes the party named as the contractor in terms of the conditions of contract identified in the contract data.

Signature(s)

Name(s)

Capacity

for the **Tenderer**
(Name and address of organization)

Name and signature
of witness Date

2. ACCEPTANCE

By signing this part of this form of offer and acceptance, the employer identified below accepts the tenderer's offer. In consideration thereof, the employer shall pay the contractor the amount due in accordance with the conditions of contract identified in the contract data. Acceptance of the tenderer's offer shall form an agreement between the employer and the tenderer upon the terms and conditions contained in this agreement and in the contract that is the subject of this agreement.

The terms of the contract are contained in

Part C1: Agreements and conditions of tender (which includes this agreement)

Part C2: Pricing data

Part C3: Scope of work

Part C4: Site Information

and drawings and documents or parts thereof, which may be incorporated by reference into Parts C1 to C4 above.

Deviations from and amendments to the documents listed in the tender data and any addenda thereto, as listed in the tender schedules as well as any changes to the terms of the offer agreed by the tenderer and the employer during this process of offer and acceptance, are contained in the schedule of deviations attached to and forming part of this agreement. No amendments to or deviations from said documents are valid unless contained in this schedule.

The tenderer shall, within two weeks after receiving a completed copy of this agreement including the schedule of deviation (if any), contact the employer's agent (whose details are given in the contract data) to arrange the delivery of any bonds, guarantees, proof insurance and any other documentation to be provided in terms of the conditions of contract identified in the contract data. Failure to fulfil any of the obligations in accordance with those terms shall constitute a repudiation of this agreement.

Notwithstanding anything contained herein, this agreement comes into effect on the date when the tenderer receives one fully completed original copy of this document, including the schedule of deviations (if any). Unless the tenderer (now contractor), within five (5) working days of the date of such receipt, notifies the employer in writing of any reason why he cannot accept the contents of this agreement, this agreement shall constitute a binding contract between the parties.

Signature(s)

Name(s)

Capacity

for the **Employer**
(Name and address of organization)

Name and signature
of witness Date

C 1.2: Standard Conditions of Tender

1 GENERAL

1.1 Actions

1.1.1 The employer and each tenderer submitting a tender offer shall comply with these conditions of tender. In their dealings with each other, they shall discharge their duties and obligations timeously and with integrity, and behave equitably, honestly and transparently, comply with all legal obligations and not engage in anticompetitive practices.

1.1.2 The employer and the tenderer and all their agents and employees involved in the tender process shall avoid conflicts of interest and where a conflict of interest is perceived or known, declare any such conflict of interest, indicating the nature of such conflict. Tenderers shall declare any potential conflict of interest in their tender submissions. Employees, agents and advisors of the employer shall declare any conflict of interest to whoever is responsible for overseeing the procurement process at the start of any deliberations relating to the procurement process or as soon as they become aware of such conflict, and abstain from any decisions where such conflict exists or recuse themselves from the procurement process, as appropriate.

Note:

- a) A conflict of interest may arise due to a conflict of roles which might provide an incentive for improper acts in some circumstances. A conflict of interest can create an appearance of impropriety that can undermine confidence in the ability of that person to act properly in his or her position even if no improper acts result.
- b) Conflicts of interest in respect of those engaged in the procurement process include direct, indirect or family interests in the tender or outcome of the procurement process and any personal bias, inclination, obligation, allegiance or loyalty which would in any way affect any decisions taken.

1.1.3 The employer shall not seek and a tenderer shall not submit a tender without having a firm intention and the capacity to proceed with the contract

1.2 Tender documents

The documents issued by the employer for the purpose of a tender offer are listed in the tender data.

1.3 Interpretation

1.3.1 The tender data and additional requirements contained in the tender schedules that are included in the returnable documents are deemed to be part of these conditions of tender.

1.3.2 These conditions of tender, the tender data and tender schedules which are only required for tender evaluation purposes, shall not form part of any contract arising from the invitation to tender.

1.3.3 For the purposes of these conditions of tender, the following definitions apply:

- a) **conflict of interest** means any situation in which:
 - i) someone in a position of trust has competing professional or personal interests which make it difficult to fulfill his or her duties impartially;
 - ii) an individual or organization is in a position to exploit a professional or official capacity in some way for their personal or corporate benefit; or
 - iii) Incompatibility or contradictory interests exist between an employee and the organization which employs that employee.
- b) **comparative offer** means the tenderer's financial offer after all tendered parameters that will affect the value of the financial offer have been taken into consideration in order to enable comparisons to be made between offers on a comparative basis
- c) **corrupt practice** means the offering, giving, receiving or soliciting of anything of value to influence the action of the employer or his staff or agents in the tender process; and
- d) **fraudulent practice** means the misrepresentation of the facts in order to influence the tender process or the award of a contract arising from a tender offer to the detriment of the employer, including collusive practices intended to establish prices at artificial levels
- e) **organization** means a company, firm, enterprise, association or other legal entity, whether incorporated or not, or a public body
- f) **quality (functionality)** means the totality of features and characteristics of a product or service that bear on its ability to satisfy stated or implied needs

1.4 **Communication and employer's agent**

Each communication between the employer and a tenderer shall be to or from the employer's agent only, and in a form that can be read, copied and recorded. Writing shall be in the English language. The employer shall not take any responsibility for non-receipt of communications from or by a tenderer. The name and contact details of the employer's agent are stated in the tender data.

1.5 **The employer's right to accept or reject any tender offer**

1.5.1 The employer may accept or reject any variation, deviation, tender offer, or alternative tender offer, and may cancel the tender process and reject all tender offers at any time before the formation of a contract. The employer shall not accept or incur any liability to a tenderer for such

cancellation and rejection, but will give written reasons for such action upon written request to do so.

- 1.5.2 The employer may not subsequent to the cancellation or abandonment of a tender process or the rejection of all responsive tender offers re-issue a tender covering substantially the same scope of work within a period of three months unless only one tender was received and such tender was returned unopened to the tenderer.

1.6 Procurement procedures

1.6.1 General

Unless otherwise stated in the tender data, a contract will be concluded with the tenderer who is the highest ranked or the tenderer scoring the highest number of tender evaluation points, as relevant, based on the tender submissions that are received at the closing time for tenders.

1.6.2 Competitive negotiation procedure

- 1.6.2.1 Where the tender data require that the competitive negotiation procedure is to be followed, tenderers shall submit tender offers in response to the proposed contract in the first round of submissions.
- 1.6.2.2 All responsive tenderers, or not less than three responsive tenderers that are highest ranked in terms of the evaluation method and evaluation criteria stated in the tender data, shall be invited in each round to enter into competitive negotiations, based on the principle of equal treatment and keeping confidential the proposed solutions and associated information. Notwithstanding, the employer may request that tenders be clarified, specified and fine-tuned in order to improve a tenderer's competitive position provided that such clarification, specification, fine-tuning or additional information does not alter any fundamental aspects of the offers or impose substantial new requirements which restrict or distort competition or have a discriminatory effect.
- 1.6.2.3 At the conclusion of each round of negotiations, tenderers shall be invited by the employer to make a fresh tender offer, based on the same evaluation criteria, with or without adjusted weightings. Tenderers shall be advised when they are to submit their best and final offer.
- 1.6.2.4 The contract shall be awarded in accordance with the provisions of the General Conditions of Contract after tenderers have been requested to submit their best and final offer.

2 TENDERER'S OBLIGATIONS

2.1 Eligibility

- 2.1.1 Submit a tender offer only if the tenderer satisfies the criteria stated in the tender data and the tenderer, or any of his principals, is not under any restriction to do business with employer.
- 2.1.2 Submit a tender offer only if the tenderer satisfies that the minimum score for functionality criteria will be met.
- 2.1.3 Notify the employer of any proposed material change in the capabilities or formation of the tendering entity (or both) or any other criteria which formed part of the qualifying requirements used by the employer as the basis in a prior process to invite the tenderer to submit a tender offer and obtain the employer's written approval to do so prior to the closing time for tenders.

2.2 Cost of tendering

Accept that, unless otherwise stated in the tender data, the employer will not compensate the tenderer for any costs incurred in the preparation and submission of a tender offer, including the costs of any testing necessary to demonstrate that aspects of the offer comply with requirements.

2.3 Check documents

Check the tender documents on receipt for completeness and notify the employer of any discrepancy or omission.

2.4 Confidentiality and copyright of documents

Treat as confidential all matters arising in connection with the tender. Use and copy the documents issued by the employer only for the purpose of preparing and submitting a tender offer in response to the invitation.

2.5 Reference documents

Obtain, as necessary for submitting a tender offer, copies of the latest versions of standards, specifications, conditions of contract and other publications, which are not attached but which are incorporated into the tender documents by reference.

2.6 Acknowledge addenda

Acknowledge receipt of addenda to the tender documents, which the employer may issue, and if necessary apply for an extension to the closing time stated in the tender data, in order to take the addenda into account.

2.7 Clarification meeting

Attend, where required, a clarification meeting at which tenderers may familiarize themselves with aspects of the proposed work, services or supply and raise questions. Details of the meeting(s) are stated in the tender data.

2.8 Seek clarification

Request clarification of the tender documents, if necessary, by notifying the employer at least five working days before the closing time stated in the tender data.

2.9 Insurance

Be aware that the extent of insurance to be provided by the employer (if any) may not be for the full cover required in terms of the conditions of contract identified in the contract data. The tenderer is advised to seek qualified advice regarding insurance.

2.10 Pricing the tender offer

2.10.1 Include in the rates, prices, and the tendered total of the prices (if any) all duties, taxes (except Value Added Tax (VAT)), and other levies payable by the successful tenderer, such duties, taxes and levies being those applicable 14 days before the closing time stated in the tender data.

2.10.2 Show VAT payable by the employer separately as an addition to the tendered total of the prices.

2.10.3 Provide rates and prices that are fixed for the duration of the contract and not subject to adjustment except as provided for in the conditions of contract identified in the contract data.

2.10.4 State the rates and prices in Rand unless instructed otherwise in the tender data. The conditions of contract identified in the contract data may provide for part payment in other currencies.

2.11 Alterations to documents

Not make any alterations or additions to the tender documents, except to comply with instructions issued by the employer, or necessary to correct errors made by the tenderer. All signatories to the tender offer shall initial all such alterations. Erasures and the use of masking fluid are prohibited.

2.13 Submitting a tender offer

2.13.1 Submit one tender offer only, either as a single tendering entity or as a member in a joint venture to provide the whole of the works, services or supply identified in the contract data and described in the scope of works, unless stated otherwise in the tender data.

2.13.2 Return all returnable documents to the employer after completing them in their entirety, either electronically (if they were issued in electronic format) or by writing legibly in non-erasable ink.

2.13.3 Submit the parts of the tender offer communicated on paper as an original plus the number of copies stated in the tender data, with an English translation of any

documentation in a language other than English, and the parts communicated electronically in the same format as they were issued by the employer.

- 2.13.4 Sign the original and all copies of the tender offer where required in terms of the tender data. The employer will hold all authorized signatories liable on behalf of the tenderer. Signatories for tenderers proposing to contract as joint ventures shall state which of the signatories shall be the lead partner whom the employer shall hold liable for the purpose of the tender offer.
- 2.13.5 Seal the original and each copy of the tender offer as separate packages marking the packages as "ORIGINAL" and "COPY". Each package shall state on the outside the employer's address and identification details stated in the tender data, as well as the tenderer's name and contact address.
- 2.13.6 Seal the original tender offer and copy packages together in an outer package that states on the outside only the employer's address and identification details as stated in the tender data.
- 2.13.7 Accept that the employer will not assume any responsibility for the misplacement or premature opening of the tender offer if the outer package is not sealed and marked as stated.
- 2.13.8 Accept that tender offers submitted by facsimile or e-mail will be rejected by the employer, unless stated otherwise in the tender data.

2.14 Information and data to be completed in all respects

Accept that tender offers, which do not provide all the data or information requested completely and, in the form, required, may be regarded by the employer as non-responsive.

2.15 Closing time

- 2.15.1 Ensure that the employer receives the tender offer at the address specified in the tender data not later than the closing time stated in the tender data. Accept that proof of posting shall not be accepted as proof of delivery
- 2.15.2 Accept that, if the employer extends the closing time stated in the tender data for any reason, the requirements of these conditions of tender apply equally to the extended deadline.

2.16 Tender offer validity

- 2.16.1 Hold the tender offer(s) valid for acceptance by the employer at any time during the validity period (**not less than 90 days**) stated in the tender data after the closing time stated in the tender data.
- 2.16.2 If requested by the employer, consider extending the validity period stated in the tender data for an agreed additional period with or without any conditions attached to such extension.
- 2.16.3 Accept that a tender submission that has been submitted to the employer may only be withdrawn or substituted by giving the employer's agent written notice

before the closing time for tenders that a tender is to be withdrawn or substituted.

- 2.16.4 Where a tender submission is to be substituted, submit a substitute tender in accordance with the requirements of **clause 2.13** with the packages clearly marked as "SUBSTITUTE".

2.17 Clarification of tender offer after submission

- 2.17.1 Provide clarification of a tender offer in response to a request to do so from the employer during the evaluation of tender offers. This may include providing a breakdown of rates or prices and correction of arithmetical errors by the adjustment of certain rates or item prices (or both). No change in the competitive position of tenderers or substance of the tender offer is sought, offered, or permitted.

Note:

Clause 2.17.1 does not preclude the negotiation of the final terms of the contract with a preferred tenderer following a competitive selection process, should the employer elect to do so.

2.18 Provide other material

- 2.18.1 Provide, on request by the employer, any other material that has a bearing on the tender offer, the tenderer's commercial position (including notarized joint venture agreements), preferencing arrangements, or samples of materials, considered necessary by the employer for the purpose of a full and fair risk assessment. Should the tenderer not provide the material, or a satisfactory reason as to why it cannot be provided, by the time for submission stated in the employer's request, the employer may regard the tender offer as non-responsive.
- 2.18.2 Dispose of samples of materials provided for evaluation by the employer, where required.

2.19 Inspections, tests and analysis

Provide access during working hours to premises for inspections, tests and analysis as provided for in the tender data.

2.20 Submit securities, bonds, policies etc.

If requested, submit for the employer's acceptance before formation of the contract, all securities, bonds, guarantees, policies and certificates of insurance required in terms of the conditions of contract identified in the contract data.

2.21 Check final draft

Check the final draft of the contract provided by the employer within the time available for the employer to issue the contract.

2.22 Return of other tender documents

If so instructed by the employer, return all retained tender documents within 28 days after the expiry of the validity period stated in the tender data.

2.23 Certificates

Include in the tender submission or provide the employer with any certificates as stated in the tender data

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TENDER NO: ELM 12/2023

PART C2: PRICING DATA

C2.1 Pricing Instructions

C 2.1 PRICING INSTRUCTIONS

The tender is 80% self-funding. It is expected that the bidder will put in place systems which will assist the municipality with revenue enhancement and ensure that the system maximizes revenue collection on the prepaid system.

A ONCE OFF: SYSTEM SETUP, IMPLEMENTATION AND TRAINING COST

| Item | Description | Fixed price (excl. Vat) from date of appointment till _____ |
|--|-----------------------------------|--|
| 1.1 | System setup cost | |
| 1.2 | Data migration cost | |
| 1.3 | Interface with (financial system) | |
| 1.3.1 | File based integration | |
| 1.3.2 | Web services based integration | |
| 1.4 | Training cost for 50 users | |
| 1.5 | Sts6 implementation cost | |
| 1.6 | Other | |
| 1.7 | | |
| 1.7.1 | | |
| 1.7.2 | | |
| 1.7.3 | | |
| (a) total fixed price (excl. Vat) | | |

B1 MONTHLY AND VARIABLE COST - YEAR 1

| ITEM | DESCRIPTION | QUANTITY FOR TWELVE MONTHS | UNIT PRICE/PERCENTAGE (EXCL VAT) | TOTAL BID PRICE (EXCL VAT YEAR 2 (36 MONTHS) |
|--|------------------------------------|----------------------------------|--|---|
| 1 | Management/Hosting Fees | 36 | | |
| 2 | Applicable License Fees | 36 | | |
| 3 | Data Communication Cost | 36 | | |
| 4 | Commission claimable | 36 | percentage | percentage |
| 7 | Additional Fees (specify below) | 36 | | |
| 7.1 | SMS of FBE tokens | X 200 000 | | |
| 7.2 | USSD delivery of FBE tokens | X 200 000 | | |
| 7.3 | | | | |
| TOTAL MONTHLY AND VARIABLE COST (EXCL VAT) YEAR 2 | | | | |

| | |
|---|--|
| TOTAL BID PRICE (A+B1) (Excl. VAT) - 3 YEARS | |
|---|--|

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PART C2.3: Evaluation and Adjudication Criteria

All bid proposals received will be evaluated and adjudicated on the **80/20** preference point system. Price will not be the only determining factor; it should be noted that the municipality reserves the rights not to appoint the lowest bid amount.

Determination of Responsiveness

1. The municipality's determination of a proposal's responsiveness is to be based on the contents of the submitted proposal. A substantially responsive proposal is one that meets the requirements of the RFP without material deviation, reservation or omissions.
 - a. "Deviation" is a departure from the requirements specified in the RFP;
 - b. "Reservation" is the setting of limiting conditions or withholding from complete acceptance of the requirements specified in the RFP; and
 - c. "Omission" is the failure to submit part or all of the information or documentation required in the RFP.
2. A material deviation, reservation or omission is one that:
 - a) Affect in any substantial way the scope, quality or performance of the requirements as specified in the RFP;
 - b) Limit in any substantial way, inconsistent with the RFP, the municipality's rights or the bidder's obligations under the proposed contract; or
 - c) If rectified, would unfairly affect the competitive position of other bidders presenting substantially responsive proposals.
3. The municipality shall examine the technical proposals to determine whether proposals are substantially responsive with the requirements.

If a proposal is not substantially responsive to the requirements of the RFP, it shall be rejected and may not subsequently be made responsive by correction of the material deviation, reservation or omission.

The following table will be used by the Bid Evaluation Committee to evaluate the responsiveness of the submitted proposal. The inspection in-loco will provide the evaluation committee with more evidence on the responses provided in the technical proposal submitted by the prospective bidder. A responsive bid will be based on acquiring 54/67 (80%) of the questionnaire/evaluation sheet below.

| No. | Question | Yes/ No | Comments |
|-----|---|------------|----------|
| 1 | Does the system comply with all the STS specifications as listed in the tender? STS certificate to be supplied in the name of the tenderer. Is the system certified for Electricity and Water vending? TheMeter Solution must be fully compliant with IEC62055-41 (STS) Edition 2 specifications and all relevant STS guidelines. <i>(documentary proof must be included)</i> . | | |
| 2 | Does the system allow for configuration by the municipality for various system requirements? | | |
| 3 | Is a list of system limitations attached? | | |
| 4 | Is a full, detailed functionality description of the system attached? | | |
| 5 | Is there a detailed strategy for the TID rollover included with an indication of cost to the Municipality? | | |
| 6 | Is a detailed graphical drawing of the proposed network and system attached? | | |
| 7 | Is a detailed disaster recovery plan attached? | | |
| 8 | Is a comprehensive 3rd Party payment remittance process attached? | | |
| 9 | Are different servers utilized for the different applications e.g. transaction server, management server, etc.? | | |
| 10 | Meter System is real time and on-line | | |
| 11 | Does the system have the capability to provide pre-paid services to Electricity and Water customers using a single interface? Does a single Customer record have the ability to link to multiple meter account types? | | |
| 12 | Does the system integrate to other vending mechanics such as automatic cash handling machines, self-service terminals and other third-party options using Eskom XMLVend as an interface language? | | |
| 13 | The Meter System supplier needs to comply with National Rationalised Specification - NRSO47 and NRS009 specifications. <i>(documentary proof must be included)</i> ? | | |
| 14 | The Meter System shall accommodate both 11 (eleven) and 13 (thirteen) digit STS meter serial numbers (must be demonstrated during practical evaluation) | | |
| 15 | Meter System can generate STS Electricity, STS Water and STS Meter Currency Token <i>(must be demonstrated during practical evaluation)</i> . | | |
| 16 | Does the system provide for integration to the other systems in use at the municipality through the following options: periodic bulk export/import/registration of data/meter to and from other business systems, on-line real-time per transaction synchronization of data? Have the requirements of mSCOA been addressed in the offer? | | |
| 17 | Does the system comply with financial services regulations regarding storage of data? | | |
| 18 | Does the system provide WEB integration for management functionality and reporting? Specify what standard will be used. | | |

| No. | Question | Yes/ No | Comments |
|-----|--|------------|----------|
| 19 | Can the administrators log into the servers directly from their offices? Can admins log in remotely over the internet? | | |
| 20 | The transfer from the existing system to a new system shall be executed without any hindrance to the normal vending operations (system implementation plan must be included) | | |
| 21 | The proposed system should be able to support multiple meter technologies i.e. Smart Metering and Automatic Metering Reading (must be demonstrated during practical evaluation) | | |
| 22 | Does the system provide for access rights into the system for uses and groups? | | |
| 23 | Does the system provide for user ID disabled or removed to remain in history transaction data? | | |
| 24 | The software and database shall be able to accommodate, with no special changes other than hardware scaling, more than 1 million consumer records and 120 million transaction records from the main sewer (must be demonstrated during the practical evaluation) | | |
| 25 | Does the system provide for arrear recovery in line with the credit control policy of the municipality? | | |
| 26 | Does the system provide for at least the following arrear recovery alternatives: Sliding scale percentage of transaction recovery; service-based recovery; full arrear payment recovery; partial arrear payment recovery with limited Electricity & Water sales? | | |
| 27 | Does the system provide for "free issues" (EBSST token) to be SMSed to specific customers? | | |
| 28 | Does the system print "duplicate invoice" or "copy invoice" on a receipt if the "free issues" (EBSST token) is requested more than once in a calendar month? | | |
| 29 | Does the system allow the generation of all engineering tokens directly from the system master station? | | |
| 30 | Does the system allow all engineering tokens to be either printed, viewed without printing or sent through SMS? | | |
| 31 | Does the system support all the different types of engineering vouchers as specified in the tender? | | |
| 32 | The system shall be fully STS Edition 2 compliant and capable of vending STS prepayment credit and engineering tokens on both legacy STS and STS Edition 2 as required for the TID Rollover process (must be demonstrated during practical evaluation) | | |
| 33 | The Meter System shall operate on a standard readily available, PC-based machine Windows with no special modifications required to any parts (must be demonstrated during practical evaluation) | | |
| 34 | Does the system provide for messages at the bottom of the token voucher which can be changed by the municipality according to the municipality's requirements? | | |
| 35 | Does the system keep all historical connections between the meter, point of connection and the customer? | | |
| 36 | The SMART Meter System must include a consumer portal that will enable end consumers i.e. view sales history, usage profiles, display alerts, etc. (must be demonstrated during the practical evaluation) | | |

| No. | Question | Yes/ No | Comments |
|-----|---|------------|----------|
| 37 | The functionality of the security module must be in compliance with STS 600-4-x (documentary proof and system implementation plan to be included) | | |
| 38 | Does the system provide for at least the standard reports as stipulated in the tender? | | |
| 39 | Does the system allow for preview of reports before printing? | | |
| 40 | Is a statistical Monthly Management Report available? Is a sample provided? | | |
| 41 | Does the system support the use of vending-based tariffs? | | |
| 42 | Does the system provide for pre-defined tariffs by date to be created in advance? | | |
| 43 | Does the system accommodate the current vending structures of the municipality? | | |
| 44 | Does the system support IBT (stepped tariffs)? | | |
| 45 | Does the system support vending-based VAT that is calculated at time of vending? | | |
| 46 | Does the system provide for batch numbers to follow sequentially and print a breakdown of all money received separately? | | |
| 47 | Does the system provide for the payment of arrear amounts, current amounts or linked account separately from purchasing pre-paid Electricity & Water tokens? | | |
| 48 | Does the system provide for the cashier to enter the full amount from which the arrear amount will automatically be deducted, and the remainder of the money will then automatically be allocated towards pre-paid Electricity & Water sales? | | |
| 49 | Does the system make provision to warn the cashier before finalizing any transaction? | | |
| 50 | Does the system provide for integration of historical data? | | |
| 51 | Is a list of current system users with full contact details supplied? | | |
| 52 | Was an assessment of current infrastructure done and an optimum solution recommendation attached? | | |
| 53 | Is the system TCP/IP compliant and be able to operate real-time over Ethernet on a LAN/WAN/SDWAN/GPRS/LTE/EDGE/HSDPA/ADSL/DIGINET environment as available in certain areas? | | |
| 54 | Does the system support vending stations run on at least Windows 8? | | |
| 55 | Are all communications between client and server secured by mutually authenticated SSL certificates? | | |
| 56 | Is provision made for periodic data synchronization with an off-line database in the municipal environment? | | |
| 57 | Does the system support the latest version of the standard Microsoft Edge and always keep up with updates by Microsoft? | | |
| 58 | Does the system function under low-bandwidth requirements with minimum packet size? Please specify the bandwidth. | | |
| 59 | Does the system cater for a Monthly indigent update from file | | |
| 60 | Is there an aggregator support letter attached? | | |
| 61 | Is a policy regarding overcharging by vendors included | | |
| 62 | Is an ISO 8583:2003 certificate provided in the name of the bidder? | | |
| 63 | SMART Meter Solution should be operational and support is provided on a 24x7x365 basis? | | |
| 64 | Is a broad-based third-party vending footprint provided to municipalities including major retail, major banks, informal sector and web vendors? | | |

| No. | Question | Yes/ No | Comments |
|--|--|------------|----------|
| 65 | The tenderer must have a track record of at least two (2) years' experience for revenue protection field services in a municipal environment and may be required to demonstrate their solution and need to provide proof of the infield tools used for these services. | | |
| 66 | The tenderer must have provided similar services to at least 3 other municipalities (proof must be provided). | | |
| 67 | SARPA registration must be provided. | | |
| The tenderer must attach all supporting documents and will be subjected to a technical evaluation during a practical demonstration of the proposed system. | | | |
| TOTAL SCORE OBTAINED | | | |

Further to the above table bidders who obtain 54 and above will be evaluated on the functionality as per the below table. Responsive bids are expected to obtain 70/100. All non-responsive bids will not be evaluated further on the next stage which will be pricing.

FUNCTIONALITY

| Criteria | Guidelines | Points out of 100 |
|---------------------------------------|--|--------------------------|
| Experience | A minimum of three (3) signed contactable reference letters on the client's letterhead of similar projects, which must include in them scope, period, and contacts. > 5 or more letters = 15 Points > 3-4 letters = 10 Points >1-2 letters = 5 Points. | 15 |
| Payment Channels using Mobile Devices | Provide Digital Payment Channels on Mobile Devices using; > Company developed mobile application (all mobile stores)10 > WhatsApp Purchase of Electricity = 5 Points >Internet Online Banking and Bank Online App=10 > Web Portal = 5 Points > No Digital payment Channel = 0 | 30 |
| Data Security & PCI Compliance | Provide Proof of Data Security Certificate. > PCI DSS v3.2 = 15 Points | 15 |
| Support Services | Provide support strategy services that would ensure continuous service delivery 24/7. >Technical team = 5 Points >Call center team = 5 Points | 10 |
| Capability | Provide proof of online reporting. >Sales report and Exception failed report = 2.5 points. > STS Certificate = 2.5 points. >TID Capability Vending = 2.5 points > Integration with municipal Financial System = 2.5 points. | 10 |
| Project plan and methodology | Project plan and methodology for the maintenance and service of a turnkey electricity Prepaid online vending and payment system which includes: Project Plan = 5 Points contingency plans = 2 Points Risk Management =3 Points | 10 |
| Other requirements | <ul style="list-style-type: none"> • Proof of agreement for third party vending with the companies or retail stores. More than 5 party vending 10 Points 3-4 party vending 5 Points 2 or less party vending 1 Points 0 party vending 0 Points | 10 |
| | TOTAL | 100 |

All bidders who are considered to be responsive will be further evaluated on pricing, in which the municipality will use the commission percentage quoted in the pricing section.

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C3.1: DESCRIPTION OF THE WORKS

3.1.1 OBJECTIVE

Emalahleni Local Municipality hereby invites proposals for a pre-paid vending system / solution that will be fully integrated with the Emalahleni Local Municipality existing financial system (Munsoft). The period of appointment will be thirty-six (36) months

3.1.2 BACKGROUND

In applying the scope of work, it is expected of the service provider(s) to render services that commensurate with the highest expectations of professionals in the industry and to ensure that all legislative requirements are met.

It will also be required of the service provider to report back at project management team meetings and to contribute to reports on the process, progress and outcomes to the relevant officials and/or committees if need be.

It will be required of the service provider to prepare a detailed phased project program for the project within 2 weeks of appointment. This must include system testing and user acceptance. The Service Providers are required to acknowledge the dynamics of proper planning for the practical completion of the project.

The following is a summary of Services required by Emalahleni in terms of this tender:

- Provide a complete fully integrated Web-Based solution that includes hosting, all devices and relevant staff for operating each Point of Sale.
- Provide a vending solution incorporating vending of approved tariff amounts only.
- Provide a system that is easily integrated with the third-party vendors who will provide the point of sales to pre-paid customers in various outlets such as retail shops, petrol stations, banks, internet and other merchants.
- Provide a Service whereby customers are able to purchase Electricity on all online platforms e.g. AVM, Internet, Cell Phones or mobile application (smartphones).
- Provide Debt Collection functionality.
- Provide detailed standard reporting on all transactions.

Definitions

In this tender, unless clearly inconsistent with or otherwise indicated by the context, the definitions are as defined in the General Conditions of Contract, in the tender document and the Special Conditions of Contract

If any provision in the definition clause is a substantive provision conferring rights or imposing obligations on a Party, then notwithstanding that such provision is contained in this clause, effect shall be given thereto as if such provision were a substantive provision in the body of the agreement.

When any number of days is prescribed in this tender, same shall be reckoned exclusively of the first and inclusively of the last day.

The following words and expressions shall have the meanings hereunder assigned them and cognate words and expressions will have their corresponding meanings, unless the context indicates to the contrary.

"Aggregator" means a business that has a joint venture or part of a partnership with or an intermediary of the Service Provider for the purpose of selling electricity prepaid tokens on the Service Providers' behalf

"AVM" means Automatic Vending Machine

"Banking Report" means a report that must be drawn by the Service Provider Manager at the end of each day, which contains all shift batches together with its values and operator names for revenue collected by the Service Provider for that day. This report will reflect the amount that the Service Provider must bank overnight.

"Cash" means, but not limited to, money, cheques, credit card, debit card or any other form of legal payment, however transmitted

"Emalahleni" means MUNICIPALITY,

"Emalahleni' s Nominated Bank Account/s" means the bank account/s into which the Service Provider must transfer Emalahleni' s revenue

"Emalahleni' s Nominated Reference Number" means the multiple digit reference number provided by Emalahleni which the Service Provider must use when transferring/depositing revenue Into Emalahleni' s nominated bank account

"Collector(s)" means the various legal entities appointed by the Service Provider to sell and dispense tokens on behalf of the Service Provider which incorporates Third Party Payments

"Confidential" means an addition to the definition set out in the latest edition of the Oxford English Dictionary, and without prejudice to the generality of the expression, all information of any nature whatsoever disclosed by the parties hereto to each other, their legal counsel, agents, associates or representatives and relating to the Service Provider and Emalahleni whether orally, in writing or in software format, In relation to the business of

the Service Provider and Emalahleni all information relating to the Vending System, the software, trademarks, logos and all intellectual property rights relating thereto All Customer data remains the property of Emalahleni. Customer data of Emalahleni are not to be utilized for the Service Provider's gain and is to be treated with strict confidentiality

"Day" means any day other than a Sunday or a Public Holiday as designated by legislation in the Republic of South Africa

"FBE" means free Basic electricity for all customers purchasing less than the pre-determined amount units per calendar month

"ICT&S" means Information Technology Centre & Systems

"KWh" means kilowatt-hour unit of energy sold or consumed

"Life Line Tariff" means Free Basic Electricity tariff and this relates to customers that are placed on this tariff because they are registered Indigent consumers, in terms of the Indigent Support Policy

"MFMA" means the provisions of the Local Government: Municipal Finance Management Act 56 of 2003

OVS means the Online Vending System, where all vending and reconciliation takes place and where all customers, transactions and shift data are stored

"Payment(s)" means any payments made using the including Electricity prepaid tokens

"PCI DSS" means the Payment Card Industry (PCI) Data Security Standard. PCI DSS is the global data security standard adopted by the payment card brands for all entities that process, store or transmit cardholder data and/or sensitive authentication data. It consists of steps that mirror security best practices

"Point of Sale Collector Agreement" into by and between the Services Means the Agreement entered Providers its Collector(s) and regulating the use and implementation of the Point of Sale System

"Point of Sale System" means the Service Provider's ITC&S hardware and software which electronically links to the OVS and which enables their Collectors to sell and dispense Electricity prepaid tokens, and accept account payments related to any other municipal charge which Includes traffic fines.

"POS" means a manned point of sae outlet that sells and dispenses Electricity prepaid tokens

"Refund" means an amount claimed by the Service Provider in respect of the Incorrect Issue of a valid coupon, (not handed to the customer) generated by the POS, and paid in advance to balance the subsequent shortfall against the total daily income recorded on the system

"Revenue" means Cash collected by the Service Provider from Electricity prepaid customers Purchasing Electricity All revenue collected must be transferred/ deposited Into Emalahleni' s nominated banking account as indicated in this tender specification

"Cash Management Section" means a section Within Emalahleni' s Finance Directorate

"Service Provider "means the legal entity/s appointed by Emalahleni to operate and manage Electricity prepaid vending channels on behalf of Emalahleni in terms of the tender conditions and requirement

"SMS" means Short Message Service

"3DS v2.0" means 3D Secure 2.0 which is an authentication protocol that aims to reduce fraud and enhance security in online card payments with additional support for authentication in mobile apps and devices.

"Token" means a computer-generated meter specific token displaying the transaction and a multiple digit number (currently 20 digits) with the customer keys into his/her meter

"Transaction Data" means all the data held on the OVS of Emalahleni which reflects all the transactions carried out by the Service Provider's Collectors

"Transfer" means the transfer of funds from the end customer, via an online payment gateway where Emalahleni is already a pre-defined beneficiary, Into Emalahleni' s Nominated Bank Account also known as "EFT" (Electronic Funds Transfer)

"WAP" means Wireless Application Protocol

"Communication link" means the electronic method of transfer of informant on between the Prepaid vending system and the vending point

"Hardware" means the Prepaid vending equipment, including the server

"Installation" means installing, configuring, linking of the Prepaid vending system to all vending points

"Integration" means real-time electronic transfer of data between pre-payment vending system, the financial system and any other applicable systems

"Management" means ensuring that the Prepaid vending system is fully operational 24-hours per day, 365 days per year

"Real-time Online" means we reflection of transactions

"Replication" means duplication of live transactions to a data store

"Server" means Hardware that runs the Prepaid vending system

"Services" means Services required as detailed in part 3, section B hereunder

"**Software**" means Prepaid vending and related applications

"**Supply**" means provide a Prepaid vending system with all related components

"**TID**" means token identifier

"**Vending System**" means the Electricity Prepaid vending system, Including all hardware and software

4. **Descriptions**

The scope of the contract as detailed in this specification is as follows:

2.1 The revenue management system installation, training and commissioning of the most optimal vending solution for Electricity STS meters, including billing system integration and distributed 3rd party 24-hour vending.

2.2 The successful tenderer will also provide a Revenue Protection service to eliminate the loss of revenue a result of prepaid meter failure, tampering and / or bypassing.

2.3 Stand-by and technical support required as detailed in this document.

2.4 The proposed system must integrate with the municipality's financial and other systems.

2.5 The system must cater for multiple base date functionality in the security module.

2.6 The system must support STS Edition 2 and provide a mechanism for a phased rollout key change token to support the date change over for the management of the RID rollover process. This must include automated RID rollover per region, zone, tariff and individual account at the minimum.

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5. References

The proposed solution must be compliant with SABS 1524, the STS Specifications and SABS IEC 1036. The following standards contain provisions which through reference in the SABS 1524 constitute provisions of this specification.

| | |
|---------------------------|---|
| SABS 1524-1:1994 | Single-phase electricity dispensing systems, Part 1: Electricity Dispensers. |
| SABS IEC 1036:1990 | Alternating-current static Watt-hour meters. |
| NRS 009-4-2:1994 | National electricity meter cards and associated numbering standards section two national electricity meter number. (Replacing MCI57). |
| MC 115 | National electricity meter card specification for ED's (will be replaced by an NRS spec in future) |
| IEC 62055-41/51/52 | Standard transfer specification edition 2, STS600-8-6 |
| ESKOM XMLVend 2.1 | Eskom's specification for standardization of vending client/server protocols |
| NRS 009-1:1994 | Electricity Sales Systems Part 1: Glossary system overview. Preferred requirements for applications in the electricity and Electricity supply industry. |

3.1.3 CURRENT SYSTEM CONFIGURATION

The Prepaid system currently utilised by Emalahleni is configured as follows:
MUNICIPALITY IS operating a Real-time Online Prepaid vending system

- The server is provided by the Municipality.
- The system Issues free Electricity tokens related to indigent customers.
- The system allows third party vending, such as cellular phone, Internet banking, Automated Teller Machines (ATM) and WhatsApp platform.
- The vending machines at private vendors are linked to the main server via a network.
- All transactions on arrears collection the Electricity Prepaid system are transferred daily to Emalahleni financial system.
- The system interfaces with Emalahleni' s financial systems.

The current system is utilised to vend Electricity, issue free Electricity tokens to registered indigent customers and provides Debt Collection Functionally

3.1.4 SCOPE OF WORK

MUNICIPALITY calls for the Services of qualified and experienced Electricity Prepaid Service Provider to provide the following services:

- i. Providing Online Electricity Vending System
 - a. Supply, installation, and management of a Prepaid Electricity system.
 - b. Support and maintenance of all software for vending purposes.
 - c. Supply, support and maintenance of the Prepaid Electricity vending system.
- ii. Providing Third-Party Electricity Vending Services
- iii. Providing Revenue Enhancement and TID Management.

Only a Services Provider that can demonstrate successful applications of the Services via existing business operations and an existing vending Service footprint will be considered.

The appointed Service Provider must ensure that their system complies with the requirements of Municipal Standard Chart of Accounts (MSCOA) and any other legislation that is applicable to local government

3.1.5 SYSTEM REQUIREMENTS

3.1 In assessing the hardware, software, network infrastructure availability and requirements at each of the current vending offices, the tenderer shall keep in mind the system configuration required by the Municipality and utilize the current infrastructure belonging to the Municipality. It remains the responsibility of the tenderer to ensure compliance to the tenderer's minimum requirements.

3.2 The vending system must be TCP/IP compliant and functional over Ethernet on a LAN/WAN environment. WIFI, GPRS, ADSL and Diginet lines must also be accommodated.

3.3 The vending solution offered by the tenderer must be capable of managing and vending to Electricity STS meters from a common platform and user interface. A single consumer record must have the capacity to have electricity meters linked to it.

3.4 Assurance of business continuity in the event of a catastrophic systems and / or communications system breakdown in the Municipal environment must be provided. A description of associated redundancies built into the offered solution must also be provided

3.5 The system should have the capacity provide for a monthly update of a local database copy in the Municipality premises if and when required.

4 PHYSICAL LOCATION OF SERVERS AND WORKSTATIONS

The configuration envisaged by the municipality is one where the management and vending server(s) will be located on-site in a high availability environment with redundant power and connectivity. Full disaster recovery and business continuity will be provided for.

Vending workstations (credit dispensing units) will be required at each of the vending offices. The system must not be limited to existing workstations and locations. The tenderer is required to evaluate the existing hardware at each of the current offices and make an optimum solution recommendation to the municipality.

The tenderer shall not focus on provisioning of computer hardware since the Municipality will use existing infrastructure where possible. For this reason, it is also imperative that tenderers should be quite clear on where the Municipality's hardware and/or networks lack the capability and/or capacity to function properly with the system proposed by the tenderer and the tenderer should indicate the cost of additional or replacement infrastructure.

5 SYSTEM CAPACITY

The system shall be designed to ultimately accommodate a **minimum** of 200 000 consumers/meters. The system shall have the capacity to retain a five (5) year transaction history (estimated 80 million transactions) in the live database and older transactions in an archive database. Any system limitations shall be indicated by the tenderer.

6 SYSTEM CONFIGURATION AND PERFORMANCE

6.1 The system proposed by the tenderer should at least make sure that:

Servers optimization is proposed and the following functionality are on load balancing:

- Database functions
- Management applications
- Transactions
- Encryption / Security

The vending solution should be designed to use a relational database and run as a client server application on a LAN or a WAN. It should be able to run under the Windows Server and at least Windows operating systems. The network protocols shall be TCP/IP and be able to operate real-time over GPRS/LTE/EDGE/HSDPA/GPRS/SDWAN/ADSL/Diginet as available in certain areas in the on-line mode.

6.2 The system shall be a single database solution which from which both management functions and vending take place for all meter and utility types. All updates to customer data must be immediately available at vending terminals and all transactions made at all sales outlets must be immediately available for reporting on.

6.3 The vending terminal solution shall be web based or a web application which automatically updates from the host server should updates be posted. Security and data encryption will be provided by mutually authenticated SSL between the vending terminal and the server.

6.4 The vending system will provide a web-based interface to allow for management functionality and reporting over the Municipal Intranet and internet. Connections will be secured by mutually authenticated SSL between the management terminals and the web server. The standard Microsoft Internet Explorer will be used for this. The system must ensure that the program supports the latest version of Microsoft Edge or any reputable browser and always keep up with updates by Microsoft. The currently deployed version of Microsoft Edge.

6.5 The vending system shall cater for integration with the systems and/or applications in use. The municipality uses Munsoft as the financial system. The nature of the integration catered for must include periodic bulk export / import of arrears balances / collections to / from the billing system. The service provider must

indicate their approach to the requirements of mSCOA with respect to data exchange between systems.

- 6.6 A detailed graphical drawing depicting the proposed network and system layout must be drafted to clarify and indicate solution functionality. Should changes be required, full specifications and pricing must be provided.
- 6.7 The solution shall be able to function on low-bandwidth requirement between remote vending points (credit dispensing units) and the central prepaid system (system master station) and optimized to run over networks (such as GPRS), with the maximum packet size being minimal and clearly indicated. GPRS/SDWAN/ADSL/DIGINET connection points should be created on the Municipal infrastructure to directly serve transactions on this type of networks
- 6.8 In order to simplify the third-party integration, process the system will comply with Eskom XMLVend 2.1 (or later). It would be preferred that the system is native XML i.e. that there is no translation interface between the system and an XML client and that all client/server interfaces are based on the XML standard.
- 6.9 The system should cater for integration to vending mechanisms through third party vendors such as automatic cash handling machines, self-service terminals and other third-party vending networks by providing an API specification to the alternate provider. The tenderer shall assist with integration testing.

7 SYSTEM OPERATIONAL REQUIREMENTS

7.1 GENERAL

The administrator(s) must have the option to link directly into the server from their offices for e.g. management, reports, etc. Maintenance staff must have the option to link into the system over a 3/4G data connection from remote locations to perform customer maintenance functions.

All licenses required must be clearly defined and a list provided with license cost. All limitations must clearly be indicated.

All current data on the current vending systems used by the municipality must be catered for on the supposed vending system. The last 3 years data must be migrated into the supposed vending system from the current vending system.

7.2 SOFTWARE

The vending system should be able to use/support the Windows 10, or earlier software/operating systems

7.3 SECURITY

The vending system interconnections shall be secured with mutually authenticated SSL certificates. The tenderer must describe the process of issue and management of these certificates. Passwords must be defined and configured in line with the municipal password policy requirements in terms of complexity and expiry. An optional One Time Pin for system administrators must be provided for.

The security management shall include the following:

- a) Group right definition
- b) Entry of system users and allocation of group rights
- c) System administrator rights
- d) Customer portal to view transactional history and messages.

7.4 ACCESS

It must be possible to allocate access rights into the system into users and user groups. Access rights allocations shall be transferred during the data migration process and distributed throughout the system. The vending system must allow

for activation of password ageing functionality. If this function is activated, the password of the particular user shall comply with the municipal password policy.

Early password expiry warnings must be available. In addition, a concurrent log-in limit for log-in attempts is also required. User IDs not used or disabled permanently must not be able to be removed from transaction history data. A full audit trail on user IDs and movement must be kept. Access rights must be configured by the Municipal officials after the initial system setup.

7.5 mSCOA (municipal Standard Chart of Accounts)

The service provider must indicate their approach to the requirements of mSCOA with respect to data exchange between systems. The service provider must provide proof of at least one on-line integration with a billing system where arrears balances are updated, and transactions (**arrear collections transactions**) are posted to the billing system real-time.

7.6 MANAGEMENT CENTRE

The successful bidder to provide personnel that shall be part of the vending system process. The vending system must have capability to integrate with the financial system central database and produce management reports. The successful bidder must manage the administrative data during the project phases including accounts, tariffs, meter and customer data. The following tasks should be performed:

- a) Customer data migration in relation to debtor profile (no data should be left behind on the current pre-paid system)
- b) Meter database management
- c) Uploading of new meters

The following monitoring services should be available on the proposed system

- i. Control of all vending terminal operations
- ii. Control and banking of cash collected through the pre-paid system
- iii. Online viewing of all vending terminals

The system's meter management should have the following capabilities:

- a) Have an indicator on scrapped meters
- b) Show all installed metes
- c) Show all removed meters

7.7 ENGINEERING

The system must make provision for the generation of all STS engineering vouchers directly from the management terminal and these vouchers can be printed, viewed (without printing) or sent via SMS.

An Android smart phone-based Engineering application may be provided (**this will be an added advantage**). The application must allow for issuing of engineering tokens and for field meter replacements with an audit trail including GPS coordinates.

7.8 REPLACEMENT TOKENS

The vending system should be able to issue the replacement token.

7.9 KEY MANAGEMENT

The vending system must support the upload of key management files (KMF) into the system database to configure and connect encryption devices, for STS encryption algorithms. This can be used to load details of new area keys into the encryption device.

STS certification is required, in the name of the bidding company, to a minimum of STS Edition2: IEC62055-41 Ed3, including Electricity units and currency vending and Key Management and Engineering tokens, conforming to a minimum of Edition 1.9 of the STS standards. Security modules in use must be the Prism STS-6 type module.

7.10 VENDOR CREDIT MANAGEMENT

The vending system should allow a limit for the amount of credit that any individual terminal or group of terminals in the system can issue without re-authorization. This amount can be defined per terminal.

The credit update of a terminal must be done by a supervisor updating the credit limit via the management interface. All updates will be recorded; the records will include the previous credit balance and the user identity, the date and time of the update and a reference field with free text entry. The update will automatically print for audit purposes. Electricity token limits will be set at

terminal group level. These limits may be exceeded by operators with the input of a password to confirm the transaction value.

7.11 ARREARS

The vending system offered by tenderer shall make it possible for the municipality to deduct arrears from moneys tendered by consumers to purchase pre-paid electricity and / or Electricity. The vending system must be able to define within the applicable arrears scheme and/or credit control policy of the municipality different arrears recovery categories/indexes. Within each category/index, the system shall allow for various recovery alternatives. This must be included and enforced in all Electricity dispensing strategies and/or systems, inclusive of third-party vending systems.

The system shall allow for at least:

- a) Sliding scale percentage of transaction recovery
- b) Availability charge recovery on a monthly or daily basis
- c) Blocking and unblocking meters manually or electronically
- d) Transferring arrears information from the financial system into the prepaid system

7.12 MESSAGES

The vending system should allow the utility to define voucher messages that are printed at the bottom of the printed voucher. The municipality must have the option to change the messages according to requirements. Where possible the system should have the ability to send short message service SMS or e-mail.

7.13 REGISTRATION

The vending system must be able to track any historical connections between the meter, point of connection and the consumer.

7.14 VENDING

Vending to a consumer shall only be possible when a point of connection and meter are linked to the consumer and a tariff has been selected. Should the information on the database differs from the information on the meter card, no token must be generated.

Free Basic Electricity must be issued to identified indigents based on the Municipalities Indigent policy. The indigent register is updated monthly

and the system must accommodate these updates monthly or as requested.

Additionally, a USSD based service request must be available for the customers to request their tokens from their mobile phones.

7.15 SEARCH AND FILTER

The vending system should support full search for the following items in registration:

- 7.15.1 Consumer surname, first names, ID number, postal address details, comments, blocking codes, account number, point of connection, meter serial number, meter number, ward number, ERF numbers, street number etc.
- 7.15.2 All of these searches can be incremental searches or full word searches. Once the search criteria are entered, the system must display the first record matching the search condition or the closest field at any one time for the search.

7.16 REPORTS

The vending system should support a set of standard reports and the capability to customize and / or create new Reports. The tenderer undertakes to add or alter reports according to the needs of the Municipality for at least the first six months free of charge.

Printer selection and formatting according to operating system availability must be supported. Exporting of all reports to at least Excel, csv, txt or PDF must be supported. The front-end screen of each report must include filters such as dates, areas, ward number, tariffs, debtor type, surname, ERF number, meter number, street names etc. filters must be defined in terms of data entry.

It should be noted that a Month Management Report is a mandatory requirement and samples of this must be submitted with the tender.

The standard reports required should include:

- 7.16.1 Standard operator reports
 - a) Operator actions between dates grouped by date
 - b) List of all users registered on the system
 - c) List of all the user's groups and their functions
 - d) List of all the groups and their respective functions

7.16.2

Standard consumer reports

- a) Number of consumers registered by town between dates
- b) List of POC'S grouped by system area code
- c) List of all STS meters registered on the system
- d) List of towns registered on the system
- e) List of disconnected meters by POC between dates
- f) List of disconnected meters by disconnect reason between dates
- g) Consumer information for POC'S
- h) Total new connections per town
- i) Total installed meters per town
- j) Meter replacements per town
- k) All consumers in alphabetic order

7.16.3 Standard transaction reports

- a) List of transactions grouped by date between dates
- b) Sum of transactions grouped by transaction type and tariff
- c) List of credit and debit card transactions between dates
- d) Total Electricity bought between dates by consumer
- e) Free issues between dates per meter
- f) Low purchases and zero sales report of Electricity over a specified period
- g) Total Electricity bought in the last 30 and 90 days
- h) Breakdown of consumer's purchase times between dates
- i) Summary of all end of shifts for a user between dates
- j) All transactions for a meter between custom dates
- k) Report of credit amount used against physical balancing transactions
- l) Arrears owed by consumer
- m) Daily cash reconciliation report:
Detail and summary of daily and monthly reports with custom capability dates,
Showing meter numbers, date and time of purchase, amount, vat, amount excluding vat, receipt number, collection amount, free basic services amount, kwh, etc (but not limited to the above)
- n) Low consumption and zero sales report
- o) Indigent high purchase report
- p) All transactions for the account between dates
- q) Total sales by town or wards
- r) Total sales by operator or point of sale
- s) All transactions for one shift on one user
- t) Shift details for one user
- u) IBT customer purchase breakdown with graph
- v) IBT month sales analysis by Tariff Class

7.16.4 Engineering Reports

- a) Current power limit for a meter
- b) Current power limit for all meters
- c) Audit trail on Amperage changes
- d) Reports in the vending system must be able to be previewed before printing.

7.17 TARIFFS

The vending system must support the use of vending based tariffs. The system must cater for pre-defined tariffs by date to be created in advance. Tariff structure of current vending systems must be accommodated.

Meter Tariff Index and Customer Tariff Class must not be linked in the system in order to avoid key changes when tariffs are changed, for instance from an Indigent to Domestic tariff.

Inclining Block Tariff (IBT) should be supported as well as any other tariff structure as defined by NERSA.

7.18 VAT

The vending system shall support the use of vending based VAT where the VAT is calculated at the time of vending.

7.19 VENDING AMOUNTS

For each workstation in a vending system, a list of predefined typical purchase amounts must be able to be setup individually.

7.20 TID ROLLOVER

As part of the contract the service provider shall be responsible for the continuation of implementation the TID rollover process commencing on commissioning of the new Vending System. The process is at almost 60% to completion, however the service provider should be able to assist the municipality with the process going forward.

The base date update on each STS meter shall be undertaken by physically entering the tokens into the meter while auditing the meter installation at the same time.

7.21 THIRD PARTY VENDING

The service provider must be integrated with third party vending providers in order to provision the Municipality with a broad-based third-party footprint to sell prepaid Electricity locally and nationally.

The footprint must include retail chain stores, banks, petrol stations web-based sales using credit card and/or EFT, and non-retail vendors. The service provider must indicate the process and cost, if any, of deploying

additional footprint with non-retail (informal) vendors to areas where there is deemed to be insufficient coverage.

The service provider should indicate the policy and process that they use to deal with non-retail (informal) vendors that are over-charging customers.

The service provider must describe in detail their remittance process where monies collected are paid across to the municipality. This must include payment schedules and administration requirements if any.

A list of vending sites or proposed vending sites, retail stores and banks that will be made available must be provided. Only one level of aggregation is allowed; no sub-aggregators shall be enabled in order to control the vending footprint effectively.

SCOPE OF PAYMENT SERVICES THROUGH MUNICIPAL CASHIERS AND THIRD-PARTY VENDORS.

Third party vendors appointed by the Service Provider shall collect the revenue sales from their merchants for tokens sold and shall pay the money directly into the municipality's bank account by using EFT on every banking day.

The third-party vendors shall on *daily basis deposit the difference between the total sales value of tokens (Rand Value) and the Commission*, calculated using a straight-line method. The commission will be applied against the total sum of value transactions excluding Free Basic tokens so distributed at any given time. Bank charges are for the account of the customer.

The commission is said to include the VAT as defined by the Act.

Third party vendors shall furnish the municipality on daily basis, with the daily transaction sales reports for reconciliation purposes.

The service provider holds full liability/responsibility/accountability on any differences between the sales report received from the third-party vendors and the money paid to the Municipality

7.22 REVENUE PROTECTION

The proposed system should assist the municipality with revenue protect and have the capability to do the following:

- a) Irregular transactions indicator/s (nil, low, or abnormally high);
- b) Free-format comments field (notes) (maximum 250 characters)
- c) Remote meter tamper notifications (smart meters).
- d) Meters not connecting to the system, possible bypass (smart meters).
- e) The service provider shall perform a sweep audit of all installed meters at least once per year for the duration of the contract. (cost to be provided by the bidder separately within the tender document)
- f) Alternate audits may be required for meters suspected of tampering based on data and reports from both the vending system and the FMS system.

7.23 TRAINING REQUIRED

The successful bidder shall provide training as follows:

| Department | Training Requirements |
|-------------------------|--------------------------------|
| Cash Management | Operational and Administrative |
| Vendor Training | Operational |
| Debt Management | Operational and Administrative |
| Revenue Protection | Operational and Administrative |
| Electrical Engineering | Administrative and Technical |
| IT System Administrator | System Maintenance |
| IT Technician | System Maintenance |

7.24 DATA OWNERSHIP

All the information on consumers and related info in the databases will remain the property of the municipality at all times and will not be disclosed as a whole or in part to any third party without the express permission of the municipality. Any data archived and warehoused on behalf of the municipality shall be accessible at any time by the municipality or its appointed auditor.

7.25 IMPLEMENTAION AND COMMISSIONING

The tenderer shall be responsible for the conversion of current Municipal system data, static as well as historical transaction as well as all meter related data to the new system of which the cost must be included in the proposal.

GUIDELINES TO RESPONDING TO TECHNICAL SPECIFICATION

| | |
|---|--|
| Given the scope of work and the requirement for an already existing vending Service footprint, Emalahleni will only consider suitably qualified Service Provider with appropriate experience in Electricity prepaid vending in each of the Service's tendered. | |
| | |
| Tenderers must have a fully functional system that only requires some minor development with respect to Emalahleni's vending specification that will allow them to integrate with Emalahleni's financial system. | |
| The Service Provider shall provide the details of security being provided at the vending terminal to ensure that vending is possible only from the authorized vending terminals. | |
| | |
| Have an Electricity Prepaid Vending Service Provider solution that can operate from the commencement date of contract and remain online 24/7/365. | |
| | |
| Operate a dedicated 24hr Call / Fault Centre to Service customer queries. | |
| | |
| Have the ability to dispense FBE tokens and collect municipality account arrears that are loaded on the customer's prepaid account. | |
| | |
| Have the ability to do reprints of previous transactions, even if the original was not issued by the same Merchant: | |
| | <ul style="list-style-type: none"> Request / draw daily reports and generate revenue and management reports if and when required. |
| | <ul style="list-style-type: none"> Be held responsible for any fraudulent transactions on the solution. |
| | <ul style="list-style-type: none"> Be able to report on all activities on their system for audit purposes. |
| | |
| Service Providers. The unique ID must be displayed in the transaction database and must be printed on the customer's Electricity prepaid token. | |
| | |
| <ul style="list-style-type: none"> Identify all payment method types. | |
| <ul style="list-style-type: none"> Complete a transaction (from request to printed token) within fifteen (15) seconds of initiation of the transaction. | |
| <ul style="list-style-type: none"> Be capable of performing multiple vending requests at any given time. | |
| <ul style="list-style-type: none"> Ensure that customers receive an approved Electricity prepaid token that complies with Emalahleni's Electricity token layout. The token layout will be provided to the Service Provider on conclusion of the award. | |

| |
|---|
| <ul style="list-style-type: none"> • Issue tokens that are legible for at least 3 months for the date of purchase, and punching of the tokens into the customer's meter should not be sequential |
| <ul style="list-style-type: none"> • Ensure that the system has the ability to limit the monetary value per transaction, where applicable This amount Will be provided by Emalahleni if so required. |
| <ul style="list-style-type: none"> • Ensure that the Service Provider staff, collectors and Aggregators comply with a code of conduct when dealing With Emalahleni' s Electricity prepaid customers, by acting in the best interest of Emalahleni at all times and ensure that the image of Emalahleni is positively reflected. |
| <ul style="list-style-type: none"> • Have no authority to grant credit or give any undertaking whether express or implied or make any representation on behalf of Emalahleni, except as required for the performance of the provisions of the Service Provider contract. |
| <ul style="list-style-type: none"> • Not disclose any information of a confidential nature to any person relating to or concerning the Service Providers contract except as required for the performance of the provisions of the Service Providers contract |
| <ul style="list-style-type: none"> • Not store or temporarily park any data albeit transactional, customer or any other MUNICIPALITY vending related data without the articulated/ written permission of Emalahleni. |
| |
| <p>Ensure that all Aggregators, Collectors and vendors Sign an Agreement with the Service Provider and provide Emalahleni with all their Collector Agreements.</p> |
| <p>The steps of vending shall be</p> |
| <ul style="list-style-type: none"> • On receipt of the vend request the system shall have a provision to ascertain the identity of the customer the system will then prompt the customer to provide a telephone contact number after which the number will be stored for onward transaction submission to MUNICIPALITY financial system and then the system will proceed to the vending application. |
| <ul style="list-style-type: none"> • The keys to identify the customer shall be the meter serial number. |
| <ul style="list-style-type: none"> • The vend terminal shall send the request to a central database server that shall authenticate the transaction request and generate an encrypted code. |
| <ul style="list-style-type: none"> • In order to provide maximum security to the system, the encryption shall not be done on the vending terminal but only on the central database server. |
| <ul style="list-style-type: none"> • On receipt of each request the vend terminal shall connect to the central database server in order for the encrypted vending code to be generated. |

| |
|---|
| <ul style="list-style-type: none"> • The generated vending code shall be printed by the officially supplied hardware, and/or digitally displayed as in the case of internet or cellular phone vending. |
| <ul style="list-style-type: none"> • The system must perform internet, cellular phone, ATM/AVM Prepaid vending and other applicable external methods, such as through banks, retail outlets, garages, etc |
| <ul style="list-style-type: none"> • The system functionality must include reprints of tokens when required. |
| <ul style="list-style-type: none"> • The system functionality must include a web portal or an application where customers can login to view their purchase history and to purchase tokens from the platform. |
| <ul style="list-style-type: none"> • The system must be smart card compatible with the ability to vend remotely via cellular, internet, ATM and other applicable technologies. |
| |

BIDDERS SELF-COMPLIANCE CHECK SHEET

| Ref no | Question | ELM'S Requirement | Bidder's Response |
|---------------|--|--------------------------|--------------------------|
| | | YES * | YES / NO |
| 1 | Have you initialed all the pages of the bid document? | | |
| 2 | Have you completed and signed the Returnable Schedules required? | | |
| 3 | Have you completed and signed the MBD 4 form - Declaration of Interest? | | |
| 4 | Have you completed and signed the MBD 6.1 form – Preference Points Claim Form in terms of the Preferential Procurement Regulations 2022? | | |
| 5 | Have you completed and signed the MBD 8 – Declaration of bidder's past Supply Chain Management Practices and MBD 9 – Certificate of Independent Bid Determination? | | |
| 6 | Is the Company registered with the Central Supplier Database (CSD) of the National Treasury in terms of the category required in this Specification? Have you submitted a copy of your CSD Report? | | |
| 7 | Do you understand the Scope of Work that includes the Standard Specifications / Project Specifications and Particular Specifications? | | |
| 8 | Have you attached the all relevant Letters/Certificates | | |

.....
Signature

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Date

.....
Position

.....
Name of Bidder

EMALAHLENI LOCAL MUNICIPALITY

**SUPPLY OF PREPAID ELECTRICITY VENDING SERVICES WITH THIRD PARTY
VENDING MANAGEMENT AND REVENUE ENHANCEMENT/TID MANAGEMENT**

TENDER NO: ELM 12/2023

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| APPENDICES |
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APPENDIX A General Conditions of Contract (GCC)