

SAMORKA

Icelandic Energy
and Utilities

TENDER DOCUMENTS SAMORKA 01/2017

***UNDERGROUND POWER CABLES
INVITATION TO TENDER***

September 2017



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1. Tender Conditions and Specifications

1.1 Tender Terms

1.1.1 General Description and Address of Tender Administrator

Samorka, Federation of Icelandic Energy & Waterworks (hereinafter designated as Purchaser), on behalf of at least the following Icelandic power companies listed below (hereinafter designated as Owners) calls for tenders for underground power cables as specified in these Tender Documents for Framework Agreement.

1.1.1.1 Purchaser

The Purchaser's office address is:

Samorka
Borgartún 35
105 Reykjavík
ICELAND

The Purchaser's contact person will be:

Baldur Dýrfjörð
Tel.: 354 591 0055
e-mail: baldur@samorka.is

1.1.1.2 Owners

The Owners names and addresses are:

Name	Address	
RARIK ohf	Dvergshöfða 2	110 Reykjavík
HS Veitur hf	Brekustíg 36	260 Reykjanesbær
Orkubú Vestfjarða ohf	Stakkanesi 1	400 Ísafjörður
Orkuveita Reykjavíkur	Bæjarhálsi 1	110 Reykjavík
Norðurorka hf	Rangárvöllum	603 Akureyri

1.1.1.3 Important Dates & other Details

- EEA tender: Yes
- Procedure: Open
- Inquiry deadline: October 10th, 2017
- Inquiry reply deadline: October 17th, 2017
- Tender submission deadline: October 24th, 2017 at 14:00 local time (GMT)
- Opening of Tenders: Directly after the submission deadline expires
- Place of opening Tenders: Borgartun 35, 105 Reykjavik, Iceland
- The Tenders shall be valid for 30 days after opening day
- Delivery time: See clause 1.2.11
- Terms of delivery: DAP in the "greater Reykjavík area" in Iceland



1.1.2 Tender Documents

This invitation to tender no. **Samorka 01/2017**, containing:

- Tender Conditions and Specifications
- Technical Specifications
- Tender Form – Bill of Quantities

1.1.3 Tender Documents - Further details

Should the Tenderer require further information or clarification regarding the Tender Documents, or should he detect discrepancies that may affect the total sum of the Tender, he shall submit an enquiry in writing to the Purchaser before the dates as described in 1.1.1.

1.1.4 Preparation of Tenders

Tenders shall be presented as stated in the enclosed Tender Form. They shall be dated and signed by the Tenderer. They shall be submitted in closed envelopes marked as:

Samorka
Tender no. Samorka 01/2017
Underground Power Cables

Tenderer's Name: _____

Tenderers should be aware that envelopes with Tenders, which are not marked with the name of the Tenderer, risk that their Tenders will be rejected.

The Purchaser may reject Tenders that are not prepared in accordance with the Tender Form.

Readable Tender Documents are delivered on an electronic PDF format. The Tender Form and the Bill of Quantities are for the convenience of the Tenderer also submitted on writable format, (DOC or/and XLS). The Purchaser is not responsible for these writable files, and Tenderers are advised to check the files thoroughly against the tender PDF-documents. Should a Tenderer detect discrepancy he shall inform the Purchaser.

In the event of calculation errors or discrepancies in a Tender, the unit prices stated in the Tender Form shall prevail, and the errors will be corrected accordingly.

1.1.5 Language

Tenders as well as all required supporting data shall be submitted in English and/or Icelandic.

1.1.6 Alternative Tenders

Alternative Tenders will not be considered.

1.1.7 Submission of Tenders

Tenders are preferred to be submitted to the Purchaser, in a closed envelope, marked with Tenderer's name and address, as well as the name and number of the Tender.

Tenders may also be submitted by e-mail provided (1) that it is done no later than 3 hours prior to the Tenders submission deadline and (2) that all documents supporting the Tender together with a signed Tender Form are attached. If submitted by E-mail, the original documents shall be sent by registered mail prior to the Tender submission deadline early enough to reach the Purchaser's office no later than 24 hours after the Tenders submission deadline.



The Tenderer is responsible for that the Purchaser receives the Tender in due course prior to opening of Tenders.

1.1.8 Documents to support Tenders

The following supporting documents shall be submitted with the Tender:

1.1.8.1 Information regarding the Tenderer and manufacturer

- General information about the Tenderer and manufacturer and their operations.
- Information regarding annual turnover and equity ratio of the Tenderer.
- Information regarding manufacturing and delivery of similar products.
- Reference lists for delivery of similar cables, both for the Tenderer and for the manufacturer.
- Quality System Certificate for the manufacturer.
- Description of the manufacturer's quality assurance system.

1.1.8.2 Information regarding the products

- Technical specifications and dimensional drawings for the offered products.

The Purchaser reserves the right to request additional information, see 1.1.12.

Tenderers are urgently requested to submit the above listed documents together with their Tenders. Non-compliance may result in rejection of Tenders. All submitted information will be treated as confidential.

1.1.9 Quality requirements

A quality management system acceptable to the Purchaser based on ÍST EN ISO 9001:2014 or equivalent shall be applied for the design, manufacturing and testing of the products.

The Tenderer shall present a Quality System Certificate issued by a national certification institute and include in his Tender a description of the system.

1.1.10 Revoking Tenders

Tenderer may revoke a Tender before Tenders are opened provided he submits a request in writing or by other equally verifiable means.

1.1.11 Opening of Tenders - Deadlines

Tenders, together with the required information, shall be submitted to the Purchaser no later than at the time specified for opening Tenders, in compliance with section 1.1.1 where they will be opened in the presence of those Tenderers who may wish to attend. Tenders submitted after the specified time of opening Tenders will not be opened. At the opening of Tenders, Tenderer's name and the Tender Grand Total in ISK will be read aloud.

1.1.12 Further information at later stages

After the Tenders have been evaluated, the Purchaser reserves the right to request the following information from those Tenderers who submitted valid Tenders:

- Audited and certified financial statements, annual or interim.
- A statement issued by Tenderer's bank to the effect that the Tenderer is not in arrears or default.
- Statement to the effect that the Tenderer is not in arrears or default on levies or pension fund obligations.
- Any other information deemed relevant by the Purchaser.

All submitted information will be regarded as confidential.



1.2 General Conditions

1.2.1 The Supply

The Tender comprises low- and medium voltage underground power cables, in accordance with the technical description in chapter 2. The quoted quantity is approximately one year supply of underground cables for the Owners concerned. The Contract shall run for three years and can be prolonged for two more years, one year at a time.

In accordance with this tender, cables shall be provided, as further stated. The cables shall comply with the specifications and the production standards stated in this document.

The quantities specified in Bill of Quantities will be used as a measure for comparing Tenders. The delivery of cables will then be according to issued purchase orders and are to be supplied within the specified date of delivery.

Training regarding handling of cables and preparation for joints and end terminations shall be included in the Tender. The training shall take place in the greater Reykjavik area in the beginning of the Contract time and semiannually after that. All training material and cost shall be included.

All cost of transportation to the site of delivery, as well as all taxes excluding value added tax, shall be included in the Tender price.

1.2.2 Requirements Regarding Tenderer's Qualifications

Tenderer's qualifications will be examined with reference to the data they have submitted together with their Tenders, as well as to other information the Purchaser may require.

A prerequisite for a Tender to be considered is a documented delivery of underground power cables to arctic countries where climate and geological conditions are similar as in Iceland. The Tenderer must furnish a reference list of cables as offered which have been ploughed into the ground. The Purchaser reserves the right to ask for a sample of offered cables.

The Tenderer must also provide proof of his capability and minimum three years experience of delivering orders and providing technical services regarding power cables to power companies from a local warehouse and offices in the "greater Reykjavik area", Iceland.

The Tenders must be confirmative with the Tender Documents.

The Tenderer must provide proof of an annual turnover of at least 700.000.000 ISK and a positive equity ratio for the financial year ending 2016.

1.2.3 Tender acceptance

The Owners reserves the right to accept any Tender or to reject them all. They also reserve the right to reject Tenders, which are not stated on the Tender Form or identical forms. The Tenderer must complete the Bill of Quantities and must submit Bids for all items.

Tenders will be evaluated on basis of the quantity stated in the Bill of Quantities.

1.2.4 Criteria for Award of Contract

Evaluation of Tenders will depend on the following three stages:

- a) Verification that the Tenderer fulfils requirements regarding financial and technical capability, as well as quality.
- b) Verification that the offered products fulfil the requirements of the Tender Documents.
- c) Verification and comparison of Tender prices for all Tenders, including price adjustment methods.



An independent Icelandic consulting engineering firm will be hired to evaluate the above criteria based on submitted data.

1.2.5 Laws and regulations

The prospective parties shall in every respect adhere to the provisions of Icelandic laws and regulations.

1.2.6 Prices and price alterations

The currency of the prices shall be in Icelandic krona (ISK), DAP from the Tenderers warehouse in "the greater Reykjavik area".

The contract price will be based on the quotations for copper and aluminium (in USD/tonne) as per the L.M.E. quotations on the 15th of August 2017 based on "cash seller & settlement" quotation and on the exchange rate stated on the Tender Form.

All prices will be adjusted on 1st day of each month:

- a) In accordance to the quotations of the L.M.E. for copper and aluminium on the 15th of previous month.
- b) In accordance with the mean exchange rate for the offered currency of the previous month as published by Seðlabanki Íslands (The Central Bank of Iceland).

Furthermore, the Tenderers shall submit with their Tender a description of proposed price adjustment method according to the above, as well as additional adjustment to reflect other factors that might have influenced the contract price, if any. The proposed price adjustment method will be taken into account when comparing the Tenders.

The quantities of each item in the Bill of Quantities will be used for comparing the Tenders but will not be basis for payments. The payments will be according to ordered and delivered quantities and unit prices in the Tender. The Purchaser reserves the right to adjust quantity per each cable item as stated in the Bill of Quantities of +/- 30% without affecting the unit prices, provided the total contract value does not alter more than +/- 20%.

1.2.7 Payments

Preferred terms of payment is net 30 days after delivery from stock in Iceland. The Supplier shall issue an invoice for each delivery. The invoice shall detail the delivered quantity of each item and the unit price stated in the Tender.

1.2.8 The Contract

If the Owners decide to accept a Tender, a Letter of Award will be sent out to the successful Tenderer. A Contract will then be made between the Tenderer and the Owners.

The Contract shall be made for the duration of three years, from 01.01.2018 to 31.12.2020, with the option of an extension for up to two years, one year at a time.

1.2.9 Relation during the Term of the Contract

When a contract has been made, each Owners Purchasing Department will be in charge of communication during the Contract term.

1.2.10 Quality control

Delivered products shall comply with the requirements set forth in the Tender Documents.

The Purchaser will investigate that all documentation is in accordance with product specifications. The Supplier shall present valid quality certificates for all products which he intends to use. He shall, furthermore, verify quality when and as specified in the Technical Specifications delivery.



1.2.11 Place and terms of delivery

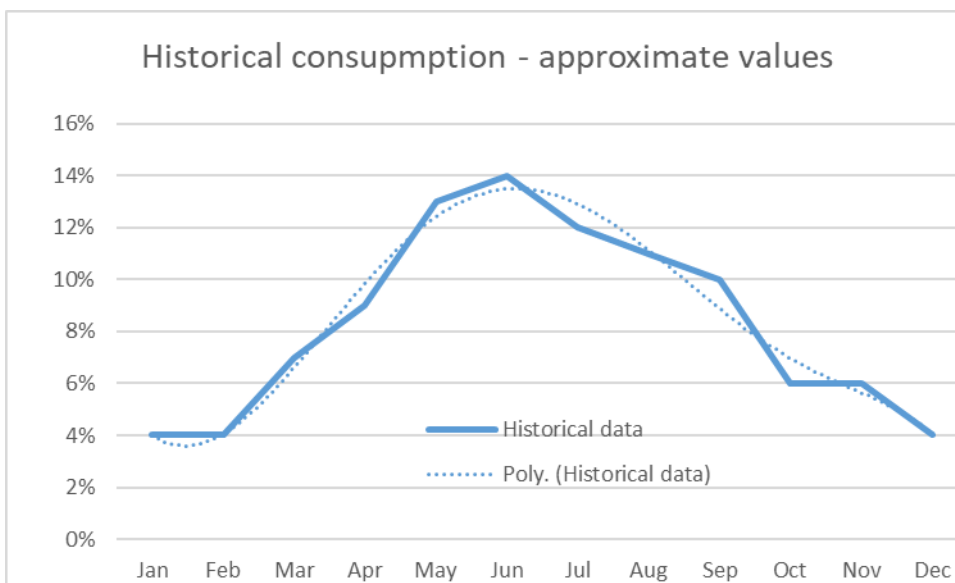
The delivery shall take place from the Supplier's warehouse located in the "greater Reykjavik area". This warehouse shall be considered as "place" with respect to the terms of DAP delivery.

Each Owner will issue several purchase orders each year. Each delivery shall be packed and addressed directly to the relevant Owner. The Supplier may expect a few deliveries within a single month to each owner, but there may also be months with no deliveries. Items to be delivered will be only in whole units (drums).

Each Owner will send an estimate of quantities and timing of orders to the Supplier before end of November for the following year. These estimates are in no way binding for the Owners, they only serve to inform the Supplier to assist him to plan his production and deliveries. Figure 1 below shows historical total consumption during each month of a year, for all the Owners. New estimates will be issued during the year in accordance with updated plans.

It is the Supplier's responsibility to ensure that orders which are made within valid estimates are delivered within 24 hours. Small additional orders shall be delivered within two weeks from time of orders. The longest acceptable time of delivery of other additional orders is approx. four weeks.

Figure 1 Historical consumption during each month of a year



1.2.12 Penalties

Delay of delivery beyond delivery date, for reasons not attributed to the Purchaser, will result in that the Supplier has to pay penalty 1% of value of the delayed items for each week beyond the delivery week. Maximum fine can reach 10% of the contract amount.

1.2.13 Default and Termination

The Supplier shall in every respect fulfill his contractual obligations as stated in the Tender Documents. Should the Supplier default on his obligations then the Purchaser is entitled to suspend payments or seek other legal means to protect his interests.

Should the Purchaser suffer losses due to the Supplier's default, the Supplier shall be fully responsible for compensation in accordance with liability legislation.



In case the Supplier seeks emergency measures or moratorium on debts, is declared insolvent or becomes the subject of an unsuccessful attachment, the Purchaser may cancel the Contract without notice.

In case of repeated or gross negligence on behalf of the Supplier, the Purchaser is entitled to terminate the contract with one month's notice.

1.2.14 Transfer of Rights

The Supplier is not entitled to transfer his rights according to the Contract or to put them up as security for a loan.

1.2.15 Transfer of obligations - Subcontractors

The Supplier may not, without the Purchaser's consent, designate a third party to take over his obligations in part or in full. In case the Supplier engages a subcontractor to carry parts of his duties, he shall notify The Purchaser. His obligations towards the Purchaser will in every respect remain the same as before.

1.2.16 Disputes

Any Dispute arising out of or in connection with the Contract or the carrying out of the provisions there under shall be settled by mutual agreement between the contracting Parties.

Disputes arising out of the project described here shall be settled before the Reykjavik District Court, Iceland. The Contract shall in all respects be governed by and interpreted in accordance with the laws of Iceland and Icelandic law shall govern the procedure of any arbitration.



2. Technical Specifications

The Purchaser reserves the right to inspect goods and/or be presented at the testing of cables.

2.1 Medium voltage underground power cables for 12 and 24 kV

The cables shall have three-core stranded conductors made of aluminium with longitudinal water protection, e.g. water swelling powder. The insulation shall be XLPE (cross linked polyethylene) and conductor screen and insulation screen shall be of extruded semi-conducting compound. The metallic screen shall be a copper wire screen, with cross sections as specified in Table 1 below. Alternatively, screens of aluminium with similar ampacity may be proposed.

An aluminium foil shall be provided for radial water sealing of the cable. The foil shall be glued to the inner layer of the outer sheath.

The outer sheath shall be made of LLD-PE with an outer layer of HD-PE to make it strong enough for ploughing into the ground. However, the cable shall not be too stiff for handling and installing. It shall be easy to prepare the cables for joints and end terminations. The method for preparing the cables for this shall be described, along with the tools necessary for preparing the cable for jointing and terminating.

As described above, the cables shall be watertight both radially (aluminium foil under the outer sheath) and longitudinally (within conductor, e.g. with water swelling powder).

The cables shall comply with the relevant CENELEC and IEC standards, latest publications.

The cables shall be as listed in the following Table 1.

Table 1 Technical specifications for medium voltage cables

	Description	Item	A1	A2	A3	A4	A5	A6	A7	A8	A9
1.	Design voltage	kV	12	12	12	12	12	24	24	24	24
2.	Number of conductors		3	3	3	3	3	3	3	3	3
3.	Conductor cross section and shape	mm ²	25	50	95	150	240	25	50	95	150
			----- circular/stranded -----								
4.	Max temperature of conductor	°C	90	90	90	90	90	90	90	90	90
5.	Conductor material		Hard drawn Al, acc. to EN 60228:2005 class II								
6.	Insulating material		XLPE	XLPE	XLPE	XLPE	XLPE	XLPE	XLPE	XLPE	XLPE
7.	Screen, Cu, minimum cross section	mm ²	16	16	25	25	35	16	25	25	35
8.	Outer sheath		LLDPE + HDPE	LLDPE + HDPE	LLDPE + HDPE	LLDPE + HDPE	LLDPE + HDPE	LLDPE + HDPE	LLDPE + HDPE	LLDPE + HDPE	LLDPE + HDPE
			Shall tolerate direct burying to the ground, as well as ploughing								
9.	Standard		IEC 60502-2:2014								
10.	Outer sheath marking		Printed meter marking from zero on each drum. Type of cable, cross section, voltage, production year, name of manufacturer shall be engraved.								
11.	Drum diameter	m	Approx. 2,4								



2.2 Low voltage underground power cables

The cables shall have four conductors and shall be without a screen. The cables shall be designed to be buried directly into the ground.

The cables shall comply with the relevant CENELEC and IEC standards, latest publications.

The cables shall be as listed in the following Table 2.

Table 2 Technical specifications for low voltage cables

	Description	Item	B1	B2	B3	B4	B5	B6	B7
1.	Design voltage	kV	1	1	1	1	1	1	1
2.	Number of conductors		4	4	4	4	4	4	4
3.	Conductor cross section and shape	mm ²	10 circular /solid	16 -----circular/stranded-----	25 -----circular/stranded-----	50 -----circular/stranded-----	95 ---sector-shaped/ stranded---	150 ---sector-shaped/ stranded---	240 ---sector-shaped/ stranded---
4.	Max temperature of conductor	°C	90	90	90	90	90	90	90
5.	Test voltage, 50 Hz (rms)	kV	3,5	3,5	3,5	3,5	3,5	3,5	3,5
6.	Conductor material		Cu	Cu	Al	Al	Al	Al	Al
7.	Insulating material		XLPE	XLPE	XLPE	XLPE	XLPE	XLPE	XLPE
8.	Screen	mm ²	-----No screen-----						
9.	Outer sheath		LLDPE	LLDPE	LLDPE	LLDPE	LLDPE	LLDPE	LLDPE
			Shall tolerate direct burying to the ground and ploughing						
10.	Standard		HD 603; EN 60228:2005 class II						
11.	Outer sheath marking		Printed meter marking from zero on each drum. Type of cable, cross section, voltage, production year, name of manufacturer shall be engraved						
12.	Colour of conductors		Brown, black, grey and yellow-green						
13.	Drum diameter, approx.	m	1	1,4	1,4	1,4	1,4	1,8	2,2



3. Tender Form

Samorka
Borgartun 35
105 Reykjavík
Iceland

The undersigned

(Name)

(Address)

(Telephone)

(E-mail)

Hereby submits a Tender for underground power cables according to Tender Documents no. **Samorka 01/2017 – “UNDERGROUND POWER CABLES”**.

The Tender is made entirely in accordance with the Tender Documents. I have acquainted myself with all conditions and requirements of the Tender Documents and in accordance with them my offer is:

Grand Total ISK excluding VAT

Exchange rate 14 days prior to opening:

1 _____ = _____ ISK
(Currency)

_____, 2017

(Place)

_____, 2017

(Date)

(Sign)



4. Bill of Quantities

For comparison of Bids, the total quantities are estimated for annual delivery.

Table 3 Bill of Quantities for medium voltage cables

Item	Voltage	Type	Cu kg/100 m	Al kg/100 m	Total [m]	Unit price	Total price
A1	12 kV	3x25 mm ² Al			31.000		
A2	12 kV	3x50 mm ² Al			64.500		
A3	12 kV	3x95 mm ² Al			51.000		
A4	12 kV	3x150 mm ² Al			16.000		
A5	12 kV	3x240 mm ² Al			51.500		
A6	24kV	3x25 mm ² Al			37.000		
A7	24kV	3x50 mm ² Al			14.000		
A8	24kV	3x95 mm ² Al			24.000		
A9	24kV	3x150 mm ² Al			1.000		

Total

Table 4 Bill of Quantities for low voltage cables

Item	Voltage	Type	Cu kg/100 m	Al kg/100 m	Total [m]	Unit price	Total price
B1	1 kV	4x10 mm ² Cu			58.000		
B2	1 kV	4x16 mm ² Cu			6.500		
B3	1kV	4x25 mm ² Al			50.000		
B4	1 kV	4x50 mm ² Al			37.000		
B5	1 kV	4x95 mm ² Al			21.500		
B6	1 kV	4x150 mm ² Al			23.000		
B7	1 kV	4x240 mm ² Al			31.000		

Total



The estimated annual quantities of cables for each Owner are listed in Table 5. The unit of measurement in Table 5 is meters.

Table 5 Quantities for each Owner

	Voltage	Type	Quantity [m]					Total
			RARIK	OV	HS	OR	NO	
A1	12 kV	3x25mm ² Al	28.000	3.000				31.000
A2	12kV	3x50mm ² Al	50.000	10.000	2.000	2.000	500	64.500
A3	12 kV	3x95mm ² Al	48.000		2.000	1.000		51.000
A4	12 kV	3x150mm ² Al	15.000		500		500	16.000
A5	12 kV	3x240mm ² Al	9.000	5.000	10.000	26.000	1.500	51.500
A6	24kV	3x25mm ² Al	36.000	1.000				37.000
A7	24kV	3x50mm ² Al	4.000	10.000				14.000
A8	24kV	3x95mm ² Al	18.000	5.000		1.000		24.000
A9	24kV	3x150mm ² Al	1.000					1.000
Total			209.000	34.000	14.500	30.000	2.500	290.000
B1	1kV	4x10mm ² Cu	3.000	5.000	8.000	40.000	2.000	58.000
B2	1kV	4x16mm ² Cu		1.000	2.500	3.000		6.500
B3	1kV	4x25mm ² Al	37.000	4.000	3.000		6.000	50.000
B4	1kV	4x50mm ² Al	29.000	1.500	500	5.000	1.000	37.000
B5	1kV	4x95mm ² Al	19.000		1.500		1.000	21.500
B6	1kV	4x150mm ² Al	4.000		4.000	5.000	10.000	23.000
B7	1kV	4x240mm ² Al	4.000	1.000	12.000	11.000	3.000	31.000
Total			96.000	12.500	31.500	64.000	23.000	227.000

RARIK – RARIK ohf.

OV - Orkubú Vestfjarða ohf.

HS – HS Veitur hf

OR- Orkuveita Reykjavíkur

NO - Norðurorka